

2021 Guidance

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Net sales	\$19.75 billion to \$20.75 billion Increase between 14% and 20% compared to 2020
Digital channel	Annual penetration of approximately 35% of net sales
Credit card revenues, net	Approximately 3% of net sales
Gross margin rate	Increase by high-single digit percentage points, up to 37%
SG&A expense rate (revised)	Increase approximately 75 basis points to 100 basis points compared to 2019 levels
Gains on sale of real estate (ASG)	Between \$60 million and \$90 million
Benefit plan income	Approximately \$60 million
Depreciation and amortization	Approximately \$900 million
Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) as a percent of sales	Between 7% and 7.5%
Interest expense, net	Approximately \$325 million
Adjusted tax rate	Approximately 23.25%
Diluted shares outstanding	Approximately 318 million
Adjusted diluted EPS	Between \$0.40 and \$0.90
Capital expenditures	Approximately \$650 million