

December

The comments in this summary relate to Target Corporation sales from continuing operations for the five week and year-to-date periods ended January 1, 2005 compared to the five-week and year-to-date periods ended January 3, 2004. These sales results are included in the table of our sales release issued on January 6, 2005.

Comparable store sales from continuing operations increased 5.1 percent in December. On a year-to-date basis, comparable store sales from continuing operations rose 5.0 percent. The current month sales release quotes Bob Ulrich, chairman and CEO of Target Corporation, as saying, "Our sales for the month of December were at the upper end of our expectations, driven in part by a higher mix of promotional sales." Mr. Ulrich went on to say, "While we remain comfortable that we will deliver a double-digit percentage increase in EPS from continuing operations in this year's fourth quarter, we now believe that our actual growth rate will be lower than financial community median expectations." For reference, Target Corporation's fourth quarter EPS from continuing operations in 2003 was 80 cents and the First Call median EPS from continuing operations for fourth quarter 2004 is 94 cents.

The top performing merchandise categories during the month included jewelry/accessories, entertainment, shoes and intimate/hosiery. The poorest sales performance for the month occurred in garden place/home improvement/auto, home décor, domestics and electronics. Target's strongest markets during December were in the South and Southeast. Markets in the Northwest also turned in a solid performance for the month while markets in the Midwest were weaker. At month-end, our inventory position was in excellent condition.

Looking forward to January, our comparable store sales plan for Target Stores is an increase in the range of 5 to 7%.