



Business & Ethics Code of Conduct

The Gymboree Corporation and its subsidiaries ("The Gymboree Corporation") are committed to conducting business lawfully and ethically in every country in which we operate. This Business and Ethics Code of Conduct summarizes the standards, virtues and principles that act as our guide to ethical and proper actions in business. It is important that each of our board members, officers, employees, agents, consultants, vendors, and contractors be guided by this Business and Ethics Code of Conduct because not doing so can discredit our corporation, harm our reputation, and reflect poorly on all of us. Ultimately, our customers view the actions of each person involved with The Gymboree Corporation as a representation of our brands.

Our Core Virtues

We have identified core virtues that are representative of what our stockholders should expect from our people and our brands. These virtues should be evident in all that we do.

Respect, Honesty, Trust, Integrity, Responsibility and Good Corporate Citizenship

Respect: To meet challenges through mutual cooperation and treat one another with dignity and fairness.

Honesty: To be truthful in all that we do; to be principled and forthright with each other and with our customers, agents, consultants, vendors, and contractors.

Trust: To build confidence with one another through an environment which supports open, candid communication.

Integrity: To say what we mean and to mean what we say to the best of our abilities, to deliver what we promise, and to take a stand for what is right.

Responsibility: To speak up - without fear of retribution - and report concerns in the workplace, including suspected violations of laws, regulations and policies of The Gymboree Corporation, and to seek proper guidance whenever in doubt.

Good Corporate Citizenship: To obey all applicable federal, state and local laws and regulations of the United States and all the other countries in which we do business, and to do our part to better the communities in which we live.

Our Policies

The Gymboree Corporation's policies concerning this Business and Ethics Code of Conduct are summarized below. While it is not possible to list all policies, laws, conflicts of interest or prohibited business practices, nor can we address all situations that may arise, the best guidelines are common sense and compliance with the law.

You are responsible for understanding these policies and applying them in your work for The Gymboree Corporation.

Obey the Law

The Gymboree Corporation will strive to conduct business in accordance with, and in the spirit of, all applicable federal, state and local laws and regulations. You should refrain from taking any action that is or could be illegal or that is inconsistent with customary norms for ethical behavior.

Do Not Commit Fraud

You may not engage in fraudulent conduct directly or indirectly. Examples of fraudulent conduct include: forgery or alteration of checks, time cards/sheets or any other financial document; misappropriation of funds or other assets; impropriety in handling or reporting of money or financial transactions; internal theft or dishonesty; manipulation of records and untimely destruction or theft of records; and destruction or theft of furniture, merchandise or equipment.

Product Safety

The Gymboree Corporation meets its commitment to satisfying customers and its legal obligations by manufacturing and selling safe and high quality products. The Gymboree Corporation is attentive to product design, manufacturing, testing, packaging, labeling and marketing for all of its brands (and equipment design for its Play & Music franchise business).

The Gymboree Corporation is responsible for complying with all applicable laws pertaining to product safety. We strive to sell only products that are safe for their intended use and satisfy applicable regulatory and industry standards. The Gymboree Corporation also endeavors to meet certain industry standards that may be stricter than the law requires. Non-compliance with

product safety laws and regulations may result in monetary penalties, substantial use of our administrative resources, litigation and/or negative publicity.

Business Integrity

Business integrity is a vital standard for the selection and retention of those who represent and manufacture products for The Gymboree Corporation. Board members, agents, representatives, consultants and vendors must commit to The Gymboree Corporation's policies and procedures and must never be retained to circumvent our values and principles. Paying bribes or kickbacks, engaging in industrial espionage, misusing or misappropriating the proprietary data of a third party, gaining inside information or influence for an inappropriate purpose, or violating our terms of engagement with vendors are just a few examples of what could give us an unfair competitive advantage in doing business and could result in violations of the law.

The Gymboree Corporation has developed certain terms of engagement that apply to all vendors and factories that supply, manufacture and finish our products. In general terms, all of our vendors and factories must fully comply with applicable laws, rules and regulations, including those related to labor, worker health, safety and the environment.

Promote a Positive Work Environment

All employees want and deserve a workplace where they feel respected and appreciated. Sexual harassment or other unlawful harassment or discrimination, including harassment involving race, color, religion, gender, age, national origin, disability, sexual orientation, veteran status, marital status, or any other basis protected by local, state or federal law is unacceptable in our workplace environment. Providing an environment that supports respect, honesty, trust, integrity, responsibility, and good corporate citizenship of every employee permits us the opportunity to achieve excellence in our workplace. Everyone who works for The Gymboree Corporation must contribute to the creation and maintenance of such an environment and our executives and management assume special responsibility for fostering a work environment that will bring out the best in all of us.

Treat All People in an Ethical Manner

The Gymboree Corporation is committed to act in an ethical manner.

For our employees: We are committed to honesty, fairness, a safe and healthy work environment, and respecting every individual.

For our customers: We produce high quality products, make them available on a timely basis, and provide excellent customer service, all at a fair price.

For the communities in which we live and work: We are committed to being concerned, involved and responsible neighbors, reflecting all aspects of good corporate citizenship.

For our stockholders: We pursue sound growth and earnings objectives, exercise prudence in the use of our assets and resources, and strive to increase stockholder value.

For our vendors and suppliers: We treat our vendors and suppliers fairly and responsibly. Further, as outlined in our vendor and supplier agreements, we require our vendors and suppliers to obey the law and maintain a high level of conduct that is compatible with our own corporate philosophy.

Work Safely:

Protect Yourself and Your Colleagues The Gymboree Corporation is committed to providing a safe and healthy work environment. Each of us is responsible for compliance with environmental, health, and safety laws and regulations. Observe posted warnings and regulations. Report immediately to the appropriate supervisor any accident or injury sustained on the job, or any environmental or safety concern you may have.

Avoid Illegal or Questionable Gifts, Favors and Bribes

If you buy goods or services for The Gymboree Corporation, or are involved in the procurement process, you must treat all vendors and suppliers uniformly and fairly. In deciding among competing suppliers, you must objectively and impartially weigh all facts and avoid even the appearance of favoritism.

Our employees may accept meals, refreshments, or entertainment of nominal value in connection with business discussions. While it is difficult to define "nominal" by means of a specific dollar amount, a common sense determination should dictate what would be considered lavish, extravagant, or frequent. It is the personal responsibility of each employee to ensure that his or her acceptance of such gifts is proper and could not be construed as an attempt by the offering party to secure favorable treatment.

Employees are not permitted to accept funds in any form or amount, or any gift that has retail or exchange value of \$75.00 or more from individuals, companies, or representatives of companies having or seeking business relationships with The

Gymboree Corporation. If you have any questions about the propriety of a gift, contact your immediate supervisor.

You should also be aware that it is illegal to provide anything of value directly or indirectly to foreign government officials, political parties, candidates for foreign political office, or any person where the purpose is to obtain special treatment from the foreign government or an official.

Conflicts of Interest

Having conflicts of interest - in practice or in appearance - violates this Business and Ethics Code of Conduct and runs counter to the fair treatment to which we are all entitled. Avoid any relationship, influence, or activity that might impair, or even appear to impair, your ability to make objective and fair decisions when performing your job. When in doubt, share the facts of the situation with your manager or with the Senior Vice President or Vice President of Human Resources.

The following are examples of conflicts of interest that are prohibited by The Gymboree Corporation:

- Trading securities of The Gymboree Corporation's competitors, suppliers or vendors based on proprietary information, which may also be prohibited by law;
- Ownership of, or substantial interest in, a company that is a competitor of or a supplier to The Gymboree Corporation;
- Acting as a consultant, director, officer, or partner to a customer or competitor of or supplier to The Gymboree Corporation;
- Placement of business with a firm owned by or controlled by a family member;
- Personal acceptance of gifts, payment, or services from those seeking to do business with The Gymboree Corporation; or
- Resale of The Gymboree Corporation products by employees for personal gain.

Political Activities

Our employees frequently elect to participate and contribute to political organizations or campaigns. However, such participation and contribution must be done personally, which means on an employee's personal time off, with the employee's personal funds, in the employee's own name and off The Gymboree Corporation's premises. Employees may take time off from work to vote in elections in compliance with applicable laws.

The Gymboree Corporation has a right to political expression on issues and may express itself through contribution to campaigns or referenda that do not involve the election of candidates. Contributions by The Gymboree Corporation to federal election campaigns are prohibited.

The Gymboree Corporation may also form and administer political action committees (PACs) for the purpose of encouraging employee contributions to political campaigns. Such PACs are permitted for both federal and state political activities. Employee contributions to PACs, however, must be personal.

No direct or indirect pressure in any form should be directed toward employees to make any political contributions or participate in the support of a political party or the political candidacy of any individual.

Obtain and Use The Gymboree Corporation Assets Wisely

Proper use of corporate and store/site property, facilities, and equipment is everyone's responsibility. Use and maintain these assets with the utmost care and respect, guarding against waste and abuse. Be cost-conscious and alert to opportunities for improving performance and efficiency while reducing costs. The use of The Gymboree Corporation's time, material, or facilities for purposes not directly related to The Gymboree Corporation or its business, or the removal or borrowing of its property, facilities or equipment without permission, is prohibited. The Gymboree Corporation does not guarantee your privacy when using any of its resources and The Gymboree Corporation retains the right to access, review, copy, move or delete the content stored on or used in connection with any of its resources.

The right to use software licensed to The Gymboree Corporation is limited to authorized employees and only for The Gymboree Corporation's business. When you use software licensed to The Gymboree Corporation, you must adhere to the terms of the license. Copies of the software and the associated documentation or other materials may be made only as specified in the license. You may not sell, transfer, or otherwise make available to any unauthorized person any software products, documentation or copies thereof. Refer any questions concerning compliance with a software license to the Information Systems & Technology Department.

Protect Proprietary Information

Board members and employees must take every precaution not to share or reveal The Gymboree Corporation's proprietary information with outsiders. Proprietary information must be properly stored. Such information may not be taken away from the office without permission from the appropriate authority (for employees, this is your supervisor) and must be appropriately safeguarded and promptly returned to The Gymboree Corporation.

Board members and employees must not use any form or type of financial, business, scientific, technical, economic, engineering or design or product information, if it is not readily available to the public. We must also be careful not to use proprietary information provided by our new employees who had access to their former employer's trade secrets. Also, in the course of normal business activities, suppliers, customers and competitors may divulge to you information that is proprietary to their business. Respect these confidences and treat this information with the same care as you would treat our proprietary information.

We consider information about our employees to be proprietary information, including but not limited to, personnel files, benefit files and compensation and other information. We take seriously the responsibility to protect employees from disclosure of information that could result in identity theft. Therefore, we will take steps to protect our employees' social security numbers, dates of birth and other confidential information that could lead to identity theft. We will disclose confidential information about our employees only in response to subpoenas, law enforcement requests or with the employee's prior written authorization.

In addition, it is the responsibility of every employee to respect the privacy of our customers. Employees must, in all practicable ways, protect personal information that the Company collects from or maintains about individual customers. Each employee must take care to protect individual customer information and other sensitive personal information from inappropriate or unauthorized use or disclosure.

Protect Intellectual Property

Our intellectual property, including our trademarks, logos, copyrights and designs, are valuable assets of The Gymboree Corporation. Trademarks must always be used exactly as they are registered or, in the case of non-registered marks, as established by custom of The Gymboree Corporation. Proper usage of such trademarks includes spelling of the mark as registered, proper use of registration symbols and required grammatical use of the mark. New designs should be forwarded to the Legal Department for registration with the U.S. Copyright Office.

As an employee of The Gymboree Corporation, your work product (such as products, designs, sketches, reports, documents, spreadsheets, presentations and analysis) belongs to The Gymboree Corporation. You are expected to cooperate with The Gymboree Corporation in documenting its ownership of all such intellectual property.

As The Gymboree Corporation grows, we encounter increasing problems with knock-offs of our designs or copyrights and counterfeit merchandise being sold under one of our trademarks. If you discover suspected counterfeit or knock-off merchandise, you should immediately contact the Legal Department with as much information as you can gather about the seller, the merchandise and the location. Unauthorized use of our trademarks, logos, designs or copyrights will be vigorously prosecuted.

Your unauthorized use of intellectual property in which other companies or individuals have protectable rights must be avoided. Contact the Legal Department with any questions you may have about protecting intellectual property or using a third party's intellectual property.

Keep Accurate and Complete Records

The Gymboree Corporation must maintain accurate and complete corporate records that reflect transactions between The Gymboree Corporation and outside individuals, corporations and organizations. The recording of these transactions must be promptly and accurately entered in our books in accordance with generally accepted accounting principles and practices.

The Gymboree Corporation must also establish and maintain a system of internal accounting controls sufficient to provide reasonable assurance regarding the reliability of our financial reports and the preparation of our financial statements.

Disclosure and Communications

It is The Gymboree Corporation's policy to advocate, promote and adhere to full, fair, accurate and timely disclosure in reports and documents that The Gymboree Corporation files with, or submits to, the U.S. Securities and Exchange Commission (SEC), and other public communications made by The Gymboree Corporation.

Board members, employees and consultants should not disclose material non-public information to anyone outside of The Gymboree Corporation, including but not limited to acquaintances, colleagues, customers, spouses, friends and family.

With the exception of our Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, or other individual specifically designated as an authorized Spokesperson pursuant to The Gymboree Corporation's Policy and Procedures for Public Disclosures and Communications with Analysts and Investors, (collectively, the "Spokespersons"), no Board member,

employee or consultant may make public disclosures or communicate about The Gymboree Corporation with investors, financial analysts, the press or other members of the public without the express prior written permission of one of the Spokespersons. All requests for information must be directed to the Spokespersons or Corporate Communications at 415-278-7942. No individual other than a Spokesperson is authorized to disclose information regarding The Gymboree Corporation that is not available through public resources, such as Securities and Exchange Commission filings, press releases or information posted on our Web site.

Do Not Engage in Insider Trading

As Board members, employees or consultants of a publicly held company, we must follow a number of strict federal security regulations regarding how and when we trade The Gymboree Corporation stock (including options) and communicate information to anyone outside of The Gymboree Corporation.

The Gymboree Corporation has developed a set of policies and procedures, which all employees and consultants must be aware of and follow. They are summarized below, and are available in their entirety on The Gymboree Corporation intranet (GymWeb) under the "Insider Trading Policy" subsection of the "Policies" section as well as from Human Resources.

Board members, employees and consultants should not trade The Gymboree Corporation stock (including options) based on material non-public information (information that is not available to the public but which an investor might consider important in deciding whether or not to buy or sell stock). Material non-public information can include (without limitation) our business and/or product lines performance, our pricing, markdown and sales strategies, our marketing initiatives and competitive comparisons and our earnings prior to public release.

Also, Board members, employees and consultants may not trade The Gymboree Corporation stock (including options) during blackout periods, as these are times when employees and consultants often have material non-public information about expected financial results.

Please keep in mind that any employee or consultant who violates these policies or procedures will be subject to appropriate disciplinary action, up to and including termination of employment or service relationship. In addition, employees, consultants or Board members who violate these policies and procedures may be subject to civil and criminal penalties. If you have any questions or doubts, please contact the Legal Department.

Reporting of Suspected Violation of Laws, Regulations, Rules, Legal Requirements or The Gymboree Corporation's Business and Ethics Code of Conduct

Our goal is to maintain a safe, ethical and productive work environment. The Gymboree Corporation encourages employees to report any suspected violation of laws, regulations, rules, legal requirements, this Business and Ethics Code of Conduct and other issues of concern, either orally or in writing, to a manager or Human Resources and in writing to the Senior Vice President of Human Resources or General Counsel, either by e-mail to code_of_conduct@gymboree.com, internal mail, or U.S. mail to: Senior Vice President of Human Resources and General Counsel, The Gymboree Corporation, 500 Howard Street, San Francisco, CA 94105. Employees reporting such matters in good faith are entitled to protection from retaliation related to such reporting (see the section entitled "Non-Retaliation" below). If an employee is uncomfortable with reporting to a manager, the employee may report directly in writing to either the Senior Vice President of Human Resources or General Counsel, without the involvement of such managers.

A report may also be anonymously submitted to The Gymboree Corporation's Code of Conduct Hotline at 800-222-7758 x2029. Your message will be kept in the strictest confidence. You are urged to call the Code of Conduct Hotline whenever you have a question or concern about any policy or procedure that cannot be readily addressed within your work group, by your manager, or by Human Resources.

The Gymboree Corporation's Whistleblower Policy and Whistleblower Hotline Service

The Gymboree Corporation has established a facility for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters in accordance with The Gymboree Corporation's Whistleblower Policy. Employees or other interested parties may communicate and report any concerns or complaints regarding The Gymboree Corporation's accounting, internal accounting controls or auditing matters ("Complaints") to the General Counsel or anonymously via The Gymboree Corporation's third-party Whistleblower Hotline Service as described below. The Gymboree Corporation's Audit Committee oversees matters relating to The Gymboree Corporation's accounting and financial statements and is responsible for evaluating any Complaints.

Complaints may be submitted to The Gymboree Corporation's General Counsel by either of the following methods:

- In writing, by U.S. mail addressed to General Counsel, The Gymboree Corporation, 500 Howard Street, San Francisco, CA 94105, or
- By e-mail to whistleblower@gymboree.com.

A copy of all Complaints will be forwarded to the Audit Committee.

Complaints may also be anonymously submitted to The Gymboree Corporation's third party Whistleblower Hotline Service ("Hotline Service") in one of the three ways listed below.

- *Internet:* You may access a secure Internet-based message interface that will deliver a message directly. To use this system anonymously, employees should send their message from an unidentifiable location such as a public library terminal. You may access the Hotline Service by e-mail, by phone as specified below or by Web interface through our Web site at www.gymboree.com through the following links: Our Company; Corporate Policies; Whistleblower Policy and Hotline Service.
- *E-mail:* You may send an e-mail message directly to whistleblower@gymboree.com. To use this system anonymously, employees should use a non-identifiable e-mail address, such as Hotmail.com, Juno, or Yahoo from an unidentifiable location such as a public library terminal.
- *Voice mail:* To leave an anonymous message from the U.S., Canada and Puerto Rico call 866-225-5084.

Complaints submitted through the Hotline Service (via Web, e-mail or phone) will be encrypted and delivered directly to The Gymboree Corporation's Senior Vice President of Human Resources who will forward such Complaints to The Gymboree Corporation's Audit Committee for evaluation.

Non Retaliation

No employee, contractor, subcontractor or agent of The Gymboree Corporation may discharge, demote, suspend, threaten, harass, discriminate or retaliate against any employee in the terms and conditions of employment because the employee made a good faith report of a suspected violation under this Business and Ethics Code of Conduct or for participating in a related investigation. An employee's right to protection from retaliation does not extend to immunity for any complicity in the subject matter of an investigation.

Violations and Waivers

If you violate any of The Gymboree Corporation's policies or guidelines, or if you knowingly permit a violation, you will be subject to appropriate disciplinary action, including providing reimbursement of any loss to The Gymboree Corporation that results from your actions and/or termination of employment.

Any waiver of any provision of this Business and Ethics Code of Conduct for a director or executive officer of The Gymboree Corporation must be approved in writing by our Board of Directors and promptly disclosed to our stockholders. Any waiver of any provision of this Business and Ethics Code of Conduct for any other employee, agent or contractor of The Gymboree Corporation must be approved in writing by our Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, or the Senior Vice President of Human Resources.

The current version of The Gymboree Corporation's Business and Ethics Code of Conduct is posted and maintained on our Web site at www.gymboree.com and on GymWeb (our intranet). The Gymboree Corporation reserves the right to modify this Business and Ethics Code of Conduct at any time in its discretion, so please check www.gymboree.com or GymWeb for the most recent version.