UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 29, 2017

Commission File Number 1-6049

TARGET

TARGET CORPORATION

(Exact name of registrant as specified in its charter)

Minnesota	**41-0215170**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1000 Nicollet Mall, Minneapolis, Minnesota	**55403**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: 612/304-6073
Former name, former address and former fiscal year, if changed since last report: N/A

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company (as defined in Rule 12b-2 of the Exchange Act).

Large accelerated filer x Accelerated filer o Non-accelerated filer o
Smaller reporting company o Emerging growth company o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

Indicate the number of shares outstanding of each of registrant's classes of common stock, as of the latest practicable date. Total shares of common stock, par value $0.0833, outstanding at August 15, 2017 were 546,231,798.

TARGET CORPORATION

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Consolidated Statements of Operations

(millions, except per share data) (unaudited)	Three Months Ended		Six Months Ended	
	July 29, 2017	July 30, 2016	July 29, 2017	July 30, 2016
Sales	$ 16,429	$ 16,169	$ 32,446	$ 32,364
Cost of sales [(a)]	11,419	11,172	22,618	22,421
Gross margin	5,010	4,997	9,828	9,943
Selling, general and administrative expenses	3,382	3,249	6,515	6,402
Depreciation and amortization (exclusive of depreciation included in cost of sales) [(a)]	514	500	1,022	981
Earnings from continuing operations before interest expense and income taxes	1,114	1,248	2,291	2,560
Net interest expense	135	307	278	722
Earnings from continuing operations before income taxes	979	941	2,013	1,838
Provision for income taxes	308	316	664	599
Net earnings from continuing operations	671	625	1,349	1,239
Discontinued operations, net of tax	1	55	4	73
Net earnings	$ 672	$ 680	$ 1,353	$ 1,312
Basic earnings per share				
Continuing operations	$ 1.22	$ 1.07	$ 2.45	$ 2.10
Discontinued operations	—	0.09	0.01	0.12
Net earnings per share	$ 1.22	$ 1.17	$ 2.45	$ 2.22
Diluted earnings per share				
Continuing operations	$ 1.22	$ 1.07	$ 2.44	$ 2.08
Discontinued operations	—	0.09	0.01	0.12
Net earnings per share	$ 1.22	$ 1.16	$ 2.44	$ 2.20
Weighted average common shares outstanding				
Basic	549.3	582.2	550.8	590.3
Dilutive impact of share-based awards	2.6	4.6	2.8	5.0
Diluted	551.9	586.8	553.6	595.3
Antidilutive shares	5.2	0.2	3.6	0.1
Dividends declared per share	$ 0.62	$ 0.60	$ 1.22	$ 1.16

Note: Per share amounts may not foot due to rounding.

[(a)] Refer to Note 3 for information about a reclassification of supply chain-related depreciation expense to cost of sales.

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Comprehensive Income

(millions) (unaudited)	Three Months Ended		Six Months Ended	
	July 29, 2017	July 30, 2016	July 29, 2017	July 30, 2016
Net earnings	$ 672	$ 680	$ 1,353	$ 1,312
Other comprehensive income				
Pension and other benefit liabilities, net of taxes of $5, $3, $10 and $8	7	5	14	12
Currency translation adjustment and cash flow hedges, net of taxes of $1, $0, $1, and $1	3	—	8	5
Other comprehensive income	10	5	22	17
Comprehensive income	$ 682	$ 685	$ 1,375	$ 1,329

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Financial Position

(millions) (unaudited)		July 29, 2017		January 28, 2017		July 30, 2016
Assets						
Cash and cash equivalents	$	2,291	$	2,512	$	1,480
Inventory		8,257		8,309		8,631
Assets of discontinued operations		19		69		83
Other current assets		1,053		1,100		1,309
Total current assets		11,620		11,990		11,503
Property and equipment						
Land		6,089		6,106		6,111
Buildings and improvements		28,041		27,611		27,315
Fixtures and equipment		5,361		5,503		5,282
Computer hardware and software		2,518		2,651		2,504
Construction-in-progress		423		200		232
Accumulated depreciation		(17,571)		(17,413)		(16,510)
Property and equipment, net		24,861		24,658		24,934
Noncurrent assets of discontinued operations		10		12		17
Other noncurrent assets		875		771		834
Total assets	$	37,366	$	37,431	$	37,288
Liabilities and shareholders' investment						
Accounts payable	$	7,584	$	7,252	$	6,811
Accrued and other current liabilities		3,790		3,737		3,544
Current portion of long-term debt and other borrowings		1,354		1,718		647
Liabilities of discontinued operations		1		1		1
Total current liabilities		12,729		12,708		11,003
Long-term debt and other borrowings		10,892		11,031		12,063
Deferred income taxes		784		861		754
Noncurrent liabilities of discontinued operations		18		18		19
Other noncurrent liabilities		1,845		1,860		1,872
Total noncurrent liabilities		13,539		13,770		14,708
Shareholders' investment						
Common stock		46		46		48
Additional paid-in capital		5,707		5,661		5,562
Retained earnings		5,961		5,884		6,579
Accumulated other comprehensive loss		(616)		(638)		(612)
Total shareholders' investment		11,098		10,953		11,577
Total liabilities and shareholders' investment	$	37,366	$	37,431	$	37,288

Common Stock Authorized 6,000,000,000 shares, $.0833 par value; 546,183,291, 556,156,228 and 574,801,225 shares issued and outstanding at July 29, 2017, January 28, 2017 and July 30, 2016, respectively.

Preferred Stock Authorized 5,000,000 shares, $.01 par value; no shares were issued or outstanding at July 29, 2017, January 28, 2017 or July 30, 2016.

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Cash Flows

(millions) (unaudited)	Six Months Ended July 29, 2017	Six Months Ended July 30, 2016
Operating activities		
Net earnings	$ 1,353	$ 1,312
Earnings from discontinued operations, net of tax	4	73
Net earnings from continuing operations	1,349	1,239
Adjustments to reconcile net earnings to cash provided by operations		
Depreciation and amortization	1,151	1,116
Share-based compensation expense	43	67
Deferred income taxes	(87)	(79)
Loss on debt extinguishment	—	422
Noncash losses / (gains) and other, net	81	(26)
Changes in operating accounts		
Inventory	52	(29)
Other assets	74	131
Accounts payable	332	(607)
Accrued and other liabilities	(129)	(838)
Cash provided by operating activities—continuing operations	2,866	1,396
Cash provided by operating activities—discontinued operations	57	92
Cash provided by operations	2,923	1,488
Investing activities		
Expenditures for property and equipment	(1,203)	(684)
Proceeds from disposal of property and equipment	22	14
Other investments	(80)	1
Cash required for investing activities	(1,261)	(669)
Financing activities		
Additions to long-term debt	—	1,979
Reductions of long-term debt	(614)	(2,611)
Dividends paid	(663)	(666)
Repurchase of stock	(615)	(2,238)
Stock option exercises	9	151
Cash required for financing activities	(1,883)	(3,385)
Net decrease in cash and cash equivalents	(221)	(2,566)
Cash and cash equivalents at beginning of period	2,512	4,046
Cash and cash equivalents at end of period	**$ 2,291**	**$ 1,480**

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Shareholders' Investment

(millions) (unaudited)	Common Stock Shares	Stock Par Value	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) / Income	Total
January 30, 2016	602.2	$ 50	$ 5,348	$ 8,188	$ (629)	$ 12,957
Net earnings	—	—	—	2,737	—	2,737
Other comprehensive loss	—	—	—	—	(9)	(9)
Dividends declared	—	—	—	(1,359)	—	(1,359)
Repurchase of stock	(50.9)	(4)	—	(3,682)	—	(3,686)
Stock options and awards	4.9	—	313	—	—	313
January 28, 2017	556.2	$ 46	$ 5,661	$ 5,884	$ (638)	$ 10,953
Net earnings	—	—	—	1,353	—	1,353
Other comprehensive income	—	—	—	—	22	22
Dividends declared	—	—	—	(675)	—	(675)
Repurchase of stock	(10.6)	—	—	(601)	—	(601)
Stock options and awards	0.6	—	46	—	—	46
July 29, 2017	546.2	$ 46	$ 5,707	$ 5,961	$ (616)	$ 11,098

See accompanying Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements (unaudited)

1. Accounting Policies

These financial statements should be read in conjunction with the financial statement disclosures in our 2016 Form 10-K.

We use the same accounting policies in preparing quarterly and annual financial statements. All adjustments necessary for a fair presentation of quarterly operating results are reflected herein and are of a normal, recurring nature. Certain prior-year amounts have been reclassified to conform to the current year presentation. Note 3 provides more information about a reclassification of supply chain-related depreciation expense to cost of sales. Unless otherwise noted, amounts presented within the Notes to Consolidated Financial Statements refer to our continuing operations.

Due to the seasonal nature of our business, quarterly revenues, expenses, earnings, and cash flows are not necessarily indicative of the results that may be expected for the full year.

2. Revenues

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. We plan to adopt the standard in the first quarter of fiscal 2018 using the full retrospective approach. We do not expect the standard to materially affect our consolidated net earnings, financial position, or cash flows.

We are evaluating the impact the standard has on our determination of whether we act as principal or agent in certain vendor arrangements where the purchase and sale of inventory is virtually simultaneous. We currently record virtually all revenue and related costs gross, with approximately 3 percent of consolidated sales made under such arrangements. Due to the varying terms of these arrangements, the presentation required under the standard will depend on contract-specific terms and, in some instances, may result in net presentation of these amounts. Any change to net presentation would not impact gross margin dollars or earnings. We also expect minor changes to the timing of recognition of revenues related to promotional gift cards, and we expect to present certain other income streams, including credit card profit sharing income, in an other revenue line on our Consolidated Statements of Operations upon adoption.

3. Cost of Sales and Selling, General and Administrative Expenses

During the second quarter of 2017, we reclassified supply chain-related depreciation expense to cost of sales whereas it was previously included in depreciation and amortization on our Consolidated Statements of Operations. We reclassified prior year amounts to reflect this change. This reclassification increased cost of sales by $64 million and $129 million for the three and six months ended July 29, 2017, respectively, and $70 million and $135 million for the three and six months ended July 30, 2016, respectively, with equal and offsetting decreases to depreciation and amortization. This reclassification had no impact on sales, EBIT, net earnings or earnings per share.

The following table illustrates the primary items classified in each major expense category:

Cost of Sales	Selling, General and Administrative Expenses
Total cost of products sold including: • Freight expenses associated with moving merchandise from our vendors to and between our distribution centers and our retail stores • Vendor income that is not reimbursement of specific, incremental and identifiable costs	Compensation and benefit costs for stores and headquarters Occupancy and operating costs of retail and headquarters facilities Advertising, offset by vendor income that is a reimbursement of specific, incremental and identifiable costs
Inventory shrink	
Markdowns	Pre-opening and exit costs of stores and other facilities
Outbound shipping and handling expenses associated with sales to our guests	U.S. credit cards servicing expenses and profit sharing
Payment term cash discounts	Costs associated with accepting 3rd party bank issued payment cards
Distribution center costs, including compensation and benefits costs and depreciation	Litigation and defense costs and related insurance recovery
Import costs	
	Other administrative costs

Note: The classification of these expenses varies across the retail industry.

4. Fair Value Measurements

Fair value measurements are reported in one of three levels reflecting the valuation techniques used to determine fair value.

Fair Value Measurements - Recurring Basis (millions)	Pricing Category	Fair Value at July 29, 2017	Fair Value at January 28, 2017	Fair Value at July 30, 2016
Assets				
Cash and cash equivalents				
Short-term investments held by U.S. entities	Level 1	$ 251	$ 1,110	$ 303
Short-term investments held by entities located outside the U.S. [(a)]	Level 1	1,366	762	497
Other current assets				
Prepaid forward contracts	Level 1	37	26	31
Beneficial interest asset	Level 3	6	12	13
Interest rate swaps [(b)]	Level 2	—	1	—
Other noncurrent assets				
Interest rate swaps [(b)]	Level 2	4	4	28
Beneficial interest asset	Level 3	—	—	6

[(a)] Amounts may be subject to tax if repatriated.
[(b)] See Note 8 for additional information on interest rate swaps.

Significant Financial Instruments not Measured at Fair Value [(a)] (millions)	July 29, 2017 Carrying Amount	July 29, 2017 Fair Value	January 28, 2017 Carrying Amount	January 28, 2017 Fair Value	July 30, 2016 Carrying Amount	July 30, 2016 Fair Value
Debt [(b)]	$ 11,122	$ 12,143	$ 11,715	$ 12,545	$ 11,712	$ 13,542

[(a)] The carrying amounts of certain other current assets, accounts payable, and certain accrued and other current liabilities approximate fair value due to their short-term nature.
[(b)] The carrying amount and estimated fair value of debt exclude unamortized swap valuation adjustments and capital lease obligations.

5. Cash and Cash Equivalents

Cash equivalents include highly liquid investments with an original maturity of three months or less from the time of purchase. Cash equivalents also include amounts due from third-party financial institutions for credit and debit card transactions, which typically settle in 5 days or less.

(millions)	July 29, 2017	January 28, 2017	July 30, 2016
Cash held by U.S. entities	$ 239	$ 257	$ 249
Cash held by entities located outside the U.S. [(a)]	21	17	13
Short-term investments held by U.S. entities	251	1,110	303
Short-term investments held by entities located outside the U.S. [(a)]	1,366	762	497
Receivables from third-party financial institutions for credit and debit card transactions	414	366	418
Cash and cash equivalents	$ 2,291	$ 2,512	$ 1,480

[(a)] Amounts may be subject to tax if repatriated.

6. Property and Equipment

We review long-lived assets for impairment when events or changes in circumstances—such as a decision to relocate or close a store or distribution center, make significant software changes or discontinue projects—indicate that the asset's carrying value may not be recoverable. We recognized impairment losses of $87 million and $88 million during the three and six months ended July 29, 2017, respectively, primarily resulting from planned or completed store closures and supply chain changes. We recognized impairment losses of $27 million and $28 million during the three and six months ended July 30, 2016, respectively, primarily resulting from planned or completed store closures. The impairments are recorded in selling, general and administrative expense on the Consolidated Statements of Operations and are included in segment results.

7. Notes Payable and Long-Term Debt

We obtain short-term financing from time to time under our commercial paper program, a form of notes payable. No balances were outstanding at any time during the six months ended July 29, 2017 and July 30, 2016.

In May 2017, we used cash on hand to repay $598 million of debt at its maturity.

In April 2016, we issued unsecured fixed rate debt of $1 billion at 2.5% that matures in April 2026 and $1 billion at 3.625% that matures in April 2046. During the first and second quarter of 2016, we used cash on hand and proceeds from these issuances to repurchase $565 million and $824 million of debt, respectively, before its maturity at a market value of $820 million and $981 million, respectively. We recognized a loss on early retirement of approximately $261 million and $161 million in first and second quarter of 2016, respectively, which was recorded in net interest expense in our Consolidated Statements of Operations.

8. Derivative Financial Instruments

Our derivative instruments primarily consist of interest rate swaps, which we use to mitigate interest rate risk. As a result of our use of derivative instruments, we have counterparty credit exposure to large global financial institutions. We monitor this concentration of counterparty credit risk on an ongoing basis. See Note 4 for a description of the fair value measurement of our derivative instruments and their classification on the Consolidated Statements of Financial Position.

As of July 29, 2017 and July 30, 2016, interest rate swaps with notional amounts totaling $1,000 million were designated fair value hedges. No ineffectiveness was recognized during the three and six months ended July 29, 2017 or July 30, 2016.

As of July 29, 2017 and July 30, 2016, one interest rate swap with a notional amount of $250 million was not designated a fair value hedge because it was de-designated concurrent with the repurchase of debt during the first half of 2016.

We recorded income of $2 million and $6 million during the three and six months ended July 29, 2017, respectively, and $8 million and $16 million during the three and six months ended July 30, 2016, respectively, within net interest expense on our Consolidated Statements of Operations related to periodic payments, valuation adjustments, and amortization of gains or losses on our interest rate swaps.

9. Leases

In February 2016, the FASB issued ASU No. 2016-02, *Leases.* The new standard requires lessees to record assets and liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement.

We must adopt the standard no later than the first quarter of 2019, which begins on February 3, 2019. A modified retrospective transition approach is required for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements.

We plan to adopt the standard in the first quarter of 2018. We expect to take advantage of the package of practical expedients permitted within the new standard, which among other things, allows us to carryforward the historical lease classification. In addition, we plan to elect the hindsight practical expedient to determine the reasonably certain lease term. While lease classification will remain unchanged, hindsight may result in different accounting lease terms for certain leases and affect the timing of depreciation, interest, and rent expense, and the amount of lease assets and liabilities recognized. We expect to make an accounting policy election that would keep leases with an initial term of 12 months or less off of the balance sheet and would result in recognizing those lease payments in the Consolidated Statements of Operations on a straight-line basis over the lease term.

While we are continuing to assess all potential impacts of the standard, we expect to record additional net lease liabilities of $1.2-$1.7 billion, with an offsetting increase to leased assets of $0.9-$1.4 billion. The difference between these amounts will be recorded as an adjustment to retained earnings. We do not believe the standard will materially affect our consolidated net earnings. These estimates — based on our current lease portfolio — may change as we continue to evaluate the new standard and as we implement a new lease accounting information system. The estimates could also change due to changes in the lease portfolio, which could include (a) lease volume, (b) lease commencement dates, and (c) renewal option and lease termination expectations. We will update our estimates each quarter as changes occur.

We do not believe the new standard will have a notable impact on our liquidity. The standard will have no impact on our debt-covenant compliance under our current agreements.

10. Share Repurchase

	Six Months Ended	
(millions, except per share data)	July 29, 2017	July 30, 2016
Total number of shares purchased	10.6	30.4
Average price paid per share	$ 56.76	$ 73.70
Total investment	$ 601	$ 2,243

11. Pension Benefits

We provide pension plan benefits to certain eligible team members.

Net Pension Benefits Expense	Three Months Ended		Six Months Ended	
(millions)	July 29, 2017	July 30, 2016	July 29, 2017	July 30, 2016
Service cost	$ 21	$ 20	$ 42	$ 41
Interest cost	34	35	69	69
Expected return on assets	(61)	(65)	(123)	(129)
Amortization of losses	15	13	30	25
Amortization of prior service cost	(3)	(3)	(5)	(6)
Total	$ 6	$ —	$ 13	$ —

In March 2017, the FASB issued ASU 2017-07, *Compensation – Retirement Benefits (Topic 715)*, which requires employers to disaggregate and present separately the current service cost component from the other components of net benefit cost within the Consolidated Statement of Operations. We plan to adopt the standard in the first quarter of fiscal 2018. We expect to reclassify the other components of net benefit cost to an other income and expense line on our Consolidated Statements of Operations upon adoption.

12. Accumulated Other Comprehensive (Loss) / Income

(millions)	Cash Flow Hedges	Currency Translation Adjustment	Pension and Other Benefits	Total
January 28, 2017	$ (16)	$ (21)	$ (601)	$ (638)
Other comprehensive income before reclassifications	—	6	—	6
Amounts reclassified from AOCI	2 [a]	—	14 [b]	16
July 29, 2017	$ (14)	$ (15)	$ (587)	$ (616)

[a] Represents gains and losses on cash flow hedges, net of $1 million of taxes.
[b] Represents amortization of pension and other benefit liabilities, net of $10 million of taxes.

13. Segment Reporting

Our segment measure of profit (segment earnings before interest expense and income taxes) is used by management to evaluate performance and make operating decisions. We operate as a single segment that includes all of our continuing operations, which are designed to enable guests to purchase products seamlessly in stores or through our digital channels. Virtually all of our consolidated revenues are generated in the United States. The vast majority of our long–lived assets are located within the United States.

Business Segment Results	Three Months Ended		Six Months Ended	
(millions)	July 29, 2017	July 30, 2016	July 29, 2017	July 30, 2016
Sales	$ 16,429	$ 16,169	$ 32,446	$ 32,364
Cost of sales [(a)]	11,419	11,172	22,618	22,421
Gross margin	5,010	4,997	9,828	9,943
Selling, general, and administrative expenses [(c)]	3,382	3,256	6,515	6,398
Depreciation and amortization (exclusive of depreciation included in cost of sales) [(a)]	514	500	1,022	981
Segment earnings before interest expense and income taxes	1,114	1,241	2,291	2,564
Pharmacy Transaction-related costs [(b)(c)]	—	7	—	(4)
Earnings from continuing operations before interest expense and income taxes	1,114	1,248	2,291	2,560
Net interest expense	135	307	278	722
Earnings from continuing operations before income taxes	$ 979	$ 941	$ 2,013	$ 1,838

Note: Amounts may not foot due to rounding.

[(a)] Refer to Note 3 for information about the impact of a reclassification of supply chain-related depreciation expense.

[(b)] For the three and six months ended July 30, 2016, represents items related to the December 2015 sale of our former pharmacy and clinic businesses to CVS (Pharmacy Transaction).

[(c)] The sum of segment SG&A expenses and Pharmacy Transaction-related costs equal consolidated SG&A expenses.

Reconciliation of Segment Assets to Total Assets (millions)	July 29, 2017	January 28, 2017	July 30, 2016
Segment assets	$ 37,337	$ 37,350	$ 37,182
Assets of discontinued operations	29	81	100
Unallocated assets [(a)]	—	—	6
Total assets	$ 37,366	$ 37,431	$ 37,288

[(a)] Represents the insurance receivable related to the 2013 data breach.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Executive Summary

Second quarter 2017 includes the following notable items:

- GAAP earnings per share from continuing operations were $1.22.
- Adjusted earnings per share from continuing operations were $1.23.
- Comparable sales increased 1.3 percent, driven by a 2.1 percent increase in traffic.
- Comparable digital channel sales increased 32 percent.
- We made $717 million of capital investments and returned $627 million to shareholders through dividends and share repurchase.

Sales were $16,429 million for the three months ended July 29, 2017, an increase of $260 million or 1.6 percent from the same period in the prior year. Operating cash flow provided by continuing operations was $2,866 million and $1,396 million for the six months ended July 29, 2017 and July 30, 2016, respectively. The operating cash flow increase is partially due to an increase in accounts payable driven by changes in vendor payment terms during the first half of 2017 and improved inventory turnover, compared to a decrease in accounts payable during the first half of 2016. The operating cash flow increase is also partially due to the payment of approximately $500 million of taxes during the first quarter of 2016, primarily related to the December 2015 sale of our pharmacy and clinic businesses (Pharmacy Transaction).

Earnings Per Share from Continuing Operations	Three Months Ended			Six Months Ended		
	July 29, 2017	July 30, 2016	Change	July 29, 2017	July 30, 2016	Change
GAAP diluted earnings per share	$ 1.22	$ 1.07	14.2%	$ 2.44	$ 2.08	17.1 %
Adjustments	0.01	0.16		—	0.43	
Adjusted diluted earnings per share	$ 1.23	$ 1.23	0.1%	$ 2.43	$ 2.51	(3.2)%

Note: Amounts may not foot due to rounding. Adjusted diluted earnings per share from continuing operations (Adjusted EPS), a non-GAAP metric, excludes the impact of certain items not related to our routine retail operations. Management believes that Adjusted EPS is meaningful to provide period-to-period comparisons of our operating results. A reconciliation of non-GAAP financial measures to GAAP measures is provided on page 16.

We report after-tax return on invested capital (ROIC) from continuing operations because we believe ROIC provides a meaningful measure of the effectiveness of our capital allocation over time. For the trailing twelve months ended July 29, 2017, ROIC was 13.8 percent, compared with 15.8 percent for the trailing twelve months ended July 30, 2016. Excluding the net gain on the Pharmacy Transaction, ROIC was 13.7 percent for the trailing twelve months ended July 30, 2016. A reconciliation of ROIC is provided on page 17.

Analysis of Results of Operations

Segment Results

	Three Months Ended			Six Months Ended		
(dollars in millions)	July 29, 2017	July 30, 2016	Change	July 29, 2017	July 30, 2016	Change
Sales	$ 16,429	$ 16,169	1.6 %	$ 32,446	$ 32,364	0.3 %
Cost of sales [(a)]	11,419	11,172	2.2	22,618	22,421	0.9
Gross margin	5,010	4,997	0.3	9,828	9,943	(1.2)
SG&A expenses [(b)]	3,382	3,256	3.9	6,515	6,398	1.8
Depreciation and amortization (exclusive of depreciation included in cost of sales) [(a)]	514	500	2.8	1,022	981	4.1
EBIT	$ 1,114	$ 1,241	(10.3)%	$ 2,291	$ 2,564	(10.6)%

Note: See Note 13 of our Financial Statements for a reconciliation of our segment results to earnings before income taxes.
[(a)] Refer to Note 3 of the Financial Statements for information about a reclassification of supply chain-related depreciation expense to cost of sales.

[b] SG&A includes $172 million and $342 million net profit-sharing income under our credit card program agreement for the three and six months ended July 29, 2017, respectively, and $163 million and $321 million for the three and six months ended July 30, 2016, respectively.

Rate Analysis	Three Months Ended		Six Months Ended	
	July 29, 2017	July 30, 2016	July 29, 2017	July 30, 2016
Gross margin rate [a]	30.5%	30.9%	30.3%	30.7%
SG&A expense rate	20.6	20.1	20.1	19.8
Depreciation and amortization (exclusive of depreciation included in cost of sales) expense rate [a]	3.1	3.1	3.2	3.0
EBIT margin rate	6.8	7.7	7.1	7.9

Note: Rate analysis metrics are computed by dividing the applicable amount by sales.
[a] Reclassifying supply chain-related depreciation expense to cost of sales reduced the gross margin and depreciation and amortization rates by (0.4) percent for all periods presented.

Sales

Sales include all merchandise sales, net of expected returns, and gift card breakage. Digital channel sales include all sales initiated through mobile applications and our conventional websites. Digital channel sales may be fulfilled through our distribution centers, our vendors, or our stores.

Sales by Channel	Three Months Ended		Six Months Ended	
	July 29, 2017	July 30, 2016	July 29, 2017	July 30, 2016
Stores	95.7%	96.7%	95.7%	96.6%
Digital	4.3	3.3	4.3	3.4
Total	100%	100%	100%	100%

Sales by Product Category	Three Months Ended		Six Months Ended	
	July 29, 2017	July 30, 2016	July 29, 2017	July 30, 2016
Household essentials [a]	25%	25%	25%	25%
Apparel and accessories	22	22	21	21
Food and beverage [a]	19	20	21	21
Home furnishings and décor	19	19	18	18
Hardlines	15	14	15	15
Total	100%	100%	100%	100%

[a] For all periods presented, pet supplies, which represented approximately 2 percent of total sales, has been reclassified from food and beverage to household essentials.

Comparable sales is a measure that highlights the performance of our stores and digital channels by measuring the change in sales for a period over the comparable, prior-year period of equivalent length. Comparable sales include all sales, except sales from stores open less than 13 months, digital acquisitions we have owned less than 13 months, stores that have been closed, and digital acquisitions that we no longer operate. Comparable sales measures vary across the retail industry. As a result, our comparable sales calculation is not necessarily comparable to similarly titled measures reported by other companies.

Comparable Sales	Three Months Ended		Six Months Ended	
	July 29, 2017	July 30, 2016	July 29, 2017	July 30, 2016
Comparable sales change	1.3 %	(1.1)%	— %	— %
Drivers of change in comparable sales				
Number of transactions	2.1	(2.2)	0.6	(0.9)
Average transaction amount	(0.7)	1.1	(0.7)	1.0

Note: Amounts may not foot due to rounding.

Contribution to Comparable Sales Change	Three Months Ended		Six Months Ended	
	July 29, 2017	July 30, 2016	July 29, 2017	July 30, 2016
Stores channel comparable sales change	0.2%	(1.6)%	(1.0)%	(0.5)%
Digital channel contribution to comparable sales change	1.1	0.5	0.9	0.6
Total comparable sales change	1.3%	(1.1)%	— %	— %

Note: Amounts may not foot due to rounding.

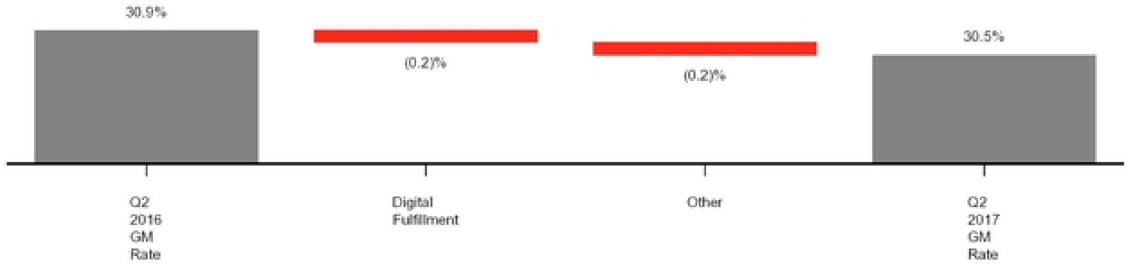
The collective interaction of a broad array of macroeconomic, competitive, and consumer behavioral factors, as well as sales mix, and transfer of sales to new stores makes further analysis of sales metrics infeasible.

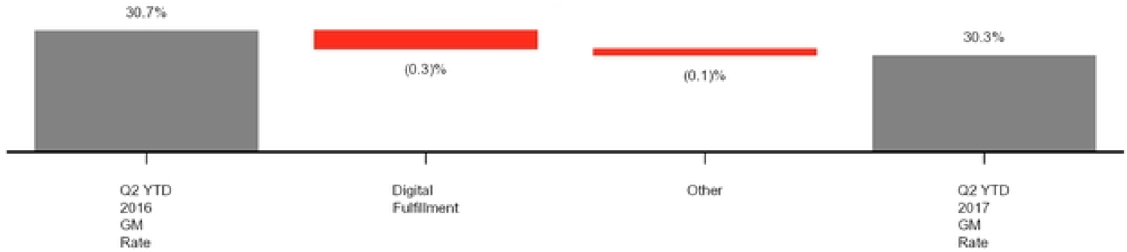
We monitor the percentage of sales that are paid for using REDcards (REDcard Penetration) because our internal analysis has indicated that a meaningful portion of the incremental purchases on REDcards are also incremental sales for Target. Guests receive a 5 percent discount on virtually all purchases when they use a REDcard at Target.

REDcard Penetration	Three Months Ended		Six Months Ended	
	July 29, 2017	July 30, 2016	July 29, 2017	July 30, 2016
Target Debit Card	13.0%	12.7%	13.2%	12.9%
Target Credit Cards	11.6	11.1	11.3	10.7
Total REDcard Penetration	24.6%	23.9%	24.5%	23.6%

Note: Amounts may not foot due to rounding.

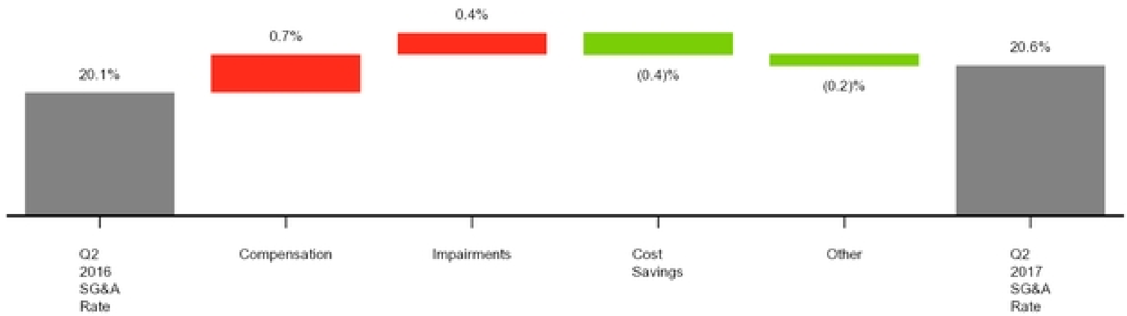
Gross Margin Rate

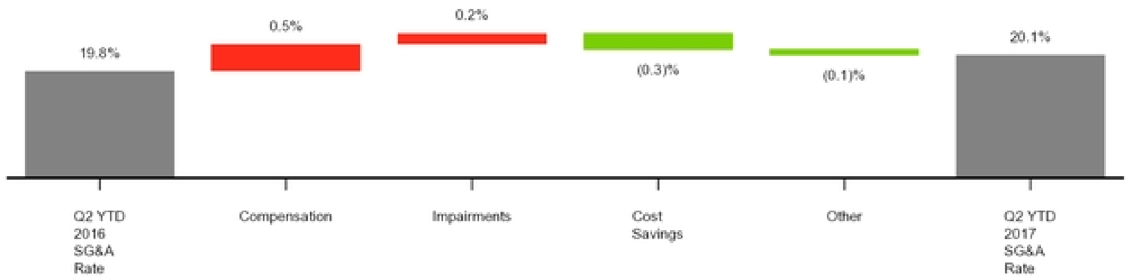




For the three and six months ended July 29, 2017, our gross margin rate was 30.5 percent 30.3 percent, respectively, compared with 30.9 percent and 30.7 percent in the comparable periods last year. The decrease was due to increased digital fulfillment costs and other items, including impacts of our efforts to improve pricing and promotions.

Selling, General, and Administrative Expense Rate





For the three and six months ended July 29, 2017, our SG&A expense rate was 20.6 percent and 20.1 percent, respectively, compared to 20.1 percent and 19.8 percent in the comparable periods last year. The increase was primarily due to higher compensation, primarily due to increased bonus expense, and impairment losses resulting from planned or completed store closures and supply chain changes, partially offset by cost savings driven by efficiency in our technology operations and, for the second quarter, timing of marketing campaigns.

Store Data

Change in Number of Stores	Three Months Ended		Six Months Ended	
	July 29, 2017	July 30, 2016	July 29, 2017	July 30, 2016
Beginning store count	1,807	1,793	1,802	1,792
Opened	9	5	14	6
Closed	—	(1)	—	(1)
Ending store count	1,816	1,797	1,816	1,797

Number of Stores and Retail Square Feet	Number of Stores			Retail Square Feet [(a)]		
	July 29, 2017	January 28, 2017	July 30, 2016	July 29, 2017	January 28, 2017	July 30, 2016
170,000 or more sq. ft.	276	276	278	49,328	49,328	49,688
50,000 to 169,999 sq. ft.	1,506	1,504	1,505	189,796	189,620	189,732
49,999 or less sq. ft.	34	22	14	958	554	300
Total	1,816	1,802	1,797	240,082	239,502	239,720

[(a)] In thousands, reflects total square feet, less office, distribution center, and vacant space.

Other Performance Factors

Net Interest Expense

Net interest expense from continuing operations was $135 million and $278 million for the three and six months ended July 29, 2017, respectively, compared to $307 million and $722 million for the three and six months ended July 30, 2016, respectively. Net interest expense for the three and six months ended July 30, 2016 included a loss on early retirement of debt of $161 million and $422 million, respectively.

Provision for Income Taxes

Our effective income tax rate from continuing operations for the three and six months ended July 29, 2017 was 31.4 percent and 33.0 percent, respectively, compared with 33.6 percent and 32.6 percent for the three and six months ended July 30, 2016, respectively. For the three months ended July 29, 2017, the decrease was due to the net tax effect of our global sourcing operations. For the six months ended July 29, 2017, the increase was due to the recognition of $18 million of excess tax benefits related to share-based payments for the six months ended July 30, 2016, offset by the net tax effect of our global sourcing operations and other items, none of which are individually significant.

Reconciliation of Non-GAAP Financial Measures to GAAP Measures

To provide additional transparency, we have disclosed non-GAAP adjusted diluted earnings per share from continuing operations (Adjusted EPS). This metric excludes certain items presented below. We believe this information is useful in providing period-to-period comparisons of the results of our continuing operations. This measure is not in accordance with, or an alternative for, generally accepted accounting principles in the United States (GAAP). The most comparable GAAP measure is diluted earnings per share from continuing operations. Adjusted EPS should not be considered in isolation or as a substitution for analysis of our results as reported under GAAP. Other companies may calculate Adjusted EPS differently than we do, limiting the usefulness of the measure for comparisons with other companies.

	Three Months Ended					
	July 29, 2017			July 30, 2016		
(millions, except per share data)	Pretax	Net of Tax	Per Share Amounts	Pretax	Net of Tax	Per Share Amounts
GAAP diluted earnings per share from continuing operations			$ 1.22			$ 1.07
Adjustments						
Loss on early retirement of debt	$ —	$ —	$ —	$ 161	$ 98	$ 0.17
Pharmacy Transaction-related costs	—	—	—	(7)	(4)	(0.01)
Income tax matters [(a)]	—	5	0.01	—	—	—
Adjusted diluted earnings per share from continuing operations			$ 1.23			$ 1.23

	Six Months Ended					
	July 29, 2017			July 30, 2016		
(millions, except per share data)	Pretax	Net of Tax	Per Share Amounts	Pretax	Net of Tax	Per Share Amounts
GAAP diluted earnings per share from continuing operations			$ 2.44			$ 2.08
Adjustments						
Loss on early retirement of debt	$ —	$ —	$ —	$ 422	$ 257	$ 0.43
Pharmacy Transaction-related costs	—	—	—	4	3	—
Income tax matters [(a)]	—	(2)	—	—	(3)	—
Adjusted diluted earnings per share from continuing operations			$ 2.43			$ 2.51

Note: Amounts may not foot due to rounding.
[(a)] Represents expense/(income) from income tax matters not related to current period operations.

We have also disclosed after-tax ROIC, which is a ratio based on GAAP information, with the exception of adjustments made to capitalize operating leases. Operating leases are capitalized as part of the ROIC calculation to control for differences in capital structure between us and our competitors. We believe this metric provides a meaningful measure of the effectiveness of our capital allocation over time. Other companies may calculate ROIC differently than we do, limiting the usefulness of the measure for comparisons with other companies.

After-Tax Return on Invested Capital

Numerator (dollars in millions)	Trailing Twelve Months July 29, 2017	Trailing Twelve Months July 30, 2016
Earnings from continuing operations before interest expense and income taxes	$ 4,700	$ 5,605
+ Operating lease interest [(a)(b)]	76	77
Adjusted earnings from continuing operations before interest expense and income taxes	4,776	5,682
- Income taxes [(c)]	1,571	1,791
Net operating profit after taxes	**$ 3,205**	**$ 3,891**

Denominator (dollars in millions)	July 29, 2017	July 30, 2016	August 1, 2015
Current portion of long-term debt and other borrowings	$ 1,354	$ 647	$ 841
+ Noncurrent portion of long-term debt	10,892	12,063	11,817
+ Shareholders' equity	11,098	11,577	13,942
+ Capitalized operating lease obligations [(b)(d)]	1,257	1,274	1,497
- Cash and cash equivalents	2,291	1,480	2,742
- Net assets of discontinued operations	10	80	217
Invested capital	$ 22,300	$ 24,001	$ 25,138
Average invested capital [(e)]	**$ 23,150**	**$ 24,569**	
After-tax return on invested capital [(f)]	**13.8%**	**15.8%**	

[(a)] Represents the add-back to operating income to reflect the hypothetical interest expense we would incur if the property under our operating leases were owned or accounted for as capital leases, using eight times our trailing twelve months rent expense and an estimated interest rate of six percent.
[(b)] See the following Reconciliation of Capitalized Operating Leases table for the adjustments to our GAAP total rent expense to obtain the hypothetical capitalization of operating leases and related operating lease interest.
[(c)] Calculated using the effective tax rate for continuing operations, which was 32.9 percent and 31.5 percent for the trailing twelve months ended July 29, 2017 and July 30, 2016, respectively. For the trailing twelve months ended July 29, 2017 and July 30, 2016, includes tax effect of $1,546 million and $1,767 million, respectively, related to EBIT and $25 million and $24 million, respectively, related to operating lease interest.
[(d)] Calculated as eight times our trailing twelve months rent expense.
[(e)] Average based on the invested capital at the end of the current period and the invested capital at the end of the comparable prior period.
[(f)] Excluding the net gain on the Pharmacy Transaction, ROIC was 13.7 percent for the trailing twelve months ended July 30, 2016.

Capitalized operating lease obligations and operating lease interest are not in accordance with, or an alternative for, generally accepted accounting principles in the United States. The most comparable GAAP measure is total rent expense. Capitalized operating lease obligations and operating lease interest should not be considered in isolation or as a substitution for analysis of our results as reported under GAAP.

Reconciliation of Capitalized Operating Leases	Trailing Twelve Months		
(dollars in millions)	July 29, 2017	July 30, 2016	August 1, 2015
Total rent expense	$ 157	$ 159	$ 187
Capitalized operating lease obligations (total rent expense x 8)	1,257	1,274	1,497
Operating lease interest (capitalized operating lease obligations x 6%)	76	77	n/a

Analysis of Financial Condition

Liquidity and Capital Resources

Our cash and cash equivalents balance was $2,291 million at July 29, 2017, compared with $1,480 million for the same period in 2016. As of July 29, 2017, $1,387 million of cash and cash equivalents were held at entities located outside the United States and may be subject to taxation if repatriated. Our investment policy is designed to preserve principal and liquidity of our short-term investments. This policy allows investments in large money market funds or in highly rated direct short-term instruments that mature in 60 days or less. We also place certain dollar limits on our investments in individual funds or instruments.

Capital Allocation

We follow a disciplined and balanced approach to capital allocation, based on the following priorities, ranked in order of importance: first, we fully invest in opportunities to grow our business profitably, create sustainable long-term value, and maintain our current operations and assets; second, we maintain a competitive quarterly dividend and seek to grow it annually; and finally, we return excess cash to shareholders by repurchasing shares within the limits of our credit rating goals.

Cash Flows

Operating cash flow provided by continuing operations was $2,866 million for the six months ended July 29, 2017, compared with $1,396 million for the same period in 2016. The increase is partially due to an increase in accounts payable driven by changes in vendor payment terms during the first half of 2017 and improved inventory turnover, compared to a decrease in accounts payable during the first half of 2016. The operating cash flow increase is also partially due to the payment of approximately $500 million of taxes during the first quarter of 2016, primarily related to the Pharmacy Transaction. These cash flows, combined with our prior year-end cash position, allowed us to invest in the business, retire $598 million of debt, pay dividends, and repurchase shares under our share repurchase program.

Share Repurchases

We returned $296 million and $601 million to shareholders through share repurchase during the three and six months ended July 29, 2017, respectively, and $1,350 million and $2,243 million during the three and six months ended July 30, 2016, respectively. See Part II, Item 2 of this Quarterly Report on Form 10-Q and Note 10 to the Financial Statements for more information.

Dividends

We paid dividends totaling $331 million ($0.60 per share) and $663 million ($1.20 per share) for the three and six months ended July 29, 2017, respectively, and $330 million ($0.56 per share) and $666 million ($1.12 per share) for the three and six months ended July 30, 2016, respectively, a per share increase of 7.1 percent. We declared dividends totaling $343 million ($0.62 per share) in second quarter 2017, a per share increase of 3.3 percent over the $346 million ($0.60 per share) of declared dividends during the second quarter of 2016. We have paid dividends every quarter since our 1967 initial public offering, and it is our intent to continue to do so in the future.

Short-term and Long-term Financing

Our financing strategy is to ensure liquidity and access to capital markets, to maintain a balanced spectrum of debt maturities, and to manage our net exposure to floating interest rate volatility. Within these parameters, we seek to minimize our borrowing costs. Our ability to access the long-term debt and commercial paper markets has provided us with ample sources of liquidity. Our continued access to these markets depends on multiple factors, including the condition of debt capital markets, our operating performance, and maintaining strong credit ratings. As of July 29, 2017 our credit ratings were as follows:

Credit Ratings	Moody's	Standard and Poor's	Fitch
Long-term debt	A2	A	A-
Commercial paper	P-1	A-1	F2

If our credit ratings were lowered, our ability to access the debt markets, our cost of funds, and other terms for new debt issuances could be adversely impacted. Each of the credit rating agencies reviews its rating periodically and there is no guarantee our current credit ratings will remain the same as described above.

We have additional liquidity through a committed $2.5 billion revolving credit facility obtained through a group of banks in October 2016, which expires in October 2021. This unsecured revolving credit facility replaced a $2.25 billion unsecured revolving credit facility that was scheduled to expire in October 2018. No balances were outstanding under either credit facility at any time during 2017 or 2016.

Most of our long-term debt obligations contain covenants related to secured debt levels. In addition to a secured debt level covenant, our credit facility also contains a debt leverage covenant. We are, and expect to remain, in compliance with these covenants. Additionally, at July 29, 2017, no notes or debentures contained provisions requiring acceleration of payment upon a credit rating downgrade, except that certain outstanding notes allow the note holders to put the notes to us if within a matter of months of each other we experience both (i) a change in control; and (ii) our long-term debt ratings are either reduced and the resulting rating is noninvestment grade, or our long-term debt ratings are placed on watch for possible reduction and those ratings are subsequently reduced and the resulting rating is noninvestment grade.

We believe our sources of liquidity will continue to be adequate to maintain operations, finance anticipated expansion and strategic initiatives, fund debt maturities, pay dividends, and execute purchases under our share repurchase program for the foreseeable future. We continue to anticipate ample access to commercial paper and long-term financing.

Contractual Obligations and Commitments

As of the date of this report, there were no material changes to our contractual obligations and commitments outside the ordinary course of business since January 28, 2017 as reported in our 2016 Form 10-K.

New Accounting Pronouncements

Refer to Note 2, Note 9, and Note 11 of the Financial Statements for a description of new accounting pronouncements related to revenues, leases, and pension benefits, respectively. We do not expect any other recently issued accounting pronouncements will have a material effect on our financial statements.

Forward-Looking Statements

This report contains forward-looking statements, which are based on our current assumptions and expectations. These statements are typically accompanied by the words "expect," "may," "could," "believe," "would," "might," "anticipates," or words of similar import. The principal forward-looking statements in this report include: our financial performance, statements regarding the adequacy of and costs associated with our sources of liquidity, the funding of debt maturities, the continued execution of our share repurchase program, our expected capital expenditures, the expected compliance with debt covenants, the expected impact of new accounting pronouncements, our intentions regarding future dividends, the expected return on plan assets, the expected outcome of, and adequacy of our reserves for, claims and litigation, and changes in our assumptions and expectations.

All such forward-looking statements are intended to enjoy the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, as amended. Although we believe there is a reasonable basis for the forward-looking statements, our actual results could be materially different. The most important factors which could cause our actual results to differ from our forward-looking statements are set forth on our description of risk factors in Item 1A of our Form 10-K for the fiscal year ended January 28, 2017, which should be read in conjunction with the forward-looking statements in this report. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update any forward-looking statement.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes in our primary risk exposures or management of market risks from those disclosed in our Form 10-K for the fiscal year ended January 28, 2017.

Item 4. Controls and Procedures

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the second quarter of 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this quarterly report, we conducted an evaluation, under supervision and with the participation of management, including the chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rules 13a-15 and 15d-15 of the Securities Exchange Act of 1934, as amended (Exchange Act). Based upon that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures are effective at the reasonable assurance level. Disclosure controls and procedures are defined by Rules 13a-15(e) and 15d-15(e) of the Exchange Act as controls and other procedures that are designed to ensure that information required to be disclosed by us in reports filed with the Securities and Exchange Commission (SEC) under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in reports filed under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The following update to a previously reported proceeding is being reported pursuant to Item 103 of Regulation S-K:

> On July 31, 2017, the United States District Court for the District of Minnesota issued a combined order dismissing the Federal Securities Law Class Actions and the ERISA Class Actions relating to certain prior disclosures by Target about its expansion of retail operations into Canada. Both the Federal Securities Law Class Actions and ERISA Class Actions were previously described in Target's annual report on Form 10-K for the fiscal year ended January 28, 2017.

Item 1A. Risk Factors

There have been no material changes to the risk factors described in our Annual Report on Form 10-K for the fiscal year ended January 28, 2017.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On September 20, 2016, our Board of Directors authorized a new $5 billion share repurchase program. We began repurchasing shares under this new authorization during the fourth quarter of 2016. There is no stated expiration for the share repurchase program. Under the program, we have repurchased 14.4 million shares of common stock through July 29, 2017, at an average price of $60.28, for a total investment of $0.9 billion. The table below presents information with respect to Target common stock purchases made during the three months ended July 29, 2017, by Target or any "affiliated purchaser" of Target, as defined in Rule 10b-18(a)(3) under the Exchange Act.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Dollar Value of Shares that May Yet Be Purchased Under Publicly Announced Programs
April 30, 2017 through May 27, 2017				
Open market and privately negotiated purchases	—	$ —	—	$ 4,430,328,641
May 28, 2017 through July 1, 2017				
Open market and privately negotiated purchases	5,458,026	52.47	5,458,026	4,143,941,970
July 2, 2017 through July 29, 2017				
Open market and privately negotiated purchases	190,310	52.00	190,310	4,134,046,448
Total	5,648,336	$ 52.45	5,648,336	$ 4,134,046,448

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

(3)A	Amended and Restated Articles of Incorporation (as amended through June 9, 2010)[(1)]
(3)B	Bylaws (as amended through November 11, 2015)[(2)]
(10)C	Amended and Restated Target Corporation 2011 Long-Term Incentive Plan (as amended and restated effective September 1, 2017)
(10)L	Target Corporation Officer Income Continuance Policy Statement (as amended and restated effective September 1, 2017)
(10)KK	Target Corporation Executive Officer Cash Incentive Plan[(3)]
(12)	Statements of Computations of Ratios of Earnings to Fixed Charges
(31)A	Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
(31)B	Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
(32)A	Certification of the Chief Executive Officer As Adopted Pursuant to 18 U.S.C. Section 1350 Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(32)B	Certification of the Chief Financial Officer As Adopted Pursuant to 18 U.S.C. Section 1350 Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

[(1)] *Incorporated by reference to Exhibit (3)A to the Registrant's Form 8-K Report filed June 10, 2010.*

[(2)] *Incorporated by reference to Exhibit (3)A to the Registrant's Form 8-K Report filed November 12, 2015.*

[(3)] *Incorporated by reference to Exhibit (10)KK to the Registrant's Form 8-K Report filed June 15, 2017.*

SIGNATURE

Pursuant to the requirements 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.

TARGET CORPORATION

Dated: August 21, 2017

By: /s/ Cathy R. Smith
Cathy R. Smith
Executive Vice President and
Chief Financial Officer
(Duly Authorized Officer and
Principal Financial Officer)

/s/ Robert M. Harrison
Robert M. Harrison
Senior Vice President, Chief Accounting Officer
and Controller

EXHIBIT INDEX

Exhibit	Description	Manner of Filing
(3)A	Amended and Restated Articles of Incorporation (as amended through June 9, 2010)	Incorporated by Reference
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(10)C	Amended and Restated Target Corporation 2011 Long-Term Incentive Plan (as amended and restated effective September 1, 2017)	Filed Electronically
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101.DEF	XBRL Taxonomy Extension Definition Linkbase	Filed Electronically
101.LAB	XBRL Taxonomy Extension Label Linkbase	Filed Electronically
101.PRE	XBRL Taxonomy Extension Presentation Linkbase	Filed Electronically

Exhibit (10)C

AMENDED AND RESTATED TARGET CORPORATION
2011 LONG TERM INCENTIVE PLAN

(As amended and restated effective September 1, 2017)

1. Purpose. The purpose of the Plan is to advance the performance and long-term growth of the Company by offering long-term incentives to directors and employees of the Company and its Subsidiaries and such other Participants who the Committee determines will contribute to such performance and growth inuring to the benefit of the shareholders of the Company. This Plan is also intended to facilitate recruiting and retaining personnel of outstanding ability.

2. Definitions. In this Plan, the following definitions will apply.

(a) "Agreement" means the written or electronic agreement containing the terms and conditions applicable to each Award granted under the Plan. An Agreement is subject to the terms and conditions of the Plan.

(b) "Award" means a grant made under the Plan in the form of Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units or Performance Awards.

(c) "Board" means the Board of Directors of the Company.

(d) "Cause" means what the term is expressly defined to mean in a then-effective written agreement (including an Agreement) between a Participant and the Company or any Subsidiary. In the absence of any such then-effective agreement or definition, "Cause" means, (i) failure to substantially perform a Participant's duties for the Company or one of its Subsidiaries (other than failure resulting from incapacity due to physical or mental illness) after receipt of a written demand for such performance specifically identifying such failure and which affords the Participant a reasonable period of time (as determined by the Company or one of its Subsidiaries in its discretion under the circumstances) in which to cure such failure; or (ii) deliberate and serious disloyal or dishonest conduct that justifies and results in prompt discharge for specific cause under the established policies and practices of the Company or one of its Subsidiaries. Examples of such deliberate and serious disloyal or dishonest conduct would include material unlawful conduct, material and conscious falsification or unauthorized disclosure of important records or reports, embezzlement or unauthorized conversion of property, serious violation of conflict of interest, vendor relations policies, or the Company's Business Conduct Guide (or any successor or replacement code of conduct for employees), or misuse or disclosure of significant trade secrets or other information likely to be detrimental to the Company or its interests.

(e) "Change in Control" means, unless otherwise provided in an Agreement, one of the following:

(1) Individuals who are Continuing Directors cease for any reason to constitute 50% or more of the directors of the Company; or

(2) 30% or more of the outstanding voting power of the Voting Stock of the Company is acquired or beneficially owned (within the meaning of Rule 13d-3 under the Exchange Act) by any Person, other than an entity resulting from a Business Combination in which clauses (x) and (y) of Section 2(e)(3) apply; or

(3) the consummation of a merger or consolidation of the Company with or into another entity, a statutory share exchange, a sale or other disposition (in one transaction or a series of

transactions) of all or substantially all of the Company's assets or a similar business combination (each, a "Business Combination"), in each case unless, immediately following such Business Combination, (x) all or substantially all of the beneficial owners (within the meaning of Rule 13d-3 under the Exchange Act) of the Company's Voting Stock immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of the voting power of the then outstanding shares of voting stock (or comparable voting equity interests) of the surviving or acquiring entity resulting from such Business Combination (including such beneficial ownership of an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries), in substantially the same proportions (as compared to the other beneficial owners of the Company's Voting Stock immediately prior to such Business Combination) as their beneficial ownership of the Company's Voting Stock immediately prior to such Business Combination, and (y) no Person beneficially owns, directly or indirectly, 30% or more of the voting power of the outstanding voting stock (or comparable equity interests) of the surviving or acquiring entity (other than a direct or indirect parent entity of the surviving or acquiring entity, that, after giving effect to the Business Combination, beneficially owns, directly or indirectly, 100% of the outstanding voting stock (or comparable equity interests) of the surviving or acquiring entity); or

(4) approval by the shareholders of a definitive agreement or plan to liquidate or dissolve the Company.

Notwithstanding the foregoing, to the extent that any Award constitutes a deferral of compensation subject to Code Section 409A, and if that Award provides for a change in the time or form of payment upon a Change in Control, then, solely for purposes of applying such change in the time or form of payment provision, a Change in Control shall be deemed to have occurred upon an event described in Section 2(e) only if the event would also constitute a change in ownership or effective control of, or a change in the ownership of a substantial portion of the assets of, the Company under Code Section 409A.

(f) "Code" means the Internal Revenue Code of 1986, as amended and in effect from time to time, and the regulations promulgated thereunder.

(g) "Committee" means two or more Non-Employee Directors designated by the Board to administer the Plan under Section 3, each member of which shall be (i) an independent director within the meaning of the rules and regulations of the New York Stock Exchange, (ii) a non-employee director within the meaning of Exchange Act Rule 16b-3, and (iii) an outside director for purposes of Code Section 162(m).

(h) "Company" means Target Corporation, a Minnesota corporation, or any successor thereto.

(i) "Continuing Director" means an individual (A) who is, as of the effective date of the Plan, a director of the Company, or (B) who becomes a director of the Company after the effective date hereof and whose initial appointment, or nomination for election by the Company's shareholders, was approved by at least a majority of the then Continuing Directors; provided, however, that any individual whose initial assumption of office occurs as a result of either an actual or threatened contested election by any Person (other than the Board of Directors) seeking the election of such nominee in which the number of nominees exceeds the number of directors to be elected shall not be a Continuing Director.

(j) "Disability" means, unless provided otherwise in an Agreement, total and permanent disability.

(k) "Employee" means an employee of the Company or a Subsidiary.

(l) "Exchange Act" means the Securities Exchange Act of 1934, as amended and in effect from time to time, and the regulations promulgated thereunder.

(m) "Fair Market Value" of a Share:

(1) Solely for purposes of determining the exercise price of an Option or Stock Appreciation Right, "Fair Market Value" of a Share on any date is the Volume Weighted Average Price for such Share as reported for such stock by Bloomberg L.P. on such date, or in the absence of such report the Volume Weighted Average Price for such stock as reported for such stock by the New York Stock Exchange on such date or, if no sale has been recorded by Bloomberg L.P. or the New York Stock Exchange on such date, then on the last preceding date on which any such sale shall have been made in the order of primacy indicated above; or

(2) For all other purposes of the Plan except Section 11(c)(2), "Fair Market Value" of a Share shall be the amount determined by the Company using such criteria as it shall determine, in its sole discretion, to be appropriate for valuation.

(n) "Full Value Award" means an Award other than an Option or Stock Appreciation Right.

(o) "Fundamental Change" means a (i) consummation of a merger or consolidation of the Company with or into another entity, regardless of whether the Company is the surviving entity, (ii) the sale of all or substantially all of the assets of the Company, (iii) a statutory share exchange involving the capital stock of the Company, or (iv) a dissolution or liquidation of the Company.

(p) "Good Reason" means, for purposes of Section 11(b), any material diminution of the Participant's position, authority, duties or responsibilities (including the assignment of duties materially inconsistent with the Participant's position or a material increase in the time Participant is required by the Company or its successor to travel), any reduction in salary or in the Participant's aggregate bonus and incentive opportunities, any material reduction in the aggregate value of the Participant's employee benefits (including retirement, welfare and fringe benefits), or relocation to a principal work site that is more than 40 miles from the Participant's principal work site immediately prior to the Change in Control.

(q) "Grant Date" means the date on which the Committee approves the grant of an Award under the Plan, or such later date as may be specified by the Committee on the date the Committee approves the Award.

(r) "Non-Employee Director" means a member of the Board who is not an Employee.

(s) "Option" means a right granted under the Plan to purchase a specified number of Shares at a specified price. An "Incentive Stock Option" or "ISO" means any Option designated as such and granted in accordance with the requirements of Code Section 422. A "Non-Qualified Stock Option" means an Option other than an Incentive Stock Option.

(t) "Participant" means a Service Provider to whom an Award is or has been made in accordance with the Plan.

(u) "Performance Award" means a right to receive cash and/or Shares as determined by the Committee, subject to satisfying certain performance-based vesting conditions and other restrictions or limitations as may be set forth in this Plan and the applicable Agreement, which Award may be in the form of a number of shares ("Performance Shares"), a right to receive a number of Shares ("Performance Share Units") or a cash amount ("Performance Units"), based in all cases on the extent to which the applicable performance-based vesting conditions are achieved. The Performance Award will typically set a nominal payout amount (which the Company refers to as the 100% payout), and such Award may provide for further variable payout amounts based on performance above or below the performance threshold corresponding to the nominal payout amount.

(v) "Performance-Based Compensation" means an Award to a person who is, or is determined by the Committee to likely become, a "covered employee" (as defined in Section 162(m)(3) of the Code) and that is intended to constitute "performance-based compensation" within the meaning of Section 162(m)(4)(C) of the Code.

(w) "Person", as used in Sections 2(e) and 2(i), means any individual, firm, corporation or other entity and shall include any group comprised of any person and any other person with whom such person or any affiliate or associate (as defined in Rule 14a-1(a) of the Exchange Act) of such person has any agreement, arrangement or understanding, directly or indirectly, for the purpose of acquiring, holding, voting or disposing of any capital stock of the Company.

(x) "Plan" means this 2011 Target Corporation Long Term Incentive Plan, as amended and in effect from time to time.

(y) "Prior Plan" means the Target Corporation Long-Term Incentive Plan (as amended and restated on May 28, 2009), as may be amended from time to time.

(z) "Restricted Stock" means Shares issued to a Participant that are subject to such restrictions on transfer, forfeiture conditions and other restrictions or limitations as may be set forth in this Plan and the applicable Agreement.

(aa) "Service" means the provision of services by a Participant to the Company or any Subsidiary in any Service Provider capacity. A Service Provider's Service shall be deemed to have terminated either upon an actual cessation of actively providing services or upon the entity for which the Service Provider provides services ceasing to be a Subsidiary. Except as otherwise provided in this Plan or any Agreement, Service shall not be deemed terminated in the case of (i) any approved leave of absence or (ii) transfers among the Company and any Subsidiaries in the same Service Provider capacity; however, a termination shall occur if the relationship the Participant had with the Company or a Subsidiary at the Grant Date terminates, even if the Participant continues in another relationship with the Company or a Subsidiary.

(bb) "Service Provider" means an Employee, a Non-Employee Director, or any consultant or advisor who is a natural person and who provides services (other than in connection with (i) a capital-raising transaction or (ii) promoting or maintaining a market in Company securities) to the Company or any Subsidiary.

(cc) "Share" means a share of Stock.

(dd) "Stock" means the common stock, $0.833 par value, of the Company.

(ee) "Stock Appreciation Right" or "SAR" means the right to receive, in cash and/or Shares as determined by the Committee, an amount equal to the appreciation in value of a specified number of Shares between the Grant Date of the SAR and its exercise date.

(ff) "Restricted Stock Unit" means a right to receive, in cash and/or Shares as determined by the Committee, the Fair Market Value of a Share, subject to such restrictions on transfer, forfeiture conditions and other restrictions or limitations as may be set forth in this Plan and the applicable Agreement.

(gg) "Subsidiary" means any corporation or other entity (other than the Company) in an unbroken chain of corporations or entities beginning with the Company, in which each of the corporations or entities other than the last corporation or other entity in the unbroken chain owns stock or other voting securities possessing fifty percent or more of the total combined voting power in one of the other corporations or entities in such chain as determined at the point in time when reference is made to such "Subsidiary" in this Plan.

(hh) "Substitute Award" means an Award granted upon the assumption of, or in substitution or exchange for, outstanding awards granted by a company or other entity acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines.

(ii) "Voting Stock" means all then-outstanding capital stock of the Company entitled to vote generally in the election of directors of the Company.

3. Administration of the Plan.

(a) Administration. The authority to control and manage the operations and administration of the Plan shall be vested in the Committee in accordance with this Section 3.

(b) Scope of Authority. Subject to the terms of the Plan, the Committee shall have the authority, in its discretion, to take such actions as it deems necessary or advisable to administer the Plan, including:

(1) determining the Service Providers to whom Awards will be granted, the timing of each such Award, the types of Awards and the number of Shares covered by each Award, the terms, conditions, performance criteria, restrictions and other provisions of Awards, and the manner in which Awards are paid or settled;

(2) cancelling or suspending an Award or the exercisability of an Award, accelerating the vesting or extending the exercise period of an Award, or otherwise amending the terms and conditions of any outstanding Award, subject to the requirements of Sections 14(d) and 14(e);

(3) establishing, amending or rescinding rules to administer the Plan, interpreting the Plan and any Award or Agreement made under the Plan, and making all other determinations necessary or desirable for the administration of the Plan; and

(4) taking such actions as are described in Section 3(c) with respect to Awards to foreign Service Providers.

(c) Awards to Foreign Service Providers. The Committee may grant Awards to Service Providers who are foreign nationals, who are located outside of the United States or who are not compensated from a payroll maintained in the United States, or who are otherwise subject to (or could cause the Company or a Subsidiary to be subject to) legal or regulatory requirements of countries outside of the United States, on such terms and conditions different from those specified in the Plan as may, in the judgment of the Committee, be necessary or desirable to comply with applicable foreign laws and regulatory requirements and to promote achievement of the purposes of the Plan. The Committee may also modify the terms and conditions of such an Award to comply with applicable foreign laws or listing requirements, subject to compliance with the other provisions of the Plan. In connection therewith, the Committee may establish such subplans and modify exercise procedures and other Plan rules and procedures to the extent such actions are deemed necessary or desirable, and may take any other action that it deems advisable to obtain local regulatory approvals or to comply with any necessary local governmental regulatory exemptions.

(d) Acts of the Committee; Delegation. A majority of the members of the Committee shall constitute a quorum for any meeting of the Committee, and any act of a majority of the members present at any meeting at which a quorum is present or any act unanimously approved in writing by all members of the Committee shall be the act of the Committee. Any such action of the Committee shall be valid and effective even if the members of the Committee at the time of such action are later determined not to have satisfied all of the criteria for membership in clauses (i), (ii) and (iii) of Section 2(g). To the extent not inconsistent with applicable law or stock exchange rules, the Committee may delegate all or any portion of its authority under the Plan to any one or more of its members or, as to Awards to Participants who are not subject to Section 16 of the Exchange Act, to one or more executive officers of the Company. The Committee may also delegate non-discretionary administrative responsibilities in connection with the Plan to such other persons as it deems advisable.

(e) Finality of Decisions. The Committee's interpretation of the Plan and of any Award or Agreement made under the Plan and all related decisions or resolutions of the Board or Committee shall be final and binding on all parties with an interest therein.

4. Shares Available Under the Plan.

(a) Maximum Shares Available. Subject to Section 4(b) and to adjustment as provided in Section 11(a), the number of Shares that may be the subject of Awards and issued under the Plan shall be 60,000,000. After the effective date of the Plan, no additional awards may be granted under the Prior Plan. Shares issued under the Plan may come from authorized and unissued shares or treasury shares. In determining the number of Shares to be counted against this share reserve in connection with any Award, the following rules shall apply:

(1) Shares that are subject to Awards of Options or Stock Appreciation Rights shall be counted against the share reserve as one Share for every one Share granted.

(2) Shares that are subject to Full Value Awards shall be counted against the share reserve as two Shares for every one Share granted.

(3) Where the number of Shares subject to an Award is variable on the Grant Date, the number of Shares to be counted against the share reserve prior to the settlement of the Award shall be the maximum number of Shares that could be received under that particular Award.

(4) Where two or more types of Awards are granted to a Participant in tandem with each other, such that the exercise of one type of Award with respect to a number of Shares cancels at least an equal number of Shares of the other, the number of Shares to be counted against the share reserve shall be the largest number of Shares that would be counted against the share reserve under either of the Awards.

(5) Substitute Awards shall not be counted against the share reserve, nor shall they reduce the Shares authorized for grant to a Participant in any thirty-six month period.

(b) Effect of Forfeitures and Other Actions. Any Shares subject to an Award, or to an award granted under the Prior Plan that is outstanding on the effective date of this Plan (a "Prior Plan Award"), that is forfeited or expires or is settled for cash shall, to the extent of such forfeiture, expiration or cash settlement, again become available for Awards under this Plan, and the total number of Shares available for grant under Section 4(a) shall be correspondingly increased as provided in Section 4(c) below. The following Shares shall not, however, again become available for Awards or increase the number of Shares available for grant under Section 4(a): (i) Shares tendered by the Participant or withheld by the Company in payment of the purchase price of an option issued under this Plan or the Prior Plan, (ii) Shares tendered by the Participant or withheld by the Company to satisfy any tax withholding obligation with respect to an Award or a Prior Plan Award, (iii) Shares repurchased by the Company with proceeds received from the exercise of an option issued under this Plan or the Prior Plan, and (iv) Shares subject to a Stock Appreciation Right issued under this Plan or the Prior Plan that are not issued in connection with the stock settlement of that Stock Appreciation Right upon its exercise.

(c) Counting Shares Again Available. Each Share that again becomes available for Awards as provided in Section 4(b) shall increase the total number of Shares available for grant under Section 4(a) by (i) one Share if such Share was subject to an Option or Stock Appreciation Right under the Plan or a stock option or stock appreciation right under the Prior Plan, and (ii) two Shares if such Share was subject to a Full Value Award under the Plan or an award other than a stock option or stock appreciation right under the Prior Plan.

(d) Effect of Plans Operated by Acquired Companies. If a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines has shares available under a pre-existing plan approved by shareholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under the Plan and shall not reduce the Shares authorized for grant under the Plan. Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Employees or Non-Employee Directors prior to such acquisition or combination.

(e) No Fractional Shares. Unless otherwise determined by the Committee, the number of Shares subject to an Award shall always be a whole number. No fractional Shares may be issued under the Plan, but the Committee may, in its discretion, pay cash in lieu of any fractional Share in settlement of an Award.

5. General Terms of Awards.

(a) Award Agreement. Each Award shall be evidenced by an Agreement setting forth the number of Shares subject to the Award together with such other terms and conditions applicable to the Award (and not inconsistent with the Plan) as determined by the Committee. An Award to a Participant may be made singly or in combination with any form of Award. Two types of Awards may be made in tandem with each other such that the exercise of one type of Award with respect to a number of Shares reduces the number of Shares subject to the related Award by at least an equal amount.

(b) Vesting and Term. Each Agreement shall set forth the period until the applicable Award is scheduled to expire (which shall not be more than ten years from the Grant Date, provided that an Agreement may provide that the Award may continue for up to one year following termination of employment due to death), and any applicable performance period. The Committee may provide in an Agreement for such vesting conditions as it may determine, subject to the following limitations:

(1) A Full Value Award that vests as the result of the passage of time and continued Service by the Participant shall be subject to a vesting period of not less than three years from the applicable Grant Date (but permitting pro rata vesting over such vesting period); and

(2) A Full Value Award whose vesting is subject to the satisfaction of performance goals over a performance period shall be subject to a performance period of not less than one year.

The minimum vesting periods specified in clauses (1) and (2) above will not, however, apply: (i) to Awards made in payment of or exchange for other earned compensation (including performance-based Awards); (ii) upon a Change in Control; (iii) to termination of Service due to death, Disability or retirement; (iv) to a Substitute Award that does not reduce the vesting period of the award being replaced; (v) Awards made to Non-Employee Directors as part of their retainer; and (vi) Awards involving an aggregate number of Shares not in excess of 5% of the number of Shares available for Awards under Section 4(a).

(c) Transferability. Except as provided in this Section 5(c), (i) during the lifetime of a Participant, only the Participant or the Participant's guardian or legal representative may exercise an Option or SAR, or receive payment with respect to any other Award; and (ii) no Award may be sold, assigned, transferred, exchanged or encumbered other than by will or the laws of descent and distribution. Any attempted transfer in violation of this Section 5(c) shall be of no effect. The Committee may, however, provide in an Agreement or otherwise that an Award (other than an Incentive Stock Option) may be transferred pursuant to a qualified domestic relations order or may be transferable by gift to any "family member" (as defined in General Instruction A(5) to Form S-8 under the Securities Act of 1933) of the Participant. Any Award held by a transferee shall continue to be subject to the same terms and conditions that were applicable to that Award immediately before the transfer thereof. For purposes of any provision of the Plan relating to notice to a Participant or to acceleration or termination of an Award upon the death or termination of employment of a Participant, the references to "Participant" shall mean the original grantee of an Award and not any transferee.

(d) Designation of Beneficiary. Each Participant may designate a beneficiary or beneficiaries to exercise any Award or receive a payment under any Award payable on or after the Participant's death. Any such designation shall be on a written or electronic form approved by the Committee and shall be effective upon its receipt by the Company or an agent selected by the Company.

(e) Termination of Service. Unless otherwise provided in an Agreement, and subject to Section 11 of this Plan, if a Participant's Service with the Company and all of its Subsidiaries terminates, the following provisions shall apply (in all cases subject to the scheduled expiration of an Option or Stock Appreciation Right, as applicable):

(1) Upon termination of Service for Cause, all unexercised Options and SARs and all unvested portions of any other outstanding Awards shall be immediately forfeited without consideration.

(2) Upon termination of Service for any other reason, all unvested and unexercisable portions of any outstanding Awards shall be immediately forfeited without consideration.

(3) Upon termination of Service for any reason other than Cause, death or Disability, the currently vested and exercisable portions of Options and SARs may be exercised for a period of 90 days (210 days if Participant would be subject to the provisions of Rule 16b of the Exchange Act on the date of termination) after the date of such termination. However, if a Participant thereafter dies during such 90-day (or 210-day) period, the vested and exercisable portions of the Options and SARs may be exercised for a period of one year after the date of such termination, but in no event later than the stated expiration date of the Option or SAR.

(4) Upon termination of Service due to death or Disability, the currently vested and exercisable portions of Options and SARs may be exercised for a period of one year after the date of such termination, which may, if so provided in an Agreement, extend beyond the stated expiration date of the Option or SAR.

(f) Rights as Shareholder. No Participant shall have any rights as a shareholder with respect to any securities covered by an Award unless and until the date the Participant becomes the holder of record of the Shares, if any, to which the Award relates.

(g) Performance-Based Awards. Any Award may be granted as a performance-based Award if the Committee establishes one or more measures of corporate, business unit or individual performance that must be attained, and the performance period over which the specified performance is to be attained, as a condition to the vesting, exercisability, lapse of restrictions and/or settlement in cash or Shares of such Award. In connection with any such Award, the Committee shall determine the extent to which performance measures have been attained and other applicable terms and conditions have been satisfied, and the degree to which vesting, exercisability, lapse of restrictions and/or settlement in cash or Shares of such Award has been earned. Any performance-based Award that is intended by the Committee to qualify as Performance-Based Compensation shall additionally be subject to the requirements of Section 16 of this Plan. Except as provided in Section 16 with respect to Performance-Based Compensation, the Committee shall also have the authority to provide, in an Agreement or otherwise, for the modification of a performance period and/or an adjustment or waiver of the achievement of performance measures upon the occurrence of certain events, which may include a Change of Control, a Fundamental Change, a recapitalization, a change in the accounting practices of the Company, or the Participant’s death or Disability.

(h) Dividends and Dividend Equivalents. Any dividends or distributions paid with respect to Shares that are subject to the unvested portion of a Restricted Stock Award will be subject to the same restrictions as the Shares to which such dividends or distributions relate, except for regular quarterly cash dividends on Shares subject to the unvested portion of a Restricted Stock Award that is subject only to service-based vesting conditions. In its discretion, the Committee may provide in an Award Agreement for any Full Value Award that the Participant will be entitled to receive dividend equivalents on the Shares subject to the Award based on dividends actually declared on outstanding Shares, provided that any dividend equivalents on a Full Value Award that is subject to service-based or performance-based vesting conditions shall be subject to the same vesting conditions as, and any payment thereof shall occur to the same extent as, the Shares underlying such Full Value Award. The terms of any dividend equivalents will be as set forth in the applicable Award Agreement, including the time and form of payment and whether such dividend equivalents will be credited with interest or deemed to be reinvested in additional units or Share equivalents. The Committee may, in its discretion, provide in Award Agreements for restrictions on dividends and dividend equivalents in addition to those specified in this Section 5(h).

6. Stock Option Awards.

(a) Type and Exercise Price. The Agreement pursuant to which an Option is granted shall specify whether the Option is an Incentive Stock Option or a Non-Qualified Stock Option. The exercise price at which each Share subject to an Option may be purchased shall be determined by the Committee and set forth in the Agreement, and shall not be less than the Fair Market Value of a Share on the Grant Date, except in the case of Substitute Awards.

(b) Payment of Exercise Price. The purchase price of the Shares with respect to which an Option is exercised shall be payable in full at the time of exercise, which may include, to the extent permitted by the Committee, payment under a broker-assisted sale and remittance program acceptable to the Committee. The purchase price may be paid in cash in U.S. dollars or check denominated in U.S. dollars or in such other manner as the Committee may permit, which may include by withholding Shares otherwise issuable to the Participant upon exercise of the Option or by delivery to the Company of Shares (by actual delivery or attestation) already owned by the Participant (in each case, such Shares having a Fair Market Value as of the date the Option is exercised equal to the purchase price of the Shares being purchased).

(c) Exercisability and Expiration. Each Option shall be exercisable in whole or in part on the terms provided in the Agreement. No Option shall be exercisable at any time after its scheduled expiration, which shall be set in a manner consistent with Section 5(b). When an Option is no longer exercisable, it shall be deemed to have terminated.

(d) Incentive Stock Options.

(1) An Option will constitute an Incentive Stock Option only if the Participant receiving the Option is an Employee, and only to the extent that (i) it is so designated in the applicable Agreement and (ii) the aggregate Fair Market Value (determined as of the Option's Grant Date) of the Shares with respect to which Incentive Stock Options held by the Participant first become exercisable in any calendar year (under the Plan and all other plans of the Company and its Subsidiaries) does not exceed $100,000. To the extent an Option granted to a Participant exceeds this limit, the Option shall be treated as a Non-Qualified Stock Option. The maximum number of Shares that may be issued upon the exercise of Incentive Stock Options shall equal the maximum number of Shares that may be the subject of Awards and issued under the Plan as provided in the first sentence of Section 4(a).

(2) No Participant may receive an Incentive Stock Option under the Plan if, immediately after the grant of such Award, the Participant would own (after application of the rules contained in Code Section 424(d)) Shares possessing more than 10% of the total combined voting power of all classes of stock of the Company or a Subsidiary, unless (i) the option price for that Incentive Stock Option is at least 110% of the Fair Market Value of the Shares subject to that Incentive Stock Option on the Grant Date and (ii) that Option will expire no later than five years after its Grant Date.

(3) For purposes of continued Service by a Participant who has been granted an Incentive Stock Option, no approved leave of absence may exceed three months unless reemployment upon expiration of such leave is provided by statute or contract. If reemployment is not so provided, then on the date six months following the first day of such leave, any Incentive Stock Option held by the Participant shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Non-Qualified Stock Option.

(4) If an Incentive Stock Option is exercised after the expiration of the exercise periods that apply for purposes of Code Section 422, such Option shall thereafter be treated as a Non-Qualified Stock Option.

(5) The Agreement covering an Incentive Stock Option shall contain such other terms and provisions that the Committee determines necessary to qualify the Option as an Incentive Stock Option.

7. Stock Appreciation Rights.

(a) Nature of Award. An Award of Stock Appreciation Rights shall be subject to such terms and conditions determined by the Committee, to receive upon exercise of the Stock Appreciation Right all or a portion of the excess of (i) the Fair Market Value of a specified number of Shares as of the date of exercise of the Stock Appreciation Right over (ii) a specified exercise price that shall not be less than the Fair Market Value of such Shares on the Grant Date of the Stock Appreciation Right, except in the case of Substitute Awards.

(b) Exercise of SAR. Each Stock Appreciation Right may be exercisable in whole or in part at the times, on the terms and in the manner provided in the Agreement. No Stock Appreciation Right shall be exercisable at any time after its scheduled expiration, which shall be set in a manner consistent with Section 5(b). When a Stock Appreciation Right is no longer exercisable, it shall be deemed to have terminated. Upon exercise of a Stock Appreciation Right, payment to the Participant shall be made at such time or times as shall be provided in the Agreement in the form of cash, Shares or a combination of cash and Shares as determined by the Committee. The Agreement may provide for a limitation upon the amount or percentage of the total appreciation on which payment (whether in cash and/or Shares) may be made in the event of the exercise of a Stock Appreciation Right.

8. Restricted Stock Awards.

(a) Vesting and Consideration. Shares subject to a Restricted Stock Award shall be subject to vesting conditions, and the corresponding lapse or waiver of forfeiture conditions and other restrictions, based on such factors and occurring over such period of time (the "restriction period") as the Committee may determine in its discretion. The Committee may provide whether any consideration other than Services must be received by the Company or any Subsidiary as a condition precedent to the grant of a Restricted Stock Award.

(b) Shares Subject to Restricted Stock Awards. Unvested Shares subject to a Restricted Stock Award shall be evidenced by a book-entry in the name of the Participant with the Company's transfer agent or by one or more Stock certificates issued in the name of the Participant. Any such Stock certificate shall be deposited with the Company or its designee, together with an assignment separate from the certificate, in blank, signed by the Participant, and bear an appropriate legend referring to the restricted nature of the Restricted Stock evidenced thereby. Any book-entry shall be subject to transfer restrictions and accompanied by a similar legend. Upon the vesting of Shares of Restricted Stock and the corresponding lapse of the restrictions and forfeiture conditions, the corresponding transfer restrictions and restrictive legend will be removed from the book-entry evidencing such Shares or the certificate evidencing such Shares, and such certificate shall be delivered to the Participant. Such vested Shares may, however, remain subject to additional restrictions as provided in Section 17(c).

(c) Rights of a Shareholder. Except as otherwise provided in this Plan, including Section 5(h), and the applicable Agreement, a Participant with a Restricted Stock Award shall have all the other rights of a shareholder, including the right to receive dividends and the right to vote the Shares of Restricted Stock.

9. Restricted Stock Unit Awards.

(a) Vesting and Consideration. A Restricted Stock Unit Award shall be subject to vesting conditions, and the corresponding lapse or waiver of forfeiture conditions and other restrictions, based on such factors and occurring over such restriction period as the Committee may determine in its discretion. The Committee may provide whether any consideration other than Services must be received by the Company or any Subsidiary as a condition precedent to the settlement of a Restricted Stock Unit Award.

(b) Payment of Award. Following the vesting of a Restricted Stock Unit Award, settlement of the Award and payment to the Participant shall be made at such time or times in the form of cash, Shares (which may themselves be considered Restricted Stock under the Plan subject to restrictions on transfer and forfeiture conditions) or a combination of cash and Shares as determined by the Committee. If the Restricted Stock Unit Award is not by its terms exempt from the requirements of Code Section 409A, then the applicable Agreement shall contain terms and conditions necessary to avoid adverse tax consequences specified in Code Section 409A.

10. Performance Awards.

(a) Vesting and Consideration. A Performance Award shall be subject to performance-based vesting conditions and other restrictions, based on such factors and occurring over such period of time (the "performance period") as the Committee may determine in its discretion. The Committee may provide whether any consideration other than Services must be received by the Company or any Subsidiary as a condition precedent to the settlement of a Performance Award.

(b) Payment of Award. Following the vesting of a Performance Award, settlement of the Award and payment to the Participant shall be made at such time or times in the form of cash, Shares (which may themselves be considered Restricted Stock or Restricted Stock Units under the Plan subject to restrictions on transfer and forfeiture conditions) or a combination of cash and Shares as determined by the Committee. If the Performance Award is not by its terms exempt from the requirements of Code Section 409A, then the applicable Agreement shall contain terms and conditions necessary to avoid adverse tax consequences specified in Code Section 409A.

11. Changes in Capitalization; Change in Control; Fundamental Change; Reduction in Awards.

(a) Adjustments for Changes in Capitalization. In the event of any equity restructuring (within the meaning of FASB ASC Topic 718 – Stock Compensation) other than: (1) any distribution of securities or other property by the Company to shareholders in a spin-off or split-up that does not qualify as a tax-free spin-off or split-up under Section 355 of the Code (or any successor provision of the Code); or (2) any cash dividend (including extraordinary cash dividends), appropriate adjustments in the number of Shares available for grant, in the maximum Award limitations under the Plan, and in any outstanding Awards, including adjustments in the size of the Award and in the exercise price per share of Options and Stock Appreciation Rights, shall be made by the Committee to give effect to such equity restructuring to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan. No such adjustment shall be required to reflect the events described in clauses (1) and (2) above, or any other change in capitalization that does not constitute an equity restructuring, however such adjustment may be made: (x) if necessary to comply with Code Section 409A, the adjustment qualifies as a substitution or assumption under Treasury Regulation Section 1.409A-

1(b)(5)(v)(D); and (y) the Committee affirmatively determines, in its discretion, that such an adjustment is appropriate.

(b) Change in Control. Unless otherwise provided in an applicable Agreement, the following provisions shall apply to outstanding Awards in the event of a Change in Control. Nothing in this Section 11(b) shall limit the provisions of Section 11(c):

(1) *Assumption or Replacement*. If the Company is the surviving entity and an outstanding Award is not adjusted as necessary to preserve the intrinsic value of the Award or if the Company's successor does not irrevocably assume the Company's obligations under this Plan or replace the outstanding Awards with Awards having substantially the same intrinsic value and having terms and conditions no less favorable to the Participant than those applicable to the Awards immediately prior to the Change in Control then, without any action by the Committee or the Board, each such outstanding Award granted under the Plan shall become immediately vested and, if applicable, exercisable, in full.

(2) *Options and Stock Appreciation Rights*. In the event of a Change in Control in which the Participant's outstanding Options and Stock Appreciation Rights granted under the Plan are assumed or replaced as provided in Section 11(b)(1) above, such Options and Stock Appreciation Rights shall become immediately exercisable in full if, within two years after the Change in Control, the Participant's employment:

(x) is terminated by the Company or a Subsidiary without Cause;

(y) is terminated by the Participant for Good Reason; or

(z) terminates under circumstances that entitle the Participant to accelerated exercisability under any individual employment agreement between the Participant and the Company, a Subsidiary, or any successor thereof.

(3) *Restricted Stock and Restricted Stock Units*. In the event of a Change in Control in which the Participant's outstanding Restricted Stock and Restricted Stock Units granted under the Plan are assumed or replaced as provided in Section 11(b)(1) above, a fraction of such outstanding Restricted Stock and Restricted Stock Units granted under the Plan will vest (and any restrictions on that fraction of such Awards shall lapse) and the remainder of the Awards will terminate if, within two years after the Change in Control and during the vesting period of the Restricted Stock and Restricted Stock Units, the Participant's employment:

(x) is terminated by the Company or a Subsidiary without Cause; or

(y) is terminated by the Participant for Good Reason.

The numerator of such fraction with respect to an Award shall be the number of months that have elapsed between the beginning of the vesting period (or, if applicable, the date on which the last tranche of Shares or units subject to the Award vested in the applicable vesting period) prior to the termination of employment after the Change in Control and the denominator shall be the number of months in such vesting period (or, if applicable, the portion of the vesting period between the date on which the last tranche of Shares or units subject to the Award vested and the date on which the next tranche of Shares or units will vest). If the Participant's employment terminates after a Change in Control and during the vesting period under circumstances that entitle the Participant to accelerated vesting of Restricted Stock or Restricted Stock Units, as applicable, under any agreement between the Participant and the Company involving a number of Shares or units greater than the number determined under this Section 11(b)(3), the amount to be accelerated shall be such greater amount. Distribution of any Shares not previously distributed shall be made in accordance with the timing provided in the applicable Agreement or a related deferral election.

(4) *Performance Awards*. In the event of a Change in Control, the number of Shares or units subject to each of the Participant's outstanding Performance Awards granted under the Plan that may vest shall be deemed to be equal to the goal payout of such Performance Award and the remainder of the Award will terminate, regardless of whether the Participant's outstanding Performance Awards are assumed or replaced as provided in Section 11(b)(1) above. In the event of a Change in Control in which the Participant's outstanding Performance Awards granted under the Plan are assumed or replaced as provided in Section 11(b)(1) above, such outstanding Performance Awards will continue to be subject to any continuing service requirements of the Awards. However, a fraction of such outstanding Performance Awards granted under the Plan will vest (and any restrictions on that fraction of such Awards shall lapse) and the remainder of the Awards will terminate if, within two years after the Change in Control and during the continuing service period of the Performance Awards, the Participant's employment:

(x) is terminated by the Company or any Subsidiary without Cause; or

(y) terminated by the Participant for Good Reason.

The numerator of such fraction with respect to a Performance Award shall be the number of months that have elapsed between the beginning of the original performance period (or, if applicable, the date on which the last tranche of Shares or units subject to the Award vested in the applicable performance period) prior to the termination of employment after the Change in Control and the denominator shall be the number of months in such original performance period (or, if applicable, the portion of the performance period between the date on which the last tranche of Shares or units subject to the Award vested and the date on which the next tranche of Shares or units will vest). If the Participant's employment terminates after a Change in Control and during the original performance period under circumstances that entitle the Participant to accelerated vesting of the Performance Awards under any agreement between the Participant and the Company involving a number of Shares or units greater than the number determined under this Section 11(b)(4), the amount to be accelerated shall be such greater amount. Distribution of any Shares not previously distributed and any amount deemed earned shall be made in accordance with the timing provided in the applicable Agreement or a related deferral election.

(c) Fundamental Change. In the case of a proposed Fundamental Change, the Committee may, but shall not be obligated to:

(1) with respect to a Fundamental Change that involves a merger, consolidation or statutory share exchange, make appropriate provision for the protection of each outstanding Award granted thereunder by the substitution on an equitable basis of appropriate awards and voting stock of the surviving corporation or, if appropriate, the "parent corporation" (as defined in Code Section 424(e) or any successor provision) of such surviving corporation, in lieu of the Awards and Shares, subject to compliance with Treasury Regulation Section 1.409A-1(b)(5)(v)(D), to the extent applicable; or

(2) with respect to any Fundamental Change, declare, prior to the occurrence of the Fundamental Change, and provide written notice to (x) the holders of all outstanding Options and Stock Appreciation Rights of the declaration, that the outstanding Options and Stock Appreciation Rights shall accelerate and become exercisable in full and that all such Options and Stock Appreciation Rights,

whether or not exercisable prior to such acceleration, must be exercised within the period of time set forth in such notice or they will terminate and (y) the holders of all outstanding Full Value Awards that such Full Value Awards shall fully vest immediately prior to the effective time of the Fundamental Change. In lieu of any notice of acceleration pursuant to this Section 11(c)(2) and, with respect to Awards subject to Code Section 409A, only if and to the extent such cancellation and liquidation is permitted under Code Section 409A, the Committee may provide notice of the cancellation of any outstanding Award and shall provide for a cash payment (or, if the Committee so elects in lieu of solely cash, of such form(s) of consideration, including cash and/or property, singly or in such combination as the Committee shall determine, that the Participant would have received as a result of the Fundamental Change if the holder of an Option or Stock Appreciation Right had exercised the Option or Stock Appreciation Right immediately prior to the Fundamental Change or if the holder of a Full Value Award had held the number of shares subject to the Full Value Award at the time of the Fundamental Change, for which purpose, the number of shares subject to a Performance Award shall be deemed to be the number of shares or units that would vest at goal payout) to each holder of an Award that is terminated in an amount equal to: (i) for each Share covered by a canceled Option, the amount, if any, by which the Proceeds Per Share (as defined below) exceeds the exercise price per share covered by such Option, (ii) for each Stock Appreciation Right, the amount determined pursuant to Section 7(a), except that solely for purposes of this Section 11(c)(2)(ii), the Fair Market Value of a Share as of the date of exercise of the Stock Appreciation Right shall be deemed to be the Proceeds Per Share, or (iii) for each Share covered by a Full Value Award, the Proceeds Per Share. In the event of a declaration pursuant to this Section 11(c)(2), each Option and Stock Appreciation Right, to the extent that it has not been exercised prior to the Fundamental Change, shall be canceled at the time of, or immediately prior to, the Fundamental Change, as provided in the declaration. Notwithstanding the foregoing, the holder of an Award shall not be entitled to the payment provided for in this Section 11(c)(2) if the Award shall have expired or been forfeited. For purposes of this Section 11(c)(2), the "Proceeds Per Share" shall mean the fair market value, as determined in good faith by the Committee, of the consideration to be received per Share by the shareholders of the Company upon the occurrence of the Fundamental Change.

(d) Reduction in Awards.

(1) *When Applicable*. Anything in this Plan to the contrary notwithstanding, the provisions of this Section 11(d) shall apply to a Participant if an independent auditor selected by the Committee (the "Auditor") determines that each of (x) and (y) below are applicable.

(x) Payments or distributions hereunder, determined without application of this Section 11(d), either alone or together with other payments in the nature of compensation to the Participant which are contingent on a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the assets of the Company, or otherwise (but after any elimination or reduction of such payments under the terms of the Company's Officer Income Continuance Policy Statement, as amended), would result in any portion of the payments hereunder being subject to an excise tax on excess parachute payments imposed under Section 4999 of the Code.

(y) The excise tax imposed on the Participant under Section 4999 of the Code on excess parachute payments, from whatever source, would result in a lesser net aggregate present value of payments and distributions to the Participant (after subtraction of the excise tax) than if payments and distributions to the Participant were reduced to the maximum amount that could be made without incurring the excise tax.

(2) *Reduced Amount*. Under this Section 11(d) the payments and distributions under this Plan shall be reduced (but not below zero) so that the present value of such payments and

distributions shall equal the Reduced Amount. The “Reduced Amount” (which may be zero) shall be an amount expressed in present value which maximizes the aggregate present value of payments and distributions under this Plan which can be made without causing any such payment to be subject to the excise tax under Section 4999 of the Code. The determinations and reductions under this Section 11(d)(2) shall be made after eliminations or reductions, if any, have been made under the Company’s Officer Income Continuance Policy Statement, as amended.

(3) *Procedure*. If the Auditor determines that this Section 11(d) is applicable to a Participant, it shall so advise the Committee in writing. The Committee shall then promptly give the Participant notice to that effect together with a copy of the detailed calculation supporting such determination which shall include a statement of the Reduced Amount. Such notice shall also include a description of which and how much of the Awards shall be eliminated or reduced (as long as their aggregate present value equals the Reduced Amount). For purposes of this Section 11(d), Awards shall be reduced in the following order: (1) Options with an exercise price above the then Fair Market Value of a share of Common Stock that have a positive value for purposes of Section 280G of the Code, as determined under applicable IRS guidance; (2) pro rata among Awards that constitute deferred compensation subject to Code Section 409A; and (3) if a further reduction is necessary to reach the Reduced Amount, among the Awards that are not subject to Code Section 409A. Present value shall be determined in accordance with Code Section 280G. All the foregoing determinations made by the Auditor under this Section 11(d) shall be made as promptly as practicable after it is determined that excess parachute payments (as defined in Section 280G of the Code) will be made to the Participant if an elimination or reduction is not made. As promptly as practicable, the Company shall provide to or for the benefit of the Participant such amounts and shares as are then due to the Participant under this Plan and shall promptly provide to or for the benefit of the Participant in the future such amounts and shares as become due to the Participant under this Plan.

(4) *Corrections*. As a result of the uncertainty in the application of Section 280G of the Code at the time of the initial determination by the Auditor hereunder, it is possible that payments or distributions under this Plan will have been made which should not have been made (“Overpayment”) or that additional payments or distributions which will have not been made could have been made (“Underpayment”), in each case, consistent with the calculation of the Reduced Amount hereunder. In the event that the Auditor, based upon the assertion of a deficiency by the Internal Revenue Service against the Company or the Participant which the Auditor believes has a high probability of success, determines that an Overpayment has been made, any such Overpayment shall be treated for all purposes as a loan to the Participant which the Participant shall repay together with interest at the applicable Federal rate provided for in Section 7872(f)(2) of the Code; provided, however, that no amount shall be payable by the Participant if and to the extent such payment would not reduce the amount which is subject to the excise tax under Section 4999 of the Code. In the event that the Auditor, based upon controlling precedent, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid to or for the benefit of the Participant together with interest at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code.

(5) *Non-Cash Benefits*. In making its determination under this Section 11(d), the value of any non-cash benefit shall be determined by the Auditor in accordance with the principles of Section 280G(d)(3) of the Code.

(6) *Determinations Binding*. All determinations made by the Auditor under this Section 11(d) shall be binding upon the Company, the Committee and the Participant.

12. **Plan Participation and Service Provider Status.** Status as a Service Provider shall not be construed as a commitment that any Award will be made under the Plan to that Service Provider or to eligible Service Providers generally. Nothing in the Plan or in any Agreement or related documents shall confer upon any Service Provider or Participant any right to continued Service with the Company or any Subsidiary (as applicable), nor shall it interfere with or limit in any way any right of the Company or any Subsidiary (as applicable) to terminate the person's Service at any time with or without Cause or change such person's compensation, other benefits, job responsibilities or title provided in compliance with applicable local laws and permitted under the terms of Participant's employment contract (if any).

13. **Tax Withholding.** The Company or any Subsidiary, as applicable, shall have the right to (i) withhold from any cash payment made under the Plan or any other compensation or payments owed to a Participant an amount sufficient to cover any required withholding taxes (including income taxes, social insurance contributions, payments on account or any other taxes or charges owed by Participant) related to the grant, vesting, exercise or settlement of an Award, and (ii) require a Participant or other person receiving Shares under the Plan to pay a cash amount sufficient to cover any required withholding taxes (as described above) before actual receipt of those Shares. In lieu of all or any part of a cash payment from a person receiving Shares under the Plan, the Committee may permit the individual to cover all or any part of the required withholdings (up to the Participant's minimum required tax withholding rate, if any) through a reduction in the number of Shares delivered or a delivery or tender to the Company of Shares held by the Participant or other person, in each case valued in the same manner as used in computing the withholding taxes under applicable laws.

14. **Effective Date, Duration, Amendment and Termination of the Plan.**

(a) Effective Date. The Plan shall become effective on the date it is approved by the requisite vote of the Company's Board, subject to approval by the Company's shareholders. If the shareholders fail to approve the Plan within 12 months of its adoption by the Board, any Awards already made will be null and void and no additional Awards shall be made.

(b) Duration of the Plan. The Plan shall remain in effect until all Shares subject to it shall be distributed, all Awards have expired or terminated, the Plan is terminated pursuant to Section 14(c), or the tenth anniversary of the effective date of the Plan, whichever occurs first (the "Termination Date"). Awards made before the Termination Date may be exercised, vested or otherwise effectuated beyond the Termination Date unless limited in the Agreement or otherwise.

(c) Amendment and Termination of the Plan. The Board may at any time terminate, suspend or amend the Plan. The Company shall submit any amendment of the Plan to its shareholders for approval only to the extent required by applicable laws or regulations or the rules of any securities exchange on which the Shares may then be listed. No termination, suspension, or amendment of the Plan may materially impair the rights of any Participant under a previously granted Award without the Participant's consent, unless such action is necessary to comply with applicable law or stock exchange rules.

(d) Amendment of Awards. Subject to Section 14(e), the Committee may unilaterally amend the terms of any Agreement previously granted, except that no such amendment may materially impair the rights of any Participant under the applicable Award without the Participant's consent, unless such amendment is necessary to comply with applicable law or stock exchange rules.

(e) No Option or SAR Repricing. Except as provided in Section 11(a), no Option or Stock Appreciation Right granted under the Plan may be amended to decrease the exercise price thereof, be cancelled in exchange for the grant of any new Option or Stock Appreciation Right with a lower exercise price or any new Full Value Award, be repurchased by the Company or any Subsidiary, or otherwise be subject to any action that would be treated under accounting rules or otherwise as a "repricing" of such Option or Stock Appreciation Right (including a cash buyout or voluntary surrender/subsequent regrant of an underwater Option or Stock Appreciation Right), unless such action is first approved by the Company's shareholders.

15. Substitute Awards. The Committee may also grant Awards under the Plan in substitution for, or in connection with the assumption of, existing awards granted or issued by another corporation and assumed or otherwise agreed to be provided for by the Company pursuant to or by reason of a transaction involving a merger, consolidation, acquisition of property or stock, separation, corporate reorganization or liquidation to which the Company or a Subsidiary is a party. The terms and conditions of the Substitute Awards may vary from the terms and conditions set forth in the Plan to the extent that the Board at the time of the grant may deem appropriate to conform, in whole or in part, to the provisions of the awards in substitution for which they are granted.

16. Performance-Based Compensation.

(a) Designation of Awards. A Full Value Award granted to a Participant who is, or is likely to be, a "covered employee" for purposes of Code Section 162(m) as of the end of the tax year in which the Company would ordinarily claim a tax deduction in connection with such Award, must comply with the provisions of this Section 16 if such Award is intended by the Committee to constitute Performance-Based Compensation.

(b) Compliance with Code Section 162(m). If an Award is subject to this Section 16, then the lapsing of restrictions thereon and the distribution of cash, Shares or other property pursuant thereto, as applicable, shall be subject to the achievement over the applicable performance period of one or more performance goals based on one or more of the performance measures specified in Section 16(d). The Committee will select the applicable performance measure(s) and specify the performance goal(s) based on those performance measures for any performance period, specify in terms of an objective formula or standard the method for calculating the amount payable to a Participant if the performance goal(s) are satisfied, and certify the degree to which applicable performance goals have been satisfied and any amount payable in connection with an Award subject to this Section 16, all within the time periods prescribed by and consistent with the other requirements of Code Section 162(m). In specifying the performance goals applicable to any performance period, the Committee may provide that one or more objectively determinable adjustments shall be made to the performance measures on which the performance goals are based, which may include adjustments that would cause such measures to be considered "non-GAAP financial measures" within the meaning of Rule 101 under Regulation G promulgated by the Securities and Exchange Commission. The Committee may also adjust performance measures for a performance period to the extent permitted by Code Section 162(m) in connection with an event described in Section 11(a) to prevent the dilution or enlargement of a Participant's rights with respect to Performance-Based Compensation. The Committee may adjust downward, but not upward, any amount determined to be otherwise payable in connection with such an Award. The Committee may also provide, in an Agreement or otherwise, that the achievement of specified performance goals in connection with an Award subject to this Section 16 may be waived upon the death or Disability of the Participant or under any other circumstance with respect to which the existence of such possible waiver will not cause the Award to fail to qualify as "performance-based compensation" under Code Section 162(m).

(c) Limitations. The maximum number of Shares that may be the subject of any Full Value Awards that are to be settled in Shares and that are granted to any one Participant during any consecutive thirty-six month period shall not exceed 2,000,000 Shares (subject to adjustment as provided in Section 11(a)), and the maximum amount payable with respect to any Full Value Awards that are to be settled in cash and that are granted to any one Participant during any consecutive thirty-six month period shall not exceed $15,000,000. The aggregate number of Shares subject to Options and/or Stock Appreciation Rights granted during any thirty-six month period to any one Participant shall not exceed 4,000,000 Shares.

(d) Performance Measures. For purposes of any Full Value Award considered Performance-Based Compensation subject to this Section 16, the performance measures to be utilized shall be limited to one or a combination of two or more of the following performance criteria: net sales; comparable store sales; total revenue; gross margin rate; selling, general and administrative expense rate; earnings before interest, taxes, depreciation and amortization; earnings before interest and taxes; earnings before taxes; net earnings; earnings per share; Target Corporation share price; total shareholder return; return on equity; return on sales; return on assets; return on invested capital; cash flow return on investment; economic value added; profitability; pre-tax return on invested capital; credit card spread to LIBOR; operating cash flow; free cash flow; working capital; interest coverage; net debt to earnings before interest, taxes, depreciation, amortization and rent expense ratio; debt leverage; and total net debt. Any performance goal based on one of the foregoing performance measures utilized may be expressed in absolute amounts, on a per share basis, as a growth rate or change from preceding periods, or as a comparison to the performance of specified companies or other external measures, and may relate to one or any combination of corporate, group, unit, division, Subsidiary or individual performance.

17. Other Provisions.

(a) Unfunded Plan. The Plan shall be unfunded and the Company shall not be required to segregate any assets that may at any time be represented by Awards under the Plan. Neither the Company, its Subsidiaries, the Committee, nor the Board shall be deemed to be a trustee of any amounts to be paid under the Plan nor shall anything contained in the Plan or any action taken pursuant to its provisions create or be construed to create a fiduciary relationship between the Company and/or its Subsidiaries, and a Participant. To the extent any person has or acquires a right to receive a payment in connection with an Award under the Plan, this right shall be no greater than the right of an unsecured general creditor of the Company.

(b) Limits of Liability. Except as may be required by law, neither the Company nor any member of the Board or of the Committee, nor any other person participating (including participation pursuant to a delegation of authority under Section 3(d) of the Plan) in any determination of any question under the Plan, or in the interpretation, administration or application of the Plan, shall have any liability to any party for any action taken, or not taken, in good faith under the Plan.

(c) Compliance with Applicable Legal Requirements. No Shares distributable pursuant to the Plan shall be issued and delivered unless the issuance of the Shares complies with all applicable legal requirements, including compliance with the provisions of applicable state, federal and foreign securities laws, and the requirements of any securities exchanges on which the Company's Shares may, at the time, be listed. No such restriction shall affect the termination date of an Award, which shall be suspended until such restriction is removed. During any period in which the offering and issuance of Shares under the Plan are not registered under federal or state securities laws, Participants shall acknowledge that they are acquiring Shares under the Plan for investment purposes and not for resale, and that Shares may not be transferred except pursuant to an effective registration statement under, or an exemption from the registration requirements of, such securities laws. Any book-entry or stock certificate evidencing Shares issued under the Plan that are subject to such securities law restrictions shall be accompanied by or bear an appropriate restrictive legend.

(d) Other Benefit and Compensation Programs. Payments and other benefits received by a Participant under an Award made pursuant to the Plan shall not be deemed a part of a Participant's regular, recurring compensation for purposes of the termination, indemnity or severance pay laws of any country and shall not be included in, nor have any effect on, the determination of benefits under any other employee benefit plan, contract or similar arrangement provided by the Company or a Subsidiary unless expressly so provided by such other plan, contract or arrangement, or unless the Committee expressly determines that an Award or portion of an Award should be included to accurately reflect competitive compensation practices or to recognize that an Award has been made in lieu of a portion of competitive cash compensation.

(e) Governing Law. To the extent that federal laws do not otherwise control, the Plan and all determinations made and actions taken pursuant to the Plan shall be governed by the laws of the State of Minnesota without regard to its conflicts-of-law principles and shall be construed accordingly.

(f) Severability. If any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

(g) Code Section 409A. It is intended that (i) all Awards of Options, SARs and Restricted Stock under the Plan will not provide for the deferral of compensation within the meaning of Code Section 409A and thereby be exempt from Code Section 409A, and (ii) all other Awards under the Plan will either not provide for the deferral of compensation within the meaning of Code Section 409A, or will comply with the requirements of Code Section 409A, and Awards shall be structured and the Plan administered and interpreted in accordance with this intent. The Plan and any Agreement may be unilaterally amended by the Company in any manner deemed necessary or advisable by the Committee or Board in order to maintain such exemption from or compliance with Code Section 409A, and any such amendment shall conclusively be presumed to be necessary to comply with applicable law. Notwithstanding anything to the contrary in the Plan or any Agreement, with respect to any Award that constitutes a deferral of compensation subject to Code Section 409A:

(1) If any amount is payable under such Award upon a termination of Service, a termination of Service will be deemed to have occurred only at such time as the Participant has experienced a "separation from service" as such term is defined for purposes of Code Section 409A;

(2) If any amount shall be payable with respect to any such Award as a result of a Participant's "separation from service" at such time as the Participant is a "specified employee" within the meaning of Code Section 409A, then no payment shall be made, except as permitted under Code Section 409A, prior to the first business day after the earlier of (i) the date that is six months after the Participant's separation from service or (ii) the Participant's death. Unless the Committee has adopted a specified employee identification policy as contemplated by Code Section 409A, specified employees will be identified in accordance with the default provisions specified under Code Section 409A.

(3) Any cancellation or termination of an Award and its liquidation, including under Section 11(c)(2), may only be made if and only to the extent and at the time permitted under Code Section 409A.

(h) Rule 16b-3. It is intended that the Plan and all Awards granted pursuant to it to Participants who are subject to Section 16 of the Exchange Act shall be administered by the Committee so as to permit the Plan and Awards to comply with Exchange Act Rule 16b-3. If any provision of the Plan or of any Award would otherwise frustrate or conflict with the intent expressed in this Section 17(h), that provision to the extent possible shall be interpreted and deemed amended in the manner determined by the Committee so as to avoid the conflict. To the extent of any remaining irreconcilable conflict with this intent, the provision shall be deemed void as applied to Participants subject to Section 16 of the Exchange Act to the extent permitted by law and in the manner deemed advisable by the Committee.

(i) Compensation Recoupment Policy. Awards may be made subject to any compensation recoupment policy adopted by the Board or the Committee at any time prior to or after the effective date of the Plan, and as such policy may be amended from time to time after its adoption. The compensation recoupment policy shall be applied to any Award that constitutes the deferral of compensation subject to Code Section 409A in a manner that complies with the requirements of Code Section 409A.

Exhibit (10)L

Target Corporation
Officer Income Continuation Plan

(As Amended and Restated Effective as of September 1, 2017)

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SECTION 1: GENERAL

1.1. Plan Name.

The name of this plan is the Target Corporation Officer Income Continuation Plan, generally known as the Officer-ICP.

1.2. Plan Description and Purpose.

(a) *Background.* This Plan document is an amendment and restatement of the "Target Corporation Officer Income Continuance Policy Statement, As Amended and Restated April 3, 2016," generally known as the "Officer ICP." The Plan has been operated in compliance with Code Section 409A since January 1, 2005. Effective January 1, 2009, the Plan was amended to comply with Code Section 409A with respect to all amounts payable from the Plan that are considered nonqualified deferred compensation.

(b) *Purpose.* This Plan is intended to assist in the occupational transition and financial security of those eligible Officers who, (i) experience a Qualifying Termination; and (ii) comply with all Post-Employment Covenants.

(c) *Description.* This Plan is intended to be a welfare benefit plan within the meaning of Section 3(1) of ERISA and DOL Reg. Sec. 2510.3-2(b) and a top-hat welfare benefit plan within the meaning of Sec. 2520.104-24.

(d) *Code Section 409A*. The Company intends that the Plan, any agreement with the Officer implementing the terms of the Plan, and the benefits provided under the Plan, qualify for certain exceptions from the requirements of Code Section 409A and, to the extent any provisions of the Plan and the benefits thereunder do not qualify for an exception from the requirements of Code Section 409A, the Company intends that such provisions will be applied in a manner consistent with such requirements. The Plan and any agreement implementing the terms of the Plan will be construed and administered consistent with such intentions. For purposes of Code Section 409A, each Payment and benefit payable under the Plan is intended to constitute a separate payment.

1.3. Effective Date of Document.

(a) The provisions of this Plan document are effective September 1, 2017, and apply to any individual who first becomes an eligible Officer after such date.

(b) With respect to individuals covered by the Target Corporation Officer Income Continuance Policy Statement, As Amended and Restated April 3, 2016, the provisions of this Plan document are effective twelve (12) months after the Company provides notice to such individuals regarding the replacement of the Target Corporation Officer Income Continuance Policy Statement, As Amended and Restated April 3, 2016, with this Plan.

1.4. Definitions.

The following terms when used with initial capitalization have the following meanings, unless the context clearly indicates to the contrary:

Administrator. The "Administrator" of the Plan is the person to whom administrative responsibilities have been delegated pursuant to Section 5.1, as the context requires.

Auditor. The "Auditor" is the independent auditor selected by the Human Resources & Compensation Committee (or any successor or replacement committee) of the Board.

Average Bonus Amount. The "Average Bonus Amount" means the average of the three (3) STIP Bonuses most recently paid or credited to the Officer as Cash Compensation prior to the Officer's Notice of Termination and calculated in accordance with the rules of Section 3.2.

Board. The "Board" is the Board of Directors of the Company.

Cash Compensation. Cash Compensation means all amounts earned by an Officer as wages, salary, bonus or a combination, payable in cash or its equivalent, whether or not deferred. Cash Compensation will not include any stock-based compensation (whether such stock-based compensation is settled in cash or otherwise), or the value of employee perquisites or benefits accrued or received pursuant to a plan or program of the Company.

Cause. "Cause" means what the term is expressly defined to mean in a then-effective written agreement between an Officer and the Company. In the absence of any such then-effective agreement, "Cause" means, (i) failure to substantially perform an Officer's duties for the Company (other than failure resulting from incapacity due to physical or mental illness) after receipt of a written demand for such performance specifically identifying such failure and which affords the Officer a reasonable period of time (as determined by the Company in its discretion under the circumstances) in which to cure such failure; or (ii) deliberate and serious disloyal or dishonest conduct that justifies and results in prompt discharge for specific cause under the established policies and practices of the Company. Examples of such deliberate and serious disloyal or dishonest conduct would include material unlawful conduct, material and conscious falsification or unauthorized disclosure of important records or reports, embezzlement or unauthorized conversion of property, serious violation of conflict of interest, vendor relations policies, or the Company's Business Conduct Guide (or any successor or replacement code of conduct for employees), or misuse or disclosure of significant trade secrets or other information likely to be detrimental to the Company or its interests.

CEO. "CEO" means the Chief Executive Officer of the Company, as then currently designated by the Board, or as otherwise expressly provided in the Plan.

Change in Control. "Change in Control" under this Plan means a "Change in Control" under the Company's Amended and Restated 2011 Long Term Incentive Plan (Adopted on March 11, 2015), as amended (or any successor or replacement omnibus stock compensation plan adopted by the Company).

CIC Protection Period. A "CIC Protection Period" means, (i) any period in which the Company has initiated a transaction process or is engaged in discussions with a third party about a specific transaction that, if consummated, would result in a Change in Control (and before the complete abandonment of such discussions without the transaction being consummated); (ii) any period during which the Company has become a party to a definitive agreement to consummate a transaction that would result in a Change in Control (and before the complete termination of such agreement without the transaction being consummated); and (iii) the period of two (2) years after a Change in Control occurs.

Code. The "Code" means the Internal Revenue Code of 1986, as amended. Any reference to a specific provision of the Code includes any amendment of or successor to that provision, and, when the context requires, all regulations, interpretations and rulings issued thereunder.

Committee. "Committee" means the Human Resources & Compensation Committee of the Board, or any successor or replacement committee.

Company. "Company" means Target Corporation, a Minnesota corporation, or any successor thereto, including any subsidiaries with which Target Corporation would be considered a single employer under Code Sections 414(b) and 414(c).

Employment Severance Date. An Officer's "Employment Severance Date" is the date as of which the employment relationship between the Officer and the Company terminates.

ERISA. "ERISA" is the Employee Retirement Income Security Act of 1974, as amended. Any reference to a specific provision of ERISA includes any amendment of or successor to that provision, and, when the context requires, all regulations, interpretations and rulings issued thereunder.

Final Annual Cash Compensation. An Officer's "Final Annual Cash Compensation" means the sum of:

(a) the Officer's annual base rate of salary payable at the time of Notice of Termination; and

(b) the Officer's Average Bonus Amount.

Good Reason. "Good Reason" means a material reduction in the Officer's base salary and annual bonus opportunity, in the aggregate, but not including a reduction in the Officer's base salary or annual bonus opportunity if the Company also uniformly reduces the base salary or annual bonus opportunity of substantially all other employees of the Company with similar authority, status and responsibilities of such Officer.

Notice of Termination. "Notice of Termination" means an unconditional written statement of an authorized employee of the Company that the Officer's employment is being involuntarily terminated by the Company. In the case of termination for Good Reason or Post-CIC Good Reason, Notice of Termination will be the date of the occurrence of the circumstance constituting Good Reason or Post-CIC Good Reason, as applicable.

Officer. "Officer" means an individual employed as an Officer who, (i) is classified at the level of Vice President of the Company, or higher; (ii) has been categorized in the Company's payroll system at a Pay Level no less than nine (9); and (iii) has been officially designated by the Administrator as specified in Section 5.1 (in the Administrator's sole and absolute discretion) as eligible to participate in the Plan, and such designation has not been revoked. Unless clearly otherwise intended by the written context, Officer will include all beneficiaries of and persons claiming by or through the designated Officer.

An Officer is not eligible for benefits under the Plan unless, (i) his or her services are performed within the United States; or (ii) his or her principal base of operations to which he or she frequently returns is within the United States.

Pay Level. "Pay Level" means the numerical level assigned the Officer in the Company's payroll records.

Payment. "Payment" or "Payments" means all of those income continuation payments under Section 3.2 made by the Company to an Officer or the beneficiary of a deceased Officer.

Payment Period. An Officer's "Payment Period" means that period of full calendar months determined by the Officer's most recent Pay Level on the date of Notice of Termination according to the following schedule:

Pay Level	Payment Period
9	18 months
10	22 months
greater than 10	24 months

Notwithstanding the preceding, if an Officer whose most recent period of employment with the Company (whether or not such employment is as an Officer) is less than twelve (12) months and who, at the time of termination, is at a Pay Level nine (9) or ten (10), such Officer's Payment Period will be twelve (12) months. An Officer's Payment Period commences on the date as of which Payments first become payable to the Officer under the terms of this Plan.

Plan or ICP. "Plan" or "ICP" means the Target Corporation Officer Income Continuation Plan as set forth in this instrument, as it may be amended from time to time.

Post-CIC Good Reason. "Post-CIC Good Reason" means, following any Change in Control:

(a) any material diminution of the Officer's position, authority, duties or responsibilities (including the assignment of duties materially inconsistent with the Officer's position or a material increase in the time Officer is required by the Company or its successor to travel);

(b) any reduction in salary or in the Officer's aggregate bonus and incentive opportunities;

(c) any material reduction in the aggregate value of the Officer's employee benefits (including retirement, welfare and fringe benefits); or

(d) relocation to a principal work site that is more than forty (40) miles from the Officer's principal work site immediately prior to the Change in Control.

Post-Employment Covenants. Post-Employment Covenants means those covenants between the Company and the Officer regarding such matters as confidentiality, non-disclosure, non-competition, non-disparagement and non-solicitation that remain in effect or become effective following the Employment Severance Date.

Qualifying Termination. A "Qualifying Termination" means an Officer's termination of employment:

(a) by the Company for any reason other than Cause, death or disability;

(b) by the Officer for Good Reason, provided such termination of employment occurs within the thirty (30) day period following the date of the occurrence of the circumstance constituting Good Reason; or

(c) by the Officer for Post-CIC Good Reason, provided such termination of employment occurs within the two (2) year period following a Change in Control;

and that is not excluded under Section 2.2.

Release. "Release" means a written instrument, prescribed by the Administrator and signed by the Officer, under which the Officer releases the Company, and the directors, officers and employees of each of the Company, all employee benefit plans and all employee benefit plan fiduciaries from any and all claims the Officer may have against any of them. The Release will waive all claims the Officer or any person claiming through an Officer may have by reason of the employment of the Officer and termination of such employment, including under the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Americans with Disabilities Act, the Employee Retirement Income Security Act of 1974 (other than benefits payable following the

Employment Severance Date), and such other statutes and rules of law as the Company may deem advisable.

Separation from Service. "Separation from Service" means a termination of the Officer's employment relationship (both as an employee and independent contractor) with the Company (and all affiliates) or such other change in the Officer's employment relationship with the Company that would be considered a "separation from service" under Code Section 409A.

Specified Employee. "Specified Employee" means an Officer who as of the date of his or her Separation from Service is a "key employee" (as defined below), and the Company has stock that is traded on an established securities market (within the meaning of Code Section 409A(a)(2)(B)). An Officer is treated as a "key employee" during the 12-month period beginning on the April 1 immediately following a calendar year any time during which such Officer was a key employee of the Company as such term is defined in Code Section 416(i) (without regard to Code Section 416(i)(5)). An Officer will not be treated as a Specified Employee if he or she would not be a "specified employee" as defined under Treasury regulations issued under Code Section 409A.

STIP Bonus. "STIP Bonus" means the annual cash bonus paid under the Company's annual performance bonus program, including any successor or replacement plan or program. A STIP Bonus may be paid under the Target Corporation Executive Officer Cash Incentive Plan, or any successor or replacement plan. STIP Bonus does not include any other type of bonus paid to an Officer, such as a signing or retention bonus.

SECTION 2: ELIGIBILITY FOR BENEFITS

2.1. Entitlement to Benefits.

An Officer is entitled to the Payments provided in Section 3 only if the Officer has a Qualifying Termination and complies with the requirements of Section 2.4.

2.2. Terminations Not Covered.

No Payments will be paid to an Officer (and the Officer will not be considered to have experienced a Qualifying Termination) upon commencement of a leave of absence, including military service leave, or if:

(a) the Officer is terminated for Cause;

(b) the Officer dies, resigns, terminates due to disability, or otherwise voluntarily terminates employment other than for Good Reason (within the thirty (30) day period following the date of the occurrence of the circumstance constituting Good Reason) or Post-CIC Good Reason (within the two (2) year period following a Change in Control);

(c) termination of the Officer's employment is pursuant to a lawful and uniform mandatory retirement policy applicable to such Officer;

(d) termination of the Officer's employment is by reason of the sale or spinoff of a business unit or function (whether via a sale of assets or sale or distribution of stock of a subsidiary) if the Officer is offered employment by the acquirer on terms that include base salary, bonus opportunity, equity and equity based compensation plans and arrangements, and employee benefit plans and arrangements that are substantially similar, in value and in the aggregate, to those the Officer was entitled to receive from the Company prior to such sale or spinoff; or

(e) the Officer refuses to accept a new position with the Company, provided such change would not constitute Good Reason or Post-CIC Good Reason within the two (2) year period following a Change in Control.

2.3. Other Special Benefits.

The Company may, (a) provide benefits to any Officer who is not otherwise entitled to such benefits; and (b) provide benefits in excess of the Payments provided by the Plan to any Officer who is entitled to Payments under the Plan. In either case, the amount and type of such benefits must be set forth in a written instrument signed on behalf of the Company by its CEO (or the Chair of the Committee if the Officer in question is the CEO) or its Chief Human Resources Officer, but will be deemed to be provided pursuant to the Plan. Any special benefit provided to an Officer pursuant to this Section 2.3 applies only to that Officer and does not in any way obligate the Company to provide any special benefit to any other Officer.

2.4. Payment Conditions.

(a) *Release.* Notwithstanding any other provision of this Plan and as a condition to becoming entitled to receive Payments, an Officer must timely sign and deliver a Release to the Company, and not subsequently revoke the Release. The Release will not affect any conversion, vested or continuing rights available to an Officer under a plan of the Company other than this Plan.

Unless otherwise specified in an agreement described in Section 2.4(b), if an Officer violates any Post-Employment Covenant contained in any then-effective agreement between the Officer and the Company during the Payment Period (even if the Payment Period is longer than the duration of any particular Post-Employment Covenant contained in such agreement) and in addition to any remedies available to the Company in such agreement, the Company shall be entitled to stop all future Payments and the Officer shall have no claim thereto.

(b) *Agreement.* Notwithstanding any other provision of this Plan and as a condition to becoming entitled to receive Payments, the Company may require the Officer to enter into a severance agreement prior to or after the Employment Severance Date. Such severance agreement will incorporate the Release and may, (i) modify the terms of any then-effective agreement between the Officer and the Company; or (ii) include all provisions necessary to implement the terms of the Plan. Such agreement may include Post-Employment Covenants, the Company's right to seek an injunction, forfeit future Payments, and require repayment of Payments made, and any other provisions deemed appropriate by the Company in its sole discretion.

(c) *Additional Matters.* If not addressed in any document described in this Section 2.4, the Officer is nonetheless required to return Company property, cooperate with the Company following the Employment Severance Date, and notify the Company in writing of the name and address of any entity employing the Officer during the Payment Period.

SECTION 3: BENEFITS

3.1. Compensation and Benefits through Employment Severance Date.

An Officer who has a Qualifying Termination will continue to receive his or her compensation, continue to be eligible for perquisites for which he or she is otherwise eligible and continue to participate in the Company's benefit plans, programs and arrangements in accordance with their terms through the Employment Severance Date. As of the Employment Severance Date, the Officer will cease to earn any additional compensation, cease to be eligible for perquisites and cease to participate in the Company's benefit plans, programs and arrangements except as otherwise provided by the terms of such plans, programs and arrangements with respect to former employees.

3.2. Average Bonus Amount.

The following rules apply in determining an Officer's Average Bonus Amount.

(a) *Ineligible for STIP Bonus.* If an Officer has not been employed by the Company long enough to receive a STIP Bonus and the Officer is at a Pay Level nine (9) or ten (10), the Average Bonus Amount is the dollar amount of the STIP Bonus that would be payable to the Officer as Cash Compensation for the year within which the Employment Severance Date occurs, assuming, (i) the Officer was employed for the entire fiscal year in which the Employment Severance Date occurs; and (ii) achievement of the applicable performance goal for such year at the "goal" or "target" level. If an Officer has not been employed by the Company long enough to receive a STIP Bonus and the Officer is at a Pay Level greater than ten (10), no Average Bonus Amount will be included when calculating the Officer's Payments under Section 3.3.

(b) *No STIP Bonus Payable.* For any year in which an Officer does not receive a STIP Bonus and the provisions of Section 3.2(a) applicable to Officers at a Pay Level nine (9) or ten (10) do not apply, zero dollars ($0.00) will be used as that year's STIP Bonus amount in the Average Bonus Amount calculation.

(c) *Prorated STIP Bonus.* If an Officer received a prorated STIP Bonus, such prorated amount will be annualized for such year when calculating the Average Bonus Amount calculation.

3.3. Income Continuation Payments.

(a) *Amount; Form.* Subject to the reductions, adjustments and limitations contained in Section 3.4 and except as provided in Section 3.3(d), the monthly amount of an Officer's income continuation Payments under this Plan is equal to one-twelfth ($1/12^{th}$) of the Officer's Final Annual Cash Compensation. An Officer is entitled to income continuation Payments following the Officer's Separation from Service and continuing for his or her Payment Period, subject to acceleration pursuant to Section 3.3(c) or earlier termination pursuant to Section 3.6. Although the amount of an Officer's Payments is determined on a monthly basis, such monthly amount shall be converted to and made at the same frequency and time as compensation is payable under the Company's standard payroll. With respect to any Payment under the Plan that is considered deferred compensation under Code Section 409A, each Payment shall be considered a separate payment.

(b) *Commencement of Payments*. Payments, or entitlement to begin receiving them, will commence after the Company has received a valid unrevoked Release from the Officer and his or her right to revoke the Release has expired and, if applicable, the Officer has executed an agreement implementing the terms of the Officer's right to receive payments under this Plan. Except as provided under Section 3.3(e), Payments shall commence as of the date specified in the documentation provided to the Officer at the time of Separation from Service, but not later than ninety (90) days following the date of the Officer's Separation from Service.

(c) *Acceleration upon a Change in Control*. If an Officer's Separation from Service occurred prior to a Change in Control, such Officer is receiving or is entitled to receive Payments that will continue after the Change in Control, and the Change in Control qualifies as a "change in control" for purposes of Code Section 409A, then, subject to the six (6) month delay for Specified Employees in effect under Section 3.3(e), the Payments due after such Change in Control will be accelerated and paid to Officer in a lump sum payment, as soon as practicable, but not more than ninety (90) days, following such Change in Control. The lump sum Payment under this Section 3.3(c) will be calculated in the same manner as the lump sum calculated under Section 3.3(d)(i), below.

(d) *Separation from Service following a Change in Control*.

(i) To the extent the Payments are not deferred compensation subject to Code Section 409A (including by reason of the short-term deferral exception under Treasury Regulation Section 1.409A-1(b)(4) and separation pay plan exception under Treasury Regulation Section 1.409A-1(b)(9)), or such Change in Control qualifies as a "change in control" under Code Section 409A and the Officer incurs a Separation from Service within two (2) years of the Change in Control, the Payments shall be made in a lump sum Payment within twenty (20) days of the Officer's Separation from Service. The lump sum amount shall be determined by discounting the periodic Payments from the first business day following the dates of the scheduled Payments by a rate equivalent to the annual prime rate as published in The Wall Street Journal on the first business day following the date of the Change in Control.

(ii) To the extent the Payments are considered deferred compensation subject to Code Section 409A, (after considering any exceptions to Code Section 409A, including the short-term deferral exception under Treasury Regulation Section 1.409A-1(b)(4) and the separation pay plan exception under Treasury Regulation Section 1.409A-1(b)(9)) and such Change in Control does not qualify as a “change in control” under Code Section 409A, the Payments shall be made according to the schedule set forth in Section 3.3(a) of this Plan.

(e) *Delay for Specified Employee*. Notwithstanding anything in the Plan or any agreement implementing the terms of the Plan, if at the time of the Officer’s Separation from Service, the Officer is a Specified Employee, then any Payments that are considered deferred compensation under Code Section 409A and that are payable within six (6) months of the Officer’s Separation from Service, will become payable on the first payroll date that occurs after the date that is six (6) months after the Officer’s Separation from Service or, if earlier, upon the Officer’s death.

(f) *Modification of Payment Schedule.* Except as provided in Subsection (c) or Section 6, an Officer entitled to Payments will not be entitled to prepayment or other change in the payment schedule. The Administrator in its sole discretion may exercise discretion to accelerate or delay the distribution of any Payment under the Plan if, and only to the extent, allowed under Code Section 409A.

3.4. Reductions, Withholdings and Limitations.

(a) *Reductions.* The amount of the Payments due under this Plan to an Officer will be reduced by the amount of any severance, pay in lieu of notice or notice period, or similar payment required to be paid by the Company under applicable federal, state, and local laws, including but not limited to the Worker Adjustment and Retraining and Notification Act.

(b) *Withholding.* The Company retains the right to withhold from any Payment pursuant to the Plan any and all income, employment, excise or other tax as the Company, in its sole discretion, reasonably determines is necessary or appropriate. The Company may withhold such other amounts as the Officer may properly authorize the Company to withhold.

(c) *Effect of Reemployment.* If, during an Officer’s Payment Period, the Officer again becomes an employee of the Company, the Officer will not be entitled to any further Payments under the Plan.

(d) *Unenforceability of Release.* If an Officer’s Release is at any time determined to be partially or wholly unenforceable or ineffective in any respect for any reason or the Officer attempts to rescind or revoke the Release, then the Officer is not entitled to any further Payments pursuant to Section 3.3 and shall promptly repay any prior Payments.

3.5. Death of Officer.

If an Officer dies after a Notice of Termination and prior to receiving all of the Payments to which to which the Officer is entitled under the Plan, any remaining Payments will be made to such person or persons as the Officer may have directed in a signed writing filed with the

Administrator prior to his or her death. If the Officer did not so direct or the beneficiaries to whom payment was directed have predeceased the Officer, the remaining payments will be made to the Officer's surviving spouse or, if no spouse survives, to the Officer's estate.

3.6. Disqualification; Termination of Payments.

Payments to an Officer under this Plan will terminate immediately and the Officer shall promptly repay any prior Payments if, (i) such Officer, at any time, violates the requirements of the Officer's severance agreement or any then-effective prior agreement with the Company relating to Post-Employment Covenants; or (ii) the Administrator determines, in its sole discretion, that the Officer took any action in the course of his or her employment that would have constituted Cause if such action had been discovered during the Officer's employment.

3.7. Certain Reduction of Payments by the Company.

(a) *When Applicable.* Anything in this Plan to the contrary notwithstanding, the provisions of this Section 3.7 shall apply to an Officer if the Auditor determines that each of (i) and (ii), below, are applicable:

(i) Payments hereunder, determined without application of this Section 3.7, either alone or together with other payments in the nature of compensation to the Officer which are contingent on a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the assets of the Company, or otherwise, would result in any portion of the payments hereunder being subject to an excise tax on excess parachute payments imposed under Code Section 4999.

(ii) The excise tax imposed on the Officer under Code Section 4999 on excess parachute payments, from whatever source, would result in a lesser net aggregate present value of payments and distributions to the Officer (after subtraction of the excise tax) than if payments and distributions to the Officer were reduced to the maximum amount that could be made without incurring the excise tax.

(b) *Reduced Amount.* Under this Section 3.7, the payments under this Plan shall be reduced (but not below zero) so that the present value of such payments equals the Reduced Amount. The "Reduced Amount" (which may be zero) shall be an amount expressed in present value that maximizes the aggregate present value of payments under the Plan that can be made without causing any such payment to be subject to the excise tax under Code Section 4999.

(c) *Procedure.* If the Auditor determines that this Section 3.7 is applicable to an Officer, it shall so advise the Company. The Company shall then promptly give the Officer notice to that effect together with a copy of the detailed calculation supporting such determination, including a statement of the Reduced Amount. For purposes of this Section 3.7, Payments otherwise to be made under this Plan shall be eliminated or reduced (as long as the aggregate present value of the remaining payments to be made under this Plan equals the Reduced Amount) in the following order, (i) pro-rata among the Payments that constitute deferred compensation under Code Section 409A; and (ii) if a further reduction is necessary to reach the Reduced Amount, pro rata among the Payments that are not subject to Code Section 409A. For purposes of this Section 3.7, present value shall be determined in accordance with Code Section 280G. All the foregoing determinations made by the Auditor under this Section 3.7 shall be made as promptly as practicable after it is determined that excess parachute payments will be made to the Officer if an elimination or reduction is not made. As promptly as practicable following determinations hereunder, the Company shall pay to or for the benefit of the Officer such amounts as are then due to the Officer under this Plan and shall promptly pay to or for the benefit of the Officer in the future such amounts as become due to the Officer under this Plan.

(d) *Corrections.* As a result of the uncertainty in the application of Code Section 280G at the time of the initial determination by the Auditor hereunder, it is possible that payments under this Plan will have been made which should not have been made ("Overpayment") or that additional payments which will have not been made could have been made ("Underpayment"), in each case, consistent with the calculation of the Reduced Amount hereunder. In the event that the Auditor, based upon the assertion of a deficiency by the Internal Revenue Service against the Company or the Officer which the Auditor believes has a high probability of success, determines that an Overpayment has been made, any such Overpayment shall be treated for all purposes as a loan to the Officer which the Officer shall repay together with interest at the applicable Federal rate provided for in Code Section 7872(f)(2)(A); provided, however, that no amount shall be payable to the Officer if and to the extent such payment would not reduce the amount which is subject to the excise tax under Code Section 4999. In the event that the Auditor, based upon controlling precedent, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid to or for the benefit of the Officer together with interest at the applicable Federal rate provided for in Code Section 7872(f)(2)(A).

(e) *Non-Cash Benefits.* In making its determination under this Section 3.7, the value of any non-cash benefit shall be determined by the Auditor in accordance with the principles of Code Section 280G(d)(3).

(f) *Determinations Binding.* All determinations made by the Auditor under this Section 3.7 shall be binding upon the Company and the Officer.

3.8. Recoupment.

Notwithstanding any other provisions of the Plan, Payments may be made subject to any compensation recoupment policy adopted by the Board or the Committee at any time prior to or after the effective date of the Plan, and as such policy may be amended from time to time after its adoption. The compensation recoupment policy shall be applied to any Payment that constitutes the deferral of compensation subject to Code Section 409A in a manner that complies with the requirements of Code Section 409A.

SECTION 4: SOURCE OF PAYMENTS; NATURE OF INTERESTS.

4.1. Source of Payments and Status of Plan.

This Plan is unfunded. The Company is responsible for paying from its general assets any benefits payable under the Plan. Nothing contained in the Plan is to be construed as providing for assets to be held for the benefit of any Officer. The Officer's only interest under the Plan being the right to receive the benefits as provided in the Plan. To the extent an Eligible Employee acquires a right to receive benefits under the Plan, such right is no greater than the right of any unsecured general creditor of the Company.

4.2. Non-assignability of Benefits.

The benefits payable under the Plan and the right to receive future benefits under the Plan may not be anticipated, alienated, sold, transferred, assigned, pledged, encumbered or subjected to any charge or legal process.

4.3. Other Benefits.

No amounts paid pursuant to the Plan constitute salary or compensation for the purpose of computing benefits under any other benefit plan, practice, policy or procedure of the Company that does not expressly provide otherwise.

SECTION 5: ADMINISTRATION.

5.1. Administrator.

Unless otherwise provided by the Board under this Plan, the general administration of the Plan and the duty to carry out its provisions is vested in the CEO, who is generally referred to herein as the Administrator. The CEO may delegate such duty or any portion thereof to any person and may from time to time revoke such authority and delegate it to another person. Any such delegation to any employee or officer of the Company will automatically terminate when he or she ceases to be an employee or officer. No person may act as the Administrator in connection with any decision that directly affects his or her own benefit under the Plan.

(a) For purposes of Sections 5.3(a) and (b), the Administrator is the Company's most senior officer immediately responsible for Pay and Benefits.

(b) For purposes of Section 5.3(c), the Administrator is the Company's Chief Human Resources Officer.

5.2. Administrator's Discretion.

The Administrator has the discretionary power and authority to make all determinations necessary for administration of the Plan, except those determinations that the Plan requires others to make, and to construe, interpret, apply and enforce the provisions of the Plan and its operation whenever necessary to carry out its intent and purpose and to facilitate its administration, including, without limitation, the discretionary power and authority to determine eligibility for benefits and to remedy ambiguities, inconsistencies, omissions and erroneous benefit calculations. In the exercise of its discretionary power and authority, the Administrator will treat all persons determined by the Administrator to be similarly situated in a uniform manner. All acts and decisions of the Administrator made in good faith are binding on all interested persons.

5.3. Benefit Claim Procedure.

(a) When an Officer's employment with the Company terminates, the Administrator will advise the Officer whether he or she is eligible for benefits from the Plan and, if so, the amount and timing of the payments that will be made to the Officer.

(b) If the Officer or a beneficiary claiming on behalf of the Officer (a "Claimant") believes that the Administrator's determination is incorrect in any way, the Claimant must file a written claim with the Administrator. The Administrator or his or her delegate ordinarily will respond to the claim within ninety (90) days of the date on which it is received. If special circumstances require an extension of the period of time for processing a claim, the ninety (90) day period can be extended for an additional ninety (90) days by giving the Claimant written notice of the extension and the reason that the extension is necessary.

If the claim for a benefit is approved, the Claimant will receive written notice of the amount of the Claimant's benefit and the date on which payments will begin. If the claim is denied in whole or in part, the Claimant will be advised in writing the specific reasons for the decision and will receive an explanation of the procedures for reviewing the decision.

(c) If the Claimant does not agree with the Administrator's decision, the Claimant can request that the Administrator reconsider his or her decision by filing a written request for review within sixty (60) days after receiving notice that the claim has been denied. The Claimant or the Claimant's representative can also present written statements which explain why the Claimant believes that the benefit claimed should be paid and may review all pertinent plan documents. Generally, the appealed decision will be reviewed within sixty (60) days after the Administrator receives a request for reconsideration. However, if special circumstances require a delay, the review may take up to one hundred twenty (120) days. (If a decision cannot be made within the 60-day period, the Claimant will be notified of this fact in writing.) The Claimant will receive a written notice of the decision which will explain the reasons for the decision by making specific reference to the Plan provisions on which the decision is based.

(d) No claim shall be considered under these claim procedures unless it is filed within one (1) year after the Claimant knew (or reasonably should have known) of the general nature of the dispute giving rise to the claim.

(e) No suit may be brought by a Claimant on any matter pertaining to the Plan unless a timely claim has been made under these claims procedures and the Claimant has exhausted these claims and appeal procedures.

5.4. Limitation on Legal Action.

No suit may be brought by or on behalf of an Officer (or beneficiary) on any matter pertaining to this Plan (or any agreement implementing the terms of the Plan with an Officer) unless the action is commenced in the proper forum within the earlier of:

(a) two (2) years from the date the Officer knew (or reasonably should have known) of the general nature of the dispute giving rise to the action; or

(b) six (6) months from the date the claim was denied.

SECTION 6: AMENDMENT AND TERMINATION.

6.1. Right to Amend or Terminate.

(a) The Company reserves the right, by action of its Board, or by action of a person so authorized by resolution of the Board and subject to any limitations or conditions in such authorization, to amend or terminate the Plan at any time. To be effective, an amendment must be stated in a written instrument and executed in the name of the Company by an authorized officer.

(b) An instrument amending or terminating the Plan is binding on all interested persons as of the later of the date on which the instrument was adopted and the date on which the instrument is effective.

(c) No person has any right to benefits under the Plan until he or she incurs a Qualifying Termination as an Officer and is otherwise entitled to benefits pursuant to Section 2. An Officer’s right to benefits under the Plan, if any, will be determined solely under the provisions of the Plan in effect on his or her Separation from Service and such terms may be changed or the Plan may be terminated at any time and to any extent prior to such date. Unless otherwise mutually agreed in writing by the parties, an amendment or termination will have no effect upon any Officer who at the time has received a Notice of Termination.

(d) The Company may, at any time, prospectively change the form of the Release or any other instrument or agreement used in connection with the Plan and no such change is a Plan amendment.

6.2. Change in Control.

Notwithstanding Section 6.1, the Company (or on or following a Change in Control, the Company or any successor) many not amend or terminate this Plan during a CIC Protection Period in any manner that would adversely affect the benefits or protections under the Plan of any Officer as of the date of such amendment or termination without the written consent of such affected Officers.

SECTION 7: MISCELLANEOUS PROVISIONS

7.1. Preservation of Rights. Neither the Plan nor its application shall waive, excuse, preclude or otherwise affect any right or remedy which the Company or any agent or representative of the Company may have individually or collectively, under law by reason of conduct of an Officer during or following employment with the Company. Any disqualification for or reduction in benefits payable under the Plan will be an additional remedy and not an exclusive remedy.

7.2. No Employment Rights Created. Neither the establishment nor participation in the Plan gives any employee a right to continued employment or limits the right of the Company to discharge, transfer, demote or modify the terms and conditions of employment or otherwise deal with any employee without regard to the effect such action might have on his or her with respect to the Plan.

7.3. Applicable Law; Disputes. The internal laws of the State of Minnesota (without regard to the conflict of law rules of the State of Minnesota) will be the controlling state law in all matters relating to the Plan and will be applicable to the extent not pre-empted by the laws of the United States. The United States District Court for the District of Minnesota is the exclusive, proper venue for any action involving any dispute relating to or arising from the Plan (or any agreement implementing the terms of the Plan with respect to an Officer) between any individual and the Company or the Administrator, and the court will have personal jurisdiction over any Officer named in the action.

7.4. Construed as a Whole. The provisions of the Plan are to be construed as a whole in such manner to carry out the provisions thereof and shall not be construed separately without relation to the context.

7.5. Validity. The invalidity or unenforceability of any provision of this Plan does not affect the validity or enforceability of any other provision of the Plan, which will remain in full force and effect.

7.6. Waiver. No waiver by the Company of any breach of any obligation of an Officer arising under or in connection with the Plan or of any condition or requirement which may be imposed on an Officer under or in connection with the Plan constitutes a waiver of similar or dissimilar obligations, conditions or requirements at the same time or at any prior or subsequent time with respect to the Officer or any other Officer.

7.7. Gender, Number, Section References and Headings. In this Plan, words in any gender include the other gender, the plural includes the singular, and the singular includes the plural. The Table of Contents and headings are for convenience of reference only and shall not modify, define, expand or limit the provisions of the Plan.

7.8. Time Periods. Any portion of a full calendar month or year will be prorated on a full calendar basis, without differential related to such considerations as working days or holidays. Any portion of a day will be treated as a full day, and measurement days will begin and end at midnight, current time. The fiscal year of the Company will be treated for all purposes as it is for financial reporting purposes.

7.9. Facility of Payment. In the case of the legal disability, including minority, of an individual entitled to receive a Payment under the Plan, the Payment shall be made, if the Administrator is advised of the existence of such condition:

(a) to the duly appointed guardian, conservator or other legal representative of such individual; or

(b) to a person or institution entrusted with the care or maintenance of the incompetent or disabled individual, provided such person or institution has satisfied the Administrator that the payment will be used for the best interest and assist in the care of such individual, and provide further, that no prior claim for said payment has been made by a duly appointed guardian, conservator or other legal representative of such individual.

Any payment made in accordance with the foregoing provisions of this Section 7.9 shall constitute a complete discharge of any liability or obligation of the Company under the Plan for any such payments.

7.10. Successors. All obligations of the Company under the Plan and any agreement implementing the terms of the Plan with respect to an Officer are binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or other transfer of all or substantially all of the business or assets of the Company.

TARGET CORPORATION
Computations of Ratios of Earnings to Fixed Charges for the
Six Months Ended July 29, 2017 and July 30, 2016
and for the Most Recent Five Fiscal Years

Ratio of Earnings to Fixed Charges	Six Months Ended		Fiscal Year Ended				
(dollars in millions)	Jul 29, 2017	Jul 30, 2016	Jan 28, 2017	Jan 30, 2016	Jan 31, 2015	Feb 1, 2014	Feb 2, 2013
Earnings from continuing operations before income taxes	$ 2,013	$ 1,838	$ 3,965	$ 4,923	$ 3,653	$ 4,121	$ 5,056
Capitalized interest, net	9	9	20	16	(1)	(14)	(12)
Adjusted earnings from continuing operations before income taxes	2,022	1,847	3,985	4,939	3,652	4,107	5,044
Fixed charges:							
Interest expense [(a)]	286	306	591	616	619	641	721
Interest portion of rental expense	55	53	107	108	108	108	106
Total fixed charges	341	359	698	724	727	749	827
Earnings from continuing operations before income taxes and fixed charges	$ 2,363	$ 2,206	$4,683	$ 5,663	$ 4,379	$ 4,856	$ 5,871
Ratio of earnings to fixed charges	6.94	6.14	6.71	7.82	6.02	6.48	7.10

[(a)] Includes interest on debt and capital leases (including capitalized interest) and amortization of debt issuance costs. Excludes interest income, the loss on early retirement of debt and interest associated with uncertain tax positions, which is recorded within income tax expense.

Exhibit (31)A

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

Certifications

I, Brian C. Cornell, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Target Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 21, 2017

/s/ Brian C. Cornell
Brian C. Cornell
Chairman and Chief Executive Officer

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

Certifications

I, Cathy R. Smith, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Target Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 21, 2017

/s/ Cathy R. Smith
Cathy R. Smith
Executive Vice President and Chief Financial Officer

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
AS ADOPTED PURSUANT TO 18 U.S.C. SECTION 1350
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Target Corporation, a Minnesota corporation ("the Company"), for the quarter ended July 29, 2017, as filed with the Securities and Exchange Commission on the date hereof ("the Report"), the undersigned officer of the Company certifies pursuant to 18 U.S.C. Section 1350, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: August 21, 2017

/s/ Brian C. Cornell
Brian C. Cornell
Chairman and Chief Executive Officer

Exhibit (32)B

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
AS ADOPTED PURSUANT TO 18 U.S.C. SECTION 1350
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Target Corporation, a Minnesota corporation (“the Company”), for the quarter ended July 29, 2017, as filed with the Securities and Exchange Commission on the date hereof (“the Report”), the undersigned officer of the Company certifies pursuant to 18 U.S.C. Section 1350, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to her knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: August 21, 2017

/s/ Cathy R. Smith
Cathy R. Smith
Executive Vice President and Chief Financial Officer