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DELTA REPORT

10-Q

ANF - ABERCROMBIE & FITCH CO /D

10-Q - NOVEMBER 02, 2024 COMPARED TO 10-Q - AUGUST 03, 2024

The following comparison report has been automatically generated

TOTAL DELTAS	999
CHANGES	227
DELETIONS	244
ADDITIONS	528

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended August 3, 2024 November 2, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 001-12107

Abercrombie & Fitch Co.

(Exact name of Registrant as specified in its charter)

Delaware	**31-1469076**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
6301 Fitch Path, New Albany, Ohio	**43054**
(Address of principal executive offices)	*(Zip Code)*

Registrant's telephone number, including area code: (614) 283-6500

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, $0.01 Par Value	**ANF**	**New York Stock Exchange**

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. x Yes ¨ No

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). x Yes ¨ No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	¨
Non-accelerated filer	¨	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ¨

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes x No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class A Common Stock	Shares outstanding as of September 5, 2024 December 4, 2024
$0.01 Par Value	**51,078,656 50,372,689**

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

Abercrombie & Fitch Co.
Condensed Consolidated Statements of Operations and Comprehensive Income
(Thousands, except per share amounts)
(Unaudited)

	Thirteen Weeks Ended
	Thirteen Weeks Ended
	Thirteen Weeks Ended
	August 3, 2024
	August 3, 2024
	August 3, 2024
	November 2, 2024
	November 2, 2024
	November 2, 2024
Net sales	
Net sales	
Net sales	
Cost of sales, exclusive of depreciation and amortization	

Cost of sales, exclusive of depreciation and amortization
Cost of sales, exclusive of depreciation and amortization
Gross profit
Gross profit
Gross profit
Stores and distribution expense
Stores and distribution expense
Stores and distribution expense
Marketing, general and administrative expense
Marketing, general and administrative expense
Marketing, general and administrative expense
Other operating income, net
Other operating (income) loss, net
Other operating income, net
Other operating (income) loss, net
Other operating income, net
Other operating (income) loss, net
Operating income
Operating income
Operating income
Interest expense
Interest expense
Interest expense
Interest income
Interest income
Interest income
Interest (income) expense, net
Interest (income) expense, net
Interest (income) expense, net
Income before income taxes
Income before income taxes
Income before income taxes
Income tax expense
Income tax expense
Income tax expense
Net income
Net income
Net income
Less: Net income attributable to noncontrolling interests
Less: Net income attributable to noncontrolling interests
Less: Net income attributable to noncontrolling interests
Net income attributable to A&F
Net income attributable to A&F
Net income attributable to A&F
Net income per share attributable to A&F
Net income per share attributable to A&F
Net income per share attributable to A&F
Basic
Basic
Basic
Diluted

Diluted
Diluted
Weighted-average shares outstanding
Weighted-average shares outstanding
Weighted-average shares outstanding
Basic
Basic
Basic
Diluted
Diluted
Diluted
Other comprehensive income (loss)
Other comprehensive income
Other comprehensive income (loss)
Other comprehensive income
Other comprehensive income (loss)
Other comprehensive income
Foreign currency translation adjustments, net of tax
Foreign currency translation adjustments, net of tax
Foreign currency translation adjustments, net of tax
Derivative financial instruments, net of tax
Derivative financial instruments, net of tax
Derivative financial instruments, net of tax
Other comprehensive income (loss)
Other comprehensive income (loss)
Other comprehensive income (loss)
Other comprehensive income
Other comprehensive income
Other comprehensive income
Comprehensive income
Comprehensive income
Comprehensive income
Less: Comprehensive income attributable to noncontrolling interests
Less: Comprehensive income attributable to noncontrolling interests
Less: Comprehensive income attributable to noncontrolling interests
Comprehensive income attributable to A&F
Comprehensive income attributable to A&F
Comprehensive income attributable to A&F

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements.

Abercrombie & Fitch Co.
Condensed Consolidated Balance Sheets
(Thousands, except par value amounts)
(Unaudited)

	August 3, 2024	February 3, 2024

	November 2, 2024	February 3, 2024
Assets		
Current assets:		
Current assets:		
Current assets:		
Cash and equivalents		
Cash and equivalents		
Cash and equivalents		
Marketable securities		
Receivables		
Inventories		
Other current assets		
Total current assets		
Property and equipment, net		
Operating lease right-of-use assets		
Other assets		
Total assets		
Liabilities and stockholders' equity		
Current liabilities:		
Current liabilities:		
Current liabilities:		
Accounts payable		
Accounts payable		
Accounts payable		
Accrued expenses		
Short-term portion of operating lease liabilities		
Income taxes payable		
Total current liabilities		
Long-term liabilities:		
Long-term portion of operating lease liabilities		
Long-term portion of operating lease liabilities		
Long-term portion of operating lease liabilities		
Long-term borrowings, net		
Other liabilities		
Total long-term liabilities		
Stockholders' equity		
Class A Common Stock: $0.01 par value: 150,000 shares authorized and 103,300 shares issued for all periods presented		
Class A Common Stock: $0.01 par value: 150,000 shares authorized and 103,300 shares issued for all periods presented		
Class A Common Stock: $0.01 par value: 150,000 shares authorized and 103,300 shares issued for all periods presented		
Paid-in capital		
Retained earnings		
Accumulated other comprehensive loss, net of tax ("AOCL")		
Treasury stock, at average cost: 52,231 and 52,800 shares as of August 3, 2024 and February 3, 2024, respectively		
Treasury stock, at average cost: 52,929 and 52,800 shares as of November 2, 2024 and February 3, 2024, respectively		
Total Abercrombie & Fitch Co. stockholders' equity		
Noncontrolling interests		
Total stockholders' equity		
Total liabilities and stockholders' equity		

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements.

Abercrombie & Fitch Co.
Condensed Consolidated Statements of Stockholders' Equity
(Thousands, except per share amounts)
(Unaudited)

	Thirteen Weeks Ended August 3, 2024									Thirteen Weeks Ended November 2, 2024								
	Common Stock		Paid-				Treasury stock		Total	Common Stock		Paid-				Treasury stock		Total
	Shares outstanding	Par value	in capital	Non-controlling interests	Retained earnings	AOCL	Shares	At average cost	stockholders' equity	Shares outstanding	Par value	in capital	Non-controlling interests	Retained earnings	AOCL	Shares	At average cost	stockholders' equity
Balance, May 4, 2024																		
Balance, August 3, 2024																		
Net income																		
Purchase of Common Stock (1)																		
Share-based compensation issuances and exercises																		
Share-based compensation issuances and exercises																		
Share-based compensation issuances and exercises																		
Share-based compensation expense																		
Derivative financial instruments, net of tax																		
Foreign currency translation adjustments, net of tax																		
Contribution from noncontrolling interests, net																		
Ending balance at August 3, 2024																		
Distribution to noncontrolling interests, net																		
Ending balance at November 2, 2024																		

Thirteen Weeks Ended July 29, 2023
Thirteen Weeks Ended July 29, 2023
Thirteen Weeks Ended July 29, 2023
Thirteen Weeks Ended October 28, 2023
Thirteen Weeks Ended October 28, 2023
Thirteen Weeks Ended October 28, 2023

	Common Stock		Paid-				Treasury stock		Total	Common Stock		Paid-				Treasury stock		Total
	Shares outstanding	Par value	in capital	Non-controlling interests	Retained earnings	AOCL	Shares	At average cost	stockholders' equity	Shares outstanding	Par value	in capital	Non-controlling interests	Retained earnings	AOCL	Shares	At average cost	stockholders' equity
Balance, April 29, 2023																		
Balance, July 29, 2023																		
Net income																		
Share-based compensation issuances and exercises																		
Share-based compensation issuances and exercises																		
Share-based compensation issuances and exercises																		
Share-based compensation expense																		
Derivative financial instruments, net of tax																		
Foreign currency translation adjustments, net of tax																		
Distribution to noncontrolling interests, net																		

Ending balance at July 29, 2023	
Ending balance at October 28, 2023	

(1) Includes excise tax on share repurchases

Abercrombie & Fitch Co.
Condensed Consolidated Statements of Stockholders' Equity
(Thousands, except per share amounts)
(Unaudited)

	Twenty-Six Weeks Ended August 3, 2024									Thirty-Nine Weeks Ended November 2, 2024								
	Common Stock		Paid-				Treasury stock		Total	Common Stock		Paid-				Treasury stock		Total
	Shares outstanding	Par value	in capital	Non-controlling interests	Retained earnings	AOCL	Shares	At average cost	stockholders' equity	Shares outstanding	Par value	in capital	Non-controlling interests	Retained earnings	AOCL	Shares	At average cost	stockholders' equity
Balance, February 3, 2024																		
Net income																		
Purchase of Common Stock (1)																		
Share-based compensation issuances and exercises																		
Share-based compensation issuances and exercises																		
Share-based compensation issuances and exercises																		
Share-based compensation expense																		
Derivative financial instruments, net of tax																		
Foreign currency translation adjustments, net of tax																		
Distribution to noncontrolling interests, net																		
Ending balance at August 3, 2024																		
Ending balance at November 2, 2024																		

Twenty-Six Weeks Ended July 29, 2023

Twenty-Six Weeks Ended July 29, 2023

Twenty-Six Weeks Ended July 29, 2023

Thirty-Nine Weeks Ended October 28, 2023

Thirty-Nine Weeks Ended October 28, 2023

Thirty-Nine Weeks Ended October 28, 2023

	Common Stock		Paid-				Treasury stock		Total	Common Stock		Paid-				Treasury stock		Total
	Shares outstanding	Par value	in capital	Non-controlling interests	Retained earnings	AOCL	Shares	At average cost	stockholders' equity	Shares outstanding	Par value	in capital	Non-controlling interests	Retained earnings	AOCL	Shares	At average cost	stockholders' equity
Balance, January 28, 2023																		
Net income																		
Share-based compensation issuances and exercises																		
Share-based compensation issuances and exercises																		
Share-based compensation issuances and exercises																		
Share-based compensation expense																		
Derivative financial instruments, net of tax																		

Foreign currency translation adjustments, net of tax	
Distribution to noncontrolling interests, net	
Ending balance at July 29, 2023	
Ending balance at October 28, 2023	

(1) Includes excise tax on share repurchases

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements.

Abercrombie & Fitch Co.
Condensed Consolidated Statements of Cash Flows
(Thousands)
(Unaudited)

	Twenty-Six Weeks Ended		Thirty-Nine Weeks Ended	
	August 3, 2024	July 29, 2023	November 2, 2024	October 28, 2023
Operating activities				
Net income				
Net income				
Net income				
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization				
Depreciation and amortization				
Depreciation and amortization				
Asset impairment				
Loss on disposal				
Benefit from deferred income taxes				
Share-based compensation				
Loss on extinguishment of debt				
Changes in assets and liabilities:				
Inventories				
Inventories				
Inventories				
Accounts payable and accrued expenses				
Operating lease right-of-use assets and liabilities				
Income taxes				
Other assets				
Other liabilities				
Net cash provided by operating activities				
Investing activities				
Purchases of marketable securities				
Purchases of marketable securities				
Purchases of marketable securities				
Purchases of property and equipment				
Purchases of property and equipment				
Purchases of property and equipment				
Proceeds from the sale of property and equipment				
Net cash used for investing activities				

Net cash used for investing activities
Net cash used for investing activities
<u>Financing activities</u>
Repayment/redemption of senior secured notes
Repayment/redemption of senior secured notes
Repayment/redemption of senior secured notes
Payment of debt modification costs and fees
Payment of debt modification costs and fees
Payment of debt modification costs and fees
Purchases of Common Stock
Acquisition of Common stock for tax withholding obligations
Acquisition of Common stock for tax withholding obligations
Acquisition of Common stock for tax withholding obligations
Acquisition of Common Stock for tax withholding obligations
Acquisition of Common Stock for tax withholding obligations
Acquisition of Common Stock for tax withholding obligations
Other financing activities
Net cash used for financing activities
Effect of foreign currency exchange rates on cash
Net (decrease) increase in cash and equivalents, and restricted cash and equivalents
Cash and equivalents, and restricted cash and equivalents, beginning of period
Cash and equivalents, and restricted cash and equivalents, end of period
<u>Supplemental information related to non-cash activities</u>
Purchases of property and equipment not yet paid at end of period
Purchases of property and equipment not yet paid at end of period
Purchases of property and equipment not yet paid at end of period
Purchases of property and equipment accrued in accounts payable
Purchases of property and equipment accrued in accounts payable
Purchases of property and equipment accrued in accounts payable
Excise tax liability accrued on share repurchases
Operating lease right-of-use assets additions, net of terminations, impairments and other reductions
<u>Supplemental information related to cash activities</u>
Cash paid for interest
Cash paid for interest
Cash paid for interest
Cash paid for income taxes
Cash received from income tax refunds
Cash paid for amounts included in measurement of operating lease liabilities, net of abatements

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements.

Abercrombie & Fitch Co.

Index for Notes to Condensed Consolidated Financial Statements (Unaudited)

Abercrombie & Fitch Co.

Notes to Condensed Consolidated Financial Statements (Unaudited)

1. NATURE OF BUSINESS

Abercrombie & Fitch Co. ("A&F"), a company incorporated in Delaware in 1996, through its subsidiaries (collectively, A&F and its subsidiaries are referred to as the "Company"), is a global, digitally-led omnichannel retailer. The Company offers a broad assortment of apparel, personal care products and accessories for men, women and kids, which are sold primarily through its Company-owned stores and digital channels, as well as through various third-party arrangements.

The Company manages its business on a geographic basis, consisting of three reportable segments: Americas; Europe, the Middle East and Africa ("EMEA"); and Asia-Pacific ("APAC"). Corporate functions and other income and expenses are evaluated on a consolidated basis and are not allocated to the Company's segments, and therefore are included as a reconciling item between segment and total operating income.

The Company's brands include Abercrombie brands, which includes Abercrombie & Fitch and abercrombie kids, and Hollister brands, which includes Hollister and Gilly Hicks. These brands share a commitment to offering unique products of enduring quality and exceptional comfort that allow customers around the world to express their own individuality and style.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

The accompanying Condensed Consolidated Financial Statements include historical financial statements of, and transactions applicable to, the Company and reflect its financial position, results of operations and cash flows.

The Company has interests in Emirati and Kuwaiti business ventures with Majid al Futtaim Lifestyle L.L.C. ("MAF") and in a United States of America (the "U.S.") business venture with Dixar L.L.C. ("Dixar"), each of which meets the definition of a variable interest entity ("VIE"). The purpose of the business ventures with MAF is to operate stores in the United Arab Emirates and Kuwait, and the purpose of the business venture with Dixar is to hold the intellectual property related to the Social Tourist brand. The Company is deemed to be the primary beneficiary of these VIEs; therefore, the Company has consolidated the operating results, assets and liabilities of these VIEs, with the noncontrolling interests' ("NCI") portions of net income presented as net income attributable to NCI on the Condensed Consolidated Statements of Operations and Comprehensive Income and the NCI portion of stockholders' equity presented as NCI on the Condensed Consolidated Balance Sheets.

Fiscal year

The Company's fiscal year ends on the Saturday closest to January 31. This typically results in a fifty-two week year, but occasionally gives rise to an additional week, resulting in a fifty-three week year. Fiscal years are designated in the Condensed Consolidated Financial Statements and notes, as well as the remainder of this Quarterly Report on Form 10-Q, by the calendar year in which the fiscal year commences. All references herein to the Company's fiscal years are as follows:

Fiscal year	Year ended/ending	Number of weeks
Fiscal 2023	February 3, 2024	53
Fiscal 2024	February 1, 2025	52
Fiscal 2025	January 31, 2026	52

Interim financial statements

The Condensed Consolidated Financial Statements as of August 3, 2024 November 2, 2024, and for the thirteen and twenty-six thirty-nine week periods ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023, are unaudited and are presented pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”) for interim consolidated financial statements. Accordingly, the Condensed Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and notes thereto contained in A&F’s Annual Report on Form 10-K for Fiscal 2023 filed with the SEC on April 1, 2024 (the “Fiscal 2023 Form 10-K”). The February 3, 2024 consolidated balance sheet data, included herein, were derived from audited consolidated financial statements, but do not include all disclosures required by accounting principles generally accepted in the U.S. (“GAAP”).

In the opinion of management, the accompanying Condensed Consolidated Financial Statements reflect all adjustments (which are of a normal recurring nature) necessary to state fairly, in all material respects, the financial position, results of operations and cash flows for the interim periods, but are not necessarily indicative of the results of operations to be anticipated for Fiscal 2024.

Use of estimates

The preparation of financial statements, in conformity with GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of net sales and expenses during the reporting period. Due to the inherent uncertainty involved with estimates, actual results may differ. Additionally, these estimates and assumptions may change as a result of the impact of global economic conditions such as the uncertainty regarding a slowing economy, rising interest rates, continued inflation, fluctuation in foreign exchange rates, and geopolitical concerns, all of which could result in material impacts to the Company’s consolidated financial statements in future reporting periods.

Recent accounting pronouncements

The Company reviews recent accounting pronouncements on a quarterly basis and has excluded discussion of those not applicable to the Company and those that did not have, or are not expected to have, a material impact on the Company’s consolidated financial statements. The following table provides a brief description of certain accounting pronouncements the Company has not yet adopted and that could affect the Company’s financial statements.

Accounting Standards Update (ASU)	**Description**	**Effect on the financial statements or other significant matters**
ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures	The update modifies the disclosure/presentation requirements of reportable segments. The amendments in the update require the disclosure of significant segment expenses that are regularly provided to the chief operating decision maker (“CODM”) and included within each reported measure of segment profit and loss, loss. The amendments also require disclosure of all other segment items by reportable segment and a description of its composition. Additionally, the amendments require disclosure of the title and position of the CODM and an explanation of how the CODM uses the reported measure(s) of segment profit or loss in assessing segment performance and deciding how to allocate resources. This update is effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted.	Other than the new disclosure requirements, the adoption of this guidance will not have a significant impact on the Company's consolidated financial statements.
ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures	The standard update requires disaggregated information about a reporting entity’s effective tax rate reconciliation as well as information on income taxes paid. For public business entities (“PBEs”), the requirement The update will be effective for annual periods beginning after December 15, 2024. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. Early adoption is permitted.	Other than the new disclosure requirements, the adoption of this guidance will not have a significant impact on the Company's consolidated financial statements.
ASU 2024-03 - Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses	The update requires a disaggregated disclosure of income statement expenses. The amendments in this update require disclosure, in the notes to financial statements, of specified information about certain costs and expenses. The update is effective for fiscal years beginning after December 15, 2026 and interim period periods for fiscal years beginning after December 15, 2027. Early adoption is permitted.	Other than the new disclosure requirements, the adoption of this guidance will not have a significant impact on the Company’s consolidated financial statements.

Condensed Consolidated Statements of Cash Flows reconciliation

The following table provides a reconciliation of cash and equivalents and restricted cash and equivalents to the amounts shown on the Condensed Consolidated Statements of Cash Flows:

(in thousands)	*(in thousands)* Location	August 3, 2024	February 3, 2024	July 29, 2023	January 28, 2023	*(in thousands)* Location	November 2, 2024	February 3, 2024	October 28, 2023	January 28, 2023
Cash and equivalents										
Long-term restricted cash and equivalents										
Restricted cash and equivalents										

Cash and equivalents and restricted cash and equivalents
Cash and equivalents and restricted cash and equivalents
Cash and equivalents and restricted cash and equivalents

Supply Chain Finance Program

Under the supply chain finance ("SCF") program, which is administered by a third party, the Company's vendors, at their sole discretion, are given the opportunity to sell receivables from the Company to a participating financial institution at a discount that leverages the Company's credit profile. The commercial terms negotiated by the Company with its vendors are consistent, irrespective of whether a vendor participates in the SCF program. A participating vendor has the option to be paid by the financial institution earlier than the original invoice due date. The Company's responsibility is limited to making payment on the terms originally negotiated by the Company with each vendor, regardless of whether the vendor sells its receivable to a financial institution. If a vendor chooses to participate in the SCF program, the Company pays the financial institution the stated amount of confirmed merchandise invoices on the stated maturity date, which is typically 75 days from the invoice date. The agreement with the financial institution does not require the Company to provide assets pledged as security or other forms of guarantees for the SCF program.

As of August 3, 2024 November 2, 2024 and February 3, 2024, $97.2 million $109.3 million and $72.4 million of SCF program liabilities were recorded in accounts payable in the Condensed Consolidated Balance Sheets, respectively, and reflected as a cash flow from operating activities in the Condensed Consolidated Statements of Cash Flows when settled.

The following table provides activity in the SCF program for the twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024:

	Twenty-Six Thirty-Nine Weeks Ended	
(in thousands)		August 3, November 2, 2024
Confirmed obligations outstanding at the beginning of the period	$	72,376
Invoices confirmed during the period		186,761 326,109
Confirmed invoices paid during the period		(161,890) (289,164)
Confirmed obligations outstanding at the end of the period	$	97,247 109,321

3. REVENUE RECOGNITION

Disaggregation of revenue

All revenues are recognized in net sales in the Condensed Consolidated Statements of Operations and Comprehensive Income. For information regarding the disaggregation of revenue, refer to Note 14, "*SEGMENT REPORTING*."

Contract liabilities

The following table details certain contract liabilities representing unearned revenue as of August 3, 2024 November 2, 2024, February 3, 2024, July 29, 2023 October 28, 2023 and January 28, 2023:

(in thousands)	*(in thousands)*	August 3, 2024	February 3, 2024	July 29, 2023	January 28, 2023	*(in thousands)*	November 2, 2024	February 3, 2024	October 28, 2023	January 28, 2023
Gift card liability (1)										
Loyalty programs liability										

(1) Includes $14.8 million $17.7 million and $26.4 million $15.5 million of revenue recognized during the twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023, respectively, that was included in the gift card liability at the beginning of February 3, 2024 and January 28, 2023, respectively.

The following table details recognized revenue associated with the Company's gift card program and loyalty programs for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

	Thirteen Weeks Ended		Thirteen Weeks Ended		Twenty-Six Weeks Ended		Thirteen Weeks Ended		Thirty-Nine Weeks Ended
(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
Revenue associated with gift card redemptions and gift card breakage										

Revenue associated with reward redemptions and breakage related to the Company’s loyalty programs

4. NET INCOME PER SHARE

Net income per basic and diluted share attributable to A&F is computed based on the weighted-average number of outstanding shares of A&F’s Class A Common Stock, $0.01 par value (“Common Stock”). The following table provides additional information pertaining to net income per share attributable to A&F for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

		Thirteen Weeks Ended		Twenty-Six Weeks Ended			Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
Shares of Common Stock issued										
Weighted-average treasury shares										
Weighted-average — basic shares										
Dilutive effect of share-based compensation awards										
Weighted-average — diluted shares										
Anti-dilutive shares (1)										

(1) Reflects the total number of shares related to outstanding share-based compensation awards that have been excluded from the computation of net income per diluted share because the impact would have been anti-dilutive. Unvested shares related to restricted stock units with performance-based and market-based vesting conditions can achieved from zero up to 200% of their target vesting amount and are reflected at the maximum vesting amount less any dilutive portion.

5. FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The inputs used to measure fair value are prioritized based on a three-level hierarchy. The three levels of inputs to measure fair value are as follows:

- Level 1—inputs are unadjusted quoted prices for identical assets or liabilities that are available in active markets that the Company can access at the measurement date.
- Level 2—inputs are other than quoted market prices included within Level 1 that are observable for assets or liabilities, directly or indirectly.
- Level 3—inputs to the valuation methodology are unobservable.

The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. The following table provides the three levels of the hierarchy and the distribution of the Company’s assets measured at fair value on a recurring basis, as of August 3, 2024 November 2, 2024 and February 3, 2024:

		Assets and Liabilities at Fair Value as of August 3, 2024					Assets and Liabilities at Fair Value as of November 2, 2024			
(in thousands)	*(in thousands)*	Level 1	Level 2	Level 3	Total	*(in thousands)*	Level 1	Level 2	Level 3	Total
Assets:										
Cash equivalents (1)										
Cash equivalents (1)										
Cash equivalents (1)										
Marketable securities (2)										
Derivative instruments (3)										
Rabbi Trust assets (4)										
Restricted cash equivalents (1)										
Total assets										
Liabilities:										
Liabilities:										
Liabilities:										
Derivative instruments (3)										
Derivative instruments (3)										

Derivative instruments (3)	
Total liabilities	

	Assets and Liabilities at Fair Value as of February 3, 2024			
(in thousands)	Level 1	Level 2	Level 3	Total
Assets:				
Cash equivalents (1)	$ 349,174	$ 26,975	$ —	$ 376,149
Derivative instruments (3)	—	1,092	—	1,092
Rabbi Trust assets (4)	1,164	52,521	—	53,685
Restricted cash equivalents (1)	4,282	1,420	—	5,702
Total assets	$ 354,620	$ 82,008	$ —	$ 436,628
Liabilities:				
Derivative instruments (3)	$ —	$ 539	$ —	$ 539
Total liabilities	$ —	$ 539	$ —	$ 539

(1) Level 1 assets consisted of investments in money market funds and U.S. treasury bills. Level 2 assets consisted of time deposits with original maturities of less than three months.

(2) Level 2 assets consisted of time deposits with original maturities greater than three months, but less than one year.

(3) Level 2 assets and liabilities consisted primarily of foreign currency exchange forward contracts.

(4) Level 1 assets consisted of investments in money market funds. Level 2 assets consisted of trust-owned life insurance policies.

The Company's Level 2 assets and liabilities consisted of:

- Trust-owned life insurance policies, which were valued using the cash surrender value of the life insurance policies;
- Time deposits with original maturities of three months or less, which were recorded at cost, approximating fair value, due to the short-term nature of these investments;
- Time deposits with original maturities greater than three months, which were recorded at fair value, which approximates their carrying value, and are primarily based upon quoted vendor or broker priced securities in active markets; and
- Derivative instruments, primarily foreign currency exchange forward contracts, which were valued using quoted market prices of the same or similar instruments, adjusted for counterparty risk.

Fair value of long-term borrowings

The Company's borrowings were carried at historical cost in the accompanying Condensed Consolidated Balance Sheet as of February 3, 2024. On July 15, 2024 (the "Redemption Date"), Abercrombie & Fitch Management Co. ("A&F Management") redeemed all of its outstanding senior secured notes at par value, which had a fixed 8.75% interest rate and were scheduled to mature on July 15, 2025 (the "Senior Secured Notes"). As of the Redemption Date, the Senior Secured Notes were no longer deemed outstanding.

6. PROPERTY AND EQUIPMENT, NET

The following table provides property and equipment, net as of August 3, 2024 November 2, 2024 and February 3, 2024:

(in thousands)	*(in thousands)*	August 3, 2024	February 3, 2024	*(in thousands)*	November 2, 2024	February 3, 2024
Property and equipment, at cost						
Less: Accumulated depreciation and amortization						
Property and equipment, net						

Refer to Note 8, "*ASSET IMPAIRMENT*," for details related to property and equipment impairment charges incurred during the thirteen and twenty-six thirty-nine ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023.

7. LEASES

The Company is a party to leases related to its Company-operated retail stores as well as for certain of its distribution centers, office space, information technology and equipment.

The following table provides a summary of the Company's operating lease costs for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

Thirteen Weeks Ended		Thirteen Weeks Ended		Twenty-Six Weeks Ended	Thirteen Weeks Ended		Thirty-Nine Weeks Ended

(in thousands)	(in thousands)	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	(in thousands)	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
Single lease cost (1)										
Variable lease cost (2)										
Operating lease right-of-use asset impairment (3)										
Sublease income										
Total operating lease cost										

(1) Includes amortization and interest expense associated with operating lease right-of-use assets and the impact from remeasurement of operating lease liabilities.

(2) Includes variable payments related to both lease and nonlease components, such as contingent rent payments made by the Company based on performance, and payments related to taxes, insurance, and maintenance costs.

(3) Refer to Note 8, "*ASSET IMPAIRMENT*," for details related to operating lease right-of-use asset impairment charges.

The Company had minimum commitments related to operating lease contracts that have not yet commenced, primarily for certain Company-operated retail stores, of approximately $107.1 $66.5 million as of August 3, 2024 November 2, 2024.

8. ASSET IMPAIRMENT

The following table provides asset impairment charges for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

	Thirteen Weeks Ended		Thirteen Weeks Ended		Twenty-Six Weeks Ended		Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
(in thousands)	(in thousands)	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	(in thousands)	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
Operating lease right-of-use asset impairment										
Property and equipment asset impairment										
Total asset impairment										

Asset impairment charges for the twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023 related to certain of the Company's store assets. assets, primarily in the APAC segment. The store impairment charges for the twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 reduced the then carrying amount of the impaired stores' assets to their fair value of approximately $6.0 $6.4 million, including $5.3 $5.1 million related to operating lease right-of-use assets.

9. INCOME TAXES

The quarterly provision for income taxes is based on the current estimate of the annual effective income tax rate and the tax effect of discrete items occurring during the quarter. The Company's quarterly provision and the estimate of the annual effective tax rate are subject to significant variation due to several factors. These factors include variability in the pre-tax jurisdictional mix of earnings, changes in how the Company does business including entering into new businesses or geographies, changes in foreign currency exchange rates, changes in laws, regulations, interpretations and administrative practices, relative changes in expenses or losses for which tax benefits are not recognized and the impact of discrete items. In addition, jurisdictions where the Company anticipates an ordinary loss for the fiscal year for which the Company does not anticipate future tax benefits are excluded from the overall computation of estimated annual effective tax rate and no tax benefits are recognized in the period related to losses in such jurisdictions. The impact of these items on the effective tax rate will be greater at lower levels of pre-tax earnings.

Impact of valuation allowances

During the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024, the Company did not recognize income tax benefits on $7.0 million $7.7 million and $14.6 million $22.3 million respectively, of pretax losses, primarily in Switzerland, resulting in adverse tax impacts of $1.1 million $1.2 million and $2.2 million $3.4 million, respectively.

As of August 3, 2024 November 2, 2024, the Company had foreign net deferred tax assets of approximately $40.3 million $39.5 million, including $9.7 million $10.0 million, $7.7 million $6.1 million, and $13.0 million $13.1 million in China, Japan and the United Kingdom, respectively. While the Company believes that these net deferred tax assets are more-likely-than-not to be realized, it is not a certainty, as the Company continues to evaluate and respond to emerging situations. Should circumstances change, the net deferred tax assets may become subject to additional valuation allowances in the future. Additional valuation allowances would result in additional tax expense.

During the thirteen and twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023, the Company did not recognize income tax benefits on $22.7 million $20.0 million and $43.0 million $63.0 million of pretax losses, primarily in Switzerland, resulting in adverse tax impacts of $3.4 million $3.0 million and $6.5 million $9.6 million, respectively.

As of February 3, 2024, there were approximately $7.6 million, $7.5 million, and $12.6 million of net deferred tax assets in China, Japan, and the United Kingdom, respectively.

Share-based compensation

Refer to Note 11, "*SHARE-BASED COMPENSATION*," for details on income tax benefits and charges related to share-based compensation awards during the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023.

10. BORROWINGS

Senior Secured Notes

On the Redemption Date, July 15, 2024 (the "Redemption Date"), A&F redeemed all of its outstanding 8.75% Senior Secured Notes due July 15, 2025, which had an aggregate principal amount of $214 million, at a redemption price equal to 100% of the principal amount, plus accrued and unpaid interest to, but excluding, the Redemption Date, and incurred a $0.9 million loss on extinguishment of debt, recognized in interest expense on the Condensed Consolidated Statements of Operations and Comprehensive Income. During For the twenty-six weeks ended August 3, 2024, year-to-date period through the Redemption date, A&F Management repurchased $9.3 million in the open market and redeemed $214 million of its Senior Secured Notes and incurred a loss on extinguishment of debt of $1.1 million. As of the Redemption Date, the Senior Secured Notes were no longer deemed outstanding and interest on the Senior Secured Notes ceased to accrue.

ABL Facility

On August 2, 2024, A&F, as parent and a guarantor, A&F Management, as lead borrower, and certain of A&F's direct and indirect wholly-owned subsidiaries, as additional borrowers and guarantors, entered into the Second Amendment to the Amended and Restated Credit Agreement (the "Second Amendment"), together with the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent for the lenders. The Second Amendment amends the existing Amended and Restated Credit Agreement, dated as of April 29, 2021 (the "ABL Credit Agreement"), which provided for a $400 million senior secured asset-based revolving credit facility. The Company incurred customary fees and expenses in connection with the entry into the Second Amendment.

The Second Amendment amended the ABL Credit Agreement to, among other things:

- increase the aggregate commitments thereunder to $500 million;
- establish a $100 million sub-facility for the benefit of Abfico Netherlands Distribution B.V. ("Abfico") and AFH Stores UK Limited ("AFH UK") that is (i) secured by a first priority security interest in all assets (subject to specified exclusions) of each of Abfico and AFH UK, (ii) guaranteed by A&F and certain of its domestic direct and indirect wholly-owned subsidiaries, and (iii) subject to a borrowing base as described therein;
- extend the maturity date from April 29, 2026 to August 2, 2029;
- increase the letter of credit sub-limit from $50 million to $62.5 million;
- decrease the swing line availability from $50 million to $30 million;
- decrease the unused line fee from a variable rate of 25 basis points to 37.5 basis points to a flat rate of 25 basis points; and
- increase pricing of the interest rate margin applicable to borrowings as follows:
  - from 1.25% to 1.50% when average availability is greater than or equal to 50% of the Loan Cap (as defined in the Second Amendment); and
  - from 1.50% to 1.75% when average availability is less than 50% of the Loan Cap.

The ABL Facility is subject to a borrowing base, consisting primarily of inventory located in the U.S., the United Kingdom and the Netherlands, with a letter of credit sub-limit of $62.5 million, a swing line loan sub-limit of $30 million, and an accordion feature allowing A&F to increase the revolving commitment by up to $150 million subject to specified conditions. The ABL Facility is available for working capital, capital expenditures, and other general corporate purposes.

As of August 3, 2024 November 2, 2024, availability under the ABL Facility was $478.4 $499.6 million, net of $0.4 million in outstanding stand-by letters of credit. As the Company must maintain excess availability equal to the greater of 10% of the loan cap or $36 million under the ABL Facility, borrowing capacity available to the Company under the ABL Facility was $430.5 million $449.6 million as of August 3, 2024 November 2, 2024.

Representations, warranties and covenants

The agreements related to the ABL Facility contain various representations, warranties and restrictive covenants that, among other things and subject to specified exceptions, restrict the ability of the Company and its subsidiaries to: grant or incur liens; incur, assume or guarantee additional indebtedness; sell or otherwise dispose of assets, including capital stock of subsidiaries; make investments in certain subsidiaries; pay dividends, make distributions or redeem or repurchase capital stock; change the nature of their business; and consolidate or merge with or into, or sell substantially all of the assets of the Company or A&F Management to another entity.

Certain of the agreements related to the ABL Facility also contain certain affirmative covenants, including reporting requirements such as delivery of financial statements, certificates and notices of certain events, maintaining insurance and providing additional guarantees and collateral in certain circumstances.

The Company was in compliance with all debt covenants under these agreements as of August 3, 2024 November 2, 2024.

11. SHARE-BASED COMPENSATION

Financial statement impact

The following table provides share-based compensation expense and the related income tax impacts for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

		Thirteen Weeks Ended		Thirteen Weeks Ended		Twenty-Six Weeks Ended		Thirteen Weeks Ended		Thirty-Nine Weeks Ended
(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
Share-based compensation expense										
Income tax benefits associated with share-based compensation expense recognized										

The following table provides discrete income tax benefits and charges related to share-based compensation awards during the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

		Thirteen Weeks Ended Thirteen Weeks Ended Thirteen Weeks Ended		Twenty-Six Weeks Ended			Thirty-Nine Weeks Ended			
(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
Income tax discrete benefits realized for tax deductions related to the issuance of shares										
Income tax discrete charges realized upon cancellation of stock appreciation rights										
Total income tax discrete benefits related to share-based compensation awards										

The following table provides the amount of employee tax withheld by the Company upon the issuance of shares associated with restricted stock units vesting and the exercise of stock appreciation rights for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

		Thirteen Weeks Ended		Thirteen Weeks Ended		Twenty-Six Weeks Ended		Thirteen Weeks Ended		Thirty-Nine Weeks Ended
(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
Employee tax withheld upon issuance of shares (1)										

(1) Classified within financing activities on the Condensed Consolidated Statements of Cash Flows.

Restricted stock units

The following table provides the summarized activity for restricted stock units for the twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024:

Service-based Restricted Stock Units		Service-based Restricted Stock Units		Performance-based Restricted Stock Units	Market-based Restricted Stock Units		Service-based Restricted Stock Units		Performance-based Restricted Stock Units		Market-based Restricted Stock Units	
Number of Underlying Shares	Number of Underlying Shares	Weighted-Average Grant Date Fair Value	Number of Underlying Shares	Weighted-Average Grant Date Fair Value	Number of Underlying Shares	Weighted-Average Grant Date Fair Value	Number of Underlying Shares	Weighted-Average Grant Date Fair Value	Number of Underlying Shares	Weighted-Average Grant Date Fair Value	Number of Underlying Shares	Weighted-Average Grant Date Fair Value

Unvested at February 3, 2024	
Granted	
Adjustments for performance achievement	
Vested	
Forfeited	
Unvested at August 3, 2024 (1)	
Unvested at November 2, 2024 (1)	

(1) Unvested shares related to restricted stock units with performance-based and market-based vesting conditions are reflected at 100% of their target vesting amount in the table above. Unvested shares related to restricted stock units with performance-based and market-based vesting conditions can be achieved from zero up to 200% of their target vesting amount.

The following table provides the unrecognized compensation cost and the remaining weighted-average period over which these costs are expected to be recognized for restricted stock units as of August 3, 2024 November 2, 2024:

	Service-based Restricted Stock Units	Performance-based Restricted Stock Units	Market-based Restricted Stock Units
Unrecognized compensation cost *(in thousands)*	$ 41,966	$ 16,647	$ 6,163
Remaining weighted-average period cost is expected to be recognized (years)	1.1	1.1	1.1

	Service-based Restricted Stock Units	Performance-based Restricted Stock Units	Market-based Restricted Stock Units
Unrecognized compensation cost *(in thousands)*	$ 48,233	$ 19,172	$ 7,105
Remaining weighted-average period cost is expected to be recognized (years)	1.3	1.4	1.4

The following table provides additional information pertaining to restricted stock units for the twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

		Twenty-Six Weeks Ended			Thirty-Nine Weeks Ended	
(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023
Service-based restricted stock units:						
Total grant date fair value of awards granted						
Total grant date fair value of awards granted						
Total grant date fair value of awards granted						
Total grant date fair value of awards vested						
Performance-based restricted stock units:						
Performance-based restricted stock units:						
Performance-based restricted stock units:						
Total grant date fair value of awards granted						
Total grant date fair value of awards granted						
Total grant date fair value of awards granted						
Total grant date fair value of awards vested						
Market-based restricted stock units:						
Market-based restricted stock units:						
Market-based restricted stock units:						
Total grant date fair value of awards granted						

Total grant date fair value of awards granted	
Total grant date fair value of awards granted	
Total grant date fair value of awards vested	

The following table provides the weighted-average assumptions used for market-based restricted stock units in the Monte Carlo simulation during the twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

	Twenty-Six Weeks Ended		Thirty-Nine Weeks Ended	
	August 3, 2024	July 29, 2023	November 2, 2024	October 28, 2023
Grant date market price				
Fair value				
Price volatility				
Price volatility				
Price volatility	59 %	63 %	59 %	63 %
Expected term (years)	2.9	2.9	2.9	2.9
Risk-free interest rate	4.3 %	4.6 %	4.3 %	4.6 %
Dividend yield				
Average volatility of peer companies				
Average correlation coefficient of peer companies	0.4866	0.5295	0.4866	0.5295

Stock appreciation rights

The following table provides the summarized stock appreciation rights activity for the twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024:

	Number of Underlying Shares	Number of Underlying Shares	Weighted-Average Exercise Price	Aggregate Intrinsic Value *(in thousands)*	Weighted-Average Remaining Contractual Life (years)	Number of Underlying Shares	Weighted-Average Exercise Price	Aggregate Intrinsic Value *(in thousands)*	Weighted-Average Remaining Contractual Life (years)
Outstanding at February 3, 2024									
Exercised									
Exercised									
Exercised									
Forfeited or expired									
Forfeited or expired									
Forfeited or expired									
Outstanding at August 3, 2024									
Outstanding at August 3, 2024									
Outstanding at August 3, 2024	—	$—	$—	0.0					
Stock appreciation rights exercisable at August 3, 2024	—	$—	$—	0.0					
Outstanding at November 2, 2024									
Outstanding at November 2, 2024									
Outstanding at November 2, 2024	—	$—	$—	0.0					
Stock appreciation rights exercisable at November 2, 2024	—	$—	$—	0.0					

As of August 3, 2024 November 2, 2024, no stock appreciation rights remain outstanding.

The following table provides additional information pertaining to stock appreciation rights exercised during the twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023
Total grant date fair value of awards exercised						

12. DERIVATIVE INSTRUMENTS

The Company is exposed to risks associated with changes in foreign currency exchange rates and uses derivative instruments, primarily forward contracts, to manage the financial impacts of these exposures. The Company does not use forward contracts to engage in currency speculation and does not enter into derivative financial instruments for trading purposes.

The Company uses derivative instruments, primarily foreign currency exchange forward contracts designated as cash flow hedges, to hedge the foreign currency exchange rate exposure associated with forecasted foreign-currency-denominated intercompany inventory sales to foreign subsidiaries and the related settlement of the foreign-currency-denominated intercompany receivables. Fluctuations in foreign currency exchange rates will either increase or decrease the Company's intercompany equivalent cash flows and affect the Company's U.S. dollar earnings. Gains or losses on the foreign currency exchange forward contracts that are used to hedge these exposures are expected to partially offset this variability. Foreign currency exchange forward contracts represent agreements to exchange the currency of one country for the currency of another country at an agreed upon settlement date. These foreign currency exchange forward contracts typically have a maximum term of twelve months. The sale of the inventory to the Company's customers will result in the reclassification of related derivative gains and losses that are reported in AOCL into earnings.

The Company also uses foreign currency exchange forward contracts to hedge certain foreign-currency-denominated net monetary assets/liabilities. Examples of monetary assets/liabilities include cash balances, receivables and payables. Fluctuations in foreign currency exchange rates result in transaction gains or losses being recorded in earnings, as GAAP requires that monetary assets/liabilities be remeasured at the spot exchange rate at quarter-end and upon settlement. The Company has chosen not to apply hedge accounting to these instruments because there are no anticipated differences in the timing of gain or loss recognition on the hedging instruments and the hedged items.

As of August 3, 2024 November 2, 2024, the Company had outstanding the following foreign currency exchange forward contracts that were entered into to hedge either a portion, or all, of forecasted foreign-currency-denominated intercompany transactions:

(in thousands)		Notional Amount (1)
Euro	$	51,655 69,300
British pound		60,046 84,134
Canadian dollar		22,045 28,480

(1) Amounts reported are the U.S. Dollar dollar notional amounts outstanding as of August 3, 2024 November 2, 2024.

As of August 3, 2024, foreign currency exchange forward contracts that were entered into to hedge foreign-currency-denominated net monetary assets and liabilities were as follows:

(in thousands)		Notional Amount (1)
British pound	$	11,557

(1) Amounts reported are the U.S. Dollar notional amounts outstanding as of August 3, 2024.

The fair value of derivative instruments is determined using quoted market prices of the same or similar instruments, adjusted for counterparty risk. The following table provides the location and amounts of derivative fair values of foreign currency exchange forward contracts on the Condensed Consolidated Balance Sheets as of August 3, 2024 November 2, 2024 and February 3, 2024:

(in thousands)	*(in thousands)* Location	August 3, 2024	February 3, 2024	Location	August 3, 2024	February 3, 2024	*(in thousands)* Location	November 2, 2024	February 3, 2024	Location	November 2, 2024	February 3, 2024
Derivatives designated as cash flow hedging instruments												
Derivatives not designated as hedging instruments												
Total												

The following table provides information pertaining to derivative gains or losses from foreign currency exchange forward contracts designated as cash flow hedging instruments for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

		Thirteen Weeks Ended								
		Thirteen Weeks Ended								
		Thirteen Weeks Ended		Twenty-Six Weeks Ended			Thirty-Nine Weeks Ended			
(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
(Loss) gain recognized in AOCL (1)										
Gain (loss) reclassified from AOCL to cost of sales, exclusive of depreciation and amortization (2)										
Gain recognized in AOCL (1)										
(Loss) gain reclassified from AOCL to cost of sales, exclusive of depreciation and amortization (2)										

(1) Amount represents the change in fair value of derivative instruments.

(2) Amount represents (loss) gain (loss) reclassified from AOCL to cost of sales, exclusive of depreciation and amortization, on the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) when the hedged item affects earnings, which is when merchandise is converted to cost of sales, exclusive of depreciation and amortization.

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Substantially all of the unrealized gain will be recognized in costs of sales, exclusive of depreciation and amortization, on the Condensed Consolidated Statements of Operations and Comprehensive Income over the next twelve months.

The following table provides additional information pertaining to derivative gains or losses from foreign currency exchange forward contracts not designated as hedging instruments for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

		Thirteen Weeks Ended Thirteen Weeks Ended Thirteen Weeks Ended		Twenty-Six Weeks Ended			Thirty-Nine Weeks Ended			
(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
(Loss) gain, net recognized in other operating income, net										
Gain (loss) recognized in other operating (income) loss, net										

13. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following tables provide activity in AOCL for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024:

		Thirteen Weeks Ended August 3, 2024				Thirteen Weeks Ended November 2, 2024		
(in thousands)	*(in thousands)*	Foreign Currency Translation Adjustment	Unrealized Gain (Loss) on Derivative Financial Instruments	Total	*(in thousands)*	Foreign Currency Translation Adjustment	Unrealized Gain (Loss) on Derivative Financial Instruments	Total
Beginning balance at May 4, 2024								
Other comprehensive income (loss) before reclassifications								
Reclassified gain from AOCL (1)								
Beginning balance at August 3, 2024								
Other comprehensive income before reclassifications								
Reclassified loss from AOCL (1)								
Tax effect								
Other comprehensive income (loss) after reclassifications								
Ending balance at August 3, 2024								
Other comprehensive income after reclassifications								
Ending balance at November 2, 2024								

		Twenty-Six Weeks Ended August 3, 2024 Twenty-Six Weeks Ended August 3, 2024 Twenty-Six Weeks Ended August 3, 2024 Thirty-Nine Weeks Ended November 2, 2024 Thirty-Nine Weeks Ended November 2, 2024 Thirty-Nine Weeks Ended November 2, 2024						
(in thousands)	*(in thousands)*	Foreign Currency Translation Adjustment	Unrealized Gain (Loss) on Derivative Financial Instruments	Total	*(in thousands)*	Foreign Currency Translation Adjustment	Unrealized Gain (Loss) on Derivative Financial Instruments	Total
Beginning balance at February 3, 2024								

Other comprehensive income before reclassifications	
Reclassified gain from AOCL (1)	
Tax effect	
Other comprehensive income (loss) after reclassifications	
Ending balance at August 3, 2024	
Other comprehensive income after reclassifications	
Ending balance at November 2, 2024	

(1) Amount represents gain loss reclassified from AOCL to cost of sales, exclusive of depreciation and amortization, on the Condensed Consolidated Statements of Operations and Comprehensive Income.

The following tables provide activity in AOCL for the thirteen and twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023:

		Thirteen Weeks Ended July 29, 2023				Thirteen Weeks Ended October 28, 2023		
(in thousands)	*(in thousands)*	Foreign Currency Translation Adjustment	Unrealized Gain (Loss) on Derivative Financial Instruments	Total	*(in thousands)*	Foreign Currency Translation Adjustment	Unrealized Gain (Loss) on Derivative Financial Instruments	Total
Beginning balance at April 29, 2023								
Beginning balance at July 29, 2023								
Other comprehensive (loss) income before reclassifications								
Reclassified loss from AOCL (1)								
Tax effect								
Other comprehensive (loss) income after reclassifications								
Ending balance at July 29, 2023								
Ending balance at October 28, 2023								

Twenty-Six Weeks Ended July 29, 2023

Twenty-Six Weeks Ended July 29, 2023

Twenty-Six Weeks Ended July 29, 2023

Thirty-Nine Weeks Ended October 28, 2023

Thirty-Nine Weeks Ended October 28, 2023

Thirty-Nine Weeks Ended October 28, 2023

(in thousands)	*(in thousands)*	Foreign Currency Translation Adjustment	Unrealized Gain (Loss) on Derivative Financial Instruments	Total	*(in thousands)*	Foreign Currency Translation Adjustment	Unrealized Gain (Loss) on Derivative Financial Instruments	Total
Beginning balance at January 28, 2023								
Other comprehensive (loss) income before reclassifications								
Reclassified loss from AOCL (1)								
Tax effect								
Other comprehensive (loss) income after reclassifications								
Ending balance at July 29, 2023								
Ending balance at October 28, 2023								

(1) Amount represents loss reclassified from AOCL to cost of sales, exclusive of depreciation and amortization, on the Condensed Consolidated Statements of Operations and Comprehensive Income.

14. SEGMENT REPORTING

The Company's reportable segments are based on the financial information the chief operating decision maker ("CODM") CODM uses to allocate resources and assess performance of its business.

The Company manages its business on a geographic basis, consisting of three reportable segments: Americas; EMEA; and APAC. Corporate functions and other income and expenses are evaluated on a consolidated basis and are not allocated to the Company's segments, and therefore are included as a reconciling item between segment and total operating income. The Americas reportable segment includes the results of operations in North America and South America. The EMEA reportable segment includes the results of operations in Europe, the Middle East and Africa. The APAC reportable segment includes the results of operations in the Asia-Pacific region, including Asia and Oceania. Intersegment sales and transfers are recorded at cost and are treated as a transfer of inventory. All intercompany revenues are eliminated in consolidation and are not reviewed when evaluating segment performance.

The group comprised of the Company's (i) Chief Executive Officer and (ii) Chief Financial Officer and Chief Operating Officer functions functioned as the Company's CODM. CODM as of November 2, 2024. The Company's CODM manages business operations and evaluates the performance of each segment based on the net sales and operating income (loss) of the segment.

Net sales by segment are presented by attributing revenues on the basis of the segment to a physical store location or geographical region that fulfills the order. Operating income for each segment includes net sales to third parties, related cost of sales and operating expenses directly attributed to the segment. Corporate/other expenses include expenses incurred that are not directly attributed to a reportable segment and primarily relate to corporate or global functions such as design, sourcing, brand management, corporate strategy, information technology, finance, treasury, legal, human resources, and other corporate support services, as well as certain globally managed components of the planning, merchandising, and marketing functions.

The Company reports inventories by segment as that information is used by the CODM in determining allocation of resources to the segments. The Company does not report its other assets by segment as that information is not used by the CODM in assessing segment performance or allocating resources.

The following tables provide the Company's segment information as of August 3, 2024 November 2, 2024 and February 3, 2024, and for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

	Net Sales									
	Thirteen Weeks Ended		Thirteen Weeks Ended		Twenty-Six Weeks Ended		Thirteen Weeks Ended			Thirty-Nine Weeks Ended
(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
Americas										
EMEA										
APAC										
Segment total										

	Operating Income (Loss)									
	Operating Income (Loss)									
	Operating Income (Loss)									
	Thirteen Weeks Ended		Thirteen Weeks Ended		Twenty-Six Weeks Ended		Thirteen Weeks Ended			Thirty-Nine Weeks Ended
(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
Operating Income (loss)										
Americas										
Americas										
Americas										
EMEA										
APAC										
Segment total										
Operating (loss) income not attributed to segments:										
Stores and distribution expense										
Stores and distribution expense										
Stores and distribution expense										
Marketing, general and administrative expense										
Other operating income, net										
Other operating income, net										
Other operating income, net										
Other operating (loss) income, net										

Other operating income (loss), net
Other operating income (loss), net
Total operating income
Total operating income
Total operating income

	Assets
	Assets
	Assets
(in thousands)	
(in thousands)	
(in thousands)	
Inventories	
Inventories	
Inventories	
Americas	
Americas	
Americas	
EMEA	
EMEA	
EMEA	
APAC	
APAC	
APAC	
Total inventories	
Total inventories	
Total inventories	
Assets not attributed to segments	
Assets not attributed to segments	
Assets not attributed to segments	
Total assets	
Total assets	
Total assets	

Brand Information

The following table provides additional disaggregated revenue information, which is categorized by brand, for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

		Thirteen Weeks Ended		Thirteen Weeks Ended		Twenty-Six Weeks Ended		Thirteen Weeks Ended		Thirty-Nine Weeks Ended
(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
Abercrombie (1)										
Hollister (2)										
Total										

(1) Abercrombie brands includes Includes Abercrombie & Fitch and abercrombie kids.

(2) Hollister brands includes Includes Hollister and Gilly Hicks

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") should be read together with the Company's Condensed Consolidated Financial Statements and Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q in "Item 1. Financial Statements (Unaudited)," to which all references to Notes in MD&A are made.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The Company cautions that any forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) contained in this Quarterly Report on Form 10-Q or made by the Company or its management and spokespeople 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," "should," "are confident," "will," "could," "outlook," or the negative versions of these words or other comparable words, and similar expressions may identify forward-looking statements. Future economic and industry trends that could potentially impact revenue and profitability are difficult to predict. Therefore, there can be no assurance that the forward-looking statements included in this Quarterly Report on Form 10-Q will prove to be accurate. Factors that could cause results to differ from those expressed in the Company's forward-looking statements include, but are not limited to, the risks described or referenced in Part I, Item 1A. "Risk Factors," in the Company's Fiscal 2023 Form 10-K and in our subsequent reports and filings with the SEC, as well as the following:

- risks related to changes in global economic and financial conditions, including inflation, and the resulting impact on consumer spending generally and on our operating results, financial condition, and expense management, and our ability to adequately mitigate the impact;
- risks related to the geopolitical landscape and conflicts, such as the recent attacks on marine vessels in the Red Sea and the potential escalation of such conflicts, and the impact of such conflicts on international trade, supplier delivery or increased freight costs, acts of terrorism, mass casualty events, social unrest, civil disturbance or disobedience;
- risks related to natural disasters and other unforeseen catastrophic events;
- risks related to our failure to engage our customers, anticipate customer demand, expectations, and changing fashion trends, and manage our inventory; inventory and product delivery;
- risks related to our ability to successfully invest in and execute on our customer, digital and omnichannel initiatives;
- risks related to the effects of seasonal fluctuations on our sales and our performance during the back-to-school and holiday selling seasons;
- risks related to fluctuations in foreign currency exchange rates;
- risks related to fluctuations in our tax obligations and effective tax rate, including as a result of earnings and losses generated from our international operations;
- risks related to our ability to execute on, and maintain the success of, our strategic and growth initiatives, including those outlined in our 2025 Always Forward Plan;
- risks related to global operations, including changes in the economic or political conditions where we sell or source our products or changes in import tariffs or trade restrictions; restrictions, including implications related to the change in administration as a result of the 2024 U.S. presidential election;
- risks and uncertainty related to adverse public health developments;
- risks related to cybersecurity threats and privacy or data security breaches;
- risks related to the potential loss or disruption of our information systems;
- risks related to the continued validity of our trademarks and our ability to protect our intellectual property;
- risks associated with climate change and other corporate responsibility issues;
- risks related to reputational harm to the Company, its officers, and directors;
- risks related to actual or threatened litigation; and
- uncertainties related to future legislation, regulatory reform, policy changes, or interpretive guidance on existing legislation.

In light of the significant uncertainties in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by the Company, or any other person, that the objectives of the Company will be achieved. The forward-looking statements included herein are based on information presently available to the management of the Company. Except as may be required by applicable law, the Company assumes no obligation to publicly update or revise its forward-looking statements, including any financial targets and estimates, whether as a result of new information, future events, or otherwise. As used herein, "Abercrombie & Fitch Co.," "A&F," "the Company," "we," "us," "our," and similar terms include Abercrombie & Fitch Co. ("A&F") and its subsidiaries, unless the context indicates otherwise.

INTRODUCTION

MD&A is provided as a supplement to the accompanying Condensed Consolidated Financial Statements and notes thereto to help provide an understanding of the Company's results of operations, financial condition, and liquidity. MD&A is organized as follows:

- Overview. A general description of the Company's business and certain segment information.
- Current Trends and Outlook. A discussion related to certain of the Company's focus areas for the current fiscal year and a discussion of certain risks and challenges, as well as a summary of the Company's performance for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023.
- Results of Operations. An analysis of certain components of the Company's Condensed Consolidated Statements of Operations and Comprehensive Income for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023.
- Liquidity and Capital Resources. A discussion of the Company's financial condition, changes in financial condition and liquidity as of August 3, 2024 November 2, 2024, which includes (i) an analysis of financial condition as compared to February 3, 2024; (ii) an analysis of changes in cash flows for the twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024, as compared to the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023; and (iii) an analysis of liquidity, including availability under the Company's ABL Facility (as defined below), the Company's share repurchase program, and outstanding debt and covenant compliance.
- Recent Accounting Pronouncements. A discussion, as applicable, of the recent accounting pronouncements that the Company has adopted or is currently evaluating, including the dates of adoption and/or expected dates of adoption, and anticipated effects on the Company's Condensed Consolidated Financial Statements.
- Critical Accounting Estimates. A discussion of the accounting estimates considered to be important to the Company's results of operations and financial condition, which typically require significant judgment and estimation on the part of management in their application.
- Non-GAAP Financial Measures. MD&A provides a discussion of certain financial measures that have been determined to not be presented in accordance with GAAP. This section includes certain reconciliations between GAAP and non-GAAP financial measures and additional details on non-GAAP financial measures, including information as to why the Company believes that the non-GAAP financial measures provided within MD&A are useful to investors.

OVERVIEW

Business summary

The Company is a global, digitally-led omnichannel retailer. The Company offers a broad assortment of apparel, personal care products and accessories for men, women and kids, which are sold primarily through its Company-owned stores and digital channels, as well as through various third-party arrangements.

The Company manages its business on a geographic basis, consisting of three reportable segments: Americas; Europe, the Middle East and Africa ("EMEA"); and Asia-Pacific ("APAC"). Corporate functions and other income and expenses are evaluated on a consolidated basis and are not allocated to the Company's segments, and therefore are included as a reconciling item between segment and total operating income.

The Company's brands include Abercrombie brands, which includes Abercrombie & Fitch and abercrombie kids, and Hollister brands, which includes Hollister and Gilly Hicks. These brands share a commitment to offering unique products of enduring quality and exceptional comfort that allow customers around the world to express their own individuality and style.

The Company's fiscal year ends on the Saturday closest to January 31. All references herein to the Company's fiscal years are as follows:

Fiscal year	Year ended/ending	Number of weeks
Fiscal 2023	February 3, 2024	53
Fiscal 2024	February 1, 2025	52
Fiscal 2025	January 31, 2026	52

Seasonality

Historically, the Company's operations have been seasonal in nature and consist of two principal selling seasons: the spring season, which includes the first and second fiscal quarters ("Spring"), and the fall season, which includes the third and fourth fiscal quarters ("Fall"). Due to the seasonal nature of the retail apparel industry, the results of operations for any current period are not necessarily indicative of the results expected for the full fiscal year and the Company could have significant fluctuations in certain asset and liability accounts. The Company historically experiences its greatest sales activity during the Fall season due to back-to-school and holiday sales periods, respectively.

CURRENT TRENDS AND OUTLOOK

Focus areas for fiscal 2024

In June of Fiscal 2022, we announced our 2025 Always Forward Plan, which outlines our long-term strategy and goals, including growing shareholder value. The 2025 Always Forward Plan is anchored on our strategic growth principles, which are to:

- Execute focused growth plans;
- Accelerate an enterprise-wide digital revolution; and
- Operate with financial discipline.

The 2025 Always Forward Plan growth principles serve as a framework for the Company achieving sustainable and profitable growth and profitability in Fiscal 2024. Below are some additional details specific to Fiscal 2024 objectives within the 2025 Always Forward Plan:

Execute focused growth plans by:

- driving sales growth across regions and brands primarily through marketing and store investment;
- using our playbooks globally to align the brands' products, voices, and experiences with customers, both digitally and in-store; and
- using testing and chase strategies to deliver compelling assortments and product collections across genders.

Accelerate an enterprise-wide digital revolution to improve the customer and associate experience by:

- continuing to progress on our multi-year enterprise resource planning ("ERP") transformation and cloud migration journey; and
- investing in digital and technology to improve experiences across key parts of the customer journey while delivering a consistent omnichannel experience.

Operate with financial discipline by:

- actively managing inventory levels and positioning Abercrombie brands and Hollister brands to chase inventory as appropriate throughout the year; and
- funding our growth strategies while properly balancing investments, impacts of inflation and efficiency efforts.

Current macroeconomic conditions and impact of inflation

Macroeconomic conditions, including that include inflation, higher a volatile interest rates, rate environment, the geopolitical landscape, global political uncertainty, including as a result of the 2024 U.S. presidential and congressional elections, uncertainty regarding significant changes in several countries, legislation, regulations, and tariffs, foreign exchange rate fluctuations, and declines evolving habits in consumer discretionary spending continue to negatively impact the global economy. In periods of perceived or actual unfavorable economic conditions, consumers may reallocate available discretionary spending or determine that they have fewer funds available for discretionary spending, which may adversely impact demand for our products. In addition, while cotton and raw material costs stabilized during since the second quarter of Fiscal 2024, freight costs have been increasing since the start of the second quarter of Fiscal 2024. Continued inflationary pressures and pricing volatility could further impact expenses and have a long-term impact on the Company because increasing costs may impact its ability to maintain satisfactory margins.

Global events and supply chain disruptions

As a global multi-brand omnichannel specialty retailer, with operations in North America, Europe, the Middle East, and Asia, among other regions, management is mindful of macroeconomic risks, global challenges and the changing global geopolitical environment. Starting The global supply chain also continues to be negatively impacted by various factors, including disruptions in late Fiscal 2023, disruptions major maritime routes, port congestion, higher operational costs, and increased competition for supply chain availability due to ocean vessels in the Red Sea resulted in delayed deliveries to the EMEA region. Such disruptions have also increased freight costs, which may continue to impact the Company through the remainder of Fiscal 2024. uncertainty regarding potential tariffs. The Company has taken certain mitigating actions in response to these disruptions, including increasing air freight usage where appropriate and prioritizing critical orders earlier to allow for longer lead times. Further mitigating actions may be needed, particularly if there is prolonged port congestion or escalating conflict transportation delays, and could result in higher freight costs in the Red Sea. near-term and beyond.

Management continues to monitor global events and assess the potential impacts that these and similar events may have on the business in future periods. Although management also develops and updates contingency plans to assist in mitigating potential impacts, it is possible that the Company's preparations for such events are not adequate to mitigate their impact, and that these events could further adversely affect its business and results of operations.

Global store network optimization

The Company has a goal of finding the right size, right location and right economics for omni-enabled stores that cater to local customers. The Company continues to use data to inform its focus on aligning store square footage with digital penetration, and has delivered new store experiences across brands during Fiscal 2024. Through the end of the second third fiscal quarter, the Company opened 18 39 new stores, remodeled 23 30 stores and right-sized seven eight stores while closing 26 31 stores. As part of this focus, the Company' Company's store investment plan includes delivering approximately 20 net store openings during Fiscal 2024 consisting of opening approximately 60 new stores, along while closing approximately 40 stores, pending negotiations with our landlord partners. Additionally, the Company expects approximately 60 remodels and rightsizes, while closing approximately 40 stores, during Fiscal 2024, pending negotiations with our landlord partners.

Future closures could be completed through natural lease expirations, while certain other leases include early termination options that can be exercised under specific conditions. The Company may also elect to exit or modify other leases, and could incur charges related to these actions.

Pillar Two Model Rules

In 2021, the Organization for Economic Cooperation and Development ("OECD") released Pillar Two Global Anti-Base Erosion model rules ("Pillar Two Rules"), designed to ensure large corporations are taxed at a minimum rate of 15% in all countries of operation. Although the U.S. has not yet enacted legislation implementing Pillar Two Rules, other countries where the Company does business, including the U.K. and Germany, have enacted legislation implementing Pillar Two Rules, which are effective from January 1, 2024. The implementation of the Pillar Two Rules in each jurisdiction in which it operates did not have a material impact on the Company's effective tax rate. The Company will continue to evaluate the impact as additional jurisdictions implement legislation and provide further guidance.

For a discussion of material risks that have the potential to cause our actual results to differ materially from our expectations, refer to Part I, "Item 1A. Risk Factors" on the Fiscal 2023 Form 10-K.

Summary of results

The following provides a summary of results for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

		GAAP		GAAP		Non-GAAP (1)		GAAP		Non-GAAP (1)	
Thirteen Weeks Ended	**Thirteen Weeks Ended**	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023	**Thirteen Weeks Ended**	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023	
Net sales *(in thousands)*											
Net sales *(in thousands)*											
Net sales *(in thousands)*											
Change in net sales											
Change in net sales											
Change in net sales											
Comparable sales (2)											
Comparable sales (2)											
Comparable sales (2)				18 %		13 %				16 %	16 %
Gross profit rate											
Operating income *(in thousands)*											
Operating income *(in thousands)*											
Operating income *(in thousands)*											
Operating income margin											
Operating income margin											
Operating income margin											
Net income attributable to A&F *(in thousands)*											
Net income attributable to A&F *(in thousands)*											
Net income attributable to A&F *(in thousands)*											
Net income per share attributable to A&F											
Net income per share attributable to A&F											
Net income per share attributable to A&F											
Twenty-Six Weeks Ended											
Thirty-Nine Weeks Ended											
Twenty-Six Weeks Ended											
Thirty-Nine Weeks Ended											
Twenty-Six Weeks Ended											
Thirty-Nine Weeks Ended											
Net sales											
Net sales											
Net sales											
Change in net sales											
Change in net sales											
Change in net sales											
Comparable sales (2)											
Comparable sales (2)											

Comparable sales (2)		19 %		8 %			18 %	11 %	
Gross profit rate									
Operating income									
Operating income									
Operating income									
Operating income margin	Operating income margin	14.2 %	7.0 %	7.2 %	Operating income margin	14.4 %	9.3 %	9.4 %	
Net income attributable to A&F									
Net income per share attributable to A&F									

(1) Discussion as to why the Company believes that these non-GAAP financial measures are useful to investors and a reconciliation of the non-GAAP measures to the most directly comparable financial measure calculated and presented in accordance with GAAP are provided below under "*NON-GAAP FINANCIAL MEASURES*."

(2) Comparable sales are calculated on a constant currency basis and exclude revenue other than store and digital sales. Refer to the discussion below in "*NON-GAAP FINANCIAL MEASURES*," for further details on the comparable sales calculation.

Certain components of the Company's Condensed Consolidated Balance Sheets as of August 3, 2024 November 2, 2024 and February 3, 2024 were as follows:

(in thousands)	*(in thousands)*	August 3, 2024	February 3, 2024	*(in thousands)*	November 2, 2024	February 3, 2024
Cash and equivalents						
Inventories						
Gross long-term borrowings outstanding, carrying amount						

Certain components of the Company's Condensed Consolidated Statements of Cash Flows for the twenty-six thirty-nine week periods ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023 were as follows:

(in thousands)	*(in thousands)*	August 3, 2024	July 29, 2023	*(in thousands)*	November 2, 2024	October 28, 2023
Net cash provided by operating activities						
Net cash used for investing activities						
Net cash used for financing activities						

RESULTS OF OPERATIONS

The estimated basis point ("BPS") change disclosed throughout this Results of Operations section has been rounded based on the change in the percentage of net sales.

Net sales

Net sales by segment are presented by attributing revenues on the basis of the segment that fulfills the order. The Company's net sales by reportable segment for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023 were as follows:

	Thirteen Weeks Ended									
(in thousands, except ratios)										
(in thousands, except ratios)										
(in thousands, except ratios)	August 3, 2024	July 29, 2023	$ Change	% Change	Comparable Sales (1)	November 2, 2024	October 28, 2023	$ Change	% Change	Comparable Sales (1)
By segment:										
Americas										
Americas										
Americas	$ 901,224	$ 731,427	$ 169,797	23 %	18 %	$ 986,449	$ 867,566	$ 118,883	14 %	16 %

EMEA

APAC

Total

Twenty-Six Weeks Ended

Thirty-Nine Weeks Ended

Twenty-Six Weeks Ended

Thirty-Nine Weeks Ended

Twenty-Six Weeks Ended

Thirty-Nine Weeks Ended

(in thousands, except ratios)

(in thousands, except ratios)

(in thousands, except ratios)		August 3, 2024	July 29, 2023	$ Change		% Change	Comparable Sales (1)		November 2, 2024	October 28, 2023	$ Change		% Change	Comparable Sales (1)
Americas	Americas	$ 1,721,345	$ 1,396,850	$ 324,495	23	23 %	19 %	Americas	$ 2,707,794	$ 2,264,415	$ 443,379	20	20 %	18 %
EMEA														
APAC														
Total														

(1) Comparable sales are calculated on a constant currency basis. Refer to "NON-GAAP FINANCIAL MEASURES," for further details on the comparable sales calculation.

For the second third quarter of Fiscal 2024, net sales increased 21% 14% as compared to the second third quarter of Fiscal 2023. The increase was primarily attributable to a high-single digit growth in unit volume from traffic growth in comparable company owned and operated stores and digital channels. Mid-single digit increase in average unit retail ("AUR") from lower promotional activity and category mix into higher ticket items also contributed to the increase in net sales. The increase was partially offset by approximately $10 million due to the timing of sales volume based on the impact of the calendar shift in fiscal 2024 due to the 53rd selling week in fiscal 2023. The year-over-year increase in net sales reflects positive comparable sales of 16%, as compared to the third quarter of Fiscal 2023.

- Net sales growth in the Americas region of 14%. The increase was attributable to both higher AUR from lower promotional activity and category mix into higher ticket items and direct channel unit volume growth from increased traffic and transactions in company owned and operated stores and digital channels.
- Net sales growth in the EMEA region of 15%. The increase was attributable to both higher AUR from lower promotional activity and category mix into higher ticket items and unit volume growth from increased traffic and transactions in company owned and operated stores and digital channels.
- In the APAC region net sales grew 32% and 16% on a comparable sales basis. In the third quarter, APAC net sales growth had an outsized benefit relative to total company from the calendar shift of the 53rd selling week. This third quarter benefit will be offset in the fourth quarter. Comparable sales growth led by high unit sales across company owned and operated stores and digital channels.

For the year-to-date period of Fiscal 2024, net sales increased 19%, as compared to the year-to-date period of Fiscal 2023. The increase was primarily attributable to a double-digit increase in average unit retail ("AUR") AUR from lower promotional activity and category mix into higher ticket items. Mid-single digit growth in unit volume also contributed to the increase in net sales, following increases in traffic and transactions in company owned and operated channels. Additionally, there was a benefit of approximately $30 million due to the timing of sales volume based on the impact of the calendar shift in Fiscal 2024 due to the 53rd selling week in Fiscal 2023. The year-over-year increase in net sales reflects positive comparable sales of 18%, as compared to the second quarter year-to-date period of Fiscal 2023.

- Net sales growth in the Americas region of 23%. 20% and 18% on a comparable basis. The increase was attributable to a higher AUR from lower promotional activity and category mix into higher ticket items. Growth in unit volume as a result of increased traffic and transactions in company owned and operated stores and digital channels also contributed to the increase in net sales.
- Net sales growth in the EMEA region of 16%. 17% on both a reported and comparable sales basis. The increase was attributable to a higher AUR from lower promotional activity and category mix into higher ticket items. Growth in unit volume as a result of increased traffic and transactions in company owned and operated stores and digital channels also contributed to the increase in net sales.

- In the APAC region net sales grew 3% 15% and 21% 20% on a comparable sales basis. Comparable sales growth percentage is higher than net sales growth percentage, as comparable sales excludes the impact of store closures during the period and the effects of foreign currency, both of which had a negative impact on net sales growth.

For the year-to-date period of Fiscal 2024, net sales increased 22%, as compared to the year-to-date period of Fiscal 2023. The increase was primarily attributable to a double-digit increase in AUR from lower promotional activity and category mix into higher ticket items. Mid-single digit growth in unit volume also contributed to the increase in net sales, following increases in traffic and transactions in company owned and operated channels. Additionally, there was a benefit of approximately $40 million due to the timing of sales volume based on the impact of the calendar shift in Fiscal 2024 due to the 53rd selling week in Fiscal 2023. The year-over-year increase in net sales reflects positive comparable sales of 19%, as compared to the year-to-date period of Fiscal 2023.

- Net sales growth in the Americas region of 23%. The increase was attributable to a higher AUR from lower promotional activity and category mix into higher ticket items. Growth in unit volume as a result of increased traffic and transactions in company owned and operated stores and digital channels also contributed to the increase in net sales.
- Net sales growth in the EMEA region of 18%. The increase was attributable to a higher AUR from lower promotional activity and category mix into higher ticket items. Growth in unit volume as a result of increased traffic and transactions in company owned and operated stores and digital channels also contributed to the increase in net sales.
- In the APAC region net sales grew 7% and 21% on a comparable sales basis. Comparable sales growth percentage is higher than net sales growth percentage, as comparable sales excludes the impact of store closures during the period and the effects of foreign currency, both of which had a negative impacts on net sales growth.

The Company's net sales by brand for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023 were as follows:

Thirteen Weeks Ended

(in thousands, except ratios)

(in thousands, except ratios)

(in thousands, except ratios)	August 3, 2024	July 29, 2023	$ Change	% Change	Comparable Sales (1)	November 2, 2024	October 28, 2023	$ Change	% Change	Comparable Sales (1)
Abercrombie (2) Abercrombie (2)	$ 582,416	$ 462,711	$ 119,705	26 %	21 %	Abercrombie (2) $ 629,835	$ 547,728	$ 82,107	15 %	11 %
Hollister (3)										
Total										

Twenty-Six Weeks Ended

Twenty-Six Weeks Ended

Twenty-Six Weeks Ended

Thirty-Nine Weeks Ended

Thirty-Nine Weeks Ended

Thirty-Nine Weeks Ended

(in thousands, except ratios)

(in thousands, except ratios)

(in thousands, except ratios)	August 3, 2024	July 29, 2023	$ Change	% Change	Comparable Sales (1)	November 2, 2024	October 28, 2023	$ Change	% Change	Comparable Sales (1)
Abercrombie (2) Abercrombie (2)	$ 1,153,929	$ 898,755	$ 255,174	28 %	25 %	Abercrombie (2) $ 1,783,764	$ 1,446,483	$ 337,281	23 %	20 %
Hollister (3)										
Total										

(1) Comparable sales are calculated on a constant currency basis. Refer to "NON-GAAP FINANCIAL MEASURES," for further details on the comparable sales calculation.

(2) Includes Abercrombie & Fitch and abercrombie kids.

(3) Includes Hollister and Gilly Hicks.

Cost of sales, exclusive of depreciation and amortization

	Thirteen Weeks Ended						
	August 3, 2024						
	August 3, 2024						
	August 3, 2024						
	November 2, 2024						
	November 2, 2024						
	November 2, 2024						
(in thousands, except ratios)							
(in thousands, except ratios)							
(in thousands, except ratios)		% of Net sales	% of Net sales	BPS Change	% of Net sales	% of Net sales	BPS Change
Cost of sales, exclusive of depreciation and amortization							

	Twenty-Six Weeks Ended						
	Thirty-Nine Weeks Ended						
	Twenty-Six Weeks Ended						
	Thirty-Nine Weeks Ended						
	Twenty-Six Weeks Ended						
	August 3, 2024						
	August 3, 2024						
	August 3, 2024						
	Thirty-Nine Weeks Ended						
	November 2, 2024						
	November 2, 2024						
	November 2, 2024						
(in thousands, except ratios)							
(in thousands, except ratios)							
(in thousands, except ratios)		% of Net Sales	% of Net Sales	BPS Change	% of Net Sales	% of Net Sales	BPS Change
Cost of sales, exclusive of depreciation and amortization							

For the second third quarter of Fiscal 2024, cost of sales, exclusive of depreciation and amortization, as a percentage of net sales decreased by approximately 240 20 basis points, as compared to the second third quarter of Fiscal 2023. The percentage decline was primarily attributable to cost of sales leverage from a higher AUR on reduced promotions, as well as a benefit in product costs, as certain raw material prices have declined. These benefits were partially offset by higher freight costs compared to the second third quarter of Fiscal 2023.

For the year-to-date period of Fiscal 2024, cost of sales, exclusive of depreciation and amortization, as a percentage of net sales decreased by approximately 380 250 basis points as compared to the year-to-date period of Fiscal 2023. The percentage decline was primarily attributable to cost of sales leverage from a higher AUR on reduced promotions, as well as a benefit in product costs, as certain raw material prices have declined. These benefits were partially offset by higher freight costs compared to the year-to-date period of Fiscal 2023.

Gross profit, exclusive of depreciation and amortization

	Thirteen Weeks Ended						
	August 3, 2024						
	August 3, 2024						
	August 3, 2024						
	November 2, 2024						
	November 2, 2024						
	November 2, 2024						
(in thousands, except ratios)							
(in thousands, except ratios)							
(in thousands, except ratios)		% of Net sales	% of Net sales	BPS Change	% of Net sales	% of Net sales	BPS Change
Gross profit, exclusive of depreciation and amortization							
	Twenty-Six Weeks Ended						
	Thirty-Nine Weeks Ended						

	Twenty-Six Weeks Ended					
	Thirty-Nine Weeks Ended					
	Twenty-Six Weeks Ended					
	August 3, 2024					
	August 3, 2024					
	August 3, 2024					
	Thirty-Nine Weeks Ended					
	November 2, 2024					
	November 2, 2024					
	November 2, 2024					
(in thousands, except ratios)						
(in thousands, except ratios)						
(in thousands, except ratios)	% of Net Sales	% of Net Sales	BPS Change	% of Net Sales	% of Net Sales	BPS Change
Gross profit, exclusive of depreciation and amortization						

Stores and distribution expense

	Thirteen Weeks Ended					
	August 3, 2024					
	August 3, 2024					
	August 3, 2024					
	November 2, 2024					
	November 2, 2024					
	November 2, 2024					
(in thousands, except ratios)						
(in thousands, except ratios)						
(in thousands, except ratios)	% of Net sales	% of Net sales	BPS Change	% of Net sales	% of Net sales	BPS Change
Stores and distribution expense						

	Twenty-Six Weeks Ended					
	Thirty-Nine Weeks Ended					
	Twenty-Six Weeks Ended					
	Thirty-Nine Weeks Ended					
	Twenty-Six Weeks Ended					
	August 3, 2024					
	August 3, 2024					
	August 3, 2024					
	Thirty-Nine Weeks Ended					
	November 2, 2024					
	November 2, 2024					
	November 2, 2024					
(in thousands, except ratios)						
(in thousands, except ratios)						
(in thousands, except ratios)	% of Net Sales	% of Net Sales	BPS Change	% of Net Sales	% of Net Sales	BPS Change
Stores and distribution expense						

For the second third quarter of Fiscal 2024, stores and distribution expense increased by $38 million $35 million compared to the second third quarter of 2023. Stores and distribution expense as a percentage of net sales decreased 330 160 basis points, as compared to the second third quarter of Fiscal 2023. The decrease in rate was primarily driven by expense leverage as a result of from higher net sales, growth, including approximately 300 110 basis points in stores expense, primarily relating to store occupancy and store payroll, and 30 approximately 60 basis points in distribution center and order fulfillment costs as compared to the second third quarter of Fiscal 2023.

For the year-to-date period of Fiscal 2024, stores and distribution expense increased by $73 million $108 million and decreased 350 280 basis points, as a percentage of net sales, as compared to the year-to-date period of Fiscal 2023. The decrease as a percent of net sales was primarily driven by expense leverage as a result of from higher net sales, growth, including approximately 340 250 basis points in stores expense, primarily relating to store occupancy and store payroll, and 20 30 basis points in distribution center and order fulfillment costs compared to the year-to-date period of Fiscal 2023.

Marketing, general and administrative expense

	Thirteen Weeks Ended					
	August 3, 2024					
	August 3, 2024					
	August 3, 2024					
	November 2, 2024					
	November 2, 2024					
	November 2, 2024					
(in thousands, except ratios)						
(in thousands, except ratios)						
(in thousands, except ratios)		% of Net sales	% of Net sales	BPS Change	% of Net sales	% of Net sales	BPS Change
Marketing, general and administrative expense						

	Twenty-Six Weeks Ended					
	Thirty-Nine Weeks Ended					
	Twenty-Six Weeks Ended					
	Thirty-Nine Weeks Ended					
	Twenty-Six Weeks Ended					
	August 3, 2024					
	August 3, 2024					
	August 3, 2024					
	Thirty-Nine Weeks Ended					
	November 2, 2024					
	November 2, 2024					
	November 2, 2024					
(in thousands, except ratios)						
(in thousands, except ratios)						
(in thousands, except ratios)		% of Net Sales	% of Net Sales	BPS Change	% of Net Sales	% of Net Sales	BPS Change
Marketing, general and administrative expense						

For the second third quarter of Fiscal 2024, marketing, general and administrative expense increased by $26 million $27 million compared to the second third quarter of Fiscal 2023. Marketing, general and administrative expense as a percentage of net sales decreased 40 increased 30 basis points, as compared to the second third quarter of Fiscal 2023. The decrease increase in expense rate was primarily driven by expense leverage as a result of net sales growth, including approximately 40 basis points in compensation expense slightly offset by a 30 an 80 basis point increase in marketing expense. expense, primarily due to media campaigns and content, partially offset by 50 basis points of other general and administrative costs primarily relating to payroll expense leverage from higher net sales.

For the year-to-date period of Fiscal 2024, marketing, general and administration expense increased by $61 million $89 million and remained approximately flat, increased 10 basis points as a percentage of net sales, as compared to the year-to-date period of Fiscal 2023, with a 20 basis point decrease in compensation and other expense, offset by a 30 50 basis point increase in marketing expense. expense, primarily due to media campaigns and content, partially offset by a 40 basis point decrease in other general and administrative costs primarily relating to payroll expense leverage from higher net sales.

Other operating income, (income) loss, net

	Thirteen Weeks Ended
	August 3, 2024
	August 3, 2024
	August 3, 2024
	November 2, 2024
	November 2, 2024

	November 2, 2024			
(in thousands, except ratios)				
(in thousands, except ratios)				
(in thousands, except ratios)		% of Net sales	% of Net sales	BPS Change
Other operating (income) loss, net				

	Thirty-Nine Weeks Ended							
	Thirty-Nine Weeks Ended							
	Thirty-Nine Weeks Ended							
	November 2, 2024							
	November 2, 2024							
	November 2, 2024							
(in thousands, except ratios)								
(in thousands, except ratios)								
(in thousands, except ratios)		% of Net sales	% of Net sales	BPS Change	% of Net Sales	% of Net Sales	BPS Change
Other operating income, net								

	Twenty-Six Weeks Ended			
	Twenty-Six Weeks Ended			
	Twenty-Six Weeks Ended			
	August 3, 2024			
	August 3, 2024			
	August 3, 2024			
(in thousands, except ratios)				
(in thousands, except ratios)				
(in thousands, except ratios)		% of Net Sales	% of Net Sales	BPS Change
Other operating income, net				

Operating income

	Thirteen Weeks Ended						
	August 3, 2024						
	August 3, 2024						
	August 3, 2024						
	November 2, 2024						
	November 2, 2024						
	November 2, 2024						
(in thousands, except ratios)							
(in thousands, except ratios)							
(in thousands, except ratios)		% of Net sales	% of Net sales	BPS Change	% of Net sales(1)	% of Net sales(1)	BPS Change
Americas							
EMEA							
APAC							
Operating loss not attributed to segments							
Operating loss not attributed to segments							
Operating loss not attributed to segments							
Operating income							
Operating income							

Operating income						
	Twenty-Six Weeks Ended					
	Twenty-Six Weeks Ended					
	Twenty-Six Weeks Ended					
	August 3, 2024					
	August 3, 2024					
	August 3, 2024					
	Thirty-Nine Weeks Ended					
	Thirty-Nine Weeks Ended					
	Thirty-Nine Weeks Ended					
	November 2, 2024					
	November 2, 2024					
	November 2, 2024					
(in thousands, except ratios)						
(in thousands, except ratios)						
(in thousands, except ratios)		% of Net Sales	% of Net Sales	BPS Change	% of Net Sales(1)	% of Net Sales(1)	BPS Change
Americas						
EMEA						
APAC						
Operating loss not attributed to segments						
Operating loss not attributed to segments						
Operating loss not attributed to segments						
Operating income						
Operating income						
Operating income						
Excluded items:						
Asset impairment charges (1)						
Asset impairment charges (1)						
Asset impairment charges (1)						
Excluded items:						
Excluded items:						
Asset impairment charges (2)						
Asset impairment charges (2)						
Asset impairment charges (2)						
Adjusted non-GAAP operating income						

(1) Segment operating income as a percentage of net sales is calculated by attributing the segment's operating income with the respective net sales in the segment.

(2) Refer to "*NON-GAAP FINANCIAL MEASURES*" for further details.

For the second third quarter of Fiscal 2024, operating income increased by $86 million $41 million, or 590 170 basis points, as a percentage of net sales, as compared to the second third quarter of Fiscal 2023.

- Operating income for the Americas region increased $98 million $47 million or 630 120 basis points as a percentage of region net sales, as compared to the third quarter of Fiscal 2023. The increase as a percent of sales primarily relates to positive comparable sales of 16%, relating to higher unit volume, increased AUR on reduced promotions, and expense leverage relating to payroll and occupancy expenses.
- Operating income for the EMEA region increased $1 million and decreased 120 basis points as a percentage of region net sales, as compared to the third quarter of Fiscal 2023. The decrease as a percent of net sales is primarily attributed to higher freight costs and increased marketing expense, partially offset by expense leverage from comparable sales growth of 13%.
- Operating (loss) for the APAC region increased by $(1) million or 40 basis points as a percentage of region net sales, as compared to the third quarter of Fiscal 2023. The loss was impacted by store impairments taken during the quarter, which more than offset the expense leverage from comparable sales growth of 16%.

For the year-to-date period of Fiscal 2024, operating income increased by $223 million, or 510 basis points, as a percentage of net sales as compared to the second quarter year-to-date period of Fiscal 2023.

- Operating income for the Americas increased $241 million or 460 basis points as a percentage of region net sales as compared to the year-to-date period of Fiscal 2023. The increase as a percent of sales primarily relates to positive comparable sales of 18%, relating to higher unit volume, increased AUR on reduced promotions, and expense leverage relating to payroll and occupancy expenses.

- Operating income for the EMEA region increased $8 million $35 million or 170 490 basis points as a percentage of region net sales as compared to the second quarter year-to-date period of Fiscal 2023. The increase as a percent of sales primarily relates to positive comparable sales of 17%, relating to higher unit volume, increased AUR on reduced promotions, and expense leverage relating to payroll and occupancy expenses.
- Operating (loss) for the APAC region increased by $(3) $(1) million or (840) 50 basis points as a percentage of net sales, as compared to the second quarter of Fiscal 2023. The decrease as a percent of sales primarily relates to increased marketing investments.

For the year-to-date period of Fiscal 2024, operating income increased by $182 million, or 720 basis points, as a percentage of net sales as compared to the year-to-date period of Fiscal 2023.

- Operating income for the Americas increased $194 million or 680 basis points as a percentage of region net sales as compared to the year-to-date period of Fiscal 2023. The increase as a percent of sales primarily relates to positive loss was impacted by store impairments and marketing investments, which more than offset the expense leverage from comparable sales growth of 19%, relating to higher unit volume, increased AUR on reduced promotions, and expense leverage relating to payroll and occupancy expenses.
- Operating income for EMEA increased $34 million or 800 basis points as a percentage of net sales as compared to the year-to-date period of Fiscal 2023. The increase as a percent of sales primarily relates to positive comparable sales of 19%, relating to higher unit volume, increased AUR on reduced promotions, and expense leverage relating to payroll and occupancy expenses.
- Operating (loss) for APAC increased $(1) million or (50) basis points as a percentage of net sales as compared to the year-to-date period of Fiscal 2023 as a result of increased marketing investments. 20%.

Interest (income) expense, net

	Thirteen Weeks Ended					
	August 3, 2024					
	August 3, 2024					
	August 3, 2024					
	November 2, 2024					
	November 2, 2024					
	November 2, 2024					
(in thousands, except ratios)						
(in thousands, except ratios)						
(in thousands, except ratios)		% of Net sales	% of Net sales	BPS Change	% of Net sales	% of Net sales	BPS Change
Interest expense						
Interest income						
Interest (income) expense, net						

	Twenty-Six Weeks Ended					
	Thirty-Nine Weeks Ended					
	Twenty-Six Weeks Ended					
	Thirty-Nine Weeks Ended					
	Twenty-Six Weeks Ended					
	August 3, 2024					
	August 3, 2024					
	August 3, 2024					
	Thirty-Nine Weeks Ended					
	November 2, 2024					
	November 2, 2024					
	November 2, 2024					
(in thousands, except ratios)						
(in thousands, except ratios)						
(in thousands, except ratios)		% of Net Sales	% of Net Sales	BPS Change	% of Net Sales	% of Net Sales	BPS Change
Interest expense						

Interest income	
Interest (income) expense, net	

For the second third quarter of Fiscal 2024, interest (income) expense, net increased $6.3 million $9.4 million, as compared to the second third quarter of Fiscal 2023. The increase was a result of an increase in interest income was due to the increase in increased balance and rates received on time deposits and money market accounts compared to the third quarter of Fiscal 2023. Additionally, interest expense decreased compared to the third quarter of Fiscal 2023 as well as lower borrowings due to result of the repurchases in late Fiscal 2023 and Fiscal 2024 and redemption of the remaining outstanding Senior Secured Notes in the open market. on July 15, 2024.

For the year-to-date period of Fiscal 2024, interest (income) expense, net increased $14.8 million $24.2 million, as compared to the year-to-date period of Fiscal 2023. The increase was a result of higher interest income due to the increase in increased balance and rates received on time deposits and money market accounts accounts. Additionally, interest expense decreased compared to the year-to-date period Fiscal 2023 as well as lower borrowings due to result of the repurchases in late Fiscal 2023 and Fiscal 2024 and redemption of the remaining outstanding Senior Secured Notes in the open market. on July 15, 2024.

Income tax expense

		Thirteen Weeks Ended														
		August 3, 2024			July 29, 2023											
		November 2, 2024			October 28, 2023											
(in thousands, except ratios)	*(in thousands, except ratios)*			Effective Tax Rate				Effective Tax Rate	*(in thousands, except ratios)*			Effective Tax Rate				Effective Tax Rate
Income tax expense	Income tax expense	$45,449	25.1	25.1 %	$30,014	33.8	33.8 %	Income tax expense	$ 54,151		28.8	28.8 %	$39,617	28.8	28.8 %	
		Twenty-Six Weeks Ended														
		Thirty-Nine Weeks Ended														
		Twenty-Six Weeks Ended														
		Thirty-Nine Weeks Ended														
		Twenty-Six Weeks Ended														
		August 3, 2024			July 29, 2023											
		Thirty-Nine Weeks Ended														
		November 2, 2024			October 28, 2023											
(in thousands, except ratios)	*(in thousands, except ratios)*			Effective Tax Rate				Effective Tax Rate	*(in thousands, except ratios)*			Effective Tax Rate				Effective Tax Rate
Income tax expense	Income tax expense	$65,243	20.7	20.7 %	$42,732	35.8	35.8 %	Income tax expense	$119,394		23.7	23.7 %	$82,349	32.1	32.1 %	
Excluded items:																
Tax effect of pre-tax excluded items (1)																
Tax effect of pre-tax excluded items (1)																
Tax effect of pre-tax excluded items (1)																
Adjusted non-GAAP income tax expense																
Adjusted non-GAAP income tax expense																
Adjusted non-GAAP income tax expense																

(1) The tax effect of pre-tax excluded items is the difference between the tax provision calculation on a GAAP basis and on an adjusted non-GAAP basis. Refer to "*Operating income*" and "*NON-GAAP FINANCIAL MEASURES*" for details of pre-tax excluded items.

Compared with the second quarter of Fiscal 2023, the change in the effective tax rates during the second quarter of Fiscal 2024 is due to jurisdictional mix and higher levels of pre-tax income. Compared with the year-to-date period of 2023, the change in the effective tax rates during Fiscal 2024 is due to jurisdictional mix and higher levels of pre-tax income offset by a larger tax benefit on share based share-based compensation.

Refer to Note 9, "*INCOME TAXES*."

Net income attributable to A&F

	Thirteen Weeks Ended						
	August 3, 2024						
	August 3, 2024						
	August 3, 2024						
	November 2, 2024						
	November 2, 2024						
	November 2, 2024						
(in thousands)							
(in thousands)							
(in thousands)		% of Net sales	% of Net sales	BPS Change	% of Net sales	% of Net sales	BPS Change
Net income attributable to A&F							

	Twenty-Six Weeks Ended						
	Thirty-Nine Weeks Ended						
	Twenty-Six Weeks Ended						
	Thirty-Nine Weeks Ended						
	Twenty-Six Weeks Ended						
	August 3, 2024						
	August 3, 2024						
	August 3, 2024						
	Thirty-Nine Weeks Ended						
	November 2, 2024						
	November 2, 2024						
	November 2, 2024						
(in thousands)							
(in thousands)							
(in thousands)		% of Net Sales	% of Net Sales	BPS Change	% of Net Sales	% of Net Sales	BPS Change
Net income attributable to A&F							
Excluded items, net of tax (1)							
Adjusted non-GAAP net income attributable to A&F (2)							

(1) Excluded items presented above under "*Operating income*," and "*Income tax expense*"

(2) Refer to "*NON-GAAP FINANCIAL MEASURES*" for further details.

Net income per share attributable to A&F

	Thirteen Weeks Ended		
	August 3, 2024		
	August 3, 2024		
	August 3, 2024	July 29, 2023	$ Change
	November 2, 2024		
	November 2, 2024		
	November 2, 2024	October 28, 2023	$ Change
Net income per diluted share attributable to A&F			
Impact from changes in foreign currency exchange rates			
Impact from changes in foreign currency exchange rates			
Impact from changes in foreign currency exchange rates			
Adjusted non-GAAP net income per diluted share attributable to A&F on a constant currency basis (2)			
	Twenty-Six Weeks Ended		

	Twenty-Six Weeks Ended		
	Twenty-Six Weeks Ended		
	August 3, 2024		
	August 3, 2024		
	August 3, 2024	July 29, 2023	$ Change
	Thirty-Nine Weeks Ended		
	Thirty-Nine Weeks Ended		
	Thirty-Nine Weeks Ended		
	November 2, 2024		
	November 2, 2024		
	November 2, 2024	October 28, 2023	$ Change
Net income per diluted share attributable to A&F			
Excluded items, net of tax (1)			
Adjusted non-GAAP net income per diluted share attributable to A&F (2)			
Impact from changes in foreign currency exchange rates			
Adjusted non-GAAP net income per diluted share attributable to A&F on a constant currency basis (2)			

(1) Excluded items presented above under "*Operating income*," and "*Income tax expense. expense.*"

(2) Refer to "*NON-GAAP FINANCIAL MEASURES*" for further details.

EBITDA and adjusted EBITDA

	Thirteen Weeks Ended							
	August 3, 2024							
	August 3, 2024							
	August 3, 2024							
	November 2, 2024							
	November 2, 2024							
	November 2, 2024							
(in thousands, except ratios)								
(in thousands, except ratios)								
(in thousands, except ratios)		% of Net sales	% of Net sales	BPS Change	% of Net sales	% of Net sales	BPS Change
Net income								
Income tax expense								
Interest (income) expense, net								
Depreciation and amortization								
EBITDA (1)								
	Twenty-Six Weeks Ended							
	Thirty-Nine Weeks Ended							
	Twenty-Six Weeks Ended							
	Thirty-Nine Weeks Ended							
	Twenty-Six Weeks Ended							
	August 3, 2024							
	August 3, 2024							
	August 3, 2024							
	Thirty-Nine Weeks Ended							

	November 2, 2024						
	November 2, 2024						
	November 2, 2024						
(in thousands, except ratios)							
(in thousands, except ratios)							
(in thousands, except ratios)		% of Net sales	% of Net sales	BPS Change	% of Net sales	% of Net sales	BPS Change
Net income							
Income tax expense							
Interest (income) expense, net							
Depreciation and amortization							
EBITDA (1)							
Excluded items:							
Asset impairment charges (1)							
Asset impairment charges (1)							
Asset impairment charges (1)							
Adjusted EBITDA (1)							

(1) EBITDA and Adjusted EBITDA are supplemental financial measures that are not defined or prepared in accordance with GAAP. EBITDA is defined as net income before interest, income taxes and depreciation and amortization. Adjusted EBITDA is EBITDA adjusted for asset impairment. Refer to "*NON-GAAP FINANCIAL MEASURES*" for further details.

LIQUIDITY AND CAPITAL RESOURCES

Overview

The Company's capital allocation strategy and priorities are reviewed by A&F's the Board of Directors quarterly, considering both liquidity and valuation factors. The Company believes that it will have adequate liquidity to fund operating activities for the next twelve months. The Company monitors market conditions and may in the future determine whether and when to repurchase shares of its Common Stock. For a discussion of the Company's share repurchase activity, and suspended dividend program, please see below under "*Share repurchases and dividends*."

Primary sources and uses of cash

The Company's business has two principal selling seasons: Spring and Fall, The Company generally experiences its greatest sales activity during the Fall season, due to the back-to-school and holiday sales periods. The Company relies on excess operating cash flows, which are largely generated in Fall, to fund operations throughout the year and to reinvest in the business to support future growth. The Company also has the ABL Facility available as a source of additional funding, which is described further below under "*Credit facility*".

Over the next twelve months, the Company expects its primary cash requirements to be directed towards prioritizing investments in the business and continuing to fund operating activities, including the acquisition of inventory, obligations related to compensation, marketing, data and technology, leases and any lease buyouts or modifications it may exercise, taxes and other operating activities. In addition, management continuously evaluates potential opportunities to strategically deploy excess cash and/or deleverage the balance sheet, in consideration of on various factors, such as market and business conditions, and the Company's ability to accelerate investments in the business. Such opportunities may include, but are not limited to, share repurchases.

When evaluating opportunities for investments in the business, management considers alignment with initiatives that position the business for sustainable long-term growth and with the Company's strategic pillars as described within Part I, "Item 1. Business - STRATEGY AND KEY BUSINESS PRIORITIES" included on the Fiscal 2023 Form 10-K, including being opportunistic regarding growth opportunities. Examples of potential investment opportunities include, but are not limited to, new store experiences, and investments in the Company's digital and omnichannel initiatives. Historically, the Company has utilized free cash flow generated from operations to fund any discretionary capital expenditures, which have been prioritized towards new store experiences, as well as digital and omnichannel investments, and information technology. For the year-to-date period ended August 3, 2024 November 2, 2024, the Company invested $81.6 million $132.0 million towards capital expenditures. Total capital expenditures for Fiscal 2024 are expected to be approximately $170 million.

The Company measures liquidity using total cash and cash equivalents and incremental borrowing available under the ABL Facility. As of August 3, 2024 November 2, 2024, the Company had cash and cash equivalents of $738.4 million $683.1 million and total liquidity of approximately $1.2 billion $1.1 billion, compared with cash and cash equivalents of $900.9 million and total liquidity of approximately $1.2 billion at the beginning of Fiscal 2024.

Share repurchases and dividends

In November 2021, A&F's the Board of Directors approved a $500 million share repurchase authorization, replacing the prior 2021 share repurchase authorization of 10.0 million shares, which had approximately 3.9 million shares remaining available. During the year-to-date period ended August 3, 2024 November 2, 2024, the Company repurchased approximately 0.2 million 0.9 million shares of its Common Stock pursuant to this share repurchase authorization for approximately $30.0 million $129.8 million. As of August 3, 2024 November 2, 2024 the Company had $202 $102 million in share repurchases remaining under the authorization approved in November 2021.

Historically, the Company has repurchased shares of its Common Stock from time to time, which repurchases are dependent on excess liquidity, market conditions and business conditions, with the objectives of returning excess cash to shareholders and offsetting dilution from issuances of Common Stock associated with the exercise of employee stock appreciation rights and the vesting of restricted stock units. Shares may be repurchased in the open market, including pursuant to trading plans established in accordance with Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), through privately negotiated transactions or other transactions or by a combination of such methods.

In May 2020, the Company suspended its dividend program. The Company may in the future review its dividend program to determine, in light of facts and circumstances at that time, whether and when to reinstate. Any dividends are declared at the discretion of A&F's the Company's Board of Directors. A&F's The Board of Directors reviews and establishes a dividend amount, if at all, based on A&F's the Company's financial condition, results of operations, capital requirements, current and projected cash flows, business prospects and other factors, including any restrictions under the Company's agreements related to the ABL Facility. There can be no assurance that the Company will declare and pay dividends in the future or, if dividends are paid, that they will be in amounts similar to past dividends.

Senior Secured Notes

On July 15, 2024 (the "Redemption Date"), Abercrombie & Fitch Management Co ("A&F Management") redeemed all of its outstanding 8.75% Senior Secured Notes due 2025, which had an aggregate principal amount of $214 million, pursuant to the terms of the indenture governing the Senior Secured Notes, at a redemption price equal to 100% of the principal amount, plus accrued and unpaid interest to, but excluding, the Redemption Date. As of the Redemption Date, the Senior Secured Notes were no longer deemed outstanding and interest on the Senior Secured Notes ceased to accrue.

Credit facility

On August 2, 2024, A&F, as parent and a guarantor, A&F Management, as lead borrower, and certain of A&F's direct and indirect wholly-owned subsidiaries, as additional borrowers and guarantors, entered into the Second Amendment, to Amended and Restated Credit Agreement (the "Second Amendment"), together with the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent for the lenders. The Second Amendment amends the existing Amended and Restated ABL Credit Agreement, dated as of April 29, 2021 (the "ABL Credit Agreement"), which provided for a $400 million senior secured asset-based revolving credit facility. The Company incurred customary fees and expenses in connection with the entry into the Second Amendment.

The Second Amendment amended the ABL Credit Agreement to, among other things:

- increase the aggregate commitments thereunder to $500 million;
- establish a $100 million sub-facility for the benefit of Abfico Netherlands Distribution B.V. ("Abfico") and AFH Stores UK Limited ("AFH UK") that is (i) secured by a first priority security interest in all assets (subject to specified exclusions) of each of Abfico and AFH UK, (ii) guaranteed by A&F and certain of its domestic direct and indirect wholly-owned subsidiaries, and (iii) subject to a borrowing base as described therein;
- extend the maturity date from April 29, 2026 to August 2, 2029;
- increase the letter of credit sub-limit from $50 million to $62.5 million;
- decrease the swing line availability from $50 million to $30 million;
- decrease the unused line fee from a variable rate of 25 basis points to 37.5 basis points to a flat rate of 25 basis points; and
- increase pricing of the interest rate margin applicable to borrowings as follows:
    - from 1.25% to 1.50% when average availability is greater than or equal to 50% of the Loan Cap (as defined in the Second Amendment); and
    - from 1.50% to 1.75% when average availability is less than 50% of the Loan Cap.

As of August 3, 2024 November 2, 2024, the Company did not have any borrowings outstanding under the ABL Facility.

Details regarding the remaining borrowing capacity under the ABL Facility as of August 3, 2024 November 2, 2024 are as follows:

(in thousands)		August 3, November 2, 2024
Loan cap	$	478,787 500,000
Less: Outstanding stand-by letters of credit		(427) (443)
Borrowing capacity		478,360 499,557
Less: Minimum excess availability (1)		(47,878) (50,000)
Borrowing capacity available	$	430,482 449,557

(1) Under the ABL Facility, the Company must maintain excess availability equal to the greater of 10% of the loan cap or $36 million.

Refer to Note 10, "*BORROWINGS*."

Income taxes

The Company's earnings and profits from its foreign subsidiaries could be repatriated to the U.S. without incurring additional federal income tax. The Company determined that the balance of the Company's undistributed earnings and profits from its foreign subsidiaries as of February 2, 2019 are considered indefinitely reinvested outside of the U.S., and if these funds were to be repatriated to the U.S., the Company would expect to incur an insignificant amount of state income taxes and foreign withholding taxes. The Company accrues for both state income taxes and foreign withholding taxes with respect to earnings and profits earned after February 2, 2019, in such a manner that these funds could be repatriated without incurring additional tax expense. As of August 3, 2024 November 2, 2024, $286.2 million $262.8 million of the Company's $738.4 million $683.1 million of cash and equivalents were held by foreign affiliates.

Refer to Note 9, "*INCOME TAXES*."

Analysis of cash flows

The table below provides certain components of the Company's Condensed Consolidated Statements of Cash Flows for the twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023:

	Twenty-Six Weeks Ended	
	August 3, 2024	July 29, 2023
	Thirty-Nine Weeks Ended	
	November 2, 2024	October 28, 2023
(in thousands)		
Cash and equivalents, and restricted cash and equivalents, beginning of period		
Cash and equivalents, and restricted cash and equivalents, beginning of period		
Cash and equivalents, and restricted cash and equivalents, beginning of period		
Net cash provided by operating activities		
Net cash used for investing activities		
Net cash used for financing activities		
Effect of foreign currency exchange rates on cash		
Net (decrease) increase in cash and equivalents, and restricted cash and equivalents		
Cash and equivalents, and restricted cash and equivalents, end of period		

Operating activities - During the year-to-date period ended August 3, 2024 November 2, 2024, net cash provided by operating activities included increased cash receipts as a result of the 22% 19% year-over-year increase in net sales. During the year-to-date period ended July 29, 2023 October 28, 2023, net cash used for operating activities included increased cash receipts as a result of the 9% 13% year-over-year increase in net sales, as well as increased payments to vendors in the fourth quarter of Fiscal 2022, which resulted in lower cash payments in the first quarter of Fiscal 2023.

Investing activities - During the year-to-date period ended August 3, 2024 November 2, 2024, net cash used for investing activities was primarily used for capital expenditures of $81.6 million $132 million, as well as the purchase of $15 million $55 million of marketable securities. Net cash used for investing activities for the year-to-date period ended July 29, 2023 October 28, 2023 was primarily used for capital expenditures of $89.8 million $128.6 million.

Financing activities - During the year-to-date period ended August 3, 2024 November 2, 2024, net cash used for financing activities included the repurchase of $9.3 million in the open market and the complete redemption of $214.0 million $214 million of outstanding Senior Secured Notes, $67 $70 million related to shares of Common Stock withheld (repurchased) to cover tax withholdings upon vesting of share-based compensation awards, and the purchase of approximately 0.2 million 0.9 million shares of Common Stock with a market value of approximately $30.0 million $129.8 million. During the year-to-date period ended July 29, 2023 October 28, 2023, net cash used for financing activities included amounts related to shares of Common Stock withheld (repurchased) to cover tax withholdings upon vesting of share-based compensation awards. awards, the repurchase of Senior Secured Notes in the open market.

Contractual obligations

The Company's contractual obligations consist primarily of operating leases, purchase orders for merchandise inventory, unrecognized tax benefits, certain retirement obligations, lease deposits, and other agreements to purchase goods and services that are legally binding and that require minimum quantities to be purchased. These contractual obligations impact the Company's short-term and long-term liquidity and capital resource needs.

There have been no material changes in the Company's contractual obligations since February 3, 2024, with the exception of those obligations which occurred in the normal course of business (primarily changes in the Company's merchandise inventory-related purchases and lease obligations, which fluctuate throughout the year as a result of the seasonal nature of the Company's operations).

RECENT ACCOUNTING PRONOUNCEMENTS

The Company describes its significant accounting policies in Note 2, “SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,” of the Notes to Consolidated Financial Statements contained in “Item 8. Financial Statements and Supplementary Data” included on the Fiscal 2023 Form 10-K. The Company reviews recent accounting pronouncements on a quarterly basis and has excluded discussion of those not applicable to the Company and those that did not have, or are not expected to have, a material impact on the Company’s consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES

The Company describes its critical accounting estimates in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” included on the Fiscal 2023 Form 10-K. There have been no significant changes in critical accounting policies and estimates since the end of Fiscal 2023.

NON-GAAP FINANCIAL MEASURES

This Quarterly Report on Form 10-Q includes discussion of certain financial measures calculated and presented on both a GAAP and a non-GAAP basis. The Company believes that each of the non-GAAP financial measures presented in this “Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations” is useful to investors as it provides a meaningful basis to evaluate the Company’s operating performance excluding the effect of certain items that the Company believes may not reflect its future operating outlook, such as certain asset impairment charges, thereby supplementing investors’ understanding of comparability of operations across periods. Management used these non-GAAP financial measures during the periods presented to assess the Company’s performance and to develop expectations for future operating performance. These non-GAAP financial measures should be used as a supplement 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.

Comparable sales

The Company provides comparable sales, defined as the year-over-year percentage change in the aggregate of (1) net sales for stores that have been open as the same brand at least one year and square footage has not been expanded or reduced by more than 20% within the past year, with the prior year’s net sales converted at the current year’s foreign currency exchange rates to remove the impact of foreign currency exchange rate fluctuations, and (2) digital net sales with the prior year’s net sales converted at the current year’s foreign currency exchange rates to remove the impact of foreign currency exchange rate fluctuations. Comparable sales excludes revenue other than store and digital sales. Management uses comparable sales to understand the drivers of year-over-year changes in net sales and believes that comparable sales can be a useful metric as it can assist investors in distinguishing the portion of the Company’s revenue attributable to existing locations from the portion attributable to the opening or closing of stores. The most directly comparable GAAP financial measure is change in net sales.

Excluded items

The following financial measures are disclosed on a GAAP and on an adjusted non-GAAP basis excluding the following items, as applicable:

Financial measures (1)	Excluded items
Operating income	Asset impairment charges
Income tax expense (2)	Tax effect of pre-tax excluded items
Net income and net income per share attributable to A&F (2)	Pre-tax excluded items and the tax effect of pre-tax excluded items

(1) Certain of these financial measures are also expressed as a percentage of net sales.

(2) The tax effect of excluded items is the difference between the tax provision calculation on a GAAP basis and on an adjusted non-GAAP basis.

Financial information on a constant currency basis

The Company provides certain financial information on a constant currency basis to enhance investors’ understanding of underlying business trends and operating performance by removing the impact of foreign currency exchange rate fluctuations. Management also uses financial information on a constant currency basis to award employee performance-based compensation. The effect from foreign currency exchange rates, calculated on a constant currency basis, is determined by applying the current period’s foreign currency exchange rates to the prior year’s results and is net of the year-over-year impact from hedging. The per diluted share effect from foreign currency exchange rates is calculated using a 26% effective tax rate.

Reconciliations of non-GAAP financial metrics on a constant currency basis to financial measures calculated and presented in accordance with GAAP for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023 were as follows:

(in thousands, except change in net sales, gross profit rate, operating margin and per share data)	*(in thousands, except change in net sales, gross profit rate, operating margin and per share data)*	Thirteen Weeks Ended				Twenty-Six Weeks Ended				*(in thousands, except change in net sales, gross profit rate, operating margin and per share data)*	Thirteen Weeks Ended		Thirty-Nine Weeks Ended			
Net sales	**Net sales**	August 3, 2024	July 29, 2023		% Change	August 3, 2024	July 29, 2023		% Change	**Net sales**	November 2, 2024	October 28, 2023		% Change	November 2, 2024	
GAAP	GAAP	$ 1,133,974	$ $ 935,345	21	21 %	$ 2,154,704	$ $ 1,771,339	22	22 %	GAAP	$ 1,208,966	$ $ 1,056,431	14	14 %	$ 3,363,670	$
Impact from changes in foreign currency exchange rates																
Non-GAAP on a constant currency basis	Non-GAAP on a constant currency basis	$ 1,133,974	$ $ 932,975	22	22 %	$ 2,154,704	$ $ 1,768,427	22	22 %	Non-GAAP on a constant currency basis	$ 1,208,966	$ $ 1,061,720	14	14 %	$ 3,363,670	$
Gross profit, exclusive of depreciation and amortization expense	**Gross profit, exclusive of depreciation and amortization expense**	August 3, 2024	July 29, 2023		BPS Change (1)	August 3, 2024	July 29, 2023		BPS Change (1)	**Gross profit, exclusive of depreciation and amortization expense**	November 2, 2024	October 28, 2023		BPS Change (1)	November 2, 2024	
GAAP																
Impact from changes in foreign currency exchange rates																
Non-GAAP on a constant currency basis																
Operating income	**Operating income**	August 3, 2024	July 29, 2023		BPS Change (1)	August 3, 2024	July 29, 2023		BPS Change (1)	**Operating income**	November 2, 2024	October 28, 2023		BPS Change (1)	November 2, 2024	
GAAP																
Excluded items (2)																
Adjusted non-GAAP																

Impact from changes in foreign currency exchange rates
Adjusted non-GAAP on a constant currency basis

Net income per share attributable to A&F	Net income per share attributable to A&F	August 3, 2024	July 29, 2023	$ Change	August 3, 2024	July 29, 2023	$ Change	Net income per share attributable to A&F	November 2, 2024	October 28, 2023	$ Change	November 2, 2024
GAAP												
Excluded items, net of tax (2)												
Adjusted non-GAAP												
Impact from changes in foreign currency exchange rates												
Adjusted non-GAAP on a constant currency basis												

(1) The estimated basis point change has been rounded based on the change in the percentage of net sales.

(2) Excluded items for the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 consisted of pre-tax store asset impairment charges and the tax effect of pre-tax excluded items.

EBITDA and Adjusted EBITDA

The Company provides EBITDA and Adjusted EBITDA as supplemental measures used by the Company's executive management to assess the Company's performance. We also believe these supplemental performance measures are meaningful information for investors and other interested parties to use in computing the Company's core financial performance over multiple periods and with other companies by excluding the impact of differences in tax jurisdictions, debt service levels and capital investment.

Reconciliations of non-GAAP EBITDA and adjusted EBITDA to financial measures calculated and presented in accordance with GAAP for the thirteen and twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023 were as follows:

	Thirteen Weeks Ended			
	August 3, 2024	% of Net Sales	July 29, 2023	% of Net Sales
(in thousands, except ratios)	November 2, 2024	% of Net Sales	October 28, 2023	% of Net Sales

Net income	Net income	$ 135,379	11.9	11.9 %	$ 58,731	6.3	6.3 %	Net income	$ 133,864	11.1	11.1 %	$ 97,732	9.3	9.3 %
Income tax expense														
Interest (income) expense, net														
Depreciation and amortization														
EBITDA (1)	EBITDA (1)	$ 214,980	19.0	19.0 %	$ 126,225	13.5	13.5 %							

		Twenty-Six Weeks Ended												
		Thirty-Nine Weeks Ended												
		Twenty-Six Weeks Ended												
		Thirty-Nine Weeks Ended												
		Twenty-Six Weeks Ended												
		August 3, 2024		% of Net Sales	July 29, 2023		% of Net Sales							
		Thirty-Nine Weeks Ended												
(in thousands, except ratios)		November 2, 2024		% of Net Sales	October 28, 2023		% of Net Sales							
Net income	Net income	$ 250,457	11.6	11.6 %	$ 76,578	4.3	4.3 %	Net income	$ 384,321	11.4	11.4 %	$ 174,310	6.2	6.2 %
Income tax expense														
Interest (income) expense, net														
Depreciation and amortization														
EBITDA (1)	EBITDA (1)	$ 382,518	17.8	17.8 %	$ 196,261	11.1	11.1 %							
Adjustments to EBITDA														
Adjustments to EBITDA														
Adjustments to EBITDA														
Asset impairment (1)														
Asset impairment (1)														
Asset impairment (1)														
Adjusted EBITDA (1)	Adjusted EBITDA (1)	$ 382,518	17.8	17.8 %	$ 200,697	11.4	11.4 %							

(1) EBITDA and Adjusted EBITDA are supplemental financial measures that are not defined or prepared in accordance with GAAP. EBITDA is defined as net income before interest, income taxes and depreciation and amortization. Adjusted EBITDA is EBITDA adjusted for asset impairment.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

INVESTMENT SECURITIES

The Company maintains its cash equivalents in financial instruments, primarily time deposits and money market funds, with original maturities of three months or less. Recently the Company invested in short-term marketable securities with maturities less than twelve months. Due to the short-term nature of these instruments, changes in interest rates are not expected to materially affect the fair value of these financial instruments.

The Rabbi Trust includes amounts to meet funding obligations to participants in the Abercrombie & Fitch Co. Nonqualified Savings and Supplemental Retirement Plan I, the Abercrombie & Fitch Co. Nonqualified Savings and Supplemental Retirement Plan II, and the Supplemental Executive Retirement Plan. The Rabbi Trust assets primarily consist of trust-owned life insurance policies, which are recorded at cash surrender value. The change in cash surrender value resulted in realized gains of $0.3 million and $0.9 million $0.3 million for the thirteen weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023, respectively and $0.7 million $1.0 million and $1.3 million $1.6 million for the twenty-six thirty-nine weeks ended August 3, 2024 November 2, 2024 and July 29, 2023 October 28, 2023, respectively. The realized gains were recorded in interest (income) expense, net on the Condensed Consolidated Statements of Operations and Comprehensive Income.

The Rabbi Trust assets were included in other assets on the Condensed Consolidated Balance Sheets as of August 3, 2024 November 2, 2024 and February 3, 2024 and are restricted in their use as noted above.

INTEREST RATE RISK

Prior to July 2, 2020, the Company's exposure to market risk due to changes in interest rates related primarily to the increase or decrease in the amount of interest expense from fluctuations in the LIBO rate, or an alternate base rate associated with the Company's former term loan facility (the "Term Loan Facility") and the ABL Facility. On July 2, 2020, the Company issued the Senior Secured

Notes and repaid all outstanding borrowings under the Term Loan Facility and the ABL Facility, thereby eliminating any then-existing cash flow market risk due to changes in interest rates. The On July 15, 2024, the Company redeemed all of its outstanding Senior Secured Notes, are exposed to thereby eliminating that interest rate risk that is limited to changes in fair value. risk. This analysis for Fiscal 2024 may differ from the actual results due to potential changes in gross borrowings outstanding under the ABL Facility and potential changes in interest rate terms and limitations described within the Amended and Restated Credit Agreement.

In July 2017, the Financial Conduct Authority (the authority that regulates LIBO rate) announced it intended to stop compelling banks to submit rates for the calculation of LIBO rate after 2021. Certain publications of the LIBO rate were phased out at the end of 2021 and all LIBO rate publications ceased after June 30, 2023. On March 15, 2023, the Company entered into the First Amendment to the Amended and Restated Credit Agreement (the “First Amendment”) to eliminate LIBO rate based loans and to use the current market definitions with respect to the Secured Overnight Financing Rate, as well as to make other conforming changes.

FOREIGN CURRENCY EXCHANGE RATE RISK

A&F’s international subsidiaries generally operate with functional currencies other than the U.S. dollar. Since the Company’s Condensed Consolidated Financial Statements are presented in U.S. dollars, the Company must translate all components of these financial statements from functional currencies into U.S. dollars at exchange rates in effect during or at the end of the reporting period. The fluctuation in the value of the U.S. dollar against other currencies affects the reported amounts of revenues, expenses, assets, and liabilities. The potential impact of foreign currency exchange rate fluctuations increases as international operations relative to domestic operations increase.

A&F and its subsidiaries have exposure to changes in foreign currency exchange rates associated with foreign currency transactions and forecasted foreign currency transactions, including the purchase of inventory between subsidiaries and foreign-currency-denominated assets and liabilities. The Company has established a program that primarily utilizes foreign currency exchange forward contracts to partially offset the risks associated with the effects of certain foreign currency transactions and forecasted transactions. Under this program, increases or decreases in foreign currency exchange rate exposures are partially offset by gains or losses on foreign currency exchange forward contracts, to mitigate the impact of foreign currency exchange gains or losses. The Company does not use forward contracts to engage in currency speculation. Outstanding foreign currency exchange forward contracts are recorded at fair value at the end of each fiscal period.

Foreign currency exchange forward contracts are sensitive to changes in foreign currency exchange rates. As of August 3, 2024 November 2, 2024, the Company assessed the risk of loss in fair values from the effect of a hypothetical 10% devaluation of the U.S. dollar against the exchange rates for foreign currencies under contract. Such a hypothetical devaluation would decrease derivative contract fair values by approximately $14.5 $15.7 million. As the Company’s foreign currency exchange forward contracts are primarily designated as cash flow hedges of forecasted transactions, the hypothetical change in fair values would be expected to be largely offset by the net change in fair values of the underlying hedged items. Refer to Note 12, “*DERIVATIVE INSTRUMENTS*,” for the fair value of any outstanding foreign currency exchange forward contracts included in other current assets and accrued expenses as of August 3, 2024 November 2, 2024 and February 3, 2024.

Item 4. Controls and Procedures

DISCLOSURE CONTROLS AND PROCEDURES

A&F maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to provide reasonable assurance that information required to be disclosed in the reports that A&F files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to A&F’s management, including A&F’s Principal Executive Officer and Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. Because of inherent limitations, disclosure controls and procedures, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of disclosure controls and procedures are met.

A&F’s management, including the Chief Executive Officer of A&F (who serves as Principal Executive Officer of A&F) and the Executive Senior Vice President Chief Financial Officer and Chief Operating Financial Officer of A&F (who serves as Principal Financial Officer and Principal Accounting Officer of A&F), evaluated the effectiveness of A&F’s design and operation of its disclosure controls and procedures as of the end of the fiscal quarter ended August 3, 2024 November 2, 2024. The Chief Executive Officer of A&F (in such individual’s capacity as the Principal Executive Officer of A&F) and the Executive Senior Vice President, Chief Financial Officer and Chief Operating Officer of A&F (in such individual’s capacity as the Principal Financial Officer of A&F) concluded that A&F’s disclosure controls and procedures were effective at a reasonable level of assurance as of August 3, 2024 November 2, 2024.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in A&F’s internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter ended August 3, 2024 November 2, 2024 that materially affected, or are reasonably likely to materially affect, A&F’s internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Company and its affiliates are defendants in lawsuits and other adversary proceedings that may range from individual actions involving a single plaintiff to class action lawsuits. The Company's legal costs incurred in connection with the resolution of claims and lawsuits are generally expensed as incurred, and the Company establishes estimated liabilities for the outcome of litigation where losses are deemed probable and the amount of loss, or range of loss, is reasonably estimable. The Company also determines estimates of reasonably possible losses or ranges of reasonably possible losses in excess of related accrued liabilities, if any, when it has determined that a loss is reasonably possible, and it is able to determine such estimates. The Company's accrued charges for certain legal contingencies are classified within accrued expenses on the Condensed Consolidated Balance Sheets included in "Item 1. Financial Statements (Unaudited)," of Part I of this Quarterly Report on Form 10-Q. Based on currently available information, the Company cannot estimate a range of reasonably possible losses in excess of the accrued charges for legal contingencies. In addition, the Company has not established accruals for certain claims and legal proceedings pending against the Company where it is not possible to reasonably estimate the outcome or potential liability, and the Company cannot estimate a range of reasonably possible losses for these legal matters. Actual liabilities may differ from the amounts recorded, due to uncertainties regarding final settlement agreement negotiations and the terms of any approval by the courts, and there can be no assurance that the final resolution of legal matters will not have a material adverse effect on the Company's financial condition, results of operations, or cash flows. The Company's assessment of the current exposure could change in the event of the discovery of additional facts.

In addition, pursuant to Item 103(c)(3)(iii) of Regulation S-K under the Exchange Act, the Company is required to disclose certain information about environmental proceedings to which a governmental authority is a party if the Company reasonably believes such proceedings may result in monetary sanctions, exclusive of interest and costs, above a stated threshold. The Company has elected to apply a threshold of $1 million for purposes of determining whether disclosure of any such proceedings is required.

Item 1A. Risk Factors

The Other than identified below, the Company's risk factors as of August 3, 2024 November 2, 2024 have not changed materially from those disclosed in Part I, "Item 1A. Risk Factors" of the Fiscal 2023 Form 10-K.

Misconduct or illegal activities by our current and former associates, directors, advisers, third-party service providers, or others affiliated, or perceived to be affiliated, with the Company could subject to us to reputational harm, regulatory scrutiny or inquiries, or legal liability.

There is a risk that current or former associates, executives, directors, advisers or third party-service providers of the Company, or others who are actually or perceived to be affiliated with the Company, could engage, deliberately or recklessly, in misconduct or fraud that creates legal exposure for the Company and adversely affects our business. If such individuals were to engage, or be accused of engaging in, illegal or suspicious activities, sexual misconduct or harassment, racial or gender discrimination, improper use or disclosure of confidential information, fraud, payment or solicitation of bribes, or any other type of similar misconduct or violation of other laws and regulations, during their employment or service with the Company, we could suffer serious harm to our brand, reputation, be subject to penalties or sanctions, suffer serious harm to our financial position and current and future business relationships, and face potentially significant litigation or investigations.

In particular, Michael Jeffries, who served as chief executive officer of the Company from 1992 to 2014, has been accused of sexual abuse and exploitation, which accusations include claims relating to behavior that is alleged to have occurred during his prior tenure with the Company. Criminal charges have been filed against Mr. Jeffries, and there is a pending civil suit against Mr. Jeffries and the Company that relates to this alleged behavior. Although we believe the claims against the Company are without merit, the allegations against this former executive, as well as the claims brought against the Company, have resulted in negative media attention and may result in additional litigation or may result in other adverse consequences to our reputation, brand, and business. In addition, in early March 2024, the Delaware Court of Chancery ruled that Mr. Jeffries was entitled to advancement by the Company of his defense costs for the civil litigation. Mr. Jeffries is now seeking advancement of defense costs for his criminal prosecution, which the Company intends to oppose.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

There were no sales of equity securities during the second third quarter of Fiscal 2024 that were not registered under the Securities Act of 1933, as amended.

The following table provides information regarding the purchase of shares of Common Stock made by or on behalf of A&F or any "affiliated purchaser" as defined in Rule 10b-18(a)(3) under the Exchange Act during each fiscal month of the thirteen weeks ended August 3, 2024 November 2, 2024:

Period (fiscal month)	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (2)(3)
May 5, 2024 through June 1, 2024	1,527	$ 137.66	—	$ 217,184,802
June 2, 2024 through July 6, 2024	69,957	180.45	61,664	206,101,637
July 7, 2024 through August 3, 2024	24,179	173.94	22,390	202,184,894
Total	95,663	178.12	84,054	202,184,894

Period (fiscal month)	Total Number of Shares Purchased (1)	Average Price Paid per Share(4)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (2)(3)(4)
August 4, 2024 through August 31, 2024	8,307	$ 165.22	—	$ 202,184,894
September 1, 2024 through October 5, 2024	578,557	136.13	572,391	124,253,992
October 6, 2024 through November 2, 2024	149,367	147.61	148,296	102,378,203
Total	736,231	138.79	720,687	102,378,203

(1) An aggregate of 11,609 15,544 shares of Common Stock purchased during the thirteen weeks ended August 3, 2024 November 2, 2024 were withheld for tax payments due upon the vesting of employee restricted stock units and the exercise of employee stock appreciation rights.

(2) On November 23, 2021, the Company announced that A&F's Board of Directors approved a new $500 million share repurchase authorization, replacing the prior 2021 share repurchase authorization of 10.0 million shares, which had approximately 3.9 million shares remaining available for repurchase.

(3) The number shown represents, as of the end of each period, the approximate dollar value of Common Stock that may yet be purchased under A&F's publicly announced share repurchase authorization described in footnote 2 above. The shares may be purchased, from time to time depending on business and market conditions.

(4) The aggregate cost of share repurchases and average price paid per share excludes excise tax.

Item 5. Other Information

During the thirteen weeks ended August 3, 2024 November 2, 2024, no director or officer of the Company adopted a new "Rule 10b5-1 trading arrangement " or "non-Rule 10b5-1 trading arrangement," and no director or officer of the Company modified or terminated an

existing "Rule 10b5-1 trading arrangement " or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K under the Exchange Act, other than as follows:

- On August 30, 2024, Fran Horowitz, our Chief Executive Officer, adopted a trading plan intended to satisfy the conditions under Rule 10b5-1(c) of the Exchange Act. Ms. Horowitz's plan is for the sale of up to 250,000 shares of our common stock in amounts and prices determined in accordance with plan terms and terminates on the earlier of: (i) the date that all the shares under the plan are sold or (ii) August 22, 2025.

Item 6. Exhibits

Exhibit	Document
3.1	Amended and Restated Certificate of Incorporation of Abercrombie & Fitch Co., reflecting amendments through the date of this Quarterly Report on Form 10-Q, incorporated herein by reference to Exhibit 3.2 to A&F's Quarterly Report on Form 10-Q for the quarterly period ended July 30, 2011 (File No. 001-12107). [This document represents the Amended and Restated Certificate of Incorporation of Abercrombie & Fitch Co. in compiled form incorporating all amendments. This compiled document has not been filed with the Delaware Secretary of State.]
3.2	Amended and Restated Bylaws of Abercrombie & Fitch Co. reflecting amendments through the date of this Quarterly Report on Form 10-Q, incorporated herein by reference to Exhibit 3.1 to A&F's Current Report on Form 8-K dated and filed November 22, 2022November 26, 2024 (File No. 001-12107) [This document represents the Amended and Restated Bylaws of Abercrombie & Fitch Co. in compiled form incorporating all amendments.]
10.1	Second Amendment to Amended Form of Agreement entered into between A&F Management and Restated Credit Agreement, dated Robert J. Ball as of August 2, 2024, among Abercrombie & Fitch Management Co., as Lead Borrower; the other Borrowers and Guarantors party thereto, the Lenders party thereto, and Wells Fargo Bank, National Association, as administrative agent for the Lenders, incorporated herein by reference to Exhibit 10.1 to A&F's Current Report 8-K dated and filed August 7, 2024 (File No. 001-12107) November 20, 2024.*ǂ
31.1	Certifications by Chief Executive Officer (Principal Executive Officer) pursuant to Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.2	Certifications by ExecutiveSenior Vice President, Chief Financial Officer and Chief Operating Officer (Principal(Principal Financial Officer) pursuant to Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
32.1	Certifications by Chief Executive Officer (who serves as Principal Executive Officer) and ExecutiveSenior Vice President, Chief Financial Officer and Chief Operating Officer (who(who serves as Principal Financial Officer) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its Inline XBRL tags are embedded within the Inline XBRL document.*
101.SCH	Inline XBRL Taxonomy Extension Schema Document.*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.*
104	Cover Page Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibits 101).*

* Filed herewith.
** Furnished herewith.
ǂ Certain schedules and attachments have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish a copy of such schedules and attachments to the Securities and Exchange Commission upon its request.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Abercrombie & Fitch Co.

Date: September 6, 2024 December 6, 2024

By: /s/ Scott D. Lipesky Robert J. Ball

Scott D. LipeskyRobert J. Ball

Executive
Senior Vice President, Chief Financial Officer and Chief Operating Officer
(Principal Financial Officer Principal Accounting Officer and Authorized Officer)

By: /s/ Joseph Frericks

Joseph Frericks

Group Vice President, Corporate Controller
(Principal Accounting Officer)

Exhibit 10.1

AGREEMENT

This AGREEMENT (this "Agreement"), is entered into between Abercrombie & Fitch Management Co., a Delaware corporation (the "Company"), and (the "Executive") as of the execution date by the Company below (the "Effective Date").

WHEREAS, the Company and the Executive desire to enter into this Agreement to set forth the terms under which the Executive may be entitled to severance benefits from the Company upon the occurrence of certain events during the Term of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Company and the Executive hereby agree as follows:

1. Term of Agreement; Termination of Employment

(a) Term. The term of this Agreement shall begin on the Effective Date and shall continue until terminated pursuant to the terms set forth below (the "Original Term"). Notwithstanding the foregoing, if a Change of Control (as defined below) occurs during the Original Term, the term of this Agreement shall extend until the 18-month anniversary of such Change of Control (such extension, together with the Original Term, the "Term").

(b) At-Will Nature of Employment. The Executive acknowledges and agrees that, subject only to the other terms and conditions of this Agreement, the Executive's employment with the Company is otherwise and shall remain "at-will" and the Executive's employment with the Company may be terminated at any time and for any reason (or no reason) by the Company, with or without notice, or the Executive, subject to the terms of this Agreement. During the period of the Executive's employment with the Company, the Executive shall perform such duties and fulfill such responsibilities as reasonably requested by the Company from time to time commensurate with the Executive's position with the Company.

(c) Termination of Employment by the Company. During the Term, the Company may terminate the Executive's employment at any time with or without Cause (as defined below) pursuant to the Notice of Termination provision below.

(d) Termination of Employment by the Executive. During the Term, the Executive may terminate employment with the Company with or without Good Reason (as defined below) by delivering to the Company, not less than thirty (30) days prior to the Termination Date, a written notice of termination; provided, that, if such termination of employment is by the Executive with Good Reason, such notice shall state in reasonable detail the facts and circumstances that constitute Good Reason. This provision does not change the at-will nature of Executive's employment, and the Company may end Executive's employment, pursuant to Executive's notice, prior to the expiration of the thirty (30) days' notice.

(e) Notice of Termination. Any termination of the Executive's employment by the Company or by the Executive shall be communicated by a written Notice of Termination addressed to the Executive or the Company, as applicable. A "Notice of Termination" shall mean a notice stating that the Executive's employment with the Company has been or will be terminated and the specific provisions of this Section 1under which such termination is being effected.

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(f) Termination Date. Subject to Section 4(a) hereof, "Termination Date" as used in this Agreement shall mean in the case of the Executive's death or Disability (as defined below), the date of death or Disability, or in all other cases of termination by the Company or the Executive, the date specified in writing by the Company or the Executive as the Termination Date in accordance with Section 1(e).

2. Compensation Upon Certain Terminations by the Company.

(a) Termination Without Cause, or for Good Reason.If the Executive's employment is terminated during the Term (i) by the Company without Cause (other than as a result of the Executive's death or Disability), or (ii) by the Executive for Good Reason, in each case, other than during the COC Protection Period (as defined below), the Company shall (A) pay to the Executive any portion of Executive's accrued but unpaid base salary earned through the Termination Date; (B) pay to the Executive any annual bonus that was earned by the Executive for the fiscal year immediately preceding the fiscal year in which the Termination Date occurs, to the extent not already paid; (C) reimburse the Executive for any and all amounts advanced in connection with Executive's employment with the Company for reasonable and necessary expenses incurred by Executive through the Termination Date in accordance with the Company's policies and procedures on reimbursement of expenses; (D) pay to the Executive any earned vacation pay not theretofore used or paid in accordance with the Company's policy for payment of earned and unused vacation time; and (E) provide to the Executive all other accrued but unpaid payments and benefits to which Executive may be entitled under the terms of any applicable compensation arrangement or benefit plan or program of the Company (excluding any severance plan or policy of the Company) (collectively, the "Accrued Compensation"). In addition, provided that the Executive executes a release of claims in a form acceptable to the Company (a "Release"), returns such Release to the Company by no later than 45 days following the Termination Date (the "Release Deadline") and does not revoke such Release prior to the expiration of the applicable revocation period (the date on which such Release becomes effective, the "Release Effective Date"), then subject to the further provisions of Sections 3, 4, and 6 below, the Company shall have the following obligations with respect to the Executive (or the Executive's estate, if applicable), subject to applicable taxes and withholdings:

(1) The Company will continue to pay the Executive's Base Salary (as defined below) during the period beginning on the Executive's Termination Date and continuing for eighteen months thereafter ("Salary Continuation"). This Salary Continuation payment shall be paid in bi-weekly installments, consistent with the Company's payroll practices. Subject to Sections 4(c) and 4(d) hereof, the first such payment shall be made on the first payroll date following the Release Effective Date, such payment to include all payments that would have otherwise been payable between the Termination Date and the date of such payment.

(2) The Company will pay to the Executive, at such time as those executives who are actively employed with the Company would receive payments under the Company's short-term cash bonus plan in which the Executive was eligible to participate immediately prior to the Termination Date (but in no event later than the 15th day of the third month of the fiscal year following the fiscal year in which the Termination Date occurred), a pro-rated amount of the Executive's bonus under such plan, based on the actual performance during the applicable period, determined in accordance with the terms of the Plan and subject to the approval of the Compensation and Human Capital Committee of the Board of Directors. The pro-rated amount shall be calculated using a fraction where the numerator is the number of days from the beginning of the applicable bonus period through the Termination Date and the denominator is the total number of days in the applicable bonus period.

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(3) Subject to the Executive's timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), during the period in which Salary Continuation is in effect, the Company shall reimburse the Executive for 100% of the monthly premium costs of COBRA coverage, less applicable withholding taxes on such reimbursement; provided, however, that the Company's obligation to provide such benefits shall cease upon the earlier of (i) the Executive's becoming eligible for such benefits as the result of employment with another employer and (ii) the expiration of the Executive's right to continue such medical and dental benefits under applicable law (such as COBRA); provided, further, that notwithstanding the foregoing, the Company shall not be obligated to provide the continuation coverage contemplated by this Section 2(a)(3) if it would result in the imposition of excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable).

(b) Termination for Cause, without Good Reason, or Death.If the Executive's employment is terminated during the Term by the Company for Cause, by the Executive without Good Reason or by reason of the Executive's death, the Company shall provide the Executive (or the Executive's estate, if applicable) with only the Accrued Compensation.

(c) Termination due to Disability. If the Executive's employment is terminated by the Company by reason of the Executive's Disability, the Company shall have the following obligations with respect to the Executive (or the Executive's estate, if applicable): (i) the Company shall provide the Executive with the Accrued Compensation; and (ii) the Executive shall be entitled to receive any disability benefits available under the Company's Long-Term Disability Plan (if any). For purposes of this Agreement, "Disability" means a physical or mental infirmity which impairs the Executive's ability to substantially perform the Executive's duties with the Company or its subsidiaries for a period of at least six (6) months in any twelve (12)-month calendar period as determined in accordance with the Company's long-term disability plan or, in the absence of such plan, as determined by the Company's Board of Directors (the "Board").

(d) Change of Control. If the Executive's employment is terminated during the Term (i) by the Company other than for Cause, or due to the Executive's death or Disability or (ii) by the Executive for Good Reason, in each case, during the three months prior to, and the eighteen months following, a Change of Control (such period, the "COC Protection Period"), then the Company shall provide the Executive with the Accrued Compensation and, subject to the Executive executing a Release, returning such Release to the Company by no later than the Release Deadline, and not revoking such Release prior to the expiration of the applicable revocation period, and subject to the further provisions of Sections 2(j), 3, 4 and 6 below, the Company shall have the following obligations with respect to the Executive (or the Executive's estate, if applicable), subject to applicable taxes and withholdings:

(1) The Company will pay the Executive an amount equal to eighteen months of the Executive's Base Salary in effect on the Termination Date. Subject to Sections 4(c) and 4(d) hereof, such amount shall be payable in a lump sum on the sixtieth (60th) day following the Termination Date, except to the extent that such amount becomes payable on account of a termination that occurs during the three-month period preceding a Change of Control. To that extent, the amount shall be paid at the time described in Section 2(a)(1) to the extent necessary to avoid the imposition of tax penalties under Section 409A of the Code.

(2) The Company will pay Executive an amount equal to 1.5 times the Executive's Target Bonus. Subject to Sections 4(c) and 4(d) hereof, such amount shall be payable in a lump sum on the sixtieth (60th) day following the Termination Date.

(3) Subject to the Executive's timely election of continuation coverage under COBRA for a period of eighteen months following the Termination Date, the Company shall reimburse the Executive for 100% of the monthly premium costs of COBRA coverage, less applicable withholding taxes on such reimbursement; provided, however, that the Company's obligation to provide such benefits shall cease upon the earlier of (i) the Executive's becoming eligible for such benefits as the result of employment with another employer and (ii) the expiration of the Executive's right to continue such medical and dental benefits under applicable law (such as COBRA); provided, further, that notwithstanding the foregoing, the Company shall not be obligated to provide the continuation coverage contemplated by this Section 2(d)(3) if it would result in the imposition of excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable).

(e) Definitions.

(1) Base Salary. For the purpose of this Agreement, "Base Salary" shall mean the Executive's annual rate of base salary as in effect on the applicable date; provided, however, that if the Executive's employment with the Company is being terminated by the Executive for Good Reason as a result of a reduction in the Executive's Base Salary, then "Base Salary" shall, for purposes of the definition of "Good Reason" and Section 3 of this Agreement, constitute the Executive's Base Salary as in effect prior to such reduction.

(2) Cause. For purposes of this Agreement, "Cause" shall mean: (i) the Executive's conviction of, or entrance of a plea of guilty or *nolo contendere* to, a felony under federal or state law; (ii) fraudulent conduct by the Executive in connection with the business affairs of the Company; (iii) the Executive's willful refusal to materially perform the Executive's duties hereunder; (iv) the Executive's willful misconduct which has, or would have if generally known, a materially adverse effect on the business or reputation of the company; or (v) the Executive's material breach of a covenant, representation, warranty or obligation of the Executive to the Company. With respect to the circumstances in subsections (iii), (iv), and (v), above, such circumstances will only constitute "Cause" once the Company has provided the Executive written notice and the Executive has failed to cure such issue within 30 days. No act or failure to act on the Executive's part shall be considered "willful" unless done, or omitted to be done, by the Executive in bad faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company.

(3) Change of Control. For purposes of this Agreement, "Change of Control" shall have the same meaning as such term is defined in the Company's 2016 Long-Term Incentive Plan for Associates; provided, however, that for purposes of this Agreement, such definition shall only apply to the extent that the event that constitutes such a "Change of Control" also constitutes a "change in ownership or control" as such term is defined in Section 409A of the United States Internal Revenue Code of 1986, as amended (the "Code"), and the regulations and guidance issued thereunder ("Section 409A of the Code").

(4) Good Reason. For purposes of this Agreement, "Good Reason" shall mean, without the Executive's written consent: (i) a reduction in the Executive's Base Salary or Target Bonus as in effect from time to time; (ii) a material reduction (including as a result of any co-sharing of responsibilities arrangement) of the Executive's authority, responsibilities, or duties, (iii) a requirement that the Executive be based at a location in excess of 50 miles from the location of its principal executive office as of the date of this Agreement; (iv) the Company fails to obtain the written assumption of its obligations to the Executive under this Agreement by a successor no later than the consummation of a Change of Control; (v) a material breach by the Company of its obligations to the Executive under this Agreement; or (vi) in anticipation or contemplation of or following a Change of Control, as defined above, a material adverse change in the Executive's reporting structure; which in each of the circumstances described above, is not remedied by the Company within 30 days of receipt of written notice by the Executive to the Company; so long as the Executive provides such written notice to the Company no later than 90 days following the first date the event giving rise to a claim of Good Reason exists;

(5) Target Bonus. "Target Bonus" shall mean the percentage of the Executive's Base Salary equal to the Executive's short-term cash bonus opportunity under the terms of the applicable short-term cash bonus program in which the Executive is entitled to participate in respect of the fiscal year of the

Company in which the Termination Date occurs (if any); provided, however, that if the Executive's employment with the Company is terminated by the Executive for Good Reason as a result of a reduction in the Executive's Target Bonus, then "Target Bonus" shall mean the Executive's Target Bonus as in effect immediately prior to such reduction.

(f) Mitigation. The Executive shall not be required to mitigate the amount of any payment provided for in this Section 2 by seeking other employment or otherwise and no such payment or benefit shall be eliminated, offset or reduced by the amount of any compensation provided to the Executive in any subsequent employment, except as provided in Section 2(a)(3) or Section 2(d)(3).

(g) Resignation from Office. The Executive's termination of employment with the Company for any reason shall be deemed to automatically remove the Executive, without further action, from any and all offices held by the Executive with the Company or its affiliates. The Executive shall execute such additional documents as requested by the Company from time to time to evidence the foregoing.

(h) Exclusivity. This Agreement is intended to provide severance payments and/or benefits only under the circumstances expressly enumerated under Section 2 hereof. Unless otherwise determined by the Company in its sole discretion, in the event of a termination of the Executive's employment with the Company for any reason (or no reason) or at any time other than as expressly contemplated by Section 2 hereof, the Executive shall not be entitled to receive any severance payments and/or benefits or other further compensation from the Company hereunder whatsoever, except for the Accrued Compensation and any other rights or benefits to which the Executive is otherwise entitled pursuant to the requirements of applicable law. Except as otherwise expressly provided in this Section 2, all of the Executive's rights to salary, bonuses, fringe benefits and other compensation hereunder (if any) which accrue or become payable after the Termination Date will cease upon the Termination Date.

(i) Set-Off. The Executive agrees that, to the extent permitted by applicable law, the Company may deduct from and set-off against any amounts otherwise payable to the Executive under this Agreement such amounts as may be owed by the Executive to the Company. The Executive shall remain liable for any part of the Executive's payment obligation not satisfied through such deduction and setoff.

(j) Exclusive Remedies. The Executive agrees and acknowledges that the payments and benefits set forth in this Section 2 shall be the only payments and benefits to which the Executive is entitled from the Company in connection with the termination of the Executive's employment with the Company, and that neither the Company nor its subsidiaries shall have any liability to the Executive or the Executive's estate, whether under this Agreement or otherwise, in connection with the termination of the Executive's employment.

3. Limitations on Certain Payments. Notwithstanding any provision of this Agreement to the contrary, if any amount or benefit to be paid or provided under this Agreement or otherwise would be an "excess parachute payment," within the meaning of Section 280G of the Code, or any successor provision thereto, but for the application of this sentence, then the payments and benefits identified in the second to last sentence of this Section 3 to be paid or provided will be reduced to the minimum extent necessary (but in no event to less than zero) so that no portion of any such payment or benefit, as so reduced, constitutes an excess parachute payment; provided, however, that the foregoing reduction will be made only if and to the extent that such reduction would result in an increase in the aggregate payment and benefits to be provided to the Executive, determined on an after-tax basis (taking into account the excise tax imposed pursuant to Section 4999 of the Code, or any successor provision thereto, any tax imposed by any comparable provision of state law, and any applicable federal, state and local income and employment taxes). Whether requested by the Executive or the Company, the determination of whether any reduction in such payments or benefits to be provided under this Agreement or otherwise is required pursuant to the preceding sentence will be made at the expense of the Company by a certified accounting firm that is independent from the Company. In the event that any payment or benefit intended to be provided under this Agreement or otherwise is required to be reduced pursuant to this Section 3, the Company will reduce the Executive's payments and/or benefits, to the extent required, in the following order: (a) the payments due under Section 2(d)(3) (beginning with the payment farthest out in time that would otherwise be paid); (b) the payments due under Section 2(d)(1) (beginning with the payment farthest out in time that would otherwise be paid); (c) the payment due under Section 2(d)(2). The assessment of whether or not such payments or benefits constitute or would include excess parachute payments shall take into account a reasonable compensation analysis of the value of services provided or to be provided by the Executive, including any agreement by the Executive (if applicable) to refrain from performing services pursuant to a covenant not to compete or similar covenant applicable to you that may then be in effect.

4. Section 409A of the Code; Withholding.

(a) This Agreement is intended to avoid the imposition of taxes and/or penalties under Section 409A of the Code. The parties agree that this Agreement shall at all times be interpreted, construed and operated in a manner to avoid the imposition of taxes and/or penalties under with Section 409A of the Code. To the extent required for compliance with Section 409A of the Code, all references to a termination of employment and separation from service shall mean "separation from service" as defined in Section 409A of the Code, and the date of such "separation from service" shall be referred to as the "Termination Date".

(b) All reimbursements provided under this Agreement shall comply with Section 409A of the Code and shall be subject to the following requirement: (i) the amount of expenses eligible for reimbursement, during the Executive's taxable year may not affect the expenses eligible for reimbursement to be provided in another taxable year; and (ii) the reimbursement of an eligible expense must be made by December 31 following the taxable year in which the expense was incurred. The right to reimbursement is not subject to liquidation or exchange for another benefit.

(c) Notwithstanding anything in this Agreement to the contrary, for purposes of the period specified in this Agreement relating to the timing of the Executive's execution of the Release

as a condition of the Company's obligation to provide any severance payments or benefits, if such period would begin in one taxable year and end in a second taxable year, any payment otherwise due to the Executive upon execution of the Release shall be made in the second taxable year and without regard to when the Release was executed or became irrevocable.

(d) If the Executive is a "specified employee" (as defined under Section 409A of the Code) on the Executive's Termination Date, to the extent that any amount payable under this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code (and is not otherwise excepted from Section 409A of the Code coverage by virtue of being considered "separation pay" or a "short term deferral" or otherwise) and is payable to Executive based upon a separation from service, such amount shall not be paid until the first day following the six (6) month anniversary of the Executive's Termination Date or the Executive's death, if earlier.

(e) To the maximum extent permitted under Section 409A of the Code, the payments and benefits under this Agreement are intended to meet the requirements of the short-term deferral exemption under Section 409A of the Code and the "separation pay exception" under Treasury Regulation §1.409A-1(b)(9)(iii). Any right to a series of installment payments shall be treated as a right to a series of separate payments for purposes of Section 409A of the Code.

(f) All amounts due and payable under this Agreement shall be paid less all amounts required to be withheld by law, including all applicable federal, state and local withholding taxes and deductions.

5. Indemnification. The Company shall indemnify, defend, and hold the Executive harmless to the maximum extent permitted by law and the Company by-laws against all judgments, fines, amounts paid in settlement and all reasonable expenses, including attorneys' fees incurred by the Executive, in connection with the defense of or as a result of any action or proceeding (or any appeal from any action or proceeding) in which the Executive is made or is threatened to be made a party by reason of the fact that the Executive is or was an officer or director of the Company. Subject to the terms of the Company's director and officer indemnification policies then in effect, the Company acknowledges that the Executive will be covered and insured up to the full limits provided by all directors' and officers' insurance which the Company then maintains to indemnify its directors and officers.

6. Executive Covenants.

(a) For the purposes of this Section 6, the term "Company" shall include Abercrombie & Fitch Management Co. and all of its subsidiaries, parent companies and affiliates thereof

(b) Non-Disclosure and Non-Use. The Executive shall not, during the Term and at all times thereafter, without the written authorization of the Chief Executive Officer ("CEO") of the Company or such other executive governing body as may exist in lieu of the CEO, (hereinafter referred to as the "Executive Approval"), use (except for the benefit of the Company) any Confidential and Trade Secret Information relating to the Company. The Executive shall hold in strictest confidence and shall not, without the Executive Approval, disclose to anyone, other than directors, officers, employees and counsel of the Company in furtherance of the business of the Company, any Confidential and Trade Secret Information relating to the Company. For purposes of this Agreement, "Confidential and Trade Secret Information" includes: the general or specific nature of any concept in development, the business plan or development schedule of any concept, vendor, merchant or customer lists or other processes, know-how, designs, formulas, methods, software, improvements, technology, new products, marketing and selling plans, business plans, development schedules, budgets and unpublished financial statements, licenses, prices and costs, suppliers, and information regarding the skills, compensation or duties of employees, independent contractors or consultants of the Company and any other information about the Company that is proprietary or confidential. Notwithstanding the foregoing, nothing herein shall prevent the Executive from disclosing Confidential and Trade Secret Information to the extent required by law or by any court or regulatory authority having actual or apparent authority to require such disclosure or in connection with any litigation or arbitration involving this Agreement.

The restrictions set forth in this Section 6(b) shall not apply to information that is or becomes generally available to the public or known within the Company's trade or industry (other than as a result of its wrongful disclosure by the Executive), or information received on a non-confidential basis from sources other than the Company who are not in violation of a confidentiality agreement with the Company.

The Executive further represents and agrees that, during the Term and at all times thereafter, the Executive is obligated to comply with the rules and regulations of the Securities and Exchange Commission ("SEC") regarding trading shares and/or exercising options related to the Company's stock. The Executive acknowledges that the Company has not provided opinions or legal advice regarding the Executive's obligations in this respect and that it is the Executive's responsibility to seek independent legal advice with respect to any stock or option transaction.

(c) Non-Disparagement and Cooperation. Neither the Executive nor any officer, director of the Company, nor any other spokesperson authorized as a spokesperson by any officer or director of the Company, shall, during the Term or at any time thereafter, intentionally state or otherwise publish anything about the other party which would adversely affect the reputation, image or business relationships and goodwill of the other party in the market and community at large. During the Term and at all times thereafter, the Executive shall fully cooperate with the Company in defense of legal claims asserted against the Company and other matters requiring the testimony or input and knowledge of the Executive. If at any time the Executive should be required to cooperate with the Company pursuant to this Section 6(c), the Company agrees to promptly reimburse the Executive for reasonable documented costs and expenses incurred as a result thereof. The Executive agrees that, during the Term and at all times thereafter, the Executive will not speak or communicate with any party or representative of any party, who is known to the Executive to be either adverse to the Company in litigation or administrative proceedings or to have threatened to commence litigation or administrative proceedings against the Company, with respect to the pending or threatened legal action, unless the Executive receives the written consent of the Company to do so, or is otherwise compelled by law to do so, and then only after advance notice to the Company. Nothing herein shall prevent the Executive from pursuing any claim in connection with enforcing or defending the Executive's rights or obligations under this Agreement, or engaging in any activity as set forth in Section 14 of this Agreement.

(d) Non-Competition. For the period of Executive's employment with the Company and for twelve (12) months following Executive's Termination Date with the Company for any reason (the "Non-Competition Period"), Executive shall not, directly or indirectly, without the Executive Approval, own, manage, operate, join, control, be employed by, consult with or participate in the ownership, management, operation or control of, or be connected with (as a stockholder, partner, or otherwise), any entity listed on Appendix A attached to this Agreement, or any of their current or future divisions, subsidiaries or affiliates (whether majority or minority owned), even if said division, subsidiary or affiliate becomes unrelated to the entity on Appendix A at some future date or any other entity engaged in a business that is competitive with the Company in any part of the world in which the Company conducts

business or is actively preparing or considering conducting business, and in which Executive has duties and responsibilities; Executive agrees and acknowledges that all of the entities listed on Appendix A are competitive with the Company and provide products and/or services that are directly competitive with Company in the geographic regions of the world where Company operates and conducts its business and where Executive has duties and responsibilities for Company ("Competing Entity"); provided, however, that the "beneficial ownership" by the Executive, either individually or by a "group" in which the Executive is a member (as such terms are used in Rule 13d of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), of less than 2% of the voting stock of any publicly held corporation shall not be a violation of this Section 6(d). The Executive acknowledges and agrees that any consideration that the Executive received in respect of any non-competition covenant in favor of the Company or its subsidiaries entered into prior to the date hereof shall be incorporated herein as consideration for the promises set forth in this Section 6(d) and that the provisions contained in this Section 6(d) shall supersede any prior non-competition covenants between the Executive and the Company or its subsidiaries.

(e) Non-Solicitation. For the period of Executive's employment with the Company and its subsidiaries and for twenty-four (24) months following Executive's Termination Date with the Company and its subsidiaries for any reason ("Non-Solicitation Period"), the Executive shall not, either directly or indirectly, alone or in conjunction with another party, interfere with or harm, or attempt to interfere with or harm, the relationship of the Company with any person who at any time was a customer or supplier of the Company or otherwise had a business relationship with the Company. During the Non-Solicitation Period, the Executive shall not hire, solicit for hire, aid in or facilitate the hire, or cause to be hired, either as an employee, contractor or consultant, any person who is currently employed, or was employed at any time during the six-month period prior thereto, as an employee, contractor or consultant of the Company. The Executive acknowledges and agrees that any consideration that the Executive received for in respect of any non-solicitation covenant in favor of the Company or its subsidiaries entered into prior to the date hereof shall be incorporated herein as consideration for the promises set forth in this Section 6(e) and that the provisions contained in this Section 6(e) shall supersede any prior non-solicitation covenants between the Executive and the Company or its subsidiaries.

(f) Confidentiality of this Agreement. Unless this Agreement is required to be publicly disclosed under applicable U.S. securities laws, the Executive agrees that, during the Term and at all times thereafter, the Executive shall not speak about, write about, or otherwise publicize or disclose to any third party the terms of this Agreement or any fact concerning its negotiation, execution or implementation, except with (i) an attorney, accountant, or other advisor engaged by the Executive; (ii) the Internal Revenue Service or other governmental agency upon proper request; or (iii) the Executive's immediate family; provided, that all such persons agree in advance to keep said information confidential and not to disclose it to others. This Section 6(f) shall not prohibit Executive from disclosing the terms of this Section 6 to a prospective employer.

(g) Remedies. The Executive agrees that any breach of the terms of this Section 6 would result in irreparable injury and damage to the Company for which the Company would have no adequate remedy at law; the Executive therefore also agrees that in the event of said breach or any threat of breach, the Company shall be entitled to an immediate injunction and restraining order to prevent such breach and/or threatened breach and/or continued breach by the Executive and/or any and all persons and/or entities acting for and/or with the Executive, without having to prove damages. The terms of this Section 6(g) shall not prevent the Company from pursuing any other available remedies for any breach or threatened breach

hereof, including but not limited to the recovery of damages from the Executive. The Executive and the Company further agree that the confidentiality provisions and the covenants not to compete and solicit contained in this Section 6 are reasonable and that the Company would not have entered into this Agreement but for the inclusion of such covenants herein. The parties agree that the prevailing party shall be entitled to all costs and expenses, including reasonable attorneys' fees and costs, in addition to any other remedies to which either may be entitled at law or in equity in connection with the enforcement of the covenants set forth in this Section 6. Should a court with jurisdiction determine, however, that all or any portion of the covenants set forth in this Section 6 is unreasonable, either in period of time, geographical area, or otherwise, the parties hereto agree that such covenants or portion thereof should be interpreted and enforced to the maximum extent that such court deems reasonable. In the event of any violation of the provisions of this Section 6, the Executive acknowledges and agrees that the post-termination restrictions contained in this Section 6 shall be extended by a period of time equal to the period of such violation, it being the intention of the parties hereto that the running of the applicable post-termination of employment restriction period shall be tolled during any period of such violation. In the event of a material violation by the Executive of this Section 6, any severance being paid to the Executive pursuant to Section 2 of this Agreement or otherwise shall immediately cease, and the aggregate gross amount of any severance previously paid to the Executive shall be immediately repaid to the Company.

(h) The provisions of this Section 6 shall survive any termination of this Agreement and any termination of the Executive's employment, and the existence of any claim or cause of action by the Executive against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and agreements of this Section 6.

7. Successors and Assigns.

(a) This Agreement shall be binding upon and shall inure to the benefit of the Company, its successors and assigns, and the Company shall require any successor or assign to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place. The term "the Company" as used herein shall include any such successors and assigns to the Company's business and/or assets. The term "successors and assigns" as used herein shall mean a corporation or other entity acquiring or otherwise succeeding to, directly or indirectly, all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.

(b) Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by the Executive, the Executive's beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal personal representative.

8. Arbitration. Except with respect to the remedies set forth in Section 6(g) hereof, any controversy or claim between the Company or any of its affiliates and the Executive arising out of or relating to this Agreement or its termination shall be settled and determined by a single arbitrator whose award shall be accepted as final and binding upon the parties. The American Arbitration Association, under its Employment Arbitration Rules, shall administer the binding arbitration. The arbitration shall take place in Columbus, Ohio. The Company and the Executive each waive any right to a jury trial or to a petition for stay in any action or proceeding of any kind arising out of or relating to this Agreement or its termination and agree that the arbitrator shall have the authority to award costs and attorney fees to the prevailing party.

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9. Effect on Prior Agreements. Except as otherwise set forth herein, this Agreement supersedes all provisions in prior agreements, either express or implied, between the parties hereto, with respect to post-termination payments and/or benefits; provided, that, this Agreement shall not supersede the Company's 2005, 2007 or 2016 Long-Term Incentive Plans (or any other applicable equity plan) or any applicable award agreements evidencing equity-based incentive awards thereunder (the "Equity Documents"), and any rights of the Executive with respect to equity-based incentive awards hereunder shall be in addition to, and not in lieu of, any rights pursuant to the Equity Documents. No provisions of this Agreement shall supersede or nullify the clawback provisions in the Equity Documents or any of the applicable Company incentive compensation plans.

10. Notice. For the purposes of this Agreement, notices and all other communications provided for in this Agreement (including the Notice of Termination) shall be in writing and shall be deemed to have been duly given when personally delivered or sent by registered or certified mail, return receipt requested, postage prepaid, or upon receipt if overnight delivery service or facsimile is used, addressed as follows:

To the Executive:
To Executive's last home address as listed in the books and records of the Company.

To the Company:
Abercrombie & Fitch Management Co.
6301 Fitch Path
New Albany, Ohio 43054
Attn: [____________________]

11. Miscellaneous. No provision of this Agreement may be modified, waived, or discharged unless such waiver, modification, or discharge is agreed to in writing and signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

12. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Ohio without giving effect to the conflict of law principles thereof. Except as provided in Section 8, any actions or proceedings instituted under this Agreement with respect to any matters arising under or related to this Agreement shall be brought and tried only in the Court of Common Pleas, Franklin County, Ohio.

13. Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

14. Protected Rights. Nothing contained in this Agreement limits Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission ("Government Agencies"). Executive further understands that this Agreement does not limit Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. This Agreement does not limit Executive's right to receive an award from a Government Agency for information provided to any Government Agency.

IN WITNESS WHEREOF, the undersigned has hereto set his/her hand this ___________ day of ______________________, 2024.

EXECUTIVE'S NAME

IN WITNESS WHEREOF, the undersigned has hereto set his hand effective as of the ____________ day of ______________________, 2024.

______________________[NAME]
______________________[TITLE]

Abercrombie & Fitch Co.

EXHIBIT 31.1

CERTIFICATIONS

I, Fran Horowitz, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Abercrombie & Fitch Co. for the quarterly period ended August 3, 2024 November 2, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Abercrombie & Fitch Co.

Date: September 6, 2024 December 6, 2024

By: /s/ Fran Horowitz
Fran Horowitz
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATIONS

I, Scott D. Lipesky, Robert J. Ball, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Abercrombie & Fitch Co. for the quarterly period ended August 3, 2024 November 2, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Abercrombie & Fitch Co.

Date: September 6, 2024 December 6, 2024

By: /s/ Scott D. Lipesky Robert J. Ball

Scott D. Lipesky Robert J. Ball
Executive Senior Vice President, Chief Financial Officer and Chief Operating Officer
(Principal Financial Officer)

EXHIBIT 32.1

Certifications by Chief Executive Officer (who serves as Principal Executive Officer) and Executive Senior Vice President, Chief Financial Officer and Chief Operating Officer (who serves as Principal Financial Officer) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*

In connection with the Quarterly Report of Abercrombie & Fitch Co. (the "Corporation") on Form 10-Q for the quarterly period ended August 3, 2024 November 2, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned Fran Horowitz, Chief Executive Officer of the Corporation (serving as Principal Executive Officer of the Corporation) and Scott D. Lipesky, Executive Robert J. Ball, Senior Vice President, Chief Financial Officer and Chief Operating Officer of the Corporation (serving as Principal Financial Officer of the Corporation), certify, pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the consolidated financial condition and results of operations of the Corporation and its subsidiaries.

/s/ Fran Horowitz	/s/ Scott D. Lipesky Robert J. Ball
Fran Horowitz Chief Executive Officer (Principal Executive Officer)	Scott D. Lipesky Robert J. Ball Executive Senior Vice President, Chief Financial Officer and Chief Operating Officer (Principal Financial Officer)
Date: September 6, 2024 December 6, 2024	Date: September 6, 2024 December 6, 2024

* These certifications are being furnished as required by Rule 13a-14(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code, and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that Section. These certifications shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Corporation specifically incorporates these certifications by reference in such filing.

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.