

October 18, 2007



VF Announces Record Third Quarter and Increases Dividend

-- Revenues rise 15% to more than \$2 billion; international revenues up 19%

-- EPS from continuing operations up 13% to \$1.86

-- Quarterly dividend increased 5% to \$.58 per share

-- Raising 2007 revenue and EPS guidance to reflect strong third quarter results

Information regarding VF's third quarter conference call webcast today at 4:30 p.m. ET can be found at the end of this release.

GREENSBORO, N.C.--

VF Corporation (NYSE: VFC), a global leader in branded lifestyle apparel, today announced results for the third quarter and nine months ended September 29, 2007. All per share amounts are presented on a diluted basis and, unless otherwise noted, reflect continuing operations.

Revenues rose 15% to a record \$2,073.2 million, compared with \$1,810.1 million in the third quarter of 2006, driven by higher revenues across our Outdoor, Jeanswear and Imagewear businesses and from revenues from our 2007 acquisitions, including, most recently, Seven For All Mankind and Lucy activewear. Income from continuing operations in the current quarter increased 13% to a record \$209.3 million, compared with \$186.0 million in the prior year's quarter. Earnings per share from continuing operations rose 13%, to a record \$1.86 from \$1.64 last year. Net income, including the effects of discontinued operations was \$207.2 million, or \$1.84 per share, compared with \$197.7 million, or \$1.75 per share in the prior year quarter.

For the nine months of 2007, revenues rose 14% to a record \$5,264.2 million from \$4,617.0 million. Income from continuing operations also increased 14% to \$449.2 million, compared with \$393.7 million in the prior year period. Earnings per share from continuing operations rose 13% to \$3.96. Net income, including the effects of discontinued operations, was \$427.2 million, or \$3.76 per share, compared with \$424.9 million, or \$3.77 per share in the prior year period.

"These results - in this environment - prove that VF has the right brands and strategies to

win," said Mackey J. McDonald, Chairman and Chief Executive Officer. "We are uniquely positioned within the apparel industry for long-term success. Due to our successful transformation, VF is a very different company than it used to be. What sets VF apart today is our highly diversified base of products and customers, our large and rapidly growing international business, our expanding base of owned retail stores and our very successful track record of acquisitions. Above all, it is our ability to consistently execute on well-defined goals and strategies that will enable us to continue to generate strong returns for our shareholders."

Third Quarter Business Review

Outdoor

Our Outdoor coalition continues to experience tremendous growth. Revenues increased 22% to \$806 million, with our domestic and international businesses each growing more than 20% during the quarter. The North Face(R), Vans(R), JanSport(R), Kipling(R) and Napapijri(R) brands each enjoyed double-digit revenue gains in the quarter. The early 2007 acquisition of the Eagle Creek(R) brand of adventure travel gear added \$10 million to revenues in the quarter. Outdoor operating income grew 16% in the quarter, with operating margins remaining at the 20% level.

Jeanswear

Revenues in our Jeanswear coalition, which includes our Wrangler(R), Lee(R) and Riders(R) brands, rose 3% in the quarter, driven by a 13% increase in revenues of our international jeans business. Foreign currency translation contributed to the international revenue gain, accounting for about half of the increase. Our Lee(R) and Wrangler(R) brands both experienced strong growth in Europe. Our jeans business in China grew more than 40% in the quarter, with healthy revenue gains also in Canada, Mexico and Russia. Domestic jeanswear revenues declined slightly in the quarter, reflecting softer retail market conditions in the U.S. Total Jeanswear operating income rose strongly, up 15%, with operating margins reaching nearly 18% in the quarter.

Sportswear

Total revenues of our Sportswear coalition, which includes our Nautica(R) and John Varvatos(R) brands as well as the Kipling(R) brand in North America, declined 6% in the quarter. Our Kipling(R) and John Varvatos(R) businesses each posted double-digit revenue growth. Revenues of our Nautica(R) branded business declined 10% in the quarter, reflecting the impact of a shift in shipping dates by most of the brand's customers and generally sluggish conditions in department stores. Operating income declined in the quarter due to the Nautica(R) brand volume decrease and increased promotional activity. We expect more favorable comparisons in the fourth quarter, with an increase in revenues and operating margins more consistent with prior year levels.

Contemporary Brands

In August we completed the acquisitions of the Seven For All Mankind premium denim and Lucy women's activewear businesses, and formed our new Contemporary Brands coalition. Reflecting the revenues of the two businesses since being acquired, our Contemporary Brands coalition generated \$33 million in revenues and \$5 million in operating income in the

quarter. Both the 7 For All Mankind(R) and Lucy(R) brands continue to have great potential and will be important contributors to the future growth of our lifestyle brand portfolio.

Imagewear

Total revenues of our Imagewear coalition rose 24%. The February 2007 acquisition of the Majestic Athletic business contributed \$44 million to revenues in the quarter. Organic growth was 4% in the quarter, driven by a double-digit revenue increase in our licensed sports apparel business. As part of its acquisition of Majestic Athletic, VF Imagewear extended its licensing agreements with both Major League Baseball and the Major League Baseball Players Association. These license agreements cover authentic, replica and fanwear products across multiple channels of distribution. Additionally, we recently renewed our licensing agreement with the National Football League for fanwear products across various distribution channels. Operating income increased 23% in the quarter, with margins remaining strong and stable.

VF's gross margins moved to 43.9% from 43.8%, while operating income rose 15% in the quarter, with operating margins reaching 16.0%.

Our balance sheet continues to be in excellent shape. On October 15 we completed the placement of \$600 million of long-term debt, with the proceeds used to repay short-term borrowings related to recent acquisitions. While we have invested over \$1 billion in acquisitions this year, we continue to expect our year-end debt to capital ratio to be near prior year levels.

International growth continues to be a key driver. International revenues grew 19% in the third quarter and comprised 30% of total revenues in the period. Excluding the impact of foreign currency translation, international revenues were up 12%.

Another key growth driver is the expansion of our direct-to-consumer business primarily through retail store expansion. We continue to grow our retail store base, ending the quarter with 608 owned retail stores, up from 544 at the end of the second quarter and reflecting the addition of 50 Lucy(R) stores. Our retail revenues grew 21% in the quarter, with double-digit revenue growth in our Vans(R), The North Face(R), Kipling(R) and John Varvatos(R) brand stores.

Outlook

We continue to expect very strong fourth quarter and full year results, despite current retail market conditions. For the fourth quarter, we expect an increase in revenues and earnings per share of 18% and 13%, respectively. Reflecting the better-than-anticipated results in the third quarter and our fourth quarter expectations, we now see full year revenues rising 15%, up from our previous guidance of 14%. Earnings per share should increase slightly more than 13%, versus our previous guidance of 12%. We also continue to expect another very strong year of cash flow from operations of approximately \$625 million.

"We're looking forward to wrapping up another record year in both revenues and earnings, and to continuing the momentum into next year," said Mr. McDonald. "At the present time, we are optimistic that we can deliver another record year in 2008, with strong top and bottom line growth. We are gratified by the tremendous success of our Growth Plan and

transformation, yet we are perpetually driven to execute at continually higher levels. We expect to continue our momentum with a focus on organic growth, growing our retail sales, expanding our international business, adding new lifestyle brands and continuing to transform our mix of business toward higher growth, higher margin businesses."

Dividend Increased

The Board of Directors declared a quarterly cash dividend of \$.58 per share, an increase of \$.03. The dividend is payable on December 20, 2007 to shareholders of record as of the close of business on December 10, 2007.

Cautionary Statement on Forward-looking Statements

Certain statements included in this release 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 a number of risks and uncertainties. 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 release include VF's reliance on a small number of large customers; the financial strength of VF's customers; changing fashion trends and consumer demand; increasing pressure on margins; VF's ability to implement its growth strategy; VF's ability to successfully integrate and grow acquisitions; VF's ability to maintain information technology systems; 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; maintenance by VF's licensees and distributors of the value of VF's brands; the overall level of consumer spending; general economic conditions and other factors affecting consumer confidence; fluctuations in the price, availability and quality of raw materials and contracted products; foreign currency fluctuations; and legal, regulatory, political and economic risks in international markets. 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.

About the Company

VF Corporation is a global leader in lifestyle apparel with a diverse portfolio of jeanswear, outdoor, imagewear, sportswear and contemporary apparel brands. Its principal brands include Wrangler(R), Lee(R), Riders(R), The North Face(R), Vans(R), Reef(R), Eagle Creek(R), Eastpak(R), JanSport(R), Napapijri(R), Nautica(R), Kipling(R), John Varvatos(R), 7 For All Mankind(R), Lucy(R), Majestic(R), Lee Sport(R) and Red Kap(R).

VF Corporation's press releases, annual report and other information can be accessed through the Company's home page, www.vfc.com.

Webcast Information

VF will hold its third quarter conference call and webcast today at 4:30 p.m. ET. Interested parties should call 1- 888-254-2798 domestic, or 1-913-312-0399 international, to access the call. You may also access this call via the Internet at www.vfc.com. A replay will be available through Oct. 25, 2007, and can be accessed by dialing 1- 888-203-1112 domestic, and 1-719-457-0820 international. The pass code is 4079550. A replay also can be accessed at the Company's web site at www.vfc.com.

VF CORPORATION
Consolidated Statements of Income
(In thousands, except per share amounts)

	Three Months Ended September		Nine Months Ended September	
	2007	2006	2007	2006
Net Sales	\$2,053,136	\$1,791,648	\$5,207,175	\$4,561,246
Royalty Income	20,023	18,450	56,996	55,787
Total Revenues	2,073,159	1,810,098	5,264,171	4,617,033
Costs and Operating Expenses				
Cost of goods sold	1,163,399	1,018,021	2,975,009	2,608,175
Marketing, administrative and general expenses	578,721	504,253	1,574,336	1,387,932
	1,742,120	1,522,274	4,549,345	3,996,107
Operating Income	331,039	287,824	714,826	620,926
Other Income (Expense)				
Interest income	2,202	1,439	7,494	4,149
Interest expense	(19,349)	(15,835)	(46,373)	(42,370)
Miscellaneous, net	1,834	1,869	3,583	3,240
	(15,313)	(12,527)	(35,296)	(34,981)
Income from Continuing Operations Before Income Taxes	315,726	275,297	679,530	585,945
Income Taxes	106,409	89,340	230,330	192,287
Income from Continuing Operations	209,317	185,957	449,200	393,658
Discontinued Operations				
Income (loss) from				

operations	(1,870)	11,750	2,567	31,266
Loss on disposal	(240)	-	(24,554)	-
	<u>(2,110)</u>	<u>11,750</u>	<u>(21,987)</u>	<u>31,266</u>
Net Income	<u>\$ 207,207</u>	<u>\$ 197,707</u>	<u>\$ 427,213</u>	<u>\$ 424,924</u>

Earnings Per Common				
Share - Basic				
Income from continuing operations	\$ 1.91	\$ 1.68	\$ 4.06	\$ 3.57
Discontinued operations - income (loss) from operations	(0.02)	0.11	0.02	0.28
Discontinued operations - loss on disposal	-	-	(0.22)	-
Net income	1.89	1.78	3.86	3.85

Earnings Per Common				
Share - Diluted				
Income from continuing operations	\$ 1.86	\$ 1.64	\$ 3.96	\$ 3.49
Discontinued operations - income (loss) from operations	(0.02)	0.10	0.02	0.28
Discontinued operations - loss on disposal	-	-	(0.22)	-
Net income	1.84	1.75	3.76	3.77

Weighted Average Shares				
Outstanding				
Basic	109,671	110,802	110,689	110,179
Diluted	112,424	113,062	113,568	112,649

Cash Dividends Per				
Common Share				
	\$ 0.55	\$ 0.55	\$ 1.65	\$ 1.39

NOTE: VF operates and reports using a 52/53 week fiscal year ending on the Saturday closest to December 31 of each year. Similarly, the fiscal third quarter ends on the Saturday closest to September 30. For presentation purposes herein, all references to periods ended September 2007, December 2006 and September 2006 relate to the fiscal periods ended as of September 29, 2007, December 30, 2006 and September 30, 2006, respectively.

VF CORPORATION
Consolidated Balance Sheets
(In thousands)

	September 2007	December 2006	September 2006
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ASSETS			
Current Assets			
Cash and equivalents	\$ 193,855	\$ 343,224	\$ 154,196
Accounts receivable, net	1,266,490	809,594	1,078,172
Inventories	1,295,994	958,262	1,040,024
Other current assets	209,422	205,004	211,861
Current assets of discontinued operations	14,861	261,926	281,214
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Total current assets	2,980,622	2,578,010	2,765,467
Property, Plant and Equipment			
Less accumulated depreciation	1,524,030	1,455,154	1,415,282
	883,304	862,096	855,239
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	640,726	593,058	560,043
Intangible Assets			
	1,434,904	755,693	761,895
Goodwill			
	1,265,878	1,030,925	1,016,264
Other Assets			
	373,854	348,862	382,735
Noncurrent Assets of Discontinued Operations			
	-	159,145	190,053
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	\$6,695,984	\$5,465,693	\$5,676,457
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LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Short-term borrowings	\$1,053,043	\$ 88,467	\$ 302,641
Current portion of long-term debt	67,403	68,876	35,670
Accounts payable	413,814	385,700	357,370
Accrued liabilities	606,348	392,815	473,696
Current liabilities of discontinued operations	267	78,990	76,404
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Total current liabilities	2,140,875	1,014,848	1,245,781
Long-term Debt			
	594,792	635,359	665,475
Other Liabilities			
	592,524	536,728	628,500
Noncurrent Liabilities of Discontinued Operations			
	-	13,586	13,575
Commitments and Contingencies			
Common Stockholders' Equity			
Common Stock	109,737	112,185	111,208
Additional paid-in capital	1,601,708	1,469,764	1,407,986
Accumulated other comprehensive			

income (loss)	(29,634)	(123,652)	(155,956)
Retained earnings	1,685,982	1,806,875	1,759,888
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Total common stockholders' equity	3,367,793	3,265,172	3,123,126
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	\$6,695,984	\$5,465,693	\$5,676,457
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VF CORPORATION
Consolidated Statements of Cash Flows
(In thousands)

	Nine Months Ended September	
	2007	2006
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Operating Activities		
Net income	\$ 427,213	\$ 424,924
Adjustments to reconcile net income to cash provided (used) by operating activities of continuing operations:		
Loss (income) from discontinued operations	21,987	(31,266)
Depreciation	69,081	65,857
Amortization of intangible assets	17,655	13,130
Other amortization	17,507	15,293
Stock-based compensation	47,682	36,054
Pension funding under (over) expense	4,621	(42,901)
Other, net	(9,150)	3,396
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable	(353,469)	(384,930)
Inventories	(196,290)	(121,011)
Accounts payable	(9,694)	(45,090)
Accrued income taxes	60,792	(18,088)
Accrued liabilities and other	67,858	84,410
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Cash provided (used) by operating activities of continuing operations	165,793	(222)
(Loss) income from discontinued operations	(21,987)	31,266
Adjustments to reconcile (loss) income from discontinued operations to cash provided (used) by discontinued operations:		
Loss on disposal of discontinued operations	24,554	-
Other, net	(15,738)	(7,869)
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Cash provided (used) by discontinued operations	(13,171)	23,397
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Cash provided by operating activities	152,622	23,175
Investing Activities		
Capital expenditures	(79,085)	(76,691)
Business acquisitions, net of cash acquired	(1,082,844)	(69,611)

Proceeds from sale of Intimate Apparel business	348,714	-
Proceeds from sale of Playwear business	884	4,667
Software purchases	(1,885)	(8,598)
Other, net	11,458	4,159
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Cash used by investing activities of continuing operations	(802,758)	(146,074)
Discontinued operations, net	(243)	3,163
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Cash used by investing activities	(803,001)	(142,911)
Financing Activities		
Increase in short-term borrowings	963,713	154,802
Payments on long-term debt	(29,628)	(1,519)
Purchase of Common Stock	(350,000)	(118,582)
Cash dividends paid	(182,831)	(154,775)
Proceeds from issuance of Common Stock, net	77,594	79,699
Tax benefits of stock option exercises	15,119	12,063
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Cash provided (used) by financing activities	493,967	(28,312)
Effect of Foreign Currency Rate Changes on Cash	7,043	5,687
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Net Change in Cash and Equivalents	(149,369)	(142,361)
Cash and Equivalents - Beginning of Year	343,224	296,557
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Cash and Equivalents - End of Period	\$ 193,855	\$ 154,196
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VF CORPORATION
Supplemental Financial Information
Business Segment Information
(In thousands)

	Three Months Ended September		Nine Months Ended September	
	2007	2006	2007	2006
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Coalition Revenues				
Jeanswear	\$ 758,485	\$ 738,171	\$2,174,691	\$2,080,161
Outdoor	806,113	658,987	1,791,611	1,415,679
Imagewear	267,470	215,743	711,046	598,204
Sportswear	172,964	183,995	475,055	488,226
Contemporary Brands	32,667	-	32,667	-
Other	35,460	13,202	79,101	34,763
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Total coalition revenues	\$2,073,159	\$1,810,098	\$5,264,171	\$4,617,033
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Coalition Profit				
Jeanswear	\$ 135,727	\$ 117,766	\$ 366,617	\$ 329,639
Outdoor	161,305	139,606	298,012	232,553
Imagewear	41,553	33,734	98,059	92,892
Sportswear	17,110	24,919	45,918	63,257
Contemporary Brands	4,854	-	4,854	-
Other	530	405	2,988	(522)
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Total coalition profit	361,079	316,430	816,448	717,819
Corporate and Other Expenses	(28,206)	(26,737)	(98,039)	(93,653)
Interest, net	(17,147)	(14,396)	(38,879)	(38,221)
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Income from Continuing Operations Before Income Taxes	\$ 315,726	\$ 275,297	\$ 679,530	\$ 585,945
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Source: VF Corporation