

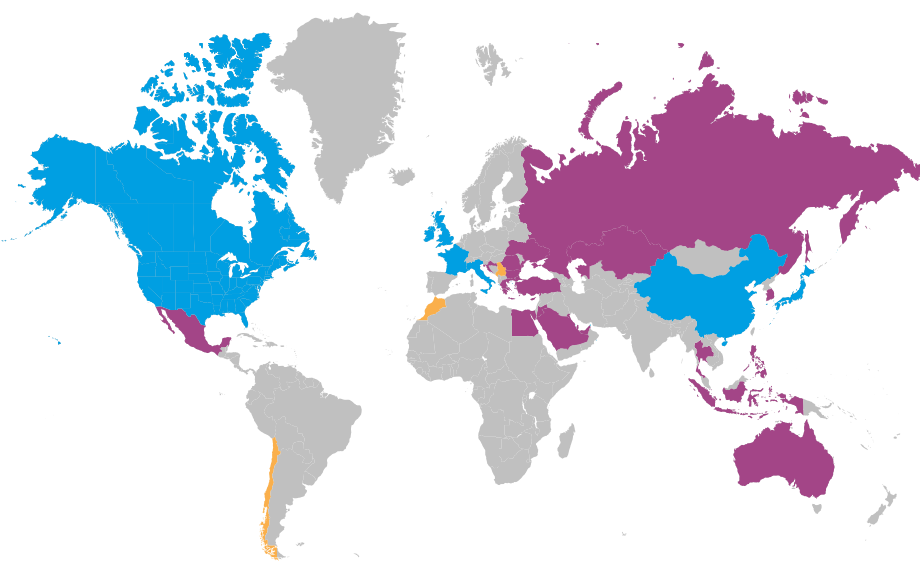
# Gap Inc.'s Global Runway

Gap Inc. is one of the world's leading global specialty apparel retailers, offering clothing, accessories, and personal care products for men, women, children, and babies under its five brands – Gap, Banana Republic, Old Navy, Piperlime and Athleta.

Over the last five years, the company has significantly expanded the international reach of its brands through its franchise, online and company-operated channels. In 2006, Gap Inc. operated in 8 countries and only sold products online in the United States. Today, our products are available to customers in over 90 countries worldwide. This successful and rapid growth has largely been attributed to a strategic business model: opening new stores in major markets; adding Outlet stores where we have been in-market for a period of time; and partnering with respected franchisees in other markets.

With significant advancements over the past several years in both online and franchise businesses, Gap Inc. is strongly positioned to grow its share of the \$1.4 trillion global apparel market through an ambitious global growth strategy. Including franchise, Gap Inc. today is in eight of the world's top 10 apparel retail markets.

In 2006, 14 percent of sales came from online and International and the Company is now on track to at least double that percentage by 2013. To accelerate global sales, the Company plans to make targeted, growth investments in its European and Asian businesses as well as its franchise, outlet and online channels.

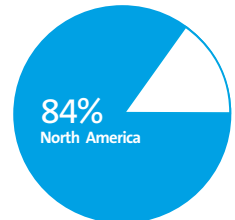


## Our global runway

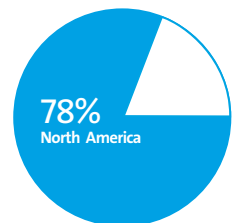
- Gap Inc. operated stores
- Open franchise stores
- 2011 Gap Inc. entering with directly operated or franchise stores
- Opportunity

## Projected growth

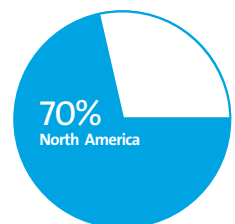
2007 16% International & Online



2010 22% International & Online



2013 ~30% International & Online



# Our business at a glance



## Europe

Gap Inc. launched its first company-operated international store in the UK in 1987. As of 2010 year end, the Company operated 189 company-operated stores in four countries across Europe, including the United Kingdom, Ireland, France and Italy. Its first Italian Gap and Banana Republic stores, which opened in Milan, Italy in 2010, were among the top ten percent performing Gap Inc. stores in the world in 2010. The Company recently opened additional stores in Rome, Italy, as well as expects to open its first Banana Republic store in Paris, France in late 2011.

## Asia

**Japan** - With over 160 company-operated stores across Asia, Gap Inc. launched its first Gap brand store in Japan in 1995 and first Banana Republic store in 2005. Today, the Company operates over 150 stores in Japan and most recently opened a new flagship Gap store in Ginza, one of the world's top shopping destinations. With fun, family fashion and value as key shopping drivers for the Japanese market, the Company expects to launch its first Old Navy stores and dedicated e-commerce site by the end of 2012.

**China** - As the second largest economy and the second largest apparel market in the world, China is a major component of Gap Inc.'s global growth strategy. In 2010, the Company opened its first four stores in Shanghai and Beijing, and launched a dedicated e-commerce site for its Chinese customers ([www.gap.cn](http://www.gap.cn)). These first four stores quickly became among the top 10 percent performing Gap brand stores worldwide in 2010. To accelerate brand awareness and growth, the Company later partnered with China's largest e-commerce leader, Taobao Mall, to reach an additional 370 million registered shoppers. Gap Inc. expects to open about 10 additional stores in China by the end of fiscal year 2011, including its first company-operated stores in Hong Kong in late 2011.

## Franchise

Gap Inc. launched its first franchise stores in Singapore and Malaysia in 2006. Over the past five years, the company has grown its franchise store base to more than 180, and expanded from 2 to 26 countries throughout Asia, Europe, Latin America, the Middle East, and Australia and Africa. In 2010 and 2011, the Company opened its first franchise stores in Thailand, Bulgaria, Croatia, Australia, and Kazakhstan, Ukraine and Egypt. In 2011, the Company expects to open 75 new franchise stores, including its first South American store in Santiago, Chile. The Company expects to double its franchise store base from 200 by the end of fiscal year 2011 to 400 by fiscal year 2015.

## Outlet

Gap Inc. launched its first international Outlet stores in the United Kingdom in 1996. Over the last four years, Gap Inc.'s International Outlet store base has increased over 500 percent. Most recently, the Company opened its first store in an outlet center in Italy. As part of its global growth strategy, the Company will continue to grow its global outlet channel through new market entries, including Italy in 2011 and China in 2012.

## Online

In 2009, Gap Inc. shipped to one country, the United States. As of 2011, Gap Inc. products are available to more than 90 countries through its dedicated websites and third party shipping providers. Gap Inc. is exploring launching a dedicated site for its Japanese customers in 2012. In 2008, Gap Inc.'s online business reached \$1 Billion in net sales. The Company expects to double its online business to \$2 Billion in net sales by 2014.

## Quick facts

### Financial Highlights

2010 Revenue: \$14.66 billion  
2010 Earnings: \$1.88 per share on a diluted basis

### 2010 Net Sales by Division

Gap North America: \$3.8 billion  
Banana Republic North America: \$2.3 billion  
Old Navy North America: \$5.4 billion  
International: \$1.9 billion  
Gap Inc. Direct (online): \$1.3 billion

**Store Count (Company-Operated, including Outlet): ~3,100**  
**Number of Countries: 8**

United States  
Canada  
United Kingdom  
Japan  
France  
Ireland  
Italy  
China

**Store Count (Franchise): ~180**  
**Number of Countries: 26**

Australia	Kazakhstan	Russia
Bahrain	Korea	Thailand
Bulgaria	Kuwait	Turkey
Cyprus	Mexico	Saudi
Croatia	Malaysia	Arabia
Greece	Oman	Singapore
Indonesia	Philippines	UAE
Israel	Qatar	Ukraine
Jordan	Romania	Egypt

# Milestones



**1969** Founders Don and Doris Fisher open the first Gap store in San Francisco, California.

**1976** Gap is listed on the New York and Pacific Stock Exchanges.

**1983** Banana Republic is acquired.

**1986** First GapKids store opens in San Mateo, California.

**1987** Gap expands internationally, opens first store outside of United States in London, England.

**1989** Gap opens its first store in Canada in Vancouver, British Columbia. BabyGap line is born, debuting in San Francisco.

**1993** Gap enters France, offering product in Galleries Lafayette department store in Paris.

**1994** The first Old Navy store opens in Colma, California. The first Gap Outlet store opens in Oxnard, California.

**1995** The first Banana Republic store outside the United States opens in Edmonton, Canada.  
Gap expands into Asia, opening first Gap and Gapkids stores in Japan.

**1996** Gap Inc. launches its first international Outlet stores in the United Kingdom.

**1997** Gap launches its online store at gap.com.

**1998** Gapkids.com and babyGap.com launch.  
First GapBody store opens in Cherry Hill, New Jersey.

**1999** BananaRepublic.com launches.

**2000** Gap launches GapMaternity. Oldnavy.com launches.

**2005** The first Banana Republic store in Japan opens in Printemps Ginza, Tokyo.

**2006** The first Gap franchise store opens in Singapore, followed by Gap franchise stores in Malaysia. Piperlime launches.

**2007** Gap franchise stores open in 10 new countries: Bahrain, Indonesia, Kuwait, Korea, Oman, the Philippines, Qatar, Turkey, Saudi Arabia and United Arab Emirates.

The first Banana Republic franchise store opens in Bahrain, followed by openings in eight new countries: Indonesia, Kuwait, Qatar, United Arab Emirates, Malaysia, Singapore, Korea and Oman.

**2008** Gap Inc. acquires Athleta. Gap Inc. expands Outlet business with first Gap Outlet and Banana Republic Factory stores in Canada.

Gap franchise stores open in new countries: Greece, Russia. Banana Republic franchise stores open in new countries: Philippines, Saudi Arabia, Turkey.

**2009** Gap Inc. celebrates its 40th anniversary.

Gap franchise stores open in new countries: Cyprus, Israel, Jordan, Mexico, Romania.

**2010** Gap Inc. opens first Gap stores in China and Italy and first Banana Republic store in Italy.

Gap franchise stores open in new countries: Australia, Bulgaria, and Thailand.

Gap Inc. launches international shipping from its e-commerce sites to more than 90 countries.

Gap Inc. launches dedicated e-commerce sites and fulfillment centers in Canada, United Kingdom and China.

**2011** Gap franchise store opens in Kazakhstan, Ukraine and Egypt.

Gap Inc. opens Gap store on China's largest e-commerce mall, Taobao.

Gap Inc. opens first store in Rome.

Gap Inc. opens first store in an outlet center in Italy.

## Expectations for 2011 & Beyond

Gap Inc. projects that by fiscal year 2013, International and online sales will account for 30 percent of its total net sales.

To contribute to this increase in International revenue, the company expects to:

### 2011

Open its first Banana Republic store in Paris

Open about 10 more stores in China in Beijing, Shanghai and Hong Kong

Open about 75 new franchise stores including its first South American store in Santiago, Chile

### 2012

Launch Old Navy International with its first stores in Japan

Expand its global outlet business to China

Exploring launching a dedicated site for Japanese customers

### 2014

Double its franchise store base from 200 to 400 by 2014

### 2015

Double its online business to \$2 billion in net sales by 2014

## Forward-Looking Statements

This document 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: international growth, strategy and store openings; international franchise, online and outlet growth; future online and international revenue mix; and online net sales by 2014.

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: the risk that changes in general economic conditions or consumer spending patterns will have a negative impact on the company's strategies; the highly competitive nature of the company's business internationally; the risk that the company will be unsuccessful in gauging fashion trends and changing consumer preferences; the risk that the company's efforts to expand internationally may not be successful and could impair the value of its brands; the risk that the impacts of the March 2011 earthquake, tsunami and nuclear crisis in Japan, including damage to stores and infrastructure, and reduced consumer spending, will have adverse effects on the company's business and strategies; the risk that the company's franchisees will be unable to successfully open, operate, and grow the company's franchised stores; the risk that the company will be unsuccessful in identifying, negotiating, and securing new store locations effectively; the risk that the company will be unsuccessful in implementing its strategic, operating and people initiatives; the risk that changes in the company's credit profile or deterioration in market conditions may limit its access to the capital markets; the risk that updates or changes to the company's information technology (“IT”) systems may disrupt its operations; the risk that acts or omissions by the company's third-party vendors, including a failure to comply with the company's code of vendor conduct, could have a negative impact on its reputation or operations; the risk that the company will not be successful in defending various proceedings, lawsuits, disputes, claims, and audits; and the risk that changes in the regulatory or administrative landscape could adversely affect the company's financial condition and results of operations. Any of these risks could impact net sales, expenses, and/or planned strategies.

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 January 29, 2011.

These forward-looking statements are based on information as of April 2011. 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.