



INVESTOR PRESENTATION

2018 FIRST QUARTER

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

A&F cautions that any forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) contained in this presentation or made by management or spokespeople of A&F involve risks and uncertainties and are subject to change based on various important factors, many of which may be beyond the company's control. Words such as "estimate," "project," "plan," "believe," "expect," "anticipate," "intend," and similar expressions may identify forward-looking statements. Except as may be required by applicable law, we assume no obligation to publicly update or revise our forward-looking statements. The factors disclosed in "ITEM 1A. RISK FACTORS" of A&F's Annual Report on Form 10-K for the fiscal year ended February 3, 2018, in some cases have affected, and in the future could affect, the company's financial performance and could cause actual results for the 2018 fiscal year and beyond to differ materially from those expressed or implied in any of the forward-looking statements included in this presentation or otherwise made by management.

OTHER INFORMATION

The following presentation includes certain adjusted non-GAAP financial measures. Additional details about non-GAAP financial measures and a reconciliation of GAAP financial measures to non-GAAP financial measures is included in the news release issued by the company on June 1, 2018, which is available in the "Investors" section of the company's website, located at corporate.abercrombie.com. As used in the presentation, "GAAP" refers to accounting principles generally accepted in the United States of America.

All dollar and share amounts are in 000's unless otherwise stated. Sub-totals and totals may not foot due to rounding.

Net loss and net loss per share financial measures included herein are attributable to Abercrombie & Fitch Co., excluding net income attributable to noncontrolling interests.

Q1 P&L SUMMARY

	2018	% OF NET SALES	2017	% OF NET SALES
NET SALES	\$730,899	100.0%	\$661,099	100.0%
GROSS PROFIT	442,345	60.5%	398,925	60.3%
OPERATING EXPENSE	487,108	66.6%	470,552	71.2%
OTHER OPERATING INCOME, NET	(2,560)	(0.4)%	(1,686)	(0.3)%
OPERATING LOSS	(42,203)	(5.8)%	(69,941)	(10.6)%
INTEREST EXPENSE, NET	3,018	0.4%	4,120	0.6%
LOSS BEFORE TAXES	(45,221)	(6.2)%	(74,061)	(11.2)%
TAX BENEFIT	(3,713)	(0.5)%	(13,052)	(2.0)%
NET LOSS	\$(42,461)	(5.8)%	\$(61,700)	(9.3)%
NET LOSS PER SHARE				
BASIC	\$(0.62)		\$(0.91)	
DILUTED	\$(0.62)		\$(0.91)	
WEIGHTED-AVERAGE SHARES OUTSTANDING				
BASIC	68,500		68,073	
DILUTED	68,500		68,073	

Q1 ADJUSTED P&L SUMMARY

	2018 ⁽¹⁾	% OF NET SALES	2017	% OF NET SALES
NET SALES	\$730,899	100.0%	\$661,099	100.0%
GROSS PROFIT	442,345	60.5%	398,925	60.3%
OPERATING EXPENSE	481,508	65.9%	470,552	71.2%
OTHER OPERATING INCOME, NET	(2,560)	(0.4)%	(1,686)	(0.3)%
OPERATING LOSS	(36,603)	(5.0)%	(69,941)	(10.6)%
INTEREST EXPENSE, NET	3,018	0.4%	4,120	0.6%
LOSS BEFORE TAXES	(39,621)	(5.4)%	(74,061)	(11.2)%
TAX BENEFIT	(2,172)	(0.3)%	(13,052)	(2.0)%
NET LOSS	\$(38,402)	(5.3)%	\$(61,700)	(9.3)%
NET LOSS PER SHARE				
BASIC	\$(0.56)		\$(0.91)	
DILUTED	\$(0.56)		\$(0.91)	
WEIGHTED-AVERAGE SHARES OUTSTANDING				
BASIC	68,500		68,073	
DILUTED	68,500		68,073	

⁽¹⁾ The Q1 Adjusted P&L Summary for the current period is presented on an adjusted non-GAAP basis, and excludes the effect of certain items set out on page 5.

Q1 NON-GAAP RECONCILIATION

	GAAP 2018	EXCLUDED ITEMS	NON-GAAP 2018
MARKETING, GENERAL & ADMINISTRATIVE ⁽¹⁾	\$124,897	\$5,600	\$119,297
OPERATING LOSS	(42,203)	(5,600)	(36,603)
LOSS BEFORE TAXES	(45,221)	(5,600)	(39,621)
TAX BENEFIT ⁽²⁾	(3,713)	(1,541)	(2,172)
NET LOSS	\$(42,461)	\$(4,059)	\$(38,402)
NET LOSS PER DILUTED SHARE	\$(0.62)	\$(0.06)	\$(0.56)
DILUTED WEIGHTED-AVERAGE SHARES OUTSTANDING	68,500		68,500

⁽¹⁾ Excluded Items consist of legal charges of \$5.6 million in connection with a proposed settlement of a class action claim related to alleged wage and hour practices.

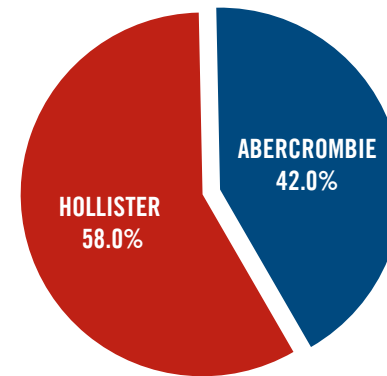
⁽²⁾ The tax effect of excluded items is the difference between the tax provision calculation on a GAAP basis and an adjusted non-GAAP basis.

Q1 2018 SALES*

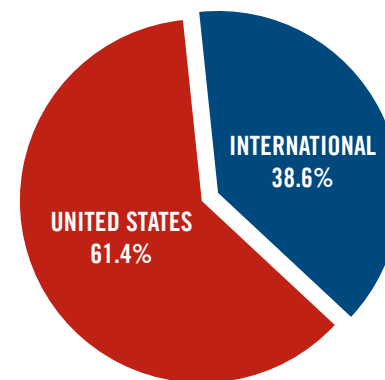
COMPARABLE SALES ⁽¹⁾

TOTAL COMPANY	5%
BRAND:	
HOLLISTER	6%
ABERCROMBIE	3%
GEOGRAPHY:	
UNITED STATES	8%
INTERNATIONAL	0%

BRAND



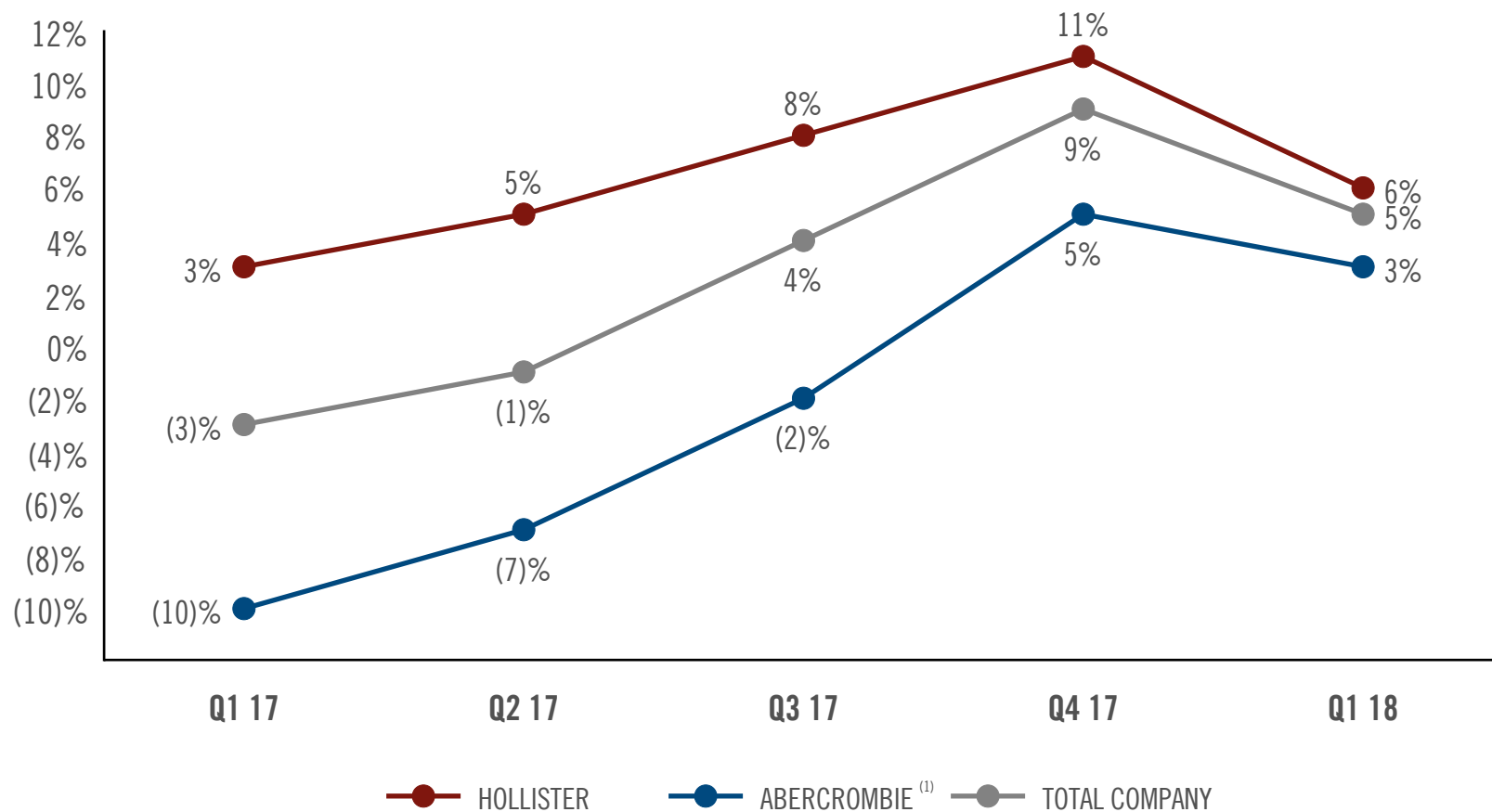
GEOGRAPHY



* Abercrombie includes the company's Abercrombie & Fitch and abercrombie kids brands.

⁽¹⁾ Comparable sales are calculated on a constant currency basis and exclude revenue other than store and online sales. Due to the calendar shift resulting from the 53rd week in fiscal 2017, comparable sales for the first quarter ended May 5, 2018 are compared to the 13 weeks ended May 6, 2017.

COMPARABLE SALES TREND BY BRAND*



* Comparable sales are calculated on a constant currency basis and exclude revenue other than store and online sales. Due to the 53rd week in fiscal 2017, fourth quarter of fiscal 2017 comparable sales are compared to the fourteen week period ended February 4, 2017 and first quarter of fiscal 2018 comparable sales are compared to the thirteen week period ended May 6, 2017.

⁽¹⁾ Abercrombie includes the company's Abercrombie & Fitch and abercrombie kids brands.

Q1 OPERATING EXPENSE

	GAAP 2018	% OF NET SALES	NON-GAAP 2018 ⁽¹⁾	% OF NET SALES	GAAP 2017	% OF NET SALES	GAAP Δ bps ⁽²⁾	NON-GAAP Δ bps ⁽²⁾
STORE OCCUPANCY ⁽³⁾	\$162,214	22.2%	\$162,214	22.2%	\$166,822	25.2%	(300)	(300)
ALL OTHER ⁽⁴⁾	198,941	27.2%	198,941	27.2%	193,107	29.2%	(200)	(200)
STORES AND DISTRIBUTION	361,155	49.4%	361,155	49.4%	359,929	54.4%	(500)	(500)
MARKETING, GENERAL & ADMINISTRATIVE	124,897	17.1%	119,297	16.3%	109,893	16.6%	50	(30)
ASSET IMPAIRMENT	1,056	0.1%	1,056	0.1%	730	0.1%	—	—
TOTAL	\$487,108	66.6%	\$481,508	65.9%	\$470,552	71.2%	(460)	(530)

⁽¹⁾ Q1 Adjusted Operating Expense for the current period is presented on an adjusted non-GAAP basis, and excludes the effect of certain items set out of page 5.

⁽²⁾ Rounded based on reported percentages.

⁽³⁾ Includes rent, other landlord charges, utilities, depreciation and other occupancy expense.

⁽⁴⁾ Includes selling payroll, store management and support, other store expense, direct-to-consumer expense, and distribution center costs.

Q1 SHARE REPURCHASES

	SHARES REPURCHASED	2018 COST	AVERAGE COST	SHARES REPURCHASED	2017 COST	AVERAGE COST
Q1	778.2	\$18,670	\$23.99	—	—	—

Q1 STORE OPENINGS

	BRAND	CENTER	CITY	DATE
U.S.	Hollister	Opry Mills	Nashville, TN	3/30/2018

Q1 STORE COUNT ACTIVITY

ALL BRANDS	TOTAL	UNITED STATES	CANADA	EUROPE	ASIA	MIDDLE EAST
START OF Q1 2018	868	679	18	117	46	8
NEW	1	1	—	—	—	—
CLOSED	—	—	—	—	—	—
END OF Q1 2018	869	680	18	117	46	8

HOLLISTER ⁽¹⁾

START OF Q1 2018	538	394	11	100	28	5
NEW	1	1	—	—	—	—
CLOSED	—	—	—	—	—	—
END OF Q1 2018	539	395	11	100	28	5

ABERCROMBIE ⁽²⁾

START OF Q1 2018	330	285	7	17	18	3
NEW	—	—	—	—	—	—
CLOSED	—	—	—	—	—	—
END OF Q1 2018	330	285	7	17	18	3

⁽¹⁾ Excludes six and five international franchise stores as of May 5, 2018 and February 3, 2018, respectively.

⁽²⁾ Abercrombie includes the company's Abercrombie & Fitch and abercrombie kids brands. Locations with abercrombie kids carveouts within Abercrombie & Fitch stores are represented as a single store count. Excludes six and four international franchise stores as of May 5, 2018 and February 3, 2018, respectively.

OUTLOOK

FOR FISCAL 2018, THE COMPANY NOW EXPECTS:

- COMPARABLE SALES TO BE UP IN THE RANGE OF 2% TO 4%
- NET SALES TO BE UP IN THE RANGE OF 2% TO 4%, WITH NET SALES IN THE SECOND QUARTER TO BE UP HIGH-SINGLE DIGITS, INCLUDING BENEFITS FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES AND THE CALENDAR SHIFT
 - CHANGES IN FOREIGN CURRENCY EXCHANGE RATES TO BENEFIT NET SALES BY APPROXIMATELY \$50 MILLION, INCLUDING APPROXIMATELY \$25 MILLION IN THE FIRST QUARTER, AND OPERATING INCOME BY APPROXIMATELY \$15 MILLION
 - THE CALENDAR SHIFT AND THE LOSS OF FISCAL 2017'S 53RD WEEK TO ADVERSELY IMPACT NET SALES BY APPROXIMATELY \$40 MILLION, WITH BENEFITS TO FIRST QUARTER AND SECOND QUARTER NET SALES OF APPROXIMATELY \$10 MILLION AND \$30 MILLION, RESPECTIVELY, TO BE MORE THAN OFFSET BY ADVERSE IMPACTS TO THIRD QUARTER AND FOURTH QUARTER NET SALES OF APPROXIMATELY \$20 MILLION AND \$60 MILLION, RESPECTIVELY
- A GROSS PROFIT RATE UP SLIGHTLY FROM THE FISCAL 2017 RATE OF 59.7%
- GAAP OPERATING EXPENSE, EXCLUDING OTHER OPERATING INCOME, TO BE UP APPROXIMATELY 2% FROM FISCAL 2017 ADJUSTED NON-GAAP OPERATING EXPENSE OF \$2 BILLION, AND FOR THE SECOND QUARTER TO BE UP MID-SINGLE DIGITS FROM FISCAL 2017 ADJUSTED NON-GAAP OPERATING EXPENSE OF \$479 MILLION
- A WEIGHTED AVERAGE DILUTED SHARE COUNT OF APPROXIMATELY 70 MILLION SHARES

THE COMPANY EXPECTS THE EFFECTIVE TAX RATE TO BE IN THE MID-30S FOR THE FULL YEAR AND IN THE MID-TO-UPPER 20S FOR THE REMAINDER OF THE YEAR

THE COMPANY EXPECTS FULL YEAR CAPITAL EXPENDITURES TO BE IN THE RANGE OF \$135 MILLION TO \$140 MILLION

FULL YEAR OUTLOOK

	PREVIOUS OUTLOOK	CURRENT OUTLOOK
NET SALES ⁽¹⁾	UP LOW-SINGLE DIGITS	UP 2% TO 4%
COMPARABLE SALES ⁽²⁾	UP LOW-SINGLE DIGITS	UP 2% TO 4%
GROSS PROFIT ⁽³⁾	UP SLIGHTLY	UP SLIGHTLY
OPERATING EXPENSE ⁽⁴⁾	UP APPROXIMATELY 1%	UP APPROXIMATELY 2%
WEIGHTED AVERAGE DILUTED SHARES	APPROXIMATELY 71M SHARES	APPROXIMATELY 70M SHARES
EFFECTIVE TAX RATE	MID-TO-HIGH 30S	MID-30S
CAPITAL EXPENDITURES	APPROXIMATELY \$130M	\$135M TO \$140M

⁽¹⁾ Includes expected benefits from changes in foreign currency exchange rates of approximately \$50 million, largely offset by the adverse impact from the loss of 2017's 53rd week of approximately \$40 million.

⁽²⁾ Comparable sales are calculated on a constant currency basis. Due to the calendar shift resulting from the 53rd week in fiscal 2017, comparable sales for the 52 weeks ended February 2, 2019 are compared to the 52 weeks ended February 3, 2018.

⁽³⁾ As compared to fiscal 2017 gross profit rate of 59.7%

⁽⁴⁾ As compared to fiscal 2017 adjusted non-GAAP operating expense of \$2 billion, excluding other operating income, net. Relative to the previous outlook, the current outlook includes certain legal charges of \$5.6 million, lease termination charges of \$3.9 million and volume related expenses on higher sales.

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Abercrombie
& Fitch

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