The TJX Companies, Inc.

Q2 FY27 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 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 affect overall comparability. Non-GAAP financial measures used in these tables include adjusted gross margin, adjusted selling, general, and administrative expense, adjusted consolidated pretax profit margin, adjusted diluted earnings per share, net sales growth on a constant currency basis, adjusted pretax profit margin on a constant currency basis, and consolidated inventory on a per store basis, on a constant currency basis. The Company uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company’s performance, including relative to others in the market. Management also uses these non-GAAP measures to consider underlying trends of the Company’s business, and believes presenting these measures also provides information to investors and others to assist them in understanding and evaluating trends in the Company's operating results or measuring performance in the same manner as the Company's management. Non-GAAP financial measures should be considered in addition to, and not as an alternative to, the Company's reported results prepared in accordance with GAAP. The use of these non-GAAP financial measures may differ from similar measures reported by other companies and may not be comparable to other similarly titled measures.

Table 1: Q2 FY26 and Q2 FY27 Reconciliations[1][2]

	Q2	
	Q2 FY26	Q2 FY27
Gross margin	**30.7%**	**33.4%**
Y/Y gross margin growth		*2.7%*
Adjustments for items impacting comparability		
Net benefit from tariff refunds[3]	*—%*	*(2.0)%*
Adjusted gross margin	**30.7%**	**31.4%**
Adjusted Y/Y gross margin growth		*0.7%*
Selling, general, and administrative expense	**19.5%**	**20.3%**
Y/Y selling, general, and administrative expense growth		*0.8%*
Adjustments for items impacting comparability		
Impact from tariff refund related incremental compensation expense accruals[4]	*—%*	*(0.6)%*
Adjusted selling, general, and administrative expense	**19.5%**	**19.7%**
Adjusted Y/Y selling, general, and administrative expense growth		*0.2%*
Pretax profit margin	**11.4%**	**13.3%**
Y/Y consolidated pretax profit margin growth		*1.9%*
Adjustments for items impacting comparability		
Net benefit from tariff refunds[2]	*—%*	*(1.4)%*
Adjusted consolidated pretax profit margin	**11.4%**	**11.9%**
Adjusted Y/Y consolidated pretax profit margin growth		*0.5%*
Diluted earnings per share	**$1.10**	**$1.36**
Y/Y diluted earnings per share growth		*24%*
Adjustments for items impacting comparability		
Net benefit from tariff refunds[2]	*$—*	*$(0.14)*
Adjusted diluted earnings per share	**$1.10**	**$1.22**
Adjusted Y/Y diluted earnings per share growth		*11%*

(1) All year-over-year (Y/Y) growth percentages are calculated based on rounded millions.

(2) During the second quarter of Fiscal 2027, the Company received aggregate refunds of $331 million for a portion of the IEEPA tariffs it previously paid. As a result, these tariff refunds benefitted the Company's second quarter Fiscal 2027 cost of sales. Due to these tariff refunds, the Company accrued incremental expenses of $112 million for year-end incentive compensation and discretionary bonuses for eligible Associates globally which impact both the Company's second quarter Fiscal 2027 cost of sales and SG&A costs. The net benefit of tariff refunds was $219 million for the Company's second quarter Fiscal 2027 pretax profit.

(3) Includes the gain from tariff refunds and a portion of the related incremental expense accruals for year-end incentive compensation and discretionary bonuses.

(4) Includes a portion of the tariff refund related incremental expense accruals for year-end incentive compensation and discretionary bonuses.

Table 2: 1H FY26 and 1H FY27 Reconciliations[1][2]

	1H	
	1H FY26	1H FY27
Gross margin	**30.1%**	**32.4%**
Y/Y gross margin growth		*2.3%*
Adjustments for items impacting comparability		
Net benefit from tariff refunds[3]	*—%*	*(1.1)%*
Adjusted gross margin	**30.1%**	**31.3%**
Adjusted Y/Y gross margin growth		*1.2%*
Selling, general, and administrative expense	**19.5%**	**19.9%**
Y/Y selling, general, and administrative expense growth		*0.4%*
Adjustments for items impacting comparability		
Impact from tariff refund related incremental compensation expense accruals[4]	*—%*	*(0.3)%*
Adjusted selling, general, and administrative expense	**19.5%**	**19.6%**
Adjusted Y/Y selling, general, and administrative expense growth		*0.1%*
Pretax profit margin	**10.9%**	**12.7%**
Y/Y consolidated pretax profit margin growth		*1.8%*
Adjustments for items impacting comparability		
Net benefit from tariff refunds[2]	*—%*	*(0.8)%*
Adjusted consolidated pretax profit margin	**10.9%**	**11.9%**
Adjusted Y/Y consolidated pretax profit margin growth		*1.0%*
Diluted earnings per share	**$2.02**	**$2.55**
Y/Y diluted earnings per share growth		*26%*
Adjustments for items impacting comparability		
Net benefit from tariff refunds[2]	*$—*	*$(0.14)*
Adjusted diluted earnings per share	**$2.02**	**$2.41**
Adjusted Y/Y diluted earnings per share growth		*19%*

(1) All year-over-year (Y/Y) growth percentages are calculated based on rounded millions.

(2) During the second quarter of Fiscal 2027, the Company received aggregate refunds of $331 million for a portion of the IEEPA tariffs it previously paid. As a result, these tariff refunds benefitted the Company's second quarter Fiscal 2027 cost of sales. Due to these tariff refunds, the Company accrued incremental expenses of $112 million for year-end incentive compensation and discretionary bonuses for eligible Associates globally which impact both the Company's second quarter Fiscal 2027 cost of sales and SG&A costs. The net benefit of tariff refunds was $219 million for the Company's second quarter Fiscal 2027 pretax profit.

(3) Includes the gain from tariff refunds and a portion of the related incremental expense accruals for year-end incentive compensation and discretionary bonuses.

(4) Includes a portion of the tariff refund related incremental expense accruals for year-end incentive compensation and discretionary bonuses.

Table 3: Reconciliations of Q3 FY26 and Q3 FY27 Estimated Guidance[(1)(2)]

	Q3		
	Q3 FY26	Estimated Q3 FY27	
		Low	High
Gross margin	**32.6%**	**32.9%**	**33.0%**
Y/Y gross margin growth		*0.3%*	*0.4%*
Adjustments for items impacting comparability			
Net benefit from tariff refunds[(3)]	*—%*	*(0.8)%*	*(0.8)%*
Adjusted gross margin	**32.6%**	**32.1%**	**32.2%**
Adjusted Y/Y gross margin growth		*(0.5)%*	*(0.4)%*
Selling, general, and administrative expense	**20.1%**	**20.3%**	**20.3%**
Y/Y selling, general, and administrative expense growth		*0.2%*	*0.2%*
Adjustments for items impacting comparability			
Impact from tariff refund related incremental compensation expense accruals[(4)]	*—%*	*(0.3)%*	*(0.3)%*
Adjusted selling, general, and administrative expense	**20.1%**	**20.0%**	**20.0%**
Adjusted Y/Y selling, general, and administrative expense growth		*(0.1)%*	*(0.1)%*
Pretax profit margin	**12.7%**	**12.8%**	**12.9%**
Y/Y consolidated pretax profit margin growth		*0.1%*	*0.2%*
Adjustments for items impacting comparability			
Net benefit from tariff refunds[(2)]	*—%*	*(0.5)%*	*(0.5)%*
Adjusted consolidated pretax profit margin	**12.7%**	**12.3%**	**12.4%**
Adjusted Y/Y consolidated pretax profit margin growth		*(0.4)%*	*(0.3)%*
Diluted earnings per share	**$1.28**	**$1.36**	**$1.38**
Y/Y diluted earnings per share growth		*6%*	*8%*
Adjustments for items impacting comparability			
Net benefit from tariff refunds[(2)]	*$—*	*$(0.06)*	*$(0.06)*
Adjusted diluted earnings per share	**$1.28**	**$1.30**	**$1.32**
Adjusted Y/Y diluted earnings per share growth		*2%*	*3%*

[(1)] All year-over-year (Y/Y) growth percentages are calculated based on rounded millions.

[(2)] In the third quarter of Fiscal 2027, the Company expects to receive additional IEEPA tariff refunds, which it expects to benefit the Company's third quarter Fiscal 2027 cost of sales. The Company also expects to accrue tariff refund related incremental expense for year-end incentive compensation and discretionary bonuses that will impact the Company's third quarter Fiscal 2027 cost of sales and SG&A costs. The amount, timing and likelihood of additional tariff refund recovery remain uncertain. The total amount of refunds received may not equal the full amount of IEEPA related tariffs paid, and additional refunds remain subject to further legal, regulatory or administrative developments.

[(3)] Includes the expected gain from tariff refunds and a portion of the tariff refund related incremental expense accruals for year-end incentive compensation and discretionary bonuses.

[(4)] Includes a portion of the tariff refund related incremental expense accruals for year-end incentive compensation and discretionary bonuses.

Table 4: Reconciliations of Q4 FY26 and Q4 FY27 Estimated Guidance(1)(2)(3)

	Q4		
	Q4 FY26	**Estimated Q4 FY27**	
		Low	**High**
Pretax profit margin	**13.5%**	**11.5%**	**11.7%**
Y/Y consolidated pretax profit margin growth		*(2.0)%*	*(1.8)%*
Adjustments for items impacting comparability			
Net benefit from litigation settlement gain and related expenses(2)	*(1.3)%*	*—%*	*—%*
Impact from tariff refund related incremental compensation expense accruals(3)	*—%*	*0.4%*	*0.3%*
Adjusted consolidated pretax profit margin	**12.2%**	**11.9%**	**12.0%**
Adjusted Y/Y consolidated pretax profit margin growth		*(0.3)%*	*(0.2)%*
Diluted earnings per share	**$1.58**	**$1.41**	**$1.44**
Y/Y diluted earnings per share growth		*(11)%*	*(9)%*
Adjustments for items impacting comparability			
Net benefit from litigation settlement gain and related expenses(2)	*$(0.15)*	*$—*	*$—*
Impact from tariff refund related incremental compensation expense accruals(3)	*$—*	*$0.03*	*$0.03*
Adjusted diluted earnings per share	**$1.43**	**$1.44**	**$1.47**
Adjusted Y/Y diluted earnings per share growth		*1%*	*3%*

(1) All year-over-year (Y/Y) growth percentages are calculated based on rounded millions.

(2) During the fourth quarter of Fiscal 2026, the Company entered into settlement agreements to resolve litigation related to credit card interchange fees in which the Company was a plaintiff, resulting in a gain which benefitted the Company’s SG&A costs. Due to this gain, the Company incurred non-recurring settlement expenses related to a portion of incentive compensation expense globally, a discretionary bonus for eligible non-bonus plan Associates globally, and legal expenses. The net benefit of this gain from the litigation settlement and related expenses was $221 million for the Company’s fourth quarter and full year Fiscal 2026 pretax profit.

(3) In Fiscal 2027, the Company received IEEPA tariff refunds in the second quarter and expects to receive additional tariff refunds in the third quarter, which would benefit the Company’s Fiscal 2027 cost of sales. Due to these tariff refunds, the Company expects to accrue incremental expense for year-end incentive compensation and discretionary bonuses that is expected to impact the Company's fourth quarter Fiscal 2027 cost of sales and SG&A costs. The amount, timing and likelihood of additional tariff refund recovery remain uncertain. The total amount of refunds received may not equal the full amount of IEEPA related tariffs paid, and additional refunds remain subject to further legal, regulatory or administrative developments.

Table 5: Reconciliations of Full-Year FY26 and Full-Year FY27 Estimated Guidance[1][2][5]

		FY	
	Full-Year FY26	Estimated Full-Year FY27	
		Low	High
Gross margin	**31.0%**	**31.9%**	**32.0%**
Y/Y gross margin growth		*0.9%*	*1.0%*
Adjustments for items impacting comparability			
Impact from litigation settlement related expenses[3]	*0.0%*	*—%*	*—%*
Net benefit from tariff refunds[6]	*—%*	*(0.7)%*	*(0.7)%*
Adjusted gross margin	**31.0%**	**31.2%**	**31.3%**
Adjusted Y/Y gross margin growth		*0.2%*	*0.3%*
Selling, general, and administrative expense	**19.1%**	**19.8%**	**19.8%**
Y/Y selling, general, and administrative expense growth		*0.7%*	*0.7%*
Adjustments for items impacting comparability			
Net benefit from litigation settlement gain and related expenses[4]	*0.4%*	*—%*	*—%*
Impact from tariff refund related incremental compensation expense accruals[7]	*—%*	*(0.3)%*	*(0.3)%*
Adjusted selling, general, and administrative expense	**19.5%**	**19.5%**	**19.5%**
Adjusted Y/Y selling, general, and administrative expense growth		*—%*	*—%*
Consolidated pretax profit margin	**12.1%**	**12.3%**	**12.4%**
Y/Y consolidated pretax profit margin growth		*0.2%*	*0.3%*
Adjustments for items impacting comparability			
Net benefit from litigation settlement gain and related expenses[2]	*(0.4)%*	*—%*	*—%*
Net benefit from tariff refunds[5]	*—%*	*(0.3)%*	*(0.3)%*
Adjusted consolidated pretax profit margin	**11.7%**	**12.0%**	**12.1%**
Adjusted Y/Y consolidated pretax profit margin growth		*0.3%*	*0.4%*
Diluted earnings per share	**$4.87**	**$5.31**	**$5.36**
Y/Y diluted earnings per share growth		*9%*	*10%*
Adjustments for items impacting comparability			
Net benefit from litigation settlement gain and related expenses[2]	*$(0.14)*	*$—*	*$—*
Net benefit from tariff refunds[5]	*$—*	*$(0.16)*	*$(0.16)*
Adjusted diluted earnings per share	**$4.73**	**$5.15**	**$5.20**
Adjusted Y/Y diluted earnings per share growth		*9%*	*10%*

[1] All year-over-year (Y/Y) growth percentages are calculated based on rounded millions.

[2] During the fourth quarter of Fiscal 2026, the Company entered into settlement agreements to resolve litigation related to credit card interchange fees in which the Company was a plaintiff, resulting in a gain which benefitted the Company's SG&A costs. Due to this gain, the Company incurred non-recurring settlement expenses related to a portion of incentive compensation expense globally, a discretionary bonus for eligible non-bonus plan Associates globally, and legal expenses. The net benefit of this gain from the litigation settlement and related expenses was $221 million for the Company's fourth quarter and full year Fiscal 2026 pretax profit.

[3] Includes part of the non-recurring settlement expenses related to the incentive compensation and discretionary bonus expenses.

[4] Includes the litigation settlement gain and part of the non-recurring settlement-related expenses.

[5] In Fiscal 2027, the Company received IEEPA tariff refunds in the second quarter and expects to receive additional tariff refunds in the third quarter, which it expects to benefit the Company's Fiscal 2027 cost of sales. Due to these tariff refunds, the Company expects to accrue incremental expense for year-end incentive compensation and discretionary bonuses that will impact the Company's Fiscal 2027 cost of sales and SG&A costs. The amount, timing and likelihood of additional tariff refund recovery remain uncertain. The total amount of refunds received may not equal the full amount of IEEPA related tariffs paid, and additional refunds remain subject to further legal, regulatory or administrative developments.

[6] Includes the gain from tariff refunds and a portion of the related incremental expense accruals for year-end incentive compensation and discretionary bonuses.

[7] Includes a portion of the tariff refund related incremental expense accruals for year-end incentive compensation and discretionary bonuses.

Table 6: Reconciliations of FX Impact on Sales and Pretax Profit Margin[1][2][7]

Q2 FY27:	Total TJX	Marmaxx[3][8]	HomeGoods[4][8]	TJX Canada[5][9]	TJX International[6][9]
Net sales					
Net sales growth	5%	3%	10%	6%	11%
Impact of foreign currency[1]	*1%*	*—%*	*—%*	*2%*	*(1)%*
Net sales growth on a constant currency basis[1]	6%	3%	10%	8%	10%
Pretax profit margin					
Pretax profit margin	13.3%	15.6%	17.6%	15.6%	6.4%
Impact of tariff refund related items[7]	*(1.4)%*	*(1.4)%*	*(5.2)%*	*0.7%*	*0.9%*
Adjusted pretax profit margin[7]	11.9%	14.2%	12.4%	16.3%	7.3%
Impact of foreign currency[1][2]	*(0.2)%*	*—%*	*—%*	*(0.0)%*	*0.0%*
Adjusted pretax profit margin on a constant currency basis[1][2][7]	11.7%	14.2%	12.4%	16.3%	7.3%

First Half FY27:	Total TJX	Marmaxx[3][8]	HomeGoods[4][8]	TJX Canada[5][9]	TJX International[6][9]
Net sales					
Net sales growth	7%	5%	10%	9%	12%
Impact of foreign currency[1]	*(0)%*	*—%*	*—%*	*(1)%*	*(4)%*
Net sales growth on a constant currency basis[1]	7%	5%	10%	8%	8%
Pretax profit margin					
Pretax profit margin	12.7%	15.2%	15.2%	13.8%	5.6%
Impact of tariff refund related items[7]	*(0.8)%*	*(0.8)%*	*(2.5)%*	*0.3%*	*0.4%*
Adjusted pretax profit margin[7]	11.9%	14.4%	12.7%	14.1%	6.0%
Impact of foreign currency[1][2]	*(0.0)%*	*—%*	*—%*	*0.1%*	*0.1%*
Adjusted pretax profit margin on a constant currency basis[1][2][7]	11.9%	14.4%	12.7%	14.2%	6.1%

[1] Changes in foreign currency exchange rates affect the translation of sales and earnings of the Company's international businesses into U.S. dollars for financial reporting purposes. Changes in currency exchange rates can have a material effect on the magnitude of these translations and adjustments when there is significant volatility in currency exchange rates. Given the global operations of the Company, to facilitate comparability, the Company has provided net sales growth and pretax profit margin on a constant currency basis, which assumes a constant exchange rate between periods for translation based on the rate in effect for the prior period.

[2] The impact of foreign currency includes the mark-to-market adjustment of our inventory hedges at the total TJX consolidated level.

[3] Includes TJ Maxx, Marshalls, and Sierra stores as well as their e-commerce sites.

[4] Includes HomeGoods and Homesense stores.

[5] Includes Winners, HomeSense, and Marshalls stores in Canada.

[6] Includes TK Maxx and Homesense stores as well as TK Maxx e-commerce sites in Europe.

[7] During the second quarter of Fiscal 2027, the Company received refunds for a portion of the IEEPA tariffs it previously paid. As a result, these tariff refunds benefitted the Company’s second quarter Fiscal 2027 cost of sales. Due to these tariff refunds, the Company accrued incremental expense for year-end incentive compensation and discretionary bonuses for eligible Associates globally which impact both the Company’s second quarter Fiscal 2027 cost of sales and SG&A costs. The net benefit of these tariff refunds was $219 million for the Company’s second quarter Fiscal 2027 pretax profit.

[8] The impact of tariff refund related items includes the gain from tariff refunds and the related incremental year-end compensation expense accruals for the segment.

[9] The impact of tariff refund related items includes tariff refund related incremental year-end compensation expense accruals for the segment.

Table 7: Reconciliation of FX Impact on Inventory[1][2]

Q2 FY27 Actual:	Percent change vs. Q2 FY26
Consolidated inventory on a per store basis[1]	2%
Impact of foreign currency[2]	*(1)%*
Consolidated inventory on a per store basis, on a constant currency basis[1][2]	3%

(1) Consolidated inventories on a per store basis, including distribution centers, but excluding inventory in transit and the Company's e-commerce sites.

(2) Changes in foreign currency exchange rates affect the translation of sales and earnings of the Company's international businesses into U.S. dollars for financial reporting purposes. Changes in currency exchange rates can have a material effect on the magnitude of these translations and adjustments when there is significant volatility in currency exchange rates. Given the global operations of the Company, to facilitate comparability, the Company has provided inventory on a constant currency basis, which assumes a constant exchange rate between periods for translation based on the rate in effect for the prior period.