

THE TJX COMPANIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
IN THOUSANDS EXCEPT PER SHARE AMOUNTS

	Fiscal Year Ended		
	February 1, 2020	February 2, 2019	February 3, 2018
			(53 weeks)
Net sales	\$ 41,716,977	\$ 38,972,934	\$ 35,864,664
Cost of sales, including buying and occupancy costs	29,845,780	27,831,177	25,502,167
Selling, general and administrative expenses	7,454,988	6,923,564	6,375,071
Impairment of goodwill and other long-lived assets, related to Sierra	—	—	99,250
Pension settlement charge	—	36,122	—
Interest expense, net	10,026	8,860	31,588
Income before provision for income taxes	4,406,183	4,173,211	3,856,588
Provision for income taxes	1,133,990	1,113,413	1,248,640
Net income	\$ 3,272,193	\$ 3,059,798	\$ 2,607,948
Basic earnings per share	\$ 2.71	\$ 2.47	\$ 2.05
Weighted average common shares – basic	1,208,163	1,241,153	1,273,654
Diluted earnings per share	\$ 2.67	\$ 2.43	\$ 2.02
Weighted average common shares – diluted	1,226,519	1,259,252	1,292,209

The accompanying notes are an integral part of the financial statements.

THE TJX COMPANIES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
IN THOUSANDS

	Fiscal Year Ended		
	February 1, 2020	February 2, 2019	February 3, 2018 (53 weeks)
Net income	\$ 3,272,193	\$ 3,059,798	\$ 2,607,948
Additions to other comprehensive loss:			
Foreign currency translation adjustments, net of related tax benefits of \$1,189 and \$8,233 in fiscal 2020 and 2019, respectively, and provision of \$36,929 in fiscal 2018	(3,943)	(192,664)	211,752
Gain on net investment hedges, net of related tax provision of \$7,113 in fiscal 2019	—	19,538	—
Recognition of net gains/losses on benefit obligations, net of related tax benefits of \$20,489 and \$19,813 in fiscal 2020 and 2019, respectively, and provision of \$8,989 in fiscal 2018	(56,275)	(54,420)	24,691
Reclassifications from other comprehensive loss to net income:			
Pension settlement charge, net of related tax provision of \$9,641 in fiscal 2019	—	26,481	—
Amortization of loss on cash flow hedge, net of related tax provisions of \$303, \$304, and \$438 in fiscal 2020, 2019 and 2018, respectively	831	847	696
Amortization of prior service cost and deferred gains/losses, net of related tax provisions of \$6,019, \$4,280, and \$9,592, in fiscal 2020, 2019 and 2018, respectively	16,537	11,756	15,228
Other comprehensive (loss) income, net of tax	(42,850)	(188,462)	252,367
Total comprehensive income	\$ 3,229,343	\$ 2,871,336	\$ 2,860,315

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THE TJX COMPANIES, INC.
CONSOLIDATED BALANCE SHEETS
IN THOUSANDS EXCEPT PER SHARE AMOUNTS

	Fiscal Year Ended	
	February 1, 2020	February 2, 2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,216,752	\$ 3,030,229
Accounts receivable, net	386,261	346,298
Merchandise inventories	4,872,592	4,579,033
Prepaid expenses and other current assets	415,017	513,662
Total current assets	8,890,622	8,469,222
Net property at cost	5,325,048	5,255,208
Non-current deferred income taxes, net	12,132	6,467
Operating lease right of use assets	9,060,332	—
Goodwill	95,546	97,552
Other assets	761,323	497,580
TOTAL ASSETS	\$ 24,145,003	\$ 14,326,029
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 2,672,557	\$ 2,644,143
Accrued expenses and other current liabilities	3,041,774	2,733,076
Current portion of operating lease liabilities	1,411,216	—
Federal, state and foreign income taxes payable	24,700	154,155
Total current liabilities	7,150,247	5,531,374
Other long-term liabilities	851,116	1,354,242
Non-current deferred income taxes, net	142,170	158,191
Long-term operating lease liabilities	7,816,633	—
Long-term debt	2,236,625	2,233,616
Commitments and contingencies (See Note N)		
SHAREHOLDERS' EQUITY		
Preferred stock, authorized 5,000,000 shares, par value \$1, no shares issued	—	—
Common stock, authorized 1,800,000,000 shares, par value \$1, issued and outstanding 1,199,099,768 and 1,217,182,508, respectively	1,199,100	1,217,183
Additional paid-in capital	—	—
Accumulated other comprehensive (loss) income	(673,171)	(630,321)
Retained earnings	5,422,283	4,461,744
Total shareholders' equity	5,948,212	5,048,606
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 24,145,003	\$ 14,326,029

The accompanying notes are an integral part of the financial statements.

THE TJX COMPANIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
IN THOUSANDS

	Fiscal Year Ended		
	February 1, 2020	February 2, 2019	February 3, 2018
			(53 weeks)
Cash flows from operating activities:			
Net income	\$ 3,272,193	\$ 3,059,798	\$ 2,607,948
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	867,303	819,655	725,957
Loss on property disposals and impairment charges	16,054	17,653	8,871
Deferred income tax (benefit)	(6,233)	(88,594)	(137,440)
Share-based compensation	124,957	103,557	101,362
Impairment of goodwill and long-lived assets, related to Sierra	—	—	99,250
Pension settlement charge	—	36,122	—
Changes in assets and liabilities:			
(Increase) in accounts receivable	(42,998)	(23,532)	(62,358)
(Increase) in merchandise inventories	(296,541)	(465,429)	(450,377)
(Increase) decrease in prepaid expenses and other current assets	(51,261)	236,342	(317,850)
Increase in accounts payable	29,338	198,212	205,111
Increase in accrued expenses and other liabilities	345,745	169,418	334,522
(Decrease) increase in income taxes payable	(128,342)	40,965	(94,492)
Other, net	(63,675)	(15,708)	5,120
Net cash provided by operating activities	4,066,540	4,088,459	3,025,624
Cash flows from investing activities:			
Property additions	(1,223,116)	(1,125,139)	(1,057,617)
Investment in Familia	(230,156)	—	—
Purchases of investments	(28,838)	(161,625)	(861,256)
Sales and maturities of investments	12,720	636,560	906,137
Other	7,419	26,652	—
Net cash (used in) investing activities	(1,461,971)	(623,552)	(1,012,736)
Cash flows from financing activities:			
Cash payments for repurchase of common stock	(1,551,992)	(2,406,997)	(1,644,581)
Proceeds from issuance of common stock	232,106	255,241	133,687
Cash payments of employee tax withholdings for performance based stock awards	(23,423)	(16,014)	(19,274)
Cash dividends paid	(1,071,562)	(922,596)	(764,040)
Other	—	(7,115)	(3,138)
Net cash (used in) financing activities	(2,414,871)	(3,097,481)	(2,297,346)
Effect of exchange rate changes on cash	(3,175)	(95,674)	113,086
Net increase (decrease) in cash and cash equivalents	186,523	271,752	(171,372)
Cash and cash equivalents at beginning of year	3,030,229	2,758,477	2,929,849
Cash and cash equivalents at end of year	\$ 3,216,752	\$ 3,030,229	\$ 2,758,477

The accompanying notes are an integral part of the financial statements.

THE TJX COMPANIES, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
IN THOUSANDS

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive(Loss) Income	Retained Earnings	Total
	Shares	Par Value \$1				
Balance, January 28, 2017	1,292,638	\$ 1,292,638	\$ —	\$ (694,226)	\$ 3,912,187	\$ 4,510,599
Net income	—	—	—	—	2,607,948	2,607,948
Other comprehensive income, net of tax	—	—	—	252,367	—	252,367
Cash dividends declared on common stock	—	—	—	—	(793,878)	(793,878)
Recognition of share-based compensation	—	—	101,362	—	—	101,362
Issuance of common stock under stock incentive plan and related tax effect	7,790	7,790	110,597	—	(3,895)	114,492
Common stock repurchased	(44,410)	(44,410)	(211,959)	—	(1,388,212)	(1,644,581)
Balance, February 3, 2018	1,256,018	1,256,018	—	(441,859)	4,334,150	5,148,309
Net income	—	—	—	—	3,059,798	3,059,798
Cumulative effect of accounting change	—	—	—	—	58,712	58,712
Other comprehensive (loss), net of tax	—	—	—	(188,462)	—	(188,462)
Cash dividends declared on common stock	—	—	—	—	(965,539)	(965,539)
Recognition of share-based compensation	—	—	103,557	—	—	103,557
Issuance of common stock under stock incentive plan and related tax effect	11,988	11,988	227,240	—	—	239,228
Common stock repurchased	(50,823)	(50,823)	(330,797)	—	(2,025,377)	(2,406,997)
Balance, February 2, 2019	1,217,183	1,217,183	—	(630,321)	4,461,744	5,048,606
Net income	—	—	—	—	3,272,193	3,272,193
Cumulative effect of accounting change (See Note A)	—	—	—	—	403	403
Other comprehensive (loss), net of tax	—	—	—	(42,850)	—	(42,850)
Cash dividends declared on common stock	—	—	—	—	(1,111,788)	(1,111,788)
Recognition of share-based compensation	—	—	124,957	—	—	124,957
Issuance of common stock under stock incentive plan and related tax effect	10,067	10,067	198,616	—	—	208,683
Common stock repurchased	(28,150)	(28,150)	(323,573)	—	(1,200,269)	(1,551,992)
Balance, February 1, 2020	1,199,100	\$ 1,199,100	\$ —	\$ (673,171)	\$ 5,422,283	\$ 5,948,212

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