

February 22, 2011



## **VF Announces 11% Increase in 2010 Fourth Quarter Revenues; Momentum Expected to Continue in 2011**

- 4Q revenues rise 11% to \$2.1 billion
- 4Q adjusted EPS increases 10% to record \$1.78
- Full year adjusted EPS increases 25% to \$6.46
- Gross margins reach record levels for fourth quarter and full year
- 2010 cash flow from operations exceeds \$1 billion
- 2011 guidance: revenues to rise 8 to 9%; EPS targeted at \$7.00 to \$7.10

Information regarding VF's fourth quarter conference call webcast today at 8:30 a.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 fourth quarter and full year 2010. All per share amounts are presented on a diluted basis.

The discussions in this release refer to adjusted amounts that exclude noncash impairment charges taken in the fourth quarters of both 2009 and 2010, which are described under the heading "Adjusted Amounts - Excluding Noncash Impairment Charges." Reconciliations of GAAP measures to adjusted amounts are presented in the supplemental financial information included with this release and identify and quantify all excluded items.

### **Fourth Quarter Results Summary**

Revenues rose a stronger-than-expected 11% to \$2,126.2 million from \$1,915.4 million in 2009. On a constant currency basis, revenues increased 12%. Revenue growth in the quarter was driven primarily by strong growth in Outdoor & Action Sports, where revenues rose 20%. Reflecting solid organic growth in other coalitions, Jeanswear revenues grew 7%, Imagewear revenues rose 5% and Sportswear revenues increased 11%. Contemporary Brands revenues declined 9%.

Gross margins reached a record 46.6%, up from a previous high of 46.3% in the 2009 period. Operating margins on an adjusted basis declined to 12.9% from 13.6% in 2009, reflecting a disproportionately high level of incremental marketing investments made during the quarter. (\$45 million Q4; \$100 million full year.)

Net income on an adjusted basis rose 8% to \$196.1 million from \$181.3 million, while adjusted earnings per share increased 10% to \$1.78 per share from \$1.62 per share. On a GAAP basis, net income was \$54.2 million compared with \$66.9 million in 2009, and earnings per share were \$.49 compared with \$.60 in the 2009 period.

"These results - in an economic environment that remains fragile - prove that VF has the right brands and strategies to win," said Eric Wiseman, Chairman and Chief Executive Officer. "We're uniquely positioned for long-term success, driven by our exceptionally powerful and diverse brand portfolio, substantial growth opportunities both domestically and internationally, and the balance sheet and cash to fuel our expansion."

## Full Year Results Summary

Revenues increased 7% to \$7,702.6 million from \$7,220.3 million in 2009, with Outdoor & Action Sports revenues rising 14% during the year; Jeanswear revenues rose 1%, Imagewear and Contemporary Brands revenues each grew by 5%, and Sportswear revenues were flat.

Gross margins reached a record 46.7%, up 240 basis points from 44.3% in 2009. Exceptional growth in our high margin direct-to-consumer and lifestyle businesses, improved profitability in our retail operations, and lower product costs were the key factors contributing to the increase. Operating margins on an adjusted basis were 13.3% in 2010, expanding by 140 basis points including the aforementioned \$100 million in additional marketing investments.

Net income on an adjusted basis rose 24% to \$713.2 million from \$575.7 million, while adjusted earnings per share increased 25% to \$6.46 from \$5.16. On a GAAP basis, net income also rose 24%, to \$571.4 million in 2010 from \$461.3 million in 2009 and earnings per share rose 25% to \$5.18 in 2010 from \$4.13 in 2009.

## Adjusted Amounts - Excluding Noncash Impairment Charges

As a result of our review of goodwill and intangible assets that we conduct during the fourth quarter of each year in connection with our strategic planning process and preparation of our annual financial statements, we recorded a \$201.7 million pre-tax noncash impairment charge in the fourth quarter of 2010 to reduce the carrying value of the goodwill and intangible assets related to our 7 For All Mankind(R) brand. On an after-tax basis, the charge totaled \$141.8 million, which decreased full year 2010 earnings per share by \$1.29. Similarly, we recorded impairment charges of \$122.0 million in 2009 related to other businesses. On an after-tax basis, these charges totaled \$114.4 million, which decreased full year earnings per share in 2009 by \$1.03.

## Fourth Quarter Business Review

Outdoor & Action Sports: The momentum continues in our Outdoor & Action Sports businesses, which again achieved record revenues, operating income and operating margins in the current quarter. Total global revenues in Outdoor & Action Sports rose 20% in the quarter, with revenues of our Americas business rising 17% and international revenues up 32% on a constant currency basis. The strength of The North Face<sup>(R)</sup> and Vans<sup>(R)</sup> businesses led to growth in global revenues for these brands of 25% and 18%, respectively. Our international Kipling<sup>(R)</sup> and Napapijri<sup>(R)</sup> businesses also achieved outstanding results in the quarter, with revenues up 23% and 38%, respectively, in constant dollars. Total direct-to-consumer revenues for Outdoor & Action Sports rose 21% in the quarter, with double-digit increases in The North Face<sup>(R)</sup>, Vans<sup>(R)</sup>, Kipling<sup>(R)</sup> and Napapijri<sup>(R)</sup> direct-to-consumer businesses.

Operating income rose by 27%, with operating margins increasing by one full percentage point to 20.1% in the quarter. The strong top and bottom line growth was fueled in part by a nearly 60% increase in brand-building investments and initiatives during the quarter, particularly in The North Face<sup>(R)</sup> and Vans<sup>(R)</sup> brands.

**Jeanswear:** Our Global Jeanswear business experienced healthy top line growth and higher operating margins during the quarter. Global Jeanswear revenues grew 7% in the quarter. The exit of our European mass market business in 2009 negatively impacted the revenue comparisons by 1%. Domestic revenues rose 6% with growth in all three major businesses: Mass Market revenues grew 5% in the quarter, and revenues in our Lee<sup>(R)</sup> and Western businesses rose 8% and 7%, respectively. International jeans revenues rose 9%, despite a 5% negative impact from the exit of our European mass market business. Jeanswear revenues in Asia increased 42%; strong growth was also achieved in Mexico, Latin America and Canada.

Operating income increased 10%, with operating margins rising to 16.4% from 15.9% in the quarter reflecting improved profitability in our international jeans businesses.

**Imagewear:** Our Imagewear business achieved another quarter of solid performance, with a 5% increase in revenues and a 14% increase in operating income. Fueling coalition revenue and profit growth in the quarter was a 14% increase in Image (uniform) revenues. Growth in our flame-resistant apparel business under our highly profitable Bulwark<sup>(R)</sup> brand contributed to the quarter's results and should be a source of growth in future periods as well.

**Sportswear:** Sportswear revenues increased 11%, with double-digit increases in both our Nautica<sup>(R)</sup> and Kipling<sup>(R)</sup> brands. Nautica<sup>(R)</sup> brand revenues grew by 10% in the quarter, with strong growth in the brand's core wholesale men's sportswear business. A 30% increase in Kipling<sup>(R)</sup> brand revenues resulted from the successful launch earlier this year of a new program that is exclusive to Macy's.

Sportswear profitability continued to improve, with operating income rising 27% in the quarter and operating margins reaching nearly 14%.

**Contemporary Brands:** Revenues of our Contemporary Brands coalition, which consists of the 7 For All Mankind<sup>(R)</sup>, John Varvatos<sup>(R)</sup>, Splendid<sup>(R)</sup> and Ella Moss<sup>(R)</sup> brands, declined 9% in the quarter, with foreign currency translation accounting for 2 percentage points of the decline. Conditions in the U.S. premium denim market remain soft, contributing to a decline in 7 For All Mankind<sup>(R)</sup> brand revenues in the quarter. Our Splendid<sup>(R)</sup>, Ella Moss<sup>(R)</sup> and John Varvatos<sup>(R)</sup> brands each grew revenues at a mid-teen rate during the quarter. Building our contemporary brands' direct-to-consumer businesses, including new stores and e-commerce, continues to be an important component of our growth plans for these businesses, and during the quarter direct-to-consumer revenues for our Contemporary Brands coalition grew 42%.

The coalition recorded an operating loss of \$8 million in the quarter, reflecting inventory reduction initiatives as well as continued investments in new 7 For All Mankind<sup>(R)</sup> retail stores and marketing programs to support future growth globally.

**Expansion in International Revenues**

Our international businesses remain an important long-term driver of both organic growth and margin expansion. During the quarter, international revenues increased 22% on a constant currency basis driven by strong growth in our European Outdoor & Action Sports businesses, and across our biggest brands in Asia. Total revenues in Asia were up 31% in the quarter, with our jeanswear, The North Face<sup>(R)</sup> and Vans<sup>(R)</sup> businesses each growing in excess of 40% in the quarter. For the full year in 2010, international revenues grew 7% (8% in constant dollars) and accounted for 30% of total revenues. Revenues in Asia increased 31% in 2010. With an established infrastructure now in place, India has emerged as an important new market for future growth. Revenues in India nearly doubled in the fourth quarter and rose 60% for the full year.

Given their strong profitability and efficient tax structure, our international businesses continue to be a key driver to both operating income and earnings per share growth.

#### Growth in Direct-to-Consumer Revenues

Our direct-to-consumer revenues increased 13% in the quarter, driven by new store openings and comp store growth. The direct-to-consumer businesses of The North Face<sup>(R)</sup>, Vans<sup>(R)</sup>, 7 For All Mankind<sup>(R)</sup>, Kipling<sup>(R)</sup> and Napapijri<sup>(R)</sup> brands each achieved double-digit revenue gains in the period. We opened a total of 23 stores across our brands in the quarter and 85 stores during the year, bringing the total number of owned retail stores to 786 in 2010. Our direct-to-consumer revenues grew 13% in 2010, rising to 18% of total revenues.

#### Marketing Investments Driving Organic Growth

As noted above, marketing spending increased 48% (\$45 million) in the fourth quarter and 30% (\$100 million) for the full year. Marketing spending as a percent of total revenues reached a high of 5.5% in 2010 compared with 4.6% in 2009. While over half of this increase in total spending was behind The North Face<sup>(R)</sup> and Vans<sup>(R)</sup> brands, where brand investments doubled during the year, nearly every brand in our portfolio received additional marketing support in 2010. Heavy investments were also made this year to support our rapidly-growing and highly profitable businesses in China.

#### Cash Flow from Operations Rises to a Record \$1 Billion

Cash flow from operations reached an all-time high of \$1 billion in 2010. Cash rose to \$792 million at the end of the year. Inventories rose 12%, as expected, to support strengthening revenue trends. During 2010 we spent \$412 million to repurchase 5.1 million shares, made \$264 million in dividend payments, paid down \$200 million of long-term debt, and contributed \$100 million to our pension plan.

#### 2011 Guidance: Strong Top and Bottom Line Growth and Stable Operating Margins

"We enter 2011 with excellent top and bottom line momentum, and our brands very well-positioned to grow and capture additional market share," said Mr. Wiseman. "2011 should mark the highest rate of organic revenue growth since 2007. The investments made last year to drive organic growth were successful and will continue this year, further strengthening our foundation for delivering solid, sustainable growth in 2011 and beyond."

Revenues in 2011 are expected to increase by 8 to 9%, and we anticipate earnings per

share rising to \$7.00 to \$7.10 this year.

Operating margins are expected to be comparable to the 13.3% achieved in 2010. Reflecting higher product costs, gross margins are expected to decline, but by less than one percentage point, as margins will also continue to benefit from our changing business mix. We will continue to invest strongly in our brands, with the ratio of marketing spending to revenues remaining at approximately the same level in 2011 as in 2010. However, our overall SG&A spending will represent a lower percentage of revenues in 2011, reflecting the leverage from strong revenue growth.

Key points related to our 2011 outlook include:

- Solid revenue growth across all coalitions, highlighted by mid-teen percentage growth in Outdoor & Action Sports and supported by continued healthy levels of marketing spending. Our Jeanswear, Imagewear, Sportswear and Contemporary coalitions are each planning for mid-single digit revenue growth in 2011.
- 15% growth in international revenues, with low double-digit growth expected in both Europe and the Americas, and exceptionally strong growth in Asia. Growing our business in Asia - particularly in China and India - remains a strategic priority, with revenue growth expected to exceed 25% this year. On a longer term basis, we remain confident in our ability to achieve 40% of total revenues from international markets.
- 10 to 15% revenue growth in our direct-to-consumer business. Growth will be driven by approximately 100 store openings in 2011 - the highest number of store openings in our history - and low single-digit comp store growth, in addition to the continued rapid growth in our e-commerce business. Over half our new store openings will be outside the U.S., further supporting our international growth plans. We expect that our direct-to-consumer revenues will approach 20% of total revenues in 2011.

## Dividend Declared

The Board of Directors declared a quarterly cash dividend of \$.63 per share, payable on March 21, 2011 to shareholders of record as of the close of business on March 11, 2011.

## Non-GAAP Financial Measures

This press release contains constant currency financial information and adjusted amounts that exclude noncash impairment charges. These are measures of financial performance that are not prepared in accordance with generally accepted accounting principles ("GAAP"). An explanation of management's use of this non-GAAP financial information is described in the supplemental financial information included with this release.

## 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 the overall level of consumer spending on apparel; the level of consumer confidence; 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 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 grow its international and direct-to-consumer businesses; VF's ability to successfully integrate and grow acquisitions; VF's ability to maintain the strength and security of its 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; 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 VF

VF Corporation is a global leader in branded lifestyle apparel with more than 30 brands, including Wrangler<sup>(R)</sup>, The North Face<sup>(R)</sup>, Lee<sup>(R)</sup>, Vans<sup>(R)</sup>, Nautica<sup>(R)</sup>, 7 For All Mankind<sup>(R)</sup>, Eagle Creek<sup>(R)</sup>, Eastpak<sup>(R)</sup>, Ella Moss<sup>(R)</sup>, JanSport<sup>(R)</sup>, John Varvatos<sup>(R)</sup>, Kipling<sup>(R)</sup>, Lucy<sup>(R)</sup>, Majestic<sup>(R)</sup>, Napapijri<sup>(R)</sup>, Red Kap<sup>(R)</sup>, Reef<sup>(R)</sup>, Riders<sup>(R)</sup> and Splendid<sup>(R)</sup>.

## Webcast Information

VF will hold its fourth quarter conference call and webcast today at 8:30 a.m. ET. Interested parties should call 1-888-490-2765 domestic, or 1-719-325-2332 international, to access the call. You may also access this call via the Internet at [www.vfc.com](http://www.vfc.com). A replay will be available through March 1, 2011 and can be accessed by dialing 1-877-870-5176 domestic, and 1-858-384-5517 international. The pass code is 6307444. A replay also can be accessed at the Company's web site at [www.vfc.com](http://www.vfc.com).

## VF CORPORATION

### Consolidated Statements of Income

(In thousands, except per share amounts)

|                | Three Months Ended December |              | Year Ended December |              |
|----------------|-----------------------------|--------------|---------------------|--------------|
|                | 2010                        | 2009         | 2010                | 2009         |
| Net Sales      | \$ 2,104,415                | \$ 1,893,455 | \$ 7,624,599        | \$ 7,143,074 |
| Royalty Income | 21,824                      | 21,914       | 77,990              | 77,212       |
| Total Revenues | 2,126,239                   | 1,915,369    | 7,702,589           | 7,220,286    |

### Costs and Operating

|                                                  |           |           |            |            |
|--------------------------------------------------|-----------|-----------|------------|------------|
| Expenses                                         |           |           |            |            |
| Cost of goods sold                               | 1,135,117 | 1,028,946 | 4,105,201  | 4,025,122  |
| Marketing, administrative and general expenses   | 715,853   | 626,730   | 2,574,790  | 2,336,394  |
| Impairment of goodwill and intangible assets     | 201,738   | 121,953   | 201,738    | 121,953    |
|                                                  | 2,052,708 | 1,777,629 | 6,881,729  | 6,483,469  |
| Operating Income                                 | 73,531    | 137,740   | 820,860    | 736,817    |
| Other Income (Expense)                           |           |           |            |            |
| Interest income                                  | 736       | 480       | 2,336      | 2,230      |
| Interest expense                                 | (16,188 ) | (20,743 ) | (77,738 )  | (85,902 )  |
| Miscellaneous, net                               | (4,191 )  | (1,620 )  | 4,754      | 1,528      |
|                                                  | (19,643 ) | (21,883 ) | (70,648 )  | (82,144 )  |
| Income Before Income Taxes                       | 53,888    | 115,857   | 750,212    | 654,673    |
| Income Tax Expense (Benefit)                     | (1,421 )  | 50,872    | 176,700    | 196,215    |
| Net Income                                       | 55,309    | 64,985    | 573,512    | 458,458    |
| Net (Income) Loss Attributable to Noncontrolling |           |           |            |            |
| Interests in Subsidiaries                        | (1,085 )  | 1,900     | (2,150 )   | 2,813      |
| Net Income Attributable to VF Corporation        | \$ 54,224 | \$ 66,885 | \$ 571,362 | \$ 461,271 |
| Earnings Per Share Attributable to               |           |           |            |            |
| VF Corporation Common Stockholders               |           |           |            |            |
| Basic                                            | \$ 0.50   | \$ 0.61   | \$ 5.25    | \$ 4.18    |
| Diluted                                          | 0.49      | 0.60      | 5.18       | 4.13       |
| Weighted Average Shares Outstanding              |           |           |            |            |

|                                    |         |         |         |         |
|------------------------------------|---------|---------|---------|---------|
| Basic                              | 108,101 | 110,434 | 108,764 | 110,389 |
| Diluted                            | 110,153 | 111,845 | 110,328 | 111,605 |
| Cash Dividends Per<br>Common Share | \$ 0.63 | \$ 0.60 | \$ 2.43 | \$ 2.37 |

Basis of presentation: VF operates and reports using a 52/53 week fiscal year ending on the Saturday closest to December 31 of each year. For presentation purposes herein, all references to periods ended December 2010 and December 2009 relate to the 13 week and 52 week fiscal periods ended January 1, 2011 and January 2, 2010, respectively.

#### VF CORPORATION

#### Consolidated Balance Sheets

(In thousands)

|                               | December     |              |
|-------------------------------|--------------|--------------|
|                               | 2010         | 2009         |
| ASSETS                        |              |              |
| Current Assets                |              |              |
| Cash and equivalents          | \$ 792,239   | \$ 731,549   |
| Accounts receivable, net      | 773,083      | 776,140      |
| Inventories                   | 1,070,694    | 958,639      |
| Deferred income taxes         | 68,220       | 64,959       |
| Other current assets          | 121,824      | 101,275      |
| Total current assets          | 2,826,060    | 2,632,562    |
| Property, Plant and Equipment | 1,663,299    | 1,601,608    |
| Less accumulated depreciation | 1,060,391    | 987,430      |
|                               | 602,908      | 614,178      |
| Intangible Assets             | 1,490,925    | 1,535,121    |
| Goodwill                      | 1,166,638    | 1,367,680    |
| Other Assets                  | 371,025      | 324,322      |
|                               | \$ 6,457,556 | \$ 6,473,863 |

#### LIABILITIES AND STOCKHOLDERS' EQUITY

#### Current Liabilities

|                                               |              |              |
|-----------------------------------------------|--------------|--------------|
| Short-term borrowings                         | \$ 36,576    | \$ 45,453    |
| Current portion of long-term debt             | 2,737        | 203,179      |
| Accounts payable                              | 510,998      | 373,186      |
| Accrued liabilities                           | 559,164      | 473,971      |
| Total current liabilities                     | 1,109,475    | 1,095,789    |
| Long-term Debt                                | 935,882      | 938,494      |
| Other Liabilities                             | 550,880      | 626,295      |
| Commitments and Contingencies                 |              |              |
| Stockholders' Equity                          |              |              |
| Common Stock                                  | 107,938      | 110,285      |
| Additional paid-in capital                    | 2,081,367    | 1,864,499    |
| Accumulated other comprehensive income (loss) | (268,594 )   | (209,742 )   |
| Retained earnings                             | 1,940,508    | 2,050,109    |
| Noncontrolling interests in subsidiaries      | 100          | (1,866 )     |
| Total stockholders' equity                    | 3,861,319    | 3,813,285    |
|                                               | \$ 6,457,556 | \$ 6,473,863 |

# VF CORPORATION

## Consolidated Statements of Cash Flows

(In thousands)

|                                                      | Year Ended December |            |
|------------------------------------------------------|---------------------|------------|
|                                                      | 2010                | 2009       |
| Operating Activities                                 |                     |            |
| Net income                                           | \$ 573,512          | \$ 458,458 |
| Adjustments to reconcile net income to cash provided |                     |            |
| by operating activities:                             |                     |            |
| Impairment of goodwill and intangible assets         | 201,738             | 121,953    |
| Depreciation                                         | 116,837             | 113,207    |
| Amortization of intangible assets                    | 39,373              | 40,500     |
| Other amortization                                   | 17,186              | 16,745     |

|                                                                   |            |            |
|-------------------------------------------------------------------|------------|------------|
| Stock-based compensation                                          | 63,538     | 36,038     |
| Provision for doubtful accounts                                   | 7,441      | 24,836     |
| Pension funding in excess of expense                              | (45,850 )  | (114,149 ) |
| Deferred income taxes                                             | (92,068 )  | 54,674     |
| Other, net                                                        | 29,179     | (6,923 )   |
| Changes in operating assets and liabilities, net of acquisitions: |            |            |
| Accounts receivable                                               | (12,954 )  | 75,449     |
| Inventories                                                       | (114,334 ) | 209,439    |
| Other current assets                                              | (7,689 )   | 77,173     |
| Accounts payable                                                  | 140,470    | (69,560 )  |
| Accrued compensation                                              | 27,817     | (11,714 )  |
| Accrued income taxes                                              | (14,649 )  | 14,763     |
| Accrued liabilities                                               | 50,889     | (25,182 )  |
| Other assets and liabilities                                      | 20,846     | (42,222 )  |
| Cash provided by operating activities                             | 1,001,282  | 973,485    |
| Investing Activities                                              |            |            |
| Capital expenditures                                              | (111,640 ) | (85,859 )  |
| Business acquisitions, net of cash acquired                       | (38,290 )  | (212,339 ) |
| Software purchases                                                | (13,610 )  | (9,735 )   |
| Other, net                                                        | (16,940 )  | (8,943 )   |
| Cash used by investing activities                                 | (180,480 ) | (316,876 ) |
| Financing Activities                                              |            |            |
| Decrease in short-term borrowing                                  | (9,741 )   | (11,019 )  |
| Payments on long-term debt                                        | (203,063 ) | (3,242 )   |
| Purchase of Common Stock                                          | (411,838 ) | (111,974 ) |
| Cash dividends paid                                               | (264,281 ) | (261,682 ) |
| Proceeds from issuance of Common Stock                            | 137,732    | 62,590     |
| Tax benefits of stock option exercises                            | 8,599      | 6,464      |
| Other, net                                                        | (240 )     | (480 )     |
| Cash used by financing activities                                 | (742,832 ) | (319,343 ) |

|                                                 |            |            |
|-------------------------------------------------|------------|------------|
| Effect of Foreign Currency Rate Changes on Cash | (17,280 )  | 12,439     |
| Net Change in Cash and Equivalents              | 60,690     | 349,705    |
| Cash and Equivalents - Beginning of Year        | 731,549    | 381,844    |
| Cash and Equivalents - End of Year              | \$ 792,239 | \$ 731,549 |

VF CORPORATION

Supplemental Financial Information

Business Segment Information

(In thousands)

|                          | Three Months Ended December |              | Year Ended December |              |
|--------------------------|-----------------------------|--------------|---------------------|--------------|
|                          | 2010                        | 2009         | 2010                | 2009         |
| Coalition Revenues       |                             |              |                     |              |
| Outdoor & Action Sports  | \$ 896,537                  | \$ 747,898   | \$ 3,204,657        | \$ 2,806,126 |
| Jeanswear                | 688,487                     | 644,854      | 2,537,591           | 2,522,459    |
| Imagewear                | 233,804                     | 222,269      | 909,402             | 865,472      |
| Sportswear               | 157,511                     | 141,382      | 497,773             | 498,317      |
| Contemporary Brands      | 115,266                     | 126,264      | 438,741             | 417,742      |
| Other                    | 34,634                      | 32,702       | 114,425             | 110,170      |
| Total coalition revenues | \$ 2,126,239                | \$ 1,915,369 | \$ 7,702,589        | \$ 7,220,286 |
| Coalition Profit         |                             |              |                     |              |
| Outdoor & Action Sports  | \$ 180,403                  | \$ 142,497   | \$ 642,398          | \$ 492,889   |
| Jeanswear                | 112,570                     | 102,642      | 431,942             | 370,886      |
| Imagewear                | 29,623                      | 26,013       | 111,174             | 87,489       |
| Sportswear               | 21,657                      | 16,990       | 52,354              | 51,993       |
| Contemporary Brands      | (8,076 )                    | 15,612       | 14,046              | 50,844       |
| Other                    | 1,004                       | 911          | (61 )               | 1,194        |

|                                                |            |            |            |            |
|------------------------------------------------|------------|------------|------------|------------|
| Total coalition profit                         | 337,181    | 304,665    | 1,251,853  | 1,055,295  |
| Impairment of Goodwill and Intangible Assets * | (201,738 ) | (121,953 ) | (201,738 ) | (121,953 ) |
| Corporate and Other Expenses                   | (66,103 )  | (46,592 )  | (224,501 ) | (194,997 ) |
| Interest, net                                  | (15,452 )  | (20,263 )  | (75,402 )  | (83,672 )  |
| Income Before Income Taxes                     | \$ 53,888  | \$ 115,857 | \$ 750,212 | \$ 654,673 |

Goodwill and trademark impairment charges totaling \$201.7 million in the fourth quarter of 2010 related to Contemporary Brands. Goodwill and trademark \* impairment charges totaling \$122.0 million in the fourth quarter of 2009 related to: Outdoor & Action Sports - \$63.5 million and Sportswear - \$58.5 million.

#### VF CORPORATION

#### Supplemental Financial Information

#### Business Segment Information - Constant Currency Basis

(In thousands)

| Three Months Ended December 2010 |                   |                   |                   |
|----------------------------------|-------------------|-------------------|-------------------|
|                                  | Exclude           |                   |                   |
|                                  | Impact of Foreign |                   |                   |
|                                  | As Reported       | Currency Exchange | Constant Currency |
| Coalition Revenues               |                   |                   |                   |
| Outdoor & Action Sports          | \$ 896,537        | \$ (15,121 )      | \$ 911,658        |
| Jeanswear                        | 688,487           | (607 )            | 689,094           |
| Imagewear                        | 233,804           | 1,547             | 232,257           |
| Sportswear                       | 157,511           | -                 | 157,511           |
| Contemporary Brands              | 115,266           | (2,129 )          | 117,395           |
| Other                            | 34,634            | -                 | 34,634            |
| Total coalition revenues         | \$ 2,126,239      | \$ (16,310 )      | \$ 2,142,549      |
| Coalition Profit                 |                   |                   |                   |
| Outdoor & Action Sports          | \$ 180,403        | \$ (1,491 )       | \$ 181,894        |

|                                              |            |           |            |
|----------------------------------------------|------------|-----------|------------|
| Jeanswear                                    | 112,570    | 1,398     | 111,172    |
| Imagewear                                    | 29,623     | 269       | 29,354     |
| Sportswear                                   | 21,657     |           | 21,657     |
| Contemporary Brands                          | (8,076 )   | (358 )    | (7,718 )   |
| Other                                        | 1,004      | -         | 1,004      |
| Total coalition profit                       | 337,181    | (182 )    | 337,363    |
| Impairment of Goodwill and Intangible Assets | (201,738 ) | -         | (201,738 ) |
| Corporate and Other Expenses                 | (66,103 )  | -         | (66,103 )  |
| Interest, net                                | (15,452 )  | -         | (15,452 )  |
| Income Before Income Taxes                   | \$ 53,888  | \$ (182 ) | \$ 54,070  |

#### Constant Currency Financial Information

VF is a global company that reports financial information in U.S. dollars in accordance with generally accepted accounting principles. Foreign currency exchange rate fluctuations affect the amounts reported by VF from translating its foreign revenues and expenses into U.S. dollars. These rate fluctuations can have a significant effect on reported operating results. As a supplement to our reported operating results, we present constant currency financial information, which is a non-GAAP financial measure. We use constant currency information to provide a framework to assess how our businesses performed excluding the effects of changes in foreign currency translation rates. Management believes this information is useful to investors to facilitate comparisons of operating results and better identify trends in our businesses.

To calculate coalition revenues and profits on a constant currency basis, operating results for the current year period for entities reporting in currencies other than the U.S. dollar are translated into U.S. dollars at the average exchange rates in effect during the comparable period of the prior year (rather than the actual exchange rates in effect during the current year period).

These constant currency performance measures should be viewed in addition to, and not in lieu of or superior to, our operating performance measures calculated in accordance with GAAP. The constant currency information presented may not be comparable to similarly titled measures reported by other companies.

VF CORPORATION

Supplemental Financial Information

Business Segment Information - Constant Currency Basis

(In thousands)

Year Ended December 2010

|                                              |              | Exclude           |                   |
|----------------------------------------------|--------------|-------------------|-------------------|
|                                              |              | Impact of Foreign |                   |
|                                              | As Reported  | Currency Exchange | Constant Currency |
| Coalition Revenues                           |              |                   |                   |
| Outdoor & Action Sports                      | \$ 3,204,657 | \$ (31,127 )      | \$ 3,235,784      |
| Jeanswear                                    | 2,537,591    | 9,281             | 2,528,310         |
| Imagewear                                    | 909,402      | 5,313             | 904,089           |
| Sportswear                                   | 497,773      | -                 | 497,773           |
| Contemporary Brands                          | 438,741      | (4,925 )          | 443,666           |
| Other                                        | 114,425      | -                 | 114,425           |
| Total coalition revenues                     | \$ 7,702,589 | \$ (21,458 )      | \$ 7,724,047      |
| Coalition Profit                             |              |                   |                   |
| Outdoor & Action Sports                      | \$ 642,398   | \$ (4,212 )       | \$ 646,610        |
| Jeanswear                                    | 431,942      | 6,005             | 425,937           |
| Imagewear                                    | 111,174      | 829               | 110,345           |
| Sportswear                                   | 52,354       | -                 | 52,354            |
| Contemporary Brands                          | 14,046       | (1,123 )          | 15,169            |
| Other                                        | (61 )        | -                 | (61 )             |
| Total coalition profit                       | 1,251,853    | 1,499             | 1,250,354         |
| Impairment of Goodwill and Intangible Assets | (201,738 )   | -                 | (201,738 )        |
| Corporate and Other Expenses                 | (224,501 )   | -                 | (224,501 )        |
| Interest, net                                | (75,402 )    | -                 | (75,402 )         |
| Income Before Income Taxes                   | \$ 750,212   | \$ 1,499          | \$ 748,713        |

VF CORPORATION

Supplemental Financial Information

Consolidated Statements of Income - Excluding Impairment Charge

(In thousands, except per share amounts)

Three Months Ended December 2010

Three Months Ended December 2009

|                                                | Exclude      |            |              | Exclude      |            |              |
|------------------------------------------------|--------------|------------|--------------|--------------|------------|--------------|
|                                                | As Reported  | Impairment |              | As Reported  | Impairment |              |
|                                                |              | Charge     | As Adjusted  |              | Charge     | As Adjusted  |
| Net Sales                                      | \$ 2,104,415 | \$ -       | \$ 2,104,415 | \$ 1,893,455 | \$ -       | \$ 1,893,455 |
| Royalty Income                                 | 21,824       | -          | 21,824       | 21,914       | -          | 21,914       |
| Total Revenues                                 | 2,126,239    | -          | 2,126,239    | 1,915,369    | -          | 1,915,369    |
| Costs and Operating Expenses                   |              |            |              |              |            |              |
| Cost of goods sold                             | 1,135,117    | -          | 1,135,117    | 1,028,946    | -          | 1,028,946    |
| Marketing, administrative and general expenses | 715,853      | -          | 715,853      | 626,730      | -          | 626,730      |
| Impairment of goodwill and intangible assets   | 201,738      | 201,738    | -            | 121,953      | 121,953    | -            |
|                                                | 2,052,708    | 201,738    | 1,850,970    | 1,777,629    | 121,953    | 1,655,676    |
| Operating Income                               | 73,531       | (201,738 ) | 275,269      | 137,740      | (121,953 ) | 259,693      |
| Operating Margin                               | 3.5 %        |            | 12.9 %       | 7.2 %        |            | 13.6 %       |
| Other Income (Expense)                         |              |            |              |              |            |              |
| Interest income                                | 736          | -          | 736          | 480          | -          | 480          |
| Interest expense                               | (16,188 )    | -          | (16,188 )    | (20,743 )    | -          | (20,743 )    |
| Miscellaneous, net                             | (4,191 )     | -          | (4,191 )     | (1,620 )     | -          | (1,620 )     |
|                                                | (19,643 )    | -          | (19,643 )    | (21,883 )    | -          | (21,883 )    |
| Income Before Income Taxes                     | 53,888       | (201,738 ) | 255,626      | 115,857      | (121,953 ) | 237,810      |
| Income Taxes                                   | (1,421 )     | (59,896 )  | 58,475       | 50,872       | (7,517 )   | 58,389       |
| Net Income                                     | 55,309       | (141,842 ) | 197,151      | 64,985       | (114,436 ) | 179,421      |
| Net Loss Attributable to Noncontrolling        |              |            |              |              |            |              |

|                                          |           |               |            |           |               |            |
|------------------------------------------|-----------|---------------|------------|-----------|---------------|------------|
| Interests in<br>Subsidiaries             | (1,085 )  | -             | (1,085 )   | 1,900     | -             | 1,900      |
| Net Income                               |           |               |            |           |               |            |
| Attributable to<br>VF Corporation        | \$ 54,224 | \$ (141,842 ) | \$ 196,066 | \$ 66,885 | \$ (114,436 ) | \$ 181,321 |
| Earnings Per<br>Share                    |           |               |            |           |               |            |
| Attributable to                          |           |               |            |           |               |            |
| VF Corporation<br>Common<br>Stockholders |           |               |            |           |               |            |
| Basic                                    | \$ 0.50   | \$ (1.31 )    | \$ 1.81    | \$ 0.61   | \$ (1.04 )    | \$ 1.64    |
| Diluted                                  | 0.49      | (1.29 )       | 1.78       | 0.60      | (1.02 )       | 1.62       |

(Earnings per share amounts above may not  
add due to rounding.)

#### Operating Performance, Excluding Impairment Charge

As a supplement to our reported operating results, we present adjusted operating results excluding impairment charges for goodwill and intangible assets, which is a non-GAAP financial measure. We use adjusted financial information to provide a framework to assess how our business performed excluding the effects of impairment charges. Management believes this information is useful to investors to facilitate comparisons of operating results. and better identify trends in our businesses.

This non-GAAP performance measure should be viewed in addition to, and not in lieu of, or superior to, our operating results calculated in accordance with GAAP. This supplemental information presented may not be comparable to similarly titled measures reported by other companies.

#### VF CORPORATION

#### Supplemental Financial Information

#### Consolidated Statements of Income - Excluding Impairment Charge

(In thousands, except per share amounts)

|                | Year Ended December 2010 |        |              | Year Ended December 2009 |        |              |
|----------------|--------------------------|--------|--------------|--------------------------|--------|--------------|
|                | Exclude                  |        |              | Exclude                  |        |              |
|                | Impairment               |        |              | Impairment               |        |              |
|                | As Reported              | Charge | As Adjusted  | As Reported              | Charge | As Adjusted  |
| Net Sales      | \$ 7,624,599             | \$ -   | \$ 7,624,599 | \$ 7,143,074             | \$ -   | \$ 7,143,074 |
| Royalty Income | 77,990                   | -      | 77,990       | 77,212                   | -      | 77,212       |
| Total Revenues | 7,702,589                | -      | 7,702,589    | 7,220,286                | -      | 7,220,286    |

Costs and  
Operating  
Expenses

|                                                |            |               |            |            |               |            |
|------------------------------------------------|------------|---------------|------------|------------|---------------|------------|
| Cost of goods sold                             | 4,105,201  | -             | 4,105,201  | 4,025,122  | -             | 4,025,122  |
| Marketing, administrative and general expenses | 2,574,790  | -             | 2,574,790  | 2,336,394  | -             | 2,336,394  |
| Impairment of goodwill and intangible assets   | 201,738    | 201,738       | -          | 121,953    | 121,953       | -          |
|                                                | 6,881,729  | 201,738       | 6,679,991  | 6,483,469  | 121,953       | 6,361,516  |
| Operating Income                               | 820,860    | (201,738 )    | 1,022,598  | 736,817    | (121,953 )    | 858,770    |
| Operating Margin                               | 10.7 %     |               | 13.3 %     | 10.2 %     |               | 11.9 %     |
| Other Income (Expense)                         |            |               |            |            |               |            |
| Interest income                                | 2,336      | -             | 2,336      | 2,230      | -             | 2,230      |
| Interest expense                               | (77,738 )  | -             | (77,738 )  | (85,902 )  | -             | (85,902 )  |
| Miscellaneous, net                             | 4,754      | -             | 4,754      | 1,528      | -             | 1,528      |
|                                                | (70,648 )  | -             | (70,648 )  | (82,144 )  | -             | (82,144 )  |
| Income Before Income Taxes                     | 750,212    | (201,738 )    | 951,950    | 654,673    | (121,953 )    | 776,626    |
| Income Taxes                                   | 176,700    | (59,896 )     | 236,596    | 196,215    | (7,517 )      | 203,732    |
| Net Income                                     | 573,512    | (141,842 )    | 715,354    | 458,458    | (114,436 )    | 572,894    |
| Net Loss Attributable to Noncontrolling        |            |               |            |            |               |            |
| Interests in Subsidiaries                      | (2,150 )   | -             | (2,150 )   | 2,813      | -             | 2,813      |
| Net Income Attributable to VF Corporation      | \$ 571,362 | \$ (141,842 ) | \$ 713,204 | \$ 461,271 | \$ (114,436 ) | \$ 575,707 |
| Earnings Per Share Attributable to             |            |               |            |            |               |            |

VF Corporation  
Common  
Stockholders

|         |         |          |   |         |         |          |   |         |
|---------|---------|----------|---|---------|---------|----------|---|---------|
| Basic   | \$ 5.25 | \$ (1.30 | ) | \$ 6.56 | \$ 4.18 | \$ (1.04 | ) | \$ 5.22 |
| Diluted | 5.18    | (1.29    | ) | 6.46    | 4.13    | (1.03    | ) | 5.16    |

(Earnings per share amounts above may not  
add due to rounding.)

Source: VF Corporation