



Shaping Our Future

## Our strategy is taking shape

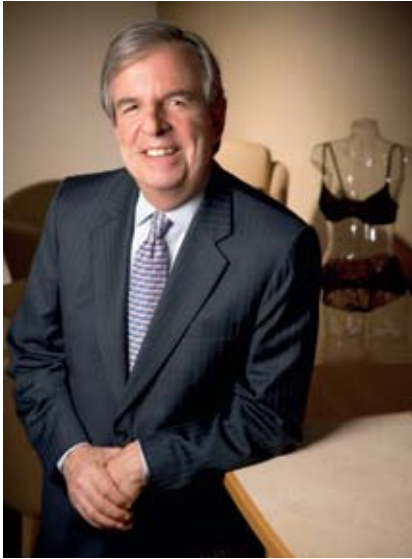
Our strategy is as powerful as it is straightforward: design contemporary bras, panties and shapewear that offer women incredible comfort and a great fit, and make our products available wherever women shop. In 2007, we made significant progress in a number of key operational and financial areas to help our strategy take shape. Last year, Maidenform:

- Experienced strong performance in our wholesale branded business
- Created new collections in our portfolio
- Developed exciting new brands
- Launched new brand-building strategies
- Implemented cost-saving sourcing initiatives
- Refinanced our credit facility
- Maximized cash flow utilization by voluntarily paying down our debt and repurchasing our common stock
- Generated double-digit EPS growth



Shaping Our Future

*Control It™ Camisole  
& One FAB Fit™ Bikini*



**Tom Ward**  
CEO and Vice Chairman in Maidenform's  
corporate headquarters

# Dear Stockholders,

In 2007, we took a number of important steps to grow our business and shape our future. Perhaps most important of these was the work we did to reinforce this Company's foundation—our brands—to support our future growth.

Last year was another year of record financial performance. Net sales were up 1.3% to \$422.2 million, with sales in our wholesale branded business increasing 8.7%. Other key accomplishments included:

- Mass channel sales up 4.7% to \$96.1 million, driven by vibrant sales in our branded business and an expanded footprint with a major customer
- International sales up 34.7% to \$38.4 million
- Gross margins of 39.3%, an increase of 170 basis points over 2006
- EPS up 15.7% to \$1.33 per share, excluding our pension curtailment gain of \$6.3 million and \$2.4 million of deferred financing costs, or \$0.10 per share

In addition, we refinanced our credit facility with more favorable terms, voluntarily prepaid \$20.0 million of our debt outstanding, and repurchased \$12.5 million of our common stock.

## MAKING MAIDENFORM STRONGER

Last year, we continued our work to make Maidenform a stronger company today and in the future, and improved our ability to compete effectively in a challenging marketplace.

First, we refinanced the Company, resulting in reduced annual interest expense and increased financial flexibility to support our future growth. Since Maidenform went public in 2005, we have lowered our debt from \$160.0 million to \$89.7 million, a reduction of 43.9%. Our debt-to-EBITDA ratio is now 1.3 to 1.0.

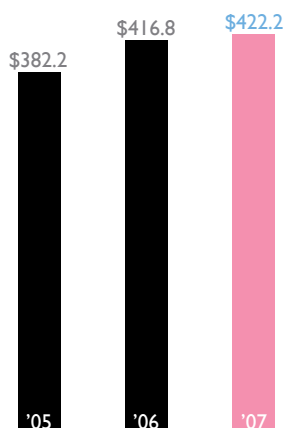
To drive margin improvement, our merchandising, design and R&D teams continued to challenge themselves to develop innovative products that favorably contributed to gross margins. Because our shapewear business traditionally yields the highest margins, we have worked diligently to identify opportunities to expand this business and have been quite encouraged by the results. This includes introducing our newest shapewear brand, Control It™.

While we navigated through a challenging retail environment in 2007, we are encouraged by our overall business for the year. For instance, Lilyette®, our full figure brand, experienced continued upward momentum and has become a category-leading growth business with many of our customers.

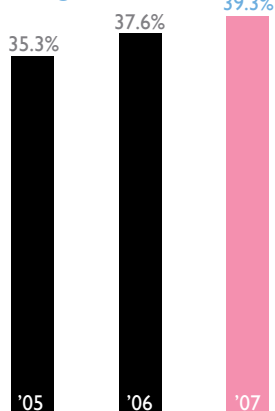
We attribute the improvement in our gross margins to a combination of a favorable sales mix of products and customers, our continued supply chain initiatives, including our product cost re-engineering activities, and a decision to begin importing our finished goods inventories on a free-on-board (FOB) basis. This change allows us to consolidate shipments from multiple suppliers to reduce our overall freight expenses.

- Net sales growth of our wholesale branded business of 8.7%
- Created Control It™, the patent-pending The Smooth Bra®, Sleek Fit™ and Lilyette in Motion™
- Thoroughly researched consumer base, resulting in 2008 brand-building campaign of “This Feels Right™”
- Implemented sourcing initiatives that contributed to gross margins increasing 170 basis points to 39.3%
- Refinanced credit facility which reduced annual interest expense
- Maximized cash flow utilization by voluntarily paying down \$20.0 million of debt and repurchasing \$12.5 million of common stock

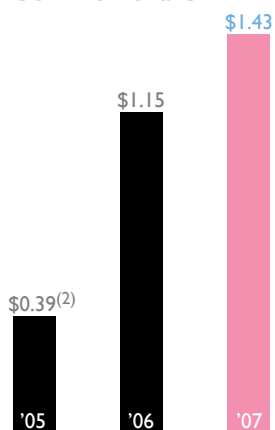
## Net Sales



## Consolidated Gross Margins<sup>(1)</sup>



## Diluted Earnings Per Common Share<sup>(1)</sup>



(1) Includes non-recurring items in consolidated gross margins in 2005 and in diluted earnings per common share in 2005 and 2007, and should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our consolidated financial statements and notes included in our Annual Report on Form 10-K.

(2) Before preferred stock dividends and changes in redemption value.

In October, 2007, we moved our corporate headquarters from a location that Maidenform had occupied for almost 85 years in Bayonne, New Jersey, to a new corporate facility in Iselin, New Jersey, approximately 15 miles from our former location. This new, cost-efficient space allows for enhanced teamwork, provides a design and R&D lab, and will facilitate recruiting new talent.

Another step we took toward shaping our future was the expansion of our North Carolina distribution center. We leased a 148,000 square-foot facility in Fayetteville that augments an existing facility we own in the same area. These facilities will play important roles in our future growth plans.

Last year, we conducted an extensive advertising agency review that resulted in the selection of The VIA Group as our agency of record. We believe our new partnership with VIA will help support Maidenform's ongoing commitment to build on our strong brand equity in the marketplace.

I am pleased by the continued growth in our international sales, which increased 34.7% over 2006 to \$38.4 million. We experienced strong sales across all markets, particularly in the United Kingdom, Mexico, Canada, Russia and Continental Europe. Sales were fueled by strong Flexees® performance worldwide and by further penetration of our mass brands in Europe.

While net sales in our direct-to-consumer retail segment decreased slightly in 2007—down 0.4% to \$56.0 million, with same-store sales down 1.5% compared to 2006—our online sales at [www.maidenform.com](http://www.maidenform.com) grew at a double-digit pace for the year. In our retail outlet locations, we continue to focus on enhanced in-store marketing, timely promotions, and the expansion of our successful full figure assortment to drive performance.

## NEW PRODUCT LAUNCHES

Once again in 2007 we developed and marketed innovative products, something we have done consistently.

The Maidenform® brand benefited from successful introductions of The Smooth

*The Smooth Bra® Demi  
& Satin and Lace Thong*





Bra® and Sleek Fit™, both products focusing on comfort and all-around smoothing. The Smooth Bra® utilizes unique patent-pending technology in its seam-free wing to provide extreme fit flexibility. This product joins the Maidenform® Smooth Panty™, which has also had excellent sales. We plan to continue building on this new franchise.

Consumers have also responded well to our “basics with a twist” strategy across all of our brands. It is designed to grow and extend our consumer base by adding details such as bright colors and prints to some of our key replenishment styles. This allows us to offer fresh, updated designs for the consumer, while differentiating ourselves on the selling floor.

One of our big successes in 2007 was Control It™, a new contemporary shapewear collection that is seamless to differentiate it from our Flexees® products. Control It™ is specially designed to lie invisible under clothing, while offering women 360 degrees of control for superior support and shaping. We have positioned Control It™ toward a younger, more contemporary customer.

In 2007, we also introduced a new category of innerwear/outerwear called Flexees® Shapewear Chic™. A bit of spandex gives it moderate control and smooth shaping, while lace trim gives it a distinctly feminine look.

#### KEY INITIATIVES SHAPING 2008 AND BEYOND

As we continue to shape our future and position our Company for continued success, we are pursuing specific objectives. Here is what we expect to accomplish in 2008:

**Introduce innovative new products.** Maidenform is synonymous with innovation, and we will continue to introduce new products in 2008 that are differentiated, leverage our brands and have broad consumer appeal. These products include Maidenform® Softwear™, lightly lined bras without the thickness of foam; the Maidenform® Feeling Sexy™ Ultimate Gel Push Up bra; the Maidenform® Breakthrough™ Backless bra, which was featured on ABC-TV's American Inventor™; Flexees® Weightless Power™; the Lilyette® Every Bit Invisible™ bra, which uses the latest fusing technology to offer an invisible transition from bra to skin; and Lilyette in Motion™, which will establish us in the sports bra category.

**Expand our reach.** We will be launching a bridge brand between moderate and luxury with all our product segments domestically in a major department store, as well as internationally in Russia. This line, which will initially be comprised of both bras and panties, is designed to make a contemporary fashion statement.

**Develop new customers.** We are introducing a new brand with a major mass market retailer. Specifics will be announced during the course of the year in 2008.

**Continue our net sales growth.** For fiscal 2008, we project net sales to continue to increase, which includes sales of new products scheduled to be introduced throughout the year. Longer-term, we plan to supplement our sales growth with additional opportunities driven by licensing and/or acquisitions.

*Minimizer® Sew-Free Tailored Bra with  
Embroidery & One FAB Fit™ Bikini*



**Launch our new brand-building program.** This spring we will add an exciting new chapter to the iconic Maidenform® brand story with a brand-building program we developed with our new marketing partner, The VIA Group. Working with VIA, we plan to strategically build upon the value of Maidenform brands in the marketplace. Using the theme “This Feels Right™,” we are expanding our reach to a younger-minded consumer. Our new advertising campaign will launch in April as we redeploy our marketing with a diversified approach that includes magazines, out of home, online, and grass roots events.

**Selectively develop private brand business.** Where appropriate, we will explore private brand opportunities that meet our volume and margin thresholds, and to which we can add value. We believe this business can provide a good opportunity to expand our presence in select markets.

**Pursue key financial goals.** While we are known as an innovator in the products we offer, we are focused on driving the fundamentals financially. In 2008, that translates into goals such as improving net sales, maintaining our consolidated gross margin performance, managing our expense structure and continuing earnings per share growth.

#### I LIKE THE SHAPE WE ARE IN

I am quite proud of our performance in 2007. We took a number of steps to make us stronger for tomorrow, and the results will come as we move forward.

We continue to build upon the momentum in our brands with new products. We are putting considerable creative energy into building our own value through branded products. We have improved our overall organizational discipline in terms of execution, from planning to design to supply chain processes. We have completed a move into a facility that enhances our ability to perform at higher levels.

In the coming year, we would like to see certain initiatives that we have been pursuing diligently come to fruition. Among these, we are actively exploring licensing and/or acquisition opportunities that could complement our already strong product assortment. We are confident that these initiatives will allow us to penetrate new channels of distribution and provide us with other methods to drive additional sales growth in the future.

Shaping a company's future to maximize its growth opportunities is hard work, but it is also extremely rewarding. I know that the Maidenform team is focused on executing the plans I have outlined. I look forward to updating you on our progress.



**Thomas J. Ward**

Chief Executive Officer  
and Vice Chairman of the Board of Directors

*2008 advertising campaign “This Feels Right™”  
Billboard: Out with the Old. In with the New.*



# Shaping Our Brands

At the core of our strategy are Maidenform's legendary brands, which are among the most recognized names in the intimate apparel industry. In 2007, we further broadened this distinguished group through continued innovation which is already exhibiting success. Control It™, our modern, contemporary shapewear line, is extending our already strong position in that segment. Lilyette® has become an industry-leading growth business with many of our customers in the department stores and national chain stores channel. Flexees® is expanding its reach with its new innerwear/outerwear called Flexees® Shapewear Chic™, which provides smooth shaping with a feminine flair.

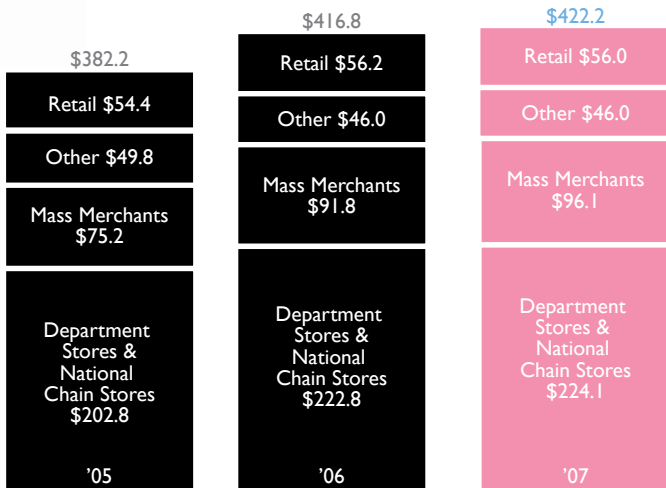
## THE RIGHT PRODUCTS PLUS THE RIGHT PEOPLE

Innovative products such as ours do not happen by themselves. That is why we focus on ensuring that we have the right people in the right roles throughout the organization. Our employees are shaping our future by challenging the status quo every day—and we are arming them by providing the support they need to drive our business to new levels of success. For example, our new corporate office features a fusing lab, one of the first in the industry in the United States. Nearly half of our products incorporate some fusing, and this lab can foster exciting new product development, while shortening lead times to market.

## WE ARE WHERE OUR CUSTOMERS SHOP

Maidenform's multiple channel strategy is designed to place our products where women shop—from department stores to mass merchant retailers to our own retail outlets and website. In the months ahead, we plan to strategically launch additional brands to broaden our reach as we continue to address the needs of our retail customers and growing consumer base.

### Channel Distribution (in millions)





# The Shape of Things to Come

Maidenform has long been known as an agile, innovative, market-right company. We believe in continuing to challenge ourselves to discover new and better products—products that will appeal to our consumers. For example, realizing the growing need for environmentally responsible organizations, we have created Maidenform's Global Body™, a collection of eco-friendly bamboo blend products.

This is another example of how we are working to ensure that our products are relevant to today's women. And, while we pride ourselves on our ability to respond to market needs quickly, we also understand the importance of not just being first to market, but also right to market.

Retail differentiation is here to stay. At Maidenform, we are responding by refining our approach with an even greater emphasis on brand building. We are developing market-specific brands and continue to look for ways to differentiate our brands at retail—all while employing cost engineering and effectively managing stock-keeping unit (SKU) productivity to deliver the strongest financial results for our stockholders.

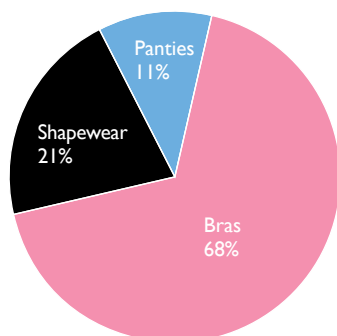
We are proud that some of the most talented designers and merchandisers in the industry have chosen to be part of Maidenform. They are joined by employees in every area of the Company who are excited about their role in shaping our future.

We believe that by continuing to create and market the best fitting, most comfortable, highly appealing products, we will be rewarded by retail customers and consumers alike.

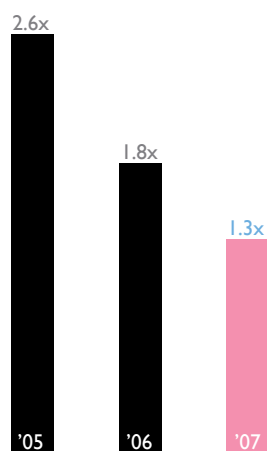
*Fusing Lab utilized in Research and Development at Maidenform's Headquarters*



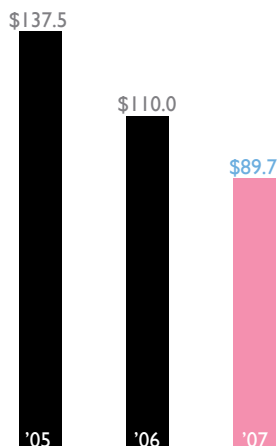
## Wholesale Product Categories (2007)



## Total Debt-to-EBITDA at Year End



## Total Debt Balance Outstanding at Year End (in millions)



# At A Glance

## FINANCIAL HIGHLIGHTS

(in thousands, except share amounts)

	2007	2006	2005
<b>FOR THE YEAR:</b>			
Wholesale	\$ 366,121	\$ 360,647	\$ 327,799
Retail	\$ 56,043	\$ 56,188	\$ 54,370
Net sales	\$ 422,164	\$ 416,835	\$ 382,169
Gross profit	\$ 165,799	\$ 156,752	\$ 135,132
Gross profit margin	39.3%	37.6%	35.3%
Operating income	\$ 67,919	\$ 55,514	\$ 33,528
Operating margin	16.1%	13.3%	8.7%
Net income	\$ 34,204	\$ 27,762	\$ 8,940

## AT YEAR END:

Cash and cash equivalents	\$ 16,602	\$ 14,617	\$ 30,978
Total assets	\$ 279,651	\$ 244,853	\$ 247,348
Working capital	\$ 91,188	\$ 81,961	\$ 79,720
Total indebtedness, including current maturities	\$ 89,725	\$ 110,000	\$ 137,500
Total stockholders' equity	\$ 99,617	\$ 74,901	\$ 52,703
Common shares outstanding	22,357,292	22,964,826	23,488,357
Diluted weighted average shares	23,960,606	24,194,468	22,700,345

## NOTE TO FINANCIAL HIGHLIGHTS

The results presented in our Financial Highlights include non-recurring items in 2007 and 2005, and should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our consolidated financial statements and notes included in our Annual Report on Form 10-K.

## FORWARD-LOOKING STATEMENTS

Please refer to the "Forward-Looking Statements" disclaimer appearing immediately after the Table of Contents in our Annual Report on Form 10-K, which accompanies and is part of this Annual Report to Stockholders, for a discussion related to forward-looking statements in this Annual Report to Stockholders.

The materials contained in this Annual Report to Stockholders are as of March 11, 2008, unless otherwise noted. The content of this Annual Report to Stockholders contains information that is accurate only as of this date. If any portion of this Annual Report to Stockholders is redistributed at a later date, we will not be reviewing or updating the material in this report.

# Corporate Information

## BOARD OF DIRECTORS

### David B. Kaplan

Chairman of the Board  
Senior Partner,  
Ares Management LLC  
Director since: 2004

### Thomas J. Ward

Vice Chairman of the Board  
Chief Executive Officer,  
Maidenform Brands, Inc.  
Director since: 2001

### Norman Axelrod

Former Chief Executive Officer and  
Chairman of the Board,  
Linens 'n Things, Inc.  
Director since: 2004

### Harold F. Compton

Former President and  
Chief Executive Officer,  
CompUSA, Inc.  
Director since: 2006

### Barbara Eisenberg

Executive Vice President,  
General Counsel and  
Corporate Secretary,  
Ann Taylor Stores Corp.  
Director since: 2005

### Karen Rose

Former Group Vice President and  
Chief Financial Officer,  
The Clorox Company  
Director since: 2005

### Adam L. Stein

Principal,  
Ares Management LLC  
Director since: 2004

## EXECUTIVE OFFICERS

### Thomas J. Ward

Chief Executive Officer and  
Vice Chairman of the Board  
Joined: 2001

### Maurice S. Reznik

President  
Joined: 1998

### Steven N. Masket

Executive Vice President,  
General Counsel and Secretary  
Joined: 1982

## PRINCIPAL OFFICE

485-F US Highway 1 South  
Iselin, NJ 08830  
Tel: (732) 621-2500  
E-mail: [ir@maidenform.com](mailto:ir@maidenform.com)

## INVESTOR RELATIONS

For additional financial information contact:  
Felise Glantz Kissell  
Vice President, Investor Relations  
Tel: (732) 621-2363  
E-mail: [fkissell@maidenform.com](mailto:fkissell@maidenform.com)

## ANNUAL MEETING

Maidenform's 2008 Annual Meeting will be held at:  
Maidenform's Corporate Headquarters  
485-F US Highway 1 South  
Iselin, NJ 08830  
11:00 AM, May 22nd, 2008

## FORM 10-K

The Company's 2007 Form 10-K, as filed with the Securities and Exchange Commission, is being delivered with this Annual Report. Copies of the Annual Report and Form 10-K are also available without charge upon written request to:  
Maidenform Brands, Inc.  
485-F US Highway 1 South  
Iselin, NJ 08830  
Attn: Investor Relations  
[www.maidenformbrands.com](http://www.maidenformbrands.com)

## TRANSFER AGENT

Continental Stock Transfer & Trust Company  
17 Battery Place  
New York, NY 10004  
Tel: (212) 509-4000  
E-mail: [cstmail@continentalstock.com](mailto:cstmail@continentalstock.com)

## COMMON STOCK LISTING

New York Stock Exchange  
Symbol: MFB

## OTHER INFORMATION

The Company's press releases, annual reports and other information can be accessed through the Company's website at:

[www.maidenformbrands.com](http://www.maidenformbrands.com)



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