

Jim Lee

**Executive Vice President and
Chief Financial Officer**





nearly

2,000

stores



60+

supply chain
facilities



Cat & Jack™

FUTURE COLLECTIVE

MONDO LLAMA

CASALUNA

favorite day™



cloud island™

SPRITZ™

heyday™

OPEN STORY™

Hearth & Hand WITH MAGNOLIA

Good & Gather™



ever spring™

a new day™

Embark™

auden™

deal worthy™

Goodfellow & CO™

Figmint

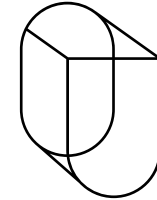
Giggle Scape™



all in motion.

THRESHOLD

LOOKS LIKE HOME FEELS LIKE YOU



Original Use™

JOY LAB™

calsie™

MARKET PANTRY™



kindfull.

SHADE & SHORE

brightroom.

AVA & VIV™

WONDERSHOP™ AT TARGET

art class™

up&up™

pillowfort™

room essentials™



BOOTS & BARKLEY

Universal Thread™ GOODS CO.

bullseye's playground

sonia kashuk

wild fable™

Cat & Jack

FUTURE COLLECTIVE

MONDO LLAMA

CASALUNA

favorite day



cloud island

SPRITZ

heyday

OPEN STORY

Hearth & Hand WITH MAGNOLIA

Good & Gather



ever spring

a new day

Embark

auden

deal worthy

Goodfellow & CO

JOY LAB

\$31B+

MARKET PANTRY

annual sales of our owned brands

THRESHOLD



Original Use

calsie

WONDERSHOP AT TARGET

art class



SHADE & SHORE

brightroom

AVA & VIV

BOOTS & BARKLEY

Universal Thread GOODS CO.

pillowfort

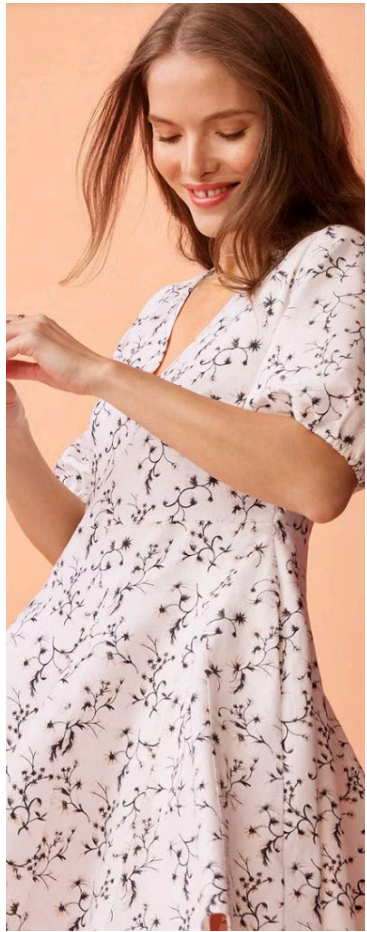
bullseye's playground

room essentials

sonia kashuk

wild fable





Apparel +
Accessories



Hardlines



Home



Beauty



Food +
Beverage



Essentials

\$20B+
in annual digital sales



drive up

Fast, easy, and always free.



shipping



order pickup



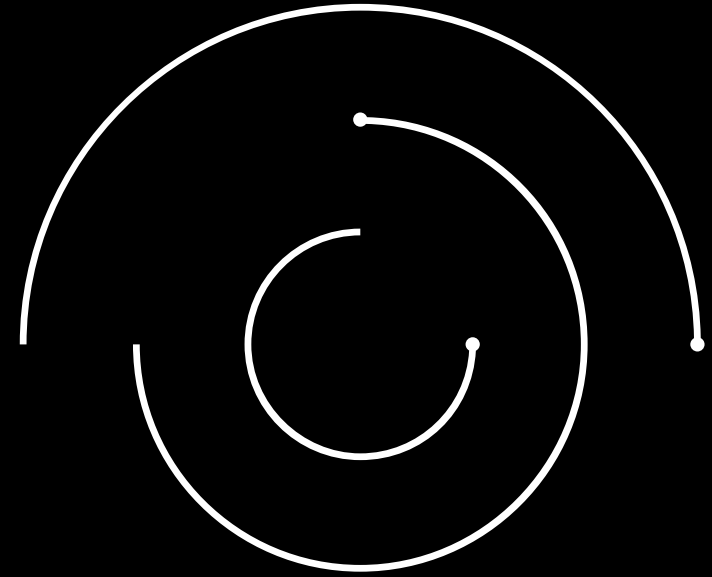
**same day
delivery**

Delivered with **Shipt** 



TM

 **circle**TM



RoundelTM
Media designed by 

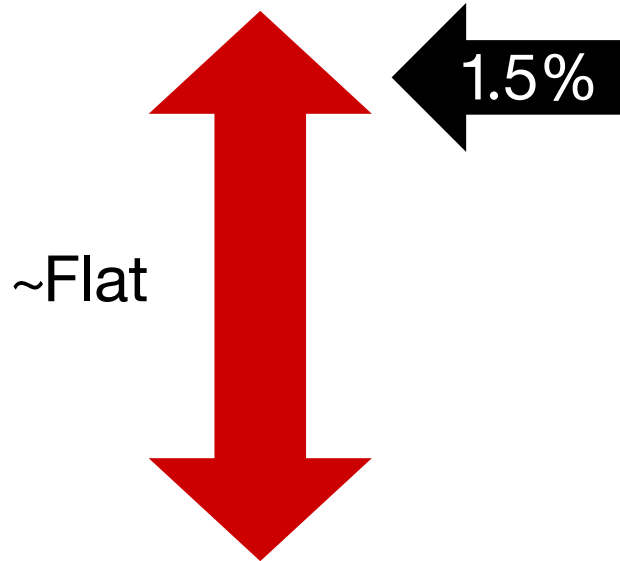
**Target has a compelling
growth opportunity.**



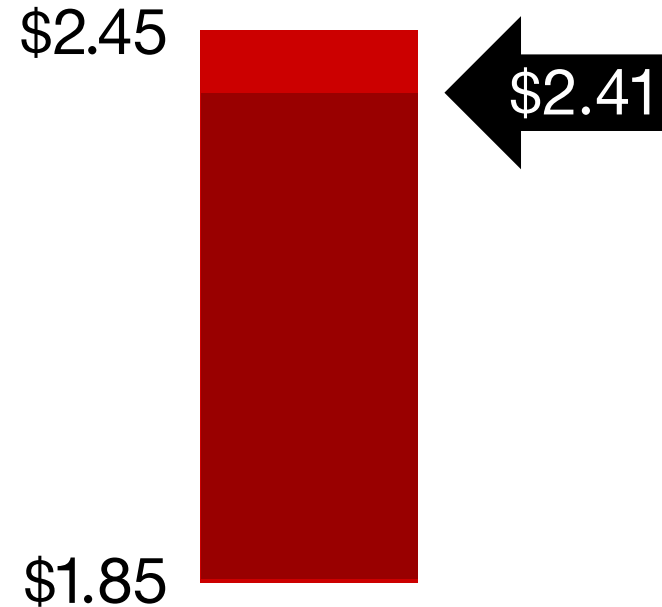
2024 Financial Performance

Q4 Financial Performance

Comp Sales Increase



GAAP & Adjusted EPS



Full Year Results Within Original Guidance Ranges

Without the 53rd Week in 2023

~1%

net sales increase
in 2024

nearly

3%

EPS expansion
in 2024

Higher Guest Traffic in Stores + Digital Channels



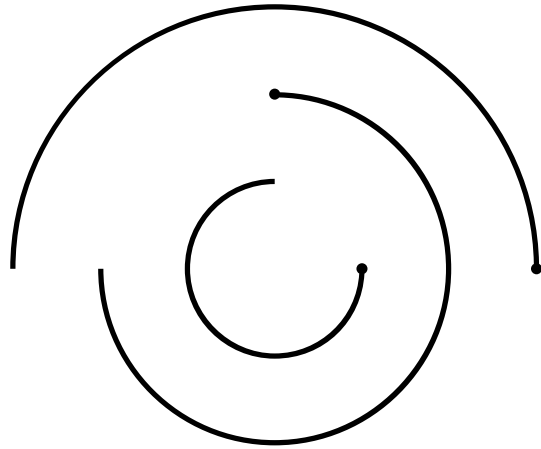
Double-Digit Growth

Third Party GMV

>35%
growth in 2024

>40%
growth in Q4





Roundel™

Mid-Teens
growth in 2024

What Makes Target Unique

**Our approach to digital
commerce is distinctly different.**



Target's Shopping Ecosystem



Guest Engagement Synergies

Guests engaging in digital platforms spend more in-store



>20%

more spending than before





The Power of **AND**



Categories Our Guests Expect

Appropriate Channel Strategy



Target's Shopping Ecosystem



Guest Engagement Synergies

Guests engaging in digital platforms spend more in-store

Stores-as-Hubs Model

97% of sales store-fulfilled...Capital-light and scalable

**Our digital sales have
more than tripled since 2019.**



Target's Shopping Ecosystem



Guest Engagement Synergies

Guests engaging in digital platforms spend more in-store

Stores-as-Hubs Model

97% of sales store-fulfilled...Capital-light and scalable

Digital Platforms

Fuel Roundel and Target+



**Agile +
Capital-Light**



Opportunity to
Rapidly Expand
Our Assortment

Digital Profitability

**Digital Growth is Good
for Our Bottom Line**





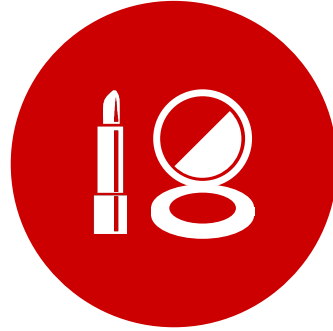
Multi-Category Assortment



Apparel +
Accessories



Home



Beauty



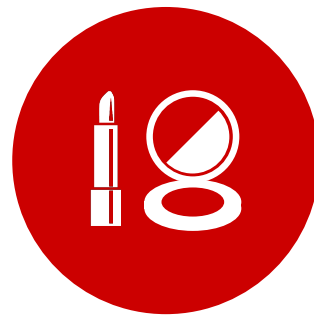
Food +
Beverage



Essentials



Hardlines



2024

Apparel +
Accessories

Home

Beauty

Food +
Beverage

Essentials

Hardlines

**Percent
of Sales**

16%

16%

12%

23%

18%

15%

**Gross
Margin Rate**

Above
Average

Above
Average

Above
Average

Below
Average

Below
Average

Below
Average

**Owned
Brand Mix**

>75%

>50%

Mid
Single-Digits

>20%

Mid Teens

Mid
Single-Digits

**Physical
Volume**

Low

High

Low

Low

Low

Medium

Reduce Lead Times
in Longest-Lead Apparel +
Home Categories



Maximize Sales

Reduce Markdown Exposure

**Reduce Peaks + Valleys
in Storage Needs**

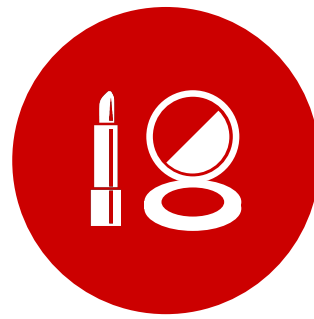




**Augment Our
Assortment**

No Inventory Risk

No Storage Needs



2024

Apparel +
Accessories

Home

Beauty

Food +
Beverage

Essentials

Hardlines

**Percent
of Sales**

16%

16%

12%

23%

18%

15%

**Gross
Margin Rate**

Above
Average

Above
Average

Above
Average

Below
Average

Below
Average

Below
Average

**Owned
Brand Mix**

>75%

>50%

Mid
Single-Digits

>20%

Mid Teens

Mid
Single-Digits

**Physical
Volume**

Low

High

Low

Low

Low

Medium

**Cyclical
Variability**

Medium

High

Low

Low

Low

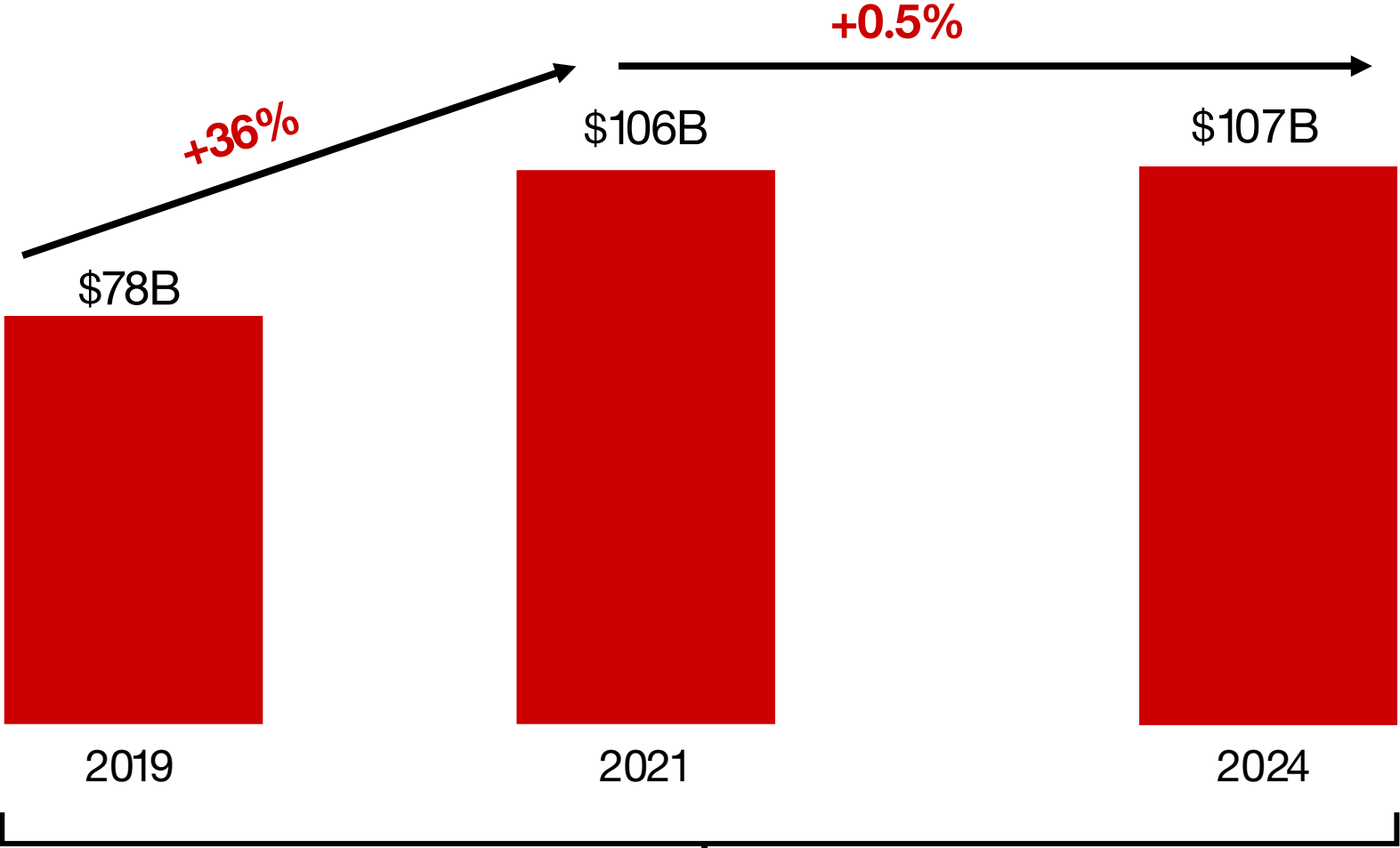
High

Longer-Term Financial Aspirations

Low to Mid-Single Digit Topline Growth Over Time



Net Sales



Average Annual Growth of 6%
from 2019 – 2024





Expansion of Operating Margin Rates

- Outsized growth of Roundel and Target Plus
- Inventory shrink improvements
- Efficiency savings

**>\$2 Billion in Efficiency
Gains Since 2022**



Ongoing Mindset to Identify Savings Opportunities



**Mid-to-high single-digit
annual EPS growth over
the next several years.**



**We Can Grow Our Business
by More Than \$15 Billion
Over Five Years**



2025 Outlook

2025 Outlook

- Net sales growth centered around 1%
 - Comparable sales growth centered around flat
- Modest increase in our operating margin rate
- Effective tax rate of 23% to 24%
- GAAP and Adjusted EPS of \$8.80 to \$9.80

Capital Deployment Priorities

Invest in our business

➤ **Support** the dividend

➤ **Repurchase** shares

Capital Deployment in 2025

- CAPEX of \$4 to \$5 billion
 - Primarily in store assets
 - Robust investments in supply chain and technology
- Plan to recommend a low single-digit increase in quarterly dividend
- Repurchase shares within the limits of our credit ratings

Tariff Considerations

Guidance Practices



Considerations in 2025

- February Topline Trends
- Outsized Profit Pressures in Q1
 - Tariff uncertainty
 - Start-up costs on new projects
 - Timing of SG&A and tax expenses
- Easier Profit Comparisons in Q3/Q4



