



**LAPTOP COMPUTER STOLEN FROM VENDOR THAT MANAGES
JOB APPLICANT DATA FOR GAP INC.**

24-hour helpline, credit monitoring offered to assist those affected

SAN FRANCISCO – Sept. 28, 2007 – Gap Inc. (NYSE: GPS) today announced that a laptop containing the personal information of certain job applicants was recently stolen from the offices of an experienced third-party vendor that manages job applicant data for Gap Inc.

The company has begun notifying the job applicants whose Social Security numbers were included in the information on the laptop and is offering them a year of free credit monitoring services with fraud resolution assistance, along with a dedicated 24-hour helpline.

Personal data for approximately 800,000 people who applied online or by phone for store positions at one of Gap Inc.'s brands between July 2006 and June 2007 was contained on the stolen laptop. Contrary to the company's agreement with the vendor, the information on the laptop was not encrypted. The company has no reason to believe the data contained on the computer was the target of the theft or that the personal information has been accessed or used improperly.

"Gap Inc. deeply regrets this incident occurred. We take our obligation to protect the data security of personal information very seriously," said Gap Inc. Chairman and CEO Glenn Murphy. "What happened here is against everything we stand for as a company. We're reviewing the facts and circumstances that led to this incident closely and will take appropriate steps to help prevent something like this from happening again."

Gap Inc. uses more than one vendor to manage job applicant data for Gap Inc., so not all people who applied to work for the company between July 2006 and June 2007 are affected. As soon as the vendor discovered the laptop was stolen, it immediately alerted local law enforcement. An investigation of the theft is underway.

The stolen laptop contained personal information for people who applied for store positions with the company's Old Navy, Banana Republic, Gap and Outlet stores from the U.S., Puerto Rico and Canada. However, the laptop did not contain Canadian applicants' Social Insurance Numbers. The fact that the information contained on the laptop was not encrypted is contrary to our agreement with the vendor.

Those who applied online or by phone for a job with the company between July 2006 and June 2007 are encouraged to contact the Gap Inc. Security Assistance Helpline at 1-866-237-4007. Representatives are available 24 hours a day, seven days a week, to provide information and assistance. In addition, the company has posted information and will post updates at www.gapsecurityassistance.com.

About Gap Inc.

Gap Inc. is a leading international specialty retailer offering clothing, accessories and personal care products for men, women, children and babies under the Gap, Banana Republic, Old Navy, and Piperlime brand names. Fiscal 2006 sales were \$15.9 billion. Gap Inc. operates more than 3,100 stores in the United States, the United Kingdom, Canada, France, Ireland and Japan. In addition, Gap Inc. is expanding its international presence with franchise agreements for Gap and Banana Republic in Asia and the Middle East. For more information, please visit gapinc.com.

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