

WILSONS LEATHER

WILSONS LEATHER 1999 ANNUAL REPORT



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"IN 1999 WE ACHIEVED
RECORD PROFITS FOR OUR
SHAREHOLDERS AND WE
ARE POSITIONED TO
DELIVER ANNUAL EARNINGS
GROWTH OF 15% TO 20%."

JOEL WALLER
CHAIRMAN AND CEO

WILSONS LEATHER is the leading specialty retailer of leather outerwear, apparel and accessories in the United States. Wilsons Leather has a rich tradition of offering quality, fashion leather products to a wide range of customers.

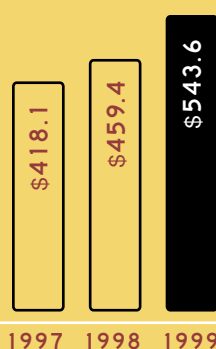
FINANCIAL HIGHLIGHTS

Highlights

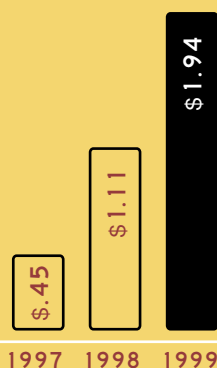
Operating Results: (in thousands except per share amounts)	1999	1998	% Change '99 vs. '98
Net Sales	\$543,608	\$459,372	18.3%
Comparable Store Sales Increase	11.5%	6.3%	
Operating Income	\$ 59,725	\$ 37,711	58.4%
Operating Income as a percentage of Net Sales	11.0%	8.2%	
Net Income (excluding unusual items)	\$ 33,058 ^(a)	\$ 18,177	81.9%
Net Income as a percentage of Net Sales	6.1% ^(a)	4.0%	
Earnings per diluted share (excluding unusual items)	\$ 1.94 ^{(a)(b)}	\$ 1.11 ^(b)	74.8%

Financial Position: (in thousands)	1999	1998	% Change '99 vs. '98
Total Assets	\$272,554	\$245,391	11.1%
Working Capital	\$ 126,855	\$ 131,549	(3.6%)
Long-Term Debt	\$ 43,890	\$ 70,000	(37.3%)
Shareholders' Equity	\$ 131,207	\$ 98,177	33.6%
Return on Shareholders' Equity	28.8% ^(a)	21.3%	
Return on Total Assets	12.8% ^(a)	7.7%	

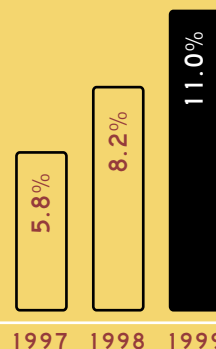
NET SALES IN MILLIONS



EARNINGS PER DILUTED SHARE ^{(a)(b)}



**OPERATING INCOME
PERCENT OF NET SALES**



(a) 1999 excludes extraordinary loss, net of tax, of \$958 associated with early extinguishment of debt and a one-time charge, net of tax, of \$1,449 associated with the cumulative effect of a change in accounting principle. 1997 excludes extraordinary gain, net of tax, of \$3,763 associated with early extinguishment of debt.
 (b) All per share data reflects the three-for-two stock split that became effective March 15, 2000.

TO OUR SHAREHOLDERS

To Our Shareholders: 1999 was a tremendous year for Wilsons Leather™. Our merchandising and marketing initiatives, combined with our systems investments in recent years, enabled us to take advantage of the dramatic rise of leather fashion. Leather was everywhere — from the runways of Europe and New York to television, movies and magazines. And Wilsons Leather was more visible than ever — particularly among young, fashion-conscious consumers who represent a great growth opportunity for us.

Over the past two years, we have launched a strategy to become not only the country's largest leather *retailer* but also the country's leading leather *brand*. Our goal is to make Wilsons Leather the first name people think of when they think of leather. The Company's strong financial results in 1999 — our best ever — demonstrate the tremendous progress we have made toward this goal.

"OUR GOAL IS TO GENERATE MORE THAN \$1 BILLION IN ANNUAL SALES BY 2004."

JOEL WALLER



Here are some of our major accomplishments in 1999:

- Sales grew by 18.3% to \$543.6 million on the strength of an 11.5% comparable-store sales increase.
- All business segments, all merchandise categories and all geographic regions of the country generated strong comparable-store sales increases.
- Operating margins increased to 11%, up from 8% last year.
- Earnings per share grew 75% to \$1.94.
- Cash flow generated from operations increased 208%, to \$64.5 million.
- Long-term debt was reduced by \$26.1 million, to \$43.9 million.
- Return on equity was 29%.

Our financial achievements reflect our initial success in the transformation of the Wilsons Leather brand. We are fast becoming the "top of mind" brand for leather apparel and accessories, and are no longer perceived simply as a large collection of leather stores in shopping malls. We now offer brands, products, an image and a shopping experience that are developed around the lifestyles of our customers.

In 1999, we also focused our attention on younger, more fashion-forward customers. Specifically, we expanded our merchandise offerings and marketing efforts to Generation Y — the savvy, fashion-conscious consumers who are setting the fashion trends for the broader population. Sales to this key group increased by more than 50% from the prior year. What's more, this is a segment that continues to grow, and over the next 10 years will become even larger than the Baby Boomer Generation. The size and purchasing power of Generation Y, expected to be the most affluent generation in history, will remain central to our focus as we build a solid base of loyal Wilsons Leather customers for years to come.

We are also extending the overall reach of our brand. Wilsons Leather is becoming more than a fashion resource: our name is becoming synonymous with leather in consumers' minds. For this reason, we are expanding to reach new customers and provide growth opportunities well into the future.

For example, with our focus on the mall business, Wilsons Leather has historically had a limited presence in the factory outlet segment. However, with the knowledge gained from our 1998 purchase of Wallet Works, along with the successful results of the new Wilsons Leather Outlet stores tested in 1999, we believe that the factory outlet segment holds great growth potential for the Company. With more than 500 large centers in the United

LEADERS REHOLDERS

States, this is one of the fastest growing brick-and-mortar retailing venues in the country.

We have taken Wilsons Leather into cyberspace, launching our online retail store at www.wilsonsaleather.com in December 1999. Early results are encouraging, and we plan to broaden our merchandise assortment, as well as cross-market and fully integrate our e-commerce operation with our brick-and-mortar stores. Just as we have developed the leading market share in specialty retail, we have every intention of becoming the leading website for leather apparel and accessories on the Internet.

Our 1999 results give us great confidence in the momentum and future direction of our business. In 2000, we will pursue initiatives to ensure the continued growth of the Company. We plan to:

- Expand the power of the Wilsons Leather name by establishing a core brand identity across all business segments through consistent visual themes and marketing efforts.
- Accelerate our store opening program by adding approximately 45 stores during the year, increasing our selling square footage by more than 10%.
- Reposition Wilsons Leather Outlet into a powerful growth vehicle in the factory outlet world.
- Expand the product offerings on our e-commerce site, integrate them with our brick-and-mortar stores and build awareness through cross-promotions and advertising.
- Drive accessories sales growth in the mall business by more closely linking accessory options with our customers' lifestyles.
- Maintain our strong operating margins, led by fashion-right merchandise.

Further, we will look for new opportunities to grow the Company into an even stronger retail

presence. Our goal is to generate more than \$1 billion in annual sales by 2004. Acquisitions will be an important element of this rapid expansion; we intend to acquire companies that complement our existing business, leverage our core competencies and offer significant growth potential.

As we completed our 100th year of business in 1999, we developed a valuable brand that will serve as a strong foundation for accelerated

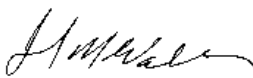
**"WE ARE FAST BECOMING
THE 'TOP OF MIND' BRAND
FOR LEATHER APPAREL
AND ACCESSORIES."**

DAVID ROGERS

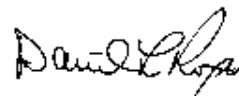
growth in our Company's second century. We are proud of achieving record profits for our shareholders, and are well positioned to deliver annual earnings growth consistent with our long-range objective of 15% to 20%.

We appreciate the many contributions of our associates, and value the support of our customers and suppliers. We look forward to continuing to build value for you, our shareholders, in 2000 and beyond.

Sincerely,



Joel N. Waller
Chairman of the Board and
Chief Executive Officer



David L. Rogers
President and
Chief Operating Officer



OF BRAND BRAND STORY OF WILSONS BRAND STORY

Our goal for the Wilsons Leather brand is to capture our customers' attention and loyalty through compelling brand positioning. Successful brands give customers both emotional and rational reasons to connect to a brand. In the case of Wilsons Leather, the emotional component is particularly important in our brand positioning. We're selling more than a well-made leather garment or accessory — we're selling fashion. By showcasing beautiful people wearing beautiful leather garments and accessories, our customers get an image, lifestyle and attitude that is aspirational.

Wilsons Leather has a diverse customer base. We serve customers both young and old, urban and suburban. To bring the brand positioning to life for such a wide variety of tastes, Wilsons Leather offers four subbrands to capture key attitudinal groups. Each subbrand's merchandise reflects this diversity, from classic to cutting edge. In addition, we analyze customer transactions in order to customize our merchandise offerings to specific demographic profiles at each store. This methodology enables us to maximize each store's sales potential while giving our customers the apparel and accessories they want.

We will continue to sharpen our brand identity by keeping our merchandise, image and presentation fresh. A clear brand identity is vital in our effort to serve younger customers. Generation Y represents a key growth driver for Wilsons Leather for several reasons. First, Generation Y is comprised of approximately 30 million people between the ages of 15 and 22, and will grow 5% a year for the next decade. Second, they have tremendous purchasing power, a high regard for fashion and are expected to be the most affluent generation in history. They visit malls more often, stay longer and shop more stores than their older counterparts in the Baby Boomer Generation. Third, Generation Y influences the fashion

tastes of mainstream consumers. Lastly, our research shows that customers who already own leather are far more likely to purchase leather again. As a result, a young, first time leather buyer is likely to become a customer for years to come.

And it's working. Sales to young women and men increased more than 50% in 1999 from a year earlier. We plan to build on the success of our Generation Y initiative in the coming year, and believe it will be a key growth driver for the future.

While we are placing new emphasis on younger, fashion-forward customers, we continue to serve all of our customers with quality, fashion-right merchandise that fulfills each customer's leather desires. Whether we cater to a sophisticated sense of style or a more traditional taste in fashion, we will preserve and build on our strong loyalty base.

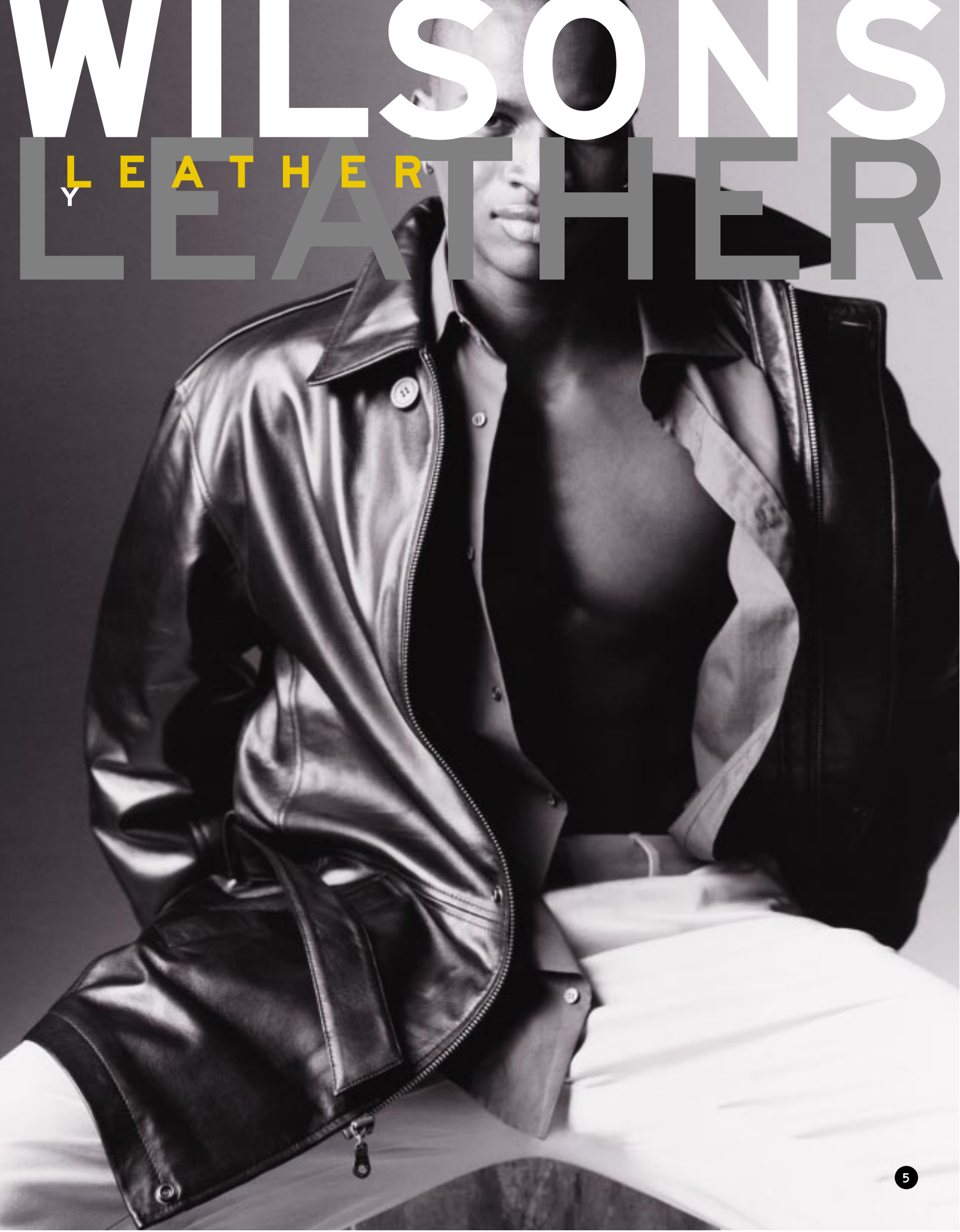
We are able to provide our customers with fashion-leading merchandise because we closely monitor the latest fashion trends around the world. We work in tandem with our global business partners, leveraging the latest technology to provide new leather finishes. Our designers coordinate fashion trends and new leathers into apparel and accessories that reach our stores faster than any of our competitors. We pride ourselves on adapting quickly to changes in the marketplace as we design, develop, and deliver leather fashions at great value.

Our fashion-forward styling is captured not only in our merchandise but also in our stores. We create an exciting, upbeat environment that draws customers in and makes them feel comfortable. Our stores display graphics and photos that reinforce our emphasis on fashion. Customers also experience the power of music as a core component of the Wilsons Leather shopping experience. A new selection of music fills our stores with our "brand sound."



WILSONS

LEATHER



MAXIS WITH MOXIE

FAUX FUR FETISH

BOYS IN HOODS

PRECIOUS CARGO

PUFFY PARKAS

SCUBA GEAR

URBAN FLEECE

SCOOTERS THAT RACE

LIFESTYLE BRANDING CONNECTS WITH
DISTINCT CUSTOMER SEGMENTS

LIFESTYLE BRANDING CONNECTS WITH DISTINCT CUSTOMER SEGMENTS

Wilson's Leather offers an extensive assortment of leather apparel and accessories designed to appeal to a diverse group of customers. To help our various customer groups find the apparel and accessories that interest them, Wilson's Leather creates four distinct subbrands: Maxima®, M. Julian®, Pelle Studio® and Wilson's. Each of our labels has a distinct look and feel but also contributes to the overall strength of the Wilson's Leather brand. All of our labels provide a high level of quality at competitive prices.

MAXIMA, for women, and **M. JULIAN**, for men, appeal to our young, trend-driven customers. Products carrying these labels are casual yet edgy, attracting Generation Y customers actively seeking the most current fashions. For the next decade, this will be the most rapidly growing customer group in the country. The strength of our Maxima and M. Julian labels leaves us well positioned to effectively target and serve this important demographic group, introduce them to leather fashions and maintain a relationship with them for years to come.

Our **PELLE STUDIO** merchandise is designed for the contemporary, fashion-aware customer looking for the finest in contemporary leather and styling. Apparel in this collection has a rich, sumptuous look that projects both confidence and individualism. The luxurious leathers that carry the Pelle Studio label come from places such as Italy and New Zealand, and reflect the quality that can only result from handmade master craftsmanship.

The **WILSONS** label emphasizes classic styling and offers a timeless quality that transcends the seasons. This collection is designed for the customer who seeks enduring styling and a high level of functionality, comfort and value. The Wilson's label serves consumers of all ages and lifestyles. We will continue to provide these customers with classic leather styling and value unmatched.

The philosophy behind these labels is clear: offer our customers styles that suit their personalities and unique fashion tastes. We pledge to maintain our commitment to quality and value as we continue to cultivate each of these subbrands. In this way, customers will find the leather apparel and accessories they need at Wilson's Leather, year after year.





PELLE STUDIO

MAXIMA

M. JULIAN

WILSONS

Wilson's Leather Accessories

Expanding our accessories business is an important priority for Wilson's Leather. We believe there is substantial opportunity to increase our sales and market share in the highly fragmented leather accessories market, reducing the seasonality of our business. As we build Wilson's Leather into the leading leather brand, it is only natural that customers will view us as the place to go not only for apparel, but also for a wide assortment of leather accessories.

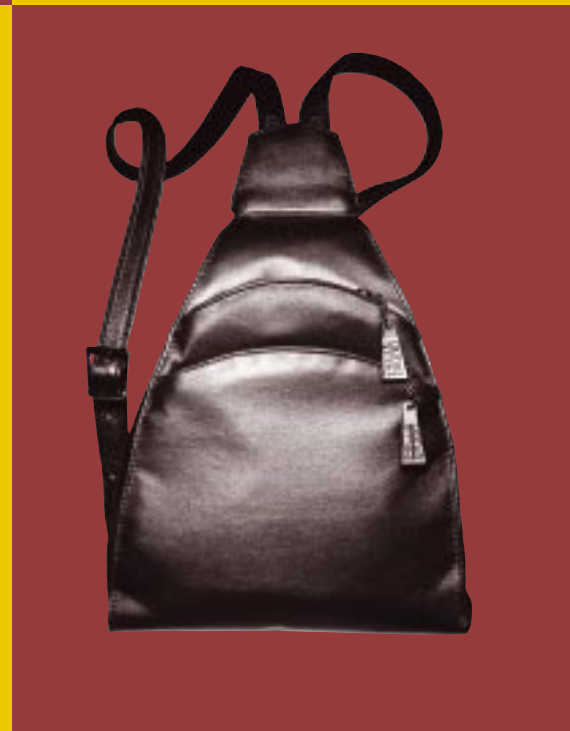
To drive our accessories growth, we will create new styles designed to match our customers' lifestyles and needs. For

example, the launch of our *Wilson's for Women Executive Collection* last year followed extensive interviews with women. With this input our designers added new and exclusive features and benefits in briefcases and totes: pockets for cellular phones, and cases for cosmetics, keys and laptop computers. This collection, developed by women for women, was well received.

In 2000, we will launch a line of Wilson's Leather luggage. This product line is designed to appeal to both younger and older customers—including the older, mature Baby Boomers enjoying more free time, better health and greater

disposable income than any generation before them. These factors are expected to lead to a travel boom over the next two decades that will drive luggage purchases. We have researched the product features and benefits preferred by frequent travelers and are using this information to design and produce a luggage line that will serve travelers in the twenty-first century.

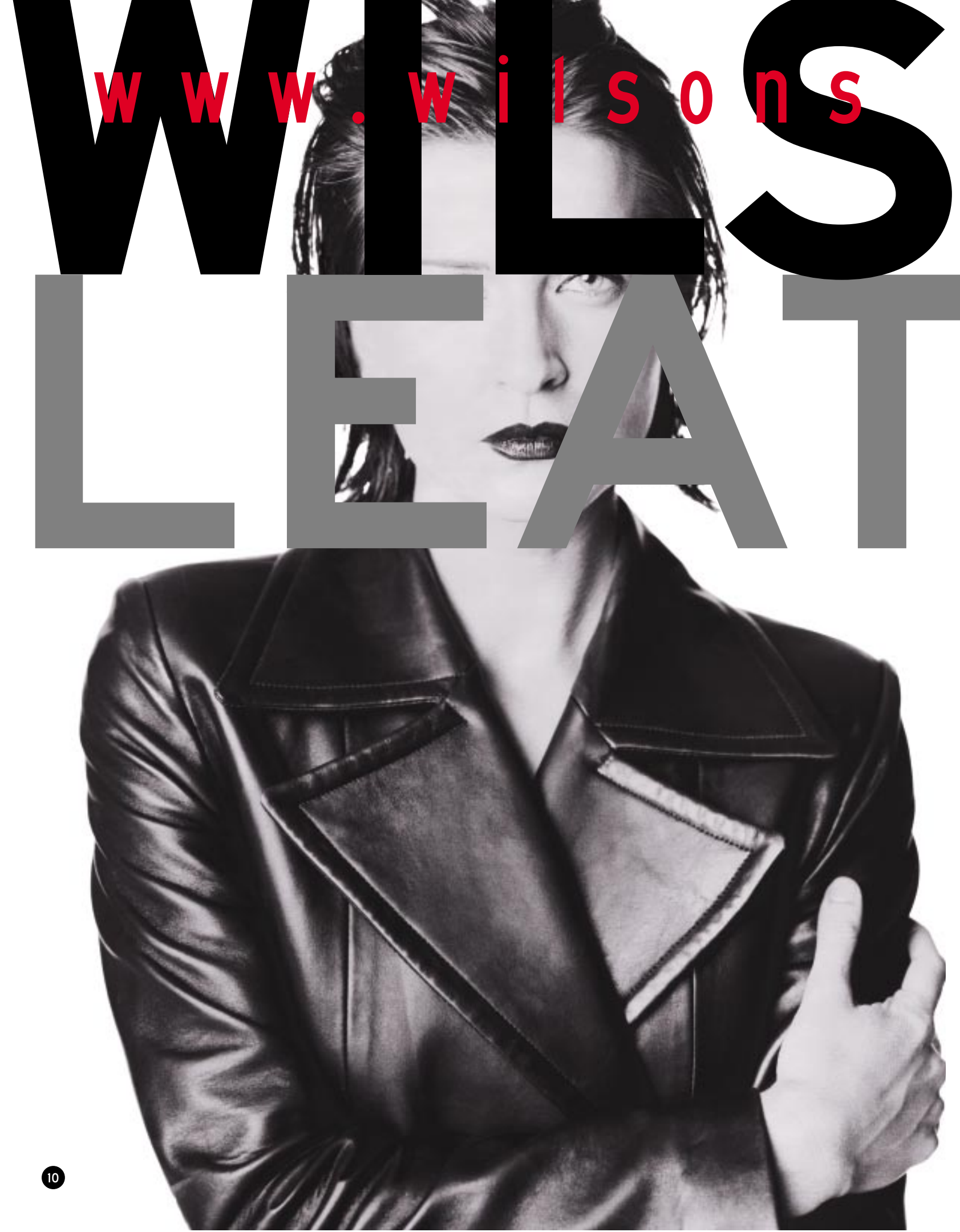
With the continuing growth of accessories, the Wilson's Leather brand will become as synonymous with accessories as it is with apparel.





What
WOMEN **who work**
want

WILSONS FOR WOMEN EXECUTIVE COLLECTION
EFFICIENCY. STRENGTH. FLEXIBILITY.
STYLE. THAT'S WHAT WOMEN WANT. AND
WE RESPONDED WITH THE FIRST EXECUTIVE
LEATHER BAG COLLECTION DESIGNED
TO WORK FOR WOMEN WHO WORK. BAGS
WITH LAPTOP COMPARTMENTS. BAGS THAT
ORGANIZE. BAGS THAT TRAVEL FROM
OFFICE TO GYM. BAGS TO SIMPLIFY LIFE.
DESIGNED BY WOMEN FOR WOMEN.



WWW.WILSONS

LEAFAT

leather.com

E-COMMERCE ONLINE
WILSONS LEATHER IS ONLINE
E-COMMERCE AND WILSONS

HER

In 1999 we launched Wilsons Leather online retail store, www.wilsonsaleather.com. Our e-commerce site makes our merchandise even more accessible to our customers, increases brand awareness, and facilitates cross-marketing efforts with our brick-and-mortar stores. Wherever, whenever, and however our customers shop, Wilsons Leather will be there to serve them. And as with our mall venue, we intend to become the leading web site for leather apparel and accessories.



GROWTH STRATEGIES

GROWTH STRATEGIES

Heading into its second century, Wilsons Leather is well positioned for growth across all of our retail channels. Each concept plays a key role in expanding our brand's visibility and building our base of customers.

Wilsons Leather mall stores are the mainstay of our business, and continue to enjoy increased average sales volume per store. Comparable store sales for 1999 increased more than 10% on top of a strong prior year. We believe these sales increases not only represent the success of our recent initiatives, but also validate our branding strategy. There is still plenty of room for us to grow—we believe there are 650 to 700 potential mall locations. In 2000, we plan to add 25 mall stores to our base of 444 stores.

We are making our stores more appealing and exciting. For instance, we are using compelling jumbo photo images to attract younger shoppers. As mentioned earlier, the Generation Y shopper makes more visits to the mall, stays longer each time, and shops more stores than older Baby Boomer shoppers. This trend is a positive leading indicator for mall shopping traffic for the next several years.

Wilsons Leather outlet stores are another key driver of the Company's future growth. With more than 500 large factory outlet centers in the United States, this business channel offers great opportunities for expansion. Factory outlet shopping is rapidly growing, and visitors to these centers typically have a higher level of disposable income than the average mall shopper and spend more during their shopping visit. Wilsons Leather outlet stores offer a combination of key in-season and clearance-priced merchandise from our mall stores and outlet-exclusive merchandise at very attractive prices. We plan to grow this concept by more than 30% per year for the next several years.

Wilsons Leather currently operates 30 airport locations that play an instrumental role in growing our brand awareness. Over 100 million travelers pass by our Wilsons Leather airport locations each year, and the impact of this tremendous visibility extends to our mall, outlet and e-commerce selling channels. We plan to expand the airport concept by approximately three to five locations per year, as profitable airport retail opportunities develop.



STRATEGIES

Our online retail store is a new and exciting channel for us. We have been pleased by the initial customer response to www.wilsonsleather.com. Without advertising, more than 60,000 people visited our site in the first 30 days. Our sales conversion rates and average transaction sizes are above expectations. We intend to expand our merchandise assortment and aggressively market the site during the upcoming year. We plan to fully integrate this site with our brick-and-mortar operations. Our goal is to capture the leading market share in leather apparel and accessories on the web.

While our growth strategy centers on expanding our existing retail channels, we also believe there are opportunities for Wilsons Leather to expand internationally over the long term. International markets are attractive for several reasons. First, the propensity of consumers in other countries to purchase fashionable leather apparel is higher than in the United States. In addition, purchasing power is expanding in many markets.

Strategic acquisitions represent another element in our growth strategy. Our criteria is selective: we will seek established companies that have significant growth potential and that complement our core competencies in leather apparel, accessories and travel-related merchandise. We also hope to find companies that complement our existing seasonality.

We are confident that the visibility of the Wilson Leather brand will increase substantially as we execute our growth initiatives. They are supported by a solid base of people, processes and systems. Expansion in malls, outlets, airports, online, internationally and through acquisitions will ensure that Wilsons Leather is the fashion leather brand of choice, now and in the future, in the global marketplace.



OUR GROWTH
INITIATIVES WILL
ENSURE OUR UNIQUE
POSITION IN THE
GLOBAL MARKET.

Stores by State

Alabama
Madison Square, Huntsville
Riverchase Galleria, Birmingham
Riviera Centre Factory Stores, Foley

Arizona
Arizona Mills, Tempe (2)
Factory Stores of America, Mesa
Metro, Phoenix
Paradise Valley, Phoenix
Scottsdale Fashion Square, Scottsdale
Tucson

Arkansas
Park Plaza, Little Rock

California
Antelope Valley, Palmdale
Arden Fair, Sacramento
Baldwin Hills, Los Angeles
Bay Fair, San Leandro
Bayside, Eureka
Brea
Burbank Outlet, Burbank
Cabazon Desert Hills, Cabazon
Camarillo Outlet, Camarillo
Capitola
Chula Vista
Del Amo Fashion Square, Torrance (2)
Downtown Plaza, Sacramento
Eastridge, San Jose
Fashion Valley, San Diego
Florin, Sacramento
Folsom Outlet, Folsom
Fox Hills, Culver City
Fresno Fashion Fair, Fresno
Glendale Galleria, Glendale
Great Mall of the Bay Area, Milpitas
Hillsdale, San Mateo
Hilltop, Richmond
Horton Plaza, San Diego
Laguna Hills
Lakewood
Los Cerritos, Cerritos
Main Place, Santa Ana
Market Street, San Francisco
Mission Valley, San Diego
Mission Viejo
Montclair Plaza, Montclair
Montebello
Napa Outlet, Napa (2)
Newpark, Newark
North County Fair, Escondido
Northgate, San Rafael
Northridge
Northridge, Salinas
Oakridge, San Jose
Ontario Mills, Ontario
Pacific West, Gilroy
Parkway, El Cajon
Plaza Bonita, National City
Plaza Camino Real, Carlsbad
San Francisco
San Francisco Int'l Airport
Santa Rosa Plaza, Santa Rosa
Serramonte, Daly City

Colorado
Aurora
Chapel Hill, Colorado Springs
Cherry Creek, Denver
Citadel, Colorado Springs
Pueblo
Rocky Mountain Outlet, Loveland
Southwest Plaza, Littleton
Westminster

Connecticut
Brass Mill, Waterbury
Connecticut Post, Milford
Crystal, Waterford
Meriden Square, Meriden
Pavilion at Buckland Hill, Manchester
Trumbull
Westfarms, Farmington

Delaware
Christiana, Newark
Concord, Wilmington
Dover

Florida
Bayside Marketplace, Miami
Belz Factory Outlet II, Orlando
Belz Factory Outlet, St. Augustine
Citrus Park Town Center, Tampa
Governors Square, Tallahassee
Jacksonville Int'l Airport
Mall of the Avenues, Jacksonville
Orange Park
Orlando Fashion Square, Orlando
Regency Square, Jacksonville
Sanibel Factory Stores, Fort Myers
Sawgrass Mills, Sunrise
Tampa Int'l Airport

Georgia
Augusta
Commerce II Outlet, Commerce
Cumberland, Atlanta
Gwinnett Place, Duluth
Hartsfield Atlanta Int'l Airport (3)
Lenox Square, Atlanta
Macon

Illinois
Brickyard, Chicago
Cherryvale, Rockford
Chicago O'Hare National Airport (4)
Chicago Ridge
Eastland, Bloomington
Evergreen, Evergreen Park
Ford City, Chicago (2)
Fox Valley, Aurora
Golf Mill, Niles
Gurnee Mills, Gurnee
Harlem-Irving Plaza, Norridge
Hawthorn, Vernon Hills
Lincoln, Matteson
Lincolnwood
Louis Joliet, Joliet
Machesney, Rockford
Market Place, Champaign
North Riverside Plaza, North Riverside
Northbrook Court, Northbrook
Northwoods, Peoria
Orland Square, Orland Park (2)
Randhurst, Mt. Prospect
River Oaks, Calumet City
Southpark, Moline
Spring Hill, West Dundee
St. Clair Square, Fairview Heights
Stratford Square, Bloomingdale
University, Carbondale
White Oaks, Springfield
Woodfield, Schaumburg (2)
Yorktown, Lombard

Indiana
Castleton Square, Indianapolis
Eastland, Evansville
Gienbrook Square, Fort Wayne
Greenwood Park, Greenwood
Indianapolis Airport
Lafayette Square, Indianapolis
Muncie
Southlake, Merrillville (2)
Tippecanoe, Lafayette
University Park, Mishawaka
Washington Square, Indianapolis

Iowa
Coral Ridge, Coralville
Merle Hay, Des Moines
Northpark, Davenport
Southern Hills, Sioux City
SouthRidge, Des Moines
Tanger Factory Outlet, Williamsburg

Kansas
Oak Park, Overland Park
Towne East Square, Wichita
West Ridge, Topeka

Kentucky
Florence
Jefferson, Louisville
Oxmoor, Louisville
West Kentucky Outlet, Eddyville

Louisiana
Acadiana, Lafayette
Cortana, Baton Rouge
Esplanade, Kenner
Mall of Louisiana, Baton Rouge
Oakwood, Gretna
Tanger Factory Outlet, Gonzales

Maine
Auburn
Bangor
Freeport Street Outlet, Freeport
Maine, South Portland

Massachusetts
Arsenal Marketplace, Watertown
Berkshire, Lanesboro
Burlington
Cambridgeside, Cambridge

Michigan
Birchwood, Fort Gratiot
Briarwood, Ann Arbor
Courtland, Burton
Crossroads, Portage
Eastland, Harper Woods
Fairlane Town, Dearborn
Fashion Square, Saginaw
Genesee Valley, Flint
Grand Traverse, Traverse City
Great Lakes Crossing, Auburn Hills (2)
Lakeside, Sterling Heights
Lakeview Square, Battle Creek
Lansing
Meridian, Okemos
Midland
Northland, Southfield
River Town Crossings, Grandville
Southland, Taylor
Twelve Oaks, Novi
Westland
Woodland, Grand Rapids

Minnesota
Apache, Rochester
Brookdale, Brooklyn Center
Burnsville
Crossroads, St. Cloud
Mall of America, Bloomington
Maplewood
Miller Hill, Duluth
Mpls/St. Paul Int'l Airport (2)
Outlets at Albertville, Albertville
Northtown, Blaine
Ridgedale, Minnetonka
River Hills, Mankato
Rosedale, Roseville
Southdale, Edina

Missouri
Bannister, Kansas City
Battlefield, Springfield
Crestwood Plaza, Crestwood
Factory Merchants, Branson
Independence
Northwest Plaza, St. Ann
Osage Village, Osage Beach
Saint Louis Galleria, St. Louis
South County, St. Louis

Nebraska
Crossroads, Omaha
Gateway, Lincoln
Westroads, Omaha

Nevada
Belz Factory Outlet World, Las Vegas
Boulevard, Las Vegas
Fashion Outlet of Las Vegas, Primm
Galleria at Sunset, Henderson
Meadowood, Reno
Meadows, Las Vegas

New Hampshire
Fox Run, Portsmouth
New Hampshire, Manchester
Pheasant Lane, South Nashua
Rockingham Park, Salem
Steeplegate, Concord
Settler's Green, North Conway

New Jersey
Bridgewater Commons, Bridgewater
Brunswick Square, East Brunswick
Cherry Hill
Deptford
Echelon, Voorhees
Freehold Raceway, Freehold
Garden State Plaza, Paramus (2)
Hamilton, Mays Landing
Jersey Gardens Outlet, Elizabeth
Livingston
Menlo Park, Edison
Monmouth, Eatontown
Newport, Jersey City
Paramus Park, Paramus
Phillipsburg
Quaker Bridge, Lawrenceville
Rockaway
Willowbrook, Wayne
Woodbridge (2)

New Mexico
Coronado, Albuquerque
Cottonwood, Albuquerque

New York
Arnot, Horseheads
Boulevard, Amherst
Broadway, Hicksville
Carousel, Syracuse
Colonie
Cross County, Yonkers
Crossgates, Albany
Eastview, Victor
Galleria at Crystal Run, Middletown
Galleria at White Plains, White Plains
Great Northern, Clay
Greece Ridge, Greece
Green Acres, Valley Stream
Irondelquit
Jefferson Valley, Yorktown Heights
Kings Plaza, Brooklyn
Manhattan
Marketplace, Rochester
McKinley, Buffalo
Manuett
Newburgh
Oakdale, Johnson City
Poughkeepsie Galleria, Poughkeepsie
Roosevelt Field, Garden City
Rotterdam Square, Schenectady
Salmon Run, Watertown
Sangertown Square, New Hartford
Shoppingtown, De Witt
Smith Haven, Lake Grove
South Shore, Bay Shore
St. Lawrence Centre, Massena
Staten Island
Tanger Outlet at Riverhead II, Riverhead
Walden Galleria, Cheektowga

North Carolina
Carolina Place, Pinesville
Cary Towne, Cary
Charlotte Douglas Int'l Airport (2)
Concord Mills Outlet, Concord
Crabtree Valley, Raleigh
Cross Creek, Fayetteville
Eastland, Charlotte
Four Seasons, Greensboro
Hanes, Winston/Salem
Northgate, Durham
South Square, Durham
Tanger Outlet, Nags Head

North Dakota
Columbia, Grand Forks
Kirkwood Plaza, Bismarck
West Acres, Fargo

Ohio
Belden Village, Canton
Chapel Hill, Akron
Cleveland Hopkins Int'l Airport
Dayton
Eastgate, Cincinnati
Eastland, Columbus
Eastwood, Niles
Great Lakes, Mentor

Oklahoma
Penn Square, Oklahoma City
Woodland Hills, Tulsa

Oregon
Clackamas Town, Clackamas
Columbia Gorge Factory Stores, Troutdale
Factory Outlet, Bend
Factory Stores at Lincoln City, Lincoln City
Lloyd, Portland
Pioneer Place, Portland
Rogue Valley, Medford

Pennsylvania
Beaver Valley, Monaca
Berkshire, Wyomissing
Century III, West Mifflin
Crossings Factory Stores, Tannersville
Exton Square, Exton
Franklin Mills, Philadelphia
Landmark, Alexandria
Leesburg Corner, Leesburg
Lynnhaven, Virginia Beach
MacArthur Center, Norfolk
Manassas
Military Circle, Norfolk
Potomac Mills Outlet, Dale City
Springfield
Tysons Corner, McLean (2)

Rhode Island
Providence Place, Providence
Warwick (2)

South Carolina
Haywood, Greenville
Myrtle Beach Outlet, Myrtle Beach

South Dakota
Empire, Sioux Falls
Rushmore, Rapid City

Tennessee
Bellevue, Nashville
Cool Springs Galleria, Franklin
Hamilton Place, Chattanooga
Hickory Hollow, Antioch
Hickory Ridge, Memphis
Knoxville
Pigeon Forge Outlet, Pigeon Forge
Rivergate, Goodlettsville
Tanger Outlet, Sevierville
West Town, Knoxville
Wolfchase Galleria, Memphis

Texas
Barton Creek Square, Austin
Baybrook, Friendswood
Broadway Square, Tyler
Cielo Vista, El Paso
Collin Creek, Plano
Dallas/Ft. Worth Int'l Airport
Deerbrook, Humble
Del Norte, Laredo
Galleria, Dallas
Grapevine Mills, Grapevine (2)
Highland, Austin

Utah
Crossroads Plaza, Salt Lake City
Factory Stores of America, Draper
Fashion Place, Murray
University Park, Orem
Valley Fair, West Valley City

Virginia
Coliseum, Hampton
Fair Oaks, Fairfax
Landmark, Alexandria
Leesburg Corner, Leesburg
Lynnhaven, Virginia Beach
MacArthur Center, Norfolk
Manassas
Military Circle, Norfolk
Potomac Mills Outlet, Dale City
Springfield
Tysons Corner, McLean (2)

Washington
Alderwood, Lynnwood
Bellis Fair, Bellingham
Cascade, Burlington
Everett
Great Mall of Northwest, Auburn
Kitsap, Silverdale
Lakewood, Tacoma
Northgate, Seattle
Northtown, Spokane
Sea Tac, Federal Way
South Center, Tukwila
South Hill, Puyallup
Spokane Valley, Spokane
Tacoma
Three Rivers, Kelso
Vancouver
Westlake, Seattle

West Virginia
Grand Central, Parkersburg

Wisconsin
Bay Park, Green Bay
Brookfield
East Towne, Madison
Factory Outlet, Kenosha
Forest, Fond du Lac
Fox River, Appleton
Grand Avenue, Milwaukee
Horizon Outlet, Oshkosh
Janesville
Mayfair, Wauwatosa
Northridge, Milwaukee
Oakwood, Eau Claire
Port Plaza, Green Bay
Regency, Racine
Southridge, Greendale
Valley View, LaCrosse
Wausau
West Bend Factory Store, West Bend
West Towne, Madison

Canada
Lester B. Pearson Airport, Toronto (2)

United Kingdom
Gatwick Airport, London
Heathrow Airport, London

Houston Intercontinental Airport
Hulen, Ft. Worth
Ingram Park, San Antonio
Irving
Katy Mills Outlet, Katy
La Plaza, McAllen
Parks at Arlington, Arlington
Sharpstown, Houston
South Plains, Lubbock
Tanger Factory Outlet, San Marcos
Town East, Mesquite
Valley View, Dallas
Westgate, Amarillo

Great Northern, North Olmstead
Kenwood Towne, Cincinnati
Midway, Elyria
Northgate, Cincinnati
Northland, Columbus
Parnatow, Parma
Randall Park, Cleveland
Richland, Mansfield
Rolling Acres, Akron
Sandusky
Southern Park, Youngstown
Tri-County, Cincinnati
Tuttle Crossing, Dublin
Westland, Columbus

Emerald Square, North Attleboro
Faneuil Hall, Boston
Holyoke
Natick
North Dartmouth
Northshore, Peabody
Searstown, Leominster
Silver City, Taunton
Solomon Pond, Marlborough
South Shore, Braintree
Square One, Saugus
Swansea
Wrentham Village, Wrentham

Annapolis
Baltimore/Washington Int'l Airport (2)
Centre at Salisbury, Salisbury
Chesapeake Village Outlet, Queenstown
Columbia
East Point, Baltimore
Lakeforest, Gaithersburg
Landover
Laurel
Marley Station, Glen Burnie
Montgomery, Bethesda
Owings Mill, Owings Mills
Prime Hagerstown, Hagerstown
St. Charles Town Center, Waldorf
Townson
Wheaton Plaza, Wheaton
White Marsh, Parkville
Washington Dulles Int'l Airport

Brickyard, Chicago
Cherryvale, Rockford
Chicago O'Hare National Airport (4)
Chicago Ridge
Eastland, Bloomington
Evergreen, Evergreen Park
Ford City, Chicago (2)
Fox Valley, Aurora
Golf Mill, Niles
Gurnee Mills, Gurnee
Harlem-Irving Plaza, Norridge
Hawthorn, Vernon Hills
Lincoln, Matteson
Lincolnwood
Louis Joliet, Joliet
Machesney, Rockford
Market Place, Champaign
North Riverside Plaza, North Riverside
Northbrook Court, Northbrook
Northwoods, Peoria
Orland Square, Orland Park (2)
Randhurst, Mt. Prospect
River Oaks, Calumet City
Southpark, Moline
Spring Hill, West Dundee
St. Clair Square, Fairview Heights
Stratford Square, Bloomingdale
University, Carbondale
White Oaks, Springfield
Woodfield, Schaumburg (2)
Yorktown, Lombard

Castleton Square, Indianapolis
Eastland, Evansville
Gienbrook Square, Fort Wayne
Greenwood Park, Greenwood
Indianapolis Airport
Lafayette Square, Indianapolis
Muncie
Southlake, Merrillville (2)
Tippecanoe, Lafayette
University Park, Mishawaka
Washington Square, Indianapolis

Coral Ridge, Coralville
Merle Hay, Des Moines
Northpark, Davenport
Southern Hills, Sioux City
SouthRidge, Des Moines
Tanger Factory Outlet, Williamsburg

Oak Park, Overland Park
Towne East Square, Wichita
West Ridge, Topeka

Florence
Jefferson, Louisville
Oxmoor, Louisville
West Kentucky Outlet, Eddyville

Acadiana, Lafayette
Cortana, Baton Rouge
Esplanade, Kenner
Mall of Louisiana, Baton Rouge
Oakwood, Gretna
Tanger Factory Outlet, Gonzales

Auburn
Bangor
Freeport Street Outlet, Freeport
Maine, South Portland

Arsenal Marketplace, Watertown
Berkshire, Lanesboro
Burlington
Cambridgeside, Cambridge

Bannister, Kansas City
Battlefield, Springfield
Crestwood Plaza, Crestwood
Factory Merchants, Branson
Independence
Northwest Plaza, St. Ann
Osage Village, Osage Beach
Saint Louis Galleria, St. Louis
South County, St. Louis

Crossroads, Omaha
Gateway, Lincoln
Westroads, Omaha

Belz Factory Outlet World, Las Vegas
Boulevard, Las Vegas
Fashion Outlet of Las Vegas, Primm
Galleria at Sunset, Henderson
Meadowood, Reno
Meadows, Las Vegas

Belden Village, Canton
Chapel Hill, Akron
Cleveland Hopkins Int'l Airport
Dayton
Eastgate, Cincinnati
Eastland, Columbus
Eastwood, Niles
Great Lakes, Mentor

Carolina Place, Pinesville
Cary Towne, Cary
Charlotte Douglas Int'l Airport (2)
Concord Mills Outlet, Concord
Crabtree Valley, Raleigh
Cross Creek, Fayetteville
Eastland, Charlotte
Four Seasons, Greensboro
Hanes, Winston/Salem
Northgate, Durham
South Square, Durham
Tanger Outlet, Nags Head

Columbia, Grand Forks
Kirkwood Plaza, Bismarck
West Acres, Fargo

Barton Creek Square, Austin
Baybrook, Friendswood
Broadway Square, Tyler
Cielo Vista, El Paso
Collin Creek, Plano
Dallas/Ft. Worth Int'l Airport
Deerbrook, Humble
Del Norte, Laredo
Galleria, Dallas
Grapevine Mills, Grapevine (2)
Highland, Austin

Bellevue, Nashville
Cool Springs Galleria, Franklin
Hamilton Place, Chattanooga
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Hickory Ridge, Memphis
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Janesville
Mayfair, Wauwatosa
Northridge, Milwaukee
Oakwood, Eau Claire
Port Plaza, Green Bay
Regency, Racine
Southridge, Greendale
Valley View, LaCrosse
Wausau
West Bend Factory Store, West Bend
West Towne, Madison

Lester B. Pearson Airport, Toronto (2)

Gatwick Airport, London
Heathrow Airport, London

SHAREHOLDERS DIRECTORS
S H A R E H O L D E R I N F O R M A T I O N B O A R D O F D I R E C T O R S

CORPORATE HEADQUARTERS

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INDEPENDENT PUBLIC ACCOUNTANTS

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TRANSFER AGENT AND REGISTRAR

Norwest Bank Minnesota, N.A.
Stock Transfer Department
P.O. Box 738
South St. Paul, MN 55075
(800) 468-9716

FORM 10-K

Form 10-K filed with the Securities and Exchange Commission is available without charge upon written request.

Requests should be sent to:
Wilsons The Leather Experts Inc.
7401 Boone Avenue North
Brooklyn Park, MN 55428
Attention: Chief Financial Officer

ANNUAL MEETING

Annual Meeting of Shareholders
will be held at 10 a.m. Thursday, May 18, 2000
The Northland Inn
7025 Northland Drive
Brooklyn Park, MN 55428

STOCK EXCHANGE LISTING

Listed on The Nasdaq[®] National Market
Trading Symbol: WLSN

JOEL N. WALLER

Chairman of the Board and Chief Executive Officer
Wilsons The Leather Experts Inc.

DAVID L. ROGERS

President and Chief Operating Officer
Wilsons The Leather Experts Inc.

LYLE BERMAN

Chairman of the Board and Chief Executive Officer
Lakes Gaming, Inc. and
Chairman of the Board and Chief Executive Officer
Rainforest Cafe, Inc.

THOMAS J. BROSIG

President of Park Place Entertainment Corporation
Mid-South Region

GARY L. CRITTENDEN

Senior Vice President and Chief Financial Officer
Monsanto Company

MORRIS GOLDFARB

Chairman of the Board and Chief Executive Officer
G-III Apparel Group, Ltd.

MARVIN GOLDSTEIN

Private Investor

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LEATHER**

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