

Target Q2 2023 Results

-5.4%

Comparable Sales

following +2.6% in Q2 2022

-4.3%

Store Comparable Sales

following +1.3% in Q2 2022

-10.5%

Digital Comparable Sales

following +9.0% in Q2 2022

\$1.80

GAAP EPS and Adjusted EPS*

358% higher than Q2 2022

Staying focused on the fundamentals

Our team responded nimbly to challenging sales trends, driving robust profit growth and reinforcing the durability of our operations.

4.8% operating income margin rate compared to 1.2% in Q2 2022



- We doubled down on four **retail fundamentals** that drive guest loyalty.
- Being **reliably** in stock
- Showcasing **affordability** across the business
- Leveraging our stores' **proximity** to guests
- Ensuring exceptional **guest experiences**

We made progress in Q2, including:

In-stock levels improved from Q1 and FY22



Inventory levels are 17% lower than last year



Compelling price points messaged across the assortment



Delivering newness, ease, convenience and value

We delighted our guests with new and exclusive offerings and easy and affordable solutions.



Our **multi-category portfolio** offered inspiring options and exceptional value, with strength in food & beverage and beauty.

Continued strength in seasonal assortments like Mother's Day and Fourth of July

~4% growth in same-day services



Drive Up grew ~7% as returns scaled nationwide. Starbucks rolls out in Q3.

Early engagement in **Back to School** and **Back to College**



- More ways to save, like school supplies starting at 25 cents and \$5 lunch boxes and graphic tees
- 20% Off Teacher and College Student Appreciation Events are back

Newness across our assortment in Q2, including:



100+ GOOD & GATHER SUMMER ITEMS



OPEN STORY LUGGAGE COLLECTION



THE BARBIE MOVIE EXCLUSIVES



TABITHA BROWN OUTDOOR + SUMMER ESSENTIALS



HOUSTON WHITE SUMMER COLLECTION



TAYLOR SWIFT EXCLUSIVE VINYL

>500k

new loyalty members enrolled during our Target Circle Week event, **>3.5 times** more than the average week



More newness on the way in Q3 with owned brand launches, exclusive partnerships and designer collections including:



ROWING BLAZERS LTO COLLECTION



FALL FLAVORS FROM GOOD & GATHER AND FAVORITE DAY



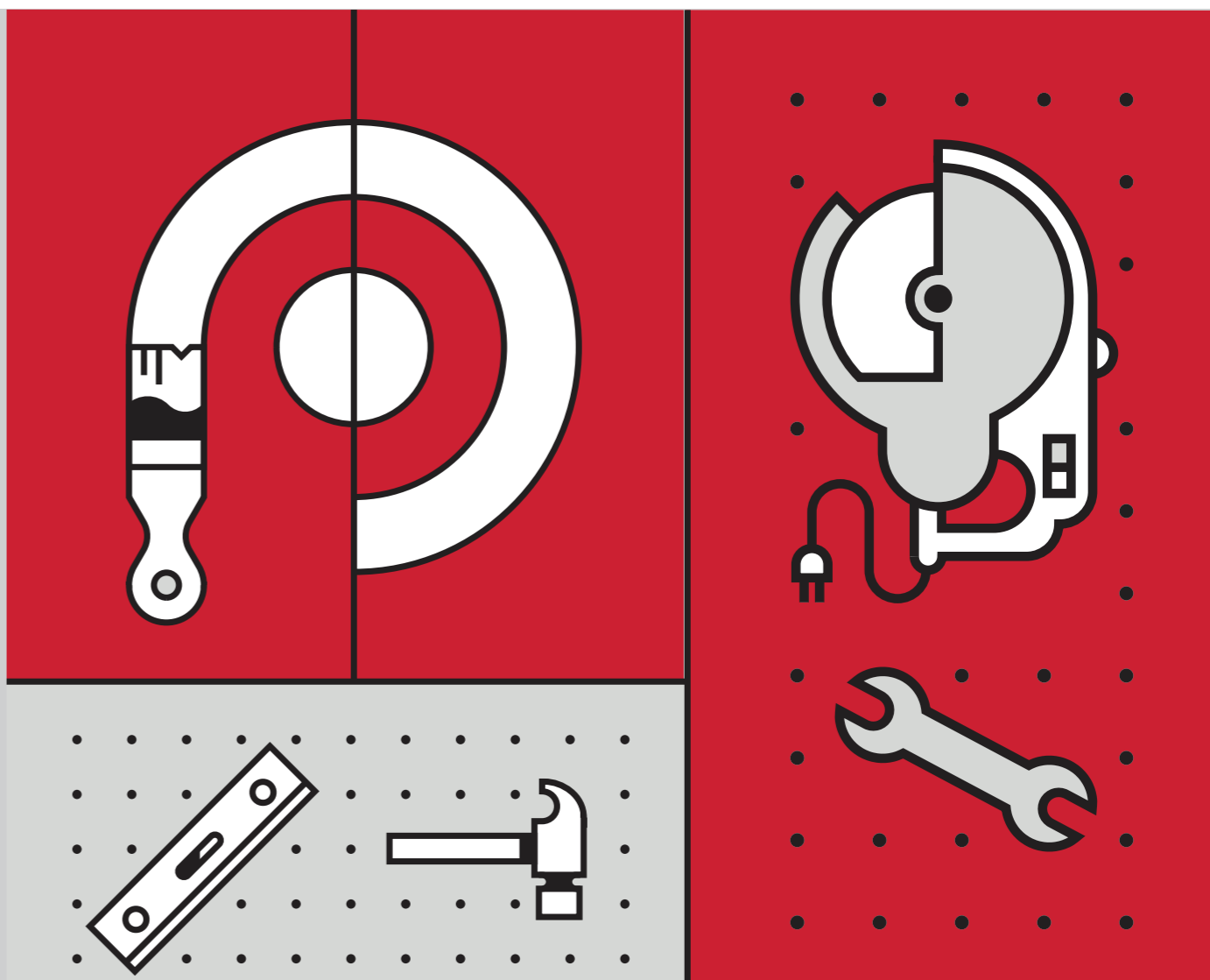
FUTURE COLLECTIVE WITH REESE BLUSTEIN

Investing in long-term growth and profitability

We're on track to invest \$4 billion to \$5 billion in the business this year through new and remodeled stores, supply chain and digital capabilities and more.

NOW OPEN

- 11 of ~20 new stores planned in 2023
- 51 of the ~175 stores undergoing full remodels or other enhancements in 2023 are guest-ready
- Our Miami sortation center, the 10th in our supply chain
- Our first Target Last Mile Delivery extension facility in Smyrna, Georgia



*Adjusted EPS is a non-GAAP financial measure most directly comparable to GAAP EPS. Adjusted EPS is reconciled to GAAP EPS in our Q2 2023 earnings release posted on our investor relations website.

Statements in this document about our future investments and long-term prospects are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Please see our Q2 2023 earnings release and the date of this document, August 16, 2023. Target's results to differ materially from what was expected on the date of this document, August 16, 2023.