

VF CORPORATION
Consolidated Balance Sheets

	December	
	2016	2015
	In thousands, except share amounts	
ASSETS		
Current assets		
Cash and equivalents	\$ 1,227,862	\$ 944,423
Accounts receivable, less allowance for doubtful accounts of \$21,131 in 2016 and \$23,275 in 2015	1,197,678	1,289,962
Inventories	1,569,325	1,555,360
Other current assets	298,233	284,215
Current assets of discontinued operations	—	89,176
Total current assets	4,293,098	4,163,136
Property, plant and equipment	939,650	945,491
Intangible assets	1,839,698	1,948,611
Goodwill	1,736,959	1,788,407
Other assets	929,882	583,866
Other assets of discontinued operations	—	210,031
Total assets	\$ 9,739,287	\$ 9,639,542
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	\$ 26,029	\$ 449,590
Current portion of long-term debt	253,689	3,351
Accounts payable	664,644	680,606
Accrued liabilities	841,038	782,148
Current liabilities of discontinued operations	—	26,018
Total current liabilities	1,785,400	1,941,713
Long-term debt	2,039,180	1,401,820
Other liabilities	973,786	900,256
Other liabilities of discontinued operations	—	10,915
Commitments and contingencies		
Total liabilities	4,798,366	4,254,704
Stockholders' equity		
Preferred Stock, par value \$1; shares authorized, 25,000,000; no shares outstanding in 2016 and 2015	—	—
Common Stock, stated value \$0.25; shares authorized, 1,200,000,000; 414,012,954 shares outstanding in 2016 and 426,614,274 shares outstanding in 2015	103,503	106,654
Additional paid-in capital	3,333,423	3,192,675
Accumulated other comprehensive loss	(1,041,463)	(1,043,222)
Retained earnings	2,545,458	3,128,731
Total stockholders' equity	4,940,921	5,384,838
Total liabilities and stockholders' equity	\$ 9,739,287	\$ 9,639,542

See notes to consolidated financial statements.

VF CORPORATION
Consolidated Statements of Income

	Year Ended December		
	2016	2015	2014
	In thousands, except per share amounts		
Net sales	\$ 11,902,314	\$ 11,909,635	\$ 11,757,399
Royalty income	116,689	123,020	124,331
Total revenues	12,019,003	12,032,655	11,881,730
Costs and operating expenses			
Cost of goods sold	6,196,335	6,235,699	6,112,880
Selling, general and administrative expenses	4,243,798	4,009,029	3,970,536
Impairment of goodwill and intangible assets	79,644	—	—
Total costs and operating expenses	10,519,777	10,244,728	10,083,416
Operating income	1,499,226	1,787,927	1,798,314
Interest income	9,094	7,152	6,911
Interest expense	(94,730)	(88,772)	(86,104)
Other income (expense), net	2,001	1,028	(5,545)
Income from continuing operations before income taxes	1,415,591	1,707,335	1,713,576
Income taxes	243,064	392,204	385,827
Income from continuing operations	1,172,527	1,315,131	1,327,749
Loss from discontinued operations, net of tax	(98,421)	(83,538)	(280,244)
Net income	\$ 1,074,106	\$ 1,231,593	\$ 1,047,505
Earnings per common share - basic			
Continuing operations	\$ 2.82	\$ 3.09	\$ 3.07
Discontinued operations	(0.24)	(0.19)	(0.65)
Total earnings per common share - basic	\$ 2.58	\$ 2.90	\$ 2.42
Earnings per common share - diluted			
Continuing operations	\$ 2.78	\$ 3.04	\$ 3.02
Discontinued operations	(0.24)	(0.19)	(0.64)
Total earnings per common share - diluted	\$ 2.54	\$ 2.85	\$ 2.38
Cash dividends per common share	\$ 1.5300	\$ 1.3300	\$ 1.1075

See notes to consolidated financial statements.

VF CORPORATION
Consolidated Statements of Cash Flows

	Year Ended December					
	2016		2015		2014	
	In thousands					
Operating activities						
Net income	\$	1,074,106	\$	1,231,593	\$	1,047,505
Adjustments to reconcile net income to cash provided by operating activities:						
Impairment of goodwill and intangible assets		79,644		143,562		396,362
Depreciation and amortization		281,577		272,075		274,883
Stock-based compensation		67,762		73,420		104,313
Provision for doubtful accounts		17,283		12,006		(2,198)
Pension expense in excess of (less than) contributions		89,005		(208,709)		(9,864)
Deferred income taxes		(71,625)		7,088		(78,064)
Loss on sale of businesses		104,357		—		—
Other, net		(15,232)		(34,784)		4,112
Changes in operating assets and liabilities:						
Accounts receivable		47,102		(124,248)		854
Inventories		(37,210)		(175,098)		(130,540)
Accounts payable		(9,553)		14,225		69,807
Income taxes		(129,574)		4,206		20,293
Accrued liabilities		28,904		(14,505)		41,989
Other assets and liabilities		(48,627)		2,599		22,614
Cash provided by operating activities		1,477,919		1,203,430		1,762,066
Investing activities						
Capital expenditures		(175,840)		(254,501)		(234,077)
Proceeds from sale of businesses, net of cash sold		115,983		—		—
Software purchases		(44,226)		(63,283)		(67,943)
Other, net		(8,331)		(5,038)		(27,235)
Cash used by investing activities		(112,414)		(322,822)		(329,255)
Financing activities						
Net (decrease) increase in short-term borrowings		(421,069)		432,262		4,761
Payments on long-term debt		(13,276)		(3,975)		(4,760)
Payment of debt issuance costs		(6,807)		(1,475)		—
Proceeds from long-term debt		951,817		—		—
Purchases of treasury stock		(1,000,468)		(732,623)		(727,795)
Cash dividends paid		(635,994)		(565,275)		(478,933)
Proceeds from issuance of Common Stock, net of shares withheld for taxes		48,918		30,871		34,869
Cash used by financing activities		(1,076,879)		(840,215)		(1,171,858)
Effect of foreign currency rate changes on cash and equivalents						
		(6,369)		(66,683)		(65,461)
Net change in cash and equivalents						
		282,257		(26,290)		195,492
Cash and equivalents — beginning of year ^(a)						
		945,605		971,895		776,403
Cash and equivalents — end of year ^(a)						
	\$	1,227,862	\$	945,605	\$	971,895

^(a) The cash flows related to discontinued operations have not been segregated and are included in the Consolidated Statements of Cash Flows. The cash and equivalents amount presented at December 2015 differs from cash and equivalents in the Consolidated Balance Sheet due to cash included in “Current assets of discontinued operations.”

See notes to consolidated financial statements.