

Selected Financial Information for Target Corporation 2005

The Income Statement

CONSOLIDATED STATEMENTS OF OPERATIONS

(millions, except per share data)	2005	2004	2003
Sales	\$51,271	\$45,682	\$40,928
Net credit card revenues	1,349	1,157	1,097
Total revenues	52,620	46,839	42,025
Cost of sales	34,927	31,445	28,389
Selling, general and administrative expenses	11,185	9,797	8,657
Credit card expenses	776	737	722
Depreciation and amortization	1,409	1,259	1,098
Earnings from continuing operations before interest expense and income taxes	4,323	3,601	3,159
Net interest expense	463	570	556
Earnings from continuing operations before income taxes	3,860	3,031	2,603
Provision for income taxes	1,452	1,146	984
Earnings from continuing operations	2,408	1,885	1,619
Earnings from discontinued operations, net of taxes of \$46 and \$116	—	75	190
Gain on disposal of discontinued operations, net of taxes of \$761	—	1,238	—
Net earnings	\$ 2,408	\$ 3,198	\$ 1,809
Basic earnings per share			
Continuing operations	\$ 2.73	\$ 2.09	\$ 1.76
Discontinued operations	—	.08	.21
Gain from discontinued operations	—	1.37	—
Basic earnings per share	\$ 2.73	\$ 3.54	\$ 1.99
Diluted earnings per share			
Continuing operations	\$ 2.71	\$ 2.07	\$ 1.76
Discontinued operations	—	.08	.21
Gain from discontinued operations	—	1.36	—
Diluted earnings per share	\$ 2.71	\$ 3.51	\$ 1.97
Weighted average common shares outstanding			
Basic	882.0	903.8	911.0
Diluted	889.2	912.1	919.2

See Notes to Consolidated Financial Statements throughout pages 28-39.

The Balance Sheet

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(millions, except footnotes)	January 28, 2006	January 29, 2005
Assets		
Cash and cash equivalents	\$ 1,648	\$ 2,245
Accounts receivable, net	5,666	5,069
Inventory	5,838	5,384
Other current assets	1,253	1,224
Total current assets	14,405	13,922
Property and equipment		
Land	4,449	3,804
Buildings and improvements	14,174	12,518
Fixtures and equipment	3,219	2,990
Computer hardware and software	2,214	1,998
Construction-in-progress	1,158	962
Accumulated depreciation	(6,176)	(5,412)
Property and equipment, net	19,038	16,860
Other non-current assets	1,552	1,511
Total assets	\$34,995	\$32,293
Liabilities and shareholders' investment		
Accounts payable	\$ 6,268	\$ 5,779
Accrued liabilities	2,193	1,633
Income taxes payable	374	304
Current portion of long-term debt and notes payable	753	504
Total current liabilities	9,588	8,220
Long-term debt	9,119	9,034
Deferred income taxes	851	973
Other non-current liabilities	1,232	1,037
Shareholders' investment		
Common stock (a)	73	74
Additional paid-in-capital	2,121	1,810
Retained earnings	12,013	11,148
Accumulated other comprehensive income	(2)	(3)
Total shareholders' investment	14,205	13,029
Total liabilities and shareholders' investment	\$34,995	\$32,293

(a) Authorized 6,000,000,000 shares, \$.0833 par value; 874,074,850 shares issued and outstanding at January 28, 2006; 890,643,966 shares issued and outstanding at January 29, 2005.

Preferred Stock Authorized 5,000,000 shares, \$.01 par value; no shares were issued or outstanding at January 28, 2006 or January 29, 2005.

See Notes to Consolidated Financial Statements throughout pages 28-39.