

Target Q2 2025 Results

-0.9%

Net
Sales

-1.9%

Comparable
Sales

-3.2%

Stores
Comparable
Sales

+4.3%

Digital
Comparable
Sales

\$2.05

GAAP and
Adjusted EPS*

We're encouraged by our progress in Q2, but we won't be satisfied until Target returns to growth.

Topline improvements

Traffic and sales trends improved meaningfully from Q1 2025.

We saw improvement across all six major categories from Q1 to Q2.

Digital growth

Our digital business continues to gain momentum.

Progress in stores

Stores comp sales were up more than 2 percentage points from Q1.

>25%

growth in same-day
delivery.

Same-day
services grew
3% and
ship-to-guest
grew >7%.



Consumers embraced newness across the assortment and turned to Target for key seasonal moments.



Seasonal standouts

Consumers loved our take on Americana summer apparel, and strength in food and beverage was driven by new florals for Mother's Day and ice cream and beverages the week of July 4.



Back to school in style

Back-to-school and college season is off to an encouraging start, with on-trend and affordable options resonating with consumers, like our top 20 items at 2024 prices, \$5 backpacks and 35-cent notebooks.



Fandom favorites

We saw a strong response to Nintendo Switch 2, which was our largest video game launch ever.

Gearing up for fun

Investments in transforming our hardlines assortment and in-store experience are driving growth in tech accessories, toys under \$20 and more.



Trading cards saw strong performance in Q2 and are tracking to become a more-than-\$1 billion business for Target in 2025.

Growth in Roundel and Target Plus

We continued building momentum in high-margin, alternative revenue streams, including double-digit net sales growth in our retail ad business Roundel and Target Plus marketplace.



More great finds ahead in Q3, including:



An expanded Game Day assortment celebrating fall sports, with new styles, snacks and youth sport offerings.



Our exclusive Champion line of activewear and sporting goods, including limited-time-only varsity-inspired apparel.



Affordable Halloween delights including decor, must-have costumes, candy and treats.



New options across our portfolio of owned brands, including on-trend apparel, flavors, fall scents and more.

We're moving with urgency to accelerate our performance and position Target for long-term, profitable growth.

Accelerating our progress

Our Enterprise Acceleration Office is taking early steps to remove barriers to speed and unwind complexities in how we work. Examples include:

- Expanding the team's access to more modern tech tools (including investing in 10,000+ new GenAI licenses) to get complex work done faster.
- Assessing our HQ structure and ways of working to more effectively deliver for consumers.
- Redesigning large, cross-functional processes (like how our teams create merchandising and inventory plans) to clarify roles and use the right data to drive decisions.



Investing in Target's future

We're on track to invest about \$4 billion this year to support new stores, remodels and our ongoing enhancements in supply chain and technology.

*Adjusted EPS is a non-GAAP financial measure most directly comparable to GAAP EPS. Adjusted EPS is reconciled to GAAP EPS in our Q2 2025 earnings release posted on our investor relations website.

Statements in this document about our future financial and operational performance, our investments in our business and acceleration efforts, our merchandising activities, and our strategy for growth are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Please see our Q2 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, August 20, 2025.