



INSIDE / OUT

ANNUAL REPORT

2007

LESSONS

GLOBAL BRANDS

RESPONSIVENESS

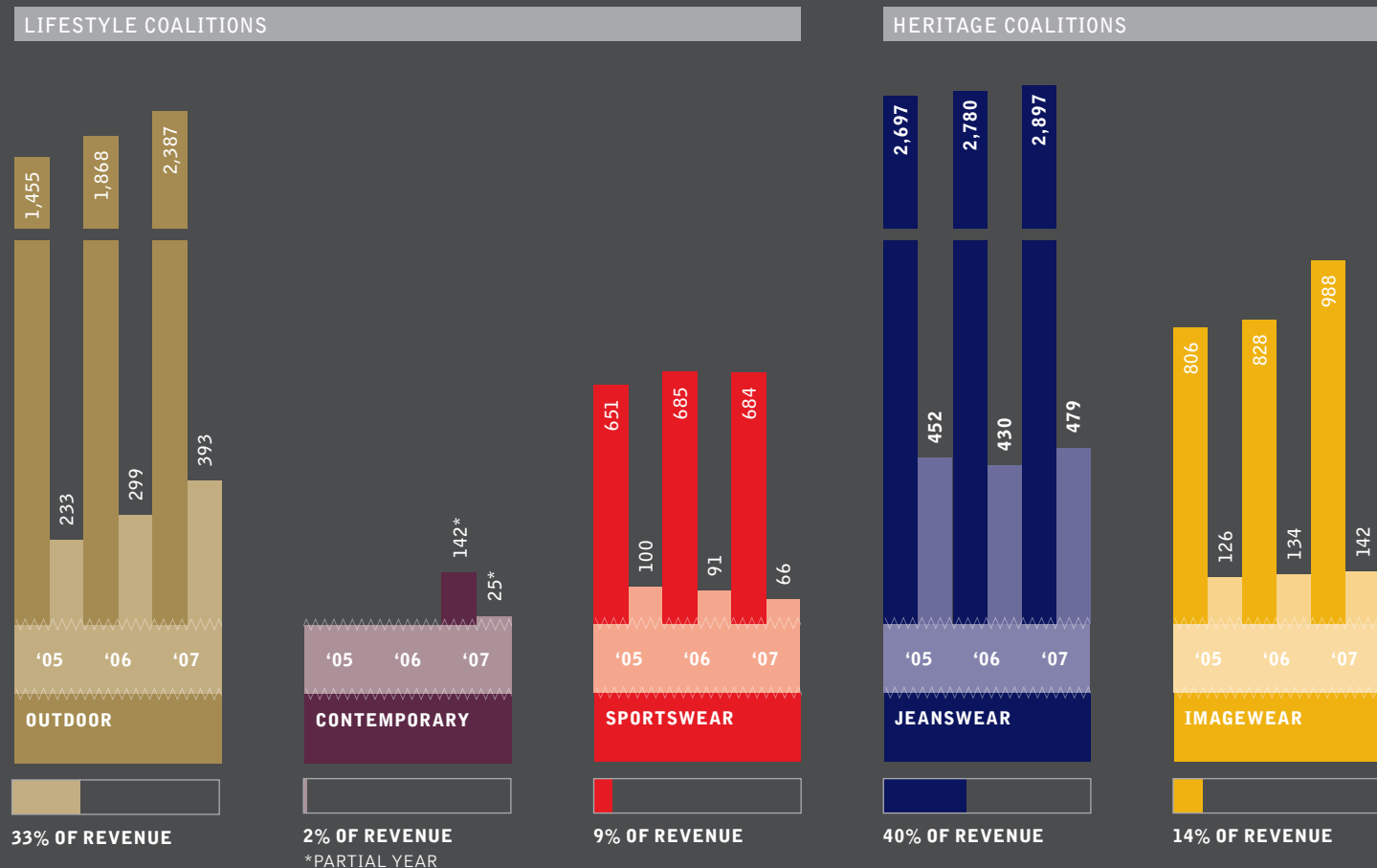
# VF CORPORATION 2007 FINANCIAL HIGHLIGHTS

Dollars in thousands, except per share amounts

	2007	2006	2005
<b>SUMMARY OF OPERATIONS</b>			
Total revenues	\$ 7,219,359	\$ 6,215,794	\$ 5,654,155
Operating income	965,441	826,144	767,951
Operating margin	13.4%	13.3%	13.6%
Income from continuing operations	613,246	535,051	482,629
Discontinued operations	(21,625)	(1,535)	35,906
Cumulative effect of a change in accounting policy	—	—	(11,833)
Net income*	591,621	533,516	506,702
Return on invested capital	14.8%	14.7%	14.2%
<b>FINANCIAL POSITION</b>			
Working capital	\$ 1,510,742	\$ 1,563,162	\$ 1,213,233
Current ratio	2.3	2.5	2.1
Cash flow from continuing operations	833,629	454,128	533,654
Debt to capital ratio	26.4%	19.5%	22.6%
Common stockholders' equity	3,576,829	3,265,172	2,808,213
<b>PER COMMON SHARE</b>			
Income from continuing operations—diluted	\$ 5.41	\$ 4.73	\$ 4.23
Net income—diluted*	5.22	4.72	4.44
Dividends	2.23	1.94	1.10
Book value	32.58	29.11	25.50

\* Net income and related per share amounts include operating results of discontinued operations in each year and the cumulative effect of a change in accounting policy for stock-based compensation in 2005. See details in our 2007 Annual Report on Form 10-K filed with the Securities and Exchange Commission, accessible on our website, www.vfc.com.

## 3-YEAR COALITION REVENUES AND PROFITS (DOLLARS IN MILLIONS)



If you want to really know the quality of a garment, you can't just look at it on the rack. You need to turn it inside out. Examine its design. Check out the fabric and the fit. Tug on the seam to see how it is made—and what it is made of.

The same is true of a company, of course. You have to go behind the numbers to find out what really makes its business tick and its people perform. And that's what this year's annual report is all about. Take a closer look at VF—inside/out.

On the surface, VF's portfolio of brands may appear very different. But deep within, they are joined by countless "threads of excellence"—from the authenticity of our products to the responsiveness of our people.

We'd like to share five of those stories with you this year, one for each of our business coalitions. Together, they demonstrate the strength of a business model that's anything but fickle or faddish. VF is designed to perform in any environment.

## OUTDOOR | 4



## CONTEMPORARY | 12



## SPORTSWEAR | 18



## JEANSWEAR | 24



## IMAGEWEAR | 32





# OUTDOOR

From the very earliest age, we are wired to go outside and play. The brands of our Outdoor coalition feed this urge, providing the innovative products that top athletes and aspiring enthusiasts need to live life to the limit.

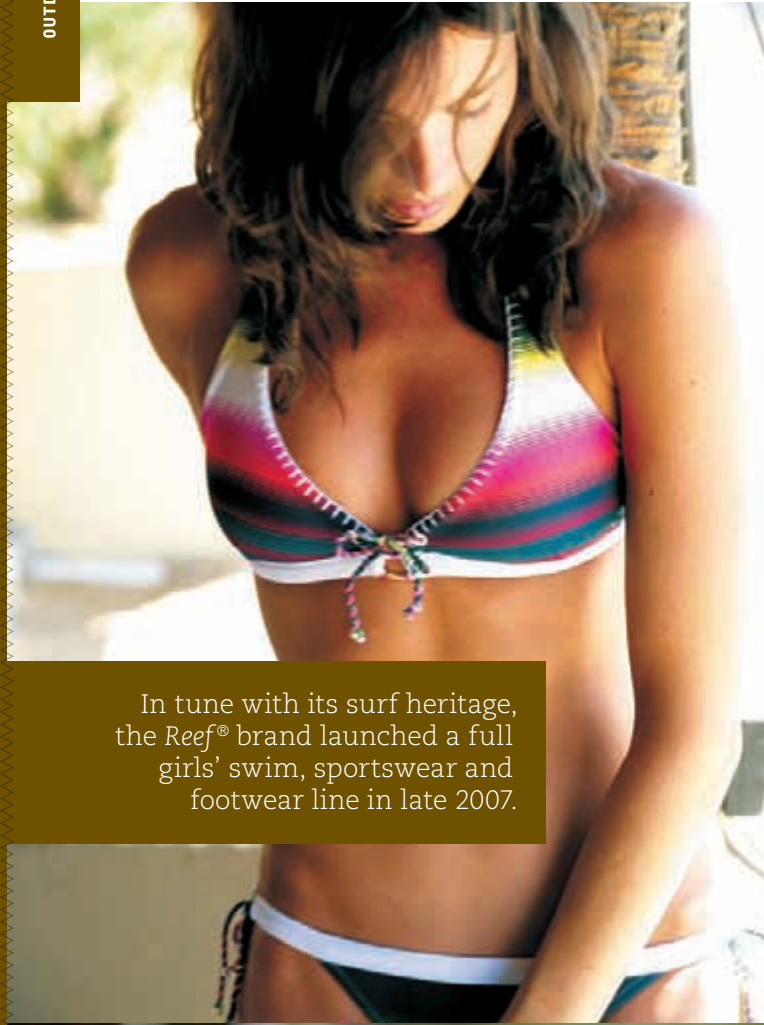
VF pulses to the heartbeat of our consumers, helping them push the boundaries of their sports with functional and fashionable products for skiing, surfing, skateboarding, climbing, trekking and other adventurous pursuits. The deep connection our brands have with our consumers—and their distinctive lifestyles—has helped make Outdoor our fastest-growing business worldwide.

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## OUTDOOR BRANDS

The North Face  
JanSport  
Eastpak  
Vans

Reef  
Napapijri  
Kipling  
Eagle Creek



In tune with its surf heritage, the Reef® brand launched a full girls' swim, sportswear and footwear line in late 2007.



Sold primarily in Europe, our outdoor-inspired Napapijri® brand continues to grow rapidly and extend into new product categories and markets.





Following the successful Paris debut of *Eastpak*® bags on the *Raf Simons* catwalk for Spring/Summer 2008, a collaboration line from the brand and the edgy Belgian designer will hit stores worldwide in late 2008.



A popular fashion staple in Europe, the *Kipling*® brand has successfully expanded into accessories and leather products with its Club, City and Vintage Leather collections.





The North Face® brand has stepped up and out with new footwear for 2008, offering technically advanced products as authentic as the athletes who wear them.



## INSIDE / AUTHENTICITY

Athletes don't just wear VF's Outdoor brands. They *are* our brands—and the ambassadors of our businesses. The biggest names in skiing, climbing, skateboarding, surfing and other sports join our teams because they know we are dedicated to pushing the limits of our products so they can achieve new heights of performance. Whether it's on the slopes, the street or the surf, VF's Outdoor brands have become synonymous with the sports and athletes we support, and the lifestyles they represent. You can't buy that kind of authenticity. We work tirelessly to earn it.

# ALIGNING WITH THE STARS

VF'S OUTDOOR BRANDS GIVE ATHLETES AN EDGE—AND VICE VERSA



“Nothing looks as great—or is as technically bomber.”

— **Ingrid Backstrom**, Premier Female Freeskier  
(*The North Face*® team since 2004)

As fearless as she is fashionable, Ingrid Backstrom is one of the top big-mountain freeskiers in the world. She's won countless competitions and starred in numerous ski flicks, including the award-winning Sony Pictures movie *Steep*. A fan favorite, Ingrid worked with *The North Face*® development team to design the one-piece Shugga ski suit, which will launch in the fall of 2008. “I love the Shugga,” says Ingrid. “It looks cool, but it sure keeps me warm and cozy on stormy days.”

For more than three decades, *The North Face*® brand has teamed with professional adventurers and explorers who continuously push the boundaries of what's humanly possible.

These world-class athletes work closely with the brand's research, design and development group to create new technologies and products that provide the ultimate fusion of function and fashion—often putting them to the test in the harshest conditions on earth. In turn, we support their expeditions and endeavors, creating a platform for promoting the superior performance of our products to consumers across the globe.

The strategy couldn't be more synergistic—or successful. *The North Face*® team members and our cutting-edge products are the stars of millions of media impressions each year, driving demand for our apparel and equipment, and generating buzz for our brand.

In partnership with our athletes, we work hard to protect the authenticity of our products and the integrity of our brands. Consumers know when they choose *The North Face*® products, they are buying the ultimate in performance—whether they are true adventurers or adventurers at heart.

Other brands in VF's Outdoor coalition—including *Vans*® and *Reef*®—have emulated this strategy with equal success. Our athletes are the heroes of their sports, and the face of our brands, to millions of fans and consumers worldwide.



“Reef doesn't just understand surfing—they live the lifestyle.”

— **Bobby Martinez**, Surfing Icon  
(*Reef*® team since 2005)

The Association of Surfing Professionals Rookie of the Year in 2006, Bobby Martinez is one of the hottest surfers on the circuit—and the sport's leading ambassador to the Latino community worldwide. As a member of the *Reef*® team, Bobby is on a quest to break down stereotypes and become the next world champion. The *Reef*® brand's association with the world's top surfers has helped it become a top name in the sport. That includes hosting the prestigious *Reef*® Hawaiian Pro, first stop on the *Vans*® Triple Crown of Surfing tour.



“Vans are the original skateboarding shoe. They are the soul of this sport.”

— **Geoff Rowley**, Skateboarding Legend  
(*Vans*® team since 1999)

Superstar skateboarder Geoff Rowley is a leading member of the *Vans*® skating team. Working with Geoff, the *Vans*® brand has developed a new “boardfeel” philosophy of shoe design, giving consumers a skateable product right out of the box. Geoff is intimately involved in the entire product design process, from mock-ups to the marketplace. His seventh signature design—*Rowley Squares*—is one of the lightest and slimmest profiles for skate shoes ever produced, and one of the most successful. There's even a vegan version, just like Geoff.





# CONTEMPORARY

VF's brands are distinguished by the passionate loyalty that consumers have for our products. By acquiring the *7 For All Mankind*® and *lucy*® brands in 2007, we've expanded our portfolio and created a new and powerful growth platform—our Contemporary Brands coalition.

Inspired by modern design, these dynamic brands market contemporary apparel and accessories to consumers who appreciate sophisticated products and high quality fabrication. It's confident fashion designed to “fit” the lives of today's consumers—and reflect the cultivated lifestyles to which they aspire.

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## CONTEMPORARY BRANDS

7 For All Mankind  
lucy



The *lucy*® brand knows that one size fits no one. With an array of styles, colors and fabrications in pants designed for real women, the *lucy*® brand offers consumers more of what they love—the best fitting pants available.



VF acquired the fast-growing *lucy*® brand in 2007 with 50 retail stores. The brand's unique appeal to women provides us with the opportunity to grow that number to 300 stores over time.





The 7 For All Mankind® brand continues to grow in its core denim business as well as new categories such as sportswear and accessories. Owned retail stores and international expansion provide additional avenues for growth.

## INSIDE / FIT

The 7 For All Mankind® brand burst onto the fashion scene in fall 2000, quickly earning critical acclaim and a devoted following for its innovative use of fits, fabrics and finishes in denim. The L.A.-based brand has become an instant favorite with Hollywood stars and a “must have” staple for legions of loyal consumers worldwide. Now the centerpiece of VF’s new Contemporary Brands coalition, the 7 For All Mankind® brand’s reputation as the premium denim leader is stronger than ever, due to its team’s fanatical dedication to providing consumers with fashion-forward products with a one-of-a-kind fit.



# BRINGING SUBSTANCE TO STYLE

FORGET THE FLASH  
THE 7 FOR ALL MANKIND® BRAND IS ALL ABOUT THE FIT

At Seven For All Mankind, styles are always changing. But its dedication to fit is constant. Season after season, loyal consumers know that every new pair of jeans they try on will fit as well—and look as sensational—as the favorite pair they already have on.

This consistency is no accident. It's the result of a painstaking and passionate process that distinguishes both the brand's clothing and its culture. Sure, it's hard work. But every time a consumer smiles in the mirror, it makes every ounce of effort worth it.

“Seven For All Mankind consistently develops denim in touch with the ever-changing seasons so well that they become staples of the wardrobe. I think I have a pair in every cut that I couldn't live without from past to present.”

—Valerie Boster, Market Editor, *Vogue* magazine



## BE CONSISTENT

All of the brand's jeans styles are derived from 10 basic fit blocks—five of which the brand has used from day one.

## KEEP IT REAL

Our fit model is a real woman—not a runway model—just like our real-world consumers.

## GET IT RIGHT FROM THE START

Who can tell anything from sketches and swatches? We fit—and refit—prototypes so every design starts out perfect.

## SWEAT EVERY DETAIL

From the pitch of a waistband to the break at the knee, our designers evaluate every detail to make sure it delivers the sexy, sophisticated look our consumers are looking for.

## THROW AWAY THE MEASURING TAPE

One size does not fit all. We even adjust our garment patterns for different fabrics and washes, so each looks great and feels sensational to wear.

## BE RELENTLESS

Once we obtain fabric, we refit every garment one more time before manufacturing, making nuanced adjustments before a final pattern is cut.

## HOLD THE LINE

We don't phone anything in. Our quality control team monitors every aspect of production in person.

## TRUST BUT VERIFY

Before a new style leaves our warehouse, our fit model tries it on one last time. If it doesn't live up to our standards, it doesn't get shipped. Period.

## LISTEN AND LEARN

We stay tuned in to the feedback from our consumers and customers, channelling those ideas into even better designs.



# SPORTSWEAR

The brands of our Sportswear coalition stand out by combining contemporary style with a sense of casual elegance. They understand that today's consumer wants to both look good and feel good. And they don't want to work hard trying.

With its nautical heritage and classic American design, the *Nautica*® brand has become iconic, marketing men's and women's sportswear and a growing line of licensed products. Our Sportswear coalition also includes the eclectic and uncompromising *John Varvatos*® luxury collection, as well as the hip and adventurous *Kipling*® brand in North America.

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## SPORTSWEAR BRANDS

Nautica  
John Varvatos  
Kipling (N. America)



John Varvatos was named GQ magazine's "Designer of the Year" in 2007.



The Kipling® brand launched its first celebrity-designed collection in the U.S. with pop star Fergie in 2007. A second Fergie for Kipling™ collection will debut in Spring 2008.

With the success of the solid-color Nautica® Deck Shirt in 2007, the brand will expand its signature knit power product line to include striped options and a women's shirt in 2008.



## INSIDE / LIFESTYLE

VF is far more than an apparel company. We market lifestyle brands that capture the hearts and imaginations of consumers across a broad range of product categories. Licensing plays a crucial role in this strategy, strengthening the bond we have with consumers by increasing the ways that our brands touch their lives. Leveraging this discipline has enabled our Nautica® brand to deepen the relationships it has with loyal consumers around the world.

# LIVING POWERFULLY FREE

THE NAUTICA® BRAND CASTS A BIGGER NET THROUGH GLOBAL LICENSING



All of our lives we are drawn to the water. It's where we came from. It's who we are. Water provides a boundless sense of possibility that our Nautica® brand calls "powerfully free."

This brand essence doesn't just apply to the Nautica® brand's core apparel business. Increasingly, it's a platform for a growing number of licensed products that are helping the brand increase its profile and profits around the world.

The Nautica® team chooses its licensing partners carefully, selecting industry leaders who share VF's vision and values, and who have proven track records in their categories. The brand's licensing team actively manages these relationships, working closely with its partners to ensure that every product we license lives up to the same high standards as those we manufacture and market ourselves.

Key to this effort: staying uncompromisingly true to the Nautica® brand—in both substance and style. If a potential product doesn't match our DNA, we quickly reject it. Potential new products must clear significant hurdles to make sure that they fit the look and feel we seek—from their persona to their packaging.

The diligence has paid off, helping to deliver a consistent brand experience to consumers wherever its licensed products touch their lives. This vibrant product portfolio now spans 47 categories, including bedding, towels, fragrances, watches, eyewear, women's swimwear, children's wear, leather goods and accessories.

Nautica® licensed products are marketed in 60 countries around the world, including the U.S. Beginning in 2008, many of these products will also be available on [www.nautica.com](http://www.nautica.com), the brand's new e-commerce site.



## THE SWEET SMELL OF SUCCESS

The Nautica® Voyage™ prestige fragrance for men was among the industry's top new brands in 2007, and far exceeded our own sales projections. It will be followed by the introduction of My Voyage™ for women in early 2008. Developed with and licensed by Coty, the new line epitomizes Nautica's licensing strategy, as every aspect of the product—from its invigorating fragrance to its free-spirited marketing campaign—embodies the characteristics of the brand. So do its brand face celebrities: Katherine Heigl and Carter Oosterhouse.





# JEANSWEAR

Jeans just may be the most popular apparel on earth. And VF sells more pairs of jeans—across more brands, styles, price points and geographic markets—than any other company in the world.

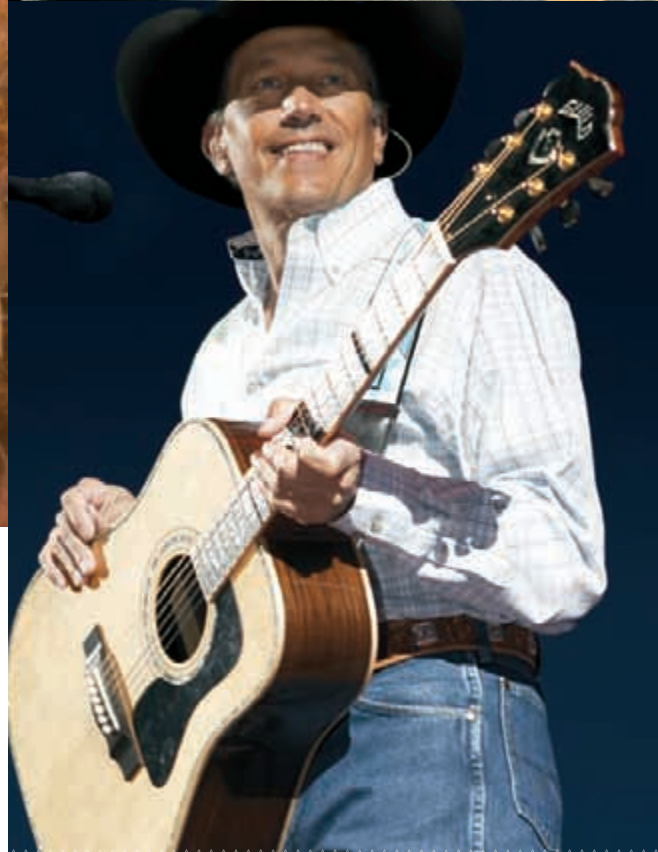
Our Jeanswear coalition continues to build on this success by extending into additional categories, including shirts, shorts, accessories and other casual apparel products. We also continue to expand our global “boot print” by pursuing growing markets such as India, China and Russia.

## JEANSWEAR BRANDS

Wrangler  
Lee  
Wrangler Hero  
Hero by Wrangler  
Wrangler 47  
20X

Timber Creek by Wrangler  
Wrangler Rugged Wear  
Wrangler Jeans Co.  
Riggs Workwear by Wrangler  
Aura from the Women at Wrangler  
Riders

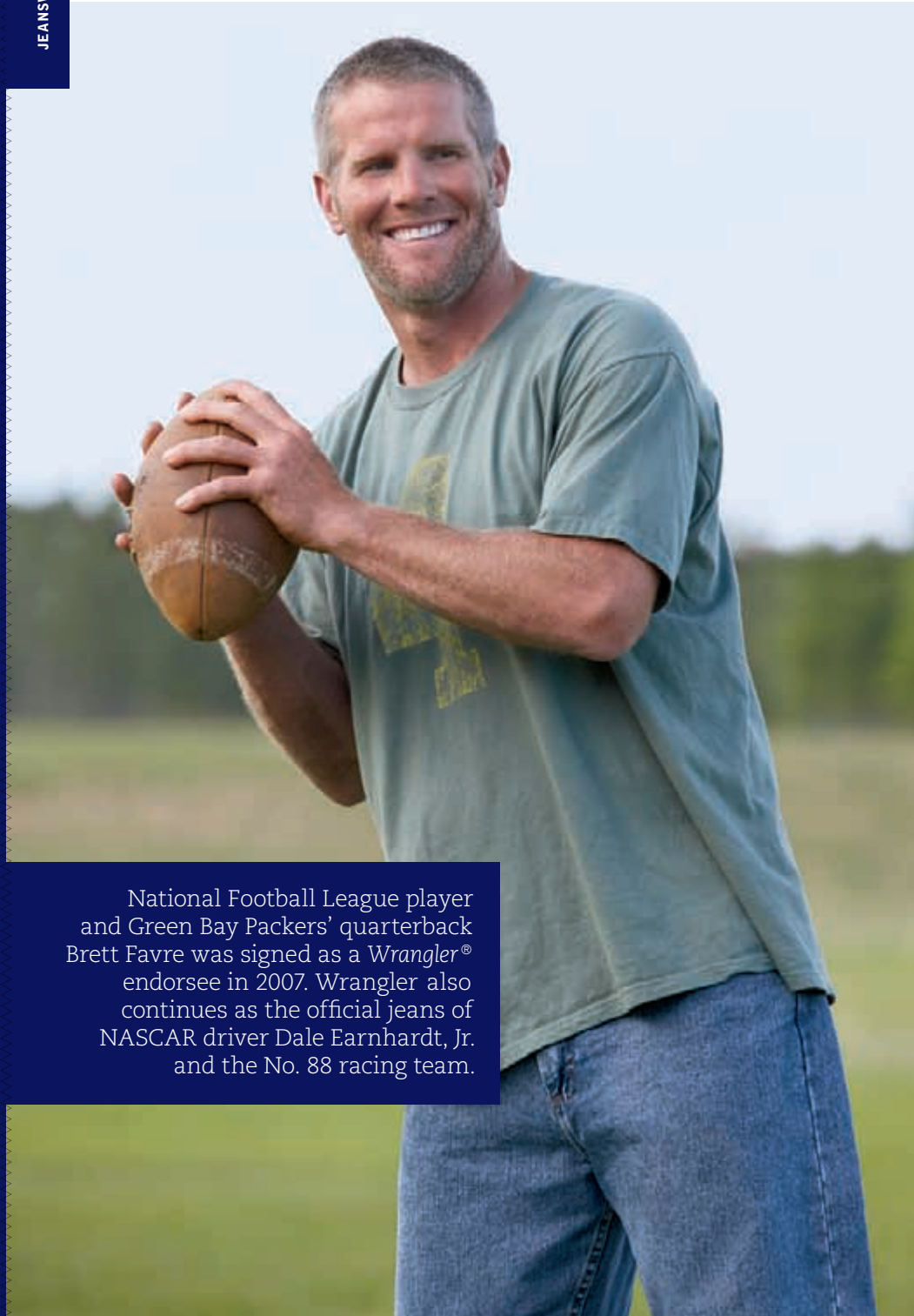
Rustler  
Old Axe  
Maverick  
Chic  
Gitano  
Brittania



Wrangler® jeans are endorsed by legendary country music star George Strait and worn by other noted country music artists, including Trace Adkins, Craig Morgan and Blake Shelton.



In 2007, the Wrangler® WANTED campaign took Europe by storm, reaching consumers with live music performances and digital art displays in uniquely constructed “Wrangler monuments” in three major cities.



National Football League player and Green Bay Packers' quarterback Brett Favre was signed as a Wrangler® endorsee in 2007. Wrangler also continues as the official jeans of NASCAR driver Dale Earnhardt, Jr. and the No. 88 racing team.



The Lee® brand was voted "Best Denim Brand of the Year" by musikexpress readers, and was also cited by Vogue magazine in Europe for its innovative "Make History" media campaign.



The Wrangler® National Finals Rodeo will celebrate its 50th Anniversary in 2008.



VF operates 11 Wrangler® brand stores in Argentina and Chile.



## INSIDE / GLOBAL BRANDING

The Wrangler® jeans brand turned 60 years old in 2007. And the brand has never looked better—or enjoyed such a broad and devoted following. Since acquiring the Wrangler® brand more than two decades ago, VF has carefully expanded the appeal of the iconic brand across markets, demographics, distribution channels and geographies. Today, Wrangler® jeans sell from \$15 to \$200 in retail outlets in most countries around the world. And every pair, regardless of style or price, is an American original. That's the power of global branding—VF-style.

# STANDING TALL IN THE SADDLE

THE WRANGLER® BRAND'S APPEAL TRANSCENDS BORDERS AND BOUNDARIES.

From the ranch to the runway, the universal appeal of Wrangler® jeans has helped transform VF's top-selling brand from a wardrobe staple into a global icon. In 2007, men's fashion authority DNR magazine ranked the Wrangler® brand No. 3 in its annual "Mega Brand" list, topping names like Nike, Adidas, Polo Ralph Lauren and Calvin Klein.

The Wrangler® brand has succeeded in a crowded jeanswear market by staying steadfastly true to its roots. Launched in 1947, the original Cowboy Cut® jean was designed "by cowboys for cowboys." Worn and promoted by champion rodeo

athletes, the product quickly caught on, becoming the American cowboy jean and an enduring part of Western culture.

That proud tradition holds true today. Wrangler® Western Wear products are integral to today's Western lifestyle, delivering the performance and style that our brand has made famous for more than 60 years. The Wrangler® management team has extended this rich heritage to products across many consumer segments and markets, dialing up different qualities of the brand's authentic personality to respond to the needs and desires of different consumers.



## COMFORTABLE

The Wrangler Hero® and Wrangler Jeans Co.® lines are heartland favorites and top performers with mass market retailers. Down-to-earth and comfortable, they provide durability and the right style at a great price. Sports superstars Brett Favre and Dale Earnhardt, Jr. are the faces of these Wrangler® lines, reinforcing the brand's strength, character and all-American values.



## RUGGED

Consumers know that the Wrangler® brand is rugged by nature. Capitalizing on this quality, we market Riggs Workwear™ by Wrangler®, Wrangler Rugged Wear® casual outdoor gear, and Wrangler® ProGear™ professional hunting apparel through a variety of channels, including specialty and sporting goods stores.



## ADVENTUROUS

Through both its history and lore, the West conjures images of wide open spaces and unlimited opportunity. Tapping into that spirit, the Wrangler® brand in South America is positioned as a brand for adventure seekers who continuously explore new ground and live every day to its fullest.



## INDEPENDENT

In Europe and Asia, the Wrangler® brand is a symbol of a free and independent lifestyle. Young consumers identify with the brand because it offers classic values with contemporary style. In addition to distributing the brand in department stores, we're also expanding our base of Wrangler® retail stores in these regions. In India, for example, there are approximately 30 Wrangler® stores, including the largest in the world in Bangalore.



## TRUE

Wrangler 47® premium jeans are the ultimate blend of authentic heritage and contemporary design. The collection combines modern fits and vintage styling to create a distinctive spin on the authentic jeans that define the true spirit of the West. Wrangler 47® products are available at upscale specialty stores and boutiques, as well as upper-tier department stores.





# IMAGEWEAR

VF's Imagewear coalition combines size, scale and responsiveness to stand out in a variety of commercial and government markets. Every day, our Image apparel business dresses 6 million people for work, providing uniforms for virtually all occupations across the country and service professionals around the world. Our Activewear business provides apparel to the biggest names in sports, including Major League Baseball, the National Football League, the National Basketball Association, the National Hockey League and many major U.S. colleges and universities.

## IMAGEWEAR BRANDS

Red Kap  
Bulwark  
The Force  
Chef Designs

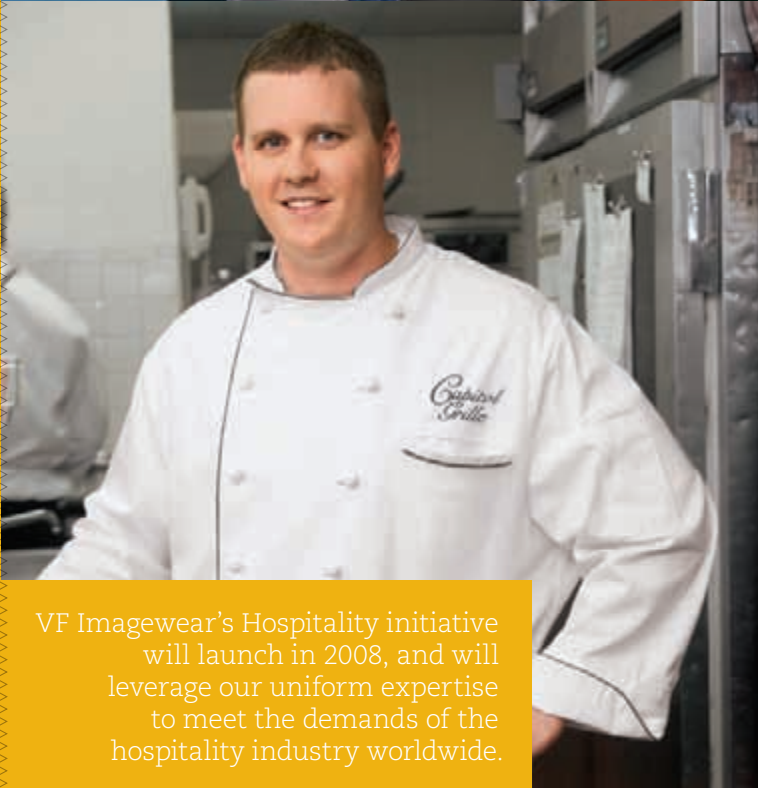
Linden Grey  
LiteFX  
Harley-Davidson\*  
Majestic

CSA  
Chase Authentics\*  
NFL Red\*  
NFL White\*

\*Licensed



VF Imagewear's "Customer First" strategy ensures that each garment is constructed with the specific needs of the end-user in mind.



VF Imagewear's Hospitality initiative will launch in 2008, and will leverage our uniform expertise to meet the demands of the hospitality industry worldwide.



The addition of the Majestic® brand brings a powerful new asset to VF Imagewear, opening up additional opportunities in new channels and markets.





VF Imagewear operates more than 70 unique websites to fulfill the image apparel demands of 720,000 uniformed employees worldwide.

## INSIDE / RESPONSIVENESS

To make it in the big leagues—whatever your trade—you have to have a lot more than talent. It takes dedication, tenacity and drive. You have to be able to pivot on a dime, and respond to whatever gets thrown at you in less than a heartbeat. The businesses of VF’s Imagewear coalition understand the formula well, with the ability to respond rapidly and efficiently to the needs of the world’s most demanding corporate, government, industrial and sports customers. For us, responsiveness is far more than a service; it’s a skill that we’ve honed into a distinct competitive advantage.



# RUNNING WITH THE PITCH

MAJESTIC ATHLETIC KNOWS WHAT IT TAKES TO COMPETE AND WIN IN ANY LEAGUE.



Like all of VF's brands, the *Majestic*® brand is known for its commitment to quality, performance and style. But it's the company's uncanny speed and responsiveness that keep it two steps ahead of the competition.

In 2005, the venerable athletic team apparel company beat out big-name rivals to win one of professional sports' most valuable contracts to become the official provider of uniforms and official fan apparel for all 30 Major League Baseball (MLB) teams.

The *Majestic*® brand has met the challenge with the fervor of a fan and the poise of a pro. At spring training each year, the company meticulously measures every MLB player, coach and top prospect. Within weeks, it manufactures and delivers more than 15,000 custom-fitted game jerseys and pants before the first pitch is hurled on Opening Day.

And that's just for warmups. Whenever a player is traded or free agent signed, Majestic Athletic is among the first to get the call. The company's world-class manufacturing

team cuts, sews, decorates and delivers an impeccable custom-tailored uniform, personalized with the player's name and number, in as little as 24 hours. (Yes, that's the real deal they hold up at the press conference, and Majestic Athletic made it.)

The company makes that exact same high quality jersey available to fans in a matter of days—online, at stadiums and in stores—so teams can capitalize on the buzz of a major transaction when fans are most engaged. Majestic Athletic also supplies personalized jerseys, numbered t-shirts, jackets, fleece and other apparel products for every MLB team—and every fan—through long-term contracts.

By implementing new analytic systems pioneered by VF's other businesses, Majestic Athletic is bringing this same "culture of urgency" to the retail marketplace. By providing customers that sell MLB apparel with detailed replenishment information each week, they know precisely which apparel to stock—by market, store, player and team.

Acquired in February 2007, Majestic Athletic expands the capabilities of VF's Imagewear business, which has long been recognized for its ability to produce fanwear within hours of the conclusion of major sporting events such as the World Series and Super Bowl.

Whenever a player changes teams, Majestic Athletic makes sure a new uniform beats him to the ballpark.



## WHO'S THAT WEARING NO. 42?

Just weeks before "Jackie Robinson Day" in April 2007, Cincinnati Reds' All-Star Ken Griffey, Jr. called MLB Commissioner Bud Selig to ask if he could pay tribute to Robinson by wearing his long-retired No. 42. Selig not only liked the idea, he encouraged other players and coaches to do the same.

Majestic Athletic stepped up to the plate, altering its production schedules to meet the deadline. In all, the company manufactured approximately 500 custom No. 42 jerseys, fitted to each player and coach's measurements, before the commemorative game.

"Our involvement in Jackie Robinson Day highlights the privileged place we hold in the game," said Faust Capobianco, IV, Vice President and General Manager of Major League Baseball for Majestic Athletic. "Our team has what it takes to make extraordinary things happen. That's what our brand is all about."



## TO OUR SHAREHOLDERS

VF Corporation achieved its fifth straight year of record performance in 2007, as revenues rose 16% to over \$7 billion—a new milestone—and earnings per share increased 14% to \$5.41. President and Chief Executive Officer Eric Wiseman and Chairman Mackey McDonald provide an “inside” look at VF’s 2007 results and their strategy for continuing the company’s momentum over the coming years.

### What drove VF’s strong performance in 2007?

**Eric Wiseman:** Organic growth for starters. It was 10% in 2007, balanced across many brands and businesses. In fact, four out of our five coalitions grew their top lines—driven by new product innovations and line extensions in some cases; international growth and retail store expansion in others. Acquisitions were also key to our 2007 performance. During the year we acquired the 7 For All Mankind®, Majestic®, Eagle Creek® and lucy® brands. We also reacquired rights from a licensee to sell The North Face® products in China.

### What were the company’s most important achievements during the year?

**EW:** There were many, but three stand out. By acquiring the 7 For All Mankind® and lucy® brands, we created an exciting new growth platform—our Contemporary Brands coalition. We sold our intimate apparel business, strengthening our portfolio’s top- and bottom-line

growth potential. Outdoor also came up big. In addition to delivering outstanding performance, the coalition implemented VF’s suite of common systems to help support its future growth.

### How do the 7 For All Mankind® and lucy® brands fit into VF’s long-term strategy?

**Mackey McDonald:** Both are terrific brands with tremendous long-term growth prospects and a very strong following among women. The 7 For All Mankind® brand is the established leader in the premium jeans market in the U.S., and lucy® is a small, but rapidly growing, women’s activewear brand. The 7 For All Mankind® brand has multiple avenues for growth, not only in its core denim products, but also in sportswear and accessories, the opening of owned retail stores and international expansion. The lucy® brand is exciting for us, as it marks VF’s first “pure play” retail acquisition. When we acquired the lucy® brand, it had 50 stores and we see the potential for 300 stores over time.

# “Consumers continue to seek distinctive brands that enhance their lives and make a statement about who they are—or who they aspire to be. That’s what VF is all about.”

— Eric Wiseman

## What are VF’s greatest opportunities for growth in 2008?

**MM:** Our international and direct-to-consumer businesses should continue to drive growth in 2008. In terms of our coalitions, Outdoor and Contemporary Brands will be particularly strong contributors to growth this year.

**EW:** Absolutely. In Outdoor, we’re expecting growth across our brands. *The North Face*® brand is making great strides in many product categories and will launch an array of new products in early 2008. Our *Vans*® brand should achieve double-digit growth in its apparel business, and both the *Kipling*® and *Napapijri*® brands are benefiting from expanded product lines along with growth in Europe and other international markets. In addition, our *7 For All Mankind*® and *lucy*® brands should both continue their momentum. Jeanswear’s international business continues to look strong, and we expect Majestic Athletic to lead the growth of our Imagewear coalition.

## What are the key trends—both positive and negative—impacting your business today?

**EW:** Consumers continue to seek distinctive brands that enhance their lives and make a statement about who they are—or who they aspire to be. That’s what VF is all about. Our brands are rich in history, heritage and authenticity. They speak the language of their consumers’ lifestyles, giving us a big edge in the markets where we compete.

But there are economic headwinds, too—higher energy prices, falling consumer confidence and tightening credit among them. These factors have depressed the stock values of most companies in the apparel sector, including ours, despite our outstanding performance. We can’t control that, of course. So we’re putting our energies into what we know best—building leading lifestyle brands that excite consumers around the world, and executing on clearly defined goals and strategies.

## Given those economic conditions, can VF continue to grow?

**EW:** We definitely think so. In fact, we’re forecasting 9% revenue growth in 2008, split about evenly between organic growth and the revenue contributions from companies we acquired in 2007. Because of VF’s balance and diversity, we’re not dependent on any one customer, geography, channel of distribution or product category for growth. Rather, we have a wide array of initiatives across our businesses—and across the globe—that should provide solid opportunities for growth in 2008 and beyond.

## Mackey, VF has never been stronger. Why did you step down as CEO at the end of the year?

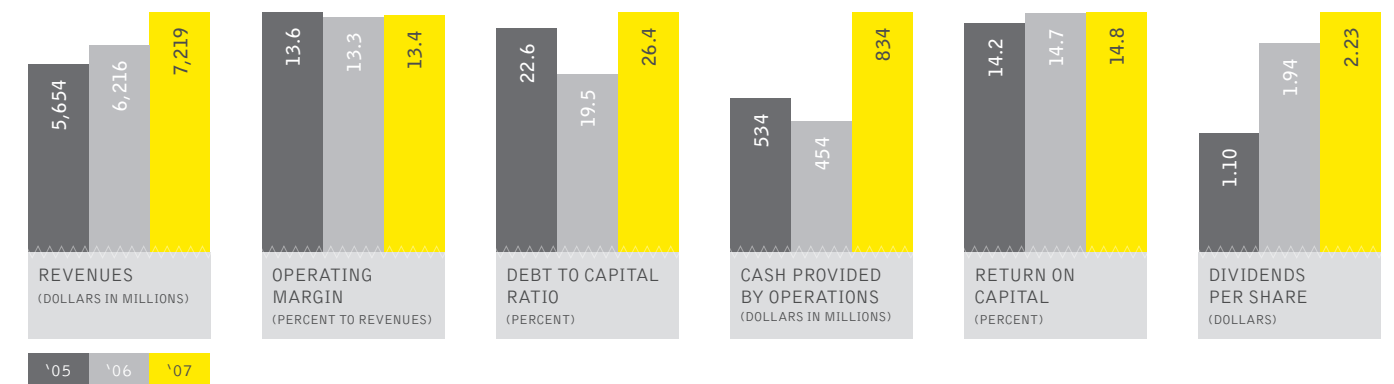
**MM:** My plan was always to hand over the reins when I felt that the best times were still ahead for VF—and I certainly believe that is the case today. I believe the plan we’ve put together for the next five years is even stronger than the one we launched back in 2004. I also have great confidence in the leadership team and believe they have the talent and expertise required to take VF to the next level.

## Is the management transition now complete? What will be your role going forward?

**MM:** Eric has absolutely hit the ground running as president and CEO, and the transition has been extremely smooth. I will continue to be closely involved in Board activities, leadership development, acquisitions and business development.

## Eric, how will VF’s vision or business strategy change under your leadership?

**EW:** We’re on the right course and we intend to stay on it. Mackey and I have been—and still are—very aligned on both our vision for the future of VF and the core growth drivers that bring that vision to life. We have a proven business model that has led to success far exceeding our original goals. And what excites me most is the potential our team sees for VF as we continue to execute this model over the coming years.



## You announced a new five-year growth plan in early January. What kind of company will VF be in 2012?

**EW:** Bigger and more profitable. We’re targeting \$11 billion in revenues by 2012—that’s \$4 billion in growth over the next five years. And we’re targeting a 15% operating margin, a full point higher than our previous target. By 2012, we expect that 60% of VF’s revenues will be generated by our lifestyle coalitions—Outdoor, Contemporary Brands and Sportswear—compared to 44% at the end of 2007. The remaining 40% will come from our heritage businesses, Jeanswear and Imagewear.

**MM:** International revenues will also account for an increasingly bigger piece of the pie. We see a third of revenues coming from international markets by 2012, up from 28% in 2007. Our direct-to-consumer business, composed of owned retail stores and e-commerce, will also be much bigger, growing from approximately \$1 billion in revenues today to \$2.4 billion by 2012.

## Which is more important to your plan: Organic growth or acquisitions?

**EW:** We’re planning 8 to 10% annual growth in revenues over the next five years—6 to 7% from organic growth and 2 to 3% from acquisitions. The fact that we expect more growth organically than from acquisitions underscores the confidence we have in our current portfolio of brands.

## Why is retail growth such an important part of your plan?

**EW:** Managing our own retail stores allows us to showcase the lifestyle, power and full range of products of our strongest brands. We’re able to surround consumers with a complete brand experience—from the design and layout of the store to the assortment of products they contain. We’re fortunate that we’ve acquired brands with retail talent and expertise, and we’re using that expertise to aggressively grow our base of owned stores. At the end of 2007, we had more than 630 stores around the world, and that number could double over the next five years. We take a disciplined approach to opening new stores to ensure they contribute positively to both the top and bottom lines.

## What makes you so confident that VF can achieve its five-year goals?

**EW:** A number of reasons, really. First, we have truly great people who are passionate about their businesses and perpetually driven to succeed. Our corporate culture is both inclusive and collaborative because we respect and value diverse opinions. Second, we have the strongest portfolio of brands in the industry, so we have many opportunities for future growth. Third, we have established operations in many different parts of the world, which can be leveraged as our brands achieve scale and as we add new brands. Finally, we’ve proven that we’re really good at making smart acquisitions—and making them work. I’m confident that we can build on that track record.

## Mackey, what are the most important lessons from VF’s past that can help Eric and his team build on that success in the future?

**MM:** VF has been successful because we’ve learned how to focus the assets of a very large corporation on the needs of individual consumers. That’s the key, in my opinion—it’s what we’re all about. To keep that up, you need to continue building a team of leaders who are really dedicated to our brands and to the needs of consumers and retailers. You need to empower them to make their own decisions—and support those decisions with tools and resources that only a company like VF can provide. That goes way beyond mere logistics. It’s all about building on the “culture of collaboration” that makes VF unique. That’s how we’ve achieved our success. And I think that’s how VF will continue to grow.

## Eric, what do think about that advice?

**EW:** That’s an easy one. I’ll take it.

*Eric C. Wiseman*      *Mackey McDonald*

# OUR FIVE-YEAR VISION FOR SUCCESS

VF's outlook for growth and profitability is stronger than ever. In January 2008, we announced a new five-year growth plan, highlighted by the following targets.

2007

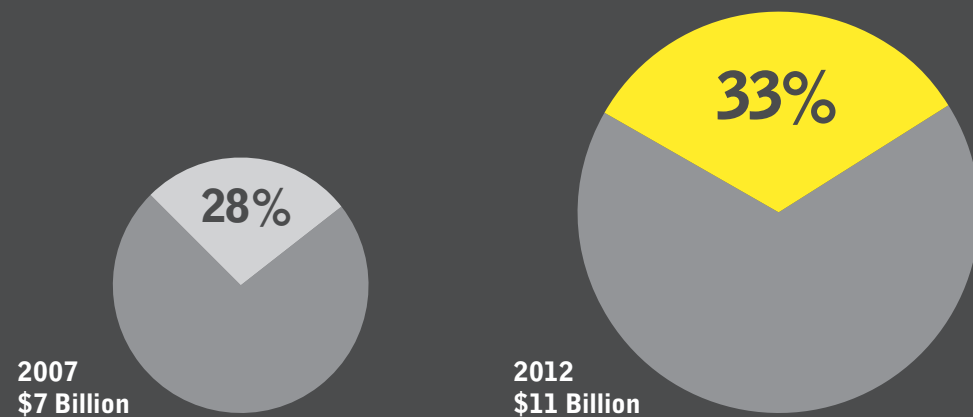
**\$7 BILLION**

2012

**\$11 BILLION**

## \$11 BILLION IN REVENUES

We raised our long-term revenue growth target to 8 to 10% annually, which would increase VF's revenues from over \$7 billion today to \$11 billion in 2012.



## 33% OF REVENUES FROM INTERNATIONAL MARKETS

We will be a bigger force globally in five years, boosting our percentage of international revenues from 28% in 2007 to 33% in 2012.

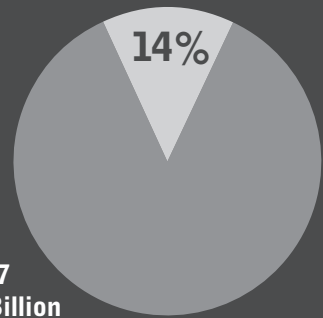
## 15% OPERATING MARGIN

We've established a new operating margin target of 15%, which we expect to achieve by leveraging our revenue growth, enhancing our business mix and continuing to focus relentlessly on cost reduction.

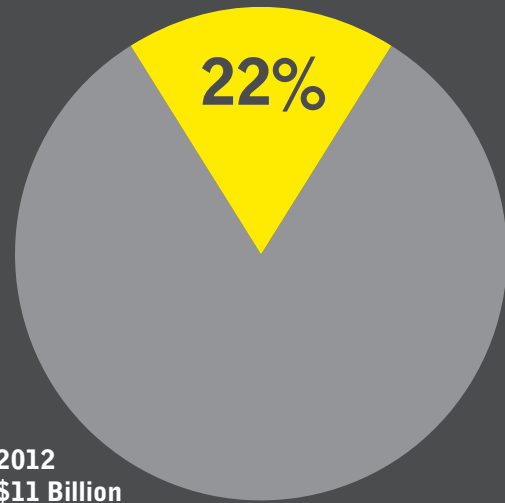
## 10–11% EPS GROWTH

By expanding our margins, we aim to increase earnings faster than revenues, to deliver 10 to 11% annual earnings per share growth over the next five years.

# OUR FIVE-YEAR VISION FOR SUCCESS



2007  
\$7 Billion



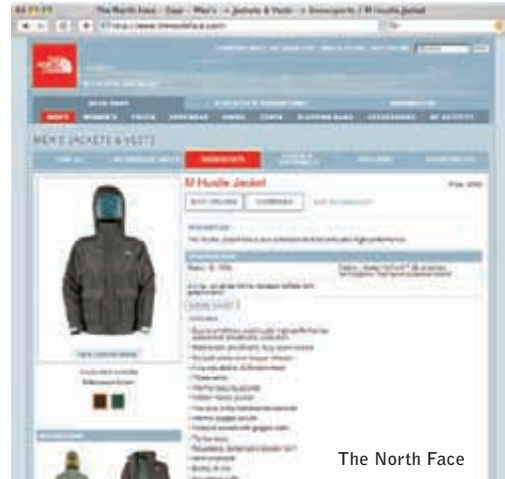
2012  
\$11 Billion

## 22% OF REVENUES FROM DIRECT-TO-CONSUMER BUSINESSES

We aim to grow our direct-to-consumer business by about 18% annually, totaling 22% of our revenues by 2012.



Wrangler Europe



The North Face



lucy



Wrangler, London



7 For All Mankind, Los Angeles



Nautica, Dubai



Eastpak, Milan



The North Face, Seattle

# A PROVEN SET OF GROWTH DRIVERS

Our five-year plan is supported by a consistent set of six growth drivers that have been the foundation for VF's growth and success since 2004.

# 1

## BUILD MORE GLOBAL, GROWING LIFESTYLE BRANDS

VF has a proven track record for building powerful global lifestyle brands that resonate with consumers and deliver healthy, long-term growth. We will continue to strengthen that portfolio—both by investing in our existing lifestyle and heritage businesses and by acquiring complementary brands with unique products, passionate consumers and the potential for solid growth.

# 2

## EXPAND OUR SHARE WITH WINNING CUSTOMERS

We've built our business by creating truly successful partnerships. Our customers know that our global scale, unparalleled consumer knowledge and extensive brand expertise make us a tremendous resource to support their vision with cross-coalition planning, coordination and execution. By building on these strengths—and aligning ourselves closely to the goals and strategies of our customers—we aim to increase our share of business with the strongest leaders in the industry.

# 3

## STRETCH OUR BRANDS TO NEW GEOGRAPHIES

VF's global infrastructure is a significant competitive advantage, enabling us to efficiently expand the distribution of newly acquired brands into Europe, Mexico, Canada and South America. We are also focusing resources to support our rapid growth in such dynamic markets as China, India and Russia. By continuing the global expansion of key brands—including *The North Face*®, *Vans*®, *Kipling*®, *Wrangler*® and *7 For All Mankind*®—we intend to generate one-third of our revenues from international markets by 2012.

# 4

## EXPAND OUR DIRECT-TO-CONSUMER BUSINESS

With more than 630 retail stores, we understand the importance of creating a unique environment that allows us to directly communicate the excitement of our brands to consumers. In the coming years, we will accelerate the opening of new retail stores—and expand the e-commerce capabilities of our brands—to provide consumers with even greater access to our products. We are investing in both the infrastructure and people to manage our direct-to-consumer business, strengthening this important platform for growth.

# 5

## FUEL THE GROWTH

Making the most of every dollar ensures that we have the capital we need to fuel our growth strategies. Our flexible, global sourcing operation is designed to procure the highest quality products at the most competitive prices from around the world. We are experts at managing complexity, and we continue to expand our supply chain capabilities and internal management systems to execute our five-year plan and meet the changing needs of our businesses. At the same time, we maintain a relentless focus on cost reduction to fuel the continued growth of our brands.

# 6

## BUILD NEW GROWTH ENABLERS

Taking our company to new heights requires new capabilities and skills in areas as diverse as strategy, consumer insight, technology, retail expertise, human resources and mergers and acquisitions. Throughout VF, we are making these investments, giving our employees the tools they need to succeed, while developing a new generation of leaders to guide our future.

# FINANCIAL SUMMARY

Dollars in thousands, except per share amounts	2007	2006	2005	2004	2003
<b>Summary of Operations</b>					
Total revenues from continuing operations	\$ 7,219,359	\$ 6,215,794	\$ 5,654,155	\$ 5,218,066	\$ 4,413,354
Operating income from continuing operations	965,441	826,144	767,951	664,357	552,523
Income from continuing operations	613,246	535,051	482,629	398,879	343,261
Discontinued operations <sup>(1)</sup>	(21,625)	(1,535)	35,906	75,823	54,672
Cumulative effect of a change in accounting policy <sup>(2)</sup>	—	—	(11,833)	—	—
Net income	591,621	533,516	506,702	474,702	397,933
Earnings per common share—basic					
Income from continuing operations	\$ 5.55	\$ 4.83	\$ 4.33	\$ 3.61	\$ 3.17
Discontinued operations <sup>(1)</sup>	(0.20)	(0.01)	0.32	0.69	0.51
Cumulative effect of a change in accounting policy <sup>(2)</sup>	—	—	(0.11)	—	—
Net income	5.36	4.82	4.54	4.30	3.67
Earnings per common share—diluted					
Income from continuing operations	\$ 5.41	\$ 4.73	\$ 4.23	\$ 3.54	\$ 3.11
Discontinued operations <sup>(1)</sup>	(0.19)	(0.01)	0.31	0.67	0.50
Cumulative effect of a change in accounting policy <sup>(2)</sup>	—	—	(0.10)	—	—
Net income	5.22	4.72	4.44	4.21	3.61
Dividends per share	2.23	1.94	1.10	1.05	1.01
Dividend payout ratio <sup>(3)</sup>	42.7%	41.1%	24.2%	24.9%	28.0%
Average number of common shares outstanding	110,443	110,560	111,192	109,872	107,713
<b>Financial Position</b>					
Working capital	\$ 1,510,742	\$ 1,563,162	\$ 1,213,233	\$ 1,006,354	\$ 1,419,281
Current ratio	2.3	2.5	2.1	1.7	2.8
Total assets	\$ 6,446,685	\$ 5,465,693	\$ 5,171,071	\$ 5,004,278	\$ 4,245,552
Long-term debt	1,144,810	635,359	647,728	556,639	955,393
Redeemable preferred stock	—	—	23,326	26,053	29,987
Common stockholders' equity	3,576,829	3,265,172	2,808,213	2,513,241	1,951,307
Debt to total capital ratio <sup>(4)</sup>	26.4%	19.5%	22.6%	28.5%	33.7%
Book value per common share	\$ 32.58	\$ 29.11	\$ 25.50	\$ 22.56	\$ 18.04
<b>Other Statistics<sup>(5)</sup></b>					
Operating margin	13.4%	13.3%	13.6%	12.7%	12.5%
Return on invested capital <sup>(6) (7)</sup>	14.8%	14.7%	14.2%	13.4%	14.4%
Return on average common stockholders' equity <sup>(7)</sup>	18.4%	18.0%	18.0%	17.8%	19.3%
Return on average total assets <sup>(7)</sup>	10.4%	10.0%	9.4%	8.5%	9.1%
Cash dividends paid	\$ 246,634	\$ 216,529	\$ 124,116	\$ 117,731	\$ 111,258

(1) Women's intimate apparel business sold in April 2007.

(2) After tax effect of change in accounting policy in 2005 to adopt FASB Statement 123(R), Share-Based Payment.

(3) Dividends per share divided by the total of income from continuing and discontinued operations per diluted share.

(4) Total capital is defined as common stockholders' equity plus short-term and long-term debt.

(5) Operating statistics and market data are based on continuing operations.

(6) Invested capital is defined as average common stockholders' equity plus average short-term and long-term debt.

(7) Return is defined as income from continuing operations before net interest expense, after income taxes.

# CONSOLIDATED BALANCE SHEETS

In thousands	DECEMBER	
	2007	2006
<b>Assets</b>		
<b>Current Assets</b>		
Cash and equivalents	\$ 321,863	\$ 343,224
Accounts receivable	970,951	809,594
Inventories	1,138,752	958,262
Deferred income taxes	104,489	84,519
Other current assets	109,074	120,485
Current assets of discontinued operations	—	261,926
Total current assets	2,645,129	2,578,010
Property, Plant and Equipment	651,858	593,058
Intangible Assets	1,435,269	755,693
Goodwill	1,278,163	1,030,925
Other Assets	436,266	348,862
Noncurrent Assets of Discontinued Operations	—	159,145
	\$ 6,446,685	\$ 5,465,693
<b>Liabilities and Stockholders' Equity</b>		
<b>Current Liabilities</b>		
Short-term borrowings	\$ 131,545	\$ 88,467
Current portion of long-term debt	3,803	68,876
Accounts payable	509,879	385,700
Accrued liabilities	488,089	392,815
Current liabilities of discontinued operations	1,071	78,990
Total current liabilities	1,134,387	1,014,848
Long-term Debt	1,144,810	635,359
Other Liabilities	590,659	536,728
Noncurrent Liabilities of Discontinued Operations	—	13,586
<b>Commitments and Contingencies</b>		
<b>Common Stockholders' Equity</b>		
Common Stock	109,798	112,185
Additional paid-in capital	1,619,320	1,469,764
Accumulated other comprehensive income (loss)	61,495	(123,652)
Retained earnings	1,786,216	1,806,875
Total common stockholders' equity	3,576,829	3,265,172
	\$ 6,446,685	\$ 5,465,693

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# CONSOLIDATED STATEMENTS OF INCOME

In thousands, except per share amounts	YEAR ENDED DECEMBER		
	2007	2006	2005
<b>Net Sales</b>	\$ 7,140,811	\$ 6,138,087	\$ 5,582,075
<b>Royalty Income</b>	78,548	77,707	72,080
<b>Total Revenues</b>	<b>7,219,359</b>	<b>6,215,794</b>	<b>5,654,155</b>
<b>Costs and Operating Expenses</b>			
Cost of goods sold	4,080,022	3,515,624	3,209,312
Marketing, administrative and general expenses	2,173,896	1,874,026	1,676,892
	<b>6,253,918</b>	<b>5,389,650</b>	<b>4,886,204</b>
<b>Operating Income</b>	<b>965,441</b>	<b>826,144</b>	<b>767,951</b>
<b>Other Income (Expense)</b>			
Interest income	9,310	5,994	8,217
Interest expense	(72,122)	(57,259)	(70,596)
Miscellaneous, net	2,941	2,359	6,121
	<b>(59,871)</b>	<b>(48,906)</b>	<b>(56,258)</b>
<b>Income from Continuing Operations</b>			
Before Income Taxes	905,570	777,238	711,693
<b>Income Taxes</b>	<b>292,324</b>	<b>242,187</b>	<b>229,064</b>
<b>Income from Continuing Operations</b>	<b>613,246</b>	<b>535,051</b>	<b>482,629</b>
<b>Discontinued Operations</b>	<b>(21,625)</b>	<b>(1,535)</b>	<b>35,906</b>
<b>Cumulative Effect of a Change in Accounting Policy</b>	<b>—</b>	<b>—</b>	<b>(11,833)</b>
<b>Net Income</b>	<b>\$ 591,621</b>	<b>\$ 533,516</b>	<b>\$ 506,702</b>
<b>Earnings Per Common Share—Basic</b>			
Income from continuing operations	\$ 5.55	\$ 4.83	\$ 4.33
Discontinued operations	(0.20)	(0.01)	0.32
Cumulative effect of a change in accounting policy	—	—	(0.11)
<b>Net income</b>	<b>\$ 5.36</b>	<b>\$ 4.82</b>	<b>\$ 4.54</b>
<b>Earnings Per Common Share—Diluted</b>			
Income from continuing operations	\$ 5.41	\$ 4.73	\$ 4.23
Discontinued operations	(0.19)	(0.01)	0.31
Cumulative effect of a change in accounting policy	—	—	(0.10)
<b>Net income</b>	<b>\$ 5.22</b>	<b>\$ 4.72</b>	<b>\$ 4.44</b>
<b>Cash Dividends Per Common Share</b>	<b>\$ 2.23</b>	<b>\$ 1.94</b>	<b>\$ 1.10</b>

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# CONSOLIDATED STATEMENTS OF CASH FLOWS

In thousands	YEAR ENDED DECEMBER		
	2007	2006	2005
<b>Operating Activities</b>			
Net income	\$ 591,621	\$ 533,516	\$ 506,702
Adjustments to reconcile net income to cash provided by operating activities of continuing operations:			
(Income) loss from discontinued operations	21,625	1,535	(35,906)
Cumulative effect of a change in accounting policy	—	—	11,833
Depreciation	94,540	90,374	88,047
Amortization of intangible assets	27,106	18,003	16,684
Other amortization	19,581	20,469	16,703
Stock-based compensation	62,413	46,427	40,512
Provision for doubtful accounts	13,859	6,693	7,831
Pension funding under(over) expense	7,094	(31,277)	(14,857)
Deferred income taxes	(3,748)	(24,463)	(12,133)
Other, net	3,763	(6,509)	17,938
Changes in operating assets and liabilities, net of acquisitions:			
Accounts receivable	(49,673)	(113,363)	(11,106)
Inventories	(24,113)	(33,193)	(80,428)
Other current assets	15,644	6,322	(44,608)
Accounts payable	77,212	(19,043)	80,166
Accrued compensation	(1,932)	(23,592)	(7,168)
Accrued income taxes	(7,541)	(51,111)	21,343
Accrued liabilities	31,986	22,485	(52,797)
Other assets and liabilities	(45,808)	10,855	(15,102)
Cash provided by operating activities of continuing operations	833,629	454,128	533,654
Cash provided (used) by discontinued operations, net	(13,053)	36,625	27,692
Cash provided by operating activities	<b>820,576</b>	<b>490,753</b>	<b>561,346</b>
<b>Investing Activities</b>			
Capital expenditures	(113,863)	(127,195)	(102,976)
Business acquisitions, net of cash acquired	(1,060,636)	(39,301)	(211,838)
Software purchases	(6,367)	(8,939)	(17,494)
Sale of intimate apparel business	348,714	—	—
Sale of other businesses	12,368	4,667	6,667
Sale of property, plant and equipment	14,085	3,327	11,974
Other, net	(120)	(323)	798
Cash used by investing activities of continuing operations	(805,819)	(167,764)	(312,869)
Discontinued operations, net	(243)	1,017	(1,674)
Cash used by investing activities	<b>(806,062)</b>	<b>(166,747)</b>	<b>(314,543)</b>
<b>Financing Activities</b>			
Increase (decrease) in short-term borrowings	36,785	(60,533)	95,673
Proceeds from long-term debt	592,758	—	117,792
Payments on long-term debt	(168,671)	(33,520)	(401,253)
Purchase of Common Stock	(350,000)	(118,582)	(229,003)
Cash dividends paid	(246,634)	(216,529)	(124,116)
Proceeds from issuance of Common Stock	69,539	119,675	99,974
Tax benefits of stock option exercises	15,571	24,064	17,741
Other, net	—	—	(301)
Cash used by financing activities of continuing operations	(50,652)	(285,425)	(423,493)
Effect of Foreign Currency Rate Changes on Cash	14,777	8,086	(12,260)
<b>Net Change in Cash and Equivalents</b>	<b>(21,361)</b>	<b>46,667</b>	<b>(188,950)</b>
Cash and Equivalents—Beginning of Year	343,224	296,557	485,507
<b>Cash and Equivalents—End of Year</b>	<b>\$ 321,863</b>	<b>\$ 343,224</b>	<b>\$ 296,557</b>

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## OPERATING COMMITTEE



### TOP ROW, LEFT TO RIGHT

Eric C. Wiseman, President & Chief Executive Officer  
 Mackey J. McDonald, Chairman of the Board  
 Frank C. Pickard III, Vice President—Treasurer  
 Candace S. Cummings, Vice President—Administration,  
 General Counsel & Secretary  
 Michael T. Gannaway, Vice President—  
 VF Direct / Customer Teams  
 Stephen F. Dull, Vice President—Strategy

### BOTTOM ROW, LEFT TO RIGHT

Robert K. Shearer, Senior Vice President &  
 Chief Financial Officer  
 Susan Larson Williams, Vice President—Human Resources  
 Boyd A. Rogers, Vice President & President—Supply Chain  
 Franklin L. Terkelsen, Vice President—Mergers & Acquisitions  
 Bradley W. Batten, Vice President—Controller &  
 Chief Accounting Officer  
 Martin S. Schneider, Vice President & Chief Information Officer

## BOARD OF DIRECTORS



### STANDING, LEFT TO RIGHT

Robert J. Hurst<sup>2,3,5</sup>  
 Managing Director  
 Crestview Partners LLC  
 New York, New York  
 (Private equity firm)  
 Director since 1994, age 62

Barbara S. Feigin<sup>1,4</sup>  
 Consultant  
 New York, New York  
 (Strategic marketing and branding)  
 Director since 1987, age 70

W. Alan McCollough<sup>4,5</sup>  
 Former Chairman of the Board  
 Circuit City Stores, Inc.  
 Richmond, Virginia  
 (National retailer)  
 Director since 2000, age 58

George Fellows<sup>1,4</sup>  
 President & Chief Executive Officer  
 Callaway Golf Company  
 Carlsbad, California  
 (Sporting goods)  
 Director since 1997, age 65

Edward E. Crutchfield<sup>2,3,5</sup>  
 Former Chairman &  
 Chief Executive Officer  
 First Union Corporation  
 Charlotte, North Carolina  
 (Banking)  
 Director since 1992, age 66

M. Rust Sharp<sup>2,5</sup>  
 Of Counsel  
 Heckscher, Teillon, Terrill & Sager  
 West Conshohocken, Pennsylvania  
 (Attorneys)  
 Director since 1984, age 67

Juan Ernesto de Bedout<sup>1,3</sup>  
 Group President  
 Latin American Operations  
 Kimberly-Clark Corporation  
 Roswell, Georgia  
 (Consumer products)  
 Director since 2000, age 63

Clarence Otis, Jr.<sup>1,4</sup>  
 Chairman & Chief Executive Officer  
 Darden Restaurants, Inc.  
 Orlando, Florida  
 (Casual dining restaurants)  
 Director since 2004, age 51

Daniel R. Hesse<sup>3,5</sup>  
 President & Chief Executive Officer  
 Sprint Nextel Corporation  
 Overland Park, Kansas  
 (Telecommunications)  
 Director since 1999, age 54

Ursula O. Fairbairn<sup>2,4,5</sup>  
 President & Chief Executive Officer  
 Fairbairn Group LLC  
 New York, New York  
 (Human resources consultant)  
 Director since 1994, age 65

Raymond G. Viault  
 Former Vice Chairman  
 General Mills, Inc.  
 Minneapolis, Minnesota  
 (Consumer food products)  
 Director since 2002, age 63

### SEATED, LEFT TO RIGHT

Mackey J. McDonald<sup>2,3</sup>  
 Chairman of the Board  
 Director since 1993, age 61

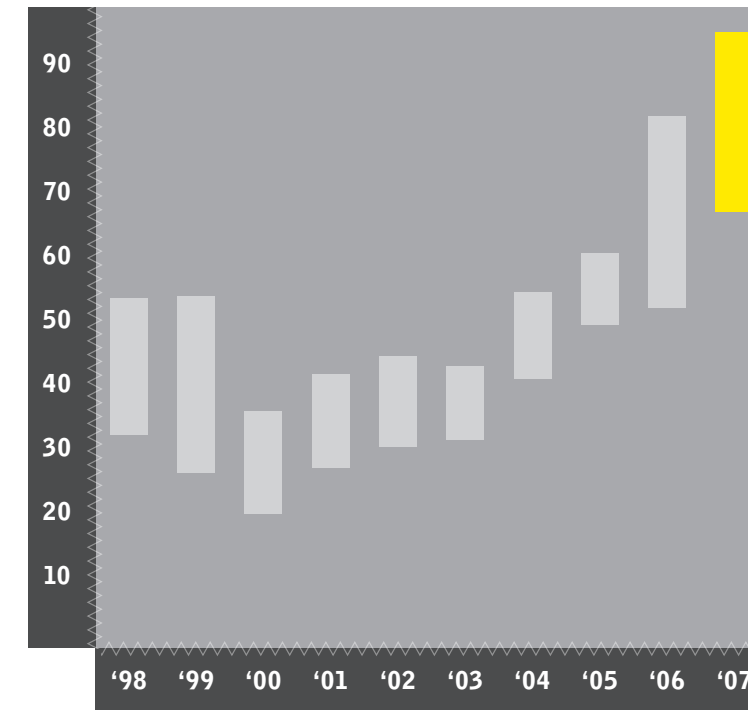
Eric C. Wiseman<sup>3\*</sup>  
 President & Chief Executive Officer  
 Director since 2006, age 52

### COMMITTEES OF THE BOARD

- 1 Audit Committee
  - 2 Executive Committee
  - 3 Finance Committee
  - 4 Nominating and Governance Committee
  - 5 Compensation Committee
- \*Ex officio member

## VF CORPORATION HIGH/LOW STOCK PRICES

(DOLLARS)



### COMMON STOCK

Listed on the New York Stock Exchange – trading symbol VFC.

### SHAREHOLDERS OF RECORD

As of February 5, 2008, there were 4,884 shareholders of record.

### DIVIDEND POLICY

Quarterly dividends on VF Corporation Common Stock, when declared, are paid on or about the 20th day of March, June, September and December.

### DIVIDEND REINVESTMENT PLAN

The Plan is offered to shareholders by Computershare Trust Company, N.A. The Plan provides for automatic dividend reinvestment and voluntary cash contributions for the purchase of additional shares of VF Corporation Common Stock. Questions concerning general Plan information should be directed to the Office of the Vice President – Administration, General Counsel and Secretary of VF Corporation.

### DIVIDEND DIRECT DEPOSIT

Shareholders may have their dividends deposited into their savings or checking account at any bank that is a member of the Automated Clearing House (ACH) system. A brochure describing this service may be obtained by contacting Computershare.

### QUARTERLY COMMON STOCK PRICE INFORMATION

The high and low sales prices on a calendar quarter basis for the periods indicated were as follows:

	2007		2006		2005	
	High	Low	High	Low	High	Low
First Quarter	\$ 83.29	\$ 73.59	\$ 58.67	\$ 53.28	\$ 60.74	\$ 52.20
Second Quarter	95.10	82.52	67.97	55.99	59.93	54.60
Third Quarter	96.20	78.27	75.32	62.16	61.61	55.52
Fourth Quarter	87.36	68.15	83.10	73.00	59.47	50.44

### Corporate Office

VF World Headquarters  
 105 Corporate Center Blvd.  
 Greensboro, NC 27408  
 Telephone: (336) 424-6000  
 Facsimile: (336) 424-7696  
 Mail Address: P.O. Box 21488  
 Greensboro, NC 27420

### Annual Meeting

The Annual Meeting of Shareholders will be held on Tuesday, April 22, 2008, at 10:30 AM at the O.Henry Hotel, Caldwell Room, 624 Green Valley Road, Greensboro, NC 27408

### Investor Relations

Cindy Knoebel, CFA  
 Vice President, Financial &  
 Corporate Communications  
 VF Services, Inc.  
 105 Corporate Center Blvd.  
 Greensboro, NC 27408

### Transfer Agent and Registrar

Computershare Trust  
 Company, N.A.  
 P.O. Box 43070  
 Providence, RI 02940  
 Shareholder Relations  
 Department 800-662-7232

### Independent Accountants

PricewaterhouseCoopers LLP  
 101 CentrePort Drive  
 Greensboro, NC 27409

### Certifications

VF has filed the certifications required under Section 302 of the Sarbanes-Oxley Act of 2002 regarding the quality of the Company's public disclosure as exhibits to the Company's annual report on Form 10-K for the fiscal year ended December 29, 2007.

After VF's 2008 Annual Meeting of Shareholders, VF intends to file with the New York Stock Exchange the certification regarding VF's compliance with the NYSE's corporate governance listing standards as required by NYSE Rule 303A.12. Last year, the Company filed this certification with the NYSE on May 18, 2007.

### Other Information

VF's filings with the SEC, including its annual report on Form 10-K, quarterly reports on Form 10-Q, press releases and reports on Form 8-K and other information, are available and can be accessed free of charge through the Company's website at [www.vfc.com](http://www.vfc.com). VF's Corporate Governance Principles, Code of Business Conduct, and charters for the Audit Committee, Compensation Committee, Nominating and Governance Committee and Finance Committee are also available on our website.

These documents will also be provided to any shareholder free of charge upon request to the Secretary of VF at P.O. Box 21488, Greensboro, NC 27420

### Concept/Design

And Partners, NY  
[www.andpartnersny.com](http://www.andpartnersny.com)

### Executive Photography

Richard Frank

### Photography

John Dickey, p. 4-5  
 Tony Harrington, p. 6  
 Corey Rich, p. 10  
 MLB Photos via Getty Images, p. 35

ESTABLISHED

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WILMINGTON

TRUSTEES

VF Corporation  
105 Corporate Center Blvd.  
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(336) 424-6000  
www.vfc.com

