calculation of after-tax return on invested capital (ROIC)

Numerator	2026		2025				2024				2023				2022
(dollars in millions) (unaudited)	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3 [a]	Q2 [a]	Q1 [a]	Q4 [a]	Q3	Q2	Q1	Q4
Operating income	$ 6,024	$ 4,781	$ 5,117	$ 5,204	$ 5,425	$ 5,742	$ 5,566	$ 5,964	$ 6,113	$ 5,675	$ 5,707	$ 5,001	$ 4,706	$ 3,830	$ 3,848
+ Net other income / (expense)	64	84	95	97	99	102	106	105	102	99	92	79	65	57	48
EBIT	$ 6,088	$ 4,865	$ 5,212	$ 5,301	$ 5,524	$ 5,844	$ 5,672	$ 6,069	$ 6,215	$ 5,774	$ 5,799	$ 5,080	$ 4,771	$ 3,887	$ 3,896
+ Operating lease interest [b]	172	173	172	167	166	165	159	157	146	133	120	106	102	96	93
- Income taxes [c]	1,402	1,103	1,199	1,238	1,305	1,373	1,297	1,403	1,427	1,314	1,295	1,050	986	770	744
Net operating profit after taxes	**$ 4,858**	**$ 3,935**	**$ 4,185**	**$ 4,230**	**$ 4,385**	**$ 4,636**	**$ 4,534**	**$ 4,823**	**$ 4,934**	**$ 4,593**	**$ 4,624**	**$ 4,136**	**$ 3,887**	**$ 3,213**	**$ 3,245**

Denominator	2026		2025				2024				2023				2022
(dollars in millions) (unaudited)	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Current portion of long-term debt and other borrowings	$ 1,136	$ 1,133	$ 2,130	$ 1,133	$ 1,136	$ 1,139	$ 1,636	$ 1,635	$ 1,640	$ 2,614	$ 1,116	$ 1,112	$ 1,106	$ 200	$ 130
+ Noncurrent portion of long-term debt	14,221	14,282	14,326	15,366	15,320	14,334	14,304	14,346	13,654	13,487	14,922	14,883	14,926	16,010	16,009
+ Shareholders' investment	17,843	16,395	16,165	15,501	15,420	14,947	14,666	14,489	14,429	13,840	13,432	12,514	11,990	11,605	11,232
+ Operating lease liabilities [d]	3,733	3,792	3,834	3,924	3,883	3,922	3,935	3,765	3,786	3,723	3,608	3,351	3,104	2,921	2,934
- Cash and cash equivalents	5,411	3,534	5,488	3,822	4,341	2,887	4,762	3,433	3,497	3,604	3,805	1,910	1,617	1,321	2,229
Invested capital	$ 31,522	$ 32,068	$ 30,967	$ 32,102	$ 31,418	$ 31,455	$ 29,779	$ 30,802	$ 30,012	$ 30,060	$ 29,273	$ 29,950	$ 29,509	$ 29,415	$ 28,076
Average invested capital [e]	**$ 31,470**	**$ 31,761**	**$ 30,373**	**$ 31,451**	**$ 30,715**	**$ 30,757**	**$ 29,526**	**$ 30,376**	**$ 29,760**	**$ 29,737**	**$ 28,674**	**$ 29,670**	**$ 28,454**	**$ 28,199**	**$ 25,729**

ROIC	**15.4 %**	**12.4 %**	**13.8 %**	**13.4 %**	**14.3 %**	**15.1 %**	**15.4 %**	**15.9 %**	**16.6 %**	**15.4 %**	**16.1 %**	**13.9 %**	**13.7 %**	**11.4 %**	**12.6 %**

[a] The trailing 12 months ended November 2, 2024, August 3, 2024, May 4, 2024 and February 3, 2024 consisted of 53 weeks compared with 52 weeks in the comparable periods presented.
[b] Represents the add-back to operating income to reflect the hypothetical interest expense we would incur if the property under our operating leases were owned or accounted for as finance leases. Calculated using the discount rate for each lease and recorded as a component of rent expense within Operating Income.
[c] Calculated using the effective tax rates.
[d] Total short-term and long-term operating lease liabilities included within Accrued and Other Current Liabilities and Noncurrent Operating Lease Liabilities, respectively.
[e] Average based on the invested capital at the end of the current period and the invested capital at the end of the comparable prior-period.

Source: Target's Consolidated Financial Statements as filed with the U.S. Securities and Exchange Commission.

Last Updated: 8/19/2026