# GAP Inc.

**GAP**

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

# B

**second fifth of 256 graded peers in shops**

rank 78 of 256; percentile 30.2; sampling error 2.9 points; lower is stronger

A B C D E

**B, the elk**



| Scoreboard | |
|---|---|
| **Profitability** | C/D<br>percentile 58.0 |
| **Solvency** | B<br>percentile 26.2 |
| **Growth and financing** | C<br>percentile 43.5 |
| **Reliability** | 0.94 AUC<br>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<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $12.6B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered; fortress balance sheet<br>not computable: distress |
| **Inputs computable** | 9 of 14 |
| **Graded from** | filings received through Mar 17, 2026<br>228 days before the rescan; latest periodic filing 10-Q received Aug 28, 2026 |
| **Last close** | $22.32<br>2026-10-30; market equity $7.8B; 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 58.0** | | | | | | |
| Gross profitability | 49.6% | 42.0% | | 37.2 | 240 | 2026-01-31 |
| Return on invested capital | not computable | 10.9% | | | | |

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.

| | | | | | |
|---|---|---|---|---|---|
| *latest aligned inputs end 2018-02-03; latest annual assets end 2026-01-31* | | | | | |
| Accruals ratio | (3.9%) | (4.8%) | 62.7 | 285 | 2026-01-31 |
| Gross margin stability, five years | 2.5 pts | 1.2 pts | 74.2 | 218 | 2026-01-31 |
| **Solvency, sleeve percentile 26.2** | | | | | |
| 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 | 34.6 | 293 | 2026-01-31 |
| **Growth and financing, sleeve percentile 43.5** | | | | | |
| Revenue growth, three-year compound | (0.5%) | 1.6% | 59.8 | 267 | 2026-01-31 |
| Free cash flow growth, three-year compound | not computable | 5.2% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | 63.5% | 8.4% | 21.2 | 152 | 2026-01-31 |
| Asset growth, three years | 3.5% | 3.4% | 46.8 | 270 | 2026-01-31 |
| Net share issuance, one year | (0.6%) | (0.6%) | 46.4 | 208 | 2026-03-10 |

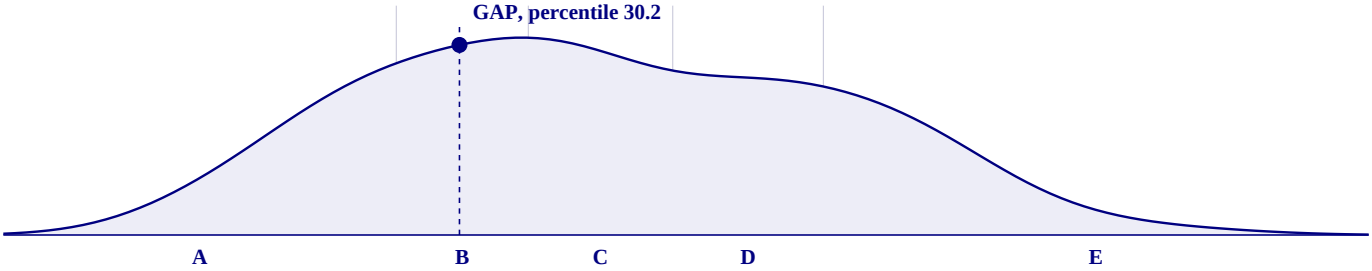
## Warnings

*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 256 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 |
|---|---|---|---|---|
| 73 | Texas Roadhouse, Inc. (TXRH) | 28.2 | B | fortress balance sheet |
| 74 | Nathans Famous, Inc. (NATH) | 28.6 | B | |
| 75 | Ingles Markets Inc. (IMKTA) | 29.0 | B | late filer |
| 76 | Macy's, Inc. (M) | 29.4 | B | |
| 77 | Performance Food Group Co. (PFGC) | 29.8 | B | |
| 78 | GAP Inc. (GAP) | 30.2 | B | fortress balance sheet |
| 79 | Williams Sonoma Inc. (WSM) | 30.6 | B | fortress balance sheet |
| 80 | Chefs' Warehouse, Inc. (CHEF) | 31.0 | B | |
| 81 | Natural Grocers by Vitamin Cottage, Inc. (NGVC) | 31.4 | B | |
| 82 | Coupang, Inc. (CPNG) | 31.8 | B | fortress balance sheet |
| 83 | Home Depot, Inc. (HD) | 32.2 | B | |

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.

## What the price implies

*at the 2026-10-30 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 7.5% | 0.7% | 59 |
| Distance from 52-week high | (23.4%) | (20.3%) | 44 |
| EBIT to enterprise value | 16.0% | 5.2% | 96 |
| Free cash flow yield | 10.5% | 3.9% | 82 |
| Book value to price | 0.50 | 0.35 | 61 |
| Sales to price | 1.96 | 1.59 | 55 |
| Composite equity issuance, five years | (27.4%) | (16.8%) | 27 |
| Relative strength against the sector, log excess return | 0.10 | 0.03 | 59 |

## 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 | 64 (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 |

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 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 |

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.