

ABERCROMBIE & FITCH CO /DE/

Form 11-K

June 26, 2008

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 11-K**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

**For the fiscal year ended December 31, 2007**

OR

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

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission file number 333-60203**

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

**Abercrombie & Fitch Co.**

**Savings and Retirement Plan**

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**Abercrombie & Fitch Co.**

**6301 Fitch Path**

**New Albany, Ohio 43054**

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REQUIRED INFORMATION

The following financial statements and supplemental schedule for the Abercrombie & Fitch Co. Savings and Retirement Plan are being filed herewith:

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<u>Report of Independent Registered Public Accounting Firm</u>	3
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<u>Supplemental Schedule:</u>	
<u>Schedule of Assets Held at End of Year as of December 31, 2007</u>	12
<b>The following exhibit is being filed herewith:</b>	
<u>Exhibit No. 23.01</u>	
<u>Consent of Independent Registered Public Accounting Firm</u> <u>EX-23.01</u>	15

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors of  
Abercrombie & Fitch Co. and the  
Benefit Plans Committee of the Abercrombie & Fitch Co.  
Savings and Retirement Plan:

We have audited the accompanying statements of net assets available for benefits of the Abercrombie & Fitch Co. Savings and Retirement Plan (the Plan ) as of December 31, 2007 and 2006, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan s internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2007 and 2006, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held at end of year as of December 31, 2007 is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic 2007 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Ary Roepcke Mulchaey, P.C.

Columbus, Ohio

June 26, 2008

**Table of Contents****Abercrombie & Fitch Co. Savings and Retirement Plan  
Statements of Net Assets Available for Benefits  
December 31, 2007 and 2006**

	<b>2007</b>	<b>2006</b>
<b>ASSETS:</b>		
Investments, at fair value	\$ 80,343,601	\$ 60,855,156
Cash	55,581	57,183
Receivable for contributions:		
Employer	8,764,510	7,292,227
Participants	244,356	145,872
Total receivable for contributions	9,008,866	7,438,099
Accrued earnings	230	245
NET ASSETS AVAILABLE FOR BENEFITS, AT FAIR VALUE	89,408,278	68,350,683
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	145,054	102,505
NET ASSETS AVAILABLE FOR BENEFITS	\$ 89,553,332	\$ 68,453,188

The accompanying notes are an integral part of these financial statements.

**Table of Contents****Abercrombie & Fitch Co. Savings and Retirement Plan  
Statements of Changes in Net Assets Available for Benefits  
For the Years Ended December 31, 2007 and 2006**

	<b>2007</b>	<b>2006</b>
<b>ADDITIONS:</b>		
Investment income:		
Net appreciation in fair value of investments	\$ 948,618	\$ 2,211,482
Mutual funds earnings	4,907,156	2,927,146
Common collective trust s earnings	565,919	377,988
Interest	73,437	58,799
Dividends	12,610	14,749
 Total investment income	 6,507,740	 5,590,164
Contributions:		
Employer	12,772,699	10,092,476
Participants	7,867,101	5,738,397
Rollovers	697,067	1,078,862
 Total contributions	 21,336,867	 16,909,735
 Total additions	 27,844,607	 22,499,899
<b>DEDUCTIONS:</b>		
Distributions to participants	6,691,167	3,550,337
Administrative expenses	53,296	11,931
 Total deductions	 6,744,463	 3,562,268
 Net increase	 21,100,144	 18,937,631
Net assets available for benefits:		
Beginning of year	68,453,188	49,515,557
 End of year	 \$ 89,553,332	 \$ 68,453,188

The accompanying notes are an integral part of these financial statements.

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**Abercrombie & Fitch Co. Savings and Retirement Plan  
Notes to Financial Statements  
For the Years Ended December 31, 2007 and 2006**

**(1) Description of the plan**

**General**

The Abercrombie & Fitch Co. Savings and Retirement Plan (the Plan ), originally effective July 1, 1998, and amended and restated in its entirety effective October 1, 2007, is a defined contribution plan covering certain employees of Abercrombie & Fitch Co. (the Employer ). Employees are eligible to participate in the Plan if they are at least 21 years of age and have completed a year of employment with 1,000 or more hours of service.

Effective October 1, 2007, the Fidelity Freedom 2045 Fund and Fidelity Freedom 2050 were added as investment options.

Effective March 1, 2005, the Abercrombie & Fitch Company Stock Fund was frozen as an investment option under the Plan, including exchanges in, contributions, and loan repayments. Participant investment elections remaining at the start of the freeze period were invested in the Fidelity Managed Income Portfolio.

Under the Plan, a \$1,000 minimum account balance is required for terminated participants to retain their accounts in the Plan. The minimum account balance was \$5,000 for terminated participant accounts from before March 28, 2005. As of October 1, 2007, the Plan was changed to allow terminated participants with account balances from \$1,000 to \$5,000 to be rolled into a Fidelity IRA account.

The following description of the Plan provides only general information. Participants should refer to the Plan document and Summary Plan Description for a more complete description of the Plan s provisions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ( ERISA ), as amended.

**Contributions**

***Employer s Contribution:***

The Employer may provide a discretionary, non-elective employer contribution on behalf of eligible active participants, who completed 1,000 hours of service during the Plan year and who were employed on the last day of the Plan year, in an amount equal to 5% of annual compensation up to the Social Security wage base and 8% of annual compensation thereafter.

The annual amount of compensation of each participant that is eligible for consideration under the Plan is limited to the maximum amount permitted under Section 401(a)(17) of the Internal Revenue Code. The annual compensation limit for the Plan years ended December 31, 2007 and 2006 was \$225,000 and \$220,000, respectively.

The Employer provides a matching contribution of 100% of the first 3% and 50% of the next 2% of the participant s voluntary contributions.

**Table of Contents*****Participant s voluntary contributions:***

A participant may elect to make a voluntary tax-deferred contribution of 1% to 50% of his or her annual compensation up to the maximum permitted under Section 402(g) of the Internal Revenue Code adjusted annually (\$15,500 for 2007). This voluntary tax-deferred contribution may be limited by Section 401(k) of the Internal Revenue Code.

If a participant will be age 50 or older as of the end of a calendar year, they may elect to make catch-up contributions in that year. Catch-up contributions are deferral contributions in excess of the limits discussed above and any other limit prescribed by law. For 2007 and 2006, catch-up contributions could not exceed \$5,000.

Rollover contributions are assets transferred to the Plan by participants who receive distributions from other qualified plans. These contributions are not entitled to any employer matching contributions.

**Investment Options**

Participants direct the investment of both their own and the Employer s contributions into various investment options offered by the Plan. The Plan currently offers twenty-three mutual funds and a common collective trust as investment options.

**Participant Accounts**

Each participant s account is credited with the participant s contributions and allocations of 1) the Employer s contributions, 2) investment earnings, and 3) administrative expenses. Allocations are based on the participant s contributions or account balances, as appropriate. A participant is entitled to the benefit that can be provided from the participant s vested account.

**Vesting**

Participants are fully and immediately vested for voluntary contributions, rollover contributions and the Employer s matching contributions made subsequent to January 1, 2003. A summary of vesting percentages in the Employer s matching contributions made prior to January 1, 2003, and the Employer s discretionary non-elective contributions are as follows:

<b>Years of Vested Service</b>	<b>Percentage</b>
Less than one year	0%
One year, but less than two years	20%
Two years, but less than three years	40%
Three years, but less than four years	60%
Four years, but less than five years	80%
Five years or more	100%

**Payment of Benefits**

The full value of a participant s account becomes payable upon retirement, disability or death. Upon termination of employment for any other reason, a participant s account, to the extent vested, becomes payable. Those participants with vested account balances greater than \$1,000 have the option of leaving their accounts invested in the Plan until age 65. All benefits will be paid as a lump-sum distribution. Those participants holding shares of the Employer s common stock will have the option of receiving such amounts in whole shares of the Employer s common stock and cash for any fractional shares. Participants have the option of having their benefit paid directly to an eligible



retirement plan specified by the participant.

A participant who is fully vested in his or her account and who has participated in the Plan for at least five years may obtain an in-service withdrawal from certain accounts based on the percentage amounts designated by the Plan. A participant may also request a hardship distribution from certain accounts due to an immediate and heavy financial need based on the terms of the Plan.

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**Participant Loans**

Participants are permitted to borrow from their account the lesser of \$50,000 or 50% of the vested balance of their account, with a minimum loan amount of \$1,000. All loans become due and payable in full upon a participant's termination of employment with the employer. The borrowing constitutes a separate earmarked investment of the participant's account. Interest on the borrowing is based on the customary rate for similar loans within the geographic area in which the Plan is administered.

**Amounts allocated to participants withdrawn from the plan**

The vested portion of net assets available for benefits allocated to participants withdrawn from the Plan was \$576,595 and \$86,276 as of December 31, 2007 and 2006, respectively.

**Forfeitures**

Forfeitures are used to reduce the Employer's contributions. Forfeitures of \$1,238,327 and \$508,885 were used to reduce contributions for the years ended December 31, 2007 and 2006, respectively.

**Expenses**

Administrative expenses may be paid by the Plan unless the Employer elects to pay such expenses. Substantially all administrative expenses of the Plan for 2007 and 2006 were paid by the Employer except for loan administration fees, which are allocated to the borrowing participant's account, distribution processing fees, as well as certain other investment fees.

Brokerage fees, transfer taxes, and other expenses incurred in connection with the investment of the Plan's assets will be added to the cost of such investments or deducted from the proceeds thereof, as the case may be.

**(2) Summary of accounting policies**

**Basis of presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting, including investment valuation and income recognition.

**Estimates**

The Plan prepares its financial statements in conformity with accounting principles generally accepted in the United States of America, which requires management to make estimates and assumptions that affect the reported amounts of net assets available for plan benefits at the date of the financial statements and the changes in net assets available for plan benefits during the reporting period and, when applicable, disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from these estimates.

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### **New Accounting Pronouncements**

In September 2006, the Financial Accounting Standards Board ( FASB ) issued Statement of Financial Accounting Standards ( SFAS ) No. 157, *Fair Value Measurements* ( SFAS No. 157 ). SFAS No. 157 provides guidance for using fair value to measure assets and liabilities and only applies when other standards require or permit the fair value measurement of assets and liabilities. SFAS No. 157 does not expand the use of fair value measurement. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. Consequently, SFAS No. 157 became applicable for the Plan beginning January 1, 2008. The Employer does not believe the adoption of SFAS No. 157 will have a material impact on the Plan's financial statements.

### **Risks**

The Plan provides for the various investment options as described in Note 1. Any investment is exposed to various risks, such as interest rate, market and credit risk. These risks could result in a material effect on participants account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

### **Investment valuation and income recognition**

The Plan follows FASB Staff Position ( FSP ) No. AAG INV-1 and Statement of Position No. 94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans*. This FSP requires the Statement of Net Assets Available for Benefits present the fair value of the Plan's investments as well as the adjustment from fair value to contract value for the fully benefit-responsive investment contracts. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis for the fully benefit-responsive investment contracts. Contract value represents contributions plus earnings, less participant withdrawals and administrative expenses.

Mutual funds are stated at fair value as determined by quoted market price, which represents the net asset value of shares held by the Plan at year end. Common stocks are valued as determined by quoted market price. The common collective trust's fair value has been determined by the trustee sponsoring the common collective trust by dividing the trust's net asset at fair value by its units outstanding at the valuation dates.

Participant loans are valued based on remaining unpaid principal balance plus any accrued but unpaid interest, which approximates fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

### **Net appreciation in fair value of investments**

Net realized and unrealized appreciation (depreciation) is recorded in the accompanying statements of changes in net assets available for benefits as net appreciation in fair value of investments.

### **Benefit payments**

Benefits are recorded when paid.

**Table of Contents****(3) Investments**

The following table presents balances as of December 31, 2007 and 2006 for the Plan's investment options. Investments that represent five percent or more of the Plan's net assets are separately identified.

	<b>2007</b>	<b>2006</b>
Investments at fair value as determined by:		
<b>Quoted market price:</b>		
Common stock:		
Abercrombie & Fitch Co., Class A	\$ 1,327,230	\$ 1,399,394
Mutual funds:		
Fidelity Diversified International Fund	8,067,206	5,463,153
Fidelity Contrafund	6,582,837	3,702,856
Fidelity Spartan U.S. Equity Index Fund	5,869,955	5,431,883
Fidelity Blue Chip Growth Fund	5,433,816	4,808,634
Artisan Mid Cap Fund	5,273,085	3,155,283
Fidelity Freedom 2040 Fund	4,939,148	3,975,229
Fidelity Freedom 2020 Fund	4,902,350	4,162,957
Other	23,600,573	17,719,607
Total mutual funds	64,668,970	48,419,602
Total quoted market price	65,996,200	49,818,996
<b>Estimated fair value:</b>		
Participant loans	999,883	837,386
Common collective trust fund:		
Fidelity Managed Income Portfolio	13,347,518	10,198,774
Total estimated fair value	14,347,401	11,036,160
Total investments at fair value	\$ 80,343,601	\$ 60,855,156

Net appreciation in the fair value of the Plan's investments (including investments bought, sold, and held during the year) for the years ended December 31, 2007 and 2006 is set forth below:

	<b>2007</b>	<b>2006</b>
Investments at fair value as determined by:		
<b>Quoted market price:</b>		
Common stock	\$ 206,136	\$ 91,186
Mutual funds	742,482	2,120,296
	\$ 948,618	\$ 2,211,482

**(4) Tax status**

The Internal Revenue Service has determined and informed the Employer by a letter dated December 6, 2005 that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code.

Subsequent to this determination by the Internal Revenue Service, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Committee believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

**(5) Plan administration**

A Committee, the members of which are appointed by the Board of Directors of the Employer, administers the Plan.

**Table of Contents****(6) Plan termination**

Although the Employer has not expressed any intent to do so, the Employer has the right under the Plan to discontinue their contributions at any time. The Employer has the right at any time, by action of its Board of Directors, to terminate the Plan subject to provisions of ERISA. Upon Plan termination or partial termination, participants will become fully vested in their accounts.

**(7) Parties-in-interest**

Fidelity Management Trust Company, trustee of the Plan and its subsidiaries and affiliates, maintain and manage certain investments of the Plan for which the Plan was charged.

The Employer provides certain administrative services to the Plan at no charge. The cost of providing these services and the payment of these costs by the Employer, which is a party-in-interest, constitute exempt party-in-interest transactions under ERISA.

**(8) Reconciliation of financial statements to Form 5500**

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500:

	<b>2007</b>	<b>2006</b>
Net assets available for benefits per the financial statements	\$89,553,332	\$68,453,188
Adjustment from contract value to fair value for fully benefit-responsive investment contracts	(145,054)	(102,505)
Amounts allocated to withdrawing participants	(576,595)	(86,276)
Net assets available for benefits per Form 5500	\$88,831,683	\$68,264,407

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to Form 5500:

Net increase in assets per the financial statements	\$21,100,144
Net investment income difference between fair value and contract value:	
At December 31, 2007	(145,054)
At December 31, 2006	102,505
Amounts allocated to withdrawing participants:	
At December 31, 2007	(576,595)
At December 31, 2006	86,276
Net income per Form 5500	\$20,567,276

The following is a reconciliation of benefits paid to participants per the financial statements to Form 5500:

Benefits paid to participants per the financial statements	\$ 6,691,167
Deemed distributions of participant loans	(5,691)

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Excess contribution refunded in 2007	(2,680)
Amounts allocated to withdrawing participants:	
At December 31, 2007	576,595
At December 31, 2006	(86,276)
Benefits paid to participants per Form 5500	\$ 7,173,115

Amounts allocated to withdrawing participants are recorded on Form 5500 for benefits claims that have been processed and approved for payment prior to December 31, but not yet paid as of that date.

**Table of Contents****Abercrombie & Fitch Co. Savings and Retirement Plan****EIN #31-1469076 Plan #001****Schedule H Line 4i****Schedule of Assets Held at End of Year December 31, 2007**

(a)	(b)	(c)	(d)	(e)
	Identity of issuer, borrower, lessor, or  similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity  value	Cost **	Current Value
*	Abercrombie & Fitch Co., Class A	Common stock -- 16,598 shares	\$	1,327,230
*	Fidelity Diversified International Fund	Mutual fund -- 202,186 shares		8,067,206
*	Fidelity Contrafund	Mutual fund -- 90,040 shares		6,582,837
*	Fidelity Spartan U.S. Equity Index Fund	Mutual fund -- 113,101 shares		5,869,955
*	Fidelity Blue Chip Growth Fund	Mutual fund -- 123,328 shares		5,433,816
*	Artisan Mid Cap Fund	Mutual fund -- 170,429 shares		5,273,085
*	Fidelity Freedom 2040 Fund	Mutual fund -- 507,621 shares		4,939,148
*	Fidelity Freedom 2020 Fund	Mutual fund -- 310,080 shares		4,902,350
*	Fidelity Balanced Fund	Mutual fund -- 223,352 shares		4,379,926
*	Fidelity Value Fund	Mutual fund -- 49,474 shares		3,711,046
*	PIMCO Total Return Fund	Mutual fund -- 312,940 shares		3,345,332
*	Allianz NFJ Small Cap Value Fund	Mutual fund -- 80,768 shares		2,390,735
*	Fidelity Small Cap Independence Fund	Mutual fund -- 111,448 shares		2,218,938
*	Fidelity Equity Income Fund	Mutual fund -- 33,710 shares		1,859,439
*	Fidelity Freedom 2030 Fund	Mutual fund -- 81,337 shares		1,343,686
*	Fidelity Freedom 2035 Fund	Mutual fund -- 83,079 shares		1,136,520
*	Fidelity Freedom 2010 Fund	Mutual fund -- 65,049 shares		964,023
*	Fidelity Freedom Income Fund	Mutual fund -- 71,080 shares		813,867
*	Fidelity Freedom 2025 Fund	Mutual fund -- 43,591 shares		574,526
*	Fidelity Freedom 2015 Fund	Mutual fund -- 24,043 shares		299,811
*	Fidelity Freedom 2045 Fund	Mutual fund -- 25,765 shares		292,435
*	Fidelity Freedom 2050 Fund	Mutual fund -- 12,635 shares		144,418
*	Fidelity Freedom 2000 Fund	Mutual fund -- 9,071 shares		112,212
*	Fidelity Freedom 2005 Fund	Mutual fund -- 1,159 shares		13,659
*	Fidelity Managed Income Portfolio	Common collective trust -- 13,492,572 units		13,347,518
	Participant Loans	Interest 5.75% -- 9.25%		999,883

\* Represents a party-in-interest.



\*\* Cost information omitted investment is part of an individual account plan that a participant or beneficiary directed with respect to assets allocated to his or her account.

The accompanying notes are an integral part of this schedule.

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**SIGNATURES**

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

ABERCROMBIE & FITCH CO. SAVINGS AND  
RETIREMENT PLAN

Date: June 26, 2008

By: /s/ Kevin Flatley

Kevin Flatley  
Vice President Compensation and Benefits  
Abercrombie & Fitch Co.

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ABERCROMBIE & FITCH CO.  
SAVINGS AND RETIREMENT PLAN  
ANNUAL REPORT ON FORM 11-K  
FOR FISCAL YEAR ENDED DECEMBER 31, 2007  
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