

**VF CORPORATION**  
**Consolidated Balance Sheets**

|   | December                              |               |
|---|---------------------------------------|---------------|
|   | 2014                                  | 2013          |
|   | In thousands,<br>except share amounts |               |
| ASSETS  |                                       |               |
| Current assets  |                                       |               |
| Cash and equivalents  | \$ 971,895                            | \$ 776,403    |
| Accounts receivable, less allowance for doubtful accounts of \$26,694 in 2014 and \$45,350 in 2013                                  | 1,276,224                             | 1,360,443     |
| Inventories   | 1,482,804                             | 1,399,062     |
| Deferred income taxes   | 154,285                               | 169,321       |
| Other current assets  | 300,646                               | 177,753       |
| Total current assets  | 4,185,854                             | 3,882,982     |
| Property, plant and equipment   | 942,181                               | 932,792       |
| Intangible assets   | 2,433,552                             | 2,960,201     |
| Goodwill  | 1,824,956                             | 2,021,750     |
| Other assets  | 593,597                               | 517,718       |
| Total assets  | \$ 9,980,140                          | \$ 10,315,443 |
| LIABILITIES AND STOCKHOLDERS' EQUITY  |                                       |               |
| Current liabilities   |                                       |               |
| Short-term borrowings   | \$ 21,822                             | \$ 18,810     |
| Current portion of long-term debt   | 3,975                                 | 5,167         |
| Accounts payable  | 690,842                               | 638,732       |
| Accrued liabilities   | 903,602                               | 905,292       |
| Total current liabilities   | 1,620,241                             | 1,568,001     |
| Long-term debt  | 1,423,581                             | 1,426,829     |
| Other liabilities   | 1,305,436                             | 1,243,575     |
| Commitments and contingencies   |                                       |               |
| Stockholders' equity  |                                       |               |
| Preferred Stock, par value \$1; shares authorized, 25,000,000; no shares outstanding in 2014 and 2013                               | —                                     | —             |
| Common Stock, stated value \$0.25; shares authorized, 1,200,000,000; 432,859,891 shares outstanding in 2014 and 440,310,370 in 2013 | 108,215                               | 110,078       |
| Additional paid-in capital  | 2,993,186                             | 2,746,590     |
| Accumulated other comprehensive income (loss)   | (702,272)                             | (211,720)     |
| Retained earnings   | 3,231,753                             | 3,432,090     |
| Total stockholders' equity  | 5,630,882                             | 6,077,038     |
| Total liabilities and stockholders' equity  | \$ 9,980,140                          | \$ 10,315,443 |

See notes to consolidated financial statements.

**VF CORPORATION**  
**Consolidated Statements of Income**

|   | Year Ended December                    |                      |                      |
|---|--|----------------------|----------------------|
|   | 2014                                   | 2013                 | 2012                 |
|   | In thousands, except per share amounts |                      |                      |
| <b>Netsales</b>   | <b>\$ 12,154,784</b>                   | <b>\$ 11,302,350</b> | <b>\$ 10,766,020</b> |
| <b>Royalty income</b>   | <b>127,377</b>                         | <b>117,298</b>       | <b>113,835</b>       |
| <b>Total revenues</b>   | <b>12,282,161</b>                      | <b>11,419,648</b>    | <b>10,879,855</b>    |
| <b>Costs and operating expenses</b>   |  |                      |                      |
| Cost of goods sold  | 6,288,190                              | 5,931,469            | 5,817,880            |
| Selling, general and administrative expenses  | 4,159,885                              | 3,841,032            | 3,596,708            |
| Impairment of goodwill and intangible assets  | 396,362                                | —                    | —                    |
|   | <b>10,844,437</b>                      | <b>9,772,501</b>     | <b>9,414,588</b>     |
| <b>Operating income</b>   | <b>1,437,724</b>                       | <b>1,647,147</b>     | <b>1,465,267</b>     |
| Interest income   | 6,911                                  | 4,141                | 3,353                |
| Interest expense  | (86,725)                               | (84,773)             | (93,605)             |
| Other income (expense), net   | (5,544)                                | (4,025)              | 46,860               |
| <b>Income before income taxes</b>   | <b>1,352,366</b>                       | <b>1,562,490</b>     | <b>1,421,875</b>     |
| <b>Income taxes</b>   | <b>304,861</b>                         | <b>352,371</b>       | <b>335,737</b>       |
| <b>Net income</b>   | <b>1,047,505</b>                       | <b>1,210,119</b>     | <b>1,086,138</b>     |
| Net income attributable to noncontrolling interests                                 | —                                      | —                    | (139)                |
| <b>Net income attributable to VF Corporation common stockholders</b>                | <b>\$ 1,047,505</b>                    | <b>\$ 1,210,119</b>  | <b>\$ 1,085,999</b>  |
| <b>Earnings per common share attributable to VF Corporation common stockholders</b> |  |                      |                      |
| Basic   | \$ 2.42                                | \$ 2.76              | \$ 2.47              |
| Diluted   | 2.38                                   | 2.71                 | 2.43                 |
| <b>Cash dividends per common share</b>  | <b>\$ 1.1075</b>                       | <b>\$ 0.9150</b>     | <b>\$ 0.7575</b>     |

See notes to consolidated financial statements.

**VF CORPORATION**  
**Consolidated Statements of Comprehensive Income**

|   | Year Ended December |                    |                    |
|---|---------------------|--------------------|--------------------|
|   | 2014                | 2013               | 2012               |
|   | In thousands        |                    |                    |
| <b>Net income</b>   | <b>\$1,047,505</b>  | <b>\$1,210,119</b> | <b>\$1,086,138</b> |
| <b>Other comprehensive income (loss)</b>                                    |                     |                    |                    |
| Foreign currency translation  |                     |                    |                    |
| Gains (losses) arising during year  | (469,663)           | 109,463            | 37,648             |
| Less income tax effect  | 6,075               | 1,252              | 9,443              |
| Defined benefit pension plans   |                     |                    |                    |
| Current year actuarial gains (losses) and plan amendments                   | (203,234)           | 146,746            | (173,959)          |
| Amortization of net deferred actuarial losses                               | 37,518              | 85,356             | 69,744             |
| Amortization of deferred prior service costs                                | 5,445               | 1,270              | 3,357              |
| Less income tax effect  | 60,588              | (90,285)           | 37,013             |
| Derivative financial instruments  |                     |                    |                    |
| Gains (losses) arising during year  | 88,387              | (8,133)            | (9,555)            |
| Less income tax effect  | (34,736)            | 3,196              | 3,976              |
| Reclassification to net income for (gains) losses realized                  | 32,111              | (12,169)           | (15,883)           |
| Less income tax effect  | (12,619)            | 4,782              | 6,199              |
| Marketable securities   |                     |                    |                    |
| Gains (losses) arising during year  | (698)               | 1,239              | (401)              |
| Less income tax effect  | 274                 | (542)              | —                  |
| <b>Other comprehensive income (loss)</b>                                    | <b>(490,552)</b>    | <b>242,175</b>     | <b>(32,418)</b>    |
| <b>Comprehensive income including noncontrolling interests</b>              | <b>556,953</b>      | <b>1,452,294</b>   | <b>1,053,720</b>   |
| <b>Comprehensive (income) loss attributable to noncontrolling interests</b> | <b>—</b>            | <b>—</b>           | <b>(139)</b>       |
| <b>Comprehensive income attributable to VF Corporation</b>                  | <b>\$ 556,953</b>   | <b>\$1,452,294</b> | <b>\$1,053,581</b> |

See notes to consolidated financial statements.

**VF CORPORATION**  
**Consolidated Statements of Cash Flows**

|  | Year Ended December |              |              |
|--|---------------------|--------------|--------------|
|  | 2014                | 2013         | 2012         |
|  | In thousands        |              |              |
| <b>Operating activities</b>  |                     |              |              |
| Net income   | \$ 1,047,505        | \$ 1,210,119 | \$ 1,086,138 |
| Adjustments to reconcile net income to cash provided by operating activities:          |                     |              |              |
| Impairment of goodwill and intangible assets   | 396,362             | —            | —            |
| Depreciation   | 172,443             | 157,810      | 148,969      |
| Amortization of intangible assets  | 42,061              | 45,787       | 47,929       |
| Other amortization   | 60,379              | 49,676       | 41,058       |
| Stock-based compensation   | 104,313             | 87,118       | 92,814       |
| Provision for doubtful accounts  | (2,198)             | 15,756       | 19,264       |
| Pension expense less than contributions  | (9,864)             | (28,102)     | (20,198)     |
| Deferred income taxes  | (78,064)            | (12,370)     | (20,797)     |
| Gain on sale of businesses   | —                   | —            | (44,485)     |
| Other, net   | 4,112               | 14,306       | (40,931)     |
| Changes in operating assets and liabilities, net of purchases and sales of businesses: |                     |              |              |
| Accounts receivable  | 854                 | (155,053)    | (111,571)    |
| Inventories  | (130,540)           | (47,240)     | 87,620       |
| Accounts payable   | 69,807              | 75,073       | (74,294)     |
| Income taxes   | (44,144)            | 16,628       | 26,213       |
| Accrued liabilities  | 41,989              | 84,472       | (35,912)     |
| Other assets and liabilities   | 22,614              | (7,939)      | 73,183       |
| Cash provided by operating activities  | 1,697,629           | 1,506,041    | 1,275,000    |
| <b>Investing activities</b>  |                     |              |              |
| Capital expenditures   | (234,077)           | (271,153)    | (251,940)    |
| Business acquisitions, net of cash acquired  | —                   | —            | (1,750)      |
| Proceeds from sale of businesses   | —                   | —            | 72,519       |
| Software purchases   | (67,943)            | (53,989)     | (30,890)     |
| Other, net   | (27,235)            | (25,131)     | (8,230)      |
| Cash used by investing activities  | (329,255)           | (350,273)    | (220,291)    |
| <b>Financing activities</b>  |                     |              |              |
| Net increase (decrease) in short-term borrowings                                       | 4,761               | 9,032        | (269,010)    |
| Payments on long-term debt   | (4,760)             | (404,872)    | (2,776)      |
| Purchases of treasury stock  | (727,795)           | (282,024)    | (307,282)    |
| Cash dividends paid  | (478,933)           | (402,136)    | (333,229)    |
| Proceeds from issuance of Common Stock, net of shares withheld for taxes               | 34,869              | 48,029       | 62,770       |
| Tax benefits of stock-based compensation   | 64,437              | 48,140       | 47,213       |
| Other, net   | —                   | —            | (201)        |
| Cash used by financing activities  | (1,107,421)         | (983,831)    | (802,515)    |
| Effect of foreign currency rate changes on cash and equivalents                        | (65,461)            | 7,005        | 4,039        |
| Net change in cash and equivalents   | 195,492             | 178,942      | 256,233      |
| Cash and equivalents — beginning of year   | 776,403             | 597,461      | 341,228      |
| Cash and equivalents — end of year   | \$ 971,895          | \$ 776,403   | \$ 597,461   |

See notes to consolidated financial statements.

**VF CORPORATION**  
**Consolidated Statements of Stockholders' Equity**

|   | VF Corporation Stockholders        |           |                                  |  |                      |                                  |
|---|------------------------------------|-----------|----------------------------------|--|----------------------|----------------------------------|
|   | Common<br>Stock                    |           | Additional<br>Paid-in<br>Capital | Accumulated<br>Other<br>Comprehensive<br>Income (Loss) | Retained<br>Earnings | Non-<br>controlling<br>Interests |
|   | Shares                             | Amounts   |                                  |  |                      |                                  |
|   | In thousands, except share amounts |           |                                  |  |                      |                                  |
| Balance, December 2011                  | 442,227,924                        | \$110,557 | \$2,316,107                      | \$ (421,477)   | \$2,520,804          | \$ (816)                         |
| Net income                              | —                                  | —         | —                                | —  | 1,085,999            | 139                              |
| Dividends on Common Stock               | —                                  | —         | —                                | —  | (333,229)            | —                                |
| Purchase of treasury stock              | (8,072,920)                        | (2,018)   | —                                | —  | (297,692)            | —                                |
| Stock-based compensation, net           | 6,663,932                          | 1,666     | 211,761                          | —  | (34,435)             | —                                |
| Disposition of noncontrolling interests | —                                  | —         | —                                | —  | —                    | 677                              |
| Foreign currency translation            | —                                  | —         | —                                | 47,091   | —                    | —                                |
| Defined benefit pension plans           | —                                  | —         | —                                | (63,845)   | —                    | —                                |
| Derivative financial instruments        | —                                  | —         | —                                | (15,263)   | —                    | —                                |
| Marketable securities                   | —                                  | —         | —                                | (401)  | —                    | —                                |
| Balance, December 2012                  | 440,818,936                        | \$110,205 | \$2,527,868                      | \$ (453,895)   | \$2,941,447          | \$ —                             |
| Net income                              | —                                  | —         | —                                | —  | 1,210,119            | —                                |
| Dividends on Common Stock               | —                                  | —         | —                                | —  | (402,136)            | —                                |
| Purchase of treasury stock              | (6,849,160)                        | (1,712)   | —                                | —  | (280,408)            | —                                |
| Stock-based compensation, net           | 6,340,594                          | 1,585     | 218,722                          | —  | (36,932)             | —                                |
| Foreign currency translation            | —                                  | —         | —                                | 110,715  | —                    | —                                |
| Defined benefit pension plans           | —                                  | —         | —                                | 143,087  | —                    | —                                |
| Derivative financial instruments        | —                                  | —         | —                                | (12,324)   | —                    | —                                |
| Marketable securities                   | —                                  | —         | —                                | 697  | —                    | —                                |
| Balance, December 2013                  | 440,310,370                        | \$110,078 | \$2,746,590                      | \$ (211,720)   | \$3,432,090          | \$ —                             |
| Net income                              | —                                  | —         | —                                | —  | 1,047,505            | —                                |
| Dividends on Common Stock               | —                                  | —         | —                                | —  | (478,933)            | —                                |
| Purchase of treasury stock              | (12,037,000)                       | (3,009)   | —                                | —  | (724,786)            | —                                |
| Stock-based compensation, net           | 4,586,521                          | 1,146     | 246,596                          | —  | (44,123)             | —                                |
| Foreign currency translation            | —                                  | —         | —                                | (463,588)  | —                    | —                                |
| Defined benefit pension plans           | —                                  | —         | —                                | (99,683)   | —                    | —                                |
| Derivative financial instruments        | —                                  | —         | —                                | 73,143   | —                    | —                                |
| Marketable securities                   | —                                  | —         | —                                | (424)  | —                    | —                                |
| Balance, December 2014                  | 432,859,891                        | \$108,215 | \$2,993,186                      | \$ (702,272)   | \$3,231,753          | \$ —                             |

See notes to consolidated financial statements.