

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant [X]

Filed by a Party other than the Registrant []

Check the appropriate box:

[] Preliminary Proxy Statement [] Confidential, for Use of the
Commission Only (as permitted by
Rule 14a-6(e)(2))

[X] Definitive Proxy Statement

[] Definitive Additional Materials

[] Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

Abercrombie & Fitch Co.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.

[] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed
pursuant to Exchange Act Rule 0-11 (set forth the amount on which
the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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[] Check box if any part of the fee is offset as provided by Exchange
Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee
was paid previously. Identify the previous filing by registration statement
number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Notes:

LOGO
FOUR LIMITED PARKWAY REYNOLDSBURG, OHIO 43068 (614) 577-6500

April 14, 1997

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders to be held at 10:30 a.m., Eastern Daylight Time, on May 20, 1997, at the offices of Abercrombie & Fitch Co., Four Limited Parkway, Reynoldsburg, Ohio. Our Investor Relations telephone number is (614) 479-7070 should you require assistance in finding the location of the meeting. The formal Notice of Annual Meeting of Stockholders and Proxy Statement are attached. I hope that you will be able to attend and participate in the meeting, at which time I will have the opportunity to review the business and operations of Abercrombie & Fitch.

The matters to be acted upon by our stockholders are set forth in the Notice of Annual Meeting of Stockholders. It is important that your shares be represented and voted at the meeting. Accordingly, after reading the attached Proxy Statement, would you kindly sign, date and return the enclosed proxy card. Your vote is important regardless of the number of shares you own.

Sincerely yours,

/s/ Michael S. Jeffries
Michael S. Jeffries President
and Chief Executive Officer

LOGO

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

MAY 20, 1997

April 14, 1997

To the Stockholders:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Abercrombie & Fitch Co., a Delaware corporation (the "Company"), will be held at the offices of Abercrombie & Fitch Co., Four Limited Parkway, Reynoldsburg, Ohio on May 20, 1997, at 10:30 a.m., Eastern Daylight Time, for the following purposes:

1. To elect three directors to serve for terms of three years.
2. To consider and vote upon a proposal to approve the Abercrombie & Fitch Co. Incentive Compensation Performance Plan.
3. To consider and vote upon a proposal to approve the 1997 Restatement of the Abercrombie & Fitch Co. 1996 Stock Option and Performance Incentive Plan.
4. To consider and vote upon a proposal to approve the Abercrombie & Fitch Co. 1996 Stock Plan for Non-Associate Directors.
5. To transact such other business as may properly come before the meeting or any adjournments thereof.

Only stockholders of record, as shown by the transfer books of the Company, at the close of business on March 28, 1997 are entitled to notice of and to vote at the Annual Meeting.

By Order of the Board of
Directors

/s/ Michael S. Jeffries
Michael S. Jeffries President
and Chief Executive Officer

PLEASE FILL IN, DATE AND SIGN THE ENCLOSED PROXY AND RETURN IT IN THE ENVELOPE PROVIDED AS PROMPTLY AS POSSIBLE, WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING. IF YOU LATER DESIRE TO REVOKE YOUR PROXY FOR ANY REASON, YOU MAY DO SO IN THE MANNER DESCRIBED IN THE ATTACHED PROXY STATEMENT.

LOGO

FOUR LIMITED PARKWAY REYNOLDSBURG, OHIO 43068 (614) 577-6500

PROXY STATEMENT DATED APRIL 14, 1997

ANNUAL MEETING OF STOCKHOLDERS MAY 20, 1997

The accompanying proxy is solicited by the Board of Directors of Abercrombie & Fitch Co. (the "Company") to be voted at the Annual Meeting of Stockholders to be held May 20, 1997 (the "Annual Meeting"), and any adjournments thereof. When such proxy is properly executed and returned, the shares it represents will be voted at the meeting as directed. If no specification is indicated, the shares will be voted in accordance with the recommendation of the Company's Board of Directors with respect to each matter submitted to the Company's stockholders for approval. Abstentions will not be voted, but will be counted for determining the presence of a quorum. Broker non-votes will not be counted for any purpose. Any stockholder giving a proxy has the power to revoke it prior to its exercise by notice of revocation to the Company in writing, by voting in person at the Annual Meeting or by execution of a subsequent proxy; provided, however, that such action must be taken in sufficient time to permit the necessary examination and tabulation of the subsequent proxy or revocation before the vote is taken.

The shares entitled to vote at the meeting consist of shares of Class A Common Stock and Class B Common Stock of the Company (collectively, the "Common Stock"), with each share of Class A Common Stock entitling the holder of record to one vote and each share of Class B Common Stock entitling the holder of record to three votes. At the close of business on March 28, 1997, the record date for the Annual Meeting, there were outstanding 8,002,950 shares of Class A Common Stock and 43,000,000 shares of Class B Common Stock. All shares of Class B Common Stock, representing approximately 94% of the voting power of the Company, are held by The Limited, Inc. ("The Limited"). The Class A Common Stock and the Class B Common Stock will vote as a single class with respect to all matters submitted to stockholders for approval at the Annual Meeting. This Proxy Statement and the accompanying form of proxy are first being sent to stockholders on or about April 14, 1997.

The Company consummated an initial public offering of its Class A Common Stock in September 1996 (the "Initial Public Offering"). Prior to that time, the businesses comprising Abercrombie & Fitch were wholly owned by The Limited.

ELECTION OF DIRECTORS

NOMINEES AND DIRECTORS

Three members of the Board of Directors of the Company will be elected at the Annual Meeting. Directors elected at the Annual Meeting will hold office for a three-year term expiring at the Annual Meeting of Stockholders in 2000 or until their successors are elected and qualified. In the event any of the nominees shall be unable or unwilling to serve as a director, it is intended that the proxies will be voted for the election of such person nominated by the Board of Directors in substitution. The Company has no reason to believe that any nominee of the Board of Directors will be unable to serve as a director if elected.

Stockholders wishing to nominate directors for election may do so by delivering to the Secretary of the Company, no later than 14 days before the Annual Meeting, a notice setting forth (a) the name, age, business address and, if known, residence address of each nominee proposed in such notice, (b) the principal occupation or employment of each such nominee and (c) the number of shares of stock of the Company beneficially owned by each such nominee. No person may be elected as a director unless he or she has been nominated by a stockholder in the manner just described or by the Board of Directors. The three nominees receiving the highest number of votes will be elected directors. Proxies may not be voted for more than three nominees.

BUSINESS EXPERIENCE

Nominees for Election at the 1997 Annual Meeting

- ROGER D. BLACKWELL Dr. Blackwell has been a Professor of Marketing at The Ohio State University for more than five years and is also President and Chief Executive Officer of Roger D. Blackwell Associates, Inc., a marketing consulting firm in Columbus, Ohio. Dr. Blackwell is also a director of Airnet Systems, Inc., Applied Industrial Technologies, Inc., Checkpoint Systems, Inc., The Flex-Funds, Intimate Brands, Inc., a subsidiary of The Limited ("Intimate Brands"), Max & Erma's Restaurants, Inc., and Worthington Foods, Inc.
- E. GORDON GEE Dr. Gee has been President of The Ohio State University since September 1990. Dr. Gee is also a director of The Limited, Intimate Brands, ASARCO, Inc., Banc One Corporation, Columbia Gas of Ohio and Glimcher Realty Trust.
- MICHAEL S. JEFFRIES Mr. Jeffries has been President and Chief Executive Officer of Abercrombie & Fitch since February 1992.

Directors Whose Terms Continue until the 1998 Annual Meeting

- KENNETH B. GILMAN Mr. Gilman has been Vice Chairman of the Company since 1996. Mr. Gilman has been Vice Chairman and Chief Financial Officer of The Limited since 1993 and was Executive Vice President and Chief Financial Officer of The Limited for five years prior thereto. Mr. Gilman has also been the Vice Chairman of the Board of Intimate Brands since 1995. Mr. Gilman is also a director of We Do, Inc.
- DONALD B. SHACKELFORD Mr. Shackelford has been Chairman of the Board and Chief Executive Officer of State Savings Bank, a banking business, for more than five years and has been the Chief Executive Officer of State Savings Co. since 1995. Mr. Shackelford is also a director of The Limited, Intimate Brands, Progressive Corporation and Worthington Foods, Inc.

Directors Whose Terms Continue until the 1999 Annual Meeting

- LESLIE H. WEXNER Mr. Wexner has been Chairman of the Board of the Company since 1996. Mr. Wexner has been President and Chief Executive Officer of The Limited since he founded The Limited in 1963 and has been Chairman of the Board of Directors of The Limited for more than five years. Mr. Wexner is also Chairman of the Board and Chief Executive Officer of Intimate Brands and a director of Hollinger International, Inc. and Hollinger International Publishing, Inc.

INFORMATION CONCERNING THE BOARD OF DIRECTORS

The Company's Board of Directors held one meeting in fiscal year 1996 after its Initial Public Offering. All of the directors attended the meeting.

The Compensation Committee of the Board is charged with reviewing executive compensation and administering the Company's stock option and performance incentive plans. Its members are Mr. Shackelford (Chair) and Dr. Gee. Members of the Compensation Committee held one meeting in fiscal year 1996 and took action in writing without a meeting on one occasion.

SECURITY OWNERSHIP OF DIRECTORS AND MANAGEMENT

Set forth below is certain information about the securities ownership of all directors of the Company, the executive officers of the Company named in the Summary Compensation Table below and all directors and executive officers of the Company as a group.

NAME, POSITION WITH THE COMPANY OR PRINCIPAL OCCUPATION, AND AGE	DIRECTOR CONTINUOUSLY SINCE	TERM EXPIRES	NUMBER OF SHARES OF CLASS A COMMON STOCK BENEFICIALLY OWNED (A)(B)	PERCENT OF CLASS	NUMBER OF SHARES OF THE LIMITED COMMON STOCK BENEFICIALLY OWNED (A)(B)	PERCENT OF THE LIMITED COMMON STOCK
Roger D. Blackwell..... Professor of Marketing, The Ohio State University, 56	1996	1997	1,077	*	6,800	*
Michele S. Donnan-Martin..... Vice President--General Merchandising Manager Women's, 33	**	**	4,963(c)	*	19,919(d)	*
E. Gordon Gee..... President of The Ohio State University, 53	1996	1997	577	*	1,386	*
Kenneth B. Gilman Vice Chairman, 50	1996	1998	10,000	*	427,109(d)(e)(f)	*
Michael S. Jeffries President and Chief Executive Officer, 52	1996	1997	23,343(c)	*	67,141(d)	*
Seth R. Johnson Vice President--Chief Financial Officer, 43	**	**	9,939(c)	*	31,640(d)(f)	*
Donald B. Shackelford Chairman of the Board and Chief Executive Officer of State Savings Bank, 64	1996	1998	1,077	*	67,837(g)	*
Leslie H. Wexner Chairman of the Board, 59	1996	1999	10,000	*	67,384,748(d)(f)(h)	24.9%
All directors and executive officers as a group.....	**	**	60,976(c)(i)	*	68,006,580(d)(h)(j)	25.1%

*Less than 1%.

**Not applicable.

(a) Unless otherwise indicated, each named person has voting and investment power over the listed shares and such voting and investment power is exercised solely by the named person or shared with a spouse.

- (b) Reflects ownership as of February 24, 1997.
- (c) Includes the following number of shares issuable within 60 days upon the exercise of outstanding stock options: Mr. Jeffries, 10,834; Ms. Donnan-Martin, 3,250; Mr. Johnson, 1,625; and all directors and executive officers as a group, 15,709.
- (d) Includes the following number of shares issuable within 60 days upon the exercise of outstanding stock options: Mr. Gilman, 254,167; Mr. Wexner, 87,500; Mr. Jeffries, 49,000; Ms. Donnan-Martin, 18,500; Mr. Johnson, 28,500; and all directors and executive officers as a group, 437,667.
- (e) Includes 1,117 shares owned by family members, as to which beneficial ownership is disclaimed by Mr. Gilman.
- (f) Includes the following number of shares held as of December 31, 1996 in an employee benefit plan, over which the participant has the power to dispose or withdraw shares: Mr. Gilman, 33,075; Mr. Johnson, 599; Mr. Wexner, 520,631; and all directors and executive officers as a group, 554,305.
- (g) Includes 18,381 shares owned by family members, as to which beneficial ownership is disclaimed by Mr. Shackelford.
- (h) Includes 2,000,000 shares held by Health and Science Interests, 350,000 shares held by Health and Science Interests II, 2,104,717 shares held by the Wexner Foundation, 6,010,600 shares held by the Harry & Hannah Wexner Trust, 3,989,400 shares held by the Harry, Hannah & David Wexner Trust and 18,750,000 shares held by The Wexner Children's Trust. Mr. Wexner disclaims beneficial ownership of the shares held by Health and Science Interests, Health and Science Interests II and the Wexner Foundation. Mr. Wexner shares investment and voting power with others with respect to shares held by The Wexner Foundation. The 18,750,000 shares held by the Wexner Children's Trust are held subject to the terms of a Contingent Stock Redemption Agreement entered into on January 26, 1996 between The Limited, Mr. Wexner and The Wexner Children's Trust.
- (i) Includes 15,709 shares issuable within 60 days upon the exercise of outstanding stock options.
- (j) Includes 4,474,215 shares as to which beneficial ownership is disclaimed.

EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

The following table provides information concerning compensation paid by the Company (except, as noted below, for executive officers Wexner and Gilman, whose compensation was paid by The Limited in the years noted) to each of the named executive officers of the Company for the Company's last fiscal year and by The Limited for that portion of the 1996 fiscal year prior to the consummation of the Initial Public Offering.

NAME AND PRINCIPAL POSITION (1)	SUMMARY COMPENSATION TABLE			LONG-TERM COMPENSATION AWARDS		
	FISCAL YEAR (2)	ANNUAL COMPENSATION		RESTRICTED STOCK AWARDS (4) \$	SECURITIES UNDERLYING OPTIONS AWARDED #	ALL OTHER COMPENSATION (5) \$
		SALARY \$	BONUS (3) \$			
Leslie H. Wexner..... Chairman of the Board	1996	1,011,538	915,000	--	200,000(6)	151,629
					100,000(8)	
	1995	1,150,000	768,315	--	100,000(6)	148,436
Kenneth B. Gilman..... Vice Chairman	1994	1,150,000	832,370	556,562(6)	50,000(6)	149,066
	1996	903,846	603,900	--	50,000(6)	187,192
					50,000(8)	
Michael S. Jeffries..... President and Chief Executive Officer	1995	941,935	449,820	--	25,000(6)	190,772
	1994	896,144	473,760	278,281(6)	25,000(6)	185,736
	1996	546,154	990,275	720,000(7)(9)	130,000(7)	140,380
Michele S. Donnan-Martin..... Vice President--General Merchandising Manager--Women's				340,478(7)		
				93,366(6)		
	1995	491,700	426,300	159,393(6)	12,000(6)	104,772
Seth R. Johnson..... Vice President--Chief Financial Officer	1996	256,923	234,065	72,000(7)(9)	28,000(7)	46,657
				88,000(7)		
				43,203(7)		
				15,561(6)		
	1995	217,510	107,184	26,566(6)(9)	5,000(6)	36,051
	1996	223,077	202,556	43,203(7)	6,500(7)	45,873
				15,561(6)		
	1995	198,340	97,440	26,566(6)	5,000(6)	39,854

(1) Executive officers Wexner and Gilman are also employed by The Limited and received no direct cash compensation from the Company. The annual base salary and annual bonus opportunity for executive officers Wexner and Gilman in respect of their service with The Limited and its affiliates was determined by The Limited's Compensation Committee and was paid by The Limited.

(2) Under rules promulgated by the Securities and Exchange Commission (the "Commission"), since the Company was not a reporting company during the three immediately preceding fiscal years, only the information with respect to the last two completed fiscal years is noted in the Summary Compensation Table, except for such information that was previously required to be filed with the Commission.

(3) Represents for each fiscal year, the aggregate of the performance-based cash incentive compensation for the Spring and Fall selling seasons.

(4) On February 1, 1997, 24,762, 3,142 and 3,142 restricted stock performance awards of the Company's Class A Common Stock were granted to executive officers Jeffries, Donnan-Martin and Johnson, respectively. The per share value of the Class A Common Stock on such date was \$13.75. On August 1, 1996, 4,788, 798 and 798 restricted stock performance awards of The Limited's Common Stock were granted to executive officers Jeffries, Donnan-Martin and Johnson, respectively. The per share value of The Limited's Common Stock on such date was \$19.50. The February 1, 1997 and August 1, 1996 awards were in respect of 1996 performance. On February 1, 1996, 9,516, 1,586, 1,586 restricted stock performance awards of The Limited's Common Stock were granted to executive officers Jeffries, Donnan-Martin and Johnson, respectively, in respect of 1995 performance. The per share value of The Limited's Common Stock on such date was \$16.75. These awards generally vest 10% on the grant date; an additional 20% on the first anniversary of the grant date; an additional 30% on the second anniversary of the grant date; and the remaining 40% on the third anniversary of the grant date, in each case, subject to the holder's continued employment.

Under the relevant awards, the employment of executive officers Jeffries, Donnan-Martin and Johnson with The Limited is not considered terminated as a result of their becoming employees of the Company.

On September 25, 1996, 5,500 restricted shares of the Company's Class A Common Stock were awarded to executive officer Donnan-Martin. The per share value of Class A Common Stock on such date was the Initial Public Offering price of \$16.00 per share. This award vests 100% on September 25, 2001.

As of February 1, 1997, the aggregate holdings of restricted shares of the Company's Class A Common Stock and the market value of such holdings for each of the named executive officers were: Mr. Jeffries, 67,286 shares, \$925,183; Ms. Donnan-Martin, 12,828 shares, \$176,385; and Mr. Johnson, 2,828 shares, \$38,885 (based on the \$13.75 fair market value of the Company's Class A Common Stock on Friday, January 31, 1997).

As of February 1, 1997, the aggregate holdings of restricted shares of The Limited's Common Stock and the market value of such holdings for such executive officers were: Mr. Jeffries, 15,772 shares, \$270,096; Ms. Donnan-Martin, 2,630 shares, \$45,039 and Mr. Johnson, 2,630 shares, \$45,039, (based on the \$17.125 fair market value of The Limited's Common Stock on Friday, January 31, 1997).

Dividends will not be paid or accrue with respect to shares of restricted stock until such shares vest.

- (5) Represents for each named executive officer, the amount of employer matching and supplemental contributions allocated to his or her account under certain of The Limited's qualified and non-qualified defined contribution plans during 1996.
- (6) Denominated in shares of The Limited's Common Stock.
- (7) Denominated in shares of the Company's Class A Common Stock.
- (8) Denominated in shares of Intimate Brands' Class A Common Stock.
- (9) Reflects the cancellation of awards of restricted shares of The Limited's Common Stock granted to such executive officers on March 1, 1994 and February 2, 1996, respectively, in consideration for the award on September 25, 1996 to executive officers Jeffries and Donnan-Martin of 45,000 and 4,500 restricted shares of the Company's Class A Common Stock, respectively. Such restricted shares vest 100% on March 1, 1999 and February 2, 2001, respectively, subject to continued employment with the Company.

LONG-TERM INCENTIVE PLAN AWARDS

No awards were granted in respect of the 1996 fiscal year to the named executive officers other than the restricted stock performance awards granted to executive officers Jeffries, Donnan-Martin and Johnson as disclosed in the Summary Compensation Table.

STOCK OPTIONS

The following table sets forth certain information regarding stock options granted to the executive officers named in the Summary Compensation Table during the Company's 1996 fiscal year.

OPTION GRANTS IN FISCAL YEAR 1996

NAME	SECURITIES UNDERLYING OPTIONS GRANTED (1)	INDIVIDUAL GRANTS		EXERCISE PRICE PER SHARE	EXPIRATION DATE	POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION TERM (2)	
		APPROXIMATE % OF TOTAL OPTIONS GRANTED TO ASSOCIATES IN FISCAL YEAR				5%	10%
Leslie H. Wexner.....	19,656(3)	1.08%		\$20.35 (4)	7/19/01	\$ 110,513	\$ 244,204
	180,344(3)	9.91%		20.35 (4)	7/19/06	2,308,044	5,849,035
	100,000(5)	10.93%		21.5875(4)	7/19/06	1,357,626	3,440,492
Kenneth B. Gilman.....	16,197(3)	0.89%		\$16.625	2/10/06	\$ 169,346	\$ 429,155
	33,803(3)	1.86%		16.625	2/10/06	353,423	895,643
	2,176(5)	0.24%		14.125	2/10/06	19,330	48,985
	47,824(5)	5.23%		14.125	2/10/06	424,827	1,076,595
Michael S. Jeffries.....	21,718(6)(7)	8.79%		\$16.000	9/26/06	\$ 218,533	\$ 553,806
	108,282(6)(7)	43.82%		16.000	9/26/06	1,089,567	2,761,178
Michele S. Donnan- Martin.....	12,226(6)(7)	4.95%		\$16.000	9/26/06	\$ 123,022	\$ 311,762
	774(6)(7)	0.31%		16.000	9/26/06	7,788	19,737
	5,203(6)	2.11%		16.000	9/26/06	52,354	132,676
	9,797(6)	3.96%		16.000	9/26/06	98,580	249,822
Seth R. Johnson.....	4,875(6)(7)	1.97%		\$16.000	9/26/06	\$ 49,054	\$ 124,312
	1,625(6)(7)	0.66%		16.000	9/26/06	16,351	41,437

(1) On July 18, 1996, options to purchase shares of The Limited's Common Stock pursuant to The Limited, Inc. 1993 Stock Option and Performance Incentive Plan and options to purchase shares of Intimate Brands' Class A Common Stock pursuant to the Intimate Brands, Inc. 1995 Stock Option and Performance Incentive Plan were granted to Mr. Wexner. Such options become exercisable in four equal annual installments commencing on the first anniversary of the grant date, subject to continued employment. One grant represents options intended to qualify as "incentive stock options" within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), and the other represents non-qualified stock options. All Intimate Brands options granted to Mr. Wexner represent non-qualified stock options.

On February 9, 1996, options to purchase shares of The Limited's Common Stock pursuant to The Limited, Inc. 1993 Stock Option and Performance Incentive Plan and options to purchase shares of Intimate Brands',

Class A Common Stock pursuant to The Intimate Brands, Inc. 1995 Stock Option and Performance Incentive Plan were granted to Mr. Gilman. Such options are comprised of three approximately equal tranches, each of which will vest in four equal annual installments commencing on the first, second and third anniversaries of February 9, 1996, respectively, subject to continued employment. Mr. Gilman received two grants of each company's options during 1996. One grant represents options intended to qualify as "incentive stock options" within the meaning of Section 422 of the Code and the other represents non-qualified stock options.

On September 25, 1996, options to purchase shares of the Company's Class A Common Stock pursuant to the Company's 1996 Stock Option and Performance Incentive Plan were granted to executive officers Jeffries, Donnan-Martin and Johnson in consideration of the cancellation of The Limited options granted on February 9, 1996 to such executive officers. Such options granted to executive officers Donnan-Martin and Johnson become exercisable in four equal annual installments commencing on the first anniversary of February 9, 1996 subject to continued employment with the Company. Such options granted to executive officer Jeffries are comprised of three approximately equal tranches, each of which will vest in four equal annual installments commencing on the first, second and third anniversaries of February 9, 1996, respectively, subject to continued employment. Each officer received two grants relative to such options. One grant represents options intended to qualify as "incentive stock options" within the meaning of Section 422 of the Code and the other represents non-qualified stock options.

On September 25, 1996, Ms. Donnan-Martin was granted options to purchase the Company's Class A Common Stock pursuant to the Company's 1996 Stock Option and Performance Incentive Plan. Such options become exercisable in four equal annual installments commencing on the first anniversary of the grant date, subject to continued employment. Ms. Donnan-Martin received two grants relative to such options. One grant represents options intended to qualify as "incentive stock options" within the meaning of Section 422 of the Code and the other represents non-qualified stock options.

- (2) The assumed rates of growth were selected by the Securities and Exchange Commission (the "Commission") for illustrative purposes only and are not intended to predict or forecast future stock prices.
- (3) Denominated in shares of The Limited's Common Stock.
- (4) The per share exercise price of all such options granted to Mr. Wexner is set at 110% of the fair market value of the underlying common stock of the date of grant.
- (5) Denominated in shares of Intimate Brands' Class A Common Stock.
- (6) Denominated in shares of the Company's Class A Common Stock.
- (7) The table does not include the February 9, 1996 grants of options to purchase shares of The Limited's Common Stock pursuant to The Limited, Inc. 1993 Stock Option and Performance Incentive Plan to executive officers Jeffries, Donnan-Martin and Johnson. Such grants were canceled as consideration for the September 25, 1996 grant of certain options to purchase shares of the Company's Class A Common Stock noted above.

The following table sets forth certain information relating to the number and value of shares of The Limited's Common Stock, Intimate Brands' Class A Common Stock and the Company's Class A Common Stock subject to the stock options held by the executive officers named in the Summary Compensation Table during the Company's 1996 fiscal year and the year-end values of unexercised options held by such executive officers.

AGGREGATED OPTION EXERCISES IN 1996 FISCAL YEAR AND FISCAL YEAR-END OPTION VALUES

NAME	SHARES ACQUIRED ON EXERCISE	VALUE REALIZED	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS AT FISCAL YEAR-END		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT FISCAL YEAR-END	
			EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
Leslie H. Wexner.....	--	--	50,000(1) -- (2)	300,000(1) 100,000(2)	\$ 3,125(1) -- (2)	\$ 3,125(1) -- (2)
Kenneth B. Gilman.....	--	--	237,500(1) -- (2)	81,250(1) 50,000(2)	\$422,656(1) -- (2)	\$ 26,563(1) 181,250(2)
Michael S. Jeffries.....	--	--	43,000(1) -- (3)	18,000(1) 130,000(3)	\$ 750(1) -- (3)	\$ 750(1) -- (3)
Michele S. Donnan-Martin.....	--	--	16,250(1) -- (3)	6,750(1) 28,000(3)	\$ 250(1) -- (3)	\$ 250(1) -- (3)
Seth R. Johnson.....	--	--	26,000(1) -- (3)	9,000(1) 6,500(3)	\$ 31,063(1) -- (3)	\$ 313(1) -- (3)

(1) Denominated in shares of The Limited's Common Stock. Value is calculated on the basis of the number of shares subject to each such option, multiplied by the excess of the fair market value of a share of such Common Stock at fiscal year-end (\$17.125) over the exercise price of such option.

(2) Denominated in shares of Intimate Brands' Class A Common Stock. Value is calculated on the basis of the number of shares subject to each such option, multiplied by the excess of the fair market value of a share of Class A Common Stock at fiscal year-end (\$17.75) over the exercise price of such option.

(3) Denominated in shares of the Company's Class A Common Stock. Value is calculated on the basis of the number of shares subject to each such option, multiplied by the excess of the fair market value of a share of Class A Common Stock at fiscal year-end (\$13.75) over the exercise price of such option.

COMPENSATION OF DIRECTORS

Directors who are not associates of the Company receive an annual retainer of \$10,000 per year (increased by \$1,500 for each committee chair held), plus a fee of \$800 for each Board meeting attended (\$400 for a telephonic meeting) and, as committee members, receive \$600 per committee meeting attended (\$200 for a telephonic meeting). Each action in writing taken by the Board or any committee entitles each such director to be paid \$200. In addition, pursuant to the 1996 Non-Associate Director Stock Plan, each non-associate director will receive annual grants of options to acquire 2,000 shares of the Company's Class A Common Stock at an exercise price equal to the fair market value of the underlying shares on the date of grant. The annual retainer will be paid 50% in cash and 50% in shares of the Company's Class A Common Stock pursuant to the 1996 Non-Associate Director Stock Plan. Associates and officers of the Company who are directors receive no additional compensation for services rendered as directors.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

The Company's officers and directors, and persons who own more than ten percent of a registered class of the Company's equity securities, are required to file reports of ownership and changes in ownership of the Company's equity securities with the Commission and the New York Stock Exchange. Copies of those reports must also be furnished to the Company.

Based solely on a review of the copies of reports furnished to the Company and written representations that no other reports were required, the Company believes that during fiscal 1996 its officers, directors, and greater than ten-percent beneficial owners complied with such filing requirements.

REPORT OF THE COMPENSATION COMMITTEE

The Compensation Committee (the "Committee") reviews and approves the Company's executive compensation philosophy and policies and the application of such policies to the compensation of executive officers. Messrs. Wexner and Gilman were compensated by The Limited and did not participate in the Company's compensation program. The Company's compensation program and compensation philosophy are generally consistent with those of The Limited. The Company and the Committee have also retained independent compensation consultants to assist in developing, and periodically assessing the reasonableness of, the Company's executive officer compensation program.

COMPENSATION PHILOSOPHY

The Company seeks to apply a consistent philosophy to compensation for all leadership associates, including senior executives. The primary goal of the compensation program is to link total compensation to executive performance to enhance stockholder value. Accordingly, total compensation for leadership individuals is structured to provide a lower proportion as fixed compensation and a much higher variable proportion keyed to performance.

Our philosophy is built on the following basic principles:

To Pay for Outstanding Performance

The Company believes in paying for results. Individuals in leadership roles are compensated based on a combination of business unit and individual performance factors. Total business performance is evaluated primarily based on the degree by which financial targets are met. Individual performance is evaluated based on several factors, including attainment of specific merchandise and financial objectives, building and developing a strong leadership team, developing an infrastructure to support future business growth, and controlling expenses. In addition, a significant portion of total compensation is in the form of equity-based award opportunities to directly tie any increased compensation to increased stockholder value.

To Pay Competitively

The Company is committed to providing a total compensation program designed to attract the best senior leaders to the business and to retain the best, most consistent performers. To achieve this goal, the Company annually compares its pay practices and overall pay levels with other leading retail, and where appropriate, non-retail companies, and sets pay guidelines based on this review.

To Pay Equitably

The Company believes that it is important to apply generally consistent guidelines for all leadership compensation programs across business units, considering the size, complexity, stage of development and performance of the business.

PRINCIPAL COMPENSATION ELEMENTS

The principal elements of executive compensation at the Company are base salary, short-term performance-based cash incentive compensation, and equity-based incentive programs. In determining guidelines for each compensation element, the Company participates in compensation surveys which include approximately 75 national and regional specialty and department store retail businesses, chosen because of their general similarity to the Company in business and merchandise focus. In addition, the Company participates in special surveys focusing on special segments of the business, such as merchandise design. The Company, along with its compensation consultants, analyzes executive compensation levels and practices relative to the performance of these competitor companies, and from this information, develops pay guidelines that generally target, and place the Company in, the 75th to 90th percentile of pay for those with exceptional performance. The competitor group that is surveyed is subject to periodic review and is modified from time to time to reflect new businesses, mergers, acquisitions and changes in business focus. The competitor group contains approximately 50% of the companies in the S&P Retail Stores Composite Index represented in the Stockholder Return Graph below. Subject to the needs of the Company, its policy is to attempt to design all incentive and equity-based compensation programs to meet the requirements for deductibility under the Code.

Base Salary

The Committee annually reviews and approves the base salary of each executive officer. In determining salary adjustments, the Committee considers the size and responsibility of the individual's position, the business unit's overall performance, the individual's overall performance and future potential, and the base salaries paid by competitors to employees in comparable positions. Individual performance is measured against the following factors: seasonal and annual business goals, business growth and brand execution goals, and the recruitment and development of future leadership talent. These factors are considered subjectively in the aggregate, and none of these factors is accorded a formula weight.

Performance-Based Cash Incentive Compensation

The Company has employed a short-term performance-based cash incentive compensation program for specified key leadership positions that provides for incentive payments based on the extent to which preestablished objective goals for each six-month operating season are attained. This year, stockholders are being asked to approve a successor plan, the Incentive Compensation Performance Plan, which is substantially similar to and will replace the current plan, pursuant to which the named executive officers may earn performance-based cash incentive payments (see "Proposal to Approve Adoption of the Incentive Compensation Performance Plan", below).

The goals under this plan are based on operating income. However, goals also may be based on other objectives and/or criteria, depending on the business unit strategy. These goals are generally set at the beginning of each season, and are based on an analysis of historical performance and growth expectations for the business, financial results of other comparable businesses both inside and outside the Company and progress toward achieving the business strategic plan. Target cash incentive compensation opportunities are established annually for eligible executives stated as a specific percent of base salary. The amount of performance-based incentive compensation earned by participating executives can range from zero to double their incentive target, based upon the extent to which preestablished financial goals are achieved.

Equity-Based Incentive Programs

The Committee believes that continued emphasis on equity-based compensation opportunities encourage performance that enhances stockholder value, thereby further linking leadership and shareholder objectives. In 1996, the Committee awarded equity-based incentive compensation under two programs: a stock option program and a restricted stock program under which shares of restricted stock are granted and earned based on seasonal and annual financial performance. The Committee also believes that restricted stock awards, which are earned based on financial performance and the ultimate vesting of which is subject to continued employment, assists the Company in retaining key high performing executives.

The award opportunity level for each eligible participant is based on guidelines which include size of the executive's business unit, the individual's responsibility level within that business, competitive practices, and the market price of the Company's Class A Common Stock. In determining the Committee begins with these guidelines and then makes adjustments based on an evaluation of the individual's performance and potential in the business.

Stock Options. In 1996, stock options were awarded to executives in the amounts set forth in the Option Grants in Fiscal Year 1996 Table above. The option program utilizes vesting periods to encourage retention of key executives. The exercise price for each option granted, with the exception of certain options granted to Mr. Wexner (who was granted certain above-market value options), is equal to the fair market value of the underlying common stock on the date of grant.

Performance-Based Restricted Stock. In 1996, the Committee commenced a program under which executives, including the named executive officers, are eligible to receive restricted stock based on the achievement of preestablished financial goals. Executives can earn from zero to double their targeted number of restricted shares based upon the extent to which financial goals are achieved.

CEO COMPENSATION

Mr. Jeffries has been President and Chief Executive Officer of the Company since February 1992. The Committee conducts the same type of competitive review and analysis to determine base salary and incentive guidelines for Mr. Jeffries' position as it does for the other executive positions.

In 1996, as in prior years, in establishing Mr. Jeffries' compensation package the Committee considered competitive practices, the extent to which the Company achieved operating income and sales growth objectives, and the success of the Initial Public Offering. These factors are considered subjectively in the aggregate and none of these factors is accorded specific weight.

Since the Company is now publicly-held, the Committee believes that as Chief Executive Officer of the Company, Mr. Jeffries' total compensation package should have even greater emphasis on performance-based cash and equity compensation. Therefore, Mr. Jeffries' base salary was increased by 10%, from \$500,000 to \$550,000, while his performance-based cash incentive target was raised from 70% to 100%. In addition, Mr. Jeffries was granted options covering 130,000 shares of the Company's Class A Common Stock in consideration for the cancellation of a February 9, 1996 grant to Mr. Jeffries of options covering The Limited's Common Stock. In consideration for the cancellation of his March 1994 grant of restricted shares of The Limited's Common Stock, Mr. Jeffries was also granted an award of 45,000 shares of restricted shares of Class A Common Stock that vests 100% in March 1999, subject to continued employment.

The Committee believes that the Company's 1996 performance was excellent, posting a net sales increase of 42%, an operating income increase of 93%, and an earnings per share increase of 129% over the prior year. As a result of that performance, Mr. Jeffries earned significantly above targeted levels under the performance-based cash incentive program and the performance-based restricted stock program.

Compensation Committee

Donald B. Shackelford, Chair E. Gordon
Gee

STOCKHOLDER RETURN GRAPH

The following graph shows the changes, over the three-month period in fiscal 1996 commencing after the Initial Public Offering, in the value of \$100 invested in Class A Common Stock of the Company, the Standard & Poor's 500 Composite Stock Price Index and the Standard & Poor's Retail Stores Composite Index. The plotted points represent the closing price on the last day of the fiscal year indicated.

COMPARISON OF 4 MONTH CUMULATIVE TOTAL RETURN*
AMONG ABERCROMBIE & FITCH CO., THE S & P 500 INDEX
AND S & P RETAIL COMPOSITE INDEX

[GRAPH APPEARS HERE]

DATE	Abercrombie & Fitch Co.	S & P 500	S & P Retail Composite
9/26/96	\$100	\$100	\$100
1/31/97	\$ 86	\$122	\$ 97

* \$100 INVESTED ON 9/26/96 IN STOCK OR ON 8/31/96 IN INDEX - INCLUDING REINVESTMENT OF DIVIDENDS. FISCAL YEAR ENDED JANUARY 31.

PRINCIPAL HOLDERS OF VOTING SECURITIES

The following table sets forth the names of all persons who, on February 24, 1997, were known by the Company to be the beneficial owners (as defined in the rules of the Commission) of more than 5% of the shares of any class of voting common stock of the Company:

NAME AND ADDRESS OF BENEFICIAL OWNER	CLASS OF COMMON	AMOUNT BENEFICIALLY OWNED	PERCENT OF CLASS
The Limited, Inc. Three Limited Parkway P.O. Box 16000 Columbus, Ohio 43216	Class B	43,000,000	100.0%
Janus Capital Corporation (1) Thomas H. Bailey 100 Fillmore Street Denver, CO 80206	Class A	1,329,700	16.5%
Wellington Management Company, LLP 75 State Street Boston, MA 02109	Class A	1,136,340	14.1%
Provident Investment Counsel, Inc. (2) 300 North Lake Avenue Pasadena, CA 91101	Class A	453,700	5.6%
Janus Mercury Fund 100 Fillmore Street Denver, CO 80206	Class A	435,500	5.4%
Travelers Group Inc. (3) Smith Barney Holdings Inc. 388 Greenwich Street New York, NY 10013	Class A	438,330	5.5%
FMR Corp. (4) 82 Devonshire Street Boston, MA 02109	Class A	355,400	4.4%

(1) Janus Capital Corporation ("Janus Capital") is a registered investment adviser which furnishes investment advice to several investment companies registered under Section 8 of the Investment Company Act of 1940 and individual and institutional clients. As a result of its role as investment adviser or sub-adviser, Janus Capital may be deemed to be the beneficial owner of the shares of the Company's Class A Common Stock held by such clients. However, Janus Capital does not have the right to receive any dividends from, or the proceeds from the sale of, the securities held in its clients' portfolios, and disclaims any ownership associated with such rights. Mr. Bailey owns approximately 12.2% of Janus Capital. In addition to being a stockholder of Janus Capital, Mr. Bailey serves as President and Chairman of the Board of Janus Capital. Mr. Bailey does not own of record any shares of the Company's Class A Common Stock and he has not engaged in any transaction in the Company's Class A Common Stock. However, as a result of his position, Mr. Bailey may be deemed to have the power to exercise or to direct the exercise of such voting and/or

dispositive power that Janus Capital may have with respect to the Company's Class A Common Stock held by its clients' portfolios. Mr. Bailey specifically disclaims beneficial ownership over any shares of the Company's Class A Common Stock that he or Janus Capital may be deemed to beneficially own.

- (2) Provident Investment Counsel Inc. ("Provident") is a Massachusetts corporation and registered investment adviser, and is a wholly owned subsidiary of United Asset Management Holdings, which is wholly owned by United Asset Management Corporation ("UAM"). Provident's beneficial ownership of the Company's Class A Common Stock is as a direct result of its discretionary authority to buy, sell, and vote shares of such Class A Common Stock for its investment advisory clients.
- (3) Travelers Group Inc. is the sole shareholder of Smith Barney Holdings Inc.
- (4) FMR Corp., Edward C. Johnson 3d, Abigail P. Johnson and certain subsidiaries of FMR Corp. may be deemed to be members of a "group" as such term is defined in the rules promulgated by the Commission. The FMR Group is the beneficial holder of the Company's Class A Common Stock as a result of the investment-related activities of certain subsidiaries of FMR Corp. Members of the Edward C. Johnson 3d family and trusts for their benefit are the predominant owners of Class B shares of common stock of FMR Corp. representing approximately 49% of its voting power. Mr. Johnson 3d, the chairman of FMR Corp., owns 12% of the aggregate outstanding voting stock of FMR Corp. and Ms. Johnson, a director of FMR Corp., owns 24.5% of the aggregate outstanding voting stock of FMR Corp.

RELATIONSHIP AND TRANSACTIONS WITH THE LIMITED

The Limited owns 100% of the outstanding Class B Common Stock of the Company, which represents approximately 94% of the combined voting power of all of the Company's outstanding Common Stock. The Limited has advised the Company that its current intent is to continue to hold all of the Class B Common Stock beneficially owned by it. However, The Limited has no agreement with the Company not to sell or distribute such shares and there can be no assurance concerning the period of time during which The Limited will maintain its beneficial ownership of Common Stock. Beneficial ownership of at least 80% of the total voting power and value of the outstanding Common Stock is required in order for The Limited to continue to include the Company in its consolidated group for federal income tax purposes and ownership of at least 80% of the total voting power and 80% of each class of nonvoting capital stock is required in order for The Limited to be able to effect a tax-free spin-off of the Company in the future.

INTERCOMPANY ARRANGEMENTS. The Company's relationship with The Limited is governed, in part, by agreements entered into in connection with the Initial Public Offering, including a services agreement, a corporate agreement, several lease agreements, several shared facilities agreements and a tax-sharing agreement, the material terms of which are summarized below. Information concerning amounts paid under the various agreements with The Limited have been calculated as if such agreements had been in effect for the full 1996 fiscal year.

The following summary of the material terms of the agreements does not purport to be complete and is qualified in its entirety by reference to the forms of the relevant agreements, copies of which were filed with the Commission as exhibits to the Company's Registration Statement on Form S-1 filed in connection with the Initial Public Offering, and are available for inspection at the Commission.

Services Agreement. The Company and The Limited are parties to an intercompany services and operating agreement (the "Services Agreement") with respect to services provided by The Limited (or subsidiaries of The Limited) to the Company. The services provided by The Limited to the Company include, among other things,

certain accounting, aircraft, associate benefit plan administration, audit, cash management, corporate development, corporate secretary, governmental affairs, human resources and compensation, investor and public relations, import and shipping, legal, real estate, risk management, store design/planning, tax and treasury services. The Services Agreement provides that such services are to be provided in exchange for specified fees, which (based on current costs for such services) management believes do not exceed fees that would be paid if such services were provided by independent third parties. Under the Services Agreement, the fees for services provided by The Limited to the Company during 1996 were approximately \$3,989,000.

In addition to the identified services, during fiscal 1996, The Limited continued coverage of the Company under The Limited's umbrella liability, property, casualty and fiduciary insurance policies. The Company reimburses The Limited for the portion of The Limited's premium cost with respect to such insurance that is attributable to coverage of the Company. Either The Limited or the Company may terminate such coverage under The Limited's policies at any time upon prior written notice during the 90 days prior to the anniversary date of the policy, provided that termination of coverage by the Company may only be for nonpayment and only if a replacement policy, acceptable to The Limited, is entered into by the Company.

The Services Agreement further provides for eligible associates of the Company to participate in The Limited's associate benefit plans. In addition to a monthly services fee, the Company reimburses The Limited for The Limited's costs (including any contributions and premium costs and including certain third-party expenses and allocations of certain personnel expenses of The Limited) relating to participation by the Company's associates in any of The Limited's benefit plans.

The Services Agreement has an initial term of five years and will be renewed automatically thereafter for successive one-year terms, unless either the Company or The Limited elects not to renew the Services Agreement. After the initial five-year term, the Services Agreement may be terminated at any time by either party upon six months' written notice. Furthermore, the Services Agreement is subject to early termination by either the Company or The Limited upon six months' written notice if The Limited ceases to own shares of Common Stock representing more than 50% of the combined voting power of the Common Stock of the Company, whether as a result of a tax-free spin-off of the Company or otherwise.

Sublease Agreement. The Company has entered into a sublease agreement with an affiliate of The Limited (the "Sublease Agreement") pursuant to which such affiliate subleases to the Company a distribution center and headquarters office space. The Sublease Agreement provides for the lessee to lease space at an average annual rental rate equal to \$11.00 per square foot, in the case of office space, and \$2.85 per square foot, in the case of the distribution center, subject to adjustment based on the consumer price index every third year. The Company paid approximately \$932,000 in lease payments during 1996 under the Sublease Agreement.

The Sublease Agreement has an initial term of fifteen years and will be renewed automatically thereafter for eight successive five-year terms unless either the lessor or lessee (or sublessor or sublessee) elects not to renew the Sublease Agreement upon at least one year's notice.

Shared Facilities Agreement. The Company and certain businesses operated by The Limited have entered into shared facilities agreements (collectively, the "Shared Facilities Agreement") pursuant to which the Company subleased facilities from the relevant businesses operated by The Limited. Under the Shared Facilities Agreement, the sublessee is responsible for its pro rata share (based on square feet occupied) of all costs and expenses (principally fixed rent) under the relevant lease, plus the portion of any performance-based rent attributable to the sublessee. In 1996, the Company paid The Limited approximately \$1,509,000 for the portion of the cost and expenses attributable to it under the relevant leases.

Tax-Sharing Agreement. The Company is included in The Limited's federal consolidated income tax group and the Company's federal income tax liability is included in the consolidated federal income tax liability of The Limited and its subsidiaries. In certain circumstances, certain subsidiaries of the Company are also included with certain subsidiaries of The Limited (other than subsidiaries of the Company) in combined, consolidated or unitary income tax groups for state and local tax purposes. The Company and The Limited entered into a tax-sharing agreement (the "Tax-Sharing Agreement") pursuant to which the Company and The Limited make payments between them such that, with respect to any period, the amount of taxes to be paid by the Company, subject to certain adjustments, will be determined as though the Company were to file separate federal, state and local income tax returns (including, except as provided below, any amounts determined to be due as a result of a redetermination of the tax liability of The Limited arising from an audit or otherwise) as the common parent of an affiliated group of corporations filing combined, consolidated or unitary (as applicable) federal, state and local returns rather than a consolidated subsidiary of The Limited with respect to federal, state and local income taxes. The Company will be reimbursed, however, for tax attributes that it generates, such as net operating losses, if and when they are used on a consolidated basis.

In determining the amount of tax-sharing payments under the Tax-Sharing Agreement, The Limited prepares for the Company pro forma returns with respect to federal and applicable state and local income taxes that reflect the same positions and elections used by The Limited in preparing the returns for The Limited's consolidated group and other applicable groups. The Limited continues to have all the rights of a parent of a consolidated group (and similar rights provided for by applicable state and local law with respect to a parent of a combined, consolidated or unitary group), is the sole and exclusive agent for the Company in any and all matters relating to the income, franchise and similar tax liabilities of the Company, is solely and exclusively responsible for the preparation and filing of consolidated federal and consolidated or combined state income tax returns (or amended returns), and has the power, in its sole discretion, to contest or compromise any asserted tax adjustment or deficiency and to file, litigate or compromise any claim for refund on behalf of the Company. In addition, The Limited provides the aforementioned services with respect to the Company's separate state and local returns and the Company's foreign returns. Under the Tax-Sharing Agreement, the Company must pay The Limited a fee intended to reimburse The Limited for all direct and indirect costs and expenses incurred with respect to the Company's share of the overall costs and expenses incurred by The Limited with respect to tax-related services.

In general, the Company will be included in The Limited's consolidated group for federal income tax purposes for so long as The Limited beneficially owns at least 80% of the total voting power and value of the outstanding Common Stock. Each member of a consolidated group is jointly and severally liable for the federal income tax liability of each other member of the consolidated group. Accordingly, although the Tax-Sharing Agreement allocates tax liabilities between the Company and The Limited, during the period in which the Company is included in The Limited's consolidated group, the Company could be liable in the event that any federal tax liability is incurred, but not discharged, by any other member of The Limited's consolidated group.

Corporate Agreement. The Company and The Limited are parties to a corporate agreement (the "Corporate Agreement") under which the Company granted to The Limited a continuing option, transferable to any of its subsidiaries, to purchase, under certain circumstances, additional shares of Class B Common Stock or shares of nonvoting capital stock of the Company (the "Stock Option"). The Corporate Agreement further provides that, upon the request of The Limited, the Company will use its best efforts to effect the registration under the applicable federal and state securities laws of any of the shares of Class B Common Stock and nonvoting capital stock (and any other securities issued in respect of or in exchange for either) held by The Limited for sale in accordance with The Limited's intended method of disposition thereof, and will take such other actions as may be necessary to permit the sale thereof in other jurisdictions, subject to certain limitations

specified in the Corporate Agreement. The Company will pay all out-of-pocket costs and expenses in connection with each such registration that The Limited requests or in which The Limited participates. The Corporate Agreement also restricts the Company from taking certain actions for so long as The Limited maintains beneficial ownership of a majority of the number of outstanding shares of the Company's Common Stock.

INTERCOMPANY OBLIGATIONS. Prior to the Initial Public Offering, the Company had intercompany obligations to The Limited in an aggregate amount of approximately \$181.6 million. Of such amount, \$131.6 million was repaid during fiscal 1996. The remaining \$50 million of intercompany obligations (the "Mirror Note") matures on May 15, 2002, bears interest at the rate of 7.8% per annum and represents the Company's share of certain long-term debt of The Limited. The interest rate and maturity of the Mirror Note parallel those of the corresponding debt of The Limited.

PROPOSAL TO APPROVE ADOPTION OF THE INCENTIVE COMPENSATION PLAN

The Company's Board of Directors has adopted, subject to approval of the Company's stockholders, the Abercrombie & Fitch Co. Incentive Compensation Performance Plan (the "Incentive Plan"). The Incentive Plan is intended to satisfy the applicable provisions of, and is being submitted to stockholders pursuant to, Section 162(m) of the Code. If approved by stockholders, the Incentive Plan will replace and supersede the Company's Incentive Compensation Plan ("ICP"), approved prior to the Initial Public Offering by The Limited as the Company's then sole stockholder. The following summary of the material terms of the Incentive Plan, a copy of which is attached hereto as Exhibit A, does not purport to be complete and is qualified in its entirety by the terms of the Incentive Plan. Under the Incentive Plan, those key executives of the Company with significant operating and financial responsibility who, as determined by the Compensation Committee, are likely to be "covered employees" (within the meaning of Section 162(m) of the Code) in respect of the relevant performance year, will be eligible to earn seasonal or annual cash incentive compensation payments.

Under the Incentive Plan, performance goals will be established by the Compensation Committee in respect of each Spring and/or Fall selling season or fiscal year. The performance goals selected by the Compensation Committee shall be based on any one or more of the following: price of the Company's Class A Common Stock, shareholder return, return on equity, return on investment, return on capital, sales productivity, comparable store sales growth, economic profit, economic value added, net income, operating income, gross margin, sales, free cash flow, earnings per share, operating company contribution or market share. These factors shall have a minimum performance standard below which, and a maximum performance standard above which, no payments will be made. Any performance goals established may be based on an analysis of historical performance and growth expectations, financial results of other comparable businesses both inside and outside the Company, and progress toward achieving the Company's long-range strategic plan. These performance goals and determination of results shall be based entirely on financial measures. After performance goals are established, discretion may not be used to modify award results except as permitted under Section 162(m) of the Code.

Annual incentive compensation targets established for eligible executives will range from 40% to 150% of base salary. Executives will earn their target incentive compensation if their businesses achieve the pre-established performance goals. The target incentive compensation percentage for each executive will be based on the level and functional responsibility of his or her position, size of the business for which the executive is responsible, and competitive practices. The amount of incentive compensation paid to executives can range from zero to double their targets, based upon the extent to which performance goals are achieved. The minimum level at which an executive would earn any incentive payment, and the level at which an executive would earn the maximum incentive payment of double the target, will generally be established by the Compensation Committee of the Company prior to the commencement of each bonus period, and actual payouts will be based on either a straight-line or preestablished graded interpolation based on these minimum and maximum levels and actual performance.

The maximum dollar amount to be paid in any year under the Incentive Plan to any participant may not exceed \$3,000,000.

Approval of the Incentive Plan by the Company's stockholders is required under applicable law in order for compensation paid pursuant to the Incentive Plan to qualify as performance-based for purposes of Section 162(m) of the Code. Unless the Incentive Plan is approved at the Annual Meeting, no annual incentive compensation opportunities will be awarded under the Incentive Plan after such meeting, and any such awards made under the

Incentive Plan prior to such meeting (which are subject to stockholder approval of the Incentive Plan) will lapse. If the Incentive Plan is approved, no further compensation will be paid under the ICP.

The Board of Directors of the Company may amend the Plan at any time.

The following table sets forth amounts that would have been paid under the Incentive Plan for the Company's last completed fiscal year to the named executive officers and certain other groups based on Company performance and the performance goals established under the ICP by the Committee for such fiscal year.

INCENTIVE COMPENSATION PLAN BENEFITS TABLE

NAME AND POSITION - - - - -	DOLLAR VALUE (\$) - - - - -
Leslie H. Wexner, Chairman of the Board.....	-- (1)
Kenneth B. Gilman, Vice Chairman.....	-- (1)
Michael S. Jeffries, President and Chief Executive Officer....	990,275(2)
Michele S. Donnan-Martin, Vice President--General Merchandising Manager--Women's.....	234,065(2)
Seth R. Johnson, Vice President--Chief Financial Officer.....	202,556(2)
All Executive Officers as a Group.....	1,426,896(1)(2)
All Current Directors Who are Not Executive Officers as a Group.....	--
All Associates Other than Executive Officers as a Group.....	--

- - - - -
1. Executive officers Wexner and Gilman did not participate in the ICP in the last completed fiscal year and are not participating in the Incentive Plan in respect of the current fiscal year.
 2. Executive officers Jeffries, Donnan-Martin and Johnson have been granted annual incentive compensation opportunities for the current fiscal year under the Incentive Plan, subject to its approval by stockholders.

REQUIRED VOTE

Approval of the Incentive Plan requires the affirmative vote of a majority of the total voting power represented by the outstanding shares of the Common Stock present or represented at the Annual Meeting and entitled to vote.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" APPROVAL OF THE INCENTIVE PLAN.

PROPOSAL TO APPROVE ADOPTION OF THE 1997 RESTATEMENT OF THE 1996 STOCK OPTION
AND PERFORMANCE INCENTIVE PLAN

In connection with the Initial Public Offering, the Company's Board of Directors adopted, and The Limited, as the Company's then sole stockholder, approved, effective on the consummation of the Initial Public Offering, the Abercrombie & Fitch Co. 1996 Stock Option and Performance Incentive Plan (the "Prior Plan"). Subject to stockholder approval, the Company's Board of Directors adopted the 1997 Restatement of the Prior Plan (the "Stock Plan"). The Stock Plan, which is unchanged from the Prior Plan other than to increase the maximum number of shares of the Company's Class A Common Stock that may be subject to awards granted to any associate in any calendar year, expand the list of possible objective performance goals for restricted stock performance awards, provide the Plan Committee (as defined below) with greater discretion in establishing vesting and forfeiture provisions for awards under the Stock Plan and require that stockholder approval is required only for amendments materially increasing the aggregate number of shares of Class A Common Stock issuable under the Stock Plan other than pursuant to the Stock Plan's anti-dilution provisions, is being submitted to stockholders to satisfy the requirements of Section 162(m) of the Code. The following summary of the material terms of the Stock Plan, a copy of which is attached hereto as Exhibit B, does not purport to be complete and is qualified in its entirety by the terms of the Stock Plan.

PURPOSE OF PLAN

The purpose of the Stock Plan is to attract and retain the best available executive and key management associates for the Company and its subsidiaries and to encourage the highest level of performance by such associates, thereby enhancing the value of the Company for the benefit of its stockholders. The Stock Plan is also intended to motivate executive and key management associates to contribute to the Company's future growth and profitability and to reward their performance in a manner that provides them with a means to increase their holdings of the Class A Common Stock of the Company and aligns their interests with the interests of the stockholders of the Company.

ADMINISTRATION OF THE STOCK PLAN

The Stock Plan is administered by a committee of two or more members of the Company's Board of Directors (the "Plan Committee"). The Plan Committee will be composed of directors who qualify as "non-employee directors" within the meaning of the Securities and Exchange Act of 1934, as amended (the "Act"), and as "outside directors" within the meaning of Section 162(m) of the Code. The Plan Committee has the power in its discretion to grant awards under the Stock Plan, to determine the terms thereof, to interpret the provisions of the Stock Plan and to take action as it deems necessary or advisable for the administration of the Stock Plan.

NUMBER OF AUTHORIZED SHARES

The Stock Plan provides for awards with respect to a maximum of 3,500,000 shares of the Company's Class A Common Stock to associates of the Company and its subsidiaries and to associates of The Limited and its subsidiaries during the term of the Stock Plan. Corresponding Tax Offset Payments (as hereinafter defined) also may be awarded at the discretion of the Plan Committee. The number and class of shares available under the Stock Plan and/or subject to outstanding awards may be adjusted by the Plan Committee to prevent dilution or enlargement of rights in the event of various changes in the capitalization of the Company. Shares of the Company's Class A Common Stock attributable to: (i) unexercised Options (as hereinafter defined) which expire or are terminated, surrendered or canceled (other than in connection with the exercise of stock appreciation rights ("SARs")); (ii) shares of the Company's Class A Common Stock subject to certain restrictions ("Restricted

Shares") which are forfeited to the Company; (iii) units representing shares of the Company's Class A Common Stock ("Performance Shares") and units which do not represent shares of the Company's Class A Common Stock but which may be paid in shares of the Company's Class A Common Stock ("Performance Units") which are not earned and paid; and (iv) awards settled in cash in lieu of shares of the Company's Class A Common Stock, may be available for subsequent award under the Stock Plan at the Plan Committee's discretion, to the extent permissible under Rule 16b-3 of the Act.

ELIGIBILITY AND PARTICIPATION

Eligibility to participate in the Stock Plan is limited to the named executive officers and full-time executive and key management associates of the Company and its subsidiaries and The Limited and its subsidiaries who are selected by the Plan Committee. Currently, approximately 500 associates of the Company and its subsidiaries and approximately 250 associates of The Limited are within the classes eligible to participate in the Stock Plan. The Company anticipates that approximately 20% of those eligible will participate in the Stock Plan. Participation in the Stock Plan is subject to the discretion of the Plan Committee and will be based upon the associate's present and potential contributions to the success of the Company and its subsidiaries and such other factors as the Plan Committee deems relevant. No associate may be granted in any calendar year awards covering more than 1,500,000 shares of the Company's Class A Common Stock.

TYPE OF AWARDS UNDER THE STOCK PLAN

The Stock Plan provides that the Plan Committee may grant awards to eligible associates in any of the following forms, subject to such terms, conditions and provisions as the Plan Committee may determine to be necessary or desirable: (i) incentive stock options ("ISOs"); (ii) nonstatutory stock options ("NSOs"); (iii) SARs; (iv) Restricted Shares; (v) Performance Shares; (vi) Performance Units; (vii) shares of unrestricted Class A Common Stock of the Company ("Unrestricted Shares"); and (viii) tax offset payments ("Tax Offset Payments").

GRANT OF OPTIONS AND SARs

The Plan Committee may award ISOs and/or NSOs (collectively, "Options") to eligible associates. SARs may be awarded either in tandem with Options ("Tandem SARs") or on a stand-alone basis ("Nontandem SARs"). Tandem SARs may be awarded by the Plan Committee either at the time the related Option is granted or thereafter at any time prior to the exercise, termination or expiration of the related Option.

EXERCISE PRICE

The exercise price with respect to an Option is determined by the Plan Committee at the time of grant. The exercise price determined with respect to an Option shall also be applicable in connection with the exercise of any Tandem SAR granted with respect to such Option. At the time of grant of a Nontandem SAR, the Plan Committee will specify the base price of the shares of the Company's Class A Common Stock to be issued for determining the amount of cash or number of shares of the Company's Class A Common Stock to be distributed upon the exercise of such Nontandem SAR. Neither the exercise price per share of the Company's Class A Common Stock nor the base price of Nontandem SARs will be less than 100% of the fair market value per share of the Company's Class A Common Stock underlying the award on the date of grant. Information as to awards granted under the Prior Plan to named executives, officers and other participants is set forth in the table below.

VESTING

The Plan Committee may determine at the time of grant and any time thereafter the terms under which Options and SARs shall vest and become exercisable.

SPECIAL LIMITATIONS ON ISOS

No ISO may be granted to an associate who owns, at the time of the grant, stock representing more than 10% of the total combined voting power of all classes of stock of the Company, its parent or its subsidiaries (a "10% Shareholder") unless the exercise price per share of the Company's Class A Common Stock for the shares subject to such ISO is at least 110% of the fair market value per share of the Company's Class A Common Stock on the date of grant and such ISO award is not exercisable more than five years after its date of grant. In addition, the total fair market value of shares of the Company's Class A Common Stock subject to ISOs which are exercisable for the first time by an eligible associate in a given calendar year shall not exceed \$100,000, valued as of the date of the ISOs' grant. ISOs may not be granted more than ten years after the date of adoption of the Stock Plan by the Company's Board of Directors.

EXERCISE OF OPTIONS AND SARs

An Option may be exercised by written notice to the Plan Committee stating the number of shares of the Company's Class A Common Stock with respect to which the Option is being exercised, and tendering payment therefor. The Plan Committee may, at its discretion, accept shares of the Company's Class A Common Stock as payment (valued at their fair market value on the date of exercise).

Tandem SARs are exercisable only to the extent that the related Option is exercisable and only for the period determined by the Plan Committee (which period may expire prior to the expiration date of the related Option). Upon the exercise of all or a portion of Tandem SARs, the related Option shall be canceled with respect to an equal number of shares of the Company's Class A Common Stock. Similarly, upon exercise of all or a portion of an Option, the related Tandem SARs shall be canceled with respect to an equal number of shares of the Company's Class A Common Stock. Nontandem SARs shall be exercisable for the period determined by the Plan Committee.

SURRENDER OR EXCHANGE OF SARs

Upon the surrender of a Tandem SAR and cancellation of the related unexercised Option, the associate will be entitled to receive shares of the Company's Class A Common Stock having an aggregate fair market value equal to (A) the excess of (i) the fair market value of one share of the Company's Class A Common Stock as of the date the Tandem SAR is exercised over (ii) the exercise price per share specified in such Option, multiplied by (B) the number of shares of the Company's Class A Common Stock subject to the Option, or portion thereof, which is surrendered. Upon surrender of a Nontandem SAR, the associate will be entitled to receive shares of the Company's Class A Common Stock having an aggregate fair market value equal to (A) the excess of (i) the fair market value of one share of the Company's Class A Common Stock as of the date on which the Nontandem SAR is exercised over (ii) the base price of the shares covered by the Nontandem SAR multiplied by (B) the number of shares of the Company's Class A Common Stock covered by the Nontandem SAR, or the portion thereof being exercised. The Plan Committee, in its discretion, may cause all or any portion of the Company's obligation to an associate in respect of the exercise of an SAR to be satisfied in cash in lieu of shares of the Company's Class A Common Stock. Any fractional shares resulting from the exercise of an SAR will be paid in cash.

NONTRANSFERABILITY OF OPTIONS AND SARS

Options and SARS are not transferable except by will or applicable laws of descent and distribution.

EXPIRATION OF OPTIONS

Options will expire at such time as the Plan Committee determines; provided, however, that no Option may be exercised more than ten years from the date of grant, unless an ISO is held by a 10% Shareholder, in which case such ISO may not be exercised more than five years from the date of grant.

TERMINATION OF OPTIONS AND SARS

Except as the Committee may at any time provide, options and SARS may be exercised within three months after the termination of an associate's employment (other than by death or total disability), to the extent then exercisable, but in no case later than the term specified in the grant. Except as the Committee may at any time provide, upon the death or total disability of an associate while employed by the Company or its subsidiaries (or upon the death of an associate within three months after termination of employment), Options and SARS, to the extent then exercisable, shall remain exercisable for (i) one year following such associate's death or (ii) during the first nine months that the associate receives benefits under the Company's Long-Term Disability Plan.

RESTRICTED SHARES

Restricted Shares granted to associates under the Stock Plan may not be sold, transferred, pledged or otherwise encumbered or disposed of during the restricted period established by the Plan Committee. The Plan Committee may also impose additional restrictions on the associate's right to dispose of or to encumber Restricted Shares, which may include satisfaction of performance objectives. Performance objectives under the Stock Plan will be determined by the Plan Committee and will be based on operating income and/or gross margin objectives for each relevant division. These objectives will be based on any one or more of the following: price of the Company's Class A Common Stock, shareholder return, return on equity, return on investment, return on capital, sales productivity, comparable store sales growth, economic profit, economic value added, net income, operating income, gross margin, sales, free cash flow, earnings per share, operating company contribution or market share. These factors shall have a minimum performance standard below which, and a maximum performance standard above which, no payments will be made. These performance goals may be based on an analysis of historical performance and growth expectations for the business, financial results of other comparable businesses, and progress towards achieving the long-range strategic plan for the business. These performance goals and determination of results shall be based entirely on financial measures. The Committee may not use any discretion to modify award results except as permitted under Section 162(m) of the Code.

Except as the Plan Committee may at any time provide, holders of Restricted Shares may not exercise the rights of a shareholder, such as the right to vote the shares or receive dividends and other distributions.

Except as the Committee may at any time provide, upon termination of the associate's employment with the Company, Restricted Shares granted to such associate shall be forfeited.

PERFORMANCE SHARES AND PERFORMANCE UNITS

The Plan Committee may award to associates Performance Shares, each equivalent to one share of the Company's Class A Common Stock and Performance Units which will have a specified value or formula-based

value at the end of a performance period. Performance Shares and Performance Units so awarded will be credited to an account established and maintained for the associate. The Plan Committee shall determine performance periods and performance objectives in connection with each grant of Performance Shares or Performance Units.

Vesting of awards of Performance Shares and Performance Units will occur upon achievement of the applicable objectives within the applicable performance period. The Plan Committee may, at its discretion, permit vesting in the event performance objectives are partially met, or grant additional vested Performance Shares or Performance Units in the event performance objectives are surpassed. Payment of vested Performance Shares and Performance Units may be made in cash, Class A Common Stock of the Company or any combination thereof, as determined by the Plan Committee.

No voting or dividend rights attach to the Performance Shares; however, the Plan Committee may credit an associate's Performance Share account with additional Performance Shares equivalent to the fair market value of any dividends on an equivalent number of shares of the Company's Class A Common Stock.

UNRESTRICTED SHARES

Unrestricted Shares may also be granted at the discretion of the Plan Committee. Except as required by applicable law, no payment will be required for Unrestricted Shares.

TAX WITHHOLDING AND TAX OFFSET PAYMENTS

The Plan Committee may require payment, or withhold from payments made under the Stock Plan, in order to satisfy applicable withholding tax requirements. The Plan Committee may make Tax Offset Payments to assist associates in paying income taxes incurred as a result of their participation in the Stock Plan. The amount of the Tax Offset Payments shall be determined by multiplying a percentage (established by the Plan Committee) by all or a portion of the taxable income recognized by an associate upon: (i) the exercise of an NSO or an SAR; (ii) the disposition of shares received upon exercise of an ISO; (iii) the lapse of restrictions on Restricted Shares; (iv) the award of Unrestricted Shares; or (v) payments for Performance Shares or Performance Units.

TERM OF STOCK PLAN

Unless earlier terminated by the Company's Board of Directors, the Stock Plan will terminate on October 1, 2006.

AMENDMENT AND TERMINATION

The Company's Board of Directors may suspend, amend, modify or terminate the Stock Plan; provided, however, that the Company's stockholders shall be required to approve any amendment that would materially increase the aggregate number of shares issuable under the Stock Plan.

Awards granted prior to a termination of the Stock Plan shall continue in accordance with their terms following such termination. No amendment, suspension or termination of the Stock Plan shall adversely affect the rights of an associate in awards previously granted without such associate's consent.

Set forth below is a summary of the awards that were made in respect of fiscal 1996 pursuant to the Prior Plan.

1996 STOCK OPTION AND PERFORMANCE INCENTIVE PLAN TABLE

NAME AND POSITION -----	NUMBER OF UNITS(1) -----
Leslie H. Wexner, Chairman of the Board.....	--
Kenneth B. Gilman, Vice Chairman.....	--
Michael S. Jeffries, President and Chief Executive Officer.....	130,000(2) 69,762(3)
Michele S. Donnan-Martin, Vice President--General Merchandising Manager--Women's.....	28,000(2) 13,142(3)
Seth R. Johnson, Vice President--Chief Financial Officer.....	6,500(2) 3,142(3)
All Executive Officers as a Group.....	164,500(2) 86,046(3)
All Current Directors Who are Not Executive Officers as a Group...	-- --
All Associates Other than Executive Officers a Group.....	76,600(2) 10,997(3)

-
- (1) Messrs. Wexner and Gilman did not participate in the Prior Plan in the last fiscal year.
- (2) Consists of options to purchase shares of the Company's Class A Common Stock. As of April 4, 1997, the market value of a share of the Company's Class A Common Stock was \$15.
- (3) Consists of restricted shares of the Company's Class A Common Stock, which will generally vest as set forth in footnote 4 to the Summary Compensation Table, in each case subject to the holder's continued employment with the Company.

FEDERAL INCOME TAX CONSEQUENCES

Stock Options

There will be no federal income tax consequences to the associate or the Company upon the grant of either an ISO or an NSO under the Stock Plan. Upon exercise of an NSO, an associate generally will recognize ordinary income in an amount equal to (i) the fair market value, on the date of exercise, of the acquired shares of the Company's Class A Common Stock less (ii) the exercise price of the NSO. Subject to Section 162(m) of the Code and the associate including such compensation in income and the Company satisfying applicable reporting requirements, the Company will be entitled to a tax deduction in the same amount.

Upon the exercise of an ISO, an associate recognizes no immediate taxable income. Income recognition is deferred until the associate sells the shares of the Company's Class A Common Stock. If the ISO is exercised no later than three months after the termination of the associate's employment, and the associate does not dispose of the shares acquired pursuant to the exercise of the ISO within two years from the date the ISO was granted and within one year after the exercise of the ISO, the gain on the sale will be treated as long-term capital gain. Certain of these holding periods and employment requirements are liberalized in the event of an associate's death

or disability while employed by the Company. The Company is not entitled to any tax deduction with respect to the grant or exercise of ISOs, except that if the shares of the Company's Class A Common Stock are not held for the full term of the holding period outlined above, the gain on the sale of such Class A Common Stock, being the lesser of: (i) the fair market value of the shares of the Company's Class A Common Stock on the date of exercise minus the option price or (ii) the amount realized on disposition minus the exercise price, will be taxed to the associate as ordinary income and, subject to Section 162(m) of the Code and the associate including such compensation in income and the Company satisfying applicable reporting requirements, the Company will be entitled to a deduction in the same amount. The excess of the fair market value of the shares of the Company's Class A Common Stock acquired upon exercise of an ISO over the exercise price therefor constitutes a tax preference item for purposes of computing the "alternative minimum tax" under the Code.

Special rules, summarized below, may apply to associates who are subject to Section 16 of the Act.

Stock Appreciation Rights

There will be no federal income tax consequences to either the associate or the Company upon the grant of an SAR. However, the associate generally will recognize ordinary income upon the exercise of an SAR in an amount equal to the aggregate amount of cash and the fair market value of the shares of the Company's Class A Common Stock received upon exercise. Subject to Section 162(m) of the Code and the associate including such compensation in income and the Company satisfying applicable reporting requirements, the Company will be entitled to a deduction equal to the amount includable in the associate's income.

Special rules, summarized below, may apply to associates who are subject to Section 16 of the Act.

Restricted Shares

There will be no federal income tax consequences to either the associate or the Company upon the grant of Restricted Shares until expiration of the restricted period and the satisfaction of any other conditions applicable to the Restricted Shares. At that time, the associate generally will recognize taxable income equal to the then fair market value for the shares of the Company's Class A Common Stock and, subject to Section 162(m) of the Code and the associate including such compensation in income and the Company satisfying applicable reporting requirements, the Company will be entitled to a corresponding deduction. However, the associate may elect, within thirty days after the date of the grant, to recognize ordinary income as of the date of grant and the Company will be entitled to a corresponding deduction at that time.

Special rules, summarized below, may apply to associates who are subject to Section 16 of the Act.

Performance Shares and Units

There will be no federal income tax consequences to the associate or the Company upon the grant of Performance Shares or Performance Units. Associates generally will recognize taxable income at the time when payment for the Performance Shares or Performance Units is received in an amount equal to the aggregate amount of cash and the fair market value of shares of the Company's Class A Common Stock acquired. Subject to Section 162(m) of the Code and the associate including such compensation in income and the Company satisfying applicable reporting requirements, the Company will be entitled to a deduction equal to the amount includable in the associate's income.

Special rules, summarized below, may apply to associates who are subject to Section 16 of the Act.

Unrestricted Shares

Associates generally will recognize taxable income at the time Unrestricted Shares are received. Subject to Section 162(m) of the Code and the associate including such compensation in income and the Company satisfying applicable reporting requirements, the Company will be entitled to a deduction equal to the amount includable in the associate's income.

Special rules, summarized below, may apply to associates who are subject to Section 16 of the Act.

Section 16 of the Exchange Act

Associates who are subject to Section 16 of the Act and receive shares of Common Stock under the Stock Plan will not recognize ordinary income at that time unless (i) an election is made by such associate under Section 83(b) of the Code or (ii) the sale of such shares by such associate at a profit is no longer subject to Section 16(b) of the Act (generally (1) in the case of options, six months following the date of grant of the option to which the shares relate and (2) otherwise, six months after the receipt of shares). Such associate will instead recognize ordinary income equal to the fair market value of such shares received (less the price paid for the shares, if any) on the first day that such a sale is no longer subject to Section 16(b) of the Act and, subject to Section 162(m) of the Code, the Company or an affiliate generally will be entitled to a deduction of an equal amount for federal income tax purposes at that time provided that applicable tax withholding requirements are satisfied. An associate subject to Section 16 of the Act may elect under Section 83(b) of the Code, within 30 days of the transfer of such shares, to recognize income at the time of transfer equal to the difference between the price paid for such shares, if any, and the fair market value of such shares. Such amount will be taxed as ordinary income to the associate and, subject to Section 162(m) of the Code and satisfaction of applicable withholding requirements, generally will be allowed as a deduction for federal income tax purposes to the Company.

REQUIRED VOTE

Approval of the Stock Plan requires the affirmative vote of a majority of the total voting power represented by the outstanding shares of the Common Stock present or represented at the Annual Meeting and entitled to vote.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" APPROVAL OF THE STOCK PLAN.

PROPOSAL TO APPROVE ADOPTION OF THE 1996
STOCK PLAN FOR NON-ASSOCIATE DIRECTORS

In connection with the Initial Public Offering, the Company's Board of Directors adopted and The Limited, as the Company's then sole stockholder, approved, effective on the consummation of the Initial Public Offering, the Abercrombie & Fitch Co. 1996 Non-Associate Director Stock Plan (the "Director Stock Plan"). The Director Stock Plan, which is unchanged, is being submitted to shareholders solely to satisfy certain requirements of Rule 16b-3 under the Act. The following summary of the material terms of the Director Stock Plan, a copy of which is attached hereto as Exhibit C, does not purport to be complete and is qualified in its entirety by the terms of the Director Stock Plan.

PURPOSE OF PLAN

The purpose of the Director Stock Plan is to promote the interests of the Company and its stockholders by increasing the proprietary interest of non-associate directors in the growth and performance of the Company.

ELIGIBILITY

Directors of the Company who are not associates of the Company or its affiliates ("Eligible Directors") are eligible to participate in the Director Stock Plan.

TYPES OF AWARDS UNDER THE DIRECTOR STOCK PLAN

Pursuant to the Director Stock Plan, on the effective date of the Initial Public Offering each Eligible Director was granted an option to purchase 2,000 shares of Class A Common Stock. On the first business day of each fiscal year of the Company commencing thereafter, each Eligible Director will be granted an option to purchase 2,000 shares of Class A Common Stock as of the date of such approval or the first business day of such fiscal year, as the case may be, at a per share exercise price equal to the fair market value of a share of Class A Common Stock on such date. Each option will: (i) vest in annual 25% increments commencing on the first anniversary of the grant date; and (ii) expire on the earlier of the tenth anniversary of the date of grant and one year from the date on which an optionee ceases to be an Eligible Director. The exercise price per share of Class A Common Stock shall be 100% of the fair market value per share on the date the option is granted. The exercise price of options must be paid in cash.

In addition, the Director Stock Plan provides that each Eligible Director will receive 50% of such Eligible Director's annual retainer in unrestricted shares of Class A Common Stock.

NUMBER OF AUTHORIZED SHARES

The maximum number of shares of Class A Common Stock in respect of which options may be granted and shares awarded in lieu of 50% of the annual retainer under the Director Stock Plan is 100,000. Shares of Class A Common Stock subject to options that are forfeited, terminated or canceled will again be available for awards. The shares of Class A Common Stock to be delivered under the Director Stock Plan will be made available from the authorized but unissued shares of Class A Common Stock or from treasury shares. The number and class of shares available under the Director Plan and/or subject to outstanding options may be adjusted by the Board of Directors to prevent dilution or enlargement or rights in the event of various changes in the capitalization of the Company.

ADMINISTRATION OF THE DIRECTOR STOCK PLAN

The Director Stock Plan will be administered by the Board of Directors. Subject to the provisions of the Director Stock Plan, the Board shall be authorized to interpret the Director Stock Plan, to establish, amend, and rescind any rules and regulations relating to it and to make all other determinations necessary or advisable for its administration; provided, however, that the Board shall have no discretion with respect to the selection of directors to receive options, the number of shares of Class A Common Stock subject to any such options, the purchase price thereunder or the timing or term of grants of options. The determinations of the Board in the administration of the Director Stock Plan, as described herein, shall be final and conclusive. The Secretary of the Company shall be authorized to implement the Director Stock Plan in accordance with its terms and to take such actions of a ministerial nature as shall be necessary to effectuate the intent and purposes thereof. The validity, construction and effect of the Director Stock Plan and any rules and regulations relating to it shall be determined in accordance with the laws of the State of Delaware.

TRANSFERABILITY

The options granted under the Director Stock Plan may not be assigned or transferred, except by will or the laws of descent and distribution or pursuant to a qualified domestic relations order.

Shares issued under the Director Stock Plan in respect of 50% of the annual retainer may be assigned or transferred.

TERM OF PLAN

No option may be granted under the Director Stock Plan after the tenth annual meeting of the Company's shareholders following its approval by the Company's stockholders.

AMENDMENTS

The Director Stock Plan may be amended by the Company's Board of Directors, as it shall deem advisable or to conform to any change in any law or regulation applicable thereto; provided, that the Company's Board of Directors may not, except in certain limited circumstances, without the authorization and approval of stockholders: (i) increase the number of shares of Class A Common Stock which may be purchased pursuant to options, either individually or in the aggregate; (ii) change the requirement that option grants be priced at fair market value; (iii) modify in any respect the class of individuals who constitute Eligible Directors; or (iv) materially increase benefits thereunder. The provisions governing eligibility, the grant, terms and conditions of the options and the award of shares of Class A Common Stock in respect of the annual retainer and, for purposes of the Director Stock Plan, the amount of the annual retainer, may not be amended more often than once every six months, other than to comport with changes in the Code, the Employee Retirement Income Security Act of 1974, as amended, or the rules under either such statute.

AWARDS UNDER THE PLAN

The following table sets forth amounts paid to the Non-Associate Director group under the Director Stock Plan in fiscal 1996.

1996 NON-ASSOCIATE DIRECTOR STOCK PLAN BENEFITS TABLE

NAME AND POSITION -----	NUMBER OF UNITS -----
Non-Associate Director Group (Based on 3 Eligible Directors).....	231(1) 6,000(2)

(1) Consists of shares of the Company's Class A Common Stock to be issued in respect of 50% of each such director's annual retainer, valued as of the date such retainer is paid.

(2) Consists of options to purchase shares of the Company's Class A Common Stock. Each such option will vest in 25% increments commencing on the first anniversary of the date of grant. As of April 4, 1997, the market value of a share of the Company's Class A Common Stock was \$15.

FEDERAL INCOME TAX CONSEQUENCES

There are no federal income consequences to an Eligible Director or to the Company upon the grant of an option under the Director Plan.

Eligible Directors, all of whom are subject to Section 16 of the Act, who receive shares of Class A Common Stock by reason of the exercise of an option under the Director Stock Plan or as payment of 50% of the annual retainer, will not recognize ordinary income at that time unless (i) an election is made by such Eligible Director under Section 83(b) of the Code or (ii) the sale of such shares by such Eligible Director at a profit is no longer subject to Section 16(b) of the Act. Such Eligible Director will instead recognize ordinary income equal to the fair market value of such shares received (less the price paid for the shares, if any) on the first day that such a sale is no longer subject to Section 16(b) of the Act, and the Company or an affiliate will be entitled to a deduction of an equal amount for federal income tax purposes at that time, provided that applicable tax withholding requirements are satisfied. In the alternative, such Eligible Director may elect under Section 83(b) of the Code, within 30 days of the transfer of such shares to the Eligible Director, to recognize income at the time of exercise equal to the difference between the purchase price, if any, and any higher fair market of the shares of Class A Common Stock, generally on the date of acquisition, will be taxed as ordinary income to the Eligible Director and generally will be allowed as a deduction for federal income tax purposes to the Company.

Any gain or loss realized by an Eligible Director on disposition of the Class A Common Stock acquired under the Director Plan will be taxed as capital gain or loss to such Eligible Director, long-term or short-term depending on the holding period, and will not result in any additional tax consequences to the Company. The Eligible Director's basis in the shares for determining gain or loss on the disposition will generally be the fair market value of such shares determined under either of the procedures set forth above.

REQUIRED VOTE

Approval of the Director Plan requires the affirmative vote of a majority of the total voting power represented by the outstanding shares of Common Stock present or represented at the Annual Meeting and entitled to vote.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" APPROVAL OF THE DIRECTOR PLAN.

INDEPENDENT PUBLIC ACCOUNTANTS

During the Company's 1996 fiscal year, Coopers & Lybrand L.L.P. served as the Company's independent public accountants and in that capacity will render an opinion on the Company's consolidated financial statements as of and for the fiscal year ended February 1, 1997. The Company annually reviews the selection of its independent public accountants; no selection has yet been made for the current fiscal year.

Representatives of Coopers & Lybrand are expected to be present at the Annual Meeting. They will be available to respond to appropriate questions and may make a statement if they so desire.

OTHER MATTERS

The Board of Directors knows of no other matters to be brought before the Annual Meeting. However, if other matters should come before the meeting, it is the intention of each of the persons named in the proxy to vote in accordance with his judgment on such matters.

STOCKHOLDER PROPOSALS

Any proposals of stockholders which are intended to be presented at the next Annual Meeting of Stockholders, but which are not received by the Secretary of the Company at the principal executive offices of the Company on or before December 15, 1997, may be omitted by the Company from the Proxy Statement and form of proxy relating to that meeting.

EXPENSES OF SOLICITATION

The expense of preparing, assembling, printing and mailing the proxy form and the form of material used in solicitation of proxies will be paid by the Company. In addition to the use of the mails, solicitation may be made by employees of the Company by telephone, mailgram, facsimile, telegraph, cable and personal interview. The Company has retained Shareholder Communications Corporation, New York, New York, to aid in the solicitation of proxies with respect to shares held by brokerage houses, custodians, fiduciaries and other nominees for a fee of approximately \$5,000, plus expenses. The Company does not expect to pay any other compensation for the solicitation of proxies.

By Order of the Board of Directors

/s/ Michael S. Jeffries

Michael S. Jeffries
President and Chief Executive
Officer

ABERCROMBIE & FITCH CO.

INCENTIVE COMPENSATION PERFORMANCE PLAN

The Abercrombie & Fitch Co. Incentive Compensation Performance Plan (the "Incentive Plan") is intended to satisfy the applicable provisions of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"). The Incentive Plan shall be administered by the Compensation Committee (the "Committee") of the Board of Directors of Abercrombie & Fitch Co. (the "Company"). The Committee shall select those key executives of the Company with significant operating and financial responsibility and who are likely to be "covered employees" (within the meaning of Section 162(m) of the Code) for the relevant fiscal year, to be eligible to earn seasonal or annual cash incentive compensation payments to be paid under the Incentive Plan.

In respect of each Spring and/or Fall selling season or fiscal year, the Committee may establish performance goals for the Company. The performance goals selected by the Committee shall be based on any one or more of the following: price of the Company's Class A Common Stock, shareholder return, return on equity, return on investment, return on capital, sales productivity, comparable store sales growth, economic profit, economic value added, net income, operating income, gross margin, sales, free cash flow, earnings per share, operating company contribution or market share. These factors shall have a minimum performance standard below which, and a maximum performance standard above which, no payments will be made. These performance goals may be based on an analysis of historical performance and growth expectations for the business, financial results of other comparable businesses, and progress towards achieving the long-range strategic plan for the business. These performance goals and determination of results shall be based entirely on financial measures. The Committee may not use any discretion to modify award results except as permitted under Section 162(m) of the Code.

Annual incentive compensation targets may be established for eligible executives ranging from 40% to 150% of base salary. Executives may earn their target incentive compensation if the business achieves the pre-established performance goals. The target incentive compensation percentage for each executive will be based on the level and functional responsibility of his or her position, size of the business for which the executive is responsible, and competitive practices. The amount of incentive compensation paid to participating executives may range from zero to double their targets, based upon the extent to which performance goals are achieved or exceeded. Except as otherwise permitted by Section 162(m) of the Code, the minimum level at which a participating executive will earn any incentive payment, and the level at which an executive will bear the maximum incentive payment of double the target, must be established by the Committee prior to the commencement of each bonus period. Actual payouts must be based on either a straight-line or preestablished graded interpolation based on these minimum and maximum levels and the performance goals.

The maximum dollar amount to be paid for any year under the Incentive Plan to any participant may not exceed \$3,000,000.

ABERCROMBIE & FITCH CO.
1996 STOCK OPTION AND PERFORMANCE INCENTIVE PLAN
(1997 RESTATEMENT)

ABERCROMBIE & FITCH CO.

1996 STOCK OPTION AND PERFORMANCE INCENTIVE PLAN
(1997 RESTATEMENT)

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ABERCROMBIE & FITCH CO.

1996 STOCK OPTION AND PERFORMANCE INCENTIVE PLAN

(1997 RESTATEMENT)

ARTICLE 1
ESTABLISHMENT AND PURPOSE

1.1 Establishment and Effective Date. In 1996, Abercrombie & Fitch Co., a Delaware corporation (the "Company"), established a stock incentive plan to be known as the "Abercrombie & Fitch 1996 Stock Option and Performance Incentive Plan" (the "1996 Plan"). The 1996 Plan became effective on September 25, 1996, the effective date of the initial public offering of the Company's Class A Common Stock, par value \$.01 per share ("Common Stock"). The 1996 Plan was amended and restated by the Company's Board of Directors (the "Board") in March 1997 (the "Plan"), subject to approval of the Company's stockholders.

1.2 Purpose. The Company desires to attract and retain the best available executive and key management associates for itself and its subsidiaries and to encourage the highest level of performance by such associates in order to serve the best interests of the Company and its stockholders. The Plan is expected to contribute to the attainment of these objectives by offering eligible associates the opportunity to acquire stock ownership interests in the Company, and other rights with respect to stock of the Company, and to thereby provide them with incentives to put forth maximum efforts for the success of the Company and its subsidiaries.

ARTICLE 2
AWARDS

2.1 Form of Awards. Awards under the Plan may be granted in any one or all of the following forms: (i) incentive stock options ("Incentive Stock Options") meeting the requirements of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"); (ii) nonstatutory stock options ("Nonstatutory Stock Options") (unless otherwise indicated, references in the Plan to Options shall include both Incentive Stock Options and Nonstatutory Stock Options); (iii) stock appreciation rights ("Stock Appreciation Rights"), as described in Article 7, which may be awarded either in tandem with Options ("Tandem Stock Appreciation Rights") or on a stand-alone basis ("Nontandem Stock Appreciation Rights"); (iv) shares of Common Stock which are restricted as provided in Article 11 ("Restricted Shares"); (v) units representing shares of Common Stock, as described in Article 12 ("Performance Shares"); (vi) units which do not represent shares of Common Stock but which may be paid in the form of Common Stock, as described in Article 13 ("Performance Units"); (vii) shares of unrestricted Common Stock ("Unrestricted Shares") and (viii) tax offset payments ("Tax Offset Payments"), as described in Article 15.

2.2 Maximum Shares Available. The maximum aggregate number of shares of Common Stock available for award under the Plan, including shares of Common Stock awarded as Tax Offset Payments, is 3,500,000, subject to adjustment pursuant to Article 16. Shares of Common Stock issued pursuant to the Plan may be either authorized but unissued shares or issued shares reacquired by the Company. In the event that prior to the end of the period during which Options may be granted under the Plan, any Option or any Nontandem Stock Appreciation Right under the Plan expires unexercised or is terminated, surrendered or canceled (other than in connection with the exercise of a Stock Appreciation Right) without being exercised in whole or in part for any

reason, or any Restricted Shares, Performance Shares or Performance Units are forfeited, or if such awards are settled in cash in lieu of shares of Common Stock, then such shares or units may, at the discretion of the Committee (as defined below) to the extent permissible under Rule 16b-3 under the Securities Exchange Act of 1934 (the "Act"), be made available for subsequent awards under the Plan, upon such terms as the Committee may determine.

2.3 Return of Prior Awards. As a condition to any subsequent award, the Committee shall have the right, at its discretion, to require associates to return to the Company awards previously granted under this Plan. Subject to the provisions of this Plan, such new award shall be upon such terms and conditions as are specified by the Committee at the time the new award is granted to the extent permitted by Rule 16b-3 under the Act.

ARTICLE 3 ADMINISTRATION

3.1 Committee. The Plan shall be administered by a Committee (the "Committee") appointed by the Board and consisting of not less than two (2) members of the Board. Each member of the Committee shall be an "outside director" (within the meaning of Section 162(m) of the Code) and a "non-employee director" (within the meaning of Rule 16b-3(b)(3)(i) under the Act).

3.2 Powers of Committee. Subject to the express provisions of the Plan, the Committee shall have the power and authority (i) to grant Options and to determine the purchase price of the Common Stock covered by each Option, the term of each Option, the number of shares of Common Stock to be covered by each Option and any performance objectives or vesting standards applicable to each Option, (ii) to designate Options as Incentive Stock Options or Nonstatutory Stock Options and to determine which Options, if any shall be accompanied by Tandem Stock Appreciation Rights; (iii) to grant Tandem Stock Appreciation Rights and Nontandem Stock Appreciation Rights and to determine the terms and conditions of such rights; (iv) to grant Restricted Shares and to determine the term of the restricted period and other conditions and restrictions applicable to such shares; (v) to grant Performance Shares and Performance Units and to determine the performance objectives, performance periods and other conditions applicable to such shares or units; (vi) to grant Unrestricted Shares; (vii) to determine the amount of, and to make, Tax Offset Payments; and (viii) to determine the associates to whom, and the time or times at which, Options, Stock Appreciation Rights, Restricted Shares, Performance Shares, Performance Units and Unrestricted Shares shall be granted.

3.3 Delegation. The Committee may delegate to one or more of its members or to any other person or persons such duties as it may deem advisable; provided, however, that the Committee may not delegate any of its responsibilities hereunder if such delegation will cause (i) transactions under the Plan to fail to comply with Section 16 of the Act or (ii) the Committee to fail to qualify as "outside directors" under Section 162(m) of the Code. The Committee may also employ attorneys, consultants, accountants or other professional advisors and shall be entitled to rely upon the advice, opinions or valuations of any such advisors.

3.4 Interpretations. The Committee shall have sole discretionary authority to interpret the terms of the Plan, to adopt and revise rules, regulations and policies to administer the Plan and to make any other factual determinations which it believes to be necessary or advisable for the administration of the Plan. All actions taken and interpretations and determinations made by the Committee in good faith shall be final and binding upon the Company, all associates who have received awards under the Plan and all other interested persons.

3.5 Liability; Indemnification. No member of the Committee, nor any person to whom duties have been delegated, shall be personally liable for any action, interpretation or determination made with respect to the Plan

or awards made thereunder, and each member of the Committee shall be fully indemnified and protected by the Company with respect to any liability he or she may incur with respect to any such action, interpretation or determination, to the extent permitted by applicable law and to the extent provided in the Company's Certificate of Incorporation and Bylaws, as amended from time to time.

ARTICLE 4 ELIGIBILITY

Awards shall be limited to executive and key management associates who are regular, full-time associates of the Company, its present and future subsidiaries, its parent and subsidiaries thereof. In determining the associates to whom awards shall be granted and the number of shares to be covered by each award, the Committee shall take into account the nature of the services rendered by such associates, their present and potential contributions to the success of the Company and its subsidiaries and such other factors as the Committee in its sole discretion shall deem relevant. As used in this Plan, the term "subsidiary" shall mean any corporation which at the time qualifies as a subsidiary of the Company under the definition of "subsidiary corporation" set forth in Section 424(f) of the Code, or any successor provision hereafter enacted. No associate may be granted in any calendar year awards covering more than 1,500,000 shares of Common Stock.

ARTICLE 5 STOCK OPTIONS

5.1 Grant of Options. Options may be granted under this Plan for the purchase of shares of Common Stock. Options shall be granted in such form and upon such terms and conditions, including the satisfaction of corporate or individual performance objectives and other vesting standards, as the Committee shall from time to time determine.

5.2 Option Price. The option price of each Option to purchase Common Stock shall be determined by the Committee at the time of grant, but shall not be less than 100 percent of the fair market value of the Common Stock subject to such Option on the date of grant. The option price so determined shall also be applicable in connection with the exercise of any Tandem Stock Appreciation Right granted with respect to such option.

5.3 Term of Options. The term of each Option granted under the Plan shall not exceed ten (10) years from the date of grant, subject to earlier termination as provided in Articles 9 and 10, except as otherwise provided in Section 6.1 with respect to ten (10) percent stockholders of the Company.

5.4 Exercise of Options. An Option may be exercised, in whole or in part, at such time or times as the Committee shall determine. The Committee may, in its discretion, accelerate the exercisability of any Option at any time. Options may be exercised by an associate by giving written notice to the committee stating the number of shares of Common Stock with respect to which the Option is being exercised and tendering payment therefor. Payment for the Common Stock issuable upon exercise of the Option shall be made in full in cash, or by certified check or, if the Committee, in its sole discretion, permits, in shares of Common Stock (valued at fair market value on the date of exercise). As soon as reasonably practicable following such exercise, a certificate representing the shares of Common Stock purchased, registered in the name of the associate, shall be delivered to the associate.

5.5 Cancellation of Stock Appreciation Rights. Upon exercise of all or a portion of an Option, the related Tandem Stock Appreciation Rights shall be canceled with respect to an equal number of shares of Common Stock.

ARTICLE 6
SPECIAL RULES APPLICABLE TO INCENTIVE STOCK OPTIONS

6.1 Ten Percent Stockholder. Notwithstanding any other provision of this Plan to the contrary, no associate may receive an Incentive Stock Option under the Plan if such associate, at the time the award is granted, owns (after application of the rules contained in Section 424(d) of the Code) stock possessing more than ten (10) percent of the total combined voting power of all classes of stock of the Company, its parent or its subsidiaries, unless (i) the option price for such Incentive Stock Option is at least 110 percent of the fair market value of the Common Stock subject to such Incentive Stock Option on the date of grant and (ii) such Option is not exercisable after the date five (5) years from the date such Incentive Stock Option is granted.

6.2 Limitation on Grants. The aggregate fair market value (determined with respect to each Incentive Stock Option at the time such Incentive Stock Option is granted) of the shares of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by an associate during any calendar year (under this Plan or any other plan of the Company or a subsidiary) shall not exceed \$100,000.

6.3 Limitations on Time of Grants. No grant of an Incentive Stock Option shall be made under this Plan after the termination date set forth in Section 19.10 hereof.

ARTICLE 7
STOCK APPRECIATION RIGHTS

7.1 Grants of Stock Appreciation Rights. Tandem Stock Appreciation Rights may be awarded by the Committee in connection with any Option granted under the Plan, either at the time the Option is granted or thereafter at any time prior to the exercise, termination or expiration of the Option. Nontandem Stock Appreciation Rights may also be granted by the Committee at any time. At the time of grant of a Nontandem Stock Appreciation Right, the Committee shall specify the number of shares of Common Stock covered by such right and the base price of shares of Common Stock to be used in connection with the calculation described in Section 7.4 below. The base price of a Nontandem Stock Appreciation Right shall be not less than 100 percent of the fair market value of a share of Common Stock on the date of grant. Stock Appreciation Rights shall be subject to such terms and conditions not inconsistent with the other provisions of this Plan as the Committee shall determine.

7.2 Limitations on Exercise. A Tandem Stock Appreciation Right shall be exercisable only to the extent that the related Option is exercisable and shall be exercisable only for such period as the Committee may determine (which period may expire prior to the expiration date of the related Option). Upon the exercise of all or a portion of Tandem Stock Appreciation Rights, the related Option shall be canceled with respect to an equal number of shares of Common Stock. Shares of Common Stock subject to Options or portions thereof, surrendered upon exercise of a Tandem Stock Appreciation Right, shall not be available for subsequent awards under the Plan. A Nontandem Stock Appreciation Right shall be exercisable during such period as the Committee shall determine.

7.3 Surrender or Exchange of Tandem Stock Appreciation Rights. A Tandem Stock Appreciation Right shall entitle the associate to surrender to the Company unexercised the related Option, or any portion thereof, and to receive from the Company in exchange therefor that number of shares of Common Stock having an

aggregate fair market value equal to (A) the excess of (i) the fair market value of one (1) share of Common Stock as of the date the Tandem Stock Appreciation Right is exercised over (ii) the option price per share specified in such Option, multiplied by (B) the number of shares of Common Stock subject to the Option, or portion thereof, which is surrendered. Cash shall be delivered in lieu of any fractional shares.

7.4 Exercise of Nontandem Stock Appreciation Rights. The exercise of a Nontandem Stock Appreciation Right shall entitle the associate to receive from the Company that number of shares of Common Stock having an aggregate fair market value equal to (A) the excess of (i) the fair market value of one (1) share of Common Stock as of the date on which the Nontandem Stock Appreciation Right is exercised over (ii) the base price of the shares covered by the Nontandem Stock Appreciation Right, multiplied by (B) the number of shares of Common Stock covered by the Nontandem Stock Appreciation Right, or the portion thereof being exercised. Cash shall be delivered in lieu of any fractional shares.

7.5 Settlement of Stock Appreciation Rights. As soon as is reasonably practicable after the exercise of a Stock Appreciation Right, the Company shall (i) issue, in the name of the associate, stock certificates representing the total number of full shares of Common Stock to which the associate is entitled pursuant to Section 7.3 or 7.4 hereof and cash in an amount equal to the fair market value, as of the date of exercise, of any resulting fractional shares, and (ii) if the Committee causes the Company to elect to settle all or part of its obligations arising out of the exercise of the Stock Appreciation Right in cash pursuant to Section 7.6, deliver to the associate an amount in cash equal to the fair market value, as of the date of exercise, of the shares of Common Stock it would otherwise be obligated to deliver.

7.6 Cash Settlement. The Committee, in its discretion, may cause the Company to settle all or any part of its obligation arising out of the exercise of a Stock Appreciation Right by the payment of cash in lieu of all or part of the shares of Common Stock it would otherwise be obligated to deliver in an amount equal to the fair market value of such shares on the date of exercise.

ARTICLE 8

NONTRANSFERABILITY OF OPTIONS AND STOCK APPRECIATION RIGHTS

No Option or Stock Appreciation Right may be transferred, assigned, pledged or hypothecated (whether by operation of law or otherwise), except as provided by will or the applicable laws of descent and distribution, and no Option or Stock Appreciation Right shall be subject to execution, attachment or similar process. Any attempted assignment, transfer, pledge, hypothecation or other disposition of an Option or a Stock Appreciation Right not specifically permitted herein shall be null and void and without effect. An Option or Stock Appreciation Right may be exercised by an associate only during his or her lifetime, or following his or her death pursuant to Article 10.

ARTICLE 9

TERMINATION OF EMPLOYMENT

9.1 Exercise after Termination of Employment. Except as the Committee may at any time provide, in the event that the employment of an associate to whom an Option or Stock Appreciation Right has been granted under the Plan shall be terminated (for reasons other than death or total disability), except as the Committee may at any time provide, such Option or Stock Appreciation Right may be exercised (to the extent that the associate was entitled to do so on the date of the termination of his employment) at any time within three (3) months after such termination of employment.

9.2 Total Disability. In the event that an associate to whom an Option or Stock Appreciation Right has been granted under the Plan shall become totally disabled, except as the Committee may at any time provide such Option or Stock Appreciation Right may be exercised at any time during the first nine (9) months that the associate receives benefits under the The Limited, Inc. Long-Term Disability Plan (the "Disability Plan") to the extent otherwise exercisable during such nine-month period. For purposes hereof, "total disability" shall have the definition set forth in the Disability Plan, which definition is hereby incorporated by reference.

ARTICLE 10
DEATH OF ASSOCIATE

If an associate to whom an Option or Stock Appreciation Right has been granted under the Plan shall die while employed by the Company or one of its subsidiaries or within three (3) months after the termination of such employment, except as the Committee may at any time provide, such Option or Stock Appreciation Right may be exercised to the extent that the associate was entitled to do so at the time of his or her death, by the associate's estate or by the person who acquires the right to exercise such Option or Stock Appreciation Right upon his or her death by bequest or inheritance. Such exercise may occur at any time within one (1) year after the date of the associate's death, but in no case later than the date on which the Option or Stock Appreciation Right terminates or such other period as the Committee may at any time provide.

ARTICLE 11
RESTRICTED SHARES

11.1 Grant of Restricted Shares. The Committee may from time to time cause the Company to grant Restricted Shares under the Plan to associates, subject to such restrictions, conditions and other terms as the Committee may determine.

11.2 Restrictions. At the time a grant of Restricted Shares is made, the Committee shall establish a period of time (the "Restricted Period") applicable to such Restricted Shares. Each grant of Restricted Shares may be subject to a different Restricted Period. The Committee may, in its sole discretion, at the time a grant is made, prescribe restrictions in addition to or other than the expiration of the Restricted Period, including the satisfaction of corporate or individual performance objectives as provided in Section 11.7, which may be applicable to all or any portion of the Restricted Shares. Except with respect to grants of Restricted Shares intended to qualify as performance-based compensation for purposes of Section 162(m) of the Code, the Committee may also, in its sole discretion, shorten or terminate the Restricted Period or waive any other restrictions applicable to all or a portion of such Restricted Shares. None of the Restricted Shares may be sold, transferred, assigned, pledged or otherwise encumbered or disposed of during the Restricted Period or prior to the satisfaction of any other restrictions prescribed by the Committee with respect to such Restricted Shares.

11.3 Restricted Stock Certificates. If the Committee deems it necessary or appropriate, the Company may issue, in the name of each associate to whom Restricted Shares have been granted, stock certificates representing the total number of Restricted Shares granted to the associate, provided that such certificates bear an appropriate legend or other restriction on transfer. The Secretary of the Company shall hold such certificates, properly endorsed for transfer, for the associate's benefit until such time as the Restricted Shares are forfeited to the Company, or the restrictions lapse.

11.4 Rights of Holders of Restricted Shares. Except as determined by the Committee either at the time Restricted Shares are awarded or at any time thereafter prior to the lapse of the restrictions, holders of Restricted

Shares shall not have the right to vote such shares or the right to receive any dividends with respect to such shares. All distributions, if any, received by an associate with respect to Restricted Shares as a result of any stock split-up, stock distribution, a combination of shares, or other similar transaction shall be subject to the restrictions of this Article 11.

11.5 Forfeiture. Except as the Committee may at any time provide, any restricted Shares granted to an associate pursuant to the Plan shall be forfeited if the associate terminates employment with the Company or its subsidiaries prior to the expiration or termination of the Restricted Period and the satisfaction of any other conditions applicable to such Restricted Shares. Upon such forfeiture, the Secretary of the Company shall either cancel or retain in its treasury the Restricted Shares that are forfeited to the Company.

11.6 Delivery of Restricted Shares. Upon the expiration or termination of the Restricted Period and the satisfaction of any other conditions prescribed by the Committee, the restrictions applicable to the Restricted Shares shall lapse and a stock certificate for the number of Restricted Shares with respect to which the restrictions have lapsed shall be delivered, free of all such restrictions, to the associate or the associate's beneficiary or estate, as the case may be.

11.7 Performance-Based Objectives. At the time of the grant of Restricted Shares to an associate, and prior to the beginning of the performance period to which performance objectives relate, the Committee may establish performance objectives based on any one or more of the following: price of the Company's Class A Common Stock, shareholder return, return on equity, return on investment, return on capital, sales productivity, comparable store sales growth, economic value added, net income, operating income, gross margin, sales, free cash flow, earnings per share, operating company contribution or market share. These factors shall have a minimum performance standard below which, and a maximum performance standard above which, no payments will be made. These performance goals may be based on an analysis of historical performance and growth expectations for the business, financial results of other comparable businesses, and progress towards achieving the long-range strategic plan for the business. These performance goals and determination of results shall be based entirely on financial measures. The Committee may not use any discretion to modify award results except as permitted under Section 162(m) of the Code.

ARTICLE 12 PERFORMANCE SHARES

12.1 Award of Performance Shares. For each Performance Period (as defined in Section 12.2), Performance Shares may be granted under the Plan to such associates of the Company and its subsidiaries as the Committee shall determine. Each Performance Share shall be deemed to be equivalent to one (1) share of Common Stock. Performance Shares granted to an associate shall be credited to an account (a "Performance Share Account") established and maintained for such associate.

12.2 Performance Period. "Performance Period" shall mean such period of time as shall be determined by the Committee in its sole discretion. Different Performance Periods may be established for different associates receiving Performance Shares. Performance Periods may run consecutively or concurrently.

12.3 Right to Payment of Performance Shares. With respect to each award of Performance Shares under this Plan, the Committee shall specify performance objectives (the "Performance Objectives") which must be satisfied in order for the associate to vest in the Performance Shares which have been awarded to him or her for the Performance Period. If the Performance Objectives established for an associate for the Performance

Period are partially but not fully met, the Committee may, nonetheless, in its sole discretion, determine that all or a portion of the Performance Shares have vested. If the Performance Objectives for a Performance Period are exceeded, the Committee may, in its sole discretion, grant additional, fully vested Performance Shares to the associate. The Committee may also determine, in its sole discretion, that Performance Shares awarded to an associate shall become partially or fully vested upon the associate's death, total disability (as defined in Article 9) or retirement, or upon the termination of the associate's employment prior to the end of the Performance Period.

12.4 Payment for Performance Shares. As soon as practicable following the end of a Performance Period, the Committee shall determine whether the Performance Objectives for the Performance Period have been achieved (or partially achieved to the extent necessary to permit partial vesting at the discretion of the Committee pursuant to Section 12.3). If the Performance Objectives for the Performance Period have been exceeded, the Committee shall determine whether additional Performance Shares shall be granted to the associate pursuant to Section 12.3. As soon as reasonably practicable after such determinations, or at such later date as the Committee shall determine at the time of grant, the Company shall pay to the associate an amount with respect to each vested Performance Share equal to the fair market value of a share of Common Stock on such payment date or, if the Committee shall so specify at the time of grant, an amount equal to (i) the fair market value of a share of Common Stock on the payment date less (ii) the fair market value of a share of Common Stock on the date of grant of the Performance Share. Payment shall be made entirely in cash, entirely in Common Stock (including Restricted Shares) or in such combination of cash and Common Stock as the Committee shall determine.

12.5 Voting and Dividend Rights. Except as the Committee may at any time provide, no associate shall be entitled to any voting rights, to receive any dividends, or to have his or her Performance Share Account credited or increased as a result of any dividends or other distribution with respect to Common Stock. Notwithstanding the foregoing, within sixty (60) days from the date of payment of a dividend by the Company on its shares of Common Stock, the Committee, in its discretion, may credit an associate's Performance Share Account with additional Performance Shares having an aggregate fair market value equal to the dividend per share paid on the Common Stock multiplied by the number of Performance Shares credited to his or her account at the time the dividend was declared.

ARTICLE 13 PERFORMANCE UNITS

13.1 Award of Performance Units. For each Performance Period (as defined in Section 12.2), Performance Units may be granted under the Plan to such associates of the Company and its subsidiaries as the Committee shall determine. The award agreement covering such Performance Units shall specify a value for each Performance Unit or shall set forth a formula for determining the value of each Performance Unit at the time of payment (the "Ending Value"). If necessary to make the calculation of the amount to be paid to the associate pursuant to Section 13.3, the Committee shall also state in the award agreement the initial value of each Performance Unit (the "Initial Value"). Performance Units granted to an associate shall be credited to an account (a "Performance Unit Account") established and maintained for such associate.

13.2 Right to Payment of Performance Units. With respect to each award of Performance Units under this Plan, the Committee shall specify Performance Objectives which must be satisfied in order for the associate to vest in the Performance Units which have been awarded to him or her for the Performance Period. If the Performance Objectives established for an associate for the Performance Period are partially but not fully met, the Committee may, nonetheless, in its sole discretion, determine that all or a portion of the Performance Units

have vested. If the Performance Objectives for a Performance Period are exceeded, the Committee may, in its sole discretion, grant additional, fully vested Performance Units to the associate. The Committee may also determine, in its sole discretion, that Performance Units awarded to an associate shall become partially or fully vested upon the associate's death, total disability (as defined in Article 9) or retirement, or upon the termination of employment of the associate by the Company.

13.3 Payment for Performance Units. As soon as practicable following the end of a Performance Period, the Committee shall determine whether the Performance Objectives for the Performance Period have been achieved (or partially achieved to the extent necessary to permit partial vesting at the discretion of the Committee pursuant to Section 13.2). If the Performance Objectives for the Performance Period have been exceeded, the Committee shall determine whether additional Performance Units shall be granted to the associate pursuant to Section 13.2. As soon as reasonably practicable after such determinations, or at such later date as the Committee shall determine, the Company shall pay to the associate an amount with respect to each vested Performance Unit equal to the Ending Value of the Performance Unit or, if the Committee shall so specify at the time of grant, an amount equal to (i) the Ending Value of the Performance Unit less (ii) the Initial Value of the Performance Unit. Payment shall be made entirely in cash, entirely in Common Stock (including Restricted Shares) or in such combination of cash and Common Stock as the Committee shall determine.

ARTICLE 14 UNRESTRICTED SHARES

14.1 Award of Unrestricted Shares. The Committee may cause the Company to grant Unrestricted Shares to associates at such time or times, in such amounts and for such reasons as the Committee, in its sole discretion, shall determine. Except as required by applicable law, no payment shall be required for Unrestricted Shares.

14.2 Delivery of Unrestricted Shares. The Company shall issue, in the name of each associate to whom Unrestricted Shares have been granted, stock certificates representing the total number of Unrestricted Shares granted to the associate, and shall deliver such certificates to the associate as soon as reasonably practicable after the date of grant or on such later date as the Committee shall determine at the time of grant.

ARTICLE 15 TAX OFFSET PAYMENTS

The Committee shall have the authority at the time of any award under this Plan or anytime thereafter to make Tax Offset Payments to assist associates in paying income taxes incurred as a result of their participation in this Plan. The Tax Offset Payments, which, if awarded, may be in cash or shares of Common Stock, shall be determined by multiplying a percentage established by the Committee times all or a portion (as the Committee shall determine) of the taxable income recognized by an associate upon (i) the exercise of a Nonstatutory Stock Option or a Stock Appreciation Right, (ii) the disposition of shares received upon exercise of an Incentive Stock Option, (iii) the lapse of restrictions on Restricted Shares, (iv) the award of Unrestricted Shares, or (v) payments for Performance Shares or Performance Units. The percentage shall be established, from time to time, by the Committee at that rate which the Committee, in its sole discretion, determines to be appropriate and in the best interests of the Company to assist associates in paying income taxes incurred as a result of the events described in the preceding sentence. Tax Offset Payments shall be subject to the restrictions on transferability applicable to Options and Stock Appreciation Rights under Article 8.

ARTICLE 16
ADJUSTMENT UPON CHANGES IN CAPITALIZATION

Notwithstanding any other provision of the Plan, the Committee may at any time make or provide for such adjustments to the Plan, to the number and class of shares available thereunder or to any outstanding Options, Stock Appreciation Rights, Restricted Shares or Performance Shares as it shall deem appropriate to prevent dilution or enlargement of rights, including adjustments in the event of changes in the number of shares of outstanding Common Stock by reason of stock dividends, extraordinary cash dividends, split-ups, recapitalizations, mergers, consolidations, combinations or exchanges of shares, separations, reorganizations, liquidations and the like.

ARTICLE 17
AMENDMENT AND TERMINATION

The Board may suspend, terminate, modify or amend the Plan, provided that any amendment that would materially increase the aggregate number of shares which may be issued under the Plan shall be subject to the approval of the Company's stockholders, except that any such increase or modification that may result from adjustments authorized by Article 16 does not require such approval. If the Plan is terminated, the terms of the Plan shall, notwithstanding such termination, continue to apply to awards granted prior to such termination. No suspension, termination, modification or amendment of the Plan may, without the consent of the associate to whom an award shall theretofore have been granted, adversely affect the rights of such associate under such award.

ARTICLE 18
WRITTEN AGREEMENT

Each award of Options, Stock Appreciation Rights, Restricted Shares, Performance Shares, Performance Units, Unrestricted Shares and Tax Offset Payments shall be evidenced by a written agreement, executed by the associate and the Company, and containing such restrictions, terms and conditions, if any, as the Committee may require. In the event of any conflict between a written agreement and the Plan, the terms of the Plan shall govern.

ARTICLE 19
MISCELLANEOUS PROVISIONS

19.1 Fair Market Value. For purposes of this Plan, fair market value with respect to the exercise price of options granted prior to and subject to the consummation of the initial public offering referred to in Section 1.1 hereof shall be the price at which shares of Common Stock are sold to the public pursuant to such offering and, for all other purposes hereunder, shall be the closing price of the Common Stock as reported on the principal exchange on which the shares are listed for the date on which the grant, exercise or other transaction occurs, or if there were no sales on such date, the most recent prior date on which there were sales.

19.2 Tax Withholding. The Company shall have the right to require associates or their beneficiaries or legal representatives to remit to the Company an amount sufficient to satisfy federal, state and local withholding tax requirements, or to deduct from all payments under this Plan, including Tax Offset Payments, amounts sufficient to satisfy all withholding tax requirements. Whenever payments under the Plan are to be made to an associate in cash, such payments shall be net of any amounts sufficient to satisfy all federal, state and local

withholding tax requirements. The Committee may, in its discretion, permit an associate to satisfy his or her tax withholding obligation either by (i) surrendering shares owned by the associate or (ii) having the Company withhold from shares otherwise deliverable to the associate. Shares surrendered or withheld shall be valued at their fair market value as of the date on which income is required to be recognized for income tax purposes. In the case of an award of Incentive Stock Options, the foregoing right shall be deemed to be provided to the associate at the time of such award.

19.3 Compliance With Section 16(b) and Section 162(m). In the case of associates who are or may be subject to Section 16 of the Act, it is the intent of the Company that any award granted hereunder satisfy and be interpreted in a manner that satisfies the applicable requirements of Rule 16b-3, so that such person will be entitled to the benefits of Rule 16b-3 or other exemptive rules under Section 16 of the Act and will not be subjected to liability thereunder. If any provision of the Plan or any award would otherwise conflict with the intent expressed herein, that provision, to the extent possible, shall be interpreted and deemed amended so as to avoid such conflict. To the extent of any remaining irreconcilable conflict with such intent, such provision shall be deemed void as applicable to associates who are or may be subject to Section 16 of the Act. If any award hereunder is intended to qualify as performance-based for purposes of Section 162(m) of the Code, the Committee shall not exercise any discretion to increase the payable under such award except to the extent permitted by Section 162(m) and the regulations thereunder.

19.4 Successors. The obligations of the Company under the Plan shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company. In the event of any of the foregoing, the Committee may, at its discretion prior to the consummation of the transaction, cancel, offer to purchase, exchange, adjust or modify any outstanding awards, at such time and in such manner as the Committee deems appropriate and in accordance with applicable law.

19.5 General Creditor Status. Associates shall have no right, title, or interest whatsoever in or to any investments which the Company may make to aid it in meeting its obligations under the Plan. Nothing contained in the Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Company and any associate or beneficiary or legal representative of such associate. To the extent that any person acquires a right to receive payments from the Company under the Plan, such right shall be no greater than the right of an unsecured general creditor of the Company. All payments to be made hereunder shall be paid from the general funds of the Company and no special or separate fund shall be established and no segregation of assets shall be made to assure payment of such amounts except as expressly set forth in the Plan.

19.6 No Right to Employment. Nothing in the Plan or in any written agreement entered into pursuant to Article 18, nor the grant of any award, shall confer upon any associate any right to continue in the employ of the Company or a subsidiary or to be entitled to any remuneration or benefits not set forth in the Plan or such written agreement or interfere with or limit the right of the Company or a subsidiary to modify the terms of or terminate such associate's employment at any time.

19.7 Notices. Notices required or permitted to be made under the Plan shall be sufficiently made if sent by registered or certified mail addressed (a) to the associate at the associate's address as set forth in the books and records of the Company or its subsidiaries, or (b) to the Company or the Committee at the principal office of the Company.

19.8 Severability. In the event that any provision of the Plan shall be held illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

19.9 Governing Law. To the extent not preempted by Federal law, the Plan, and all agreements hereunder, shall be construed in accordance with and governed by the laws of the State of Delaware.

19.10 Term of Plan. Unless earlier terminated pursuant to Article 17 hereof, the Plan shall terminate on October 1, 2006.

ABERCROMBIE & FITCH CO.

1996 STOCK PLAN FOR NON-ASSOCIATE DIRECTORS

1. PURPOSE

The purpose of the Abercrombie & Fitch Co. 1996 Stock Plan for Non-Associate Directors (the "Plan") is to promote the interests of Abercrombie & Fitch Co. (the "Company") and its stockholders by increasing the proprietary interest of non-associate directors in the growth and performance of the Company by granting such directors options to purchase shares of Class A Common Stock, par value \$.01 per share (the "Shares") of the Company and by awarding Shares to such directors in respect of a portion of the Retainer (as defined in Section 6(b)) payable to such directors.

2. ADMINISTRATION

The Plan shall be administered by the Company's Board of Directors (the "Board"). Subject to the provisions of the Plan, the Board shall be authorized to interpret the Plan, to establish, amend, and rescind any rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan; provided, however, that the Board shall have no discretion with respect to the selection of directors to receive options, the number of Shares subject to any such options, the purchase price thereunder or the timing of grants of options under the Plan. The determinations of the Board in the administration of the Plan, as described herein, shall be final and conclusive. The Secretary of the Company shall be authorized to implement the Plan in accordance with its terms and to take such actions of a ministerial nature as shall be necessary to effectuate the intent and purposes thereof. The validity, construction and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with the laws of the State of Delaware.

3. ELIGIBILITY

The class of individuals eligible to receive grants of options and awards of Shares in respect of the Retainer under the Plan shall be directors of the Company who are not associates of the Company or its affiliates ("Eligible Directors"). Any holder of an option or Shares granted hereunder shall hereinafter be referred to as a "Participant".

4. SHARES SUBJECT TO THE PLAN

Subject to adjustment as provided in Section 7, an aggregate of 100,000 Shares shall be available for issuance under the Plan. The Shares deliverable upon the exercise of options or in respect of the Retainer may be made available from authorized but unissued Shares or treasury Shares. If any option granted under the Plan shall terminate for any reason without having been exercised, the Shares subject to, but not delivered under, such option shall be available for issuance under the Plan.

5. GRANT, TERMS AND CONDITIONS OF OPTIONS

(a) Subject to the consummation prior to December 31, 1996 of the initial public offering of the Company's Class A Common Stock, each Eligible Director on the Effective Date (as defined in Section 11) will be granted on such date an option to purchase 2,000 Shares.

(b) Each Eligible Director on the first business day of a fiscal year of the Company beginning after the Effective Date, will be granted on such a day an option to purchase 2,000 Shares.

(c) The options granted will be nonstatutory stock options not intended to qualify under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code") and shall have the following terms and conditions:

(i) PRICE. The purchase price per Share deliverable upon the exercise of each option shall be 100% of the Fair Market Value per Share on the date the option is granted. For purposes of the Plan, Fair Market Value with respect to the exercise price of options granted under Section 5(a) hereof subject to the consummation of such initial public offering shall be the price at which Shares are sold to the public pursuant to such offering and, for all other purposes hereunder, shall be the closing price of the Shares as reported on the principal exchange on which the shares are listed for the date in question, or if there were no sales on such date, the most recent prior date on which there were sales.

(ii) PAYMENT. Options may be exercised only upon payment of the purchase price thereof in full. Such payment shall be made in cash.

(iii) EXERCISABILITY AND TERM OF OPTIONS. Options shall become exercisable in four equal annual installments commencing on the first anniversary of the date of grant, provided the holder of such Option is an Eligible Director on such anniversary, and shall be exercisable until the earlier of ten years from the date of grant and the expiration of the one year period provided in paragraph (iv) below.

(iv) TERMINATION OF SERVICE AS ELIGIBLE DIRECTOR. Upon termination of a Participant's service as a director of the Company for any reason, all outstanding options held by such Eligible Director, to the extent then exercisable, shall be exercisable in whole or in part for a period of one year from the date upon which the Participant ceases to be a Director, provided that in no event shall the options be exercisable beyond the period provided for in paragraph (iii) above.

(v) NONTRANSFERABILITY OF OPTIONS. No option may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant otherwise than by will or the laws of descent and distribution, and during the lifetime of the Participant to whom an option is granted it may be exercised only by the Participant or by the Participant's guardian or legal representative. Notwithstanding the foregoing, options may be transferred pursuant to a qualified domestic relations order.

(vi) OPTION AGREEMENT. Each option granted hereunder shall be evidenced by an agreement with the Company which shall contain the terms and provisions set forth herein and shall otherwise be consistent with the provisions of the Plan.

6. GRANT OF SHARES

(a) From and after the Effective Date, 50% of the Retainer of each Eligible Director shall be paid in a number of Shares equal to the quotient of (i) 50% of the Retainer divided by (ii) the Fair Market Value on the Retainer Payment Date. Cash shall be paid to an Eligible Director in lieu of a fractional Share.

(b) For purposes of this Plan, "Retainer" shall mean the annual retainer payable to an Eligible Director (as defined in Section 3) for any fiscal quarter of the Company, the amount of which Retainer may not be changed for purposes of this Plan more often than once every six months and

"RETAINER PAYMENT DATE" shall mean the first business day of the Company's calendar quarter.

7. ADJUSTMENT OF AND CHANGES IN SHARES

In the event of a stock split, stock dividend, extraordinary cash dividend, subdivision or combination of the Shares or other change in corporate structure affecting the Shares, the number of Shares authorized by the Plan shall be increased or decreased proportionately, as the case may be, and the number of Shares subject to any outstanding option shall be increased or decreased proportionately, as the case may be, with appropriate corresponding adjustment in the purchase price per Share thereunder.

8. NO RIGHTS OF SHAREHOLDERS

Neither a Participant nor a Participant's legal representative shall be, or have any of the rights and privileges of, a shareholder of the Company in respect of any Shares purchasable upon the exercise of any option, in whole or in part, unless and until certificates for such Shares shall have been issued.

9. PLAN AMENDMENTS

The Plan may be amended by the Board as it shall deem advisable or to conform to any change in any law or regulation applicable thereto; provided, that the Board may not, without the authorization and approval of shareholders of the Company: (i) increase the number of Shares which may be purchased pursuant to options hereunder, either individually or in the aggregate, except as permitted by Section 7, (ii) change the requirement of Section 5(b) that option grants be priced at Fair Market Value, except as permitted by Section 7, or (iii) modify in any respect the class of individuals who constitute Eligible Directors. The provisions of Sections 3, 5 and/or 6 may not be amended more often than once every six months, other than to comport with changes in the Code, the Employee Retirement Income Security Act of 1974, or the rules under either such statute.

10. LISTING AND REGISTRATION

Each Share shall be subject to the requirement that if at any time the Board shall determine, in its discretion, that the listing, registration or qualification of the Shares upon any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of such Shares, no such Share may be disposed of unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any condition not acceptable to the Board.

11. EFFECTIVE DATE AND DURATION OF PLAN

The Plan shall become effective on the effective date of the initial public offering of the Company's Class A Common Stock ("Effective Date"), subject to the consummation of such offering. In the event such public offering is not consummated, all options and Shares previously granted hereunder shall be canceled and all rights of Eligible Directors with respect to such options and Shares shall thereupon cease. The Plan shall terminate the day following the tenth Annual Shareholders Meeting at which Directors are elected succeeding such initial public offering, unless the Plan is extended or terminated at an earlier date by Shareholders or is terminated by exhaustion of the Shares available for issuance hereunder.

P R O X Y

ABERCROMBIE & FITCH CO.
THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS
ANNUAL MEETING OF STOCKHOLDERS
MAY 20, 1997

The undersigned hereby appoints Leslie H. Wexner and Kenneth B. Gilman, and each of them, proxies, with full power of substitution, to vote for the undersigned all shares of Class A Common Stock of Abercrombie & Fitch Co. which the undersigned would be entitled to vote if personally present at the Annual Meeting of Stockholders to be held on May 20, 1997 at 10:30 a.m., Eastern Daylight Time, and at any adjournments thereof, upon the matters described in the accompanying Proxy Statement and upon any other business that may properly come before the meeting or any adjournments thereof.

Election of Directors, Nominees:

Roger D. Blackwell, E. Gordon Gee, Michael S. Jeffries

SAID PROXIES ARE DIRECTED TO VOTE AS MARKED ON THE REVERSE SIDE AND IN THEIR DISCRETION UPON SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING OR ANY ADJOURNMENTS THEREOF.

(Continued and to be signed on the reverse side)

FOLD AND DETACH HERE

X PLEASE MARK YOUR
VOTES AS IN THIS
EXAMPLE.

9577

THE BOARD OF DIRECTORS
RECOMMENDS A VOTE "FOR" EACH
OF THE NAMED NOMINEES AND
"FOR" APPROVAL OF THE PLANS
REFERRED TO BELOW. IF NO
SPECIFICATION IS INDICATED,
THE SHARES REPRESENTED BY
THIS PROXY WILL BE VOTED AS
RECOMMENDED BY THE BOARD.

	FOR	WITHHELD
1. Election of	<input type="checkbox"/>	<input type="checkbox"/>
Directors		
(see reverse)		

For, except vote withheld from following nominee(s):

2. Approval of the Abercrombie & Fitch Co. Incentive Compensation Performance
Plan

	FOR	AGAINST	ABSTAIN
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. Approval of the 1997 Restatement of the Abercrombie & Fitch Co. 1996 Stock
Option and Performance Incentive Plan

	FOR	AGAINST	ABSTAIN
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Approval of the Abercrombie & Fitch Co. 1996 Stock Plan for Non-Associate
Directors

	FOR	AGAINST	ABSTAIN
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

THE UNDERSIGNED ACKNOWLEDGES RECEIPT WITH THIS PROXY OF A COPY OF THE NOTICE OF
ANNUAL MEETING OF STOCKHOLDERS AND PROXY STATEMENT DATED APRIL 14, 1997.

IMPORTANT: PLEASE DATE THIS PROXY AND SIGN EXACTLY AS YOUR NAME OR NAMES APPEAR
HEREON. IF STOCK IS HELD JOINTLY, SIGNATURE SHOULD INCLUDE BOTH NAMES. EXECU-
TORS, ADMINISTRATORS, TRUSTEES, GUARDIANS AND OTHERS SIGNING IN A REPRESENTA-
TIVE CAPACITY SHOULD INDICATE FULL TITLES.

SIGNATURE(S) _____ DATE _____

FOLD AND DETACH HERE

LOGO

PROXY

ABERCROMBIE & FITCH CO.
THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS
ANNUAL MEETING OF STOCKHOLDERS
MAY 20, 1997

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" EACH OF THE NAMED NOMINEES AND "FOR" APPROVAL OF THE PLANS REFERRED TO BELOW. IF NO SPECIFICATION IS INDICATED, THE SHARES REPRESENTED BY THIS PROXY WILL BE VOTED AS RECOMMENDED BY THE BOARD.

Election of Directors, Nominees:
Roger D. Blackwell, E. Gordon Gee, Michael S. Jeffries

1. Election of Directors

FOR WITHHELD
[] []

For, except vote withheld from following nominee(s):

2. Approval of the Abercrombie & Fitch Co. Incentive Compensation Performance Plan

FOR AGAINST ABSTAIN
[] [] []

3. Approval of the 1997 Restatement of the Abercrombie & Fitch Co. 1996 Stock Option and Performance Incentive Plan

FOR AGAINST ABSTAIN
[] [] []

(Continued and to be signed on the reverse side)

LOGO

4. Approval of the Abercrombie & Fitch Co. 1996 Stock Plan for Non-Associate Directors.

FOR	AGAINST	ABSTAIN
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The undersigned hereby appoints Leslie H. Wexner and Kenneth B. Gilman, and each of them, proxies, with full power of substitution, to vote for the undersigned all shares of Class A Common Stock of Abercrombie & Fitch Co. which the undersigned would be entitled to vote if personally present at the Annual Meeting of Stockholders to be held on May 20, 1997 at 10:30 a.m., Eastern Daylight Time, and at any adjournments thereof, upon the matters described in the accompanying Proxy Statement and upon any other business that may properly come before the meeting or any adjournments thereof.

The undersigned acknowledges receipt with this Proxy of a copy of the Notice of Annual Meeting of Stockholders and Proxy Statement dated April 14, 1997.

SIGNATURE(S) _____ DATE

IMPORTANT: PLEASE DATE THIS PROXY AND SIGN EXACTLY AS YOUR NAME OR NAMES APPEAR HEREON. IF STOCK IS HELD JOINTLY, SIGNATURE SHOULD INCLUDE BOTH NAMES. EXECUTORS, ADMINISTRATORS, TRUSTEES, GUARDIANS AND OTHERS SIGNING IN A REPRESENTATIVE CAPACITY SHOULD INDICATE FULL TITLES.