



# Investor Presentation

## 2011 Second Quarter

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

A&F cautions that any forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) contained in this presentation or made by management or spokespeople of A&F involve risks and uncertainties and are subject to change based on various important factors, many of which may be beyond the Company's control. Words such as "estimate," "project," "plan," "believe," "expect," "anticipate," "intend," and similar expressions may identify forward-looking statements. Except as may be required by applicable law, we assume no obligation to publicly update or revise our forward-looking statements. The factors included in the disclosure under the heading "FORWARD-LOOKING STATEMENTS AND RISK FACTORS" in "ITEM 1A. RISK FACTORS" of A&F's Annual Report on Form 10-K for the fiscal year ended January 29, 2011, in some cases have affected and in the future could affect the Company's financial performance and could cause actual results for the 2011 fiscal year and beyond to differ materially from those expressed or implied in any of the forward-looking statements included in this presentation or otherwise made by management.

## **OTHER INFORMATION**

All dollar and share amounts are in 000's unless otherwise stated. Sub-totals and totals may not foot due to rounding.

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# Q2 P&L Summary

	Unaudited		Unaudited	
	2011	% of Net Sales	2010	% of Net Sales
Net Sales	\$ 916,763	100.0%	\$ 745,798	100.0%
Cost of Goods Sold	333,721	36.4%	260,450	34.9%
Gross Profit	583,042	63.6%	485,348	65.1%
Operating Expense <sup>(1)</sup>	535,324	58.4%	459,688	61.6%
Other Operating Expense (Income), Net	544	0.1%	(1,900)	-0.3%
Operating Income	47,174	5.1%	27,560	3.7%
Interest Expense, Net	985	0.1%	807	0.1%
Income Before Taxes	46,189	5.0%	26,753	3.6%
Tax Expense	14,158	1.5%	7,274	1.0%
Net Income	\$ 32,031	3.5%	\$ 19,479	2.6%

(1) 2010 includes pre-tax asset impairment charges of \$2.2 million (0.3% of net sales) related to store closures

# Year-To-Date P&L Summary

	Unaudited		Unaudited	
	2011	% of Net Sales	2010	% of Net Sales
Net Sales	\$ 1,753,437	100.0%	\$ 1,433,602	100.0%
Cost of Goods Sold	626,734	35.7%	516,838	36.1%
Gross Profit	1,126,703	64.3%	916,764	63.9%
Operating Expense <sup>(1)</sup>	1,042,076	59.4%	910,730	63.5%
Other Operating Income, Net	(1,292)	-0.1%	(2,814)	-0.2%
Operating Income	85,919	4.9%	8,848	0.6%
Interest Expense, Net	1,935	0.1%	1,632	0.1%
Income from Continuing Operations Before Taxes	83,984	4.8%	7,216	0.5%
Tax Expense (Benefit) from Continuing Operations	27,608	1.6%	(435)	0.0%
Net Income from Continuing Operations	56,376	3.2%	7,651	0.5%
Net Income from Discontinued Operations <sup>(2)</sup>	796	0.1%	-	- %
Net Income	\$ 57,172	3.3%	\$ 7,651	0.5%

(1) 2010 includes pre-tax asset impairment charges of \$2.2 million (0.2% of net sales) related to store closures

(2) Net income from discontinued operations relates to the settlement of outstanding lease obligations

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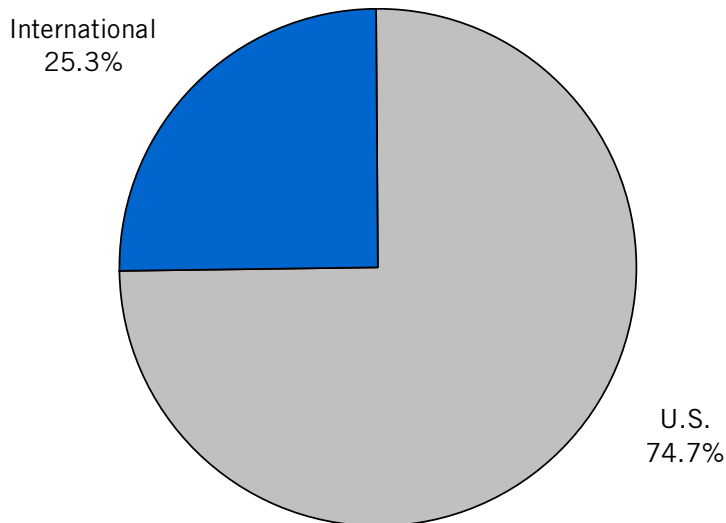
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# Sales Analysis Versus Prior Year

## Q2

Total Sales	+ 23%
Total U.S. Sales	+ 12%
Total International Sales	+ 74%
DTC Sales	+ 28%
Comparable Store Sales:	
Total Company	+ 9%
Abercrombie & Fitch	+ 5%
abercrombie kids	+ 7%
Hollister	+ 12%

## Sales Mix



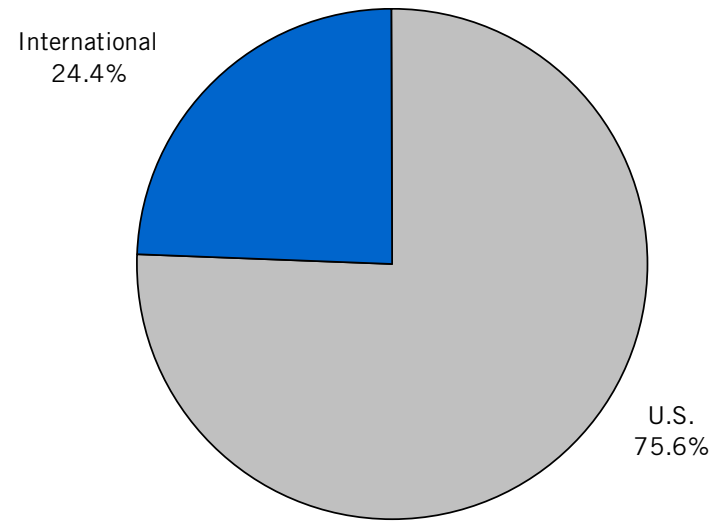
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## Year-to-Date

Total Sales	+ 22%
Total U.S. Sales	+ 12%
Total International Sales	+ 70%
DTC Sales	+ 30%
Comparable Store Sales:	
Total Company	+ 9%
Abercrombie & Fitch	+ 6%
abercrombie kids	+ 9%
Hollister	+ 12%

## Sales Mix



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# Sales Growth Contribution

	Second Quarter	Growth Contribution %	Year-To-Date	Growth Contribution %
<b>2010 Net Sales</b>	<b>\$ 745,798</b>		<b>\$ 1,433,603</b>	
Foreign Exchange Impact <sup>(1)</sup>	11,717	1.6%	17,598	1.2%
Comparable Stores	55,498	7.4%	116,324	8.1%
DTC	21,011	2.8%	46,182	3.2%
Non-Comparable Stores, Net <sup>(2)</sup>	82,738	11.1%	139,731	9.7%
<b>2011 Net Sales</b>	<b>\$ 916,763</b>	<b>22.9%</b>	<b>\$ 1,753,437</b>	<b>22.3%</b>

<sup>(1)</sup> Represents the impact of converting prior year sales at current year rates

<sup>(2)</sup> New stores, net of closures; plus net effect of third party sell-off

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# Operating Expense

	2011	% of Net Sales	2010	% of Net Sales	Δ bps <sup>(3)</sup>
<b>Second Quarter</b>					
Store Occupancy <sup>(1)(4)</sup>	\$ 173,556	18.9%	\$ 161,803	21.7%	(280)
All Other <sup>(2)</sup>	251,769	27.5%	202,678	27.2%	30
Stores and Distribution	425,325	46.4%	364,482	48.9%	(250)
Marketing, General & Administrative	109,999	12.0%	95,206	12.8%	(80)
TOTAL	\$ 535,324	58.4%	\$ 459,688	61.6%	(320)
<b>Year-To-Date</b>					
Store Occupancy <sup>(1)(4)</sup>	\$ 340,896	19.4%	\$ 320,460	22.4%	(300)
All Other <sup>(2)</sup>	483,530	27.6%	398,431	27.8%	(30)
Stores and Distribution	824,426	47.0%	718,892	50.1%	(320)
Marketing, General & Administrative	217,650	12.4%	191,838	13.4%	(100)
TOTAL	\$ 1,042,076	59.4%	\$ 910,730	63.5%	(410)

(1) Includes rent, other landlord charges, utilities, depreciation and other occupancy expense

(2) Includes selling payroll, store management and support, other store expense, DTC, and distribution center costs

(3) Rounded based on reported percentages

(4) 2010 includes pre-tax asset impairment charges of \$2.2 million related to store closures (0.3% and 0.2% of net sales for the quarter and YTD, respectively)

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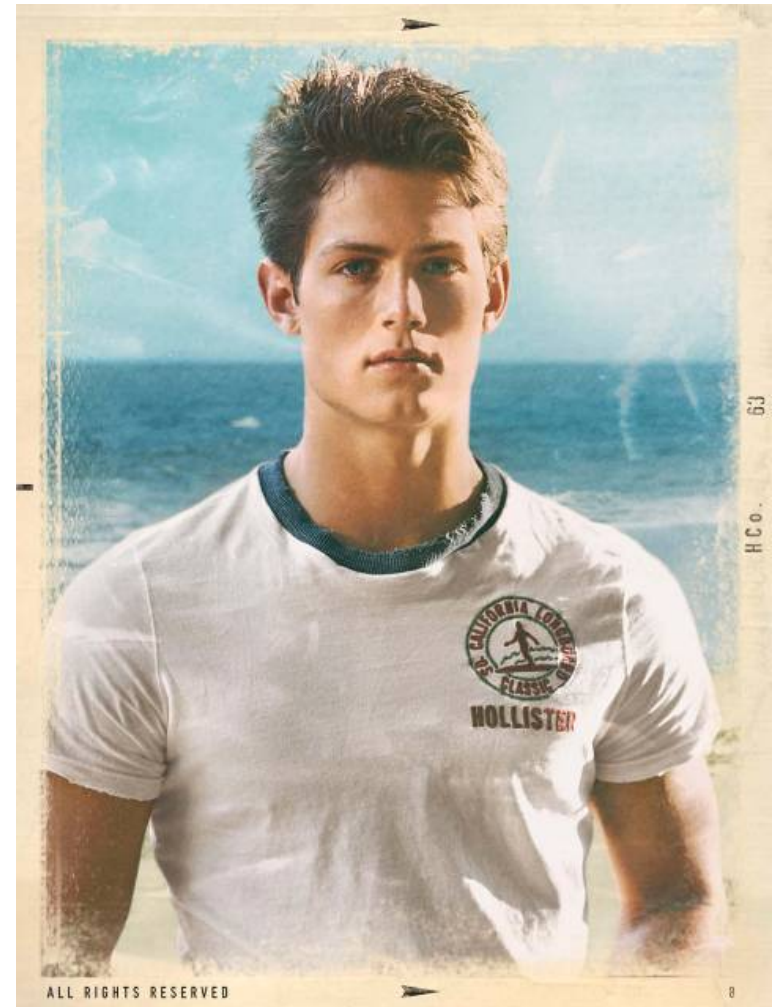
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# Inventory Analysis

	<u>As of July 30, 2011</u>	<u>As of July 31, 2010</u>	<u>% <math>\Delta</math></u>
Inventory on Hand	\$ 433,155	\$ 418,358	+ 3.5%
Inventory in Transit	<u>\$ 82,973</u>	<u>\$ 61,769</u>	<u>+ 34.3%</u>
Total Inventory	<u>\$ 516,128</u>	<u>\$ 480,128</u>	<u>+ 7.5%</u>



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# Share Repurchases

	FY 2011			FY 2010		
	Shares Repurchased	Cost	Average Cost	Shares Repurchased	Cost	Average Cost
Q1	428.8	\$ 25,469	\$ 59.40	-	-	-
Q2	950.1	\$ 64,399	\$ 67.78	-	-	-
Q3	-	-	-	669.1	\$ 29,207	\$ 43.65
Q4	-	-	-	912.6	\$ 46,951	\$ 51.45
<b>TOTAL</b>	<b>1,378.9</b>	<b>\$ 89,868</b>	<b>\$ 65.17</b>	<b>1,581.7</b>	<b>\$ 76,158</b>	<b>\$ 48.15</b>

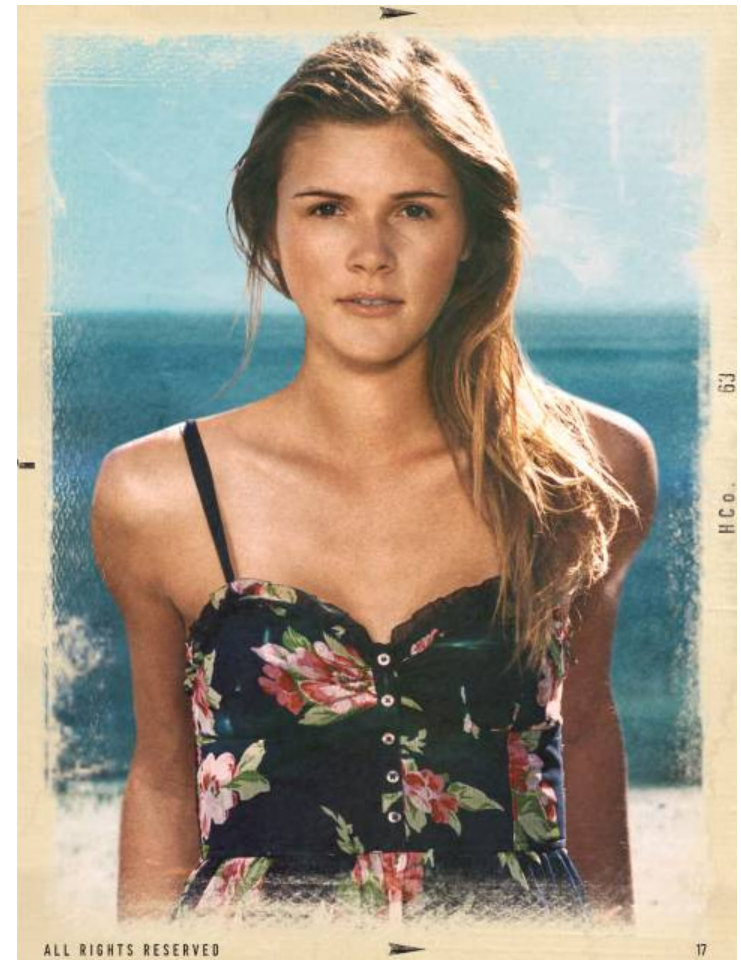
Remaining shares authorized for future repurchase 8,386

Shares outstanding \* 86,966

\* As of fiscal quarter end

# Liquidity

	As of July 30, 2011	As of July 31, 2010
Cash and Cash Equivalents	\$ 539,613	\$ 596,491
Credit Agreement:		
Borrowings	\$ -	\$ 53,167
Outstanding Letters of Credit	\$ 124	\$ 24,379
"Net" Cash Position	\$ 539,489	\$ 518,946



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# Q3 Operating Expense Outlook

- **Store Occupancy:** Low to mid \$180 millions
- **All Other Stores and Distribution:** Modest deleverage compared to last year's rate of 24.8% of sales; includes effect of pre-opening costs, DTC investments and accelerated depreciation of distribution center
- **Marketing, General and Administrative:** Low double digit increase; includes increases in equity compensation, marketing costs, and other



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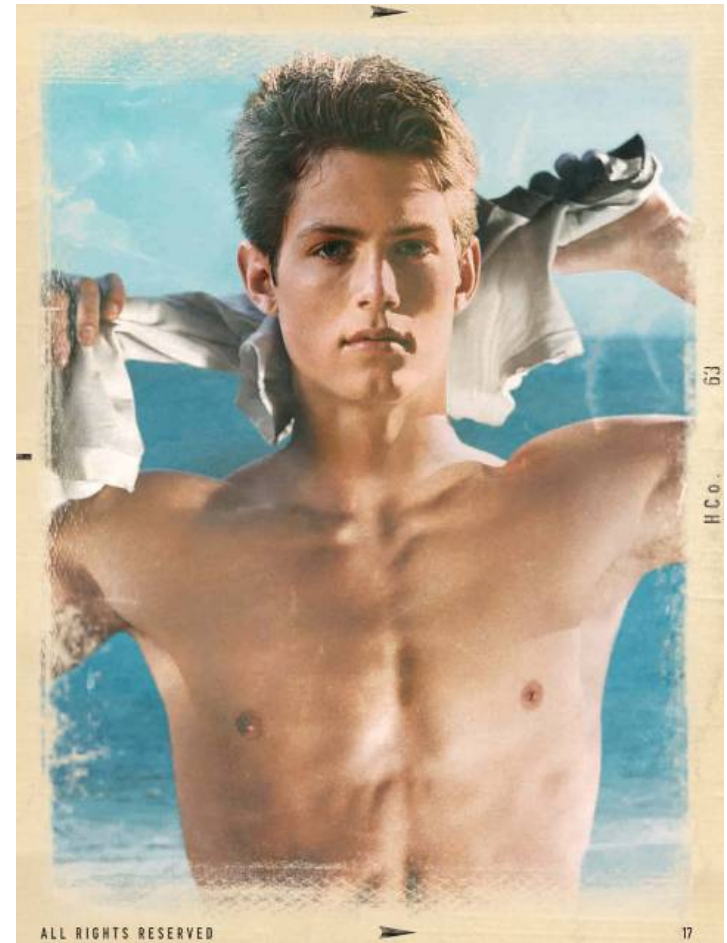
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# International Hollister Store Count - Cumulative

	----- Year End -----				Q2 End
	2007	2008	2009	2010	2011
<b>Hollister</b>					
Canada	3	6	6	9	10
UK		3	10	19	19
Germany			1	4	6
Italy			1	3	4
Spain				3	3
Ireland					1
Sweden					1
<b>TOTAL</b>	<b>3</b>	<b>9</b>	<b>18</b>	<b>38</b>	<b>44</b>



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# Confirmed Flagship Openings

City	Timing	Type
Madrid	Q4 2011	A&F
Dusseldorf	Q4 2011	A&F / kids
Brussels	Q4 2011	A&F
Singapore	Q4 2011	A&F
Hamburg	Spring 2012	A&F
Hong Kong	Summer 2012	A&F



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# Appendix: EPS (Unaudited)

	Q2		Year-To-Date	
	2011	2010 <sup>(1)</sup>	2011 <sup>(2)</sup>	2010 <sup>(1)</sup>
<b>Net Income Per Share from Continuing Operations</b>				
Basic	\$ 0.37	\$ 0.22	\$ 0.65	\$ 0.09
Diluted	\$ 0.35	\$ 0.22	\$ 0.62	\$ 0.09
<b>Net Income Per Share from Discontinued Operations</b>				
Basic	\$ -	\$ -	\$ 0.01	\$ -
Diluted	\$ -	\$ -	\$ 0.01	\$ -
<b>Net Income Per Share</b>				
Basic	\$ 0.37	\$ 0.22	\$ 0.66	\$ 0.09
Diluted	\$ 0.35	\$ 0.22	\$ 0.63	\$ 0.09
<b>Weighted-Average Shares Outstanding</b>				
Basic	87,267	88,220	87,274	88,157
Diluted	90,353	89,386	90,397	89,561

(1) 2010 includes pre-tax asset impairment charges of \$2.2 million related to store closures

(2) Net income from discontinued operations relates to the settlement of outstanding lease obligations

# Appendix: Q2 Store Count Activity

ALL BRANDS*					
	Total	US	Canada	Europe	Asia
Start of Q2 2011	1,071	1,017	16	36	2
Openings	5	-	1	4	-
Closings	(3)	(3)	-	-	-
End of Q2 2011	1,073	1,014	17	40	2

abercrombie kids					
	Total	US	Canada	Europe	Asia
Start of Q2 2011	185	181	3	1	-
Openings	-	-	-	-	-
Closings	(2)	(2)	-	-	-
End of Q2 2011	183	179	3	1	-

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	Total	US	Canada	Europe	Asia
Start of Q2 2011	325	316	4	3	2
Openings	1	-	-	1	-
Closings	-	-	-	-	-
End of Q2 2011	326	316	4	4	2

Hollister Co.					
	Total	US	Canada	Europe	Asia
Start of Q2 2011	542	502	9	31	-
Openings	4	-	1	3	-
Closings	(1)	(1)	-	-	-
End of Q2 2011	545	501	10	34	-

\* End of Q2 2011 includes 19 Gilly Hicks stores, including one in Europe

# Appendix: Year-To-Date Store Count Activity

ALL BRANDS*					
	Total	US	Canada	Europe	Asia
Start of 2011	1,069	1,017	16	34	2
Openings	7	-	1	6	-
Closings	(3)	(3)	-	-	-
End of Q2 2011	1,073	1,014	17	40	2

abercrombie kids					
	Total	US	Canada	Europe	Asia
Start of 2011	185	181	3	1	-
Openings	-	-	-	-	-
Closings	(2)	(2)	-	-	-
End of Q2 2011	183	179	3	1	-

A&F					
	Total	US	Canada	Europe	Asia
Start of 2011	325	316	4	3	2
Openings	1	-	-	1	-
Closings	-	-	-	-	-
End of Q2 2011	326	316	4	4	2

Hollister Co.					
	Total	US	Canada	Europe	Asia
Start of 2011	540	502	9	29	-
Openings	6	-	1	5	-
Closings	(1)	(1)	-	-	-
End of Q2 2011	545	501	10	34	-

\* End of Q2 2011 includes 19 Gilly Hicks stores, including one in Europe