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Abercrombie & Fitch

NEW YORK

Investor Presentation 2011 Fourth 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.

Q4 Adjusted P&L Summary*

	Unaudited		Unaudited	
	2011	% of Net Sales	2010	% of Net Sales
Net Sales	\$ 1,328,766	100.0%	\$ 1,149,396	100.0%
Cost of Goods Sold	583,120	43.9%	418,410	36.4%
Gross Profit	745,646	56.1%	730,986	63.6%
Operating Expense	602,125	45.3%	539,425	46.9%
Other Operating Income	(5,822)	-0.4%	(5,549)	-0.5%
Operating Income	149,343	11.2%	197,110	17.1%
Interest Expense, Net	1,108	0.1%	1,058	0.1%
Income Before Taxes	148,235	11.2%	196,052	17.1%
Tax Expense	49,715	3.7%	71,493	6.2%
Net Income	\$ 98,520	7.4%	\$ 124,559	10.8%

* The Q4 Adjusted P&L for both current and prior periods is presented on a non-GAAP basis and excludes the charges set out on page 5. A reconciliation between the GAAP and non-GAAP results is included as an appendix to the presentation.

Full Year Adjusted P&L Summary*

	Unaudited		Unaudited	
	2011	% of Net Sales	2010	% of Net Sales
Net Sales	\$ 4,158,058	100.0%	\$ 3,468,777	100.0%
Cost of Goods Sold	1,639,188	39.4%	1,256,596	36.2%
Gross Profit	2,518,870	60.6%	2,212,181	63.8%
Operating Expense	2,213,726	53.2%	1,935,245	55.8%
Other Operating Income	(9,969)	-0.2%	(10,056)	-0.3%
Operating Income	315,113	7.6%	286,992	8.3%
Interest Expense, Net	3,577	0.1%	3,362	0.1%
Income from Continuing Operations Before Taxes	311,536	7.5%	283,630	8.2%
Tax Expense from Continuing Operations	105,734	2.5%	99,760	2.9%
Net Income from Continuing Operations	205,802	4.9%	183,870	5.3%
Net Income from Discontinued Operations	796	0.0%	-	- %
Net Income	\$ 206,598	5.0%	\$ 183,870	5.3%

* The Full Year Adjusted P&L for both current and prior periods is presented on a non-GAAP basis and excludes the charges set out on page 5. A reconciliation between the GAAP and non-GAAP results is included as an appendix to the presentation.

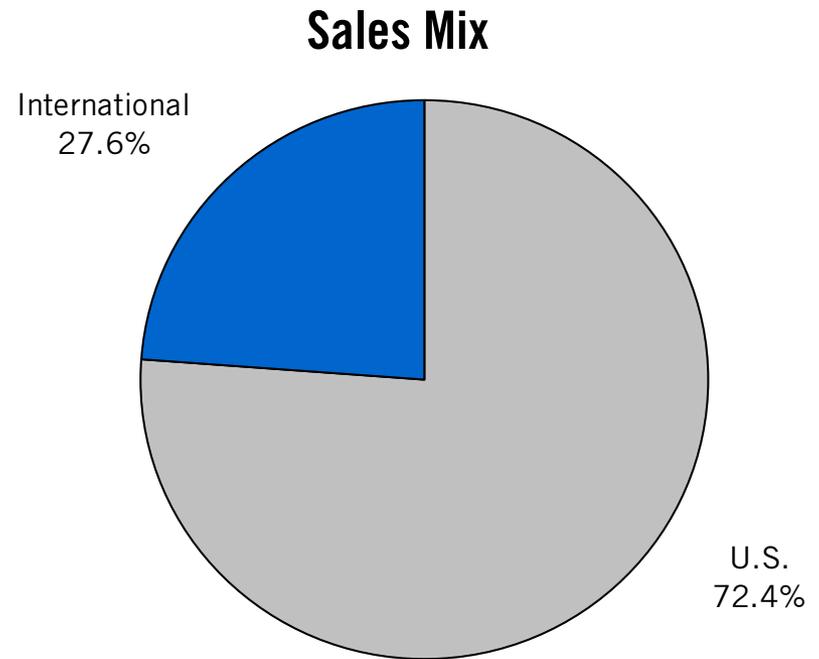
Impairment and Other Charges*

<u>2011</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Full Year</u>
Impairment Charges	-	-	-	\$ 68,022	\$ 68,022
Asset Write-Downs	-	-	-	14,649	14,649
Store Closure and Lease Exit Charges	-	-	-	18,971	18,971
Legal Charges	-	-	-	10,000	10,000
ARS Charges	-	-	-	13,441	13,441
Total	-	-	-	\$ 125,083	\$ 125,083
<u>2010</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Full Year</u>
Impairment Charges	-	\$ 2,247	-	\$ 48,384	\$ 50,631
Store Closure and Lease Exit Charges	-	-	409	4,020	4,429
Total	-	\$ 2,247	\$ 409	\$ 52,404	\$ 55,060

* Please refer to the appendices for a description of the pre-tax charges indicated in the table

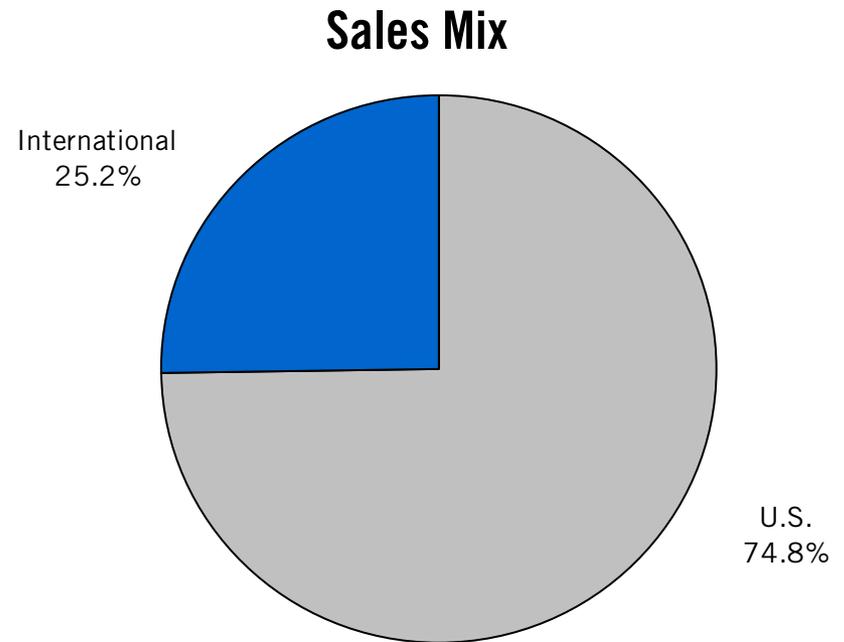
Q4 Sales Analysis Versus Prior Year

	Q4
Total Sales	+ 16%
Total U.S. Sales	+ 4%
Total International Sales	+ 62%
DTC Sales	+ 41%
Comparable Store Sales:	
Total Company	0%
Abercrombie & Fitch	- 4%
abercrombie kids	- 3%
Hollister	+ 2%



Full Year Sales Analysis Versus Prior Year

	<u>Year-to-Date</u>
Total Sales	+ 20%
Total U.S. Sales	+ 10%
Total International Sales	+ 63%
DTC Sales	+ 36%
Comparable Store Sales:	
Total Company	+ 5%
Abercrombie & Fitch	+ 3%
abercrombie kids	+ 4%
Hollister	+ 8%



Full Year Analysis

	2011		2010	
	Sales	Operating Income ⁽¹⁾	Sales	Operating Income ⁽¹⁾
U.S. Stores ⁽²⁾	\$ 2,710,842	\$ 471,395 17.4%	\$ 2,546,798	\$ 526,318 20.7%
International Stores ⁽²⁾	876,616	307,272 35.1%	505,136	186,210 36.9%
Direct to Consumer	552,600	254,318 46.0%	404,974	214,898 53.1%
Management, General and Administrative Expense	-	(427,120)	-	(400,804)
Store Pre-Opening Costs ⁽³⁾	-	(59,265)	-	(43,950)
All Other, Net ⁽⁴⁾	18,000	(231,486)	11,868	(195,680)
TOTAL	\$ 4,158,058	\$ 315,113	\$ 3,468,777	\$ 286,992

⁽¹⁾ Operating Income is reported on a non-GAAP basis and excludes the charges on page 5.

⁽²⁾ Operating Income for U.S. Stores and International Stores is reported on an aggregate four-wall basis.

The year end markdown reserve is fully allocated between U.S. Stores and International Stores.

⁽³⁾ Store Pre-Opening Costs include pre-opening rent, payroll, travel and other expense.

⁽⁴⁾ All Other Includes Store Management & Support, DC (including DC markdowns) and Other Expense, net of Other Income. Also includes third party sell-off revenue.

Sales Growth Contribution

	Fourth Quarter	Growth Contribution %	Year-To-Date	Growth Contribution %
2010 Net Sales	\$ 1,149,396		\$ 3,468,777	
Foreign Exchange Impact ⁽¹⁾	(864)	-0.1%	21,627	0.6%
Comparable Stores	(3,063)	-0.3%	166,110	4.8%
DTC	61,338	5.3%	145,469	4.2%
Non-Comparable Stores, Net ⁽²⁾	121,959	10.6%	356,075	10.3%
2011 Net Sales	\$ 1,328,766	15.6%	\$ 4,158,058	19.9%

⁽¹⁾ Represents the impact of converting prior year sales at current year rates

⁽²⁾ New stores, net of closures; plus net effect of third party sell-off revenue

Adjusted Operating Expense*

	<u>2011</u>	% of <u>Net Sales</u>	<u>2010</u>	% of <u>Net Sales</u>	<u>Δ bps</u>
Fourth Quarter					
Store Occupancy	\$ 181,341	13.7%	\$ 168,497	14.7%	(100)
All Other	319,157	24.0%	264,574	23.0%	100
Stores and Distribution	<u>500,498</u>	37.7%	<u>433,071</u>	37.7%	0
Marketing, General & Administrative	<u>101,627</u>	7.6%	<u>106,354</u>	9.3%	(170)
TOTAL	<u>\$ 602,125</u>	45.3%	<u>\$ 539,425</u>	46.9%	(160)
Year-To-Date					
Store Occupancy	\$ 700,050	16.9%	\$ 651,378	18.8%	(190)
All Other	1,086,556	26.1%	883,063	25.5%	60
Stores and Distribution	<u>1,786,606</u>	43.0%	<u>1,534,441</u>	44.2%	(120)
Marketing, General & Administrative	<u>427,120</u>	10.3%	<u>400,804</u>	11.6%	(130)
TOTAL	<u>\$ 2,213,726</u>	53.2%	<u>\$ 1,935,245</u>	55.8%	(260)

* The Adjusted Operating Expense schedule for both current and prior periods is presented on a non-GAAP basis and excludes the charges set out on page 5. A reconciliation between the GAAP and non-GAAP results is included as an appendix to the presentation.

Inventory Analysis

	<u>As of January 28, 2012</u>	<u>As of January 29, 2011</u>	<u>% Δ</u>
Inventory on Hand	\$ 466,672	\$ 330,876	+ 41.0%
Inventory in Transit	<u>\$ 103,146</u>	<u>\$ 54,981</u>	<u>+ 87.6%</u>
Total Inventory	<u>\$ 569,818</u>	<u>\$ 385,857</u>	<u>+ 47.7%</u>

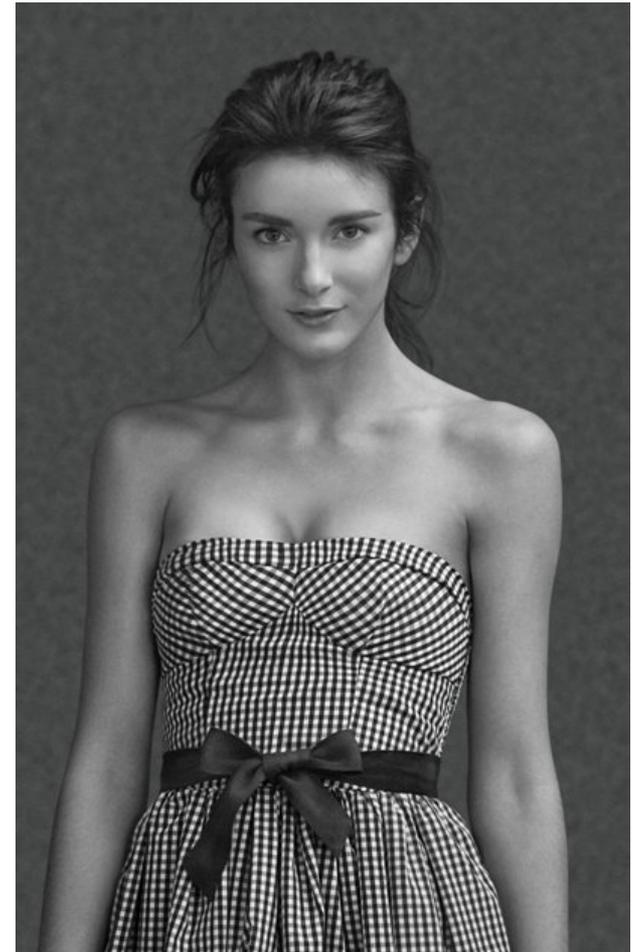
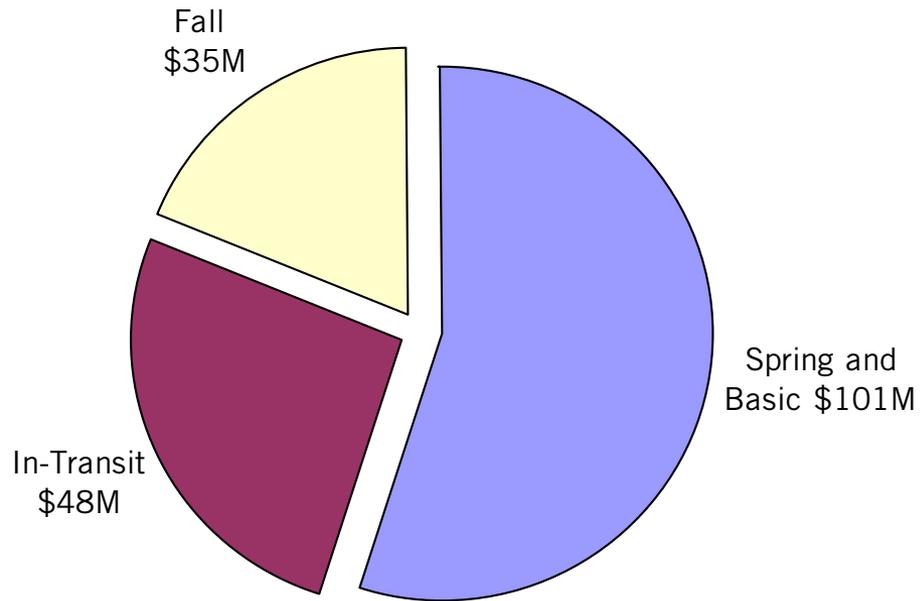
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Inventory Change Analysis*



* Amounts expressed in millions and represent contribution to overall inventory increase of \$184 million versus prior year

Share Repurchases

	FY 2011			FY 2010		
	Shares Repurchased	Cost	Average Cost	Shares Repurchased	Cost	Average Cost
First Quarter	428.8	\$ 25,469	\$ 59.40	-	-	-
Second Quarter	950.1	\$ 64,399	\$ 67.78	-	-	-
Third Quarter	150.0	\$ 8,835	\$ 58.90	669.1	\$ 29,207	\$ 43.65
Fourth Quarter	2,017.3	\$ 97,903	\$ 48.53	912.6	\$ 46,951	\$ 51.45
TOTAL	3,546.2	\$ 196,606	\$ 55.44	1,581.7	\$ 76,158	\$ 48.15

Remaining shares authorized for future repurchase

6,219

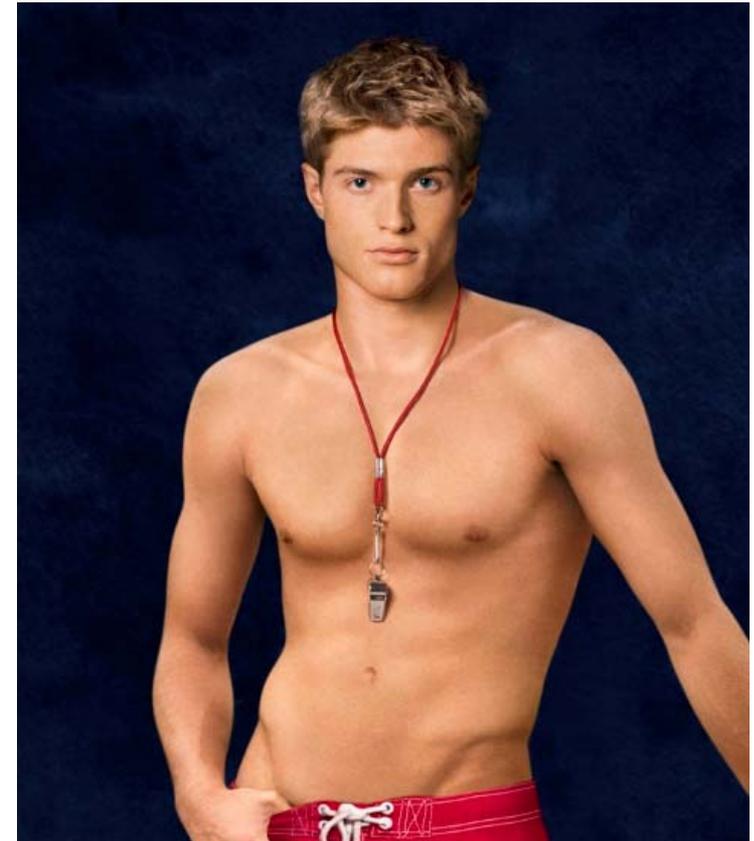
Shares outstanding *

85,638

* As of fiscal year-end

International Hollister Store Count - Cumulative

	----- Year End -----				
	2007	2008	2009	2010	2011
Hollister					
Canada	3	6	6	9	12
UK		3	10	19	26
Germany			1	4	11
Italy			1	3	5
Spain				3	8
Ireland					1
Hong Kong					1
Sweden					2
France					4
Belgium					2
Austria					3
China					2
TOTAL	3	9	18	38	77



Q4 International Hollister Store Openings

Center	City	Date
Artea	Bilbao, Spain	11/17/11
Friary	Guildford, UK	11/24/11
Main Taunus	Sulzbach, Germany	11/25/11
Parquesur	Madrid, Spain	11/25/11
La Canada	Marbella, Spain	11/25/11
Raffles City	Shanghai, China	11/26/11
Rivetoile	Strasbourg, France	12/1/11
Docks 76	Rouen, France	12/1/11
Murpark	Graz, Austria	12/1/11
Velizy 2	Velizy-Villacoublay, France	12/3/11
Europark	Salzburg, Austria	12/7/11
Donauzentrum	Vienna, Austria	12/8/11
Touchwood Court	Solihull, UK	12/8/11
MixC	Shenzhen, China	1/6/12



Flagship Openings

<u>City</u>	<u>Timing</u>	<u>Type</u>
Paris	Opened 5/19/11	A&F
Madrid	Opened 11/3/11	A&F
Dusseldorf	Opened 12/1/11	A&F / kids
Brussels	Opened 12/8/11	A&F
Singapore	Opened 12/15/11	A&F
Hamburg	Spring 2012	A&F
Hong Kong	Summer 2012	A&F
London	Fall 2012	kids
Munich	Fall 2012	A&F / kids
Dublin	Fall 2012	A&F
Amsterdam	Fall 2012	A&F / kids
Seoul	Spring 2013	A&F



2012 Guidance

Sales Assumptions:

- Flat same store sales
- Continued strong DTC growth
- Greater than \$300 million in revenue contribution from 2011 store openings
- Close to 40 international Hollister store openings in 2012
- Flagship openings per page 17
- Approximately \$50 million negative FX impact at current rates
- Approximately \$70 million negative sales impact from 2011 store closures

Gross Margin Assumptions:

- Recovery of approximately half of 2011 GM rate erosion, driven by international mix benefit and AUC improvement in Fall Season



2012 Guidance

Operating Expense Assumptions:

- Approximately 100 to 150 basis points expense leverage, primarily driven by occupancy

Capex and Other Assumptions:

- Approximately \$400 million capex based on store opening plans and other investments
- FX rates: Budget rates approximately in line with current spot rates
- Additional share repurchases not assumed for modeling purposes
- Tax rate: Slightly below 35%

2012 First Quarter Guidance

- **Gross Margin: 400 to 500 bps of erosion**
- **Operating Expenses: Approximately flat as a percentage of sales**



Appendix: GAAP to non-GAAP Income Statement (1 of 2)

Abercrombie & Fitch Co.
Consolidated Statements of Income
(Unaudited)
(in thousands)

	Thirteen Weeks Ended										
	January 28, 2012						January 29, 2011				
	GAAP	Asset Impairment Charges (1)	Asset Write-Downs (2)	Store Closure Charges (3)	Legal Charges (4)	ARS Charges (5)	Adjusted Non-GAAP	GAAP	Asset Impairment Charges (1)	Store Closure Charges (3)	Adjusted Non-GAAP
Net Sales	\$ 1,328,766	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,328,766	\$ 1,149,396	\$ -	\$ -	\$ 1,149,396
Cost of Goods Sold	583,120	-	-	-	-	-	583,120	418,410	-	-	418,410
Gross Profit	745,646	-	-	-	-	-	745,646	730,986	-	-	730,986
Stores and Distribution Expense	602,140	(68,022)	(14,649)	(18,971)	-	-	500,498	485,475	(48,384)	(4,020)	433,071
Marketing, General and Administrative Expense	111,627	-	-	-	(10,000)	-	101,627	106,354	-	-	106,354
Other Operating Expense (Income), Net	7,619	-	-	-	-	(13,441)	(5,822)	(5,549)	-	-	(5,549)
Operating Income	24,260	68,022	14,649	18,971	10,000	13,441	149,343	144,706	48,384	4,020	197,110
Interest Expense	1,108	-	-	-	-	-	1,108	1,058	-	-	1,058
Tax Expense	3,572	24,265	5,898	7,148	3,768	5,064	49,715	51,055	18,870	1,568	71,493
Net Income	19,580	43,757	8,751	11,823	6,232	8,377	98,520	92,593	29,514	2,452	\$ 124,559
Net Income Per Share:											
Basic	\$ 0.23	\$ 0.51	\$ 0.10	\$ 0.14	\$ 0.07	\$ 0.10	\$ 1.15	\$ 1.06	\$ 0.34	\$ 0.03	\$ 1.42
Diluted	\$ 0.22	\$ 0.50	\$ 0.10	\$ 0.13	\$ 0.07	\$ 0.10	\$ 1.12	\$ 1.03	\$ 0.33	\$ 0.03	\$ 1.38

(1) The store-related asset impairment charges relate to stores whose asset carrying value exceeded the fair value. For the thirteen week period ended January 28, 2012, the charge was associated with 14 Abercrombie & Fitch, 21 abercrombie kids, 42 Hollister and two Gilly Hicks stores. For the thirteen week period ended January 29, 2011, the charge was associated with one Abercrombie & Fitch, one abercrombie kids, six Hollister and 13 Gilly Hicks stores.

(2) For the thirteen week period ended January 28, 2012, the charge associated with the asset write-downs was related to the reconfiguration of three flagship stores, Fukuoka, Ginza and SoHo, and a small write-off related to a cancelled flagship project.

(3) For the thirteen week period ended January 28, 2012, the charges for store closures and lease exits were associated with lease buyouts and other lease obligations related to stores closing prior to natural lease expirations, other lease terminations, and other incidental costs associated with store closures. For the thirteen week period ended January 29, 2011, the store closure charges were primarily related to lease obligations.

(4) For the thirteen week period ended January 28, 2012, the charge was related to legal settlements during the fourth quarter.

(5) For the thirteen week period ended January 28, 2012, the charge associated with the auction rate securities (ARS) was related to a change in intent regarding the Company's auction rate securities portfolio, which resulted in an other-than-temporary impairment.

Appendix: GAAP to non-GAAP Income Statement (2 of 2)

Abercrombie & Fitch Co. Consolidated Statements of Income (Unaudited) (in thousands)											
Fifty-Two Weeks Ended											
	January 28, 2012						January 29, 2011				
	GAAP	Asset Impairment Charges (1)	Asset Write-Downs (2)	Store Closure Charges (3)	Legal Charges (4)	ARS Charges (5)	Adjusted Non-GAAP	GAAP	Asset Impairment Charges (1)	Store Closure Charges (3)	Adjusted Non-GAAP
Net Sales	\$ 4,158,058	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,158,058	\$ 3,468,777	\$ -	\$ -	\$ 3,468,777
Cost of Goods Sold	1,639,188	-	-	-	-	-	1,639,188	1,256,596	-	-	1,256,596
Gross Profit	2,518,870	-	-	-	-	-	2,518,870	2,212,181	-	-	2,212,181
Stores and Distribution Expense	1,888,248	(68,022)	(14,649)	(18,971)	-	-	1,786,606	1,589,501	(50,631)	(4,429)	1,534,441
Marketing, General and Administrative Expense	437,120	-	-	-	(10,000)	-	427,120	400,804	-	-	400,804
Other Operating Expense (Income), Net	3,472	-	-	-	-	(13,441)	(9,969)	(10,056)	-	-	(10,056)
Operating Income	190,030	68,022	14,649	18,971	10,000	13,441	315,113	231,932	50,631	4,429	286,992
Interest Expense	3,577	-	-	-	-	-	3,577	3,362	-	-	3,362
Tax Expense from Continuing Operations	59,591	24,265	5,898	7,148	3,768	5,064	105,734	78,287	19,746	1,727	99,760
Net Income from Continuing Operations	126,862	43,757	8,751	11,823	6,232	8,377	205,802	150,283	30,885	2,702	183,870
Net Income from Discontinued Operations (net of taxes)	796	-	-	-	-	-	796	-	-	-	-
Net Income	127,658	43,757	8,751	11,823	6,232	8,377	206,598	150,283	30,885	2,702	183,870
Net Income Per Share from Continuing Operations:											
Basic	\$ 1.46	\$ 0.50	\$ 0.10	\$ 0.14	\$ 0.07	\$ 0.10	\$ 2.37	\$ 1.71	\$ 0.35	\$ 0.03	\$ 2.09
Diluted	\$ 1.42	\$ 0.49	\$ 0.10	\$ 0.13	\$ 0.07	\$ 0.09	\$ 2.30	\$ 1.67	\$ 0.34	\$ 0.03	\$ 2.05
Net Income Per Share from Discontinued Operations:											
Basic	\$ 0.01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.01	\$ -	\$ -	\$ -	\$ -
Diluted	\$ 0.01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.01	\$ -	\$ -	\$ -	\$ -
Net Income Per Share:											
Basic	\$ 1.47	\$ 0.50	\$ 0.10	\$ 0.14	\$ 0.07	\$ 0.10	\$ 2.38	\$ 1.71	\$ 0.35	\$ 0.03	\$ 2.09
Diluted	\$ 1.43	\$ 0.49	\$ 0.10	\$ 0.13	\$ 0.07	\$ 0.09	\$ 2.31	\$ 1.67	\$ 0.34	\$ 0.03	\$ 2.05

(1) The store-related asset impairment charges relate to stores whose asset carrying value exceeded the fair value. For the fifty-two week period ended January 28, 2012, the charge was associated with 14 Abercrombie & Fitch, 21 abercrombie kids, 42 Hollister and two Gilly Hicks stores. For the fifty-two week period ended January 29, 2011, the charge was associated with two Abercrombie & Fitch, two abercrombie kids, nine Hollister and 13 Gilly Hicks stores.

(2) For the fifty-two week period ended January 28, 2012, the charge associated with the asset write-downs was related to the reconfiguration of three flagship stores, Fukuoka, Ginza and SoHo, and a small write-off related to a cancelled flagship project.

(3) For the fifty-two week period ended January 28, 2012, the charges for store closures and lease exits were associated with lease buyouts and other lease obligations related to stores closing prior to natural lease expirations, other lease terminations, and other incidental costs associated with store closures. For the fifty-two week period ended January 29, 2011, the store closure charges were primarily related to lease obligations.

(4) For the fifty-two week period ended January 28, 2012, the charge was related to legal settlements during the fourth quarter.

(5) For the fifty-two week period ended January 28, 2012, the charge associated with the auction rate securities (ARS) was related to a change in intent regarding the Company's auction rate securities portfolio, which resulted in an other-than-temporary impairment.

Appendix: Q4 Store Count Activity

ALL BRANDS*					
	Total	US	Canada	Europe	Asia
Start of Q4 2011	1,092	1,014	19	56	3
Openings	21	-	-	18	3
Closings	(68)	(68)	-	-	-
End of Q4 2011	1,045	946	19	74	6

abercrombie kids					
	Total	US	Canada	Europe	Asia
Start of Q4 2011	183	179	3	1	-
Openings	1	-	-	1	-
Closings	(25)	(25)	-	-	-
End of Q4 2011	159	154	3	2	-

A&F					
	Total	US	Canada	Europe	Asia
Start of Q4 2011	326	316	4	4	2
Openings	4	-	-	3	1
Closings	(36)	(36)	-	-	-
End of Q4 2011	294	280	4	7	3

Hollister Co.					
	Total	US	Canada	Europe	Asia
Start of Q4 2011	564	501	12	50	1
Openings	14	-	-	12	2
Closings	(7)	(7)	-	-	-
End of Q4 2011	571	494	12	62	3

* End of Q4 2011 includes 21 Gilly Hicks stores, including three in Europe and 18 in the U.S.

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	47	-	3	40	4
Closings	(71)	(71)	-	-	-
End of Q4 2011	1,045	946	19	74	6

abercrombie kids					
	Total	US	Canada	Europe	Asia
Start of 2011	185	181	3	1	-
Openings	1	-	-	1	-
Closings	(27)	(27)	-	-	-
End of Q4 2011	159	154	3	2	-

A&F					
	Total	US	Canada	Europe	Asia
Start of 2011	325	316	4	3	2
Openings	5	-	-	4	1
Closings	(36)	(36)	-	-	-
End of Q4 2011	294	280	4	7	3

Hollister Co.					
	Total	US	Canada	Europe	Asia
Start of 2011	540	502	9	29	-
Openings	39	-	3	33	3
Closings	(8)	(8)	-	-	-
End of Q4 2011	571	494	12	62	3

* End of Q4 2011 includes 21 Gilly Hicks stores, including three in Europe and 18 in the U.S.