

# Abercrombie & Fitch Co.

Abercrombie & Fitch

abercrombie kids

HOLLISTER CALIFORNIA

gilly hicks HOLLISTER

FIRST QUARTER 2019

## Net sales increased slightly

2019	2018	% CHANGE
\$734.0M	\$730.9M	0%

## Operating loss margin improved

	2019	2018
GAAP	(3.7%)	(5.8%)
ADJUSTED NON-GAAP	(3.7%)	(5.0%)

## Positive comparable sales of 1%

HOLLISTER	ABERCROMBIE
+ 2%	+ 1%
UNITED STATES	INTERNATIONAL
+ 4%	- 4%

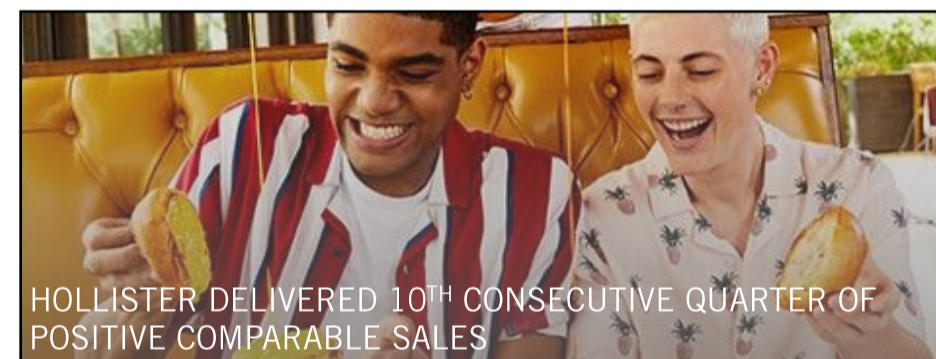
## Net loss per diluted share

	2019	2018
GAAP	(\$0.29)	(\$0.62)
ADJUSTED NON-GAAP	(\$0.29)	(\$0.56)

## Fran Horowitz, Chief Executive Officer, said,

"We achieved our seventh consecutive quarter of positive comparable sales fueled by ongoing strength at Hollister and a return to positive comps at Abercrombie. This contributed to top-line growth, operating margin improvement and a net loss reduction compared to last year."

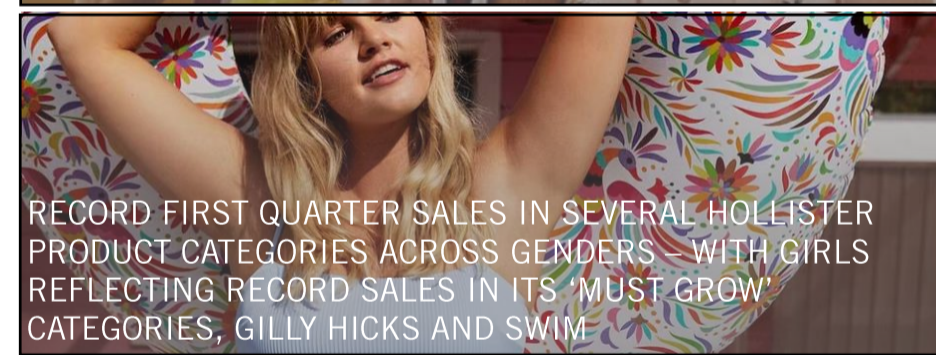
"We are focused on our transformation initiatives, with global store network optimization a key priority. We continue to believe in stores and are committed to delivering intimate, omni-channel brand experiences that closely align with our customers' needs. In line with our strategy, we are announcing plans to close three additional flagship locations, bringing the total to five since 2017. Except for the charges from these flagship store actions, we remain on track to achieve our previously communicated fiscal 2019 outlook and continue to lay the foundation to achieving our fiscal 2020 targets."



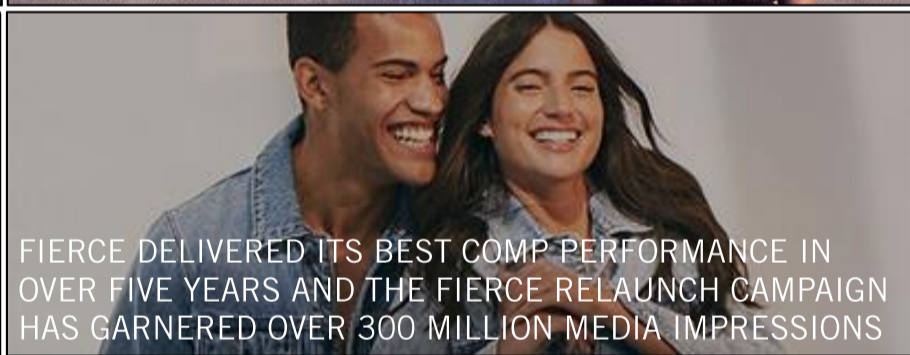
HOLLISTER DELIVERED 10<sup>TH</sup> CONSECUTIVE QUARTER OF POSITIVE COMPARABLE SALES



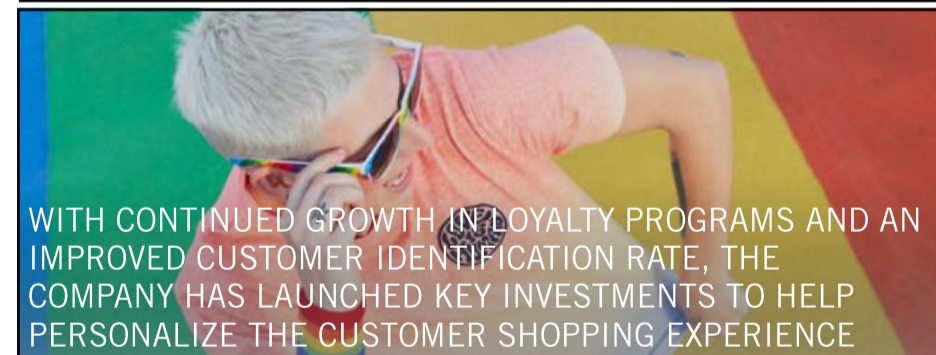
ABERCROMBIE RETURNS TO POSITIVE COMPS WITH A SIGNIFICANT TREND IMPROVEMENT IN WOMEN'S TOPS AND RECORD FIRST QUARTER SALES IN DRESSES



RECORD FIRST QUARTER SALES IN SEVERAL HOLLISTER PRODUCT CATEGORIES ACROSS GENDERS – WITH GIRLS REFLECTING RECORD SALES IN ITS 'MUST GROW' CATEGORIES, GILLY HICKS AND SWIM



FIERCE DELIVERED ITS BEST COMP PERFORMANCE IN OVER FIVE YEARS AND THE FIERCE RELAUNCH CAMPAIGN HAS GARNERED OVER 300 MILLION MEDIA IMPRESSIONS



WITH CONTINUED GROWTH IN LOYALTY PROGRAMS AND AN IMPROVED CUSTOMER IDENTIFICATION RATE, THE COMPANY HAS LAUNCHED KEY INVESTMENTS TO HELP PERSONALIZE THE CUSTOMER SHOPPING EXPERIENCE



PIVOTING AWAY FROM LARGE FORMAT STORES AND CONTINUING TO TRANSITION TO SMALLER, MORE OMNI-CHANNEL FOCUSED SPACES

## FULL YEAR 2019 OUTLOOK

NET SALES: ↑ in the range of 2% to 4%, reflecting the adverse impact from changes in foreign currency of approximately \$30M  
 COMPARABLE SALES: ↑ low-single digits, on top of 3% last year  
 GROSS PROFIT RATE: ↑ slightly from 60.2% last year, assuming only the current tariffs in place  
 GAAP OPERATING EXPENSE: ↑ in the range of 4% to 5% from adjusted non-GAAP operating expense last year of \$2.03B  
 EFFECTIVE TAX RATE: mid 20s

**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 infographic or made by management or spokesperson 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 disclosed in "ITEM 1A. RISK FACTORS" of A&F's Annual Report on Form 10-K for the fiscal year ended February 2, 2019, in some cases have affected, and in the future could affect, the company's financial performance and could cause actual results for fiscal 2019 and beyond to differ materially from those expressed or implied in any of the forward-looking statements included in this infographic or otherwise made by management.

**OTHER INFORMATION:** This infographic was issued in conjunction with the news release issued by the company on May 29, 2019 (the "Release") which is available in the "Investors" section of the company's website located at corporate.abercrombie.com. This infographic includes certain adjusted non-GAAP financial measures and. Additional details about non-GAAP financial measures and a reconciliation of GAAP to adjusted non-GAAP financial measures are included in the Release. Non-GAAP financial measures should be used supplemental 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. As used in the infographic, "Abercrombie" refers to the company's Abercrombie & Fitch and abercrombie kids brands. Net loss per share financial measures included herein are attributable to Abercrombie & Fitch Co., excluding net income attributable to noncontrolling interests.

INVESTOR CONTACT: Pamela Quintiliano, Investor\_Relations@anfcorp.com

MEDIA CONTACT: Ian Bailey, Public\_Relations@anfcorp.com