

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

	Thirteen Weeks Ended		Thirteen Weeks Ended	
	April 29, 2017	% of Net Sales	April 30, 2016	% of Net Sales
Net sales	\$ 661,099	100.0 %	\$ 685,483	100.0 %
Cost of sales, exclusive of depreciation and amortization	262,174	39.7 %	259,762	37.9 %
Gross profit	398,925	60.3 %	425,721	62.1 %
Stores and distribution expense	359,929	54.4 %	369,118	53.8 %
Marketing, general and administrative expense	109,893	16.6 %	114,447	16.7 %
Asset impairment	730	0.1 %	—	— %
Other operating income, net	(1,686)	(0.3)%	(2,933)	(0.4)%
Operating loss	(69,941)	(10.6)%	(54,911)	(8.0)%
Interest expense, net	4,120	0.6 %	4,506	0.7 %
Loss before taxes	(74,061)	(11.2)%	(59,417)	(8.7)%
Tax benefit	(13,052)	(2.0)%	(20,787)	(3.0)%
Net loss	(61,009)	(9.2)%	(38,630)	(5.6)%
Less: Net income attributable to noncontrolling interests	691	0.1 %	957	0.1 %
Net loss attributable to Abercrombie & Fitch Co.	\$ (61,700)	(9.3)%	\$ (39,587)	(5.8)%
Net loss per share attributable to Abercrombie & Fitch Co.:				
Basic	\$ (0.91)		\$ (0.59)	
Diluted	\$ (0.91)		\$ (0.59)	
Weighted-average shares outstanding:				
Basic	68,073		67,625	
Diluted	68,073		67,625	

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

	<u>April 29, 2017</u>	<u>January 28, 2017</u>	<u>April 30, 2016</u>
<u>ASSETS</u>			
Current assets:			
Cash and equivalents	\$ 421,441	\$ 547,189	\$ 490,975
Receivables	90,346	93,384	61,690
Inventories, net	398,750	399,795	435,663
Other current assets	91,565	98,932	106,200
Total current assets	1,002,102	1,139,300	1,094,528
Property and equipment, net	806,057	824,738	886,346
Other assets	349,806	331,719	363,308
<b>TOTAL ASSETS</b>	<u><u>\$ 2,157,965</u></u>	<u><u>\$ 2,295,757</u></u>	<u><u>\$ 2,344,182</u></u>
 <u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>			
Current liabilities:			
Accounts payable	\$ 147,531	\$ 187,017	\$ 157,024
Accrued expenses	248,915	273,044	294,303
Short-term portion of deferred lease credits	19,522	20,076	23,298
Income taxes payable	5,264	5,863	2,287
Short-term portion of borrowings, net	—	—	733
Total current liabilities	421,232	486,000	477,645
Long-term liabilities:			
Long-term portion of deferred lease credits	\$ 75,886	\$ 76,321	\$ 87,492
Long-term portion of borrowings, net	263,353	262,992	285,882
Leasehold financing obligations	47,120	46,397	50,733
Other liabilities	169,588	172,008	187,635
Total long-term liabilities	555,947	557,718	611,742
Total Abercrombie & Fitch Co. stockholders' equity	1,171,972	1,243,435	1,249,656
Noncontrolling interests	8,814	8,604	5,139
Total stockholders' equity	1,180,786	1,252,039	1,254,795
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u><u>\$ 2,157,965</u></u>	<u><u>\$ 2,295,757</u></u>	<u><u>\$ 2,344,182</u></u>

## **REPORTING AND USE OF GAAP AND NON-GAAP MEASURES**

The company believes that the non-GAAP financial measures presented in this news release are useful to investors as they supplement investors' understanding of underlying business trends, comparability across periods and provide the ability to measure the company's operating performance. Management used these non-GAAP financial measures during the periods presented to assess the company's performance, to make decisions about how to allocate resources and to develop expectations for future operating performance. The company provides certain financial information on a constant currency basis. The effect from foreign currency, calculated on a constant currency basis, 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 effect from foreign currency is calculated using a 35% tax rate. In addition, the company provides comparable sales which is defined as the aggregate of: (1) year-over-year 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 currency fluctuation, and (2) year-over-year direct-to-consumer sales with prior year's net sales converted at the current year's foreign currency exchange rate to remove the impact of currency fluctuation. Non-GAAP financial measures should be used supplemental to, not as an alternative to, the company's GAAP financial results, and may not be the same as similar measures presented by other companies.

**Abercrombie & Fitch Co.**  
**Store Count Activity**

Thirteen Weeks Ended April 29, 2017

	Abercrombie <sup>(1)(2)</sup>		Hollister <sup>(3)</sup>		Total	
	United States	International	United States	International	United States	International
January 28, 2017	311	44	398	145	709	189
New	2	—	1	—	3	—
Closed	(5)	(1)	(2)	—	(7)	(1)
April 29, 2017	<u>308</u>	<u>43</u>	<u>397</u>	<u>145</u>	<u>705</u>	<u>188</u>

<sup>(1)</sup> Includes Abercrombie & Fitch and abercrombie kids brands.

<sup>(2)</sup> Excludes three international franchise stores as of April 29, 2017 and excludes one international franchise store as of January 28, 2017.

<sup>(3)</sup> Excludes five international franchise stores as of April 29, 2017 and excludes three international franchise stores as of January 28, 2017.