

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

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
January 30, 1999

Commission file number
1-4908

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

Delaware
(State or other jurisdiction of
incorporation or organization)

04-2207613
(IRS Employer
Identification No.)

770 Cochituate Road
Framingham, Massachusetts
(Address of principal executive offices)

01701
(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 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.

The aggregate market value of the voting stock held by non-affiliates
of the Registrant on April 9, 1999 was \$11,483,392,349.

There were 321,710,526 shares of the Registrant's Common Stock, \$1 par value,
outstanding as of April 9, 1999.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Annual Report to Stockholders for the fiscal year ended January 30, 1999 (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 8, 1999 (Part III).

ITEM 1. BUSINESS

The TJX Companies, Inc., (together with its wholly-owned subsidiaries, hereinafter referred to as the "Company"), is the largest off-price retailer of apparel and home fashions in the United States and worldwide. The Company operates 604 T.J. Maxx stores, 475 Marshalls stores, and Winners Apparel Ltd., a Canadian off-price family apparel chain with 87 stores. TJX also operates HomeGoods, a U.S. off-price home fashion chain with 35 stores, and T.K. Maxx, an off-price family apparel concept in the United Kingdom, the Republic of Ireland, and the Netherlands, which has 39 stores. In addition, during fiscal 1999 the Company opened 6 A.J. Wright stores, a new United States chain of off-price family apparel stores targeted to moderate income customers.

The Company strives to provide value to its customers by delivering brand names, fashion, quality and compelling prices. During the fiscal year ended January 30, 1999 ("fiscal 1999"), the Company's stores derived 32.4% of its sales from the Northeast, 17.5% from the Midwest, 27.9% from the South, 1.1% from the Central States, 13.4% from the West, 4.9% from Canada and 2.8% from Europe (primarily the United Kingdom).

As a result of the acquisition of Marshalls in 1995, the Company has continued to realize improved operating efficiencies for the combined T.J. Maxx / Marshalls entity through the integration of many administrative and operational functions as well as through increased purchasing leverage, all of which have allowed the Company to provide improved values to its customers. The Company has retained the separate identities of the T.J. Maxx and Marshalls stores, including certain elements of merchandising, product assortment, marketing and store appearance. As a result of the acquisition, the Company initiated a store closing program in an effort to reduce excess retail space. Through the end of fiscal 1998, the Company closed a total of 32 T.J. Maxx stores and 70 Marshalls stores under this plan. The Company also continually reviews store performance and periodically identifies underperforming locations for closing. During fiscal 1999 the Company closed 4 T.J. Maxx stores and 2 Marshalls stores. In total, over the past five years T.J. Maxx has opened 153 stores and closed 61, while Marshalls, since the date of the acquisition, has opened 46 stores and closed 76.

The majority of the Company's sales volume is achieved through the Company's T.J. Maxx and Marshalls stores. T.J. Maxx operates 604 stores in 47 states, with an average store size of 29,000 gross square feet, while Marshalls operates 475 stores in 37 states and Puerto Rico, with an average store size of 31,000 gross square feet. T.J. Maxx and Marshalls sell a broad range of brand name family apparel, accessories, shoes, domestics, giftware and jewelry at prices generally 20% to 60% below department and specialty store regular prices. Winners Apparel Ltd. is an off-price family apparel retailer, which operates 87 stores in Canada. HomeGoods, an off-price business that the Company began testing in fiscal 1993, sells domestics, giftware and other home fashions and operates a total of 35 stores. T.K. Maxx operates 39 off-price family apparel stores in the United Kingdom, Republic of Ireland, and the Netherlands. A.J. Wright, a U.S. based off-price family apparel retailer, began operations in the Fall of fiscal 1999 with 6 stores in the northeast. Unless otherwise indicated, all figures herein relating to numbers of stores are as of January 30, 1999.

In common with the business of apparel retailers generally, the Company'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 30, 1999:

	T.J. MAXX	MARSHALLS	HOMEGOODS
Alabama	10	2	-
Arizona	8	4	-
Arkansas	5	-	-
California	45	66	-
Colorado	8	3	-
Connecticut	23	19	3
Delaware	3	2	-
District of Columbia	1	-	-
Florida	42	41	4
Georgia	23	20	-
Idaho	1	-	-
Illinois	33	34	3
Indiana	9	4	-
Iowa	4	1	-
Kansas	4	3	-
Kentucky	7	1	1
Louisiana	4	5	-
Maine	5	1	-
Maryland	7	13	-
Massachusetts	43	38	9
Michigan	29	7	-
Minnesota	12	10	-
Mississippi	3	-	-
Missouri	6	7	-
Montana	1	-	-
Nebraska	2	1	-
Nevada	4	3	-
New Hampshire	9	6	3
New Jersey	16	28	-
New Mexico	1	-	-
New York	41	38	2
North Carolina	18	12	-
North Dakota	3	-	-
Ohio	33	7	2
Oklahoma	3	1	-
Oregon	5	3	-
Pennsylvania	29	16	2
Puerto Rico	-	11	-
Rhode Island	5	3	1
South Carolina	10	5	-
South Dakota	1	-	-
Tennessee	14	7	-
Texas	24	29	-
Utah	5	-	-
Vermont	2	-	-
Virginia	23	19	1
Washington	8	4	-
West Virginia	1	-	-
Wisconsin	11	1	4
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Total Stores	604	475	35
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Winners Apparel Ltd. operates 87 stores in Canada: 12 in Alberta, 3 in Manitoba, 47 in Ontario, 11 in Quebec, 2 in Nova Scotia, 2 in Saskatchewan, 7 in British Columbia, 2 in New Brunswick and 1 in Newfoundland. T.K. Maxx operates 36 stores in the United Kingdom, 1 store in the Republic of Ireland, and 2 in the Netherlands. A.J. Wright operates 6 stores in the United States: 5 in Massachusetts and 1 in Rhode Island. 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, the largest off-price family apparel chain in the United States, was founded by the Company in 1976 and operates 604 stores in 47 states. Marshalls is the second largest off-price family apparel retailer in the United States, and operates 475 stores in 37 states and Puerto Rico.

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

The T.J. Maxx and Marshalls operations have a common buying and merchandising organization. The ability to purchase merchandise at favorable prices and operate with a low cost structure is essential to T.J. Maxx's and Marshalls' off-price mission which emphasizes quality brand-name merchandise at substantial values to its customers. These chains use opportunistic buying strategies to purchase large quantities of merchandise at significant discounts from initial wholesale prices. Those strategies include special situation purchases, close-outs of current season fashions and out-of-season purchases of basic seasonal items for warehousing until the appropriate selling season. These buying strategies rely heavily on inventory controls that permit a virtually continuous "open-to-buy" position. In addition, highly automated storage and distribution systems track, allocate and deliver an average of 11,000 items per week to each store. Computerized warehouse storage, handling and shipping systems permit a continuous evaluation and replenishment of store inventory requirements and the breakdown of manufacturers' bulk shipments into computer-determined individual store allotments by style, size and quantity. Pricing, markdown decisions and store inventory replenishment requirements are determined centrally, using satellite-transmitted information provided by point-of-sale computer terminals; this ensures that substantially all merchandise is sold within targeted selling periods. Other administrative functions that have been consolidated as a result of the acquisition of Marshalls include finance, real estate, human resources and systems.

T.J. Maxx stores are generally located in suburban community shopping centers and average approximately 29,000 gross square feet in size. During fiscal 1999, 28 T.J. Maxx stores were opened and 4 stores were closed. In recent years, T.J. Maxx has enlarged a number of stores to a larger size of approximately 30,000 square feet or greater, and plans to continue its program of enlarging other successful stores. This larger format allows T.J. Maxx to expand all of its departments, with particular emphasis on its giftware and housewares departments and other non-apparel categories. As of January 30, 1999 approximately half of the T.J. Maxx stores are the larger prototype. Each T.J. Maxx store is currently serviced by one of the chain's four distribution centers in Worcester, Massachusetts; Evansville, Indiana; Las Vegas, Nevada (a shared facility with Marshalls); and Charlotte, North Carolina.

Marshalls stores average approximately 31,000 gross square feet. During fiscal 1999, 16 Marshalls stores were opened and 2 were closed. Each Marshalls store is currently serviced by one of four distribution centers located in Woburn, Massachusetts; Decatur, Georgia; Bridgewater, Virginia; and Las Vegas, Nevada (a shared facility with T.J. Maxx).

In fiscal 2000, approximately 59 new T.J. Maxx and Marshalls stores are planned, many of which are expected to be larger format stores, along with the planned expansion of about 11 existing locations, the relocation of approximately 12 existing stores, and the closing of approximately 6 stores.

As discussed in the description of HomeGoods the Company has experimented with combining a HomeGoods operation with a T.J. Maxx store (T.J. Maxx 'N More) or a Marshalls store (Marshalls Mega-Stores). As of January 30, 1999 there were a total of 7 T.J. Maxx 'N More locations and 7 Marshalls Mega-Stores.

WINNERS APPAREL LTD.

The Company acquired the Winners chain in 1990. The Winners acquisition has provided the Company with the opportunity to introduce the concept of off-price apparel retailing to the Canadian market. Since the acquisition, Winners has increased its number of stores from 5 to 87.

Winners' merchandising concept is substantially similar to that of T.J. Maxx and Marshalls. Winners' stores average 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. During the last several years, Winners expanded certain merchandise categories, including ladies footwear, special sizes, giftware and domestics. In addition, Winners opened 11 stores and expects to open approximately 12 stores in fiscal 2000.

HOMEGOODS

HomeGoods is a chain of off-price home fashion stores opened in 1992 to expand the Company's off-price presence in the home fashions market. The Company is continuing to develop this business and, during fiscal 1998 and fiscal 1999, store layouts were revamped, inventory levels were reduced to allow more opportunistic buying, and categories such as specialty and seasonal merchandise were refined to help generate repeat business. In fiscal 1999, the concept of coupling this business with the T.J. Maxx and Marshalls formats was expanded by adding 3 additional T.J. Maxx 'N More stores, and adding 5 Marshalls Mega-Stores. The HomeGoods stores offer a broad and deep range of home fashion products, including giftware, domestics, rugs, bath accessories, lamps and seasonal merchandise in a no-frills, multi-department format.

HomeGoods' stand-alone stores currently average approximately 36,000 square feet. HomeGoods occupies approximately 23,000 square feet in the superstore combination formats with T.J. Maxx and Marshalls. HomeGoods opened 8 superstores and 4 stand-alone stores in fiscal 1999. At fiscal 1999 year end, HomeGoods operated a total of 35 stores, including 14 superstore combinations with T.J. Maxx and Marshalls formats. The HomeGoods portion of each of these units is considered a HomeGoods store location. For fiscal 2000, approximately 8 new stand-alone stores and 16 additional superstore combinations are planned, including conversion of 3 existing stand-alone stores to the super store format, along with 2 stand-alone store closings.

T.K. MAXX

During fiscal 1995, the Company implemented an off-price family apparel concept in Europe by opening T.K. Maxx stores in the United Kingdom. T.K. Maxx utilizes the same off-price strategy employed by T.J. Maxx, Marshalls and Winners. The average size of a T.K. Maxx store is 25,000 square feet. At the end of fiscal 1999, the Company had a total of 39 stores in operation with 36 in the United Kingdom, 1 in Ireland and 2 in the Netherlands. T.K. Maxx opened 8 stores in fiscal 1999 and has plans to open approximately 15 stores in fiscal 2000, mostly in the United Kingdom.

A.J. WRIGHT

During fiscal 1999, the Company began testing another off-price family apparel concept in the United States targeted to moderate income customers. A.J. Wright utilizes a similar off-price strategy employed by T.J. Maxx, Marshalls, Winners and T.K. Maxx, but at generally lower price points. At the end of fiscal 1999, the Company had a total of 6 stores, all in the Northeast, and has plans to open approximately 10 stores in fiscal 2000. The stores, which average 28,000 square feet in size, are currently serviced by a distribution center located in Framingham, Massachusetts.

EMPLOYEES

At January 30, 1999, the Company had approximately 62,000 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 and Textile Employees ("UNITE"), covering approximately 4,900 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 Evansville union workers. The Company considers its labor/management relations and overall employee relations to be good.

COMPETITION

The retail apparel business is highly competitive. The Company 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 the Company's customers include fashion, value, merchandise selection, brand name recognition and, to a lesser degree, store location. In addition, because the Company purchases much of its inventory opportunistically, the Company competes for merchandise with other national and regional off-price apparel and other discount outlets. Also, many of the Company's competitors handle identical or similar lines of merchandise and have comparable locations. The Company believes that the Marshalls acquisition has enhanced its competitiveness.

CREDIT

The Company'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 the Company'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 a distribution center in Milton Keynes, England.

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, particularly the United Kingdom; competitive factors, including continuing pressure from pricing and promotional activities of major 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; risks and uncertainties relating to the Year 2000 issue; 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.

ITEM 2. PROPERTIES

The Company'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. The Company 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 28,000 square feet. HomeGoods' stand-alone stores currently average approximately 36,000 square feet, and the HomeGoods portion of a superstore combination format with a T.J. Maxx or Marshalls averages approximately 23,000 square feet. The Company 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 718,000 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 799,000 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 56,000 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 has leased a 158,000 square foot office and distribution facility in Milton Keynes, England and a 22,000 square foot office space in Watford, England. A.J. Wright leases 68,000 square feet of distribution space in Framingham, Massachusetts. 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 243,000 square feet of office space 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 30, 1999.

	(Sq. Ft. in Thousands)		
	Stores	Distribution Centers	
	-----	-----	-----
		Leased	Owned
		-----	-----
T.J. Maxx	17,648	-	2,466
Marshalls	14,909	1,537	1,117
Winners	2,323	506	-
HomeGoods	1,086	204	-
T.K. Maxx	990	150	-
A.J. Wright	170	68	-
	-----	-----	-----
Total	37,126	2,465	3,583
	=====	=====	=====

ITEM 3. LEGAL PROCEEDINGS

There is no litigation pending against the Company or any of its subsidiaries which the Company 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 1999.

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 -----
Bernard Cammarata	59	President, Chief Executive Officer and Director since 1989, Chairman of the Company's T.J. Maxx Division from 1986 to 1995 and of the Company's T.J. Maxx and Marshalls Division ("The Marmaxx Group") since 1995. Executive Vice President of the Company from 1986 to 1989. President, Chief Executive Officer and Director of the Company's former TJX subsidiary from 1987 to 1989; President of T.J. Maxx, 1976 to 1986.
Donald G. Campbell	47	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 1987-1988; Vice President and Corporate Controller of the Company, 1985 to 1987; various financial positions with the Company, 1973 to 1985.
Richard Lesser	64	Executive Vice President of the Company since 1991, Chief Operating Officer of the Company since 1994 and Director of the Company and President of The Marmaxx Group since 1995. Senior Vice President of the Company 1989-1991 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.
Edmond English	45	Senior Vice President, Group Executive of the Company since 1998. 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; various merchandising positions with the Company, 1983 to 1991.
Arnold Barron	51	Senior Vice President, Group Executive of the Company since 1996. 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.

The foregoing were elected to their current Company offices by the Board of Directors in June 1998. All officers hold office until the next annual meeting of the Board in June 1999 and until their successors are elected 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 39 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 39 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 40 through 45 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

The information required by this Item is incorporated herein by reference from the last two paragraphs of the "Financing Activities" section of the Management's Discussion and Analysis found on page 44 of the Annual Report.

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 30, 1999 (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 did not file any reports on Form 8-K with the Securities and Exchange Commission during the quarter ended January 30, 1999.

(c) EXHIBITS

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

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
3(i).1	Third Restated Certificate of Incorporation is incorporated herein by reference to Exhibit 4.2 of the Company's Registration Statement on Form S-8 No. 333-35073.
3(ii).1	The by-laws of the Company, as amended, are filed herewith.
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.

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 are 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 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.*
- 10.6 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.*
- 10.7 The 1986 Stock Incentive Plan, as amended through February 2, 1999, is filed herewith.*
- 10.8 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.*
- 10.9 The General Deferred Compensation Plan (1998 Restatement) and related First Amendment, effective January 1, 1999, are filed herewith.*
- 10.10 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.*
- 10.11 The Executive Savings Plan and related Amendments No. 1 and No. 2, effective as of October 1, 1998, are filed herewith.*
- 10.12 The 1993 Stock Option Plan for Non-Employee Directors, as amended on April 13, 1999, is filed herewith.*
- 10.13 The Deferred Stock Plan for Non-Employee Directors effective January 1, 1998, as amended, is filed herewith.*
- 10.14 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.*
- 10.15 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.*
- 10.16 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.*

- 10.17 The TJX Rabbi Trust, dated as of April 9, 1997 between the Company and State Street Bank and Trust Company is filed herewith.*
- 10.18 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.*
- 10.19 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.
- 10.20 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.
- 10.21 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.
- 10.22 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.
- 11 STATEMENT RE COMPUTATION OF PER SHARE EARNINGS.
- This statement is filed herewith.
- 13 ANNUAL REPORT TO SECURITY HOLDERS.
- Portions of the Annual Report to Stockholders for the fiscal year ended January 30, 1999 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.

* 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 29, 1999

/s/ DONALD G. CAMPBELL

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/ BERNARD CAMMARATA

Bernard Cammarata, President
and Principal Executive Officer
and Director

/s/ DONALD G. CAMPBELL

Donald G. Campbell, Executive
Vice President - Finance,
Principal Financial and
Accounting Officer

PHYLLIS B. DAVIS

Phyllis B. Davis, 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

* By /s/ DONALD G. CAMPBELL

Donald G. Campbell
as attorney-in-fact

Dated: April 29, 1999

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 30, 1999, January 31, 1998
and January 25, 1997

THE TJX COMPANIES, INC. AND SUBSIDIARIES
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

For Fiscal Years Ended January 30, 1999, January 31, 1998 and
January 25, 1997

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Consent of Independent Accountants	F-2
Selected Quarterly Financial Data (Unaudited)	46*
Consolidated Financial Statements:	
Consolidated Statements of Income for the fiscal years ended January 30, 1999, January 31, 1998 and January 25, 1997	18*
Consolidated Balance Sheets as of January 30, 1999 and January 31, 1998	19*
Consolidated Statements of Cash Flows for the fiscal years ended January 30, 1999, January 31, 1998 and January 25, 1997	20*
Consolidated Statements of Shareholders' Equity for the fiscal years ended January 30, 1999, January 31, 1998 and January 25, 1997	21*
Notes to Consolidated Financial Statements	23-37*

* Refers to page numbers in the Company's Annual Report to Stockholders for the fiscal year ended January 30, 1999, certain portions of which pages are incorporated by reference in Part II, Item 8 of this report as indicated.

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in the Registration Statements of The TJX Companies, Inc. on Form S-3 (File Nos. 333-05501, 33-60059) and on Forms S-8 (File Nos. 333-63293, 333-23613, 33-49747, 33-12220, 333-35073) of our report dated March 2, 1999 on our audits of the consolidated financial statements of The TJX Companies, Inc. as of January 30, 1999 and January 31, 1998 and for the years ended January 30, 1999, January 31, 1998 and January 25, 1997 which report is incorporated by reference in this Annual Report on Form 10-K.

Boston, Massachusetts
April 28, 1999

PricewaterhouseCoopers LLP

Exhibit Index

Exhibit No.	Description of Exhibit
- - -	-----
3(i).1	Third Restated Certificate of Incorporation is incorporated herein by reference to Exhibit 4.2 of the Company's Registration Statement on Form S-8 No. 333-35073.
3(ii).1	The by-laws of the Company, as amended, are filed herewith.
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. 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 are 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 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.*
10.6	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.*
10.7	The 1986 Stock Incentive Plan, as amended through February 2, 1999, is filed herewith.*

- 10.8 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.*
- 10.9 The General Deferred Compensation Plan (1998 Restatement) and related First Amendment, effective January 1, 1999, are filed herewith.*
- 10.10 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.*
- 10.11 The Executive Savings Plan and related Amendments No. 1 and No. 2, effective as of October 1, 1998, are filed herewith.*
- 10.12 The 1993 Stock Option Plan for Non-Employee Directors, as amended on April 13, 1999, is filed herewith.*
- 10.13 The Deferred Stock Plan for Non-Employee Directors, as amended, is filed herewith.*
- 10.14 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.*
- 10.15 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.*
- 10.16 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.*
- 10.17 The TJX Rabbi Trust, dated as of April 9, 1997 between the Company and State Street Bank and Trust Company is filed herewith.*
- 10.18 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.*
- 10.19 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.
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* Management contract or compensatory plan or arrangement.

[As amended through 4/13/99]

THE TJX COMPANIES, INC.

BY-LAWS

ARTICLE I

Certificate of Incorporation

The name, location of the principal office or place of business in the State of Delaware, and the nature of the business or objects or purposes of the corporation shall be as set forth in its certificate of incorporation. These by-laws, the powers of the corporation and of its directors and stockholders, and all matters concerning the management of the business and conduct of the affairs of the corporation shall be subject to such provisions in regard thereto, if any, as are set forth in the certificate of incorporation; and the certificate of incorporation is hereby made a part of these by-laws. In these by-laws, references to the certificate of incorporation mean the provisions of the certificate of incorporation (as that term is defined in the General Corporation Law of the State of Delaware) of the corporation as from time to time in effect, and references to these by-laws or to any requirement or provision of law mean these by-laws or such requirement or provision of law as from time to time in effect.

ARTICLE II

Annual Meeting of Stockholders

(a) The annual meeting of stockholders shall be held either (i) at 11:00 a.m. on the first Tuesday in June in each year, unless that day be a legal holiday at the place where the meeting is to be held, in which case the meeting shall be held at the same hour on the next succeeding day not a legal holiday, or (ii) at such other date and time as shall be designated from time to time by the board of directors and stated in the notice of the meeting, at which the stockholders shall elect a board of directors and transact such other business as may be required by law or these by-laws or as may properly come before the meeting.

(b) Except as otherwise fixed pursuant to the provisions of Article FOURTH of the certificate of incorporation relating to the rights of holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation, nominations of persons for election to the board of directors of the corporation may be made at a meeting of stockholders by or at the direction of the board of directors or a committee appointed by the board of directors or by any stockholder of the corporation entitled to vote for the election of directors at the meeting who complies with the notice procedures set forth in this Article II. Such nominations, other than those made by or at the direction of the board of directors or such committee, shall be made pursuant to timely notice in writing to the secretary of the corporation. To be timely, a stockholder's notice shall be delivered to or mailed and received by the secretary at the principal executive offices of the corporation not less than 90 days nor more than 120 days prior to the first

anniversary of the prior year's annual meeting. Such stockholder's notice shall set forth (a) as to each person whom the stockholder proposes to nominate for election or re-election as a director, (i) the name, age, business address and residence address of such person, (ii) the principal occupation or employment of such person, (iii) the class and number of shares of the corporation which are beneficially owned by such person, and (iv) any other information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (including without limitation such person's written consent to being named in the proxy statement as the nominee and to serving as a director if elected); and (b) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination is made (i) the name and address of such stockholder, as they appear on the corporation's books, and of such beneficial owner, (ii) the class and number of shares of the corporation which are owned beneficially and of record by such stockholder and such beneficial owner, (iii) a representation that the stockholder is a holder of record of stock of the corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such nomination, and (iv) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends to (a) deliver a proxy statement and/or form of proxy to holders of at least the percentage of the corporation's outstanding capital stock required to elect the nominee and/or (b) otherwise solicit proxies from stockholders in support of such nomination. The corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the corporation. No person shall be eligible for election as a director of the corporation unless nominated in accordance with the procedures set forth in this Article II. The chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by the by-laws, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.

(c) At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the board of directors, or (b) otherwise properly brought before the meeting by a stockholder. For business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the secretary of the corporation. To be timely, a stockholder's notice shall be delivered to or mailed and received by the secretary at the principal executive offices of the corporation not less than 90 days nor more than 120 days prior to the first anniversary of the prior year's annual meeting. A stockholder's notice to the secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting, (b) the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the By-laws of the corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made, (c) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the proposal is made, (i) the name and address of such stockholder, as they appear on the corporation's books, and of such beneficial owner, (ii) the class and number of shares of the corporation which are owned beneficially and of record by such stockholder and such beneficial owner, (iii) a representation that the stockholder is a holder of record of stock of the corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business, and (iv) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends to (a) deliver a proxy statement and/or form of proxy to holders of at least the percentage of the

corporation's outstanding capital stock required to approve or adopt the proposal and/or (b) otherwise solicit proxies from stockholders in support of such proposal. Notwithstanding anything in the by-laws to the contrary, no business shall be conducted at any annual meeting except in accordance with the procedures set forth in this Article II. The chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Article II, and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

ARTICLE III

Special Meetings of Stockholders

Except as otherwise required by law and or as fixed pursuant to the provisions of Article FOURTH of the certificate of incorporation relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation, special meetings of the stockholders may be called only by the chairman of the board, the president, or the board of directors pursuant to a resolution approved by a majority of the entire board of directors. Such call shall state the time, place and purposes of the meeting.

ARTICLE IV

Place of Stockholders' Meetings

The annual meeting of the stockholders, for the annual election of directors and other purposes, shall be held at such place within or without the State of Delaware as the board of directors shall fix for such meeting. Adjourned meetings of the stockholders shall be held at such places and at such times as the board of directors shall fix. Special meetings of the stockholders, and adjourned special meetings of the stockholders, shall be held at such places within or without the State of Delaware and such time as the board of directors shall fix.

ARTICLE V

Notice of Stockholders' Meetings

Except as may be otherwise required by law, by the certificate of incorporation or by other provisions of these by-laws, and subject to the provisions of Article XXII, a written notice of each meeting of stockholders, stating the place, day and hour thereof and the purposes for which the meeting is called, shall be given, at least ten days before the meeting, to each stockholder entitled to vote thereat, by leaving such notice with him or at his residence or usual place of business, or by mailing it, postage prepaid, addressed to such stockholder at his address as it appears upon the books of the corporation. Such notice shall be given by the secretary, or in case of the death, absence, incapacity or refusal of the secretary, by some other officer or by a person designated by the board of directors.

ARTICLE VI

Quorum and Action of Stockholders

Any action required or permitted to be taken by the stockholders of the corporation must be effected at a duly called annual or special meeting of such holders and may not be effected by any consent in writing by such holders.

At any meeting of the stockholders, a quorum for the election of directors or for the consideration of any question shall consist of a majority of the stock issued and outstanding; except in any case where a larger quorum is required by law, by the certificate of incorporation or by these by-laws. Stock owned by the corporation, if any, shall not be deemed outstanding for this purpose. In any case any meeting may be adjourned from time to time by a majority of the votes properly cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.

When a quorum for the election of any director is present at any meeting, a plurality of the votes properly cast for election to such office shall elect to such office. When a quorum for the consideration of a question is present at any meeting, a majority of the votes properly cast upon the question shall decide the question; except in any case where a larger vote is required by law, by the certificate of incorporation or by these by-laws.

ARTICLE VII

Proxies and Voting

Except as otherwise provided in the certificate of incorporation, and subject to the provisions of Article XXV, each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of the capital stock held by such stockholder, but no proxy shall be voted on after three years from its date, unless the proxy provides for a longer period; and except where the transfer books of the corporation shall have been closed or a date shall have been fixed as a record date for the determination of the stockholders entitled to vote, as provided in Article XXV, no share of stock shall be voted on at any election for directors which has been transferred on the books of the corporation within twenty days next preceding such election of directors. Shares of the capital stock of the corporation belonging to the corporation shall not be voted upon directly or indirectly.

Persons holding stock in a fiduciary capacity shall be entitled to vote the shares so held, or to give any consent permitted by law, and persons whose stock is pledged shall be entitled to vote, or to give any consent permitted by law, unless in the transfer by the pledgor on the books of the corporation he shall have expressly empowered the pledgee to vote thereon, in which case only the pledgee or his proxy may represent said stock and vote thereon or give any such consent.

The secretary shall prepare and make, at least ten days before every election of directors, a complete list of the stockholders entitled to vote at said election, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder during ordinary business hours, at the place where said election is to be held, for said ten days, and shall be produced and kept at the time and place of election during the whole time thereof, and subject to the inspection of any stockholder who may be present. The original or duplicate stock ledger

shall be the only evidence as to who are stockholders entitled to examine such list or to vote in person or by proxy at such election.

ARTICLE VIII

OMITTED

ARTICLE IX

Board of Directors

The whole board of directors shall consist of not less than three nor more than fifteen directors. Within such limits the whole number of directors shall be fixed from time to time, subject to the provisions of Article XXI hereof, by action of the board of directors.

Except as otherwise fixed pursuant to the provisions of Article FOURTH of the certificate of incorporation relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect additional directors under specified circumstances, the number of directors of the corporation shall be fixed from time to time by or pursuant to these by-laws. The directors, other than those who may be elected by the holders of any class or series of stock having preference over the Common Stock as to dividends or upon liquidation, shall be classified, with respect to the time for which they severally hold office, into three classes, designated Class I, Class II and Class III, as nearly equal in number as possible, with the term of office of one Class expiring each year. At the annual meeting of stockholders in 1985, directors of Class I shall be elected to hold office for a term expiring at the next succeeding annual meeting, directors of Class II shall be elected to hold office for a term expiring at the second succeeding annual meeting and directors of Class III shall be elected to hold office for a term expiring at the third succeeding annual meeting, with the members of each Class to hold office until their successors are elected and qualified. At each subsequent annual meeting of the stockholders of the Corporation, the successors to the Class of directors whose term expires at such meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

References in these by-laws to the whole board of directors mean the whole number fixed as herein or in the certificate of incorporation provided, irrespective of the number at the time in office.

Each newly created directorship resulting from any increase in the number of directors may be filled only as provided in Article XXI for the filling of a vacancy in the office of a director.

No director need be a stockholder.

ARTICLE X

Powers of the Board of Directors

The board of directors shall have and may exercise all the powers of the corporation; except such as are conferred upon the stockholders by law, by the certificate of incorporation or by these by-laws.

ARTICLE XI

Committees

The board of directors may at any time and from time to time, by resolution adopted by a majority of the whole board, designate, change the membership of or terminate the existence of any committee or committees, including if desired any executive committee, each committee to consist of two or more of the directors of the corporation. Each such committee shall have such name as may be determined from time to time by resolution adopted by a majority of the whole board of directors and shall have and may exercise such powers of the board of directors in the management of the business and affairs of the corporation, including power to authorize the seal of the corporation to be affixed to all papers which may require it, as may be determined from time to time by resolution adopted by a majority of the whole board. All minutes of proceedings of committees shall be available to the board of directors on its request.

In the absence or disqualification of any member of such committee or committees the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the board of directors to act at the meeting in place of such absent or disqualified member.

ARTICLE XII

Meetings of the Board of Directors

Regular meetings of the board of directors may be held without call or formal notice at such places either within or without the State of Delaware and at such times as the board may from time to time determine. A regular meeting of the board of directors may be held without call or formal notice immediately after and at the same place as the annual meeting of the stockholders.

Special meetings of the board of directors may be held at any time and at any place either within or without the State of Delaware when called by the chairman of the board (if any), the president, the treasurer or two or more directors, reasonable notice thereof being given to each director by the secretary, or in the case of the death, absence, incapacity or refusal of the secretary, by the officer or directors calling the meeting, or without call or formal notice if each director then in office is either present or waives notice as provided in Article XXII. In any case it shall be deemed sufficient notice to a director to send notice by mail at least forty-eight hours or by telegram at least twenty-four hours before the meeting addressed to him at his usual or last known business or residence address or to give notice to him in person either by telephone or by handing him a written notice at least twenty-four hours before the meeting.

ARTICLE XIII

Quorum and Action of Directors

At any meeting of the board of directors, except in any case where a larger quorum or the vote of a larger number of directors is required by law, by the certificate of incorporation or by these by-laws, a quorum for any election or for the consideration of any question shall consist of a

majority of the directors then in office, but in any case not less than two directors; but any meeting may be adjourned from time to time by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice. When a quorum is present at any meeting, the votes of a majority of the directors present and voting shall be requisite and sufficient for election to any office, and a majority of the directors present and voting shall decide any question brought before such meeting, except in any case where a larger vote is required by law, by the certificate of incorporation or by these by-laws.

ARTICLE XIV

Consent by Directors or Committees

To the extent permitted by law, whenever a vote or resolution at a meeting of the board of directors or of any committee thereof is required or permitted to be taken in connection with any corporate action by any provision of law or of the certificate of incorporation or of these by-laws, such meeting and such vote or resolution may be dispensed with and such corporate action may be taken without such meeting, vote or resolution, if a written consent to such corporate action is signed by all members of the board or of such committee, as the case may be, and such written consent is filed with the minutes of the proceedings of the board or of such committee.

ARTICLE XV

Chairman of the Board of Directors

A chairman of the board may be elected annually from among the directors by the board of directors at its first meeting following the annual meeting of the stockholders and shall serve until the first meeting of the board of directors following the next annual meeting of the stockholders and until his successor is elected, or until he dies, resigns, is removed or replaced or becomes disqualified.

The chairman of the board (if any) shall preside at all meetings of the stockholders and of the board of directors at which he is present, except that if there is no chairman or in the absence of the chairman, or at the request of the chairman, the president shall preside. The chairman (if any) shall have such other duties and powers as may be designated from time to time by the board of directors.

ARTICLE XVI

Officers and Agents

The officers of the corporation shall be a president, a treasurer, a secretary, and such other officers, if any, as the board of directors may in its discretion elect. The board of directors may delegate to the chief executive officer the authority to appoint assistant vice presidents, assistant treasurers, assistant secretaries and such agents, if any, as he may in his discretion determine to appoint. So far as is permitted by law any two or more offices may be held by the same person. The chief executive officer may appoint such officers of the divisions of the corporation as he in his discretion shall determine, the officers of divisions not being officers of the corporation. Officers of the divisions may also be appointed officers of the corporation by the board of directors or by the chief executive officer as above provided.

Subject to law, to the certificate of incorporation and to the other provisions of these by-laws, each officer elected by the board of directors or appointed by the chief executive officer shall have, in addition to the duties and powers herein set forth, such duties and powers as are commonly incident to his office and such duties and powers as the board of directors or the chief executive officer may from time to time designate.

Officers elected by the board of directors shall be elected annually at its first meeting following the annual meeting of the stockholders. Officers appointed by the chief executive officer shall be appointed annually by the chief executive officer on the day of the annual meeting of the stockholders. Additional officers may be elected by the board of directors or appointed by the chief executive officer at any time.

Each officer elected by the board of directors shall hold office until the first meeting of the board of directors following the next annual meeting of the stockholders and until his successor is elected or appointed and qualified, or until he sooner dies, resigns, is removed or replaced or becomes disqualified. Each officer and agent appointed by the chief executive officer shall retain his authority at the pleasure of the chief executive officer.

ARTICLE XVII

President

The president shall be the chief executive officer of the corporation with ultimate responsibility for the corporation's planning and operations, both financial and operational subject to the policies and direction of the board of directors.

ARTICLE XVIII

Chief Financial Officer

The chief financial officer is responsible for execution of all financial policies, plans, procedures and controls of the corporation, and the maintenance of books and records with respect thereto, including accounting and treasury functions, internal audit, budgets, borrowings, securities offerings, investments, tax reporting and financial reporting all subject to the control of the board of directors and the president. The chief financial officer shall have such other duties and powers as may be designated from time to time by the board of directors and the president.

ARTICLE XIX

Secretary and Treasurer

The secretary shall record all the proceedings of the meetings of the stockholders and the board of directors, in a book or books to be kept for that purpose, and in his absence from any such meeting a temporary secretary shall be chosen who shall record the proceedings thereof.

The secretary shall have charge of the stock ledger (which may, however, be kept by any transfer agent or agents of the corporation), an original or duplicate of which shall at all times during the usual hours for business be open to the examination of every stockholder at the

principal office of the corporation. The secretary shall have such other duties and powers as may be designated from time to time by the board of directors or by the chief executive officer.

The treasurer shall be in charge of the funds and valuable papers of the corporation and shall have such other duties and powers as may be designated from time to time by the board of directors, by the chief executive officer or by the chief financial officer.

ARTICLE XX

Resignations and Removals

Any director or officer may resign at any time by delivering his resignation in writing to the president or the secretary or to a meeting of the board of directors, and such resignation shall take effect at the time stated therein, or if no time be so stated then upon its delivery, and without the necessity of its being accepted unless the resignation shall so state. Except as otherwise fixed pursuant to the provisions of Article FOURTH of the certificate of incorporation relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, any director may be removed from office, without cause, only by the affirmative vote of the holders of $66 \frac{2}{3}\%$ of the combined voting power of the then outstanding shares of stock entitled to vote generally in the election of directors, voting together as a single class. The board of directors may at any time, by vote of a majority of the directors present and voting, terminate or modify the authority of any agent.

ARTICLE XXI

Vacancies

Except as otherwise fixed pursuant to the provisions of Article FOURTH of the certificate of incorporation relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, newly created directorships resulting from any increase in the number of directors and any vacancies on the board of directors resulting from death, resignation, disqualification, removal or other cause shall be filled solely by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the board of directors, or by a sole remaining director. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the Class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified. No decrease in the number of directors constituting the board of directors shall shorten the term of any incumbent director. If the office of any officer becomes vacant, by reason of death, resignation, removal or disqualification, a successor may be elected or appointed by the board of directors by vote of a majority of the directors present and voting. Each such successor officer shall hold office for the unexpired term, and until his successor shall be elected or appointed and qualified, or until he sooner dies, resigns, is removed or replaced or becomes disqualified. The board of directors shall have and may exercise all its powers notwithstanding the existence of one or more vacancies in the whole board, subject to any requirements of law or of the certificate of incorporation or of these by-laws as to the number of directors required for a quorum or for any vote, resolution or other action.

ARTICLE XXII

Waiver of Notice

Whenever any notice is required to be given by law or under the provisions of the certificate of incorporation or of these by-laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein or otherwise fixed for the meeting or other event for which notice is waived, shall be deemed equivalent to such notice.

ARTICLE XXIII

Certificates of Stock

Every holder of stock in the corporation shall be entitled to have a certificate, signed by, or in the name of the corporation by, the president or a vice president and by the treasurer or an assistant treasurer or the secretary or an assistant secretary of the corporation, certifying the number of shares owned by him in the corporation; provided, however, that where such certificate is signed (1) by a transfer agent or an assistant transfer agent or (2) by a transfer clerk acting on behalf of the corporation and a registrar, the signature of the president, vice president, treasurer, assistant treasurer, secretary or assistant secretary may be facsimile. In case any officer or officers who shall have signed or whose facsimile signature or signatures shall have been used on, any such certificate or certificates shall cease to be such officer or officers of the corporation, whether because of death, resignation or otherwise, before such certificate or certificates shall have been delivered by the corporation, such certificate or certificates may nevertheless be adopted by the corporation and be issued and delivered as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures have been used thereon had not ceased to be such officer or officers of the corporation, and any such issue and delivery shall be regarded as an adoption by the corporation of such certificate or certificates. Certificates of stock shall be in such form as shall, in conformity to law, be prescribed from time to time by the board of directors.

ARTICLE XXIV

Transfer of Shares of Stock

Subject to applicable restrictions upon transfer, if any, title to a certificate of stock and to the shares represented thereby shall be transferred only by delivery of the certificate properly endorsed, or by delivery of the certificate accompanied by a written assignment of the same, or a written power of attorney to sell, assign or transfer the same or the shares represented thereby, properly executed; but the person registered on the books of the corporation as the owner of shares shall have the exclusive right to receive the dividends thereon and, except as provided in Article VII with respect to stock which has been pledged, to vote thereon as such owner or to give any consent permitted by law, and shall be held liable for such calls and assessments, if any, as may lawfully be made thereon, and except only as may be required by law, may in all respects be treated by the corporation as the exclusive owner thereof. It shall be the duty of each stockholder to notify the corporation of his post office address.

ARTICLE XXV

Transfer Books; Record Date

The board of directors shall have power to close the stock transfer books of the corporation for a period not exceeding fifty days preceding the date of any meeting of stockholders or the date for payment of any dividend or the date for the allotment of rights or the date when any change or conversion or exchange of capital stock shall go into effect or for a period of not exceeding fifty days in connection with obtaining the consent of stockholders for any purpose; provided, however, that in lieu of closing the stock transfer books as aforesaid, the board of directors may fix in advance a date, not exceeding fifty days preceding the date of any meeting of stockholders, or any other of the above mentioned events, or a date in connection with obtaining such consent, as a record date for the determination of the stockholders entitled to notice of, and to vote at, any such meeting and any adjournment thereof, or entitled to receive payment of any such dividend, or to any such allotment of rights, or to exercise the rights in respect of any such change, conversion or exchange of capital stock, or to give such consent, and in such case such stockholders and only such stockholders as shall be stockholders of record on the date so fixed shall be entitled to such notice of, and to vote at, such meeting and any adjournment thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, or to give such consent, as the case may be, notwithstanding any transfer of any stock on the books of the corporation after any such record date fixed as aforesaid.

ARTICLE XXVI

Loss of Certificates

In the case of the alleged loss or destruction or the mutilation of a certificate of stock, a duplicate certificate may be issued in place thereof, upon such terms in conformity with law as the board of directors may prescribe.

ARTICLE XXVII

Seal

The corporate seal of the corporation shall, subject to alteration by the board of directors, consist of a flat-faced circular die with the word "Delaware", together with the name of the corporation and the year of its organization, cut or engraved thereon. The corporate seal of the corporation may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE XXVIII

Execution of Papers

Except as the board of directors may generally or in particular cases authorize the execution thereof in some other manner, all deeds, leases, transfers, contracts, bonds, notes, checks, drafts and other obligations made, accepted or endorsed by the corporation shall be signed by the president or by one of the vice presidents or by the treasurer.

ARTICLE XXIX

Fiscal Year

Except as from time to time otherwise provided by the board of directors, the fiscal year of the corporation shall terminate on the last Saturday in January of each year.

ARTICLE XXX

Amendments

The board of directors and the stockholders shall each have the power to adopt, alter, amend and repeal these by-laws; and any by-laws adopted by the directors or the stockholders under the powers conferred hereby may be altered, amended or repealed by the directors or by the stockholders; provided, however, that these by-laws shall not be altered, amended or repealed by action of the stockholders, and no by-law shall be adopted by action of the stockholders, without the affirmative vote of the holders of at least 66 2/3% of the voting power of all the shares of the corporation entitled to vote generally in the election of directors, voting together as a single class.

(As amended through February 2, 1999)

THE TJX COMPANIES, INC.
1986 STOCK INCENTIVE PLAN

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THE TJX COMPANIES, INC.
1986 STOCK INCENTIVE PLAN

SECTION 1. GENERAL PURPOSE OF THE PLAN.

The name of the plan is The TJX Companies, Inc. 1986 Stock Incentive Plan (the "Plan"). The purpose of the Plan is to secure for The TJX Companies, Inc. (the "Company") and its stockholders the benefit of the incentives inherent in Common Stock ownership and the receipt of incentive awards by selected key employees of the Company and its Subsidiaries who contribute to and will be responsible for its continued long term growth. The Plan is intended to stimulate the efforts of such key employees by providing an opportunity for capital appreciation and giving suitable recognition for services which contribute materially to the success of the Company.

SECTION 2. PLAN ADMINISTRATION.

The Plan shall be administered by a Committee of not less than two Non-Employee Directors, who shall be appointed by the Board and who shall serve at the pleasure of the Board.

The Committee shall have the power and authority to grant Awards consistent with the terms of the Plan, including the power and authority:

- (i) to select the officers and other key employees of the Company and its Subsidiaries to whom Awards may from time to time be granted;
- (ii) to determine the time or times of grant, and the extent, if any, of Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock, Unrestricted Stock, Deferred Stock, Performance Awards and any Other Stock-based Awards, or any combination of the foregoing, granted to any one or more participants;
- (iii) to determine the number of shares to be covered by any Award;
- (iv) to determine the terms and conditions, including restrictions, not inconsistent with the terms of the Plan, of any Award, which terms and conditions may differ among individual Awards and participants;
- (v) to determine whether, to what extent, and under what circumstances Stock and other amounts payable with respect to an Award shall be deferred either automatically or at the election of the participant and whether and to what extent the Company shall pay or credit amounts equal to interest (at

rates determined by the Committee) or dividends or deemed dividends on such deferrals; and

- (vi) to adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it shall deem advisable; to interpret the terms and provisions of the Plan and any Award (including related Award Agreements); to make all determinations it deems advisable for the administration of the Plan; to decide all disputes arising in connection with the Plan; and to otherwise supervise the administration of the Plan.

All decisions and interpretations of the Committee shall be binding on all persons, including the Company and Plan participants.

SECTION 3. SHARES ISSUABLE UNDER THE PLAN; MERGERS; SUBSTITUTION.

(a) Shares Issuable. The maximum number of shares of Stock reserved and available for issuance under the Plan shall be 42,000,000(1), including shares issued in lieu of or upon reinvestment of dividends arising from Awards. For purposes of this limitation, Awards and Stock which are forfeited, reacquired by the Company or satisfied without the issuance of Stock shall not be counted and such limitation shall apply only to shares which have become free of any restrictions under the Plan, except that shares of Restricted Stock reacquired by the Company, and shares withheld by the Company to satisfy tax withholding requirements shall be counted to the extent required under Rule 16b-3 under the Act or any successor rule. The maximum number of shares of Stock which may be issued pursuant to awards of Restricted Stock or Performance Awards on or after June 3, 1997 shall not exceed an aggregate of 6,300,000(2) shares. Subject to the foregoing limitations in this paragraph (a), shares may be issued up to such maximums pursuant to any type or types of Award, including Incentive Stock Options. Shares issued under the Plan may be authorized but unissued shares or shares reacquired by the Company.

The number of Stock Options, Stock Appreciation Rights or Performance Awards that shall be awarded to any Participant during any consecutive three-year period

(1) Reflects adjustments under Section 3(b) through February 2, 1999.

(2) Reflects adjustments under Section 3(b) through February 2, 1999.

commencing after June 3, 1997 shall be limited to 4,000,000(3) shares calculated separately for each of Stock Options, Stock Appreciation Rights and Performance Awards.

(b) Stock Dividends, Mergers, etc. In the event of a stock dividend, stock split or similar change in capitalization, or extraordinary dividend or distribution or restructuring transaction affecting the Stock, the Committee shall make appropriate adjustments in the number and kind of shares of stock or securities on which Awards may thereafter be granted and shall make such adjustments in the number and kind of shares remaining subject to outstanding Awards, and the option or purchase price in respect of such shares as it may deem appropriate with a view toward preserving the value of outstanding awards. In the event of any merger, consolidation, dissolution or liquidation of the Company, the Committee in its sole discretion may, as to any outstanding Awards, make such substitution or adjustment in the aggregate number of shares reserved for issuance under the Plan and in the number and purchase price (if any) of shares subject to such Awards as it may determine, or accelerate, amend or terminate such Awards upon such terms and conditions as it shall provide (which, in the case of the termination of the vested portion of any Award, shall require payment or other consideration which the Committee deems equitable in the circumstances), subject, however, to the provisions of Section 15.

(c) Substitute Awards. The Company may grant Awards under the Plan in substitution for stock and stock based awards held by employees of another corporation who concurrently become employees of the Company or a Subsidiary as the result of a merger or consolidation of the employing corporation with the Company or a Subsidiary or the acquisition by the Company or a Subsidiary of property or stock of the employing corporation. The Committee may direct that the substitute awards be granted on such terms and conditions as the Committee considers appropriate in the circumstances. The shares which may be delivered under such substitute Awards shall be in addition to the maximum number of shares provided for in Section 3(a).

SECTION 4. ELIGIBILITY.

Participants in the Plan will be such full or part time officers and other key employees of the Company and its Subsidiaries (excluding any director who is not a full time employee) who are responsible for or contribute to the management, growth or profitability of the Company and its Subsidiaries and who are selected from time to time by the Committee, in its sole discretion. Persons who are not employees of the

(3) Reflects adjustments under Section 3(b) through February 2, 1999.

Company or a subsidiary (within the meaning of Section 424 of the Code) shall not be eligible to receive grants of Incentive Stock Options.

SECTION 5. LIMITATIONS ON TERM AND DATES OF AWARDS.

(a) Duration of Awards. Subject to Sections 16(a) and 16(c) below, no restrictions or limitations on Awards shall extend beyond 10 years (or 10 years and one day in the case of Non-Qualified Stock Options) from the grant date, except that deferrals elected by participants of the receipt of Stock or other benefits under the Plan may extend beyond such date.

(b) Latest Grant Date. No Award shall be granted after April 8, 2007, but then outstanding Awards may extend beyond such date.

SECTION 6. STOCK OPTIONS.

Any Stock Option granted under the Plan shall be in such form as the Committee may from time to time approve.

Stock Options granted under the Plan may be either Incentive Stock Options or Non-Qualified Stock Options. To the extent that any option does not qualify as an Incentive Stock Option, it shall constitute a Non-Qualified Stock Option.

Anything in the Plan to the contrary notwithstanding, no term of this Plan relating to Incentive Stock Options shall be interpreted, amended or altered, nor shall any discretion or authority granted to the Committee under the Plan be so exercised, so as to disqualify the Plan or, without the consent of the optionee, any Incentive Stock Option under Section 422 of the Code.

Stock Options granted under the Plan shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) Option Price. The option price per share of Stock purchasable under a Stock Option shall be determined by the Committee at the time of grant but shall be not less than 100% of Fair Market Value on the date of grant.

(b) Option Term. The term of each Stock Option shall be fixed by the Committee, but no Incentive Stock Option shall be exercisable more than ten years after the date the option is granted and no Non-Qualified Stock Option shall be exercisable more than ten years and one day after the date the option is granted.

(c) Exercisability. Stock Options shall be exercisable at such future time or times, whether or not in installments, as shall be determined by the Committee at or after the grant date. The Committee may at any time accelerate the exercisability of all or any portion of any Stock Option.

(d) Intentionally omitted.

(e) Method of Exercise. Stock Options may be exercised in whole or in part, by giving written notice of exercise to the Company specifying the number of shares to be purchased. Such notice shall be accompanied by payment in full of the purchase price, either by certified or bank check or other instrument or means acceptable to the Committee or by delivery of an unconditional and irrevocable undertaking by a broker to deliver promptly to the Company sufficient funds to pay the exercise price. As determined by the Committee, in its discretion, at (or, in the case of Non-Qualified Stock Options, after) grant, payment in full or in part of the exercise price or to pay withholding taxes (as provided in Section 16(c)) may also be made in the form of shares of Stock not then subject to restrictions under any Company plan. An optionee shall have the rights of a shareholder only as to shares acquired upon the exercise of a Stock Option and not as to unexercised Stock Options. Notwithstanding anything to the contrary contained herein, this Plan does not permit the exercise of an option in successive stages (pyramiding) using as payment at each stage shares which have been acquired under the option in preceding stages.

(f) Non-transferability of Options. No Stock Option shall be transferable by the optionee otherwise than by will or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the optionee's lifetime, only by the optionee.

(g) Termination by Death. If an optionee's employment by the Company and its Subsidiaries terminates by reason of death, the Stock Option may thereafter be exercised, to the extent then exercisable (or on such accelerated basis as the Committee shall at any time determine prior to death), by the legal representative or legatee of the optionee, for a period of three years (or such shorter period as the Committee shall specify at time of grant) from the date of death or until the expiration of the stated term of the option, if earlier.

(h) Termination by Reason of Disability. Any Stock Option held by an optionee whose employment by the Company and its Subsidiaries has terminated, or who has been designated an inactive employee, by reason of Disability may thereafter be exercised to the extent it was exercisable at the time of the earlier of such termination or such designation (or on such accelerated basis as the Committee shall at any time determine prior to such termination or designation) for a period of three years (or such shorter

period as the Committee shall specify at time of grant) from the date of such termination of employment or designation or until the expiration of the stated term of the option, if earlier. Except as otherwise provided by the Committee at the time of grant, the death of an optionee during the final year of such exercise period shall extend such period for one year following death, subject to termination on the expiration of the stated term of the option, if earlier. The Committee shall have the authority to determine whether a participant has been terminated or designated an inactive employee by reason of Disability.

(i) Termination by Reason of Normal Retirement. If an optionee's employment by the Company and its Subsidiaries terminates by reason of Normal Retirement, any Stock Option held by such optionee may thereafter be exercised to the extent that it was then exercisable (or on such accelerated basis as the Committee shall at any time determine) for a period of three years (or such shorter period as the Committee shall specify at time of grant) from the date of Normal Retirement or until the expiration of the stated term of the option, if earlier. Except as otherwise provided by the Committee at the time of grant, the death of an optionee during the final year of such exercise period shall extend such period for one year following death, subject to earlier termination on the expiration of the stated term of the option, if earlier.

(j) Termination by Reason of Special Service Retirement. If an optionee's employment by the Company and its Subsidiaries terminates by reason of a Special Service Retirement, any Stock Option granted on or after February 2, 1999 that is held by the optionee may thereafter be exercised (to the extent exercisable from time to time during the extended exercise period as hereinafter determined) for a period of three years (or such shorter period as the Committee shall specify at time of grant) from the date of the Special Service Retirement or until the expiration of the stated term of the option, if earlier. Except as otherwise provided by the Committee at the time of grant, the death of an optionee during the final year of such exercise period shall extend such period for one year following death, subject to earlier termination on the expiration of the stated term of the option, if earlier. For purposes of the first sentence of this subsection (j), a Stock Option granted on or after February 2, 1999 that is held by an optionee at the optionee's Special Service Retirement and that is not then fully exercisable shall continue to become exercisable during the post-retirement exercise period as though the optionee had remained employed by the Company and its Subsidiaries during such period, or on such accelerated basis as the Committee shall at any time determine.

(k) Other Termination. Unless otherwise determined by the Committee, if an optionee's employment by the Company and its Subsidiaries terminates for any reason other than death, Disability, Normal Retirement, Special Service Retirement or for Cause, any Stock Option held by such optionee may thereafter be exercised to the extent

it was exercisable on the date of termination of employment (or on such accelerated basis as the Committee shall determine at or after grant) for a period of three months (or such longer period up to three years as the Committee shall specify at or after grant) from the date of termination of employment or until the expiration of the stated term of the option, if earlier. If an optionee's employment terminates for Cause, the unexercised portion of any Stock Option then held by the optionee shall immediately terminate.

(1) Form of Settlement. Subject to Section 16(a) and Section 16(c) below, shares of Stock issued upon exercise of a Stock Option shall be free of all restrictions under the Plan, except as provided in the following sentence. The Committee may provide at time of grant that the shares to be issued upon the exercise of a Stock Option shall be in the form of Restricted Stock or Deferred Stock, or may reserve the right to so provide after time of grant.

SECTION 7. STOCK APPRECIATION RIGHTS; DISCRETIONARY PAYMENTS.

(a) Nature of Stock Appreciation Right. A Stock Appreciation Right is an Award entitling the recipient to receive an amount in cash or shares of Stock (or in a form of payment permitted under paragraph (e) below) or a combination thereof having a value equal to (or if the Committee shall so determine at time of grant, less than) the excess of the Fair Market Value of a share of Stock on the date of exercise over the Fair Market Value of a share of Stock on the date of grant (or over the option exercise price, if the Stock Appreciation Right was granted in tandem with a Stock Option) multiplied by the number of shares with respect to which the Stock Appreciation Right shall have been exercised, with the Committee having the right to determine the form of payment.

(b) Grant and Exercise of Stock Appreciation Rights. Stock Appreciation Rights may be granted in tandem with, or independently of, any Stock Option granted under the Plan. In the case of a Stock Appreciation Right granted in tandem with a Non-Qualified Stock Option, such Right may be granted either at or after the time of the grant of such option. In the case of a Stock Appreciation Right granted in tandem with an Incentive Stock Option, such Right may be granted only at the time of the grant of the option.

A Stock Appreciation Right or applicable portion thereof granted in tandem with a given Stock Option shall terminate and no longer be exercisable upon the termination or exercise of the related Stock Option, except that a Stock Appreciation Right granted with respect to less than the full number of shares covered by a related Stock Option shall not be reduced until the exercise or termination of the related Stock Option exceeds the number of shares not covered by the Stock Appreciation Right.

(c) Terms and Conditions of Stock Appreciation Rights. Stock Appreciation Rights shall be subject to such terms and conditions as shall be determined from time to time by the Committee, subject to the following:

- (i) Stock Appreciation Rights granted in tandem with Stock Options shall be exercisable only at such time or times and to the extent that the related Stock Options shall be exercisable.
- (ii) Upon the exercise of a Stock Appreciation Right, the applicable portion of any related Stock Option shall be surrendered.
- (iii) Stock Appreciation Rights granted in tandem with a Stock Option shall be transferable only with such Stock Option. Other Stock Appreciation Rights shall not be transferable otherwise than by will or the laws of descent and distribution. All Stock Appreciation Rights shall be exercisable during the participant's lifetime only by the participant or the participant's legal representative.

(d) Discretionary Payments. Notwithstanding that a Stock Option at the time of exercise shall not be accompanied by a related Stock Appreciation Right, if the market price of the shares subject to such Stock Option exceeds the exercise price of such Stock Option at the time of its exercise, the Committee may, in its discretion, cancel such Stock Option, in which event the Company shall pay to the person exercising such Stock Option an amount equal to the difference between the Fair Market Value of the Stock to have been purchased pursuant to such exercise of such Stock Option (determined on the date the Stock Option is cancelled) and the aggregate consideration to have been paid by such person upon such exercise. Such payment shall be by check, bank draft or in Stock (or in a form of payment permitted under paragraph (e) below) having a Fair Market Value (determined on the date the payment is to be made) equal to the amount of such payments or any combination thereof, as determined by the Committee. The Committee may exercise its discretion under the first sentence of this paragraph (d) only in the event of a written request of the person exercising the option, which request shall not be binding on the Committee.

(e) Settlement in the Form of Restricted Shares or Rights to Receive Deferred Stock. Subject to Sections 16(a) and 16(c) below, shares of Stock issued upon exercise of a Stock Appreciation Right or as a Discretionary Payment shall be free of all restrictions under the Plan, except as provided in the following sentence. The Committee may provide at the time of grant in the case of a Stock Appreciation Right (and at the time of payment in the case of a Discretionary Payment) that such shares shall be in the form of shares of Restricted Stock or rights to acquire Deferred Stock, or in the

case of a Stock Appreciation Right may reserve the right to so provide at any time after the time of grant. Any such shares and any shares subject to rights to acquire Deferred Stock shall be valued at Fair Market Value on the date of exercise of the Stock Appreciation Right or the date the Stock Option is cancelled in the case of Discretionary Payments.

SECTION 8. RESTRICTED STOCK; UNRESTRICTED STOCK.

(a) Nature of Restricted Stock Award. A Restricted Stock Award is an Award entitling the recipient to acquire shares of Stock for a purchase price (which may be zero), subject to such conditions, including a Company right during a specified period or periods to repurchase such shares at their original purchase price (or to require forfeiture of such shares, if the purchase price was zero) upon participant's termination of employment, as the Committee may determine at the time of grant.

(b) Award Agreement. Unless the Committee shall otherwise determine, a participant who is granted a Restricted Stock Award shall have no rights with respect to such Award unless the participant shall have accepted the Award within 60 days (or such shorter date as the Committee may specify) following the award date by making payment to the Company by certified or bank check or other instrument acceptable to the Committee in an amount equal to the specified purchase price, if any, of the shares covered by the Award and by executing and delivering to the Company a Restricted Stock Award Agreement in such form as the Committee shall determine.

(c) Rights as a Shareholder. Upon complying with paragraph (b) above, a participant shall have all the rights of a shareholder with respect to the Restricted Stock including voting and dividend rights, subject to nontransferability restrictions and Company repurchase or forfeiture rights described in this Section and subject to any other conditions contained in the Award Agreement. Unless the Committee shall otherwise determine, certificates evidencing shares of Restricted Stock shall remain in the possession of the Company until such shares are free of any restrictions under the Plan.

(d) Restrictions. Shares of Restricted Stock may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided herein. In the event of termination of employment with the Company and its subsidiaries for any reason such shares shall be resold to the Company at their purchase price, or forfeited to the Company if the purchase price was zero, except as set forth below.

- (i) The Committee at the time of grant shall specify the date or dates (which may depend upon or be related to the attainment of performance goals and other conditions) on which the nontransferability of the Restricted Stock and the obligation to resell such shares to the Company shall lapse. However, no grants of Restricted Stock made after September 8, 1993 shall specify such a date which is less than three years from the date of grant, except that (i) such a date may be one year or greater in the case of Restricted Stock granted subject to the attainment of performance goals, (ii) future shares of Restricted Stock may be granted which specify full vesting in no less than three years and partial vesting at a rate no faster than one-third of such shares each year, and (iii) shares of Restricted Stock may be granted which specify any vesting date provided that on a cumulative basis such shares granted after September 8, 1993, when no longer subject to restrictions under the Plan, do not exceed 800,000(4) shares. The Committee at any time may accelerate such date or dates and otherwise waive or, subject to Section 13, amend any conditions of the Award.
- (ii) Except as may otherwise be provided in the Award Agreement, in the event of termination of employment by the Company and its Subsidiaries for any reason (including death), a participant or the participant's legal representative shall offer to resell to the Company, at the price paid therefor, all Restricted Stock, and the Company shall have the right to purchase the same at such price, or if the price was zero to require forfeiture of the same, provided that except as provided in the Award Agreement, the Company must exercise such right of repurchase or forfeiture not later than the 60th day following such termination of employment.

(e) Waiver, Deferral and Reinvestment of Dividends. The Restricted Stock Award Agreement may require or permit the immediate payment, waiver, deferral or investment of dividends paid on the Restricted Stock.

(f) Unrestricted Stock. The Committee may, in its sole discretion, grant or sell to any participant shares of Stock free of restrictions under the Plan ("Unrestricted Stock"). Shares of Unrestricted Stock may be granted or sold as described in the preceding sentence in respect of past services or other valid consideration.

(4) Reflects adjustments under Section 3(b) through February 2, 1999.

SECTION 9. DEFERRED STOCK AWARDS.

(a) Nature of Deferred Stock Award. A Deferred Stock Award is an award entitling the recipient to acquire shares of Stock without payment in one or more installments at a future date or dates, all as determined by the Committee. The Committee may also condition such acquisition on the attainment of specified performance goals.

(b) Award Agreement. Unless the Committee shall otherwise determine, a participant who is granted a Deferred Stock Award shall have no rights with respect to such Award unless within 60 days of the grant of such Award or such shorter period as the Committee may specify, the participant shall have accepted the Award by executing and delivering to the Company a Deferred Stock Award Agreement.

(c) Restrictions on Transfer. Deferred Stock Awards and all rights with respect to such Awards may not be sold, assigned, transferred, pledged or otherwise encumbered. Rights with respect to such Awards shall be exercisable during the participant's lifetime only by the participant or the participant's legal representative.

(d) Rights as a Shareholder. A participant receiving a Deferred Stock Award will have rights of a shareholder only as to shares actually received by the participant under the Plan and not with respect to shares subject to the Award but not actually received by the participant. A participant shall be entitled to receive a stock certificate for shares of Deferred Stock only upon satisfaction of all conditions therefor specified in the Deferred Stock Award Agreement.

(e) Termination. Except as may otherwise be provided by the Committee at any time prior to termination of employment, a participant's rights in all Deferred Stock Awards shall automatically terminate upon the participant's termination of employment by the Company and its Subsidiaries for any reason (including death).

(f) Acceleration, Waiver, etc. At any time prior to the participant's termination of employment the Committee may in its discretion accelerate, waive, or, subject to Section 13, amend any or all of the restrictions or conditions imposed under any Deferred Stock Award.

(g) Payments in Respect of Deferred Stock. Without limiting the right of the Committee to specify different terms, the Deferred Stock Award Agreement may either make no provisions for, or may require or permit the immediate payment, deferral or investment of amounts equal to, or less than, any cash dividends which would have been

payable on the Deferred Stock had such Stock been outstanding, all as determined by the Committee in its sole discretion.

SECTION 10. PERFORMANCE AWARDS.

(a) Nature of Performance Awards. A Performance Award is an award entitling the recipient to acquire cash or shares of Stock, or a combination of cash and Stock, upon the attainment of specified performance goals. If the grant, vesting, or exercisability of a Stock Option, SAR, Restricted Stock, Deferred Stock or Other Stock-Based Award is conditioned upon attainment of a specified performance goal or goals, it shall be treated as a Performance Award for purposes of this Section and shall be subject to the provisions of this Section in addition to the provisions of the Plan applicable to such form of Award.

(b) Qualifying and Nonqualifying Performance Awards. Performance Awards may include Awards intended to qualify for the performance-based compensation exception under Section 162(m)(4)(C) of the Code ("Qualifying Awards") and Awards not intended so to qualify ("Nonqualifying Awards").

(c) Terms of Performance Awards. The Committee in its sole discretion shall determine whether and to whom Performance Awards are to be granted, the performance goals applicable under each such Award, the periods during which performance is to be measured, and all other limitations and conditions applicable to the Award. Performance Awards may be granted independently or in connection with the granting of other Awards. In the case of a Qualifying Award (other than a Stock Option or SAR), the following special rules shall apply: (i) the Committee shall preestablish the performance goals and other material terms of the Award not later than the latest date permitted under Section 162(m) of the Code; (ii) the performance goal or goals fixed by the Committee in connection with the Award shall be based exclusively on one or more Approved Performance Criteria; (iii) no payment (including, for this purpose, vesting or exercisability where vesting or exercisability, rather than the grant of the award, is linked to satisfaction of performance goals) shall be made unless the preestablished performance goals have been satisfied and the Committee has certified (pursuant to Section 162(m) of the Code) that they have been satisfied; (iv) no payment shall be made in lieu or in substitution for the Award if the preestablished performance goals are not satisfied (but this clause shall not limit the ability of the Committee or the Company to provide other remuneration to the affected Participant, whether or not under the Plan, so long as the payment of such remuneration would not cause the Award to fail to be treated as having been contingent on the preestablished performance goals) and (v) in all other respects the Award shall be construed and administered consistent with the intent that any

compensation under the Award be treated as performance-based compensation under Section 162(m) (4) (C) of the Code.

(d) Award Agreement. Unless the Committee shall otherwise determine, a participant shall have no rights with respect to a Performance Award unless within 60 days of the grant of such Award or such shorter period as the Committee may specify, the participant shall have accepted the Award by executing and delivering to the Company a Performance Award Agreement.

(e) Rights as a Shareholder. A participant receiving a Performance Award will have rights of a shareholder only as to shares actually received by the participant under the Plan and not with respect to shares subject to the Award but not actually received by the participant. A participant shall be entitled to receive a stock certificate evidencing the acquisition of shares of Stock under a Performance Award (to the extent the Award provides for the delivery of shares of Stock) only upon satisfaction of all conditions therefor specified in the Performance Award Agreement.

(f) Termination. Except as may otherwise be provided by the Committee (consistent with Section 162(m), in the case of a Qualifying Award) at any time prior to termination of employment, a participant's rights in all Performance Awards shall automatically terminate upon the participant's termination of employment by the Company and its Subsidiaries for any reason (including death).

(g) Acceleration, Waiver, etc. At any time prior to the participant's termination of employment by the Company and its Subsidiaries, the Committee may in its sole discretion (but subject to Section 162(m), in the case of a Qualifying Award) accelerate, waive or, subject to Section 13, amend any or all of the goals, restrictions or conditions imposed under any Performance Award.

SECTION 11. OTHER STOCK-BASED AWARDS.

(a) Nature of Awards. The Committee may grant other Awards under which Stock is or may in the future be acquired ("Other Stock-based Awards").

(b) Purchase Price; Form of Payment. The Committee may determine the consideration, if any, payable upon the issuance or exercise of an Other Stock-based Award. The Committee may permit payment by certified check or bank check or other instrument acceptable to the Committee or by surrender of other shares of Stock (excluding shares then subject to restrictions under the Plan).

(c) Forfeiture of Awards; Repurchase of Stock; Acceleration or Waiver of Restrictions. The Committee may determine the conditions under which an Other Stock-based Award shall be forfeited or, in the case of an Award involving a payment by the recipient, the conditions under which the Company may or must repurchase such Award or related Stock. At any time the Committee may in its sole discretion accelerate, waive or, subject to Section 13, amend any or all of the limitations or conditions imposed under any Other Stock-based Award.

(d) Award Agreements. Unless the Committee shall otherwise determine, a participant shall have no rights with respect to any Other Stock-based Award unless within 60 days after the grant of such Award (or such shorter period as the Committee may specify) the participant shall have accepted the Award by executing and delivering to the Company an Other Stock-based Award Agreement.

(e) Nontransferability. Other Stock-based Awards may not be sold, assigned, transferred, pledged or encumbered except as may be provided in the Other Stock-based Award Agreement. However, in no event shall any Other Stock-based Award be transferred other than by will or by the laws of descent and distribution or be exercisable during the participant's lifetime by other than the participant or the participant's legal representative.

(f) Rights as a Shareholder. A recipient of any Other Stock-based Award will have rights of a shareholder only at the time and to the extent, if any, specified by the Committee in the Other Stock-based Award Agreement.

(g) Deemed Dividend Payments; Deferrals. Without limiting the right of the Committee to specify different terms at or after grant, an Other Stock-based Award Agreement may require or permit the immediate payment, waiver, deferral or investment of dividends or deemed dividends payable or deemed payable on Stock subject to the Award.

SECTION 12. TRANSFER, LEAVE OF ABSENCE.

For purposes of the Plan, the following events shall not be deemed a termination of employment:

- (a) a transfer to the employment of the Company from a Subsidiary or from the Company to a Subsidiary, or from one Subsidiary to another;
- (b) an approved leave of absence for military service or sickness, or for any other purpose approved by the Company, if the employee's right to

reemployment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Committee otherwise so provides in writing.

For purposes of the Plan, the employees of a Subsidiary of the Company shall be deemed to have terminated their employment on the date on which such Subsidiary ceases to be a Subsidiary of the Company.

SECTION 13. AMENDMENTS AND TERMINATION.

The Board may at any time amend or discontinue the Plan and the Committee may at any time amend or cancel any outstanding Award for the purpose of satisfying changes in law or for any other lawful purpose, but no such action shall adversely affect rights under any outstanding Award without the holder's consent. However, no such amendment shall be effective unless approved by stockholders if it would (i) reduce the exercise price of any option previously granted hereunder or (ii) cause the Plan to fail to satisfy the incentive stock option requirements of the Code or the requirements of Rule 16b-3 or any successor rule under the Act as in effect on the date of such amendment. Notwithstanding any provision of this Plan, the Board or the Committee may at any time adopt any subplan or otherwise grant Stock Options or other Awards under this Plan having terms consistent with applicable foreign tax or other foreign regulatory requirements or laws; provided, however, that no person subject to the restrictions of Section 16(b) of the Act may be eligible for or be granted any such Stock Options or other Awards if such eligibility or grant would cause the Plan to fail to satisfy the requirements of Rule 16b-3 or any successor rule under the Act as in effect on the applicable date.

SECTION 14. STATUS OF PLAN.

With respect to the portion of any Award which has not been exercised and any payments in cash, stock or other consideration not received by a participant, a participant shall have no rights greater than those of a general creditor of the Company unless the Committee shall otherwise expressly determine in connection with any Award or Awards. In its sole discretion, the Committee may authorize the creation of trusts or other arrangements to meet the Company's obligations to deliver Stock or make payments with respect to awards hereunder, provided that the existence of such trusts or other arrangements is consistent with the provision of the foregoing sentence.

SECTION 15. CHANGE OF CONTROL PROVISIONS.

As used herein, a Change of Control and related definitions shall have the meanings set forth in Exhibit A to this Plan.

Upon the occurrence of a Change of Control:

- (i) Each Stock Option and Stock Appreciation Right shall automatically become fully exercisable unless the Committee shall otherwise expressly provide at the time of grant.
- (ii) Restrictions and conditions on Restricted Stock, Deferred Stock, Performance Units and Other Stock-based Awards shall automatically be deemed waived only if and to the extent, if any, specified (whether at or after time of grant) by the Committee.

The Committee may at any time prior to or after a Change of Control accelerate the exercisability of any Stock Options and Stock Appreciation Rights and may waive restrictions, limitations and conditions on Restricted Stock, Deferred Stock, Performance Units and Other Stock-based Awards to the extent it shall in its sole discretion determine.

SECTION 16. GENERAL PROVISIONS.

(a) No Distribution; Compliance with Legal Requirements, etc. The Committee may require each person acquiring shares pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the shares without a view to distribution thereof.

No shares of Stock shall be issued pursuant to an Award until all applicable securities law and other legal and stock exchange requirements have been satisfied. The Committee may require the placing of such stop-orders and restrictive legends on certificates for Stock and Awards as it deems appropriate.

(b) Other Compensation Arrangements; No Employment Rights. Nothing contained in this Plan shall prevent the Board of Directors from adopting other or additional compensation arrangements, subject to stockholder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in specific cases. The adoption of the Plan does not confer upon any employee any right to continued employment with the Company or a Subsidiary, nor does it interfere in any way with the right of the Company or a Subsidiary to terminate the employment of any of its employees at any time.

(c) Tax Withholding, etc. Each participant shall, no later than the date as of which the value of an Award or of any Stock or other amounts received thereunder first becomes includable in the gross income of the participant for Federal income tax purposes, pay to the Company, or make arrangements satisfactory to the Committee regarding payment of, any Federal, state, or local taxes of any kind required by law to be withheld with respect to such income. The Company and its Subsidiaries shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the participant. The Company may withhold or otherwise administer the Plan to comply with tax obligations under any applicable foreign laws.

The Committee may provide, in respect of any transfer of Stock under an Award, that if and to the extent withholding of any Federal, state or local tax is required in respect of such transfer or vesting, the participant may elect, at such time and in such manner as the Committee shall prescribe, to (i) surrender to the Company Stock not then subject to restrictions under any Company plan or (ii) have the Company hold back from the transfer or vesting Stock having a value calculated to satisfy such withholding obligation.

(d) Deferral of Awards. Participants may elect to defer receipt of Awards or vesting of Awards only in such cases and to the extent that the Committee shall determine at or after the grant date.

SECTION 17. DEFINITIONS.

The following terms shall be defined as set forth below:

- (a) "Act" means the Securities Exchange Act of 1934.
- (b) "Approved Performance Criteria" means criteria based on any one or more of the following (on a consolidated, divisional, line of business, geographical or area of executive's responsibilities basis): one or more items of or within (i) sales, revenues, assets or expenses; (ii) earnings, income or margins, before or after deduction for all or any portion of interest, taxes, depreciation, or amortization, whether or not on a continuing operations and aggregate or per share basis; (iii) return on investment, capital, assets, sales or revenues; and (iv) stock price.
- (c) "Award" or "Awards" except where referring to a particular category of grant under the Plan shall include Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock Awards,

Unrestricted Stock Awards, Deferred Stock Awards, Performance Awards and Other Stock-based Awards.

- (d) "Board" means the Board of Directors of the Company.
- (e) "Cause" means a felony conviction of a participant or the failure of a participant to contest prosecution for a felony, or a participant's willful misconduct or dishonesty, any of which is directly harmful to the business or reputation of the Company or any Subsidiary.
- (f) "Code" means the Internal Revenue Code of 1986, as amended, and any successor Code, and related rules, regulations and interpretations.
- (g) "Committee" means the Committee referred to in Section 2. If at any time no Committee shall be in office, the functions of the Committee shall be exercised by the Board.
- (h) "Deferred Stock Award" is defined in Section 9(a).
- (i) "Disability" means disability as determined in accordance with standards and procedures similar to those used under the Company's long term disability program.
- (j) "Fair Market Value" on any given date means the last sale price regular way at which Stock is traded on such date as reflected in the New York Stock Exchange Composite Transactions Index or, where applicable, the value of a share of Stock as determined by the Committee in accordance with the applicable provisions of the Code.
- (k) "Incentive Stock Option" means any Stock Option intended to be and designated as an "incentive stock option" as defined in the Code.
- (l) "Non-Employee Director" shall have the meaning set forth in Rule 16b-3(b)(3) promulgated under the Act, or any successor definition under the Act.
- (m) "Non-Qualified Stock Option" means any Stock Option that is not an Incentive Stock Option.
- (n) "Normal Retirement" means retirement from active employment with the Company and its Subsidiaries at or after age 65 with at least five years of

service for the Company and its Subsidiaries as specified in The TJX Companies, Inc. Retirement Plan.

- (o) "Other Stock-based Award" is defined in Section 11(a).
- (p) "Performance Award" is defined in Section 10(a).
- (q) "Restricted Stock Award" is defined in Section 8(a).
- (r) "Special Service Retirement" means retirement from active employment with the Company and its Subsidiaries (i) at or after age 60 with at least twenty years of service for the Company and its Subsidiaries, or (ii) at or after age 65 with at least ten years of service for the Company and its Subsidiaries. The term "Special Service Retirement" applies only to Stock Options granted on or after February 2, 1999.
- (s) "Stock" means the Common Stock, \$1.00 par value, of the Company, subject to adjustments pursuant to Section 3.
- (t) "Stock Appreciation Right" means a right described in Section 7(a) and granted, either independently of other Awards or in tandem with the grant of a Stock Option.
- (u) "Stock Option" means any option to purchase shares of Stock granted pursuant to Section 6.
- (v) "Subsidiary" means 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 interest in one of the other corporations or other entities in the chain.
- (w) "Unrestricted Stock Award" is defined in Section 8(f).

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).

"Participant" means a participant in the Plan.

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

FIRST AMENDMENT

The TJX Companies, Inc. hereby amends its General Deferred Compensation Plan (1998 Restatement), effective as of January 1, 1999, by adding thereto the following Exhibit B:

"EXHIBIT B

Reference is made to the Company's Executive Savings Plan (the "ESP"), under which nonqualified deferrals by eligible employees of the Company, and additional Company credits, are credited to a memorandum account maintained by the Company and notionally invested in one or more mutual funds or other investments pending distribution or withdrawal. Each Participant for whom one or more Deferred Accounts are maintained under the Plan as of January 30, 1999 will have a one-time opportunity to elect, within such period as the E.C.C. or its delegates may determine (but not later than March 31, 1999), to have the Participant's "eligible balance" or any "eligible portion" thereof (as those terms are hereinafter defined) treated as having been credited effective March 31, 1999 under the ESP and thereafter governed exclusively by the terms of the ESP. The Deferred Account of a Participant who makes an election under this Exhibit B shall be reduced as of March 31, 1999 by the amount treated as having been transferred to the ESP. Each election under this Exhibit B shall be irrevocable when made and shall be made in accordance with such procedures as the E.C.C. or its delegates may determine. For purposes of this Exhibit B, a Participant's "eligible balance" includes all amounts credited to the Participant's Deferred Accounts on January 30, 1999 (but excluding, for the avoidance of doubt, deferrals under MIP for fiscal 1999 or similar amounts that are later credited as of January 30, 1999), and an "eligible portion" is any portion of the eligible balance that is attributable to deferrals for one or more fiscal years of the Company. For the avoidance of doubt, a Participant shall not be entitled to elect the transfer described in this Exhibit B with respect to less than all of the deferrals (and notional interest with respect thereto) for a fiscal year."

IN WITNESS WHEREOF, The TJX Companies, Inc. has caused this instrument of amendment to be executed by its duly authorized officer this 8th day of March, 1999.

THE TJX COMPANIES, INC.

By: /s/ Donald G. Campbell

THE TJX COMPANIES, INC.

GENERAL DEFERRED COMPENSATION PLAN
(1998 Restatement)

Attached is a true copy of the TJX Companies, Inc. General Deferred
Compensations Plan (1998 Restatement) (the "Plan") as in effect prior to the
First Amendment to the Plan.

THE TJX COMPANIES, INC.

By: /s/ Donald G. Campbell

Date: March 8th, 1999

THE TJX COMPANIES, INC.

GENERAL DEFERRED COMPENSATION PLAN
(1998 Restatement)

THE TJX COMPANIES, INC.

GENERAL DEFERRED COMPENSATION PLAN

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THE TJX COMPANIES, INC.

GENERAL DEFERRED COMPENSATION PLAN

1. Purpose. The purpose of The TJX Companies, Inc. General Deferred Compensation Plan is to provide a means for selected participants to defer the payment of compensation. Insofar as eligibility to participate in the Plan extends to employees, it shall be limited to a select group of management or highly compensated employees with the intention that the Plan at all times qualify as an exempt "top hat" plan for purposes of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").
2. Definitions.
 - A. "Company" shall mean The TJX Companies, Inc. and its subsidiaries, except that as used in Exhibit A the term "Company" shall mean The TJX Companies, Inc. As used in the preceding sentence and in Exhibit A, "subsidiary" means any corporation or other entity 50% or more of the total combined voting power of all classes of stock or other interests of which are owned, directly or indirectly, by The TJX Companies, Inc.
 - B. "Deferred Compensation" shall mean "Eligible Compensation", the payment of which has been deferred by a "Participant".
 - C. "Director" shall mean a member of the Board of Directors of The TJX Companies, Inc.
 - D. "E.C.C." shall mean the Executive Compensation Committee of the Board of Directors of The TJX Companies, Inc.
 - E. "Eligible Compensation" shall mean any of the following payable to a Participant: (i) base salary, (ii) cash bonuses pursuant to an annual or long-term incentive plan of the Company, (iii) in the case of Directors, annual retainers and/or meeting fees, and (iv) and, to the extent provided by the E.C.C., other cash compensation.
 - F. "Eligible Person" shall mean (i) an employee of the Company who has been selected by the E.C.C. as eligible to defer compensation, or (ii) a Director.
 - 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 (as quoted in the Wall Street Journal on the first Monday of the month) 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 first day of such month. 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.

- H. "Participant" shall mean an Eligible Person who has elected to defer compensation in accordance with the Plan.
- I. "Plan" shall mean The TJX Companies, Inc. General Deferred Compensation Plan as it may be amended from time to time.
- J. "Plan Year" shall mean the calendar year.
- K. "Retirement" shall mean retirement at or after age 55 under the provisions of The TJX Companies, Inc. Retirement Plan as now in effect or as hereafter amended.
- L. "Termination Date" shall mean (i) in the case of an employee Participant, the date of severance of the Participant's employment with the Company, whether by death, disability, Retirement, resignation, discharge, or otherwise or (ii) in the case of a Director Participant, the date the Participant ceases to be a member of the Board of Directors of The TJX Companies, Inc.

3. Administration. This Plan shall be administered by the E.C.C. which, in addition to the authority, power, and duty expressly set forth in the Plan, shall have the discretionary authority, power, and duty, subject to the provisions of the Plan, to (A) make rules and regulations for the deferral of compensation, the designation of beneficiaries, and the payment of Deferred Compensation, (B) interpret the Plan, and (C) make any other determinations that it believes necessary or advisable for the administration of the Plan. Decisions and determinations made by the E.C.C. shall be final and binding upon all persons.

The Plan as it applies to employees of the Company is intended to be a "pension plan" (within the meaning of Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) that is unfunded for ERISA and tax purposes and that qualifies for the exemptions described in ERISA Sections 201(a)(2), 301(a)(3) and 401(a)(1). The E.C.C. shall be the "plan administrator" of the Plan and shall have discretion to construe its terms and determine each Eligible Participant's or Beneficiary's eligibility for deferrals or benefits hereunder. If any person claims any benefit hereunder, the E.C.C. shall make and communicate its decision with respect to the claim within 90 days from the date the claim was received. Where special circumstances require additional time for processing the claim, the ninety-day response period may be extended by the E.C.C. to 180 days. If the E.C.C. does not render a written determination prior to the expiration of such 90-day (or 180-day) period,

the claim will be deemed denied. If a claim hereunder is denied, the claimant may, within 60 days of such denial, appeal the denial by written request for review delivered to the Board of Directors of The TJX Companies, Inc. or its designee, which request may include a request to review pertinent documents and to submit issues and comments in writing. The Board of Directors or its designee shall render a decision on the appeal within 60 days (or, if special circumstances require an extension of the time for processing, 120 days) after receipt of the request for review; but if no written decision is rendered within such period(s), the appeal will be deemed denied. No person who is a Participant in the Plan shall act under this paragraph as a member of the E.C.C. or of the full Board of Directors of The TJX Companies, Inc., or as a designee of the Board of Directors of The TJX Companies, Inc., with respect to his or her own claim (if any) for benefits under the Plan.

4. Deferral of Compensation.

- A. Election to Defer. Each Eligible Person may elect to defer receipt of all or any part of his or her Eligible Compensation for a Plan Year, subject to such rules and regulations as the E.C.C. may prescribe.

At the time of making an election to defer, each Participant shall elect (i) the specific date or event, before or after the Participant's Termination Date, following which the first payment of any Deferred Compensation and interest thereon will be made, and (ii) whether payment(s) shall be made in a lump sum or in designated monthly installments, not to exceed 120 months. The choice of an installment method of payment shall be available only in the case of distributions commencing to be paid at Retirement. If, in connection with Retirement, the Participant has failed to designate the payment period and/or schedule for payment with respect to any Deferred Compensation, the payment of said Deferred Compensation and interest thereon will be made in 120 monthly installments commencing as soon as reasonably practicable after the Participant's Retirement.

- B. Notice of Election to Defer. Each Participant shall, within the time limits specified in Section 4.C. below, notify the Company in writing on forms provided by the Company of an election to defer the receipt of all or any part of payment of Eligible Compensation. Each such notice shall state:

- (i) the amount or percentage of the Eligible Compensation to be deferred (not less than \$1,000);
- (ii) the date on which, or the event following which, payment of said Deferred Compensation is to commence;

- (iii) the payment period, including number of months and schedule elected for payment;
- (iv) the Beneficiary(ies), if any, with respect to said Deferred Compensation (see Section 7.C. below).

For purposes of (ii) above the E.C.C. may specify a minimum period of deferral.

- C. Time of Notice of Election to Defer. The Participant's written notice of election to defer all or any part of the Eligible Compensation that would otherwise have been payable in a Plan Year must be received by the Company by November 30 of the immediately preceding Plan Year. Notwithstanding the foregoing, in the case of a Participant who had elected (under the Plan as in effect prior to the 1998 restatement of the Plan) to defer Eligible Compensation for the period ending January 31, 1999, any election with respect to the 1999 Plan Year shall be effective only as to Eligible Compensation that would otherwise have been payable in the period February 1, 1999 to December 31, 1999.

D. Revocation of Election.

- (i) Within Eligible Time Periods for Filing Election. Subject to the other provisions of the Plan, a Participant may revoke or modify an election under this Section 4 only if notice of the same is filed with the E.C.C. prior to the last day for making the election prescribed under Section 4.C. above.
- (ii) Hardships and Unusual Circumstances. In the case of hardship or unusual circumstance, the E.C.C., in its sole discretion, may modify any election previously made to defer any compensation pursuant to this Section 4, if such modification shall be requested by said Participant, or after the Participant's death, by his designated Beneficiary or his estate, as the case may be.

5. Establishment of Deferred Account. The Company shall establish and maintain a separate Deferred Account for each deferral made by a Participant, except that a single aggregated Deferred Account may be maintained for all deferrals by a Participant having identical payout periods. Each Deferred Account of a Participant shall consist of an amount (expressed in dollars) credited to such account by reason of the Participant's election to defer Eligible Compensation, as follows:

- A. Principal. The Participant's Deferred Account shall be credited with the amount of the Eligible Compensation elected to be deferred by the Participant as of the date on which it would have been payable but for said deferral.
- B. Interest. As of January 1, 2000 and the first day of each subsequent Plan Year, except as hereinafter provided, the Participant's Deferred Account shall be credited with an amount representing notional simple interest for the immediately preceding Plan Year, based on the Interest Rate for the immediately preceding Plan Year and the average monthly balance of the Deferred Account during the immediately preceding Plan Year. Notwithstanding the foregoing,
 - (i) (a) there shall be credited as of January 31, 1999 with respect to the fiscal year just ended and in accordance with the Plan as in effect prior to the 1998 restatement, notional interest based on the rate determined by reference to the fiscal year just ended, and (b) the notional interest credited as of January 1, 2000 shall be based on the average monthly balance of the Deferred Account over the period beginning January 31, 1999 and ending December 31, 1999; and
 - (ii) in the case of a distribution during a Plan Year, the E.C.C. may provide for the payment of interest not yet credited with respect to periods preceding the date of distribution.

After the close of each Plan Year (commencing with the 1999 Plan Year), the Company shall deliver to each Participant a written report summarizing the balance as of a stated date of the Participant's Deferred Account(s).

6. Payment of Deferred Compensation.

- A. Amount of Payment. Unless the Participant has selected a lump sum payment or some other payment schedule or formula which has been approved by the E.C.C., the amount to be paid to a Participant in any month during the payout period specified in the Participant's election shall be paid in cash and computed by multiplying the amount credited to the Deferred Account by a fraction, the numerator of which is one and the denominator of which is the number of months remaining in the applicable payment period.
- B. Time of Payment.
 - (i) Distribution While Actively Employed. If a Participant elects to receive payment on a specified date or event and the Participant is actively employed by the Company at such date or event, all payments

shall be made in accordance with the election(s) filed with the Company.

(ii) Distribution Upon Termination Date. Notwithstanding the terms of any election made under Section 4 of the Plan, the entire amount, if any, then credited to each Deferred Account of a Participant shall be paid to him or his designated Beneficiary or his estate, as the case may be,

(a) in the case of a Participant who is an employee, pursuant to the terms of said election, but the final payment, a lump sum if necessary, shall be made not later than the tenth anniversary of the Termination Date, if said Participant's employment shall be terminated by reason of (i) Retirement at or after age 65, (ii) Retirement after age 55 (but prior to age 65) with the consent of the Company, (iii) disability, or (iv) death.

(b) in the case of a Participant who is an employee, in a lump sum as soon as practicable following the close of the Plan Year in which the Termination Date falls, if said Participant's employment shall be terminated for any other reason.

(c) in the case of a Participant who is a Director, pursuant to the terms of said election but the final payment, a lump sum if necessary, shall be made not later than the tenth anniversary of the Termination Date.

C. Changes in Form and Timing of Payment. A Participant may change, not more than twice in any five-Plan Year period, the date as of which and (in the case of Retirement) the form in which payments of the Participant's deferred compensation amounts under the Plan are to be paid; provided, that no such change in election shall be effective with respect to payments that are to commence within the one-year period following the election; and further provided, that no such change in election shall affect the application of Section 6.B.(ii) above.

D. Retirement Equalization Benefits. At the time a benefit is paid to a Participant in the Plan under The TJX Companies, Inc. Retirement Plan, the Participant shall be entitled to receive a retirement equalization benefit having a value equal to the difference between (i) the amount such Participant would

have been entitled to receive under The TJX Companies, Inc. Retirement Plan if none of his compensation had been deferred under this Plan and (ii) the amount such Participant actually receives under The TJX Companies, Inc. Retirement Plan. Such retirement equalization benefit shall be payable in the same form that the Participant elects to receive benefits under The TJX Companies, Inc. Retirement Plan. Such retirement equalization benefit shall not be payable to the extent that the Participant is entitled to receive an equalization benefit of comparable value under The TJX Companies, Inc. Supplemental Executive Retirement Plan or any other plan.

7. General Provisions.

- A. Assignment. No Participant's interest in any Deferred Account is assignable, either by voluntary or involuntary assignment or by operation of law. No part of any Deferred Compensation may be paid over, loaned, sold, assigned, transferred, discontinued, pledged as collateral for a loan, or in any other way encumbered until after the Deferral Period with respect to such Deferred Compensation.
- B. Unsegregated Funds. The Company shall be under no obligation to segregate any deferred funds and an election to defer Compensation hereunder shall constitute an acknowledgment and agreement by the Participant that such unsegregated funds belong absolutely and unconditionally to the Company and are subject to the claims of the Company's unsecured general creditors. The Company's obligations under the Plan are unsecured and unfunded contractual obligations only. Nothing herein contained shall be construed as creating any trust, express or implied, for the benefit of any Participant. Notwithstanding the foregoing, the Company in its discretion may establish and fund a so-called "rabbi trust" or similar grantor trust to provide for the payment of benefits hereunder.
- C. Designation of Beneficiary. Subject to applicable law, each Participant may designate a Beneficiary(ies) to receive payments to be made of Deferred Compensation, if any, after the Participant's death. In the absence of such designation, all such amounts shall be paid to the Participant's estate. The designation shall be made on a form to be supplied by the E.C.C. and may be revoked or superseded at any time. Payments to a Beneficiary(ies) shall be made in accordance with a schedule designated by the Participant.
- D. Reservation of Rights. Nothing in this Plan shall be construed to (i) give any employee any right to defer compensation other than as expressly authorized and permitted by the E.C.C., (ii) limit in any way the right of the Company to terminate a Participant's employment with the Company, or (iii) be

evidence of any agreement or understanding, express or implied, that the Company will employ a Participant at any particular rate of remuneration.

- E. Amendment or Termination of the Plan. The E.C.C. may at any time terminate or amend this Plan provided that any such termination or amendment shall not affect the rights of Participants or Beneficiaries to payments of amounts standing to the credit of Participants in their Deferred Accounts at the time of such amendment or termination. In the event of termination of this Plan, the E.C.C., in its sole discretion, may establish classes of Participants and/or beneficiaries and apply different payment rules to such classes. Without limiting the foregoing, if at any time the E.C.C. determines that the continued participation of a Participant or Beneficiary in the Plan could cause the Plan to fail to qualify under Title I of ERISA as an unfunded plan maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees, the E.C.C. may remove such Participant or Beneficiary from participation in the Plan, cause the Deferred Compensation standing to his or her account to be promptly distributed, or take such other steps (not inconsistent with the first sentence of this paragraph) as it may determine to be necessary or advisable under the circumstances.
- F. Withholding. The Company shall have the right to deduct or withhold from all payments of Deferred Compensation any taxes required by law to be withheld from an employee with respect to such payments. In the case of any FICA or Medicare taxes with respect to deferrals hereunder that may be due prior to payment of Deferred Compensation, the Company shall have the right to deduct or withhold from other wages of the employee, or if there are no such wages, by reducing the employee's account hereunder by the amount of such FICA or Medicare taxes and any income tax withholding required in connection with such reduction.
- G. Change in Employment or Law. The E.C.C. may, in its sole discretion, make appropriate adjustments with respect to the terms of the Plan and its applicability to Participants, including termination of individual deferral agreements, or dilution or suspension of any provision of such agreements in the event (i) of a discontinuance by the Company of a Participant's employment with the Company resulting from an event such as the merger, sale or consolidation of the Company and (ii) any of the anticipated benefits of deferral pursuant to this Plan or any provision hereof are altered by reason of any interpretation of or change in law, policy or regulation.
- H. Effective Date. This 1998 restatement of the Plan is effective with respect to the deferral of Eligible Compensation that would otherwise be payable on or

after January 1, 1999 and with respect to the distribution of amounts payable hereunder on or after January 1, 1999.

- I. Change of Control. Notwithstanding any other provision of the Plan, upon a Change of Control (as defined in Exhibit A) of the Company no further deferrals under Section 4 (whether elected prior to the Change of Control or not) shall be permitted; the entire amount then credited to each Deferred Account of each Participant and the present value of the retirement equalization benefit (if any) then accrued by such Participant shall promptly be paid to such Participant (or his designated Beneficiary or his estate) in a lump sum payment; and the Plan shall terminate. For purposes of determining the present value of retirement equalization benefits under this paragraph, there shall be applied the same actuarial assumptions as would be used in determining lump-sum present values under the Company's Supplemental Executive Retirement Plan as in effect immediately prior to the Change of Control, or in the absence of such assumptions, an interest rate assumption of eight percent compounded annually and the same mortality assumptions as are then used in determining the present value of benefits under the Company's tax-qualified Retirement Plan.

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 as to a Participant (i) if the person or each member of a group of persons acquiring control is excluded from the definition of the term "Person" hereunder or (ii) unless the Committee shall otherwise determine prior to such occurrence, if the Participant or a Participant 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 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 a 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 or a 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).

THE TJX COMPANIES, INC.
EXECUTIVE SAVINGS PLAN

AMENDMENT NO. 2

The TJX Companies, Inc. Executive Savings Plan (the "ESP") is hereby amended as follows, effective as of October 1, 1998:

1. Section 3.2 is amended by adding at the end thereof, immediately before Section 3.3, the following sentence:

"Notwithstanding the foregoing, no credits shall be made under this Section 3.2 with respect to any Participant who is either a Category A Key Employee or a Category B Key Employee under The TJX Companies, Inc. Supplemental Executive Retirement Plan."

IN WITNESS WHEREOF, The TJX Companies, Inc. has caused this instrument of amendment to be executed by its duly authorized officer this 6th day of April 1999.

THE TJX COMPANIES, INC.

By: /s/ Donald G. Campbell

Donald G. Campbell

THE TJX COMPANIES, INC.
EXECUTIVE SAVINGS PLAN

AMENDMENT NO. 1

The TJX Companies, Inc. Executive Savings Plan (the "ESP"), effective as of October 1, 1998, is hereby amended as follows:

1. Effective as of October 1, 1998, Section 1.17 ("Performance Goal") is amended by deleting the words "Management Incentive Plan" and replacing them with the words "Management Incentive Plan for corporate division associates".
2. Effective as of October 1, 1998, Section 3.2(c) is amended by (i) deleting the term "Management Incentive Plan payout" and replacing it with the term "payout under Management Incentive Plan awards applicable to associates in the corporate division"; (ii) deleting all other references to "Management Incentive Plan" and replacing them with references to "Management Incentive Plan for associates in the corporate division"; and (iii) deleting the sentence which begins: "The Administrator shall adjust these computations in its discretion where the Performance Goals are other than those specified . . ."
3. Effective as of the date of this amendment, the ESP is amended by adding the following new Exhibit B:

"EXHIBIT B"

One-Time Election Relating To General Deferred Compensation Plan Balances

Reference is made to The TJX Companies, Inc. General Deferred Compensation Plan (1998 Restatement) (the "GDCP"), an unfunded, nonqualified deferred compensation plan maintained for the benefit of a select group of management or highly compensated employees under which certain eligible employees of the Employer have elected to defer a portion of the compensation they would otherwise have received from the Employer. Each GDCP participant who is also an Eligible Individual has been given a one-time opportunity to elect on an irrevocable basis to cause a portion of his or her account under the GDCP to be treated as subject to the terms and provisions of the Plan. In the case of any Eligible Individual who has made the election described in the preceding sentence, an amount equal to the affected portion of the Eligible Individual's GDCP account balance shall be credited effective March 31, 1999 to the Eligible Individual's Deferral Account (or in the discretion of the Administrator to a separate or sub-account). The amount so credited, as adjusted pursuant to Article 4, shall be fully vested at all times and shall be subject in all respects to the terms of the Plan as though credited to the Eligible Individual's Deferral Account; provided, that the one-time credit

described in this Exhibit B shall not affect or limit the Eligible Individual's rights to make Compensation Deferrals to his or her Deferral Account. In no event shall any amount credited pursuant to this Exhibit B be eligible to be "matched" by Employer Credits pursuant to Section 3.2 or otherwise."

4. Effective as of the date of this amendment, the ESP is amended by adding the following new Exhibit C:

"EXHIBIT C"

Special 1999 Deferral

Each Eligible Individual shall have a one-time opportunity, exercisable prior to March 31, 1999 in accordance with the provisions of this Exhibit C, to defer up to an additional \$4,000 of that portion, if any, of his or her 1999 Salary which (but for deferral) would have been payable in the period July 1, 1999 through December 31, 1999. Any election to defer under the preceding sentence shall be made in writing on a form acceptable to the Administrator and shall be irrevocable when made. Amounts deferred pursuant to this Exhibit C: (i) shall be in addition to any Compensation Deferrals made for 1999 under Section 3.1 and shall not be taken into account in applying the 20%-of-Salary limitations under Section 3.1; (ii) shall be fully vested at all times; and (iii) shall be credited to the Eligible Individual's Deferral Account and treated for all purposes of the Plan in the same manner as other amounts credited to that Account, subject, however, to the express provisions of this Exhibit C. Any deferral election pursuant to this Exhibit C shall be treated as an election by the Eligible Individual to have his or her Salary, if any, for each pay date between July 9, 1999 and December 31, 1999 (inclusive) reduced by the total amount of the deferral (not to exceed \$4,000) divided by twenty-six (26) and to have an equivalent amount deferred hereunder."

IN WITNESS WHEREOF, The TJX Companies, Inc. has caused this instrument of amendment to be executed by its duly authorized officer this 8th day of March, 1999.

THE TJX COMPANIES, INC.

By: /s/ Donald G. Campbell

THE TJX COMPANIES, INC.
EXECUTIVE SAVINGS PLAN

Effective as of October 1, 1998

THE TJX COMPANIES, INC.
EXECUTIVE SAVINGS PLAN

Effective as of October 1, 1998

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EXHIBIT A Definition of "Change of Control"

THE TJX COMPANIES, INC.
EXECUTIVE SAVINGS PLAN

Effective as of October 1, 1998

RECITALS

The TJX Companies, Inc. Executive Savings Plan (the "Plan") is intended to provide a means whereby eligible employees may defer, in general until termination of employment, compensation that would otherwise be received on a current basis and the employer may credit certain additional amounts on a deferred basis for the benefit of participating employees. The Plan is intended to be an unfunded "top-hat" plan under sections 201(2), 301(a)(3) and 401(a)(1) of the Employee Retirement Income Security Act of 1974 ("ERISA").

ARTICLE 1
DEFINITIONS

1.1 ACCOUNT means either or both, as the context requires, of a Participant's or Beneficiary's Deferral Account and/or Employer Credit Account.

1.2 ADMINISTRATOR means the Executive Compensation Committee (the "E.C.C.") of the Board of Directors of The TJX Companies, Inc., and its delegates.

1.3 BENEFICIARY means any person or person so designated in accordance with the provisions of Article 7.

1.4 CHANGE OF CONTROL means a Change of Control as defined in Exhibit A hereto.

1.5 CLAIMANT is defined in Section 8.3.

1.6 CODE means the Internal Revenue Code of 1986 and the regulations thereunder, as amended from time to time.

1.7 COMPENSATION DEFERRAL is defined in Section 3.1.

1.8 DEFERRAL ACCOUNT means the unfunded book-entry account maintained by the Administrator to reflect that portion of a Participant's balance under the Plan which is attributable to his or her Compensation Deferrals.

1.9 EFFECTIVE DATE means October 1, 1998.

1.10 ELIGIBLE DEFERRALS means (a) in the case of any Participant who is a Vice President or higher, Compensation Deferrals with respect to a Plan Year not in excess of ten percent (10%) of the Participant's Salary, and (b) in the case of any other Participant,

Compensation Deferrals with respect to a Plan Year not in excess of five percent (5%) of the Participant's Salary.

1.11 ELIGIBLE INDIVIDUAL means, for any Plan Year (or applicable portion thereof), a person who is determined by the Administrator to be eligible to participate in the Plan, consistent with the intended purpose of the Plan as set forth in the "RECITALS" above.

1.12 EMPLOYER means The TJX Companies, Inc. and its subsidiaries.

1.13 EMPLOYER CREDIT ACCOUNT means the unfunded book-entry account maintained by the Administrator to reflect that portion, if any, of a Participant's balance under the Plan which is attributable to Employer Credits allocable to the Participant.

1.14 EMPLOYER CREDITS is defined in Section 3.2.

1.15 ENTRY DATE means October 1, 1998 and each subsequent January 1, plus such other Entry Dates as the Administrator may specify pursuant to Section 2.1(b).

1.16 PARTICIPANT means any Eligible Individual who participates in the Plan.

1.17 PERFORMANCE GOAL means a performance goal (which may be, but need not be, the same as a performance goal applicable under the Employer's Management Incentive Plan) specified by the Administrator with respect to a fiscal year of the Employer in which a Plan Year ends.

1.18 PERIOD OF PARTICIPATION means, with respect to any Participant, the period commencing with the commencement of participation in the Plan and ending on the earlier of the date on which the Participant ceases to be employed by the Employer or the date on which the Participant's Accounts have been completely distributed, withdrawn or forfeited.

1.19 PLAN means The TJX Companies, Inc. Executive Savings Plan as set forth herein and as the same may be amended from time to time.

1.20 PLAN YEAR means the period October 1, 1998 through December 31, 1998 and each calendar year thereafter.

1.21 SALARY means the base salary payable by the Employer to a Participant during a Plan Year, determined before reduction for deferrals under any qualified or nonqualified plan (including, without limitation, the Plan).

ARTICLE 2
ELIGIBILITY AND PARTICIPATION

2.1 ELIGIBILITY TO PARTICIPATE.

(a) Every employee of the Employer who is an Eligible Individual in connection with the establishment of the Plan shall be eligible to become a Participant as of the Effective Date or any subsequent Entry Date, provided that he or she is an Eligible Individual on the applicable Entry Date. An employee of the Employer who becomes an Eligible Individual after October 1, 1998 shall be eligible to become a Participant as of any subsequent Entry Date, provided that he or she is then an Eligible Individual.

(b) Notwithstanding (a) above, in the case of an individual who first becomes an Eligible Individual on a date after October 1, 1998, the Administrator may specify an initial Entry Date that is other than January 1 of the following year provided that the Eligible Individual (i) satisfies the special thirty-day election rule described in Section 3.1(c) below, and (ii) is an Eligible Individual on such initial Entry Date.

2.2 TERMINATION OF ELIGIBILITY. An individual shall cease to be eligible to participate in the Plan when he or she is no longer an Eligible Individual (whether by reason of termination of employment or by reason of a change in job classification or otherwise) but shall again become eligible to participate pursuant to the second sentence of Section 2.1 if he or she again becomes an Eligible Individual.

ARTICLE 3
CREDITS

3.1 COMPENSATION DEFERRALS. A Participant may defer Salary that is not yet payable (any such deferral accomplished in accordance with this Section 3.1, a "Compensation Deferral") by making a timely election in accordance with this Section 3.1, as follows:

(a) For the Plan Year ending December 31, 1998, a Participant's deferral election must be made by such date prior to the Effective Date as the Administrator may specify.

(b) With respect to Salary payable in any Plan Year after 1998, a Participant's deferral election must be made by November 30 of the preceding Plan Year (for example, by November 30, 1998 for deferral of Salary payable in calendar 1999).

(c) Notwithstanding (a) and (b) above, an individual who first becomes an Eligible Individual after October 1, 1998 may also elect, within thirty (30) days of becoming an Eligible Individual, to defer Salary for the period beginning on the initial Entry Date described in Section 2.1(b) and ending on December 31 of the Plan Year in which such initial Entry Date occurs.

No more than twenty percent (20%) of a Participant's Salary for any pay period may be deferred pursuant to an election under this Section 3.1. Subject to the foregoing, a Participant's deferral election may specify different deferral percentages for different pay periods. Subject to such additional limitations as the Administrator may prescribe,

(1) a Participant described in Section 1.10(a) or (b) may change the rate at which future Salary is to be deferred under this Section 3.1 by written notice delivered to the Administrator by November 30 of the Plan Year preceding the Plan Year for which such change is to take effect; and

(2) a Participant described in Section 1.10(b) who is promoted during a Plan Year to the rank of Vice President (or higher) may, within thirty (30) days of such promotion, increase (but not decrease), up to a maximum of twenty (20%) of Salary per pay period, the rate of deferral to be applied to future Salary.

Subject to the foregoing, an election under this Section 3.1, once made, shall continue in force indefinitely.

Salary otherwise payable to a Participant for a pay period shall be reduced by the Participant's Compensation Deferrals for the pay period. The Administrator shall establish and maintain a Deferral Account in the name of each Participant to which shall be credited amounts equal to the Participant's Compensation Deferrals and which shall be further adjusted as provided in Article 4 to reflect any withdrawals or distributions and any deemed earnings, losses or other charges allocable to the Deferral Account. Compensation Deferrals shall be credited to a Participant's Deferral Account as soon as practicable following the date the related Salary is paid.

A Participant shall at all times be 100% vested in his or her Deferral Account, subject to adjustment pursuant to Article 4.

3.2 EMPLOYER CREDITS. The Administrator shall establish and maintain a separate Employer Credit Account in the name of each Participant to which shall be credited amounts equal to the Employer Credits, if any, allocable to the Participant and which shall be further adjusted as provided in Article 4 to reflect any withdrawals, distributions or forfeitures and any deemed earnings, losses or other charges allocable to the Employer Credit Account. The Employer Credits allocable to a Participant shall be determined as follows:

(a) Non-Performance-Based Employer Credits. For each Plan Year, the Administrator shall credit to a Participant's Employer Credit Account an amount equal to ten percent (10%) of the Participant's Eligible Deferrals for the Plan Year. The non-performance-based matching credits described in this subsection (a) shall be credited to the Participant's Employer Credit Account as of the same dates as the Eligible Deferrals to which such matching credits relate.

(b) Basic Performance-Based Employer Credits. For each Plan Year ending within a fiscal year of the Employer for which the Employer's Performance Goals are met (as determined by the Administrator), the Administrator shall credit to the Employer Credit Account of each eligible Participant an amount (in addition to the credit described at Section 3.2(a) above) equal to fifteen percent (15%) of the Participant's Eligible Deferrals for the Plan Year. The basic performance-based matching credit described in this subsection (b) shall be credited as soon as practicable following the close of the fiscal year and only to the Employer Credit Accounts of those Participants who were employed by the Employer on the last day of such fiscal year.

(c) Supplemental Performance-Based Employer Credits. For each Plan Year ending in a fiscal year of the Employer for which the Employer's Performance Goals are exceeded (as determined by the Administrator), the Administrator shall credit to the Employer Credit Account of each eligible Participant described in Section 1.10(a) an amount determined as set forth below. Participants described in Section 1.10(b) shall not be eligible for the credit described in this Section 3.2(c). If the Employer's Performance Goals are exceeded by a margin sufficient to produce a Management Incentive Plan payout equal to one hundred fifty (150%) percent of the target award under the Management Incentive Plan, the credit described in this Section 3.2(c) shall equal twenty-five percent (25%) of the eligible Participant's Eligible Deferrals. If the Employer's Performance Goals are exceeded but by a smaller margin than that which would be needed to produce a Management Incentive Plan payout equal to one hundred fifty percent (150%) of the target award under the Management Incentive Plan, the Employer Credit described in this Section 3.2(c) shall be an amount which, when expressed as a percentage of the eligible Participant's Eligible Deferrals, bears the same relationship to twenty-five percent (25%) as the excess percentage over target of the award under the Management Incentive Plan bears to 50%. The Administrator shall adjust these computations in its discretion where the Performance Goals hereunder are other than those specified for purposes of the Management Incentive Plan. The supplemental performance-based matching credit described in this Section 3.2(c), which shall be in addition to the matching credits described in Sections 3.2(a) and 3.2(b) above, shall be credited as soon as practicable following the close of the fiscal year and only to the Employer Credit Accounts of those Participants described in Section 1.10(a) who were employed by the Employer on the last day of such fiscal year. In the case of an eligible Participant who is described in Section 1.10(a) for only a portion of a Plan

Year, the supplemental performance-based matching credit shall apply only to those Eligible Deferrals made while the eligible Participant was described in Section 1.10(a).

3.3 VESTING OF EMPLOYER CREDIT ACCOUNTS. A Participant shall become vested in the balance of his or her Employer Credit Account, subject to adjustment pursuant to Article 4, in accordance with the following vesting schedule:

Completed Period of Participation -----	Vested Percentage -----
Less than five years	0%
Five years or more, but less than ten years	50%
Ten or more years	100%

Notwithstanding the foregoing, if a Participant who is 50% but not 100% vested in his or her Employer Credit Account takes an in-service withdrawal under Section 5.2 or Section 5.3 or both, the Participant's vested interest in his or her Employer Credit Account as of any subsequent date prior to full vesting (the "determination date") shall be

$$1/2(AB+W) - W$$

where "AB" is the balance of the Employer Credit Account as of the determination date and "W" is that portion of the withdrawal (or withdrawals, if more than one) under Section 5.2 and/or Section 5.3 that was attributable to the Employer Credit Account.

In addition, a Participant will become immediately vested in his or her Employer Credit Account, subject to adjustment pursuant to Article 4, upon attainment by the Participant of age fifty-five (55), upon termination of employment by reason of permanent disability (as determined by the Administrator) or death, or upon the earlier occurrence of a Change of Control.

ARTICLE 4
ADJUSTMENT TO ACCOUNTS; DEEMED INVESTMENTS

4.1 DEEMED INVESTMENT EXPERIENCE. Each Account shall be adjusted on such periodic basis and subject to such rules as the Administrator may prescribe to reflect the value of the notional investments in which the Account is deemed invested pursuant to Section 4.3, including without limitation any interest, dividends or other distributions deemed to have been received with respect to such notional investments.

4.2 DISTRIBUTIONS AND WITHDRAWALS. As of the date of any distribution or withdrawal hereunder, the Administrator shall reduce the affected Participant's Accounts to

reflect such distribution or withdrawal. Any such adjustment shall reduce ratably each affected Account's share of each of the notional investments in which the Account is deemed to be invested, except as the Administrator may otherwise determine.

4.3 NOTIONAL INVESTMENT OF ACCOUNTS. The Administrator shall from time to time specify one or more mutual funds or other investment alternatives that shall be available as measures of notional investment return for Accounts under the Plan (each such specified alternative, a "measuring investment option"). Subject to such rules and limitations as the Administrator may from time to time prescribe, each Participant shall have the right to have the balance of his or her Accounts treated for all purposes of the Plan as having been notionally invested in one or more measuring investment options and to change the notional investment of his or her Accounts from time to time. The Administrator shall have complete discretion at any time and from time to time to eliminate or add a measuring investment option. The Administrator may designate one or more measuring investment options as the default in which a Participant's Accounts shall be deemed to be invested to the extent the Participant does not affirmatively, timely and properly provide other notional investment directions.

Nothing in this Section 4.3 shall be construed as giving any Participant the right to cause the Administrator, the Employer or any other person to acquire or dispose of any investment, to set aside (in trust or otherwise) money or property to meet the Employer's obligations under the Plan, or in any other way to fund the Employer's obligations under the Plan. The sole function of the notional investment provisions of this Section 4.3 is to provide a computational mechanism for measuring the Employer's unfunded contractual deferred compensation obligation to Participants. Consistent with the foregoing, the Employer may (although it shall not be obligated to do any of the following): (i) establish and fund a so-called "rabbi" trust or similar trust or account to hold and invest amounts to help the Employer meet its obligations under the Plan; and (ii) if it establishes and funds such a trust or account, cause the trustee or other person holding the assets in such trust or account to invest them in a manner that is consistent with the notional investment directions of Participants under the Plan.

Each reference in this Section 4.3 to a Participant shall be deemed to include, where applicable, a reference to a Beneficiary.

4.4 EXPENSES. All expenses associated with the Plan shall be paid by the Employer; but if a trust or account is established as described at Section 4.3 above, the Employer may provide that expenses associated with that trust or account shall be paid out of the assets held therein.

ARTICLE 5
ENTITLEMENT TO BENEFITS

5.1 REGULAR DISTRIBUTION EVENTS.

(a) Deferral Account. A Participant's Deferral Account will be valued and paid in accordance with the provisions of Article 6 upon the Participant's termination of employment with the Employer (as determined by the Administrator).

(b) Employer Credit Account. A Participant's vested Employer Credit Account will be valued and paid in accordance with the provisions of Article 6 upon the earliest to occur of (i) the Participant's death, or (ii) termination of the Participant's employment with the Employer by reason of permanent disability (as determined by the Administrator), or (iii) the later of termination for any other reason of the Participant's employment with the Employer (as determined by the Administrator) or the Participant's attainment of age 55; provided, that if the Participant's employment is terminated for cause as determined by the Administrator, no portion of the Participant's Employer Credit Account shall be paid and the entirety of the Employer Credit Account shall instead be immediately forfeited.

5.2 HARDSHIP DISTRIBUTIONS. In the event of financial hardship of the Participant, as hereinafter defined, the Participant may apply to the Administrator for the distribution of all or any part of his or her vested Account. The Administrator shall consider the circumstances of each case and shall have the right, in its sole discretion, to allow or disallow the application in whole or in part. In no event shall the aggregate amount of any distribution under this Section exceed the lesser of the vested portion of the Participant's Account or the amount determined by the Administrator to be necessary to alleviate the Participant's financial hardship (including any taxes estimated by the Administrator to be due with respect to the distribution) and which is not reasonably available from other resources of the Participant. For purposes of this Section 5.2, "financial hardship" means a severe financial hardship to the Participant resulting from (a) a sudden and unexpected illness or accident of the Participant or of a dependent (as defined in Code section 152(a)) of the Participant, (b) a loss of the Participant's property due to casualty, or (c) other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, each as determined by the Administrator. A hardship withdrawal under this Section 5.2 shall be allocated between the Participant's Deferral Account and the vested portion of the Participant's Employer Credit Account in proportion thereto.

5.3 NON-HARDSHIP IN-SERVICE WITHDRAWALS. Prior to termination of employment with the Employer, a Participant may request from the Administrator, for any reason, a lump sum distribution of all, but not less than all, of the Participant's vested Account. Upon receipt by the Administrator of such a request, eighty-five percent (85%) of

the Participant's vested Account (i.e., 85% of the Participant's Deferral Account and 85% of that portion of the Participant's Employer Credit Account which is vested) shall be valued and paid in accordance with Article 6 and the remaining fifteen percent (15%) of the Participant's vested Account balance (i.e., the entire remaining portion of the Participant's Deferral Account plus the remaining 15% vested portion of the Participant's Employer Credit Account), plus fifteen percent (15%) of any unvested portion of the Participant's Employer Credit Account, shall be irrevocably forfeited. Notwithstanding the foregoing, if the Administrator determines that a Participant's request for a withdrawal hereunder has been made in anticipation of a termination of the Participant's employment for cause, the Administrator may decline to distribute any portion of the Participant's Accounts under this Section 5.3.

ARTICLE 6
DISTRIBUTION OF BENEFITS

6.1 REGULAR DISTRIBUTION EVENTS. The amount distributable under Section 5.1(a) shall be the balance of the Participant's Deferral Account determined as of the date of distribution. Distribution of the Participant's Deferral Account shall be made upon or as soon as practicable following the date of the Participant's termination of employment. The amount distributable under Section 5.1(b) shall (except in the case of a termination for cause as determined by the Administrator) be the vested portion of the Participant's Employer Credit Account determined as of the date of distribution. Except in the case of a termination for cause (as determined by the Administrator), distribution of the Participant's vested Employer Credit Account shall be made (or commence) upon or as soon as practicable following the date specified in Section 5.1(b).

6.2 OTHER DISTRIBUTIONS. Hardship distributions under Section 5.2 shall be made, in the amount determined under Section 5.2, as soon as practicable after the Administrator's determination under Section 5.2. Withdrawals under Section 5.3 shall be made, in the amount specified in (and subject to the conditions of) Section 5.3, as soon as practicable following the Administrator's receipt of the Participant's properly filed request for such a withdrawal.

6.3 GENERAL PROVISIONS.

(a) Cash Payment. All payments under the Plan shall be made in cash.

(b) Lump sums; installments.

(i) Except as provided at (ii) immediately below, all distributions and withdrawals under the Plan shall be made in the form of a lump sum payment.

(ii) A Participant whose employment terminates (other than by reason of death or a termination for cause (as determined by the Administrator)) upon or after attaining age 55 may elect to have amounts distributable under Section 6.1 paid either as a lump sum or in annual installments over a period of not more than ten years. In the absence of a proper election to have such amounts paid in installments, amounts distributable under Section 6.1 shall be paid as a lump sum. Any election by a Participant to have amounts distributable under Section 6.1 paid in installments (an "installment election") must be delivered to the Administrator, in a form acceptable to the Administrator, not later than by the date which precedes the Participant's termination of employment by one year. A Participant who has made an installment election may cancel such election at any time prior to the applicable deadline described in the immediately preceding sentence by timely delivering a notice of such cancellation to the Administrator in a form acceptable to the Administrator; but following such deadline the Participant's actual or deemed election as to form of benefit shall be irrevocable. Where an Account is payable in installments, the amount of each installment shall be determined by dividing the vested portion of the Account (as adjusted through the date of such installment distribution) by the number of installments remaining to be paid. The Administrator may require that the balance of Accounts for which an installment election is made must exceed a dollar minimum specified by the Administrator.

(c) Employer's Obligation. All payments under the Plan not made from a trust or account described in Section 4.3 above shall be made by the Employer.

6.4 DEATH BENEFITS. If a Participant dies before distribution of his or her Account has occurred or (if payable in installments) has commenced, the entire value of the Participant's vested Account shall be paid, as soon as practicable following the Participant's death, in a lump sum to the Participant's Beneficiary or Beneficiaries. Where installment payments to a Participant have begun and the Participant dies before all installments have been paid, the remaining installments shall be paid in the normal course to the Participant's Beneficiary or Beneficiaries unless, in the case of any Beneficiary, the Administrator determines that the remaining payments to such Beneficiary shall be accelerated and paid in a single lump sum.

ARTICLE 7 BENEFICIARIES; PARTICIPANT DATA

7.1 DESIGNATION OF BENEFICIARIES. Subject to such rules and limitations as the Administrator may prescribe, each Participant from time to time may designate one or

more persons (including a trust) to receive benefits payable with respect to the Participant under the Plan upon or after the Participant's death, and may change such designation at any time. Each designation will revoke all prior designations by the same Participant, shall be in a form prescribed by the Administrator, and will be effective only when filed in writing with the Administrator during the Participant's lifetime.

In the absence of a valid Beneficiary designation, or if, at the time any benefit payment is due to a Beneficiary there is no living Beneficiary validly named by the Participant, the Administrator shall cause such benefit to be paid to the Participant's estate. In determining the existence or identity of anyone entitled to a benefit payment, the Administrator may rely conclusively upon information supplied by the Participant's personal representative, executor or administrator.

7.2 AVAILABLE INFORMATION: MISSING PERSONS. Any communication, statement or notice addressed to a Participant or to a Beneficiary at his or her last post office address as shown on the Administrator's records shall be binding on the Participant or Beneficiary for all purposes of the Plan. The Administrator shall not be obliged to search for any Participant or Beneficiary beyond the sending of a registered letter to such last known address. If the Administrator notifies any Participant or Beneficiary that he or she is entitled to an amount under the Plan and the Participant or Beneficiary fails to claim such amount or make his or her location known to the Administrator within three (3) years thereafter, then, except as otherwise required by law, if the location of one or more of the next of kin of the Participant is known to the Administrator, the Administrator may direct distribution of such amount to any one or more or all of such next of kin, and in such proportions as the Administrator determines. If the location of none of the foregoing persons can be determined, the Administrator shall have the right to direct that the amount payable shall be deemed to be a forfeiture, except that the dollar amount of the forfeiture, unadjusted for deemed gains or losses in the interim, shall be paid by the Employer if a claim for the benefit subsequently is made by the Participant or the Beneficiary to whom it was payable. If a benefit payable to an unlocated Participant or Beneficiary is subject to escheat pursuant to applicable state law, neither the Administrator nor the Employer shall be liable to any person for any payment made in accordance with such law.

ARTICLE 8 ADMINISTRATION

8.1 ADMINISTRATIVE AUTHORITY. Except as otherwise specifically provided herein, the Plan shall be administered by the Administrator. The Administrator shall have full discretionary authority to construe and administer the terms of the Plan and its actions under the Plan shall be binding on all persons. Without limiting the foregoing, the Administrator shall have full discretionary authority to:

(a) Resolve and determine all disputes or questions arising under the Plan, and to remedy any ambiguities, inconsistencies or omissions in the Plan.

(b) Adopt such rules of procedure and regulations as in its opinion may be necessary for the proper and efficient administration of the Plan and as are consistent with the Plan.

(c) Implement the Plan in accordance with its terms and the rules and regulations adopted as above.

(d) Make determinations with respect to the eligibility of any person to participate in the Plan or derive benefits hereunder and make determinations concerning the crediting and adjustment of Accounts.

(e) Appoint such persons or firms, or otherwise act to obtain such advice or assistance, as it deems necessary or desirable in connection with the administration and operation of the Plan, and the Administrator shall be entitled to rely conclusively upon, and shall be fully protected in any action or omission taken by it in good faith reliance upon, the advice or opinion of such firms or persons.

8.2 LITIGATION. Except as may be otherwise required by law, in any action or judicial proceeding affecting the Plan, no Participant or Beneficiary shall be entitled to any notice or service of process, and any final judgment entered in such action shall be binding on all persons interested in, or claiming under, the Plan.

8.3 CLAIMS PROCEDURE. Any person claiming a benefit under the Plan (a "Claimant") shall present the claim, in writing, to the Administrator and the Administrator shall respond in writing. If the claim is denied, the written notice of denial shall state, in a manner calculated to be understood by the Claimant:

(a) The specific reason or reasons for the denial, with specific references to the Plan provisions on which the denial is based;

(b) A description of any additional material or information necessary for the Claimant to perfect his or her claim and an explanation of why such material or information is necessary; and

(c) An explanation of the Plan's claims review procedure.

The written notice denying or granting the Claimant's claim shall be provided to the Claimant within ninety (90) days after the Administrator's receipt of the claim, unless special circumstances require an extension of time for processing the claim. If such an extension is required, written notice of the extension shall be furnished by the Administrator to the

Claimant within the initial ninety (90) day period and in no event shall such an extension exceed a period of ninety (90) days from the end of the initial ninety (90) day period. Any extension notice shall indicate the special circumstances requiring the extension and the date on which the Administrator expects to render a decision on the claim. Any claim not granted or denied within the period noted above shall be deemed to have been denied.

Any Claimant whose claim is denied or deemed to have been denied under the preceding sentence (or such Claimant's authorized representative) may, within sixty (60) days after the Claimant's receipt of notice of the denial, or after the date of the deemed denial, request a review of the denial by notice given, in writing, to the Administrator. Upon such a request for review, the claim shall be reviewed by the Administrator, which may, but shall not be required to, grant the Claimant a hearing. In connection with the review, the Claimant may have representation, may examine pertinent documents, and may submit issues and comments in writing.

The decision on review normally shall be made within sixty (60) days of the Administrator's receipt of the request for review. If an extension of time is required due to special circumstances, the Claimant shall be notified, in writing, by the Administrator, and the time limit for the decision on review shall be extended to one hundred twenty (120) days. The decision on review shall be in writing and shall state, in a manner calculated to be understood by the Claimant, the specific reasons for the decision and shall include references to the relevant Plan provisions on which the decision is based. The written decision on review shall be given to the Claimant within the sixty (60) day (or, if applicable, the one hundred twenty (120) day) time limit discussed above. If the decision on review is not communicated to the Claimant within the sixty (60) day (or, if applicable, the one hundred twenty (120) day) period discussed above, the claim shall be deemed to have been denied upon review. All decisions on review shall be final and binding with respect to all parties.

ARTICLE 9 AMENDMENT

9.1 RIGHT TO AMEND. The E.C.C., by written instrument executed by a duly authorized representative, shall have the right to amend the Plan, at any time and with respect to any provisions hereof, including without limitation with respect to Compensation Deferrals and Employer Credits already made under the Plan as of the date of such amendment, and all parties hereto or claiming any interest hereunder shall be bound by such amendment; provided, however, that no amendment of the Plan shall be effective to the extent it would cause the balance of an Account, determined as of the date of such amendment and taking into account the amendment, to be reduced below the balance of such Account determined as of such date but disregarding the amendment.

9.2 AMENDMENTS TO ENSURE PROPER CHARACTERIZATION OF PLAN.

Notwithstanding the provisions of Section 9.1, the Plan may be amended by the Administrator at any time, including retroactively, if the Administrator determines that such amendment is necessary or advisable to ensure that the Plan is an unfunded "top-hat" plan as described under ERISA sections 201(2), 301(a)(3), and 401(a)(1) and that the Plan does not result in taxable income to any Participant or Beneficiary with respect to his or her Accounts hereunder prior to the actual receipt of benefits. No such amendment shall be considered prejudicial to any interest of a Participant or a Beneficiary hereunder. In connection with any amendment described in this Section 9.2, the Administrator may exclude any person from participation in the Plan and may cause the Accounts maintained for the benefit of such excluded Participant to be promptly distributed in a lump sum.

ARTICLE 10
TERMINATION

10.1 RIGHT OF THE EMPLOYER TO TERMINATE OR SUSPEND PLAN. The E.C.C. reserves the right at any time to terminate the Plan or to suspend the operation of the Plan for a fixed or indeterminate period of time. In the event of a suspension of the Plan, the Administrator shall continue all aspects of the Plan, other than Compensation Deferrals and Employer Credits, during the period of the suspension, in which event payments hereunder will continue to be made during the period of the suspension in accordance with Articles 5 and 6.

10.2 ALLOCATION AND DISTRIBUTION. This Section 10.2 shall become operative on a complete termination of the Plan. The provisions of this Section 10.2 shall also become operative in the event of a partial termination of the Plan, as determined by the Administrator, but only with respect to that portion of the Plan attributable to the Participants to whom the partial termination is applicable. Upon the effective date of any such event, notwithstanding any other provisions of the Plan, no persons who were not theretofore Participants shall be eligible to become Participants, and the vested balances of the Accounts of all Participants and Beneficiaries shall be determined and distributed. All distributions under this Section 10.2 shall be made in single lump sums except as the Administrator shall determine.

ARTICLE 11
MISCELLANEOUS

11.1 LIMITATIONS ON LIABILITY OF EMPLOYER. The Employer's sole liability under the Plan shall be to pay benefits under the Plan as expressly set forth herein and subject to the terms hereof. Subject to the preceding sentence, neither the establishment or administration of the Plan, nor any modification nor the termination or suspension of the Plan, nor the creation of any account under the Plan, nor the payment of any benefits under the Plan,

nor any other action taken by the Employer or the Administrator with respect to the Plan shall be construed as giving to any Participant, any Beneficiary or any other person any legal or equitable right against the Administrator, the Employer, or any officer or employer thereof. Without limiting the foregoing, neither the Administrator nor the Employer in any way guarantees any Participant's or Beneficiary's Account from loss or decline for any reason.

11.2 CONSTRUCTION. If any provision of the Plan is held to be illegal or void, such illegality or invalidity shall not affect the remaining provisions of the Plan, but the illegal or void provision shall be fully severable and the Plan shall be construed and enforced as if said illegal or void provision had never been inserted herein. For all purposes of the Plan, where the context admits, the singular shall include the plural, and the plural shall include the singular. Headings of Articles and Sections herein are inserted only for convenience of reference and are not to be considered in the construction of the Plan. The laws of the Commonwealth of Massachusetts shall govern, control and determine all questions of law arising with respect to the Plan and the interpretation and validity of its respective provisions, except where those laws are preempted by the laws of the United States. Participation under the Plan will not give any Participant the right to be retained in the service of the Employer, nor shall any loss or claimed loss of present or future benefits, whether accrued or unaccrued, constitute an element of damages in any claim brought in connection with a Participant's termination of employment.

No provision of the Plan shall be interpreted so as to give any individual any right in any assets of the Employer which right is greater than the rights of a general unsecured creditor of the Employer.

11.3 TAXES. Notwithstanding any other provision of the Plan, all distributions and withdrawals hereunder shall be subject to reduction for applicable income tax withholding and other legally or contractually required withholdings. To the extent amounts credited under the Plan are includible in "wages" for purposes of Chapter 21 of the Code, or are otherwise includible in taxable income, prior to distribution or withdrawal the Employer may deduct the required withholding with respect to such wages or income from compensation currently payable to the Participant or the Administrator may reduce the Participant's Accounts hereunder or require the Participant to make other arrangements satisfactory to the Administrator for the satisfaction of the Employer's withholding obligations.

11.4 SPENDTHRIFT PROVISION. No amount payable to a Participant or a Beneficiary under the Plan will, except as otherwise specifically provided by law, be subject in any manner to anticipation, alienation, attachment, garnishment, sale, transfer, assignment (either at law or in equity), levy, execution, pledge, encumbrance, charge or any other legal or equitable process, and any attempt to do so will be void; nor will any benefit be in any manner liable for or subject to the debts, contracts, liabilities, engagements or torts of the person entitled thereto. Nothing herein shall be construed as limiting the Employer's right to cause its obligations hereunder to be assumed by a successor to all or a portion of its business or assets.

11.5 RETIREMENT EQUALIZATION BENEFITS. At the time a benefit is paid to a Participant under The TJX Companies, Inc. Retirement Plan (the "Retirement Plan") or The TJX Companies, Inc. Supplemental Executive Retirement Plan (the "SERP") (the "Retirement Plan" and the "SERP" being hereinafter referred to as the "Pension Plans"), the Participant shall be entitled to receive a retirement equalization benefit having a value equal to the difference between (a) the amount such Participant would have been entitled to receive under the Pension Plans if none of his or her Salary had been deferred under this Plan and (b) the amount such Participant actually receives under the Pension Plans. Such retirement equalization benefit shall be payable in the same form that the Participant elects to receive benefits under the Pension Plans. Such retirement equalization benefit shall not be payable to the extent that the Participant is entitled to receive an equalization benefit of comparable value under the SERP or any other plan.

IN WITNESS WHEREOF, the Employer has caused the Plan to be executed and its seal to be affixed hereto, effective as of the 1st day of October, 1998.

THE TJX COMPANIES, INC.

ATTEST/WITNESS

By:

/s/ Judith Casali

/s/ Donald G. Campbell (SEAL)

Print Name:

Print Name:

Judith Casali

Donald G. Campbell

Date:

3-8-99

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 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 Plan.

As Amended on April 13, 1999

THE TJX COMPANIES, INC.

1993 STOCK OPTION PLAN FOR NON-EMPLOYEE DIRECTORS

1. PURPOSE

The purpose of this 1993 Stock Option Plan for Non-Employee Directors (the "Plan") is to advance the interests of The TJX Companies, Inc. (the "Company") by increasing the proprietary interest in the Company of non-employee members of the Company's Board of Directors by providing a portion of their compensation in options to acquire shares ("Shares") of the Company's common stock ("Common Stock").

2. ADMINISTRATION

The Plan shall be administered by a committee (the "Committee") of the Board of Directors (the "Board") of the Company designated by the Board for that purpose. The Committee shall have authority, not inconsistent with the express provisions of the Plan, (a) to administer the issuance of options granted in accordance with the formula set forth in this Plan to such directors as are eligible to receive options; (b) to prescribe the form or forms of instruments evidencing options and any other instruments required under the Plan and to change such forms from time to time; (c) to adopt, amend and rescind rules and regulations for the administration of the Plan; and (d) to interpret the Plan and to decide any questions and settle all controversies and disputes that may arise in connection with the Plan. Such determinations of the Committee shall be conclusive and shall bind all parties. Transactions under this plan are intended to comply with all applicable conditions of Rule 16b-3 or its successors under Section 16 of the Securities Exchange Act of 1934 ("Rule 16b-3"). To the extent any provision of the Plan or action by the Committee fails to so comply, it shall be deemed null and void, to the extent permitted by law and deemed advisable by the Committee.

3. EFFECTIVE DATE AND TERM OF PLAN

The Plan shall become effective on the date approved by the shareholders of the Company. No option shall be granted under the Plan after the day of the annual meeting of stockholders held in 2002, but options previously granted may extend beyond that date.

4. SHARES SUBJECT TO THE PLAN

(a) NUMBER OF SHARES. The maximum number of Shares that may be delivered upon the exercise of options granted under the Plan shall be 200,000. If any option granted under the Plan terminates without having been exercised in full, the number of Shares as to which such option was not exercised shall be available for future grants within the foregoing limit.

(b) SHARES TO BE DELIVERED. Shares delivered under the Plan after April 7, 1998 shall be previously issued Shares acquired by the Company and held in treasury. No fractional Shares shall be delivered under the Plan.

(c) CHANGES IN STOCK; RESTRUCTURING, ETC. In the event of a stock dividend, stock split or combination of shares, the number and kind of shares of stock or securities of the Company subject to options then outstanding or subsequently granted under the Plan, the maximum number of shares or securities that may be delivered under the Plan, the exercise price, and other relevant provisions shall be appropriately adjusted by the Committee. In the event of any other recapitalization, reorganization, extraordinary dividend or distribution or restructuring transaction affecting the Common Stock, the number of shares issuable under this Plan shall be subject to such adjustment as the Committee may deem appropriate, and the number of shares issuable pursuant to any option theretofore granted (whether or not then exercisable) and/or the option price per share of such option shall be subject to such adjustment as the Committee may deem appropriate with a view toward preserving the value of such option.

5. ELIGIBILITY FOR OPTIONS

Directors eligible to receive options under the Plan ("Non-Employee Directors") shall be those directors who are not present or former employees of the Company or of any subsidiary of the Company.

6. TERMS AND CONDITIONS OF OPTIONS

(a) NUMBER OF OPTIONS (REFLECTS 2 FOR 1 STOCK SPLIT EFFECTIVE JUNE, 1998).

In addition to options granted prior to the amendment of the Plan on April 13, 1999, on the date of each subsequent annual meeting, each Non-Employee Director who has served since at least the previous annual meeting and is continuing in office and each newly elected Non-Employee Director shall be awarded an option covering 4,000 Shares. For purposes of this paragraph, each Non-Employee Director elected to office by the Board since the then last annual meeting shall be treated as a newly elected Non-Employee Director.

(b) EXERCISE PRICE. The exercise price of each option shall be 100% of the fair market value per Share at the time the option is granted. In no event, however, shall the option price be less, in the case of an original issue of authorized stock, than par value per share. For

purposes of this paragraph, the fair market value of a Share on any date shall be the last sale price of a share of Common Stock on such day as reflected in the New York Stock Exchange Composite Transactions Index or, if there was no such reported price on such day, the latest day prior thereto on which there was such a reported price.

(c) DURATION OF OPTIONS. The latest date on which an option may be exercised (the "Final Exercise Date") shall be the date which is ten years from the date the option was granted.

(d) EXERCISE OF OPTIONS.

- (1) Each option shall become exercisable to the full extent of all Shares covered thereby one year after the date of the grant.
- (2) Any exercise of an option shall be in writing, signed by the proper person and delivered or mailed to the Company, accompanied by (i) any documentation required by the Committee and (ii) payment in full for the number of Shares for which the option is exercised.
- (3) If tax withholding is required under applicable federal, state or local tax laws, the Committee may withhold from the number of Shares otherwise issuable to the individual upon exercise a number of Shares with a fair market value equal to any federal, state or local withholding tax requirements due upon the exercise of the option.
- (4) If an option is exercised by the executor or administrator of a deceased director, or by the person or persons to whom the option has been transferred by the director's will or the applicable laws of descent and distribution, the Company shall be under no obligation to deliver Shares pursuant to such exercise until the Company is satisfied as to the authority of the person or persons exercising the option.

(e) PAYMENT FOR AND DELIVERY OF SHARES. Shares purchased under the Plan shall be paid for as follows: (i) by certified or bank check or other instrument or means acceptable to the Committee (in accordance with guidelines established for this purpose), (ii) through the delivery of shares of Company common stock (which, in the case of shares acquired from the Company, have been outstanding for at least six months) having a fair market value on the last business day preceding the date of exercise equal to the purchase price, (iii) by delivery of an unconditional and irrevocable undertaking by a broker to deliver promptly to the Company sufficient funds to pay the exercise price or (iv) by any combination of the permissible forms of payment.

An option holder shall not have the rights of a shareholder with regard to awards under the Plan except as to Stock actually received by him or her under the Plan.

The Company shall not be obligated to deliver any Shares (1) until, in the opinion of the Company's counsel, all applicable federal, state and foreign laws and regulations have been complied with, and (2) if the Company's common stock outstanding is at the time listed on any stock exchange, until the Shares to be delivered have been listed or authorized to be listed on such exchange upon official notice of issuance, and (3) until all other legal matters in connection with the issuance and delivery of such Shares have been approved by the Company's counsel. If the sale of Stock has not been registered under the Securities Act of 1933, as amended, the Company may require, as a condition to exercise of the option, such representations or agreements as counsel for the Company may consider appropriate to avoid violation of such Act and may require that the certificates evidencing such Shares bear an appropriate legend restricting transfer.

(f) NONTRANSFERABILITY OF OPTIONS. No option may be transferred other than by will or by the laws of descent and distribution, and during a director's lifetime an option may be exercised only by him or her.

(g) DEATH AND DISABILITY OF A DIRECTOR. Upon the death or disability (as determined by the Committee) of any director granted options under this Plan, all options not then exercisable shall terminate. All options held by the director that are exercisable immediately prior to such event may be exercised by such director or by his or her executor or administrator, or by the person or persons to whom the option is transferred by will or the applicable laws of descent and distribution, at any time within three years after such event. After completion of that three-year period, such options shall terminate to the extent not previously exercised. Notwithstanding the foregoing, options held by a director who dies in the third year following such disability shall remain exercisable for one year following death. In no event shall any option referred to in this paragraph 6(g) be exercisable beyond its stated term, if earlier.

(h) RETIREMENT OF A DIRECTOR. Options granted under this Plan prior to April 13, 1999 shall terminate at the time of a director's Retirement (as defined below) to the extent not then exercisable. Options granted under this Plan on or after April 13, 1999 which are held by a director at his or her Special Service Retirement (as defined below), to the extent not then fully exercisable, shall continue to become exercisable during the post-retirement exercise period described below as though such director had remained a director during such period, or on such accelerated basis as the Committee shall at any time determine. Unless terminated in accordance with the foregoing, each option held by a director at the time of his or her Retirement or Special Service Retirement may thereafter be exercised (to the extent exercisable) for a period of three years from the date of such retirement or until the expiration of the stated term of the option, if earlier. The death of a director during the final year of such exercise period shall extend such period for one year following death or until the expiration of the stated term of the option, if earlier. As used herein, "Retirement" shall mean retirement

from the Board after attaining age 65 with at least 10 years of service as a director. "Special Service Retirement" shall mean retirement from the Board after attaining age 65 with at least 10 years of service as a director or after attaining age 60 with at least 20 years of service as a director.

(i) OTHER TERMINATION OF STATUS OF DIRECTOR. If a director's service with the Company terminates for any reason other than death, disability, Retirement or Special Retirement as specified in paragraph 6(g) or 6(h), all options held by the director that are not then exercisable shall terminate. Options that are exercisable on the date of termination shall continue to be exercisable for a period of three months (or six months in the case of options granted after April 8, 1998), but not beyond their stated term if earlier. After completion of such three-month or six month period, such options shall terminate to the extent not previously exercised, expired or terminated.

(i) MERGERS, ETC. In the event of a consolidation or merger in which the Company is not the surviving corporation or which results in the acquisition of substantially all the Company's outstanding Stock by a single person or entity or by a group of persons and/or entities acting in concert, or in the event of a sale of all or substantially all assets or a dissolution or liquidation of the Company, all options hereunder will terminate; provided, that 20 days prior to the effective date of any such merger, consolidation, sale, dissolution, or liquidation, all options outstanding hereunder that are not otherwise exercisable shall become immediately exercisable.

7. EFFECT, TERMINATION AND AMENDMENT

The Committee may at any time terminate the Plan as to any further grants of options. The Board may at any time or times amend the Plan for any purpose which may at the time be permitted by law; provided, that except to the extent expressly required or permitted by the Plan, no such amendment will, without the approval of the stockholders of the Company, effectuate a change for which stockholder approval is required in order for the Plan to continue to qualify under Rule 16b-3.

THE TJX COMPANIES, INC.

DEFERRED STOCK PLAN FOR NON-EMPLOYEE DIRECTORS

1. INTRODUCTION. Reference is made to The TJX Companies, Inc. Retirement Plan for Directors (formerly the Zayre Corp. Retirement Plan for Directors) (the "Directors Retirement Plan"), under which non-employee members of the board of directors of The TJX Companies, Inc. (the "Company") earned benefits payable in accordance with the terms of the Directors Retirement Plan. The Deferred Stock Plan for Non-Employee Directors set forth herein (as the same may be amended, the "Plan") has been adopted (i) to replace benefits under the Directors Retirement Plan with a commitment on the part of the Company to deliver to eligible directors or their beneficiaries, upon the director's retirement or earlier termination, common stock of the Company ("Stock") in an amount and subject to the terms set forth below, and (ii) to provide for continuing awards of deferred Stock to eligible directors on the terms set forth below. A maximum of 50,000 shares of Stock (appropriately adjusted by the Administrator for mergers, consolidations, stock splits, stock dividends and similar changes in capitalization affecting the Stock that occur after January 1, 1998) are authorized for delivery under the Plan.

2. ELIGIBILITY. Participants in the Plan (each, a "Participant") shall consist of the individuals listed on Exhibit A hereto and each other individual who from time to time after January 1, 1998 serves as a member of the Board of Directors of the Company. No individual who is or at any time has been an employee of the Company or of any company while such company is a direct or indirect subsidiary of the Company shall be eligible to participate in the Plan.

3. ADMINISTRATION. The Plan shall be administered by the Executive Compensation Committee of the Board of Directors of the Company, or its delegate (the "Administrator"). The Administrator shall have full discretion, consistent with the terms of the Plan, to interpret the Plan and make all determinations hereunder.

4. CONVERSION OF EXISTING BENEFITS. Each Participant listed on Exhibit A, each of whom has accrued a benefit under the Directors Retirement Plan, shall have an initial credit under the Plan equal to the number of shares set forth opposite such Participant's name on Exhibit A. Units representing such shares shall be credited to the Participant's Account in accordance with paragraph 5 below.

5. ACCOUNT. For each Participant, there shall be maintained on the books of the

Company a memorandum account (the "Account") reflecting the Participant's right to receive shares of Stock in the future. In the case of a Participant listed on Exhibit A, the Account shall have an opening balance as of January 1, 1998 equal to the number of shares specified in Exhibit A. Thereafter, there shall be credited to the Account of each Participant who is elected a director at (or if previously elected, continues as a director after) each annual meeting of the stockholders of the Company a number of units equal to \$10,000 divided by the closing price of a share of Stock on the date of such annual meeting. The number of share units credited to a Participant's Account shall be appropriately adjusted by the Administrator for mergers, consolidations, stock splits, stock dividends and similar changes in capitalization affecting the Stock that occur after the date such share units are credited to the Account. In the case of any cash dividend for which the ex-dividend date occurs after the date share units are credited to an Account, there shall be added to the Account a number of share units equal to the dividend that would have been paid on the shares represented by the units credited to the Account (before application of this sentence) had those shares been outstanding, divided by the closing price of one share of Stock on the date the dividend is paid. The share units reflected on the books of the Company as credited to a Participant's Account shall be "phantom" or notional shares only and shall not entitle the Participant to any voting rights or to any dividend or distribution rights except as expressly set forth herein. Nothing herein shall obligate the Company to issue or set aside shares of Stock, in trust or otherwise, to meet its contractual obligations under the Plan prior to distribution of a Participant's benefit.

6. DELIVERY OF STOCK. As soon as practicable following the earlier of a Change of Control (as defined in the Company's 1986 Stock Incentive Plan as from time to time amended and in effect) or a termination for any reason (including death) of a Participant's service as a director of the Company, in each case occurring after January 1, 1998, the Company shall deliver to the Participant (or in the event of the Participant's death, to his or her designated beneficiary) a number of shares of Stock equal to the number of whole share units credited to the Participant's Account, plus cash equal to the fair market value of any fractional share units credited to the Account. The Company may withhold such required taxes (if any), as the Administrator determines as a precondition to the delivery of any shares or the payment of any cash hereunder. Shares of Stock delivered under the Plan shall consist of treasury shares.

7. DESIGNATION OF BENEFICIARY. A Participant may at any time designate a beneficiary or beneficiaries to receive any shares or cash remaining to be paid hereunder at the time of the Participant's death. Any such designation or change in designation shall be effective only if made in writing, in form acceptable to the Administrator, and received by the Administrator prior to the Participant's death. In the absence of an effective beneficiary designation hereunder, any amounts payable hereunder upon the Participant's death shall be paid to his or her estate.

8. NO ASSIGNMENT; NATURE OF RIGHTS. Rights under the Plan are not transferable or subject to assignment or alienation of any kind. The obligations of the Company under the Plan are unfunded contractual obligations only, and the rights, if any, of a Participant or beneficiary to any benefits or distributions hereunder shall be no greater than those of an unsecured general creditor of the Company.

9. BINDING ON SUCCESSORS. The obligations of the Company under the Plan shall be binding on any successor to the Company or to its business, by merger or otherwise.

10. AMENDMENT AND TERMINATION. The Company by vote of its Board of Directors may at any time terminate the Plan or at any time and from time to time amend the Plan; provided, that no such action of termination or amendment shall (except to the extent consistent with an adjustment to Accounts described in paragraph 5) reduce the number of share units credited to a Participant's Account immediately prior to the effective date of such termination or amendment. Upon termination of the Plan, the Administrator shall promptly distribute (in whole shares of Stock and cash in lieu of fractional shares) to each Participant the balance in his or her Account. In all events the Plan will terminate when the last Account is distributed.

11. GOVERNING LAW. The Plan shall be construed and administered in accordance with the laws of the State of Delaware.

EXHIBIT A

Name of Director -----	Number of Shares* -----
Phyllis B. Davis	7,148.68
Dennis F. Hightower	1,017.20
John M. Nelson	3,074.68
John F. O'Brien	919.68
Robert Shapiro	4,397.00
Willow B. Shire	1,251.26
Fletcher H. Wiley	4,130.26

* Reflects June 1998 two-for-one stock split

THE TJX RABBI TRUST (1997-1)
AGREEMENT OF TRUST

This Agreement made as of April 9, 1997 by and between The TJX Companies, Inc., a Delaware corporation (the "Employer"), and State Street Bank and Trust Company (the "Trustee");

WHEREAS the Employer and Bernard Cammarata, President and Chief Executive Officer of the Employer (the "Executive"), are parties to an employment agreement dated April 9, 1997 (the "Employment Agreement");

WHEREAS the Employment Agreement provides for certain amounts of compensation to be paid by the Employer to the Executive on a deferred basis under a memorandum account (the "Account") established under the Employment Agreement;

WHEREAS, in accordance with the terms of the Employment Agreement, the Employer wishes to establish a trust to be known as The TJX Rabbi Trust (1997-1) (the "Trust") and to contribute to the Trust assets that shall be held therein, subject to the claims of the Employer's creditors in the event of the Employer's Insolvency, as herein defined, until paid to the Executive or his beneficiaries in such manner and at such times as specified in the Employment Agreement;

WHEREAS it is the intention of the parties that the Trust shall constitute an unfunded arrangement consistent with exemption of the Employment Agreement from Parts 2, 3 and 4 of Subtitle B of Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and with deferral of income for income tax purposes;

WHEREAS it is the intention of the Employer to make contributions to the Trust to provide itself with a source of funds to assist it in the meeting of its liabilities under the Employment Agreement;

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

SECTION 1. ESTABLISHMENT OF TRUST

(a) The Employer hereby deposits with the Trustee in trust two hundred eighty thousand three hundred sixty-seven dollars and forty-three cents (\$280,367.43) and 225,000 shares of common stock of the Employer which, together with any additional contributions and earnings thereon, shall become the principal of the Trust to be held, administered and disposed of by the Trustee as provided in this Trust Agreement. Promptly upon receipt of such deposit, the Trustee shall pay \$225,000 thereof to The TJX Companies, Inc. in payment of the par value of

the contributed shares, whereupon said shares shall be deemed for all purposes of this Trust Agreement as having been issued to the Trust and held therein from and after the effective date hereof.

(b) The Trust hereby established shall be irrevocable, subject to the terms of this Trust Agreement.

(c) The Trust is intended to be a grantor trust, of which the Employer is the grantor, within the meaning of subpart E, part I, subchapter J, Chapter 1, subtitle A of the Internal Revenue Code of 1986, as amended, and shall be construed accordingly.

(d) The principal of the Trust, and any earnings thereon, shall be held separate and apart from other funds of the Employer and except as otherwise expressly provided herein shall be used exclusively to pay to Executive or his beneficiary amounts credited to the Executive under the Account ("Account-Based Benefits"). The Executive and his beneficiaries shall have no preferred claim on, nor any beneficial ownership interest in, any assets of the Trust. Any rights created under the Employment Agreement and this Trust Agreement shall be mere unsecured contractual rights of the Executive and his beneficiaries against the Employer. Any assets held by the Trust will be subject to the claims of the Employer's general creditors under federal and state law in the event of Insolvency, as defined in Section 3(a) herein.

(e) The Employer, in its sole discretion, may at any time or 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. Neither the Trustee nor Executive or his beneficiary shall have any right to compel such additional deposits.

SECTION 2. PAYMENTS TO THE EXECUTIVE AND HIS BENEFICIARIES.

(a) Except as provided at Section 3, the Trustee shall make Account-Based Benefit payments to the Executive from the Trust in such amounts and at such times as the Employer, acting through the Chief Financial Officer of the Employer or his authorized delegate, or through such other body or person as may be designated by the Executive Compensation Committee of the Board of Directors of the Employer (the "ECC") shall direct (the Chief Financial Officer or his authorized delegate, or such other body or person, being hereinafter referred to as the "Authorizing Agent"). The Chairman of the ECC or, in the absence of direction from such Chairman, the Chief Financial Officer of the Employer shall designate in a writing delivered to the Trustee the individuals authorized to act on behalf of the Authorizing Agent for all purposes of this Trust Agreement. The Employer shall make provision for the reporting and withholding of any federal, state or local taxes that may be required to be withheld with respect to the deferral of compensation or the payment of benefits pursuant to the terms of the Employment Agreement and shall pay amounts withheld to the appropriate taxing authorities.

(b) The entitlement of the Executive or beneficiary to Account-Based Benefits shall be determined by the ECC or such party as it shall designate under the Employment Agreement, and any claim for such Benefits shall be considered and reviewed under the procedures set out in the Employment Agreement.

(c) Upon certification to the Trustee by the Authorizing Agent that the Employer has made a payment directly to the Executive of all or a portion of the Employer's obligation to Executive with respect to an Account-Based Benefit payment, the Trustee shall reimburse the Employer for such payment out of the assets of the Trust. In addition, if the principal of the Trust, and earnings thereon, are not sufficient to make payments of Account-Based Benefits in accordance with the terms of the Employment Agreement, the Employer shall make the balance of each such payment as it falls due.

(d) As of the end of each calendar quarter, the value of the assets of the Trust shall be determined by the Trustee, based, in the case of assets with a readily ascertainable market value, on such assets' market value and, in the case of assets, if any, without a readily ascertainable market value, on such valuation methodology reasonably acceptable to both the Trustee and the Employer. In the event the value of the assets of the Trust as of the end of a calendar quarter exceeds the then balance of the Account as determined by the Employer, the Trustee shall, at the request of the Employer, distribute such excess to the Employer. In the event the balance of the Account as of the end of such calendar quarter, as determined by the Employer, exceeds the value of the assets of the Trust as of such date, the Employer shall promptly make a deposit to the Trust in cash or other assets having a value equal to such excess.

SECTION 3. TRUSTEE RESPONSIBILITY REGARDING PAYMENTS TO TRUST BENEFICIARY WHEN THE EMPLOYER IS INSOLVENT.

(a) The Trustee shall cease payment of benefits to the Executive and his beneficiaries if the Employer is Insolvent. The Employer shall be considered "Insolvent" for purposes of this Trust Agreement if (i) the Employer is unable to pay its debts as they become due, or (ii) the Employer is subject to a pending proceeding as a debtor under the United States Bankruptcy Code.

(b) At all times during the continuance of this Trust, as provided in Section 1(d) hereof, the principal and income of the Trust shall be subject to claims of general creditors of the Employer under federal and state law as set forth below.

- (1) The Board of Directors and the Chief Financial Officer of the Employer shall have the duty to inform the Trustee in writing of the Employer's Insolvency. If a person claiming to be a creditor of the Employer alleges in writing to the Trustee that the Employer has become Insolvent, the Trustee shall determine whether the

Employer is Insolvent and, pending such determination, the Trustee shall discontinue payment of benefits to the Executive or his beneficiaries.

- (2) Unless the Trustee has actual knowledge of the Employer's Insolvency, or has received notice from the Employer or a person claiming to be a creditor alleging that the Employer is Insolvent, the Trustee shall have no duty to inquire whether the Employer is Insolvent. The Trustee may in all events rely on such evidence concerning the Employer's solvency as may be furnished to the Trustee and that provides the Trustee with a reasonable basis for making a determination concerning the Employer's solvency.
- (3) If at any time the Trustee has determined that the Employer is Insolvent, the Trustee shall discontinue payments to the Executive or his beneficiaries and shall hold the assets of the Trust for the benefit of the Employer's general creditors. Nothing in this Trust Agreement shall in any way diminish any rights of the Executive or his beneficiaries to pursue their rights as general creditors of the Employer with respect to benefits due under the Employment Agreement.
- (4) The Trustee shall resume the payment of benefits to the Executive or his beneficiaries in accordance with Section 2 of this Trust Agreement only after the Trustee has determined that the Employer is not Insolvent (or is no longer Insolvent).

SECTION 4. PAYMENTS TO THE EMPLOYER.

Except as provided in Section 1(a), 2(c), 2(d), 3 or 5(c) hereof, the Employer shall have no right or power to direct the Trustee to return to the Employer or to divert to others any of the Trust assets before all Account-Based Benefits payments have been made to the Executive or his beneficiaries pursuant to the terms of the Employment Agreement.

SECTION 5. INVESTMENT AUTHORITY.

(a) The Trustee shall invest the principal of the Trust and any earnings thereon in accordance with the directions of the Authorizing Agent. The Trustee shall have no duty to inquire into or review the appropriateness of the investments made pursuant to the directions of the Authorizing Agent. Transactions involving assets of the Trust shall be effected through a brokerage account established with such broker and on such terms as shall be mutually agreeable to the Authorizing Agent and the Trustee.

(b) Subject to Section 5(a) and in accordance with the directions of the Authorizing Agent, the Trustee may invest in securities (including stock or rights to acquire stock) or

obligations issued by The TJX Companies, Inc. Any dividend or voting rights with respect to Trust assets will be exercised by the Employer.

(c) The Employer acting through the Authorizing Agent shall have the right at any time and from time to time in its sole discretion to substitute assets of equal fair market value, including cash, for any asset, including cash, held by the Trust.

SECTION 6. DISPOSITION OF INCOME.

During the term of the Trust and subject to the terms of this Trust Agreement, all income received by the Trust, net of expenses and taxes paid by the Trust, shall be accumulated and reinvested.

SECTION 7. ACCOUNTING BY THE TRUSTEE.

The Trustee shall keep accurate and detailed records of all investments, receipts, disbursements, and all other transactions required to be made, including such specific records as shall be agreed upon in writing between the Employer and the Trustee. Within 60 days following the close of each calendar year and within 60 days after the removal or resignation of the Trustee, the Trustee shall deliver to the Employer 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 or as of the date of such removal or resignation, as the case may be.

SECTION 8. 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 like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. In the event of a dispute between the Employer and a party, the Trustee may apply to a court of competent jurisdiction to resolve the dispute.

(b) The Employer agrees to indemnify and hold harmless the Trustee from and against any losses, costs, damages, claims or expenses, including reasonable attorneys' fees, which the Trustee may incur or pay out in connection with, or otherwise arising out of, the performance by the Trustee of its duties hereunder (including, but not limited to, any liability (i) relating to the Employer's provision for reporting and withholding of any federal, state or local

taxes pursuant to Section 2(a) or (ii) to any person for any action taken pursuant to a direction, request or approval given by the Employer or the Authorizing Agent which is contemplated by, and in conformity with, the terms of the Trust and is given in writing by the Employer or the Authorizing Agent) or arising solely by reason of the Trustee having the status as the holder of the Trust, provided, however, that the Employer shall not indemnify or hold harmless the Trustee from any such losses, costs, damages, claims or expenses resulting from the negligence or malfeasance of the Trustee. Any amount owed by the Employer to the Trustee under this Section, to the extent not paid by the Employer, shall be a charge upon, and may be reimbursed from, the Trust.

(c) The Trustee may consult with legal counsel (who may also be counsel for the Employer) with respect to any of its duties or obligations hereunder.

(d) The Trustee may hire agents, accountants, actuaries, investment advisors, financial consultants or other professionals to assist it in performing any of its duties or obligations hereunder. The Trustee shall timely file, or cause to be filed, Internal Revenue Service Form 1041 (or its successor form), as required by law or regulation, and any similar information tax return required under state or local law.

(e) The Trustee shall have, without exclusion, all powers conferred on trustees by applicable law, unless expressly provided otherwise herein, provided, however, that if an insurance policy is held as an asset of the Trust, Trustee shall have no power to name a beneficiary of the policy other than the Trust, to assign the policy (as distinct from conversion of the policy to a different form) other than to a successor Trustee, or to loan to any person, other than the Trustee, the proceeds of any borrowing against such policy.

(f) Notwithstanding any powers granted to the Trustee pursuant to this Trust Agreement or to applicable law, the Trustee shall not have any power that could give the Trust the objective of carrying on a business and dividing the gains therefrom, within the meaning of Section 301.7701-2 of the Procedure and Administrative Regulations promulgated pursuant to the Internal Revenue Code.

SECTION 9. COMPENSATION AND EXPENSES OF THE TRUSTEE.

The Trustee shall be entitled to a fee for its services hereunder determined in accordance with Exhibit A. All ordinary investment and administrative expenses of the Trust, including the Trustee's fees, shall be paid from the Trust unless paid by the Employer in its sole discretion. The Employer shall pay any other expenses of the Trust, but if such expenses remain unpaid 30 days after they are billed to the Employer, they shall be paid from the Trust.

SECTION 10. RESIGNATION AND REMOVAL OF THE TRUSTEE.

(a) The Trustee may resign at any time by written notice to the Employer, which shall be effective 30 days after receipt of such notice unless the Employer and the Trustee agree otherwise.

(b) The Trustee may be removed by the Employer on 30 days' notice or upon shorter notice accepted by the Trustee.

(c) Upon resignation or removal of the Trustee and appointment of a successor Trustee, all assets shall subsequently be transferred to the successor Trustee. The transfer shall be completed within 30 days after receipt of notice of resignation, removal or transfer, unless the Employer extends the time limit.

(d) If the Trustee resigns or is removed, a successor shall be appointed, in accordance with Section 11 hereof, by the effective date of resignation or removal under paragraph (a) or (b) of this section. If no such appointment has been made, the Trustee may apply to a court of competent jurisdiction for appointment of a successor or for instructions. All expenses of the Trustee in connection with the proceeding shall be allowed as administrative expenses of the Trust.

SECTION 11. APPOINTMENT OF SUCCESSOR.

(a) If the Trustee resigns or is removed in accordance with Section 10(a) or (b) hereof, the Employer may appoint any third party, such as a bank trust department or other party that may be granted corporate trustee powers under state law, as a successor to replace the Trustee upon resignation or removal. The appointment shall be effective when accepted in writing by the new Trustee, who shall have all of the rights and powers of the former Trustee, including ownership rights in the Trust assets. The former Trustee shall execute any instrument necessary or reasonably requested by the Employer or the successor Trustee to evidence the transfer.

(b) The successor Trustee need not examine the records and acts of any prior Trustee and may retain or dispose of existing Trust assets, subject to Sections 7 and 8 hereof. The successor Trustee shall not be responsible for, and the Employer shall indemnify and defend the successor Trustee from, any claim or liability resulting from any action or inaction of any prior Trustee or from any other past event, or any condition existing at the time it becomes successor Trustee.

SECTION 12. AMENDMENT OR TERMINATION.

(a) This Trust Agreement may be amended by a written instrument executed by the Trustee and the Employer. Notwithstanding the foregoing, no such amendment shall conflict with the terms of the Employment Agreement or make the Trust revocable (except as provided under the Trust Agreement as in effect before such amendment), unless the Executive (if alive) or his beneficiaries (if the Executive is deceased) have consented in writing to such amendment.

(b) The Trust shall not terminate until the date on which the Executive or his beneficiaries are no longer entitled to Account-Based Benefits. Upon written approval of the Executive (or, if he is deceased his beneficiaries) if he (or his beneficiaries) continue to be entitled to payment of benefits pursuant to the terms of the Employment Agreement, the Employer may terminate the Trust prior to the time all benefit payments have been made. Upon termination of the Trust, any assets remaining in the Trust shall be returned to the Employer.

SECTION 13. MISCELLANEOUS.

(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 the Executive or his beneficiaries under this Trust Agreement may not be anticipated, assigned (either at law or in equity), alienated, pledged, encumbered or subjected to attachment, garnishment, levy, execution or other legal or equitable process.

(c) This Trust Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

SECTION 14. EFFECTIVE DATE.

This Trust Agreement shall be effective as of the date first above written.

IN WITNESS WHEREOF, the parties have caused this agreement to be signed on their behalves by their duly authorized officers.

The TJX Companies, Inc.

By: /s/ Donald G. Campbell

Title: Executive Vice President - Finance
Chief Financial Officer
Date: May 14, 1997

State Street Bank and Trust Company

By: /s/ Kimberly D. Gluck

Title: Vice President
Date: 5/14/97

EXHIBIT A
THE TJX RABBI TRUST (1997-1)
SCHEDULE OF TRUSTEE FEES

The following annual trustee fees shall be payable to the Trustee for the performance of its services as Trustee under the Trust:

\$2,500 plus
10 basis points on the first \$10,000,000 of assets in the Trust
5 basis points on the second \$10,000,000 of assets in the Trust

Minimum annual fee: \$5,000

No basis points will be levied on stock of The TJX Companies, Inc. held in the Trust

Fees will be billed quarterly in arrears, with such fees based on the average net asset value of the assets of the Trust for the previous three months.

THE TJX COMPANIES, INC.
 DETAILED COMPUTATIONS OF NET INCOME PER COMMON SHARE
 BASIC AND DILUTED

	Fiscal Year Ended				
	January 30, 1999	January 31, 1998	January 25, 1997	January 27, 1996	January 28, 1995
The computation of net income available and adjusted shares outstanding follows:					
Net income	\$424,154,000	\$304,815,000	\$363,123,000	\$ 26,261,000	\$ 82,619,000
Less provision for dividends on preferred stock in each year	3,523,000	11,668,000	13,741,000	9,407,000	7,156,000
A) Net income used for basic computation	420,631,000	293,147,000	349,382,000	16,854,000	75,463,000
Add (where dilutive):					
Provision for preferred dividends	3,523,000	11,668,000	13,741,000	93,000	--
B) Net income used for diluted computation	\$424,154,000	\$304,815,000	\$363,123,000	\$ 16,947,000	\$ 75,463,000
C) Weighted average number of common shares outstanding, used for basic calculation	318,073,081	321,474,046	300,926,904	289,660,704	292,541,336
Add (where dilutive):					
Assumed conversion of:					
Convertible preferred stock	10,914,354	24,032,172	46,331,584	1,064,628	--
Stock options	5,660,515	4,105,966	3,391,612	56,568	1,296,464
D) Adjusted shares outstanding, used for fully diluted computation	334,647,950	349,612,184	350,650,100	290,781,900	293,837,800
Earnings per share:					
Basic (A divided by C)	\$ 1.32	\$ 0.91	\$ 1.16	\$ 0.06	\$ 0.26
Diluted (B divided by D)	\$ 1.27	\$ 0.87	\$ 1.04	\$ 0.06	\$ 0.26

Note: Share amounts above are presented as if the 2 for 1 stock split had been effective for each period.

(L = British Pound Sterling)

EXHIBIT 13

PORTIONS OF THE TJX COMPANIES, INC.
1998 ANNUAL REPORT

STORE LOCATIONS

at 1/30/99	T.J. Maxx	Marshalls
-----	-----	-----
Alabama	10	2
Arizona	8	4
Arkansas	5	-
California	45	66
Colorado	8	3
Connecticut	23	19
Delaware	3	2
District of Columbia	1	-
Florida	42	41
Georgia	23	20
Idaho	1	-
Illinois	33	34
Indiana	9	4
Iowa	4	1
Kansas	4	3
Kentucky	7	1
Louisiana	4	5
Maine	5	1
Maryland	7	13
Massachusetts	43	38
Michigan	29	7
Minnesota	12	10
Mississippi	3	-
Missouri	6	7
Montana	1	-
Nebraska	2	1
Nevada	4	3
New Hampshire	9	6
New Jersey	16	28
New Mexico	1	-
New York	41	38
North Carolina	18	12
North Dakota	3	-
Ohio	33	7
Oklahoma	3	1
Oregon	5	3
Pennsylvania	29	16
Puerto Rico	-	11
Rhode Island	5	3
South Carolina	10	5
South Dakota	1	-
Tennessee	14	7
Texas	24	29
Utah	5	-
Vermont	2	-
Virginia	23	19
Washington	8	4
West Virginia	1	-
Wisconsin	11	1
	---	---
Total Stores	604	475
	===	===

Winners Apparel Ltd. operates 87 stores in Canada; HomeGoods operates 35 stores in the United States; T.K. Maxx operates 36 stores in the United Kingdom, 1 store in the Republic of Ireland, and 2 in the Netherlands; A.J. Wright operates 6 stores in the United States.

SHAREHOLDER INFORMATION

COMMON STOCK

TRANSFER AGENT AND REGISTRAR

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

The First National Bank of Chicago

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 <http://www.tjx.com> or to contact:

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

ANNUAL MEETING

The 1999 annual meeting will be held at 11:00 a.m. on Tuesday, June 8, 1999 at 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) 475797 (in the U.K.)

A.J. Wright: 1-888-SHOPA JW

CONSOLIDATED STATEMENTS OF INCOME

Dollars in Thousands Except Per Share Amounts	Fiscal Year Ended		
	January 30, 1999	January 31, 1998 (53 weeks)	January 25, 1997
Net sales	\$ 7,949,101	\$ 7,389,069	\$ 6,689,410
Cost of sales, including buying and occupancy costs	5,957,415	5,676,541	5,198,783
Selling, general and administrative expenses	1,285,988	1,185,755	1,087,137
Interest expense, net	1,686	4,502	37,350
Income from continuing operations before income taxes and extraordinary item	704,012	522,271	366,140
Provision for income taxes	270,810	215,679	152,314
Income from continuing operations before extraordinary item	433,202	306,592	213,826
Discontinued operations:			
Income from discontinued operations, net of income taxes	--	--	29,361
Gain (loss) on disposal of discontinued operations, net of income taxes	(9,048)	--	125,556
Income before extraordinary item	424,154	306,592	368,743
Extraordinary (charge), net of income taxes	--	(1,777)	(5,620)
Net income	424,154	304,815	363,123
Preferred stock dividends	3,523	11,668	13,741
Net income available to common shareholders	\$ 420,631	\$ 293,147	\$ 349,382
Basic earnings per share:			
Income from continuing operations before extraordinary item	\$ 1.35	\$ 0.92	\$.66
Net income	\$ 1.32	\$ 0.91	\$ 1.16
Weighted average common shares basic	318,073,081	321,474,046	300,926,904
Diluted earnings per share:			
Income from continuing operations before extraordinary item	\$ 1.29	\$ 0.88	\$.61
Net income	\$ 1.27	\$ 0.87	\$ 1.04
Weighted average common shares diluted	334,647,950	349,612,184	350,650,100
Cash dividends per share	\$.12	\$ 0.10	\$.07

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

CONSOLIDATED BALANCE SHEETS

In Thousands -----	January 30, 1999 -----	January 31, 1998 -----
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 461,244	\$ 404,369
Accounts receivable	67,345	60,735
Merchandise inventories	1,186,068	1,190,170
Prepaid expenses	28,448	27,357
	-----	-----
Total current assets	1,743,105	1,682,631
	-----	-----
Property at cost:		
Land and buildings	115,485	108,729
Leasehold costs and improvements	547,099	480,964
Furniture, fixtures and equipment	711,320	611,470
	-----	-----
	1,373,904	1,201,163
Less: accumulated depreciation and amortization	617,302	515,027
	-----	-----
	756,602	686,136
	-----	-----
Other assets		
Deferred income taxes	27,436	36,645
Goodwill and tradename, net of amortization	22,386	--
	198,317	204,220
	-----	-----
Total Assets	\$ 2,747,846	\$2,609,632
	=====	=====
LIABILITIES		
Current liabilities:		
Current installments of long-term debt	\$ 694	\$ 23,360
Accounts payable	617,159	582,791
Accrued expenses and other current liabilities	688,993	611,506
	-----	-----
Total current liabilities	1,306,846	1,217,657
	-----	-----
Long-term debt, exclusive of current installments		
Deferred income taxes	220,344	221,024
	--	6,859
SHAREHOLDERS' EQUITY		
Preferred stock at face value, authorized 5,000,000 shares, par value \$1, issued and outstanding cumulative convertible stock of 727,300 shares of 7% Series E at January 31, 1998	--	72,730
Common stock, authorized 600,000,000 shares, par value \$1, issued and outstanding 322,140,770 and 159,901,247 shares	322,141	159,901
Additional paid-in capital	--	198,736
Accumulated other comprehensive income (loss)	(1,529)	3,317
Retained earnings	900,044	729,408
	-----	-----
Total shareholders' equity	1,220,656	1,164,092
	-----	-----
Total Liabilities and Shareholders' Equity	\$ 2,747,846	\$2,609,632
	=====	=====

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

In Thousands -----	Fiscal Year Ended		
	January 30, 1999 -----	January 31, 1998 ----- (53 weeks)	January 25, 1997 -----
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	\$ 424,154	\$ 304,815	\$ 363,123
Adjustments to reconcile net income to net cash provided by operating activities:			
(Income) from discontinued operations, net of income taxes	--	--	(29,361)
Loss (gain) on disposal of discontinued operations	9,048	--	(125,556)
Extraordinary charge	--	1,777	5,620
Depreciation and amortization	136,531	124,891	126,830
Property disposals and asset write-downs	6,037	18,778	25,399
Other, net	(6,296)	(3,928)	(732)
Changes in assets and liabilities, excluding effect of acquisitions and dispositions:			
(Increase) in accounts receivable	(6,610)	(3,460)	(2,131)
(Increase) decrease in merchandise inventories	4,102	(130,665)	198,983
(Increase) decrease in prepaid expenses	(1,091)	(10,978)	27
Increase in accounts payable	34,368	48,846	95,677
Increase in accrued expenses and other current liabilities	62,491	39,184	11,928
(Decrease) in deferred income taxes	(19,965)	(3,793)	(5,344)
Net cash provided by operating activities	642,769	385,467	664,463
CASH FLOWS FROM INVESTING ACTIVITIES:			
Property additions	(207,742)	(192,382)	(119,153)
Proceeds from sale of other assets	9,421	15,697	--
Acquisition of Marshalls, net of cash acquired	--	--	(49,327)
Proceeds from (adjustments to) sale of discontinued operations	--	(33,190)	222,800
Net cash provided by (used in) investing activities	(198,321)	(209,875)	54,320
CASH FLOWS FROM FINANCING ACTIVITIES:			
Principal payments on long-term debt	(23,360)	(27,179)	(46,506)
Prepayment of long-term debt	--	--	(455,560)
Proceeds from sale and issuance of common stock, net	27,763	15,471	34,395
Stock repurchased	(350,319)	(245,198)	--
Cash dividends	(41,657)	(43,500)	(35,019)
Net cash (used in) financing activities	(387,573)	(300,406)	(502,690)
Net cash provided by (used in) continuing operations	56,875	(124,814)	216,093
Net cash provided by discontinued operations	--	54,451	49,413
Net increase (decrease) in cash and cash equivalents	56,875	(70,363)	265,506
Cash and cash equivalents at beginning of year	404,369	474,732	209,226
Cash and cash equivalents at end of year	\$ 461,244	\$ 404,369	\$ 474,732

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

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 27, 1996	\$ 282,500	\$ 72,486	\$ 270,839	\$ (1,680)	\$ 140,489	\$ 764,634
Comprehensive income:						
Net income	--	--	--	--	363,123	363,123
Foreign currency translation	--	--	--	642	--	642
Total comprehensive income						363,765
Cash dividends:						
Preferred stock	--	--	--	--	(13,741)	(13,741)
Common stock	--	--	--	--	(21,278)	(21,278)
Conversion of cumulative preferred stock into common stock:						
Series A	(25,000)	1,190	23,810	--	--	--
Series C	(82,500)	3,178	79,322	--	--	--
Series D	(25,000)	1,350	23,650	--	--	--
Issuance of common stock under stock incentive plans and related tax benefits	--	1,372	32,786	--	--	34,158
Other	--	--	(352)	--	--	(352)
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:						
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:						
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

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

SELECTED INFORMATION BY MAJOR BUSINESS SEGMENT

In Thousands -----	Fiscal Year Ended		
	January 30, 1999	January 31, 1998	January 25, 1997
	----- (53 weeks) -----		
Net sales:			
Off-price family apparel stores	\$7,816,563	\$7,290,959	\$6,602,391
Off-price home fashion stores	132,538	98,110	87,019
	-----	-----	-----
	\$7,949,101	\$7,389,069	\$6,689,410
	=====	=====	=====
Operating income (loss):			
Off-price family apparel stores	\$ 782,706	\$ 596,908	\$ 463,419
Off-price home fashion stores (1)	(4,950)	(8,615)	(14,018)
	-----	-----	-----
	777,756	588,293	449,401
General corporate expense (2)	69,449	58,906	43,297
Goodwill amortization	2,609	2,614	2,614
Interest expense, net	1,686	4,502	37,350
	-----	-----	-----
Income from continuing operations before income taxes and extraordinary item	\$ 704,012	\$ 522,271	\$ 366,140
	=====	=====	=====
Identifiable assets:			
Off-price family apparel stores	\$2,093,879	\$2,033,945	\$1,801,779
Off-price home fashion stores	49,515	39,074	36,493
Corporate, primarily cash, goodwill and deferred taxes (3)	604,452	536,613	668,489
	-----	-----	-----
	\$2,747,846	\$2,609,632	\$2,506,761
	=====	=====	=====
Capital expenditures:			
Off-price family apparel stores	\$ 202,054	\$ 190,720	\$ 104,955
Off-price home fashion stores	5,688	1,662	731
Corporate (3)	--	--	13,467
	-----	-----	-----
	\$ 207,742	\$ 192,382	\$ 119,153
	=====	=====	=====
Depreciation and amortization:			
Off-price family apparel stores	\$ 130,325	\$ 115,967	\$ 113,479
Off-price home fashion stores	3,302	3,186	2,104
Corporate, including goodwill (3)	2,904	5,738	11,247
	-----	-----	-----
	\$ 136,531	\$ 124,891	\$ 126,830
	=====	=====	=====

(1) The periods ended January 30, 1999, January 31, 1998, and January 25, 1997 include a charge of \$2.2 million, \$1.5 million and \$3.1 million, respectively, for certain store closings and other restructuring costs relating to HomeGoods.

(2) General corporate expense for the fiscal year ended January 30, 1999 includes a pre-tax charge of \$6.3 million for costs associated with a fiscal 1998 executive deferred compensation award 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 million for the sale of Brylane, Inc. common stock. General corporate expense for the fiscal year ended January 25, 1997 includes the net operating results of T.K. Maxx. Fiscal years 1999 and 1998 include the operating results of T.K. Maxx in the off-price family apparel stores segment.

(3) The period ended January 25, 1997 includes assets and activity of T.K. Maxx. Fiscal years 1999 and 1998 include T.K. Maxx in the off-price family apparel stores segment.

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 30, 1999 and January 25, 1997 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 and Hit or Miss divisions as discontinued operations. The notes pertain to continuing operations except where otherwise noted.

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 EQUIVALENTS: 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.

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. Maintenance and repairs are charged to expense 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 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 effective May 31, 1990. Goodwill totaled \$79.3 million, net of amortization, as of January 30, 1999 and is being amortized over 40 years. Annual amortization of goodwill was \$2.6 million in fiscal years 1999, 1998 and 1997. Cumulative amortization as of January 30, 1999 and January 31, 1998 was \$25.1 million and \$22.5 million, respectively.

Tradenname 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 final allocation of the purchase price of Marshalls, pursuant to the purchase accounting method, resulted in \$130.0 million being allocated to the tradenname. The value of the tradenname 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 (see Note A). The tradenname is deemed to have an indefinite life and accordingly is being amortized over 40 years. Amortization expense was \$3.2 million, \$3.4 million and \$3.7 million for fiscal years 1999, 1998 and 1997, respectively. Cumulative amortization as of January 30, 1999 and January 31, 1998 was \$11.0 million and \$7.8 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.

During the fiscal year ended January 25, 1997, the Company recorded a \$12.2 million impairment charge, relating to the T.J. Maxx distribution facilities, which has been included in selling, general and administrative expenses.

ADVERTISING COSTS: The Company expenses advertising costs during the fiscal year incurred.

EARNINGS PER SHARE: Statement of Financial Accounting Standards (SFAS) No. 128 "Earnings per Share" requires the presentation of "basic" and "diluted" earnings per share. Basic earnings per share is based on a simple weighted average of common stock outstanding. Diluted earnings per share includes the dilutive effect of convertible securities and other common stock equivalents. See Note F for a computation of basic and diluted earnings per share. All earnings per share amounts discussed refer to diluted earnings per share unless otherwise indicated. Prior period earnings per share amounts have been restated for 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 adjustment 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 \$1.5 million as of January 30, 1999 and \$1.7 million as of January 31, 1998.

NEW ACCOUNTING STANDARDS: During 1997, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 130, "Reporting Comprehensive Income." This Statement specifies the computation, presentation and disclosures for components of comprehensive income. The Company adopted SFAS No. 130 in the first quarter ended May 2, 1998 and presents comprehensive income as a component of shareholders' equity.

Also during 1997, the FASB issued SFAS No. 131, "Disclosure about Segments of an Enterprise and Related Information." This new standard did not result in any changes to the Company's reportable segments or in the information disclosed about its segments (see Note L).

During 1998, the FASB issued 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. The Company believes that the impact of implementation of this new standard will be immaterial. The Company will adopt SFAS No. 133 in its fiscal year ending January 27, 2001 or earlier.

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

A. DISPOSITIONS AND ACQUISITIONS

SALE OF CHADWICK'S OF BOSTON: During the fourth quarter of fiscal 1997, the Company sold its Chadwick's of Boston catalog division to Brylane, L.P. (Brylane). Proceeds of approximately \$300 million included cash, a 10 year \$20 million Convertible Subordinated Note at 6% interest (the "Brylane note") and Chadwick's consumer credit card receivables. During fiscal 1998, the Company paid Brylane \$33.2 million as a final settlement of the sale proceeds based upon the final closing balance sheet of Chadwick's as of December 7, 1996. Also, pursuant to the disposition, the Company agreed to purchase certain amounts of excess inventory from Chadwick's through fiscal 2000. This arrangement has subsequently been amended and extended through fiscal 2002. The results of Chadwick's for all periods prior to December 7, 1996 have been reclassified to discontinued operations. 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. 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, or \$.01 per share. 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.

The Chadwick's of Boston catalog division had net sales of \$464.8 million and recorded income from operations of \$29.4 million, net of income taxes of \$20.9 million, for the fiscal year ended January 25, 1997, which represents this division's results through December 7, 1996, the effective date of the transaction. The results of Chadwick's for all periods prior to December 7, 1996 have been reclassified to discontinued operations. The sale of the division resulted in a gain on disposal of \$125.6 million, net of income taxes of \$15.2 million, or \$.36 per share. This gain allowed the Company to utilize its \$139 million capital loss carry forward. Interest expense was allocated to discontinued operations based on their respective proportion of assets to total assets.

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 million in cash and a 7 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.

The acquisition has been accounted for using the purchase method of accounting and accordingly, the purchase price has been allocated to the assets purchased and the liabilities assumed based upon their fair values at the date of acquisition. The purchase accounting method allows a one year period to finalize the fair values of the net assets acquired. No further adjustments to fair market values are made after that point. The final allocation of purchase price resulted in the fair value of the net assets acquired exceeding the purchase price, creating negative goodwill of \$86.4 million. The negative goodwill was allocated to the long-term assets acquired. During fiscal 1998, the store closing and restructuring reserve established in the final allocation of the purchase price was reduced by an additional \$15.8 million as the Company closed fewer stores than initially planned. The \$15.8 million reserve reduction was offset by a reduction of \$10.0 million to property, plant and equipment and a reduction of \$5.8 million to tradename. The final allocation of purchase price, as adjusted for the reserve adjustment in fiscal 1998, is summarized below:

In Thousands
- -----

Current assets	\$ 718,627
Property, plant and equipment	227,071
Tradename	130,046
Current liabilities	(469,744)

Total purchase price	\$ 606,000
	=====

The operating results of Marshalls have been included in the consolidated results of the Company from the date of acquisition on November 17, 1995.

B. LONG-TERM DEBT AND CREDIT LINES

At January 30, 1999 and January 31, 1998, long-term debt, exclusive of current installments, consisted of the following:

In Thousands - - - - -	January 30, 1999 -----	January 31, 1998 -----
Equipment notes, interest at 11% to 11.25% maturing December 12, 2000 to December 30, 2001	\$ 433	\$ 1,127
General corporate debt:		
Medium term notes, interest at 5.87% to 7.97%, \$15 million maturing on October 21, 2003 and \$5 million on September 20, 2004	20,000	20,000
6 5/8% unsecured notes, maturing June 15, 2000	100,000	100,000
7% unsecured notes, maturing June 15, 2005 (effective interest rate of 7.02% after reduction of the unamortized debt discount of \$89,000 and \$103,000 in fiscal 1999 and 1998, respectively)	99,911	99,897
Total general corporate debt	219,911	219,897
Long-term debt, exclusive of current installments	\$220,344 =====	\$221,024 =====

The aggregate maturities of long-term debt, exclusive of current installments, at January 30, 1999 are as follows:

In Thousands	Equipment Notes -----	General Corporate Debt -----	Total -----
Fiscal Year			
2001	\$348	\$100,000	\$100,348
2002	85	--	85
2003	--	--	--
2004	--	15,000	15,000
Later years	--	104,911	104,911
Aggregate maturities of long-term debt, exclusive of current installments	\$433 =====	\$219,911 =====	\$220,344 =====

On September 16, 1996, pursuant to a call for redemption, the Company prepaid \$88.8 million of its 9 1/2% sinking fund debentures. The Company recorded an after-tax extraordinary charge of \$2.9 million, or \$.01 per common share, related to the early retirement of this debt. The Company paid the outstanding balance of \$8.5 million during fiscal 1998 utilizing an optional sinking fund payment under the indenture.

In June 1995, the Company filed a shelf registration statement with the Securities and Exchange Commission which provided for the issuance of up to \$250 million of long-term debt. This shelf registration statement was replaced by a new shelf registration statement filed in fiscal 1997 which currently provides for the issuance of up to \$600 million of debt, common stock or preferred stock. In June 1995, the Company issued \$200 million of long-term notes under the original registration statement; \$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.

On November 17, 1995, the Company entered into an unsecured \$875 million bank credit agreement under which the Company borrowed \$375 million on a term loan basis to fund the cash portion of the Marshalls purchase price. During the fourth quarter of the fiscal year ended January 25, 1997, the Company prepaid the outstanding balance of the \$375 million term loan and recorded an after-tax extraordinary charge of \$2.7 million, or \$.01 per share, for the early retirement of this debt. The agreement also allowed the Company to borrow up to an additional \$500 million on a revolving loan basis to fund the working capital needs of the Company. In September 1997, the Company replaced this \$500 million revolving credit agreement with a new five year \$500 million revolving credit facility. The Company recorded an extraordinary charge of \$1.8 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 include a minimum net worth requirement, and certain leverage and fixed charge covenants.

As of January 30, 1999, 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 Company had no short-term borrowings under this facility or its commercial paper program during fiscal 1999 or 1998. Excluding the Company's foreign subsidiaries, the weighted average interest rate on the Company's short-term borrowings under the former agreement was 5.81% in fiscal 1997. 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 30, 1999.

C. FINANCIAL INSTRUMENTS

The Company periodically enters into forward foreign exchange contracts to hedge firm U.S. dollar merchandise purchase commitments made by its foreign subsidiaries. As of January 30, 1999, the Company had \$18.8 million of such contracts outstanding for its Canadian subsidiary and \$3.3 million for its subsidiary in the United Kingdom. The contracts cover certain commitments for the first quarter of fiscal 2000 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 30, 1999 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 30, 1999 are immaterial.

The Canadian swap and forward agreements will require the Company to pay C\$41.7 million in exchange for \$31.2 million in U.S. currency between October 2003 and September 2004. The British pounds sterling swap and forward agreements will require the Company to pay L59.9 million between October 1999 and September 2002 in exchange for \$94.1 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 \$3.2 million and \$4.3 million as of January 30, 1999 and January 31, 1998, respectively.

The counterparties to the 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 30, 1999 is estimated to be \$234.7 million compared to a carrying value of \$221.0 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.

D. COMMITMENTS

The Company is committed under long-term leases related to its continuing operations for the rental of real estate, and fixtures and equipment. T.J. Maxx leases are generally for a ten year initial term with options to extend for one or more five year periods. Marshalls leases, acquired in fiscal 1996, have remaining terms ranging up to twenty-five years. 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 30, 1999:

In Thousands -----	Operating Leases -----
Fiscal Year	
2000	\$ 328,187
2001	311,247
2002	284,097
2003	260,927
2004	229,949
Later years	1,040,217

Total future minimum lease payments	\$2,454,624 =====

The rental expense under operating leases for continuing operations amounted to \$318.1 million, \$301.9 million and \$293.5 million for fiscal years 1999, 1998 and 1997, respectively. The present value of the Company's operating lease obligations approximates \$1,693.3 million as of January 30, 1999, including \$199.0 million payable in fiscal 2000.

The Company had outstanding letters of credit in the amount of \$40.4 million as of January 30, 1999. Letters of credit are issued by the Company primarily for the purchase of inventory.

E. 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 Plan 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 15.7 million shares available for future grants as of January 30, 1999. 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 94,000 shares available for future grants under this plan as of January 30, 1999.

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 30, 1999		January 31, 1998		January 25, 1997	
	Shares	WAEP	Shares	WAEP	Shares	WAEP
	-----	-----	-----	-----	-----	-----
Outstanding, beginning of year	10,507	\$ 9.04	8,192	\$ 6.10	11,248	\$4.59
Granted	1,964	21.77	4,338	12.97	2,852	8.72
Exercised	(2,215)	6.31	(1,756)	5.31	(5,448)	4.45
Canceled	(151)	13.35	(267)	7.31	(460)	4.95
	-----	-----	-----	-----	-----	-----
Outstanding, end of year	10,105	\$12.04	10,507	\$ 9.04	8,192	\$6.10
	-----	-----	-----	-----	-----	-----
Options exercisable, end of year	4,796		3,932		3,412	
	=====		=====		=====	

The Company realizes an income tax benefit from the exercise of stock options. This benefit results in a decrease in current income taxes payable and an increase in additional paid-in capital. Such benefits amounted to \$13.8 million, \$6.1 million and \$10.2 million for the fiscal years ended January 30, 1999, January 31, 1998 and January 25, 1997, 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 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 1999, 1998 or 1997. Had compensation expense been determined in accordance with SFAS No. 123, the Company's income from continuing operations, net income and related earnings per share amounts would have been reduced to the unaudited pro forma amounts indicated below:

Dollars in Thousands Except Per Share Amounts	Unaudited Pro Forma		
	Fiscal Year Ended		
	January 30, 1999	January 31, 1998	January 25, 1997
		(53 weeks)	
Income from continuing operations before extraordinary item	\$424,512	\$301,129	\$211,893
Per diluted share	\$ 1.27	\$.86	\$.60
Net income	\$415,464	\$299,352	\$361,190
Per diluted share	\$ 1.24	\$.85	\$ 1.03

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 1999, 1998 and 1997 is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: dividend yield 1% in 1999, 1998 and 1997, expected volatility of 40% in fiscal 1999 and 38% in both fiscal 1998 and 1997, a risk-free interest rate of 5.0% in fiscal 1999, 5.8% in fiscal 1998 and 6.7% in fiscal 1997, and expected holding periods of six years in all fiscal periods. The weighted average fair value of options granted during fiscal 1999, 1998 and 1997 was \$9.28, \$5.52 and \$3.88 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 30, 1999 (shares in thousands):

Range of Exercise Prices	Options Outstanding			Options Exercisable	
	Shares	Weighted Average Remaining Contract Life	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
\$ 2.5625-\$ 6.3125	2,209	5.3 Years	\$ 4.73	2,209	\$ 4.73
\$ 6.3126-\$10.6875	3,255	7.7 Years	9.56	1,847	9.36
\$10.6876-\$14.4688	2,694	8.5 Years	14.01	740	14.42
\$14.4689-\$23.9375	1,947	9.6 Years	21.77	--	--
Total	10,105	7.8 Years	\$12.04	4,796	\$ 8.01

During fiscal 1998, a special deferred compensation award was granted to the Company's 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 executive may elect to have such grant denominated into other investments. The Company does not anticipate that the shares will be issued and therefore does not consider them for diluted earnings per share calculations and adjusts the compensation charge for changes in the market value of the stock through the date an election is made to denominate into other investments. The Company recorded additional expense of \$6.3 and \$5.6 million in fiscal 1999 and 1998, respectively, due to the increase in market value of the shares of Company stock from date of grant. During fiscal 1999 elections were made to denominate 650,000 shares of Company stock into other investments. The Company separately transfers funds to a trust in an amount equal to the value of the executive's new investment elections. The trust assets, included with other assets on the balance sheet, are invested in a manner that matches the elections made by the executive.

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 \$600,000, \$2.7 million and \$2.5 million in fiscal years 1999, 1998 and 1997, 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 4,000 shares, 1,023,834 shares and 70,000 shares for deferred, restricted and performance based awards issued for the fiscal years ended January 1999, 1998 and 1997, respectively. There were 300,000 shares forfeited for the fiscal year ended January 1998, no shares were forfeited during fiscal years ended January 1999 or 1997. The weighted average market value per share of these stock awards at grant date was \$18.03, \$10.89 and \$5.99 for fiscal 1999, 1998 and 1997, 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 24,966 deferred shares outstanding, actual shares will be issued at retirement. The Company has 100,000 shares held in treasury from which the Company will issue such shares.

F. 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 split has not been restated unless otherwise noted. All activity after the distribution date reflects the two-for-one stock splits.

In April 1992, the Company issued 250,000 shares of Series A cumulative convertible preferred stock in a private offering. As of June 1996, pursuant to a call for redemption, the Series A preferred stock was converted into 1,190,475 shares of common stock.

In August 1992, the Company issued 1,650,000 shares of Series C cumulative convertible preferred stock in a public offering. As of September 1996, pursuant to a call for redemption, the Series C preferred stock was converted into 3,177,844 shares of common stock.

On November 17, 1995, the Company issued its Series D and Series E convertible preferred stock as part of the purchase price for Marshalls. The 250,000 shares of Series D preferred stock, with a face value of \$25 million, carried an annual dividend rate of \$1.81 per share and was automatically converted into 1,349,527 shares of common stock on November 17, 1996.

The shares of Series E preferred stock, with 1,500,000 shares 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, \$11.7 million in fiscal 1998 and \$13.7 million in fiscal 1997. The preferred dividends reduce net income in computing net income available to common shareholders.

During fiscal 1997, the Company replaced the June 1995 shelf registration statement with another shelf registration statement which currently provides for the issuance of up to \$600 million of debt, common stock or preferred stock.

In June 1997, the Company announced a \$250 million stock buyback program. During fiscal 1998, the Company repurchased 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 and announced its intentions to repurchase an additional \$750 million of common stock over the next several years. The Company has spent \$95.5 million through January 30, 1999 on this current repurchase program. In total, during fiscal 1999, the Company repurchased a combined total of 15.6 million shares of common stock (adjusted for stock splits) at a total cost of \$350.3 million.

EARNINGS PER SHARE: The Company calculates earnings per share in accordance with SFAS No. 128 which requires the presentation of basic and diluted 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 30, 1999	January 31, 1998	January 25, 1997
		(53 weeks)	
Basic earnings per share:			
Income from continuing operations before extraordinary item	\$ 433,202	\$ 306,592	\$ 213,826
Less: preferred stock dividends	3,523	11,668	13,741
Income from continuing operations before extraordinary item available to common shareholders	\$ 429,679	\$ 294,924	\$ 200,085
Weighted average common stock outstanding for basic earnings per share	318,073,081	321,474,046	300,926,904
Basic earnings per share	\$ 1.35	\$.92	\$.66
Diluted earnings per share:			
Income from continuing operations before extraordinary item available to common shareholders	\$ 429,679	\$ 294,924	\$ 200,085
Add back: preferred stock dividends	3,523	11,668	13,741
Income from continuing operations before extraordinary item for diluted earnings per share calculation	\$ 433,202	\$ 306,592	\$ 213,826
Weighted average common stock outstanding for basic earnings per share	318,073,081	321,474,046	300,926,904
Assumed conversion of:			
Convertible preferred stock	10,914,354	24,032,172	46,331,584
Stock options and awards	5,660,515	4,105,966	3,391,612
Weighted average common shares for diluted earnings per share calculation	334,647,950	349,612,184	350,650,100
Diluted earnings per share	\$ 1.29	\$.88	\$.61

G. INCOME TAXES

The provision for income taxes includes the following:

In Thousands	Fiscal Year Ended		
	January 30, 1999	January 31, 1998	January 25, 1997
		(53 weeks)	
Current:			
Federal	\$231,811	\$172,026	\$116,848
State	45,117	39,200	27,160
Foreign	13,784	8,117	8,079
Deferred:			
Federal	(13,084)	(3,432)	33
State	(2,306)	(326)	462
Foreign	(4,512)	94	(268)
Provision for income taxes	\$270,810	\$215,679	\$152,314

The Company had a net deferred tax (asset) liability as follows:

In Thousands	January 30, 1999	January 31, 1998
	-----	-----
Deferred tax assets:		
Foreign net operating loss carryforward	\$ 30,660	\$ 34,554
Reserve for discontinued operations	12,074	6,723
Reserve for closed store and restructuring costs	19,767	23,571
Insurance costs not currently deductible for tax purposes	7,496	15,049
Pension, postretirement and employee benefits	48,556	34,173
Leases	13,379	9,350
Other	24,255	18,789
Valuation allowance	(27,321)	(34,603)
	-----	-----
Total deferred tax assets	128,866	107,606
	-----	-----
Deferred tax liabilities:		
Property, plant and equipment	17,056	14,736
Safe harbor leases	31,738	37,945
Tradename	47,373	48,659
Other	10,313	13,125
	-----	-----
Total deferred tax liabilities	106,480	114,465
	-----	-----
Net deferred tax (asset) liability	\$ (22,386)	\$ 6,859
	=====	=====

The Company has elected to repatriate the fiscal 1999 earnings of its Canadian subsidiary. During fiscal 1999 the majority of the earnings of its Canadian subsidiary were repatriated and deferred foreign tax credits have been provided for on the undistributed portion of fiscal 1999 earnings. 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 net operating loss carryforward of approximately \$50 million for tax and financial reporting purposes. The United Kingdom net operating loss does not expire under current United Kingdom tax law. The Company also has a Puerto Rico net operating loss carryforward of approximately \$39 million at January 30, 1999, for tax and financial reporting purposes, which was acquired in the Marshalls acquisition and expires in fiscal 2000 through fiscal 2003. The Company has recognized in fiscal 1999 a \$3.4 million Puerto Rico deferred tax asset for estimated future utilization of the Puerto Rico net operating loss carryforward. 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 year ended January 30, 1999, 41% and 42% for fiscal years ended January 31, 1998 and January 25, 1997, respectively. 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 30, 1999	January 31, 1998	January 25, 1997
	-----	-----	-----
U.S. federal statutory income tax rate	35%	35%	35%
Effective state income tax rate	4	5	5
Impact of foreign operations	(1)	--	1
All other	--	1	1
	----	----	----
Worldwide effective income tax rate	38%	41%	42%
	====	====	====

H. 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. Effective in fiscal 1998, Marshalls associates are included in the plan with credit for service prior to the acquisition. 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:

Dollars in Thousands	Pension		Postretirement Medical	
	January 30, 1999	January 31, 1998	January 30, 1999	January 31, 1998
CHANGE IN BENEFIT OBLIGATION:				
Benefit obligation at beginning of year	\$127,148	\$100,465	\$21,172	\$15,093
Service cost	10,538	8,372	1,405	1,133
Interest cost	9,647	8,398	1,610	1,649
Amendments	--	750	--	2,702
Actuarial losses	11,027	15,299	1,712	1,456
Benefits paid	(5,497)	(5,283)	(907)	(860)
Expenses paid	(816)	(853)	--	--
Benefit obligation at end of year	\$152,047	\$127,148	\$24,992	\$21,173
CHANGE IN PLAN ASSETS:				
Fair value of plan assets at beginning of year	\$110,234	\$ 89,554	\$ --	\$ --
Actual return on plan assets	8,164	22,494	--	--
Employer contribution	11,106	4,323	907	860
Benefits paid	(5,497)	(5,284)	(907)	(860)
Expenses paid	(816)	(853)	--	--
Fair value of plan assets at end of year	\$123,191	\$110,234	\$ --	\$ --
RECONCILIATION OF FUNDED STATUS:				
Benefit obligation at end of year	\$152,047	\$127,148	\$24,992	\$21,173
Fair value of plan assets at end of year	123,191	110,234	--	--
Funded status - obligation in excess of assets	28,856	16,914	24,992	21,173
Unrecognized transition obligation	522	596	--	--
Unrecognized prior service cost	773	861	1,616	1,953
Unrecognized actuarial (gains) losses	4,909	(5,243)	3,997	2,388
Net accrued liability recognized	\$ 22,652	\$ 20,700	\$19,379	\$16,832
WEIGHTED AVERAGE ASSUMPTIONS:				
Discount rate	6.63%	7.00%	6.75%	7.00%
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%
COMPONENTS OF NET PERIODIC BENEFIT COST:				
Service cost	\$ 10,538	\$ 8,372	\$ 1,405	\$ 1,366
Interest cost	9,647	8,398	1,610	1,649
Expected return on plan assets	(9,991)	(7,937)	--	--
Amortization of transition obligation	75	75	--	--
Amortization of prior service cost	87	837	338	749
Recognized actuarial losses	2,702	206	103	--
Net periodic benefit cost	\$ 13,058	\$ 9,951	\$ 3,456	\$ 3,764

The net periodic benefit cost for the Company's pension and postretirement medical plans for the fiscal year ended January 25, 1997, was \$5.9 million and \$1.8 million, respectively. The projected benefit obligation and accumulated benefit obligation of the Company's unfunded supplemental retirement plan were \$26.2 million and \$20.1 million, respectively, as of January 30, 1999 and \$19.7 million and \$13.4 million, respectively, as of January 31, 1998.

For measurement purposes of the postretirement medical plan, a 4% 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 30, 1999 by about \$1.4 million, and the total of the service cost and interest cost components of net periodic postretirement cost for fiscal 1999, by about \$180,000. Similarly, decreasing the trend rate by one percentage point for all future years would decrease the accumulated postretirement benefit obligation at January 30, 1999 by about \$1.3 million as well as the total of the service cost and interest cost components of net periodic postretirement cost for fiscal 1999, by about \$170,000.

The Company also sponsors an employee savings plan under Section 401(k) of the Internal Revenue Code for all eligible U.S. employees, including Marshalls associates effective January 1, 1997. 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 \$6.4 million in fiscal 1999, \$5.7 million in fiscal 1998 and \$6.4 million in fiscal 1997. Prior to January 1, 1997, Marshalls associates participated in a separate Section 401(k) savings plan consistent with the plan Marshalls associates participated in prior to acquisition.

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 \$534,000, \$440,000 and \$294,000 in fiscal years 1999, 1998 and 1997, respectively.

I. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

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

In Thousands	January 30, 1999 -----	January 31, 1998 -----
Employee compensation and benefits	\$173,630	\$142,945
Reserve for discontinued operations	29,660	17,843
Store closing and restructuring reserve, continuing operations	44,598	57,966
Insurance	44,654	58,070
Rent, utilities, advertising and other	396,451	334,682
	-----	-----
Accrued expenses and other current liabilities	\$688,993 =====	\$611,506 =====

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 1999, the Company increased the reserve by \$15 million for additional lease related obligations, primarily in connection with its former Hit or Miss properties. The balance of the activity in the reserve for fiscal 1999, a reduction of \$3.1 million, is primarily for lease related obligations of the former Zayre stores. During fiscal 1998, the reserve decreased by \$5.8 million primarily due to settlement costs associated with Chadwick's and for lease related costs associated with the former Zayre and Hit or Miss properties. The combined remaining reserve balance of \$29.7 million as of January 30, 1999 is expected to be used for lease related obligations, primarily for former Zayre and Hit or Miss properties, which is expected to be paid out over the next ten to fifteen years, as leases are settled or terminated.

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 a Marshalls store closing and restructuring plan and \$35 million for the closing of certain T.J. Maxx stores.

The initial reserve established in the acquisition of Marshalls for the fiscal year-ended January 27, 1996, was estimated at \$244.1 million and included \$44.1 million for inventory markdowns and \$200 million for a store closing and restructuring program. The initial store closing plan included the closing of 170 Marshalls stores during fiscal 1997 and fiscal 1998. The Company reduced the total reserve by \$85.9 million in fiscal 1997 and by an additional \$15.8 million in fiscal 1998, primarily due to fewer store closings and a reduction in the estimated cost of settling the related lease obligations. This reserve was a component of the allocation of the purchase price for Marshalls and the reserve adjustments in fiscal 1998 and 1997 resulted in a corresponding

reduction in the value assigned to the long-term assets acquired. The adjusted reserve balance included \$70.8 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.

In connection with the Marshalls acquisition, the Company also established a reserve for the closing of certain T.J. Maxx stores. The Company recorded an initial pre-tax charge to income from continuing operations of \$35 million in fiscal 1996 and a pre-tax credit to income from continuing operations of \$1.8 million in fiscal 1999 and \$8 million in fiscal 1997 to reflect a lower than anticipated cost of the T.J. Maxx closings. An additional charge to continuing operations of \$700,000 was recorded in fiscal 1998. The adjusted reserve balance includes \$13.8 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.

The following is a summary of the activity in the store closing and restructuring reserve for the last two fiscal years:

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

As of January 31, 1998, all the Marshalls and T.J. Maxx properties reserved for had been closed. The remaining reserve balance as of January 30, 1999 of \$44.6 million is almost entirely for the estimated cost of future obligations of closed stores and other facility leases. It includes estimates and assumptions as to how the leases will be disposed of, and could change; however, the Company believes it has adequate reserves to deal with these obligations. The use of the reserve will reduce operating cash flows in varying amounts over the next ten to fifteen years as the related leases expire or are settled.

J. SUPPLEMENTAL CASH FLOWS INFORMATION

The Company classifies the cash flows associated with the operating results of its discontinued operations through the date of sale, as "net cash provided by discontinued operations." The following is a reconciliation of the "income from discontinued operations, net of income taxes" to the "net cash provided by discontinued operations" for the fiscal years indicated. No cash flows from the operating results of the Company's discontinued operations were received during the year ended January 30, 1999.

In Thousands	Fiscal Year Ended	
	January 31, 1998	January 25, 1997
	(53 weeks)	
Income from discontinued operations, net of income taxes	\$ --	\$ 29,361
Decrease in net assets of discontinued operations during the period:		
Net assets of discontinued operations - beginning of period	54,451	128,586
Less:		
Net assets of discontinued operations - sold during period	--	54,083
Net assets of discontinued operations - end of period	--	54,451
Decrease in net assets of discontinued operations	54,451	20,052
Net cash provided by discontinued operations	\$54,451	\$ 49,413
	=====	=====

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, and is 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 expense and income taxes, including discontinued operations, and its non-cash investing and financing activities are as follows:

In Thousands	Fiscal Year Ended		
	January 30, 1999	January 31, 1998	January 25, 1997
	(53 weeks)		
Cash paid for:			
Interest	\$ 22,542	\$ 26,359	\$ 44,288
Income taxes	275,538	199,025	159,245
Non-cash investing and financing activities:			
Conversion of cumulative convertible preferred stock into common stock			
Series A	\$ --	\$ --	\$ 25,000
Series C	--	--	82,500
Series D	--	--	25,000
Series E	72,730	77,020	--
Distribution of two-for-one stock split	158,954	79,823	--
Note receivable from sale of Chadwick's of Boston	--	--	20,000

K. 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 50 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 ended October 31, 1998, 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 on disposal of discontinued operations.

L. SEGMENT INFORMATION

During 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 131, "Disclosure about Segments of an Enterprise and Related Information." This new standard did not result in any changes to the Company's reportable segments or in the information disclosed about its segments.

The Company has two reportable segments. Its 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 7.8% of its fiscal 1999 revenue from its foreign operations. All of these stores offer apparel for the entire family with limited offerings of domestic goods. The Company's other segment, the off-price home fashions 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 interest and general corporate expenses. For data on business segments for fiscal years 1999, 1998 and 1997, see page 22.

THE TJX COMPANIES, INC.

REPORT OF INDEPENDENT ACCOUNTANTS

[PRICEWATERHOUSECOOPERS LOGO]

TO THE BOARD OF DIRECTORS OF THE TJX COMPANIES, INC.:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, stockholders' equity and cash flows present fairly, in all material respects, the financial position of The TJX Companies, Inc. and subsidiaries (the "Company") at January 30, 1999 and January 31, 1998, and the results of its operations and its cash flows for each of the three years in the period ended January 30, 1999, in conformity with generally accepted accounting principles. 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 generally accepted auditing standards 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.

PricewaterhouseCoopers LLP

Boston, Massachusetts
March 2, 1999

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

/s/ Donald G. Campbell

Bernard Cammarata
President and Chief Executive Officer

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

March 2, 1999

SELECTED FINANCIAL DATA (CONTINUING OPERATIONS)

The following selected financial data includes the results of Marshalls for the periods following its acquisition on November 17, 1995. All prior year data has been restated to reflect Chadwick's and Hit or Miss as discontinued operations.

Dollars in Thousands Except Per Share Amounts	Fiscal Year Ended January				
	1999	1998	1997	1996	1995
	(53 Weeks)				
Income statement and per share data:					
Net sales	\$ 7,949,101	\$ 7,389,069	\$ 6,689,410	\$ 3,975,115	\$ 3,055,573
Income from continuing operations before extraordinary item	433,202	306,592	213,826	51,589(1)	84,480
Weighted average common shares for diluted earnings per share computations	334,647,950	349,612,184	350,650,100	290,781,900	293,837,800
Diluted earnings per share from continuing operations before extraordinary item	\$ 1.29	\$.88	\$.61	\$.15(1)	\$.26
Dividends per share	.12	.10	.07	.12	.14
Balance sheet data:					
Working capital	\$ 436,259	\$ 464,974	\$ 425,595	\$ 332,864	\$ 240,646
Total assets	2,747,846	2,609,632	2,506,761	2,545,825	1,373,964
Capital expenditures	207,742	192,382	119,153	105,864	109,436
Long-term debt	220,344	221,024	244,410	690,713	194,478
Shareholders' equity	1,220,656	1,164,092	1,127,186	764,634	606,952
Stores in operation at year-end:					
T.J. Maxx	604	580	578	587	551
Marshalls	475	461	454	496	--
Winners	87	76	65	52	37
HomeGoods	35	23	21	22	15
T.K. Maxx	39	31	18	9	5
A.J. Wright	6	--	--	--	--

(1) Includes an after-tax charge of \$21.0 million, or \$.07 per share, for the estimated cost of closing certain T.J. Maxx stores in connection with the acquisition of Marshalls.

PRICE RANGE OF COMMON STOCK

The following per share data reflects the two-for-one stock splits distributed in June 1998 and June 1997.

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 1999 and fiscal 1998 are as follows:

Quarter	Fiscal 1999		Fiscal 1998	
	High	Low	High	Low
First	\$23 3/4	\$17 3/16	\$12 1/32	\$ 9 9/16
Second	28 7/16	22 3/16	14 31/32	11 1/4
Third	28	15 1/2	16 7/16	13 1/8
Fourth	31 1/16	18 3/4	19 9/32	13

The approximate number of common shareholders at January 30, 1999 was 47,300.

The Company declared four quarterly dividends of \$.03 per share for fiscal 1999 and \$.025 per share for fiscal 1998.

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

During fiscal 1999 and 1998, the Company declared two-for-one stock splits effected in the form of 100% stock dividends. All earnings per share amounts have been restated to reflect these two-for-one splits. Earnings per share amounts discussed herein refer to "diluted" earnings per share unless otherwise indicated.

Effective December 7, 1996, the Company sold its Chadwick's of Boston mail order operation and accounted for the gain on this transaction as discontinued operations.

RESULTS OF OPERATIONS

CONTINUING OPERATIONS: Income from continuing operations before extraordinary item ("income from continuing operations") was \$433.2 million in fiscal 1999, \$306.6 million in fiscal 1998 and \$213.8 million in fiscal 1997. Income from continuing operations per share was \$1.29 in fiscal 1999, versus \$.88 in fiscal 1998 and \$.61 in fiscal 1997.

Net sales for fiscal 1999 increased 7.6% to \$7.95 billion from \$7.39 billion in fiscal 1998. Net sales for fiscal 1998 increased 10.5% from \$6.69 billion in fiscal 1997. Fiscal 1998 included 53 weeks while fiscal 1999 and 1997 each included 52 weeks. On a comparable 52-week basis net sales for fiscal 1999 increased 9.0%, and for fiscal 1998, net sales increased 8.9%. Consolidated same store sales on a 52-week basis increased 5% in fiscal 1999 and increased 6% in fiscal 1998. Percentage increases in same store sales, on a divisional basis, are as follows:

	Fiscal Year Ended	
	January 30, 1999	January 31, 1998
T.J. Maxx	+4%	+5%
Marshalls	+5%	+7%
Winners	+13%	+14%
HomeGoods	+9%	+13%
T.K. Maxx	+12%	+15%

Consolidated sales results for fiscal 1999 and 1998 primarily reflect the many benefits associated with the Marshalls acquisition, along with new store growth. Following the acquisition of Marshalls, the Company replaced Marshalls' frequent promotional activity with an everyday low price strategy and also implemented a more timely markdown policy. These changes conformed the Marshalls store operation to that of the T.J. Maxx stores. In addition, the enhanced buying power of the combined entities, combined with strong inventory management, has allowed the Company to offer better values to consumers at both chains.

Cost of sales, including buying and occupancy costs, as a percentage of net sales was 74.9%, 76.8% and 77.7% in fiscal 1999, 1998 and 1997, respectively. The improvement in this ratio is largely due to improved inventory management, the benefits associated with the acquisition of Marshalls and a reduction in occupancy and depreciation costs as a percentage of net sales.

Selling, general and administrative expenses as a percentage of net sales were 16.2% in fiscal 1999, 16.0% in fiscal 1998 and 16.3% in fiscal 1997. The improvement in this ratio in fiscal 1999 and 1998, as compared to fiscal 1997, reflects the stronger sales performance as well as expense savings provided by the consolidation of the Marshalls and T.J. Maxx operations. During fiscal 1999 this ratio increased, as compared to fiscal 1998, largely due to certain charges including a \$7.5 million 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 a fiscal 1998 deferred compensation award to the Company's Chief Executive Officer. During fiscal 1998, selling, general and administrative expenses included a charge of \$15.2 million associated with the foregoing deferred compensation award and a pre-tax gain of \$6.0 million from the sale of Brylane common stock.

Interest expense, net of interest income, was \$1.7 million, \$4.5 million and \$37.4 million in fiscal 1999, 1998 and 1997, respectively. The Company maintained a strong cash position throughout fiscal 1999 and 1998 as a result of cash generated from operations. During fiscal 1997 the Company prepaid approximately \$450 million of long-term debt including the outstanding balance of the loan incurred to acquire Marshalls. The impact of the Company's positive cash flow position throughout fiscal 1999 and 1998 resulted in virtually no short-term borrowings during these two years despite the Company's purchase of \$350.3 million of the Company's common stock in fiscal 1999 and \$245.2 million of its common stock in fiscal 1998. Interest income for fiscal 1999 was \$20.5 million versus \$21.6 million and \$14.7 million in fiscal 1998 and 1997, respectively.

The Company's effective income tax rate was 38% in fiscal 1999, 41% in fiscal 1998 and 42% in fiscal 1997. The reduction in the fiscal 1999 effective income tax rate is due to a lower effective state income tax rate, the benefit of foreign tax credits and net operating loss carryforwards, and a charitable donation of appreciated property. The Company elected to repatriate the current year earnings of its Canadian subsidiary which favorably impacted the Company's fourth quarter tax provision for fiscal 1999. The reduction in the fiscal 1998 effective income tax rate is primarily due to the impact of foreign operations.

DISCONTINUED OPERATIONS AND NET INCOME: Net income for fiscal 1999 includes an after-tax charge to discontinued operations of \$9.0 million for lease related obligations, primarily for the Company's former Hit or Miss stores. Net income for fiscal 1997 includes a gain on the sale of Chadwick's discontinued operation, net of income taxes, of \$125.6 million and also includes the fiscal 1997 operating results of Chadwick's prior to its sale measurement date, which amounted to net income of \$29.4 million. In addition, in each of the fiscal years 1998 and 1997, the Company retired certain long-term debt instruments prior to scheduled maturities, resulting in extraordinary losses, net of income taxes, of \$1.8 million and \$5.6 million, respectively.

Net income, after reflecting the above items, was \$424.2 million, or \$1.27 per share in fiscal 1999, \$304.8 million, or \$.87 per share, in fiscal 1998 and \$363.1 million, or \$1.04 per share, in fiscal 1997.

CAPITAL SOURCES AND LIQUIDITY

OPERATING ACTIVITIES: Net cash provided by operating activities was \$642.8 million, \$385.5 million and \$664.5 million in fiscal 1999, 1998 and 1997, respectively. The increase in cash provided by operations in fiscal 1999 reflects increased earnings and strong inventory management. The decrease in cash provided by operating activities in fiscal 1998 is primarily the result of an increase in merchandise inventories versus a decrease in fiscal 1997. Inventories as a percentage of net sales were 14.9% in fiscal 1999, 16.1% in fiscal 1998, and 15.8% in fiscal 1997. Strong sales volume, coupled with tight inventory control, resulted in faster inventory turns, all of which were favorable to cash flows and inventory ratios for fiscal 1999 and 1998. Working capital was \$436.3 million in fiscal 1999, \$465.0 million in fiscal 1998 and \$425.6 million in fiscal 1997.

The cash flows from operating activities for fiscal 1999, 1998 and 1997 have been reduced by \$16.6 million, \$23.2 million and \$62.9 million, respectively, for cash expenditures associated with the Company's store closing and restructuring reserves, which relate primarily to the Marshalls acquisition, and for obligations relating to the Company's discontinued operations.

The initial reserve established in the acquisition of Marshalls for the fiscal year-ended January 27, 1996 was estimated at \$244.1 million and included \$44.1 million for inventory markdowns and \$200 million for a store closing and restructuring program. The initial store closing plan included the closing of 170 Marshalls stores during fiscal 1997 and fiscal 1998. The Company reduced the total reserve by \$85.9 million in fiscal 1997 and by an additional \$15.8 million in fiscal 1998, primarily due to fewer store closings and a reduction in the estimated cost of settling the related lease obligations. This reserve was a component of the allocation of the purchase price for Marshalls and the reserve adjustments in fiscal 1998 and 1997 resulted in a corresponding reduction in the value assigned to the long-term assets acquired. The adjusted reserve balance included \$70.8 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.

In connection with the Marshalls acquisition, the Company also established a reserve for the closing of certain T.J. Maxx stores. The Company recorded an initial pre-tax charge to income from continuing operations of \$35 million in fiscal 1996 and a pre-tax credit to income from continuing operations of \$1.8 million in fiscal 1999 and \$8 million in fiscal 1997 to reflect a lower than anticipated cost of the T.J. Maxx closings. An additional charge to continuing operations of \$700,000 was recorded in fiscal 1998. The adjusted reserve balance includes \$13.8 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.

As of January 31, 1998, all of the Marshalls and T.J. Maxx properties reserved for had been closed. The reserve also includes some activity relating to several HomeGoods store closings, the impact of which is immaterial. Actual spending and charges against the reserve are summarized below:

In Thousands	Fiscal Year Ended		
	January 30, 1999	January 31, 1998	January 25, 1997
Cash charges:			
Lease related obligations	\$12,521	\$13,593	\$21,277
Inventory markdowns	--	--	15,886
Severance and other costs	1,008	3,763	13,572
Subtotal cash charges	13,529	17,356	50,735
Non-cash charges:			
Property write-offs	--	5,402	11,064
Total reserve spending	\$13,529	\$22,758	\$61,799

The balance in the store closing and restructuring reserve as of January 31, 1999 of \$44.6 million is virtually all for the estimated cost of future lease obligations of the closed stores and other facilities. It includes estimates and assumptions as to how the leases will be disposed of, which could change, however the Company believes it has adequate reserves for these obligations. The spending of the reserve will reduce operating cash flows in varying amounts over the next ten to fifteen years as the leases expire or are settled. Future spending against the store closing and restructuring reserve will not have a material impact on future cash flows or the Company's financial condition.

The Company also has a reserve for future obligations relating to its discontinued operations. During fiscal 1999 the reserve increased by \$11.9 million. The Company added \$15 million to the reserve for additional lease related obligations. This 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 decrease in the reserve in fiscal 1998 of \$5.8 million was primarily for settlement costs associated with Chadwick's as well as lease related costs associated with the former Zayre and Hit or Miss locations. The balance in the discontinued operations reserve of \$29.7 million as of January 30, 1999 is for lease related obligations of the former Zayre and Hit or Miss stores, which are expected to reduce operating cash flows in varying amounts over the next ten to fifteen years, as leases expire, are settled or are terminated. Future spending against the discontinued operations reserve will not have a material impact on future cash flows or the Company's financial condition. The Company is also contingently liable on certain leases of its discontinued operation, see Note K to the consolidated financial statements for further information.

INVESTING ACTIVITIES: The Company'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 30, 1999	January 31, 1998
New stores	\$ 66.7	\$ 53.1
Store renovations and improvements	92.1	103.3
Office and distribution centers	48.9	36.0
Capital expenditures	\$207.7	\$192.4

The Company expects that capital expenditures will approximate \$245 million for fiscal year 2000. This includes \$83.5 million for new stores, \$97.7 million for store renovations and improvements and \$63.8 million for the Company's 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. Fiscal 1998 also includes a payment by the Company, 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, the Company 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. The Company also received a \$20 million convertible note which, as of January 30, 1999, is no longer outstanding.

FINANCING ACTIVITIES: The strong cash flows from operations has exceeded the Company's needs in fiscal 1999 and fiscal 1998, and no additional borrowings were required. Financing activities for fiscal 1999 include principal payments on long-term debt of \$23.4 million. Financing activities for fiscal 1998 include principal payments on long-term debt of \$27.2 million, including \$8.5 million to fully retire the Company's 9 1/2% sinking fund debentures. As a result of its strong cash position, the Company prepaid certain long-term debt in addition to regularly scheduled maturities during fiscal 1997. On September 16, 1996, pursuant to a call for redemption, the Company prepaid \$88.8 million of its 9 1/2% sinking fund debentures. In addition, during the fourth quarter of fiscal 1997, the Company retired the entire outstanding balance of the \$375 million term loan incurred to acquire Marshalls. The Company recorded after-tax extraordinary charges totaling \$5.6 million, or \$.02 per share, due to the early retirement of these obligations. During fiscal 1997, the Company paid a total of \$455.6 million for the prepayment of certain long-term debt and a total of \$46.5 million for regularly scheduled maturities of long-term debt.

In June 1997, the Company announced a \$250 million stock buyback program. During fiscal 1998, the Company repurchased 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 and announced its intentions to repurchase an additional \$750 million of common stock over the next several years. The Company has spent \$95.5 million through January 30, 1999 on this current repurchase program. In total, during fiscal 1999, the Company repurchased a combined total of 15.6 million shares of common stock (adjusted for stock splits) at a total cost of \$350.3 million.

The Company declared quarterly dividends on its common stock of \$.03 per share in fiscal 1999 and \$.025 per share in fiscal 1998. Annual dividends on common stock totaled \$38.1 million in fiscal 1999 and \$31.8 million in fiscal 1998. The Company also had dividend requirements on all of its outstanding preferred stock which totaled \$3.5 million in fiscal 1999, \$11.7 million in fiscal 1998 and \$13.7 million in fiscal 1997. 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. During fiscal 1997, both the Series A cumulative convertible preferred stock and the Series C cumulative convertible preferred stock were converted into an aggregate of 4.4 million shares of common stock pursuant to separate calls for redemption. Preferred dividends were paid through the respective conversion dates. The Series D preferred stock automatically converted on November 17, 1996 into 1.3 million shares of common stock. Financing activities for fiscal 1999 and 1998 also includes proceeds of \$27.8 million and \$15.5 million, respectively, from the exercise of employee stock options. These proceeds include \$13.8 million and \$6.1 million for related tax benefits in fiscal 1999 and fiscal 1998, respectively.

The Company has traditionally funded its seasonal merchandise requirements through short-term bank borrowings and the issuance of short-term commercial paper. The Company has the ability to borrow up to \$500 million under a revolving credit facility it entered into in September 1997. This agreement replaced the agreement entered into at the time of the Marshalls acquisition and contains certain financial covenants which include a minimum net worth requirement and certain leverage and fixed charge coverage ratios. In fiscal 1998 the Company 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 30, 1999, the entire \$500 million was available for use. The Company's strong cash position throughout fiscal 1999 and 1998 required minimal short-term borrowings during those years. There were no U.S. short-term borrowings outstanding during fiscal 1999 or fiscal 1998. The maximum amount of U.S. short-term borrowings outstanding during fiscal 1997 was \$3 million. The Company also has C\$40 million of credit lines for its Canadian operations, all of which were available for use as of January 30, 1999. The maximum amount outstanding under its Canadian credit line during fiscal 1999, 1998 and 1997 was C\$15.6 million, C\$12.1 million and C\$6 million, respectively. The Company currently has a shelf registration statement which provides for the issuance of up to \$600 million of debt or equity. Management believes that its current credit facilities and availability under its shelf registration statement are more than adequate to meet its needs. See Notes B and F to the consolidated financial statements for further information regarding the Company's long-term debt, capital stock transactions and available financing sources.

The Company 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 C to the consolidated financial statements, the Company hedges a large portion of its net investment and certain merchandise commitments in these operations with derivative financial instruments. The Company 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. The Company does not enter into derivatives for speculative trading purposes.

The Company has 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 30, 1999, the analysis indicated that such market movements would not have a material effect on the Company's consolidated financial position, results of operations or cash flows.

THE YEAR 2000 ISSUE

The following paragraphs relating to the Year 2000 issue also are designated a Year 2000 Readiness Disclosure within the meaning of the Year 2000 Information and Readiness Disclosure Act.

The operations of the Company rely on various computer technologies which, as is true of many companies, may be affected by what is commonly referred to as the Year 2000 ("Y2K") issue. To address this matter, in October 1995, the Company began to evaluate whether its computer resources would be able to recognize and accept date sensitive information before and after the arrival of the Year 2000. A failure of these technologies to recognize and process such information could create an adverse impact on the operations of the Company.

In connection with its Y2K evaluation, the Company established a Company-wide Y2K project team to review and assess the Y2K readiness of its computer technologies in each business area, and to remediate, validate and, where necessary, develop contingency plans to enable these technologies to effect a smooth transition to the Year 2000 and beyond.

These efforts have focused, and will continue to focus, on: (1) the Company's information technology systems in the form of hardware and software (so-called "IT" systems), such as mainframes, client/server systems, personal computers, proprietary software and software purchased or licensed from third parties, upon which the Company relies for its retail functions, such as merchandise procurement and distribution, point-of-sale information systems and inventory control; (2) the Company's embedded computer technologies (so-called "non-IT" systems), such as materials handling equipment, telephones, elevators, climate control devices and building security systems; and (3) the IT and non-IT systems of third parties with whom the Company has commercial relationships to support its daily operations, such as those of banks, credit card processors, payroll services, telecommunications services, utilities and merchandise vendors.

THE COMPANY'S STATE OF READINESS: The Company's review and assessment phase is substantially complete with respect to its IT systems and the Company has identified and inventoried those IT systems which are critical to its operations. The Company's effort to modify these IT technologies to address the Y2K issue is ongoing and is expected to be substantially completed by June 1999 with full completion scheduled for September 1999. The Company's mainframe operating system has already been remediated, tested and determined to be compliant in a simulated Y2K environment. Ongoing validation testing of this system is being performed during 1999. The Company's proprietary software systems as well as those purchased or licensed from third parties are undergoing remediation and validation testing and such testing will continue during 1999. The remaining non-compliant IT technologies which have been identified as being critical to the Company's operations are currently being remediated, and are scheduled for validation testing and, where necessary, contingency planning.

With respect to the Company's non-IT systems, the review and assessment phase is substantially complete and the Company has identified and inventoried such technologies. The Company has undertaken a program to modify or replace such technologies where they are related to critical functions of the Company and has estimated a target completion date of October 1999 for this portion of the Y2K project plan.

With respect to the IT and non-IT systems of critical third party providers, the Company has already communicated with these parties to obtain assurances regarding their respective Y2K remediation efforts. While the Company expects such third parties to address the Y2K issue based on the representations it has received to date, the Company cannot guarantee that these systems will be made Y2K compliant in a timely manner or that the Company will not experience a material adverse effect as a result of such non-compliance.

COSTS ASSOCIATED WITH YEAR 2000 ISSUES: As of January 30, 1999, the Company has incurred approximately \$9 million in costs related to the Y2K project. The Company currently estimates that the aggregate cost of the Y2K project will be approximately \$13 million, which cost is being expensed as incurred. The Company's Y2K costs are primarily for the cost of internal and third party programming for remediation and testing. All of these costs have been or are expected to be funded through operating cash flows. The aggregate cost estimate is based on the current assessment of the Y2K project and is subject to change as the project progresses. The Company has not deferred the implementation of any significant IT projects while addressing the Y2K issue.

CONTINGENCY PLANS: The Company believes that the IT and non-IT technologies which support its critical functions will be ready for the transition to the Year 2000. There can be no assurance, however, that similar unresolved issues for key commercial partners (including utilities, financial services, building services and transportation services) will not cause an adverse effect on the Company. To address these risks, and to address the risk that its own IT and non-IT technologies will not perform as expected during the Y2K transition, the Company is in the process of developing and finalizing appropriate Y2K contingency plans, which plans will be established and then revised as necessary during the course of 1999. Although the Company believes that its efforts to address the Y2K issue will be sufficient to avoid a material adverse impact on the Company, there can be no assurance that these efforts will be fully effective.

SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

Earnings per share amounts in the following table reflect the effect of the two-for-one stock splits distributed in June 1998 and June 1997.

In Thousands Except Per Share Amounts -----	First Quarter -----	Second Quarter -----	Third Quarter -----	Fourth Quarter -----
Fiscal year ended January 30, 1999				
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 before extraordinary item	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
Fiscal year ended January 31, 1998 (53 Weeks)				
Net sales	\$1,560,150	\$1,698,372	\$1,887,698	(14 Weeks) \$2,242,849
Gross earnings*	357,531	375,111	473,362	506,524
Income from continuing operations before extraordinary item	48,461	52,578	106,942	98,611
Diluted earnings per share	.14	.15	.31	.29
Net income	48,461	52,578	105,165	98,611
Diluted earnings per share	.14	.15	.30	.29

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

Fourth quarter comparisons are impacted by the shift in the fiscal calendar resulting from the extra week included in the fourth quarter of fiscal 1998, as well as the favorable adjustments to the Company's tax provision and certain accrued expenses in fiscal 1999. Net income for the third quarter of fiscal 1999 includes an after-tax charge of \$9.0 million as a loss on disposal of discontinued operations for lease related obligations, primarily for the Company's Hit or Miss stores. Net income for the third quarter of fiscal 1998 includes an after-tax extraordinary charge of \$1.8 million for the write-off of deferred financing costs associated with the early termination of a revolving credit facility.

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, particularly the United Kingdom; competitive factors, including continuing pressure from pricing and promotional activities of major 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; risks and uncertainties relating to the Year 2000 issue; 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.

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 Novato, CA, Inc.	California	
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. Max
Concord Buying Group	Massachusetts	A.J. Wright
NBC Operating Corp.	Massachusetts	

SUBSIDIARIES
CONTINUED

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	

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Bernard Cammarata 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 30, 1999 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/ BERNARD CAMMARATA

Bernard Cammarata, President,
Principal Executive Officer and
Director

/S/ DONALD G. CAMPBELL

Donald G. Campbell, Executive
Vice President - Finance
Principal Financial and
Accounting Officer

/S/ PHYLLIS B. DAVIS

Phyllis B. Davis, 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 13, 1999

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE STATEMENTS OF INCOME AND BALANCE SHEETS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS

12-MOS

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	FEB-01-1998	
	JAN-30-1999	
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	7,949,101,000	
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	1.27	