

VF CORPORATION  
Consolidated Balance Sheets

	December	
(In thousands, except share amounts)	2017	2016
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and equivalents	\$ 566,075	\$ 1,227,862
Accounts receivable, less allowance for doubtful accounts of \$26,252 in 2017 and \$20,538 in 2016	1,422,101	1,148,797
Inventories	1,705,171	1,424,571
Other current assets	296,712	293,888
Current assets of discontinued operations	402,065	197,980
Total current assets	4,392,124	4,293,098
Property, plant and equipment, net	1,002,700	895,960
Intangible assets, net	2,089,781	1,533,928
Goodwill	1,692,644	1,554,667
Other assets	781,253	922,312
Other assets of discontinued operations	—	539,322
<b>TOTAL ASSETS</b>	<b>\$ 9,958,502</b>	<b>\$ 9,739,287</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Short-term borrowings	\$ 729,384	\$ 26,029
Current portion of long-term debt	6,165	253,689
Accounts payable	755,569	620,194
Accrued liabilities	1,143,330	812,032
Current liabilities of discontinued operations	110,752	73,456
Total current liabilities	2,745,200	1,785,400
Long-term debt	2,187,789	2,039,180
Other liabilities	1,305,613	885,825
Other liabilities of discontinued operations	—	87,961
Commitments and contingencies		
<b>Total liabilities</b>	<b>6,238,602</b>	<b>4,798,366</b>
<b>Stockholders' equity</b>		
Preferred Stock, par value \$1; shares authorized, 25,000,000; no shares outstanding in 2017 and 2016	—	—
Common Stock, stated value \$0.25; shares authorized, 1,200,000,000; 395,821,781 shares outstanding in 2017 and 414,012,954 shares outstanding in 2016	98,955	103,503
Additional paid-in capital	3,523,340	3,333,423
Accumulated other comprehensive income (loss)	(926,140)	(1,041,463)
Retained earnings	1,023,745	2,545,458
<b>Total stockholders' equity</b>	<b>3,719,900</b>	<b>4,940,921</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 9,958,502</b>	<b>\$ 9,739,287</b>

See notes to consolidated financial statements.

VF CORPORATION  
Consolidated Statements of Income

	Year Ended December		
	2017	2016	2015
(In thousands, except per share amounts)			
Net sales	\$ 11,735,695	\$ 10,957,922	\$ 10,922,043
Royalty income	75,482	68,225	74,350
<b>Total revenues</b>	<b>11,811,177</b>	<b>11,026,147</b>	<b>10,996,393</b>
<b>Costs and operating expenses</b>			
Cost of goods sold	5,844,941	5,589,923	5,603,766
Selling, general and administrative expenses	4,463,146	3,988,320	3,747,799
Impairment of goodwill and intangible assets	—	79,644	—
<b>Total costs and operating expenses</b>	<b>10,308,087</b>	<b>9,657,887</b>	<b>9,351,565</b>
<b>Operating income</b>	<b>1,503,090</b>	<b>1,368,260</b>	<b>1,644,828</b>
Interest income	16,095	9,176	7,152
Interest expense	(101,975)	(94,722)	(88,751)
Other income (expense), net	(715)	2,002	1,028
<b>Income from continuing operations before income taxes</b>	<b>1,416,495</b>	<b>1,284,716</b>	<b>1,564,257</b>
Income taxes	695,286	205,862	347,201
<b>Income from continuing operations</b>	<b>721,209</b>	<b>1,078,854</b>	<b>1,217,056</b>
Income (loss) from discontinued operations, net of tax	(106,286)	(4,748)	14,537
<b>Net income</b>	<b>\$ 614,923</b>	<b>\$ 1,074,106</b>	<b>\$ 1,231,593</b>
<b>Earnings (loss) per common share - basic</b>			
Continuing operations	\$ 1.81	\$ 2.59	\$ 2.86
Discontinued operations	(0.27)	(0.01)	0.03
<b>Total earnings per common share - basic</b>	<b>\$ 1.54</b>	<b>\$ 2.58</b>	<b>\$ 2.90</b>
<b>Earnings (loss) per common share - diluted</b>			
Continuing operations	\$ 1.79	\$ 2.56	\$ 2.82
Discontinued operations	(0.26)	(0.01)	0.03
<b>Total earnings per common share - diluted</b>	<b>\$ 1.52</b>	<b>\$ 2.54</b>	<b>\$ 2.85</b>
<b>Cash dividends per common share</b>	<b>\$ 1.72</b>	<b>\$ 1.53</b>	<b>\$ 1.33</b>

See notes to consolidated financial statements.

VF CORPORATION  
Consolidated Statements of Cash Flows

(In thousands)	Year Ended December		
	2017	2016	2015
<b>OPERATING ACTIVITIES</b>			
Net income	\$ 614,923	\$ 1,074,106	\$ 1,231,593
Adjustments to reconcile net income to cash provided by operating activities:			
Impairment of goodwill and intangible assets	104,651	79,644	143,562
Depreciation and amortization	290,503	281,577	272,075
Stock-based compensation	81,641	67,762	73,420
Provision for doubtful accounts	21,171	17,283	12,006
Pension expense in excess of (less than) contributions	25,022	89,005	(208,709)
Deferred income taxes	(79,838)	(71,625)	7,088
Loss on sale of businesses	29,841	104,357	—
Other, net	(2,006)	(15,232)	(34,784)
Changes in operating assets and liabilities:			
Accounts receivable	(107,083)	47,102	(124,248)
Inventories	17,005	(37,210)	(175,098)
Accounts payable	21,494	(9,553)	14,225
Income taxes	460,350	(129,574)	4,206
Accrued liabilities	31,928	28,904	(14,505)
Other assets and liabilities	(34,942)	(45,978)	2,785
<b>Cash provided by operating activities</b>	<b>1,474,660</b>	<b>1,480,568</b>	<b>1,203,616</b>
<b>INVESTING ACTIVITIES</b>			
Proceeds from sale of businesses, net of cash sold	214,968	115,983	—
Business acquisitions, net of cash received	(740,541)	—	—
Capital expenditures	(169,553)	(175,840)	(254,501)
Software purchases	(65,177)	(44,226)	(63,283)
Other, net	(15,948)	(8,331)	(5,038)
<b>Cash used by investing activities</b>	<b>(776,251)</b>	<b>(112,414)</b>	<b>(322,822)</b>
<b>FINANCING ACTIVITIES</b>			
Net increase (decrease) in short-term borrowings	686,453	(421,069)	432,262
Payments on long-term debt	(254,314)	(13,276)	(3,975)
Payment of debt issuance costs	—	(6,807)	(1,475)
Proceeds from long-term debt	—	951,817	—
Purchases of treasury stock	(1,200,356)	(1,000,468)	(732,623)
Cash dividends paid	(684,679)	(635,994)	(565,275)
Proceeds from issuance of Common Stock, net of shares withheld for taxes	89,893	48,918	30,871
<b>Cash used by financing activities</b>	<b>(1,363,003)</b>	<b>(1,076,879)</b>	<b>(840,215)</b>
Effect of foreign currency rate changes on cash, cash equivalents and restricted cash	2,965	(6,645)	(66,680)
<b>Net change in cash, cash equivalents and restricted cash</b>	<b>(661,629)</b>	<b>284,630</b>	<b>(26,101)</b>
<b>Cash, cash equivalents and restricted cash — beginning of year <sup>(a)</sup></b>	<b>1,231,026</b>	<b>946,396</b>	<b>972,497</b>
<b>Cash, cash equivalents and restricted cash — end of year <sup>(a)</sup></b>	<b>\$ 569,397</b>	<b>\$ 1,231,026</b>	<b>\$ 946,396</b>
<b>Balances per Consolidated Balance Sheets:</b>			
Cash and cash equivalents	\$ 566,075	\$ 1,227,862	\$ 945,605
Other current assets	2,452	2,469	—
Other assets	870	695	791
<b>Total cash, cash equivalents and restricted cash</b>	<b>\$ 569,397</b>	<b>\$ 1,231,026</b>	<b>\$ 946,396</b>

<sup>(a)</sup> The cash flows related to discontinued operations have not been segregated, and are included in the Consolidated Statements of Cash Flows.

See notes to consolidated financial statements.