



# Abercrombie & Fitch Co.

Abercrombie  
& Fitch

abercrombie  
kids

 HOLLISTER

GILLY  
HICKS

*SOCIAL  
TOURIST*

**INVESTOR PRESENTATION:  
FIRST QUARTER 2023**

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

This presentation contains forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995). These statements, including, without limitation, statements regarding our second quarter and annual fiscal 2023 results, relate to our current assumptions, projections and expectations about our business and future events. Any such forward-looking statements involve risks and uncertainties and are subject to change based on various important factors, many of which may be beyond the company's control. The inclusion of such information should not be regarded as a representation by the company, or any other person, that the objectives of the company will be achieved. Words such as "estimate," "project," "plan," "believe," "expect," "anticipate," "intend," "should," "are confident," "will," "could," "outlook," 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 any forward-looking statements, including any financial targets or estimates, whether as a result of new information, future events, or otherwise. Factors that may cause results to differ from those expressed in our forward-looking statements include, but are not limited to, the factors disclosed in Part I, Item 1A. "Risk Factors" of the company's Annual Report on Form 10-K for the fiscal year ended January 28, 2023, and otherwise in our reports and filings with the Securities and Exchange Commission, as well as the following factors: risks related to changes in global economic and financial conditions, and the resulting impact on consumer confidence and consumer spending, as well as other changes in consumer discretionary spending habits; risks related to recent inflationary pressures with respect to labor and raw materials and global supply chain constraints that have, and could continue, to affect freight, transit, and other costs; risks related to geopolitical conflict, including the on-going hostilities in Ukraine, acts of terrorism, mass casualty events, social unrest, civil disturbance or disobedience; risks related to our failure to engage our customers, anticipate customer demand and changing fashion trends, and manage our inventory; risks related to our failure to operate effectively in a highly competitive and constantly evolving industry; risks related to our ability to execute on our strategic and growth initiatives, including those outlined in our Always Forward Plan; risks related to fluctuations in foreign currency exchange rates; risks related to fluctuations in our tax obligations and effective tax rate, including as a result of earnings and losses generated from our international operations, may result in volatility in our results of operations; risks and uncertainty related to the COVID-19 pandemic and any other adverse public health developments; risks associated with corporate responsibility issues; risks related to cybersecurity threats and privacy or data security breaches; and the potential loss or disruption to our information systems.

### **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 Appendix to this presentation. As used in the presentation, "GAAP" refers to accounting principles generally accepted in the United States of America. Sub-totals and totals may not foot due to rounding. Net income (loss) and net income (loss) per share financial measures included herein are attributable to Abercrombie & Fitch Co., excluding net income attributable to noncontrolling interests.

As used in this presentation, unless otherwise defined, references to "Abercrombie" includes the company's Abercrombie & Fitch and abercrombie kids brands and references to "Hollister" include the company's Hollister, Gilly Hicks, and Social Tourist brands.



**Abercrombie & Fitch Co. is a global, digitally-led, omnichannel apparel and accessories retailer catering to kids through millennials with assortments curated for their specific lifestyle needs**

**Our corporate purpose of 'Being here for you on the journey to being and becoming who you are' fuels our purpose-led brands and our global associates**

# OUR BRANDS



Abercrombie & Fitch



HOLLISTER



for kids through millennials

abercrombie  
kids

— AGES 5-13 —

HOLLISTER

— AGES 13-20 —

SOCIAL  
TOURIST

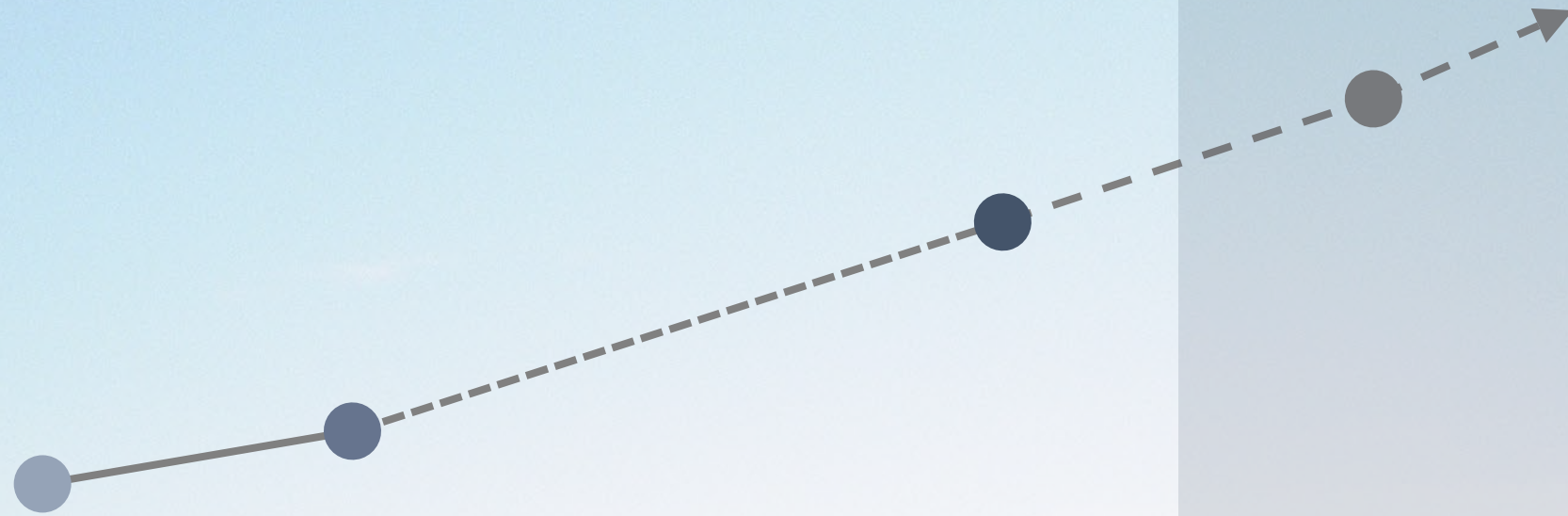
GILLY  
HICKS

Abercrombie  
& Fitch

— AGES 21-40+ —

# OUR JOURNEY

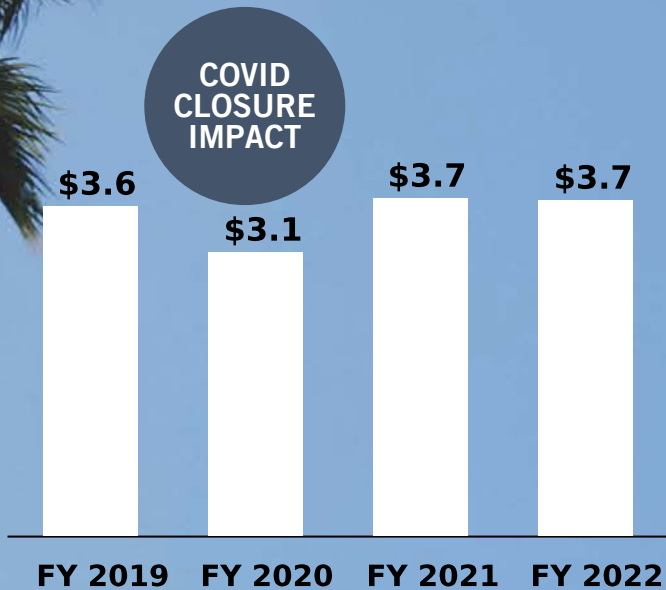
GROWTH FOCUS,  
LEVERAGING  
TRANSFORMED  
OPERATING MODEL



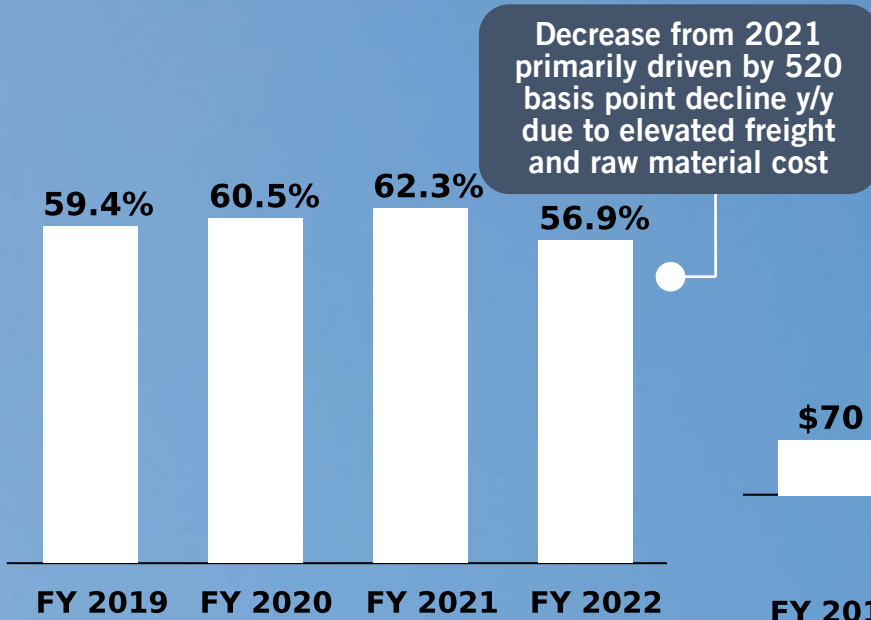
2017	2022	2023	2025	LONG-TERM ASPIRATION
<i>STABILIZE</i>	<i>TRANSFORM</i>	<i>GROW</i>	<i>TARGET</i>	<i>GOAL</i>
REVENUE	\$3.7B	»FWD»	\$4.1-\$4.3B	\$5.0B
OPERATING MARGIN	3%	ALWAYS FORWARD PLAN	8%+	10%+

# SALES & PROFITABILITY HISTORY

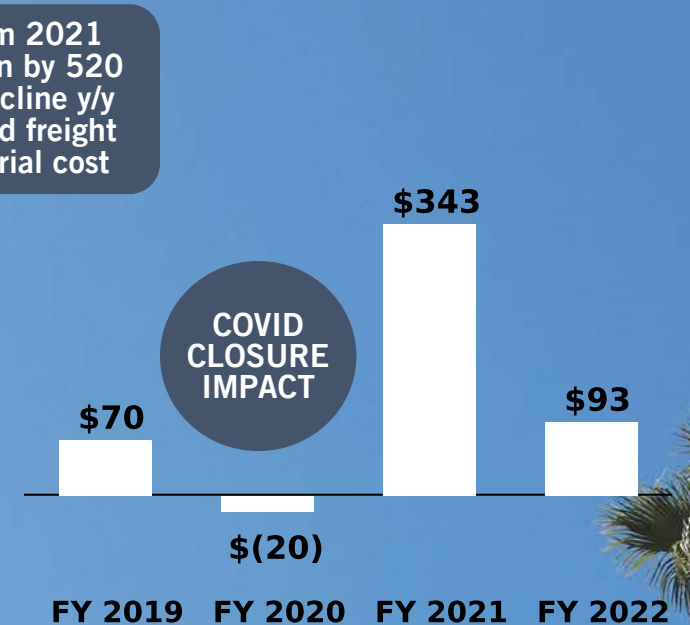
**Fiscal Net Sales**  
(in \$ billions)



**Gross Profit Rate**  
(as a % of net sales)



**Operating Income (Loss)**  
(in \$ millions)



**TRANSFORM PHASE:**  
Gross Profit Rate improvement  
2019-2021 primarily from AUR





# ALWAYS FORWARD PLAN

## 2025 TARGETS:

**\$4.1B - \$4.3B  
REVENUES**

**8%+  
OPERATING MARGIN**

**\$600M  
MINIMUM FREE CASH FLOW  
GENERATION OVER 3 YEARS**

**LONG-TERM GOAL OF \$5B  
IN REVENUES AND A 10%+  
OPERATING MARGIN**

## ALWAYS FORWARD PLAN PILLARS

### ALWAYS FORWARD PLAN INTRODUCED AT JUNE 2022 INVESTOR DAY

**1**

#### EXECUTE FOCUSED BRAND GROWTH PLANS

- Data driven approach to store expansion
- Grow brand lovers through digital marketing and social selling

**2**

#### ACCELERATE AN ENTERPRISE-WIDE DIGITAL REVOLUTION

- "Know Them Better" - continued expansion and acceleration of investments in customer analytics to improve customer engagement
- "Wow Them Everywhere" - continued investments in people, systems, and processes to improve the end-to-end customer experience

**3**

#### OPERATE WITH FINANCIAL DISCIPLINE

- Operate with a more agile cost structure
- Seek expense efficiencies while protecting investments in digital, technology and store growth

# 1 FOCUSED BRAND GROWTH

## PRODUCT



### PRODUCT FRANCHISES & EXTENSIONS

- Active (YPB in A&F)
- A&F Best Dressed Guest
- Graphics Licensing

## VOICE



### DIGITAL CUSTOMER ACQUISITION

- Influencer Channel
- Social Commerce (Instagram, TikTok, WeChat)
- Affiliate Sales

## EXPERIENCE



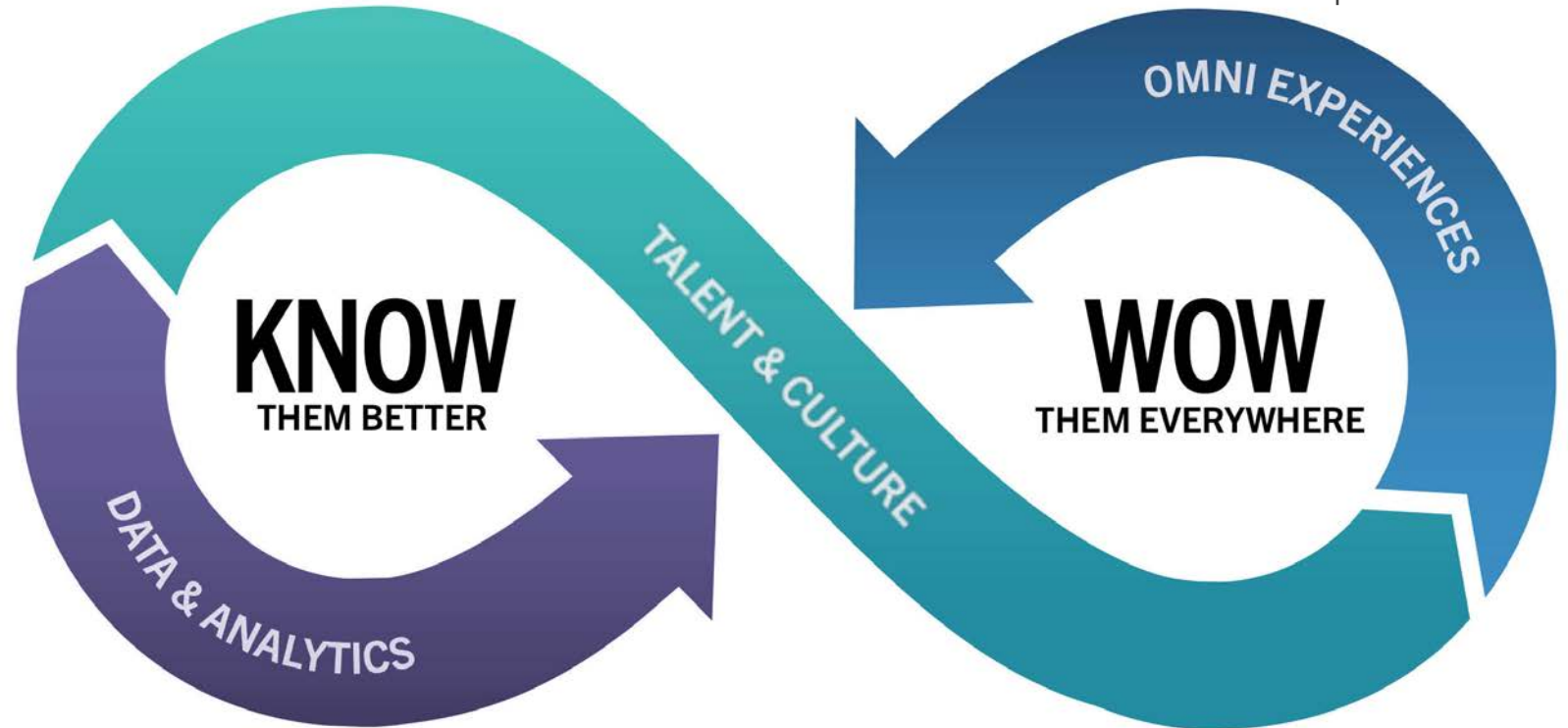
### GEOGRAPHIC EXPANSION

- Physical/Digital Experiences
- U.S. & International Stores
- Wholesale & Digital Marketplaces

# 2 ENTERPRISE-WIDE DIGITAL REVOLUTION

- Modernize Foundation (Retail ERP, Data Infrastructure)
- Consistency In Store and At Home
- Powerful, Modern Loyalty Program

- Personalization
- Fast, Digital Product Testing
- Real Estate Location Analytics



# 3 FINANCIAL DISCIPLINE

	2021	2022	»FWD» 2025 TARGET
NET SALES	\$3.7B	\$3.7B	\$4.1B-\$4.3B
GROSS PROFIT <sup>(1)</sup>	62.3%	56.9%	60% - 63%
OPERATING EXPENSE <sup>(1)</sup>	53.3%	54.5%	52% - 53%
OPERATING INCOME <sup>(1)</sup>	9.2%	2.5%	8%+

- **GROSS MARGIN** expansion from 2022 on improved AUR and lower AUC through net reduction in freight and raw materials costs

- **OPERATING EXPENSE** leverage from sales volume, net of expected inflation and investments in digital infrastructure, marketing

(1) Reflected as a percent of net sales.

# 2023 Q1 ALWAYS FORWARD HIGHLIGHTS

“Fiscal 2023 is off to a strong start with first quarter net sales and operating margin above our expectations. Net sales grew 3% to last year, led by Abercrombie brands where we grew 14%, achieving the highest first quarter sales in more than a decade.”

Fran Horowitz | CEO, Abercrombie & Fitch Co.

## SALES

**↗ \$836M**  
**(+3% Y/Y)**



**DRIVEN BY  
ABERCROMBIE BRANDS  
RECORD Q1 SALES  
(+14% Y/Y)**

## GROSS MARGIN

**↑ 61.0%**  
**(+570 BPS Y/Y)**

**BENEFITING FROM AUR  
GROWTH AND LOWER  
FREIGHT COSTS**

## INVENTORY

**📋 (20)% Y/Y**

## OPERATING INCOME

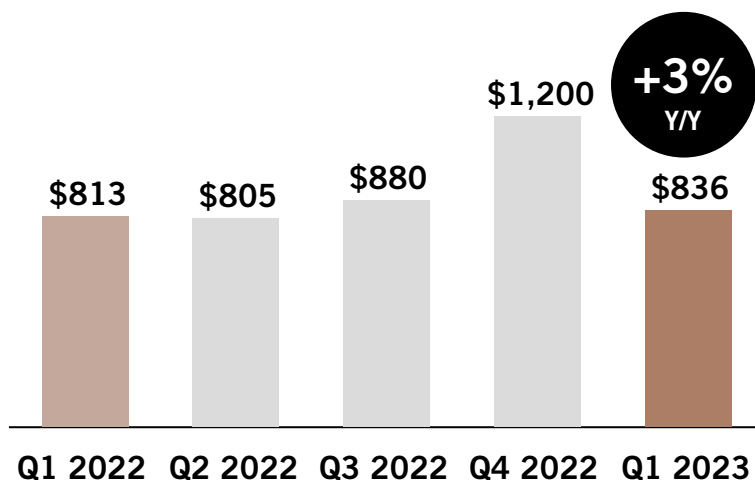
**💰 \$34.0M**  
**OR 4.1%**  
**(+530 BPS Y/Y)**



**DRIVEN BY  
HOLLISTER  
BRANDS**

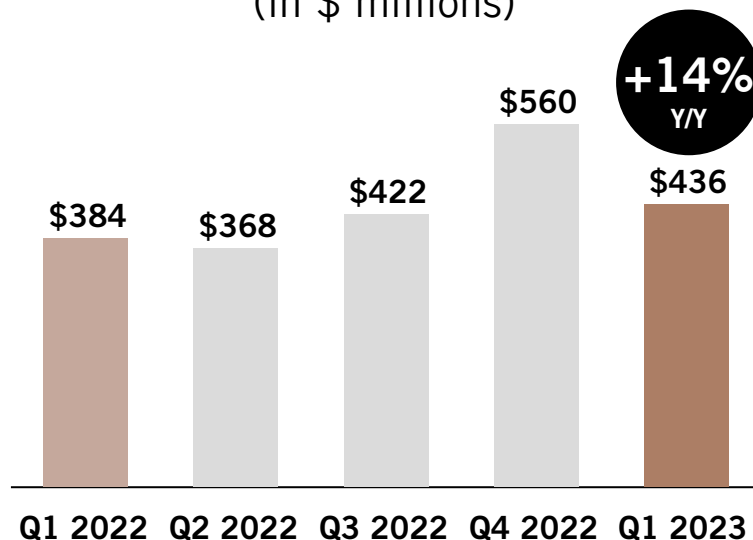
# 2023 Q1 SALES RESULTS

## Total Company Net Sales (in \$ millions)



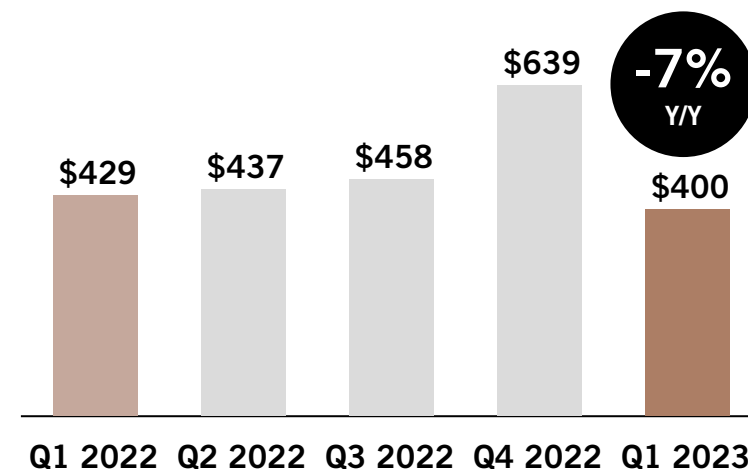
- Highest Q1 net sales since 2014
- Net sales up 3% to last year
- Net sales up 4% on a constant currency basis<sup>(1)</sup>

## Abercrombie Brands Net Sales (in \$ millions)



- Decade-high Q1 sales for the brand
- Consistent growth across genders, channels and geographies
- 52% of total net sales

## Hollister Brands Net Sales (in \$ millions)

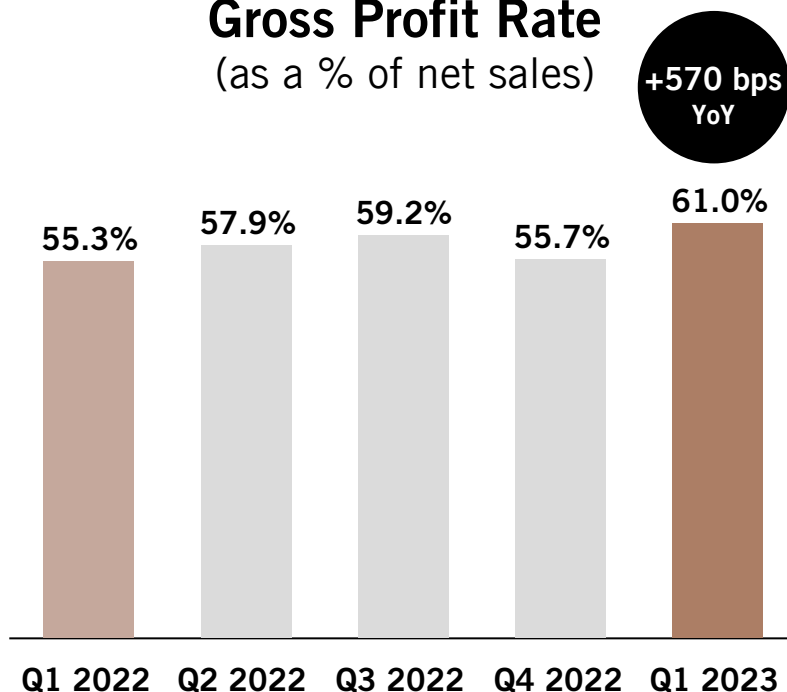


- Delivered significant Y/Y gross profit rate improvement and Y/Y inventory reduction
- 48% of total net sales

(1) The estimated impact from foreign currency is calculated by applying current period exchange rates to prior year results using a 26% tax rate. Refer to the Appendix for further details.

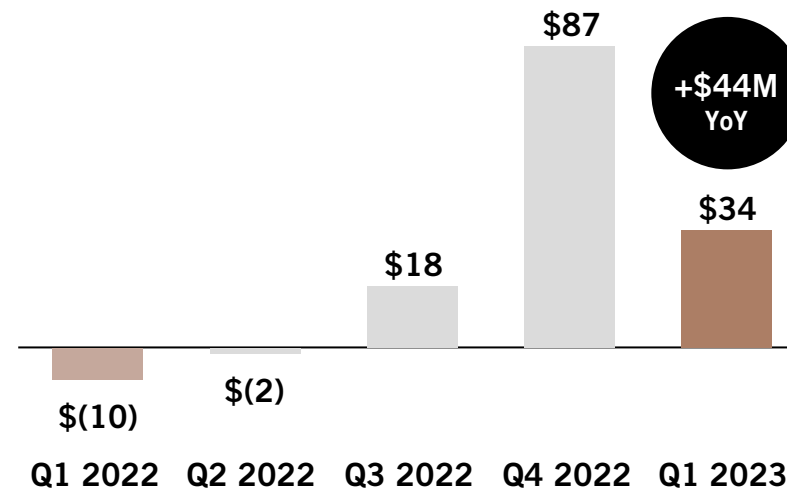
# 2023 Q1 GROSS PROFIT/ OPERATING INCOME

## Gross Profit Rate (as a % of net sales)



- Year-over-year AUR growth
- Benefit from lower freight costs (approx. +760 bps), AUR growth (approx. +230 bps)
- Offset by higher raw materials costs (approx. -320bps) and foreign currency (approx. -100bps)

## Operating Income (Loss) (in \$ millions)



- Driven by year-over-year increase in gross profit
- Offset by increased investment in technology, expense inflation

# 2023 Q1 FINANCIAL POSITION

## CASH & EQUIVALENTS

- \$447M as compared to \$468M last year

## INVENTORIES

- \$448M, down 20% from last year

## SHORT-TERM BORROWINGS

- No borrowings outstanding under the company's senior secured revolving credit facility ("ABL Facility")
- \$311M of borrowing available under ABL Facility as of April 29, 2023

## GROSS LONG-TERM BORROWINGS

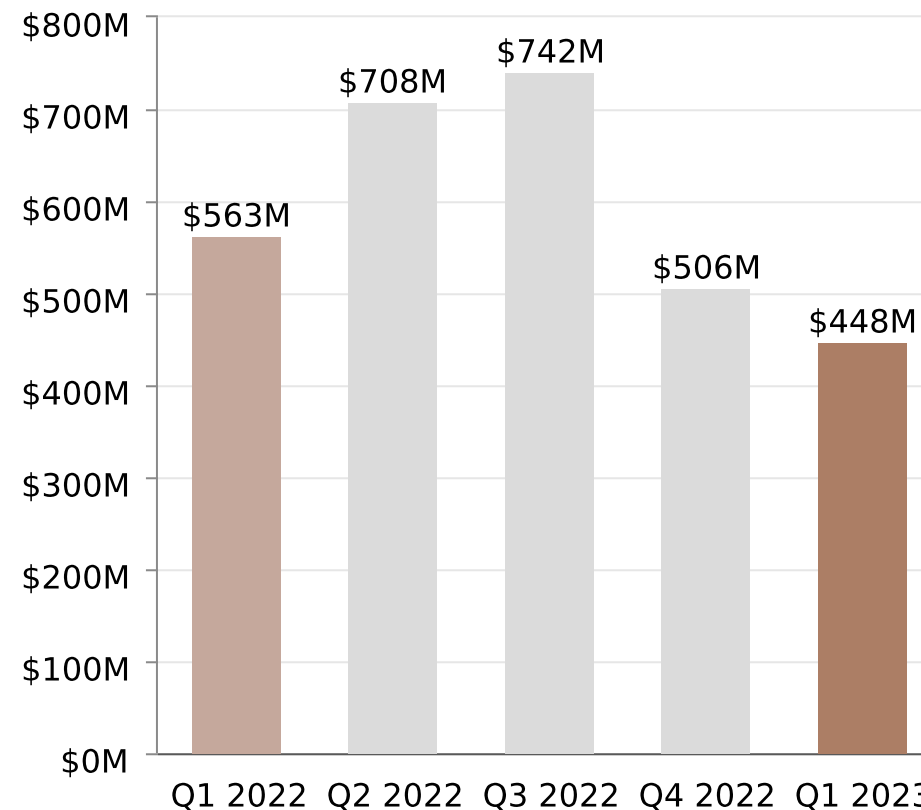
- \$300M outstanding compared with \$308M last year

## TOTAL LIQUIDITY <sup>(1)</sup>

- \$758M as compared to \$783M last year

(1) Liquidity is comprised of cash and equivalents and borrowing available under the ABL Facility.

## Inventory





The following outlook replaces all previous full year guidance. For fiscal 2023, the company now expects:

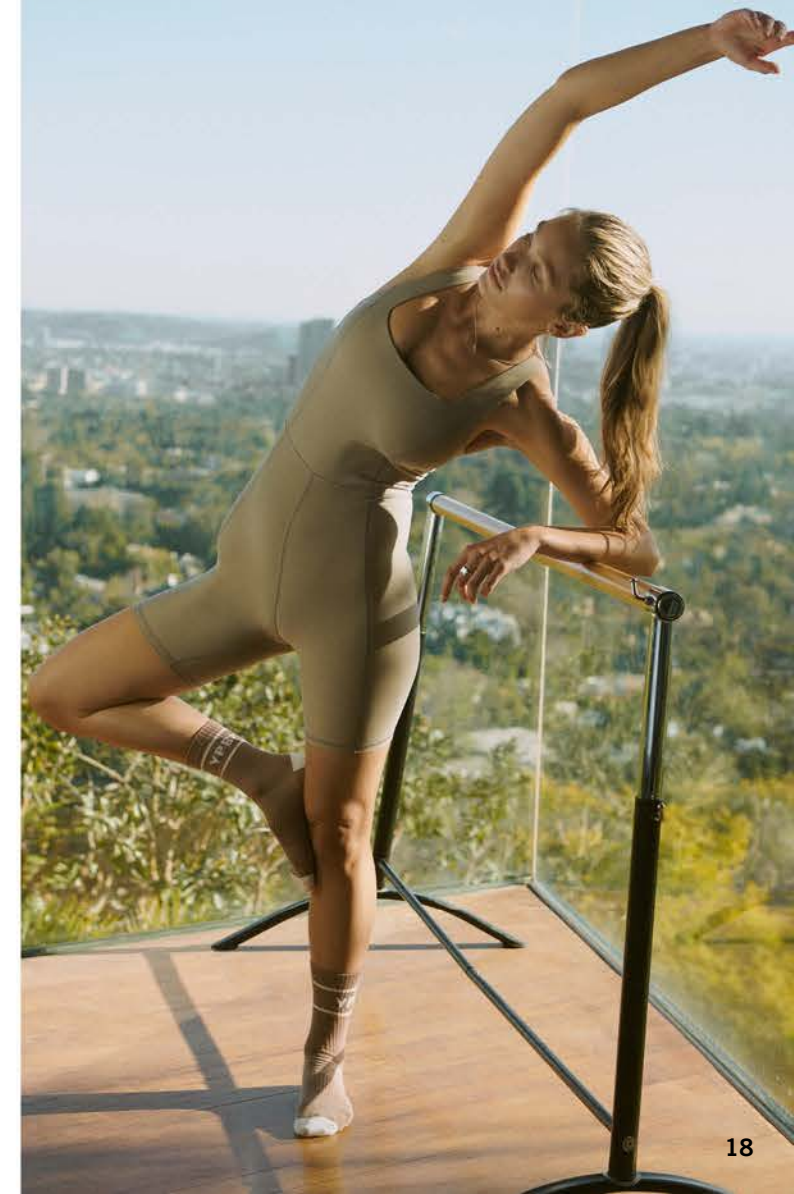
- Net sales growth in the range of 2 to 4% from \$3.7 billion in 2022. This is an increase to the previous outlook of up 1 to 3%. The current outlook assumes that Abercrombie will continue to outperform Hollister and the U.S. will continue to outperform International. Also, fiscal 2023 includes a 53rd week for reporting purposes, along with net store expansion. The 53rd week is estimated to add approximately \$45 million to total net sales in the fourth quarter and full year of 2023.
- Operating margin to be in a range of 5 to 6%. This range improves from the previous outlook of 4 to 5%. The current outlook includes a benefit of around 250 basis points from full year 2022 levels on expected net improvement in freight and raw material costs, partially offset by modest operating margin deleverage from the combination of inflation and increased operating expense investment for the 2025 Always Forward Plan initiatives, including an upgrade of our retail merchandising ERP system.
- Effective tax rate to be in the high-30s. This replaces the previous outlook of mid-40s. The current outlook assumes the continued inability to realize benefits on certain expected tax losses incurred outside of the U.S., although to a lesser extent than the prior outlook provided.
- Capital expenditures of approximately \$160 million.



# 2023 Q2 QUARTERLY OUTLOOK

For the second quarter of fiscal 2023, the company expects:

- Net sales growth to be in the range of 4 to 6% compared to fiscal second quarter 2022 level of \$805 million.
- Operating margin to be in the range of 2 to 3% compared to breakeven in Q2 2022 period on expected net improvement in freight and raw material costs, partially offset by modest operating margin deleverage from the combination of inflation and increased operating expense investment for the 2025 Always Forward Plan initiatives, including an upgrade of our retail merchandising ERP system.
- Effective tax rate around 50% with the rate being sensitive to the jurisdictional mix and level of income.



# APPENDIX



# INCOME STATEMENT

<i>(in thousands)</i>	GAAP			
	Q1 2023	% OF NET SALES	Q1 2022	% OF NET SALES
<b>NET SALES</b>	\$835,994	100.0%	\$812,762	100.0%
<b>GROSS PROFIT</b> <sup>(1) (2)</sup>	509,794	61.0%	449,546	55.3%
<b>OPERATING EXPENSE</b>	478,680	57.3%	463,114	57.0%
<b>OTHER OPERATING INCOME, NET</b>	(2,894)	(0.3)%	(3,842)	(0.5)%
<b>OPERATING INCOME (LOSS)</b>	34,008	4.1%	(9,726)	(1.2)%
<b>INTEREST EXPENSE, NET</b>	3,443	0.4%	7,307	0.9%
<b>INCOME (LOSS) BEFORE INCOME TAXES</b>	30,565	3.7%	(17,033)	(2.1)%
<b>INCOME TAX EXPENSE (BENEFIT)</b>	12,718	1.5%	(2,187)	(0.3)%
<b>NET INCOME (LOSS)</b>	\$16,571	2.0%	\$(16,469)	(2.0)%
<b>NET INCOME (LOSS) PER SHARE ATTRIBUTABLE TO A&amp;F</b>				
<b>BASIC</b>	\$0.33		\$(0.32)	
<b>DILUTED</b>	\$0.32		\$(0.32)	
<b>WEIGHTED-AVERAGE SHARES</b>				
<b>BASIC</b>	49,574		52,077	
<b>DILUTED</b>	51,467		52,077	

<sup>(1)</sup> Gross profit is derived from cost of sales, exclusive of depreciation and amortization.

<sup>(2)</sup> Gross profit rate of 61.0%, up approximately 570 basis points as compared to last year. The year-over-year improvement was primarily driven by year-over-year AUR growth and a benefit from lower freight costs partially offset by higher cotton costs and an adverse impact from foreign currency.





# OPERATING EXPENSE

<i>(in thousands)</i>	Q1 2023	% OF NET SALES	Q1 2022	% OF NET SALES	1 YR Δ BPS <sup>(3)</sup>
<b>STORES AND DISTRIBUTION</b>	331,613	39.7%	337,543	41.5%	(180)
<b>MARKETING, GENERAL &amp; ADMINISTRATIVE</b>	142,631	17.1%	122,149	15.0%	210
<b>ASSET IMPAIRMENT</b>	4,436	0.5%	3,422	0.4%	10
<b>TOTAL OPERATING EXPENSE - GAAP</b>	<b>\$478,680</b>	<b>57.3%</b>	<b>\$463,114</b>	<b>57.0%</b>	<b>30</b>
<b>RECONCILIATION OF GAAP TO NON-GAAP OPERATING EXPENSE</b>					
<b>TOTAL OPERATING EXPENSE - GAAP</b>	<b>478,680</b>	<b>57.3%</b>	<b>463,114</b>	<b>57.0%</b>	<b>30</b>
<b>EXCLUDED ITEMS <sup>(4)</sup></b>	4,436	0.5%	3,422	0.4%	10
<b>TOTAL ADJUSTED OPERATING EXPENSE - NON-GAAP</b>	<b>\$474,244</b>	<b>56.7%</b>	<b>\$459,692</b>	<b>56.6%</b>	<b>10</b>

(1) Includes operating lease costs, other landlord charges, utilities, depreciation and other occupancy expense.

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

(3) Rounded based on reported percentages.

(4) Excluded items consist of pre-tax store and other asset impairment charges for the current year and pre-tax store asset impairment charges for the prior year, respectively. Refer to the Appendix for further details.

# BALANCE SHEET

<i>(in thousands)</i>	APRIL 29, 2023	JANUARY 28, 2023	APRIL 30, 2022
CASH AND EQUIVALENTS	\$446,952	\$517,602	\$468,378
RECEIVABLES	106,149	104,506	88,807
INVENTORIES	447,806	505,621	562,510
OTHER CURRENT ASSETS	107,684	100,289	93,179
<b>TOTAL CURRENT ASSETS</b>	<b>\$1,108,591</b>	<b>\$1,228,018</b>	<b>\$1,212,874</b>
PROPERTY AND EQUIPMENT, NET	550,810	551,585	497,976
OPERATING LEASE RIGHT-OF-USE ASSETS	692,699	723,550	671,991
OTHER ASSETS	205,978	209,947	224,462
<b>TOTAL ASSETS</b>	<b>\$2,558,078</b>	<b>\$2,713,100</b>	<b>\$2,607,303</b>
ACCOUNTS PAYABLE	\$221,587	\$258,895	\$311,352
ACCRUED EXPENSES	340,331	413,303	320,681
SHORT-TERM PORTION OF OPERATING LEASE LIABILITIES	188,520	213,979	195,599
INCOME TAXES PAYABLE	19,023	16,023	25,400
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$769,461</b>	<b>\$902,200</b>	<b>\$853,032</b>
LONG-TERM PORTION OF OPERATING LEASE LIABILITIES	682,996	713,361	662,322
LONG-TERM BORROWINGS, NET	297,172	296,852	303,901
OTHER LIABILITIES	97,476	94,118	83,243
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>\$1,077,644</b>	<b>\$1,104,331</b>	<b>\$1,049,466</b>
TOTAL ABERCROMBIE & FITCH CO. STOCKHOLDERS EQUITY	701,857	694,841	695,361
NONCONTROLLING INTEREST	9,116	11,728	9,444
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>\$710,973</b>	<b>\$706,569</b>	<b>\$704,805</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$2,558,078</b>	<b>\$2,713,100</b>	<b>\$2,607,303</b>



# STATEMENT OF CASH FLOWS

<i>(in thousands)</i>	YEAR TO DATE PERIOD ENDED	
	APRIL 29, 2023	APRIL 30, 2022
<b>NET CASH USED FOR OPERATING ACTIVITIES</b>	<b>\$(560)</b>	<b>\$(217,787)</b>
PURCHASES OF PROPERTY AND EQUIPMENT	(46,391)	(26,292)
PROCEEDS FROM THE SALE OF PROPERTY AND EQUIPMENT	—	7,751
<b>NET CASH USED FOR INVESTING ACTIVITIES</b>	<b>\$(46,391)</b>	<b>\$(18,541)</b>
PURCHASES OF COMMON STOCK	—	(100,000)
OTHER FINANCING ACTIVITIES	(21,956)	(16,945)
<b>NET CASH USED FOR FINANCING ACTIVITIES</b>	<b>\$(21,956)</b>	<b>\$(116,945)</b>
EFFECT OF FOREIGN CURRENCY EXCHANGE RATES ON CASH	(1,998)	(2,617)
<b>NET DECREASE IN CASH AND EQUIVALENTS, AND RESTRICTED CASH AND EQUIVALENTS</b>	<b>\$(70,905)</b>	<b>\$(355,890)</b>
<b>CASH AND EQUIVALENTS, AND RESTRICTED CASH AND EQUIVALENTS, BEGINNING OF PERIOD</b>	<b>\$527,569</b>	<b>\$834,368</b>
<b>CASH AND EQUIVALENTS, AND RESTRICTED CASH AND EQUIVALENTS, END OF PERIOD</b>	<b>\$456,664</b>	<b>\$478,478</b>

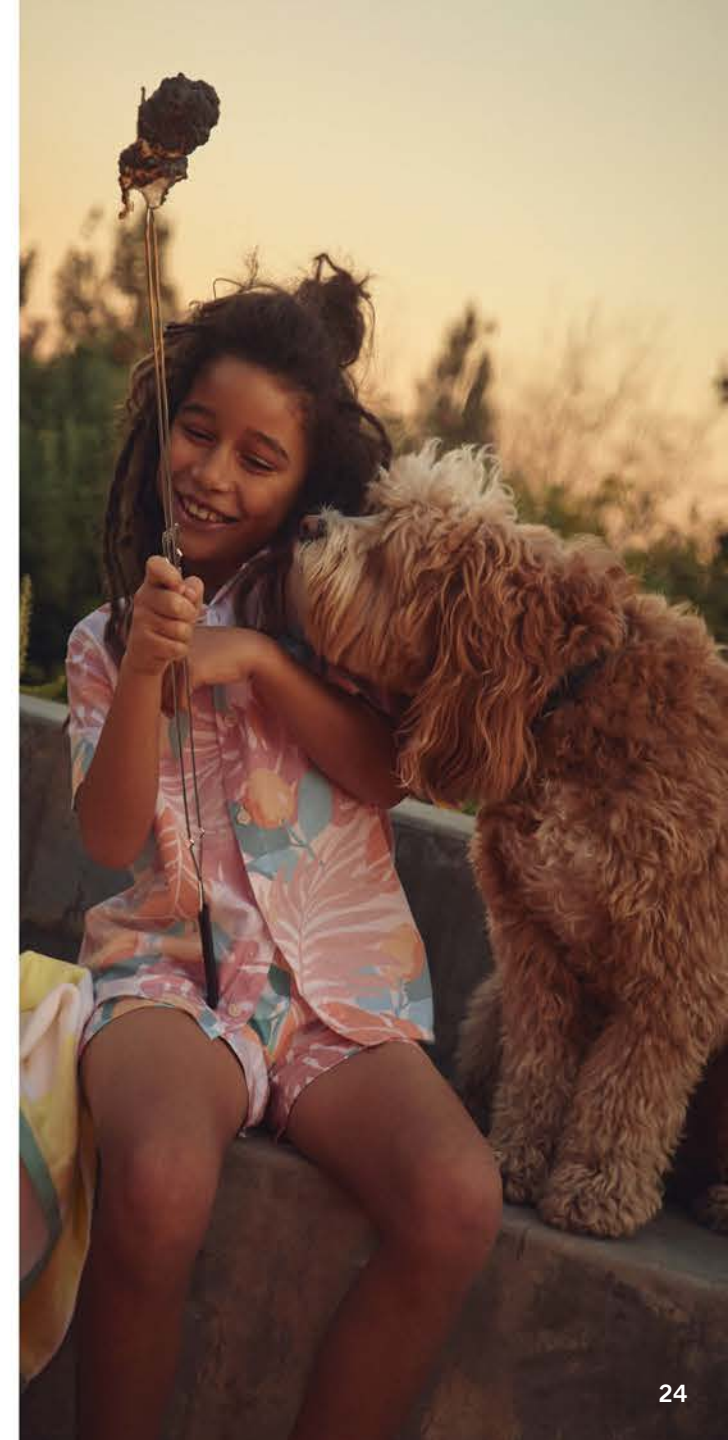
# SHARE REPURCHASES

SINCE THE START OF 2021, THE COMPANY REPURCHASED APPROXIMATELY 15 MILLION SHARES FOR APPROXIMATELY \$503 MILLION. THERE ARE APPROXIMATELY \$232 MILLION REMAINING UNDER OUR PREVIOUSLY AUTHORIZED SHARE REPURCHASE PROGRAM.

<i>(in thousands, except for average cost)</i>	SHARE REPURCHASES <sup>(1)</sup>			
	NUMBER OF SHARES	COST	AVERAGE COST	TOTAL
FY 2021	10,200	\$377,290	\$36.99	\$377,290
FY 2022	4,770	\$125,775	\$26.37	\$125,775
<b>YTD 2023</b>	—	\$—	\$—	\$—

<i>(in thousands)</i>	FY 2020	FY 2021	FY 2022	Q1 2023
<b>ENDING SHARES OUTSTANDING</b>	62,399	52,985	49,002	50,062

<sup>(1)</sup> As part of publicly announced plans or programs.







# RECONCILIATION OF GAAP TO NON-GAAP RESULTS

## STATEMENT OF OPERATIONS

<i>(in thousands)</i>	Q1 2023 GAAP	EXCLUDED ITEMS	Q1 2023 NON-GAAP
<b>ASSET IMPAIRMENT</b>	\$4,436	\$4,436	\$—
<b>OPERATING INCOME</b>	34,008	(4,436)	38,444
<b>INCOME BEFORE TAXES</b>	30,565	(4,436)	35,001
<b>INCOME TAX EXPENSE <sup>(1)</sup></b>	12,718	(1,187)	13,905
<b>NET INCOME</b>	\$16,571	\$(3,249)	\$19,820
<b>NET INCOME PER DILUTED SHARE</b>	\$0.32	\$(0.06)	\$0.39
<b>DILUTED WEIGHTED-AVERAGE SHARES OUTSTANDING</b>	51,467		51,467

<i>(in thousands)</i>	Q1 2022 GAAP	EXCLUDED ITEMS	Q1 2022 NON-GAAP
<b>ASSET IMPAIRMENT</b>	\$3,422	\$3,422	\$—
<b>OPERATING LOSS</b>	(9,726)	(3,422)	(6,304)
<b>LOSS BEFORE TAXES</b>	(17,033)	(3,422)	(13,611)
<b>INCOME TAX BENEFIT <sup>(1)</sup></b>	(2,187)	(918)	(1,269)
<b>NET LOSS</b>	\$(16,469)	\$(2,504)	\$(13,965)
<b>NET LOSS PER DILUTED SHARE</b>	\$(0.32)	\$(0.05)	\$(0.27)
<b>DILUTED WEIGHTED-AVERAGE SHARES OUTSTANDING</b>	52,077		52,077

<sup>(1)</sup> The tax effect of excluded items, calculated as the difference between the tax provision on a GAAP basis and an adjusted non-GAAP basis.

# RECONCILIATION OF GAAP TO NON-GAAP RESULTS

## STATEMENT OF OPERATIONS

NET SALES	Q1 2023	Q1 2022	Δ %
GAAP	\$835,994	\$812,762	3%
IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES <sup>(1)</sup>	—	(8,597)	1%
NON-GAAP CONSTANT CURRENCY BASIS	\$835,994	\$804,165	4%
GROSS PROFIT	Q1 2023	Q1 2022	Δ BPS <sup>(2)</sup>
GAAP	\$509,794	\$449,546	570
IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES <sup>(1)</sup>	—	(12,601)	100
NON-GAAP CONSTANT CURRENCY BASIS	\$509,794	\$436,945	670
OPERATING INCOME (LOSS)	Q1 2023	Q1 2022	Δ BPS <sup>(2)</sup>
GAAP	\$34,008	\$(9,726)	530
EXCLUDED ITEMS <sup>(3)</sup>	(4,436)	(3,422)	(10)
ADJUSTED NON-GAAP	\$38,444	\$(6,304)	540
IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES <sup>(1)</sup>	—	(8,639)	110
ADJUSTED NON-GAAP CONSTANT CURRENCY BASIS	\$38,444	\$(14,943)	650
NET INCOME (LOSS) PER DILUTED SHARE	Q1 2023	Q1 2022	Δ \$
GAAP	\$0.32	\$(0.32)	\$0.64
EXCLUDED ITEMS, NET OF TAX <sup>(3)</sup>	(0.06)	(0.05)	(0.01)
ADJUSTED NON-GAAP	\$0.39	\$(0.27)	\$0.66
IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES <sup>(1)</sup>	—	(0.12)	0.12
ADJUSTED NON-GAAP CONSTANT CURRENCY BASIS	\$0.39	\$(0.39)	\$0.78

<sup>(1)</sup> The impact from foreign currency is determined by applying current period exchange rates to prior year results and is net of the year-over-year impact from hedging. The per diluted share impact from foreign currency is calculated using a 26% tax rate.

<sup>(2)</sup> The estimated basis point impact has been rounded based on the percentage change.

<sup>(3)</sup> Excluded items consist of pre-tax store asset impairment charges.





# RECONCILIATION OF GAAP TO NON-GAAP RESULTS

## NET SALES BY BRAND AND GEOGRAPHY

(in thousands)	Q1 2023	Q1 2022			GAAP Δ %	NON-GAAP CONSTANT CURRENCY BASIS Δ %
		GAAP	IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES <sup>(1)</sup>	NON-GAAP CONSTANT CURRENCY BASIS		
<b>NET SALES BY BRAND:</b>						
<b>ABERCROMBIE <sup>(2)</sup></b>	436,044	383,928	(3,414)	380,514	14%	15%
<b>HOLLISTER <sup>(3)</sup></b>	\$ 399,950	\$ 428,834	\$ (5,183)	\$ 423,651	(7)%	(6)%
<b>TOTAL COMPANY</b>	<u>\$ 835,994</u>	<u>\$ 812,762</u>	<u>\$ (8,597)</u>	<u>\$ 804,165</u>	3%	4%

(in thousands)	Q1 2023	Q1 2022			GAAP Δ %	NON-GAAP CONSTANT CURRENCY BASIS Δ %
		GAAP	IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES <sup>(1)</sup>	NON-GAAP CONSTANT CURRENCY BASIS		
<b>NET SALES BY REGION: <sup>(4)</sup></b>						
<b>UNITED STATES</b>	\$ 636,117	\$ 585,106	\$ —	\$ 585,106	9%	9%
<b>EMEA</b>	139,258	163,969	(5,046)	158,923	(15)%	(12)%
<b>APAC</b>	33,333	29,897	(1,395)	28,502	11%	17%
<b>OTHER <sup>(5)</sup></b>	27,286	33,790	(2,156)	31,634	(19)%	(14)%
<b>INTERNATIONAL</b>	<u>\$ 199,877</u>	<u>\$ 227,656</u>	<u>\$ (8,597)</u>	<u>\$ 219,059</u>	(12)%	(9)%
<b>TOTAL COMPANY</b>	<u>\$ 835,994</u>	<u>\$ 812,762</u>	<u>\$ (8,597)</u>	<u>\$ 804,165</u>	3%	4%

<sup>(1)</sup> The estimated impact from foreign currency is determined by applying current period exchange rates to prior year results and is net of the year-over-year impact from hedging. The per diluted share estimated impact from foreign currency is calculated using a 26% tax rate.

<sup>(2)</sup> Abercrombie includes the Abercrombie & Fitch and abercrombie kids brands.

<sup>(3)</sup> Hollister includes the Hollister, Gilly Hicks and Social Tourist brands.

<sup>(4)</sup> Net sales by geographic area are presented by attributing revenues to an individual country on the basis of the country in which the merchandise was sold for in-store purchases and on the basis of the shipping location provided by customers for digital orders.

<sup>(5)</sup> Other includes all sales that do not fall within the United States, EMEA, or APAC regions, which are derived primarily in Canada.

# Abercrombie & Fitch Co.

Abercrombie & Fitch | abercrombie kids | HOLLISTER | GILLY HICKS | SOCIAL TOURIST®