

# Q2 Fiscal 2021

## Earnings Presentation



OCTOBER 16, 2020



# 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, however, the absence of these words or similar expressions does not mean that a statement is not forward-looking. All statements regarding VF's plans, objectives, projections and expectations relating to VF's operations or financial performance, and assumptions related thereto are forward-looking statements. 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. VF undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. 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 include, but are not limited to: risks arising from the widespread outbreak of an illness or any other communicable disease, or any other public health crisis, including the coronavirus (COVID-19) global pandemic; the level of consumer demand for apparel, footwear and accessories; disruption to VF's distribution system; 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; VF's ability to grow its international and direct-to-consumer businesses; retail industry changes and challenges; VF's and its vendors' ability to maintain the strength and security of information technology systems; 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 properly collect, use, manage and secure consumer and employee data; foreign currency fluctuations; 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 exit of the United Kingdom from the European Union ("Brexit") or any other similar referendums that may be held; adverse or unexpected weather conditions; VF's indebtedness and its ability to obtain financing on favorable terms, if needed, could prevent VF from fulfilling its financial obligations; climate change and increased focus on sustainability issues; and risks associated with the spin-off of our Jeanswear business completed on May 22, 2019, including the risk that VF will 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; and 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 VF. 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 SEC, including VF's Annual Report on Form 10-K, and Quarterly Reports on Form 10-Q, and Forms 8-K filed or furnished with the SEC.



# GAAP to Non-GAAP

All numbers and information presented are on a continuing operations basis, and thus exclude the Occupational Workwear and Jeans businesses. Additionally, unless otherwise noted, all numbers are on an “adjusted” basis which excludes certain cost optimization activities indirectly related to the strategic review of the Occupational Workwear business and costs related to strategic business decisions in South America, the operating results of jeanswear wind down activities in South America post the separation of Kontoor Brands, noncash non-operating expenses related to the release of certain currency translation amounts associated with the wind down activities in South America.

This presentation also refers to “reported” amounts in accordance with U.S. generally accepted accounting principles (“GAAP”), which include translation and transactional 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. Unless otherwise noted, “reported” and “constant dollar” are the same. 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.

This presentation refers to comparable store growth rates (“comps”). Comparable store status is determined on a monthly basis. Comparable store sales includes the revenues of stores that have been in operation for more than twelve months. Temporarily closed stores are excluded from the comparable store sales calculation during the month of closure. A temporary closure is defined as any store closed more than six days in the reportable month, which includes those resulting from the COVID-19 outbreak.

Free cash flow represents adjusted cash flow from operating activities, less capital expenditures.

Please refer to the press release dated October 16, 2020 for more information.

# VF Purpose

WE POWER MOVEMENTS OF SUSTAINABLE  
AND ACTIVE LIFESTYLES FOR THE  
BETTERMENT OF PEOPLE AND OUR PLANET



Ranked #1 on social metrics  
(#21 overall)



Ranked #33  
(#2 in Consumer Durables & Apparel)  
out of the Russell 1000 Index

# Inclusion and Diversity



**Published  
Inclusion & Diversity  
Annual Profile in August**

**50%**

overall representation of women  
in VF's workforce

**38%**

Director level and above roles  
held by women  
(from 35% in 2015)

**55%**

overall representation of  
Black, Indigenous and People  
of Color in VF's US workforce  
(+7% from 2015)

**15%**

Director level and above roles  
held by Black, Indigenous  
and People of Color

**Targeting gender parity  
throughout VF's corporate  
leadership structure by 2030**

**Launched Council to Advance  
Racial Equity (CARE)**

**Targeting 25% of Director level  
and above roles to be held by  
Black, Indigenous and People of  
Color in the US by 2030**

# Recent Sustainability Initiatives

INNOVATION  
INSPIRED  
BY NATURE

2020  
2030  
2030



**Timberland® announced goal to have  
“net positive impact” on nature by 2030**

- **100% of products** to be designed for circularity
- **100% of natural materials** to be sourced from regenerative agriculture



**icebreaker announced its vision  
to be plastic free by 2023  
(from ~90% natural fiber today)**



# Fiscal 2024 Global Business Strategy

**DRIVE AND  
OPTIMIZE OUR  
PORTFOLIO**

**DISTORT TO  
ASIA**

**ELEVATE  
DIRECT  
CHANNELS**

**ACCELERATE CONSUMER-MINDED, RETAIL-  
CENTRIC, HYPER-DIGITAL BUSINESS MODEL  
TRANSFORMATION**



# COVID-19 Update

# COVID-19 Operational Update as of 10/15/20

<b>North America</b>	<ul style="list-style-type: none"><li>▪ Offices continue phased return; two locations remain completely closed</li><li>▪ At the end of the first quarter 75% of VF's DTC stores were open and over 95% were open at the end of the second quarter, currently all stores are open</li><li>▪ VF's wholesale customers have re-opened almost all of their retail stores</li></ul>
<b>EMEA</b>	<ul style="list-style-type: none"><li>▪ Offices continue phased return</li><li>▪ Nearly all of VF's retail stores remained open during the quarter, currently all stores are open</li><li>▪ VF's wholesale customers have re-opened almost all of their retail stores</li></ul>
<b>APAC</b>	<ul style="list-style-type: none"><li>▪ Offices remain open; South Korea implemented new work from home mandates</li><li>▪ All of VF's DTC stores have re-opened</li><li>▪ VF's wholesale customers have re-opened almost all of their retail stores</li></ul>
<b>Digital Business</b>	<ul style="list-style-type: none"><li>▪ Remains operational in all geographic regions</li></ul>
<b>Distribution Centers</b>	<ul style="list-style-type: none"><li>▪ In accordance with local government guidelines, DCs are operational and maintaining enhanced health and safety protocols</li></ul>
<b>Supply Chain</b>	<ul style="list-style-type: none"><li>▪ The majority of VF's supply chain is currently operational; suppliers are complying with local public health advisories and governmental restrictions which has resulted in isolated product delays, VF is working with its suppliers to minimize disruption</li></ul>





Q2'21

# Business & Financial Performance



Q2'21

# Business Performance



**Revenue**  
**\$2.6B**

-18%\* / -19% C\$\*

**Adjusted  
Gross Margin**  
**50.9%**

-350bps / -360bps C\$

**Vans®**  
**-10% / -11% C\$**

**The North Face®**  
**-25% / -26% C\$**

**DTC**  
**-16%\* / -17% C\$\***  
Digital +44% / +42% C\$

**Greater China**  
**+16% / +14% C\$**  
Mainland China +21% / +19% C\$

\*On an adjusted basis

Q2'21

# Financial Performance



Revenue

**\$2.6B**

Adjusted  
Gross Margin

**50.9%**

Adjusted  
Operating  
Margin

**13.1%**

Adjusted  
Earnings  
Per Share\*

**\$0.67**

*\*On a diluted basis*

Q2'21

# Financial Summary



<i>\$ in millions; except EPS</i>	Q2'20	Q2'21	YOY CHANGE
ADJUSTED REVENUE	\$3,170	\$2,608	-18%
ADJUSTED GROSS MARGIN	54.4%	50.9%	-350 bps
ADJUSTED OPERATING INCOME	\$576	\$342	-41%
ADJUSTED OPERATING MARGIN	18.2%	13.1%	-510 bps
ADJUSTED NET INCOME	\$481	\$260	-46%
ADJUSTED EARNINGS PER SHARE– DILUTED	\$1.20	\$0.67	-44%

Q2'21

# Strategic Growth Drivers



## Big 4 Brands

-16%  
**-17% C\$**

**VANS**  
"OFF THE WALL"

THE  
NORTH  
FACE

**Timberland**



## International

-15%  
**-17% C\$**

## DTC

-16%  
**-17% C\$**

## DTC Digital

+44%  
**+42% C\$**



# Q2'21: Revenue Breakdown

TOTAL

\$2,608 M

-18% Reported

REVENUE  
-18%

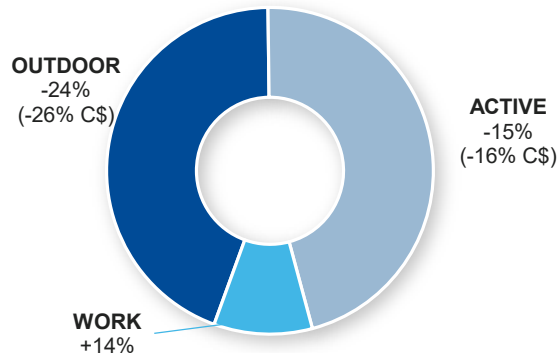
REVENUE -19% C\$

**BIG 4 BRANDS -16% (-17% C\$)**, with Vans® -10% (-11% C\$), The North Face® -25% (-26% C\$), Timberland® -24% (-26% C\$), and Dickies® +19% (+18% C\$)

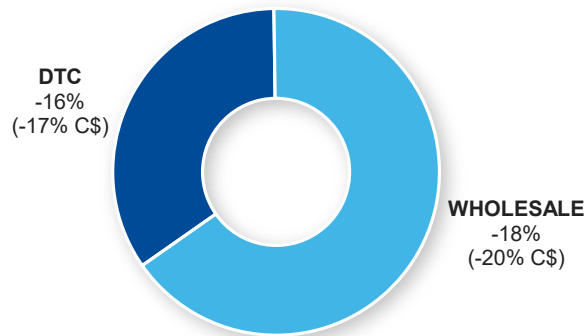
**INTERNATIONAL -15% (-17% C\$)**, with Greater China +16% (+14% C\$), including Mainland China +21% (+19% C\$), and EMEA -16% (-20% C\$)

**DTC -16% (-17% C\$)** with **DIGITAL +44% (+42% C\$)**

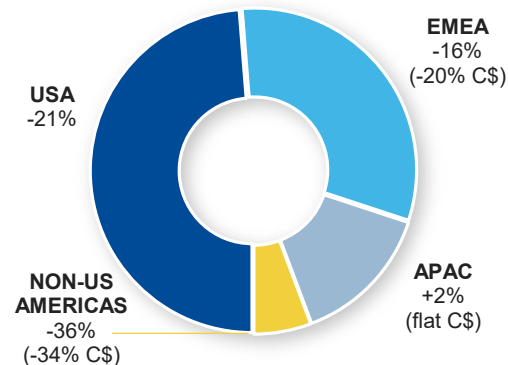
BY SEGMENT



BY CHANNEL



BY REGION



Revenue on an adjusted basis

Q2'21

# Big Four Brand Revenue



**VANS**  
"OFF THE WALL"

-10%  
**-11% C\$**

THE  
NORTH  
FACE

-25%  
**-26% C\$**

Timberland 

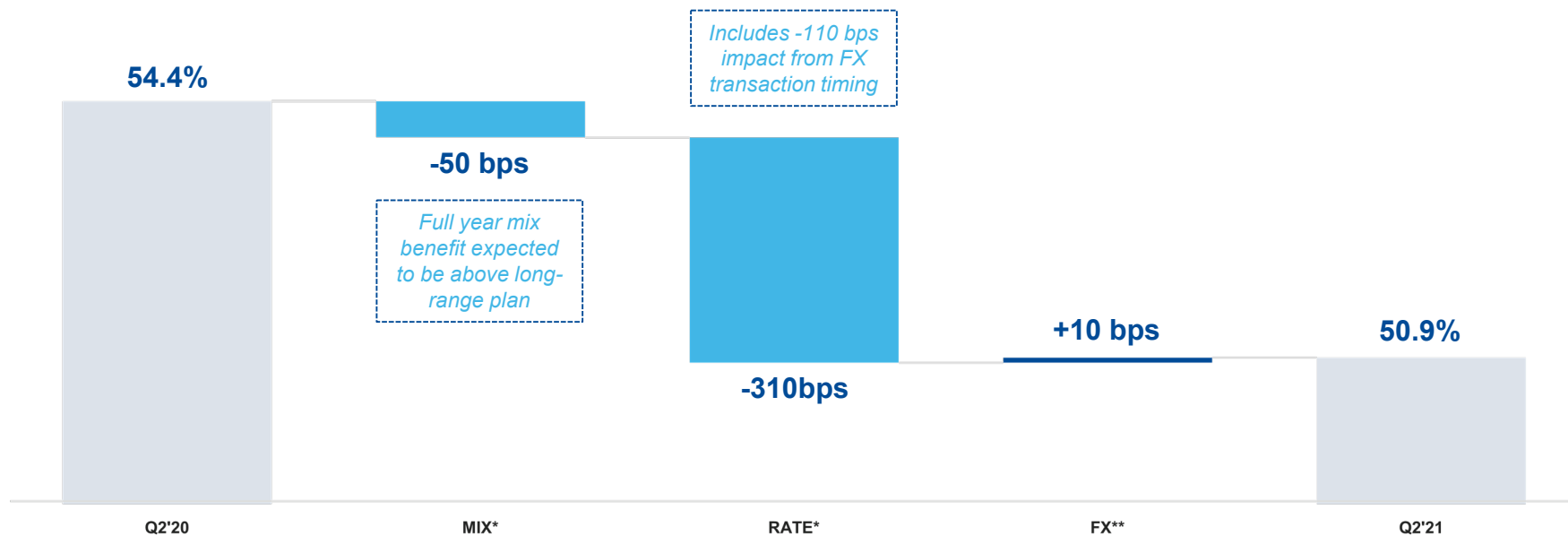
-24%  
**-26% C\$**

**Dickies**

+19%  
**+18% C\$**

Q2'21

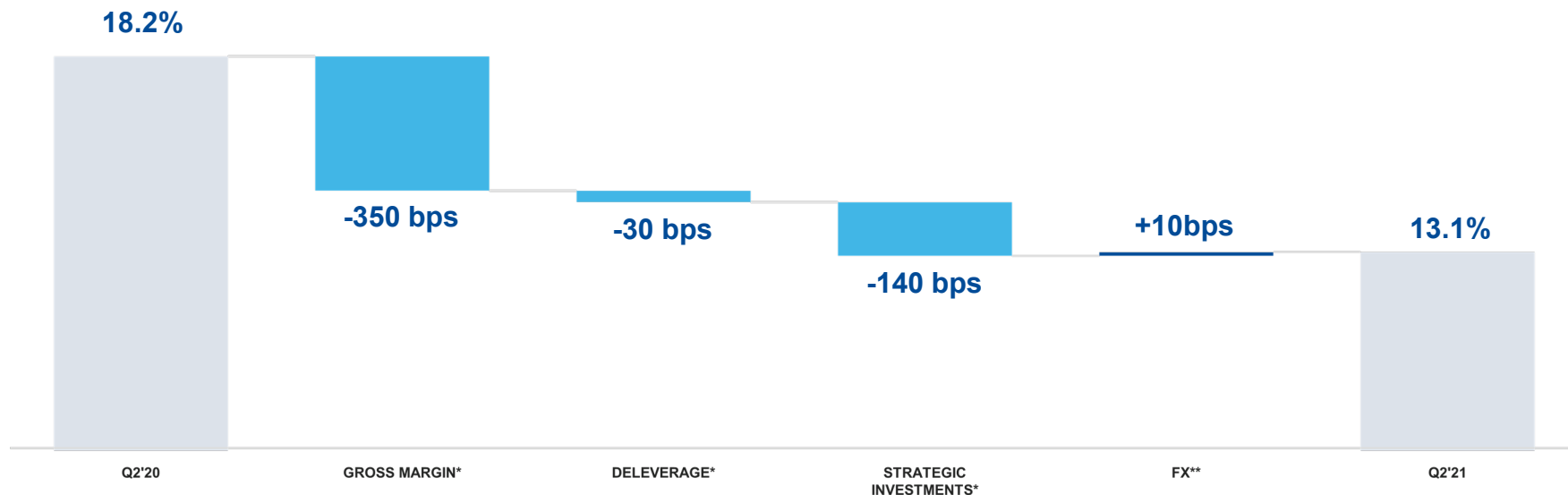
# Gross Margin Bridge



Note: Gross Margin on an adjusted basis  
\*Numbers on an adjusted organic basis  
\*\* Reflects the impact of FX translation only

Q2'21

# Operating Margin Bridge



Note: Operating Margin on an adjusted basis

\*Numbers on an adjusted organic basis

\*\* Reflects the impact of FX translation only





Q2'21

Brand Performance

Q2'21

# Vans® Global Performance

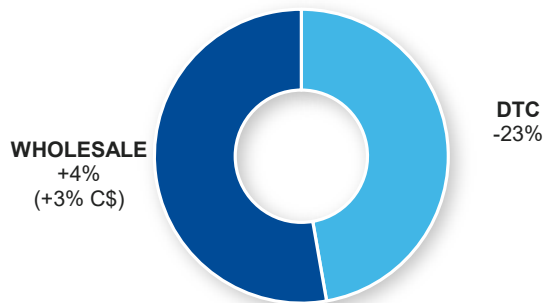


-10%

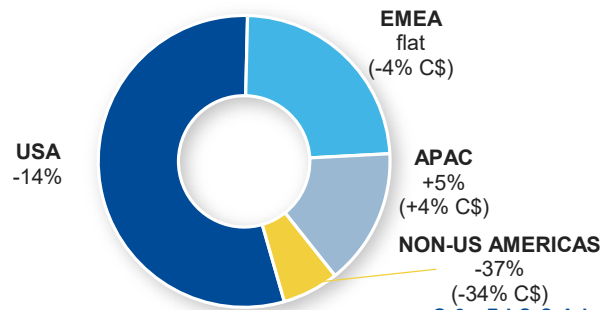
## REVENUE DECREASED -10% (-11% C\$)

- Revenue decline due to DTC store closures and weaker back-to-school selling season
- DTC -23% with +51% (+49% C\$) growth in DTC Digital
- Wholesale returns to growth as deliveries normalized and sell-through remains strong with wholesale partners
- APAC +5% (+4% C\$), led by +22% (+20% C\$) growth in Greater China, including +27% (+25% C\$) growth in Mainland China
- Continued relative strength from progression styles Pro Skate, Comfy Cush™ and UltraRange™
- FY21 revenue expected to decline <12%; 2H FY21 revenue expected to increase >9% driven by a return to growth in Q4

## BY CHANNEL



## BY REGION





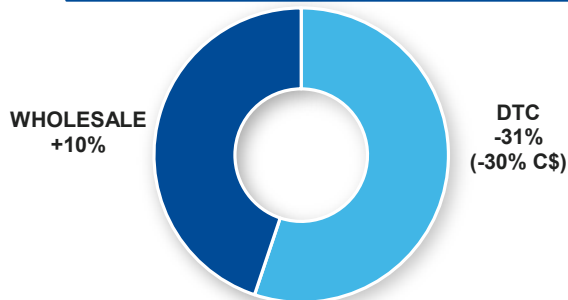
Q2'21

**Vans®**

# Regional Performance

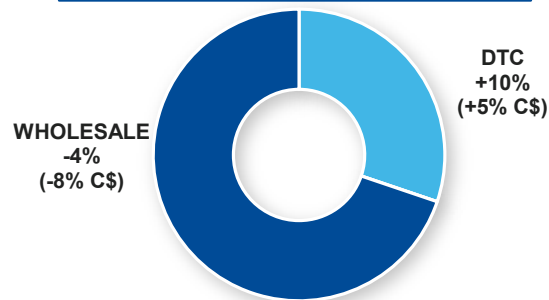


## AMERICAS -17%



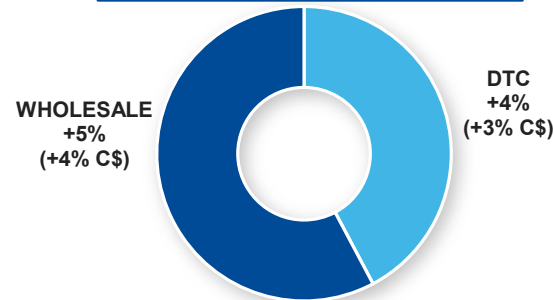
- DTC B&M impacted by store closures during the quarter and a weaker back-to-school season
- DTC Digital +60% with strong trends in September; 50% of Digital consumers were new
- Inventories in largest Wholesale accounts at historical low levels; sell-through trends accelerated in September
- Continued relative strength from Progression Footwear
- Vans Family® members drove almost 50% of US DTC sales

## EUROPE Flat (-4% C\$)



- DTC Digital +47% C\$
- Strong momentum with Digital Wholesale partners
- Wholesale sell-through trends accelerated during the quarter
- Pro Skate showing strong momentum
- Vans Family® Loyalty launched in France in September

## APAC +5% (+4% C\$)



- DTC Digital +24% C\$ including successful 9.9 event in China
- Greater China +20% C\$; Mainland China +25% C\$
- Successful opening of first Vans Boutique in China
- Continued new customer acquisition on Tmall; YTD new customers +53% vs LY

Q2'21

# The North Face® Global Performance

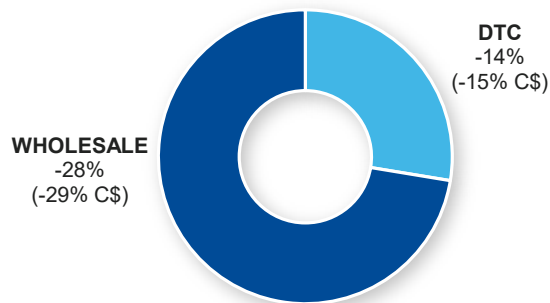


-25%

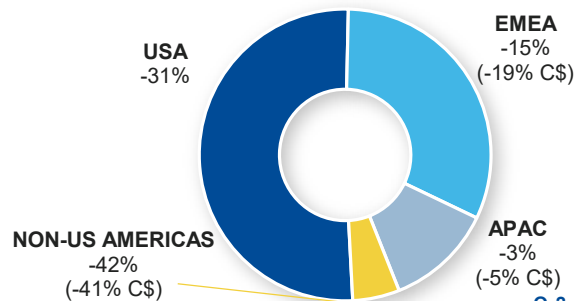
## REVENUE DECREASED -25% (-26% C\$)

- Revenue decline due to declines in fall order book and lower B&M store traffic across regions
- DTC -14% (-15% C\$), including DTC Digital +42% (+40% C\$)
- Relative strength from Mountain Lifestyle apparel, Footwear and Equipment; *Gucci*® collab announcement building brand heat
- Continued brand momentum in EMEA and acceleration in Greater China
- FY21 revenue expected to decline <13%; 2H FY21 revenue expected to increase low single-digits driven by a return to growth in Q4

### BY CHANNEL



### BY REGION

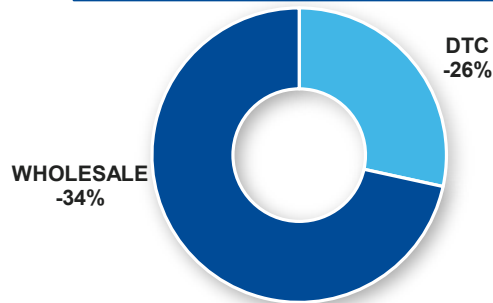


Q2'21

# The North Face® Regional Performance

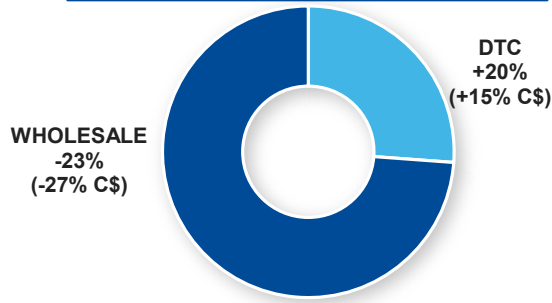


## AMERICAS -32%



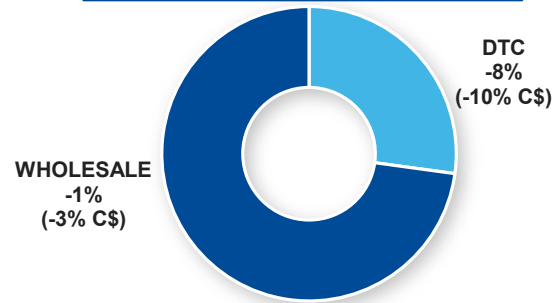
- DTC B&M impacted by store closures during the quarter and a weaker back-to-school season
- DTC Digital +34% with strong trends in September
- Inventory levels at key Wholesale accounts significantly below prior year, tracking ahead of plan
- VIPeak Digital loyalty program registration +>20%
- Strength in Mountain Lifestyle apparel, Footwear and Equipment product territories consistent with outdoor activity trend

## EUROPE -15% (-19% C\$)



- DTC Digital +88% C\$ with triple-digit growth in Women's
- Continued acceleration from key Digital Wholesale partners
- Wholesale shipments impacted by supply delays, shifting revenues into Q3
- Strong sell-through trends and low wholesale channel inventories heading into Fall/Holiday
- Urban Exploration best performing product territory

## APAC -3% (-5% C\$)



- Accelerated recovery in Greater China +7% C\$; Mainland China +11% C\$
- Wholesale partner sell-through has accelerated; channel inventory levels below prior year
- Mountain Sports best performing product territory

Q2'21

# Timberland® Global Performance

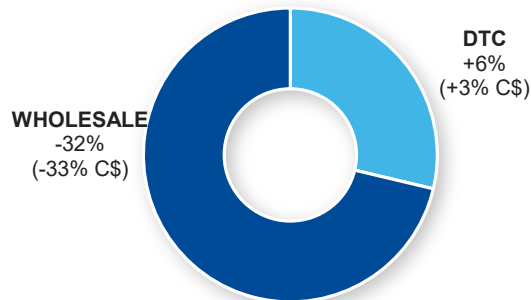


-24%

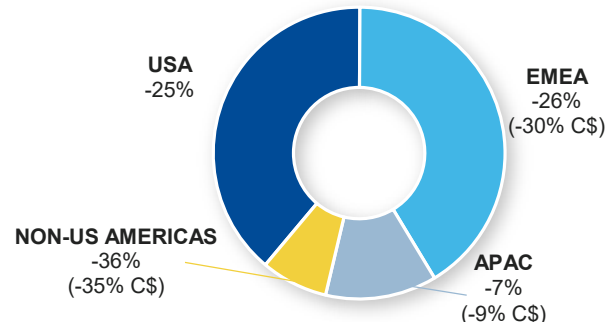
## REVENUE DECREASED -24% (-26% C\$)

- DTC +6% (+3% C\$), including +66% (+62% C\$) growth in DTC Digital
- Continued relative strength from Timberland PRO® and Outdoor Footwear, with improving trends in Classic Boot business
- Generated brand heat in Women's category through *Jimmy Choo*™ collab
- FY21 revenue expected to decline <19%; 2H FY21 revenue expected to decline <9%, returning to growth in Q4

### BY CHANNEL



### BY REGION



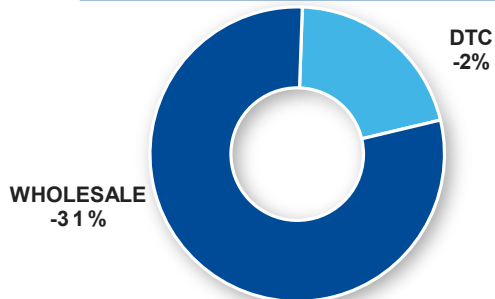


Q2'21

# Timberland® Regional Performance

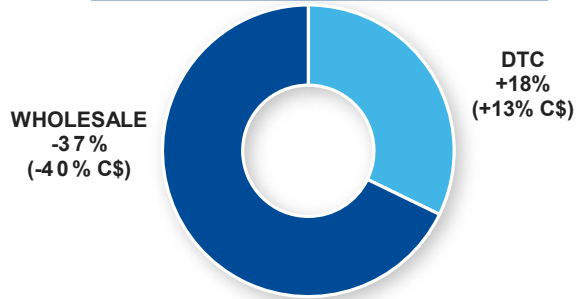


## AMERICAS -27%



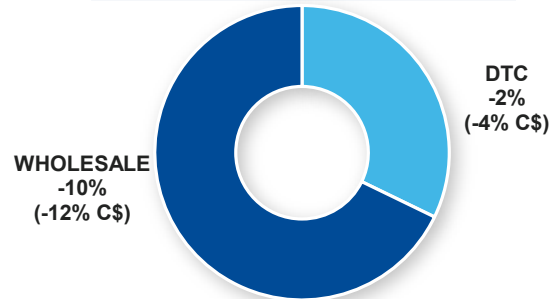
- DTC B&M impacted by store closures during the quarter and a weaker back-to-school season
- DTC Digital growth of +73%
- Continued momentum from key Digital Wholesale partners
- Wholesale sell-through acceleration in September
- Relative strength from Outdoor, return to growth in Timberland PRO® Footwear and building momentum for Classic Boot business

## EUROPE -26% (-30% C\$)



- DTC Digital growth of +81% C\$
- Wholesale shipments impacted by supply delays, shifting revenues into Q3
- Continued relative strength from Outdoor Footwear

## APAC -7% (-9% C\$)



- DTC Digital growth of +28% C\$ with double-digit growth in every market
- Mainland China + low single-digit vs. LY, with DTC Digital acceleration partially offset by Wholesale supply delays
- Strength in Outdoor Footwear and Apparel

Q2'21

# Dickies® Global Performance

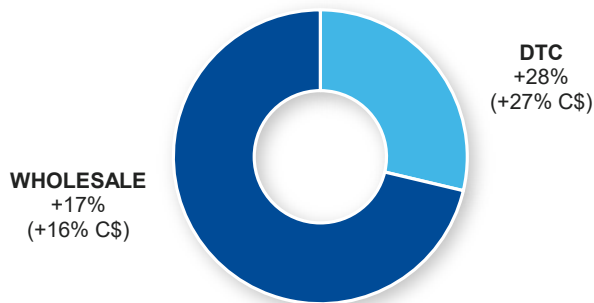


+19%

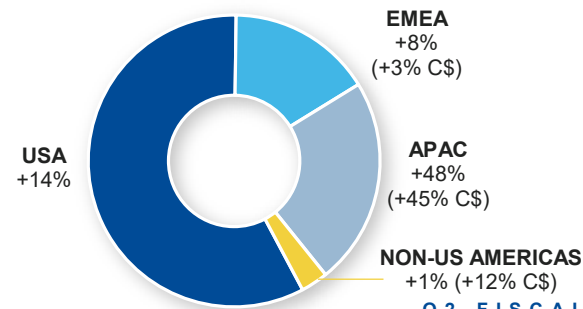
## REVENUE INCREASED +19% (+18% C\$)

- Broad-based strength across regions, channels and categories
- DTC +28% (+27% C\$), including +36% (+34% C\$) growth in DTC Digital
- Growth in APAC led by +65% (+62% C\$) growth in Greater China, including +61% (+58% C\$) in Mainland China
- Continued strong performance from key strategic growth drivers – Work Lifestyle, DTC Digital, and Digital Wholesale
- FY21 revenue expected to increase >7%; 2H FY21 revenue expected to increase >12%

### BY CHANNEL



### BY REGION

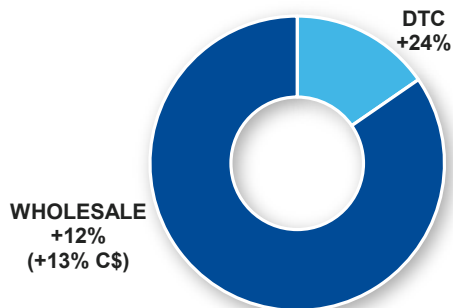


Q2'21

# Dickies® Regional Performance

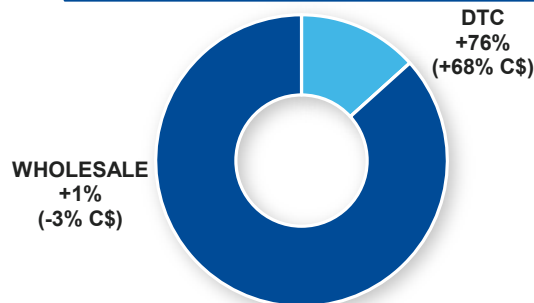


## AMERICAS +14%



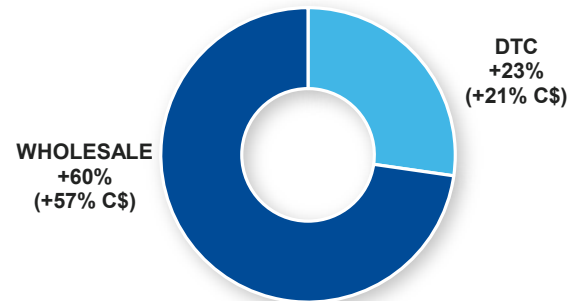
- DTC Digital +34% C\$; top wholesale partners maintained strength throughout the quarter
- Work Lifestyle assortment continued to grow with key retailers
- Men's Temp-iQ™ and Women's line continued strong performance

## EUROPE +8% (+3% C\$)



- DTC Digital +115% C\$ with strength across categories
- Continued strength in Lifestyle product portfolio following "United by Dickies" campaign
- Continued momentum with key digital partners; strong new customer acquisition

## APAC +48% (+45% C\$)



- Strong performance in Greater China (+62% C\$) and DTC Digital (+19% C\$), offset in part by a slower recovery in Japan
- Strong performance in Work Lifestyle assortment
- Continue to gain momentum with consumer interest and brand awareness





# FY'21 Update



A woman with long dark hair stands in a field of tall, golden-brown grass. She is wearing a white jumpsuit with a wide belt and a tan jacket. She is looking off to the side. In the background, there are several modern buildings, including a tall one with many balconies. The sky is blue with some white lines.



# FY'21 Expected Business Evolution



1Q21

- ✓ North America and EMEA begin to reopen
- ✓ Continued steady improvement in APAC
- ✓ Highly promotional marketplace
- ✓ Ongoing retail disruption expected

2Q21

- ✓ North America re-opening in flux
- ✓ Continued steady improvement in EMEA
- ✓ APAC returns to growth
- ✓ Highly promotional marketplace
- ✓ Ongoing retail disruption expected

3Q21

- Steady improvement in North America
- EMEA stabilizes
- APAC growth accelerates
- Highly promotional marketplace
- Ongoing retail disruption expected

4Q21

- North America stabilizes
- On a normalized basis, EMEA begins to return to growth
- APAC returns to more normalized growth
- Promotional environment begins to normalize
- Ongoing retail disruption expected

Acceleration of Hyper-Digital Transformation



# Fiscal Year 2021 Outlook

**Revenue**

**>\$9.0B**

**Adjusted  
Earnings Per  
Share\***

**>\$1.20**

**Adjusted Free  
Cash Flow**

**>\$600M**

*\*On a diluted basis.*

# Ongoing commitment to dividend



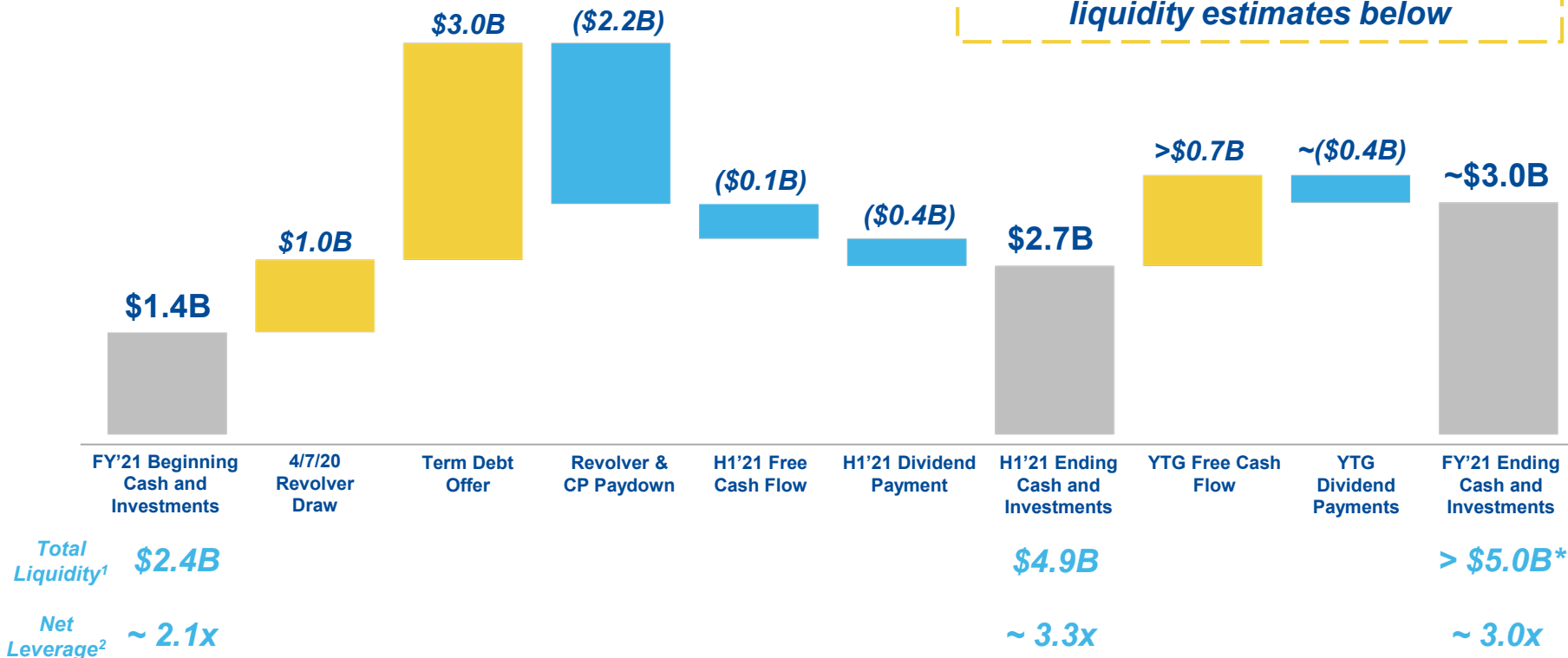
**\$0.49\***  
**+2%**

- Dividend aristocrat
- 48 consecutive years of dividend growth
- Core pillar of VF TSR algorithm
- Strong confidence in stability of business



# FY'21 Cash Evolution

*Net proceeds from Occupational Work divestiture incremental to liquidity estimates below*



\*Includes anticipated revolver capacity.

1: Liquidity represents total balance sheet cash and investments in addition to undrawn capacity under \$2.25B senior unsecured revolving line of credit which includes a \$750M reserve requirement.

2: The net leverage metric represents adjusted debt, reduced by total balance sheet cash and investments, relative to adjusted EBITDA. Debt and EBITDA adjustments are consistent with published rating agency methodology.

A full-page background image showing a person in athletic wear running across a desert landscape. The terrain is characterized by light-colored, eroded rock formations with deep, wavy grooves. In the foreground, there are prominent rock pillars, one of which has a flat, dark rock resting on top. The sun is setting in the background, creating a warm, golden glow. The sky is filled with soft, white clouds. The overall mood is adventurous and energetic.

# Appendix



# Appendix: GAAP to Non-GAAP

## VF CORPORATION

### Supplemental Financial Information

#### Reconciliation of Select GAAP Measures to Non-GAAP Measures - Three and Six Months Ended September 2020 (Unaudited)

(In thousands, except per share amounts)

Three Months Ended September 2020	As Reported under GAAP	Transaction and Deal Related Costs <sup>(a)</sup>	Specified Strategic Business Decisions <sup>(b)</sup>	Adjusted
Revenues	\$ 2,608,324	\$ -	\$ -	\$ 2,608,324
Gross profit	1,325,918	-	1,646	1,327,564
Percent	50.8 %			50.9 %
Operating income	319,948	42	21,516	341,506
Percent	12.3 %			13.1 %
Diluted earnings per share from continuing operations <sup>(c)</sup>	0.62	-	0.04	0.67
Six Months Ended September 2020	As Reported under GAAP	Transaction and Deal Related Costs <sup>(a)</sup>	Specified Strategic Business Decisions <sup>(b)</sup>	Adjusted
Revenues	\$ 3,648,617	\$ -	\$ -	\$ 3,684,617
Gross profit	1,895,260	410	14,663	1,910,333
Percent	51.4 %			51.8 %
Operating income	73,139	452	37,485	111,076
Percent	2.0 %			3.0 %
Diluted earnings (loss) per share from continuing operations <sup>(c)</sup>	(0.09)	-	0.19	0.10

(a) Transaction and deal related costs include expenses associated with the anticipated sale of the Occupational Workwear business of \$0.4 million, that did not meet the criteria for discontinued operations, for the six months ended September 2020.

(b) Specified strategic business decisions for the three and six months ended September 2020 include cost optimization activity and other charges indirectly related to the strategic review of the Occupational Workwear business, which totaled \$20.2 million and \$33.2 million during the three and six months ended September 2020, respectively. The costs also include \$1.1 million and \$4.0 million for the three and six months ended September 2020, respectively, for jeanswear wind down activities in South America after the separation of Kontoor Brands, and costs related to specified strategic business decisions to cease operations in Argentina and planned business model changes in certain other countries in South America. The six months ended September 2020 also include a \$42.4 million noncash charge recorded in the 'Other income (expense), net' line related to the release of certain currency translation amounts associated with the wind down activities in South America. The specified business decisions costs resulted in a net tax benefit of \$4.1 million and \$6.0 million in the three and six months ended September 2020, respectively.

(c) Amounts shown in the table have been calculated using unrounded numbers. The diluted earnings per share impacts were calculated using 391,180,000 and 390,986,000 weighted average common shares for the three and six months ended September 2020, respectively.

#### Non-GAAP Financial Information

The financial information above has been presented on a GAAP basis and on an adjusted basis, which excludes the impact of transaction and deal related costs and activity related to specified strategic business decisions. The adjusted presentation provides 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 and Six Months Ended September 2019**  
**(Unaudited)**  
(In thousands, except per share amounts)

Three Months Ended September 2019	As Reported under GAAP	Transaction and Deal Related Costs <sup>(a)</sup>	Relocation and Other Strategic Business Costs <sup>(b)</sup>	Impact of Swiss Tax Act <sup>(c)</sup>	Adjusted
<b>Revenues</b>	\$ 3,179,758	\$ -	\$ (9,706)	\$ -	\$ 3,170,052
<b>Gross profit</b>	1,723,441	37	(445)	-	1,723,033
<i>Percent</i>	54.2 %				54.4 %
<b>Operating income</b>	548,562	9,477	17,945	-	575,984
<i>Percent</i>	17.3 %				18.2 %
<b>Diluted earnings per share from continuing operations <sup>(d)</sup></b>	1.55	0.02	0.03	(0.41)	1.20
Six Months Ended September 2019	As Reported under GAAP	Transaction and Deal Related Costs <sup>(a)</sup>	Relocation and Other Strategic Business Costs <sup>(b)</sup>	Impact of Swiss Tax Act <sup>(c)</sup>	Adjusted
<b>Revenues</b>	\$ 5,230,412	\$ -	\$ (14,021)		\$ 5,216,391
<b>Gross profit</b>	2,877,811	(630)	(2,613)		2,874,568
<i>Percent</i>	550.0 %				55.1 %
<b>Operating income</b>	644,527	22,317	34,898		701,742
<i>Percent</i>	12.3 %				13.5 %
<b>Diluted earnings per share from continuing operations <sup>(d)</sup></b>	1.72	0.04	0.07	(0.41)	1.42

(a) Transaction and deal related costs include acquisition and integration costs primarily related to the acquisition of the Icebreaker® brand, which totaled \$9.5 million and \$12.8 million for the three and six months ended September 2019, respectively. The costs also include separation and related expenses associated with the spin-off of the jeanswear business of \$9.5 million, that did not meet the criteria for discontinued operations, for the six months ended September 2019. The transaction and deal related costs resulted in a net tax benefit of \$2.7 million and \$5.8 million in the three and six months ended September 2019, respectively.

(b) Relocation and other specified strategic business decisions include costs associated with the relocation of VF's global headquarters and certain brands to Denver, Colorado, which totaled \$15.7 million and \$30.7 million for the three and six months ended September 2019, respectively. This activity includes a gain of approximately \$11.0 million on the sale of certain office real estate and related assets in connection with the relocation, which was recorded in the three months ended June 2019. The activity also reflects costs related to specified strategic business decisions to cease operations in Argentina and planned business model changes in certain other countries in South America as well as the operating results of jeanswear wind down activities in South America after the separation of Kontoor Brands, which totaled \$2.2 million and \$4.2 million for the three and six months ended September 2019, respectively. The relocation and specified strategic business decisions costs results in a net tax benefit of \$4.2 million and \$8.3 million for the three and six months ended September 2019, respectively.

(c) On May 19, 2019, Switzerland voted to approve the Federal Act on Tax Reform and AHV Financing ("Swiss Tax Act"). Certain provisions of the Swiss Tax Act were enacted during the three months ended September 2019, which resulted in adjustments to deferred tax positions of \$164.4 million for the three and six months ended September 2019.

(d) Amounts shown in the table have been calculated using unrounded numbers. The diluted earnings per share impacts were calculated using 402,261,000 and 402,088,000 weighted average common shares for the three and six months ended September 2019, respectively.

## Non-GAAP Financial Information

The financial information above has been presented on a GAAP basis and on an adjusted basis, which excludes the impact of transaction and deal related costs, relocation and specified strategic business decisions and the impact of the Swiss Tax Act. The adjusted presentation provides 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: Top 4 Brand Revenue

VF CORPORATION  
Supplemental Financial Information  
Top 4 Brand Revenue Information  
(Unaudited)

Top 4 Brand Revenue Growth	Three Months Ended September 2020				Six Months Ended September 2020			
	Americas	EMEA	APAC	Global	Americas	EMEA	APAC	Global
<b>Vans<sup>®</sup></b>								
% change	(17)%	(0)%	5 %	(10)%	(40)%	(19)%	1 %	(30)%
% change constant currency <sup>(a)</sup>	(17)%	(4)%	4 %	(11)%	(40)%	(21)%	2 %	(30)%
<b>The North Face<sup>®</sup></b>								
% change	(32)%	(15)%	(3)%	(25)%	(38)%	(21)%	(5)%	(30)%
% change constant currency <sup>(a)</sup>	(32)%	(19)%	(5)%	(26)%	(38)%	(24)%	(5)%	(31)%
<b>Timberland<sup>®</sup></b>								
% change	(27)%	(26)%	(7)%	(24)%	(32)%	(33)%	(15)%	(30)%
% change constant currency <sup>(a)</sup>	(27)%	(30)%	(9)%	(26)%	(32)%	(35)%	(16)%	(31)%
<b>Dickies<sup>®</sup></b>								
% change	14 %	8 %	48 %	19 %	(1)%	(11)%	25 %	2 %
% change constant currency <sup>(a)</sup>	14 %	3 %	45 %	18 %	(0)%	(13)%	25 %	2 %

<sup>(a)</sup> Refer to the "GAAP to Non-GAAP" slide for the definition of 'constant currency'.

# Appendix: Segment, Geographic & Channel Revenue – Q2'21

## VF CORPORATION

### Supplemental Financial Information

#### Reportable Segment, Geographic and Channel Revenue Growth - Three Months Ended September 2020

(Unaudited)

	Three Months Ended September 2020			
	% Change	% Change Constant Currency *	% Change Adjusted <sup>(a)</sup>	% Change Constant Currency and Adjusted * <sup>(a)</sup>
<b><u>Segment Revenue Growth</u></b>				
Outdoor	(24)%	(26)%	(24)%	(26)%
Active	(15)%	(16)%	(15)%	(16)%
Work	14 %	14 %	14 %	14 %
Total segment revenues	(18)%	(19)%	(18)%	(19)%
<b><u>Geographic Revenue Growth</u></b>				
U.S.	(21)%	(21)%	(21)%	(21)%
EMEA	(16)%	(20)%	(16)%	(20)%
APAC	2 %	0%	2 %	0%
Greater China	16 %	14 %	16 %	14 %
Americas (non-U.S.)	(38)%	(36)%	(36)%	(34)%
International	(15)%	(18)%	(15)%	(17)%
Global	(18)%	(19)%	(18)%	(19)%
<b><u>Channel Revenue Growth</u></b>				
Wholesale <sup>(b)</sup>	(19)%	(20)%	(18)%	(20)%
Direct-to-consumer	(17)%	(18)%	(16)%	(17)%
Digital	44 %	42 %	44 %	42 %

(a) Excludes the operating results of jeanswear wind down activities in South America post the separation of Kontoor Brands for the three months ended September 2019. Refer to Non-GAAP financial information in the "Reconciliation of Select GAAP Measures to Non-GAAP Measures - Three Months Ended September 2019" table for additional information.

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

\* Constant Currency Financial Information: VF is a global company that reports financial information in U.S. dollars in accordance with GAAP. 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 that excludes the impact of translating foreign currencies into U.S. dollars. We use constant currency information to provide a framework to assess how our business performed excluding the effects of changes in the rates used to calculate foreign currency translation. Management believes this information is useful to investors to facilitate comparison of operating results and better identify trends in our businesses. To calculate foreign currency translation 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.

# Appendix: Segment, Geographic & Channel Revenue – H1'21

**VF CORPORATION**  
**Supplemental Financial Information**  
**Reportable Segment, Geographic and Channel Revenue Growth - Six Months Ended September 2020**  
**(Unaudited)**

Six Months Ended September 2020				
	% Change	% Change Constant Currency *	% Change Adjusted <sup>(a)</sup>	% Change Constant Currency and Adjusted * <sup>(a)</sup>
<b><u>Segment Revenue Growth</u></b>				
Outdoor	(30)%	(31)%	(30)%	(31)%
Active	(33)%	(33)%	(33)%	(33)%
Work	(2)%	(2)%	(2)%	(2)%
Total segment revenues	(30)%	(30)%	(29)%	(30)%
<b><u>Geographic Revenue Growth</u></b>				
U.S.	(35)%	(35)%	(35)%	(35)%
EMEA	(26)%	(29)%	(26)%	(29)%
APAC	(4)%	(4)%	(4)%	(4)%
Greater China	9 %	9 %	9 %	9 %
Americas (non-U.S.)	(50)%	(48)%	(48)%	(46)%
International	(24)%	(25)%	(24)%	(25)%
Global	(30)%	(30)%	(29)%	(30)%
<b><u>Channel Revenue Growth</u></b>				
Wholesale <sup>(b)</sup>	(32)%	(32)%	(32)%	(32)%
Direct-to-consumer	(26)%	(26)%	(26)%	(26)%
Digital	60 %	60 %	60 %	60 %

(a) Excludes the operating results of jeanswear wind down activities in South America post the separation of Kontoor Brands for the six months ended September 2019. Refer to Non-GAAP financial information in the "Reconciliation of Select GAAP Measures to Non-GAAP Measures - Six Months Ended September 2019" table for additional information.

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

\* Constant Currency Financial Information: VF is a global company that reports financial information in U.S. dollars in accordance with GAAP. 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 that excludes the impact of translating foreign currencies into U.S. dollars. We use constant currency information to provide a framework to assess how our business performed excluding the effects of changes in the rates used to calculate foreign currency translation. Management believes this information is useful to investors to facilitate comparison of operating results and better identify trends in our businesses. To calculate foreign currency translation 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.



