

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

	<b>Thirteen Weeks Ended</b>		<b>Thirteen Weeks Ended</b>	
	<b>April 30, 2016</b>	<b>% of Net Sales</b>	<b>May 2, 2015</b>	<b>% of Net Sales</b>
	<b>(Unaudited)</b>		<b>(Unaudited)</b>	
Net sales	\$ 685,483	100.0 %	\$ 709,422	100.0 %
Cost of sales, exclusive of depreciation and amortization	259,762	37.9 %	297,873	42.0 %
Gross profit	425,721	62.1 %	411,549	58.0 %
Stores and distribution expense	369,118	53.8 %	391,638	55.2 %
Marketing, general and administrative expense	114,447	16.7 %	107,533	15.2 %
Restructuring benefit	—	— %	(1,598)	(0.2)%
Asset impairment	—	— %	6,133	0.9 %
Other operating income, net	(2,933)	(0.4)%	(1,960)	(0.3)%
Operating loss	(54,911)	(8.0)%	(90,197)	(12.7)%
Interest expense, net	4,506	0.7 %	4,639	0.7 %
Loss before taxes	(59,417)	(8.7)%	(94,836)	(13.4)%
Tax benefit	(20,787)	(3.0)%	(31,590)	(4.5)%
Net loss	(38,630)	(5.6)%	(63,246)	(8.9)%
Less: Net income attributable to noncontrolling interests	957	0.1 %	—	— %
Net loss attributable to Abercrombie & Fitch Co.	<u>\$ (39,587)</u>	<u>(5.8)%</u>	<u>\$ (63,246)</u>	<u>(8.9)%</u>
Net loss per share attributable to Abercrombie & Fitch Co.:				
Basic	\$ (0.59)		\$ (0.91)	
Diluted	\$ (0.59)		\$ (0.91)	
Weighted-average shares outstanding:				
Basic	67,625		69,510	
Diluted	67,625		69,510	

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

	April 30, 2016	January 30, 2016	May 2, 2015
<u>ASSETS</u>	<u>(Unaudited)</u>		<u>(Unaudited)</u>
Current assets:			
Cash and equivalents	\$ 490,975	\$ 588,578	\$ 383,220
Receivables	61,690	56,868	59,169
Inventories, net	435,663	436,701	441,005
Deferred income taxes, net	—	—	44,785
Other current assets	106,200	96,833	118,563
Total current assets	1,094,528	1,178,980	1,046,742
Property and equipment, net	886,346	894,178	949,587
Other assets	363,308	359,881	368,263
TOTAL ASSETS	<u>\$ 2,344,182</u>	<u>\$ 2,433,039</u>	<u>\$ 2,364,592</u>
 <u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>			
Current liabilities:			
Accounts payable	\$ 157,024	\$ 184,175	\$ 122,757
Accrued expenses	294,303	321,237	279,985
Short-term portion of deferred lease credits	23,298	23,303	26,102
Income taxes payable	2,287	5,988	6,642
Short-term portion of borrowings, net	733	—	2,017
Total current liabilities	477,645	534,703	437,503
Long-term liabilities:			
Long-term portion of deferred lease credits	\$ 87,492	\$ 89,256	\$ 102,375
Long-term portion of borrowings, net	285,882	286,235	290,338
Leasehold financing obligations	50,733	47,440	49,765
Other liabilities	187,635	179,683	177,311
Total long-term liabilities	611,742	602,614	619,789
Total Abercrombie & Fitch Co. stockholders' equity	1,249,656	1,291,063	1,307,300
Noncontrolling interests	5,139	4,659	—
Total stockholders' equity	1,254,795	1,295,722	1,307,300
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 2,344,182</u>	<u>\$ 2,433,039</u>	<u>\$ 2,364,592</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 provide the ability to measure the company's operating performance as compared to historical periods excluding the effect of certain items that the company believes do not reflect its future operating outlook. 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. In addition, the company provides certain financial information on a constant currency basis to enhance investors' understanding of underlying business trends and operating performance. The effect from foreign currency, calculated on a constant currency basis, is determined by applying current period exchange rate to prior year results and is net of the year-over-year impact from hedging. Non-GAAP financial measures should be used in conjunction with, not as an alternative to, the company's GAAP financial results.

### Abercrombie & Fitch Co. Schedule of Non-GAAP Financial Measures Thirteen Weeks Ended May 2, 2015 (in thousands, except per share data) (Unaudited)

	GAAP <sup>(1)</sup>	Excluded Items	Adjusted Non-GAAP
Gross profit <sup>(2)</sup>	\$ 411,549	\$ 26,861	\$ 438,410
Stores and distribution expense <sup>(3)</sup>	391,638	4,688	386,950
Marketing, general and administrative expense <sup>(4)</sup>	107,533	1,770	105,763
Restructuring benefit <sup>(5)</sup>	(1,598)	(1,598)	—
Asset impairment <sup>(6)</sup>	6,133	6,133	—
Operating loss	(90,197)	37,854	(52,343)
Loss before taxes	(94,836)	37,854	(56,982)
Tax benefit <sup>(7)</sup>	(31,590)	11,782	(19,808)
Net loss attributable to Abercrombie & Fitch Co.	\$ (63,246)	\$ 26,072	\$ (37,174)
Net loss per diluted share attributable to Abercrombie & Fitch Co.	\$ (0.91)	\$ 0.38	\$ (0.53)

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

<sup>(2)</sup> Excluded Items consist of charges of \$26.9 million related to an inventory write-down.

<sup>(3)</sup> Excluded Items consist of charges of \$1.4 million related to accelerated depreciation, \$2.6 million related to lease termination and store closure costs and \$0.7 million related to the company's profit improvement initiative.

<sup>(4)</sup> Excluded Items consist of charges of \$1.8 million related to the company's profit improvement initiative.

<sup>(5)</sup> Excluded Items consist of a benefit of \$1.6 million related to the Gilly Hicks brand.

<sup>(6)</sup> Excluded Items consist of charges of \$4.5 million related to the discontinued use of certain store fixtures and \$1.6 million related to a company owned aircraft.

<sup>(7)</sup> The tax effect of excluded items is computed as the difference between tax expense on a GAAP basis and tax expense on an adjusted non-GAAP basis.

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

	Abercrombie <sup>(1)</sup>		Hollister <sup>(2)</sup>		Total	
	United States	International	United States	International	United States	International
January 30, 2016	340	39	414	139	754	178
New	1	—	—	2	1	2
Closed	(7)	—	(3)	—	(10)	—
April 30, 2016	334	39	411	141	745	180

<sup>(1)</sup> Includes Abercrombie & Fitch and abercrombie kids brands. Excludes one international franchise store as of April 30, 2016 and January 30, 2016.

<sup>(2)</sup> Excludes two international franchise stores as of April 30, 2016 and January 30, 2016.

Abercrombie & Fitch Co.  
Financial Information  
(Unaudited)  
(in thousands, except per share data and store data)

	2012	2013	2014	Fiscal 2015				2015	Fiscal 2016
				Q1	Q2	Q3	Q4		Q1
Net sales	\$ 4,510,805	\$ 4,116,897	\$ 3,744,030	\$ 709,422	\$ 817,756	\$ 878,572	\$ 1,112,930	\$ 3,518,680	\$ 685,483
Cost of sales, exclusive of depreciation and amortization	1,694,096	1,541,462	1,430,460	297,873	307,894	318,785	436,585	1,361,137	259,762
Gross profit	2,816,709	2,575,435	2,313,570	411,549	509,862	559,787	676,345	2,157,543	425,721
Stores and distribution expense	1,980,519	1,907,687	1,703,051	391,638	389,193	392,942	430,441	1,604,214	369,118
Marketing, general and administrative expense	473,883	481,784	458,820	107,533	119,846	117,698	125,244	470,321	114,447
Restructuring charge (benefit)	—	81,500	8,431	(1,598)	—	—	—	(1,598)	—
Asset impairment	7,407	46,715	44,988	6,133	—	12,076	—	18,209	—
Other operating (income) expense, net	(19,333)	(23,074)	(15,239)	(1,960)	(1,139)	(3,919)	577	(6,441)	(2,933)
Operating income (loss)	374,233	80,823	113,519	(90,197)	1,962	40,990	120,083	72,838	(54,911)
Interest expense, net	7,288	7,546	14,365	4,639	4,567	4,586	4,456	18,248	4,506
Income (loss) from continuing operations before taxes	366,945	73,277	99,154	(94,836)	(2,605)	36,404	115,627	54,590	(59,417)
Tax expense (benefit) for continuing operations	129,934	18,649	47,333	(31,590)	(3,217)	(5,881)	56,719	16,031	(20,787)
Net income (loss) from continuing operations	237,011	54,628	51,821	(63,246)	612	42,285	58,908	38,559	(38,630)
Less: Net income attributable to noncontrolling interests	—	—	—	—	1,422	394	1,167	2,983	957
Net income (loss) attributable to Abercrombie & Fitch Co.	<u>\$ 237,011</u>	<u>\$ 54,628</u>	<u>\$ 51,821</u>	<u>\$ (63,246)</u>	<u>\$ (810)</u>	<u>\$ 41,891</u>	<u>\$ 57,741</u>	<u>\$ 35,576</u>	<u>\$ (39,587)</u>

				Fiscal 2015				2015	Fiscal 2016
	2012	2013	2014	Q1	Q2	Q3	Q4		Q1
Net income (loss) per share from continuing operations attributable to Abercrombie & Fitch Co.:									
Basic	\$ 2.89	\$ 0.71	\$ 0.72	\$ (0.91)	\$ (0.01)	\$ 0.61	\$ 0.86	\$ 0.52	\$ (0.59)
Diluted	\$ 2.85	\$ 0.69	\$ 0.71	\$ (0.91)	\$ (0.01)	\$ 0.60	\$ 0.85	\$ 0.51	\$ (0.59)
Net income (loss) per share attributable to Abercrombie & Fitch Co.:									
Basic	\$ 2.89	\$ 0.71	\$ 0.72	\$ (0.91)	\$ (0.01)	\$ 0.61	\$ 0.86	\$ 0.52	\$ (0.59)
Diluted	\$ 2.85	\$ 0.69	\$ 0.71	\$ (0.91)	\$ (0.01)	\$ 0.60	\$ 0.85	\$ 0.51	\$ (0.59)
Weighted-average shares outstanding:									
Basic	81,940	77,157	71,785	69,510	69,713	68,866	67,432	68,880	67,625
Diluted	83,175	78,666	72,937	69,510	69,713	69,265	68,243	69,417	67,625
Abercrombie comparable sales <sup>(1)</sup>			(5)%	(9)%	(7)%	(5)%	(2)%	(6)%	(8)%
Hollister comparable sales	(1)%	(14)%	(10)%	(6)%	(1)%	3%	4%	—%	—%
Comparable sales <sup>(2)</sup>	(1)%	(11)%	(8)%	(8)%	(4)%	(1)%	1%	(3)%	(4)%
Shares outstanding	78,445	76,402	69,352	69,557	69,600	67,153	67,348	67,348	67,605
Number of stores - end of period <sup>(3)</sup>	1,041	1,006	969	962	954	965	932	932	925
Gross square feet - end of period	7,958	7,736	7,517	7,456	7,434	7,477	7,292	7,292	7,209

<sup>(1)</sup> Abercrombie includes the Company's Abercrombie & Fitch and abercrombie kids brands.

<sup>(2)</sup> Comparable sales are calculated on a constant currency basis and exclude Gilly Hicks beginning in Q4 of fiscal 2014.

<sup>(3)</sup> Prior period store counts have been restated to count multi-brand outlet stores as a single store.