

VF CORPORATION
Consolidated Balance Sheets

(In thousands, except share amounts)

	March 2019	March 2018	December 2017
ASSETS			
Current assets			
Cash and equivalents	\$ 543,011	\$ 680,762	\$ 563,483
Accounts receivable, less allowance for doubtful accounts of: March 2019 - \$28,376; March 2018 - \$24,993; December 2017 - \$26,266	1,708,796	1,408,587	1,429,986
Inventories	1,943,030	1,861,441	1,706,609
Other current assets	478,620	358,953	296,986
Current assets of discontinued operations	—	373,580	380,700
Total current assets	4,673,457	4,683,323	4,377,764
Property, plant and equipment, net	1,057,268	1,011,617	1,014,638
Intangible assets, net	2,024,277	2,120,110	2,089,781
Goodwill	1,754,884	1,693,219	1,692,644
Other assets	846,899	803,041	783,675
TOTAL ASSETS	\$ 10,356,785	\$ 10,311,310	\$ 9,958,502
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Short-term borrowings	\$ 665,055	\$ 1,525,106	\$ 729,384
Current portion of long-term debt	5,263	6,265	6,165
Accounts payable	694,733	583,004	760,997
Accrued liabilities	1,296,553	938,427	1,146,535
Current liabilities of discontinued operations	—	86,027	101,019
Total current liabilities	2,661,604	3,138,829	2,744,100
Long-term debt	2,115,884	2,212,555	2,187,789
Other liabilities	1,280,781	1,271,830	1,306,713
Commitments and contingencies			
Total liabilities	6,058,269	6,623,214	6,238,602
Stockholders' equity			
Preferred Stock, par value \$1; shares authorized, 25,000,000; no shares outstanding at March 2019, March 2018 or December 2017	—	—	—
Common Stock, stated value \$0.25; shares authorized, 1,200,000,000; shares outstanding at March 2019 - 396,824,662; March 2018 - 394,313,070; December 2017 - 395,821,781	99,206	98,578	98,955
Additional paid-in capital	3,921,784	3,607,424	3,523,340
Accumulated other comprehensive income (loss)	(902,075)	(864,030)	(926,140)
Retained earnings	1,179,601	846,124	1,023,745
Total stockholders' equity	4,298,516	3,688,096	3,719,900
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 10,356,785	\$ 10,311,310	\$ 9,958,502

See notes to consolidated financial statements.

VF CORPORATION
Consolidated Statements of Income

	Year Ended March 2019	Three Months Ended March (Transition Period) 2018	Year Ended December	
			2017	2016
(In thousands, except per share amounts)				
Net revenues	\$ 13,848,660	\$ 3,045,446	\$ 11,811,177	\$ 11,026,147
Costs and operating expenses				
Cost of goods sold	6,827,481	1,506,335	5,844,941	5,589,923
Selling, general and administrative expenses	5,345,339	1,229,046	4,453,207	3,901,122
Impairment of goodwill and intangible assets	—	—	—	79,644
Total costs and operating expenses	12,172,820	2,735,381	10,298,148	9,570,689
Operating income	1,675,840	310,065	1,513,029	1,455,458
Interest income	22,643	3,228	16,095	9,176
Interest expense	(108,068)	(24,393)	(101,975)	(94,722)
Other income (expense), net	(63,011)	5,233	(10,654)	(85,196)
Income from continuing operations before income taxes	1,527,404	294,133	1,416,495	1,284,716
Income taxes	268,400	32,969	695,286	205,862
Income from continuing operations	1,259,004	261,164	721,209	1,078,854
Income (loss) from discontinued operations, net of tax	788	(8,371)	(106,286)	(4,748)
Net income	\$ 1,259,792	\$ 252,793	\$ 614,923	\$ 1,074,106
Earnings (loss) per common share - basic				
Continuing operations	\$ 3.19	\$ 0.66	\$ 1.81	\$ 2.59
Discontinued operations	—	(0.02)	(0.27)	(0.01)
Total earnings per common share - basic	\$ 3.19	\$ 0.64	\$ 1.54	\$ 2.58
Earnings (loss) per common share - diluted				
Continuing operations	\$ 3.14	\$ 0.65	\$ 1.79	\$ 2.56
Discontinued operations	—	(0.02)	(0.26)	(0.01)
Total earnings per common share - diluted	\$ 3.15	\$ 0.63	\$ 1.52	\$ 2.54
Weighted average shares outstanding				
Basic	395,189	395,253	399,223	416,103
Diluted	400,496	401,276	403,559	422,081

See notes to consolidated financial statements.

VF CORPORATION
Consolidated Statements of Comprehensive Income

(In thousands)	Year Ended March 2019	Three Months Ended March (Transition Period) 2018	Year Ended December	
			2017	2016
Net income	\$ 1,259,792	\$ 252,793	\$ 614,923	\$ 1,074,106
Other comprehensive income (loss)				
Foreign currency translation and other				
Gains (losses) arising during the period	(225,295)	62,978	202,428	(52,028)
Income tax effect	(23,515)	6,354	45,950	(24,382)
Defined benefit pension plans				
Current period actuarial gains (losses), including plan amendments and curtailments	15,198	(6,405)	(19,801)	(5,384)
Amortization of net deferred actuarial losses	28,474	8,548	41,440	65,212
Amortization of deferred prior service costs	494	647	2,646	2,584
Reclassification of net actuarial loss from settlement charge	8,856	—	—	50,922
Reclassification of deferred prior service cost due to curtailments	9,530	—	1,671	—
Income tax effect	(16,118)	(459)	(15,208)	(43,836)
Derivative financial instruments				
Gains (losses) arising during period	156,513	(25,530)	(138,716)	90,708
Income tax effect	(19,295)	4,452	15,636	(9,672)
Reclassification to net income for (gains) losses realized	28,341	13,960	(24,067)	(107,457)
Income tax effect	(1,228)	(2,435)	3,344	35,092
Other comprehensive income (loss)	(38,045)	62,110	115,323	1,759
Comprehensive income	\$ 1,221,747	\$ 314,903	\$ 730,246	\$ 1,075,865

See notes to consolidated financial statements.

VF CORPORATION
Consolidated Statements of Cash Flows

(In thousands)	Year Ended March 2019 ^(a)	Three Months Ended March (Transition Period) 2018 ^(a)	Year Ended December	
			2017 ^(a)	2016 ^(a)
OPERATING ACTIVITIES				
Net income	\$ 1,259,792	\$ 252,793	\$ 614,923	\$ 1,074,106
Adjustments to reconcile net income to cash provided (used) by operating activities:				
Impairment of goodwill and intangible assets	—	—	104,651	79,644
Depreciation and amortization	301,005	71,532	290,503	281,577
Stock-based compensation	105,157	25,440	81,641	67,762
Provision for doubtful accounts	22,553	2,660	21,171	17,283
Pension expense (less than) in excess of contributions	(1,850)	1,413	25,022	89,005
Deferred income taxes	(62,901)	303	(79,838)	(71,625)
Loss on sale of businesses	28,262	18,065	29,841	104,357
Other, net	(31,612)	(7,148)	(2,006)	(15,232)
Changes in operating assets and liabilities:				
Accounts receivable	(373,012)	38,686	(107,083)	47,102
Inventories	(135,099)	(156,292)	17,005	(37,210)
Accounts payable	111,678	(187,553)	21,494	(9,553)
Income taxes	(19,974)	(65,234)	460,350	(129,574)
Accrued liabilities	484,858	(172,396)	31,928	28,904
Other assets and liabilities	(24,634)	(65,492)	(34,942)	(45,978)
Cash provided (used) by operating activities	1,664,223	(243,223)	1,474,660	1,480,568
INVESTING ACTIVITIES				
Business acquisitions, net of cash received	(320,405)	—	(740,541)	—
Proceeds from sale of businesses, net of cash sold	430,286	—	214,968	115,983
Capital expenditures	(250,634)	(54,374)	(169,553)	(175,840)
Software purchases	(56,207)	(19,289)	(65,177)	(44,226)
Other, net	(23,672)	17,673	(15,948)	(8,331)
Cash used by investing activities	(220,632)	(55,990)	(776,251)	(112,414)
FINANCING ACTIVITIES				
Net (decrease) increase in short-term borrowings	(864,177)	795,908	686,453	(421,069)
Payments on long-term debt	(6,264)	(1,484)	(254,314)	(13,276)
Payment of debt issuance costs	(2,123)	—	—	(6,807)
Proceeds from long-term debt	—	—	—	951,817
Purchases of treasury stock	(150,676)	(250,282)	(1,200,356)	(1,000,468)
Cash dividends paid	(767,061)	(181,373)	(684,679)	(635,994)
Proceeds from issuance of Common Stock, net of shares withheld for taxes	199,296	44,017	89,893	48,918
Cash (used) provided by financing activities	(1,591,005)	406,786	(1,363,003)	(1,076,879)
Effect of foreign currency rate changes on cash, cash equivalents and restricted cash	14,811	12,220	2,965	(6,645)
Net change in cash, cash equivalents and restricted cash	(132,603)	119,793	(661,629)	284,630
Cash, cash equivalents and restricted cash — beginning of period	689,190	569,397	1,231,026	946,396
Cash, cash equivalents and restricted cash — end of period	\$ 556,587	\$ 689,190	\$ 569,397	\$ 1,231,026
Balances per Consolidated Balance Sheets:				
Cash and cash equivalents	\$ 543,011	\$ 680,762	\$ 563,483	\$ 1,224,975
Other current assets	3,645	3,804	2,452	2,469
Current assets of discontinued operations	—	2,330	2,592	2,887
Other assets	9,931	2,294	870	695
Total cash, cash equivalents and restricted cash	\$ 556,587	\$ 689,190	\$ 569,397	\$ 1,231,026

^(a) The cash flows related to discontinued operations have not been segregated, and remain included in the major classes of assets and liabilities. Accordingly, the Consolidated Statements of Cash Flows include the results of continuing and discontinued operations.

See notes to consolidated financial statements.

VF CORPORATION
Consolidated Statements of Stockholders' Equity

(In thousands, except share amounts)	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
	Shares	Amounts				
Balance, December 2015	426,614,274	\$ 106,654	\$ 3,192,675	\$ (1,043,222)	\$ 3,128,731	\$ 5,384,838
Net income	—	—	—	—	1,074,106	1,074,106
Dividends on Common Stock (\$1.53 per share)	—	—	—	—	(635,994)	(635,994)
Purchase of treasury stock	(15,932,075)	(3,983)	—	—	(996,485)	(1,000,468)
Stock-based compensation, net	3,330,755	832	140,748	—	(24,900)	116,680
Foreign currency translation and other	—	—	—	(76,410)	—	(76,410)
Defined benefit pension plans	—	—	—	69,498	—	69,498
Derivative financial instruments	—	—	—	8,671	—	8,671
Balance, December 2016	414,012,954	103,503	3,333,423	(1,041,463)	2,545,458	4,940,921
Adoption of new accounting standard	—	—	—	—	(237,764)	(237,764)
Net income	—	—	—	—	614,923	614,923
Dividends on Common Stock (\$1.72 per share)	—	—	—	—	(684,679)	(684,679)
Purchase of treasury stock	(22,213,162)	(5,553)	—	—	(1,194,803)	(1,200,356)
Stock-based compensation, net	4,021,989	1,005	189,917	—	(19,390)	171,532
Foreign currency translation and other	—	—	—	248,378	—	248,378
Defined benefit pension plans	—	—	—	10,748	—	10,748
Derivative financial instruments	—	—	—	(143,803)	—	(143,803)
Balance, December 2017	395,821,781	98,955	3,523,340	(926,140)	1,023,745	3,719,900
Beginning balance adjustment (Note 1)	—	—	—	—	15,492	15,492
Net income	—	—	—	—	252,793	252,793
Dividends on Common Stock (\$0.46 per share)	—	—	—	—	(181,373)	(181,373)
Purchase of treasury stock	(3,361,101)	(840)	—	—	(249,442)	(250,282)
Stock-based compensation, net	1,852,390	463	84,084	—	(15,091)	69,456
Foreign currency translation and other	—	—	—	69,332	—	69,332
Defined benefit pension plans	—	—	—	2,331	—	2,331
Derivative financial instruments	—	—	—	(9,553)	—	(9,553)
Balance, March 2018	394,313,070	98,578	3,607,424	(864,030)	846,124	3,688,096
Adoption of new accounting standard	—	—	—	—	1,956	1,956
Net income	—	—	—	—	1,259,792	1,259,792
Dividends on Common Stock (\$1.94 per share)	—	—	—	—	(767,061)	(767,061)
Purchase of treasury stock	(1,868,934)	(467)	—	—	(150,209)	(150,676)
Stock-based compensation, net	4,380,526	1,095	314,360	—	(11,001)	304,454
Foreign currency translation and other	—	—	—	(248,810)	—	(248,810)
Defined benefit pension plans	—	—	—	46,434	—	46,434
Derivative financial instruments	—	—	—	164,331	—	164,331
Balance, March 2019	396,824,662	\$ 99,206	\$ 3,921,784	\$ (902,075)	\$ 1,179,601	\$ 4,298,516

See notes to consolidated financial statements.