GAP Inc.

GAP

NYSE; shops; SIC 5651, Retail-Family Clothing Stores; CIK 0000039911

B

second fifth of 257 graded peers in shops

rank 79 of 257; percentile 30.5; sampling error 2.9 points; lower is stronger

A B C D E

B, the elk



Scoreboard	
Profitability	C/D percentile 58.6
Solvency	B percentile 25.9
Growth and financing	C percentile 43.6
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $12.6B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered; fortress balance sheet not computable: distress
Inputs computable	9 of 14
Graded from	filings received through Mar 17, 2026 220 days before the rescan; latest periodic filing 10-Q received Aug 28, 2026
Last close	$22.91 2026-10-22; market equity $8.0B; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Mar 17, 2026

The Gap, Inc. (Gap Inc., the "Company," "we," and "our") is a house of iconic American brands offering apparel, accessories, and personal care products for men, women, and children under the Old Navy, Gap, Banana Republic, and Athleta brands. Gap Inc. is an omni-channel retailer, with sales to customers both in stores and online, through Company-operated and franchise stores, websites, and third-party arrangements. As of January 31, 2026, we had Company-operated stores in the United States, Canada, Japan, and Taiwan. We also have franchise agreements to operate Old Navy, Gap, Banana Republic, and Athleta throughout Asia, Europe, Latin America, the Middle East, and Africa.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 58.6						
Gross profitability	49.6%	42.9%		38.3	241	2026-01-31
Return on invested capital	not computable	10.9%				

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latest aligned inputs end 2018-02-03; latest annual assets end 2026-01-31					
Accruals ratio	(3.9%)	(4.9%)	63.3	287	2026-01-31
Gross margin stability, five years	2.5 pts	1.2 pts	74.3	219	2026-01-31
Solvency, sleeve percentile 25.9					
Twelve-month failure probability	not computable	0.04%			
liabilities and a nearby cover-page share count are required at 2026-08-01					
Altman Z double-prime	not computable	1.93			
one or more required annual facts are missing					
Net debt to EBITDA	not computable	1.84x			
latest aligned inputs end 2018-02-03; latest annual assets end 2026-01-31					
Interest coverage	11.99x	2.28x	17.7	63	2026-01-31
Current ratio	1.75x	1.38x	34.0	295	2026-01-31
Growth and financing, sleeve percentile 43.6					
Revenue growth, three-year compound	(0.5%)	1.5%	59.6	268	2026-01-31
Free cash flow growth, three-year compound	not computable	5.5%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	63.5%	8.4%	21.9	152	2026-01-31
Asset growth, three years	3.5%	3.3%	46.7	271	2026-01-31
Net share issuance, one year	(0.6%)	(0.6%)	46.2	209	2026-03-10

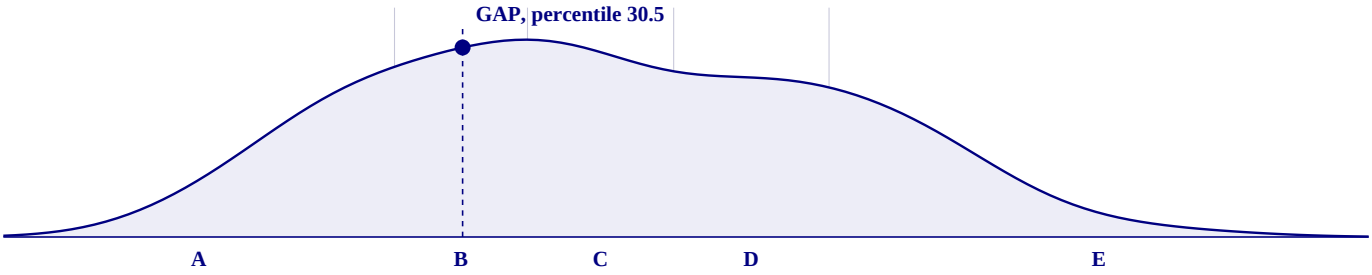
Warnings

1 of 7 checks triggered; none of them enters the letter

Check	Measured
Fortress balance sheet	cash minus debt is 534,000,000 USD; Altman Z is not used

Among 257 peers

shops; letters are fifths of this list



Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.

Rank	Company	Percentile	Letter	Warnings
74	Nathans Famous, Inc. (NATH)	28.5	B	
75	Williams Sonoma Inc. (WSM)	28.9	B	fortress balance sheet
76	Performance Food Group Co. (PFGC)	29.3	B	
77	Macy's, Inc. (M)	29.7	B	
78	Ingles Markets Inc. (IMKTA)	30.1	B	late filer
79	GAP Inc. (GAP)	30.5	B	fortress balance sheet
80	Chefs' Warehouse, Inc. (CHEF)	30.9	B	
81	Natural Grocers by Vitamin Cottage, Inc. (NGVC)	31.2	B	
82	Biglari Holdings Inc. (BH)	31.8	B	
83	Biglari Holdings Inc. (BH-A)	31.8	B	
84	Coupang, Inc. (CPNG)	32.4	B	fortress balance sheet

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What the price implies

at the 2026-10-22 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	7.5%	0.2%	60
Distance from 52-week high	(21.4%)	(20.8%)	49
EBIT to enterprise value	15.5%	5.3%	96
Free cash flow yield	10.2%	3.9%	81
Book value to price	0.49	0.34	61
Sales to price	1.91	1.64	55
Composite equity issuance, five years	(27.4%)	(16.7%)	27
Relative strength against the sector, log excess return	0.10	0.03	60

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 6 of 9, period end 2026-01-31	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	fail
Operating cash flow exceeds net income	pass
Long-term leverage fell	pass
Current ratio improved	pass
No new shares issued	pass
Gross margin improved	fail
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	$2.1B
Operating cash flow, four quarters	$1.5B
Months of runway	not finite
Days since last periodic filing	56 (10-Q received Aug 28, 2026)
Median daily dollar volume, 63 sessions	$120.8M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	$6.3B	2026-01-31	2026-03-17	10-K	26-018573
2	assets	us-gaap:Assets	$12.6B	2026-01-31	2026-03-17	10-K	26-018573
3	operating income	us-gaap:OperatingIncomeLoss	$1.5B	2018-02-03	2020-03-17	10-K	20-000019
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$1.4B	2018-02-03	2020-03-17	10-K	20-000019
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$576.0M	2018-02-03	2020-03-17	10-K	20-000019
6	total debt	us-gaap:LongTermDebt	$1.2B	2018-02-03	2018-03-20	10-K	18-000048
7	book equity	us-gaap:StockholdersEquity	$3.1B	2018-02-03	2021-03-16	10-K	21-000021
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.8B	2018-02-03	2020-03-17	10-K	20-000019
9	total debt	us-gaap:LongTermDebt	$1.3B	2017-01-28	2018-03-20	10-K	18-000048
10	book equity	us-gaap:StockholdersEquity	$2.9B	2017-01-28	2020-03-17	10-K	20-000019
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.8B	2017-01-28	2018-03-20	10-K	18-000048
12	net income	us-gaap:NetIncomeLoss	$816.0M	2026-01-31	2026-03-17	10-K	26-018573
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$1.3B	2026-01-31	2026-03-17	10-K	26-018573
14	assets	us-gaap:Assets	$11.9B	2025-02-01	2026-03-17	10-K	26-018573
15	revenue	us-gaap:Revenues	$15.4B	2026-01-31	2026-03-17	10-K	26-018573
16	gross profit	us-gaap:GrossProfit	$6.2B	2025-02-01	2026-03-17	10-K	26-018573
17	revenue	us-gaap:Revenues	$15.1B	2025-02-01	2026-03-17	10-K	26-018573
18	gross profit	us-gaap:GrossProfit	$5.8B	2024-02-03	2026-03-17	10-K	26-018573

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19	revenue	us-gaap:Revenues	$14.9B	2024-02-03	2026-03-17	10-K	26-018573
20	gross profit	us-gaap:GrossProfit	$5.4B	2023-01-28	2025-03-18	10-K	25-000029
21	revenue	us-gaap:Revenues	$15.6B	2023-01-28	2025-03-18	10-K	25-000029
22	gross profit	us-gaap:GrossProfit	$6.6B	2022-01-29	2024-03-19	10-K	24-000066
23	revenue	us-gaap:Revenues	$16.7B	2022-01-29	2024-03-19	10-K	24-000066
24	depreciation amortization	us-gaap:Depreciation	$556.0M	2018-02-03	2020-03-17	10-K	20-000019
25	operating income	us-gaap:OperatingIncomeLoss	$1.1B	2026-01-31	2026-03-17	10-K	26-018573
26	interest expense	us-gaap:InterestExpense	$93.0M	2026-01-31	2026-03-17	10-K	26-018573
27	current assets	us-gaap:AssetsCurrent	$5.8B	2026-01-31	2026-03-17	10-K	26-018573
28	current liabilities	us-gaap:LiabilitiesCurrent	$3.3B	2026-01-31	2026-03-17	10-K	26-018573
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$470.0M	2026-01-31	2026-03-17	10-K	26-018573
30	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$1.5B	2025-02-01	2026-03-17	10-K	26-018573
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$447.0M	2025-02-01	2026-03-17	10-K	26-018573
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$1.5B	2024-02-03	2026-03-17	10-K	26-018573
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$420.0M	2024-02-03	2026-03-17	10-K	26-018573
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$607.0M	2023-01-28	2025-03-18	10-K	25-000029
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$685.0M	2023-01-28	2025-03-18	10-K	25-000029
36	depreciation amortization	us-gaap:Depreciation	$490.0M	2026-01-31	2026-03-17	10-K	26-018573
37	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$1.1B	2026-01-31	2026-03-17	10-K	26-018573
38	income tax	us-gaap:IncomeTaxExpenseBenefit	$316.0M	2026-01-31	2026-03-17	10-K	26-018573
39	current assets	us-gaap:AssetsCurrent	$5.2B	2025-02-01	2026-03-17	10-K	26-018573
40	current liabilities	us-gaap:LiabilitiesCurrent	$3.3B	2025-02-01	2026-03-17	10-K	26-018573
41	assets	us-gaap:Assets	$11.0B	2024-02-03	2025-03-18	10-K	25-000029
42	assets	us-gaap:Assets	$11.4B	2023-01-28	2024-03-19	10-K	24-000066
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	372,562,512	2026-03-10	2026-03-17	10-K	26-018573
44	shares outstanding	dei:EntityCommonStockSharesOutstanding	374,904,723	2025-03-12	2025-03-18	10-K	25-000029

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