

The TJX Companies, Inc.
CONSOLIDATED STATEMENTS OF INCOME

	Fiscal Year Ended		
	February 2 2019	February 3 2018	January 28 2017
Amounts in thousands except per share amounts			
	(53 weeks)		
Net sales	\$ 38,972,934	\$ 35,864,664	\$ 33,183,744
Cost of sales, including buying and occupancy costs	27,831,177	25,502,167	23,565,754
Selling, general and administrative expenses	6,923,564	6,375,071	5,768,467
Impairment of goodwill and other long-lived assets, related to Sierra	—	99,250	—
Loss on early extinguishment of debt	—	—	51,773
Pension settlement charge	36,122	—	31,173
Interest expense, net	8,860	31,588	43,534
Income before provision for income taxes	4,173,211	3,856,588	3,723,043
Provision for income taxes	1,113,413	1,248,640	1,424,809
Net income	\$ 3,059,798	\$ 2,607,948	\$ 2,298,234
Basic earnings per share:			
Net income	\$ 2.47	\$ 2.05	\$ 1.75
Weighted average common shares – basic	1,241,153	1,273,654	1,311,294
Diluted earnings per share:			
Net income	\$ 2.43	\$ 2.02	\$ 1.73
Weighted average common shares – diluted	1,259,252	1,292,209	1,328,864

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

The TJX Companies, Inc.
CONSOLIDATED BALANCE SHEETS

	Fiscal Year Ended	
	February 2, 2019	February 3, 2018
Amounts in thousands except share amounts		
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,030,229	\$ 2,758,477
Short-term investments	—	506,165
Accounts receivable, net	346,298	327,166
Merchandise inventories	4,579,033	4,187,243
Prepaid expenses and other current assets	513,662	706,676
Total current assets	8,469,222	8,485,727
Net property at cost	5,255,208	5,006,053
Non-current deferred income taxes, net	6,467	6,558
Goodwill	97,552	100,069
Other assets	497,580	459,608
TOTAL ASSETS	\$ 14,326,029	\$ 14,058,015
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 2,644,143	\$ 2,488,373
Accrued expenses and other current liabilities	2,733,076	2,522,961
Federal, state and foreign income taxes payable	154,155	114,203
Total current liabilities	5,531,374	5,125,537
Other long-term liabilities	1,354,242	1,320,505
Non-current deferred income taxes, net	158,191	233,057
Long-term debt	2,233,616	2,230,607
Commitments and contingencies (See Note L and 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 1,217,182,508 and 1,256,018,044, respectively	1,217,183	1,256,018
Additional paid-in capital	—	—
Accumulated other comprehensive (loss) income	(630,321)	(441,859)
Retained earnings	4,461,744	4,334,150
Total shareholders' equity	5,048,606	5,148,309
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 14,326,029	\$ 14,058,015

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 2, 2019	February 3, 2018	January 28, 2017
	(53 weeks)		
Cash flows from operating activities:			
Net income	\$ 3,059,798	\$ 2,607,948	\$ 2,298,234
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	819,655	725,957	658,796
Loss on property disposals and impairment charges	17,653	8,871	5,207
Deferred income tax (benefit)	(88,594)	(137,440)	(5,503)
Share-based compensation	103,557	101,362	102,251
Impairment of goodwill and long-lived assets, related to Sierra	—	99,250	—
Loss on early extinguishment of debt	—	—	51,773
Pension settlement charge	36,122	—	31,173
Excess tax benefits from share-based compensation	—	—	(70,999)
Changes in assets and liabilities:			
(Increase) in accounts receivable	(23,532)	(62,358)	(23,235)
(Increase) decrease in merchandise inventories	(465,429)	(450,377)	11,862
Decrease (increase) in prepaid expenses and other current assets	236,342	(317,850)	(9,600)
Increase in accounts payable	198,212	205,111	48,253
Increase in accrued expenses and other liabilities	169,418	334,522	389,399
Increase (decrease) in income taxes payable	40,965	(94,492)	146,766
Other	(15,708)	5,120	(7,518)
Net cash provided by operating activities	4,088,459	3,025,624	3,626,859
Cash flows from investing activities:			
Property additions	(1,125,139)	(1,057,617)	(1,024,747)
Purchases of investments	(161,625)	(861,256)	(716,953)
Sales and maturities of investments	636,560	906,137	529,146
Other	26,652	—	(2,324)
Net cash (used in) investing activities	(623,552)	(1,012,736)	(1,214,878)
Cash flows from financing activities:			
Proceeds from issuance of long-term debt	—	—	992,540
Cash payments for extinguishment of debt	—	—	(425,584)
Cash payments for debt issuance expenses	—	—	(9,921)
Cash payments on build to suit leases	(7,115)	(3,138)	—
Cash payments for rate lock agreement	—	—	(3,150)
Cash payments for repurchase of common stock	(2,406,997)	(1,644,581)	(1,699,998)
Proceeds from issuance of common stock	255,241	133,687	164,190
Cash payments of employee tax withholdings for performance based stock awards	(16,014)	(19,274)	(24,965)
Excess tax benefits from share-based compensation	—	—	70,999
Cash dividends paid	(922,596)	(764,040)	(650,988)
Net cash (used in) financing activities	(3,097,481)	(2,297,346)	(1,586,877)
Effect of exchange rate changes on cash	(95,674)	113,086	9,272
Net increase (decrease) in cash and cash equivalents	271,752	(171,372)	834,376
Cash and cash equivalents at beginning of year	2,758,477	2,929,849	2,095,473
Cash and cash equivalents at end of year	\$ 3,030,229	\$ 2,758,477	\$ 2,929,849

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