SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

# FORM 10-K

/X/Annual Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

or

/ /Transition Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

| | |
|---|---|
| For the fiscal year ended<br>January 29, 2000 | Commission file number<br>1-4908 |

THE TJX COMPANIES, INC.
(Exact name of registrant as specified in its charter)

| | |
|---|---|
| Delaware<br>(State or other jurisdiction of<br>incorporation or organization) | 04-2207613<br>(IRS Employer<br>Identification No.) |
| 770 Cochituate Road<br>Framingham, Massachusetts<br>(Address of principal executive offices) | 01701<br>(Zip Code) |

Registrant's telephone number, including area code (508)390-1000

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Name of each exchange on which registered |
|---|---|
| Common Stock, par value $1.00 | New York Stock Exchange |

Securities registered pursuant to Section 12(g) of the Act:

NONE

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES [X] NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

The aggregate market value of the voting stock held by non-affiliates of the Registrant on March 31, 2000 was $6,597,191,950.

There were 297,454,573 shares of the Registrant's Common Stock, $1 par value, outstanding as of March 31, 2000.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Annual Report to Stockholders for the fiscal year ended January 29, 2000 (certain parts as indicated herein) (Parts I and II).

Portions of the Proxy Statement for the Annual Meeting of Stockholders to be held on June 6, 2000 (Part III).

ITEM 1. BUSINESS

The TJX Companies, Inc. (TJX) is the largest off-price retailer of apparel and home fashions in the United States and worldwide. We operate 632 T.J. Maxx stores, 505 Marshalls stores and 100 Winners Apparel Ltd. stores, a Canadian off-price family apparel and home fashions chain. We also operate HomeGoods, a U.S. off-price home fashions chain with 51 stores, and T.K. Maxx, an off-price family apparel and home fashions chain in the United Kingdom, the Republic of Ireland and the Netherlands, which has 54 stores. In addition, A.J. Wright, a new United States chain of off-price family apparel and home fashions stores begun in 1998 and targeted to moderate income customers, operates 15 stores. During the fiscal year ended January 29, 2000, we derived 32.0% of our sales from the Northeast, 17.3% from the Midwest, 28.0% from the South, 1.1% from the Central States, 12.9% from the West, 5.3% from Canada and 3.4% from Europe (primarily the United Kingdom).

TJX has positioned itself as a synergistic group of off-price businesses and has expanded its off-price concept to new geographic areas, new product lines and new demographic markets. Key synergistic strengths include our expertise in off-price buying and inventory management techniques, substantial buying power and off-price technological systems. Our mission is to deliver an exciting and fresh assortment of merchandise at excellent values to our customers every day. We define value as the combination of quality, fashion and price. With close to 250 buyers worldwide and over 7,800 vendors, we believe we are well positioned to accomplish this goal.

All of TJX's chains employ opportunistic buying strategies to purchase large quantities of merchandise at significant discounts from initial wholesale prices. These strategies include special situation purchases and close-outs of current season fashions. We also rely heavily on sophisticated inventory controls that permit a virtually continuous flow of merchandise into our stores. Highly automated storage and distribution systems track, allocate and deliver an average of 12,000 items per week to each T.J. Maxx and Marshalls store. In addition, computerized warehouse storage, handling and shipping systems permit a continuous evaluation and replenishment of store inventory. Pricing, markdown decisions and store inventory replenishment requirements are determined centrally, using satellite-transmitted information provided by point-of-sale computer terminals. This process is designed to sell substantially all merchandise within targeted selling periods.

Unless otherwise indicated, all store information is as of January 29, 2000. All references to store square footage are to gross square feet. Fiscal 2000 means the fiscal year ending January 29, 2000. Fiscal 2001 means the fiscal year ending January 27, 2001. In common with the business of apparel retailers generally, TJX's business is subject to seasonal influences, with higher levels of sales and income generally realized in the second half of the year.

Set forth below are the locations of stores operated by the Company as of January 29, 2000:

| | T.J. Maxx | Marshalls | HomeGoods | A.J.Wright |
|---|---|---|---|---|
| Alabama | 10 | 3 | - | - |
| Arizona | 8 | 4 | - | - |
| Arkansas | 5 | - | - | - |
| California | 47 | 70 | 2 | - |
| Colorado | 8 | 4 | - | - |
| Connecticut | 24 | 19 | 4 | 1 |
| Delaware | 3 | 3 | - | - |
| District of Columbia | 1 | - | - | - |
| Florida | 46 | 42 | 5 | - |
| Georgia | 25 | 20 | 1 | - |
| Idaho | 1 | - | - | - |
| Illinois | 33 | 36 | 4 | - |
| Indiana | 9 | 4 | - | - |
| Iowa | 4 | 1 | - | - |
| Kansas | 4 | 3 | - | - |
| Kentucky | 9 | 2 | 1 | - |
| Louisiana | 5 | 5 | - | - |
| Maine | 5 | 1 | 1 | - |
| Maryland | 8 | 14 | - | 2 |
| Massachusetts | 43 | 38 | 11 | 5 |
| Michigan | 30 | 8 | - | 2 |
| Minnesota | 12 | 10 | 1 | - |
| Mississippi | 5 | - | - | - |
| Missouri | 6 | 7 | - | - |
| Montana | 1 | - | - | - |
| Nebraska | 2 | 1 | - | - |
| Nevada | 4 | 3 | - | - |
| New Hampshire | 10 | 7 | 3 | - |
| New Jersey | 16 | 31 | 2 | - |
| New Mexico | 1 | - | - | - |
| New York | 41 | 38 | 3 | - |
| North Carolina | 20 | 14 | 1 | - |
| North Dakota | 3 | - | - | - |
| Ohio | 35 | 9 | 4 | - |
| Oklahoma | 3 | 1 | - | - |
| Oregon | 5 | 3 | - | - |
| Pennsylvania | 30 | 18 | 3 | - |
| Puerto Rico | - | 13 | - | - |
| Rhode Island | 5 | 3 | 1 | 2 |
| South Carolina | 10 | 5 | - | - |
| South Dakota | 1 | - | - | - |
| Tennessee | 16 | 7 | - | - |
| Texas | 27 | 29 | - | - |
| Utah | 5 | - | - | - |
| Vermont | 2 | - | - | - |
| Virginia | 24 | 20 | 1 | 3 |
| Washington | 8 | 4 | - | - |
| West Virginia | 1 | - | - | - |
| Wisconsin | 11 | 5 | 3 | - |
| Total Stores | 632 | 505 | 51 | 15 |

Winners Apparel Ltd. operates 100 stores in Canada: 14 in Alberta, 4 in Manitoba, 51 in Ontario, 14 in Quebec, 2 in Nova Scotia, 2 in Saskatchewan, 9 in British Columbia, 2 in New Brunswick, 1 in Newfoundland and 1 in Prince Edward Island.

T.K. Maxx operates 49 stores in the United Kingdom, 2 stores in the Republic of Ireland, and 3 in the Netherlands. The HomeGoods store locations include the HomeGoods portion of a T.J. Maxx 'N More and a Marshalls Mega-Store.

## T.J. MAXX AND MARSHALLS

T.J. Maxx was founded in 1976 and is today the largest off-price retailer in the United States. We acquired Marshalls in 1995, which is the second largest off-price retailer in the United States. TJX has successfully retained the separate identities of the T.J. Maxx and Marshalls stores through merchandising, product assortment, marketing and store appearance. This has allowed us to give our customers reasons to shop at both chains.

T.J. Maxx sells brand name family apparel, accessories, giftware, domestics, women's shoes and fine jewelry at prices generally 20%-60% below department and specialty store regular prices. T.J. Maxx's target customers are typically women who have families with middle to upper-middle incomes and who generally fit the profile of a department store shopper. Marshalls' merchandise and target customers are similar to those of T.J. Maxx. However, Marshalls also offers its customers a full-line shoe department and a larger men's department than T.J. Maxx.

TJX has successfully integrated many administrative and operational functions of T.J. Maxx and Marshalls. These chains operate with a common buying and merchandising organization and have consolidated administrative functions, including finance, real estate, human resources and systems. The combined organization, known as The Marmaxx Group, offers us increased leverage to purchase merchandise at favorable prices and allows us to operate with a low cost structure. This is key to T.J. Maxx's and Marshalls' ability to sell quality, brand-name merchandise at substantial discounts.

T.J. Maxx and Marshalls stores are generally located in suburban community shopping centers. T.J. Maxx stores average approximately 29,000 square feet. Marshalls stores average approximately 31,000 square feet. Marmaxx currently expects to add approximately 60 stores in fiscal 2001.

## WINNERS APPAREL LTD.

TJX acquired Winners as a five store chain in 1990 and has grown this business into the leading off-price retailer in Canada. Winners stores average approximately 27,000 square feet and emphasize off-price designer and brand name women's apparel and shoes, lingerie, accessories, domestics, giftware, menswear and children's clothing. Winners expects to add approximately 12 stores in fiscal 2001. Ultimately, we see Canada supporting approximately 160 Winners stores. Winners also intends to enter the home fashions market and currently plans to open its first "home" stores in fiscal 2002.

## HOMEGOODS

TJX opened HomeGoods in 1992, which expanded its presence in the home fashions market. HomeGoods offers a broad array of giftware, accent furniture, lamps, rugs, accessories and seasonal merchandise for the home. In the last two years, HomeGoods has increased the proportion of its home decor items. HomeGoods operates in two formats: stand-alone stores and a superstore format in which we combine HomeGoods and a T.J. Maxx or Marshalls store. The combination stores are called T.J. Maxx 'N More or Marshalls Mega-Stores. Stand-alone HomeGoods stores average approximately 32,000 square feet. In superstores, which average approximately 53,000 square feet, we dedicate approximately 22,000 square feet to HomeGoods. The 51 stores open at year-end include 24 stand-alone stores and 27 superstores. In fiscal 2001, we anticipate adding a total of approximately 30 HomeGoods stores and superstores. We believe that the U.S. market could support about 500 free standing HomeGoods stores and 150 superstores. Thus, we believe this home-oriented, off-price concept offers us a great growth vehicle.

## T.K. MAXX

TJX introduced the off-price concept to the United Kingdom in 1994 with T.K. Maxx stores. T.K. Maxx utilizes the same off-price strategies employed by T.J. Maxx, Marshalls and Winners. The average size of a T.K. Maxx store is approximately 25,000 square feet. T.K. Maxx opened 15 stores this year to end fiscal 2000 with 54 stores including 49 stores in the U.K., 2 in Ireland and 3 in the Netherlands. We currently expect to grow T.K. Maxx by approximately 22 stores in fiscal 2001. We see an ultimate store base of 250 in the U.K. and Ireland. Long term, we believe that the European continent offers us further growth potential and thus T.K. Maxx could be a 500 plus store chain.

## A.J. WRIGHT

A.J. Wright offers TJX the ability to bring the off-price concept to a new demographic customer, the moderate income shopper. This business was launched in 1998 in New England and has expanded into the Tidewater, Virginia market as well as Detroit and Baltimore. A.J. Wright stores average approximately 27,000 square feet in size and, like our other businesses, are located in community shopping centers. We currently expect to open approximately 10 A.J. Wright stores in fiscal 2001. We believe this developing business offers TJX long-term growth opportunities throughout the U.S.

## EMPLOYEES

At January 29, 2000, TJX had approximately 67,000 employees, many of whom work less than 40 hours per week. In addition, temporary employees are hired during the peak back-to-school and holiday seasons. The Company has collective bargaining agreements with the Union of Needletrades Industrial and Textile Employees ("UNITE"), covering approximately 5,300 employees in its distribution facilities in Worcester, Mansfield, and Woburn, Massachusetts; Evansville, Indiana; Las Vegas, Nevada; Charlotte, North Carolina; Decatur, Georgia; and Bridgewater, Virginia. Negotiations are currently being conducted with UNITE for a new agreement covering Decatur bargaining unit workers. TJX considers its labor/management relations and overall employee relations to be good.

## COMPETITION

The retail apparel business is highly competitive. TJX generally competes for customers with a variety of conventional and discount retail stores, including national, regional and local independent department and specialty stores, as well as with catalog operations, factory outlet stores and other off-price stores. Competitive factors important to TJX's customers include fashion, value, merchandise selection, brand name recognition and, to a lesser degree, store location. In addition, because TJX purchases much of its inventory opportunistically, TJX competes for merchandise with other national and regional off-price apparel and other discount outlets. Also, many of TJX's competitors handle identical or similar lines of merchandise and have comparable locations. TJX believes that the Marshalls acquisition has enhanced its competitiveness.

## CREDIT

TJX's stores operate primarily on a cash-and-carry basis. Each chain accepts credit sales through programs offered by banks and others.

## BUYING AND DISTRIBUTION

The T.J. Maxx and Marshalls chains are serviced by a single centralized buying organization, while each of the other chains has its own centralized buying organization. All of TJX's chains are serviced through their own distribution network. Each T.J. Maxx store is serviced by one of the chain's four distribution centers in Worcester, Massachusetts; Evansville, Indiana; Las Vegas, Nevada (shared with Marshalls); and Charlotte, North Carolina. Each Marshalls store is serviced by one of the chain's four distribution centers in Woburn, Massachusetts; Decatur, Georgia; the shared Las Vegas, Nevada facility, and Bridgewater, Virginia. Shipments are generally made at least twice a week by contract carrier to each T.J. Maxx and Marshalls store. Winners Apparel Ltd. stores are serviced from a distribution center in Brampton, Ontario, and HomeGoods stores are serviced from a distribution center in Mansfield, Massachusetts, and by the T.J. Maxx Evansville facility. A.J. Wright stores are serviced from a distribution facility in Framingham, Massachusetts, and T.K. Maxx stores are serviced from distribution centers in Milton Keynes and Wakefield, England. A.J. Wright is currently constructing a 300,000 square foot facility in Fall River, Massachusetts that is scheduled to be operational in mid-year 2000.

## SAFE HARBOR STATEMENTS UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Certain statements contained in this report are forward-looking and involve a number of risks and uncertainties. Among the factors that could cause actual results to differ materially are the following: general economic conditions and consumer demand and consumer preferences and weather patterns in the U.S., Canada and Europe; competitive factors, including continuing pressure from pricing and promotional activities of competitors; impact of excess retail capacity and the availability of desirable store locations on suitable terms; the availability, selection and purchasing of attractive merchandise on favorable terms; import risks, including potential disruptions and duties, tariffs and quotas on imported merchandise including economic and political problems in countries from which merchandise is imported; currency and exchange rate factors in TJX's foreign operations; risks in the development of new businesses and application of TJX's off-price strategies in foreign countries; acquisition and divestment activities; risks; and other factors that may be described in TJX's filings with the Securities and Exchange Commission. TJX does not undertake to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.

ITEM 2. PROPERTIES

TJX's chains lease virtually all of their store locations. Leases are generally for 10 years with options to extend for one or more 5 year periods. TJX has the right to terminate certain leases before the expiration date under certain circumstances and for a specified payment.

The approximate average size of a T.J. Maxx store is 29,000 square feet, Marshalls stores average approximately 31,000 square feet, Winners stores are approximately 27,000 square feet on average, T.K. Maxx stores average approximately 25,000 square feet and A.J. Wright stores average approximately 27,000 square feet. HomeGoods' stand-alone stores currently average approximately 32,000 square feet, and a HomeGoods portion of a superstore combination format with a T.J. Maxx or Marshalls averages approximately 22,000 square feet. TJX owns four T.J. Maxx distribution facilities - a 526,000 square foot facility in Worcester, Massachusetts; a 983,000 square foot facility in Evansville, Indiana; a 713,000 square foot facility in Las Vegas, Nevada (shared with Marshalls); and a 600,000 square foot facility in Charlotte, North Carolina. The Company owns a 791,000 square foot Marshalls distribution facility in Decatur, Georgia. In addition, Marshalls leases two distribution facilities - an 824,000 square foot facility in Woburn, Massachusetts and a 713,000 square foot facility in Bridgewater, Virginia. Winners leases a 506,000 square foot distribution center in Brampton, Ontario and 60,000 square feet of office space in Mississauga, Ontario. HomeGoods leases a 204,000 square foot distribution center in Mansfield, Massachusetts. T.K. Maxx in the United Kingdom leases a 150,000 square foot office and distribution facility in Milton Keynes, England, a 140,000 square foot office and distribution facility in Wakefield, England, and a 41,000 square foot office space in Watford, England. A.J. Wright leases 107,000 square feet of distribution space in Framingham, Massachusetts, and is currently constructing a 300,000 square foot facility in Fall River, Massachusetts that is scheduled to be operational in mid-year 2000. The Company's, T.J. Maxx's, Marshalls', HomeGoods' and A.J. Wright's executive and administrative offices are located in a 517,000 square foot office facility, which the Company leases in Framingham, Massachusetts along with an additional 288,000 square feet of office space in the Framingham area. The Company is currently expanding its 517,000 square foot facility with a 283,000 square foot addition that will ultimately replace portions of the additional 288,000 square feet leased in the Framingham area.

The table below indicates the approximate gross square footage of stores and distribution centers, by division, in operation as of January 29, 2000.

(Sq. Ft. in Thousands)

| | Stores | Distribution Centers | |
|---|---|---|---|
| | | Leased | Owned |
| T.J. Maxx | 18,524 | -- | 2,509 |
| Marshalls | 15,789 | 1,537 | 1,104 |
| Winners | 2,715 | 506 | -- |
| HomeGoods | 1,381 | 204 | -- |
| T.K. Maxx | 1,350 | 271 | -- |
| A.J. Wright | 406 | 107 | -- |
| Total | 40,165 | 2,625 | 3,613 |

ITEM 3. LEGAL PROCEEDINGS

There is no litigation pending against TJX or any of its subsidiaries which TJX believes is material.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There was no matter submitted to a vote of the Company's security holders during the fourth quarter of fiscal 2000.

ITEM 4A. EXECUTIVE OFFICERS OF THE REGISTRANT

The following persons are the executive officers of the Company as of the date hereof:

| Name | Age | Office and Employment During Last Five Years |
|---|---|---|
| Arnold Barron | 52 | Executive Vice President, Chief Operating Officer, The Marmaxx Group since 2000. Senior Vice President, Group Executive of the Company from 1996 to 1999. Senior Vice President, General Merchandise Manager of the T.J. Maxx Division from 1993 to 1996; Senior Vice President, Director of Stores, 1984 to 1993; various store operation positions with the Company, 1979 to 1984. |
| Bernard Cammarata | 60 | Chairman of the Board since June 1999 and Chief Executive Officer of the Company from 1989 to April 2000. President of the Company from 1989 to 1999 and Chairman of the Company's T.J. Maxx Division from 1986 to 1995 and of The Marmaxx Group from 1995 to April 2000. Executive Vice President of the Company from 1986 to 1989; President, Chief Executive Officer and a Director of the Company's former TJX subsidiary from 1987 to 1989 and President of the Company's T.J. Maxx Division from 1976 to 1986. |
| Donald G. Campbell | 48 | Executive Vice President - Finance since 1996 and Chief Financial Officer of the Company since 1989. Senior Vice President - Finance, from 1989 to 1996. Senior Financial Executive of the Company, 1988 to 1989; Senior Vice President - Finance and Administration, Zayre Stores Division, 1987 to 1988; Vice President and Corporate Controller of the Company, 1985 to 1987; various financial positions with the Company, 1973 to 1985. |

| Name | Age | Office and Employment During Last Five Years |
|---|---|---|
| Edmond English | 47 | Chief Executive Officer of the Company effective April, 2000 and President and Director of the Company since 1999. Chief Operating Officer from 1999 to April 2000, Senior Vice President and Group Executive from 1998 to 1999; Executive Vice President, Merchandising, Planning and Allocation of The Marmaxx Group from 1997 to 1998; Senior Vice President, Merchandising from 1995 to 1997; Vice President, Senior Merchandise Manager of the T.J. Maxx Division from 1991 to 1995; and has held various merchandising positions with the Company, from 1983 to 1991. |
| Richard Lesser | 65 | Executive Vice President of the Company since 1991, Chief Operating Officer of the Company from 1994 to 1999 and Director of the Company and President of The Marmaxx Group since 1995. Senior Vice President of the Company 1989 to 1991 and President of the T.J. Maxx Division from 1986 to 1994. Senior Executive Vice President - Merchandising and Distribution 1986. Executive Vice President - General Merchandise Manager 1984 to 1986; Senior Vice President - General Merchandise Manager 1981 to 1984. |
| Peter Maich | 52 | Executive Vice President, Group Executive of the Company since 2000. Executive Vice President, Merchandising, The Marmaxx Group from 1995 to 1999; President of the T.J. Maxx Division, 1994; various senior merchandising and operations positions at T.J. Maxx from 1985 to 1994. |
| Carol Meyrowitz | 45 | Executive Vice President, Merchandising, The Marmaxx Group since 2000 and Senior Vice President, Merchandising since 1999. Executive Vice President, Merchandising, Chadwick's of Boston, Ltd. from 1996 to 1999; Senior Vice President, Merchandising from 1991 to 1996 and Vice President, Merchandising from 1989 to 1991. Vice President, Division Merchandise Manager, Hit or Miss from 1987 to 1989. |

All officers hold office until the next annual meeting of the Board in June 2000 and until their successors are elected, or appointed, and qualified.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON STOCK AND RELATED SECURITY HOLDER MATTERS

The information required by this Item is incorporated herein by reference from page 44 of the Annual Report, under the caption "Price Range of Common Stock," and from inside the back cover of the Annual Report, under the caption "Shareholder Information."

ITEM 6. SELECTED FINANCIAL DATA

The information required by this Item is incorporated herein by reference from page 17 of the Annual Report, under the caption "Selected Financial Data."

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information required by this Item is incorporated herein by reference from pages 39 through 44 of the Annual Report, under the caption "Management's Discussion and Analysis of Results of Operations and Financial Condition."

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

TJX is exposed to foreign currency exchange rate risk on its investment in its Canadian (Winners) and European (T.K. Maxx) operations. As more fully described in Note D to the consolidated financial statements, we hedge a significant portion of our net investment and certain merchandise commitments in these operations with derivative financial instruments. TJX utilizes currency forward and swap contracts, designed to offset the gains or losses in the underlying exposures, most of which are recorded directly in shareholders' equity. The contracts are executed with creditworthy banks and are denominated in currencies of major industrial countries. TJX does not enter into derivatives for speculative trading purposes. We have performed a sensitivity analysis assuming a hypothetical 10% adverse movement in foreign exchange rates applied to the hedging contracts and the underlying exposures described above. As of January 29, 2000 the analysis indicated that such market movements would not have a material effect on our consolidated financial position, results of operations or cash flows.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this Item and not filed with this report as Financial Statement Schedules is incorporated herein by reference from pages 18 through 37 of the Annual Report, under the captions; "Consolidated Statements of Income," "Consolidated Balance Sheets," "Consolidated Statements of Cash Flows," "Consolidated Statements of Shareholders' Equity," "Selected Information by Major Business Segment" and "Notes to Consolidated Financial Statements."

ITEM 9. DISAGREEMENTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The Company will file with the Securities and Exchange Commission a definitive Proxy Statement no later than 120 days after the close of its fiscal year ended January 29, 2000 (the "Proxy Statement"). The information required by this Item and not given in Item 4A, Executive Officers of the Registrant, is incorporated by reference to the Proxy Statement. However, information under the captions "Executive Compensation Committee Report" and "Performance Graph" in the Proxy Statement is not so incorporated.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item is incorporated by reference to the Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by this Item is incorporated by reference to the Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by this Item is incorporated by reference to the Proxy Statement.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) FINANCIAL STATEMENT SCHEDULES

The Financial Statements filed as part of this report are listed and indexed at Page F-1.

(b) REPORTS ON FORM 8-K

The Company filed a Current Report on Form 8-K dated as of December 9, 1999, relating to a form of Underwriting Agreement in connection with the Company's public sale of $200 million of 7.45% notes.

ITEM 14. (c) EXHIBITS
(Cont.)

Listed below are all Exhibits filed as part of this report. Certain Exhibits are incorporated by reference to documents previously filed by the Registrant with the Securities and Exchange Commission pursuant to Rule 12b-32 under the Securities Exchange Act of 1934, as amended.

| EXHIBIT NO. | DESCRIPTION OF EXHIBIT |
|---|---|
| 3(i).1 | Fourth Restated Certificate of Incorporation is incorporated herein by reference to Exhibit 99.1 to the Form 8-A/A filed September 9, 1999. |
| 3(ii).1 | The by-laws of the Company, as amended, are incorporated herein by reference to Exhibit 99.2 to the Form 8-A/A filed September 9, 1999. |
| 4.1 | Credit Agreement dated as of September 18, 1997, together with Amendment and Waiver Number 1 dated as of December 17, 1997, among the financial institutions as lenders, The First National Bank of Chicago, Bank of America National Trust and Savings Association, The Bank of New York, BankBoston, N.A., certain parties as co-agents, and the Company is incorporated herein by reference to Exhibit 4.1 to the Form 10-K filed for the fiscal year ended January 31, 1998.<br><br>Each other instrument relates to securities the total amount of which does not exceed 10% of the total assets of the Company and its subsidiaries on a consolidated basis. The Company agrees to furnish to the Securities and Exchange Commission copies of each such instrument not otherwise filed herewith or incorporated herein by reference. |
| 10.2 | The Employment Agreement dated as of January 26, 1997 with Bernard Cammarata is incorporated herein by reference to Exhibit 10.2 to the Form 10-K filed for the fiscal year ended January 25, 1997. The Amendment dated as of January 26, 1998 and the Amendment dated as of April 8, 1998 to such Employment Agreement is incorporated herein by reference to Exhibit 10.2 to the Form 10-K filed for the fiscal year ended January 31, 1998. * |
| 10.3 | The Amended and Restated Employment Agreement dated as of January 31, 1998 with Richard Lesser is incorporated herein by reference to Exhibit 10.3 to the Form 10-K filed for the fiscal year ended January 31, 1998. * |
| 10.4 | The Amended and Restated Employment Agreement dated as of January 31, 1998 with Donald G. Campbell is incorporated herein by reference to Exhibit 10.4 to the Form 10-K filed for the fiscal year ended January 31, 1998. * |
| 10.5 | The Employment Agreement and the Change of Control Severance Agreement dated as of April 9, 1999 with Carol Meyrowitz are filed herewith. * |
| 10.6 | The TJX Companies, Inc. Management Incentive Plan, as amended, is incorporated herein by reference to Exhibit 10.2 to the Form 10-Q filed for the quarter ended July 26, 1997. * |

10.7 The 1982 Long Range Management Incentive Plan, as amended, is incorporated herein by reference to Exhibit 10(h) to the Form 10-K filed for the fiscal year ended January 29, 1994. *

10.8 The 1986 Stock Incentive Plan, as amended through September 9, 1999, is incorporated herein by reference to Exhibit 10.1 to the Form 10-Q filed for the second quarter ended July 31, 1999.*

10.9 The TJX Companies, Inc. Long Range Performance Incentive Plan, as amended, is incorporated herein by reference to Exhibit 10.3 to the Form 10-Q filed for the quarter ended July 26, 1997. *

10.10 The General Deferred Compensation Plan (1998 Restatement) and related First Amendment, effective January 1, 1999, are incorporated herein by reference to Exhibit 10.9 to the Form 10-K for the fiscal year ended January 30, 1999. The related Second Amendment, effective January 1, 2000, is filed herewith. *

10.11 The Supplemental Executive Retirement Plan, as amended, is incorporated herein by reference to Exhibit 10(l) to the Form 10-K filed for the fiscal year ended January 25, 1992. *

10.12 The Executive Savings Plan and related Amendments No. 1 and No. 2, effective as of October 1, 1998, is incorporated herein by reference to Exhibit 10.12 to the Form 10-K filed for the fiscal year ended January 30, 1999. *

10.13 The 1993 Stock Option Plan for Non-Employee Directors, as amended on April 13, 1999, is incorporated herein by reference to Exhibit 10.12 to the Form 10-K filed for the fiscal year ended January 30, 1999.*

10.14 The Deferred Stock Plan for Non-Employee Directors effective January 1, 1998 is incorporated herein by reference to Exhibit 10.2 to the Form 10-K filed for the fiscal year ended January 31, 1998. *

10.15 The Agreement and the Form of the related Split Dollar Agreements dated October 28, 1999 between the Company and Bernard Cammarata are incorporated herein by reference to Exhibit 10.1 to the Form 10-Q filed for the quarter ended October 31, 1999.*

10.16 The Agreement and the Form of the related Split Dollar Agreements dated February 29, 2000 between the Company and Richard Lesser are filed herewith.*

10.17 The form of Indemnification Agreement between the Company and each of its officers and directors is incorporated herein by reference to Exhibit 10(r) to the Form 10-K filed for the fiscal year ended January 27, 1990. *

10.18 The Trust Agreement dated as of April 8, 1988 between the Company and State Street Bank and Trust Company is incorporated herein by reference to Exhibit 10(y) to the Form 10-K filed for the fiscal year ended January 30, 1988. *

10.19 The Trust Agreement dated as of April 8, 1988 between the Company and Fleet Bank (formerly Shawmut Bank of Boston, N.A.) is incorporated herein by reference to Exhibit 10(z) to the Form 10-K filed for the fiscal year ended January 30, 1988. *

10.20 The TJX Rabbi Trust, dated as of April 9, 1997 between the Company and State Street Bank and Trust Company is incorporated herein by reference to Exhibit 10.17 to the Form 10-K filed for the fiscal year ended January 30, 1999. *

10.21 The Trust Agreement for Executive Savings Plan dated as of October 6, 1998 between the Company and Fleet Financial Bank is filed herewith.*

10.22 Stock Purchase Agreement dated as of October 14, 1995 between the Company and Melville Corporation is incorporated herein by reference to the Current Report on Form 8-K dated October 14, 1995. *

10.23 Amendment Number One dated as of November 17, 1995 to the Stock Purchase Agreement dated as of October 14, 1995 between the Company and Melville Corporation is incorporated herein by reference to the Current Report on Form 8-K dated November 17, 1995.

10.24 Asset Purchase Agreement dated as of October 18, 1996 between the Company and Brylane, L.P. is incorporated herein by reference to the Current Report on Form 8-K dated October 18, 1996.

10.25 The Distribution Agreement dated as of May 1, 1989 between the Company and HomeBase, Inc. (formerly Waban Inc.) is incorporated herein by reference to Exhibit 3 to the Company's Current Report on Form 8-K dated June 21, 1989. The First Amendment to Distribution Agreement dated as of April 18, 1997 between the Company and HomeBase, Inc. (formerly Waban Inc.) is incorporated herein by reference to Exhibit 10.22 to the Form 10-K filed for the fiscal year ended January 25, 1997.

10.26 The Indemnification Agreement dated as of April 18, 1997 by and between the Company and BJ's Wholesale Club, Inc. is incorporated herein by reference to Exhibit 10.23 to the Form 10-K filed for the fiscal year ended January 25, 1997.

13 ANNUAL REPORT TO SECURITY HOLDERS:

Portions of the Annual Report to Stockholders for the fiscal year ended January 29, 2000 are filed herewith.

21 SUBSIDIARIES:

A list of the Registrant's subsidiaries is filed herewith.

23 CONSENTS OF EXPERTS AND COUNSEL:

The Consent of PricewaterhouseCoopers LLP is contained on Page F-2 of the Financial Statements filed herewith.

24 POWER OF ATTORNEY:

The Power of Attorney given by the Directors and certain Executive Officers of the Company is filed herewith.

27 FINANCIAL DATA SCHEDULE:

The Financial Data Schedule is filed herewith.

* Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE TJX COMPANIES, INC.

Dated: April 28, 2000

/s/ DONALD G. CAMPBELL

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Donald G. Campbell
Executive Vice President - Finance

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

/s/ EDMOND ENGLISH
- ---------------------------------------------------
Edmond English, President
and Principal Executive Officer
and Director

/s/ DONALD G. CAMPBELL
- ---------------------------------------------------
Donald G. Campbell, Executive
Vice President - Finance,
Principal Financial and
Accounting Officer

BERNARD CAMMARATA*
- ---------------------------------------------------
Bernard Cammarata, Director

JOHN F. O'BRIEN*
- ---------------------------------------------------
John F. O'Brien, Director

DENNIS F. HIGHTOWER*
- ---------------------------------------------------
Dennis F. Hightower, Director

ROBERT F. SHAPIRO*
- ---------------------------------------------------
Robert F. Shapiro, Director

RICHARD LESSER*
- ---------------------------------------------------
Richard Lesser, Director

WILLOW B. SHIRE*
- ---------------------------------------------------
Willow B. Shire, Director

ARTHUR F. LOEWY*
- ---------------------------------------------------
Arthur F. Loewy, Director

FLETCHER H. WILEY*
- ---------------------------------------------------
Fletcher H. Wiley, Director

JOHN M. NELSON*
- ---------------------------------------------------
John M. Nelson, Director

- ---------------------------------------------------
Gary L. Crittenden, Director

* By /s/ DONALD G. CAMPBELL
- ---------------------------------------------------
Donald G. Campbell
as attorney-in-fact

Dated: April 28, 2000

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

THE TJX COMPANIES, INC.

FORM 10-K

ANNUAL REPORT

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

For the Fiscal Years Ended
January 29, 2000, January 30, 1999
and January 31, 1998

THE TJX COMPANIES, INC. AND SUBSIDIARIES

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

For Fiscal Years Ended January 29, 2000, January 30, 1999 and January 31, 1998



* Refers to page numbers in the Company's Annual Report to Stockholders for the fiscal year ended January 29, 2000, certain portions of which pages are incorporated by reference in Part II, Item 8 of this report as indicated.

## CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statement on Forms S-3 (Nos. 333-5501 and 33-60059) and on Forms S-8 (Nos. 333-63293, 333-23613, 33-49747, 33-12220 and 333-35073) of the TJX Companies, Inc. of our report dated February 29, 2000 relating to the financial statements, which appears in the Annual Report to Shareholders, which is incorporated in this Annual Report on Form 10-K.

Boston, Massachusetts
April 27, 2000

PricewaterhouseCoopers LLP

# EXHIBIT INDEX

| Exhibit No. | Description of Exhibit |
|---|---|
| 10.5 | The Employment Agreement and the Change of Control Severance Agreement dated as of April 9, 1999 with Carol Meyrowitz are filed herewith.* |
| 10.10 | The General Deferred Compensation Plan (1998 Restatement) and related First Amendment, effective January 1, 1999, are incorporated herein by reference to Exhibit 10.9 to the Form 10-K for the fiscal year ended January 30, 1999. The related Second Amendment, effective January 1, 2000, is filed herewith.* |
| 10.16 | The Agreement and the Form of the related Split Dollar Agreements dated February 29, 2000 between the Company and Richard Lesser are filed herewith.* |
| 10.21 | The Trust Agreement for Executive Savings Plan dated as of October 6, 1998 between the Company and Fleet Financial Bank is filed herewith.* |
| 13 | Portions of the Annual Report to Stockholders for the fiscal year ended January 29, 2000 are filed herewith. |
| 21 | A list of the Registrant's subsidiaries is filed herewith. |
| 23 | The Consent of PricewaterhouseCoopers LLP is contained on Page F-2 of the Financial Statements filed herewith. |
| 24 | The Power of Attorney given by the Directors and certain Executive Officers of the Company is filed herewith. |
| 27 | The Financial Data Schedule is filed herewith. |

* Management contract or compensatory plan or arrangement.

EXHIBIT 10.5

# EMPLOYMENT AGREEMENT

AGREEMENT dated as of April 9, 1999 between Carol Meyrowitz, whose address is 8 Sylvan Avenue, West Newton, Massachusetts 02465, ("Executive") and The TJX Companies, Inc., a Delaware corporation, whose principal office is in Framingham, Massachusetts ("Company").

WHEREAS, The Company desires that Executive serve as Senior Vice President, Merchandising of the Marmaxx Division of The TJX Companies, Inc.

NOW THEREFORE, the parties hereto, in consideration of the mutual agreements hereinafter contained, agree as follows:

1. EMPLOYMENT. The Company will employ Executive and Executive will be an employee of the Company under the terms and conditions hereinafter set forth. This Agreement supersedes and replaces any prior employment agreement between Executive and the Company or any of its subsidiaries or divisions.

2. TERM. Executive's employment hereunder shall commence upon the commencement of her performance of her duties hereunder, which shall be on a mutually agreeable date not later than September 15, 1999 (the "Start Date"), and shall continue until the third anniversary of the Start Date (the "Original Term") and thereafter until terminated by either Executive or the Company, subject to earlier termination as provided herein (such period of employment hereinafter called the "Employment Period").

3. DUTIES. Executive shall diligently perform the duties and exercise the responsibilities of Senior Vice President, Merchandising of the Company's Marmaxx Division and such additional executive duties and responsibilities as shall from time to time be assigned to her by the Board of Directors or by the Executive Vice President, Merchandising of the Marmaxx Division. Unless the Employment Period shall have earlier terminated, Executive will be promoted to Executive Vice President, Merchandising of the Marmaxx Division, reporting to the President of the Division, no later than 8-12 months after the Start Date.

4. EXTENT OF SERVICES. Except for illnesses and vacation periods, Executive shall devote all her working time and attention and her best efforts to the performance of her duties and responsibilities under this Employment Agreement; PROVIDED, HOWEVER, that nothing herein contained shall be deemed to prevent or limit the right of Executive (a) to make any passive

investments where Executive is not obligated or required to, and shall not in fact, devote any managerial efforts or (b) to participate in charitable or community activities or in trade or professional organizations except only that the President of the Company shall have the right to limit such participation if the President believes that the time spent on such activities infringes upon the time required by Executive for the performance of her duties under this Agreement or is otherwise incompatible with those duties.

5. COMPENSATION AND BENEFITS.

(a) Base Salary. During the Employment Period, Executive shall receive a base salary at the rate of $500,000 per year, rising to $525,000 in June, 2000 and to $555,000 in June 2001, or such higher amount as the Company may determine from time to time. Base salary shall be payable in such manner and at such times as the Company shall pay base salary to other executive employees.

(b) Signing Bonus. Executive shall be entitled to receive a $200,000 signing bonus 60 days after the Start Date.

(c) MIP. During the Employment Period, Executive shall be eligible to receive annual awards under the Company's Management Incentive Plan ("MIP"). To the extent provided in Section 162(m) of the Code, the goals, scope and conditions of any award shall be established annually by the Executive Compensation Committee ("Committee"). Subject to the foregoing, Executive shall be entitled to earn up to a specified percentage (initially 40%) of her Base Salary actually earned during each fiscal year if the target established by the Committee for the Marmaxx Division is met and up to a specified percentage (initially 80%) of such salary if such target is exceeded by a specified amount.

Although Executive will start her employment after the current MIP year has commenced, Executive will be entitled to receive payments under the MIP goals as if she were participating in the current years MIP, subject to the following:

- For the current MIP year, Executive will be guaranteed a minimum payment of $200,000.00 and will participate (pro rated for her period of employment during such year) on the basis of the Marmaxx Division's performance for the entire fiscal year.

(d) LRPIP. During the Employment Period, Executive will be entitled to participate in the Company's Long Range Performance Incentive Plan ("LRPIP") at a level commensurate with her position in the Company. To the extent provided in Section 162(m) of the Code, the terms of such awards shall be established by the Committee. Subject to the foregoing, Executive shall be entitled to earn 100% of her target award (initially $225,000) for a complete three year cycle if the target established by the

Committee is met by the Marmaxx Division and up to 150% of her target award (initially $337,500) if the target is exceeded by a specified amount.

Although Executive will start her employment after the three year cycles ending in January, 2000, 2001 and 2002 have commenced, Executive will be entitled to receive payments with respect to each of such cycles as if she were participating in such cycles, subject to the following:

- For the three year cycle ending in January, 2000, Executive will receive a fixed $75,000.00 payment contingent on her being employed by the Company at the end of fiscal 2000.

- For the three year cycle ending in January, 2001, Executive can earn $150,000.00 if the 3 year target performance goals are met and a maximum of $225,000.00 if such goals are exceeded by a specified amount.

- For the three year cycle ending in January 2002, Executive can earn up to $225,000.00 if target performance goals are met and up to 150% of target or $337,500.00) if such goals are exceeded by a specified amount.

(e) Stock Options. At the earlier of the first meeting of the Committee following the Start Date or the September, 1999 meeting of the Committee, Executive will be granted a non qualified stock option for 50,000 shares of common stock pursuant to the Company's 1986 Stock Incentive Plan, as amended (the "Plan"). The exercise price of the shares will be the closing price of the stock on the later of the Start Date and the applicable Committee meeting date, such date constituting the grant date for purposes of the Plan. The option will expire ten years from the grant date and will be exercisable cumulatively at the rate of 33 1/3% each year on the anniversary of the grant date. The options will otherwise have the terms provided for in the Plan or as set forth in the form of grant award previously furnished to Executive.

(f) SERP. Except as provided in [Exhibit C] ("Change of Control Benefits"), Executive will be entitled to the greater of Category B or C benefits determined and made payable in accordance with the generally applicable provisions of the Company's Supplemental Executive Retirement Plan ("SERP"), including vesting requirements. Executive will receive service credit for her period of prior employment with the Company and its subsidiaries.

(g) Restricted Stock. At the earlier of the first meeting of the Committee to be held following the Start Date or the September, 1999 meeting of the Committee, Executive will be granted, effective as of the later of the Start Date or the applicable Committee meeting date, an award of shares of Restricted Stock under the Plan equal to the number derived by dividing $1.5 million by the closing price of the Company's common stock on the effective date. The shares will vest as follows:

- No vesting until completion of three years of service from the Start Date, at which time 75% of the shares will vest, except that such 75% shall automatically vest upon any (i) termination of employment hereunder by the Company other than for cause, disability or incapacity, other than any termination of employment hereunder by reason of death or(ii) termination by Executive within 30 days of the relocation of her principal place of employment more than 50 miles from her present residence ("Relocation Termination"). In the event of termination of employment by reason of death, disability or incapacity, Executive shall vest in such shares on a pro rata basis according to the length of the Employment Period in relation to the three year period commencing on the Start Date.

- The final 25% of the shares will vest upon completion of four years of service from the Start Date.

- In the event that the Employment Period is not renewed by reason of the Company choosing not to so renew, and the Employment Period is not terminated for any reason by the Company or Executive prior to the last day of the Original Term, the final 25% of the shares will automatically vest on such date.

  The shares of Restricted Stock will otherwise have the terms provided for in the Plan or as set forth in the form of certificate for Restricted Stock previously furnished to Executive.

(h) FlexPlus. Executive will be eligible to participate in the Company's FlexPlus Plan which covers medical, dental, life insurance and disability program. Upon the Start Date, Executive will be provided with Management Life Insurance in the amount of $975,000.00, plus FlexPlus basic life insurance for an additional $100,000.00 under a Company group policy. In addition, Executive may elect Optional Life coverage up to an additional $300,000.00. Executive will also be eligible for the Company's alternative Split Dollar Life Insurance Program instead of FlexPlus Management Life Insurance.

(i) Qualified Plans. Executive shall be entitled during the Employment Period to participate in the Company's tax-qualified retirement plan and 401(k) plan and its General

Deferred Compensation Plan and Executive Savings Plan in accordance with the terms of those plans.

(j) Policies and Fringe Benefits. Executive shall be subject to Company policies applicable to its Executives generally and Executive shall be entitled to receive all such fringe benefits as the Company shall from time to time make available to other executives generally (subject to the terms of any applicable fringe benefit plan).

6. TERMINATION OF EMPLOYMENT; IN GENERAL.

(a) The Company shall have the right to end Executive's employment at any time and for any reason, with or without cause. Cause shall consist of dishonesty relating to or arising from Executive's employment hereunder or the affairs of the Company, conviction of a felony, gross neglect of duties (other than as a result of disability or death), or conflict of interest which conflict continues for 30 days after the Company gives written notice to Executive requesting the cessation of such conflict.

(b) The Employment Period shall terminate should the Executive become entitled to receive long-term disability compensation pursuant to the Company's long-term disability plan ("disability"). In addition, if by reason of any disability (other than a disability as defined) or other impairment of health that renders her unable to perform her duties to the satisfaction of the Committee, Executive is unable to perform her duties for at least six months in any twelve month period ("incapacity"), upon written notice by the Company to Executive, the Employment Period will be terminated for incapacity.

(c) Whenever the Employment Period shall terminate, Executive shall resign all office or other positions she shall hold with the Company and any subsidiaries or divisions of the Company.

7. BENEFITS UPON TERMINATION OF EMPLOYMENT.

(a) Termination on or Prior to the last day of the Original Term by The Company Other Than For Cause, Disability or Incapacity or by Executive for a Relocation Termination. If the Employment Period shall have been terminated on or prior to the last day of the Original Term by the Company for any reason other than cause, disability or incapacity, or by Executive for a Relocation Termination, no compensation or other benefits shall be payable to or accrue to Executive hereunder except as follows:

(i) For the longer of twelve months after such termination or until the last day of the Original Term, the Company will continue to pay to Executive her base salary at the rate in effect at termination of employment. Base salary shall be paid for the first twelve months of the period without reduction for compensation earned from other employment or self-employment, and shall thereafter be reduced by such compensation.

(ii) Until the expiration of the period of base salary payments described in (i) immediately above or until Executive shall commence other employment or self-employment, whichever shall first occur, the Company will provide such medical and dental insurance (but not long-term disability insurance or life insurance) for Executive and her family, comparable to the insurance provided for executives generally, as the Company shall reasonably determine in good faith, and upon the same terms and conditions as shall be provided for the Company executives generally.

(iii) Executive shall not be entitled to any MIP payment but shall be entitled to payment, if any, in the nature of severance equal to the payment she would have earned under MIP if her employment had continued until the end of the fiscal year (pro-rated for the period of active employment during such year).

Executive shall also be entitled to payments or benefits under other grants hereunder (including (i) payment of the signing bonus referred to in Section 5(b) and (ii)the automatic vesting of the shares of Restricted Stock referred to in the first bullet under Section 5(g)) and under other Company plans to the extent, if any, therein provided in the circumstances.

(b) Termination after the last day of the Original Term by The Company Other Than For Cause, Disability or Incapacity or by Executive for a Relocation Termination. If the Employment Period shall have been terminated after the last day of the Original Term (i) by the Company for any reason other than cause, disability or incapacity, or (ii) by Executive for a Relocation Termination, no compensation or other benefits shall be payable to or accrue to Executive hereunder except as follows:

(i) The Company will continue to pay to Executive her then base salary for a period of twelve months from the date of termination, which base salary shall be reduced after six months for compensation earned from other employment or self-employment.

(ii) Until the expiration of the period of base salary payments described in (i) immediately above or until Executive shall commence other employment or self-employment, whichever shall first occur, the Company will provide such medical and dental insurance (but not long-term disability insurance or life insurance) for Executive and her family, comparable to the insurance provided for executives generally, as the Company shall reasonably determine in good faith, and upon the same terms and conditions as shall be provided for the Company executives generally.

(iii) Executive shall not be entitled to any MIP payment but shall be entitled to payment, if any, in the nature of severance equal to the payment she would have earned under MIP if her employment had continued until the end of the fiscal year (pro-rated for the period of active employment during such year).

Executive shall also be entitled to payments or benefits under other grants hereunder and under other Company plans to the extent provided therein in the circumstances.

(c) Termination for Death, Disability or Incapacity. If the Employment Period shall terminate at any time by reason of death, disability or incapacity, no compensation or other benefits shall be payable to or accrue to Executive hereunder except as follows:

Executive shall not be entitled to any MIP payment but shall be entitled to payment, if any, in the nature of severance equal to the payment she would have earned under MIP if her employment had continued until the end of the fiscal year (pro-rated for the period of active employment during such year).

Executive shall also be entitled to payments or benefits under other grants hereunder and under other Company plans, including any long-term disability plan, to the extent therein provided in the circumstances.

(d) Voluntary Termination; Termination for Cause; Violation of Certain Covenants. If Executive should end her employment voluntarily (other than for a Relocation Termination) or if the Company should end Executive's employment for cause, or if Executive should violate the protected persons or noncompetition provisions of Section 8, all compensation and benefits otherwise payable pursuant to this Agreement shall cease. Executive shall be entitled to (i) payment of accrued but unpaid Base Salary and other fully accrued but unpaid benefits to the extent not inconsistent with the provisions of any applicable plan and (ii) such rights, if any, as shall be applicable in the circumstances under the terms of any grant hereunder or any Company plan. The Company does not waive any rights it may have for damages or for injunctive relief and, in addition to any arbitration rights under Section 16, may pursue any claim for injunctive relief in any court of competent jurisdiction.

(e) Employment Period Not Extended. If the Company determines not to extend the Employment Period beyond the Original Term or any extension thereof, or offers to extend the Employment Period on terms less favorable to Executive than those set forth herein, and Executive declines, it shall be deemed a termination of the Employment Period by the Company pursuant to

(a) above. If Executive should choose not to continue her employment beyond the Original Term or any extension of the Employment Period, other than in response to an offer by the Company to extend the Employment Period on terms less favorable to Executive than those set forth herein, it shall be deemed a voluntary termination by Executive and the provisions of (d) above shall apply.

8. AGREEMENT NOT TO SOLICIT OR COMPETE.

(a) Upon the termination of the Employment Period at any time for any reason, Executive shall not during the Prohibited Period under any circumstances employ, solicit the employment of, or accept unsolicited the services of, any "protected person" or recommend the employment of any "protected person" to any other business organization in which Executive has any direct or indirect interest (other than a less-than-one percent equity interest in an entity), with which Executive is affiliated or for which Executive renders any services. "Prohibited Period" shall mean a period coterminous with the period of base salary continuation (without regard to reduction for income from other employment or self-employment) which is applicable or which would have been applicable had the termination been pursuant to Section 7(a), in the case of termination on or prior to the last day of the Original Term, or 7(b), in the case of termination after the last day of the Original Term. A "protected person" shall be a person known by Executive to be employed by the Company or its subsidiaries at or within six months prior to the commencement of conversations with such person with respect to employment.

As to (i) each "protected person" to whom the foregoing applies, (ii) each subcategory of "protected person" as defined above, (iii) each limitation on (A) employment of, (B) solicitation of, and (C) unsolicited acceptance of services from, each "protected person" and (iv) each month of the period during which the provisions of this subsection (a) apply to each of the foregoing, the provisions set forth in this subsection (a) are deemed to be separate and independent agreements and in the event of unenforceability of any such agreement, such unenforceable agreement shall be deemed automatically deleted from the provisions hereof and such deletion shall not affect the enforceability of any other provision of this subsection (a) or any other term of this Agreement.

(b) During the course of her employment, Executive will have learned many trade secrets of the Company and will have access to confidential information and business plans of the Company. Therefore, if Executive should end her employment voluntarily at any time, including by reason of retirement or disability, or if the Company should end Executive's employment at any time for cause, then during the Prohibited Period, Executive will not engage, either as a principal, employee, partner, consultant or investor (other than a less-than-one percent equity interest in an entity), in a business which is a competitor of the Company. A business shall be deemed a competitor of the Company only if it shall then be so regarded by retailers generally or if it shall operate a promotional off-price family apparel store (such as T.J. Maxx, Marshalls, A.J. Wright or an off price home fashion store such as Home Goods) within ten miles of any "then existing" T.J. Maxx, Marshalls, A.J. Wright or Home Goods store". The term "then existing" in the previous sentence shall refer to any such location that is, at the time of termination of the Employment Period, operated by the Company or any wholly-owned subsidiary of the Company or under lease for operation as aforesaid. Nothing herein shall restrict the right of Executive to engage in a business that operates a conventional or full mark-up department store. Executive agrees that if, at any time, pursuant to action of any court, administrative or governmental body or other arbitral tribunal, the operation of any part of this paragraph shall be determined to be unlawful or otherwise unenforceable, then the coverage of this paragraph shall be deemed to be restricted as to duration, geographical scope or otherwise, to the extent, and only to the extent, necessary to make this paragraph lawful and enforceable in the particular jurisdiction in which such determination is made.

If the Employment Period terminates, Executive agrees (i) to notify the Company immediately upon her securing employment or becoming self-employed during any period when Executive's compensation from the Company shall be subject to reduction or her benefits provided by the Company shall be subject to termination as provided in Section 7 and (ii) to furnish to the Company written evidence of her compensation earned from any such employment or self-employment as the Company shall from time to time request. In addition, upon termination of the Employment Period for any reason other than death of Executive, Executive shall immediately return all written trade secrets, confidential information and business plans of the Company and shall execute a certificate certifying that she has returned all such items in her possession or under her control.

9. RELATIONSHIP WITH CHANGE OF CONTROL SEVERANCE AGREEMENT. Upon the occurrence of a Change of Control under Executive's Change of Control Severance Agreement, Executive's rights under MIP for the fiscal year of such occurrence and her rights under LRPIP for the cycles then in effect shall be governed by such agreement and not by this Agreement. Upon a Qualified Termination under the Change of Control Severance Agreement, Executive's rights to base salary continuation and under SERP shall be governed by such agreement and not by this Agreement.

10. EXECUTIVE ACKNOWLEDGMENT. Executive acknowledges that she and the Company have not entered into, and you have not relied on any agreements or representations, written or oral, express or implied, with respect to her employment that are not set forth expressly in this Agreement. In addition, Executive

acknowledges and represents that (a) she has fully disclosed to the Company all prior employment agreements or understandings to which she is a party or by which she is bound; and (b) she has not and will not disclose to the Company or to any division thereof, or use for the benefit of the Company or any division thereof, any trade secrets or proprietary information of any prior employer.

11. ASSIGNMENT. The rights and obligations of the Company shall inure to the benefit of and shall be binding upon the successors and assigns of the Company. The rights and obligations of Executive are not assignable except only that payments payable to her after her death shall be made to her estate.

12. INDEMNIFICATION. The Company shall defend, indemnify and hold Executive harmless of and from any and all amounts that may be claimed from Executive by, or that may become due from Executive to, Brylane, Inc. or any of its affiliates or successors ("Brylane") at any time (other than amounts for which she is otherwise indemnified or insured),and any Lost Compensation (meaning any base salary, Management Incentive Plan entitlement, car or car allowance, and health benefits other than disability and life insurance that would have accrued from the date of the Company offer letter dated February 24, 1999 to the earliest Start Date proposed by the Company) that otherwise would have but that is not in fact paid to Executive under her employment agreement with Brylane as now in effect, to the extent any such amount or any such Lost Compensation arises from the making to Executive by the Company of any offer of employment, any acceptance by Executive of any such offer of employment, the communication of the making of such offer to Brylane or the taking of any action by Brylane arising therefrom. Executive shall promptly notify the Company of any actual or potential amount, or any actual or potential Lost Compensation, as to which Executive has or would have a right of indemnification hereunder (an "Indemnifiable Matter"); provided that the failure to give such prompt notice shall affect such indemnification rights only to the extent the Company is prejudiced thereby. The Company shall have the right to control, defend and settle any Indemnifiable Matter, including without limitation the right to determine in good faith any and all actions to be taken by Executive in defense of or otherwise regarding the Indemnifiable Matter in question and the right to retain counsel of the Company's choice to represent Executive in regard to such Indemnifiable Matter. The Company shall not effect a settlement of any claim against Executive without Executive's prior written consent (which consent shall not be unreasonably withheld) unless the settlement includes a complete release of the Executive with respect to such claim. In the event of any Indemnifiable Matter, the Company shall be subrogated to all rights of Executive against Brylane or any other third party in respect of such Indemnifiable Matter, and such right of subrogation shall include without limitation the right to bring actions, including

arbitration proceedings, in Executive's name to enforce such rights of Executive. Executive shall cooperate fully with the Company at the Company's expense in the Company's exercise of its right of control and its right of subrogation in respect of any Indemnifiable Matter and, in so cooperating, in addition to and without limitation upon such other actions as the Company may reasonably request, shall at the Company's request at the Company's expense attend hearings and trials and reasonably assist in effecting settlements, in securing and giving evidence, in obtaining the attendance of witnesses and in conducting suits as to any Indemnifiable Matter, provided the Company acts reasonably in accordance with the Executive's schedule. Notwithstanding any provisions of this Agreement to the contrary, the provisions of this Section 12 shall survive any termination of this Agreement.

13. LEGAL EXPENSES. The Company shall pay the reasonable fees and expenses (not to exceed $15,000) of Hale and Dorr LLP counsel for Executive, in the negotiation and drafting of this Agreement and the related Change of Control Severance Agreement.

14. NOTICES. All notices and other communications required hereunder shall be in writing and shall be given either by personal delivery or by mailing the same by certified or registered mail, return receipt requested, postage prepaid. If sent to the Company, the same shall be mailed to the Company at: 770 Cochituate Road, Framingham, MA 01701, Attention: General Counsel, or other such address as the Company may hereafter designate by notice to Executive; and if sent to Executive, the same shall be mailed to Executive at her address set forth above, or at such other address as Executive may hereafter designate by notice to the Company, with a copy to:

Hale and Dorr LLP
60 State Street
Boston, MA 02109
Attn: Hal Leibowitz, Esq.

Notices shall be effective upon receipt.

15. GOVERNING LAW. This Agreement and the rights and obligations of the parties hereunder shall be governed by the laws of The Commonwealth of Massachusetts.

16. ARBITRATION. Except for claims or disputes failing within the last sentence of this paragraph, in the event that there is any claim or dispute arising out of or relating to this Agreement, or an alleged breach thereof, such claim or dispute, shall be settled exclusively by binding arbitration in Boston, Massachusetts, in accordance with the Rules Governing Resolution of Employment Disputes of the American Arbitration Association by an arbitrator mutually agreed upon by the parties hereto or, in the absence of such agreement, by an arbitrator selected according to such Rules, and judgment upon the award rendered by

the Arbitrator shall be entered in any Court having jurisdiction thereof upon the application of either party. Nothing in this Section 16 shall prevent the Company or Executive from seeking interim measures of protection in the form of pre-award attachment of assets or preliminary or temporary equitable relief.

In witness whereof the parties have entered into this Agreement as of April 9, 1999.

/s/ Carol Meyrowitz
------------------------------------
Carol Meyrowitz

THE TJX COMPANIES, INC.

By: /s/ Bernard Cammarata
------------------------------------

Title: President and Chief Executive Officer
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CHANGE OF CONTROL SEVERANCE AGREEMENT

THIS CHANGE OF CONTROL AGREEMENT between The TJX Companies, Inc., a Delaware corporation (the "Company"), and Carol Meyrowitz ("Executive"), is dated as of April 9, 1999.

Executive is expected to be a key executive of the Company or a Subsidiary and an integral part of its management.

The Company recognizes that the possibility of a change of control of the Company may result in the departure or distraction of management to the detriment of the Company and its shareholders.

The Company wishes to assure Executive of fair severance should her employment terminate in specified circumstances following a change of control of the Company and to assure Executive of certain other benefits upon a change of control.

In consideration of Executive's continued employment with the Company or a Subsidiary and other good and valuable consideration, the parties agree as follows:

1. DEFINITIONS. The following terms as used in this Agreement shall have the following meanings:

(a) "Base Salary" shall mean Executive's annual base salary, exclusive of any bonus or other benefits she may receive.

(b) "Cause" shall mean dishonesty relating to or arising from Executive's employment hereunder or the affairs of the Company, conviction of a felony, gross neglect of duties (other than as a result of Disability or death), or conflict of interest which conflict shall continue for 30 days after the Company gives written notice to Executive requesting the cessation of such conflict.

In respect of any termination during a Standstill Period, Executive shall not be deemed to have been terminated for Cause until the later to occur of (i) the 30th day after notice of termination is given and (ii) the delivery to Executive of a copy of a resolution duly adopted by the affirmative vote of not less than a majority of the Company's directors at a meeting called and held for that purpose (after reasonable notice to Executive), and at which Executive, together with her counsel, was given an opportunity to be heard, finding that Executive was guilty of conduct described in the definition of "Cause" above, and specifying the particulars thereof in detail; PROVIDED, HOWEVER, that the Company may suspend Executive (but not withhold payment of her Base Salary) from the date that notice of termination is given until the earliest to occur of (a) termination of Executive for Cause effected in accordance with the foregoing procedures, (b) a determination by a majority of the Company's directors that Executive was not guilty of the conduct described in the definition of "Cause" above (in which case Executive shall be reinstated), or (c) the 90th day after notice of termination is given (in which case Executive shall be reinstated).

(c) "Change of Control" shall have the meaning set forth in Exhibit A.

(d) "Committee" shall mean the Executive Compensation Committee of the Board of Directors of the Company.

(e) "Company" shall mean The TJX Companies, Inc. or any successor.

(f) "Current Title" shall mean Executive's title on the date 180 days prior to the commencement of a Standstill Period.

(g) "Date of Termination" shall mean the date on which Executive's employment is terminated.

(h) "Disability" shall have the meaning given it in the Company's long-term disability plan. Executive's employment shall be deemed to be terminated for Disability on the date on which Executive is entitled to receive long-term disability compensation pursuant to such long-term disability plan.

(i) "Incapacity" shall mean a disability (other than Disability within the meaning of the immediately preceding definition) or other impairment of health that renders Executive unable to perform her duties to the satisfaction of the Committee. If by reason of Incapacity Executive is unable to perform her duties for at least six months in any twelve month period, upon written notice by the Company the employment of Executive shall be deemed to have terminated by reason of Incapacity

(j) "Executive" shall have the meaning set forth in the first paragraph of this Agreement.

(k) "Qualified Termination" shall mean the termination of executive's employment during a Standstill Period (1) by the Company other than for Cause, or (2) by Executive for good reason, or (3) by reason of death, Incapacity or Disability.

For purposes of this definition, termination for "good reason" shall mean the voluntary termination by Executive of her employment (A) within 120 days after the occurrence without Executive's express written consent of any of the events described in clauses (I), (II), (III), (IV), (V) or (VI) below, provided that Executive gives notice to the Company at least 30 days in advance requesting that the situation described in those clauses be remedied, and the situation remains unremedied upon expiration of such 30-day period; (B) within 120 days after the occurrence without Executive's express written consent of the events described in clauses (VII) or (VIII) below, provided that Executive gives notice to the Company at least 30 days in advance; or (C) upon occurrence of the events described in clauses (IX) or (X) below, provided that Executive gives notice to the Company at least 30 days in advance:

(I) The assignment to her of any duties inconsistent with her positions, duties, responsibilities, reporting requirements, and status with the Company (or a Subsidiary) immediately prior to a Change of Control, or a substantive change in Executive's titles or offices as in effect immediately prior to a Change of Control, or any removal of Executive from or any failure to re-elect her to such positions, except in connection with the termination of Executive's employment by the Company (or a Subsidiary) for Cause or by the Executive other than for good reason; or any other action by the Company (or a Subsidiary) which results in a diminishment in such position, authority, duties or responsibilities, other than an insubstantial and inadvertent action which is remedied by the Company or the Subsidiary promptly after receipt of notice thereof given by Executive; or

(II) if Executive's Base Salary for any fiscal year is less than 100 percent of the Base Salary paid to Executive in the completed fiscal year immediately preceding the Change of Control, or if Executive's total cash compensation opportunities, including salary and incentives, for any fiscal year are less than 100 percent of the total cash compensation opportunities made available to Executive in the completed fiscal year immediately preceding the Change of Control, unless any further reduction represents an overall reduction in the Base Salary paid or cash compensation opportunities made available, as the case may be, to executives in the same organizational level (it being the Company's burden to establish this fact); or

(III) the failure of the Company (or a Subsidiary) to continue in effect any benefits or perquisites, or any pension, life insurance, medical insurance or disability plan in which Executive was participating immediately prior to a Change of Control unless the Company (or a Subsidiary) provides Executive with a plan or plans that provide substantially similar benefits, or the taking of any action by the Company (or a Subsidiary) that would adversely affect Executive's participation in or materially reduce Executive's benefits under any of such plans or deprive Executive of any material fringe benefit enjoyed by Executive immediately prior to a Change of Control, unless the elimination or reduction of any such benefit, perquisite or plan affects all other executives in the same organizational level (it being the Company's burden to establish this fact); or

(IV) any purported termination of Executive's employment by the Company (or a Subsidiary) for Cause during a Standstill Period which is not effected in compliance with paragraph (b) above; or

(V) any relocation of Executive of more than 40 miles from the place where Executive was located at the time of the Change of Control; or

(VI) any other breach by the Company of any provision of this Agreement or of Executive's employment agreement with the Company; or

(VII) the Company sells or otherwise disposes of, in one transaction or a series of related transactions, assets or earning power aggregating more than 30 percent of the assets (taken at asset value as stated on the books of the Company determined in accordance with generally accepted accounting principles consistently applied) or earning power of the Company (on an individual basis) or the Company and its Subsidiaries (on a consolidated basis) to any other Person or Persons (as those terms are defined in Exhibit A); or

(VIII) if Executive is employed by a Subsidiary of the Company, such Subsidiary either ceases to be a Subsidiary of the Company or sells or otherwise disposes of, in one transaction or a series of related transactions, assets or earning power aggregating more than 30 percent of the assets (taken at asset value as stated on the books of the Subsidiary determined in accordance with generally accepted accounting principles consistently applied) or earning power of such Subsidiary (on an individual basis) or such Subsidiary and its subsidiaries (on a consolidated basis) to any other Person or Persons (as those terms are defined in Exhibit A); or

(IX) termination by Executive of her employment for Retirement; or

(X) the voluntary termination by Executive of her employment (i) at any time within one year after the Change of

Control or (ii) at any time during the second year after the Change of Control until the Company (or a Subsidiary) offers Executive an employment contract having a minimum two-year duration which provides Executive with substantially the same title, responsibilities, annual and long-range compensation, benefits and perquisites that she had immediately prior to the Standstill Period. Notwithstanding the foregoing, the Board of Directors of the Company may expressly waive the application of this clause (X) if it waives the applicability of substantially similar provisions with respect to all persons with whom the Company has a written severance agreement (or may condition its application on any additional requirements or employee agreements which such Board shall in its discretion deem appropriate in the circumstances). The determination of whether to waive or impose conditions on the application of this clause (X) shall be within the complete discretion of the Board of Directors of the Company but shall be made prior to the Change of Control.

(1) "Retirement" shall mean voluntary termination by Executive of her employment in accordance with the Company's retirement plan or program generally applicable to its salaried employees or in accordance with any retirement arrangement established with Executive's consent with respect to her. Nothing in this Agreement shall affect any agreement between Executive and the Company with respect to her retirement.

(m) "Standstill Period" shall be the period commencing on the date of a Change of Control and continuing until the close of business on the last business day of the 24th calendar month following such Change of Control.

(n) "Subsidiary" shall mean any corporation in which the Company owns, directly or indirectly, 50 percent or more of the total combined voting power of all classes of stock.

2. BENEFITS UPON CHANGE OF CONTROL.

2.1 BENEFITS FOLLOWING TERMINATION OF EMPLOYMENT.

Executive shall be entitled to the following benefits upon a Qualified Termination:

(a) Within 30 days following the Date of Termination, the Company shall pay to Executive the following in a lump sum:

(i) an amount equal to two times Executive's Base Salary for one year at the rate in effect immediately prior to the Date of Termination or the Change of Control (or if Executive's title was changed to a level below that of Executive's Current Title within 180 days before the commencement of a Standstill Period, the rate in effect immediately prior to such change), whichever is highest, plus the accrued and unpaid portion of Executive's Base Salary through the Date of Termination. Any payments made to Executive under any long term disability plan of the Company with respect to the two years following termination of employment shall be offset against such two times Base Salary payment. Executive shall promptly make reimbursement payments to the Company to the extent any such disability payments are received after the Base Salary payment.

(ii) if Executive was a participant in the Company's Supplemental Executive Retirement Plan ("SERP") immediately prior to a Change of Control and the number of years Executive has been employed by the Company (or a Subsidiary) is five or more, including if applicable service for Zayre Corp. and its subsidiaries, an amount equal to the present value of the payments that Executive would have been entitled to receive under SERP as the higher of a Category B or C participant (regardless of whether she was participating in SERP on the Date of Termination). The present value of such payment shall be calculated using the following rules and assumptions.

(A) a credit equal to the number of Years of Service (as that term is defined in SERP) that Executive has been employed by the Company and Subsidiaries at the Date of Termination, including if applicable service for Zayre Corp. and its Subsidiaries, shall be added to her Years of Service in determining Executive's total Years of Service. However, the total Years of Service determined hereunder shall not exceed the lesser of (x) 20 or (y) the Years of Service that Executive would have had if she had retired at the age of 65;

(B) Executive's Average Compensation (as that term is defined in SERP) shall be determined as of the Date of Termination;

(C) Executive's Primary Social Security Benefit (as that term is defined in SERP) shall mean the annual primary insurance amount to which Executive is entitled or would, upon application therefor, become entitled at age 65 under the provisions of the Federal Social Security Act as in effect on the Date of Termination assuming that Executive received annual income at the rate of her Base Salary from the Date of Termination until her 65th birthdate which would be treated as wages for purposes of the Social Security Act;

(D) the monthly benefit under SERP determined using the criteria set forth in (A), (B), and (C) above shall be multiplied by 12 to determine an annual benefit; and

(E) the present value of such annual benefit shall be determined by multiplying the result in (D) by the appropriate actuarial factor from the most recently published table 4A (or its equivalent) as published by the Pension Benefit Guaranty Corporation and which is effective for plan terminations occurring on the Date of Termination, using Executive's age to the nearest year determined as of that date. If, as of the Date of Termination, Executive has previously satisfied the eligibility requirements for Early Retirement under the Company's Retirement Plan, then the appropriate factor shall be that based on the most recently published "PBGC Actuarial Value of $1.00 Per Year Deferred to Age 60 and Payable for Life Thereafter - Healthy Lives", except that if Executive's age to the nearest year is more than 60, then such higher age shall be substituted for 60. If, as of the Date of Termination, Executive has not satisfied the eligibility requirements for Early Retirement under the Company's Retirement Plan, then the appropriate factor shall be based on the most recently published "PBGC Actuarial Value of $1.00 Per Year Deferred to Age 65 and Payable for Life Thereafter - Healthy Lives".

If Executive receives a payment under this subparagraph (ii), she shall not be entitled to any other payments under SERP.

(b) Until the second anniversary of the Date of Termination, the Company shall maintain in full force and effect for the continued benefit of Executive and her family all life insurance, medical insurance and disability plans and programs in which Executive was entitled to participate immediately prior to the Change of Control (or if Executive's title was changed to a level below that of Executive's Current Title within 180 days before the commencement of a Standstill Period, all such plans and programs in which Executive was entitled to participate immediately prior to such change, if the benefits thereunder are greater), provided that Executive's continued participation is possible under the general terms and provisions of such plans and programs. In the event that Executive is ineligible to participate in such plans or programs, the Company shall arrange upon comparable terms to provide Executive with benefits substantially similar to those which she is entitled to receive under such plans and programs. Notwithstanding the foregoing, the Company's obligations hereunder with respect to life, medical or disability coverage or benefits shall be deemed satisfied to the extent (but only to the extent) of any such coverage of benefits provided by another employer.

(c) For a period of two years after the Date of Termination, the Company shall make available to Executive the use of any automobile that was made available to Executive immediately prior to the Date of Termination, including ordinary replacement thereof in accordance with the Company's automobile policy in effect immediately prior to the Change of Control, or if Executive's title was changed to a level below that of Executive's Current Title within 180 days before the commencement of a Standstill Period, the Company shall make available to Executive the use of an automobile of a type comparable to the automobile that was made available to her immediately prior to such change (or, in lieu of making such automobile available, the Company may at its option pay to Executive the present value of its cost of providing such automobile). If, immediately prior to the Date of Termination, the Company provided Executive with an automobile allowance rather than with the use of an automobile, the Company shall pay to Executive in a lump sum within 30 days following the Date of Termination an amount equal to (i) two times Executive's automobile allowance for one year at the rate in effect immediately prior to the Date of Termination or the Change of Control (or if Executive's title was changed to a level below that of Executive's Current Title within 180 days before the commencement of a Standstill Period, the rate in effect immediately prior to such change), whichever is highest, including any increase in such rate which would have become effective during the two-year period following the Date of Termination (had a Qualified Termination not occurred), in accordance with the Company's automobile policy in effect immediately prior to the Change of Control, plus (ii) the accrued and unpaid portion of Executive's automobile allowance through the Date of Termination.

Payments under this Section 2.1 and Section 2.2 below shall be made without regard to whether the deductibility of such payments (or any other payments to or for the benefit of Executive) would be limited or precluded by Internal Revenue Code Section 280G and without regard to whether such payments (or any other payments) would subject Executive to the federal excise tax levied on certain "excess parachute payments" under Internal Revenue Code Section 4999; PROVIDED, that if the total of all payments to or for the benefit of Executive, after reduction for all federal taxes (including the tax described in Internal Revenue Code Section 4999, if applicable) with respect to such payments ("Executive's total after-tax payments"), would be increased by the limitation or elimination of any payment under this Section 2.1 or Section 2.2, amounts payable under this Section 2.1 and Section 2.2 shall be reduced to the extent, and only to the extent, necessary to maximize Executive's total after-tax payments. The determination as to whether and to what extent payments under this Section 2.1 or Section 2.2 are required to be reduced in accordance with the preceding sentence shall be made at the Company's expense by Pricewaterhouse-Coopers LLC or by such other certified public accounting firm as the Committee may designate prior to a Change of Control. In the event of any underpayment or overpayment under this Section 2.1 or Section 2.2, as determined by PricewaterhouseCoopers LLC (or such other firm as may have been designated in accordance with the preceding sentence), the amount of such underpayment or overpayment shall forthwith be paid to Executive or refunded to the Company, as the case may be, with interest at the applicable Federal rate provided for in Section 7872(f)(2) of the Internal Revenue Code.

2.2 OTHER BENEFITS. Within 30 days following a Change of Control, whether or not Executive's employment has been terminated, the Company shall pay to Executive the following in a lump sum:

(i) an amount equal to the "Target Bonus" under the Company's Management Incentive Plan or any other annual incentive plan which is applicable to Executive for the fiscal year in which the Change of Control occurs (or if Executive's title was changed to a level below that of Executive's Current Title within 180 days before the commencement of a Standstill Period, the "Target Bonus" applicable to Executive for the fiscal year in which such change occurred as if she continued to hold Executive's Current Title, if higher); and

(ii) if Executive is a participant in the Company's Long Range Management Incentive Plan ("LRMIP"), Long Range Performance Incentive Plan ("LRPIP") or any other performance-based long-range incentive plan at the Change of Control, an amount with respect to each Award Period (as that term is defined in LRMIP) or Performance Cycle (as that term is defined in LRPIP) for which Executive has been designated as a participant equal to 50 percent of the product of (A) the maximum award payable to Executive for such Award Period or Performance Cycle, as designated by the Committee under LRMIP or LRPIP, as the case may be (or, if Executive's title was changed to a level below that of Executive's Current Title within 180 days before the commencement of a Standstill Period, in the case of an Award Period or Performance Cycle which commences after such change, the maximum award payable to Executive for such Award Period or Performance Cycle shall be deemed to be the maximum award payable to Executive for the Award Period or Performance Cycle which commenced immediately prior to such change, if higher), and (B) a fraction, the denominator of which is the total number of fiscal years in the Award Period or Performance Cycle and the numerator of which is the number of years which have elapsed in such Award Period or Performance Cycle prior to the Change of Control (for purposes of this fraction, if the Change of Control occurs during the first quarter of a fiscal year, then one-quarter of the fiscal year shall be deemed to have elapsed prior to the Change of Control, and if the Change of Control occurs after the first quarter of the fiscal year, then the full fiscal year shall be deemed to have elapsed prior to the Change of Control).

3. NONCOMPETITION; NO MITIGATION OF DAMAGES; OTHER SEVERANCE PAYMENTS; WITHHOLDING.

3.1 NONCOMPETITION. Upon a Change of Control, any agreement by Executive not to engage in competition with the Company subsequent to the termination of her employment, whether contained in an employment contract or other agreement, shall no longer be effective.

3.2 NO DUTY TO MITIGATE DAMAGES. Executive's benefits under this Agreement shall be considered severance pay in consideration of her past service and her continued service from the date of this Agreement, and her entitlement thereto shall neither be governed by any duty to mitigate her damages by seeking further employment nor offset by any compensation which she may receive from future employment.

3.3 OTHER SEVERANCE PAYMENTS. In the event that Executive has an employment contract or any other agreement with the Company (or a Subsidiary) which entitles Executive to severance payments upon the termination of her employment with the Company, the amount of any such severance payments shall be deducted from the payments to be made under this Agreement.

3.4 WITHHOLDING. Anything to the contrary notwithstanding, all payments required to be made by the Company hereunder to Executive shall be subject to the withholding of such amounts, if any, relating to tax and other payroll deductions as the Company may reasonably determine it should withhold pursuant to any applicable law or regulation.

4. ARBITRATION. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled exclusively by arbitration in Boston, Massachusetts in accordance with the Rules Governing Resolution of Employment Disputes of the American Arbitration Association then in effect, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

5. LEGAL FEES AND EXPENSES. The Company shall pay all legal fees and expenses, including but not limited to counsel fees, stenographer fees, printing costs, etc., reasonably incurred by Executive in contesting or disputing that the termination of her employment during a Standstill Period is for Cause or other than for good reason (as defined in Section 1(k)) or in obtaining any right or benefit to which Executive is entitled under this Agreement. Any amount payable under this

Agreement that is not paid when due shall accrue interest at the prime rate as from time to time in effect at the First National Bank of Boston, until paid in full.

6. NOTICE OF TERMINATION. During a Standstill Period, Executive's employment may be terminated by the Company (or a Subsidiary) only upon 30 days' written notice to Executive.

7. NOTICES. All notices shall be in writing and shall be deemed given five days after mailing in the continental United States by registered or certified mail, or upon personal receipt after delivery, telex, telecopy or telegram, to the party entitled thereto at the address stated below or to such changed address as the addressee may have given by a similar notice:

| | |
|---|---|
| To the Company: | The TJX Companies, Inc.<br>770 Cochituate Road<br>Framingham, MA 01701<br>Attn: General Counsel |
| To the Executive: | At her home address,<br>as last shown on the<br>records of the Company |

8. SEVERABILITY. In the event that any provision of this Agreement shall be determined to be invalid or unenforceable, such provision shall be enforceable in any other jurisdiction in which valid and enforceable and in any event the remaining provisions shall remain in full force and effect to the fullest extent permitted by law.

9. GENERAL PROVISIONS

9.1 BINDING AGREEMENT. This Agreement shall be binding upon and inure to the benefit of the parties and be enforceable by Executive's personal or legal representatives or successors. If Executive dies while any amounts would still be payable to her hereunder, benefits would still be provided to her family hereunder or rights would still be exercisable by her hereunder as if she had continued to live, such amounts shall be paid to Executive's estate, such benefits shall be provided to Executive's family and such rights shall remain exercisable by Executive's estate in accordance with the terms of this Agreement. This Agreement shall not otherwise be assignable by Executive.

9.2 SUCCESSORS. This Agreement shall inure to and be binding upon the Company's successors. The Company will require any successor to all or substantially all of the business and/or assets of the Company by sale, merger (where the Company is not the surviving corporation), lease or otherwise, by agreement in form and substance satisfactory to Executive, to assume expressly this Agreement. If the Company shall not obtain such agreement prior to the effective date of any succession, Executive shall have all rights resulting from termination by Executive for good reason (as defined in Section 1(k) under this Agreement). This Agreement shall not otherwise be assignable by the Company.

9.3 AMENDMENT OR MODIFICATION; WAIVER. This Agreement may not be amended unless agreed to in writing by Executive and the Company. No waiver by either party of any breach of this Agreement shall be deemed a waiver of a subsequent breach.

9.4 TITLES. No provision of this Agreement is to be construed by reference to the title of any section.

9.5 CONTINUED EMPLOYMENT. This Agreement shall not give Executive any right of continued employment or any right to compensation or benefits from the Company or any Subsidiary except the right specifically stated herein to certain severance and other benefits, and shall not limit the Company's (or a Subsidiary's) right to change the terms of or to terminate Executive's employment, with or without Cause, at any time other than during a Standstill Period, except as may be otherwise provided in a written employment agreement between the Company (or a Subsidiary) and Executive.

9.6 TERMINATION OF AGREEMENT OUTSIDE OF STANDSTILL PERIOD. This Agreement shall be automatically terminated upon the first to occur of (i) the termination of Executive's employment for any reason, whether voluntary or involuntary, at any time other than during a Standstill Period or (ii) if Executive is employed by a Subsidiary of the Company, the date on which the Subsidiary either ceases to be a Subsidiary of the Company or sells or otherwise disposes of all or substantially all of its assets, unless such event occurs during a Standstill Period and Executive's employment shall have been terminated in a Qualified Termination within 90 days of such event.

9.7 PRIOR AGREEMENT. This Agreement shall supersede and replace any prior change of control severance agreement between the Company or any of its Subsidiaries, or any predecessor, and Executive.

9.8 BINDING ON SUCCESSORS. This Agreement shall be binding on any successor to all or substantially all of the Company's business or assets.

9.9 GOVERNING LAW. The validity, interpretation, performance and enforcement of this Agreement shall be governed by the laws of The Commonwealth of Massachusetts.

9.10 EMPLOYMENT AGREEMENT. This Agreement shall only become effective on the Start Date as defined in the related Employment Agreement between Executive and the Company.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

THE TJX COMPANIES, INC.

By: /s/ Edmond English
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/s/ Carol Meyrowitz
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Executive

EXHIBIT A

DEFINITION OF "CHANGE OF CONTROL"

"Change of Control" shall mean the occurrence of any one of the following events:

(a) there occurs a change of control of the Company of a nature that would be required to be reported in response to Item 1(a) of the Current Report on Form 8-K pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") or in any other filing under the Exchange Act; PROVIDED, HOWEVER, that no transaction shall be deemed to be a Change of Control unless the Committee shall otherwise determine prior to such occurrence, if Executive or an Executive Related Party is the Person or a member of a group constituting the Person acquiring control; or

(b) any Person other than the Company, any wholly-owned subsidiary of the Company, or any employee benefit plan of the Company or such a subsidiary becomes the owner of 20% or more of the Company's Common Stock and thereafter individuals who were not directors of the Company prior to the date such Person became a 20% owner are elected as directors pursuant to an arrangement or understanding with, or upon the request of or nomination by, such Person and constitute at least 1/4 of the Company's Board of Directors; PROVIDED, HOWEVER, that, unless the Committee shall otherwise determine prior to the acquisition of such 20% ownership, such acquisition of ownership shall not constitute a Change of Control if Executive or an Executive Related Party is the Person or a member of a group constituting the Person acquiring such ownership; or

(c) there occurs any solicitation or series of solicitations of proxies by or on behalf of any Person other than the Company's Board of Directors and thereafter individuals who were not directors of the Company prior to the commencement of such solicitation or series of solicitations are elected as directors pursuant to an arrangement or understanding with, or upon the request of or nomination by, such Person and constitute at least 1/4 of the Company's Board of Directors; or

(d) the Company executes an agreement of acquisition, merger or consolidation which contemplates that (i) after the effective date provided for in such agreement, all or substantially all of the business and/or assets of the Company shall be owned, leased or otherwise controlled by another Person and (ii) individuals who are directors of the Company when such agreement is executed shall not constitute a majority of the board of directors of the survivor or successor entity immediately after the effective date provided for in such agreement; PROVIDED, HOWEVER, that unless otherwise determined by the Committee, no transaction shall constitute a Change of Control if, immediately after such transaction, Executive or any Executive Related Party shall own equity securities of any surviving corporation ("Surviving Entity") having a fair value as a percentage of the fair value of the equity securities of such Surviving Entity greater than 125% of the fair value of the equity securities of the Company owned by Executive and any Executive Related Party immediately prior to such transaction, expressed as a percentage of the fair value of all equity securities of the Company immediately prior to such transaction (for purposes of this paragraph, ownership of equity securities shall be determined in the same manner as ownership of Common Stock); and PROVIDED, FURTHER, that for purposes of this paragraph (d), if such agreement requires as a condition precedent approval by the Company's shareholders of the agreement or transaction, a Change of Control shall not be deemed to have taken place unless and until such approval is secured (but upon any such approval, a Change of Control shall be deemed to have occurred on the date of execution of such agreement).

In addition, for purposes of this Exhibit A the following terms have the meanings set forth below:

"Common Stock" shall mean the then outstanding Common Stock of the Company plus, for purposes of determining the stock ownership of any Person, the number of unissued shares of Common Stock which such Person has the right to acquire (whether such right is exercisable immediately or only after the passage of time) upon the exercise of conversion rights, exchange rights, warrants or options or otherwise. Notwithstanding the foregoing, the term Common Stock shall not include shares of Preferred Stock or convertible debt or options or warrants to acquire shares of Common Stock (including any shares of Common Stock issued or issuable upon the conversion or exercise thereof) to the extent that the Board of Directors of the Company shall expressly so determine in any future transaction or transactions.

A Person shall be deemed to be the "owner" of any Common Stock:

(i) of which such Person would be the "beneficial owner", as such term is defined in Rule 13d-3 promulgated by the Securities and Exchange Commission (the "Commission") under the Exchange Act, as in effect on March 1, 1989; or

(ii) of which such Person would be the "beneficial owner" for purposes of Section 16 of the Exchange Act and the rules of the Commission promulgated thereunder, as in effect on March 1, 1989; or

(iii) which such Person or any of its affiliates or associates (as such terms are defined in Rule 12b-2 promulgated by the Commission under the Exchange Act, as in effect on March 1, 1989) has the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options or otherwise.

"Person" shall have the meaning used in Section 13(d) of the Exchange Act, as in effect on March 1, 1989.

An "Executive Related Party" shall mean any affiliate or associate of Executive other than the Company or a Subsidiary of the Company. The terms "affiliate" and "associate" shall have the meanings ascribed thereto in Rule 12b-2 under the Exchange Act (the term "registrant" in the definition of "associate" meaning, in this case, the Company).

EXHIBIT 10.10

THE TJX COMPANIES, INC.
GENERAL DEFERRED COMPENSATION PLAN
(1998 RESTATEMENT)

SECOND AMENDMENT

The TJX Companies, Inc. hereby amends its General Deferred Compensation Plan (1998 Restatement), effective as of January 1, 2000, by deleting the definition of "Interest Rate" (Section 2.G.) and replacing it with the following:

"G. "Interest Rate" for a Plan Year (the "Plan Year of reference") shall be determined as follows. First, there shall be determined for each month of the preceding Plan Year a rate equal to the yield upon the issue of United States Treasury Notes which has a period remaining to maturity of not less than, but closest to, ten years after the last trading day of such month, as quoted in the Wall Street Journal next published after such last trading day. If there is no such quote for a month, the E.C.C. shall determine a rate of interest for the month. The twelve rates so determined for the preceding Plan Year shall then be averaged, and the average so determined shall be the Interest Rate for the Plan Year of reference."

IN WITNESS WHEREOF, The TJX Companies, Inc. has caused this instrument of amendment to be executed by its duly authorized officer this 25 day of January, 2000.

THE TJX COMPANIES, INC.

By: /s/ Donald G. Campbell
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EXHIBIT 10.16

AGREEMENT

This Agreement dated this 1st day of March 2000 by and between The TJX Companies, Inc. (the "Corporation") and Richard G. Lesser ("Executive").

WHEREAS Executive and the Corporation have agreed to enter into a so-called "Split dollar" insurance arrangement more particularly described below under which the Corporation will pay premiums to fund a life insurance policy or policies to be owned by an insurance trust designated by Executive (the "Trust"); and

WHEREAS Executive participates in the Corporation's Supplemental Executive Retirement Plan ("SERP") and

WHEREAS Executive has agreed to relinquish a portion of certain rights to benefits accrued under SERP as described below, subject to the terms of this Agreement;

NOW, THEREFORE, the parties hereto, intending to be bound hereby, agree as follows:

1. Executive agrees to relinquish such rights as he has (whether under the terms of SERP or under the terms of Executive's employment agreement with the Corporation or otherwise) to all benefits heretofore or hereafter accrued under SERP, excepting only (i) such periodic benefits as has received as of the date of this agreement or is scheduled to receive prior to December 1, 2000 pursuant to Section 4(e) of his employment agreement dated as of January 31, 1998 (the "Employment Agreement") plus (ii) a monthly benefit of $105,075 payable either to Executive or (in the event of Executive's death) to Executive's beneficiary under SERP for sixty (60) months commencing December 2000. The parties hereto agree that Executive's residual benefits under SERP, as described in the preceding sentence, shall be paid in the manner therein described notwithstanding the generally applicable terms of SERP of the Employment Agreement. Nothing in this Agreement shall affect Executive's rights to other retirement benefits.

2. The Corporation will assist the Trust in the purchase of split-dollar life insurance under the terms of separate split-dollar life insurance agreements in the forms attached hereto as Exhibit A.

3. This Agreement shall be binding on Executive, the Corporation, and their respective heirs and assigns, including any successor to the Corporation or the Corporation's business by merger or otherwise.

4. Executive acknowledges that he has been separately advised with respect to the arrangements that are the subject matter of this Agreement and has not relied upon any advice from the Corporation with respect to the tax treatment of such arrangements or other matters pertaining thereto. Executive agrees to indemnify the Corporation for, and hold it harmless against, any and all taxes (including, without limitation, withholding taxes) and related interest and penalties that may be asserted against the Corporation with respect to the arrangements contemplated by this Agreement.

5. This Agreement shall be construed and applied in accordance with the laws of the Commonwealth of Massachusetts and shall be binding in accordance with its terms as an agreement under seal.

THE TJX COMPANIES, INC.

By: /s/ Donald G. Campbell
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Donald G. Campbell
Executive Vice President/Chief
Financial Officer

ACCEPTED:

/s/ Richard G. Lesser
- -------------------------------
Richard G. Lesser

SPLIT-DOLLAR AGREEMENT

THIS AGREEMENT made and entered into as of this 1st day of March, 2000, by and among The TJX Companies, Inc., (the "Corporation"), Richard G. Lesser, (the "Employee"), and, Gerald Wolin, Trustee of THE Richard & Clare Lesser 1998 Irrevocable Insurance Trust dated August 11, 1998 (the "Owner"),

WITNESSETH THAT:

WHEREAS the Employee is employed by the Corporation; and

WHEREAS the Employee and the Corporation have agreed that the Owner will purchase life insurance policies (together, the "Policies") on the life of the Employee and the life of his spouse as described in EXHIBIT A attached hereto and by this reference made a part of hereof, and which were issued by John Hancock and Security Life of Denver (the "Insurers"), on the terms described herein; and

WHEREAS the Corporation has agreed to pay a portion of the premiums due on the Policies pursuant to the Plan on the terms and conditions hereinafter set forth; and

WHEREAS, except as provided herein, Owner is the owner of the Policies and, as such, possesses all incidents of ownership in and to the Policies, subject however to the terms of this Agreement and

WHEREAS the parties hereto have agreed that the Policies shall be collaterally assigned to the Corporation by the Owner to secure the repayment of the amounts to which the Corporation is entitled under this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree as follows:

1. PURCHASE OF POLICIES. The Owner shall purchase the Policies described in Exhibit A from the Insurer. The parties have taken all necessary action to cause the Insurers to issue the Policies and shall take any further action which may be necessary to cause the Policies to conform to the provision of this Agreement. The parties agree that the Policies shall be subject to the terms and conditions of this Agreement and of the collateral assignments (the "Collateral Assignments") filed with the Insurers relating to the Policies.

2. OWNERSHIP OF POLICIES.

a. The Owner shall be owner of the Policies and may exercise all ownership rights granted to the owner thereof by the terms of the Policies, subject in the case of each Policy to the Collateral Assignment relating to that Policy and to the rights of the Corporation under this Agreement.

3. PAYMENT OF PREMIUMS WHILE THE SPLIT DOLLAR AGREEMENT REMAINS IN EFFECT.

a. A portion of the premiums shall be payable by the Corporation commencing with the premium due for the first "Policy Year", as hereinafter defined, and for each of the next four (4) Policy Years thereafter, unless this Agreement sooner terminates with respect to the Employee. The amount of the premium for the Corporation for each Policy Year (hereinafter referred to as the "Corporation's Premiums") shall be as set forth in Exhibit B which is attached hereto and by this reference made a part hereof. For purposes of this Agreement, "Policy Year" shall mean the one year period beginning March 1, 2000 and ending February 28, 2001, and each succeeding twelve month period that the Policy is in force.

b. The Owner shall pay that portion of the premium specified as "Owner's Premium" in Exhibit B.

c. The Corporation shall be responsible only for the payment of the Corporation's Premium, and is not responsible for ensuring that such payments are sufficient to maintain the Policy in force.

d. Upon payment of each of the premiums as outlined on Exhibit B, the Owner shall direct the Insurer(s) to allocate the premiums as outlined by the Investment Guidelines as set forth in Exhibit C which is attached hereto and by this reference made a part hereof.

4. COLLATERAL ASSIGNMENT. To secure the repayment to the Corporation of the aggregate premiums paid by the Corporation, the Owner has, by Collateral Assignment of the date herewith, assigned each Policy to the Corporation as collateral. Such repayment shall be made from the cash surrender value of the Policy (as defined therein) if this Agreement is terminated or if the Owner surrenders or cancels the Policy, or from the death proceeds of the Policy if both the Employee and his spouse die while the Policy and this Agreement remain in force. The Collateral Assignments shall not be terminated, altered or amended by the Owner while this Agreement is in effect without the Corporation's written consent. The parties hereto agree to take all action necessary to cause the Collateral Assignments to conform to the provisions of this Agreement.

5. LIMITATIONS ON OWNER'S RIGHTS IN POLICY.

a. The Owner shall take no action with respect to the Policies that would in any way compromise, jeopardize or otherwise adversely affect the Corporation's rights under this Agreement.

6. COLLECTION OF DEATH PROCEEDS.

a. Upon the death of the second to die of the Employee and his spouse, the Corporation and the Owner shall cooperate to take all action necessary to obtain the death benefits provided under the Policies.

b. The Corporation shall have the unqualified right to receive the portion of such death benefits equal to the Corporation's Interest in the Policies. The Corporation's Interest in the Policies is equal to the total amount of the premiums paid by the Corporation plus, if such Interest is not fully paid to the Corporation prior to March 1, 2015, 4% interest thereon compounded annually from and after March 1, 2015 until the earlier of (i) the date on which the Corporation receives full repayment of its Interest from the death benefit under the Policies, or (ii) the date on which the Corporation otherwise receives full repayment of its Interest. The balance, if any, of the death benefits provided under the Policies, shall be paid directly to the beneficiary or beneficiaries designated by the Owner, in the manner and in the amount or amounts provided in the beneficiary designation provision of the Policies. No amount shall be paid from such death benefits to the beneficiary or beneficiaries designated by the Owner until the full amount due the Corporation has been paid. The parties hereto agree that the beneficiary designation provision of the Policies shall conform to the provisions of this Agreement.

c. Notwithstanding any provision to the contrary, in the event that, for any reason whatsoever, no death benefit is payable under a Policy upon the death of the survivor of the Insureds and in lieu thereof the Insurer refunds all or any part of the premiums paid for the Policies, the Corporation shall have the unqualified right to receive such refunded premiums up to the amount of the total Corporation's Interest in the Policies and the balance, if any, shall belong to the Owner.

7. TERMINATION OF AGREEMENT.

a. Subject to b. below, the owner shall have the sole right to surrender or cancel the Policies, but only if the aggregate net cash surrender value of the Policies at least equals the Corporation's Interest in the Policies. Upon surrender or cancellation of the Policies, the Corporation shall have the unqualified right to receive a portion of the aggregate net cash surrender value of the Policies equal to the total amount of the Corporation's Interest in the Policies. The balance, if any, shall be paid to the Owner. Upon payment to the Corporation of its total Interest in the Policies, this Agreement shall terminate.

b. If either of the Insureds is living at February 28, 2015, the Owner shall pay, or shall cause the Insurers to pay from the net cash surrender value under the Policies, to the Corporation an amount equal to the Corporation's total Interest in the Policies. Notwithstanding the foregoing, if the net cash surrender value under the Policies is then less than the Corporation's total Interest in the Policies, the Corporation may elect to defer receipt of some or all of its Interest in the Policies. If the Corporation elects to defer receipt of some or all of its Interest in the Policies pursuant to the preceding sentence, it shall continue to be entitled to receive the balance of such Interest pursuant to Section 6 of this Agreement or, at any time or times prior to the death of the survivor of the Insureds, at the Corporation's election, by requiring the Owner to pay, or to cause the insurers to pay from the net cash surrender value under the Policies, to the Corporation such balance or any portion thereof (and if upon any such payment any balance remains to be paid to the Corporation, the provisions of this paragraph shall continue to apply to such remaining balance). Upon payment to the Corporation of its total Interest in the Policies, this Agreement shall terminate.

c. Upon termination of this Agreement, the Corporation shall release the Collateral Assignments by the execution and delivery of appropriate instruments of release. After the Corporation releases to the Owner all of the Owner's rights and interest in the Policies, the Owner may exercise all options permitted by the Insurers with respect to the Policies.

8. NAMED FIDUCIARY, DETERMINATION OF BENEFITS, CLAIMS PROCEDURE AND ADMINISTRATION.

a. The parties hereto acknowledge and intend that this Agreement shall constitute a welfare benefit plan for purposes of the Employee Retirement Income Security Act of 1974 as amended. The Corporation is hereby designated as the named fiduciary under this Agreement. The named fiduciary shall have authority to control and manage the administration of this Agreement.

b. (1) Claim.

A person who believes that he is being denied a benefit to which he is entitled under this Agreement (hereinafter referred to as a "Claimant") may file a written request for such benefit with the Corporation, setting forth his or her claim. The request must be addressed to the President of the Corporation at its then principal place of business.

(2) Claim Decision.

Upon receipt of a claim, the Corporation shall advise the Claimant in writing of its response within ninety (90) days; provided that the Corporation may, extend the response period for an additional ninety (90) days for reasonable cause.

If the claim is denied in whole or in part, the Corporation shall state its reasons therefore in writing, using language calculated to be understood by the Claimant and setting forth: (a) the specific reason or reasons for such denial; (b) the specific reference to pertinent provisions of this Agreement on which such denial is based; (c) a description of any additional material or information necessary for the Claimant to perfect his claim and an explanation why such material or such information is necessary; (d) appropriate information as to the steps to be taken if the Claimant wishes to submit the claim for review; and (e) the time limits for requesting a review under subsection (3) and for review under subsection (4) hereof. However, if the Corporation fails to issue a written decision within this time period described above, the claim shall be deemed denied at the end of such period.

(3) Request for Review

Within sixty (60) days after the receipt by the Claimant of the written opinion described above, (or within sixty (60) days of any deemed denial), the Claimant may request in writing that the Secretary of the Corporation review the determination of the Corporation. Such request must be addressed to the Secretary of the Corporation at its then principal place of business. The Claimant or his or her duly authorized representative may, but need not, review the pertinent documents and submit issues and comments in writing for consideration by the Corporation. If the Claimant does not request a review of the Corporation's determination by the Secretary of the Corporation within such sixty (60) day period, he shall be barred and estopped from challenging the Corporation's determination.

(4) Review of Decision.

Within sixty (60) days after the Secretary's receipt of a request for review, he or she will review the Corporation's determination. After considering all materials presented by the Claimant, the Secretary will render a written opinion, written in a manner calculated to be understood by the Claimant, setting forth the specific reasons for the decision and containing specific references to the pertinent provisions of this Agreement on which the decision is based. If special circumstances require that the sixty (60) day time period be extended, the Secretary will so notify the Claimant and will render the decision as soon as possible, but no later than one hundred twenty (120) days after receipt of the request for review.

If the Secretary fails to issue a written opinion within the time period described above, the Claimant's appeal will be deemed denied at the end of such period.

9. AMENDMENT. This Agreement may not be amended, altered or modified, except by a written instrument signed by the parties hereto, or their respective successors or assigns, and may not be otherwise terminated except as provided herein.

10. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the Corporation and its successors and assigns, and the Employee, the Owner, and their respective successors, assigns, heirs, executors, administrators and beneficiaries.

11. INSURER NOT A PARTY. The Insurer is not a part of this Agreement.

12. NOTICE. Any notice, consent or demand required or permitted to be given under the provisions of this Agreement shall be in writing and shall be signed by the party giving or making the same. If such notice, consent or demand is mailed to a party hereto, it shall be sent by United States certified mail, postage prepaid, addressed to such party's last known address (as shown on the records of the Corporation, in the case of a notice given by the Corporation). The date of such mailing shall be deemed the date of notice, consent or demand.

13. GOVERNING LAW. This Agreement, and the rights of the parties hereunder, shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, in triplicate, as of the day and year first above written.

The TJX Companies, Inc.

By: /s/ Donald G. Campbell
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Donald G. Campbell
Executive Vice President/Chief
Financial Officer

Richard & Clare Lesser 1998 Irrevocable
Insurance Trust

By: /s/ Gerald Wolin
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Gerald Wolin, Trustee

/s/ Richard G. Lesser
---------------------------------------
Richard G. Lesser

EXHIBIT 10.21

THE TJX COMPANIES, INC.
TRUST AGREEMENT FOR EXECUTIVE SAVINGS PLAN

This Agreement made as of this 6th day of October, 1998 by and between The TJX Companies, Inc. (the "Company") with its principal offices at 770 Cochituate Road, Framingham, MA 02110 and Fleet National Bank (the "Trustee"), of Providence, Rhode Island.

WITNESSETH

WHEREAS the Company has adopted the Executive Savings Plan (the "Plan") to provide deferred compensation and supplemental credits for certain management or highly compensated employees and their beneficiaries; and

WHEREAS the Company wishes to establish a trust (the "Trust") to assist the Company in the payment of benefits under the Plan;

NOW, THEREFORE, the parties hereby establish the Trust and agree that the Trust shall be comprised, held and disposed of as follows:

SECTION 1. TRUST FUND

(a) Subject to the claims of its creditors as set forth in Section 5, the Company hereby deposits with the Trustee in trust one hundred dollars ($100) which shall become the principal of the Trust to be held, administered and disposed of by the Trustee as provided in this Trust Agreement.

(b) The purpose of the Trust is to pay as they come due benefits under the Plan to persons who are entitled to such benefits under the Plan ("Trust Beneficiaries").

(c) The Trust hereby established shall become irrevocable upon a Change of Control, as hereinafter defined, as to all amounts held in Trust as of the Change of Control and all amounts contributed in Trust thereafter, and earnings on such amounts. Prior to a Change of Control the Trust may be revoked by the Company at any time by a writing delivered to the Trustee. Upon such revocation, all amounts held in the Trust shall be paid to, or upon the direction of, the Company.

(d) The Trust is intended to be a trust of which the Company is treated as the owner under Subpart E of Subchapter J, Chapter 1 of the Internal Revenue Code of 1986, as from time to time amended, and shall be construed accordingly.

(e) The principal of the Trust and any earnings thereon which are not returned to the Company in accordance with the specific provisions of this Agreement or used to defray the expenses of the Trust shall be used exclusively for the benefit of Trust Beneficiaries, subject in every case to the provisions of Section 5 (relating to Insolvency of the Company). The Trust Beneficiaries shall not have any preferred claim on, or any beneficial ownership interest in, any assets of the Trust prior to the time such assets are distributed hereunder, and all rights of Trust Beneficiaries created under the Plan or under this Trust Agreement shall be mere unsecured contractual rights against the Company.

SECTION 2. CHANGE OF CONTROL

For all purposes of this Agreement, "Change of Control" means a Change of Control, as defined in Schedule A hereto, of the Company.

SECTION 3. CONTRIBUTIONS TO THE TRUST

(a) The Company may at any time and from time to time make additional deposits of cash or other property in Trust with the Trustee to augment the principal to be held, administered and disposed of by the Trustee as provided in this Trust Agreement.

(b) Amounts transferred to the Trust in respect of the Plan above, shall be held in Trust until distributed in accordance with this Agreement and the provisions of the Plan.

SECTION 4. PAYMENTS TO TRUST BENEFICIARIES

(a) The Trustee shall make payments of benefits to Trust Beneficiaries from the assets of the Trust in accordance with the directions of the persons identified on Schedule B, or either of them, or such other person or persons who may from time to time be designated by the persons identified on Schedule B, or either of them, as authorized to direct the Trustee hereunder (any of the foregoing, the "Administrator").

(b) Upon receipt of evidence satisfactory to the Trustee that a benefit otherwise payable hereunder has been paid by the Company directly to a Trust Beneficiary, the Trustee shall reimburse the Company for such payment if there are sufficient assets in the Trust fund to provide for such reimbursement.

SECTION 5. TRUSTEE RESPONSIBILITY REGARDING PAYMENTS TO TRUST BENEFICIARIES WHEN COMPANY INSOLVENT

(a) The Company shall be considered "Insolvent" for purposes of this Trust Agreement if (i) the Company is unable to pay its debts as they mature, or (ii) the Company is subject to a pending proceeding as a debtor under the U.S. Bankruptcy Code.

(b) At all times during the continuance of this Trust, the principal and income of the Trust shall be subject to claims of general creditors of the Company, but only to the extent hereinafter set forth. If at any time the Trustee has actual knowledge, or has determined, that the Company is Insolvent, the Trustee shall deliver any undistributed principal and income in the Trust to satisfy such claims as a court of competent jurisdiction may direct. The Board of Directors and the Chief Executive Officer, or if he shall have delegated the responsibility to the Chief Financial Officer, the Chief Financial Officer of the Company shall have the duty to inform the Trustee of the Company's Insolvency. If the Company or a person claiming to be a creditor of the Company alleges in writing to the Trustee that the Company has become Insolvent, the Trustee shall independently determine, within thirty (30) days after receipt of such notice, whether the Company is Insolvent and, pending such determination, shall discontinue payments of benefits to Trust Beneficiaries, shall hold the Trust assets for the benefit of the Company's general creditors, and shall resume payments of benefits to Trust Beneficiaries in accordance with Section 4 of this Trust Agreement only after the Trustee has determined that the Company is not Insolvent (or is no longer Insolvent, if the Trustee initially determined the Company to be Insolvent). Unless the Trustee has actual knowledge of the Company's Insolvency or has received an allegation of Insolvency as provided in the preceding sentence, the Trustee shall have no duty to inquire whether the Company is Insolvent. The Trustee may in all events rely on such evidence concerning the Company's solvency as may be furnished to the Trustee which will give the Trustee a reasonable basis for making a determination concerning the Company's solvency. Nothing in this Trust Agreement shall in any way diminish any rights of any Trust Beneficiary to pursue his or her rights as a general creditor of the Company with respect to his or her benefits hereunder or otherwise.

(c) Provided there are sufficient assets, if the Trustee discontinues payments of benefits from the Trust and subsequently resumes such payments, the first payment following such discontinuance shall include the aggregate amount of all payments which would have been made to Trust Beneficiaries during the period of such discontinuance, less the aggregate amount of payments made to Trust Beneficiaries by the Company in lieu of the payments provided for hereunder during any such period of discontinuance (together with interest on the amount delayed at the prime rate then in effect at the Trustee on the date of said payment).

SECTION 6. INVESTMENT OF PRINCIPAL AND INCOME

The Trustee shall invest the principal of the Trust and any earnings thereon in accordance with such investment directions as the Company shall provide (or, if the Company has appointed an investment manager to manage or direct the investment of some or all of the assets of the Trust, in accordance with the directions of such investment manager) or in accordance with such objectives, policies and restrictions as the Company or such investment manager may from time to time prescribe. The Trustee shall have no duty to inquire into or review the aforesaid investment directions, objectives, policies, or restrictions, or the investments made pursuant to the directions of an investment manager. In no event, however, shall assets held in the Trust be invested in securities or obligations issued by the Company or any affiliate of the Company.

Without limiting the foregoing, the parties hereto acknowledge that in order to provide for an accumulation of assets comparable to the contractual liabilities of the Company under the Plan, the Company may direct the Trustee to invest the assets held in the Trust to correspond to the notional investments made for Trust Beneficiaries under the Plan, and that to the extent specified by the Company, and subject to a change by the Company in or revocation by the Company of such specifications and directions at any time, the Trustee shall accomplish such conforming investments by following investment elections communicated to the Trustee by Trust Beneficiaries as hereinafter provided. Trust Beneficiaries may communicate their elections by use of the telephone exchange or similar system maintained for such purpose by the Trustee or its affiliates. Any election so communicated by a Trust Beneficiary to the Trustee with respect to the notional investment or reinvestment of all or a portion of his or her interest in the Plan shall be treated as a corresponding investment direction by the Company with respect to assets held in the Trust.

SECTION 7. DISPOSITION OF PRINCIPAL AND INCOME

During the term of this Trust, all principal amounts contributed to the Trust and all interest thereon, net of expenses, shall be accumulated and reinvested for the purposes herein provided. Subject to the provisions of Sections 1(c), 4 and 12, the Company shall have no right or power to direct the Trustee to return to the Company or to direct to others any of the Trust assets before all payments of benefits payable under the Trust have been made to Trust Beneficiaries. Upon payment of all such benefits and legal expenses, the Trustee shall return to the Company all amounts, if any, then remaining in the Trust.

SECTION 8. ACCOUNTING BY THE TRUSTEE

The Trustee shall keep accurate and detailed records of all investments, receipts, disbursements, and all other transactions required to be done, including such specific records as shall be agreed upon in writing between the Company and the Trustee. All such accounts, books and records shall be open to inspection and audit at all reasonable times by the Company. Within sixty (60) days following the close of each calendar year and within sixty (60) days after the removal or resignation of the Trustee, the Trustee shall deliver to the Company a written account of its administration of the Trust during such year or during the period from the close of the last preceding year to the date of such removal or resignation, setting forth all investments, receipts, disbursements and other transactions effected by it, including a description of all securities and investments purchased and sold with the cost or net proceeds of such purchases or sales (accrued interest paid or receivable being shown separately), and showing all cash, securities and other property held in the Trust at the end of such year as the date of such removal or resignation, as the case may be.

SECTION 9. RESPONSIBILITY OF THE TRUSTEE

(a) The Trustee shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; PROVIDED, HOWEVER, that the Trustee shall incur no liability to anyone for any action reasonably taken in accordance with a written direction, request, or approval given by the Company or by an investment manager appointed by the Company that is contemplated by and complies with the terms of this Trust Agreement, including distributions made in accordance with directions of the Plan Administrator, and to that extent shall be relieved of the prudent person rule for investments.

(b) The Company agrees to indemnify the Trustee against all loss or expense incurred by the Trustee under this Agreement, except that in no event shall the Company indemnify the Trustee against any loss or expense incurred by reason of the Trustee's own negligence or misconduct. Without limiting the foregoing, the Trustee shall not be required to undertake or to defend on behalf of any person any litigation arising in connection with this Trust agreement, unless it be first indemnified by the Company against its prospective costs, expenses and liability.

(c) The Trustee may consult with legal counsel (who may also be counsel for the Trustee generally) with respect to any of its duties or obligations hereunder, including any determination as to whether a Change of Control has occurred or as to whether the Company is Insolvent, and shall not be held responsible for acting or refraining from acting in accordance with the advice of any such counsel selected with reasonable care.

(d) The Trustee may hire agents, legal counsel, accountants, actuaries, investment managers and financial consultants.

(e) The Trustee shall have, without exclusions, all powers conferred on trustees by applicable law unless expressly provided otherwise herein.

(f) Nothing in this Trust Agreement shall be construed as constituting the Trustee plan "administrator," as that term is defined in Section 3(16) of ERISA, of any plan or arrangement pursuant to which benefits are provided hereunder.

SECTION 10. COMPENSATION AND EXPENSES OF THE TRUSTEE

The Trustee shall be entitled to receive such reasonable compensation for its services as shall be agreed upon by the Company and the Trustee. The Trustee shall also be entitled to receive its reasonable expenses incurred with respect to the administration of the Trust. All such compensation and expenses shall be payable by the Company, but if not paid by the Company shall be a charge against and may be paid from the assets of the Trust.

SECTION 11. REPLACEMENT OF THE TRUSTEE

The Trustee may be removed by the Company at any time prior to a Change of Control, or may resign at any time, in either case by notice in writing. Upon the removal or the resignation of the Trustee, a new trustee, which shall be a bank or trust company having a combined capital and surplus of not less than $50,000,000 shall be appointed by the Company. If the Company fails to appoint a successor Trustee following the resignation or removal of the present Trustee, then the present Trustee may apply to a court of competent jurisdiction for the appointment of a successor Trustee.

SECTION 12. AMENDMENT OR TERMINATION

(a) This Trust Agreement may be amended at any time and to any extent by a written instrument executed by the Committee or the Company; PROVIDED, that no such amendment that would increase the duties or responsibilities of the Trustee shall be effective unless the Trustee shall have consented thereto; AND FURTHER PROVIDED, that following a Change of Control the provisions of this Section 12 may not be amended.

(b) The Trust shall not terminate until the date on which the last Trust Beneficiary ceases to be entitled to benefits payable under the Trust, unless sooner revoked in writing in accordance with Section 1.

(c) Upon termination of the Trust or upon revocation of the Trust under Section 1, all assets remaining in the Trust shall be returned to the Company.

SECTION 13. SEVERABILITY AND ALIENATION

(a) Any provision of this Trust Agreement prohibited by law shall be ineffective to the extent of any such prohibition without invalidating the remaining provisions hereof.

(b) Benefits payable to Trust Beneficiaries under this Agreement may not be anticipated, assigned (either at law or in equity), alienated or subject to attachment, garnishment, levy, execution or other legal or equitable process and no benefit actually paid to Trust Beneficiaries by the Trustee shall be subject to any claim for repayment by the Company or the Trustee.

SECTION 14. GOVERNING LAW

This Trust Agreement shall be governed by and construed in accordance with the laws of Rhode Island.

IN WITNESS WHEREOF, the Company and the Trustee have executed this Agreement as of the date first above written.

THE TJX COMPANIES, INC.

By /s/ Donald G. Campbell
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FLEET NATIONAL BANK

By /s/ A. H. Mira
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SCHEDULE A
To The Trust Agreement For
The TJX Companies, Inc. Executive Savings Plan

DEFINITION OF "CHANGE OF CONTROL"

"Change of Control" shall mean the occurrence of any one of the following events:

(a) there occurs a change of control of the Company of a nature that would be required to be reported in response to Item 1(a) of the Current Report on Form 8-K pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") or in any other filing under the Exchange Act; PROVIDED, HOWEVER, that if the Participant or a Participant Related Party is the Person or a member of a group constituting the Person acquiring control, a transaction shall not be deemed to be a Change of Control as to a Participant unless the Committee shall otherwise determine prior to such occurrence; or

(b) any Person other than the Company, any wholly-owned subsidiary of the Company, or any employee benefit plan of the Company or such a subsidiary becomes the owner of 20% or more of the Company's Common Stock and thereafter individuals who were not directors of the Company prior to the date such Person became a 20% owner are elected as directors pursuant to an arrangement or understanding with, or upon the request of or nomination by, such Person and constitute at least 1/4 of the Company's Board of Directors; PROVIDED, HOWEVER, that unless the Committee shall otherwise determine prior to the acquisition of such 20% ownership, such acquisition of ownership shall not constitute a Change of Control as to a Participant if the Participant or a Participant Related Party is the Person or a member of a group constituting the Person acquiring such ownership; or

(c) there occurs any solicitation or series of solicitations of proxies by or on behalf of any Person other than the Company's Board of Directors and thereafter individuals who were not directors of the Company prior to the commencement of such solicitation or series of solicitations are elected as directors pursuant to an arrangement or understanding with, or upon the request of or nomination by, such Person and constitute at least 1/4 of the Company's Board of Directors; or

(d) the Company executes an agreement of acquisition, merger or consolidation which contemplates that (i) after the effective date provided for in such agreement, all or substantially all of the business and/or assets of the Company shall be owned, leased or otherwise controlled by another Person and (ii) individuals who are directors of the Company when such agreement is executed shall not constitute a majority of the board of directors of the survivor or successor entity immediately after the effective date provided for in such agreement; PROVIDED, HOWEVER, that unless otherwise determined by the Committee, no transaction shall constitute a Change of Control as to a Participant if, immediately after such transaction, the Participant or any Participant Related Party shall own equity securities of any surviving corporation ("Surviving Entity") having a fair value as a percentage of the fair value of the equity securities of such Surviving Entity greater than 125% of the fair value of the equity securities of the Company owned by the Participant and any Participant Related Party immediately prior to such transaction, expressed as a percentage of the fair value of all equity securities of the Company immediately prior to such transaction (for purposes of this paragraph ownership of equity securities shall be determined in the same manner as ownership of Common Stock); and PROVIDED, FURTHER, that, for purposes of this paragraph (d), if such agreement requires as a condition precedent approval by the Company's shareholders of the agreement or transaction, a Change of Control shall not be deemed to have taken place unless and until such approval is secured (but upon any such approval, a Change of Control shall be deemed to have occurred on the date of execution of such agreement).

In addition, for purposes of this Exhibit A the following terms have the meanings set forth below:

"Common Stock" shall mean the then outstanding Common Stock of the Company plus, for purposes of determining the stock ownership of any Person, the number of unissued shares of Common Stock which such Person has the right to acquire (whether such right is exercisable immediately or only after the passage of time) upon the exercise of conversion rights, exchange rights, warrants or options or otherwise. Notwithstanding the foregoing, the term Common Stock shall not include shares of Preferred Stock or convertible debt or options or warrants to acquire shares of Common Stock (including any shares of Common Stock issued or issuable upon the conversion or exercise thereof) to the extent that the Board of Directors of the Company shall expressly so determine in any future transaction or transactions.

A Person shall be deemed to be the "owner" of any Common Stock:

(i) of which such Person would be the "beneficial owner," as such term is defined in Rule 13d-3 promulgated by the Securities and Exchange Commission (the "Commission") under the Exchange Act, as in effect on March 1, 1989; or

(ii) of which such Person would be the "beneficial owner" for purposes of

Section 16 of the Exchange Act and the rules of the Commission promulgated thereunder, as in effect on March 1, 1989; or

(iii) which such Person or any of its affiliates or associates (as such terms are defined in Rule 12b-2 promulgated by the Commission under the Exchange Act, as in effect on March 1, 1989) has the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options or otherwise.

"Person" shall have the meaning used in Section 13(d) of the Exchange Act, as in effect on March 1, 1989.

A "Participant Related Party" shall mean, with respect to a Participant, any affiliate or associate of the Participant other than the Company or a Subsidiary of the Company. The terms "affiliate" and "associate" shall have the meanings ascribed thereto in Rule 12b-2 under the Exchange Act (the term "registrant" in the definition of "associate" meaning, in this case, the Company).

"Subsidiary" shall mean any corporation or other entity (other than the Company) in an unbroken chain beginning with the Company if each of the entities (other than the last entity in the unbroken chain) owns stock or other interests possessing 50% or more of the total combined voting power of all classes of stock or other interests in one of the other corporations or other entities in the chain.

"Committee" shall mean the Executive Compensation Committee of the Board of Directors of the Company.

"Company" shall mean The TJX Companies, Inc.

Initially capitalized terms not defined above shall have the meanings assigned to those terms in Article I of the Executive Savings Plan.

SCHEDULE B
To The Trust Agreement For
The TJX Companies, Inc. Executive Savings Plan

PERSONS AUTHORIZED TO PROVIDE DIRECTION TO THE TRUSTEE (SUBJECT TO CHANGE BY THE COMPANY)

1. Donald G. Campbell, Executive Vice President, Chief Financial Officer

2. Mark Jacobson, Vice President, Corporate Human Services Director

EXHIBIT 13

THE TJX COMPANIES, INC.

SELECTED FINANCIAL DATA (CONTINUING OPERATIONS)

| Dollars In Thousands Except Per Share Amounts | Fiscal Year Ended January 2000 | 1999 | 1998 | 1997 | 1996 |
|---|---|---|---|---|---|
| | | | (53 weeks) | | (1) |
| Income statement and per share data: | | | | | |
| Net sales | $ 8,795,347 | $ 7,949,101 | $ 7,389,069 | $ 6,689,410 | $ 3,975,115 |
| Income from continuing operations before extraordinary item and cumulative effect of accounting change | 526,822 | 433,202 | 306,592 | 213,826 | 51,589(2) |
| Weighted average common shares for diluted earnings per share calculation | 317,790,764 | 334,647,950 | 349,612,184 | 350,650,100 | 290,781,900 |
| Diluted earnings per share from continuing operations before extraordinary item and cumulative effect of accounting change | $ 1.66 | $ 1.29 | $ .88 | $ .61 | $ .15(2) |
| Cash dividends declared per share | .14 | .12 | .10 | .07 | .12 |
| Balance sheet data: | | | | | |
| Cash | $ 371,759 | $ 461,244 | $ 404,369 | $ 474,732 | $ 209,226 |
| Working capital | 334,197 | 436,259 | 464,974 | 425,595 | 332,864 |
| Total assets | 2,804,963 | 2,747,846 | 2,609,632 | 2,506,761 | 2,545,825 |
| Capital expenditures | 238,569 | 207,742 | 192,382 | 119,153 | 105,864 |
| Long-term debt | 319,367 | 220,344 | 221,024 | 244,410 | 690,713 |
| Shareholders' equity | 1,119,228 | 1,220,656 | 1,164,092 | 1,127,186 | 764,634 |
| Other financial data: | | | | | |
| After-tax return on average shareholders' equity | 45.0% | 36.3% | 26.8% | 22.6% | 7.5% |
| Long-term debt as a percentage of long-term capitalization(3) | 22.2% | 15.3% | 16.0% | 17.8% | 47.5% |
| Stores in operation at year-end: | | | | | |
| T.J. Maxx | 632 | 604 | 580 | 578 | 587 |
| Marshalls | 505 | 475 | 461 | 454 | 496 |
| Winners | 100 | 87 | 76 | 65 | 52 |
| HomeGoods | 51 | 35 | 23 | 21 | 22 |
| T.K. Maxx | 54 | 39 | 31 | 18 | 9 |
| A.J. Wright | 15 | 6 | -- | -- | -- |
| Total | 1,357 | 1,246 | 1,171 | 1,136 | 1,166 |

(1) Includes the results of Marshalls for the periods following its acquisition on November 17, 1995.
(2) Includes an after-tax charge of $21.0 million for the estimated cost of closing certain T.J. Maxx stores in connection with the acquisition of Marshalls.
(3) Long-term capitalization includes shareholders' equity and long-term debt.

THE TJX COMPANIES, INC.

CONSOLIDATED STATEMENTS OF INCOME

| Dollars In Thousands Except Per Share Amounts | Fiscal Year Ended January 29, 2000 | January 30, 1999 | January 31, 1998 (53 weeks) |
|---|---|---|---|
| Net sales | $ 8,795,347 | $ 7,949,101 | $ 7,389,069 |
| Cost of sales, including buying and occupancy costs | 6,579,400 | 5,957,415 | 5,676,541 |
| Selling, general and administrative expenses | 1,354,665 | 1,285,988 | 1,185,755 |
| Interest expense, net | 7,345 | 1,686 | 4,502 |
| Income from continuing operations before income taxes, extraordinary item and cumulative effect of accounting change | 853,937 | 704,012 | 522,271 |
| Provision for income taxes | 327,115 | 270,810 | 215,679 |
| Income from continuing operations before extraordinary item and cumulative effect of accounting change | 526,822 | 433,202 | 306,592 |
| (Loss) from discontinued operations, net of income taxes | -- | (9,048) | -- |
| Income before extraordinary item and cumulative effect of accounting change | 526,822 | 424,154 | 306,592 |
| Extraordinary (charge), net of income taxes | -- | -- | (1,777) |
| Cumulative effect of accounting change, net of income taxes | (5,154) | -- | -- |
| Net income | 521,668 | 424,154 | 304,815 |
| Preferred stock dividends | -- | 3,523 | 11,668 |
| Net income available to common shareholders | $ 521,668 | $ 420,631 | $ 293,147 |
| Basic earnings per share: | | | |
| Income from continuing operations before extraordinary item and cumulative effect of accounting change | $ 1.67 | $ 1.35 | $ .92 |
| Net income | $ 1.66 | $ 1.32 | $ .91 |
| Weighted average common shares - basic | 314,577,145 | 318,073,081 | 321,474,046 |
| Diluted earnings per share: | | | |
| Income from continuing operations before extraordinary item and cumulative effect of accounting change | $ 1.66 | $ 1.29 | $ .88 |
| Net income | $ 1.64 | $ 1.27 | $ .87 |
| Weighted average common shares - diluted | 317,790,764 | 334,647,950 | 349,612,184 |
| Cash dividends declared per share | $ .14 | $ .12 | $ .10 |

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

THE TJX COMPANIES, INC.

CONSOLIDATED BALANCE SHEETS

| In Thousands | January 29, 2000 | January 30, 1999 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 371,759 | $ 461,244 |
| Accounts receivable | 55,461 | 67,345 |
| Merchandise inventories | 1,229,587 | 1,186,068 |
| Prepaid expenses and other current assets | 43,758 | 28,448 |
| Total current assets | 1,700,565 | 1,743,105 |
| Property at cost: | | |
| Land and buildings | 116,005 | 115,485 |
| Leasehold costs and improvements | 622,962 | 547,099 |
| Furniture, fixtures and equipment | 849,932 | 711,320 |
| | 1,588,899 | 1,373,904 |
| Less: accumulated depreciation and amortization | 754,314 | 617,302 |
| | 834,585 | 756,602 |
| Other assets | 55,826 | 27,436 |
| Deferred income taxes, net | 23,143 | 22,386 |
| Goodwill and tradename, net of amortization | 190,844 | 198,317 |
| Total Assets | $ 2,804,963 | $ 2,747,846 |
| **Liabilities** | | |
| Current liabilities: | | |
| Current installments of long-term debt | $ 100,359 | $ 694 |
| Accounts payable | 615,671 | 617,159 |
| Accrued expenses and other current liabilities | 650,338 | 688,993 |
| Total current liabilities | 1,366,368 | 1,306,846 |
| Long-term debt, exclusive of current installments | 319,367 | 220,344 |
| Commitments and contingencies | | |
| **Shareholders' Equity** | | |
| Common stock, authorized 1,200,000,000 shares, par value $1, issued and outstanding 299,979,363 and 322,140,770 shares | 299,979 | 322,141 |
| Additional paid-in capital | -- | -- |
| Accumulated other comprehensive income (loss) | (1,433) | (1,529) |
| Retained earnings | 820,682 | 900,044 |
| Total shareholders' equity | 1,119,228 | 1,220,656 |
| Total Liabilities and Shareholders' Equity | $ 2,804,963 | $ 2,747,846 |

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

THE TJX COMPANIES, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Fiscal Year Ended | | |
|---|---|---|---|
| In Thousands | January 29, 2000 | January 30, 1999 | January 31, 1998 |
| | | | (53 weeks) |
| Cash flows from operating activities: | | | |
| Net income | $ 521,668 | $ 424,154 | $ 304,815 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Loss from discontinued operations | -- | 9,048 | -- |
| Extraordinary charge | -- | -- | 1,777 |
| Cumulative effect of accounting change | 5,154 | -- | -- |
| Depreciation and amortization | 160,393 | 136,531 | 124,891 |
| Property disposals | 4,624 | 6,037 | 18,778 |
| Other, net | (27,744) | (6,296) | (3,928) |
| Changes in assets and liabilities: | | | |
| (Increase) in accounts receivable | (8,199) | (6,610) | (3,460) |
| (Increase) decrease in merchandise inventories | (28,886) | 4,102 | (130,665) |
| (Increase) in prepaid expenses and other current assets | (15,532) | (1,091) | (10,978) |
| Increase (decrease) in accounts payable | (1,488) | 34,368 | 48,846 |
| Increase (decrease) in accrued expenses and other current liabilities | (34,789) | 48,670 | 37,211 |
| Increase (decrease) in deferred income taxes | 2,769 | (19,965) | (3,793) |
| Net cash provided by operating activities | 577,970 | 628,948 | 383,494 |
| Cash flows from investing activities: | | | |
| Property additions | (238,569) | (207,742) | (192,382) |
| Proceeds from sale of other assets | -- | 9,421 | 15,697 |
| Proceeds adjustment to sale of discontinued operations | -- | -- | (33,190) |
| Net cash (used in) investing activities | (238,569) | (198,321) | (209,875) |
| Cash flows from financing activities: | | | |
| Proceeds from borrowings of long-term debt, net | 198,060 | -- | -- |
| Principal payments on long-term debt | (695) | (23,360) | (27,179) |
| Proceeds from sale and issuance of common stock | 21,048 | 27,763 | 15,471 |
| Stock repurchased | (604,560) | (337,744) | (245,198) |
| Cash dividends paid | (42,739) | (40,411) | (41,527) |
| Net cash (used in) financing activities | (428,886) | (373,752) | (298,433) |
| Net cash provided by (used in) continuing operations | (89,485) | 56,875 | (124,814) |
| Net cash provided by discontinued operations | -- | -- | 54,451 |
| Net increase (decrease) in cash and cash equivalents | (89,485) | 56,875 | (70,363) |
| Cash and cash equivalents at beginning of year | 461,244 | 404,369 | 474,732 |
| Cash and cash equivalents at end of year | $ 371,759 | $ 461,244 | $ 404,369 |

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

THE TJX COMPANIES, INC.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

| In Thousands | Preferred Stock Face Value | Common Stock, Par Value $1 | Additional Paid-in Capital | Accumulated Other Comprehensive Income (Loss) | Retained Earnings | Total |
|---|---|---|---|---|---|---|
| Balance, January 25, 1997 | $150,000 | $ 79,576 | $ 430,055 | $(1,038) | $ 468,593 | $ 1,127,186 |
| Comprehensive income: | | | | | | |
| Net income | -- | -- | -- | -- | 304,815 | 304,815 |
| Foreign currency translation | -- | -- | -- | (643) | -- | (643) |
| Unrealized gains on securities | -- | -- | -- | 4,998 | -- | 4,998 |
| Total comprehensive income | | | | | | 309,170 |
| Cash dividends declared: | | | | | | |
| Preferred stock | -- | -- | -- | -- | (11,668) | (11,668) |
| Common stock | -- | -- | -- | -- | (31,832) | (31,832) |
| Conversion of cumulative Series E preferred stock into common stock | (77,020) | 8,315 | 68,705 | -- | -- | -- |
| Stock repurchased: | | | | | | |
| Preferred | (250) | -- | -- | -- | (500) | (750) |
| Common | -- | (8,528) | (235,920) | -- | -- | (244,448) |
| Stock split, two-for-one | -- | 79,823 | (79,823) | -- | -- | -- |
| Issuance of common stock under stock incentive plans and related tax benefits | -- | 715 | 15,719 | -- | -- | 16,434 |
| Balance, January 31, 1998 | 72,730 | 159,901 | 198,736 | 3,317 | 729,408 | 1,164,092 |
| Comprehensive income: | | | | | | |
| Net income | -- | -- | -- | -- | 424,154 | 424,154 |
| Foreign currency translation | -- | -- | -- | 152 | -- | 152 |
| Reclassification of unrealized gains | -- | -- | -- | (4,998) | -- | (4,998) |
| Total comprehensive income | | | | | | 419,308 |
| Cash dividends declared: | | | | | | |
| Preferred stock | -- | -- | -- | -- | (3,523) | (3,523) |
| Common stock | -- | -- | -- | -- | (38,134) | (38,134) |
| Conversion of cumulative Series E preferred stock into common stock | (72,730) | 14,682 | 58,048 | -- | -- | -- |
| Common stock repurchased | -- | (12,998) | (187,859) | -- | (149,462) | (350,319) |
| Stock split, two-for-one | -- | 158,954 | (96,555) | -- | (62,399) | -- |
| Issuance of common stock under stock incentive plans and related tax benefits | -- | 1,602 | 27,630 | -- | -- | 29,232 |
| Balance, January 30, 1999 | -- | 322,141 | -- | (1,529) | 900,044 | 1,220,656 |
| Comprehensive income: | | | | | | |
| Net income | -- | -- | -- | -- | 521,668 | 521,668 |
| Foreign currency translation | -- | -- | -- | 229 | -- | 229 |
| Unrealized (loss) on securities | -- | -- | -- | (133) | -- | (133) |
| Total comprehensive income | | | | | | 521,764 |
| Cash dividends declared on common stock | -- | -- | -- | -- | (43,716) | (43,716) |
| Common stock repurchased | -- | (23,578) | (20,368) | -- | (557,314) | (601,260) |
| Issuance of common stock under stock incentive plans and related tax benefits | -- | 1,416 | 20,368 | -- | -- | 21,784 |
| Balance, January 29, 2000 | $ -- | $299,979 | $ -- | $(1,433) | $ 820,682 | $ 1,119,228 |

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

THE TJX COMPANIES, INC.

SELECTED INFORMATION BY MAJOR BUSINESS SEGMENT

| In Thousands | Fiscal Year Ended January 29, 2000 | January 30, 1999 | January 31, 1998 (53 weeks) |
|---|---|---|---|
| Net sales: | | | |
| Off-price family apparel stores | $ 8,588,537 | $ 7,816,563 | $ 7,290,959 |
| Off-price home fashion stores | 206,810 | 132,538 | 98,110 |
| | $ 8,795,347 | $ 7,949,101 | $ 7,389,069 |
| Operating income (loss): | | | |
| Off-price family apparel stores | $ 896,492 | $ 782,706 | $ 596,908 |
| Off-price home fashion stores (1) | 4,581 | (4,950) | (8,615) |
| | 901,073 | 777,756 | 588,293 |
| General corporate expense (2) | 37,182 | 69,449 | 58,906 |
| Goodwill amortization | 2,609 | 2,609 | 2,614 |
| Interest expense, net | 7,345 | 1,686 | 4,502 |
| Income from continuing operations before income taxes, extraordinary item and cumulative effect of accounting change | $ 853,937 | $ 704,012 | $ 522,271 |
| Identifiable assets: | | | |
| Off-price family apparel stores | $ 2,189,403 | $ 2,093,879 | $ 2,033,945 |
| Off-price home fashion stores | 63,888 | 49,515 | 39,074 |
| Corporate, primarily cash, goodwill and deferred taxes | 551,672 | 604,452 | 536,613 |
| | $ 2,804,963 | $ 2,747,846 | $ 2,609,632 |
| Capital expenditures: | | | |
| Off-price family apparel stores | $ 227,750 | $ 202,054 | $ 190,720 |
| Off-price home fashion stores | 10,819 | 5,688 | 1,662 |
| | $ 238,569 | $ 207,742 | $ 192,382 |
| Depreciation and amortization: | | | |
| Off-price family apparel stores | $ 153,525 | $ 130,325 | $ 115,967 |
| Off-price home fashion stores | 3,911 | 3,302 | 3,186 |
| Corporate, including goodwill | 2,957 | 2,904 | 5,738 |
| | $ 160,393 | $ 136,531 | $ 124,891 |

(1) The periods ended January 30, 1999 and January 31, 1998 include a pre-tax charge of $2.2 million and $1.5 million, respectively, for certain store closings and other restructuring costs relating to HomeGoods.

(2) General corporate expense for the fiscal year ended January 29, 2000, includes a pre-tax gain of $8.5 million associated with the Company's receipt of common stock resulting from the demutualization of Manulife Financial and a pre-tax charge of $1.1 million for costs associated with a fiscal 1998 executive deferred compensation award. General corporate expense for the fiscal year ended January 30, 1999 includes a pre-tax charge of $6.3 million for costs associated with the foregoing executive deferred compensation award, a $3.5 million pre-tax charge for the write-down of a note receivable from the Company's former Hit or Miss division and a $7.5 million charitable donation to The TJX Foundation. General corporate expense for the fiscal year ended January 31, 1998 includes a pre-tax charge of $15.2 million for costs associated with the foregoing executive deferred compensation award and a pre-tax gain of $6.0 million for the sale of Brylane, Inc. common stock.

THE TJX COMPANIES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Summary of Accounting Policies

Fiscal Year: The Company's fiscal year ends on the last Saturday in January. The fiscal year ended January 31, 1998 (fiscal 1998) included 53 weeks. The fiscal years ended January 29, 2000 and January 30, 1999 each included 52 weeks.

Basis of Presentation: The consolidated financial statements of The TJX Companies, Inc. include the financial statements of all the Company's wholly owned subsidiaries, including its foreign subsidiaries. The financial statements for the applicable periods present the Company's former Chadwick's of Boston (Chadwick's) and Hit or Miss divisions as discontinued operations. The notes pertain to continuing operations except where otherwise noted.

Use of Estimates: The preparation of the financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent liabilities, at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents and Short-Term Investments: The Company generally considers highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Company's investments are primarily high-grade commercial paper, institutional money market funds and time deposits with major banks. The fair value of cash equivalents approximates carrying value.

During September 1999, the Company received 693,537 common shares of Manulife Financial. The shares issued reflect ownership interest in the demutualized insurer due to policies held by the Company. These securities were recorded at market value upon receipt resulting in an $8.5 million pre-tax gain. The Company has classified these Manulife Financial common shares as available-for-sale and includes them in other current assets on the balance sheets. In years prior to fiscal 2000, the Company also held available-for-sale marketable securities received as proceeds from the sale of its former Chadwick's division (see Note B). Available-for-sale securities are stated at fair market value with unrealized gains or losses, net of income taxes, included as a component of other comprehensive income (loss). Realized gains or losses are included in net income when the securities are sold or disposed of, resulting in a related reclassification adjustment to other comprehensive income (loss).

Merchandise Inventories: Inventories are stated at the lower of cost or market. The Company uses the retail method for valuing inventories on the first-in first-out basis.

Depreciation and Amortization: For financial reporting purposes, the Company provides for depreciation and amortization of property principally by the use of the straight-line method over the estimated useful lives of the assets. Buildings are depreciated over 33 years, leasehold costs and improvements are generally amortized over the lease term or their estimated useful life, whichever is shorter, and furniture, fixtures and equipment are depreciated over 3 to 10 years. Depreciation and amortization expense for property was $154.2 million, $130.4 million and $115.8 million for the fiscal years 2000, 1999 and 1998, respectively. Maintenance and repairs are charged to expense as incurred. Internal costs for the development of software are generally not material and the Company expenses them as incurred. Upon retirement or sale, the cost of disposed assets and the related depreciation are eliminated and any gain or loss is included in net income. Debt discount and related issue expenses are amortized to interest expense over the lives of the related debt issues. Pre-opening costs are expensed as incurred.

Goodwill and Tradename: Goodwill is primarily the excess of the purchase price incurred over the carrying value of the minority interest in the Company's former 83%-owned subsidiary. The minority interest was acquired pursuant to the Company's fiscal 1990 restructuring. In addition, goodwill includes the excess of cost over the estimated fair market value of the net assets of Winners Apparel Ltd., acquired by the Company in fiscal 1991. Goodwill, net of amortization, totaled $76.8 million and $79.3 million as of January 29, 2000 and

January 30, 1999, respectively, and is being amortized over 40 years on a straight-line basis. Annual amortization of goodwill was $2.6 million in fiscal years 2000, 1999 and 1998. Cumulative amortization as of January 29, 2000 and January 30, 1999 was $27.7 million and $25.1 million, respectively.

Tradename is the value assigned to the name "Marshalls" as a result of the Company's acquisition of the Marshalls chain on November 17, 1995. The value of the tradename was determined by the discounted present value of assumed after-tax royalty payments, offset by a reduction for its pro-rata share of the total negative goodwill acquired. The final purchase price allocated to the tradename, including a reduction for a pro-rata share of reserve adjustments recorded in fiscal 2000 and fiscal 1998 (see Note J) amounted to $128.3 million. The tradename is deemed to have an indefinite life and accordingly is being amortized over 40 years. Amortization expense was $3.2 million for fiscal years 2000 and 1999, and $3.4 million for fiscal 1998. Cumulative amortization as of January 29, 2000 and January 30, 1999 was $14.2 million and $11.0 million, respectively.

Impairment of Long-Lived Assets: The Company periodically reviews the value of its property and intangible assets in relation to the current and expected operating results of the related business segments in order to assess whether there has been a permanent impairment of their carrying values.

Advertising Costs: The Company expenses advertising costs during the fiscal year incurred. Advertising expense was $114.7 million, $106.4 million and $103.8 million for fiscal years 2000, 1999 and 1998, respectively.

Earnings Per Share: All earnings per share amounts discussed refer to diluted earnings per share unless otherwise indicated. All historical earnings per share amounts reflect the June 1998 and June 1997 two-for-one stock splits.

Foreign Currency Translation: The Company's foreign assets and liabilities are translated at the year-end exchange rate and income statement items are translated at the average exchange rates prevailing during the year. A large portion of the Company's net investment in foreign operations is hedged with foreign currency swap agreements and forward contracts. The translation adjustments associated with the foreign operations and the related hedging instruments are included in shareholders' equity as a component of comprehensive income (loss). Cumulative foreign currency translation adjustments included in shareholders' equity amounted to losses of $1.3 million as of January 29, 2000 and $1.5 million as of January 30, 1999.

New Accounting Standards: During 1998, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities." This Statement established accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. This Statement requires that an entity recognize all derivatives as either assets or liabilities in the statements of financial position and measure those instruments at fair value. SFAS No. 133 was later amended by SFAS No. 137 which deferred the implementation date of SFAS No. 133 to fiscal years beginning after June 15, 2000. The Company believes that the impact of implementation of this new standard will be immaterial. The Company will adopt SFAS No. 133, as amended by SFAS No. 137, in its fiscal year ending January 26, 2002.

Reclassifications: Certain amounts in prior years' financial statements have been reclassified for comparative purposes.

A. Change In Accounting Principle

Effective January 31, 1999, the Company changed its method of accounting for layaway sales in compliance with Staff Accounting Bulletin No. 101 "Revenue Recognition in Financial Statements," issued by the Securities and Exchange Commission during the fourth quarter of fiscal 2000. Under the new accounting method, the Company will defer recognition of a layaway sale and its related profit to the accounting period when the customer picks up layaway merchandise. The cumulative effect of this change for periods prior to January 31, 1999 of $5.2 million (net of income taxes of $3.4 million), or $.02 per share, is shown as the cumulative effect of accounting change in the Consolidated Statements of Income. The accounting change has virtually no impact on annual sales and earnings (before cumulative effect). However, due to the seasonal influences of the business, the accounting change results in a shift of sales and earnings among the Company's quarterly periods. As a result, the Company has restated its earnings for the first three quarters of the fiscal year ended January 29, 2000 (see Selected Quarterly Financial Data, page 45, for more information). Except for the Selected Quarterly Financial Data, the Company has not presented pro forma results for prior fiscal years due to immateriality.

B. Dispositions and Acquisitions

Sale of Chadwick's of Boston: The Company sold its former Chadwick's division in fiscal 1997 to Brylane, Inc. As part of the proceeds from the sale, the Company received a $20 million convertible note. During fiscal 1998, the Company converted a portion of the Brylane note into 352,908 shares of Brylane, Inc. common stock which it sold for $15.7 million. This sale resulted in an after-tax gain of $3.6 million. During fiscal 1999, the balance of the note was converted into shares of Brylane common stock. A portion of the shares were donated to the Company's charitable foundation, and the remaining shares were sold. The net pre-tax impact of these transactions was immaterial. Pursuant to the agreement, the Company retained the Chadwick's consumer credit card receivables. The cash provided by discontinued operations for fiscal 1998 represents the collection of the remaining balance of the Chadwick's consumer credit card receivables outstanding as of January 25, 1997. Also pursuant to the disposition, the Company agreed to purchase certain amounts of excess inventory from Chadwick's. This arrangement has subsequently been amended and extended through fiscal 2002.

Sale of Hit or Miss: Effective September 30, 1995, the Company sold its Hit or Miss division to members of Hit or Miss management and outside investors. The Company received $3.0 million in cash and a seven-year $10 million note with interest at 10%. During fiscal 1998, the Company forgave a portion of this note and was released from certain obligations and guarantees which reduced the note to $5.5 million. During fiscal 1999, the Company settled the note for $2.0 million, the balance of $3.5 million was charged to selling, general and administrative expenses.

Acquisition of Marshalls: On November 17, 1995, the Company acquired the Marshalls family apparel chain from Melville Corporation. The Company paid $424.3 million in cash and $175 million in junior convertible preferred stock. The total purchase price of Marshalls, including acquisition costs of $6.7 million, was $606 million.

C. Long-Term Debt and Credit Lines

At January 29, 2000 and January 30, 1999, long-term debt, exclusive of current installments, consisted of the following:

| In Thousands | January 29, 2000 | January 30, 1999 |
|---|---|---|
| Equipment notes, interest at 11% to 11.25% maturing December 12, 2000 to December 30, 2001 | $ 73 | $ 433 |
| General corporate debt: | | |
| Medium term notes, interest at 5.87% to 7.97%, $15 million maturing October 21, 2003 and $5 million maturing September 20, 2004 | 20,000 | 20,000 |
| 65/8% unsecured notes, maturing June 15, 2000 | -- | 100,000 |
| 7% unsecured notes, maturing June 15, 2005 (effective interest rate of 7.02% after reduction of the unamortized debt discount of $75,000 and $89,000 in fiscal 2000 and 1999, respectively) | 99,925 | 99,911 |
| 7.45% unsecured notes, maturing December 15, 2009 (effective interest rate of 7.50% after reduction of unamortized debt discount of $631,000 in fiscal 2000) | 199,369 | -- |
| Total general corporate debt | 319,294 | 219,911 |
| Long-term debt, exclusive of current installments | $319,367 | $220,344 |

The aggregate maturities of long-term debt, exclusive of current installments, at January 29, 2000 are as follows:

| In Thousands | Equipment Notes | General Corporate Debt | Total |
|---|---|---|---|
| Fiscal Year | | | |
| 2002 | $ 73 | $ -- | $ 73 |
| 2003 | -- | -- | -- |
| 2004 | -- | 15,000 | 15,000 |
| 2005 | -- | 5,000 | 5,000 |
| Later years | -- | 299,294 | 299,294 |
| Aggregate maturities of long-term debt, exclusive of current installments | $ 73 | $319,294 | $319,367 |

In June 1995, the Company issued $200 million of long-term notes; $100 million of 6 5/8% notes due June 15, 2000 and $100 million of 7% notes due June 15, 2005. The proceeds were used in part to repay short-term borrowings and for general corporate purposes, including the repayment of scheduled maturities of other outstanding long-term debt and for new store and other capital expenditures. In December 1999, the Company issued $200 million of 7.45% ten-year notes, the proceeds of which are being used for general corporate purposes, including the Company's ongoing stock repurchase program.

The Company periodically enters into financial instruments to manage its cost of borrowing. In December 1999, the Company entered into a rate-lock agreement to hedge the underlying treasury rate of the $200 million ten-year notes, prior to their issuance. The cost of this agreement has been deferred and is being amortized to interest expense over the term of the notes and resulted in an effective rate of 7.6% on the debt.

On November 17, 1995, the Company entered into an unsecured $875 million bank credit agreement which allowed the Company to borrow up to $500 million on a revolving loan basis to fund the working capital needs of the Company. In September 1997, the Company replaced this credit agreement with a new five-year $500 million revolving credit facility. The Company recorded an extraordinary charge of $1.8 million, net of income taxes of $1.2 million, associated with the write-off of deferred financing costs of the former agreement. The new agreement provides for reduced commitment fees on the unused portion of the line, as well as lower borrowing costs and has certain financial covenants which require that the Company maintain specified fixed charge coverage and leverage ratios.

As of January 29, 2000, all $500 million of the revolving credit facility was available for use. Interest is payable on borrowings at rates equal to or less than prime. The revolving credit facility is used as backup to the Company's commercial paper program. The maximum amount outstanding under this credit agreement during fiscal 2000 was $108 million. There were no borrowings under this facility during fiscal 1999. The weighted average interest rate on the Company's short-term borrowings under this agreement was 6.06% in fiscal 2000. The Company does not have any compensating balance requirements under these arrangements. The Company also has C$40 million of credit lines for its Canadian operation, all of which were available as of January 29, 2000.

D. Financial Instruments

The Company periodically enters into forward foreign exchange contracts to hedge firm U.S. dollar and Euro dollar merchandise purchase commitments made by its foreign subsidiaries. As of January 29, 2000, the Company had $21.4 million of such contracts outstanding for its Canadian subsidiary and $4.3 million and 2.5 million Euro dollars for its subsidiary in the United Kingdom. The contracts cover certain commitments for the first quarter of fiscal 2001 and any gains or losses on the contracts will ultimately be reflected in the cost of the merchandise. Deferred gains and losses on the contracts as of January 29, 2000 were immaterial.

The Company also has entered into several foreign currency swap and forward contracts in both Canadian dollars and British pounds sterling. Both the swap and forward agreements are accounted for as a hedge against the Company's investment in foreign subsidiaries; thus, foreign exchange gains and losses on the agreements are recognized in shareholders' equity thereby offsetting translation adjustments associated with the Company's investment in foreign operations. The gains and losses on this hedging activity as of January 29, 2000 were immaterial.

The Canadian swap and forward agreements will require the Company to pay C$66.2 million in exchange for $47.2 million in U.S. currency between January 2002 and October 2004. The British pounds sterling swap and forward agreements will require the Company to pay 65.0 million in sterling between January 2001 and October 2002 in exchange for $103.3 million in U.S. currency.

The agreements contain rights of offset which minimize the Company's exposure to credit loss in the event of nonperformance by one of the counterparties. The interest rates payable on the foreign currency swap agreements are slightly higher than the interest rates receivable on the currency exchanged, resulting in deferred interest costs which are being amortized to interest expense over the term of the related agreements. The premium costs or discounts associated with the forward contracts are being amortized over the term of the related agreements and are included with the gains or losses of the hedging instrument. The unamortized balance of the net deferred costs was $2.1 million and $3.2 million as of January 29, 2000 and January 30, 1999, respectively.

The counterparties to the forward exchange contracts and swap agreements are major international financial institutions. The Company periodically monitors its position and the credit ratings of the counterparties and does not anticipate losses resulting from the nonperformance of these institutions.

The fair value of the Company's long-term debt, including current installments, is estimated using discounted cash flow analysis based upon the Company's current incremental borrowing rates for similar types of borrowing arrangements. The fair value of long-term debt, including current installments, at January 29, 2000 approximates the carrying value of $419.7 million. These estimates do not necessarily reflect certain provisions or restrictions in the various debt agreements which might affect the Company's ability to settle these obligations.

E. Commitments

The Company is committed under long-term leases related to its continuing operations for the rental of real estate, and fixtures and equipment. Virtually all of the Company's leases are for a ten year initial term with options to extend for one or more five year periods. Certain Marshalls leases, acquired in fiscal 1996, had remaining terms ranging up to twenty-five years. Leases for T.K. Maxx are generally for fifteen to twenty-five years with ten year kick-out options. Many of the leases contain escalation clauses. In addition, the Company is generally required to pay insurance, real estate taxes and other operating expenses including, in some cases, rentals based on a percentage of sales.

Following is a schedule of future minimum lease payments for continuing operations as of January 29, 2000:

| In Thousands | Capital Leases | Operating Leases |
|---|---|---|
| Fiscal Year | | |
| 2001 | $ -- | $ 361,037 |
| 2002 | 3,415 | 334,796 |
| 2003 | 3,726 | 310,638 |
| 2004 | 3,726 | 278,996 |
| 2005 | 3,726 | 243,653 |
| Later years | 41,574 | 1,053,016 |
| Total future minimum lease payments | $ 56,167 | $2,582,136 |

The capital lease commitments relate to a 283,000 square foot addition to the Company's home office facility. Construction of the addition is in progress, with completion currently scheduled for the first quarter of fiscal 2002. The Company will recognize a capital lease asset and related obligation of approximately $34 million at the time rental payments are to commence.

The rental expense under operating leases for continuing operations amounted to $352.6 million, $318.1 million and $301.9 million for fiscal years 2000, 1999 and 1998, respectively. The present value of the Company's operating lease obligations approximates $1,814.8 million as of January 29, 2000, including $225.1 million payable on operating lease obligations in fiscal 2001.

The Company had outstanding letters of credit in the amounts of $37.6 million and $40.4 million as of January 29, 2000 and January 30, 1999, respectively. Letters of credit are issued by the Company primarily for the purchase of inventory.

F. Stock Compensation Plans

In the following note, all references to historical awards, outstanding awards and availability of shares for future grants under the Company's stock incentive plans and related prices per share have been restated, for comparability purposes, for the two-for-one stock splits distributed in June 1998 and June 1997.

The Company has a Stock Incentive Plan under which options and other stock awards may be granted to certain officers and key employees. The Stock Incentive Plan, as amended, provides for the issuance of up to 42 million shares with 12.5 million shares available for future grants as of January 29, 2000. The Company also has a Directors' Stock Option Plan under which stock options are granted to directors who are not otherwise employed by the Company. This plan provides for the issuance of up to 200,000 shares. There are 66,000 shares available for future grants under this plan as of January 29, 2000.

Under its stock option plans, the Company has granted options for the purchase of common stock, generally within ten years from the grant date at option prices of 100% of market price on the grant date. Most options outstanding are exercisable at various percentages starting one year after the grant, while certain options are exercisable in their entirety three years after the grant date. Options granted to directors become fully exercisable one year after the date of grant.

A summary of the status of the Company's stock options and related Weighted Average Exercise Prices ("WAEP"), adjusted for the two-for-one stock splits distributed in June 1998 and June 1997, is presented below (shares in thousands):

| | Fiscal Year Ended | | | | | |
|---|---|---|---|---|---|---|
| | January 29, 2000 | | January 30, 1999 | | January 31, 1998 | |
| | Shares | WAEP | Shares | WAEP | Shares | WAEP |
| Outstanding at beginning of year | 10,105 | $ 12.04 | 10,507 | $ 9.04 | 8,192 | $ 6.10 |
| Granted | 3,164 | 29.26 | 1,964 | 21.77 | 4,338 | 12.97 |
| Exercised | (1,275) | 7.13 | (2,215) | 6.31 | (1,756) | 5.31 |
| Canceled | (162) | 20.52 | (151) | 13.35 | (267) | 7.31 |
| Outstanding at end of year | 11,832 | 17.06 | 10,105 | 12.04 | 10,507 | 9.04 |
| Options exercisable at end of year | 5,980 | $ 10.77 | 4,796 | $ 8.01 | 3,932 | $ 5.89 |

Virtually all canceled options are forfeitures. The Company realizes an income tax benefit from the exercise of stock options which results in a decrease in current income taxes payable and an increase in additional paid-in capital. Such benefits amounted to $11.7 million, $13.8 million and $6.1 million for the fiscal years ended January 29, 2000, January 30, 1999 and January 31, 1998, respectively.

The Company has adopted the disclosure-only provisions of Statement of Financial Accounting Standards (SFAS) No. 123, "Accounting for Stock-Based Compensation," and continues to apply the provisions of Accounting Principles Board (APB) Opinion No. 25, "Accounting for Stock Issued to Employees," in accounting for compensation expense under its stock option plans. The Company grants options at fair market value on the date of the grant; accordingly, no compensation expense has been recognized for the stock options issued during fiscal years 2000, 1999 or 1998. Compensation expense determined in accordance with SFAS No. 123, net of related income taxes, would have amounted to $12.9 million, $8.7 million and $5.5 million for fiscal 2000, fiscal 1999 and fiscal 1998, respectively. Income from continuing operations, net income and related earnings per share amounts presented on a pro forma basis are as follows:

| Dollars In Thousands Except Per Share Amounts | Unaudited Pro Forma Fiscal Year Ended January 29, 2000 | January 30, 1999 | January 31, 1998 |
|---|---|---|---|
| | | | (53 weeks) |
| Income from continuing operations before extraordinary item and cumulative effect of accounting change | $ 513,862 | $ 424,512 | $ 301,129 |
| Per diluted share | $ 1.62 | $ 1.27 | $ .86 |
| Net income | $ 508,708 | $ 415,464 | $ 299,352 |
| Per diluted share | $ 1.60 | $ 1.24 | $ .85 |

For purposes of applying the provisions of SFAS No. 123 for the pro forma calculations, the fair value of each option grant issued during fiscal 2000, 1999 and 1998 is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: dividend yield of 1% in each fiscal year, expected volatility of 46%, 40% and 38% in fiscal 2000, 1999 and 1998, respectively, a risk-free interest rate of 6.4% in fiscal 2000, 5.0% in fiscal 1999 and 5.8% in fiscal 1998, and expected holding periods of six years in all fiscal periods. The weighted average fair value of options granted during fiscal 2000, 1999 and 1998 was $14.38, $9.28 and $5.52 per share, respectively.

The effects of applying SFAS No. 123 in this pro forma disclosure are not indicative of future amounts. SFAS No. 123 does not apply to awards prior to 1995, and additional awards in future years are anticipated.

The following table summarizes information about stock options outstanding as of January 29, 2000 (shares in thousands):

| | Options Outstanding | | | Options Exercisable | |
|---|---|---|---|---|---|
| Range of Exercise Prices | Shares | Weighted Average Remaining Contract Life | Weighted Average Exercise Price | Shares | Weighted Average Exercise Price |
| $ 2.5625 - $ 6.3125 | 1,575 | 4.2 Years | $ 5.06 | 1,575 | $ 5.06 |
| $ 6.3126 - $10.6875 | 2,766 | 6.8 Years | 9.71 | 2,433 | 9.58 |
| $10.6876 - $14.4688 | 2,503 | 7.5 Years | 13.97 | 1,340 | 14.44 |
| $14.4689 - $21.7500 | 1,829 | 8.6 Years | 21.74 | 604 | 21.74 |
| $21.7501 - $30.5000 | 3,159 | 9.6 Years | 29.21 | 28 | 23.94 |
| Total | 11,832 | 7.6 Years | $ 17.06 | 5,980 | $ 10.77 |

During fiscal 1998, a special deferred compensation award was granted to the Company's then Chief Executive Officer, initially denominated in 900,000 shares of the Company's stock with a fair value of $10.69 per share at the date of grant. The shares vested at the time of the grant and the Company recorded a deferred compensation charge of $9.6 million at the time of the grant. The award provided the executive the option to periodically denominate the shares granted into other investments. The Company was subject to income statement charges or credits for changes in the fair market value of TJX common stock to the extent the award, or a portion thereof, was denominated in TJX stock. The Company recorded additional compensation expense of $1.1 million, $6.3 million and $5.6 million in fiscal 2000, 1999 and 1998, respectively, due to the increase in market value of the shares of Company stock from date of grant. As of January 29, 2000, all of the shares have been denominated into other investments. The Company separately transferred funds to a trust in an amount equal to the value of the new investment elections at the time such elections were made by the executive. The trust assets are included in other assets on the balance sheet and are invested in a manner that matches the elections made by the executive. Thus, deferred compensation adjustments due to the change in the executive's deferred compensation account are offset by similar amounts due to gains or losses on the trust assets.

The Company has also issued restricted stock and performance based stock awards under the Stock Incentive Plan. Restricted stock awards are issued at par value, or at no cost, and have restrictions which generally lapse over three to five years from date of grant. At January 31, 1998, the performance based stock awards had either vested or been forfeited. The market value in excess of cost is charged to income ratably over the period during which these awards vest, such pre-tax charges amounted to $1.1 million, $619,000 and $2.7 million in fiscal years 2000, 1999 and 1998, respectively. The market value of the awards is determined at date of grant for restricted stock awards, and at the date shares are earned for performance based awards.

There has been a combined total of 131,480 shares, 4,000 shares and 1,023,834 shares for deferred, restricted and performance based awards issued in the fiscal years ended January 2000, 1999 and 1998, respectively. There were 3,000 and 300,000 shares forfeited for the fiscal years ended January 2000 and 1998, respectively. There were no shares forfeited during the fiscal year ended January 1999. The weighted average market value per share of these stock awards at grant date was $29.55, $18.03 and $10.89 for fiscal 2000, 1999 and 1998, respectively.

During fiscal 1998, the Company formed a deferred stock compensation plan for its outside directors which replaced the Company's retirement plan for directors. Each director's deferred stock account has been credited with deferred stock to compensate for the value of such director's accrued retirement benefit. Additional share awards valued at $10,000 are issued annually to each eligible director. Currently, there are 27,391 deferred shares outstanding, actual shares will be issued at retirement. The Company has 100,000 shares held in treasury from which such shares will be issued.

G. Capital Stock and Earnings Per Share

Capital Stock: The Company distributed a two-for-one stock split, effected in the form of a 100% stock dividend, on June 25, 1998 to shareholders of record on June 11, 1998, which resulted in the issuance of 158.9 million shares of common stock and corresponding decreases of $96.5 million in additional paid-in capital and $62.4 million in retained earnings. Similar transfers were made between additional paid-in capital and common stock in the amount of $79.8 million, reflecting the two-for-one stock split of June 26, 1997 to shareholders of record on June 11, 1997. All historical earnings per share amounts have been restated to reflect both two-for-one stock splits. Reference to common stock activity before the distribution of the related stock split has not been restated unless otherwise noted. All activity after the distribution date reflects the two-for-one stock splits.

On November 17, 1995, the Company issued 1.5 million shares of Series E cumulative convertible preferred stock as part of the purchase price for Marshalls. The shares of Series E preferred stock, initially issued at a face value of $150 million, carried an annual dividend rate of $7.00 per share. During fiscal 1998, 770,200 shares of the Series E preferred stock were voluntarily converted into 8.3 million shares of common stock and 2,500 shares were repurchased. During fiscal 1999, 357,300 shares of Series E were voluntarily converted into 6.7 million shares of common stock. On November 18, 1998, the remaining 370,000 shares of the Series E preferred stock were mandatorily converted into 8.0 million shares of common stock in accordance with its terms. Inducement fees of $130,000 and $3.8 million were paid on the Series E voluntary conversions in fiscal 1999 and fiscal 1998, respectively. The Company recorded aggregate dividends, including inducement fees, on its preferred stock of $3.5 million in fiscal 1999 and $11.7 million in fiscal 1998. The preferred dividends reduce net income in computing net income available to common shareholders. As of January 29, 2000, the Company has authorization for the issuance of up to 5 million shares of preferred stock with none issued or outstanding at January 29, 2000.

In June 1997, the Company announced a $250 million stock repurchase program. During fiscal 1998, the Company repurchased and retired 17.1 million shares of common stock (adjusted for stock splits) for a cost of $245.2 million. The program was completed in February 1998, at which time the Company announced a second $250 million stock repurchase program. In October 1998, the Company completed the second $250 million stock repurchase program, having repurchased 8.7 million shares, and announced its intentions to repurchase an additional $750 million of common stock over the next several years. The Company spent $601.3 million and $95.5 million through January 29, 2000 and January 30, 1999, respectively, on this repurchase program. In total, through January 29, 2000, the Company repurchased and retired 27.7 million shares under the $750 million repurchase program. Subsequent to year-end, the Company repurchased an additional 2.7 million shares, completing the $750 million stock repurchase program and announced a new multi-year, $1 billion stock repurchase program.

Earnings Per Share: The following schedule presents the calculation of basic and diluted earnings per share for income from continuing operations:

| Dollars In Thousands Except Per Share Amounts | Fiscal Year Ended January 29, 2000 | January 30, 1999 | January 31, 1998 (53 weeks) |
|---|---|---|---|
| Basic earnings per share: | | | |
| Income from continuing operations before extraordinary item and cumulative effect of accounting change | $ 526,822 | $ 433,202 | $ 306,592 |
| Less preferred stock dividends | -- | 3,523 | 11,668 |
| Income from continuing operations before extraordinary item and cumulative effect of accounting change available to common shareholders | $ 526,822 | $ 429,679 | $ 294,924 |
| Weighted average common stock outstanding for basic earnings per share | 314,577,145 | 318,073,081 | 321,474,046 |
| Basic earnings per share | $ 1.67 | $ 1.35 | $ .92 |
| Diluted earnings per share: | | | |
| Income from continuing operations before extraordinary item and cumulative effect of accounting change available to common shareholders | $ 526,822 | $ 429,679 | $ 294,924 |
| Add preferred stock dividends | -- | 3,523 | 11,668 |
| Income from continuing operations before extraordinary item and cumulative effect of accounting change for diluted earnings per share calculation | $ 526,822 | $ 433,202 | $ 306,592 |
| Weighted average common stock outstanding for basic earnings per share | 314,577,145 | 318,073,081 | 321,474,046 |
| Assumed conversion of: | | | |
| Convertible preferred stock | -- | 10,914,354 | 24,032,172 |
| Stock options and awards | 3,213,619 | 5,660,515 | 4,105,966 |
| Weighted average common shares for diluted earnings per share calculation | 317,790,764 | 334,647,950 | 349,612,184 |
| Diluted earnings per share | $ 1.66 | $ 1.29 | $ .88 |

The weighted average common shares for diluted earnings per share calculation at January 29, 2000 excludes the incremental effect related to outstanding stock options whose exercise price is in excess of the average price of the Company's stock of $28.50 for the fiscal year. These options are excluded due to their antidilutive effect at January 29, 2000.

## H. Income Taxes

The provision for income taxes includes the following:

| In Thousands | Fiscal Year Ended January 29, 2000 | January 30, 1999 | January 31, 1998 (53 weeks) |
|---|---|---|---|
| Current: | | | |
| Federal | $ 255,277 | $ 231,811 | $ 172,026 |
| State | 49,836 | 45,117 | 39,200 |
| Foreign | 20,212 | 13,784 | 8,117 |
| Deferred: | | | |
| Federal | 3,885 | (13,084) | (3,432) |
| State | 1,984 | (2,306) | (326) |
| Foreign | (4,079) | (4,512) | 94 |
| Provision for income taxes | $ 327,115 | $ 270,810 | $ 215,679 |

The Company had a net deferred tax asset as follows:

| In Thousands | January 29, 2000 | January 30, 1999 |
|---|---|---|
| Deferred tax assets: | | |
| Foreign net operating loss carryforward | $ 30,107 | $ 30,660 |
| Reserve for discontinued operations | 10,900 | 12,074 |
| Reserve for closed store and restructuring costs | 11,569 | 19,767 |
| Insurance costs not currently deductible for tax purposes | 1,025 | 7,496 |
| Pension, postretirement and employee benefits | 48,968 | 48,556 |
| Leases | 15,596 | 13,379 |
| Other | 24,709 | 24,255 |
| Valuation allowance | (15,678) | (27,321) |
| Total deferred tax assets | 127,196 | 128,866 |
| Deferred tax liabilities: | | |
| Property, plant and equipment | 19,240 | 17,056 |
| Safe harbor leases | 24,450 | 31,738 |
| Tradename | 45,408 | 47,373 |
| Other | 14,955 | 10,313 |
| Total deferred tax liabilities | 104,053 | 106,480 |
| Net deferred tax asset | $ 23,143 | $ 22,386 |

The Company has elected to repatriate the fiscal 2000 and 1999 earnings of its Canadian subsidiary. The majority of the fiscal 2000 and 1999 earnings of its Canadian subsidiary were repatriated and deferred foreign tax credits have been provided for on the undistributed portions for these years. Prior earnings of its Canadian subsidiary and all the earnings of the Company's other foreign subsidiaries are indefinitely reinvested and no deferred taxes have been provided for on those earnings.

The Company has a United Kingdom and a Netherlands net operating loss carryforward of approximately $51 million and $9 million, respectively, for both tax and financial reporting purposes. The United Kingdom and Netherlands net operating losses do not expire under the current tax laws of each country. The Company also has a Puerto Rico net operating loss carryforward of approximately $30 million, for tax and financial reporting purposes, which was acquired in the Marshalls acquisition and expires in fiscal years 2001 through 2003. The Company recognized a deferred tax asset of $8.0 million and $3.4 million, in fiscal years 2000 and 1999 respectively, for the estimated future utilization of the Puerto Rico net operating loss carryforward. The valuation allowance relates to the Company's foreign net operating losses that have not yet been recognized or are likely to expire. Additional utilization of these net operating loss carryforwards is dependent upon future earnings of the Company's foreign subsidiaries.

The Company's worldwide effective tax rate was 38% for the fiscal years ended January 29, 2000, and January 30, 1999, and 41% for the fiscal year ended January 31, 1998. The difference between the U.S. federal statutory income tax rate and the Company's worldwide effective income tax rate is summarized as follows:

| | Fiscal Year Ended | | |
|---|---|---|---|
| | January 29, 2000 | January 30, 1999 | January 31, 1998 |
| U.S. federal statutory income tax rate | 35% | 35% | 35% |
| Effective state income tax rate | 4 | 4 | 5 |
| Impact of foreign operations | (1) | (1) | -- |
| All other | -- | -- | 1 |
| Worldwide effective income tax rate | 38% | 38% | 41% |

I. Pension Plans and Other Retirement Benefits

The Company has a non-contributory defined benefit retirement plan covering the majority of full-time U.S. employees. Employees who have attained twenty-one years of age and have completed one year of service are covered under the plan. Benefits are based on compensation earned in each year of service. The Company also has an unfunded supplemental retirement plan which covers certain key employees of the Company and provides additional retirement benefits based on average compensation and an unfunded postretirement medical plan which provides limited postretirement medical and life insurance benefits to associates who participate in the Company's retirement plan and who retire at age fifty-five or older with ten or more years of service.

Presented below is certain financial information relating to the Company's retirement plans for the fiscal years indicated:

| | Pension | | Postretirement Medical | |
|---|---|---|---|---|
| | Fiscal Year Ended | | Fiscal Year Ended | |
| Dollars In Thousands | January 29, 2000 | January 30, 1999 | January 29, 2000 | January 30, 1999 |
| Change in benefit obligation: | | | | |
| Benefit obligation at beginning of year | $ 152,047 | $ 127,148 | $ 24,992 | $ 21,172 |
| Service cost | 11,781 | 10,538 | 1,366 | 1,405 |
| Interest cost | 10,768 | 9,647 | 1,430 | 1,610 |
| Participants' contributions | -- | -- | 14 | 11 |
| Actuarial (gains) losses | (20,393) | 11,027 | (8,165) | 1,712 |
| Settlement | (7,434) | -- | -- | -- |
| Benefits paid | (6,039) | (5,497) | (1,108) | (918) |
| Expenses paid | (720) | (816) | -- | -- |
| Benefit obligation at end of year | $ 140,010 | $ 152,047 | $ 18,529 | $ 24,992 |
| Change in plan assets: | | | | |
| Fair value of plan assets at beginning of year | $ 123,191 | $ 110,234 | $ -- | $ -- |
| Actual return on plan assets | 15,024 | 8,164 | -- | -- |
| Employer contribution | 8,735 | 11,106 | 1,094 | 907 |
| Participants' contributions | -- | -- | 14 | 11 |
| Benefits paid | (6,039) | (5,497) | (1,108) | (918) |
| Expenses paid | (720) | (816) | -- | -- |
| Fair value of plan assets at end of year | $ 140,191 | $ 123,191 | $ -- | $ -- |
| Reconciliation of funded status: | | | | |
| Benefit obligation at end of year | $ 140,010 | $ 152,047 | $ 18,529 | $ 24,992 |
| Fair value of plan assets at end of year | 140,191 | 123,191 | -- | -- |
| Funded status - excess (assets) obligations | (181) | 28,856 | 18,529 | 24,992 |
| Unrecognized transition obligation | 447 | 522 | -- | -- |
| Unrecognized prior service cost | 685 | 773 | 1,278 | 1,616 |
| Unrecognized actuarial (gains) losses | (21,282) | 4,909 | (4,167) | 3,997 |
| Net accrued liability recognized | $ 19,969 | $ 22,652 | $ 21,418 | $ 19,379 |
| Weighted average assumptions: | | | | |
| Discount rate | 7.66% | 6.63% | 7.75% | 6.75% |
| Expected return on plan assets | 9.00% | 9.00% | N/A | N/A |
| Rate of compensation increase | 4.00% | 4.00% | 4.00% | 4.00% |

The projected benefit obligation and accumulated benefit obligation of the Company's unfunded supplemental retirement plan was $18.6 million and $14.3 million, respectively, as of January 29, 2000 and $26.2 million and $20.1 million, respectively, as of January 30, 1999.

For measurement purposes of the postretirement medical plan, a 3.77% annual rate of increase in the per capita cost of covered health care benefits was assumed and is gradually reduced to zero. The impact of medical inflation eventually diminishes because of the $3,000 per capita annual limit on medical benefits. An increase in the assumed health care cost trend rate of one percentage point for all future years would increase the accumulated postretirement benefit obligation at January 29, 2000 by about $868,000 and the total of the service cost and interest cost components of net periodic postretirement cost for fiscal 2000, by about $151,000. Similarly, decreasing the trend rate by one percentage point for all future years would decrease the accumulated postretirement benefit obligation at January 29, 2000 by about $826,000 as well as the total of the service cost and interest cost components of net periodic postretirement cost for fiscal 2000, by about $145,000.

Following are the components of net periodic benefit cost:

| | Pension Fiscal Year Ended | | | Postretirement Medical Fiscal Year Ended | | |
|---|---|---|---|---|---|---|
| In Thousands | January 29, 2000 | January 30, 1999 | January 31, 1998 | January 29, 2000 | January 30, 1999 | January 31, 1998 |
| Service cost | $ 11,781 | $ 10,538 | $ 8,372 | $ 1,366 | $ 1,405 | $ 1,366 |
| Interest cost | 10,768 | 9,647 | 8,398 | 1,430 | 1,610 | 1,649 |
| Expected return on plan assets | (11,060) | (9,991) | (7,937) | -- | -- | -- |
| Amortization of transition obligation | 75 | 75 | 75 | -- | -- | -- |
| Amortization of prior service cost | 87 | 87 | 837 | 332 | 338 | 749 |
| Recognized actuarial losses | 415 | 2,702 | 206 | -- | 103 | -- |
| Net periodic benefit cost | $ 12,066 | $ 13,058 | $ 9,951 | $ 3,128 | $ 3,456 | $ 3,764 |

During the fiscal year ended January 29, 2000, the Company and its then Chief Executive Officer entered into an agreement whereby the executive waived his right to benefits under the Company's nonqualified plan in exchange for the Company's funding of a split-dollar life insurance policy. The exchange was accounted for as a settlement and the Company incurred a $1.5 million settlement loss, which is primarily the recognition of a portion of the deferred losses under the plan. The benefit exchange was designed so that the after-tax cash expenditures by the Company on the split-dollar policy are substantially equivalent on a present value basis to the after-tax cash expenditures the Company would have incurred under the nonqualified plan.

The Company also sponsors an employee savings plan under Section 401(k) of the Internal Revenue Code for all eligible U.S. employees. Employees may contribute up to 15% of eligible pay. The Company matches employee contributions, up to 5% of eligible pay, at rates ranging from 25% to 50% based upon Company performance. The Company contributed, for all 401(k) plans, $6.2 million in fiscal 2000, $6.4 million in fiscal 1999 and $5.7 million in fiscal 1998.

In the fourth quarter of fiscal 1999, the Company established a nonqualified savings plan for certain U.S. employees. The Company matches employee contributions at various rates which amounted to $634,000 in fiscal 2000 and $210,000 in fiscal 1999. The Company transfers employee withholdings and the related company match to a separate trust designated to fund the future obligations. The Company includes the trust assets in other assets on the balance sheets.

In addition to the plans described above, the Company also maintains retirement/deferred savings plans for all eligible associates at its foreign subsidiaries. The Company contributed for these plans $682,000, $534,000 and $440,000 in fiscal years 2000, 1999 and 1998, respectively.

J. Accrued Expenses and Other Current Liabilities

The major components of accrued expenses and other current liabilities are as follows:

| In Thousands | January 29, 2000 | January 30, 1999 |
|---|---|---|
| Employee compensation and benefits | $197,237 | $173,630 |
| Reserve for discontinued operations | 27,304 | 29,660 |
| Store closing and restructuring reserve, continuing operations | 15,731 | 44,598 |
| Insurance | 26,436 | 44,654 |
| Rent, utilities, advertising and other | 383,630 | 396,451 |
| Accrued expenses and other current liabilities | $650,338 | $688,993 |

The Company's reserve for discontinued operations relates to obligations the Company retained or incurred in connection with the sale of its former Zayre, Hit or Miss and Chadwick's operations. During fiscal 2000, net expenditures of $2.3 million, relating primarily to lease obligations, reduced the reserve. During fiscal 1999, the reserve increased by a net amount of $11.9 million. The Company added $15 million to the reserve for additional lease related obligations, primarily for Hit or Miss locations, which was offset by charges against the reserve in fiscal 1999 of $3.1 million, primarily for charges for lease related costs associated with the former Zayre stores. The balance in the discontinued operations reserve of $27.3 million as of January 29, 2000 is for lease related obligations of the former Zayre and Hit or Miss locations, which are expected to reduce operating cash flows in varying amounts over the next ten to fifteen years, as leases reach their expiration dates or are settled.

The reserve for store closings and restructurings is primarily for costs associated with the disposition and settlement of leases for the T.J. Maxx and Marshalls closings anticipated as a result of the Marshalls acquisition. The initial reserves established in fiscal 1996 were estimated at $244.1 million for the Marshalls store closing and restructuring plan and $35.0 million for the closing of certain T.J. Maxx stores. The estimated cost of $244.1 million for the Marshalls closings, recorded in fiscal 1996, was reduced in subsequent years due to a reduction in the number of planned closings and a reduction in the estimated cost of settling the related lease obligations. Reflecting these changes, the Company reduced the total reserve by $85.9 million in fiscal 1997 with additional adjustments reducing the reserve by $15.8 million in fiscal 1998 and $3.0 million in fiscal 2000. This reserve was a component of the allocation of the purchase price for Marshalls and the reserve adjustments in each fiscal year resulted in a corresponding reduction in the value assigned to the long-term assets acquired. The revised estimated cost for the Marshalls closing and restructuring plan of $139.4 million, includes $67.8 million for lease related obligations for 70 store and other facility closings, $9.6 million for property write-offs, $44.1 million for inventory markdowns and $17.9 million for severance, professional fees and all other costs associated with the restructuring plan. Property write-offs were the only non-cash charge to the reserve. The reserve established for the closing of certain T.J. Maxx stores in connection with the Marshalls acquisition was initially estimated at $35.0 million and was recorded as a pre-tax charge to income from continuing operations in fiscal 1996. Due to lower than anticipated costs of the T.J. Maxx closings, the Company recorded a pre-tax credit to income from continuing operations of $300,000 in fiscal 2000, $1.8 million in fiscal 1999 and $8.0 million in fiscal 1997. An additional charge to continuing operations of $700,000 was recorded in fiscal 1998. The revised estimated cost of the T.J. Maxx closings of $25.6 million, includes $13.5 million for lease related obligations of 32 store closings, non-cash charges of $9.8 million for property write-offs and $2.3 million for severance, professional fees and all other costs associated with the closings. All of the Marshalls and T.J. Maxx stores identified in the plan were closed as of January 30, 1998.

The remaining balance in the store closing and restructuring reserve as of January 29, 2000 is $15.7 million. This balance is primarily for the estimated cost of the future lease obligations of the closed stores. The estimates and assumptions used in developing the remaining reserve requirements are subject to change, however, TJX believes it has adequate reserves for these obligations. The reserve also includes some activity relating to several HomeGoods store closings, the impact of which is immaterial. The following is a summary of the activity in the store closing and restructuring reserve for the last three fiscal years:

| In Thousands | Fiscal Year Ended January 29, 2000 | January 30, 1999 | January 31, 1998 |
|---|---|---|---|
| Balance at beginning of year | $ 44,598 | $ 57,966 | $ 95,867 |
| Additions to the reserve | -- | 1,961 | -- |
| Reserve adjustments: | | | |
| Adjust Marshalls restructuring reserve | (3,000) | -- | (15,843) |
| Adjust T.J. Maxx store closing reserve | (300) | (1,800) | 700 |
| Charges against the reserve: | | | |
| Lease related obligations | (23,734) | (12,521) | (13,593) |
| Severance and all other cash charges | -- | (927) | (1,876) |
| Net activity relating to HomeGoods closings | (1,833) | (81) | (1,887) |
| Non-cash property write-offs | -- | -- | (5,402) |
| Balance at end of year | $ 15,731 | $ 44,598 | $ 57,966 |

The use of the reserve will reduce operating cash flows in varying amounts over the next ten to fifteen years as the related leases reach their expiration dates or are settled.

K. Supplemental Cash Flows Information

There were no cash flows attributable to the operating results of the Company's discontinued operations during the years ended January 29, 2000 or January 30, 1999. The cash provided by discontinued operations for fiscal 1998 represents the collection of the balance of the credit card receivables retained by the Company upon the sale of its former Chadwick's division. The Company is also responsible for certain leases related to, and other obligations arising from, the sale of these operations, for which reserves have been provided in its reserve for discontinued operations. These reserves are included in accrued expenses. The cash flow impact of these obligations is reflected as a component of cash provided by operating activities in the statements of cash flows.

The Company's cash payments for interest and income taxes, including discontinued operations, and its non-cash investing and financing activities are as follows:

| In Thousands | Fiscal Year Ended January 29, 2000 | January 30, 1999 | January 31, 1998 (53 weeks) |
|---|---|---|---|
| Cash paid for: | | | |
| Interest | $ 19,018 | $ 22,542 | $ 26,359 |
| Income taxes | 332,622 | 275,538 | 199,025 |
| Non-cash investing and financing activities: | | | |
| Conversion of Series E cumulative convertible preferred stock into common stock | -- | 72,730 | 77,020 |
| Distribution of two-for-one stock split | -- | 158,954 | 79,823 |
| Change in accrued expenses due to: | | | |
| Stock repurchase | (3,300) | 12,575 | -- |
| Dividends payable | 977 | 1,246 | 1,973 |

L. Discontinued Operations and Related Contingent Liabilities

In October 1988, the Company completed the sale of its former Zayre Stores division to Ames Department Stores, Inc. ("Ames"). In April 1990, Ames filed for protection under Chapter 11 of the Federal Bankruptcy Code and in December 1992, Ames emerged from bankruptcy under a plan of reorganization.

The Company remains contingently liable for the leases of most of the former Zayre stores still operated by Ames. The Company believes that the Company's contingent liability on these leases will not have a material effect on the Company's financial condition.

The Company is also contingently liable on certain leases of its former warehouse club operations (BJ's Wholesale Club and HomeBase), which was spun-off by the Company in fiscal 1990 as Waban Inc. During fiscal 1998, Waban Inc. was renamed HomeBase, Inc. and spun-off from its BJ's Wholesale Club division (BJ's Wholesale Club, Inc.). HomeBase, Inc. and BJ's Wholesale Club, Inc. are primarily liable on their respective leases and have indemnified the Company for any amounts the Company may have to pay with respect to such leases. In addition, HomeBase, Inc., BJ's Wholesale Club, Inc. and the Company have entered into agreements under which BJ's Wholesale Club, Inc. has substantial indemnification responsibility with respect to such HomeBase, Inc. leases. The Company is also contingently liable on certain leases of BJ's Wholesale Club, Inc. for which both BJ's Wholesale Club, Inc. and HomeBase, Inc. remain liable. The Company believes that its contingent liability on the HomeBase, Inc. and BJ's Wholesale Club, Inc. leases will not have a material effect on the Company's financial condition.

The Company is also contingently liable on approximately 24 store leases and the office and warehouse leases of its former Hit or Miss division which was sold by the Company in September 1995. During the third quarter of fiscal 1999, the Company increased its reserve for its discontinued operations by $15 million ($9 million after tax), primarily for potential lease liabilities relating to guarantees on leases of its former Hit or Miss division. The after-tax cost of $9 million, or $.02 per diluted share, was recorded as a loss from discontinued operations.

M. Segment Information

The Company has two reportable segments. The off-price family apparel segment includes the T.J. Maxx, Marshalls and A.J. Wright domestic store chains and the Company's foreign store chains, Winners and T.K. Maxx. The Company manages the results of its T.J. Maxx and Marshalls chains on a combined basis. The other chains, whose operating results are managed separately, sell similar product categories and share similar economic and other characteristics of the T.J. Maxx and Marshalls operations and are aggregated with the off-price family apparel segment. This segment generated 8.9% of its fiscal 2000 revenue from its foreign operations. All of these stores offer apparel for the entire family with limited offerings of giftware and domestics. The Company's other segment, the off-price home fashion stores, is made up of the Company's HomeGoods stores, which offer a wide variety of home furnishings.

The Company evaluates the performance of its segments based on pre-tax income before general corporate expense, goodwill amortization and interest. For data on business segments for fiscal years 2000, 1999 and 1998, see page 22.

THE TJX COMPANIES, INC.

## REPORT OF INDEPENDENT ACCOUNTANTS

PRICEWATERHOUSECOOPERS

To the Board of Directors and Shareholders of The TJX Companies, Inc.:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, shareholders' equity and cash flows present fairly, in all material respects, the financial position of The TJX Companies, Inc. and subsidiaries (the "Company") at January 29, 2000 and January 30, 1999, and the results of its operations and its cash flows for each of the three years in the period ended January 29, 2000, in conformity with accounting principles generally accepted in the United States. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

Boston, Massachusetts /s/ PricewaterhouseCoopers LLP
February 29, 2000

## REPORT OF MANAGEMENT

The financial statements and related financial information in this annual report have been prepared by management which is responsible for their integrity, objectivity and consistency. The financial statements were prepared in accordance with generally accepted accounting principles and necessarily include amounts which are based upon judgments and estimates made by management.

The Company maintains a system of internal controls designed to provide, at appropriate cost, reasonable assurance that assets are safeguarded, transactions are executed in accordance with management's authorization and the accounting records may be relied upon for the preparation of financial statements. The system of controls includes the careful selection and training of associates, and the communication and application of formal policies and procedures that are consistent with high standards of accounting and administrative practices. The accounting and control systems are continually reviewed, evaluated and where appropriate, modified to accommodate changing business conditions and the recommendations of the Company's internal auditors and the independent public accountants.

An Audit Committee, comprised of members of the Board of Directors who are neither officers nor employees of the Company, meets periodically with management, internal auditors and the independent public accountants to review matters relating to the Company's financial reporting, the adequacy of internal accounting controls and the scope and results of audit work. The Committee is responsible for reporting the results of its activities and for recommending the selection of independent auditors to the full Board of Directors. The internal auditors and the independent public accountants have free access to the Committee and the Board of Directors.

The financial statements have been examined by PricewaterhouseCoopers LLP, whose report appears separately. Their report expresses an opinion as to the fair presentation of the consolidated financial statements and is based on an independent examination performed in accordance with generally accepted auditing standards.

/s/ Bernard Cammarata
Bernard Cammarata
Chairman and Chief Executive Officer

/s/ Donald G. Campbell
Donald G. Campbell
Executive Vice President - Finance and
Chief Financial Officer

February 29, 2000

THE TJX COMPANIES, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Accounting Change

In February 2000, TJX announced it had adopted the provisions of the Securities and Exchange Commission's Staff Accounting Bulletin (SAB) No. 101, "Revenue Recognition in Financial Statements," issued in December 1999. The SAB requires that "layaway sales" (when a customer puts merchandise on hold for pick up within 30 days) be recorded as a sale at the time the customer picks up the merchandise. We had previously recorded such sales at the time the customer paid a deposit and had the merchandise put on hold. TJX restated its earnings for the first three quarters of the fiscal year ended January 29, 2000 and recorded a $5.2 million, or $.02 per share, non-cash charge for the cumulative effect of the accounting change, effective January 31, 1999. The accounting change simply defers the recognition of the layaway sales, and on a full year basis has little impact on our results of operations. However, due to the seasonal influences of the business the accounting change results in a shift of sales and earnings among our quarterly reporting periods. Presented below is a summary of the restated income statement data for the first three quarters of the fiscal year ended January 29, 2000:

| | 13 Weeks Ended | | 13 Weeks Ended | | 13 Weeks Ended | |
|---|---|---|---|---|---|---|
| Dollars In Thousands | May 1, 1999 | | July 31, 1999 | | October 30, 1999 | |
| Except Per Share Amounts | As Reported | As Restated | As Reported | As Restated | As Reported | As Restated |
| Net sales | $ 1,952,084 | $ 1,930,506 | $ 2,098,644 | $ 2,102,851 | $ 2,257,094 | $ 2,235,054 |
| Cost of sales, including buying and occupancy costs | 1,431,479 | 1,418,792 | 1,583,132 | 1,585,248 | 1,659,885 | 1,646,270 |
| Income before cumulative effect of accounting change | 127,662 | 122,274 | 114,679 | 115,881 | 156,974 | 151,717 |
| Cumulative effect of accounting change, net of income taxes | -- | (5,154) | -- | -- | -- | -- |
| Net income | $ 127,662 | $ 117,120 | $ 114,679 | $ 115,881 | $ 156,974 | $ 151,717 |
| Diluted earnings per share: | | | | | | |
| Income before cumulative effect of accounting change | $ .39 | $ .38 | $ .36 | $ .36 | $ .50 | $ .48 |
| Net income | $ .39 | $ .36 | $ .36 | $ .36 | $ .50 | $ .48 |

Results of Operations

Continuing Operations: Income from continuing operations before extraordinary item and cumulative effect of accounting change ("income from continuing operations") was $526.8 million in fiscal 2000, $433.2 million in fiscal 1999, and $306.6 million in fiscal 1998. Income from continuing operations per share was $1.66 in fiscal 2000, versus $1.29 in fiscal 1999 and $.88 in fiscal 1998.

Net sales for fiscal 2000 were $8.80 billion, an increase of 10.6% over net sales of $7.95 billion in fiscal 1999. Net sales for fiscal 1999 increased 7.6% over net sales of $7.39 billion in fiscal 1998. Fiscal 1998 included 53 weeks while fiscal 2000 and 1999 each included 52 weeks. The increase in net sales for fiscal 1999 over a comparable 52-week period in fiscal 1998 was 9.0%. Consolidated same store sales on a 52-week basis increased 5% in fiscal 2000 and fiscal 1999. Percentage increases in same store sales, on a divisional basis, are as follows:

| | Fiscal Year Ended | |
|---|---|---|
| | January 29, 2000 | January 30, 1999 |
| Marmaxx | + 4% | + 5% |
| Winners | + 8% | +13% |
| T.K. Maxx | +12% | +12% |
| HomeGoods | +13% | + 9% |

New store growth and comparable store sales increases resulted in the overall sales growth. Net sales at Marmaxx (the internal combination of T.J. Maxx and Marshalls) reflects strong performance geographically throughout the country in fiscal 2000 with non-apparel sales gains generally ahead of increases in apparel sales. Winners and T.K. Maxx sales performance in both years reflects the growing acceptance of the off-price concept in their respective countries. HomeGoods also has shown improvement in both fiscal 2000 and 1999, as it is positioned to participate in the rapidly growing home furnishings market. A.J. Wright has shown progress as we continue to pursue marketing strategies designed to educate the moderate-income consumer about the off-price concept.

Cost of sales, including buying and occupancy costs, as a percentage of net sales was 74.8%, 74.9% and 76.8% in fiscal 2000, 1999 and 1998, respectively. The improvement in this ratio in fiscal 2000 and fiscal 1999, as compared to fiscal 1998, largely reflects the integration of the benefits associated with the acquisition of Marshalls. Fiscal 2000 and 1999 also reflect a reduction in occupancy costs as a percentage of net sales as compared to fiscal 1998. TJX has also managed its inventories tightly, allowing us to take advantage of better buys in the marketplace. This has aided merchandise margins, primarily at Marmaxx, while, at the same time, allowing us to pass on better values to our customers.

Selling, general and administrative expenses as a percentage of net sales were 15.4% in fiscal 2000, 16.2% in fiscal 1999 and 16.0% in fiscal 1998. This ratio is largely influenced by certain corporate charges and other gains and losses included in corporate expenses over the last three years. Selling, general and administrative expenses for fiscal 2000 include a pre-tax gain of $8.5 million, due to the receipt of common stock in the demutualization of Manulife Financial, while fiscal 1999 includes charges of $7.5 million for a charitable cash donation to The TJX Foundation, $3.5 million for the settlement of the Hit or Miss note receivable and $6.3 million associated with an executive deferred compensation award. These components result in a reduction in the selling, general and administrative expenses as a percentage of net sales in fiscal 2000 as compared to fiscal 1999. Selling, general and administrative expenses for fiscal 1998 included a charge of $15.2 million associated with the foregoing executive deferred compensation award, offset by a gain of $6.0 million from the sale of Brylane, Inc. common stock, as compared to the aggregate charges of $17.3 million for fiscal 1999 referenced above. This resulted in an increase in selling, general and administrative expenses as a percentage of net sales in fiscal 1999, as compared to fiscal 1998. In fiscal 2000, the improvement in this ratio also reflects the benefit of our sales growth along with the levering of expenses, particularly at our newer divisions.

Interest expense, net of interest income, was $7.3 million, $1.7 million and $4.5 million in fiscal 2000, 1999 and 1998, respectively. Interest income was $13.1 million in fiscal 2000 versus $20.5 million and $21.6 million in fiscal 1999 and 1998, respectively. The increase in net interest expense for fiscal 2000 is due to the reduction in interest income. The reduction in interest income is largely the result of TJX's stock repurchase activity in fiscal 2000, as compared to the prior year.

TJX's effective income tax rate was 38% in fiscal 2000 and fiscal 1999 and 41% in fiscal 1998. The reduction in the fiscal 2000 and fiscal 1999 effective income tax rates is due to a lower effective state income tax rate, the benefit of foreign tax credits and foreign net operating loss carryforwards. In addition the fiscal 1999 rate was aided by a charitable donation of appreciated property. In fiscal 2000 and fiscal 1999, TJX elected to repatriate the current year earnings of its Canadian subsidiary, which favorably affected the tax provision.

Segment Results: TJX's information on its major business segments is presented in Note M to the consolidated financial statements. Certain divisions are aggregated for segment reporting purposes. Presented below is a summary of additional operating statistics of TJX and its major operating divisions. Operating income is pre-tax income before general corporate expense, goodwill amortization and interest.

| | Net Sales Fiscal Year Ended January | | | Operating Income Fiscal Year Ended January | | | Operating Margin Fiscal Year Ended January | | |
|---|---|---|---|---|---|---|---|---|---|
| Dollars In Millions | 2000 | 1999 | 1998 | 2000 | 1999 | 1998 | 2000 | 1999 | 1998 |
| TJX Consolidated | $ 8,795.3 | $ 7,949.1 | $ 7,389.1 | $ 901.1 | $ 777.8 | $ 588.3 | 10.2% | 9.8% | 8.0% |
| Marmaxx | 7,779.8 | 7,196.3 | 6,814.4 | 849.6 | 753.9 | 574.9 | 10.9 | 10.5 | 8.4 |
| Winners | 466.8 | 387.4 | 326.3 | 54.9 | 39.8 | 25.5 | 11.8 | 10.3 | 7.8 |
| T.K. Maxx | 298.7 | 222.1 | 150.2 | 6.5 | (2.2) | (3.4) | 2.2 | (1.0) | (2.3) |
| HomeGoods | 206.8 | 132.5 | 98.1 | 4.6 | (5.0) | (8.6) | 2.2 | (3.7) | (8.8) |

Net Income: Net income for fiscal 2000 includes a $5.2 million charge, or $.02 per share, for the cumulative effect of the accounting change for layaway sales. Net income for fiscal 1999 includes an after-tax charge to discontinued operations of $9.0 million for lease related obligations, primarily for our former Hit or Miss stores. Fiscal 1998 includes an extraordinary charge of $1.8 million for the early retirement of debt.

Net income, after reflecting the above items, was $521.7 million, or $1.64 per share in fiscal 2000, $424.2 million, or $1.27 per share in fiscal 1999 and $304.8 million, or $.87 per share in fiscal 1998.

Capital Sources and Liquidity

Operating Activities: Net cash provided by operating activities was $578.0 million, $628.9 million and $383.5 million in fiscal 2000, 1999 and 1998, respectively. The decrease in cash provided by operations in fiscal 2000 versus fiscal 1999 reflects funding of the trusts related to deferred compensation arrangements, and the reduction of certain accrued expenses, primarily insurance obligations and the store closing and restructuring reserve, as compared to fiscal 1999. The increase in cash provided by operations in fiscal 2000 and fiscal 1999, as compared to fiscal 1998, reflects increased earnings and strong inventory management. Inventories as a percentage of net sales were 14.0% in fiscal 2000, 14.9% in fiscal 1999 and 16.1% in fiscal 1998. Strong sales volume, coupled with tight inventory control, resulted in faster inventory turns, all of which favorably impacted the inventory ratios for fiscal 2000 and fiscal 1999. Working capital was $334.2 million in fiscal 2000, $436.3 million in fiscal 1999 and $465.0 million in fiscal 1998. The reduction in fiscal 2000, as compared to fiscal 1999 and fiscal 1998, reflects a lower cash position at year-end and an increase in the current installments of long-term debt.

The cash flows from operating activities for fiscal 2000, 1999 and 1998 have been reduced by $27.9 million, $16.6 million and $23.2 million, respectively, for cash expenditures charged against the store closing and restructuring reserve, and the discontinued operations reserve.

The reserve for store closings and restructurings is primarily for costs associated with the disposition and settlement of leases for the T.J. Maxx and Marshalls closings anticipated as a result of the Marshalls acquisition. The initial reserves established in fiscal 1996 were estimated at $244.1 million for the Marshalls store closing and restructuring plan and $35.0 million for the closing of certain T.J. Maxx stores. The estimated cost of $244.1 million for the Marshalls closings, recorded in fiscal 1996, was reduced in subsequent years due to a reduction in the number of planned closings and a reduction in the estimated cost of settling the related lease obligations. Reflecting these changes, TJX reduced the total reserve by $85.9 million in fiscal 1997 with additional adjustments reducing the reserve by $15.8 million in fiscal 1998 and $3.0 million in fiscal 2000. This reserve was a component of the allocation of the purchase price for Marshalls and the reserve adjustments in each fiscal year resulted in a corresponding reduction in the value assigned to the long-term assets acquired. The revised estimated cost for the Marshalls closing and restructuring plan of $139.4 million, includes $67.8 million for lease related obligations for 70 store and other facility closings, $9.6 million for property write-offs, $44.1 million for inventory markdowns and $17.9 million for severance, professional fees and all other costs associated with the restructuring plan. Property write-offs were the only non-cash charge to the reserve. The reserve established for the closing of certain T.J. Maxx stores in connection with the Marshalls acquisition was initially estimated at $35.0 million and was recorded as a pre-tax charge to income from continuing operations in fiscal 1996. Due to lower than anticipated costs of the T.J. Maxx closings, TJX recorded a pre-tax credit to income from continuing operations of $300,000 in fiscal 2000, $1.8 million in fiscal 1999 and $8.0 million in fiscal 1997. An additional charge to continuing operations of $700,000 was recorded in fiscal 1998. The revised estimated cost of the T.J. Maxx closings of $25.6 million, includes $13.5 million for lease related obligations of 32 store closings, non-cash charges of $9.8 million for property write-offs and $2.3 million for severance, professional fees and all other costs associated with the closings. All of the Marshalls and T.J. Maxx stores identified in the plan were closed as of January 30, 1998.

The remaining balance in the store closing and restructuring reserve as of January 29, 2000 is $15.7 million. This balance is primarily for the estimated cost of the future lease obligations of the closed stores. The estimates and assumptions used in developing the remaining reserve requirements are subject to change, however, TJX believes it has adequate reserves for these obligations. The reserve also includes some activity relating to several HomeGoods store closings, the impact of which is immaterial. The following is a summary of the activity in the store closing and restructuring reserve for the last three fiscal years:

| In Thousands | Fiscal Year Ended January 29, 2000 | January 30, 1999 | January 31, 1998 |
|---|---|---|---|
| Balance at beginning of year | $ 44,598 | $ 57,966 | $ 95,867 |
| Additions to the reserve | -- | 1,961 | -- |
| Reserve adjustments: | | | |
| Adjust Marshalls restructuring reserve | (3,000) | -- | (15,843) |
| Adjust T.J. Maxx store closing reserve | (300) | (1,800) | 700 |
| Charges against the reserve: | | | |
| Lease related obligations | (23,734) | (12,521) | (13,593) |
| Severance and all other cash charges | -- | (927) | (1,876) |
| Net activity relating to HomeGoods closings | (1,833) | (81) | (1,887) |
| Non-cash property write-offs | -- | -- | (5,402) |
| Balance at end of year | $ 15,731 | $ 44,598 | $ 57,966 |

The use of the reserve will reduce operating cash flows in varying amounts over the next ten to fifteen years as the related leases reach their expiration dates or are settled. This future spending will not have a material impact on future cash flows or TJX's financial condition.

TJX also has a reserve for future obligations relating to its discontinued operations. During fiscal 2000, net expenditures of $2.3 million, relating primarily to lease obligations, reduced the reserve. During fiscal 1999, the reserve increased by a net amount of $11.9 million. We added $15.0 million to the reserve for additional lease related obligations, primarily for our former Hit or Miss division, which was offset by charges against the reserve in fiscal 1999 of $3.1 million, primarily for lease related costs associated with the former Zayre stores. The reserve decreased in fiscal 1998 by $5.8 million, primarily due to settlement costs associated with our former Chadwick's division as well as lease related costs associated with the former Zayre and Hit or Miss locations. The balance of the discontinued operations reserve as of January 29, 2000 is $27.3 million and relates to lease related obligations of the former Zayre and Hit or Miss locations. Future spending against the discontinued operations reserve will reduce operating cash flows in varying amounts over the next ten to fifteen years, as leases reach termination dates or are settled. This future spending will not have a material impact on future cash flows or TJX's financial condition. TJX is also contingently liable on certain leases of its discontinued operations. See Note L to the consolidated financial statements for further information.

Investing Activities: TJX's cash flows for investing activities include capital expenditures for the last two years as set forth in the table below:

| In Millions | Fiscal Year Ended January 29, 2000 | January 30, 1999 |
|---|---|---|
| New stores | $ 81.2 | $ 66.7 |
| Store renovations and improvements | 96.1 | 92.1 |
| Office and distribution centers | 61.3 | 48.9 |
| Capital expenditures | $ 238.6 | $ 207.7 |

TJX expects that capital expenditures will approximate $285 million for fiscal year 2001. This includes $102.1 million for new stores, $92.1 million for store renovations and improvements and $90.8 million for our office and distribution centers.

Investing activities for fiscal 1999 and fiscal 1998 include proceeds of $9.4 million and $15.7 million, respectively, for the sale of shares of Brylane, Inc. common stock. The Brylane, Inc. common stock, all of which has been disposed of, was obtained through the conversion of a $20 million convertible note received by the Company as partial consideration for the sale of Chadwick's. Fiscal 1998 also includes a payment by TJX, to Brylane, of $33.2 million as a final settlement of the proceeds from the sale of Chadwick's. As part of the sale of Chadwick's, TJX retained the consumer credit card receivables of the division as of the closing date, which totaled approximately $125 million, with $54.5 million still outstanding as of January 25, 1997. The balance of the receivables was collected in the first quarter of fiscal 1998 and is classified as cash provided by discontinued operations.

Financing Activities: In December 1999, TJX issued $200 million of 7.45% unsecured notes resulting in net proceeds of $198.1 million. The proceeds are being used for general corporate purposes and in support of our ongoing stock repurchase program. The strong cash flows from operations exceeded our needs in fiscal 1999 and fiscal 1998, thus no additional borrowings were required in those years. Financing activities include principal payments on long-term debt of $695,000 in fiscal 2000, $23.4 million in fiscal 1999 and $27.2 million in fiscal 1998. Fiscal 1998 principal payments included $8.5 million to fully retire our 9 1/2% sinking fund debentures.

At year-end, TJX had a $750 million, multi-year, stock repurchase program in effect under which it had repurchased 27.7 million shares at an aggregate cost of $696.8 million through January 29, 2000. Subsequent to year-end, TJX repurchased an additional 2.7 million shares, completing the $750 million stock repurchase program and announced a new multi-year, $1 billion stock repurchase program. In addition, during fiscal 1998 and fiscal 1999, TJX also repurchased stock under two separate $250 million stock repurchase programs. TJX has had cash expenditures, under all of its programs, of $604.6 million, $337.7 million and $245.2 million in fiscal 2000, 1999 and 1998, respectively, funded primarily by excess cash generated from operations. The total common shares repurchased (adjusted for stock splits) amounted to 23.6 million shares in fiscal 2000, 15.6 million in fiscal 1999 and 17.1 million in fiscal 1998.

TJX declared quarterly dividends on its common stock of $.035 per share in fiscal 2000, $.03 per share in fiscal 1999 and $.025 per share in fiscal 1998. Cash payments for dividends on its common stock totaled $42.7 million in fiscal 2000, $36.5 million in fiscal 1999 and $29.4 million in fiscal 1998. Prior to fiscal 2000, TJX also had dividend requirements on all of its outstanding preferred stock that resulted in cash outlays of $3.9 million in fiscal 1999 and $12.1 million in fiscal 1998. During fiscal 1998, 770,200 shares of the Series E preferred stock were voluntarily converted into 8.3 million shares of common stock and 2,500 shares were repurchased. During fiscal 1999, 357,300 shares of Series E preferred stock were voluntarily converted into 6.7 million shares of common stock. On November 18, 1998 the remaining 370,000 outstanding shares of the Series E preferred stock were mandatorily converted into 8.0 million shares of common stock in accordance with its terms. Inducement fees of $130,000 and $3.8 million were paid on the Series E voluntary conversions in fiscal 1999 and fiscal 1998, respectively. The inducement fees are classified as preferred dividends and were paid through the respective conversion dates. Financing activities for fiscal 2000, 1999 and 1998 also include proceeds of $21.0 million, $27.8 million and $15.5 million, respectively, from the exercise of employee stock options. These proceeds include $11.7 million, $13.8 million and $6.1 million for related tax benefits in fiscal 2000, 1999 and fiscal 1998, respectively.

TJX has traditionally funded its seasonal merchandise requirements through cash generated from operations, short-term bank borrowings and the issuance of short-term commercial paper. TJX has the ability to borrow up to $500 million under a five-year revolving credit facility into which it entered in September 1997. This agreement replaced the agreement into which it entered at the time of the Marshalls acquisition and contains certain financial covenants, including a fixed charge coverage ratio and a leverage ratio. In fiscal 1998, TJX recorded an extraordinary charge of $1.8 million, or $.01 per share, on the write-off of deferred financing costs associated with the former agreement. As of January 29, 2000, the entire $500 million was available for use. The maximum amount outstanding under the agreement during fiscal 2000 was $108 million, with no borrowings under this agreement during fiscal 1999 or fiscal 1998. TJX also has C$40 million of credit lines for its Canadian operations, all of which were available for use as of January 29, 2000. The maximum amount outstanding under its Canadian credit line during fiscal 2000, 1999 and 1998 was C$19.2 million, C$15.6 million and C$12.1 million, respectively. TJX management believes that its current credit facilities are more than adequate to meet its operating needs. See Notes C and G to the consolidated financial statements for further information regarding our long-term debt, capital stock transactions and available financing sources.

TJX is exposed to foreign currency exchange rate risk on its investment in its Canadian (Winners) and European (T.K. Maxx) operations. As more fully described in Note D to the consolidated financial statements, we hedge a significant portion of our net investment and certain merchandise commitments in these operations with derivative financial instruments. TJX utilizes currency forward and swap contracts, designed to offset the gains or losses in the underlying exposures. The contracts are executed with creditworthy banks and are denominated in currencies of major industrial countries. TJX does not enter into derivatives for speculative trading purposes.

## The Year 2000 Issue

As discussed in TJX's prior filings, we have devoted significant effort in addressing the Year 2000 ("Y2K") issue, as it related to our operations. We did not incur any significant Y2K problems in our information technology systems or our non-information technology systems. Our systems and applications are effectively processing information in order to support ongoing operations in the year 2000 and beyond. While we believe we have effectively addressed the Y2K issue, there can be no assurance that all the issues have been addressed, or that third parties with whom we conduct business will not experience Y2K problems in the future. As of January 29, 2000, TJX had incurred $12 million of costs related to Y2K issues and does not anticipate any significant expenditures on this issue going forward.

## FORWARD-LOOKING INFORMATION

Certain statements contained in this Annual Report are forward-looking and involve a number of risks and uncertainties. Among the factors that could cause actual results to differ materially are the following: general economic conditions and consumer demand and consumer preferences and weather patterns in the U.S., Canada and Europe; competitive factors, including continuing pressure from pricing and promotional activities of competitors; impact of excess retail capacity and the availability of desirable store locations on suitable terms; the availability, selection and purchasing of attractive merchandise on favorable terms; import risks, including potential disruptions and duties, tariffs and quotas on imported merchandise, including economic and political problems in countries from which merchandise is imported; currency and exchange rate factors in the Company's foreign operations; risks in the development of new businesses and application of the Company's off-price strategies in foreign countries; acquisition and divestment activities; and other factors that may be described in the Company's filings with the Securities and Exchange Commission. The Company does not undertake to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.

## PRICE RANGE OF COMMON STOCK

The following per share data reflects the two-for-one stock split distributed in June 1998.

The common stock of the Company is listed on the New York Stock Exchange (Symbol: TJX). The quarterly high and low trading stock prices for fiscal 2000 and fiscal 1999 are as follows:

| | Fiscal 2000 | | Fiscal 1999 | |
|---|---|---|---|---|
| Quarter | High | Low | High | Low |
| First | $ 37 | $ 27 1/16 | $ 23 3/4 | $ 17 3/16 |
| Second | 35 15/16 | 28 3/4 | 28 7/16 | 22 3/16 |
| Third | 33 1/2 | 24 | 28 | 15 1/2 |
| Fourth | 27 13/16 | 16 1/4 | 31 1/16 | 18 3/4 |

The approximate number of common shareholders at January 29, 2000 was 45,375.

The Company declared four quarterly dividends of $.035 per share for fiscal 2000 and $.03 per share for fiscal 1999.

THE TJX COMPANIES, INC.

SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

Earnings per share amounts in the following table reflect the effect of the two-for-one stock split distributed in June 1998.

| In Thousands Except Per Share Amounts | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| Fiscal year ended January 29, 2000 | | | | |
| Net sales | $1,930,506 | $2,102,851 | $2,235,054 | $2,526,936 |
| Gross earnings* | 511,714 | 517,603 | 588,784 | 597,846 |
| Income before cumulative effect of accounting change | 122,274 | 115,881 | 151,717 | 136,950 |
| Diluted earnings per share | .38 | .36 | .48 | .44 |
| Net income | 117,120 | 115,881 | 151,717 | 136,950 |
| Diluted earnings per share | .36 | .36 | .48 | .44 |
| Fiscal year ended January 30, 1999 - Pro Forma | | | | |
| Net sales | $1,753,748 | $1,867,668 | $2,003,503 | $2,323,952 |
| Gross earnings* | 436,715 | 447,286 | 537,223 | 569,962 |
| Income from continuing operations | 82,427 | 85,803 | 128,337 | 136,335 |
| Diluted earnings per share | .24 | .25 | .39 | .41 |
| Net income | 82,427 | 85,803 | 119,289 | 136,335 |
| Diluted earnings per share | .24 | .25 | .36 | .41 |
| Fiscal year ended January 30, 1999 - As Reported | | | | |
| Net sales | $1,775,847 | $1,864,236 | $2,026,578 | $2,282,440 |
| Gross earnings* | 445,586 | 445,746 | 546,077 | 554,277 |
| Income from continuing operations | 87,767 | 84,876 | 133,667 | 126,892 |
| Diluted earnings per share | .26 | .25 | .40 | .39 |
| Net income | 87,767 | 84,876 | 124,619 | 126,892 |
| Diluted earnings per share | .26 | .25 | .38 | .39 |

* Gross earnings equal net sales less cost of sales, including buying and occupancy costs.

Net income for the third quarter of fiscal 1999 includes an after-tax charge of $9.0 million as a loss from discontinued operations relating to lease obligations, primarily for the Company's Hit or Miss stores.

During the fourth quarter of fiscal 2000, the Company changed its method of accounting for layaway sales. (See Note A to the financial statements.) Quarterly results for fiscal 2000 in the table above have been restated to reflect the change in accounting. The cumulative effect of this change for periods prior to January 31, 1999 of $5.2 million, net of income taxes of $3.4 million, is included in net income of the first quarter. The year-to-date effect of this change on fiscal 2000 was immaterial. The effect of this change on quarterly net income and related earnings per share in fiscal 2000 follows (in thousands except per share amounts):

| | Effect of Change in Fiscal 2000 | |
|---|---|---|
| Quarter | Net Income | Net Income Per Share |
| First | $(5,388) | $ (.01) |
| Second | 1,202 | -- |
| Third | (5,257) | (.02) |
| Fourth | 9,261 | .03 |
| Full Year | $ (182) | $ -- |

SHAREHOLDER INFORMATION

Transfer Agent and Registrar
Common Stock
Equiserve Limited Partnership
P.O. Box 8200
Boston, Massachusetts 02266-8200
1-800-426-5523

Trustees
Public Debentures
6 5/8% Promissory Notes
7% Promissory Notes
7.45% Promissory Notes
Bank One Trust Company
National Association
Chicago, Illinois

Auditors
PricewaterhouseCoopers LLP

Independent Counsel
Ropes & Gray

Form 10-K
Information concerning the Company's operations and financial position is provided in this report and in the Form 10-K filed with the Securities and Exchange Commission. A copy of the 10-K may be obtained without charge by writing or calling:

The TJX Companies, Inc.
Investor Relations
770 Cochituate Road
Framingham, Massachusetts 01701
(508) 390-2323

Investor Relations
Analysts and investors seeking financial data about the Company are asked to visit our corporate Website at www.tjx.com or to contact:

Sherry Lang, Vice President
Investor and Public Relations
(508) 390-2323

Annual Meeting
The 2000 annual meeting will be held at 11:00 a.m. on Tuesday, June 6 at FleetBoston (formerly BankBoston), Lobby Auditorium, 1st Floor, 100 Federal Street, Boston, Massachusetts

Executive Offices
Framingham, Massachusetts 01701

For the Store Nearest You, Call:
T.J. Maxx: 1-800-2-TJMAXX
Marshalls: 1-800-MARSHALLS
Winners: 1-800-646-WINN (in Canada)
HomeGoods: 1-800-614-HOME
T.K. Maxx: (01923)473797(in the U.K.)
A.J. Wright: 1-888-SHOPAJW

Visit our Divisional Websites:
www.tjmaxx.com
www.marshallsonline.com

EXHIBIT 21

SUBSIDIARIES

| OPERATING SUBSIDIARIES | STATE OR JURISDICTION OF INCORPORATION OR ORGANIZATION | NAME UNDER WHICH DOES BUSINESS (IF DIFFERENT) |
|---|---|---|
| NBC Attire Inc. | Massachusetts | |
| Newton Buying Corp. | Delaware | |
| NBC Distributors Inc. | Massachusetts | |
| NBC Merchants, Inc. | Indiana | |
| NBC Charlotte Merchants, Inc. | North Carolina | |
| NBC Nevada Merchants, Inc. | Nevada | |
| Marmaxx Operating Corp. | Delaware | T.J. Maxx/Marshalls |
| Marshalls Atlanta Merchants, Inc. | Georgia | |
| Marshalls Bridgewater Merchants, Inc. | Virginia | |
| Marshalls Woburn Merchants, Inc. | Massachusetts | |
| Marshalls of MA, Inc. | Massachusetts | |
| New York Department Stores de Puerto Rico, Inc. | Puerto Rico | Marshalls |
| Marshalls of Richfield, MN, Inc. | Minnesota | |
| Marshalls of Northridge-Devonshire, CA, Inc. | California | |
| Marshalls of Glen Burnie, MD, Inc. | Maryland | |
| Marshalls of Beacon, VA, Inc. | Virginia | |
| Marshalls of Laredo, TX, Inc. | Texas | |
| Marshalls of Calumet City, IL, Inc. | Illinois | |
| Marshalls of Chicago-Clark, IL, Inc. | Illinois | |
| Marshalls of Streamwood, IL, Inc. | Illinois | |
| Marshalls of Chicago-Brickyard, IL, Inc. | Illinois | |
| Marshalls of Matteson, IL, Inc. | Illinois | |
| Marshalls of Elizabeth, NJ, Inc. | New Jersey | |
| Marshalls of Nevada, Inc. | Nevada | |
| Strathmex Corp. | Delaware | |
| HomeGoods, Inc. | Delaware | |
| H.G. Merchants, Inc. | Massachusetts | |
| Winners Apparel Ltd. | Ontario, Canada | |
| Winners Merchants Ltd. | Ontario, Canada | |
| NBC Apparel, Inc. | Delaware | |
| TKM Holding Corp. | Delaware | |
| NBC Apparel | United Kingdom | T.K. Maxx |
| NBC Apparel Group | United Kingdom | |
| T.K. Maxx | United Kingdom | |
| NBC Apparel Management Limited | United Kingdom | |
| TJX Netherlands B.V. | Netherlands | T.K. Maxx |
| Concord Buying Group, Inc. | New Hampshire | A.J. Wright |
| NBC Operating, LLC | Delaware | |
| NBC Trust | Massachusetts | |
| Newton Buying Company of CA, Inc. | Delaware | Marshalls |
| HomeGoods of Puerto Rico, Inc. | Puerto Rico | |
| NBC Manager, LLC | Delaware | |

| OPERATING SUBSIDIARIES | STATE OR JURISDICTION OF INCORPORATION OR ORGANIZATION | NAME UNDER WHICH DOES BUSINESS (IF DIFFERENT) |
|---|---|---|
| T.J. Maxx of CA, LLC | Delaware | |
| T.J. Maxx of IL, LLC | Delaware | |
| Marshalls of CA, LLC | Delaware | |
| Marshalls of IL, LLC | Delaware | |
| NYDS, LLC | Delaware | |
| **LEASING SUBSIDIARIES** | | |
| Cochituate Realty, Inc. | Massachusetts | |
| NBC First Realty Corp. | Indiana | |
| NBC Second Realty Corp. | Massachusetts | |
| NBC Fourth Realty Corp. | Nevada | |
| NBC Fifth Realty Corp. | Illinois | |
| NBC Sixth Realty Corp. | North Carolina | |
| AJW Realty of Fall River | Massachusetts | |

EXHIBIT 24

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Edmond English and Donald G. Campbell and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign the form 10-K to be filed by The TJX Companies, Inc. for the fiscal year ended January 29, 2000 and any or all amendments thereto and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ EDMOND ENGLISH
Edmond English, President,
Principal Executive Officer and
Director

/s/ DONALD G. CAMPBELL
Donald G. Campbell, Executive Vice
President-Finance, Principal Financial
and Accounting Officer

/s/ BERNARD CAMMARATA
Bernard Cammarata, Director

/s/ JOHN F. O'BRIEN
John F. O'Brien, Director

/s/ DENNIS F. HIGHTOWER
Dennis F. Hightower, Director

/s/ ROBERT F. SHAPIRO
Robert F. Shapiro, Director

/s/ RICHARD LESSER
Richard Lesser, Director

/s/ WILLOW B. SHIRE
Willow B. Shire, Director

/s/ ARTHUR F. LOEWY
Arthur F. Loewy, Director

/s/ FLETCHER H. WILEY
Fletcher H. Wiley, Director

/s/ JOHN M. NELSON
John M. Nelson, Director

Dated: April 18, 2000

YEAR
JAN-29-2000
JAN-31-1999
JAN-29-2000
371,759,000
0
55,461,000
0
1,229,587,000
1,700,565,000
1,588,899,000
754,314,000
2,804,963,000
1,366,368,000
319,367,000
0
0
299,979,000
819,249,000
2,804,963,000
8,795,347,000
8,795,347,000
6,579,400,000
6,579,400,000
1,354,665,000
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7,345,000
853,937,000
327,115,000
526,822,000
0
0
(5,154,000)
521,668,000
1.66
1.64