

Abercrombie & Fitch Co.
Condensed Consolidated Statements of Operations
(in thousands, except per share data)
(Unaudited)

	Thirteen Weeks Ended		Thirteen Weeks Ended	
	November 1, 2025	% of Net Sales	November 2, 2024	% of Net Sales
Net sales	\$ 1,290,619	100.0 %	\$ 1,208,966	100.0 %
Cost of sales, exclusive of depreciation and amortization	483,670	37.5 %	422,034	34.9 %
Selling expense	459,548	35.6 %	420,990	34.8 %
General and administrative expense	193,402	15.0 %	188,246	15.6 %
Other operating income, net	<u>(1,022)</u>	(0.1)%	<u>(1,586)</u>	(0.1)%
Operating income	155,021	12.0 %	179,282	14.8 %
Interest expense	550	— %	569	— %
Interest income	<u>(6,491)</u>	(0.5)%	<u>(9,302)</u>	(0.8)%
Interest income, net	<u>(5,941)</u>	(0.5)%	<u>(8,733)</u>	(0.7)%
Income before income taxes	160,962	12.5 %	188,015	15.6 %
Income tax expense	<u>45,862</u>	3.6 %	<u>54,151</u>	4.5 %
Net income	115,100	8.9 %	133,864	11.1 %
Less: Net income attributable to noncontrolling interests	<u>2,105</u>	0.2 %	<u>1,885</u>	0.2 %
Net income attributable to A&F	<u><u>\$ 112,995</u></u>	8.8 %	<u><u>\$ 131,979</u></u>	10.9 %
Net income per share attributable to A&F				
Basic	\$ 2.41		\$ 2.59	
Diluted	\$ 2.36		\$ 2.50	
Weighted-average shares outstanding:				
Basic	46,842		50,951	
Diluted	47,881		52,869	

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	Thirty-Nine Weeks Ended		Thirty-Nine Weeks Ended	
	November 1, 2025	% of Net Sales	November 2, 2024	% of Net Sales
Net sales	\$ 3,596,490	100.0 %	\$ 3,363,670	100.0 %
Cost of sales, exclusive of depreciation and amortization	1,352,393	37.6 %	1,163,019	34.6 %
Selling expense	1,234,841	34.3 %	1,163,565	34.6 %
General and administrative expense	543,652	15.1 %	555,941	16.5 %
Other operating loss (income), net	<u>2,392</u>	0.1 %	<u>(3,611)</u>	(0.1)%
Operating income	463,212	12.9 %	484,756	14.4 %
Interest expense	1,831	0.1 %	11,538	0.3 %
Interest income	<u>(17,029)</u>	(0.5)%	<u>(30,497)</u>	(0.9)%
Interest income, net	<u>(15,198)</u>	(0.4)%	<u>(18,959)</u>	(0.6)%
Income before income taxes	478,410	13.3 %	503,715	15.0 %
Income tax expense	<u>138,183</u>	3.8 %	<u>119,394</u>	3.5 %
Net income	340,227	9.5 %	384,321	11.4 %
Less: Net income attributable to noncontrolling interests	<u>5,436</u>	0.2 %	<u>5,324</u>	0.2 %
Net income attributable to A&F	<u><u>\$ 334,791</u></u>	9.3 %	<u><u>\$ 378,997</u></u>	11.3 %
Net income per share attributable to A&F				
Basic	\$ 6.99		\$ 7.43	
Diluted	\$ 6.83		\$ 7.13	
Weighted-average shares outstanding:				
Basic	47,869		51,030	
Diluted	49,022		53,141	

Reporting and Use of GAAP and Non-GAAP Measures

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

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

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

In addition, the company provides EBITDA and Adjusted EBITDA as supplemental measures used by the company's executive management to assess the company's performance. We also believe these supplemental performance measures are meaningful information for investors and other interested parties to use in computing the company's core financial performance over multiple periods and with other companies by excluding the impact of differences in tax jurisdictions, debt service levels and capital investment.

Abercrombie & Fitch Co.
Schedule of Non-GAAP Financial Measures
Thirty-Nine Weeks Ended November 1, 2025
(in thousands, except per share data)
(Unaudited)

	GAAP ⁽¹⁾	% of Net Sales	Excluded item ⁽²⁾	Adjusted non-GAAP	% of Net Sales
Litigation settlement	\$ (38,574)		\$ (38,574)	\$ —	
Operating income	463,212	12.9 %	38,574	424,638	11.8 %
Income before income taxes	478,410	13.3 %	38,574	439,836	12.2 %
Income tax expense ⁽³⁾	138,183	3.8 %	9,829	128,354	3.6 %
Net income attributable to A&F	334,791	9.3 %	28,745	306,046	8.5 %
Net income per diluted share attributable to A&F	\$ 6.83		\$ 0.59	\$ 6.24	
Diluted weighted-average shares outstanding	49,022			49,022	

⁽¹⁾ "GAAP" refers to accounting principles generally accepted in the United States of America.

⁽²⁾ Excluded item consists of a favorable settlement, net of legal fees, of payment card interchange fee litigation

⁽³⁾ The tax effect of excluded items is the difference between the tax provision calculated on a GAAP basis and an adjusted non-GAAP basis.

Abercrombie & Fitch Co.
Reconciliation of Constant Currency Financial Measures
Thirteen Weeks Ended November 1, 2025 and November 2, 2024
(in thousands, except percentage and basis point changes and per share data)
(Unaudited)

	2025	2024	% Change
Net sales			
GAAP ⁽¹⁾	\$ 1,290,619	\$ 1,208,966	7%
Impact from changes in foreign currency exchange rates ⁽²⁾	—	5,834	—
Net sales on a constant currency basis	\$ 1,290,619	\$ 1,214,800	6%
Operating income			
	2025	2024	BPS Change ⁽³⁾
GAAP ⁽¹⁾	\$ 155,021	\$ 179,282	(280)
Impact from changes in foreign currency exchange rates ⁽²⁾	—	(1,852)	20
Non-GAAP constant currency basis	\$ 155,021	\$ 177,430	(260)
Net income per share attributable to A&F			
	2025	2024	\$ Change
GAAP ⁽¹⁾	\$ 2.36	\$ 2.50	\$(0.14)
Impact from changes in foreign currency exchange rates ⁽²⁾	—	(0.03)	0.03
Non-GAAP constant currency basis	\$ 2.36	\$ 2.47	\$(0.11)

⁽¹⁾ "GAAP" refers to accounting principles generally accepted in the United States of America.

⁽²⁾ The estimated impact from foreign currency is determined by applying current period exchange rates to prior year results and is net of the year-over-year impact from hedging. The per diluted share estimated impact from foreign currency is calculated using a 26% tax rate.

⁽³⁾ The estimated basis point change has been rounded based on the percentage change.

Abercrombie & Fitch Co.
Reconciliation of EBITDA and Adjusted EBITDA
Thirteen Weeks Ended November 1, 2025 and November 2, 2024
(in thousands)
(Unaudited)

	2025	% of Net Sales	2024	% of Net Sales
Net income	\$ 115,100	8.9 %	\$ 133,864	11.1 %
Income tax expense	45,862	3.6	54,151	4.5
Interest income, net	(5,941)	(0.5)	(8,733)	(0.7)
Depreciation and amortization	38,566	3.0	39,566	3.2
EBITDA	\$ 193,587	15.0 %	\$ 218,848	18.1 %

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Reconciliation of EBITDA and Adjusted EBITDA
Thirty-Nine Weeks Ended November 1, 2025 and November 2, 2024
(in thousands)
(Unaudited)

	2025	% of Net Sales	2024	% of Net Sales
Net income	\$ 340,227	9.5 %	\$ 384,321	11.4 %
Income tax expense	138,183	3.8	119,394	3.5
Interest (income) expense, net	(15,198)	(0.4)	(18,959)	(0.6)
Depreciation and amortization	114,566	3.2	116,610	3.6
EBITDA ⁽¹⁾	\$ 577,778	16.1 %	\$ 601,366	17.9 %
Adjustments to EBITDA				
Litigation settlement	(38,574)	(1.1)%	—	— %
Adjusted EBITDA ⁽¹⁾	\$ 539,204	15.0 %	\$ 601,366	17.9 %

⁽¹⁾ EBITDA and Adjusted EBITDA are supplemental financial measures that are not defined or prepared in accordance with GAAP. EBITDA is defined as net income before interest, income taxes and depreciation and amortization. Adjusted EBITDA is EBITDA adjusted for a favorable settlement, net of legal fees, of payment card interchange fee litigation.

Abercrombie & Fitch Co.
Condensed Consolidated Balance Sheets
(in thousands)
(Unaudited)

	November 1, 2025	February 1, 2025	November 2, 2024
Assets			
Current assets:			
Cash and equivalents	\$ 605,783	\$ 772,727	\$ 683,089
Marketable securities	25,255	116,221	55,790
Receivables	131,741	105,324	111,583
Inventories	730,453	575,005	692,596
Other current assets	116,303	104,154	112,709
Total current assets	1,609,535	1,673,431	1,655,767
Property and equipment, net	661,646	575,773	570,440
Operating lease right-of-use assets	965,919	803,121	798,290
Other assets	242,818	247,562	245,375
Total assets	<u>\$ 3,479,918</u>	<u>\$ 3,299,887</u>	<u>\$ 3,269,872</u>
Liabilities and stockholders' equity			
Current liabilities:			
Accounts payable	\$ 461,528	\$ 364,532	\$ 466,303
Accrued expenses	458,075	504,922	469,148
Short-term portion of operating lease liabilities	225,847	211,600	210,335
Income taxes payable	17,557	45,890	36,303
Total current liabilities	\$ 1,163,007	\$ 1,126,944	\$ 1,182,089
Long-term liabilities:			
Long-term portion of operating lease liabilities	\$ 905,041	\$ 740,013	\$ 734,918
Other liabilities	80,460	81,607	92,405
Total long-term liabilities	985,501	821,620	827,323
Total Abercrombie & Fitch Co. stockholders' equity	1,316,843	1,335,628	1,247,133
Noncontrolling interests	14,567	15,695	13,327
Total stockholders' equity	1,331,410	1,351,323	1,260,460
Total liabilities and stockholders' equity	<u>\$ 3,479,918</u>	<u>\$ 3,299,887</u>	<u>\$ 3,269,872</u>

Abercrombie & Fitch Co.
Condensed Consolidated Statements of Cash Flows
(in thousands, except per share data)
(Unaudited)

	Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024
Operating activities		
Net cash provided by operating activities	\$ 313,000	\$ 402,756
Investing activities		
Purchases of marketable securities	\$ (15,000)	\$ (55,000)
Proceeds from maturities of marketable securities	105,000	—
Purchases of property and equipment	(185,212)	(132,040)
Net cash used for investing activities	\$ (95,212)	\$ (187,040)
Financing activities		
Redemption of senior secured notes	\$ —	\$ (223,331)
Payment of debt modification costs and fees	—	(3,273)
Purchases of common stock	(351,224)	(129,807)
Acquisition of common stock for tax withholding obligations	(36,181)	(69,613)
Other financing activities	(7,149)	(6,546)
Net cash used for financing activities	\$ (394,554)	\$ (432,570)
Effect of foreign currency exchange rates on cash	\$ 8,930	\$ (1,834)
Net decrease in cash and equivalents, and restricted cash and equivalents	\$ (167,836)	\$ (218,688)
Cash and equivalents, and restricted cash and equivalents, beginning of period	\$ 780,395	\$ 909,685
Cash and equivalents, and restricted cash and equivalents, end of period	<u>\$ 612,559</u>	<u>\$ 690,997</u>