

Bank of America – Merrill Lynch

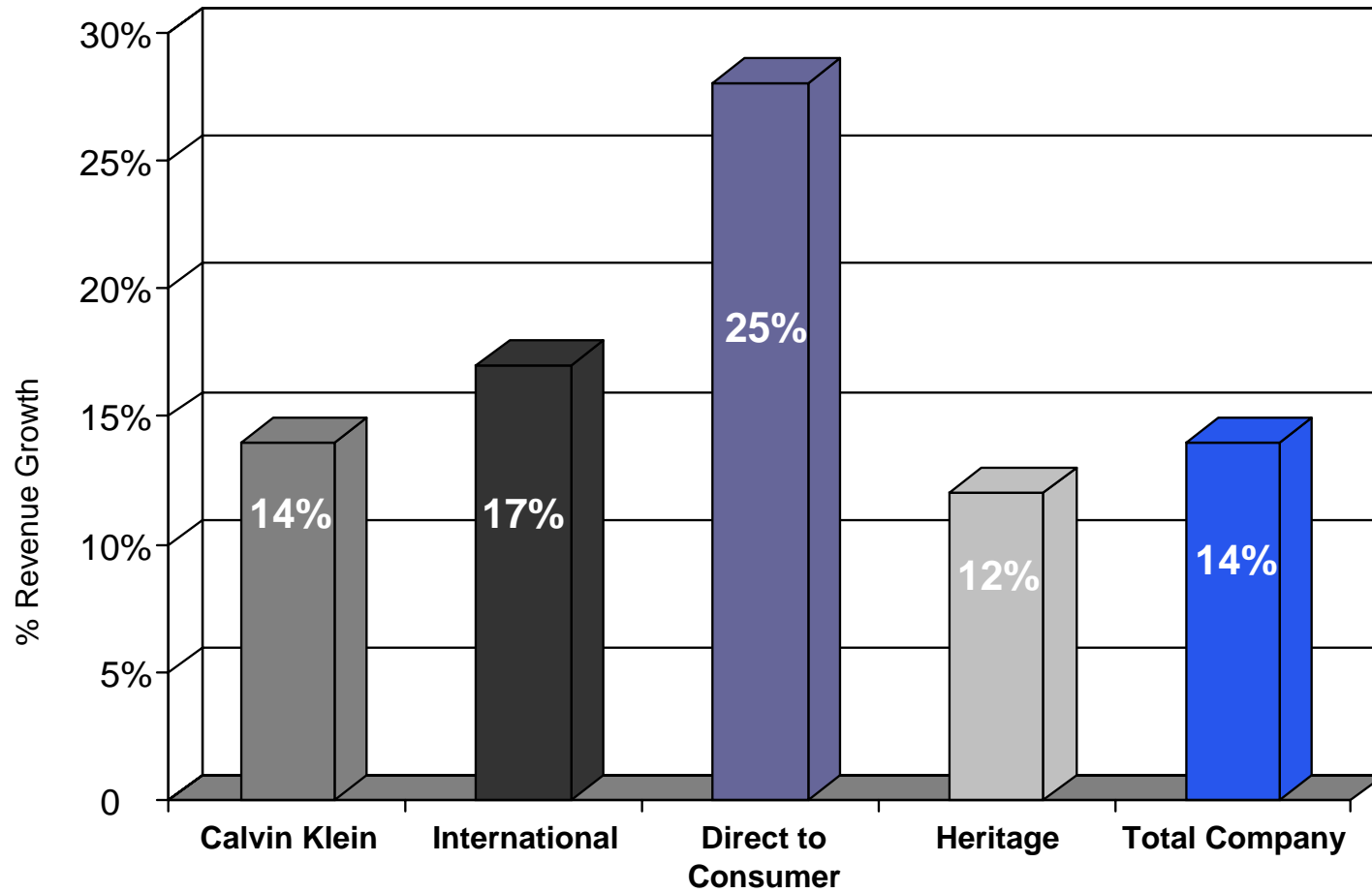


March 9, 2011

Forward Looking Statements

- Certain statements in the following presentation regarding Warnaco's business operations may constitute "forward looking statements" as defined by the Securities and Exchange Commission.
- Such statements are not historical facts, but are predictions about the future which inherently involve risks and uncertainties, and these risks and uncertainties could cause actual results to differ from those contained in the forward looking statements.
- We urge investors to read the descriptions and discussions of these risks that are contained on slide 28 of this presentation as well as in the Company's annual and quarterly SEC filings.

2010 Highlights



2010 Highlights

Adjusted* earnings per diluted share

up 27%

to a record

\$3.57

*Adjusted, Non-GAAP, results exclude restructuring expenses, pension expense, certain acquisition costs and tax related items and other items

Our Company

- A worldwide leader in the apparel business
- Powerful brands
- Established and growing international presence
- Multi-channel distribution platform

Strategy

Maximize profitability and sales by leveraging our business and brands through:

- Growth of Calvin Klein businesses
 - Geographic expansion
 - Direct to consumer initiatives
- Manage heritage businesses for profitability
- Operational excellence

Calvin Klein Worldwide



2010 Net revenues: \$1.7 billion
Y:Y Growth: >14%

Priorities and Opportunities:

- Maximize business opportunities
 - Spring '11 Launch of CK One
- Expand direct-to-consumer initiative
- Pursue further global expansion

CK One



CK One



Calvin Klein Jeans



2010 Net revenues: \$996 million
Y:Y Growth: 14%

Priorities and Opportunities:

- Focus on lifestyle
- Expand direct-to-consumer initiative
- Pursue further global expansion
- Maximize accessory opportunity

Calvin Klein Underwear



2010 Net revenues: \$670 million
Y:Y Growth: 16%

Priorities and Opportunities:

- Expand men’s leadership position
- Continue development of women’s business
- Geographic expansion
- Direct to Consumer Growth
- Marketing investment

International Results

Revenue (in mils)	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>Y:Y Growth</u>	<u>Constant \$ Y:Y Growth</u>
Europe	\$471	\$576	\$552	\$577	5%	9%
Asia	250	319	323	391	21%	16%
Canada	103	115	109	132	20%	11%
Latin America	<u>69</u>	<u>110</u>	<u>119</u>	<u>188</u>	<u>58%</u>	<u>45%</u>
Total International	\$893	\$1,120	\$1,103	\$1,288	17%	15%
% of Total Company	49%	54%	55%	56%		

International Opportunity



2010 Net revenues: \$1.3 billion
Y:Y Growth: 17%

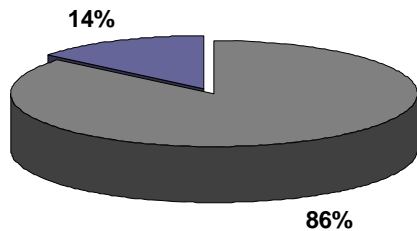
Priorities and Opportunities:

- Expand geographic reach
 - Strategy for new geographies
- Grow direct to consumer network
- Leverage regional and country platforms

Direct to Consumer

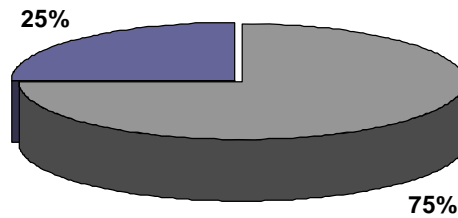


2006



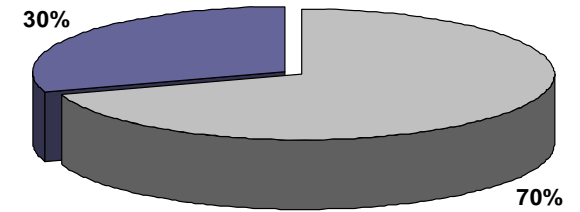
Wholesale Retail

2010



Wholesale Retail

2012E



Wholesale Retail

Direct to Consumer



2010 Net revenues: \$567 million

Y:Y Growth: 25%

- FY10 Comparable Store Sales up 5%
 - FY09 comparable store sales were up 3%
 - QTD FY11 comparable store sales up 11%
- 2010 square footage grew by approximately 30%
 - Ended 2010 with approximately 850,000 square feet
- Ended FY10 with 1360 points of distribution
 - Franchise partners operate over 600 additional points of distribution

Direct to Consumer



- Targeting approximately 150,000 square feet of new retail space in 2011
 - 40% Asia
 - 40% Europe
 - 20% Americas
- Have identified 100,000 square feet to be opened in 2011
- Have the financial strength and desire to replicate the 200,000 square feet added in Fiscal 2010

Store opening - Liverpool



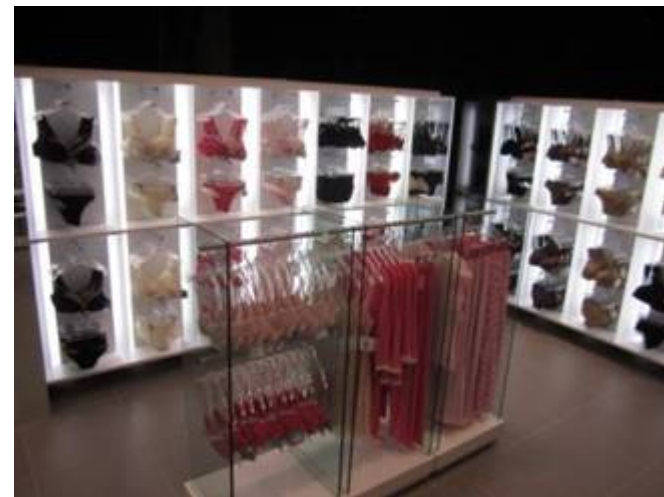
store front



store window



store display



store display

Direct to Consumer - Metrics



- Drive retail revenues toward 30% of total Company
- Performance expectations:
 - Gross margin averages in the mid-60%
 - SG&A averages mid-40%
 - Four wall contribution margin* of ~20% after three years of operation

*Reported operating margin include approximately 5 points for transfer pricing and 4-5 points from shared service expense

Heritage Businesses



2010E Net revenues:

\$599 million

Y:Y Growth:

12%

Heritage is comprised of three businesses : Chaps, Speedo, Warner's & Olga

- All businesses achieving Company threshold for profitability
- Continue to identify revenue growth opportunities
- Pursue further market share gains
- Remain focused on profitability

Financial Strength

As of January 1, 2011

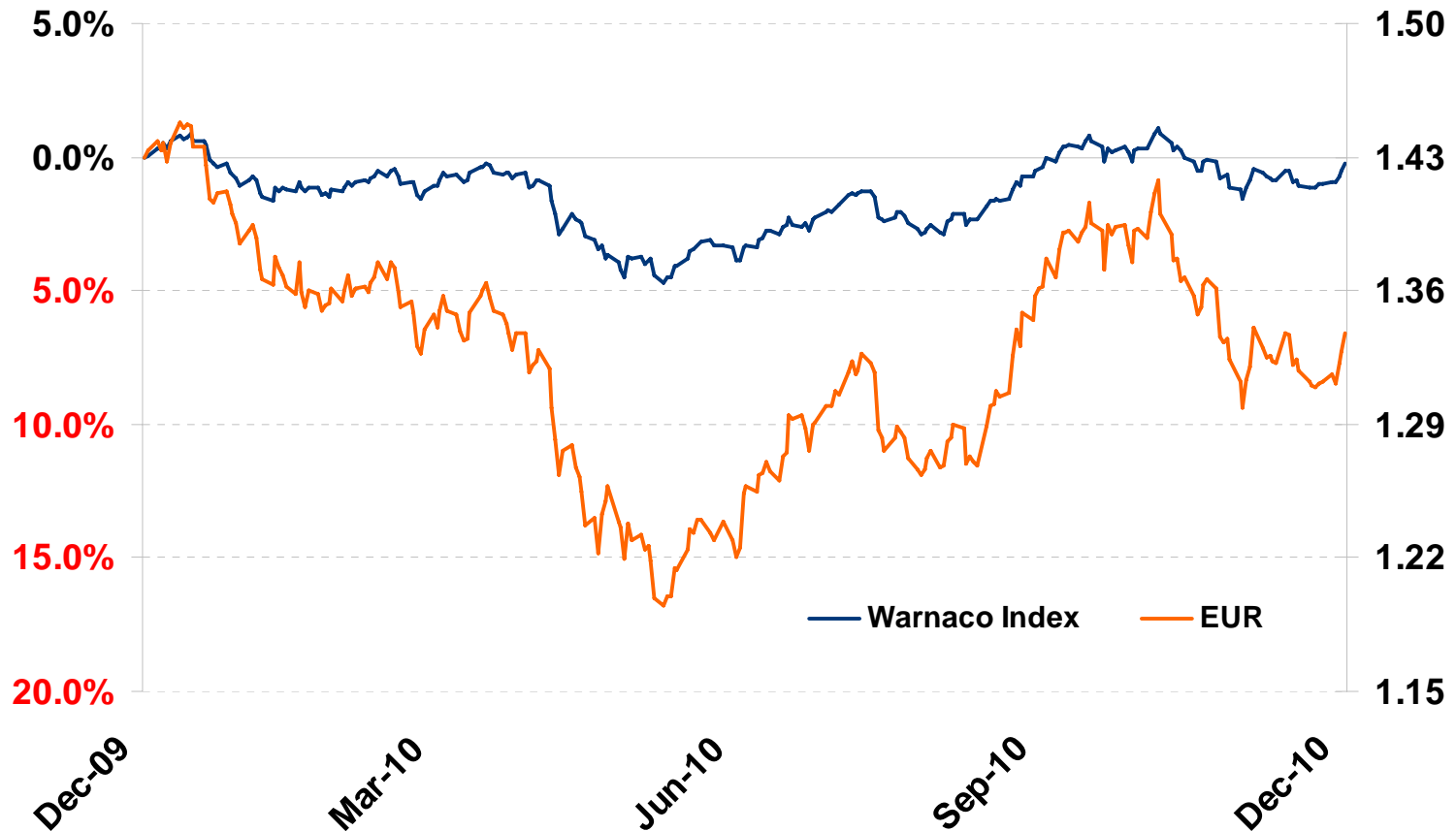
- Net cash position of \$191 million
- Generated \$225 million of cash flow from continuing operations during 2010
 - Used \$35 million to acquire franchise and distributor operations
 - Used \$160 million to redeemed 8-7/8% Senior Notes due 2013
 - Used \$116 million to purchased 2.4 million shares
- Quarter to date (1Q11) purchased 560K shares
- Inventories were \$311 million
 - Down 5% on a two year basis

Foreign Exchange – Warnaco Currency Index

Cumulative Percent Change

December 2010 Year-to-Date

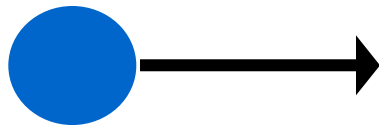
US\$ per EUR



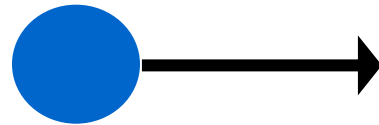
Stronger Euro (Weaker US\$)

Note: Warnaco's Currency Index represents the sum of individual FX rates (including the U.S. Dollar) weighted according to their proportion of 2010 revenues.

Cash Utilization

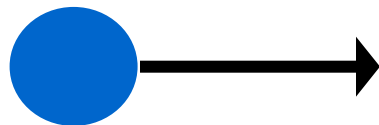


Reinvest in the Business



Share Repurchase

**Approximately 3.5 million shares remain
under the authorized share repurchase
plan**



Strategic Acquisition

2011 Outlook

As articulated on February 28, 2011

On an adjusted, non GAAP, basis, excluding restructuring expense and assuming minimal pension expense, and based on recent exchange rates

- Anticipate net revenues will increase 7%-9%, compared to fiscal 2010
- Diluted earnings per share from continuing operations in the range \$3.85- \$4.05

Summary



- Strong brands
- Organic growth opportunities
- Strong financial position
- Focused on creating long-term shareholder value

Q&A



A horizontal bar with a blue segment on the left and a grey segment on the right. The word "Appendix" is written in white, sans-serif font on the grey segment.

Appendix

Appendix

THE WARNACO GROUP, INC. SUPPLEMENTAL SCHEDULE - FISCAL 2011 OUTLOOK (Unaudited)

NET REVENUE GUIDANCE

Percentages

Estimated increase in net revenues in Fiscal 2011 compared to comparable Fiscal 2010 levels.

	7.00%	to		9.00%
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EARNINGS PER SHARE GUIDANCE

U.S. Dollars

Diluted Income per common share from continuing operations

GAAP basis (assuming minimal pension expense / income)

	\$ 3.63	to		\$ 3.77
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Restructuring charges (a)

	0.22	to		0.28
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As adjusted (Non-GAAP basis) (b)

	<u>\$ 3.85</u>	to		<u>\$ 4.05</u>
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- (a) Reflects between \$10 million to \$13 million of estimated restructuring charges (net of an income tax benefit of between \$5 million and \$6 million) primarily related to the expected consolidation of certain international operations in Fiscal 2011.
- (b) The Company believes it is useful for users of its financial statements to be made aware of the "As Adjusted" (non-GAAP) forecasted diluted income per common share from continuing operations as this is one of the measures used by management to evaluate the operating performance of the Company's continuing businesses on a comparable basis. The Company believes that this non-GAAP measure will also enhance users' ability to analyze trends in the Company's business. In addition, the Company uses performance targets based, in part, on this non-GAAP measure as a component of the measurement of employee incentive compensation. Management does not, nor should investors, consider this non-GAAP financial measure in isolation from, or as a substitute for, financial information prepared in accordance with GAAP.

Forward Looking Statements

The Warnaco Group, Inc. notes that the presentation scheduled for March 9, 2011 and certain other written, electronic and oral disclosure made by the Company from time to time, may contain forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The forward-looking statements involve risks and uncertainties and reflect, when made, the Company's estimates, objectives, projections, forecasts, plans, strategies, beliefs, intentions, opportunities and expectations. Actual results may differ materially from anticipated results, targets or expectations and investors are cautioned not to place undue reliance on any forward-looking statements. Statements other than statements of historical fact, including, without limitation, future financial targets, are forward-looking statements. These forward-looking statements may be identified by, among other things, the use of forward-looking language, such as the words "believe," "anticipate," "estimate," "expect," "intend," "may," "project," "scheduled to," "seek," "should," "will be," "will continue," "will likely result," "targeted", or the negative of those terms, or other similar words and phrases or by discussions of intentions or strategies.

The following factors, among others and in addition to those described in the Company's reports filed with the SEC (including, without limitation, those described under the headings "Risk Factors" and "Statement Regarding Forward-Looking Disclosure," as such disclosure may be modified or supplemented from time to time), could cause the Company's actual results to differ materially from those expressed in any forward-looking statements made by it: the Company's ability to execute its repositioning and sale initiatives (including achieving enhanced productivity and profitability) previously announced; economic conditions that affect the apparel industry, including the recent turmoil in the financial and credit markets; the Company's failure to anticipate, identify or promptly react to changing trends, styles, or brand preferences; further declines in prices in the apparel industry; declining sales resulting from increased competition in the Company's markets; increases in the prices of raw materials; events which result in difficulty in procuring or producing the Company's products on a cost-effective basis; the effect of laws and regulations, including those relating to labor, workplace and the environment; possible additional tax liabilities; changing international trade regulation, including as it relates to the imposition or elimination of quotas on imports of textiles and apparel; the Company's ability to protect its intellectual property or the costs incurred by the Company related thereto; the risk of product safety issues, defects or other production problems associated with our products; the Company's dependence on a limited number of customers; the effects of consolidation in the retail sector; the Company's dependence on license agreements with third parties; the Company's dependence on the reputation of its brand names, including, in particular, Calvin Klein; the Company's exposure to conditions in overseas markets in connection with the Company's foreign operations and the sourcing of products from foreign third-party vendors; the Company's foreign currency exposure; the Company's history of insufficient disclosure controls and procedures and internal controls and restated financial statements; unanticipated future internal control deficiencies or weaknesses or ineffective disclosure controls and procedures; the effects of fluctuations in the value of investments of the Company's pension plan; the sufficiency of cash to fund operations, including capital expenditures; the Company's ability to service its indebtedness, the effect of changes in interest rates on the Company's indebtedness that is subject to floating interest rates and the limitations imposed on the Company's operating and financial flexibility by the agreements governing the Company's indebtedness; the Company's dependence on its senior management team and other key personnel; the Company's reliance on information technology; the limitations on purchases under the Company's share repurchase program contained in the Company's debt instruments, the number of shares that the Company purchases under such program and the prices paid for such shares; the Company's inability to achieve its financial targets and strategic objectives, as a result of one or more of the factors described above, changes in the assumptions underlying the targets or goals, or otherwise; the failure of acquired businesses to generate expected levels of revenues; the failure of the Company to successfully integrate such businesses with its existing businesses (and as a result, not achieving all or a substantial portion of the anticipated benefits of such acquisitions); and such acquired businesses being adversely affected, including by one or more of the factors described above and thereby failing to achieve anticipated revenues and earnings growth.

The Company encourages investors to read the section entitled "Risk Factors" and the discussion of the Company's critical accounting policies under "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Discussion of Critical Accounting Policies" included in the Company's Annual Report on Form 10-K, as such discussions may be modified or supplemented by subsequent reports that the Company files with the SEC. The discussion in this press release is not exhaustive but is designed to highlight important factors that may affect actual results. Forward-looking statements speak only as of the date on which they are made, and, except for the Company's ongoing obligation under the U.S. federal securities laws, the Company disclaims any intention or obligation to update or revise ~~28~~ forward-looking statements, whether as a result of new information, future events or otherwise.