

reconciliation of non-GAAP Adjusted EPS



annual, fiscal 2014 to present ⁽ⁱ⁾

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 to, generally accepted accounting principles in the United States (GAAP). The most comparable 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.

(unaudited)	2018	2017 ^{(a) (b)}	2016 ^(a)	2015 ^(a)	2014
GAAP diluted earnings per share from continuing operations	\$ 5.50	\$ 5.29	\$ 4.58	\$ 5.25	\$ 3.83
Adjustments					
Tax Act ^(c)	\$ (0.07)	\$ (0.62)	\$ —	\$ —	\$ —
Loss on early retirement of debt	—	0.14	0.44	—	0.27
Data breach-related costs, net of insurance ^(d)	—	(0.01)	—	0.04	0.15
Gain on sale ^(e)	—	—	—	(0.77)	—
Restructuring ^(f)	—	—	—	0.14	—
Other ^(g)	—	—	—	0.05	0.03
Other income tax matters ^(h)	(0.03)	(0.10)	(0.01)	(0.01)	(0.06)
Adjusted diluted earnings per share from continuing operations	\$ 5.39	\$ 4.69	\$ 5.00	\$ 4.69	\$ 4.22

^(a) Beginning with the first quarter 2018, we adopted the new accounting standards for revenue recognition, leases, and pensions. We are presenting certain prior period results on a basis consistent with the new standards and conformed to the current period presentation. We provided additional information about the impact of the new accounting standards on previously reported financial information in a Form 8-K filed on May 11, 2018, and in the Form 8-K filed on May 23, 2018, in connection with our first quarter 2018 earnings release.

^(b) 2017 consisted of 53 weeks compared with 52 weeks in the comparable periods presented.

^(c) Represents discrete income tax benefits related to the Tax Cuts and Jobs Act (Tax Act) enacted in 2017.

^(d) Represents expenses related to the 2013 data breach, net of insurance recoveries.

^(e) Represents the gain on the 2015 sale of our pharmacy and clinic businesses.

^(f) Represents costs related to our corporate restructuring announced during the first quarter of 2015.

^(g) For 2015, represents impairments related to our decision to wind down certain noncore operations. For 2014, includes impairments related to undeveloped land in the U.S. and expenses related to converting co-branded card program to MasterCard.

^(h) Represents income from certain income tax matters not related to current period operations.

⁽ⁱ⁾ Additional information as previously reported is available under "summary financials/archived reports" on investors.target.com.

Source: Target's Consolidated Financial Statements as filed with the U.S. Securities and Exchange Commission.

reconciliation of non-GAAP Adjusted EPS



quarterly, fiscal 2014 to present ^(k)

(unaudited)	2019		2018				2017 ^(a)			
	Q1	Q4	Q3	Q2	Q1	Q4 (b)	Q3	Q2	Q1	
GAAP diluted earnings per share from continuing operations	\$ 1.53	\$ 1.52	\$ 1.16	\$ 1.49	\$ 1.33	\$ 1.99	\$ 0.87	\$ 1.21	\$ 1.21	
Adjustments										
Tax Act ^(c)	\$ —	\$ 0.01	\$ (0.07)	\$ —	\$ —	\$ (0.63)	\$ —	\$ —	\$ —	
Loss on early retirement of debt	—	—	—	—	—	—	0.14	—	—	
Data breach-related costs, net of insurance ^(d)	—	—	—	—	—	(0.01)	—	—	—	
Other income tax matters ^(e)	—	—	—	(0.02)	(0.01)	—	(0.10)	0.01	(0.01)	
Adjusted diluted earnings per share from continuing operations	\$ 1.53	\$ 1.53	\$ 1.09	\$ 1.47	\$ 1.32	\$ 1.36	\$ 0.90	\$ 1.22	\$ 1.20	

(unaudited)	2016 ^(a)				2015 ^(a)				2014			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
GAAP diluted earnings per share from continuing operations	\$ 1.46	\$ 1.06	\$ 1.06	\$ 1.01	\$ 2.31	\$ 0.76	\$ 1.21	\$ 1.01	\$ 1.49	\$ 0.82	\$ 0.61	\$ 0.89
Adjustments												
Loss on early retirement of debt	\$ —	\$ —	\$ 0.17	\$ 0.26	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 0.27	\$ —
Pharmacy Transaction-related costs ^(a)	—	—	(0.01)	0.01	—	—	—	—	—	—	—	—
Data breach-related costs, net of insurance ^(d)	—	—	—	—	—	0.03	0.01	—	0.01	0.01	0.11	0.02
Gain on sale ^(a)	—	—	—	—	(0.79)	—	—	—	—	—	—	—
Restructuring ^(b)	—	—	—	—	—	0.02	0.01	0.10	—	—	—	—
Impairments ^(f)	—	—	—	—	—	0.05	—	—	—	—	0.01	—
Card brand conversion costs ^(g)	—	—	—	—	—	—	—	—	—	—	—	0.01
Other income tax matters ^(e)	—	(0.01)	—	—	—	—	(0.01)	—	(0.01)	(0.05)	—	—
Adjusted diluted earnings per share from continuing operations	\$ 1.45	\$ 1.04	\$ 1.22	\$ 1.28	\$ 1.52	\$ 0.86	\$ 1.22	\$ 1.10	\$ 1.49	\$ 0.79	\$ 1.01	\$ 0.92

^(a) Beginning with the first quarter 2018, we adopted the new accounting standards for revenue recognition, leases, and pensions. We are presenting certain prior period results on a basis consistent with the new standards and conformed to the current period presentation. We provided additional information about the impact of the new accounting standards on previously reported financial information in a Form 8-K filed on May 11, 2018, and in the Form 8-K filed on May 23, 2018, in connection with our first quarter 2018 earnings release.

^(b) Fourth quarter 2017 consisted of 14 weeks compared with 13 weeks in the comparable periods presented.

^(c) Represents discrete income tax expense / (benefits) related to the Tax Cuts and Jobs Act (Tax Act) enacted in 2017.

^(d) Represents expenses related to the 2013 data breach, net of insurance recoveries.

^(e) Represents items related to the 2015 sale of our pharmacy and clinic businesses (Pharmacy Transaction).

^(f) Represents (income) / expense from certain income tax matters not related to current period operations.

^(g) Represents the gain on the Pharmacy Transaction.

^(h) Represents costs related to our corporate restructuring announced during the first quarter of 2015.

⁽ⁱ⁾ For 2015, represents impairments related to our decision to wind down certain noncore operations. For 2014, represents impairments related to undeveloped land in the U.S.

^(j) Represents expense related to converting our co-branded credit card program to MasterCard.

^(k) Additional information as previously reported is available under "summary financials/archived reports" on investors.target.com.

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