Four Iconic Businesses
One “BRAND”

18 – 22
The Abercrombie & Fitch brand personifies the privileged All-American collegiate lifestyle. A timeless juxtaposition of the Ivy League and the great outdoors.

14 – 18
Hollister Co. is based on the spirit and adventure of Southern California. It is passionate, inspired, and always original.

7 – 14
The abercrombie brand portrays the privileged All-American prep school lifestyle. East Coast classic heritage with a fun, spirited, wholesome American attitude.

22 – 35
A history of quality goods mixed with the rich cultural and social history of the Ruehl family in New York creates a vivid background to perpetuate the RUEHL brand.

Abercrombie & Fitch  HOLLISTER Co.  abercrombie  RUEHL
First Quarter
Financial Performance

• Net Sales increased 13% to $742.4 million
• Total direct-to-consumer net sales increased 43%
• Net Retail Sales approximately $500 per gross square foot trailing twelve months
• Comparable store sales declined 4% for the quarter
• Net Income increased 7% to $60.1 million
Driving Consistent Bottom-line Results

- Continued focus on building aspirational positioning of the brands
- Investing to drive top-line and incremental investments
- Continued roll-out of existing concepts
- International expansion
- Development of new concept
Initiatives to Drive Top-Line

- FY 2006 - Invested $40M in store refresh to existing Abercrombie & Fitch, abercrombie and Hollister Stores

- FY 2007 - Plan to invest $60M as follows:
  - $40M upgrade projects include new floors, sound systems and fixtures
  - $10M to add louvers and new signage
  - $10M to add video walls to Hollister
  - During Q1 upgraded 40 of 160 stores slated for 2007 upgrade projects – on track
Initiatives to Drive Top-Line

- Home Office Infrastructure
  - Opened new distribution center (DC2) on campus; accommodates additional 800 new stores

- Innovative Design Center (IDC)
  - Dedicated team uses more than 100 wash, quality assurance, lab and graphics machines
  - Produce design packages – “recipes” for vendor production (saves time and expense in the development process)
Initiatives to Drive Bottom-Line:
Improve Productivity and Drive Efficiencies

1) FY 2007 - approximately $40 million budgeted for IT investment

2) Currently implementing Core Retail Merchandising System
   • Intended to deliver streamlined functionality and better data access
   • Spend less time maintaining systems; more time being creative

3) Additional initiatives include: store systems, logistics systems, allocation, planning and forecasting
Strategies for Growth
Continued Store Growth Across All Brands

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY 2007</th>
<th>US Potential</th>
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<tbody>
<tr>
<td>Abercrombie &amp; Fitch</td>
<td>355</td>
<td>400</td>
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<tr>
<td>abercrombie</td>
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<td>275</td>
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<tr>
<td>HOLLISTER Co.</td>
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<td>800</td>
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<tr>
<td>RUEHL</td>
<td>16</td>
<td>250</td>
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<tr>
<td>Fifth Concept</td>
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<td>+</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>947</strong></td>
<td><strong>1,725+</strong></td>
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International - Canada

• Three Abercrombie & Fitch and three Hollister stores operating in Toronto and Edmonton

• The six stores generate approx. 3 times more sales per sq. ft. and 4-wall profit of the avg. US store

• Currently assessing additional opportunities in Vancouver, Calgary, and Ottawa

• Planning to roll out the kids business, abercrombie, with two stores planned to open in 2008 in Toronto at the Eaton Centre and Sherway Gardens
International – United Kingdom

- London flagship opened March 22, 2007
- Initial performance exceeding expectations from a sales per foot and four-wall margin basis
- Tracking to generate higher sales per selling foot and four-wall profit margin than Fifth Avenue Flagship
- London Flagship opening boosted brand awareness; A&F UK web business increased 100% and abercrombie, the kids business, increased 285% during the first quarter versus last year
RUEHL
Improving Four-Wall Performance

• Average store generated over $3.2M in sales in 2006
• Transactions per store increased 16% in Q1
• Targeting gross margin parity and profitability by FYE 2007
• New prototype: 7,200 square feet versus initial prototype of 9,500 square feet, one level versus initial prototype of two levels
• Adjustment makes it easier to secure prime real estate locations and reduce construction costs
• New stores include prime real estate (Fashion Show in Las Vegas and Natick Mall in Boston)
New Concept

• Introduce Fifth Concept in January 2008
• Seven new stores in Spring 2008
• Assembled strong and talented development team
• Business has been in development phase for two years
• Invested $7.5 M in 2006
• Investing $12M - $15M in 2007
• Very excited about the business; great potential