

Target Q4 2023 Results

-4.4%

Comparable Sales

-5.4%

Store Comparable Sales

-0.7%

Digital Comparable Sales

up >5 percentage points from Q3 2023

\$2.98

GAAP EPS

up 58% from Q4 2022

In Q4, we rallied to change our business momentum.

Despite pressure on topline results, we continued growing our profits and improving traffic and sales.

Traffic improved from -4.1% in Q3 to -1.7% in Q4.



5.8%

operating income margin rate compared to 3.7% in Q4 2022

Digital business improved

Investments in our digital guest experience drove increased transactions.



Double-digit growth in Q4 Drive Up comp sales

HOLIDAY DEALS DELIVERED

Our Black Friday and Cyber Monday sales outperformed overall trends as consumers turned to Target for holiday shopping. Guests found:

- Value in \$25 holiday meals and our most affordable top toys assortment ever
- Newness in seasonal assortment, partnerships, owned brands and affordable gifting options



2023 Full-Year Highlights

We grew our operating income by nearly **\$2 billion** compared to 2022.

5.3%

operating income margin rate compared to 3.5% in FY 2022



\$8.94

GAAP EPS up nearly 50% from FY 2022

>\$500 million saved through efficiency initiatives



>8%

sales growth in same-day services led by double-digit growth in Drive Up, with Starbucks and returns rolling out nationwide



Our 2023 investments set Target up for future success.

\$4.8 billion

in capital expenditures for 2023



In 2023, we:

- Opened 21 new stores
- Remodeled and enhanced 170 stores
- Opened 4 new supply chain facilities, including our first Target Last Mile Delivery extension at an existing location
- Refreshed or added more shop-in-shops, including 155 Ulta Beauty locations, 100 Starbucks Cafés, 50 Apple Shops and 20 Disney shop-in-shops



Target Forward progress

We celebrated our first TRUE Zero Waste certified supply chain facility in Hawaii.

New and trending products offered guests affordable joy.

Our multi-category portfolio offered newness, value and exclusivity, including:



EXCLUSIVE KENDRA SCOTT JEWELRY



FENTY BEAUTY BY RIHANNA

10 owned brands

introduced or expanded for even more options, including:



FAVORITE DAY SEASONAL FLAVORS



NEW FIGMINT KITCHEN BRAND

All earnings per share figures refer to diluted EPS.

Statements in this document about our long-term prospects are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Please see our Q4 and full-year 2023 earnings release and our SEC filings for risks and uncertainties that could cause Target's results to differ materially from what was expected as of the date of this document, March 5, 2024.