

The TJX Companies, Inc.

Q4 FY19 Sales & Margin Comparability Table

	US\$ in Millions			%	
	Q4 FY19	Q4 FY18	\$ Change	Q4 FY19	Q4 FY18
Total TJX					
Net Sales					
Reported net sales	11,127	10,961	167		
Impact of 14th week ⁽¹⁾	0	(574)	574		
Foreign currency translation impact	<u>130</u>	<u>0</u>	<u>130</u>		
Adjusted net sales on a constant currency basis	11,257	10,386	871		
Pre-tax Profit					
Reported pre-tax profit	<u>TY</u>	<u>LY</u>	<u>\$ Change</u>	<u>TY</u>	<u>LY</u>
	1,179	1,112	66	10.6%	10.1%
FY18 tax-related items ⁽²⁾	0	100	(100)		
Impairment charge ⁽³⁾	0	99	(99)		
Impact of 14th week ⁽¹⁾	<u>0</u>	<u>(113)</u>	<u>113</u>		
Pre-tax profit excluding Q4 charges and 14th week	1,179	1,198	(19)	10.6%	11.5%
Mark-to-market impact of inventory derivatives	14	10	4		
Foreign currency translation impact	<u>9</u>	<u>0</u>	<u>9</u>		
Adjusted pre-tax profit	1,202	1,208	(6)	10.7%	11.6%
TJX Canada ⁽⁴⁾					
Net Sales					
Reported net sales	1,041	1,088	(47)		
Impact of 14th week ⁽¹⁾	0	(56)	56		
Foreign currency translation impact	<u>53</u>	<u>0</u>	<u>53</u>		
Adjusted net sales on a constant currency basis	1,094	1,033	62		
Segment Profit					
Reported segment profit	<u>TY</u>	<u>LY</u>	<u>\$ Change</u>	<u>TY</u>	<u>LY</u>
	106	138	(32)	10.1%	12.6%
Impact of 14th week ⁽¹⁾	0	(13)	13		
Mark-to-market impact of inventory derivatives	6	7	(1)		
Foreign currency translation impact	<u>5</u>	<u>0</u>	<u>5</u>		
Adjusted segment profit	117	131	(14)	10.7%	12.7%
TJX International ⁽⁵⁾					
Net Sales					
Reported net sales	1,503	1,564	(60)		
Impact of 14th week ⁽¹⁾	0	(80)	80		
Foreign currency translation impact	<u>77</u>	<u>0</u>	<u>77</u>		
Adjusted net sales on a constant currency basis	1,580	1,484	96		
Segment Profit					
Reported segment profit	<u>TY</u>	<u>LY</u>	<u>\$ Change</u>	<u>TY</u>	<u>LY</u>
	94	116	(23)	6.2%	7.4%
Impact of 14th week ⁽¹⁾	0	(14)	14		
Mark-to-market impact of inventory derivatives	10	5	5		
Foreign currency translation impact	<u>4</u>	<u>0</u>	<u>4</u>		
Adjusted segment profit	108	108	0	6.8%	7.3%

(1) Q4 FY18 figures reflect a 14-week quarter.

(2) Reflects FY18 benefits related to the 2017 Tax Cuts and Jobs Act, offset by charges from a special, discretionary bonus to eligible, non-bonus plan Associates; incremental contributions to the Company's defined contribution retirement plans and contributions to the Company's charitable foundations.

(3) During Q4 FY18, the Company took a \$99 million impairment charge, primarily goodwill, related to Sierra Trading Post.

(4) TJX Canada operates the Winners, HomeSense, and Marshalls Canada chains.

(5) TJX International operates the T.K. Maxx chains in the U.K., Ireland, Germany, Austria, Poland, the Netherlands, and Australia, and the Homesense chain in the U.K. and Ireland.

Note: Foreign currency translation only impacts TY to LY comparisons.

Figures may not foot due to rounding.

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management believes that certain non-GAAP financial measures used in managing the business may provide users of this financial information additional meaningful comparisons between current results and results in prior operating periods. Management believes that these non-GAAP financial measures can provide additional meaningful reflection of underlying trends of the business because they provide a comparison of historical information that excludes certain items that impact the overall comparability. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. The Tables above provide supplemental financial data and corresponding reconciliations to GAAP financial measures for FY19 and FY18. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP.

The TJX Companies, Inc.
Full Year FY19 Sales & Margin Comparability Table

	US\$ in Millions			%	
	FY19	FY18	\$ Change	FY19	FY18
Total TJX					
Net Sales					
Reported net sales	38,973	35,865	3,108		
Impact of 53rd week ⁽¹⁾	0	(574)	574		
Foreign currency translation impact	(4)	0	(4)		
Adjusted net sales on a constant currency basis	38,969	35,290	3,679		
Pre-tax Profit					
Reported pre-tax profit	4,173	3,857	317	10.7%	10.8%
Pension charge ⁽²⁾	36	0	36		
FY18 tax-related items ⁽³⁾	0	100	(100)		
Impairment charge ⁽⁴⁾	0	99	(99)		
Impact of 53rd week ⁽¹⁾	0	(113)	113		
Pre-tax profit excluding full year charges and 53rd week	4,209	3,942	267	10.8%	11.2%
Mark-to-market impact of inventory derivatives	(1)	3	(3)		
Foreign currency translation impact	0	0	0		
Adjusted pre-tax profit	4,217	3,945	272	10.8%	11.2%
TJX Canada ⁽⁵⁾					
Net Sales					
Reported net sales	3,870	3,643	227		
Impact of 53rd week ⁽¹⁾	0	(56)	56		
Foreign currency translation impact	55	0	55		
Adjusted net sales on a constant currency basis	3,925	3,587	338		
Segment Profit					
Reported segment profit	552	530	22	14.3%	14.6%
Impact of 53rd week ⁽¹⁾	0	(13)	13		
Mark-to-market impact of inventory derivatives	0	2	(2)		
Foreign currency translation impact	7	0	7		
Adjusted segment profit	559	518	41	14.2%	14.5%
TJX International ⁽⁶⁾					
Net Sales					
Reported net sales	5,258	4,857	401		
Impact of 53rd week ⁽¹⁾	0	(80)	80		
Foreign currency translation impact	(59)	0	(59)		
Adjusted net sales on a constant currency basis	5,199	4,777	422		
Segment Profit					
Reported segment profit	286	249	37	5.4%	5.1%
Impact of 53rd week ⁽¹⁾	0	(14)	14		
Mark-to-market impact of inventory derivatives	(3)	3	(6)		
Foreign currency translation impact	2	0	2		
Adjusted segment profit	285	238	46	5.5%	5.0%

(1) FY18 figures reflect a 53-week year.

(2) In Q3 FY19, the Company purchased a group annuity contract under which the pension benefit obligations for certain U.S. retirees and beneficiaries under the Company's pension plan were transferred to an insurer. As a result of this transaction, the pension plan's total liability has been re-measured, resulting in a non-cash settlement charge to the Company that reduced third quarter Fiscal 2019 pretax income by \$36 million.

(3) Reflects FY18 benefits related to the 2017 Tax Cuts and Jobs Act, offset by charges from a special, discretionary bonus to eligible, non-bonus plan Associates; incremental contributions to the Company's defined contribution retirement plans and contributions to the Company's charitable foundations.

(4) During Q4 FY18, the Company took a \$99 million impairment charge, primarily goodwill, related to Sierra Trading Post.

(5) TJX Canada operates the Winners, HomeSense, and Marshalls Canada chains.

(6) TJX International operates the T.K. Maxx chains in the U.K., Ireland, Germany, Austria, Poland, the Netherlands, and Australia, and the Homesense chain in the U.K. and Ireland.

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