



Q3 FISCAL 2019 EARNINGS PRESENTATION

January 18, 2019



SAFE HARBOR STATEMENT

Certain statements included in this presentation are "forward-looking statements" within the meaning of the federal securities laws. Forward-looking statements are made based on our expectations and beliefs concerning future events impacting VF and therefore involve several risks and uncertainties. You can identify these statements by the fact that they use words such as "will," "anticipate," "estimate," "expect," "should," and "may" and other words and terms of similar meaning or use of future dates. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements. Potential risks and uncertainties that could cause the actual results of operations or financial condition of VF to differ materially from those expressed or implied by forward-looking statements in this presentation include, but are not limited to: risks associated with the proposed spin-off of our Jeanswear business, including the risk that the spin-off will not be consummated within the anticipated time period or at all; the risk of disruption to our business in connection with the proposed spin-off and that we could lose revenue as a result of such disruption; the risk that the companies resulting from the spin-off do not realize all of the expected benefits of the spin-off; the risk that the spin-off will not be tax-free for U.S. federal income tax purposes; the risk that there will be a loss of synergies from separating the businesses that could negatively impact the balance sheet, profit margins or earnings of both businesses; and the risk that the combined value of the common stock of the two publicly-traded companies will not be equal to or greater than the value of VF Corporation common stock had the spin-off not occurred. There are also risks associated with the relocation of our global headquarters and a number of brands to the metro Denver area, including the risk of significant disruption to our operations, the temporary diversion of management resources and loss of key employees who have substantial experience and expertise in our business, the risk that we may encounter difficulties retaining employees who elect to transfer and attracting new talent in the Denver area to replace our employees who are unwilling to relocate, the risk that the relocation may involve significant additional costs to us and that the expected benefits of the move may not be fully realized. Other risks include foreign currency fluctuations; the level of consumer demand for apparel, footwear and accessories; disruption to VF's distribution system; VF's reliance on a small number of large customers; the financial strength of VF's customers; fluctuations in the price, availability and quality of raw materials and contracted products; disruption and volatility in the global capital and credit markets; VF's response to changing fashion trends, evolving consumer preferences and changing patterns of consumer behavior, intense competition from online retailers, manufacturing and product innovation; increasing pressure on margins; VF's ability to implement its business strategy; the risk that VF's facilities and systems and those of our third-party service providers may be vulnerable to and unable to anticipate or detect data security breaches and data or financial loss; VF's ability to grow its international and direct-to-consumer businesses; VF's and vendors' ability to maintain the strength and security of information technology systems; VF's ability to properly collect, use, manage and secure consumer and employee data; stability of VF's manufacturing facilities and foreign suppliers; continued use by VF's suppliers of ethical business practices; VF's ability to accurately forecast demand for products; continuity of members of VF's management; VF's ability to protect trademarks and other intellectual property rights; possible goodwill and other asset impairment; maintenance by VF's licensees and distributors of the value of VF's brands; VF's ability to execute and integrate acquisitions; changes in tax laws and liabilities; legal, regulatory, political and economic risks; the risk of economic uncertainty associated with the pending exit of the United Kingdom from the European Union ("Brexit") or any other similar referendums that may be held; and adverse or unexpected weather conditions. More information on potential factors that could affect VF's financial results is included from time to time in VF's public reports filed with the Securities and Exchange Commission, including VF's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.



GAAP TO NON-GAAP

All numbers presented in this presentation, unless otherwise noted, are on an adjusted continuing operations basis which includes the contribution from the Icebreaker® and Altra® acquisitions (“acquisitions”) and excludes transaction and deal related costs, including the losses on sale related to the recent divestitures of the Reef® brand and the Van Moer business, the transaction expenses related to the planned spin-off of the Jeans business and the provisional amounts recorded due to recent U.S. tax legislation. The adjusted amounts also exclude costs primarily associated with the relocation of VF’s global headquarters and certain brands to Denver, Colorado. All numbers presented on an “organic” basis exclude the impact of acquisitions and recent divestitures.

This presentation also refers to “reported” amounts in accordance with U.S. generally accepted accounting principles (“GAAP”), which include translation impacts from foreign currency exchange rates. This release also refers to “constant dollar” amounts, which exclude the impact of translating foreign currencies into U.S. dollars. Reconciliations of GAAP to Non-GAAP measures are presented in the Appendix to this presentation. These reconciliations identify and quantify all excluded items, and provide management’s view of why this information is useful to investors.

Please refer to the press release dated January 18, 2019 for more information.



OUR PURPOSE

VF POWERS MOVEMENTS OF
SUSTAINABLE AND ACTIVE LIFESTYLES
FOR THE BETTERMENT OF PEOPLE
AND OUR PLANET



OUR ASPIRATION

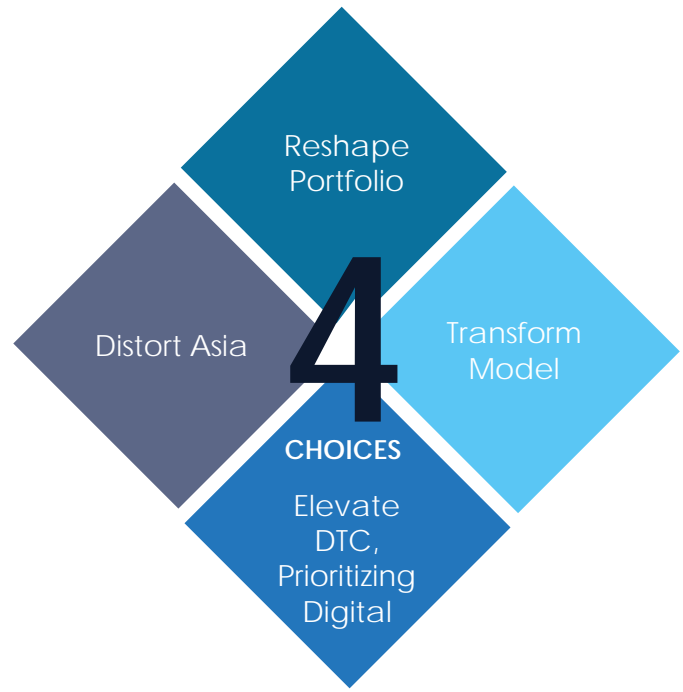


VF WILL GROW BY CREATING AMAZING PRODUCTS AND BRAND EXPERIENCES THAT TRANSFORM AND IMPROVE THE LIVES OF CONSUMERS WORLDWIDE, WHILE DELIVERING SUPERIOR RETURNS TO OUR SHAREHOLDERS







2021 GLOBAL BUSINESS STRATEGY

Purpose / Aspiration

CHOICES



CAPABILITIES

-  Design & Innovation
-  Demand Creation & Brand Experience
-  Insights & Analytics
-  Retail Excellence
-  Demand & Supply Chain Agility
-  Talent



A man in athletic wear is running on a paved path on a bridge. The bridge has a metal railing with a repeating geometric pattern. In the background, a large suspension bridge with two towers is visible against a blue sky. The entire scene is overlaid with a semi-transparent blue filter.

BUSINESS & FINANCIAL HIGHLIGHTS



Q3'19: BUSINESS HIGHLIGHTS

REVENUE

\$3.9B

+8% / +10% C\$
+7%* / +9%* C\$

ADJUSTED GROSS MARGIN

52.2%

driven by mix-shift toward higher margin businesses

VANS®

+25% / +27% C\$

strong growth in all regions / channels / product families

THE NORTH FACE®

+14% / +16% C\$

strong growth across all regions & channels with strength from insulated outerwear

DTC

+9%* / +11%* C\$

12%* total comps, with digital up 21%*

CHINA

+18%* / +23%* C\$

double-digit growth in both wholesale and DTC



Q3 '19: FINANCIAL HIGHLIGHTS

REVENUE

\$3.9B

+8% / +10% C\$
+7%* / +9%* C\$

ADJUSTED GROSS MARGIN

52.2%

+60bps
+50bps*

ADJUSTED OPERATING MARGIN

16.6%

+270bps
+280bps*

ADJUSTED EARNINGS PER SHARE**

\$1.31

+30% / +31% C\$
+28%* / +30%* C\$

*Organic
**On a diluted basis



Q3'19: FINANCIAL SUMMARY

<i>\$ in millions; except EPS</i>	Q3'18	Q3'19	YOY CHANGE	YOY CHANGE*
REVENUE	\$3,649	\$3,940	+8%	+7%
ADJUSTED GROSS MARGIN	51.6%	52.2%	+60bps	+50bps
ADJUSTED OPERATING INCOME	\$506	\$656	+30%	+28%
ADJUSTED OPERATING MARGIN	13.9%	16.6%	+270bps	+280bps
ADJUSTED NET INCOME	\$406	\$526	+29%	+28%
ADJUSTED EPS – DILUTED	\$1.01	\$1.31	+30%	+28%

*Organic



Q3 '19: STRATEGIC GROWTH DRIVERS

BIG 3 BRANDS

+14%
+16% C\$



INTERNATIONAL

+4%*
+8%* C\$

DTC

+9%*
+11%* C\$

WORK

+5%*



Q3'19: REVENUE BREAKDOWN

TOTAL

\$3,940 M

+8% Reported

REVENUE
+7%*

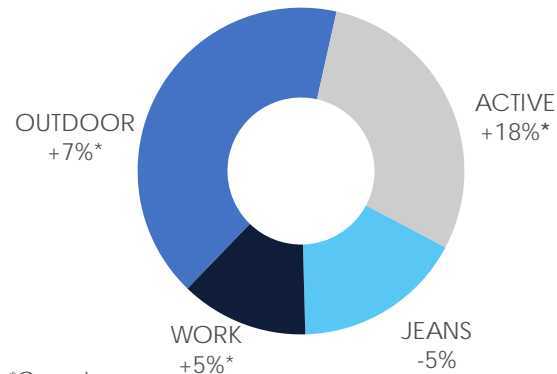
BIG 3 BRANDS +14% (+16% C\$), led by 25% (27% C\$) growth at Vans® and 14% (16% C%) growth at The North Face®

INTERNATIONAL increased 4%* (+8%* C\$), led by 18%* (23%* C\$) growth in China

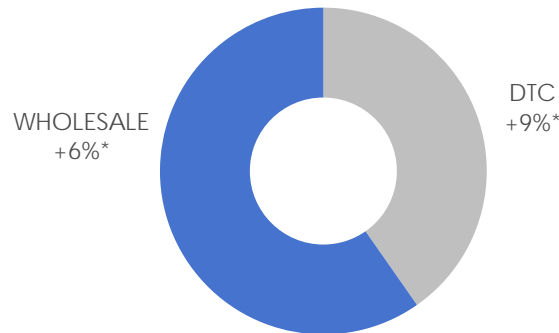
DTC increased 9%* (11%* C\$) with **DIGITAL** +21%*

WORK increased 5%* with balanced, broad-based growth

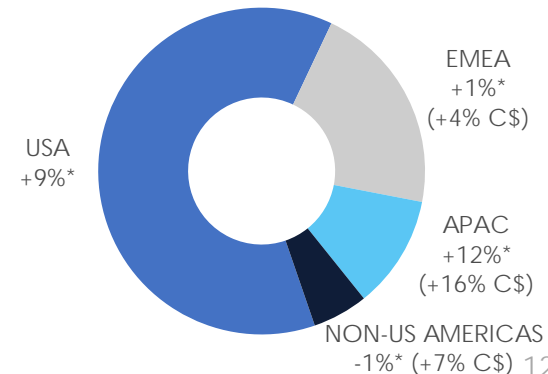
BY SEGMENT



BY CHANNEL



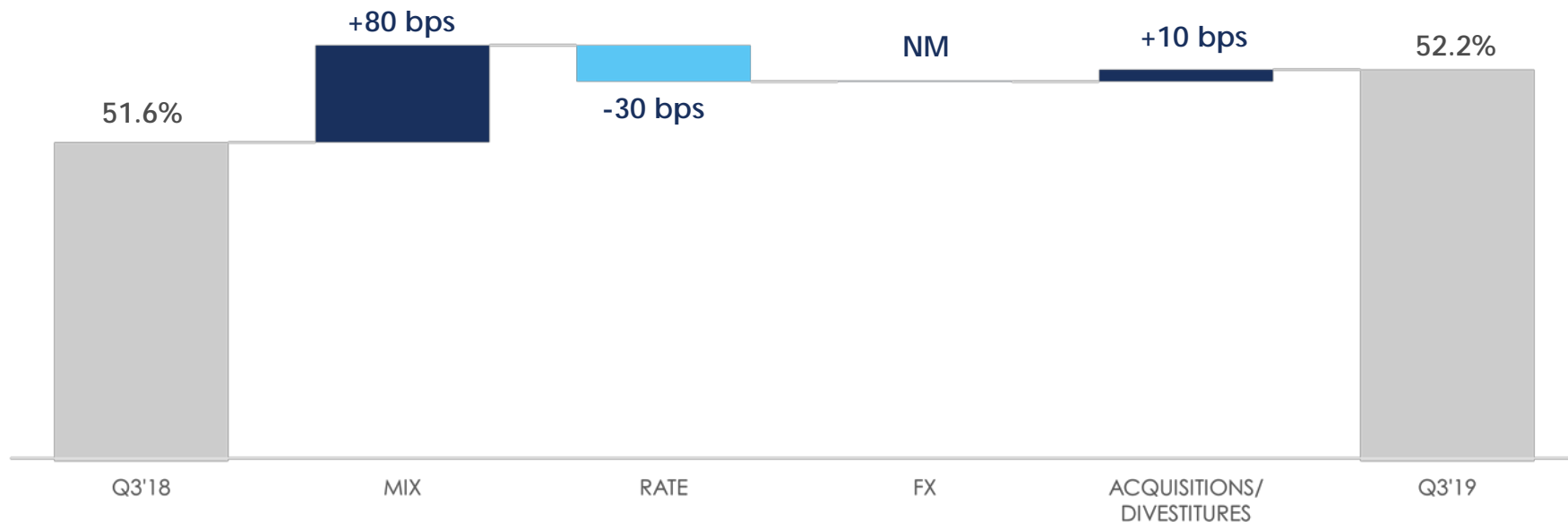
BY REGION



*Organic



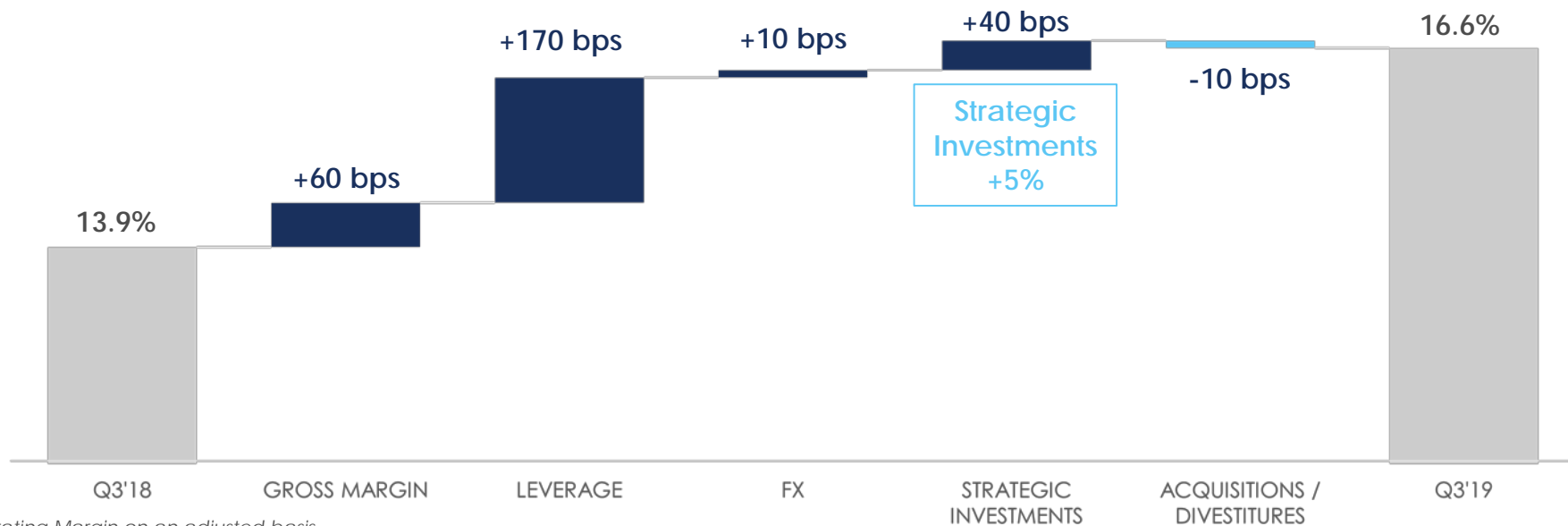
Q3'19: GROSS MARGIN BRIDGE



*Gross Margin on an adjusted basis



Q3'19: OPERATING MARGIN BRIDGE



*Operating Margin on an adjusted basis

Q3 '19: REMAINCO + KONTOOR BRANDS

	VF RemainCo		Kontoor Brands		Total VF	
	Q3'19	YTD	Q3'19	YTD	Q3'19	YTD
REVENUE	\$3,231	\$8,595	\$709	\$2,041	\$3,940	\$10,636
- % Change	+11%	+19%	-5%	-3%	+8%	+14%
- % Change C\$	+13%	+20%	-3%	-2%	+10%	+15%
- % Change* C\$	+12%	+11%	-3%	-2%	+9%	+8%
OPERATING PROFIT**	\$667	\$1,566	\$74	\$270	\$741	\$1,836
- % Change	+27%	+27%	-25%	-11%	+19%	+19%
- % Change C\$	+28%	+28%	-27%	-12%	+19%	+20%
- % Change* C\$	+26%	+22%	-27%	-12%	+18%	+15%
CORPORATE & OTHER EXPENSES					(\$151)	(\$411)
ADJUSTED AMOUNTS***	\$7	\$30	\$22	\$23	\$69	\$151
ADJUSTED OPERATING PROFIT	\$674	\$1,596	\$96	\$293	\$659	\$1,576
- % Change	+26%	+29%	-3%	-3%	+32%	+28%
- % Change C\$	+28%	+29%	-5%	-4%	+33%	+28%
- % Change* C\$	+26%	+24%	-5%	-4%	+31%	+23%

Numbers above based on VF's third quarter fiscal 2019 results.

*Organic

**Operating profit includes other income (expense).

***Please refer to the press release dated January 18, 2019 for more information on adjusted amounts.



BRAND HIGHLIGHTS



Q3'19: TOP FIVE BRAND REVENUE

VANS
"OFF THE WALL"

+25%
+27% C\$

**THE
NORTH
FACE**

+14%
+16% C\$

Timberland 

+1%
+3% C\$

Wrangler

-2%
Flat C\$

Lee

-9%
-7% C\$



Q3'19: VANS®

GLOBAL PERFORMANCE

+25%

REVENUE INCREASED 25% (27% C\$) WITH STRONG GROWTH ACROSS REGIONS, CHANNELS & PRODUCT CATEGORIES

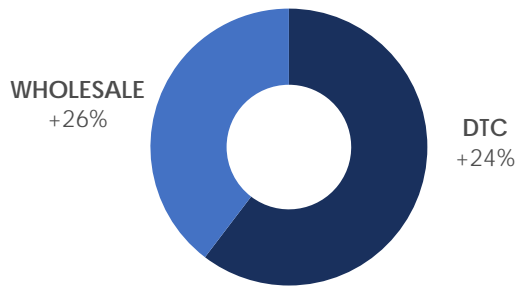
- DTC increased 24% with >20% total comp, including 50% growth in DTC digital
- Wholesale increased 26% driven by strong holiday performance globally

GROWTH REMAINS BALANCED AND WELL DIVERSIFIED

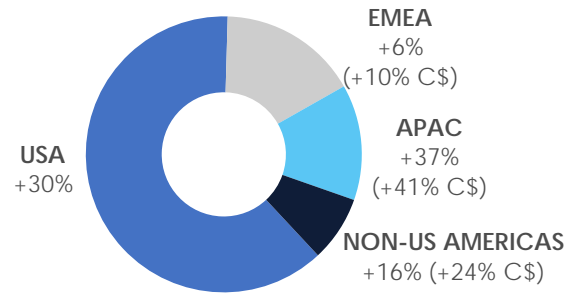
- Footwear increased >25% and apparel & accessories increased >20%
- Slip-on is the fastest growing icon while Old Skool momentum continues

OUTLOOK: Fiscal 2019 revenue now expected to increase ~23% (+25% C\$)

BY CHANNEL



BY REGION

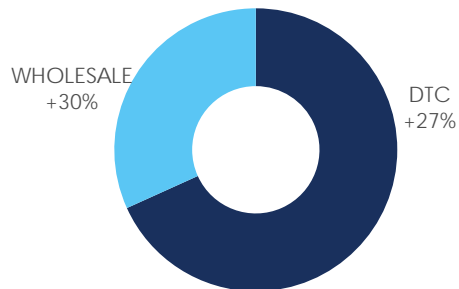




Q3 '19: VANS®

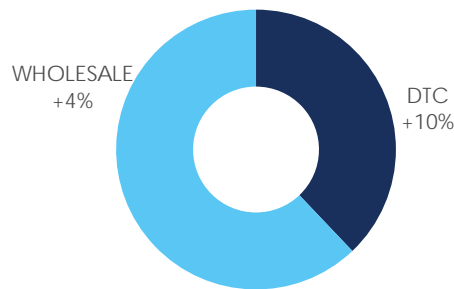
REGIONAL PERFORMANCE

AMERICAS +28% (+29% C\$)



- Growth fueled by strong holiday sales across channels
- DTC digital increased nearly 60%: Customs increased >80%
- Growth balanced with ~30% growth in both footwear and apparel/accessories
- Vans® Family Loyalty adds 2.2M members, totaling 5.8M since launch

EUROPE +6% (+10% C\$)



- Revenue growth driven by ~45% growth in DTC digital, driven by seasonal products (MTE)
- Strong performance in collaborations (NASA & Mickey Mouse 90th Anniversary)
- Icon management continues with balanced growth in Authentic, Slip-on, and Sk8Hi
- 3-day House of Vans pop-up in Dubai drove increased connectivity and brand awareness

APAC +37% (+41% C\$)



- Strong growth across channels led by ~30% growth in China
- DTC digital increased more than 35%
- Collaborations with NASA, Disney, and The North Face® drove increased brand engagement



Q3 '19: THE NORTH FACE®

GLOBAL PERFORMANCE

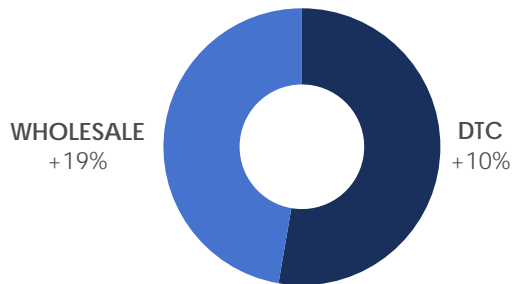
+14%

REVENUE INCREASED 14% (+16% C\$) WITH STRENGTH ACROSS ALL REGIONS & CHANNELS

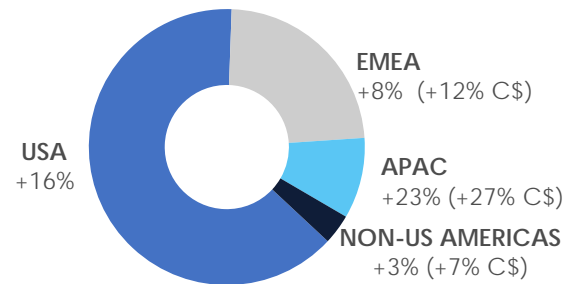
- DTC increased 10%, including 9% total comp and nearly 20% growth in DTC digital
- Wholesale increased 19% driven by strength in all regions
- Strong performance in outerwear, fleece and lifestyle product offerings

OUTLOOK: Revenue now expected to increase ~8% (9% C\$) in fiscal 2019, including about 10% growth in the second half

BY CHANNEL



BY REGION

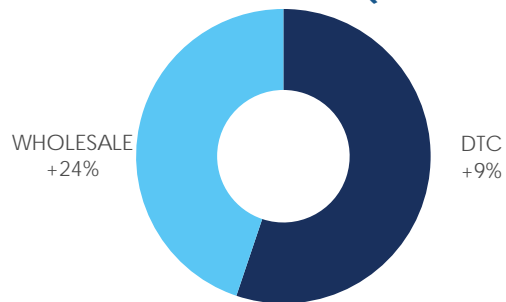




Q3 '19: THE NORTH FACE®

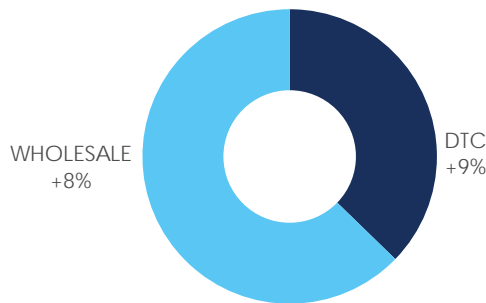
REGIONAL PERFORMANCE

AMERICAS +15% (+15% C\$)



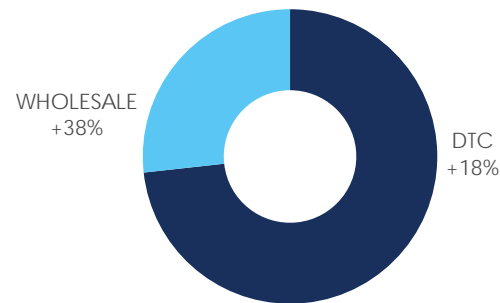
- Double-digit growth in Mountain Sports & Urban Exploration territories
- DTC digital +16% with +8% total comp
- Wholesale driven by strong performance across key accounts and specialty channel
- Strong initial 2019 order book trends

EUROPE +8% (+12% C\$)



- Strong momentum in Mountain Sports & Mountain Lifestyle territories continues
- Wholesale performance remains strong in key strategic accounts across the region
- DTC growth fueled by ~30% growth in DTC digital, including 10% total comp

APAC +23% (+27% C\$)



- Mountain Lifestyle & Urban Exploration product territories increased >40%
- China increased ~30% with balanced growth across channels
- DTC driven by ~25% growth in DTC digital, including ~25% total comp



Q3 '19: TIMBERLAND®

GLOBAL PERFORMANCE

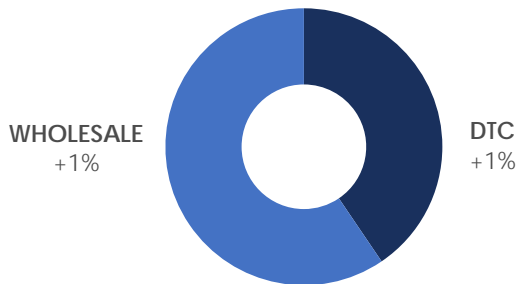
+1%

REVENUE +1% (+3% C\$) DRIVEN BY BALANCED GROWTH FROM DTC & WHOLESALE WITH STRENGTH FROM AMERICAS AND TIMBERLAND PRO

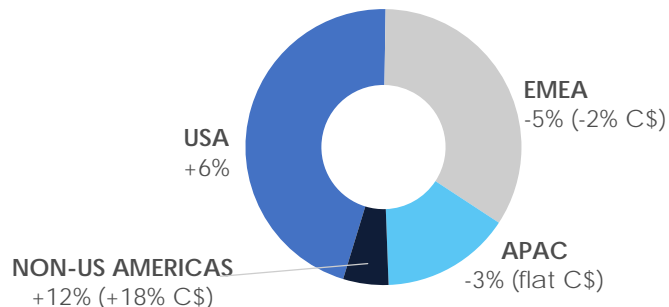
- DTC digital increased 15%
- Diversification of business continues; Double-digit growth in Non-Classic footwear in both men's & women's
- Timberland PRO® +10% driven by Hypercharge and Heritage styles

OUTLOOK: Revenue now expected to be about flat (+1% C\$) in fiscal 2019, including ~3% growth on a C\$ basis in the second half

BY CHANNEL



BY REGION

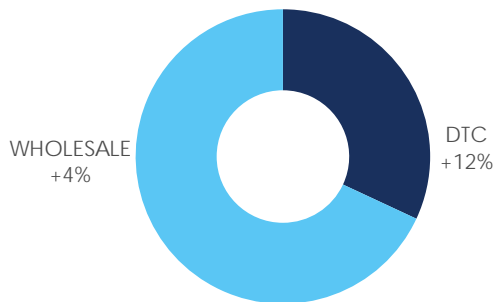




Q3 '19: TIMBERLAND®

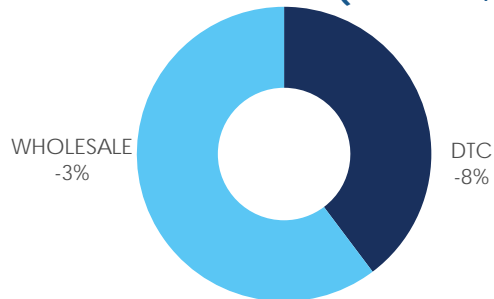
REGIONAL PERFORMANCE

AMERICAS +7% (+7% C\$)



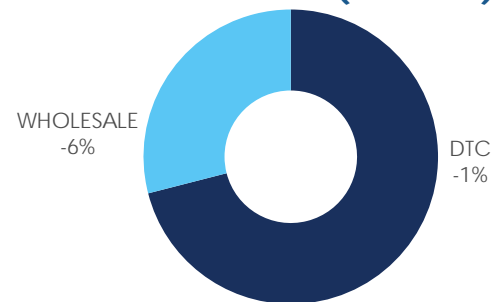
- Footwear diversification strategy continues with 10% growth in Non-Classic footwear; Classics +8%
- DTC strength driven by ~20% growth in DTC digital, including 7% total comp
- Timberland PRO® increased 10% driven by new products (Hypercharge) as well as Heritage styles

EUROPE -5% (-2% C\$)



- Revenue decline due to softness across the region, due in part to unfavorable weather
- Performance of Non-Classics balanced across women's (Courmayeur, London Square) and men's (Bradstreet, Killington and Cityroam collections)
- Expect low-single-digit growth in a C\$ basis in Q4

APAC -3% (flat C\$)



- China increased ~25% with balanced growth across both wholesale and DTC driven by Teeboolang 2 marketing campaign
- Japan wholesale business in transition
- DTC decline driven by softness in Japan and Taiwan; DTC digital increased >15%



Wrangler

Q3 '19: WRANGLER®

GLOBAL PERFORMANCE

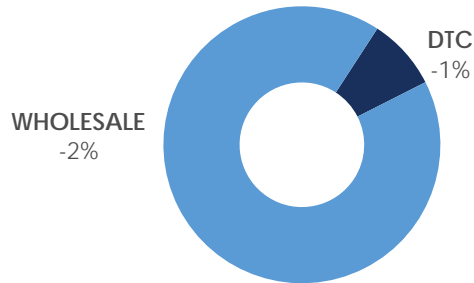


-2%

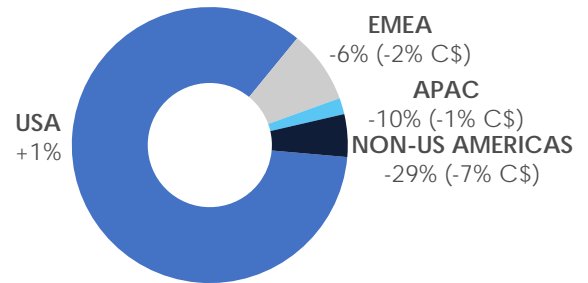
REVENUE -2% (FLAT C\$) DRIVEN BY IMPACT OF CUSTOMER BANKRUPTCY; EXCLUDING IMPACT OF CUSTOMER BANKRUPTCY REVENUE INCREASED 1% C\$

OUTLOOK: Fiscal 2019 revenue now expected to be ~flat (+1% C\$), including low-single-digit growth in Q4

BY CHANNEL



BY REGION





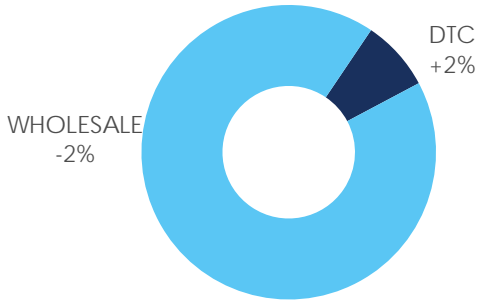
Wrangler

Q3 '19: WRANGLER®

REGIONAL PERFORMANCE



AMERICAS -1% (Flat C\$)



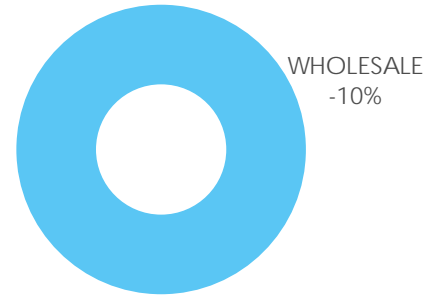
- Excluding impact of customer bankruptcy, revenue increased 2% C\$
- Continued momentum in Western, Workwear and Modern collections
- Digital wholesale increased >25%

EUROPE -6% (-2% C\$)



- Wholesale decline driven by softness in several core markets across the region
- DTC decline impacted by strategic store closures; DTC digital increased 13%

APAC -10% (-1% C\$)



- Ongoing macroeconomic and geopolitical volatility in India
- Asia ex. India +11% (+14% C\$)



Lee

Q3'19: LEE®

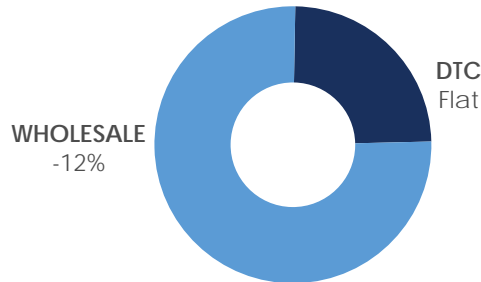
GLOBAL PERFORMANCE

-9%

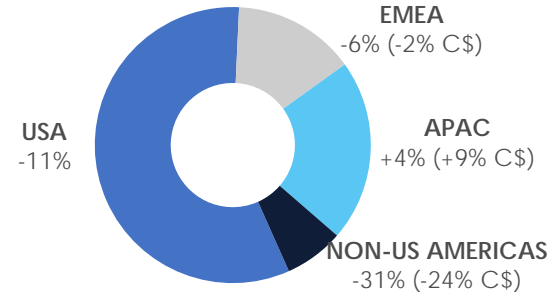
REVENUE -9% (-7% C\$) IMPACTED BY CUSTOMER BANKRUPTCY; EXCLUDING IMPACT OF CUSTOMER BANKRUPTCY REVENUE DECLINED 4% C\$

OUTLOOK: Fiscal 2019 revenue now expected to decline -5% (down 3% C\$), returning to growth on a C\$ basis in Q4

BY CHANNEL



BY REGION



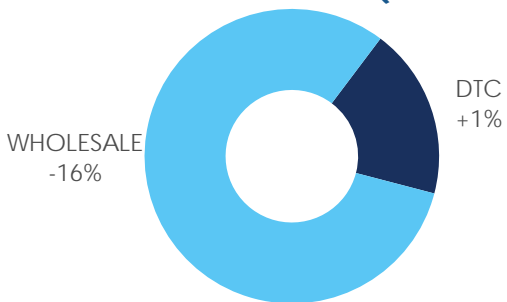


Lee

Q3'19: LEE®

REGIONAL PERFORMANCE

AMERICAS -13% (-12% C\$)



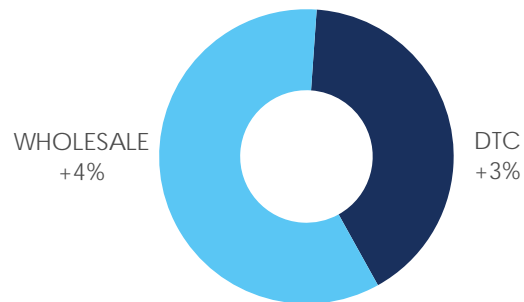
- Excluding impact of customer bankruptcy, revenue declined 8% C\$
- Continued strength in core men's business offset by softness in women's and industry consolidation
- DTC digital increased ~20%; Digital wholesale increased >30%

EUROPE -6% (-2% C\$)



- Revenue decline due to softness in core markets
- DTC decline impacted by strategic store closures, partially offset by 16% growth in DTC digital

APAC +4% (+9% C\$)



- China increased 8% on a C\$ basis
- Strong performance from new innovation collections, including Magma Fusion
- Expect mid-single-digit growth (low-teens on a C\$ basis) in Q4



Q3'19: WORK PERFORMANCE

+5%*

REVENUE INCREASED 5%*, DRIVEN BY BALANCED GROWTH ACROSS NEARLY ALL BRANDS
DICKIES® MOMENTUM CONTINUES WITH STRENGTH IN INTERNATIONAL, LIFESTYLE AND DTC
OUTLOOK: Fiscal 2019 revenue now expect to increase between 5%* and 6%*



+6%



+10%



+2%



+6%



+20%

*Organic. Work growth rates exclude divestiture of Van Moer business.



FINANCIAL OUTLOOK



FISCAL YEAR 2019: OUTLOOK

REVENUE

"At Least"

\$13.8B

+12% / +13% C\$

PREVIOUSLY +11%

ADJUSTED GROSS MARGIN

"At Least"

51.0%

PREVIOUSLY 51.0%

ADJUSTED OPERATING MARGIN

~13.6%

PREVIOUSLY ~13.5%

ADJUSTED EARNINGS PER SHARE*

\$3.73**

+19% / +20% C\$

PREVIOUSLY \$3.65

*On a diluted basis.

**Includes an additional \$45 million or \$0.09 per share of incremental investments

FISCAL YEAR 2019 REVENUE OUTLOOK: 1H vs. 2H

<i>\$ in millions; except EPS</i>	1H'19	2H'19	FISCAL 2019
REVENUE	\$6,969	~\$7,104	~\$13,800
- % Change	+18%	~+6%	~+12%
- % Change C\$	+18%	~+9%	~+13%
- % Change* C\$	+8%	~+8%	~+8%
ADJUSTED GROSS MARGIN*	50.3%	~51.6%	~51.0%
- % Change	+30bps	+40bps	+30bps
ADJUSTED OPERATING PROFIT	\$940	~\$937	~\$1,877
- % Change	+27%	~+13%	~+20%
- % Change* C\$	+19%	~+16%	~+17%
ADJUSTED OPERATING MARGIN*	14.0%	~13.2%	~13.6%
- % Change	+90bps	+80bps	+90bps
ADJUSTED EPS – DILUTED	\$1.87	~\$1.86	~\$3.73
- % Change	+28%	~+11%	~+19%
- % Change C\$	+28%	~+14%	~+20%
- % Change* C\$	+19%	~+14%	~+16%

*Organic



FISCAL YEAR 2019 REVENUE OUTLOOK: SEGMENTS

OUTDOOR

+8%

+3%* (+4%* C\$)

PREVIOUSLY +7% to +8%

ACTIVE

+16%

(+17% C\$)

PREVIOUSLY +14% to +15%

WORK

+39%

+5%* to +6%*

PREVIOUSLY >+35%

JEANS

-3%

(-1% C\$)

PREVIOUSLY -1% to -2%



FISCAL YEAR 2019 REVENUE OUTLOOK: BRANDS

VANS
"OFF THE WALL"

+23%
+25% C\$

**THE
NORTH
FACE**

+8%
+9% C\$

Timberland 

~Flat
+1% C\$

Wrangler

~Flat
+1% C\$

Lee

-5%
-3% C\$

PREVIOUSLY +18% to +19%

PREVIOUSLY +7% to +8%

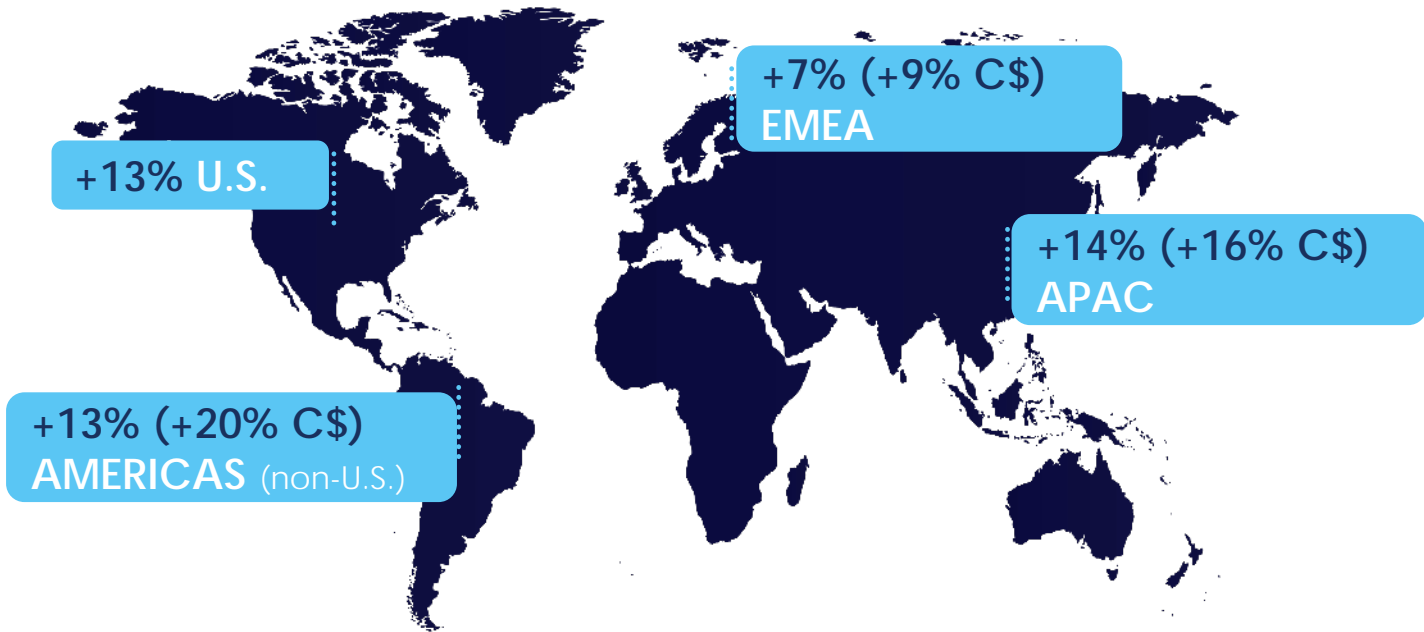
PREVIOUSLY +2% to +4%

PREVIOUSLY +1%

PREVIOUSLY -3% to -4%



FISCAL YEAR 2019 REVENUE OUTLOOK: REGIONS





FISCAL YEAR 2019 REVENUE OUTLOOK: CHANNELS

WHOLESALE

+11%

+12% C\$

PREVIOUSLY +9% to +10%

DIRECT-TO- CONSUMER

+13%

+14% C\$

PREVIOUSLY +12% to +14%

DIRECT-TO- CONSUMER - DIGITAL

>30%



APPENDIX





APPENDIX: GAAP TO NON-GAAP

VF CORPORATION
Supplemental Financial Information
Reconciliation of Select GAAP Measures to Non-GAAP Measures - Three Months Ended December 2018
(Unaudited)
(In thousands, except per share amounts)

Three Months Ended December 2018	As Reported under GAAP	Transaction and Deal Related Costs ^(a)	Relocation and other Restructuring	Impact of Tax Act ^(c)	Adjusted	Contribution from Acquisitions ^(d)	Contribution from Divestitures ^(e)	Adjusted Organic
Revenues	\$ 3,940,159	\$ —	\$ —	\$ —	\$ 3,940,159	\$ (57,546)	\$ (3,855)	\$ 3,878,758
Gross profit	2,043,687	12,371	564	—	2,056,622	(31,814)	(1,322)	2,023,486
<i>Percent</i>	<i>51.9 %</i>				<i>52.2 %</i>			<i>52.2 %</i>
Operating income	591,905	57,781	5,983	—	655,669	(6,614)	857	649,912
<i>Percent</i>	<i>15.0 %</i>				<i>16.6 %</i>			<i>16.8 %</i>
Other income (expense), net	(1,774)	4,842	—	—	3,068	2	1	3,071
Diluted earnings per share from continuing operations ^(f)	1.16	0.12	0.01	0.03	1.31	(0.01)	0.00	1.30

- (a) Transaction and deal related costs include acquisition and integration costs related to the acquisitions of Williamson-Dickie and the Icebreaker® and Altra® brands, and divestiture costs related to the sale of the Reef® brand, which totaled \$6.4 million for the three months ended December 2018. The costs also include separation and related expenses associated with the planned spin-off of the Jeans business of \$51.3 million for the three months ended December 2018. Additionally, the costs include non-operating losses on sale related to the divestitures of the Reef® brand, totaling \$4.5 million in the three months ended December 2018. The transaction and deal related costs resulted in a net tax benefit of \$15.1 million in the three months ended December 2018.
- (b) Relocation and other restructuring costs for the three months ended December 2018 primarily include costs associated with the relocation of VF's global headquarters and certain brands to Denver, Colorado. The costs resulted in a net tax benefit of \$1.6 million and for the three months ended December 2018.
- (c) On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act ("Tax Act"). Measurement period adjustments related to the provisional net charge were recorded during the three months ended December 2018, resulting in net tax expense of \$10.4 million.
- (d) The contribution from acquisitions represents the operating results of Icebreaker® beginning on the acquisition date of April 3, 2018 and the operating results of Altra® beginning on the acquisition date of June 1, 2018. The operating results of all acquisitions exclude transaction and deal related costs. The contribution from acquisitions resulted in tax expense of \$1.9 million for the three months ended December 2018.
- (e) The contribution from divestitures represents the operating results of the Reef® brand and Van Moer business, through the respective dates of sale, for the three months ending December 2018. The operating results of all divestitures exclude transaction and deal related costs. The contribution from divestitures resulted in a tax benefit of \$0.2 million for the three months ended December 2018.
- (f) Amounts shown in the table have been calculated using unrounded numbers. The diluted earnings per share impacts were calculated using 399,767,000 weighted average common shares for the three months ended December 2018.

Non-GAAP Financial Information

The financial information above has been presented on a GAAP basis, on an adjusted basis, which excludes the impact of transaction and deal related costs, relocation and other restructuring costs and the provisional impact of tax reform, and on an adjusted organic basis, which excludes the operating results of Icebreaker®, Altra®, Reef® (for the three months ending December 2018) and the Van Moer business (for the three months ending December 2018). Contribution from acquisitions and divestitures also excludes transaction and deal related costs. These adjusted presentations are non-GAAP measures. Management believes these measures provide investors with useful supplemental information regarding VF's underlying business trends and the performance of VF's ongoing operations and are useful for period-over-period comparisons of such operations. Management uses the above financial measures internally in its budgeting and review process and, in some cases, as a factor in determining compensation. While management believes that these non-GAAP financial measures are useful in evaluating the business, this information should be considered as supplemental in nature and should be viewed in addition to, and not in lieu of or superior to, VF's operating performance measures calculated in accordance with GAAP. In addition, these non-GAAP financial measures may not be the same as similarly titled measures presented by other companies.



APPENDIX: GAAP TO NON-GAAP

VF CORPORATION
Supplemental Financial Information
Reconciliation of Select GAAP Measures to Non-GAAP Measures - Three Months Ended December 2017
(Unaudited)
(In thousands, except per share amounts)

Three Months Ended December 2017	As Reported under GAAP	Transaction and Deal Related Costs ^(a)	Impact of Tax Act ^(b)	Adjusted	Contribution from Divestitures ^(c)	Adjusted Organic
Revenues	\$ 3,649,283	\$ —	\$ —	\$ 3,649,283	\$ (26,838)	\$ 3,622,445
Gross profit	1,879,464	3,635	—	1,883,099	(8,527)	1,874,572
<i>Percent</i>	<i>51.5 %</i>			<i>51.6 %</i>		<i>51.7 %</i>
Operating income	484,619	20,976	—	505,595	2,537	508,132
<i>Percent</i>	<i>13.3 %</i>			<i>13.9 %</i>		<i>14.0 %</i>
Diluted earnings per share from continuing operations ^(d)	(0.18)	0.03	1.16	1.01	0.01	1.02

(a) Transaction and deal related costs include acquisition and integration costs related to the acquisition of Williamson-Dickie of \$15.5 million for the three months ended December 2017. Also included in transaction and deal related costs for the three months ended December 2017 are \$3.6 million of additional cost of goods sold recognized by Williamson-Dickie due to fair value inventory adjustments calculated as part of the purchase price accounting and \$3.5 million of net benefit from the hedge of the purchase price and acquisition costs for the Icebreaker® acquisition. The transaction and deal related costs resulted in a net tax benefit of \$2.0 million in the three months ended December 2017.

(b) On December 22, 2017, the U.S. government enacted the Tax Act. The transitional impact of the Tax Act resulted in a provisional net charge of \$465.5 million for the three months ended December 2017.

(c) The contribution from divestitures represents the operating results of the Reef® brand and Van Moer business for the three months ending December 2017. The contribution from divestitures resulted in a tax benefit of \$0.3 million for the three months ended December 2017.

(d) Amounts shown in the table have been calculated using unrounded numbers. The diluted earnings per share impact was calculated using 400,378,000 weighted average common shares for the three months ended December 2017.

Non-GAAP Financial Information

The financial information above has been presented on a GAAP basis, on an adjusted basis which excludes the impact of tax reform and transaction and deal related expenses, and on an adjusted organic basis, which excludes the operating results of Reef® and the Van Moer business (for the three months ending December 2017). These adjusted presentations are non-GAAP measures. Management believes these measures provide investors with useful supplemental information regarding VF's underlying business trends and the performance of VF's ongoing operations and are useful for period-over-period comparisons of such operations.

Management uses the above financial measures internally in its budgeting and review process and, in some cases, as a factor in determining compensation. While management believes that these non-GAAP financial measures are useful in evaluating the business, this information should be considered as supplemental in nature and should be viewed in addition to, and not in lieu of or superior to, VF's operating performance measures calculated in accordance with GAAP. In addition, these non-GAAP financial measures may not be the same as similarly titled measures presented by other companies.



APPENDIX: GAAP TO NON-GAAP

VF CORPORATION
Supplemental Financial Information
Reportable Segment, Geographic and Channel Revenue Growth
(Unaudited)

Three Months Ended December 2018				
	% Change	% Change Constant Currency	% Change Organic ^(a)	% Change Constant Currency and Organic ^(a)
<u>Segment Revenue Growth</u>				
Outdoor	11 %	12 %	7 %	8 %
Active	16 %	18 %	18 %	20 %
Work	2 %	3 %	5 %	5 %
Jeans	(5)%	(3)%	(5)%	(3)%
Other	1 %	1 %	1 %	1 %
Total segment revenues	8 %	10 %	7 %	9 %
<u>Geographic Revenue Growth</u>				
U.S.	10 %	10 %	9 %	9 %
EMEA	2 %	5 %	1 %	4 %
APAC	14 %	17 %	12 %	16 %
China	18 %	23 %	18 %	23 %
Americas (non-U.S.)	3 %	11 %	(1)%	7 %
International	5 %	9 %	4 %	8 %
<u>Channel Revenue Growth</u>				
Wholesale ^(b)	6 %	8 %	6 %	7 %
Direct-to-consumer	10 %	12 %	9 %	11 %
Digital	24 %	26 %	21 %	23 %

^(a) Excludes acquisitions representing the operating results of Icebreaker® and Altra® for the three months ended December 2018. The change also excludes divestitures representing the operating results of Reef® and the Van Moer business, through the respective dates of sale, for the three months ended December 2018, and for the three months ended December 2017. Refer to Non-GAAP financial information on "Reconciliation of Select GAAP Measures to Non-GAAP Measures - Three Months Ended December 2018" table for additional information.

^(b) Royalty revenues are included in the wholesale channel for all periods.



APPENDIX: GAAP TO NON-GAAP

VF CORPORATION
Supplemental Financial Information
Top 5 Brand Revenue Information
(Unaudited)

Top 5 Brand Revenue Growth	Three Months Ended December 2018			
	Americas	EMEA	APAC	Global
<i>Vans</i> [®]				
% change	28 %	6 %	37 %	25 %
% change constant currency	29 %	10 %	41 %	27 %
<i>The North Face</i> [®]				
% change	15 %	8 %	23 %	14 %
% change constant currency	15 %	12 %	27 %	16 %
<i>Timberland</i> [®]				
% change	7 %	(5)%	(3)%	1 %
% change constant currency	7 %	(2)%	0%	3 %
<i>Wrangler</i> [®]				
% change	(1)%	(6)%	(10)%	(2)%
% change constant currency	0%	(2)%	(1)%	0%
<i>Lee</i> [®]				
% change	(13)%	(6)%	4 %	(9)%
% change constant currency	(12)%	(2)%	9 %	(7)%



VFC.com



YouTube

