



**Financial
Community
Meeting**

John Mulligan

Executive Vice President and
Chief Operating Officer



target

pharmacy





Run and Done
Fast track your Target Run
Choose Order Pickup on target.com
Pick it up at your nearest Target

Registry

Registry

America's easiest place to shop



order pickup

1800 W. PROSPERITY
CHESTNUT ST
ONE WAY

ONE WAY
←

NO STOPPING
BUS ZONE

20th Annual
FILM FESTIVAL
October 9, 2017
chicago.org





Naomi
TARGET

L'ORÉAL

Game Day

Proudly Made in the USA

COVERGIRL

COVERGIRL

COVERGIRL

COVERGIRL





10241



IN

OUT



SHIPT

~1,500
stores



drive up

~1,000
stores

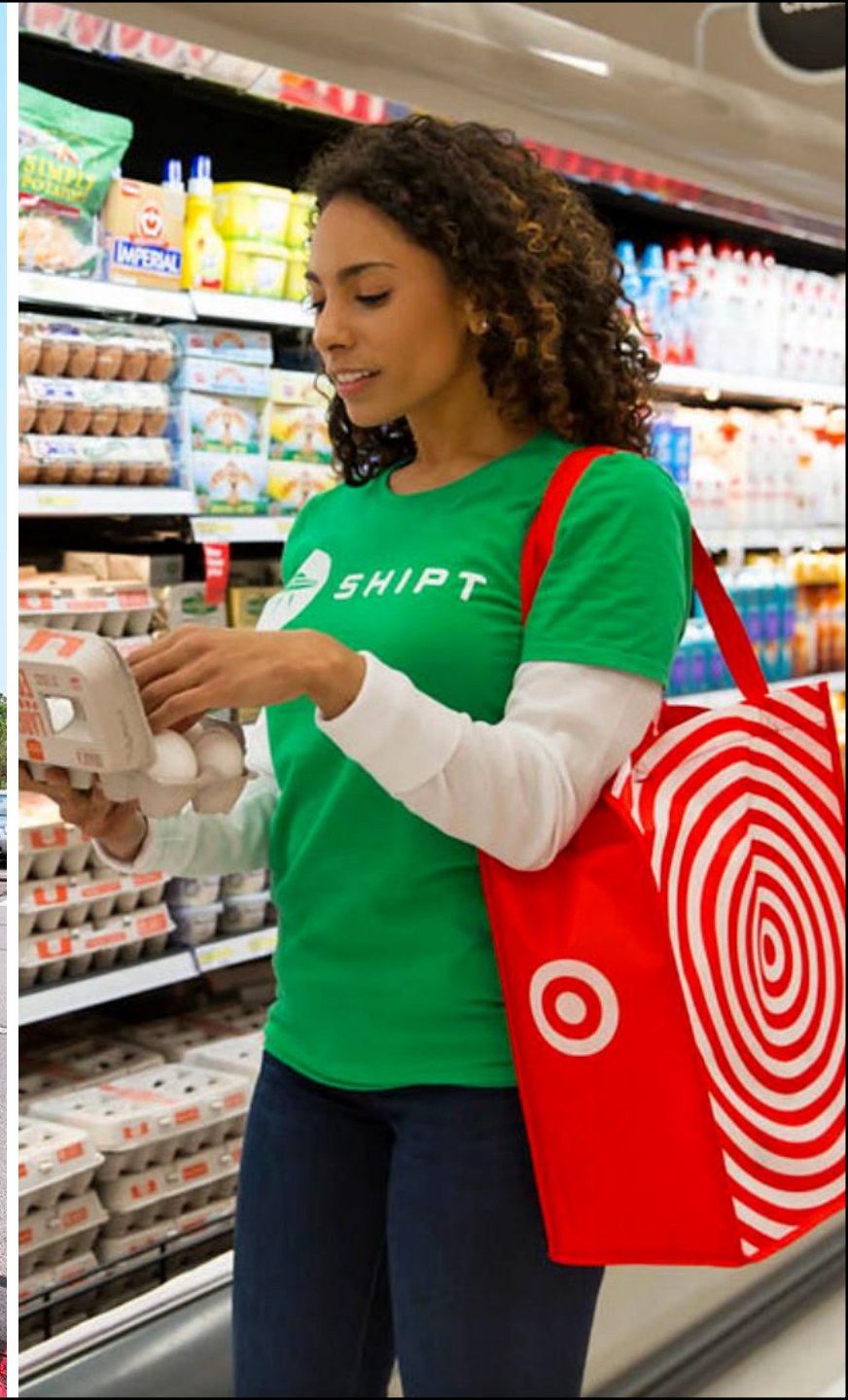




free 2-day ship

**Hundreds
of thousands
of items**

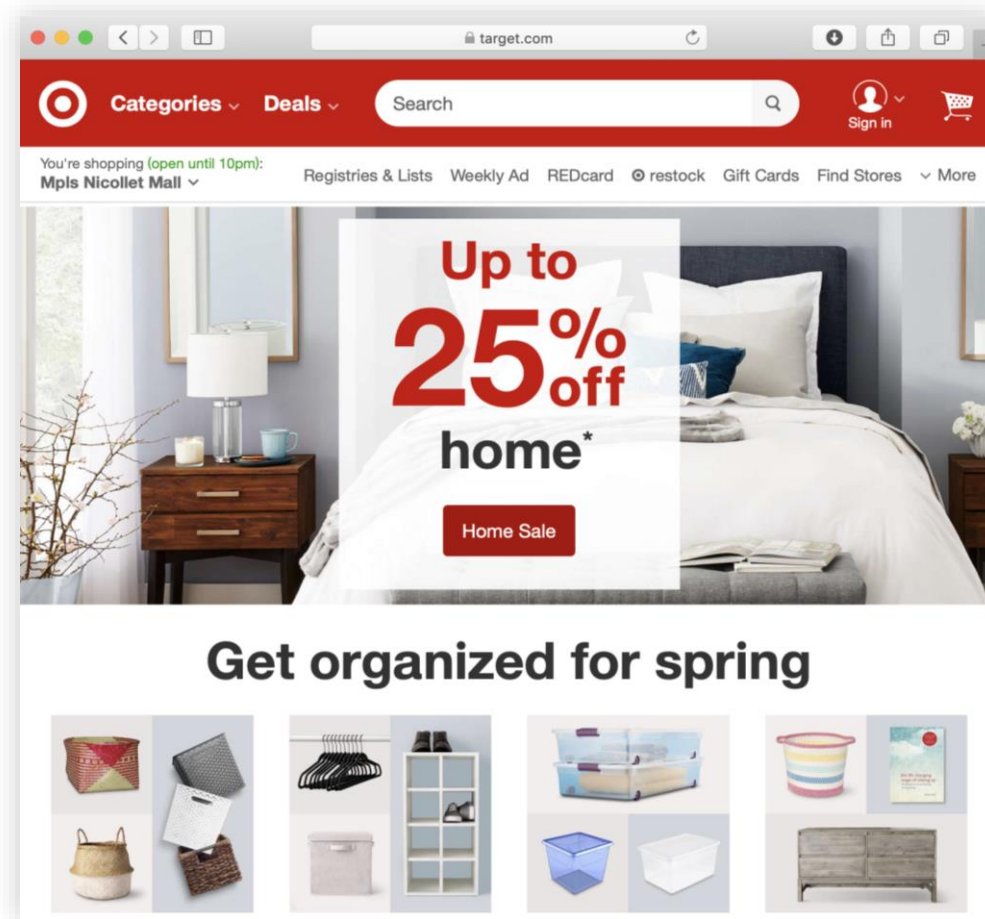
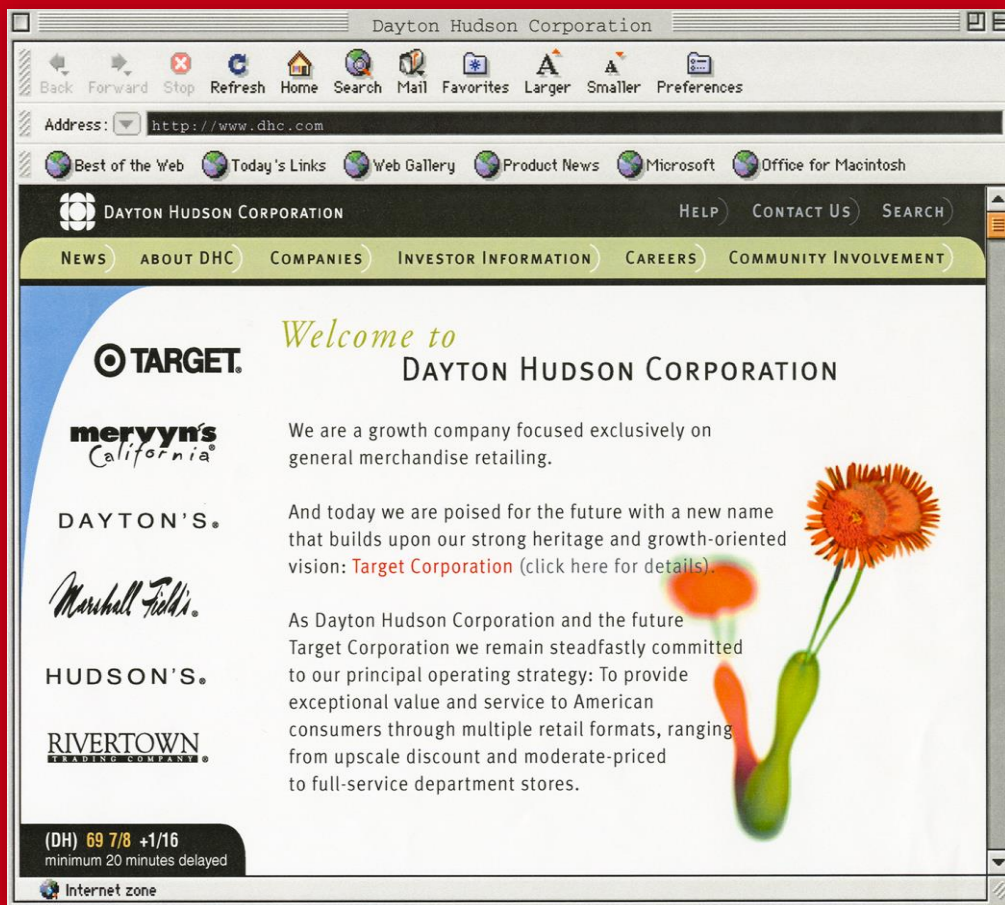




Stores as Hubs VID

VIDEO







**order
pickup**









Drive Up VID

VIDEO

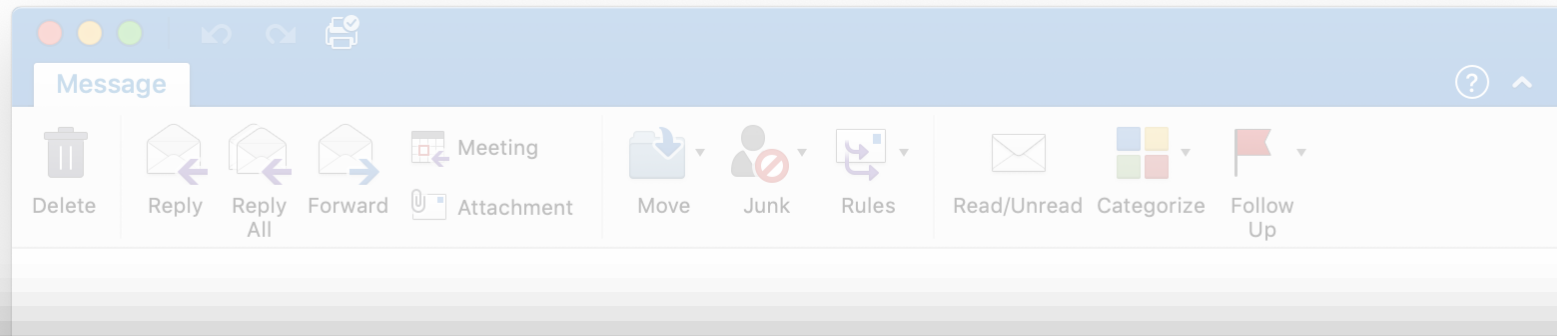
2 million

parking lot deliveries last year

<2 minutes
from parked car to product handoff



Easier and more convenient

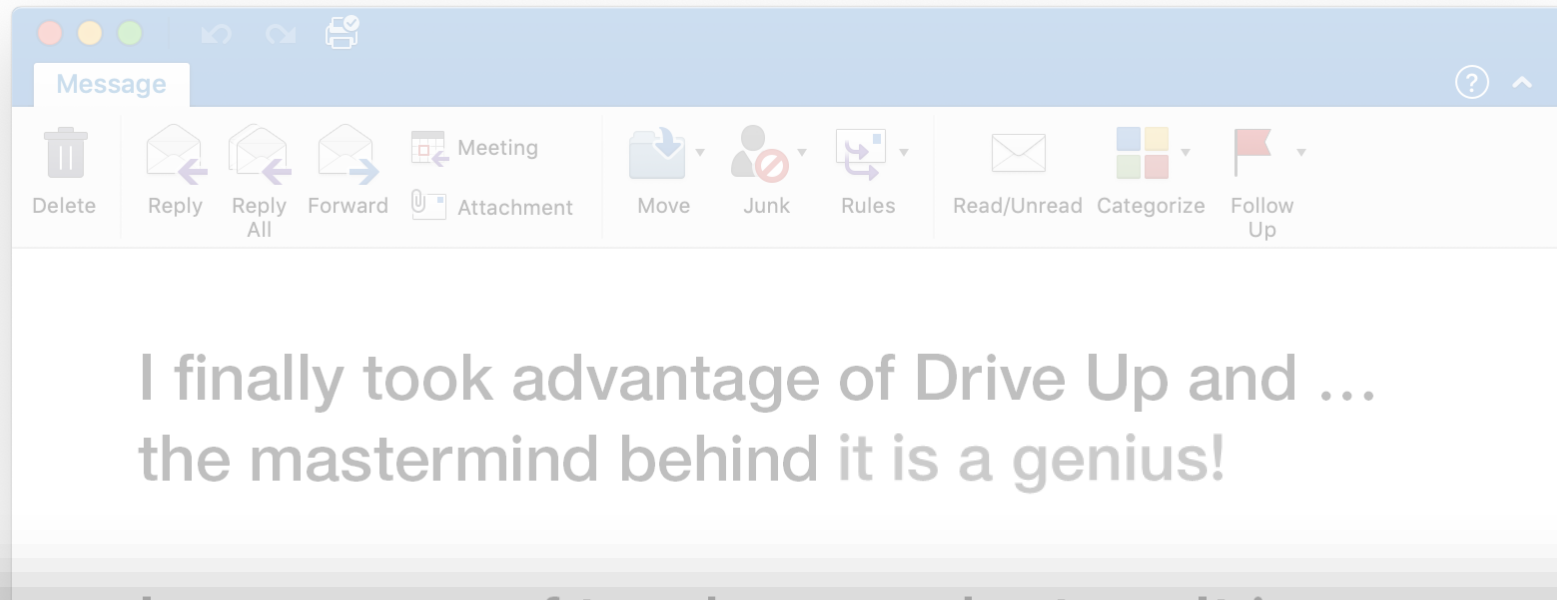


The drive up experience was a lifesaver... so effortless

drive up experience was a lifesaver and the experience was so effortless!

I literally was telling the salesperson as she approached that I LOVE YOU GUYS!!!

Thank you for thinking outside the box and making our lives easier.



**Thank you for making
our lives easier.**

Thank you for thinking outside the box and
making our lives easier.

7x
growth year
over year



**America's
easiest place
to shop**

 **delivery
from store**

 **same day
delivery**

Shopped by  SHIPT



free 2-day ship



drive up



order pickup

Makes us faster

Lowers our costs

Drives higher ROIC

Stores as hubs

1,800+ Stores





no smoking

Plastic Dinnerware

D 4 2



**America's
easiest place
to shop**

 **delivery
from store**

 **same day
delivery**

Shopped by  SHIPT



free 2-day ship



drive up



order pickup

Our stores make us faster



Managing Fulfillment Cost

- Reduce distance of delivery

Shipping From Store

>40%

lower average
unit cost



order pickup



drive up



Managing Fulfillment Cost

- Reduce distance of delivery
- Manage cost by offering different fulfillment models

\$2.99 delivery of essentials





Why carry it home? We deliver.

\$7

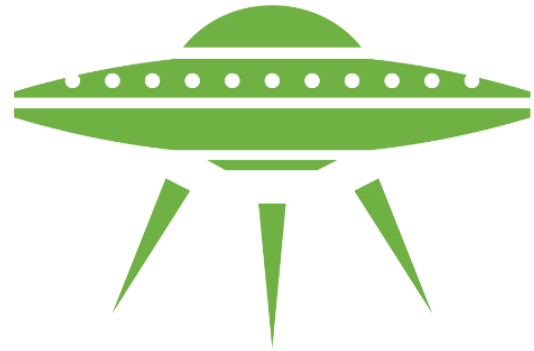
Schedule same-day delivery at checkout.

Rules and restrictions apply.

- \$25 Additional handling fee for televisions and furniture.
- Alcohol deliveries require a signature and valid ID of an adult 21+.
- We are unable to deliver prescription medication.
- Target is not responsible for any perishable items if recipient is not present at delivery.
- Prices subject to change.

The logo for Grand Junction features the words "GRAND" and "JUNCTION" stacked vertically. Both words are rendered in a bold, white, serif font. The text is contained within a dark grey, rectangular background that is tilted slightly upwards from left to right. On the left side of the top bar, there is a vertical red bar, and on the right side of the bottom bar, there is another vertical red bar. The overall design is clean and modern.

**GRAND
JUNCTION**



SHIPT



SHIPT

\$99/year

same-day
delivery service





SHIPT

80,000+
shoppers across
the country

Managing Fulfillment Cost

- Reduce distance of delivery
- Manage cost by offering different fulfillment models
- Drive efficiency in operations



order
pickup





pickup

TOWN

ice

IN EMERGENCY
PUSH TO OPEN



Store Hours
Mon-Fri: 9am-8pm
Sat: 9am-7pm
Sun: 10am-6pm

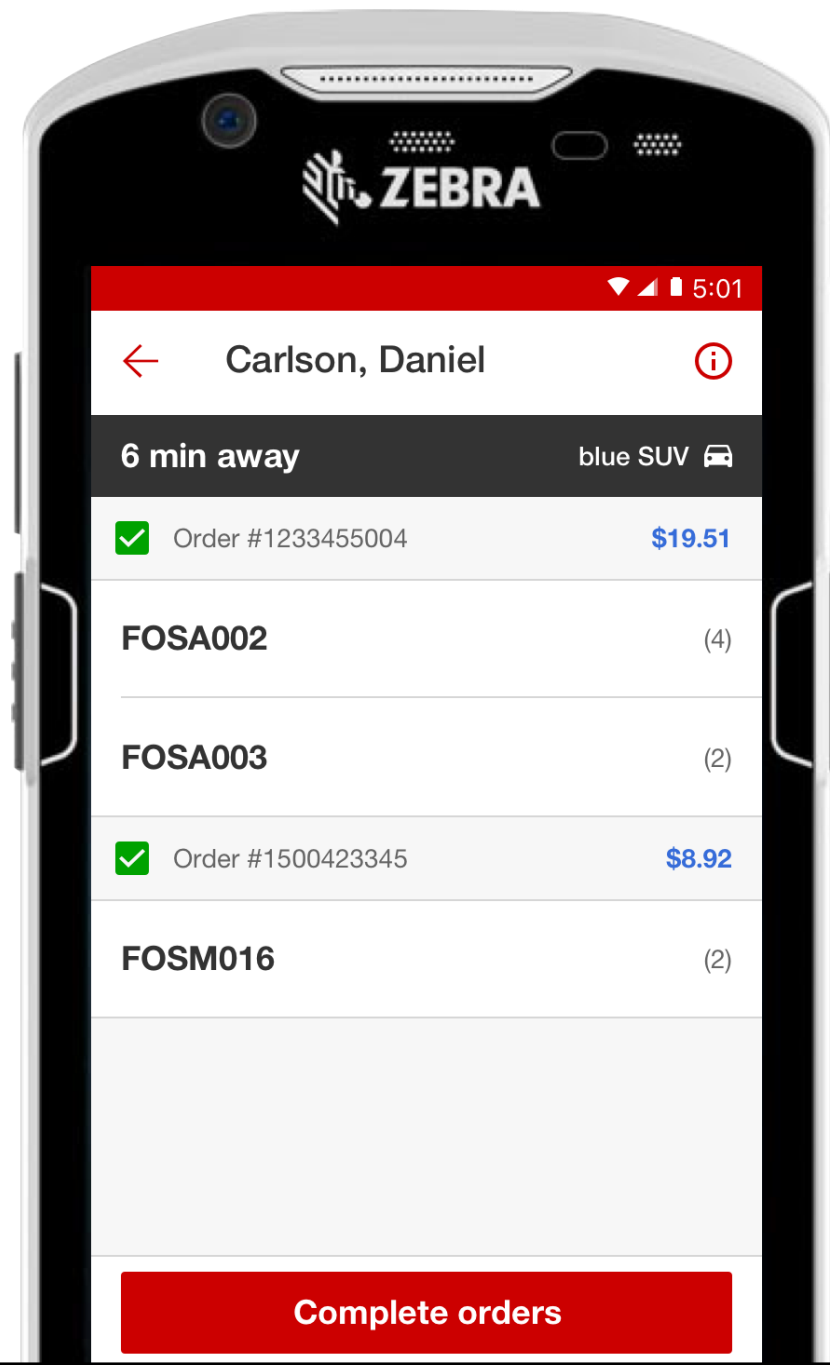
CVS Pharmacy Hours
Mon-Fri: 9am-8pm
Sat: 9am-6pm
Sun: 10am-6pm

Run and Done
Fast track your Target Run



Move faster

Less time per order



Fulfillment conveyors/ pack station

BROLL

20%

decrease in average unit
fulfillment costs



**free 2-day
ship**



drive up

**More
profitable**

**Growing
the fastest**



Stores
enabled it all

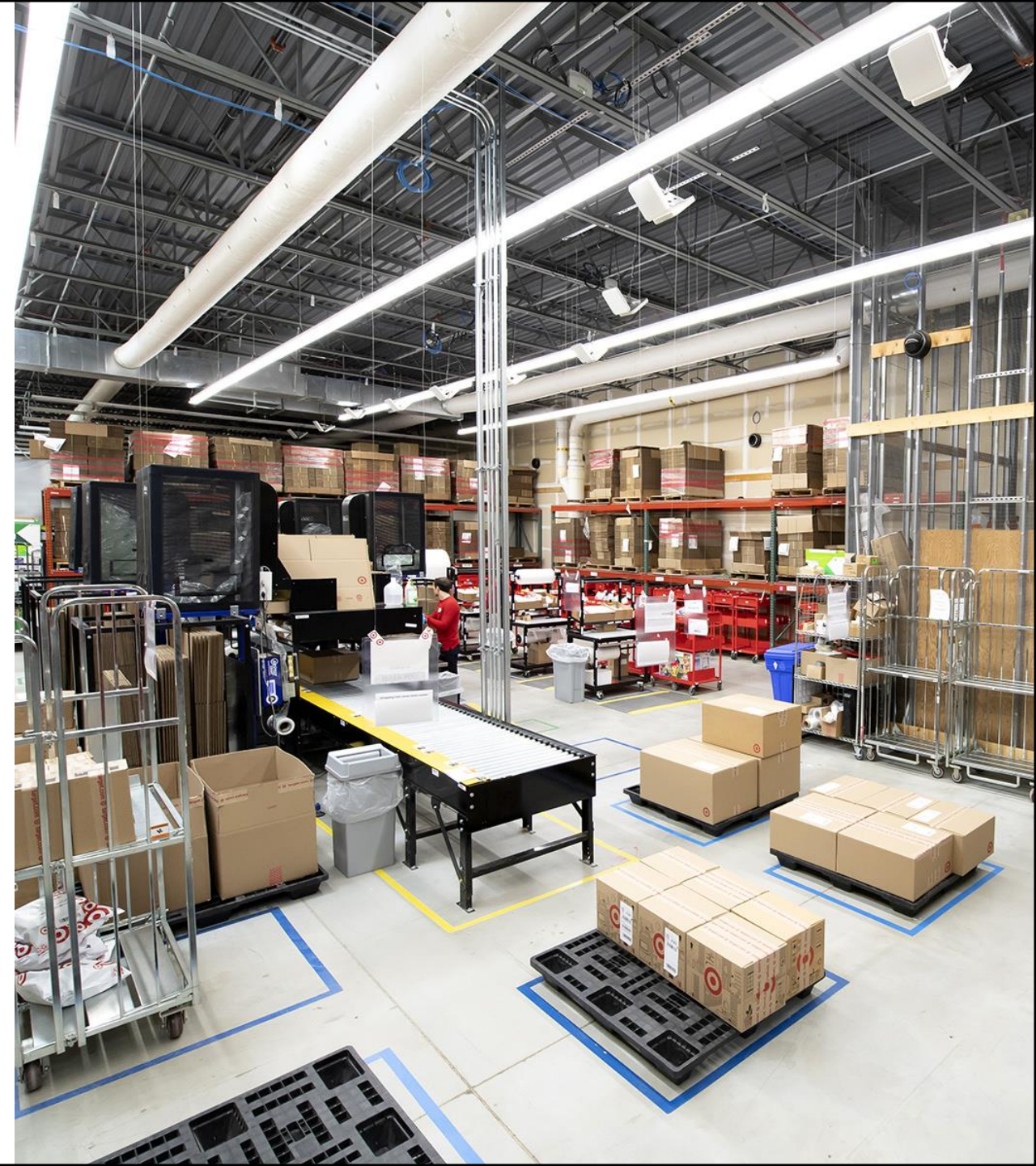
4x

the number of items
shipped from store over the last 2 years

3x

demand for store pick-up
over the last two years

Stores fulfilled nearly
3 out of 4
orders in Q4







**Most efficient
use of resources**



College

GiftCards

Apply now.

5% OFF

5% OFF

SAVE 5% EVERY DAY
WITH TARGET REDCARD

Key Team Member #

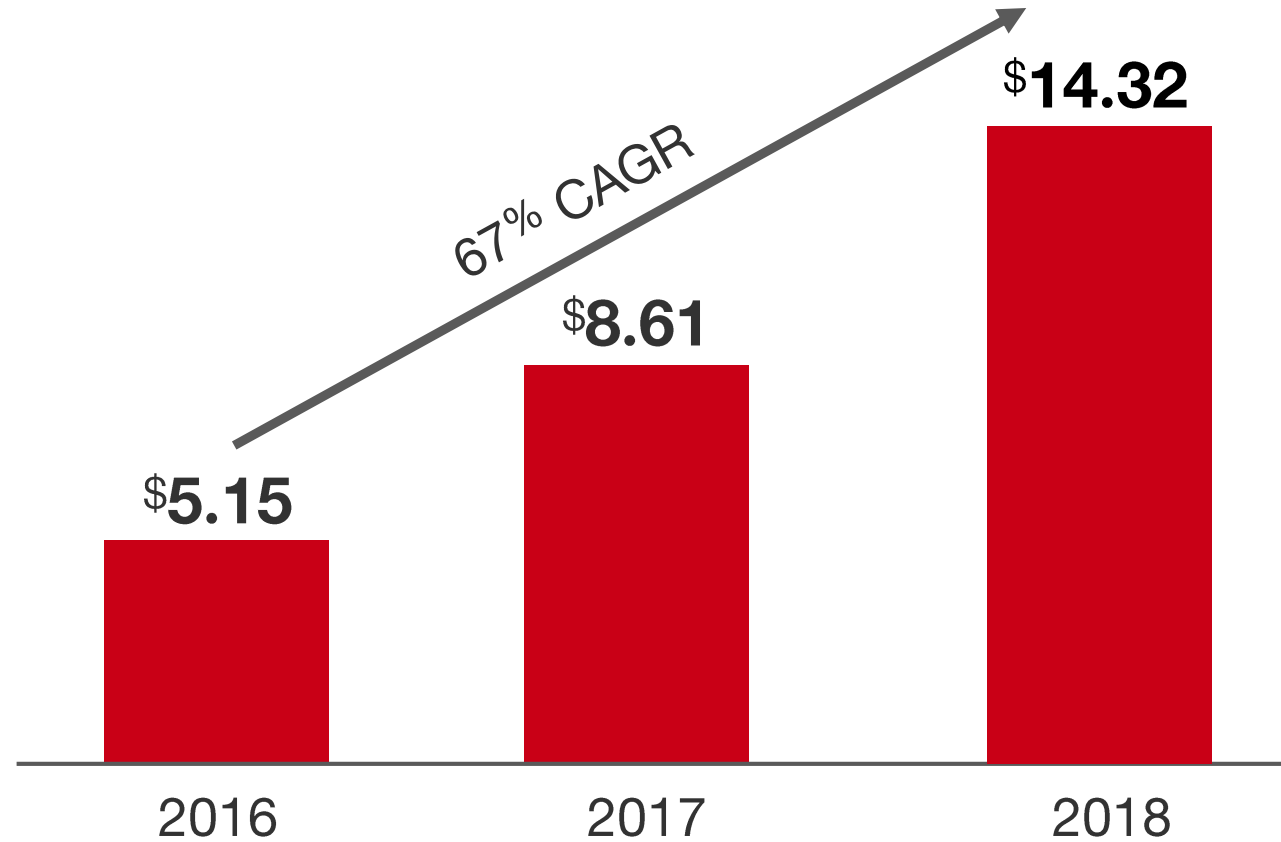
Return Policy

Isabelle
TARGET

HALE
SNACKS

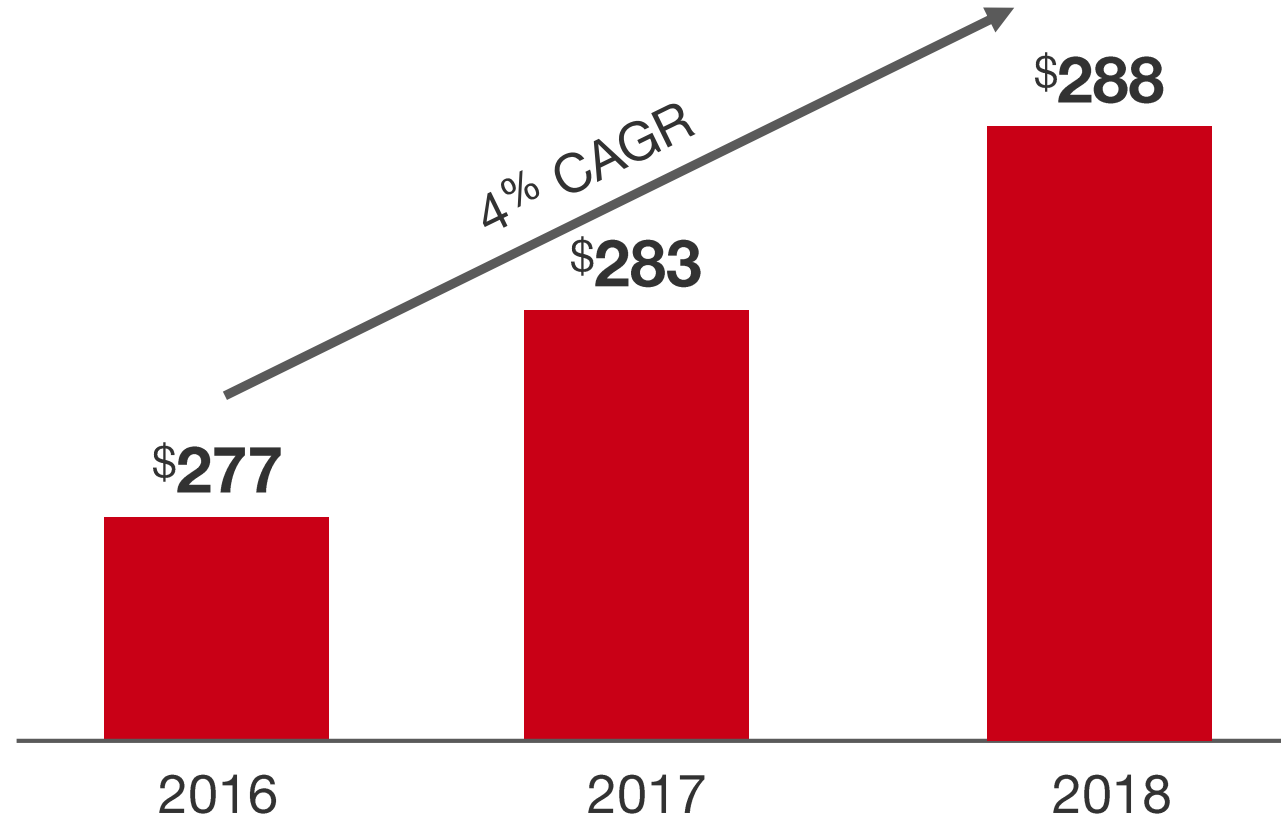
Stores Fulfilled Digital Sales

(\$ per sq ft)



Stores Originated Sales

(\$ per sq ft)



Helping us grow faster







Perth Amboy B-ROLL

B-ROLL







Out of stocks improve

Reduce working capital



order pickup



tech

AMORY ST
LEFT TURN
EXTERNAL
BOOKLINE
OUR PARKING
IS OPEN



Target Herald Sq

#TargetDog



Impact of Supply Chain Mod VID

target



ESTABLISHED
1959
RENTALS
& MORE





CVS pharmacy



target

for \$10

Reese's

\$15

Gifts under \$10

\$10

Sale! 3

Share with your

Sale! 2.5



















Stores Mod VID

VIDEO



Before

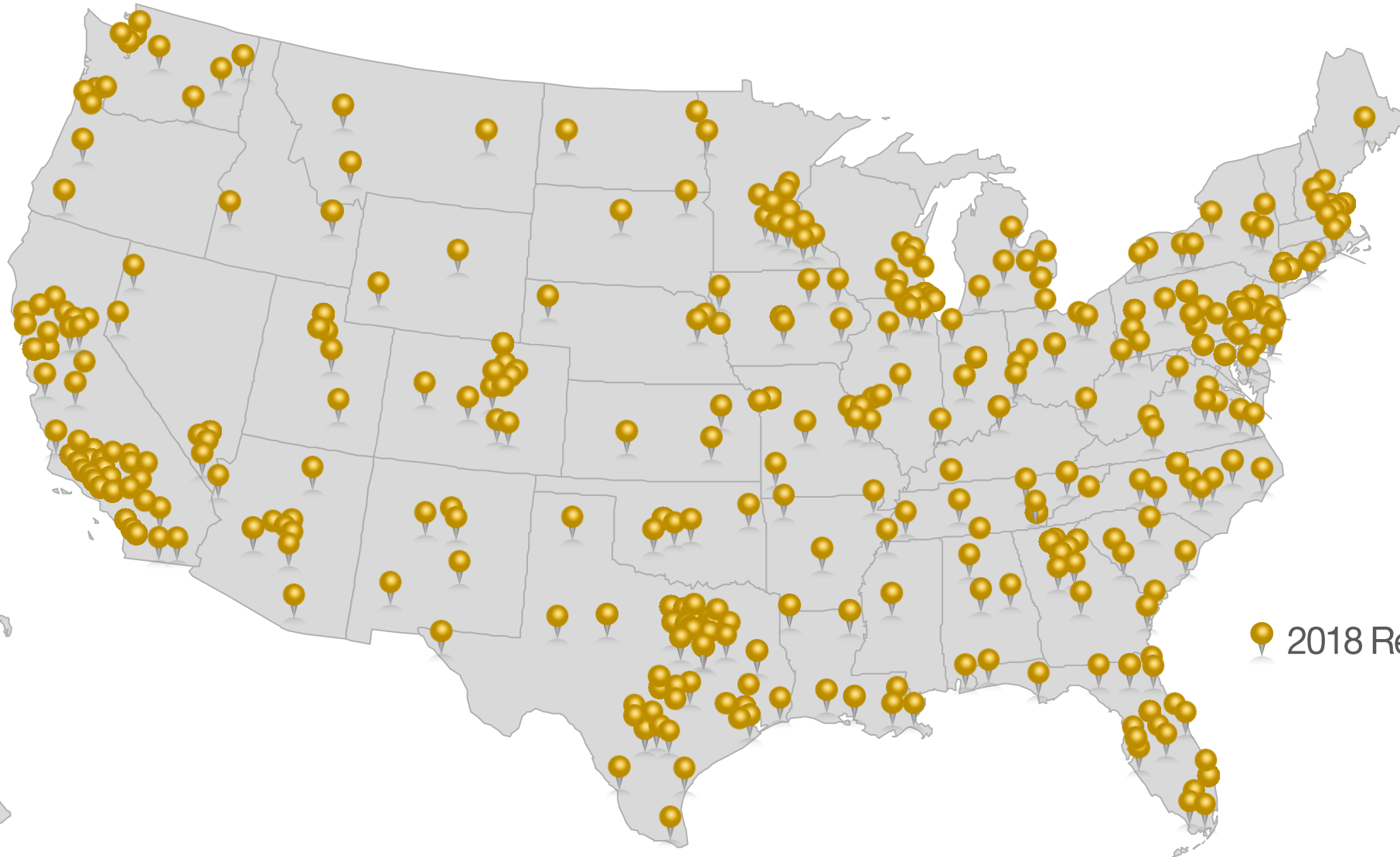




After



Remodeled Stores



 2018 Remodeled stores



This
@Target is
beautiful!!!!

Loving the layout
of my “new” #Target



Great,
now I’ll be
spending
even more
money
@Target!



I never thought I could love Target
more... until I went to the Norman
store remodel. It’s a girl’s dream.

2-4%
average sales lift
in remodeled
stores



1,000+

remodeled stores by the end of 2020





Santa Barbara



USC



East Lansing



Seattle





Self
Checkout

Credit & Debit Only

Self
Checkout

Credit & Debit Only

Credit & Debit Only

@State College University Campus
Scan items to begin.
No barcode? No problem!
No barcode? No problem!

Credit & Debit Only

@State College University Campus
Scan items to begin.
No barcode? No problem!
No barcode? No problem!

SAVE \$ EVERY DAY
WITH TARGET REDCARD

SAVE \$ EVERY DAY
WITH TARGET REDCARD



t
a
r
g
e
t



CVS Pharmacy







 **target**

BEACH

PENNY





Stores as stores

Stores as fulfillment centers

Stores as connection to our guests





**Financial
Community
Meeting**