



# reconciliation of non-GAAP EBIT and EBITDA

quarterly, fiscal 2020 to present

## Background

We have presented earnings before interest expense and income taxes (EBIT) and earnings before interest expense, income taxes, depreciation, and amortization (EBITDA) as non-GAAP financial measures. We believe these measures provide meaningful information about our operational efficiency compared with our competitors by excluding the impact of differences in tax jurisdictions and structures, debt levels, and, for EBITDA, capital investment. These measures are not in accordance with, or an alternative to, generally accepted accounting principles in the United States (GAAP). The most comparable GAAP measure is net earnings. EBIT and EBITDA should not be considered in isolation or as a substitution for analysis of our results as reported in accordance with GAAP. Other companies may calculate EBIT and EBITDA differently, limiting the usefulness of the measures for comparisons with other companies.

| (millions) (unaudited)  | 2024     |          |          |          | 2023              |          |          |          | 2022     |          |        |          |
|---|----------|----------|----------|----------|-------------------|----------|----------|----------|----------|----------|--------|----------|
|   | Q4       | Q3       | Q2       | Q1       | Q4 <sup>(a)</sup> | Q3       | Q2       | Q1       | Q4       | Q3       | Q2     | Q1       |
| Net earnings from continuing operations   | \$ 1,103 | \$ 854   | \$ 1,192 | \$ 942   | \$ 1,382          | \$ 971   | \$ 835   | \$ 950   | \$ 876   | \$ 712   | \$ 183 | \$ 1,009 |
| + Provision for income taxes  | 303      | 237      | 353      | 277      | 404               | 264      | 237      | 254      | 167      | 197      | 34     | 240      |
| + Net interest expense  | 90       | 105      | 110      | 106      | 107               | 107      | 141      | 147      | 129      | 125      | 112    | 112      |
| Earnings from continuing operations before interest expense and income taxes (EBIT) | 1,496    | 1,196    | 1,655    | 1,325    | 1,893             | 1,342    | 1,213    | 1,351    | 1,172    | 1,034    | 329    | 1,361    |
| + Depreciation and amortization <sup>(b)</sup>                                      | 766      | 754      | 743      | 718      | 729               | 722      | 683      | 667      | 697      | 674      | 650    | 679      |
| EBITDA  | \$ 2,262 | \$ 1,950 | \$ 2,398 | \$ 2,043 | \$ 2,622          | \$ 2,064 | \$ 1,896 | \$ 2,018 | \$ 1,869 | \$ 1,708 | \$ 979 | \$ 2,040 |

  

| (millions) (unaudited)  | 2021     |          |          |          | 2020     |          |          |          |
|---|----------|----------|----------|----------|----------|----------|----------|----------|
|   | Q4       | Q3       | Q2       | Q1       | Q4       | Q3       | Q2       | Q1       |
| Net earnings from continuing operations   | \$ 1,544 | \$ 1,488 | \$ 1,817 | \$ 2,097 | \$ 1,380 | \$ 1,014 | \$ 1,690 | \$ 284   |
| + Provision for income taxes  | 473      | 423      | 553      | 512      | 350      | 284      | 499      | 45       |
| + Net interest expense  | 104      | 105      | 104      | 108      | 106      | 632      | 122      | 117      |
| Earnings from continuing operations before interest expense and income taxes (EBIT) | 2,121    | 2,016    | 2,474    | 2,717    | 1,836    | 1,930    | 2,311    | 446      |
| + Depreciation and amortization <sup>(b)</sup>                                      | 690      | 652      | 633      | 667      | 637      | 603      | 604      | 641      |
| EBITDA  | \$ 2,811 | \$ 2,668 | \$ 3,107 | \$ 3,384 | \$ 2,473 | \$ 2,533 | \$ 2,915 | \$ 1,087 |

<sup>(a)</sup> The fourth quarter 2023 consisted of 14 weeks compared with 13 weeks in the comparable periods presented.

<sup>(b)</sup> Represents total depreciation and amortization, including amounts classified within Cost of Sales.

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



## reconciliation of non-GAAP EBIT and EBITDA

annual, fiscal 2020 to present

| <b>(millions) (unaudited)</b>                  | 2024     | 2023 <sup>(a)</sup> | 2022     | 2021      | 2020     |
|--|----------|---------------------|----------|-----------|----------|
| Net earnings from continuing operations        | \$ 4,091 | \$ 4,138            | \$ 2,780 | \$ 6,946  | \$ 4,368 |
| + Provision for income taxes                   | 1,170    | 1,159               | 638      | 1,961     | 1,178    |
| + Net interest expense                         | 411      | 502                 | 478      | 421       | 977      |
| EBIT   | 5,672    | 5,799               | 3,896    | 9,328     | 6,523    |
| + Depreciation and amortization <sup>(b)</sup> | 2,981    | 2,801               | 2,700    | 2,642     | 2,485    |
| EBITDA   | \$ 8,653 | \$ 8,600            | \$ 6,596 | \$ 11,970 | \$ 9,008 |

<sup>(a)</sup> 2023 consisted of 53 weeks compared with 52 weeks in the comparable periods presented

<sup>(b)</sup> Represents total depreciation and amortization, including amounts classified within Cost of Sales.

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