

**The TJX Companies, Inc.**  
**Financial Reconciliations**

**Explanation of Non-GAAP Financial Measures**

The Company reports its financial results in accordance with generally accepted accounting principles in the U.S. (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 and between results in prior periods and expectations for future 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 below provide supplemental non-GAAP financial data and corresponding reconciliations to GAAP financial measures. 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.

**Table 1: Reconciliation of Q2 FY19 to Q2 FY20 Margins <sup>(1)</sup>**

<b><u>FY19 Q2:</u></b>	Total TJX	Marmaxx	HomeGoods	TJX Canada	TJX International
FY19 Q2 profit margin	10.6%	14.2%	10.7%	14.8%	4.0%
<i>Impact of foreign currency <sup>(2)</sup></i>	<u>0.0</u>	-	-	<u>0.3</u>	<u>(0.4)</u>
FY19 Q2 adjusted profit margin ex-fx	10.6%	14.2%	10.7%	15.1%	3.6%
<b><u>FY20 Q2:</u></b>					
FY20 Q2 profit margin	10.4%	14.0%	9.0%	12.2%	3.9%
<i>Impact of foreign currency <sup>(2)</sup></i>	<u>(0.1)</u>	-	-	<u>0.6</u>	<u>(0.7)</u>
FY20 Q2 adjusted profit margin ex-fx	10.4%	14.0%	9.0%	12.8%	3.3%

**Note: Figures may not foot due to rounding.**

(1) Profit margin is pretax profit margin for total TJX and segment profit margin for each of our business segments.

(2) Foreign currency includes the impact of translation as well as the mark-to-market adjustment of our inventory derivatives. Foreign currency translation only impacts year over year comparisons, therefore Q2 FY19 does not include an adjustment for translation.

**Table 2: Reconciliation of Q3 FY19 to Q3 FY20 Estimated Earnings per Share**

	Q3		
	<u>FY19</u>	FY20 Q3 Guidance	
		<u>Low</u>	<u>High</u>
<b>EPS from continuing operations</b>	<b>\$0.61</b>	<b>\$0.63</b>	<b>\$0.65</b>
<i>Y/Y EPS Growth</i>		<b>3%</b>	<b>7%</b>
<u>Adjustments for items impacting comparability</u>			
<i>Pension settlement charge <sup>(1)</sup></i>	<i>0.02</i>		
<b>Adjusted EPS</b>	<b><u>\$0.63</u></b>	<b><u>\$0.63</u></b>	<b><u>\$0.65</u></b>
<i>Adjusted Y/Y EPS Growth</i>		<b>0%</b>	<b>3%</b>

**Note: Figures may not foot due to rounding.**

(1) 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.

**Table 3: Reconciliation of Q3 FY19 to Q3 FY20 Estimated Margins <sup>(1)</sup>**

<b><u>FY19 Q3 Actual:</u></b>	<u>Total TJX</u>
FY19 Q3 profit margin on a GAAP basis	10.7%
<i>Pension settlement charge <sup>(2)</sup></i>	<u>0.4</u>
FY19 Q3 adjusted profit margin excluding charge	11.0%
<i>Impact of foreign currency <sup>(3)</sup></i>	<u>0.1</u>
FY19 Q3 adjusted profit margin ex-fx and charge	11.1%

**FY20 Q3 Guidance:**

FY20 Q3 estimated profit margin on a GAAP basis	10.3% - 10.5%
<i>Estimated impact of foreign currency <sup>(3)</sup></i>	<u>0.0</u>
FY20 Q3 estimated adjusted profit margin ex-fx	10.3% - 10.5%

**Note: Figures may not foot due to rounding.**

(1) Profit margin is pretax profit margin for total TJX.

(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) Foreign currency includes the impact of translation as well as the mark-to-market adjustment of our inventory derivatives. Foreign currency translation only impacts year over year comparisons, therefore Q3 FY19 does not include an adjustment for translation.

**Table 4: Reconciliation of FY19 to FY20 Estimated Earnings per Share**

	FY		
	<u>FY19</u>	FY20 Full Year Guidance	
		<u>Low</u>	<u>High</u>
<b>EPS from continuing operations</b>	<b>\$2.43</b>	<b>\$2.56</b>	<b>\$2.61</b>
<i>Y/Y EPS Growth</i>		<b>5%</b>	<b>7%</b>
<u>Adjustments for items impacting comparability</u>			
<i>Pension settlement charge <sup>(1)</sup></i>	<i>0.02</i>		
<b>Adjusted EPS</b>	<b><u>\$2.45</u></b>	<b><u>\$2.56</u></b>	<b><u>\$2.61</u></b>
<i>Adjusted Y/Y EPS Growth</i>		<b>4%</b>	<b>7%</b>

**Note: Figures may not foot due to rounding.**

(1) 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.

**Table 5: Reconciliation of FY19 to FY20 Estimated Margins <sup>(1)</sup>**

<b><u>FY19 Full Year Actual:</u></b>	Total TJX	Marmaxx	HomeGoods	TJX Canada	TJX International
FY19 profit margin on a GAAP basis	10.7%	13.5%	11.6%	14.3%	5.4%
<i>Pension settlement charge <sup>(2)</sup></i>	<u>0.1</u>	-	-	-	-
FY19 adjusted profit margin excluding charge	10.8%	13.5%	11.6%	14.3%	5.4%
<i>Impact of foreign currency <sup>(3)</sup></i>	<u>(0.0)</u>	-	-	<u>0.0</u>	<u>(0.1)</u>
FY19 adjusted profit margin ex-fx and charge	10.8%	13.5%	11.6%	14.3%	5.4%
<b><u>FY20 Full Year Guidance:</u></b>					
FY20 estimated profit margin on a GAAP basis	10.3% - 10.4%	13.2% - 13.3%	10.0% - 10.1%	12.4% - 12.5%	4.9% - 5.0%
<i>Estimated impact of foreign currency <sup>(3)</sup></i>	<u>(0.1)</u>	-	-	<u>(0.1)</u>	<u>(0.1)</u>
FY20 estimated adjusted profit margin ex-fx	10.3% - 10.4%	13.2% - 13.3%	10.0% - 10.1%	12.3%- 12.4%	4.9% - 4.9%

**Note: Figures may not foot due to rounding.**

(1) Profit margin is pretax profit margin for total TJX and segment profit margin for each of our business segments.

(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) Foreign currency includes the impact of translation as well as the mark-to-market adjustment of our inventory derivatives. Foreign currency translation only impacts year over year comparisons, therefore FY19 does not include an adjustment for translation.