



# **Timberland Targets \$3.1 Billion in Revenues; Details Plans to Add \$1.4 Billion of Revenue During Next Five Years**

STRATHAM, N.H.-- Timberland, a global leader in outdoor lifestyle footwear and apparel, today provided details of its plan to grow revenues by \$1.4 billion during the next five years. At an investor meeting at its headquarters in Stratham, N.H., Timberland's management discussed their expectations for total revenues to reach \$3.1 billion by the end of 2019, representing growth of 13 percent per year. The *Timberland*<sup>®</sup> brand is a wholly owned subsidiary of VF Corporation (NYSE: VFC).

"2014 will mark the most successful year in Timberland's history – another clear example of VF's powerful business model that enables brands to connect deeply with consumers, and drive growth and profitability, while preserving a unique DNA and culture," said Eric Wiseman, VF Corporation President, Chairman and CEO. "Since our acquisition in 2011, our work with the Timberland team has created an incredibly strong foundation for its next chapter of growth. We are proud of the progress Timberland's made, and we're bullish on the opportunity for this amazing brand."

Patrik Frisk, VF Coalition President, Outdoor Americas and Timberland President, emphasized: "Being able to tap into VF's powerful platforms has allowed us to realize significant synergies, giving us the tools and resources to invigorate the Timberland brand. Across products, channels and geographies – our consumer insights-driven strategy has Timberland squarely positioned to become the largest, most sustainable outdoor lifestyle brand on Earth."

## ***Geographic Growth***

Over the next five years, Timberland expects substantial growth in each major geographic region: Americas, EMEA and Asia Pacific. This growth will be driven by industry leading innovation and product diversification; consistent channel discipline; meaningful expansion of its direct-to-consumer business; and a significant amplification of how Timberland communicates and connects the brand with consumers.

Growth in the Americas region will account for nearly half of the anticipated \$1.4 billion in total revenue growth, representing an annual growth rate of 14 percent for the region. This U.S. led growth is expected to be balanced across both wholesale and direct-to-consumer channels.

In EMEA (Europe/Middle East/Africa), Timberland expects to add \$380 million to reach \$1 billion in revenues by 2019. With an expected annual revenue growth rate of 10 percent, this

region will capitalize on its big businesses in Italy and the United Kingdom to expand further into Germany, Austria and Switzerland.

The Asia Pacific (APAC) region is expected to double its business, growing revenues by 15 percent annually to reach \$620 million by 2019. Most of the \$310 million of projected revenue growth is expected to come from China and South Korea, which are largely untapped markets for the brand.

### ***Channel Growth***

Timberland's growth over the next five years is expected to be balanced across both wholesale and direct-to-consumer channels. Wholesale revenues are expected to grow by \$825 million over the period to reach \$2 billion, driven by a 13 percent annual growth rate in the Americas region, 8 percent growth in EMEA and 14 percent growth in the APAC region.

Direct-to-consumer revenues for Timberland are expected to reach \$1.1 billion, representing an additional \$570 million in sales, and an annual growth rate of 15 percent over the five-year period. E-commerce is expected to be Timberland's highest percentage growth channel, increasing by 31 percent annually and adding \$180 million in revenues over the next five years. To showcase the brand's unique and authentic collection of outdoor lifestyle products and culture, Timberland plans to expand its global retail store presence by adding 130 stores to its current base of approximately 230 stores.

### ***Additional Presenters and Replay***

Additional presenters included: Steve Rendle, Senior Vice President, Americas; Lisa Demarkis, Vice President, Global Product; John Healy, General Manager, Advanced Concepts; Jim Davey, Vice President, Global Marketing; Ryan Shadrin, Vice President, Retail and Digital Commerce; Diane Woods, Vice President and General Manager, North America; Timo Schmidt-Eisenhart, President, Timberland EMEA; and, Stewart Whitney, Vice President and Managing Director, Asia Pacific.

A copy of the webcast will be available in the investor relations section of VF's website ([www.vfc.com](http://www.vfc.com)) within a few hours of the conclusion of the presentation. Additionally, following the conclusion of the event, investors can visit [www.timberland2019.com](http://www.timberland2019.com) to access presentations and other meeting materials.

### ***About Timberland***

Timberland is a global leader in the design, engineering and marketing of premium-quality footwear, apparel and accessories for consumers who value the outdoors and their time in it. Timberland markets products under the *Timberland*®, *Timberland PRO*®, and *Timberland Boot Company*® brands, all of which offer quality workmanship and detailing and are built to withstand the elements of nature. *Timberland*® products are sold throughout the world in leading department and specialty stores as well as company-owned retail locations and online. Timberland's dedication to making quality products is matched by its commitment to "doing well and doing good" -- forging powerful partnerships among employees, consumers and service partners to transform the communities in which they live and work. For more information, visit [www.timberland.com](http://www.timberland.com).

## **About VF**

VF Corporation (NYSE: VFC) is a global leader in the design, manufacture, marketing and distribution of branded lifestyle apparel, footwear and accessories. The company's highly diversified portfolio of 30 powerful brands spans numerous geographies, product categories, consumer demographics and sales channels, giving VF a unique industry position and the ability to create sustainable, long-term growth for our customers and shareholders. The company's largest brands are *The North Face*<sup>®</sup>, *Vans*<sup>®</sup>, *Timberland*<sup>®</sup>, *Wrangler*<sup>®</sup>, *Lee*<sup>®</sup> and *Nautica*<sup>®</sup>. For more information, visit [www.vfc.com](http://www.vfc.com).

## **Forward Looking Statements**

Certain statements included in this release and the attachments 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. You can identify these statements by the fact that they use words such as "will," "anticipate," "estimate," "expect," "should," and "may" and other words and terms of similar meaning or use of future dates. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements. Potential risks and uncertainties that could cause the actual results of operations or financial condition of VF to differ materially from those expressed or implied by forward-looking statements in this release include, but are not limited to, the level of consumer demand for apparel; disruption to VF's distribution system; VF's reliance on a small number of large customers; the financial strength of VF's customers; VF's ability to implement its growth strategy; VF's ability to grow its international and direct-to-consumer businesses; VF and its customers' 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 protect trademarks and other intellectual property rights; foreign currency fluctuations; changes in tax liabilities, 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.

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