

Abercrombie & Fitch Co.
Consolidated Statements of Income
Thirteen Weeks Ended November 2, 2013 and October 27, 2012
(in thousands, except per share data)

	(Unaudited)		(Unaudited)	
	2013	% of Net Sales	2012	% of Net Sales
			(Restated) ⁽¹⁾	
Net Sales	\$ 1,033,293	100.0 %	\$ 1,169,649	100.0 %
Cost of Goods Sold	<u>382,253</u>	<u>37.0 %</u>	<u>417,135</u>	<u>35.7 %</u>
Gross Profit	651,040	63.0 %	752,514	64.3 %
Total Stores and Distribution Expense	564,935	54.7 %	496,942	42.5 %
Total Marketing, General and Administrative	131,326	12.7 %	123,381	10.5 %
Other Operating Income, Net	<u>(9,851)</u>	<u>(1.0)%</u>	<u>(1,154)</u>	<u>(0.1)%</u>
Operating (Loss) Income	(35,370)	(3.4)%	133,345	11.4 %
Interest Expense, Net	<u>1,655</u>	<u>0.2 %</u>	<u>1,584</u>	<u>0.1 %</u>
(Loss) Income Before Taxes	<u>(37,025)</u>	<u>(3.6)%</u>	<u>131,761</u>	<u>11.3 %</u>
Tax (Benefit) Expense	<u>(21,381)</u>	<u>(2.1)%</u>	<u>47,725</u>	<u>4.1 %</u>
Net (Loss) Income	<u>\$ (15,644)</u>	<u>(1.5)%</u>	<u>\$ 84,036</u>	<u>7.2 %</u>
Net (Loss) Income Per Share:				
Basic	\$ (0.20)		\$ 1.03	
Diluted	\$ (0.20)		\$ 1.02	
Weighted-Average Shares Outstanding:				
Basic	76,456		81,669	
Diluted	76,456		82,522	

⁽¹⁾ Reported results for the third quarter of Fiscal 2012 have been restated to reflect the change in accounting principle to the cost method of accounting for inventory.

Abercrombie & Fitch Co.
Consolidated Statements of Income
Thirty-Nine Weeks Ended November 2, 2013 and October 27, 2012
(in thousands, except per share data)

	(Unaudited)		(Unaudited)	
	2013	% of Net Sales	2012	% of Net Sales
			(Restated) ⁽¹⁾	
Net Sales	\$ 2,817,760	100.0 %	\$ 3,042,274	100.0 %
Cost of Goods Sold	1,009,431	35.8 %	1,156,218	38.0 %
Gross Profit	1,808,329	64.2 %	1,886,056	62.0 %
Total Stores and Distribution Expense	1,485,783	52.7 %	1,410,759	46.4 %
Total Marketing, General and Administrative	367,752	13.1 %	351,562	11.6 %
Other Operating Income, Net	(15,079)	(0.5)%	(5,671)	(0.2)%
Operating (Loss) Income	(30,127)	(1.1)%	129,406	4.3 %
Interest Expense, Net	5,032	0.2 %	4,219	0.1 %
(Loss) Income Before Taxes	(35,159)	(1.2)%	125,187	4.1 %
Tax (Benefit) Expense	(23,682)	(0.8)%	45,405	1.5 %
Net (Loss) Income	\$ (11,477)	(0.4)%	\$ 79,782	2.6 %
Net (Loss) Income Per Share:				
Basic	\$ (0.15)		\$ 0.96	
Diluted	\$ (0.15)		\$ 0.95	
Weighted-Average Shares Outstanding:				
Basic	77,387		82,939	
Diluted	77,387		84,049	

⁽¹⁾ Reported results for the year-to-date period of Fiscal 2012 have been restated to reflect the change in accounting principle to the cost method of accounting for inventory.

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

ASSETS	(Unaudited) November 2, 2013	February 2, 2013	(Unaudited) October 27, 2012 (Restated) ⁽¹⁾
Current Assets			
Cash and Equivalents	\$ 257,525	\$ 643,505	\$ 349,670
Marketable Securities	—	—	19,903
Receivables	86,726	99,622	91,412
Inventories	768,946	426,962	629,957
Deferred Income Taxes	56,699	32,558	47,645
Other Current Assets	116,714	105,177	81,632
Total Current Assets	1,286,610	1,307,824	1,220,219
Property and Equipment, Net	1,160,904	1,308,232	1,313,132
Other Assets	404,882	371,345	374,549
TOTAL ASSETS	\$ 2,852,396	\$ 2,987,401	\$ 2,907,900
 LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Accounts Payable and Outstanding Checks	\$ 185,438	140,396	165,394
Accrued Expenses	307,962	398,868	361,804
Deferred Lease Credits	36,050	39,054	39,822
Short-Term Portion of Borrowings	15,000	—	60,000
Income Taxes Payable	59,130	112,483	70,775
Total Current Liabilities	603,580	690,801	697,795
Long-Term Liabilities			
Deferred Lease Credits	153,587	168,397	174,736
Long-Term Portion of Borrowings	123,750	—	—
Leasehold Financing Obligations	61,623	63,942	64,477
Other Liabilities	234,839	245,993	249,672
Total Long-Term Liabilities	573,799	478,332	488,885
Total Shareholders' Equity	1,675,017	1,818,268	1,721,220
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 2,852,396	\$ 2,987,401	\$ 2,907,900

⁽¹⁾ Reported results for the third quarter of Fiscal 2012 have been restated to reflect the change in accounting principle to the cost method of accounting for inventory.

Abercrombie & Fitch Co.
Schedule of Non-GAAP Financial Measures
Thirteen Weeks Ended November 2, 2013
(in thousands, except per share data)
(Unaudited)

	GAAP	Asset Impairment Charges ⁽¹⁾	Gilly Hicks Restructuring ⁽²⁾	Profit Improvement Initiative ⁽³⁾	Tax Impact ⁽⁴⁾	Adjusted Non-GAAP
Stores and Distribution Expense	\$ 564,935	\$ (43,571)	\$ (40,132)	\$ (639)	—	\$ 480,593
Marketing, General and Administrative Expense	131,326	—	(4,576)	(6,951)	—	119,799
Operating (Loss) Income	(35,370)	43,571	44,708	7,590	—	60,499
Tax (Benefit) Expense	(21,381)				39,680	18,299
Net (Loss) Income	\$ (15,644)					\$ 40,545
Net (Loss) Income Per Share:						
Basic	\$ (0.20)					\$ 0.53
Diluted	\$ (0.20)					\$ 0.52
Weighted-Average Shares Outstanding:						
Basic	76,456					76,456
Diluted	76,456					77,677

⁽¹⁾ The store-related asset impairment charges relate to stores whose asset carrying value exceeded the fair value. For the thirteen week period ended November 2, 2013, the charge was primarily associated with 23 Abercrombie & Fitch, three abercrombie kids and 70 Hollister stores.

⁽²⁾ For the thirteen week period ended November 2, 2013, the charges related to restructuring plans for Gilly Hicks include \$37.9 million in asset impairment charges and \$6.8 million lease-related and other charges.

⁽³⁾ For the thirteen week period ended November 2, 2013, the charges related to the Company's profit improvement initiative include \$7.6 million of consulting and other services, and severance charges.

⁽⁴⁾ Indicates the tax impact on the charges

Abercrombie & Fitch Co.
U.S. Store Count
(Unaudited)
Thirteen Week Period Ended November 2, 2013

Store Activity	Abercrombie & Fitch	abercrombie	Hollister	Gilly Hicks	Total
August 3, 2013	265	144	478	20	907
New	—	—	—	—	—
Closed	—	—	(3)	—	(3)
November 2, 2013	265	144	475	20	904

Abercrombie & Fitch Co.
International Store Count
(Unaudited)
Thirteen Week Period Ended November 2, 2013

Store Activity	Abercrombie & Fitch	abercrombie	Hollister	Gilly Hicks	Total
August 3, 2013	20	6	116	8	150
New ⁽¹⁾	2	1	6	—	9
Closed	—	—	—	—	—
November 2, 2013	22	7	122	8	159

⁽¹⁾ Includes the impact of opening one multi-branded outlet in Italy. Outlets are treated as a new store for each brand.

Abercrombie & Fitch Co.
U.S. Store Count
(Unaudited)
Thirty-Nine Week Period Ended November 2, 2013

Store Activity	Abercrombie & Fitch	abercrombie	Hollister	Gilly Hicks	Total
February 2, 2013	266	144	482	20	912
New ⁽¹⁾	1	1	—	—	2
Closed	(2)	(1)	(7)	—	(10)
November 2, 2013	265	144	475	20	904

Abercrombie & Fitch Co.
International Store Count
(Unaudited)
Thirty-Nine Week Period Ended November 2, 2013

Store Activity	Abercrombie & Fitch	abercrombie	Hollister	Gilly Hicks	Total
February 2, 2013	19	6	107	7	139
New ⁽¹⁾	3	2	15	1	21
Closed	—	(1)	—	—	(1)
November 2, 2013	22	7	122	8	159

⁽¹⁾ Includes the impact of opening one multi-branded outlet in the U.S and Italy and two in the U.K. Outlets are treated as a new store for each brand.

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

				Fiscal 2012					Fiscal 2013			
	2009 ⁽¹⁾	2010	2011	Q1	Q2	Q3	Q4	YTD	Q1	Q2	Q3	YTD
Net Sales	\$ 2,928,626	\$ 3,468,777	\$ 4,158,058	\$ 921,218	\$ 951,407	\$ 1,169,649	\$ 1,468,531	\$ 4,510,805	\$ 838,769	\$ 945,698	\$ 1,033,293	\$ 2,817,760
Cost of Goods Sold	1,045,028	1,251,348	1,607,834	380,126	358,956	417,135	537,879	1,694,096	285,603	341,576	382,253	1,009,431
Gross Profit	1,883,598	2,217,429	2,550,224	541,092	592,451	752,514	930,652	2,816,709	553,166	604,122	651,040	1,808,329
Total Stores and Distribution Expense	1,425,950	1,589,501	1,888,248	455,732	458,085	496,942	577,167	1,987,926	449,125	471,722	564,935	1,485,783
Total Marketing, General and Administrative Expense	353,269	400,804	437,120	116,889	111,293	123,381	122,321	473,883	118,780	117,646	131,326	367,752
Other Operating (Income) Expense, Net	(13,533)	(10,056)	3,472	(2,584)	(1,933)	(1,154)	(13,663)	(19,333)	(818)	(4,411)	(9,851)	(15,079)
Operating Income (Loss)	117,912	237,180	221,384	(28,945)	25,006	133,345	244,827	374,233	(13,921)	19,165	(35,370)	(30,127)
Interest (Income) Expense, Net	(1,598)	3,362	3,577	1,089	1,546	1,584	3,069	7,288	1,628	1,750	1,655	5,032
Income (Loss) from Continuing Operations Before Taxes	119,510	233,818	217,807	(30,034)	23,460	131,761	241,758	366,945	(15,549)	17,415	(37,025)	(35,159)
Tax Expense (Benefit) for Continuing Operations	40,557	78,109	74,669	(8,729)	6,409	47,725	84,529	129,934	(8,346)	6,045	(21,381)	(23,682)
Net Income (Loss) from Continuing Operations	78,953	155,709	143,138	(21,305)	17,051	84,036	157,229	237,011	(7,203)	11,370	(15,644)	(11,477)
Net (Loss) Income from Discontinued Operations (Net of Taxes)	(78,699)	—	796	—	—	—	—	—	—	—	—	—
Net Income (Loss)	254	155,709	143,934	(21,305)	17,051	84,036	157,229	237,011	(7,203)	11,370	(15,644)	(11,477)
Net Income (Loss) Per Share from Continuing Operations:												
Basic	\$ 0.90	\$ 1.77	\$ 1.65	\$ (0.25)	\$ 0.21	\$ 1.03	\$ 1.99	\$ 2.89	\$ (0.09)	\$ 0.15	\$ (0.20)	\$ (0.15)
Diluted	\$ 0.89	\$ 1.73	\$ 1.60	\$ (0.25)	\$ 0.20	\$ 1.02	\$ 1.95	\$ 2.85	\$ (0.09)	\$ 0.14	\$ (0.20)	\$ (0.15)

Net (Loss) Income Per Share from Discontinued Operations:

Basic	\$	(0.90)	\$	—	\$	0.01	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
Diluted	\$	(0.89)	\$	—	\$	0.01	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—

Net Income (Loss) Per Share:

Basic	\$	—	\$	1.77	\$	1.66	\$	(0.25)	\$	0.21	\$	1.03	\$	1.99	\$	2.89	\$	(0.09)	\$	0.15	\$	(0.20)	\$	(0.15)
Diluted	\$	—	\$	1.73	\$	1.61	\$	(0.25)	\$	0.20	\$	1.02	\$	1.95	\$	2.85	\$	(0.09)	\$	0.14	\$	(0.20)	\$	(0.15)

Weighted-Average Shares Outstanding:

Basic	87,874	88,061	86,848	84,593	82,555	81,669	78,944	81,940	78,324	77,382	76,456	77,387
Diluted	88,609	89,851	89,537	84,593	83,441	82,522	80,554	83,175	78,324	79,267	76,456	77,387
Comparable Sales ⁽²⁾				1%	(6)%	0%	(1)%	(1)%	(15)%	(10)%	(14)%	(13)%
Actual Shares Outstanding	87,985	87,246	85,638	82,542	82,567	79,557	78,445	78,445	78,306	76,384	76,395	76,395
Number of Stores - End of Period	1,096	1,069	1,045	1,049	1,055	1,067	1,051	1,051	1,053	1,057	1,063	1,063
Gross Square Feet - End of Period	7,848	7,756	7,778	7,840	7,900	8,041	7,958	7,958	7,970	8,006	8,069	8,069

⁽¹⁾ Reported results for periods prior to Fiscal 2010 have not been restated to reflect the change in accounting principle. The change is not determinable because the information necessary to determine the weighted-average cost using the cost method prior to that year is not available.

⁽²⁾ Includes comparable store and direct-to-consumer sales.