



Gymboree Announces Go-Forward Retail Footprint

Company to Close Approximately 350 Stores Mainly Across Gymboree and Crazy 8 Brands; Allows Company to Focus Resources on Locations with Greatest Potential and Enhance Profitability

Court-Supervised Restructuring Process Proceeding As Planned

San Francisco, July 11, 2017 - The Gymboree Corporation (the "Company" or "Gymboree") today announced that, following a comprehensive evaluation of its retail footprint as part of its previously announced court-supervised financial restructuring, the Company intends to close approximately 350 stores, mainly across the Gymboree and Crazy 8 brands. With the right size store base, the Company will be able to focus resources on locations with the greatest potential and improve the profitability of the overall business.

"Today's announcement represents the next step in the Company's court-supervised financial restructuring as we work to more strongly position the business for long-term growth and success," said Daniel Griesemer, President and CEO of Gymboree. "Right-sizing our store footprint is a central part of our efforts to ensure Gymboree emerges from this restructuring process as a stronger and more competitive organization, with greater financial flexibility to invest in our future. Importantly, we will continue to operate a majority of our stores and will continue to deliver quality merchandise and superior service to our customers at our Gymboree, Janie and Jack and Crazy 8 brands. This was a difficult decision to make, but we are confident that it is in the best long-term interest of our Company, our customers and our broader employee base. I am deeply grateful to our team, their exceptional ongoing dedication and their focus on continuing to put our customers at the center of all we do."

In order to ensure a seamless experience for customers, the Company has partnered with Great American Group and Tiger Group to help manage the closing sales in its Gymboree, Gymboree Outlet and Crazy 8 stores. The closing sales at affected stores are scheduled to begin on Tuesday, July 18, 2017. For those interested in these sales, updated information will be available on the Company's restructuring website at www.gymboreerestructuring.com.

As announced on June 11, 2017, Gymboree signed a Restructuring Support Agreement with a majority of its Term Loan Lenders, securing critical stakeholder support for a comprehensive financial restructuring and recapitalization that is being facilitated through a voluntary Chapter 11 filing with the United States Bankruptcy Court for the Eastern District of Virginia.

Additional information regarding Gymboree's financial restructuring including court filings and information about the claims process are available at <https://cases.primeclerk.com/gymboree> or by calling Gymboree's claims agent, Prime Clerk, at 844-822-9233 (or 646-486-7945 for international calls) or by sending an email to gymboreeinfo@PrimeClerk.com.

Kirkland & Ellis LLP is serving as the Company's legal counsel, AlixPartners LLP is serving as its financial advisor, and Lazard is serving as its investment bank.

About The Gymboree Corporation

The Gymboree Corporation's specialty retail brands offer unique, high-quality products delivered with personalized customer service. As of April 29, 2017, the Company operated a total of 1,281 retail stores: 582 Gymboree® stores (532 in the United States, 49 in Canada and 1 in Puerto Rico), 172 Gymboree Outlet stores (171 in the United States and 1 in Puerto Rico), 149 Janie and Jack® shops (148 in the

United States and 1 in Puerto Rico) and 378 Crazy 8® stores in the United States. The Company also operates online stores at www.gymboree.com, www.janieandjack.com, and www.crazy8.com.

Forward-Looking Statements

This press release includes forward-looking statements, including the Company's expectations regarding the development and results of its restructuring process, its liquidity, access to capital and business operations during the pendency of the bankruptcy proceedings. These forward-looking statements generally can be identified by the use of words such as "anticipate," "expect," "plan," "could," "may," "will," "believe," "estimate," "forecast," "goal," "project" and other words of similar meaning. Each forward-looking statement contained in this press release is based on assumptions and information available to the Company at the time of this press release. Forward-looking statements involve risks and uncertainty, including, but not limited to, the risk that the Company's restructuring may not be consummated in a manner beneficial to the Company and its operations; risks and uncertainties associated with the length of time the Company will operate as a debtor-in-possession, which is not yet known; risks associated with the bankruptcy process and third-party motions in the Chapter 11 proceedings, which may hinder or delay the Company's ability to consummate its restructuring; the ability of the Company to obtain and maintain normal terms with customers, suppliers and service providers; the Company's ability to maintain contracts that are critical to its operations during Chapter 11 proceedings; the Company's financial performance and results; availability of sufficient cash flow to operate the Company, including to fund capital expenditures, during the Chapter 11 proceedings; demand for its products; and the risk factors set forth in the Company's Transition Report on Form 10-K for the 26 weeks ended July 30, 2016 as filed with the Securities and Exchange Commission on October 28, 2016 and in subsequent reports filed with the SEC. The Company's actual results could differ materially from those expressed in, or implied by, the forward-looking statements. The Company can give no assurances that any of the events anticipated by the forward-looking statements will occur or, if they do, what impact they will have on the Company's results of operations and financial condition. The Company cautions investors to carefully consider the risks associated with, and not to place considerable reliance on, the forward-looking statements contained in this press release. The forward-looking statements in this press release speak only as of the date of this document, and the Company undertakes no obligation to revise or update this press release to reflect events or circumstances after the date hereof except as required by law. All forward-looking statements are qualified in their entirety by this cautionary statement.

Gymboree, Janie and Jack, and Crazy 8 are registered trademarks of The Gymboree Corporation.

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