UNIQUE STRENGTHS. DISTINCT PATHS.

Gap Inc. plans to separate into two independent publicly traded companies

SIGNIFICANT PROGRESS...

Continued Investment in Supply Chain and Digital Capabilities	Focus on Productivity and Operational Discipline	Ongoing Fleet Optimization	Integrating Sustainability Across Our Value Chain

...ENABLES US TO EMBED THESE CAPABILITIES WITHIN TWO STAND ALONE COMPANIES, EACH WITH A SHARPENED STRATEGIC FOCUS AND OPERATING STRUCTURE

NEWCO

Unique and differentiated brand portfolio

GAP · BANANA REPUBLIC · INTERMIX · ATHLETA · HILL CITY

~$9 Billion
Annual revenue

San Francisco
Headquarters

Art Peck
President & CEO

- Led Gap since 2015
- Led significant improvements
- Reinvigorated growth across specialty brands

OLD NAVY

One of the fastest growing apparel brands in the U.S.

OLD NAVY

~$8 Billion
Annual revenue

San Francisco
Headquarters

Sonia Syngal
President & CEO

- Led Old Navy since 2016
- Led transformation
- Strong operational experience

STRATEGIC SEPARATION POSITIONS EACH COMPANY TO CAPITALIZE ON UNIQUE VALUE CREATION LEVERS AND DISTINCT GROWTH PLANS

NEWCO

- Scaled operating platform with advantaged digital capabilities
- Improve profitability at Gap, Banana Republic and Intermix and further drive growth momentum of certified B-corp Athleta and Hill City
- Explore additional franchising and outlet opportunities
- Supply chain and inventory optimization
- Invest in digital, omni-channel and data analytics
- Refine Gap brand store fleet
- Evolve leadership in sustainability and social responsibility
- Maintain a strong balance sheet

OLD NAVY

- Capitalize on scale, broad customer awareness and unique positioning
- Extend category leadership deliver profitable growth
- Flexibility, focus and control needed to increase customer access by:
  - Applying strategic real estate strategy
  - Evolving omni-channel model
  - Expanding its product categories
- Invest in capabilities and initiatives to grow market share
- Maintain strong balance sheet and cash flow

FORWARD-LOOKING STATEMENTS

This communication contains forward-looking statements within the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. All statements other than those that are purely historical are forward-looking statements. Words such as "expect," "anticipate," "believe," "estimate," "intend," "plan," "project," and similar expressions also identify forward-looking statements. Forward-looking statements include statements regarding the following: relating to future sales, earnings, cash flow, results of operations, uses of cash, and other measures of financial performance or potential future plans, strategies or transactions of the company or the independent companies following the proposed separation transaction, the structure, benefits, capitalization, and timing of completion of the separation transaction, and estimated costs associated with the separation transaction.

Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause the company's actual results to differ materially from those in the forward-looking statements. These factors include, without limitation, the following risks, any of which could have an adverse effect on the company's financial condition, results of operations, and reputation: the risk that additional information may arise during the company's close process or as a result of subsequent events that would require the company to make adjustments to its financial information; the risk that the company or its franchisees will be unsuccessful in gauging apparel trends and changing consumer preferences; the highly competitive nature of the company's business in the United States and internationally; the risk of failure to maintain, enhance and protect the company's brand image; the risk of failure to attract and retain key personnel, or effectively manage succession; the risk that the company's investments in customer, digital, and omni-channel shopping initiatives may not deliver the results the company anticipates; the risk if the company is unable to manage its inventory effectively; the risk that the company is subject to data or other security breaches that may result in increased costs, violations of law, significant legal and financial exposure, and a loss of confidence in the company's security measures; the risk that a failure of, or updates or changes to, the company's information technology systems may disrupt its operations; the risk that trade matters could increase the cost or reduce the supply of apparel available to the company; the risk of changes in the regulatory or administrative landscape; the risks to the company's business, including its costs and supply chain, associated with global sourcing and manufacturing; the risk of changes in global economic conditions or consumer spending patterns; the risks to the company's efforts to expand internationally, including its ability to operate in regions where it has less experience; the risks to the company's reputation or operations associated with importing merchandise from foreign countries, including failure of the company's vendors to adhere to its Code of Vendor Conduct; the risk that the company's franchisees' operation of franchise stores is not directly within the company's control and could impair the value of its brands; the risk that the company or its franchisees will be unsuccessful in identifying, negotiating, and securing new store locations and renewing, modifying, or terminating leases for existing store locations effectively; the risk of foreign currency exchange rate fluctuations; the risk that comparable sales and margins will experience fluctuations; the risk that changes in the company's credit profile or deterioration in market conditions may limit the company's access to the capital markets; the risk of natural disasters, public health crises, political crises, negative global climate patterns, or other catastrophic events; the risk of reductions in income and cash flow from the company's credit card agreement related to its private label and co-branded credit cards; the risk that the adoption of new accounting pronouncements will impact future results; the risk that the company does not repurchase some or all of the shares it anticipates purchasing pursuant to its repurchase program; the risk that the company will not be successful in defending various proceedings, lawsuits, disputes, and claims; risks associated with the impact, timing or terms of the separation transaction; the risks associated with the expected benefits and costs of the separation transaction, including the risk that the expected benefits of the separation transaction will not be realized within the expected time frame, in full or at all, and the risk that conditions to the separation transaction will not be satisfied and/or that the separation transaction will not be completed within the expected time frame, on the expected terms or at all; the expected qualification of the separation transaction as a tax-free transaction for U.S. federal income tax purposes, including whether or not an IRS ruling will be sought or obtained; the risk that any consents or approvals required in connection with the separation transaction will not be received or obtained within the expected time frame, on the expected terms or at all; risks associated with expected financing transactions undertaken in connection with the separation transaction and risks associated with indebtedness incurred in connection with the separation transaction; the risk that dissynergy costs, costs of restructuring transactions and other costs incurred in connection with the separation transaction will exceed our estimates; and the impact of the separation transaction on our businesses and the risk that the separation transaction may be more difficult, time-consuming or costly than expected, including the impact on our resources, systems, procedures and controls, diversion of management's attention and the impact on relationships with customers, suppliers, employees and other business counterparties. There can be no assurance that the company's separation transaction will in fact be completed in the manner described or at all.

Additional information regarding factors that could cause results to differ can be found in the company's Annual Report on Form 10-K for the fiscal year ended February 3, 2018, as well as the company's subsequent filings with the Securities and Exchange Commission.

These forward-looking statements are based on information as of February 28, 2019. The company assumes no obligation to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.