

Gap Inc.

Quarterly Supplemental Materials

THIRD QUARTER FISCAL 2023 – NOVEMBER 16, 2023



Non-GAAP Financial Measures

These materials include the non-GAAP measures adjusted gross profit, adjusted gross margin, adjusted operating expense, adjusted operating income, adjusted operating margin, adjusted diluted earnings per share, and free cash flow. The description and reconciliation of these measures from the most directly comparable GAAP measure is provided in these materials and/or in our earnings press releases for the periods presented, which are available on investors.gapinc.com.



Table of Contents

- I. Statement of Operations Highlights
- II. Balance Sheet Highlights
- III. Cash Flow Statement Highlights
- IV. Other Metrics
- V. Comparable Sales by Global Brand
- VI. Net Sales by Brand and Geography
- VII. ESG Highlights
- VIII. Appendix – Historical Net Sales by Brand and Geography

Note:

All dollar, share, and square footage amounts are shown in millions, with the exception of per share and store count.

Our fiscal year is a 52- or 53- week period ending on the Saturday closest to January 31.

I. Statement of Operations Highlights

\$ millions	FY19 ⁽²⁾	FY20 ⁽²⁾	FY21 ⁽²⁾	FY 2022 ⁽²⁾					FY 2023 ⁽²⁾		
				Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
Net sales	\$ 16,383	\$ 13,800	\$ 16,670	\$ 3,477	\$ 3,857	\$ 4,039	\$ 4,243	\$ 15,616	\$ 3,276	\$ 3,548	\$ 3,767
Cost of goods sold and occupancy expenses	10,250	9,095	10,033	2,381	2,527	2,530	2,819	10,257	2,062	2,215	2,211
Gross profit	6,133	4,705	6,637	1,096	1,330	1,509	1,424	5,359	1,214	1,333	1,556
Operating expenses	5,559	5,567	5,827	1,293	1,358	1,323	1,454	5,428	1,224	1,227	1,306
Operating income (loss)	574	(862)	810	(197)	(28)	186	(30)	(69)	(10)	106	250
Loss on extinguishment of debt	-	58	325	-	-	-	-	-	-	-	-
Interest, net	46	182	162	19	20	18	13	70	10	(2)	-
Income (loss) before income taxes	528	(1,102)	323	(216)	(48)	168	(43)	(139)	(20)	108	250
Income tax expense (benefit)	177	(437)	67	(54)	1	(114)	230	63	(2)	(9)	32
Net Income (loss)	\$ 351	\$ (665)	\$ 256	\$ (162)	\$ (49)	\$ 282	\$ (273)	\$ (202)	\$ (18)	\$ 117	\$ 218
Weighted-average number of shares - basic	376	374	376	370	367	365	366	367	367	369	371
Weighted-average number of shares - diluted	378	374	383	370	367	366	366	367	367	371	375
Basic earnings (loss) per share ⁽¹⁾	\$ 0.93	\$ (1.78)	\$ 0.68	\$ (0.44)	\$ (0.13)	\$ 0.77	\$ (0.75)	\$ (0.55)	\$ (0.05)	\$ 0.32	\$ 0.59
Diluted earnings (loss) per share ⁽¹⁾	\$ 0.93	\$ (1.78)	\$ 0.67	\$ (0.44)	\$ (0.13)	\$ 0.77	\$ (0.75)	\$ (0.55)	\$ (0.05)	\$ 0.32	\$ 0.58

1 Earnings per share are computed individually for each of the periods presented; therefore, the sum of the earnings per share amounts for the quarters may not equal the total for the years.

2 The fiscal year ended February 3, 2024 (FY 2023) will consist of 53 weeks. The fiscal years ended January 28, 2023 (FY 2022), January 29, 2022 (FY 2021), January 30, 2021 (FY 2020), and February 1, 2020 (FY 2019) consisted of 52 weeks. All quarters presented consist of 13 weeks. Q4 2023 will consist of 14 weeks.

I. Statement of Operations Highlights (Adjusted)

\$ millions	FY19	FY20 ⁽¹⁾	FY21	FY 2022					FY 2023		
				Q1 ⁽¹⁾	Q2	Q3	Q4 ⁽¹⁾	FY	Q1	Q2	Q3
GAAP gross profit	\$6,133	\$4,705	\$6,637	\$1,096	\$1,330	\$1,509	\$1,424	\$5,359	\$1,214	\$1,333	\$1,556
Restructuring costs ⁽²⁾	22	-	-	-	-	-	-	-	4	-	-
Impairment charges ⁽³⁾	-	-	-	-	58	53	-	111	-	-	-
Strategic actions in Europe ⁽⁴⁾	-	-	(9)	-	-	-	-	-	-	-	-
Separation-related costs ⁽⁵⁾	1	-	-	-	-	-	-	-	-	-	-
Adjusted gross profit	\$6,156	\$4,705	\$6,628	\$1,096	\$1,388	\$1,562	\$1,424	\$5,470	\$1,218	\$1,333	\$1,556
GAAP gross margin (% of sales)	37.4%	34.1%	39.8%	31.5%	34.5%	37.4%	33.6%	34.3%	37.1%	37.6%	41.3%
Adjusted gross margin (% of sales)	37.6%		39.8%		36.0%	38.7%		35.0%	37.2%		
GAAP operating expense	\$5,559	\$5,567	\$5,827	\$1,293	\$1,358	\$1,323	\$1,454	\$5,428	\$1,224	\$1,227	\$1,306
Gain on sale of building	(191)	-	-	-	-	(83)	-	(83)	(47)	-	-
Restructuring costs ⁽²⁾	39	-	-	-	-	-	-	-	71	13	5
Loss on divestiture activity ⁽⁶⁾	-	-	59	-	35	-	-	35	-	-	-
Strategic actions in Europe ⁽⁴⁾	-	-	50	-	-	-	-	-	-	-	-
Impairment charges ⁽⁷⁾	296	-	-	-	-	-	-	-	-	-	-
Separation-related costs ⁽⁵⁾	300	-	-	-	-	-	-	-	-	-	-
Adjusted operating expense	\$5,115	\$5,567	\$5,718	\$1,293	\$1,323	\$1,406	\$1,454	\$5,476	\$1,200	\$1,214	\$1,301
GAAP Operating Income (Loss)	\$574	(\$862)	\$810	(\$197)	(\$28)	\$186	(\$30)	(\$69)	(\$10)	\$106	\$250
Adjusted Operating Income (Loss)	\$1,041		\$910		\$65	\$156		(\$6)	\$18	\$119	\$255
GAAP operating margin (% of sales)	3.5%	(6.2%)	4.9%	(5.7%)	(0.7%)	4.6%	(0.7%)	(0.4%)	(0.3%)	3.0%	6.6%
Adjusted operating margin (% of sales)	6.4%		5.5%		1.7%	3.9%		(0.0%)	0.5%	3.4%	6.8%
Other Non-GAAP Adjustments											
Loss on extinguishment of debt	-	-	\$325	-	-	-	-	-	-	-	-
US Federal tax reform adjustment ⁽⁸⁾	(\$30)	-	-	-	-	-	-	-	-	-	-
GAAP Diluted EPS	\$0.93	(\$1.78)	\$0.67	(\$0.44)	(\$0.13)	\$0.77	(\$0.75)	(\$0.55)	(\$0.05)	\$0.32	\$0.58
Adjusted Diluted EPS	\$1.97		\$1.44		\$0.08	\$0.71		(\$0.40)	\$0.01	\$0.34	\$0.59

1 There were no adjusted metrics in these periods.

2 Q1 2023, Q2 2023, and Q3 2023 amounts primarily related to employee-related costs and consulting costs related to our previously announced actions to further simplify and optimize our operating model and structure. FY 2019 amount represents the impact of costs related to previously announced plans to restructure the specialty fleet and revitalize the Gap brand, which primarily includes lease and employee-related costs.

3 Q3 2022 amount represents impairment charges as a result of the decision to discontinue the Yeezy Gap business, primarily related to inventory. Q2 2022 amount represents inventory impairment charges as a result of delayed seasonal product and extended size product, primarily at Old Navy.

4 Represents the net impacts from changes to our European model. These impacts primarily include employee-related and lease-related costs.

5 Represents the impact of costs related to the Old Navy spin-off transaction that was subsequently cancelled. Separation-related amounts primarily consist of costs associated with information technology and fees for consulting and advisory services.

6 FY 2022 amount represents the impact of the loss on divestiture activity related to the transition of the Old Navy Mexico business. FY 2021 amount represents the impact of the loss on divestiture activity for the Janie and Jack and Intermix brands.

7 Represents impairment charges related to global flagship stores inclusive of \$223 million and \$73 million for operating lease assets and store assets, respectively.

8 Represents the impact of an adjustment to our FY 2017 tax liability for additional guidance issued by the U.S. Treasury Department regarding the Tax Cuts and Jobs Act.

II. Balance Sheet Highlights

\$ millions	FY19	FY20	FY21	FY 2022				FY 2023		
				Q1	Q2	Q3	Q4	Q1	Q2	Q3
<u>Assets</u>										
Cash and cash equivalents	\$ 1,364	\$ 1,988	\$ 877	\$ 845	\$ 708	\$ 679	\$ 1,215	\$ 1,170	\$ 1,350	\$ 1,351
Short-term investments	290	410	-	-	-	-	-	-	-	-
Merchandise inventory	2,156	2,451	3,018	3,169	3,135	3,043	2,389	2,299	2,226	2,377
Other current assets	706	1,159	1,270	991	1,106	1,316	1,013	814	663	646
Total current assets	4,516	6,008	5,165	5,005	4,949	5,038	4,617	4,283	4,239	4,374
Property and equipment, net	3,122	2,841	3,037	2,791	2,809	2,788	2,688	2,646	2,595	2,552
Operating lease assets	5,402	4,217	3,675	3,587	3,532	3,341	3,173	3,123	3,113	3,200
Other long-term assets	639	703	884	874	881	833	908	880	903	926
Total assets	\$ 13,679	\$ 13,769	\$ 12,761	\$ 12,257	\$ 12,171	\$ 12,000	\$ 11,386	\$ 10,932	\$ 10,850	\$ 11,052
<u>Liabilities and stockholders' equity</u>										
Accounts payable	1,174	1,743	1,951	1,599	1,640	1,388	1,320	1,199	1,406	1,433
Accrued expenses and other current liabilities	1,067	1,276	1,367	1,127	1,216	1,245	1,219	1,051	1,007	1,078
Current portion of operating lease liabilities	920	831	734	717	717	691	667	658	578	604
Income taxes payable	48	34	25	29	41	57	50	10	16	24
Total current liabilities	3,209	3,884	4,077	3,472	3,614	3,381	3,256	2,918	3,007	3,139
Revolving credit facility	-	-	-	350	350	350	350	350	150	-
Long-term debt	1,249	2,216	1,484	1,485	1,485	1,486	1,486	1,487	1,487	1,488
Long-term operating lease liabilities	5,508	4,617	4,033	3,921	3,857	3,673	3,517	3,453	3,433	3,456
Other long-term liabilities	397	438	445	575	560	539	544	539	510	509
Total long-term liabilities	7,154	7,271	5,962	6,331	6,252	6,048	5,897	5,829	5,580	5,453
Total stockholders' equity	3,316	2,614	2,722	2,454	2,305	2,571	2,233	2,185	2,263	2,460
Total liabilities and stockholders' equity	\$ 13,679	\$ 13,769	\$ 12,761	\$ 12,257	\$ 12,171	\$ 12,000	\$ 11,386	\$ 10,932	\$ 10,850	\$ 11,052

III. Cash Flow Highlights

\$ millions				FY 2022					FY 2023			
	FY19	FY20	FY21	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	FY
Cash flows from operating activities:												
Net income (loss)	\$ 351	\$ (665)	\$ 256	\$ (162)	\$ (49)	\$ 282	\$ (273)	\$ (202)	\$ (18)	\$ 117	\$ 218	\$ 317
Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities:												
Depreciation and amortization	557	507	504	130	132	140	138	540	137	130	127	394
Impairment of operating lease assets	239	391	8	-	-	16	17	33	-	-	-	-
Impairment of store assets	98	135	1	3	-	7	8	18	1	1	-	2
Loss on extinguishment of debt	-	58	325	-	-	-	-	-	-	-	-	-
Loss on divestiture activity	-	-	59	-	35	-	-	35	-	-	-	-
Gain on sale of buildings	(191)	-	-	-	-	(83)	-	(83)	(47)	-	-	(47)
Other, net	357	(189)	(344)	(333)	37	(267)	829	266	(59)	265	(41)	166
Net cash provided by (used for) operating activities	1,411	237	809	(362)	155	95	719	607	15	513	304	832
Net cash provided by (used for) investing activities	(894)	(510)	(446)	105	(178)	(46)	(108)	(227)	(30)	(82)	(91)	(203)
Net cash provided by (used for) financing activities	(560)	895	(1,471)	233	(111)	(62)	(54)	6	(58)	(251)	(207)	(516)
Effect of foreign exchange rate fluctuations on cash, cash equivalents, and restricted cash	4	13	(6)	(7)	(2)	(16)	10	(15)	(2)	-	(5)	(7)
Net increase (decrease) in cash, cash equivalents, and restricted cash ⁽¹⁾	\$ (39)	\$ 635	\$ (1,114)	\$ (31)	\$ (136)	\$ (29)	\$ 567	\$ 371	\$ (75)	\$ 180	\$ 1	\$ 106

¹ For the thirteen weeks ended October 28, 2023 (Q3 2023), July 29, 2023 (Q2 2023), April 29, 2023 (Q1 2023), January 28, 2022 (Q4 2022), October 29, 2022 (Q3 2022), July 30, 2022 (Q2 2022), and April 30, 2022 (Q1 2022), total cash, cash equivalents, and restricted cash includes \$28 million, \$28 million, \$28 million, \$58 million, \$27 million, \$27 million, and \$26 million, respectively, of restricted cash recorded within other current assets and other long-term assets on the Condensed Consolidated Balance Sheets. For the fifty-two weeks ended January 28, 2023 (FY 2022), January 29, 2022 (FY 2021), January 30, 2021 (FY 2020), and February 1, 2020 (FY 2019), total cash, cash equivalents, and restricted cash includes \$28 million, \$28 million, \$28 million, \$58 million, \$25 million, \$28 million, and \$17 million, respectively, of restricted cash recorded within other current assets and other long-term assets on the Condensed Consolidated Balance Sheets.

IV. Other Metrics

\$ millions	FY19 ⁽⁵⁾	FY20 ⁽⁵⁾	FY21 ⁽⁵⁾	FY 2022 ⁽⁵⁾					FY 2023 ⁽⁵⁾		
				Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
Store and franchise sales	\$ 12,294	\$ 7,522	\$ 10,239	\$ 2,137	\$ 2,553	\$ 2,478	\$ 2,483	\$ 9,651	\$ 2,053	\$ 2,387	\$ 2,331
Online sales ⁽¹⁾	\$ 4,089	\$ 6,278	\$ 6,431	\$ 1,340	\$ 1,304	\$ 1,561	\$ 1,760	\$ 5,965	\$ 1,223	\$ 1,161	\$ 1,436
Operating lease cost	\$ 1,233	\$ 1,043	\$ 947	\$ 209	\$ 210	\$ 205	\$ 201	\$ 825	\$ 196	\$ 198	\$ 212
Total ending square footage	37.0	34.6	33.3	33.2	33.0	32.4	31.8	31.8	31.1	30.9	30.9
Company-operated store locations ⁽²⁾	3,345	3,100	2,835	2,825	2,799	2,743	2,685	2,685	2,601	2,592	2,598
Franchise store locations ⁽²⁾	574	615	564	589	591	637	667	667	852	864	935
Total store locations ⁽²⁾	3,919	3,715	3,399	3,414	3,390	3,380	3,352	3,352	3,453	3,456	3,533
Total store openings ⁽³⁾	329	140	175	44	24	73	87	228	78	59	138
Total store closings ⁽³⁾	215	344	341	29	48	83	115	275	22	56	61
Dividends declared per share ⁽⁴⁾	\$ 0.97	\$ 0.24	\$ 0.36	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.60	\$ 0.15	\$ 0.15	\$ 0.15
Net cash provided by (used for) operating activities	\$ 1,411	\$ 237	\$ 809	\$ (362)	\$ 155	\$ 95	\$ 719	\$ 607	\$ 15	\$ 513	\$ 304
Less: Purchases of property and equipment	(702)	(392)	(694)	(228)	(178)	(171)	(108)	(685)	(117)	(82)	(89)
Free cash flow	\$ 709	\$ (155)	\$ 115	\$ (590)	\$ (23)	\$ (76)	\$ 611	\$ (78)	\$ (102)	\$ 431	\$ 215

1 Online sales primarily include sales originating from our online channel including those that are picked up or shipped from stores and net sales from revenue-generating strategic initiatives.

2 The store locations include: During 2019, the acquisition of 140 Janie and Jack stores in Q1 2019, net of one closure that occurred in the Q3 2019 are included. During Q1 2021, Janie and Jack was divested and stores are excluded. During fiscal 2021, Intermix was divested and stores are excluded. During Q3 2021, 21 Gap France stores were transitioned from Company-operated store locations to Franchise store locations. During Q1 2022, 11 Gap Italy stores were transitioned from Company-operated store locations to Franchise store locations. During Q3 2022, 24 Old Navy Mexico stores transitioned from Company-operated store locations to Franchise store locations. During Q1 2023, 89 China Specialty stores transitioned from Company-operated store locations to Franchise store locations.

3 Includes Franchise. Excludes acquisitions, divestitures and transitions.

4 FY 2020 dividend of \$0.24 per share was declared in Q1 2020 and paid in Q1 2021.

5 The fiscal year ended February 3, 2024 (FY 2023) will consist of 53 weeks. The fiscal years ended January 28, 2023 (FY 2022), January 29, 2022 (FY 2021), January 30, 2021 (FY 2020), and February 1, 2020 (FY 2019) consisted of 52 weeks. All quarters presented consist of 13 weeks. Q4 2023 will consist of 14 weeks.

V. Comparable Sales by Global Brand

FY 2023	Q1	Q2	Q3	Q4	FY
Old Navy Global	-1%	-6%	1%		-2%
Gap Global	1%	-1%	-1%		0%
Banana Republic Global	-8%	-8%	-8%		-8%
Athleta Global	-13%	-7%	-19%		-13%
Gap Inc.	-3%	-6%	-2%		-3%

FY 2022	Q1	Q2	Q3	Q4	FY
Old Navy Global	-22%	-15%	-1%	-7%	-12%
Gap Global	-11%	-7%	4%	-4%	-4%
Banana Republic Global	27%	8%	10%	-3%	9%
Athleta Global	-7%	-8%	0%	-5%	-5%
Gap Inc.	-14%	-10%	1%	-5%	-7%

FY 2021	Q1	Q2	Q3	Q4	FY
Old Navy Global	35%	0%	-9%	-6%	0%
Gap Global	29%	-5%	7%	10%	8%
Banana Republic Global	-4%	41%	28%	26%	24%
Athleta Global	27%	13%	2%	12%	12%
Gap Inc.	28%	3%	-1%	3%	6%

FY 2020	Q1 ⁽¹⁾	Q2	Q3	Q4	FY ⁽¹⁾
Old Navy Global		24%	17%	7%	
Gap Global		12%	-5%	-6%	
Banana Republic Global		-27%	-30%	-22%	
Athleta Global		19%	37%	26%	
Gap Inc.		13%	5%	0%	

FY 2019	Q1	Q2	Q3	Q4	FY
Old Navy Global	-1%	-5%	-4%	0%	-2%
Gap Global	-10%	-7%	-7%	-5%	-7%
Banana Republic Global	-3%	-3%	-3%	0%	-2%
Athleta Global		10%	1%	2%	5%
Gap Inc.	-4%	-4%	-4%	-1%	-3%

Comp sales include the results of Company-operated stores and sales through online channels. The calculation of Gap Inc. Comp sales excludes the results of the franchise business. A store is included in the Comp sales calculations when it has been open and operated by Gap Inc. for at least one year and the selling square footage has not changed by 15 percent or more within the past year.

¹ As a result of the extensive temporary store closures during Q1 2020 due to the COVID-19 pandemic, comparable sales are not a meaningful metric for Q1 2020.

VI. Net Sales by Brand and Geography

Q3'23						
\$ millions	Old Navy Global	Gap Global	Banana Republic Global	Athleta Global	Other ⁽²⁾	Total
U.S. ⁽¹⁾	\$ 1,917	\$ 664	\$ 398	\$ 267	\$ 15	\$ 3,261
Canada	193	96	42	10	-	341
Europe	-	29	1	-	-	30
Asia	1	71	12	-	-	84
Other regions	15	27	7	2	-	51
Total	\$ 2,126	\$ 887	\$ 460	\$ 279	\$ 15	\$ 3,767

Q2'23						
\$ millions	Old Navy Global	Gap Global	Banana Republic Global	Athleta Global	Other ⁽²⁾	Total
U.S. ⁽¹⁾	\$ 1,777	\$ 542	\$ 415	\$ 327	\$ 11	\$ 3,072
Canada	165	76	44	13	-	298
Europe	1	29	-	-	-	30
Asia	-	77	14	-	-	91
Other regions	18	31	7	1	-	57
Total	\$ 1,961	\$ 755	\$ 480	\$ 341	\$ 11	\$ 3,548

Q1'23						
\$ millions	Old Navy Global	Gap Global	Banana Republic Global	Athleta Global	Other ⁽²⁾	Total
U.S. ⁽¹⁾	\$ 1,659	\$ 496	\$ 374	\$ 309	\$ 3	\$ 2,841
Canada	145	61	36	10	-	252
Europe	-	29	1	1	-	31
Asia	1	77	14	-	-	92
Other regions	23	29	7	1	-	60
Total	\$ 1,828	\$ 692	\$ 432	\$ 321	\$ 3	\$ 3,276

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

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

VII. Environmental, Social & Governance Highlights



1.3 Million+

women and girls reached by
P.A.C.E. since 2007



17,000+

youth hired by This Way Onward
since 2007



2.4 Million+

people reached with improved water
access through Women + Water
since 2017



A List

rating received for 2022 CDP
Water questionnaire



78%

of our sourcing went to green-
rated facilities in 2022⁽¹⁾



100%

of fabrics with PFC-based finishes
successfully converted or exited⁽²⁾

¹ Green-rated indicates high-performing facilities with few violations, none of which were critical.
² PFC (defined as PFAS, per-and polyfluoroalkyl substances)-based finishes are no longer being used intentionally in production. Most products in store as of January 1, 2023 are produced without PFC-based finishes, but due to transportation and store inventory timelines, some styles available for purchase still have a PFC-based finish.

VIII. APPENDIX

Net Sales by Brand and Geography – FY22

<u>Q4'22</u>			Banana Republic Global	Athleta Global	Other ⁽²⁾	Total
\$ millions	Old Navy Global	Gap Global				
U.S. ⁽¹⁾	\$ 1,982	\$ 709	\$ 505	\$ 423	\$ 2	\$ 3,621
Canada	165	91	49	10	-	315
Europe	-	35	1	1	-	37
Asia	-	181	17	-	-	198
Other regions	19	45	6	2	-	72
Total	\$ 2,166	\$ 1,061	\$ 578	\$ 436	\$ 2	\$ 4,243

<u>Q3'22</u>			Banana Republic Global	Athleta Global	Other ⁽²⁾	Total
\$ millions	Old Navy Global	Gap Global				
U.S. ⁽¹⁾	\$ 1,936	\$ 690	\$ 448	\$ 326	\$ 4	\$ 3,404
Canada	184	95	47	7	-	333
Europe	1	58	1	1	-	61
Asia	-	143	14	-	-	157
Other regions	16	55	7	6	-	84
Total	\$ 2,137	\$ 1,041	\$ 517	\$ 340	\$ 4	\$ 4,039

<u>Q2'22</u>			Banana Republic Global	Athleta Global	Other ⁽²⁾	Total
\$ millions	Old Navy Global	Gap Global				
U.S. ⁽¹⁾	\$1,880	\$ 565	\$ 460	\$ 335	\$ 3	\$ 3,243
Canada	183	82	53	7	-	325
Europe	-	51	2	-	-	53
Asia	1	141	18	-	-	160
Other regions	26	42	6	2	-	76
Total	\$ 2,090	\$ 881	\$ 539	\$ 344	\$ 3	\$ 3,857

<u>Q1'22</u>			Banana Republic Global	Athleta Global	Other ⁽²⁾	Total
\$ millions	Old Navy Global	Gap Global				
U.S. ⁽¹⁾	\$ 1,673	\$ 497	\$ 416	\$ 344	\$ 3	\$ 2,933
Canada	147	64	43	9	-	263
Europe	1	54	1	2	-	58
Asia	-	141	16	-	-	157
Other regions	20	35	6	5	-	66
Total	\$ 1,841	\$ 791	\$ 482	\$ 360	\$ 3	\$ 3,477

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

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

VIII. APPENDIX

Net Sales by Brand and Geography – FY21

Q4'21			Banana Republic Global	Athleta ⁽²⁾	Other ⁽³⁾	Total
\$ millions	Old Navy Global	Gap Global				
U.S. ⁽¹⁾	\$ 2,097	\$ 761	\$ 532	\$ 428	\$ 2	\$ 3,820
Canada	178	100	54	9	-	341
Europe	1	54	2	1	-	58
Asia	1	219	21	-	-	241
Other regions	30	30	4	1	-	65
Total	\$ 2,307	\$ 1,164	\$ 613	\$ 439	\$ 2	\$ 4,525

Q3'21			Banana Republic Global	Athleta ⁽²⁾	Other ⁽³⁾	Total
\$ millions	Old Navy Global	Gap Global				
U.S. ⁽¹⁾	\$ 1,899	\$ 676	\$ 410	\$ 317	\$ -	\$ 3,302
Canada	185	102	47	3	-	337
Europe	1	89	2	-	-	92
Asia	-	141	14	-	-	155
Other regions	20	31	6	-	-	57
Total	\$ 2,105	\$ 1,039	\$ 479	\$ 320	\$ -	\$ 3,943

Q2'21			Banana Republic Global	Athleta ⁽²⁾	Other ⁽³⁾	Total
\$ millions	Old Navy Global	Gap Global				
U.S. ⁽¹⁾	\$2,177	\$ 615	\$ 428	\$ 340	\$ 11	\$ 3,571
Canada	191	79	43	-	-	313
Europe	-	116	1	1	-	118
Asia	-	135	19	-	-	154
Other regions	22	29	4	-	-	55
Total	\$ 2,390	\$ 974	\$ 495	\$ 341	\$ 11	\$ 4,211

Q1'21			Banana Republic Global	Athleta ⁽²⁾	Other ⁽³⁾	Total
\$ millions	Old Navy Global	Gap Global				
U.S. ⁽¹⁾	\$ 2,099	\$ 556	\$ 333	\$ 347	\$ 89	\$ 3,424
Canada	159	68	34	-	-	261
Europe	-	69	3	-	-	72
Asia	1	163	16	-	-	180
Other regions	21	30	3	-	-	54
Total	\$ 2,280	\$ 886	\$ 389	\$ 347	\$ 89	\$ 3,991

1 U.S. includes the United States, Puerto Rico and Guam.

2 Previously, net sales for the Athleta brand were grouped within the "Other" column. Beginning in FY 2021, we have made a change for all periods presented to break out Athleta net sales into its own column.

3 The "Other" column primarily consists of net sales for the InterMix and Janie and Jack brands. The divestiture of InterMix was completed on April 8, 2021. The divestiture of Janie and Jack was completed on May 21, 2021. Additionally, beginning in Q2 2020, net sales from the business-to-business program and beginning in Q4 2021, other revenue generating initiatives are also included.

VIII. APPENDIX

Net Sales by Brand and Geography – FY20

Q4'20	Old Navy Global		Banana Republic Global		Total
\$ millions	Global	Gap Global	Global	Other ⁽²⁾	
U.S. ⁽¹⁾	\$ 2,189	\$ 704	\$ 438	\$ 457	\$ 3,788
Canada	163	78	40	-	\$ 281
Europe	-	80	2	-	\$ 82
Asia	-	207	20	-	\$ 227
Other regions	23	19	4	-	\$ 46
Total	\$ 2,375	\$ 1,088	\$ 504	\$ 457	\$ 4,424

Q3'20	Old Navy Global		Banana Republic Global		Total
\$ millions	Global	Gap Global	Global	Other ⁽³⁾	
U.S. ⁽¹⁾	\$ 2,034	\$ 611	\$ 323	\$ 370	\$ 3,338
Canada	193	86	39	3	\$ 321
Europe	-	115	3	-	\$ 118
Asia	1	169	18	-	\$ 188
Other regions	14	12	3	-	\$ 29
Total	\$ 2,242	\$ 993	\$ 386	\$ 373	\$ 3,994

Q2'20	Old Navy Global		Banana Republic Global		Total
\$ millions	Global	Gap Global	Global	Other ⁽⁴⁾	
U.S. ⁽¹⁾	\$1,726	\$ 473	\$ 236	\$ 328	\$ 2,763
Canada	145	63	27	-	\$ 235
Europe	-	70	2	-	\$ 72
Asia	2	158	14	-	\$ 174
Other regions	8	19	4	-	\$ 31
Total	\$ 1,881	\$ 783	\$ 283	\$ 328	\$ 3,275

Q1'20	Old Navy Global		Banana Republic Global		Total
\$ millions	Global	Gap Global	Global	Other ⁽⁵⁾	
U.S. ⁽¹⁾	\$ 949	\$ 311	\$ 245	\$ 256	\$ 1,761
Canada	77	34	24	-	\$ 135
Europe	-	54	3	-	\$ 57
Asia	1	108	12	-	\$ 121
Other regions	11	17	5	-	\$ 33
Total	\$ 1,038	\$ 524	\$ 289	\$ 256	\$ 2,107

1 U.S. includes the United States, Puerto Rico, and Guam.

2 Primarily consists of net sales for the Athleta, Intermix, and Hill City brands. Beginning in FY 2020, Janie and Jack net sales are also included. Net sales for Athleta for Q4 2020 were \$371 million.

3 Primarily consists of net sales for the Athleta, Intermix, and Hill City brands. Beginning in FY 2020, Janie and Jack net sales are also included. Net sales for Athleta for Q3 2020 were \$292 million.

4 Primarily consists of net sales for the Athleta, Intermix, and Hill City brands. Beginning in FY 2020, Janie and Jack net sales are also included. Net sales for Athleta for Q2 2020 were \$267 million.

5 Primarily consists of net sales for the Athleta, Intermix, and Hill City brands. Beginning in FY 2020, Janie and Jack net sales are also included. Net sales for Athleta for Q1 2020 were \$205 million.

VIII. APPENDIX

Net Sales by Brand and Geography – FY19

Q4'19			Banana Republic		
\$ millions	Old Navy Global	Gap Global	Global ⁽²⁾	Other ⁽³⁾	Total
U.S. ⁽¹⁾	\$ 2,055	\$ 781	\$ 642	\$ 334	\$ 3,812
Canada	160	98	60	-	\$ 318
Europe	-	145	4	-	\$ 149
Asia	15	289	26	-	\$ 330
Other regions	35	25	5	-	\$ 65
Total	\$ 2,265	\$ 1,338	\$ 737	\$ 334	\$ 4,674

Q3'19			Banana Republic		
\$ millions	Old Navy Global	Gap Global	Global ⁽²⁾	Other ⁽³⁾	Total
U.S. ⁽¹⁾	\$ 1,769	\$ 689	\$ 532	\$ 274	\$ 3,264
Canada	151	97	55	1	\$ 304
Europe	-	128	3	-	\$ 131
Asia	9	220	21	-	\$ 250
Other regions	18	24	7	-	\$ 49
Total	\$ 1,947	\$ 1,158	\$ 618	\$ 275	\$ 3,998

Q2'19			Banana Republic		
\$ millions	Old Navy Global	Gap Global	Global ⁽²⁾	Other ⁽³⁾	Total
U.S. ⁽¹⁾	\$1,794	\$ 645	\$ 530	\$ 331	\$ 3,300
Canada	148	85	53	-	\$ 286
Europe	-	131	4	-	\$ 135
Asia	11	201	23	-	\$ 235
Other regions	19	24	6	-	\$ 49
Total	\$ 1,972	\$ 1,086	\$ 616	\$ 331	\$ 4,005

Q1'19			Banana Republic		
\$ millions	Old Navy Global	Gap Global	Global ⁽²⁾	Other ⁽³⁾	Total
U.S. ⁽¹⁾	\$ 1,641	\$ 608	\$ 487	\$ 286	\$ 3,022
Canada	128	69	47	1	\$ 245
Europe	-	121	3	-	\$ 124
Asia	10	233	26	-	\$ 269
Other regions	20	21	5	-	\$ 46
Total	\$ 1,799	\$ 1,052	\$ 568	\$ 287	\$ 3,706

1 U.S. includes the United States, Puerto Rico and Guam.

2 Beginning in FY 2019, Banana Republic Global includes net sales for the Janie and Jack brand.

3 Primarily consists of net sales for the Athleta, Intermix and Hill City brands, as well as a portion of income related to our credit card agreement.