

## **December 2012**

The comments on reported results in this summary relate to Target Corporation sales for the five week period ended December 29, 2012 compared with the five week period ended December 31, 2011. These sales results are included in the table of our sales release issued on January 3, 2013.

For the fiscal December period, reported comparable-store sales were essentially flat. This performance was driven by a low single-digit decrease in comparable-store transactions offset by an increase in average transaction size. December 2011 comparable-store sales increased 1.6 percent.

The current month's sales release quotes Gregg Steinhafel, chairman, president and chief executive officer of Target Corporation, as saying, "December sales were slightly below our expectations, as strong results late in the month did not completely offset softness in the first three weeks. Similar to November, profitability for December benefited from our continued focus on achieving an appropriate balance between price investments and driving sales, combined with thoughtful inventory management. As a result, we expect Target's fourth quarter 2012 earnings per share will meet or somewhat exceed the low end of our prior guidance. Looking ahead to 2013, we will continue to focus on profitably growing Target's market share by combining unique merchandise, convenience, value and an unbeatable guest experience across our stores, online and mobile channels."

As a reminder, in Target's third quarter 2012 earnings release the company indicated that it expected fourth quarter 2012 adjusted EPS of \$1.64 to \$1.74 and GAAP EPS of \$1.45 to \$1.55. The 19-cent difference between these ranges reflected the expected EPS impact of expenses related to the company's Canadian market entry.

December comparable-store sales were strongest in Food, which experienced a mid single-digit increase. Health & Beauty and Apparel both experienced a low single-digit increase in comparable-store sales, while comparable-store sales in Home were up slightly. Comparable-store sales in Hardlines decreased in the mid single-digit range.

In December, comparable-store sales were strongest in portions of the West, and softest in portions of the East.

At month-end, our inventory was in very good condition.

For the month of January, our comparable-store sales results will compare the four weeks ending January 26, 2013 to the four weeks ended January 28, 2012. We expect a low single-digit increase in Target's comparable-store sales for this period.

As a reminder, we have a 53<sup>rd</sup> accounting week this fiscal year. Because we measure comparable-store sales over periods of equal length, our January and fourth quarter 2012 comparable-store sales will not reflect the extra week. As a result, the gap between total and comparable-store sales will be wider than usual for both January and fourth quarter 2012.

Target's current sales disclosure practice includes a sales recording on the day of our monthly sales release. As previously announced, we will no longer report monthly sales beginning with our 2013 fiscal year. Our final monthly sales recording is expected to be issued on Thursday, February 7, 2013 and may be accessed by calling 866-526-7639. Text versions of our recordings are available on our Investor Relations website, [www.target.com/investors](http://www.target.com/investors), by clicking on "Monthly Sales Summaries."

The statements in this recording related to expected earnings and sales performance are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements speak only as of the date they made and are subject to risks and uncertainties which could cause the company's actual results to differ materially. The most important risks and uncertainties are described in Item 1A of the company's Form 10-K for the fiscal year ended January 28, 2012 and Form 10-Q for the fiscal quarter ended July 28, 2012.