



Abercrombie
& Fitch

abercrombie
kids



HOLLISTER

GILLY HICKS
ACTIVE

Abercrombie & Fitch Co.

INVESTOR PRESENTATION:
FOURTH QUARTER 2023

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

This presentation and related statements by management or spokespeople of A&F contain 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 first quarter and annual fiscal 2024 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," "goal," "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, including inflation, and the resulting impact on consumer spending generally and on our operating results, financial condition, and expense management, and our ability to adequately mitigate the impact; risks related to geopolitical conflict, armed conflict, the conflicts between Russia and Ukraine or Israel and Hamas and the expansion of conflict in the surrounding areas, including the impact of such conflicts on international trade, supplier delivery or increased freight costs, 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 global operations, may result in volatility in our results of operations; risks and uncertainty related to adverse public health developments; risks associated with climate change and other corporate responsibility issues; risks related to reputational harm to the company, its officers, and directors; risks related to actual or threatened litigation; risks related to cybersecurity threats and privacy or data security breaches; and the potential loss or disruption to our information systems.

OTHER INFORMATION

As used in this presentation, unless otherwise defined, references to "Abercrombie" or "Abercrombie brands" includes Abercrombie & Fitch and abercrombie kids and references to "Hollister" or "Hollister brands" includes Hollister and Gilly Hicks. Additionally, references to "Americas" includes North America and South America, "EMEA" includes Europe, the Middle East and Africa and "APAC" includes the Asia-Pacific region, including Asia and Oceania.

REPORTING AND USE OF GAAP AND NON-GAAP MEASURES

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

The company believes that each of the non-GAAP financial measures presented are useful to investors as they provide a measure of the company's operating performance excluding the effect of certain items which the company believes do not reflect its future operating outlook, such as asset impairment charges, therefore supplementing investors' understanding of comparability of operations across periods. Management used these non-GAAP financial measures during the periods presented to assess the company's performance and to develop expectations for future operating performance. Non-GAAP financial measures should be used supplemental to, and not as an alternative to, the company's GAAP financial results, and may not be calculated in the same manner as similar measures presented by other companies.

In addition, the company provides comparable sales, defined as the percentage year-over-year change in the aggregate of: (1) sales for stores that have been open as the same brand at least one year and whose square footage has not been expanded or reduced by more than 20% within the past year, with prior year's net sales converted at the current year's foreign currency exchange rate to remove the impact of foreign currency rate fluctuation, and (2) digital net sales with prior year's net sales converted at the current year's foreign currency exchange rate to remove the impact of foreign currency rate fluctuation.

The company also provides certain financial information on a constant currency basis to enhance investors' understanding of underlying business trends and operating performance, by removing the impact of foreign currency exchange rate fluctuations. The effect from foreign currency, calculated on a constant currency basis, is determined by applying current year average exchange rates to prior year results and is net of the year-over-year impact from hedging. The per diluted share effect from foreign currency is calculated using a 26% tax rate.



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 'We are here for you on the journey to being and becoming who you are' fuels our customer-led brands and our global associates

OUR GLOBAL BRANDS

ABERCROMBIE BRANDS

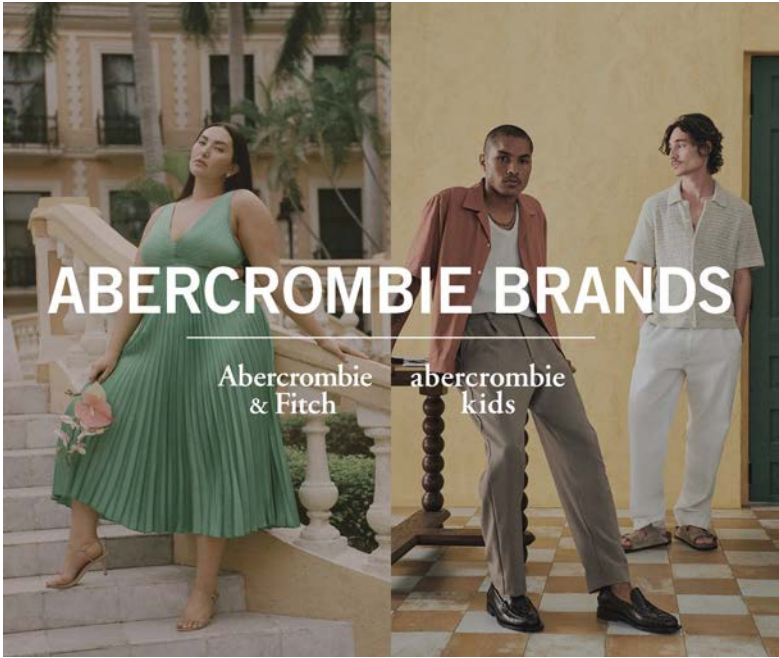
Abercrombie
& Fitch

abercrombie
kids

HOLLISTER BRANDS

HOLLISTER

GILLY HICKS
ACTIVE



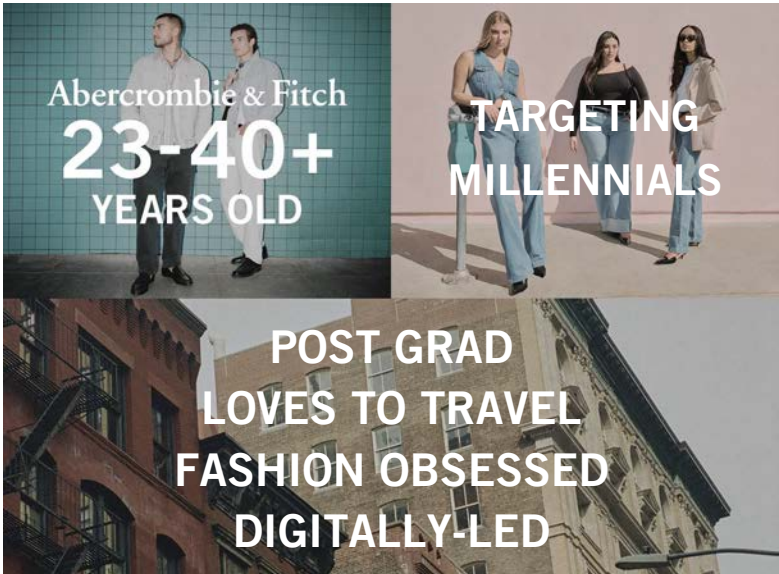
PRODUCT



VOICE



CUSTOMER

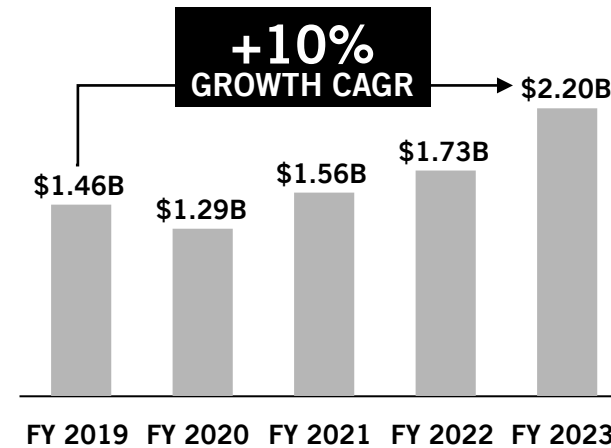


EXPERIENCE



247 STORES GLOBALLY

GLOBAL NET SALES



NET SALES BY CHANNEL (FY 2023)





HOLLISTER BRANDS

HOLLISTER GILLY HICKS
ACTIVE

PRODUCT



HOLLISTER KEY FOCUSES

TEES

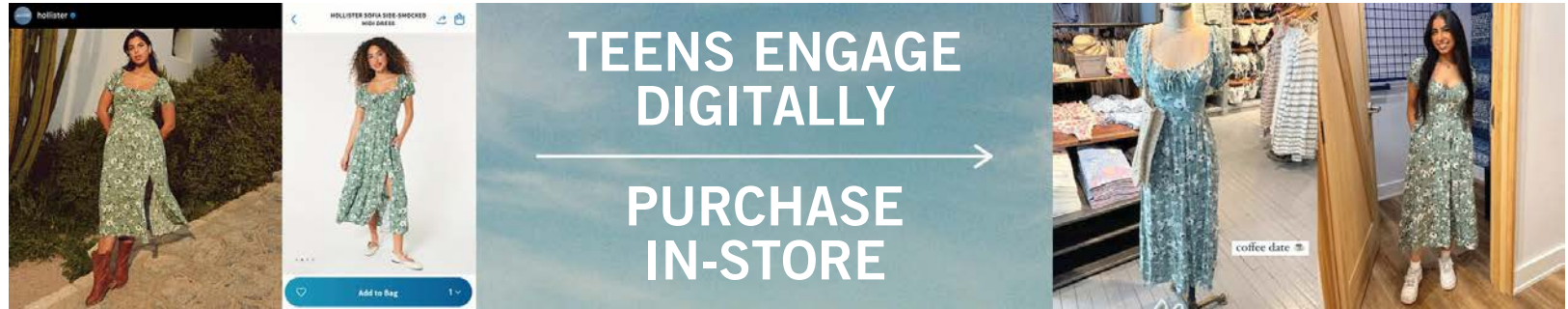
ACTIVE

DRESSES

JEANS/PANTS

FLEECE

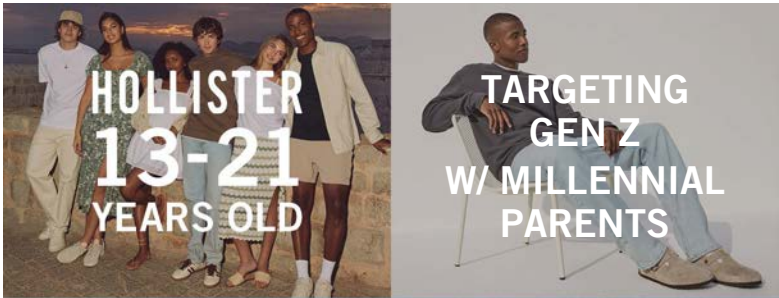
VOICE



TEENS ENGAGE
DIGITALLY

PURCHASE
IN-STORE

CUSTOMER



HOLLISTER
13-21
YEARS OLD

TARGETING
GEN Z
W/ MILLENNIAL
PARENTS

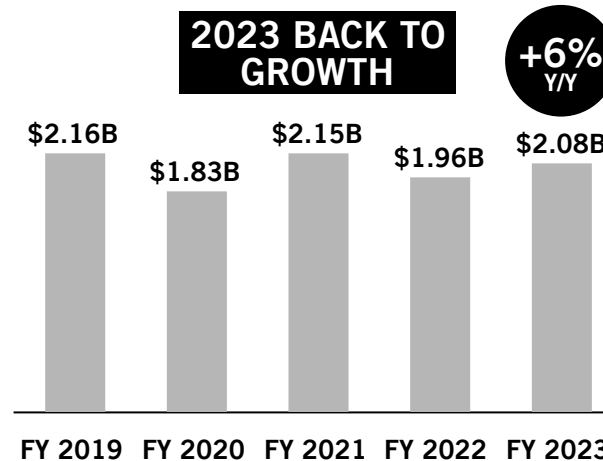
COMING INTO THEIR OWN
COMFORT OBSESSED
VALUE VERSATILITY
FINANCIALLY RELIANT

EXPERIENCE



518 STORES
GLOBALLY

GLOBAL NET SALES



NET SALES BY CHANNEL (FY 2023)



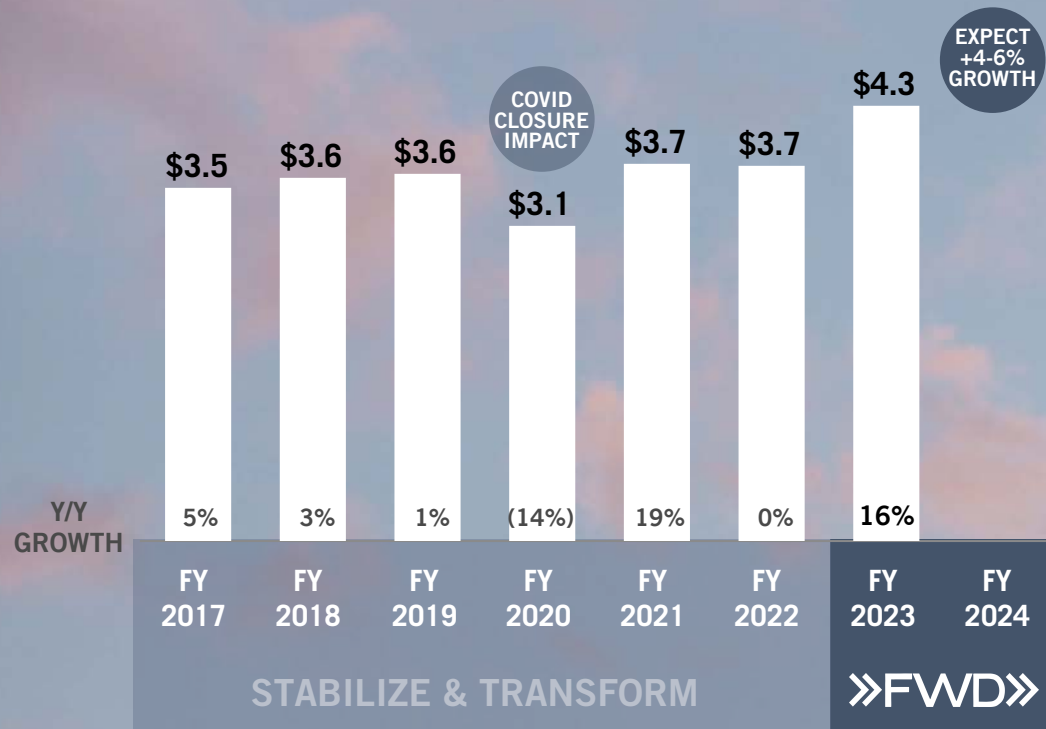
FOCUS ON SUSTAINABLE, PROFITABLE GROWTH

BUILT ON YEARS OF TRANSFORMATION

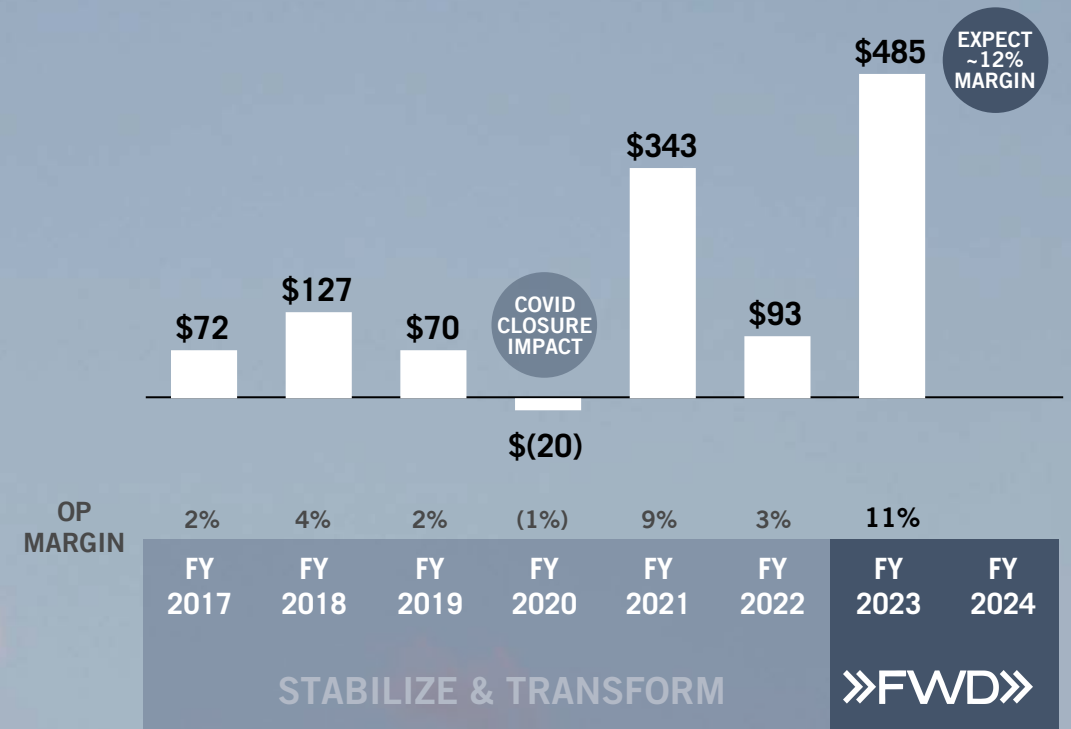


SALES & PROFITABILITY

Net Sales (in \$ billions)



Operating Income (Loss) (in \$ millions)



»FWD»

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 GLOBAL 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 GLOBAL BRAND GROWTH

PRODUCT



COLLECTIONS & 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



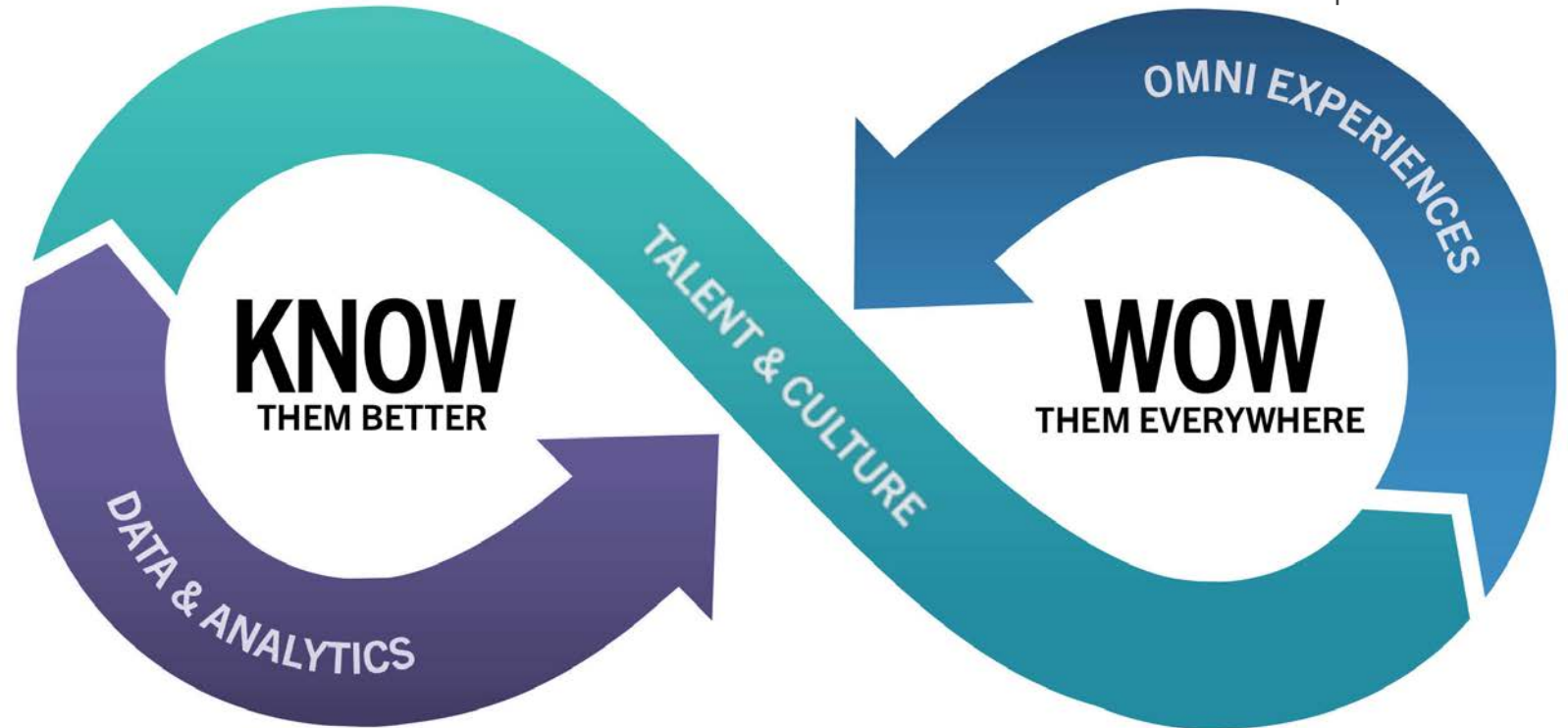
GEOGRAPHIC EXPANSION

- Localized Physical/Digital Experiences
- Fuel Regional Growth
(Americas, EMEA, APAC)
- Digital Marketplaces

2 ENTERPRISE-WIDE DIGITAL REVOLUTION

- Modernize Foundation (Retail ERP, Data Infrastructure)
- Consistent Omnichannel experience (Digital and In-Store)
- Powerful, Modern Loyalty Program

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



3 FINANCIAL DISCIPLINE

2023 SIGNIFICANT ACHIEVEMENT TO 2025 TARGETS

	2022	2023	»FWD» 2025 TARGET	
NET SALES	\$3.7B	\$4.3B	\$4.1B-\$4.3B	<ul style="list-style-type: none"> GROSS PROFIT RATE expansion from 2022 on improved AUR and lower freight costs
GROSS PROFIT ⁽¹⁾	56.9%	62.9%	60% - 63%	
OPERATING EXPENSE ⁽¹⁾	54.5%	51.7%	52% - 53%	<ul style="list-style-type: none"> OPERATING EXPENSE leverage from sales growth, net of expected inflation and investments in digital infrastructure, marketing
OPERATING INCOME ⁽¹⁾	2.5%	11.3%	8%+	

(1) Reflected as a percent of net sales.

2023 Q4 UPDATE

"I am incredibly proud of how we performed throughout fiscal 2023, finishing with fourth quarter year-over-year net sales growth of 21%, which exceeded our January business update expectations.

We entered fiscal 2024 in a position of strength with momentum across our brand portfolio. The success of our playbook gives us confidence that we can now shift more of our focus to expanding our global customer base."

Fran Horowitz, CEO
Abercrombie & Fitch Co.



Abercrombie & Fitch
+35%Y/Y



HOLLISTER
+9%Y/Y



GLOBAL SALES GROWTH

➤ NET SALES

\$1.45B

21%
Y/Y



FINANCIAL DISCIPLINE

➤ GROSS MARGIN

62.9%

720
BPS Y/Y

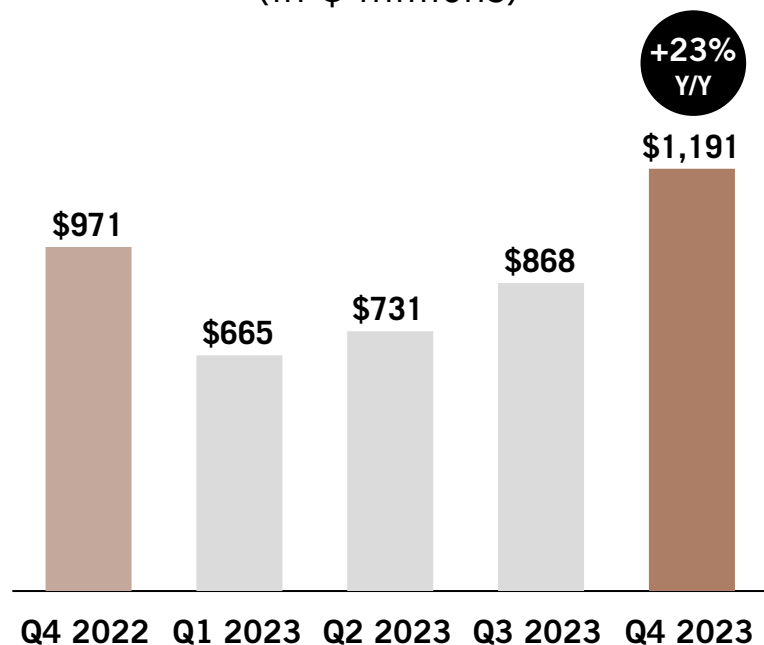
➤ OPERATING MARGIN

15.3%

800
BPS Y/Y

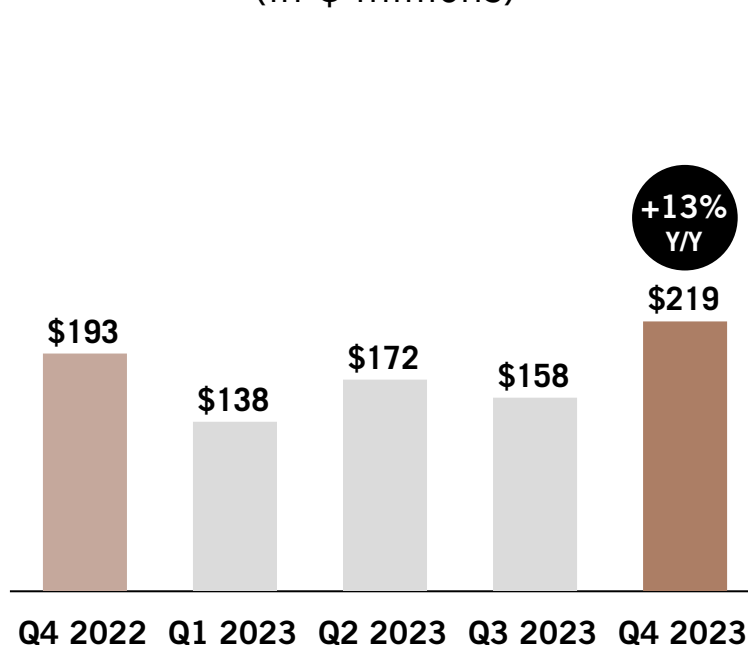
2023 Q4 NET SALES RESULTS BY SEGMENT

Americas Net Sales (in \$ millions)



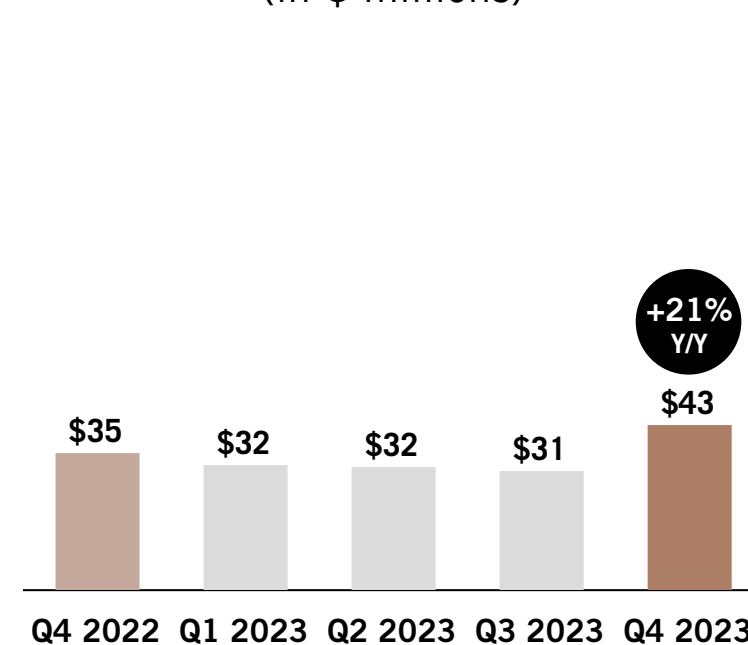
- Net sales up 23% to last year
- Comparable sales up 17% to last year⁽¹⁾

EMEA Net Sales (in \$ millions)



- Net sales up 13% to last year
- Comparable sales up 10% to last year⁽¹⁾

APAC Net Sales (in \$ millions)



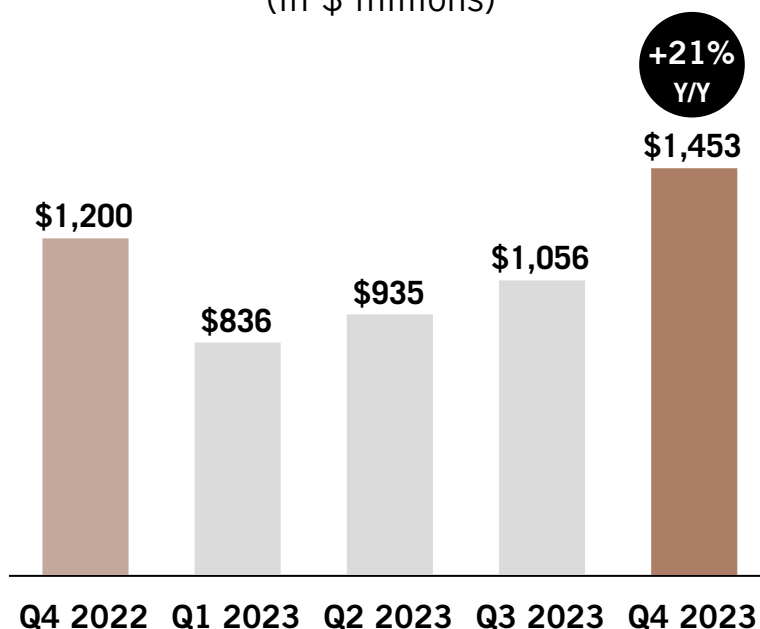
- Net sales up 21% to last year
- Comparable sales up 21% to last year⁽¹⁾

(1) Comparable sales are calculated on a constant currency basis. Refer to "Reporting and Use of GAAP and Non-GAAP Measures" for further discussion.

2023 Q4 NET SALES RESULTS BY BRAND

Total Company Net Sales

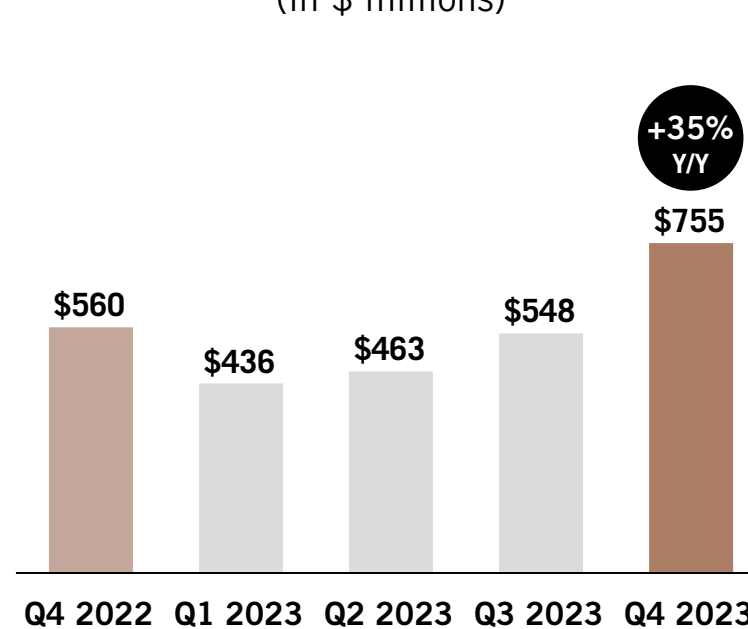
(in \$ millions)



- Net sales up 21.1% to last year
- Comparable sales up 16% to last year⁽¹⁾

Abercrombie Brands Net Sales

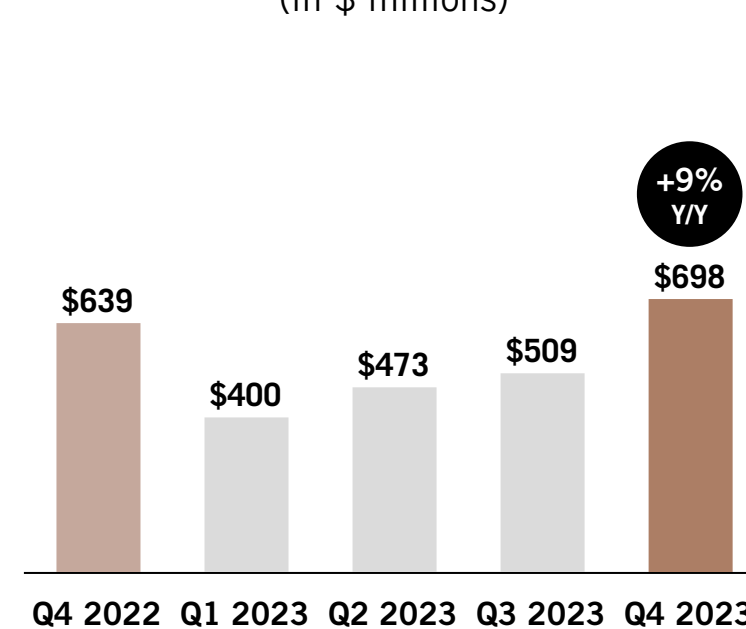
(in \$ millions)



- Third consecutive quarter of sales growth rate acceleration
- 52% of total net sales

Hollister Brands Net Sales

(in \$ millions)



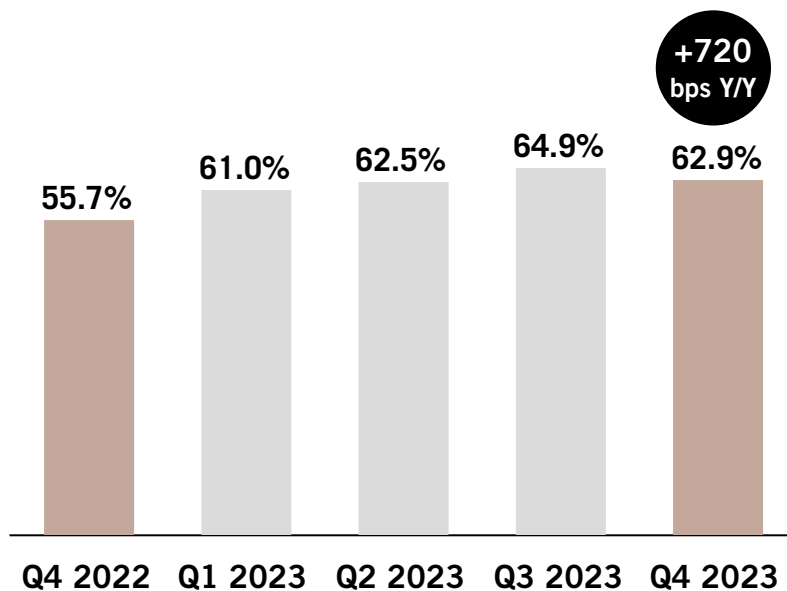
- Third consecutive quarter of sales growth; balance across regions
- 48% of total net sales

(1) Comparable sales are calculated on a constant currency basis. Refer to "Reporting and Use of GAAP and Non-GAAP Measures" for further discussion.

2023 Q4 GROSS PROFIT/ OPERATING INCOME

Gross Profit Rate

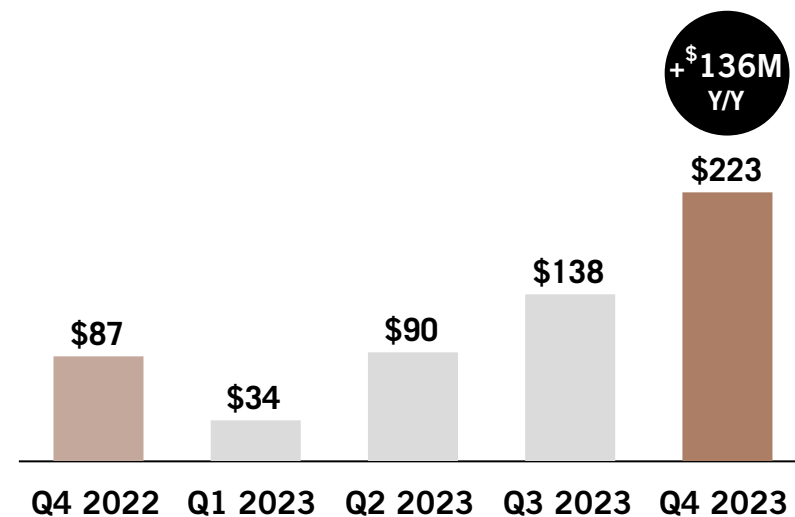
(as a % of net sales)



- Benefit from AUR growth (approx. 430 bps) and lower freight and raw material costs (approx. 290 bps)

Operating Income

(in \$ millions)



- Driven by 21% increase in sales compared to LY, gross profit rate expansion and expense leverage

2023 Q4 FINANCIAL POSITION

CASH & EQUIVALENTS

- \$901M as compared to \$518M last year

INVENTORIES

- \$469M, down 7% from last year
- Clean, current inventory position with regained chase capability in 2023

SHORT-TERM BORROWINGS

- No borrowings outstanding under the company's senior secured revolving credit facility ("ABL Facility")
- \$299M of borrowing available under ABL Facility as of February 3, 2024

GROSS LONG-TERM BORROWINGS

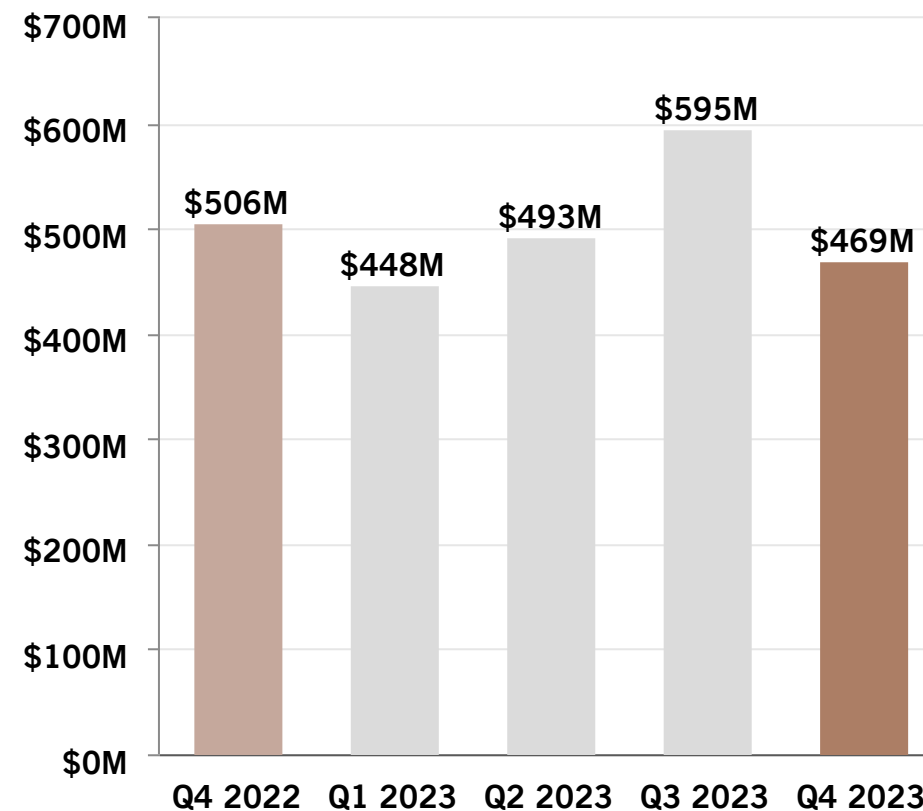
- \$223M outstanding compared with 300M last year

TOTAL LIQUIDITY ⁽¹⁾

- \$1.2B as compared to \$866M last year

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

Inventory



2024 FISCAL OUTLOOK



Q1 2024	Q1 OUTLOOK
NET SALES	UP LOW DOUBLE-DIGITS
OPERATING MARGIN	IN THE RANGE OF 8% TO 10% ⁽¹⁾
EFFECTIVE TAX RATE	AROUND 10% ⁽²⁾

FY 2024	FULL YEAR OUTLOOK
NET SALES	GROWTH IN THE RANGE OF 4% TO 6%
OPERATING MARGIN	AROUND 12%
EFFECTIVE TAX RATE	MID-TO-HIGH 20s ⁽³⁾
CAPITAL EXPENDITURES	~\$170 MILLION

⁽¹⁾ We expect the year-over-year improvement to be driven by a higher gross profit rate and higher AURs.

⁽²⁾ The current outlook assumes a tax rate lower than the company's statutory federal income tax rate primarily due to anticipated discrete federal income tax benefits relating to the vesting of share-based compensation, with the rate also being sensitive to the jurisdictional mix and level of income.

⁽³⁾ The current outlook assumes a tax rate sensitive to the jurisdictional mix and level of income.

A woman with her hair in a bun, wearing blue sunglasses, a blue tank top, blue leggings, and white sneakers, is sitting on a light-colored concrete ledge. She has a light blue jacket draped over her shoulders. The background is a textured, light-colored wall with several tall, green cacti. In the foreground, there are agave-like plants. The scene is brightly lit, suggesting a sunny day in a desert environment.

APPENDIX

INCOME STATEMENT

<i>(in thousands)</i>	Q4 GAAP				FULL YEAR GAAP			
	Q4 2023	% OF NET SALES	Q4 2022	% OF NET SALES	2023	% OF NET SALES	2022	% OF NET SALES
NET SALES	\$1,452,907	100.0%	\$1,199,814	100.0%	\$4,280,677	100.0%	\$3,697,751	100.0%
GROSS PROFIT ⁽¹⁾	913,569	62.9%	668,285	55.7%	2,693,412	62.9%	2,104,538	56.9%
OPERATING EXPENSE	692,309	47.6%	580,043	48.3%	2,214,614	51.7%	2,014,564	54.5%
OTHER OPERATING (INCOME) EXPENSE, NET	(1,541)	(0.1)%	1,220	0.1%	(5,873)	(0.1)%	(2,674)	(0.1)%
OPERATING INCOME	222,801	15.3%	87,022	7.3%	484,671	11.3%	92,648	2.5%
INTEREST (INCOME) EXPENSE, NET	(4,839)	(0.3)%	4,113	0.3%	372	0.0%	25,632	0.7%
INCOME BEFORE INCOME TAXES	227,640	15.7%	82,909	6.9%	484,299	11.3%	67,016	1.8%
INCOME TAX EXPENSE	66,537	4.6%	42,218	3.5%	148,886	3.5%	56,631	1.5%
NET INCOME	\$158,447	10.9%	\$38,333	3.2%	\$328,123	7.7%	\$2,816	0.1%
NET INCOME PER SHARE								
BASIC	\$3.13		\$0.78		\$6.53		\$0.06	
DILUTED	\$2.97		\$0.75		\$6.22		\$0.05	
WEIGHTED-AVERAGE SHARES								
BASIC	50,559		49,216		50,250		50,307	
DILUTED	53,399		51,217		52,726		52,327	

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



Q4 OPERATING EXPENSE

<i>(in thousands)</i>	Q4 2023	% OF NET SALES	Q4 2022	% OF NET SALES	1 YR Δ BPS ⁽³⁾
STORES AND DISTRIBUTION	499,075	34.4%	441,959	36.8%	(240)
MARKETING, GENERAL & ADMINISTRATIVE	193,234	13.3%	138,084	11.5%	180
TOTAL OPERATING EXPENSE - GAAP	\$692,309	47.6%	\$580,043	48.3%	(70)
RECONCILIATION OF GAAP TO NON-GAAP OPERATING EXPENSE					
TOTAL OPERATING EXPENSE - GAAP	\$692,309	47.6%	\$580,043	48.3%	(70)
EXCLUDED ITEMS ⁽⁴⁾	—	—%	4,695	0.3%	(30)
TOTAL ADJUSTED OPERATING EXPENSE - NON-GAAP	\$692,309	47.6%	\$575,348	48.0%	(40)

(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.

FULL YEAR OPERATING EXPENSE

<i>(in thousands)</i>	2023	% OF NET SALES	2022	% OF NET SALES	1 YR Δ BPS ⁽³⁾
STORES AND DISTRIBUTION	1,571,737	36.7%	1,496,962	40.5%	(380)
MARKETING, GENERAL & ADMINISTRATIVE	642,877	15.0%	517,602	14.0%	100
ASSET IMPAIRMENT	—	—%	—	—%	—
TOTAL OPERATING EXPENSE - GAAP	\$2,214,614	51.7%	\$2,014,564	54.5%	(280)
RECONCILIATION OF GAAP TO NON-GAAP OPERATING EXPENSE					
TOTAL OPERATING EXPENSE - GAAP	\$2,214,614	51.7%	\$2,014,564	54.5%	(280)
EXCLUDED ITEMS ⁽⁴⁾	4,436	0.1%	14,031	0.4%	(30)
TOTAL ADJUSTED OPERATING EXPENSE - NON-GAAP	\$2,210,178	51.6%	\$2,000,533	54.1%	(250)

⁽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>	FEBRUARY 3, 2024	JANUARY 28, 2023
CASH AND EQUIVALENTS	\$900,884	\$517,602
RECEIVABLES	78,346	104,506
INVENTORIES	469,466	505,621
OTHER CURRENT ASSETS	88,569	100,289
TOTAL CURRENT ASSETS	\$1,537,265	\$1,228,018
PROPERTY AND EQUIPMENT, NET	538,033	551,585
OPERATING LEASE RIGHT-OF-USE ASSETS	678,256	723,550
OTHER ASSETS	220,679	209,947
TOTAL ASSETS	\$2,974,233	\$2,713,100
ACCOUNTS PAYABLE	\$296,976	\$258,895
ACCRUED EXPENSES	436,655	413,303
SHORT-TERM PORTION OF OPERATING LEASE LIABILITIES	179,625	213,979
INCOME TAXES PAYABLE	53,564	16,023
TOTAL CURRENT LIABILITIES	\$966,820	\$902,200
LONG-TERM PORTION OF OPERATING LEASE LIABILITIES	646,624	713,361
LONG-TERM BORROWINGS, NET	222,119	296,852
OTHER LIABILITIES	88,683	94,118
TOTAL LONG-TERM LIABILITIES	\$957,426	\$1,104,331
TOTAL ABERCROMBIE & FITCH CO. STOCKHOLDERS EQUITY	1,035,160	694,841
NONCONTROLLING INTEREST	14,827	11,728
TOTAL STOCKHOLDERS' EQUITY	\$1,049,987	\$706,569
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$2,974,233	\$2,713,100

STATEMENT OF CASH FLOWS

<i>(in thousands)</i>	YEAR TO DATE PERIOD ENDED	
	FEBRUARY 3, 2024	JANUARY 28, 2023
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$653,422	\$(2,343)
PURCHASES OF PROPERTY AND EQUIPMENT	(157,797)	(164,566)
PROCEEDS FROM THE SALE OF PROPERTY AND EQUIPMENT	615	11,891
WITHDRAWAL OF RABBI TRUST ASSETS	—	12,000
NET CASH USED FOR INVESTING ACTIVITIES	\$(157,182)	\$(140,675)
PURCHASE OF SENIOR SECURED NOTES	(77,972)	(7,862)
PAYMENT OF DEBT ISSUANCE COSTS AND FEES	(180)	(181)
PURCHASES OF COMMON STOCK	—	(125,775)
OTHER FINANCING ACTIVITIES	(33,049)	(21,511)
NET CASH USED FOR FINANCING ACTIVITIES	\$(111,201)	\$(155,329)
EFFECT OF FOREIGN CURRENCY EXCHANGE RATES ON CASH	(2,923)	(8,452)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS, AND RESTRICTED CASH AND EQUIVALENTS	\$382,116	\$(306,799)
CASH AND EQUIVALENTS, AND RESTRICTED CASH AND EQUIVALENTS, BEGINNING OF PERIOD	\$527,569	\$834,368
CASH AND EQUIVALENTS, AND RESTRICTED CASH AND EQUIVALENTS, END OF PERIOD	\$909,685	\$527,569



SHARE REPURCHASES

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

<i>(in thousands, except for average cost)</i>	SHARE REPURCHASES			
	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
FY 2023	—	\$—	\$—	\$—

<i>(in thousands)</i>	FY 2020	FY 2021	FY 2022	FY 2023
ENDING SHARES OUTSTANDING	62,399	52,985	49,002	50,500



FULL YEAR RECONCILIATION OF GAAP TO NON-GAAP RESULTS

STATEMENT OF OPERATIONS

	FY 2023 GAAP	EXCLUDED ITEMS	FY 2023 NON-GAAP
ASSET IMPAIRMENT	\$4,436	\$4,436	\$—
OPERATING INCOME	484,671	(4,436)	489,107
INCOME BEFORE INCOME TAXES	484,299	(4,436)	488,735
INCOME TAX EXPENSE ⁽¹⁾	148,886	(1,231)	150,117
NET INCOME	\$328,123	\$(3,205)	\$331,328
NET INCOME PER DILUTED SHARE	\$6.22	\$(0.06)	\$6.28
DILUTED WEIGHTED-AVERAGE SHARES OUTSTANDING	52,726		52,726

	FY 2022 GAAP	EXCLUDED ITEMS	FY 2022 NON-GAAP
ASSET IMPAIRMENT	\$14,031	\$14,031	\$—
OPERATING INCOME	92,648	(14,031)	106,679
INCOME BEFORE INCOME TAXES	67,016	(14,031)	81,047
INCOME TAX EXPENSE ⁽¹⁾	56,631	(3,802)	60,433
NET INCOME	\$2,816	\$(10,229)	\$13,045
NET INCOME PER DILUTED SHARE	\$0.05	\$(0.20)	\$0.25
DILUTED WEIGHTED-AVERAGE SHARES OUTSTANDING	52,327		52,327

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

Q4 RECONCILIATION OF CONSTANT CURRENCY RESULTS

NET SALES	Q4 2023	Q4 2022	Δ %
GAAP	\$1,452,907	\$1,199,814	21%
IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES ⁽¹⁾	—	5,287	0%
NON-GAAP CONSTANT CURRENCY BASIS	\$1,452,907	\$1,205,101	21%
GROSS PROFIT	Q4 2023	Q4 2022	Δ BPS ⁽²⁾
GAAP	\$913,569	\$668,285	720
IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES ⁽¹⁾	—	3,702	(10)
NON-GAAP CONSTANT CURRENCY BASIS	\$913,569	\$671,987	710
OPERATING INCOME	Q4 2023	Q4 2022	Δ BPS ⁽²⁾
GAAP	\$222,801	\$87,022	800
EXCLUDED ITEMS ⁽³⁾	—	(4,695)	(30)
ADJUSTED NON-GAAP	\$222,801	\$91,717	770
IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES ⁽¹⁾	—	4,232	(40)
ADJUSTED NON-GAAP CONSTANT CURRENCY BASIS	\$222,801	\$95,949	730
NET INCOME PER DILUTED SHARE	Q4 2023	Q4 2022	Δ \$
GAAP	\$2.97	\$0.75	\$2.22
EXCLUDED ITEMS, NET OF TAX ⁽³⁾	—	(0.07)	(0.07)
ADJUSTED NON-GAAP	\$2.97	\$0.81	\$2.16
IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES ⁽¹⁾	—	0.07	(0.07)
ADJUSTED NON-GAAP CONSTANT CURRENCY BASIS	\$2.97	\$0.88	\$2.09

⁽¹⁾ 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.

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

⁽³⁾ 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.

FULL YEAR RECONCILIATION OF CONSTANT CURRENCY RESULTS

NET SALES	FY 2023	FY 2022	Δ %
GAAP	\$4,280,677	\$3,697,751	16%
IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES ⁽¹⁾	—	6,500	0%
NON-GAAP CONSTANT CURRENCY BASIS	\$4,280,677	\$3,704,251	16%
GROSS PROFIT	FY 2023	FY 2022	Δ BPS ⁽²⁾
GAAP	\$2,693,412	\$2,104,538	600
IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES ⁽¹⁾	—	(8,969)	30
NON-GAAP CONSTANT CURRENCY BASIS	\$2,693,412	\$2,095,569	630
OPERATING (LOSS) INCOME	FY 2023	FY 2022	Δ BPS ⁽²⁾
GAAP	\$484,671	\$92,648	880
EXCLUDED ITEMS ⁽³⁾	(4,436)	(14,031)	(30)
ADJUSTED NON-GAAP	\$489,107	\$106,679	850
IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES ⁽¹⁾	—	(9,608)	30
ADJUSTED NON-GAAP CONSTANT CURRENCY BASIS	\$489,107	\$97,071	880
NET (LOSS) INCOME PER DILUTED SHARE	FY 2023	FY 2022	Δ \$
GAAP	\$6.22	\$0.05	\$6.17
EXCLUDED ITEMS, NET OF TAX ⁽³⁾	(0.06)	(0.20)	(0.14)
ADJUSTED NON-GAAP	\$6.28	\$0.25	\$6.03
IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES ⁽¹⁾	—	(0.13)	0.13
ADJUSTED NON-GAAP CONSTANT CURRENCY BASIS	\$6.28	\$0.12	\$6.16

⁽¹⁾ 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.

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

⁽³⁾ 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.



Q4 RECONCILIATION OF GAAP TO NON-GAAP RESULTS

NET SALES BY BRAND AND GEOGRAPHY

<i>(in thousands)</i>	Q4 2022					
	Q4 2023	GAAP	IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES ⁽¹⁾	NON-GAAP CONSTANT CURRENCY BASIS	GAAP Δ %	NON-GAAP CONSTANT CURRENCY BASIS Δ %
NET SALES BY REGION: ⁽²⁾						
AMERICAS	\$ 1,191,259	\$ 971,091	\$ (58)	\$ 971,033	23%	23%
EMEA	219,050	193,400	6,374	199,774	13%	10%
APAC	42,598	35,323	(1,029)	34,294	21%	24%
TOTAL COMPANY	<u>\$ 1,452,907</u>	<u>\$ 1,199,814</u>	<u>\$ 5,287</u>	<u>\$ 1,205,101</u>	21%	21%

<i>(in thousands)</i>	Q4 2022					
	Q4 2023	GAAP	IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES ⁽¹⁾	NON-GAAP CONSTANT CURRENCY BASIS	GAAP Δ %	NON-GAAP CONSTANT CURRENCY BASIS Δ %
NET SALES BY BRAND: ⁽³⁾						
ABERCROMBIE ⁽³⁾	755,203	560,438	843	561,281	35%	35%
HOLLISTER ⁽⁴⁾	<u>\$ 697,704</u>	<u>\$ 639,376</u>	<u>\$ 4,444</u>	<u>\$ 643,820</u>	9%	8%
TOTAL COMPANY	<u>\$ 1,452,907</u>	<u>\$ 1,199,814</u>	<u>\$ 5,287</u>	<u>\$ 1,205,101</u>	21%	21%

⁽¹⁾ 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.

⁽²⁾ Net sales by segment are presented by attributing revenues to an individual country on the basis of the segment that fulfills the order.

⁽³⁾ Abercrombie includes Abercrombie & Fitch and abercrombie kids.

⁽⁴⁾ Hollister includes Hollister and Gilly Hicks.

FULL YEAR RECONCILIATION OF GAAP TO NON-GAAP RESULTS

NET SALES BY BRAND AND GEOGRAPHY

<i>(in thousands)</i>	FY 2023	GAAP	FY 2022		GAAP Δ %	NON-GAAP CONSTANT CURRENCY BASIS Δ %
			IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES ⁽¹⁾	NON-GAAP CONSTANT CURRENCY BASIS		
NET SALES BY REGION: ⁽²⁾						
AMERICAS	\$ 3,455,674	\$ 2,920,157	\$ (3,925)	\$ 2,916,232	18%	18%
EMEA	687,095	658,794	15,498	674,292	4%	2%
APAC	137,908	118,800	(5,073)	113,727	16%	21%
TOTAL COMPANY	\$ 4,280,677	\$ 3,697,751	\$ 6,500	\$ 3,704,251	16%	16%

<i>(in thousands)</i>	FY 2023	GAAP	FY 2022		GAAP Δ %	NON-GAAP CONSTANT CURRENCY BASIS Δ %
			IMPACT FROM CHANGES IN FOREIGN CURRENCY EXCHANGE RATES ⁽¹⁾	NON-GAAP CONSTANT CURRENCY BASIS		
NET SALES BY BRAND: ⁽³⁾						
ABERCROMBIE ⁽³⁾	2,201,686	1,734,866	(1,234)	1,733,632	27%	27%
HOLLISTER ⁽⁴⁾	\$ 2,078,991	\$ 1,962,885	\$ 7,734	\$ 1,970,619	6%	5%
TOTAL COMPANY	\$ 4,280,677	\$ 3,697,751	\$ 6,500	\$ 3,704,251	16%	16%

⁽¹⁾ 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.

⁽²⁾ Net sales by segment are presented by attributing revenues to an individual country on the basis of the segment that fulfills the order.

⁽³⁾ Abercrombie includes Abercrombie & Fitch and abercrombie kids.

⁽⁴⁾ Hollister includes Hollister and Gilly Hicks.



Abercrombie & Fitch Co.