



Jim Lee

**Executive Vice President and
Chief Financial Officer**





nearly

2,000

stores



60+

supply chain
facilities



Cat & Jack™

FUTURE COLLECTIVE

MONDO LLAMA

CASALUNA

favorite day™



SPRITZ™

heyday™

OPEN STORY



a
• new
day™

Embark™

auden™

deal worthy™

Goodfellow & CO

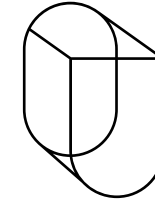
ever spring™

Figmint

Giggle Scape™



THRESHOLD.



JOY LAB™



kindfull.

all in motion.

LOOKS LIKE HOME FEELS LIKE YOU

Original Use™

calsie™



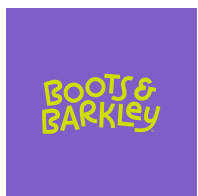
art & class™



SHADE & SHORE

brightroom.

AVA & VIV™



Universal Thread™
GOODS CO.

pillowfort™

room essentials™

sonia kashuk

wild fable™



bullseye's playground

Cat & Jack

FUTURE COLLECTIVE

MONDO LLAMA

CASALUNA

favorite day



cloud island

SPRITZ

heyday

OPEN STORY

Hearth & Hand WITH MAGNOLIA

Good & Gather



ever spring

a new day

Embark

auden

deal worthy

Goodfellow & CO

JOY LAB

\$31B+

MARKET PANTRY

annual sales of our owned brands

THRESHOLD



Original Use

calsie

WONDERSHOP AT TARGET

art class



SHADE & SHORE

brightroom

AVA & VIV

BOOTS & BARKLEY

Universal Thread GOODS CO.

pillowfort

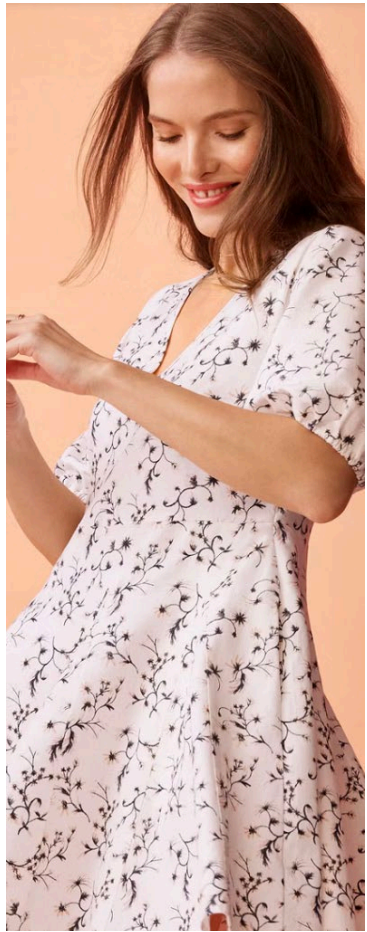
room essentials

bullseye's playground

sonia kashuk

wild fable





Apparel +
Accessories



Hardlines



Home



Beauty



Food +
Beverage



Essentials

\$20B+
in annual digital sales



drive up

Fast, easy, and always free.



shipping



order pickup



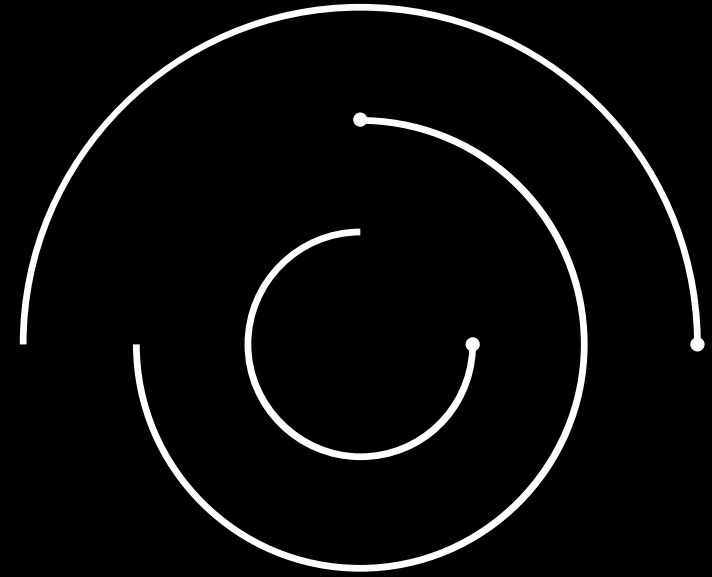
**same day
delivery**

Delivered with **Shipt** 



TM

 **circle**TM



RoundelTM
Media designed by 

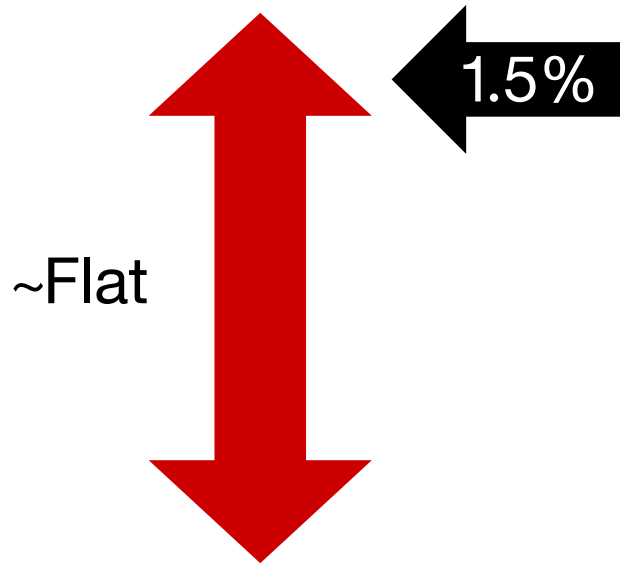
**Target has a compelling
growth opportunity.**

A solid red curved shape that starts at the bottom left and sweeps upwards and to the right, ending at the bottom right corner of the slide.

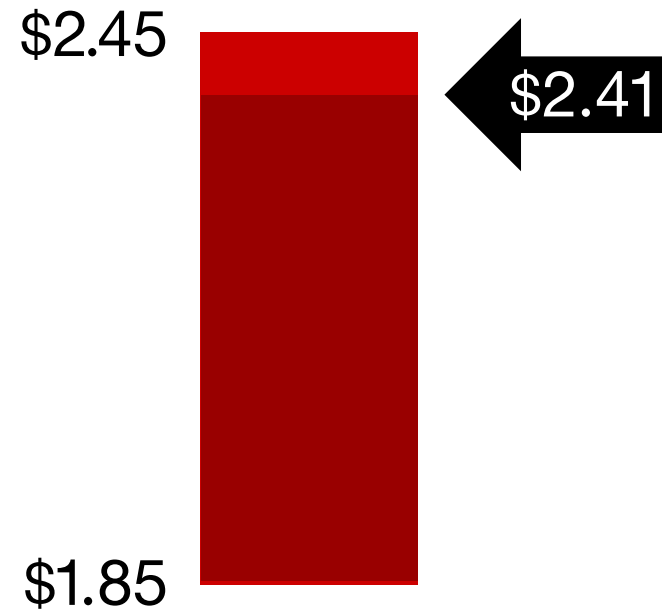
2024 Financial Performance

Q4 Financial Performance

Comp Sales Increase



GAAP & Adjusted EPS



Full Year Results Within Original Guidance Ranges

Without the 53rd Week in 2023

~1%

net sales increase
in 2024

nearly

3%

EPS expansion
in 2024

Higher Guest Traffic in Stores + Digital Channels



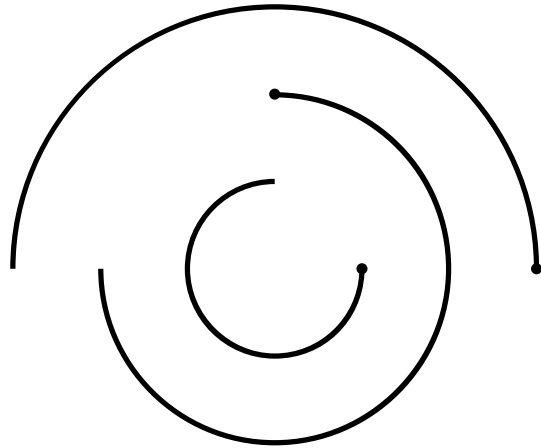
Double-Digit Growth

Third Party GMV

>35%
growth in 2024

>40%
growth in Q4





Roundel™

Mid-Teens
growth in 2024

What Makes Target Unique

**Our approach to digital
commerce is distinctly different.**



Target's Shopping Ecosystem



Guest Engagement Synergies

Guests engaging in digital platforms spend more in-store



>20%

more spending than before





The Power of **AND**



Categories Our Guests Expect

Appropriate Channel Strategy



Target's Shopping Ecosystem



Guest Engagement Synergies

Guests engaging in digital platforms spend more in-store

Stores-as-Hubs Model

97% of sales store-fulfilled...Capital-light and scalable

**Our digital sales have
more than tripled since 2019.**



Target's Shopping Ecosystem



Guest Engagement Synergies

Guests engaging in digital platforms spend more in-store

Stores-as-Hubs Model

97% of sales store-fulfilled...Capital-light and scalable

Digital Platforms

Fuel Roundel and Target+



**Agile +
Capital-Light**



Opportunity to
Rapidly Expand
Our Assortment

Digital Profitability

**Digital Growth is Good
for Our Bottom Line**





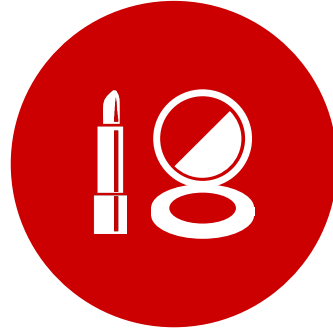
Multi-Category Assortment



Apparel +
Accessories



Home



Beauty



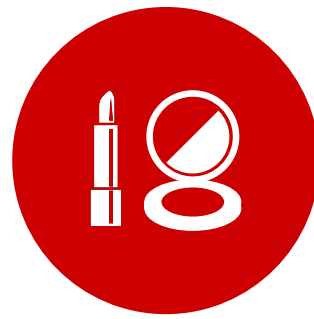
Food +
Beverage



Essentials



Hardlines



2024

Apparel +
Accessories

Home

Beauty

Food +
Beverage

Essentials

Hardlines

**Percent
of Sales**

16%

16%

12%

23%

18%

15%

**Gross
Margin Rate**

Above
Average

Above
Average

Above
Average

Below
Average

Below
Average

Below
Average

**Owned
Brand Mix**

>75%

>50%

Mid
Single-Digits

>20%

Mid Teens

Mid
Single-Digits

**Physical
Volume**

Low

High

Low

Low

Low

Medium

Reduce Lead Times
in Longest-Lead Apparel +
Home Categories



Maximize Sales

Reduce Markdown Exposure

**Reduce Peaks + Valleys
in Storage Needs**

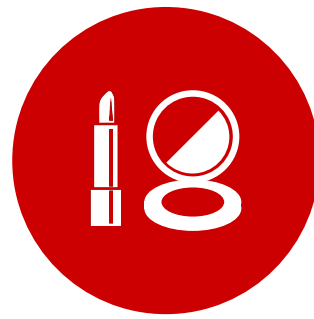




**Augment Our
Assortment**

No Inventory Risk

No Storage Needs



2024

Apparel +
Accessories

Home

Beauty

Food +
Beverage

Essentials

Hardlines

**Percent
of Sales**

16%

16%

12%

23%

18%

15%

**Gross
Margin Rate**

Above
Average

Above
Average

Above
Average

Below
Average

Below
Average

Below
Average

**Owned
Brand Mix**

>75%

>50%

Mid
Single-Digits

>20%

Mid Teens

Mid
Single-Digits

**Physical
Volume**

Low

High

Low

Low

Low

Medium

**Cyclical
Variability**

Medium

High

Low

Low

Low

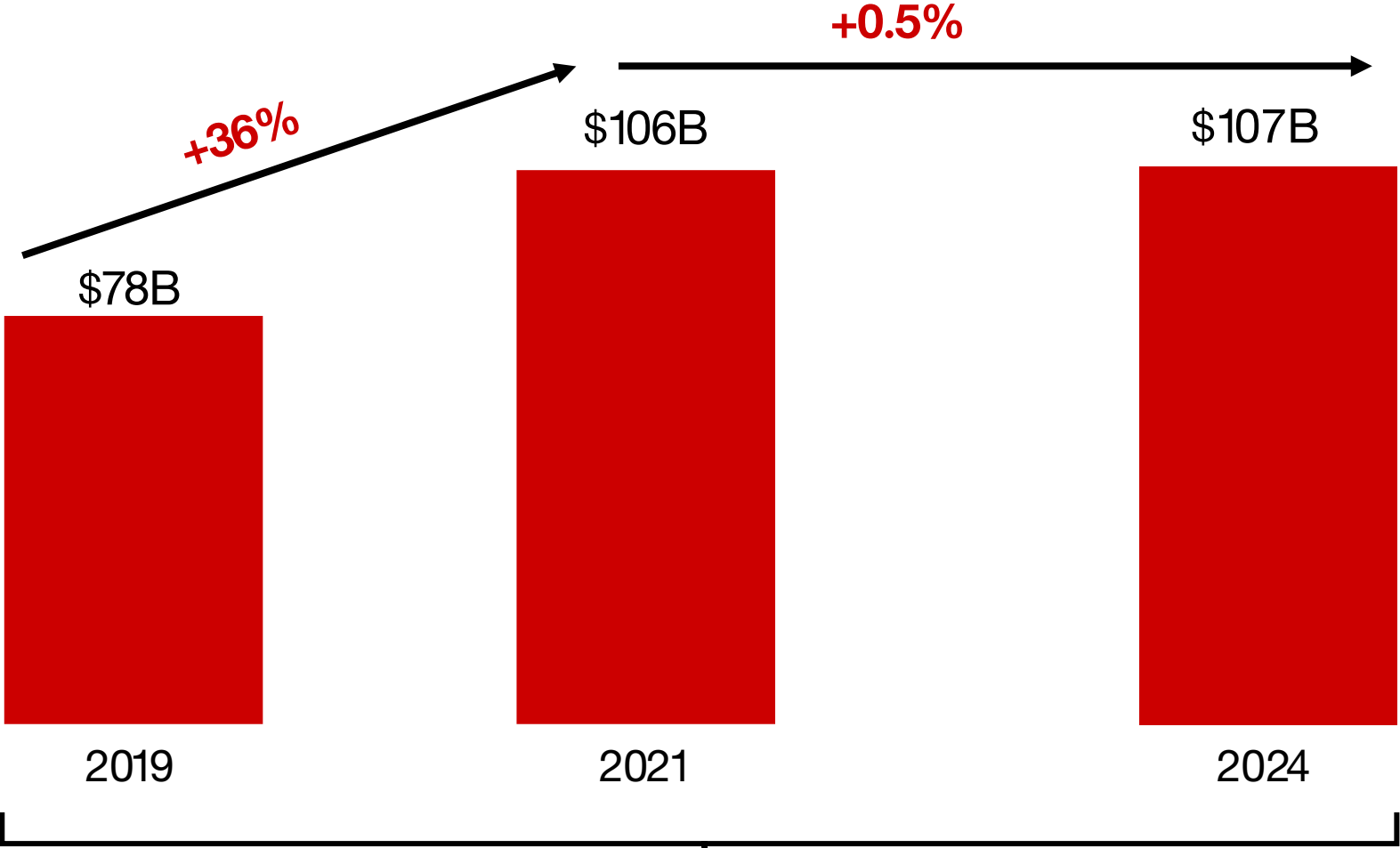
High

Longer-Term Financial Aspirations

**Low to Mid-Single Digit
Topline Growth Over Time**



Net Sales



**Average Annual Growth of 6%
from 2019 – 2024**





Expansion of Operating Margin Rates

- Outsized growth of Roundel and Target Plus
- Inventory shrink improvements
- Efficiency savings

**>\$2 Billion in Efficiency
Gains Since 2022**



Ongoing Mindset to Identify Savings Opportunities



**Mid-to-high single-digit
annual EPS growth over
the next several years.**



**We Can Grow Our Business
by **More Than \$15 Billion**
Over Five Years**



2025 Outlook

2025 Outlook

- Net sales growth centered around 1%
 - Comparable sales growth centered around flat
- Modest increase in our operating margin rate
- Effective tax rate of 23% to 24%
- GAAP and Adjusted EPS of \$8.80 to \$9.80

Capital Deployment Priorities

Invest in our business

➤ **Support** the dividend

➤ **Repurchase** shares

Capital Deployment in 2025

- CAPEX of \$4 to \$5 billion
 - Primarily in store assets
 - Robust investments in supply chain and technology
- Plan to recommend a low single-digit increase in quarterly dividend
- Repurchase shares within the limits of our credit ratings

Tariff Considerations

Guidance Practices



Considerations in 2025

- February Topline Trends
- Outsized Profit Pressures in Q1
 - Tariff uncertainty
 - Start-up costs on new projects
 - Timing of SG&A and tax expenses
- Easier Profit Comparisons in Q3/Q4



