

5 THINGS YOU MIGHT NOT KNOW

By Scott Moses November 2023

\$314

1

#6

U.S. Grocer

- 50% Grocery (+30% in 20 years)
- \$54B U.S. Grocery Sales (+4x in 20 years)
- 1,955 Stores; (+70% in 20 years)

\$109

U.S. Grocery Sales

(\$ in Billions)

\$91

\$65

\$60

\$54

\$52

\$47

\$31

\$31

\$27

\$23

\$18

\$17

\$15

National / Discount Grocers

Supermarket Grocers



2

#4

U.S. Online Grocer

- \$10B Online Grocery Sales
- Acquired Shipt in 2017, same year Amazon acquired Whole Foods
- Shipt fulfills orders for 200+ 3rd party retailers

3

440,000

Non-Union Employees

- 3rd-Largest Non-Union U.S. Grocery Employer

4

\$63B

Valuation

- 5th-Largest Valuation among U.S. Grocers

5

A-Rated Credit

- Facilitates extraordinary investment, eg, 6 additional DCs over the next few years to enable more 1-day delivery coverage

“[Food & Beverage is] one of the real success stories within our business over the last few years.”

– Brian Cornell, Chairman & CEO, Q1 FY23 Earnings Call, 5/17/23

“...we innovated to make our Food and Beauty businesses even stronger and gained huge amounts of market share...We built an even stronger portfolio of industry-leading owned brands which today generate more than \$30 billion in annual sales.”

– Brian Cornell, Chairman & CEO, Q2 FY23 Earnings Call, 8/16/23

“Food and beverage has taken on a different role... over the last several years, we have been investing in the business...”

“Our food and beverage business has been growing... our fresh business is doing incredibly well. We’ve made big changes to specifications and quality control to deliver **better, fresher product.”**

“[D]uring the pandemic...our food and beverage business through digital skyrocketed, and we continue to see **strong growth in our food and beverage digital business.** We saw a **lot of traction with Drive Up,** and during the pandemic we **expanded it to fresh, frozen and adult beverages...”**

“[Good & Gather] has become the largest own brand at Target ... I would say a lot of our [food and beverage] growth is because of Good & Gather. In some ways, it has become a little bit of the **crown jewel of our portfolio.** It really **represents Target at its best—high quality, on-trend products** at an affordable price.”

– Rick Gomez, EVP & Chief Food & Beverage Officer – Winsight Grocery Business, 10/24/23