

The Gap, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS
UNAUDITED

(\$ in millions)	January 31, 2026	February 1, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,616	\$ 2,335
Short-term investments	386	253
Merchandise inventory	2,207	2,067
Other current assets	568	548
Total current assets	<u>5,777</u>	<u>5,203</u>
Property and equipment, net of accumulated depreciation	2,507	2,496
Operating lease assets	3,443	3,240
Other long-term assets	905	946
Total assets	<u>\$ 12,632</u>	<u>\$ 11,885</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,567	\$ 1,488
Accrued expenses and other current liabilities	1,044	1,083
Current portion of operating lease liabilities	634	632
Income taxes payable	55	53
Total current liabilities	<u>3,300</u>	<u>3,256</u>
Long-term liabilities:		
Long-term debt	1,492	1,490
Long-term operating lease liabilities	3,485	3,353
Other long-term liabilities	554	522
Total long-term liabilities	<u>5,531</u>	<u>5,365</u>
Total stockholders' equity	<u>3,801</u>	<u>3,264</u>
Total liabilities and stockholders' equity	<u>\$ 12,632</u>	<u>\$ 11,885</u>

The Gap, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED

(\$ and shares in millions except per share amounts)	13 Weeks Ended		52 Weeks Ended	
	January 31, 2026	February 1, 2025	January 31, 2026	February 1, 2025
Net sales	\$ 4,236	\$ 4,149	\$ 15,366	\$ 15,086
Cost of goods sold and occupancy expenses	2,622	2,537	9,098	8,859
Gross profit	1,614	1,612	6,268	6,227
Operating expenses	1,385	1,353	5,153	5,115
Operating income	229	259	1,115	1,112
Interest, net	(7)	(13)	(17)	(25)
Income before income taxes	236	272	1,132	1,137
Income tax expense	65	66	316	293
Net income	<u>\$ 171</u>	<u>\$ 206</u>	<u>\$ 816</u>	<u>\$ 844</u>
Weighted-average number of shares - basic	373	377	373	376
Weighted-average number of shares - diluted	384	384	384	384
Earnings per share - basic	\$ 0.46	\$ 0.55	\$ 2.19	\$ 2.24
Earnings per share - diluted	\$ 0.45	\$ 0.54	\$ 2.13	\$ 2.20

The Gap, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED

(\$ in millions)	52 Weeks Ended	
	January 31, 2026 (a)	February 1, 2025 (a)
Cash flows from operating activities:		
Net income	\$ 816	\$ 844
Depreciation and amortization	496	500
Change in merchandise inventory	(129)	(88)
Change in accounts payable	57	137
Change in accrued expenses and other current liabilities	(90)	(25)
Other, net	143	118
Net cash provided by operating activities	1,293	1,486
Cash flows from investing activities:		
Purchases of property and equipment	(470)	(447)
Net proceeds from sale of property	—	7
Purchases of short-term investments	(419)	(409)
Proceeds from sales and maturities of short-term investments	289	162
Other	—	(5)
Net cash used for investing activities	(600)	(692)
Cash flows from financing activities:		
Proceeds from issuances under share-based compensation plans	25	32
Withholding tax payments related to vesting of stock units	(42)	(50)
Repurchases of common stock	(155)	(75)
Cash dividends paid	(247)	(225)
Other	—	(3)
Net cash used for financing activities	(419)	(321)
Effect of foreign exchange rate fluctuations on cash, cash equivalents, and restricted cash	5	(9)
Net increase in cash, cash equivalents, and restricted cash	279	464
Cash, cash equivalents, and restricted cash at beginning of period	2,365	1,901
Cash, cash equivalents, and restricted cash at end of period	\$ 2,644	\$ 2,365

(a) For the fifty-two weeks ended January 31, 2026 and February 1, 2025, total cash, cash equivalents, and restricted cash includes \$28 million and \$30 million, respectively, of restricted cash recorded within other long-term assets on the Condensed Consolidated Balance Sheets.

The Gap, Inc.
NON-GAAP FINANCIAL MEASURES
UNAUDITED

FREE CASH FLOW

Free cash flow is a non-GAAP financial measure. We believe free cash flow is an important metric because it represents a measure of how much cash a company has available for discretionary and non-discretionary items after the deduction of capital expenditures. We require regular capital expenditures including technology improvements as well as building and maintaining our stores and distribution centers. We use this metric internally, as we believe our sustained ability to generate free cash flow is an important driver of value creation. However, this non-GAAP financial measure is not intended to supersede or replace our GAAP results.

(\$ in millions)	52 Weeks Ended	
	January 31, 2026	February 1, 2025
Net cash provided by operating activities	\$ 1,293	\$ 1,486
Less: Purchases of property and equipment	(470)	(447)
Free cash flow	<u>\$ 823</u>	<u>\$ 1,039</u>

The Gap, Inc.
NON-GAAP FINANCIAL MEASURES
UNAUDITED

EXPECTED ADJUSTED EARNINGS PER SHARE FOR FISCAL YEAR 2026

Expected adjusted diluted earnings per share is a non-GAAP financial measure. Expected adjusted diluted earnings per share for fiscal year 2026 is provided to enhance visibility into the Company's expected underlying results for the period excluding the estimated net impact of a legal settlement and an expected charitable contribution. This non-GAAP financial measure is not intended to supersede or replace the GAAP measure.

	52 Weeks Ending January 30, 2027	
	Low End	High End
Expected earnings per share - diluted	\$ 2.71	\$ 2.86
Less: Estimated gain from legal settlement (a)	(0.61)	(0.61)
Add: Estimated charitable contribution (b)	0.10	0.10
Expected adjusted earnings per share - diluted	<u>\$ 2.20</u>	<u>\$ 2.35</u>

(a) Represents the estimated earnings per share impact, calculated net of tax at the expected effective tax rate, of an expected net gain of \$313 million from a legal settlement during the first quarter of fiscal 2026 related to credit card litigation matters.

(b) Represents the estimated earnings per share impact, calculated net of tax at the expected effective tax rate, of an expected charitable contribution of \$50 million during the first quarter of fiscal 2026.

The Gap, Inc.
NET SALES RESULTS
UNAUDITED

The following table details the Company's fourth quarters and fiscal years 2025 and 2024 net sales (unaudited):

(\$ in millions) 13 Weeks Ended January 31, 2026	Old Navy Global	Gap Global	Banana Republic Global	Athleta Global	Other (2)	Total
U.S. (1)	\$ 2,099	\$ 822	\$ 482	\$ 346	\$ 6	\$ 3,755
Canada	160	92	48	7	—	307
Other regions	14	140	19	1	—	174
Total	<u>\$ 2,273</u>	<u>\$ 1,054</u>	<u>\$ 549</u>	<u>\$ 354</u>	<u>\$ 6</u>	<u>\$ 4,236</u>
(\$ in millions) 13 Weeks Ended February 1, 2025	Old Navy Global	Gap Global	Banana Republic Global	Athleta Global	Other (2)	Total
U.S. (1)	\$ 2,043	\$ 756	\$ 479	\$ 385	\$ 16	\$ 3,679
Canada	154	88	46	10	—	298
Other regions	15	136	20	1	—	172
Total	<u>\$ 2,212</u>	<u>\$ 980</u>	<u>\$ 545</u>	<u>\$ 396</u>	<u>\$ 16</u>	<u>\$ 4,149</u>
(\$ in millions) 52 Weeks Ended January 31, 2026	Old Navy Global	Gap Global	Banana Republic Global	Athleta Global	Other (2)	Total
U.S. (1)	\$ 7,952	\$ 2,679	\$ 1,667	\$ 1,185	\$ 73	\$ 13,556
Canada	648	324	173	31	—	1,176
Other regions	57	498	76	3	—	634
Total	<u>\$ 8,657</u>	<u>\$ 3,501</u>	<u>\$ 1,916</u>	<u>\$ 1,219</u>	<u>\$ 73</u>	<u>\$ 15,366</u>
(\$ in millions) 52 Weeks Ended February 1, 2025	Old Navy Global	Gap Global	Banana Republic Global	Athleta Global	Other (2)	Total
U.S. (1)	\$ 7,706	\$ 2,531	\$ 1,682	\$ 1,311	\$ 65	\$ 13,295
Canada	649	326	168	39	—	1,182
Other regions	46	477	83	3	—	609
Total	<u>\$ 8,401</u>	<u>\$ 3,334</u>	<u>\$ 1,933</u>	<u>\$ 1,353</u>	<u>\$ 65</u>	<u>\$ 15,086</u>

(1) U.S. includes the United States and Puerto Rico.

(2) Primarily consists of net sales from revenue-generating strategic initiatives.

The Gap, Inc.
REAL ESTATE

Store count, net openings/closings, and square footage for our company-operated stores are as follows:

	February 1, 2025	52 Weeks Ended January 31, 2026	January 31, 2026	
	Number of Store Locations	Net Number of Stores Opened/(Closed)	Number of Store Locations	Square Footage (in millions)
Old Navy North America	1,249	(7)	1,242	19.6
Gap North America	453	6	459	4.9
Gap Asia	122	1	123	1.1
Banana Republic North America	380	(22)	358	2.9
Banana Republic Asia	42	(2)	40	0.1
Athleta North America	260	(8)	252	1.0
Company-operated stores total	2,506	(32)	2,474	29.6

As of January 31, 2026, the Company's franchise partners operated approximately 1,000 franchise stores.