



## **The TJX Companies, Inc. Raises View of Q3 and Full Year FY14 and Highlights Investor Event Focus: Increased Long-Term Store Growth Potential; Greater Margin Potential in Europe; and Confidence in Long-Term EPS Growth Model**

October 21, 2013

FRAMINGHAM, Mass.--(BUSINESS WIRE)--Oct. 21, 2013-- The TJX Companies, Inc. (NYSE:TJX), the leading off-price retailer of apparel and home fashions in the U.S. and worldwide, is raising its forecast for the current year's (Fiscal 2014) third quarter and full year results. In addition, the Company will focus its Investor Event tomorrow, October 22, 2013, on its increased long-term store growth potential and the Company's key strengths that underscore its confidence in these estimates. Ahead of the event, the Company also confirmed its long-term EPS growth model.

### **Company Raises View of Third Quarter and Full Year Fiscal 2014**

With strong sales and profit margins quarter-to-date, the Company is raising its third quarter Fiscal 2014 earnings per share and comparable store sales guidance. The Company now expects third quarter diluted earnings per share to be in the range of \$.84 to \$.85, compared with last year's \$.62 per share. This guidance now reflects an estimated \$.11 tax benefit, due to reversals of state and foreign tax reserves and allowances, that was not contemplated in the Company's previous guidance. Excluding the tax benefit, on an adjusted basis, this guidance would be \$.73 to \$.74, an 18% to 19% increase over the prior year. The Company now expects third quarter consolidated comparable store sales growth to be approximately 4% over last year's reported 7% increase.

The Company is also raising its full year earnings per share outlook to reflect its increased third quarter guidance. For the fiscal year ending February 1, 2014, the Company now expects diluted earnings per share of \$2.89 to \$2.93 versus \$2.55 in Fiscal 2013. On an adjusted basis, excluding the \$.11 tax benefit discussed above, this guidance would be \$2.78 to \$2.82. Excluding the approximately \$.08 benefit from the 53rd week in the Company's Fiscal 2013 calendar, this adjusted EPS guidance would represent a 13% to 14% increase over the prior year's adjusted EPS of \$2.47. This outlook continues to be based on estimated consolidated comparable store sales growth of 2% to 3%.

The Company is maintaining its fourth quarter earnings per share guidance of \$.77 to \$.80, compared to \$.82 last year, which also included the approximately \$.08 benefit from the extra week in Fiscal 2013.

### **Investor Event Focus**

#### **Company to Raise Long-Term Store Growth Potential in Current Markets**

The Company will raise its estimates for long-term store growth potential on a consolidated basis with its current chains, in its current markets. The most significant factor in this increase is that TJX now believes that its Marmaxx division (T.J. Maxx and Marshalls) can grow to substantially more stores in the U.S. than it had previously estimated. Marmaxx has seen successful growth in both major cities and rural areas over the last several years, which has given the Company the confidence to increase its growth estimates.

#### **Company Sees Greater Margin Potential for European Division**

The Company will discuss its view that it now sees TJX Europe (consisting of T.K. Maxx and HomeSense) as having the long-term potential to reach a 10%-plus segment profit margin. Previously, the Company had modeled its European division at a potential 8%-plus margin. TJX Europe has reported strong results for the past seven quarters, which has given the Company confidence in this division's increased ability to lever its infrastructure as it pursues its expansion opportunities.

#### **Continued Confidence in Long-Term Annual EPS Growth Model of 10%-13%**

The Company is also confirming its confidence in its ability to grow earnings per share annually by 10%-13% for each of the next three years. The underlying components of this plan remain as follows: The Company expects to grow its sales by 6%-7%, with approximately 2% growth coming from comparable store sales and 4%-5% from square footage growth. An additional 1%-2% is estimated to come from segment profit margin improvement and an additional 3%-4% is expected to come from the Company's share repurchase program.

### **About The TJX Companies, Inc.**

The TJX Companies, Inc. is the leading off-price retailer of apparel and home fashions in the U.S. and worldwide. As of August 3, 2013, the end of the Company's second quarter, the Company operates 1,052 T.J. Maxx, 914 Marshalls, 430 HomeGoods and 4 Sierra Trading Post stores as well as [SierraTradingPost.com](http://SierraTradingPost.com) in the United States; 226 Winners, 89 HomeSense, and 22 Marshalls stores in Canada; and 355 T.K. Maxx and 27 HomeSense stores in Europe. TJX's press releases and financial information are also available at [www.tjx.com](http://www.tjx.com).

### **Investor Event Webcast Information**

The Company will webcast the management presentations at its Investor Event on Tuesday, October 22, 2013, from approximately 1:30 p.m. to 3:15 p.m. ET that day. The management presentations will cover business operations, updates and future growth opportunities. A real-time webcast, which will be in listen-only mode, will be available to the public on both the homepage and Investor Information section of [www.tjx.com](http://www.tjx.com). The webcast also will be archived and available for replay soon after the event at [www.tjx.com](http://www.tjx.com).

### **Important Information at Website**

The Company routinely posts information that may be important to investors in the Investor Information section at [www.tjx.com](http://www.tjx.com). The Company encourages investors to consult that section of its website regularly.

## **Forward-looking Statement**

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: Various statements made in this release are forward-looking and involve a number of risks and uncertainties. All statements that address activities, events or developments that we intend, expect or believe may occur in the future are forward-looking statements. The following are some of the factors that could cause actual results to differ materially from the forward-looking statements: execution of buying strategy and inventory management; operational expansion and management of large size and scale; customer trends and preferences; market, banner, geographic and category expansion; marketing, advertising and promotional programs; competition; personnel recruitment and retention and costs of labor; global economic conditions and consumer spending; data security; information systems and new technology; seasonal influences; adverse or unseasonable weather; serious disruptions and catastrophic events; corporate and banner reputation; merchandise quality and safety; expanding international operations; merchandise importing; commodity pricing; fluctuations in currency exchange rates; fluctuations in quarterly operating results and market expectations; acquisitions, business investments and divestitures; compliance with laws, regulations and orders; changes in laws and regulations; outcomes of litigation, legal matters and proceedings; tax matters; real estate activities; cash flow and other factors that may be described in our filings with the Securities and Exchange Commission. We do not undertake to publicly update or revise our forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied in such statements will not be realized.



Source: The TJX Companies, Inc.

The TJX Companies, Inc.  
Sherry Lang or Debra McConnell  
Global Communications  
(508) 390-2323