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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **April 2, 2005**

Commission file number: **1-5256**

V. F. CORPORATION

(Exact name of registrant as specified in its charter)

Pennsylvania (State or other jurisdiction of incorporation or organization)	**23-1180120** (I.R.S. employer identification number)

105 Corporate Center Boulevard
Greensboro, North Carolina 27408
(Address of principal executive offices)

(336) 424-6000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. YES ☑ NO ☐

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Securities and Exchange Act of 1934). YES☑ NO ☐

On April 30, 2005, there were 112,121,071 shares of the registrant's Common Stock outstanding.

VF CORPORATION

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Part I - Financial Information

Item 1 - Financial Statements (Unaudited)

VF CORPORATION

Consolidated Statements of Income
(Unaudited)
(In thousands, except per share amounts)

	Three Months Ended March 2005	2004
Net Sales	$ 1,563,643	$ 1,432,669
Costs and Operating Expenses		
Cost of goods sold	914,424	878,393
Marketing, administrative and general expenses	463,672	394,957
Royalty income and other	(13,349)	(13,240)
	1,364,747	1,260,110
Operating Income	198,896	172,559
Other Income (Expense)		
Interest income	3,016	1,847
Interest expense	(18,674)	(18,628)
Miscellaneous, net	119	1,607
	(15,539)	(15,174)
Income Before Income Taxes	183,357	157,385
Income Taxes	60,489	53,511
Net Income	$ 122,868	$ 103,874
Earnings Per Common Share		
Basic	$ 1.10	$ 0.95
Diluted	1.07	0.93
Weighted Average Shares Outstanding		
Basic	111,761	108,730
Diluted	114,926	111,515
Cash Dividends Per Common Share	$ 0.27	$ 0.26

See notes to consolidated financial statements.

VF CORPORATION

Consolidated Balance Sheets
(Unaudited)
(In thousands, except share amounts)

	March 2005	December 2004	March 2004
ASSETS			
Current Assets			
Cash and equivalents	$ 365,864	$ 485,507	$ 551,688
Accounts receivable, less allowances of: March 2005 - $62,762; Dec. 2004 - $60,790; March 2004 - $70,760	844,009	751,582	747,337
Inventories:			
Finished products	756,608	744,517	658,075
Work in process	104,775	99,669	95,138
Materials and supplies	125,578	129,062	119,355
	986,961	973,248	872,568
Other current assets	156,347	168,231	125,937
Total current assets	2,353,181	2,378,568	2,297,530
Property, Plant and Equipment	1,544,786	1,539,490	1,564,833
Less accumulated depreciation	972,382	967,236	985,446
	572,404	572,254	579,387
Intangible Assets	653,574	639,520	317,293
Goodwill	1,028,235	1,031,594	700,170
Other Assets	400,333	382,342	443,541
	$ 5,007,727	$ 5,004,278	$ 4,337,921
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Short-term borrowings	$ 37,852	$ 42,830	$ 36,587
Current portion of long-term debt	401,563	401,232	1,143
Accounts payable	319,010	369,937	256,899
Accrued liabilities	502,849	558,215	416,932
Total current liabilities	1,261,274	1,372,214	711,561
Long-term Debt	558,863	556,639	956,731
Other Liabilities	547,578	536,131	513,213
Commitments and Contingencies			
Redeemable Preferred Stock	24,935	26,053	28,289
Common Stockholders' Equity			
Common Stock, stated value $1; shares authorized, 300,000,000; shares outstanding: March 2005 – 111,830,436; Dec. 2004 – 111,388,353; March 2004 – 109,457,885	111,830	111,388	109,458
Additional paid-in capital	1,151,694	1,087,641	1,010,395
Accumulated other comprehensive income (loss)	(110,062)	(113,071)	(135,529)
Retained earnings	1,461,615	1,427,283	1,143,803
Total common stockholders' equity	2,615,077	2,513,241	2,128,127
	$ 5,007,727	$ 5,004,278	$ 4,337,921

See notes to consolidated financial statements.

VF CORPORATION

Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Three Months Ended March	
	2005	2004
Operating Activities		
Net income	$ 122,868	$ 103,874
Adjustments to reconcile net income to cash provided (used) by operating activities:		
Depreciation	22,199	23,963
Amortization of intangible assets	3,696	1,340
Other amortization	4,207	3,700
Provision for doubtful accounts	4,524	5,615
Pension funding in excess of expense	(44,739)	(41,182)
Other, net	3,291	9,442
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable	(100,070)	(122,846)
Inventories	(10,106)	58,486
Accounts payable	(52,157)	(57,504)
Accrued liabilities and other	26,144	57,998
Cash provided (used) by operating activities	(20,143)	42,886
Investing Activities		
Capital expenditures	(29,229)	(13,036)
Business acquisitions, net of cash acquired	(23,817)	—
Software purchases	(5,964)	(1,418)
Other, net	4,410	377
Cash used by investing activities	(54,600)	(14,077)
Financing Activities		
Increase (decrease) in short-term borrowings	(4,751)	3,247
Payments on long-term debt	(531)	(492)
Purchase of Common Stock	(59,073)	—
Cash dividends paid	(30,801)	(28,941)
Proceeds from issuance of Common Stock	54,495	41,986
Other, net	(122)	(418)
Cash provided (used) by financing activities	(40,783)	15,382
Net Cash Used by Discontinued Operations	—	(3,136)
Effect of Foreign Currency Rate Changes on Cash	(4,117)	(4,152)
Net Change in Cash and Equivalents	(119,643)	36,903
Cash and Equivalents — Beginning of Year	485,507	514,785
Cash and Equivalents — End of Period	$ 365,864	$ 551,688

See notes to consolidated financial statements.

VF CORPORATION

Notes to Consolidated Financial Statements
(Unaudited)

Note A - Basis of Presentation

VF Corporation and its consolidated subsidiaries (“VF”) operate and report using a 52/53 week fiscal year ending on the Saturday closest to December 31 of each year. Similarly, the fiscal first quarter ends on the Saturday closest to March 31. For presentation purposes herein, all references to periods ended March 2005, March 2004 and December 2004 relate to the fiscal periods ended on April 2, 2005, April 3, 2004 and January 1, 2005, respectively.

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all of the information and notes required by accounting principles generally accepted in the United States for complete financial statements. Similarly, the 2004 year-end consolidated balance sheet was derived from audited financial statements but does not include all disclosures required by generally accepted accounting principles. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair statement of financial position, results of operations and cash flows have been included. Operating results for the three months ended March 2005 are not necessarily indicative of results that may be expected for any other interim period or for the year ending December 31, 2005. For further information, refer to the consolidated financial statements and notes included in VF’s Annual Report on Form 10-K for the year ended December 2004 (“2004 Form 10-K”).

Certain prior year amounts have been reclassified to conform with the 2005 presentation.

Note B - Stock-based Compensation

Stock-based compensation is accounted for under the recognition and measurement principles of APB Opinion No. 25, *Accounting for Stock Issued to Employees* (“Opinion No. 25”). For stock option grants, compensation expense is not required in the financial statements under this standard because all options have an exercise price equal to the market value of the underlying common stock at the date of grant. For grants of performance-based restricted stock units, compensation expense equal to the market value of the shares expected to be issued is recognized over the three year performance period being measured. For restricted stock grants, compensation expense equal to the market value of the shares at the date of grant is recognized over the vesting period.

FASB Statement No. 123, *Accounting for Stock-Based Compensation* (“Statement No. 123”) modifies Opinion No. 25 by (i) requiring that compensation expense be recognized for the fair value of stock options, either in the basic financial statements or disclosed on a pro forma basis in a note to the financial statements, and (ii) changing the measurement of compensation expense for performance-based stock units to a grant date fair value model. VF has elected to continue to recognize and measure compensation expense for stock options and other stock-based compensation under Opinion No. 25 and to provide pro forma disclosures of compensation expense under the fair value method as required by Statement No. 123.

During the first three months of 2005, VF granted options for 2,404,500 shares of common stock at an exercise price equal to the market value of VF common stock on the date of grant, and accordingly, no compensation expense was recognized in the financial statements for these options under Opinion No. 25. VF has historically used the Black-Scholes model in determining the fair value of stock options and the related pro forma expense disclosures. Beginning with stock options granted in the first quarter of 2005, VF began using a lattice valuation model as management believes it results in a more accurate estimate of the options’ fair value. The fair value of the options granted in 2005 was estimated using the following assumptions: expected dividend yield of 2.2%; expected volatility ranging from 19.0% to 30.0%, with a weighted average of 22.6%; risk-free interest rate ranging from 2.8% to 4.1%;

and expected average life of 6.3 years. The resulting weighted average fair value of these options at the date of grant was $13.04 per option.

Also during the first quarter of 2005, VF granted 300,600 performance-based restricted stock units and 10,000 other restricted stock units, each having a grant date fair value per unit of $54.80.

The pro forma impact of applying the fair value method of Statement No. 123 for the first quarter of 2005 and 2004 is as follows:

	Three Months Ended March	
(In thousands, except per share amounts)	2005	2004
Net income, as reported	$ 122,868	$ 103,874
Add back employee compensation expense for performance-based restricted stock units and stock grants included in reported net income, net of income taxes	3,607	1,374
Less total stock-based employee compensation expense determined under the fair value method, net of income taxes	(11,789)	(7,582)
Pro forma net income	$ 114,686	$ 97,666
Net income per common share:		
Basic — as reported	$ 1.10	$ 0.95
Basic — pro forma	1.02	0.89
Diluted — as reported	$ 1.07	$ 0.93
Diluted — pro forma	1.00	0.88

FASB Statement No. 123(Revised), *Share-Based Payment* (“Statement No. 123(R)”) was issued in late 2004. This Statement replaces Statement No. 123 and Opinion No. 25. Statement No. 123(R) requires the fair value of all share-based payments to employees, including grants of stock options, to be recognized as expense in the financial statements over the requisite service periods. The pro forma disclosures previously permitted under Statement No. 123 will no longer be an alternative to recognizing compensation expense for stock options in the financial statements. The SEC has issued a rule that amends the effective date of Statement No. 123(R) for publicly held companies such that it must be adopted by VF no later than the first quarter of 2006. There are three methods of adoption. VF may elect to recognize compensation expense for options granted prior to but not vested as of the date of adoption, in which case prior periods would remain unchanged and pro forma disclosures would continue to be provided for those periods. If this method were selected, a noncash charge at the date of adoption for the cumulative effect of applying the new rules for all unvested stock options would be recorded. Secondly, VF may elect to restate all prior periods presented by recognizing compensation expense equal to the amounts previously included in the pro forma disclosures. As a third method, VF may elect during 2005 to adopt the new rules retroactive to the beginning of 2005 by recording the cumulative effect of applying the new rules for all unvested stock options at that date and restating all previously reported 2005 interim periods recognizing compensation expense equal to the amounts previously included in the pro forma disclosures. VF is currently evaluating the transition methods and financial impact of adopting Statement No. 123(R).

Note C - Acquisitions

VF acquired substantially all of the net assets of Holoubek, Inc. (the "Holoubek Acquisition") on January 3, 2005 for a total cost of $26.3 million, consisting of $23.8 million in cash and $2.5 million in notes payable over a five-year period. In addition, a maximum of $2.5 million in contingent consideration is payable upon the occurrence of certain events through January 2009. In the Holoubek Acquisition, VF acquired rights to manufacture and market apparel products, including t-shirts and fleece, under license from Harley-Davidson Motor Company, Inc. The purchase price of this transaction was allocated to net tangible and intangible assets acquired. The intangible assets acquired consisted of the license agreement and customer relationships, which are being amortized over their estimated useful lives. The Holoubek business had sales of $39 million in its most recent fiscal year.

During the second quarter of 2004, VF acquired the Vans, Napapijri and Kipling businesses (collectively the "2004 Acquisitions"). The purchase price allocation of the 2004 Acquisitions is subject to adjustment over the first half of 2005 as VF management finalizes their integration plans. In addition, the allocation of the purchase price related to the Vans acquisition is subject to change because VF is awaiting information from outside counsel on litigation.

Operating results of these businesses have been included in the consolidated financial statements since their respective dates of acquisition. Unaudited pro forma results of operations for VF are presented below assuming that the 2004 acquisition of Vans had occurred at the beginning of 2004. Pro forma operating results for the Holoubek, Napapijri and Kipling businesses are not included because these acquisitions are not material to VF's results of operations.

(In thousands, except per share amounts)	Three Months Ended March 2004
Net sales	$ 1,518,148
Net income	108,301
Earnings per common share	
Basic	$ 0.99
Diluted	0.97

Pro forma financial information is not necessarily indicative of VF's operating results if the acquisition had been effected at the date indicated, nor is it necessarily indicative of future operating results. Amounts do not include any marketing leverage, operating efficiencies or cost savings that VF believes are achievable.

Activity in the restructuring accruals related to the 2004 Acquisitions is summarized as follows:

(In thousands)	Severance	Facilities Exit Costs	Lease Termination	Total
Balance, December 2004	$ 3,895	$ 811	$ 1,417	$ 6,123
Additional accrual	1,121	39	1,080	2,240
Cash payments	(3,350)	(4)	(25)	(3,379)
Balance, March 2005	$ 1,666	$ 846	$ 2,472	$ 4,984

Note D - Intangible Assets

		March 2005		
	Weighted Average Life *	Gross Carrying Amount	Accumulated Amortization (In thousands)	Net Carrying Amount
Amortizable intangible assets:				
License agreements	24 years	$ 135,102	$ 10,157	$ 124,945
Customer relationships	21 years	72,517	3,969	68,548
Other	4 years	11,361	7,364	3,997
Amortizable intangible assets, net				197,490
Indefinite-lived intangible assets:				
Trademarks and tradenames				456,084
Intangible assets, net				$ 653,574

* Amortization of license agreements – accelerated and straight-line methods; customer relationships – accelerated methods; other – straight-line method.

Amortization expense of intangible assets for the first quarter of 2005 was $3.7 million. Estimated amortization expense for the remainder of 2005 is $11.1 million and for the years 2006 through 2009 is $14.4 million, $14.2 million, $11.1 million and $9.5 million, respectively.

Note E - Goodwill

(In thousands)	Jeanswear	Outdoor Apparel and Equipment	Intimate Apparel	Imagewear	Sportswear	Total
Balance, December 2004	$ 211,255	$ 432,233	$ 117,592	$ 56,246	$ 214,268	$ 1,031,594
Adjustments to purchase price allocation	—	2,240	—	—	(494)	1,746
Currency translation	(1,481)	(3,624)	—	—	—	(5,105)
Balance, March 2005	$ 209,774	$ 430,849	$ 117,592	$ 56,246	$ 213,774	$ 1,028,235

Note F - Sale of Businesses

In May 2004, VF sold the trademarks and certain operating assets of its children's playwear business ("VF Playwear") for cash and notes totaling $17.1 million. VF retained all inventories and other working capital and continued to ship products through the end of the third quarter of 2004. Under the sale agreement, VF agreed to purchase $150.0 million of branded childrenswear from the purchaser over a 10 year period for sale in its outlet stores.

During the first quarter of 2004, VF recorded a net charge related to the disposal of VF Playwear of $2.9 million ($0.02 per share). VF Playwear contributed sales and incurred an operating loss (including net charges on disposition) of $33.9 million and $4.1 million, respectively.

Assets and liabilities of VF Playwear included in the Consolidated Balance Sheets are summarized as follows:

(In thousands)	March 2005	December 2004	March 2004
Accounts receivable, net	$ —	$ 343	$ 9,781
Inventories	—	—	22,605
Property, plant and equipment, net	6,245	6,249	12,893
Other current assets, primarily deferred income taxes	3,775	4,181	3,904
	$ 10,020	$ 10,773	$ 49,183
Accounts payable	$ —	$ —	$ 6,071
Accrued liabilities	14,115	15,129	7,391
	$ 14,115	$ 15,129	$ 13,462

At March 2005 and December 2004, Accrued Liabilities related primarily to VF's anticipated remaining obligations on formerly occupied leased facilities. Subsequent to the end of the first quarter of 2005, VF sold substantially all remaining assets and entered into sublease agreements for the remaining facilities.

In the first quarter of 2005, VF entered into a joint venture in the form of a new subsidiary consisting of VF's*John Varvatos*Ò luxury sportswear business, with VF owning an 80% interest and Mr. Varvatos owning 20%.

Note G - Pension Plans

VF's net periodic pension cost is comprised of the following components:

	Three Months Ended March	
(In thousands)	2005	2004
Service cost — benefits earned during the year	$ 5,135	$ 5,320
Interest cost on projected benefit obligations	15,338	14,393
Expected return on plan assets	(15,935)	(14,203)
Amortization of:		
Prior service cost	870	781
Actuarial loss	5,366	8,228
Net periodic pension cost	$ 10,774	$ 14,519

During the first quarter of 2005, VF made a $55.0 million discretionary contribution to its qualified pension plan and made contributions totaling $0.5 million to fund benefit payments for the Supplemental Executive Retirement Plan ("SERP"). VF currently anticipates making an additional $2.6 million of contributions to fund benefit payments for the SERP during the remainder of 2005.

Note H - Business Segment Information

Financial information for VF's reportable segments for the first quarter of 2005 and 2004 is presented below:

(In thousands)	Three Months Ended March 2005	2004
Coalition sales:		
Jeanswear	$ 706,721	$ 708,280
Outdoor Apparel and Equipment	282,296	124,579
Intimate Apparel	227,276	249,420
Imagewear	187,168	173,032
Sportswear	151,762	141,652
Other	8,420	35,706
Net sales	$ 1,563,643	$ 1,432,669
Coalition profit:		
Jeanswear	$ 119,209	$ 122,335
Outdoor Apparel and Equipment	32,394	13,858
Intimate Apparel	23,528	35,256
Imagewear	30,290	21,845
Sportswear	26,901	13,187
Other	(547)	(4,172)
Total coalition profit	231,775	202,309
Corporate and other expenses	(32,760)	(28,143)
Interest, net	(15,658)	(16,781)
Income before income taxes	$ 183,357	$ 157,385

VF's reportable segments were revised in 2004, as discussed in Note R to the Consolidated Financial Statements included in the 2004 Form 10-K. In addition, beginning in 2005, responsibility for the Earl Jean business was transferred from the Sportswear coalition to the Jeanswear coalition, and there was a change in the method of allocation of certain internal costs. Accordingly, business segment information presented for interim periods of 2004 has been reclassified to conform with the current year's presentation.

Note I - Capital and Comprehensive Income (Loss)

Common stock outstanding is net of shares held in treasury, and in substance retired, of 2,042,276 at March 2005, 1,098,172 at December 2004 and 1,214,488 at March 2004. In addition, 266,235 shares of VF Common Stock at March 2005, 256,088 shares at December 2004 and 245,296 shares at March 2004 were held in trust for deferred compensation plans. These shares are treated for financial accounting purposes as treasury stock at each of the respective dates.

There are 25,000,000 authorized shares of Preferred Stock, $1 par value. Of these shares, 2,000,000 were designated as Series A, of which none have been issued, and 2,105,263 shares were designated and issued as 6.75% Series B Redeemable Preferred Stock, of which 807,598 shares were outstanding at March 2005, 843,814 at December 2004 and 916,234 at March 2004.

Activity for 2005 in the Series B Preferred Stock, Common Stock, Additional Paid-in Capital and Retained

Earnings accounts is summarized as follows:

(In thousands)	Preferred Stock	Common Stock	Additional Paid-in Capital	Retained Earnings
Balance, December 2004	$ 26,053	$ 111,388	$ 1,087,641	$ 1,427,283
Net income	—	—	—	122,868
Cash dividends:				
Common Stock	—	—	—	(30,365)
Series B Redeemable Preferred Stock	—	—	—	(421)
Conversion of Preferred Stock	(1,118)	58	—	1,060
Stock compensation plans, net	—	384	64,053	(58,810)
Balance, March 2005	$ 24,935	$ 111,830	$ 1,151,694	$ 1,461,615

Other comprehensive income consists of certain changes in assets and liabilities that are not included in Net Income under generally accepted accounting principles but are instead reported within a separate component of Common Stockholders' Equity. VF's comprehensive income was as follows:

(In thousands)	Three Months Ended March 2005	2004
Net income	$ 122,868	$ 103,874
Other comprehensive income (loss):		
Foreign currency translation, net of income taxes	(6,188)	(3,784)
Minimum pension liability adjustment, net of income taxes	—	54,425
Unrealized gains on derivative financial instruments, net of income taxes	5,322	3,491
Unrealized gains (losses) on marketable securities, net of income taxes	3,875	(206)
Comprehensive income	$ 125,877	$ 157,800

Accumulated Other Comprehensive Income (Loss) for 2005 is summarized as follows:

(In thousands)	Foreign Currency Translation	Minimum Pension Liability	Derivative Financial Instruments	Marketable Securities	Total
Balance, December 2004	$ (1,816)	$ (119,138)	$ (5,141)	$ 13,024	$ (113,071)
Other comprehensive income	(6,188)	—	5,322	3,875	3,009
Balance, March 2005	$ (8,004)	$ (119,138)	$ 181	$ 16,899	$ (110,062)

Note J - Earnings Per Share

Earnings per share was computed as follows:

(In thousands, except per share amounts)	Three Months Ended March 2005	2004
Basic earnings per share:		
Net income	$ 122,868	$ 103,874
Less Preferred Stock dividends	421	477
Income available for Common Stock	$ 122,447	$ 103,397
Weighted average Common Stock outstanding	111,761	108,730
Basic earnings per share	$ 1.10	$ 0.95
Diluted earnings per share:		
Net income	$ 122,868	$ 103,874
Weighted average Common Stock outstanding	111,761	108,730
Effect of dilutive securities:		
Preferred Stock	1,293	1,466
Stock options and other	1,872	1,319
Weighted average Common Stock and dilutive securities outstanding	114,926	111,515
Diluted earnings per share	$ 1.07	$ 0.93

Outstanding options to purchase 2.4 million shares of Common Stock have been excluded from the computation of diluted earnings per share for the three months of 2005 because the option exercise prices were greater than the average market price of the Common Stock. Similarly, options to purchase 1.8 million shares of Common Stock were excluded for the first quarter of 2004.

Note K - Income Tax Matters

The American Jobs Creation Act of 2004 (the “Act”) was signed into law on October 22, 2004. The Act contains a temporary incentive for repatriation of foreign earnings during 2005 at a 5.25% effective income tax rate. At the end of the first quarter of 2005, VF had approximately $386 million of accumulated foreign earnings that could qualify for repatriation. If VF were to decide to remit some or all of these earnings during 2005, it would result in an additional one-time income tax expense ranging up to approximately $24 million. Management is continuing to evaluate its unremitted foreign earnings and the provisions of this Act.

Note L - Subsequent Events

VF acquired the common stock of Reef Holdings Corporation (“Reef”) on April 14, 2005 for a total cash purchase price of approximately $188 million, including repayment of short-term working capital borrowings. Reef designs and markets surf-inspired products, including sandals, apparel, shoes and accessories, primarily under the *Reef*Ò brand. In its most recent fiscal year, Reef had sales of $75 million.

Subsequent to the end of the first quarter, the VF Board of Directors declared a regular quarterly cash dividend of $0.27 per share, payable on June 20, 2005 to shareholders of record as of the close of business on June 10, 2005.

Item 2 - Management’s Discussion and Analysis of Financial Condition and Results of Operations

Overview

Highlights of the first quarter included:

- Sales, net income and earnings per share for the first quarter were each at record levels.

- VF completed the acquisition on January 3, 2005 of substantially all of the net assets of Holoubek, Inc. (the “Holoubek Acquisition”), a business having rights to manufacture and market apparel products under license from Harley-Davidson Motor Company, Inc. The purchase price was $26.3 million, with an additional maximum contingent consideration of $2.5 million. This business is expected to contribute approximately $40 million to 2005 sales.

- Net sales increased 9% to $1,563.6 million. Sales growth was driven by our existing outdoor businesses as well as the Vans, Napapijri and Kipling businesses, each of which was acquired in the second quarter of 2004 (collectively, the “2004 Acquisitions” and together with the Holoubek Acquisition, the “2004 and 2005 Acquisitions”).

- Net income increased 18% to $122.9 million, and earnings per share increased 15% to $1.07. (All per share amounts are presented on a diluted basis.) These increases resulted from improved operating performance in most existing businesses, plus profit contributions from the 2004 and 2005 Acquisitions mentioned above.

- We agreed to acquire the common stock of Reef Holdings Corporation, a designer and marketer of premium surf-inspired footwear and apparel under the *Reef*Ò brand, based in San Diego, California. Reef had sales of $75 million in 2004 and is looking forward to another year of double-digit growth in 2005. Reef is expected to contribute $45 million to 2005 sales, be neutral to earnings per share in 2005 and be accretive to earnings per share in 2006. The acquisition was completed on April 14, 2005 for a cash purchase price of approximately $188 million, including repayment of short-term working capital borrowings.

- Integration of our recent acquisitions is proceeding on or ahead of schedule.

Analysis of Results of Operations

Consolidated Statements of Income

The following table presents a summary of the changes in our Net Sales from 2004:

In millions	First Quarter 2005 Compared with 2004
Net sales — prior year	$ 1,433
Existing businesses	9
Acquisitions in prior year (to anniversary date)	146
Acquisitions in current year	10
Disposition of VF Playwear	(34)
Net sales — current year	$ 1,564

The increase in net sales in the first quarter of 2005 was due primarily to sales of the Vans, Kipling and Napapijri businesses, each of which was acquired in the second quarter of 2005. These three businesses added $144 million to first quarter 2005 sales (prior to the 2005 anniversary dates of their acquisition), and the Holoubek Acquisition added $10 million to sales. Organic growth in most of our existing businesses was substantially offset by a decline in sales in our Intimate Apparel businesses. In addition, the prior year's quarter included $34 million of sales of our VF Playwear business, which was sold in May 2004. Additional details on sales are provided in the section titled "Information by Business Segment."

In translating foreign currencies into the U.S. dollar, the weaker U.S. dollar in relation to the functional currencies where VF conducts the majority of its business (primarily the European euro countries) improved sales comparisons by $22 million in 2005 relative to 2004. The average translation rate for the euro was $1.30 per euro during the 2005 quarter, compared with $1.25 during the 2004 quarter. Since the average translation rate during 2004 was $1.23 per euro and the translation rate was $1.29 per euro at the end of March 2005, reported sales for the remainder of 2005 may also benefit from translation compared with 2004.

The following table presents the percentage relationship to Net Sales for components of our Consolidated Statements of Income:

	Three Months Ended March	
	2005	2004
Gross margin (net sales less cost of goods sold)	41.5%	38.7%
Marketing, administrative and general expenses	(29.7)	(27.6)
Royalty income and other	0.9	0.9
Operating income	12.7%	12.0%

Gross margin as a percentage of sales increased 2.8% in the first quarter of 2005. Of that increase, 2.0% was in our existing businesses due to the benefits of cost reduction actions, operating efficiencies and sales growth in higher margin businesses, such as the outdoor and sportswear businesses. The remainder of the increase in gross margin as a percent of sales related to the higher gross margins earned by our 2004 Acquisitions.

Marketing, Administrative and General Expenses as a percentage of sales increased 2.1%. During 2005, approximately 0.9% of the increase was due to the higher cost to sales relationship of the 2004 Acquisitions compared with other VF businesses. Of the remaining 1.2% increase, one-half of the increase was due to changes in the mix of our businesses, with a larger portion of sales coming from businesses having a higher expense percentage. The remainder was due to spending related to future growth initiatives, increased incentive compensation expense and increased advertising expense, offset in part by favorable effects of higher volume and the results of cost reduction efforts.

Interest Expense was flat in 2005, but Interest Income increased by $1.2 million due primarily to higher rates earned on invested Cash and Equivalents. Average interest-bearing debt outstanding totaled $999 million for 2005 and $988 million for 2004. The weighted average interest rate was 7.3% and 7.4% for 2005 and 2004, respectively.

The effective income tax rate was 33.0% in 2005, compared with 34.0% in 2004. The effective income tax rate declined in 2005 due to increased income in international jurisdictions that was taxed at lower rates.

Net income was $122.9 million ($1.07 per share) in 2005, compared with $103.9 million ($0.93 per share) in 2004. Net income increased 18% in 2005, while earnings per share increased 15%, reflecting a larger number of shares outstanding due to exercises of stock options. In translating foreign currencies into the U.S. dollar, the weaker U.S. dollar had a $0.03 favorable impact on earnings per share in 2005 compared with the prior year quarter. The 2004 and 2005 Acquisitions added $0.10 per share to the 2005 operating results.

Information by Business Segment

VF's businesses are organized into five product categories, and by brands within those product categories, for management and internal financial reporting purposes. These groupings of businesses within VF are referred to as "coalitions." These coalitions represent VF's reportable business segments.

See Note H to the Consolidated Financial Statements for a summary of our results of operations by coalition, along with a reconciliation of Coalition Profit to Income before Income Taxes. As explained in that Note, amounts for 2004 have been restated to conform with the 2005 presentation.

The following table presents a summary of the changes in our Net Sales by coalition for the first quarter of 2005:

In millions	Jeanswear	Outdoor Apparel and Equipment	Intimate Apparel	Imagewear	Sportswear	Other
Net sales - 2004	$ 708	$ 125	$ 249	$ 173	$ 142	$ 36
Existing businesses	(1)	16	(24)	4	7	7
Acquisitions in prior year	—	141	2	—	3	—
Acquisitions in current year	—	—	—	10	—	—
Disposition of VF Playwear	—	—	—	—	—	(34)
Net sales - 2005	$ 707	$ 282	$ 227	$ 187	$ 152	$ 9

Jeanswear:

Overall Jeanswear Coalition Sales in 2005 declined slightly, with a 4% decline in domestic jeanswear substantially offset by an 8% increase in international jeanswear. Domestic jeanswear sales declined due to a reduction in unit sales of *Lee*Ò branded women's products. International jeanswear sales increased in Europe, Canada, Mexico and South America markets, with $13 million of the increase resulting from foreign currency translation relative to the prior year period.

Jeanswear Coalition Profit decreased 3% in 2005 due to increased operating expenses, primarily higher advertising and marketing expenses.

Outdoor Apparel and Equipment:

Acquisitions in 2004 added *Vans*Ò performance and casual footwear for skateboarders and other action sports enthusiasts,*Kipling*Ò backpacks, bags and accessories and *Napapijri*Ò outdoor-inspired sportswear, which collectively contributed $141 million to first quarter 2005 Outdoor Coalition Sales. Sales in our existing business increased in 2005, with unit volume increases at The North Face resulting from strong consumer demand for its products in the United States and internationally. In addition, 2005 sales benefited from $7 million of favorable foreign currency translation effects.

Coalition Profit more than doubled in the 2005 quarter over the prior year period, with substantially all of the increase coming from the 2004 Acquisitions. In our existing businesses, Coalition Profit rose in line with sales, with stable margins. Due to the seasonal nature of the businesses comprising this coalition, the level of first quarter profitability is not indicative of expected full year results.

Intimate Apparel:

Intimate apparel sales declined by 9% due to unit volume declines in our private label and department store businesses in the United States and in our European business. Private label sales declined in 2005 compared with 2004 because the prior year quarter included a launch of a major new product line with a private label specialty store customer. Foreign currency translation benefited the 2005 quarter by $2 million relative to the prior year period.

Coalition Profit decreased 33% in the 2005 quarter. The decline in Coalition Profit and in margin percentage was primarily due to the lower sales and the resulting profitability impact from the lack of capacity and overhead absorption.

Imagewear:

Coalition Sales increased 8% in 2005, which included $10 million of sales from the Holoubek business, which was acquired on January 3, 2005. The remainder of the sales increase was in our activewear business, primarily increases in sales of Major League Baseball and Harley-Davidson Motor Company, Inc. licensed products. Our sales of industrial and career occupational apparel were flat in the 2005 quarter.

Coalition Profit increased 39% in 2005 due to lower product costs, operating efficiencies and a lower level of excess product sales in our occupational apparel business units.

Sportswear:

This coalition consists of our *Nautica®* lifestyle brand, *John Varvatos®* luxury apparel and *Kipling®* products in North America. Sportswear coalition sales increased 7% in the quarter, with contributions from each of the business units.

Coalition Profit more than doubled in the quarter. This improvement was led by Nautica with improved performance of our products at our retail customers resulting in lower markdowns and returns, particularly in our men’s sportswear business, reduced operating expenses and savings from restructuring actions taken in 2004.

Other:

The Other business segment consists of our VF Outlet business. VF Outlet’s retail sales and profit of non-VF products are reported in this business segment, while VF Outlet’s retail sales and profit of VF products are reported as part of the operating results of the respective coalitions.

In prior years, this business segment also included the VF Playwear business. Trademarks and certain operating assets of VF Playwear were sold in May 2004, and inventories and other retained operating assets were liquidated during the remainder of the year. See Note F to the Consolidated Financial Statements.

Reconciliation of Coalition Profit to Income before Income Taxes:

There are two types of costs necessary to reconcile total Coalition Profit, as discussed in the preceding paragraphs, to Consolidated Income before Income Taxes. These costs are (i) Corporate and Other Expenses, discussed below, and (ii) Interest, Net, which was discussed in the previous "Consolidated Statements of Income" section.

Corporate and Other Expenses consists of corporate and similar costs that are not apportioned to the operating coalitions. Included are certain information systems costs, corporate headquarters' costs, trademark maintenance and enforcement costs and miscellaneous consolidating adjustments. Corporate and Other Expenses increased in 2005 due to additional corporate staff positions and other costs incurred to drive growth for VF.

Analysis of Financial Condition

Balance Sheets

Accounts Receivable increased at March 2005 over the prior year date due to the 2004 and 2005 Acquisitions, as receivables at existing businesses declined slightly. The number of days' sales outstanding was flat in 2005. Receivables are higher at March 2005 than at the end of 2004 due to seasonal sales patterns and the Holoubek Acquisition.

Inventories increased by 13% in 2005 over the level at March 2004, with one-half of the increase due to the 2004 and 2005 Acquisitions. The other portion of the increase was at existing businesses due to increasing sales expectations in some businesses, higher inventories at our intimate apparel coalition due to lower first quarter sales, and the effects of foreign currency translation. In addition, sales near the end of the March 2004 quarter were higher than expected, resulting in inventory levels being somewhat lower than expected at that date. Inventory levels at March 2005 increased less than 2% from December 2004, with part of the increase due to the Holoubek Acquisition.

Other Current Assets increased at March 2005 and December 2004 from March 2004 mostly due to an increase in deferred income taxes and the 2004 and 2005 Acquisitions. Other Current Assets decreased at March 2005 from the level at the end of 2004 primarily due to a lower level of prepaid VAT and other taxes.

Property, Plant and Equipment was relatively flat at all three balance sheet dates as the sum of capital spending and assets acquired as part of the business acquisitions approximated depreciation expense since March 2004.

Intangible Assets and Goodwill each increased from March 2004 to December 2004 due to the 2004 Acquisitions, with a further increase in Intangible Assets to March 2005 resulting from the Holoubek Acquisition. See Notes C, D and E to the Consolidated Financial Statements.

Other Assets decreased at both March 2005 and December 2004 from March 2004 primarily due to a reduction in deferred income taxes, recorded as noncurrent assets, due to the inclusion of $85.6 million of noncurrent deferred income tax credits arising from the 2004 Acquisitions. These deferred tax credits related primarily to Intangible Assets of the acquired companies.

Approximately two-thirds of the increase in Accounts Payable and one-half of the increase in Accrued

Liabilities from March 2004 to March 2005 was due to the 2004 and 2005 Acquisitions, with the balance resulting from growth in our existing businesses. The decline in Accrued Liabilities from December 2004 related to the first quarter 2005 payment of the $55.0 million pension contribution that had been accrued as the current portion of the minimum pension liability.

Total Long-term Debt was relatively flat from 2004 to 2005, with $400.0 million of notes reclassified to Current Portion of Long-term Debt during 2004 based on debt retirement schedules. Of the current portion, $100.0 million is due on June 1, 2005 and $300.0 million is due on October 1, 2005.

Other Liabilities increased in 2005 by $11.4 million from December 2004 and by an additional $22.9 million from March 2004 from additional amounts of compensation elected to be deferred and other growth-related factors in the businesses.

Liquidity and Cash Flows

The financial condition of VF is reflected in the following:

Dollars in millions	March 2005	December 2004	March 2004
Working capital	$ 1,091.9	$ 1,006.4	$ 1,586.0
Current ratio	1.9 to 1	1.7 to 1	3.2 to 1
Debt to total capital ratio	27.6%	28.4%	31.8%

For the ratio of debt to total capital, debt is defined as short-term and long-term borrowings, and total capital is defined as debt plus common stockholders' equity. Our ratio of net debt to total capital, with net debt defined as debt less cash and equivalents, was 19.5% at March 2005.

On an annual basis, VF's primary source of liquidity is its strong cash flow provided by operating activities. Cash provided by operating activities is primarily dependent on the level of operating income and controlling investments in inventories and other working capital components. Cash provided by operating activities is substantially higher in the second half of the year due to higher net income and reduced working capital requirements during that period. For the March 2005 quarter, cash used by operating activities was $20.1 million, compared with cash provided by operating activities of $42.9 million in the March 2004 quarter. Net Income increased significantly in the 2005 quarter, compared with the 2004 period. However, the net change in working capital components during 2005 was a usage of funds by operating activities of $136.2 million, compared with a usage of $63.9 million in the 2004 period. The major reasons for the increased cash usage from changes in working capital between the two quarterly periods were (i) a net change in cash outflows for Inventories of $68.6 million, as inventories increased during the first quarter of 2005 compared with a decrease in 2004, and (ii) a net increase in cash outflows for incentive compensation (i.e., a component of Accrued Liabilities) of $39.2 million, as higher incentive compensation was earned in 2004 (paid in early 2005), compared with lower amounts earned in 2003 (paid in early 2004).

In addition to cash flow from operating activities, VF is well-positioned to finance its ongoing operations and meet unusual circumstances that may arise. VF has a $750.0 million unsecured committed bank facility that expires in September 2008. This bank facility supports a $750.0 million commercial paper program. Any issuance of commercial paper would reduce the amount available under the bank facility. At the end of March 2005, $738.2 million was available for borrowing under the credit agreement, with $11.8 million of standby letters of credit issued under the agreement. Further, under a registration statement filed in 1994 with the Securities and Exchange Commission, VF has the ability to offer, on a delayed or continuous basis, up to $300.0 million of additional debt, equity or other securities.

The principal investing activities in early 2005 related to the Holoubek Acquisition and capital spending. Looking forward, we completed the acquisition of Reef on April 14, 2005 for a cash purchase price of approximately $188 million, including repayment of short-term working capital borrowings. This acquisition was funded by a combination of available cash balances and commercial paper borrowings. For the full year, we expect that capital spending could reach $120 million and be funded by operating cash flows.

In April 2004, Standard & Poor's Ratings Services affirmed its 'A minus' long-term corporate credit and senior unsecured debt ratings for VF. Standard & Poor's ratings outlook is 'stable.' On March 21, 2005, Standard & Poor's stated that the ratings and outlook would not be affected by the purchase of Reef. In April 2004, Moody's Investors Service affirmed VF's long-term debt rating of 'A3' and short-term debt rating of 'Prime-2' and continued the ratings outlook as 'negative.' Based on current conditions, we do not believe that the negative outlook by Moody's will have a material impact on VF's ability to issue long or short-term debt. Existing debt agreements do not contain acceleration of maturity clauses based on changes in credit ratings.

During the first quarter of 2005, VF purchased 1.0 million shares of its Common Stock in open market transactions at a cost of $59.1 million (average price of $59.07 per share). There were no share repurchases during 2004. Under its current authorization from the Board of Directors, VF may purchase an additional 4.3 million shares. Our current intent is to repurchase an additional 1.0 million shares during the second quarter of 2005 to reduce the impact of dilution caused by exercises of stock options. However, the actual number purchased during 2005 may vary depending on funding required to support business acquisition opportunities.

Management's Discussion in our 2004 Form 10-K provided a table summarizing VF's fixed obligations at the end of 2004 that would require the use of funds. Since the filing of our 2004 Form 10-K, there have been no material changes, except as stated below, relating to VF's fixed obligations that require the use of funds or other financial commitments that may require the use of funds:

- Short-term inventory purchase obligations represent commitments to purchase raw materials, sewing labor and finished goods in the ordinary course of business. The total of these inventory purchase obligations increased by approximately $170 million at the end of the first quarter, compared with the 2004 year-end, due to seasonal sales expectations in succeeding months.

Management believes that VF's cash balances and funds provided by operating activities, as well as unused committed bank credit lines, additional borrowing capacity and access to equity markets, taken as a whole, provide (i) adequate liquidity to meet all of its obligations when due, (ii) adequate liquidity to fund capital expenditures and to maintain our dividend payout policy and (iii) flexibility to meet investment opportunities that may arise. Specifically, we believe VF has adequate liquidity to repay the $100.0 million and $300.0 million of long-term debt obligations due in June and October 2005, respectively.

We do not participate in transactions with unconsolidated entities or financial partnerships established to facilitate off-balance sheet arrangements or other limited purposes.

Prospective Accounting Change: Stock-based Compensation

We are currently evaluating FASB Statement No. 123(Revised), *Share-Based Payment* ("Statement No. 123(R)"), which was issued in late 2004. Statement No. 123(R) revises Statement No. 123 by requiring that the cost of stock options, based on the fair value of such options at the date of grant, be recognized in the consolidated financial statements as compensation expense over the service period.

As described in Note B to the Consolidated Financial Statements, in accordance with applicable accounting pronouncements to date, compensation expense has not been recognized for stock options but has been recorded for other forms of stock-based compensation. If compensation expense in 2005 and 2004 had been recognized for stock options and other equity compensation on the fair value method per Statement No. 123, earnings per share (before any cumulative effect adjustment for adopting Statement No. 123(R)), would have been reduced by $0.07 and $0.05 from amounts in the first quarter of 2005 and 2004, respectively. Similarly for the full year 2005, we estimate that earnings per share would be reduced by $0.14, compared with $0.09 in 2004. The pro forma effect in 2005 is greater than 2004 due to (i) a greater number of stock options granted during the first quarter of 2005 resulting from new option participants in VF's existing and acquired businesses and (ii) the higher fair value of the stock options granted in 2005. Because stock options were granted in the first quarter of each year and with stock option compensation expense recognized at the grant date for retirement-eligible participants, the pro forma expense recognized in the first quarter of each year is a significant portion of the full year pro forma expense; that is, $0.05 for the first quarter of 2004 vs. $0.09 for the 2004 year, compared with $0.07 for the first quarter of 2005 vs. an estimated $0.14 for the 2005 year.

Statement No. 123(R) must be adopted no later than the beginning of the first quarter of 2006, as described in Note B to the Consolidated Financial Statements. Management has not yet determined which method of adoption it will use for the new Statement. At this time, management does not expect to adopt the new rules in 2005 and accordingly does not expect to record any stock option compensation expense in 2005.

Critical Accounting Policies and Estimates

We have chosen accounting policies that we believe are appropriate to accurately and fairly report VF's operating results and financial position in conformity with accounting principles generally accepted in the United States. We apply these accounting policies in a consistent manner. Our significant accounting policies are summarized in Note A to the Consolidated Financial Statements included in our 2004 Form 10-K.

The application of these accounting policies requires that we make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures. These estimates and assumptions are based on historical and other factors believed to be reasonable under the circumstances. We evaluate these estimates and assumptions on an ongoing basis and may retain outside consultants to assist in our evaluation. If actual results ultimately differ from previous estimates, the revisions are included in results of operations in the period in which the actual amounts become known. The accounting policies that involve the most significant management judgments and estimates used in preparation of our consolidated financial statements, or are the most sensitive to change from outside factors, are discussed in Management's Discussion in our 2004 Form 10-K. There have been no material changes in these policies.

Cautionary Statement on Forward-Looking Statements

From time to time, we may make oral or written statements, including statements in this Quarterly Report, that constitute "forward-looking statements" within the meaning of the federal securities laws. These include statements concerning plans, objectives, projections and expectations relating to VF's operations or economic performance, and assumptions related thereto.

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. We caution that forward-looking statements are not guarantees and actual results could differ materially from those expressed or implied in the forward-looking statements.

Important factors that could cause the actual results of operations or financial condition of VF to differ include, but are not limited to, the overall level of consumer spending for apparel; changes in trends in the segments of the market in which VF competes; ongoing selling price and cost pressures in the worldwide apparel industry; financial strength and competitive conditions, including consolidation, of our customers and of our suppliers; actions of competitors, customers, suppliers, service providers, licensors and licensees that may impact VF's business; our ability to make and integrate acquisitions successfully; our ability to achieve expected sales and earnings growth from ongoing businesses and acquisitions; our ability to achieve planned cost savings; terrorist actions; natural disasters; and the impact of economic and political factors in the markets where VF competes or from which VF imports products, such as recession or changes in interest rates, currency exchange rates, price levels, capital market valuations, trade regulation and other factors over which we have no control.

Item 3 - Quantitative and Qualitative Disclosures about Market Risk

There have been no significant changes in VF's market risk exposures from what was disclosed in Item 7A in our 2004 Form 10-K.

Item 4 - Controls and Procedures

Disclosure controls and procedures:

The term "disclosure controls and procedures" as defined in Rule 13 a-15(e) of the Securities Exchange Act of 1934 refers to the controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files with the SEC is recorded, processed, summarized and reported within required time periods.

VF has had controls and procedures in place for many years for the gathering and reporting of business, financial and other information in SEC filings. To centralize and formalize this process, VF has a Disclosure Committee comprised of various members of management. Under the supervision of our Chief Executive Officer and Chief Financial Officer, this Committee has evaluated the effectiveness of the disclosure controls and procedures at VF and its subsidiaries as of the end of the period covered by this Quarterly Report (the "Evaluation Date"). Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded as of the Evaluation Date that such controls and procedures were operating effectively.

Changes in internal control over financial reporting:

During VF's fiscal quarter ended April 2, 2005, VF began outsourcing certain information technology activities to a third party including (i) technical support for certain system hardware and software, (ii) procurement of hardware resources and asset life cycle management, (iii) management of certain service providers and (iv) system and application monitoring. There have been no other changes in VF's internal control identified in connection with the evaluation referred to above that have materially affected, or are reasonably likely to materially affect, VF's internal control over financial reporting.

Part II – Other Information

Item 2 - Unregistered Sales of Equity Securities and Use of Proceeds

(c) Issuer purchases of equity securities:

Fiscal Period	Total Number of Shares Purchased	Weighted Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (1)
January 2 - January 29, 2005	—	—	—	5,320,000
January 30 - February 26, 2005	198,000	$ 59.32	198,000	5,122,000
February 27 - April 2, 2005	802,000	$ 59.01	802,000	4,320,000
Total	1,000,000		1,000,000	

(1) VF intends to purchase 1.0 million additional shares during the second quarter of 2005, although the actual number purchased during this period will depend on acquisition opportunities that may arise. Also, under the Mid-Term Incentive Plan implemented under VF's 1996 Stock Compensation Plan, VF must withhold from the shares of Common Stock issuable in settlement of a participant's performance restricted stock units the number of shares having an aggregate fair market value equal to any federal, state and local withholding or other tax that VF is required to withhold, unless the participant has made other arrangements to pay such amounts. 2,220 shares were withheld under the Mid-Term Incentive Plan during February 2005.

Item 4 - Submission of Matters to a Vote of Security Holders

At the Annual Meeting of Shareholders of VF held on April 26, 2005, the following four nominees to the Board of Directors were elected to serve until the 2008 Annual Meeting:

	Votes For	Votes Withheld
Juan Ernesto de Bedout	73,467,886	32,406,087
Ursula O. Fairbairn	73,451,599	32,422,374
Barbara S. Feigin	71,272,477	34,601,496
Mackey J. McDonald	75,827,208	30,046,765

There was one additional proposal as follows:

- The proposal to ratify the selection of PricewaterhouseCoopers LLP as VF's independent auditors for the 2005 fiscal year was approved by the shareholders. The vote was 104,763,765 for, 1,033,212 against and 68,396 abstaining.

Item 6 - Exhibits

Exhibit 10.1 – Award Certificate for Restricted Stock Units granted to Mackey J. McDonald

Exhibit 31.1 – Certification of the principal executive officer, Mackey J. McDonald, pursuant to 15 U.S.C. Section 10A, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Exhibit 31.2 – Certification of the principal financial officer, Robert K. Shearer, pursuant to 15 U.S.C. Section 10A, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Exhibit 32.1 – Certification of the principal executive officer, Mackey J. McDonald, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Exhibit 32.2 – Certification of the principal financial officer, Robert K. Shearer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

V.F. CORPORATION
(Registrant)

By: /s/ Robert K. Shearer
Robert K. Shearer
Vice President - Finance &
Global Processes and
Chief Financial Officer
(Chief Financial Officer)

Date: May 12, 2005

By: /s/ Bradley W. Batten
Bradley W. Batten
Vice President - Controller
(Chief Accounting Officer)

Exhibit 10.1

VF CORPORATION

AWARD CERTIFICATE

Restricted Stock Units

Number of RSUs Awarded: 10,000

To: Mackey J. McDonald ("Participant")

I am pleased to advise you that you have been awarded the number of Restricted Stock Units ("RSUs") set forth above under VF Corporation's 1996 Stock Compensation Plan, as amended (the "1996 Plan"), subject to the terms and conditions set forth in the 1996 Plan and the attached Appendix.

VF CORPORATION

By: ______________________________

Candace S. Cummings
Vice President – Administration, General
Counsel and Secretary

Dated: February 7, 2005 ("Grant Date")

VF CORPORATION

APPENDIX TO

AWARD CERTIFICATE

Terms and Conditions Relating to
Restricted Stock Units

1. **Grant of RSUs**.

(a) ***Grant of RSUs Under 1996 Plan.*** Participant has been granted the Restricted Stock Units ("RSUs") specified in the Award Certificate under VF Corporation's (the "Company's") 1996 Plan, copies of which have been provided to Participant. All of the terms, conditions, and other provisions of the 1996 Plan are hereby incorporated by reference into this document. Capitalized terms used in this document but not defined herein shall have the same meanings as in the 1996 Plan. If there is any conflict between the provisions of this document and the mandatory provisions of the 1996 Plan, the provisions of the 1996 Plan shall govern. By accepting the grant of the RSUs, Participant agrees to be bound by all of the terms and provisions of the 1996 Plan (as presently in effect or later amended), the rules and regulations under the 1996 Plan adopted from time to time, and the decisions and determinations of the Committee made from time to time.

(b) ***Certain Restrictions.*** Until RSUs have become vested in accordance with Section 3, RSUs shall be subject to a risk of forfeiture as provided in the 1996 Plan and this document. Until such time as each RSU has become settled by delivery of a share in accordance with Section 4, such RSU will be nontransferable, as provided in the 1996 Plan and Section 2(d). Participant is subject to the VF Code of Business Conduct and related policies on insider trading restricting Participant's ability to sell shares of the Company's Common Stock received in settlement of RSUs, which may include "blackout" periods during which Participant may not engage in such sales.

2. **General Terms of RSUs.**

(a) ***Nature of RSUs.*** Each RSU represents a conditional right of Participant to receive, and a conditional obligation of the Company to deliver, one share of the Company's Common Stock at the times specified hereunder and subject to the terms and conditions of the 1996 Plan and this document. Each RSU constitutes an award under Article IX of the 1996 Plan (including Section 9.6 thereof), representing a bookkeeping unit which is an arbitrary accounting measure created and used solely for purposes of the 1996 Plan and this Agreement. RSUs do not represent ownership rights in the Company, shares of Common Stock, or any asset of the Company.

(b) ***Account.*** An account will be maintained for Participant for purposes of this Award, to which the total number of RSUs granted and any RSUs resulting under Section 2(c) shall be credited. An individual statement relating to Participant's Account will be issued not less frequently than annually. Such statement shall report the amount of RSUs credited to Participant's Account (i.e., not yet settled), transactions in the Account during the period covered by the statement, and other information deemed relevant by the Company. Such statement may be combined with or include information regarding other plans and compensatory arrangements affecting Participant. A Participant's statements may evidence the Company's obligations in respect of RSUs without the need for the Company to enter into a separate agreement relating to such obligations; provided, however, that any statement containing an error shall not represent a binding obligation to the extent of such error.

(c) ***Dividend Equivalents and Adjustments.*** Dividend equivalents shall be paid or credited on RSUs as follows; provided, however, that the Committee may vary the manner and terms of crediting dividend equivalents, for administrative convenience or any other reason, provided that the Committee determines that any alternative manner and terms result in equitable treatment of Participant:

(i) *Regular Cash Dividends*. At the time of settlement of RSUs under Section 4(a), the Company shall determine the aggregate amount of regular cash dividends that would have been payable to Participant, based on record dates for dividends since the Grant Date, if the vested RSUs then to be settled had been outstanding shares of Common Stock at such record dates (without compounding of dividends but adjusted to account for splits and other extraordinary corporate transactions). Such aggregate cash amount will be converted to a number of shares by dividing the amount by the Fair Market Value of a share of Common Stock at the settlement date.

(ii) *Common Stock Dividends and Splits*. If the Company declares and pays a dividend or distribution on Common Stock in the form of additional shares of Common Stock, or there occurs a forward split of Common Stock, then the number of RSUs credited to Participant's Account as of the payment date for such dividend or distribution or forward split shall be automatically adjusted by multiplying the number of RSUs credited to the Account as of the record date for such dividend or distribution or split by the number of additional shares of Common Stock actually paid as a dividend or distribution or issued in such split in respect of each outstanding share of Common Stock.

(iii) *Adjustments*. If the Company declares and pays a dividend or distribution on Common Stock that is not a regular cash dividend and not in the form of additional shares of Common Stock, or if there occurs any other event referred to in Article XI of the 1996 Plan, the Committee shall adjust the number of RSUs credited to Participant's Account in a manner that will prevent dilution or enlargement of Participants' rights with respect to RSUs, in an equitable manner determined by the Committee.

(iv) *Risk of Forfeiture and Settlement of RSUs Resulting from Dividend Equivalents and Adjustments.* RSUs which directly or indirectly result from dividend equivalents on or adjustments to an RSU shall be subject to the same risk of forfeiture as applies to the granted RSU and will be settled at the same time as the granted RSU.

(d) ***Non-Transferability.*** Unless otherwise determined by the Committee, neither Participant nor any beneficiary shall have the right to, directly or indirectly, alienate, assign, transfer, pledge, anticipate, or encumber (except by reason of death) any RSU, Account or Account balance, or other right hereunder, nor shall any such RSU, Account or Account balance, or other right be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of Participant or any beneficiary, or to the debts, contracts, liabilities, engagements, or torts of Participant or any beneficiary or transfer by operation of law in the event of bankruptcy or insolvency of Participant or any beneficiary, or any legal process.

3. **Effect of Termination of Employment**.

(a) ***Vesting and Forfeiture.*** The "Stated Vesting Date" of the RSUs will be February 7, 2007. Except to the extent set forth in subsections (i) through (iv) of this Section 3(a), upon Participant's Termination of Employment prior to the vesting of the RSUs, all unvested RSUs shall be canceled and forfeited and Participant shall have no further rights hereunder:

(i) *Death or Disability*. If Termination of Employment is due to Participant's death or Disability (as defined below), Participant's RSUs shall vest in full at the date of Termination of Employment, and the settlement of all RSUs shall occur as promptly as practicable following Termination, provided that, in the case of Disability, settlement shall occur at the earlier of the Stated Settlement Date (as defined below) or six months after Termination if the Disability does not meet the definition of "Disabled" in Section 409A(a)(2)(C) of the Internal Revenue Code (the "Code"), except as otherwise provided in Section 4(b).

(ii) *Retirement*. If Termination of Employment is due to Participant's Retirement (as defined in the 1996 Plan), Participant shall vest in the Pro Rata Portion of the total number of unvested RSUs. The settlement of all vested RSUs shall occur at the earlier of the Stated Settlement Date or six months after Termination, except as otherwise provided in Section 4(b).

(iii) *Involuntary Termination By the Company Not for Cause or by Participant for Good Reason* If Termination of Employment is an involuntary separation by the Company not for Cause (before or after a Change in Control) or a Termination by Participant for Good Reason (at or after a Change in Control), Participant's RSUs shall vest in full at the date of Termination of Employment. The settlement of all RSUs shall occur at the earlier of the

Stated Settlement Date or six months after Termination, except as otherwise provided in Section 4(b).

(iv) *Termination by the Company for Cause or Voluntary Termination by Participant* If Termination of Employment is either by the Company for Cause or voluntary by Participant (excluding a Retirement or Termination for Good Reason following a Change in Control), unvested RSUs will be canceled and forfeited and vested RSUs will be settled at the earlier of the Stated Settlement Date or six months after Termination, except as otherwise provided in Section 4(b).

(b) ***Release***. Any settlement of RSUs following Termination of Employment may be delayed by the Committee if Participant's Employment Agreement or any policy of the Committee then in effect conditions such settlement or severance payments upon the Company receiving a full and valid release of claims against the Company, and if Participant fails to meet the requirements of such condition in a reasonable period of time such RSUs shall be forfeited.

(c) ***Certain Definitions***. The following definitions apply for purposes of this Agreement:

(i) "Cause" means (i), if Participant has an Employment Agreement defining "Cause," the definition under such Employment Agreement, or (ii), if Participant has no Employment Agreement defining "Cause," Participant's gross misconduct, meaning (A) Participant's willful and continued refusal substantially to perform his or her duties with the Company (other than any such refusal resulting from his or her incapacity due to physical or mental illness), after a demand for substantial performance is delivered to Participant by the Board of Directors which specifically identifies the manner in which the Board believes that Participant has refused to perform his or her duties, or (B) the willful engaging by Participant in gross misconduct materially and demonstrably injurious to the Company. For purposes of this definition, no act or failure to act on Participant's part shall be considered "willful" unless done, or omitted to be done, by Participant not in good faith and without reasonable belief that his or her action or omission was in the best interest of the Company.

(ii) "Disability" means (A), if Participant has an Employment Agreement defining "Disability," the definition under such Employment Agreement, or (B), if Participant has no Employment Agreement defining "Disability," Participant's incapacity due to physical or mental illness resulting in Participant's absence from his or her duties with the Company on a full-time basis for 26 consecutive weeks, and, within 30 days after written notice of termination has been given by the Company, Participant has not returned to the full-time performance of his or her duties.

(iii) "Employment Agreement" means a written agreement between the Company and Participant securing Participant's services as an employee for a period of time and in effect immediately prior to Participant's Termination of Employment or, if no such agreement is in effect immediately prior to Participant's Termination of Employment, an agreement providing severance benefits to Participant upon termination of employment in effect immediately prior to Participant's Termination of Employment (including for this purpose an agreement providing such benefits only during a period following a defined change in control, whether or not a change in control in fact has occurred prior to such Termination of Employment).

(iv) "Good Reason" means "Good Reason" as defined in Participant's Employment Agreement. If Participant has no such Employment Agreement, no circumstance will constitute "Good Reason" for purpose of this Agreement.

(v) "Pro Rata Portion" means a fraction the numerator of which is the number of days that have elapsed from the Grant Date to the date of Participant's Termination of Employment and the denominator of which is the number of days from the Grant Date to the Stated Vesting Date.

(vi) "Termination of Employment" means Participant's termination of employment with the Company or any of its subsidiaries or affiliates in circumstances in which, immediately thereafter, Participant is not employed by the Company or any of its subsidiaries or affiliates. Service as a non-employee director shall not be treated as employment for purposes of this Agreement.

4. **Settlement of RSUs**.

(a) ***Settlement Date.*** Vested RSUs will be settled by delivery of one share of Common Stock for each RSU, together with dividend equivalent amounts payable under Section 2(c). Such settlement will occur as of earlier of (i) February 7, 2010 (the "Stated Settlement Date"), (ii) the applicable date under Section 3(a), and (iii), in the case of vested RSUs, immediately prior to a Change in Control which also constitutes a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the assets of the Company, within the meaning of Code Section 409A(a)(2)(A)(v). Delivery of shares in settlement of RSUs will take place as promptly as practicable after the settlement date.

(b) ***Certain Limitations to Ensure Compliance with Code Section 409A*** For purposes of this Agreement, references to a term or event (including any authority or right of the Company or Participant) being "permitted" under Code Section 409A mean that the term or event will not cause Participant to be liable for payment of interest or a tax penalty under Section 409A. The provisions of the 1996 Plan and other provisions of this Agreement notwithstanding, the terms of the RSUs, including any authority of the Company and rights of Participant, shall be limited to those terms permitted under Section 409A, and any terms not permitted under Section 409A shall be automatically modified and limited to the extent necessary to conform with Section 409A. For this purpose, the Company shall have no authority to accelerate distributions relating to RSUs in excess of the authority permitted under Section 409A, and, if the timing of any distribution in settlement of RSUs would result in Participant's constructive receipt of income relating to the RSUs prior to such distribution, the date of distribution will be the earliest date after the specified date of distribution that distribution can be effected without resulting in such constructive receipt (thus, for example, any distribution in settlement of RSUs subject to Section 409A(a)(2)(A)(i) (separation from service) shall not occur earlier than the earliest time permitted under Section 409A(a)(2)(B)(i) and other applicable provisions of Section 409A).

(c) ***Delivery of Common Stock.*** Whenever Common Stock is to be delivered hereunder, the Company shall deliver to Participant or Participant's Beneficiary one or more certificates representing the shares of Common Stock, registered in the name of Participant, the Beneficiary, or in such other form of registration as instructed by Participant, except that the Company may provide for alternative methods of delivery for administrative convenience. The obligation of the Company to deliver Common Stock hereunder is conditioned upon compliance by Participant and by the Company with all applicable federal and state securities and other laws and regulations. The Company may determine the manner in which fractional shares of Common Stock shall be dealt with upon settlement of RSUs; provided, however, that no certificate shall be issued representing a fractional share. If there occurs any delay between the settlement date and the date shares are issued or delivered to Participant, a cash amount equal to any dividends or distributions the record date for which fell between the settlement date and the date of issuance or delivery of the shares shall be paid to Participant together with the delivery of the shares.

5. **Tax Withholding**.

The Company shall withhold from the shares deliverable in settlement of RSUs (including a deferred settlement) the number of shares having an aggregate Fair Market Value equal to the mandatory Federal and state withholding requirements, but rounded down to the nearest whole share, unless Participant has made other arrangements approved by the Human Resources Department in advance of settlement to make payment of such withholding amounts. Unless otherwise determined by the Company, if settlement of the RSUs does not also take place at that vesting date then no such share withholding will take place to satisfy FICA requirements applicable at that vesting date and Participant will be required to pay any such FICA withholding in cash.

6. **Miscellaneous.**

(a) ***Binding Effect; Written Amendments.*** The terms and conditions set forth in this document shall be binding upon the heirs, executors, administrators and successors of the parties. The Award Certificate and this document constitutes the entire agreement between the parties with respect to the RSUs and supersedes any prior agreements or documents with respect thereto. No amendment, alteration, suspension, discontinuation or termination of this document which may impose any additional obligation upon the Company or materially impair the rights of Participant with respect to the RSUs shall be valid unless in each instance such amendment, alteration, suspension, discontinuation or termination is expressed in a written instrument duly executed in the name and on behalf of the Company and, if Participant's rights are materially impaired thereby, by Participant.

(b) ***No Promise of Employment***. The RSUs and the granting thereof shall not constitute or be evidence of any agreement or understanding, express or implied, that Participant has a right to continue as an officer, employee or director of the Company or its subsidiaries for any period of time, or at any particular rate of compensation.

(c) ***Governing Law***. The validity, , interpretation, construction and performance of this Agreement shall be governed by the laws (but not the law of conflicts of laws) of the Commonwealth of Pennsylvania, and applicable federal law.

(d) ***Unfunded Obligations***. The grant of the RSUs and any provision for distribution in settlement of Participant's Account hereunder shall be by means of bookkeeping entries on the books of the Company and shall not create in Participant any right to, or claim against any, specific assets of the Company, nor result in the creation of any trust or escrow account for Participant. With respect to Participant's entitlement to any distribution hereunder, Participant shall be a general creditor of the Company.

(e) ***Notices***. Any notice to be given the Company under this Agreement shall be addressed to the Company at its principal executive offices, in care of the Vice President — Administration, and any notice to Participant shall be addressed to Participant at Participant's address as then appearing in the records of the Company.

(f) ***Shareholder Rights***. Participant and any beneficiary shall not have any rights with respect to shares (including voting rights) covered by this Agreement prior to the settlement and distribution of the shares as specified herein.

Exhibit 31.1

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 15 U.S.C. SECTION 10A, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Mackey J. McDonald, certify that:

1. I have reviewed this quarterly report on Form 10-Q of V.F. Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 12, 2005

/s/ Mackey J. McDonald

Mackey J. McDonald
Chairman, President and
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 15 U.S.C. SECTION 10A, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Robert K. Shearer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of V.F. Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 12, 2005

/s/ Robert K. Shearer

Robert K. Shearer
Vice President - Finance & Global
Processes and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of V.F. Corporation (the “Company”) on Form 10-Q for the period ending April 2, 2005 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Mackey J. McDonald, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

May 12, 2005

/s/ Mackey J. McDonald

Mackey J. McDonald
Chairman, President and
Chief Executive Officer

Exhibit 32.2

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of V.F. Corporation (the "Company") on Form 10-Q for the period ending April 2, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert K. Shearer, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

May 12, 2005

/s/ Robert K. Shearer

Robert K. Shearer
Vice President – Finance & Global Processes
and Chief Financial Officer