PROCTER & GAMBLE Co
Form DFRN14A
August 16, 2017

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

(Amendment No. 1)

Filed by the Registrant ¨

Filed by a Party other than the Registrant þ

Check the appropriate box:

¨ Preliminary Proxy Statement
¨ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
þ Definitive Proxy Statement
¨ Definitive Additional Materials
¨ Soliciting Material Under Rule 14a-12

The Procter & Gamble Company

(Name of Registrant as Specified in Its Charter)

Trian Fund Management, L.P.
Trian Fund Management GP, LLC
Trian Partners, L.P.

Trian Partners Co-Investment Opportunities Fund, Ltd.
Trian Partners Master Fund, L.P.
Trian Partners Parallel Fund I, L.P.
Trian Partners Master Fund (ERISA), L.P.
Trian Partners Strategic Investment Fund-A, L.P.

Trian Partners Strategic Co-Investment Fund-A, L.P.

Trian Partners Strategic Investment Fund-D, L.P.
Trian SPV (Sub) XII L.P.

Trian Partners Fund (Sub)-G, L.P.

Trian Partners Strategic Fund-G II, L.P.

Trian Partners Strategic Fund-G III, L.P.

Trian Partners Strategic Investment Fund-N, L.P.

Trian Partners Strategic Fund-K, L.P.

Trian Partners Strategic Fund-C, Ltd.

Nelson Peltz

Peter W. May

Edward P. Garden

Clayton C. Daley, Jr.

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (check the appropriate box):

þ No fee required.

¨ Fee computed on table below per Exchange Act Rule 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

On August 16, 2017, Trian Fund Management, L.P. sent a letter to shareholders of The Procter & Gamble Company (the "Company"), which also includes additional information about the 2017 annual meeting of shareholders of the Company (the "2017 Annual Meeting"), including the date, time, and place of the 2017 Annual Meeting.

August 16, 2017

Dear Fellow P&G Shareholder:

Nelson Peltz, the CEO of Trian, has a long record of improving the operating results of underperforming companies. Over the years, we have observed a correlation between underperformance and the unwillingness to embrace outside perspectives. In our experience, a fresh perspective can lead to breakthrough ideas. As the owner of approximately $3.5 billion of Procter & Gamble shares, we want P&G to be the best-performing consumer products company in the world. Achieving that goal requires both management and the Board to consider issues in an objective manner. That's why we at Trian are shining a spotlight on the challenges facing P&G.

We are disappointed with the letter sent to you by P&G on August 14th, because it is full of false and misleading statements intended to justify maintaining the status quo at P&G. The Company says it has "a plan that is working" and that Nelson Peltz, who has had a storied career of helping rejuvenate companies, will add no value to the Board. The reality is, over the past decade, P&G's total return to shareholders was less than half that of its peers and has been in the bottom quartile over most recent time frames.[i] We don't think that's acceptable and, as a shareholder, you deserve more.

P&G would have you believe you face an "either/or" choice: Nelson Peltz OR the current Board and management team. That is not true. As P&G knows, Trian is NOT seeking to replace the CEO or any existing directors. We are simply asking for your vote to **ADD** Nelson to the Board, with his long track record of improving performance at consumer companies, to help your Board and management revitalize P&G.

Trian believes the status quo is unacceptable. P&G needs to decisively address the factors contributing to its consistent underperformance, including eroding market share, excessive costs and a cumbersome bureaucracy[ii] that we believe creates profit-reducing complexity, obscures accountability, slows decision-making and impedes sales growth. But it will require a Board that is willing to look at the facts objectively and a management team that is prepared to act aggressively to address the core issues that are preventing P&G from reaching its full potential.

As a shareholder, you need to know the facts. The following pages set the record straight regarding the misleading arguments presented by P&G.

Lowered bar for performance over past decade

- In 2017, management's 3-year compensation plan targeted lackluster 2.8% long-term organic growth through 2019, meaning management would be paid in full for growing slower than P&G's categories and losing market share. The plan also targeted 6% EPS growth through 2019.[iv]

- That's down from 2005, when P&G targeted 4-6% long-term organic growth, ahead of the market, and "double-digit" long-term EPS growth.

Weak Total Shareholder Returns

- Over a 10-year period, P&G's TSR was less than half that of its peers and has been in the bottom quartile over most recent time frames – this is unacceptable.

Organic sales growth has significantly underperformed peers

- 2.2% average annual sales growth since 2011 vs. peer average of 3.7%.

Volume growth worst in class

- 0.8% average annual volume growth since 2011 vs. peer average of 3.0%.

EPS growth worst in class

- EPS growth has been flat since 2011 vs. peer average of +7% per year.

Investments not generating a return

- $96 billion of total investment in capital expenditures, R&D and marketing expenses over the last 6 years has not increased earnings or driven market share gains.

"Since the CEO transition on November 1, 2015, our team has delivered total shareholder return ("TSR") of 27%...the weighted average return of the companies where Mr. Peltz serves as a Board member has been only 8%"

Companies where Nelson serves as a director have meaningfully higher TSR than P&G's.

In his letter to shareholders, David Taylor suggested that P&G's TSR has outperformed companies on which Nelson has served on the board. P&G's methodology is highly misleading for a few reasons:

1) **Arbitrary Time Frame**: Why is David Taylor's tenure the right time frame for assessing performance of companies that Nelson has been involved with? Wouldn't it be far more logical to look at returns during the time frame that Nelson has been involved at those companies?
2) **"Market Value Weighted Average" TSR Methodology**: P&G uses a market value weighted TSR metric to measure Nelson's performance. This methodology is inherently misleading. For example, P&G's methodology weights Mondelēz's TSR performance at ~30x that of Wendy's, based on relative market values! What's more, P&G uses a simple average as opposed to a weighted average to measure its own peers' performance, making its results look more favorable.
3) **P&G Has Underperformed Under This Board's Watch:** The reality is that a significant majority of P&G's directors have seen the Company underperform both the S&P 500 and peers since they were appointed.

The following table shows consumer companies' performance during Trian's ENTIRE involvement with each company. TSR at each of these companies has outperformed P&G – by 10% annually on average – since Trian invested.

"Mr. Peltz is not helpful to Boards and management teams that are on the right track"

"Mr. Peltz does not bring any new or needed skills to our Board"

"We believe Mr. Peltz initiated this proxy contest to satisfy his own agenda and to meet expectations of his limited partners"

Nelson brings decades of experience as an owner/operator to the boardroom.

Nelson began his career by building his family's small produce delivery business into a formidable public company that became the largest foodservice distribution company in the Northeast. Later, as CEO of Triangle Industries, he built what would become a Fortune 100 industrial company and the largest packaging company in the world, providing great value to large consumer customers like Coca-Cola and Anheuser-Busch. He helped lead a dramatic turnaround that revitalized the Snapple beverage brand, significantly increasing sales volume and profits. The story of the Snapple turnaround is the subject of a Harvard Business School case study that details the critical link Nelson helped establish between corporate culture, innovation, brand success and sustained growth.

Nelson is a recognized leader in corporate governance.

Nelson has been recognized by the National Association of Corporate Directors (NACD), the leading trade organization for directors and boards, for three consecutive years as one of the most influential people in corporate governance – a testament to his exemplary board leadership.

Nelson's only agenda is to improve P&G's long-term performance.

Trian believes that P&G's challenges stem in large part from its cumbersome organizational structure and bureaucratic culture,[v] which can be highly resistant to change. It is our strong view that the addition of a motivated independent director who has a material ownership stake and substantial relevant industry experience can be a valuable resource for overcoming the root causes of these challenges and helping to create the right environment for breakthrough ideas. To be clear, Nelson has no hidden agenda. His only agenda is to improve performance so that P&G can increase returns to all shareholders and create long-term shareholder value.

Nelson's record shows how his experiences in the boardroom can benefit companies.

Nelson serves as Chairman of the Board of The Wendy's Company, another iconic brand, where Trian has been a shareholder for more than a decade. During this period, Nelson has helped Wendy's reinvigorate its brand and drive growth by investing to upgrade the quality of the food, marketing and in-store experience. The company just reported its 18th consecutive quarter of positive same-restaurant sales. Similarly, when Nelson went on the Board of H.J. Heinz Company in 2006, the company went on to deliver 32 consecutive quarters of organic sales growth, strong profits and share price outperformance.

TSR and EPS growth for consumer companies where Nelson has served on the Board have far outperformed the S&P 500 during the time of Trian's investment.[vi]

Nelson is known for being collaborative in the board room.

We pride ourselves on our highly collaborative engagement with management and boards. In fact, those relationships have been so productive that several former CEOs and Directors we have worked with in the past now serve as Trian Advisory Partners. Among these is Bill Johnson, who was the CEO of Heinz when Nelson won a seat on the Company's Board.

You don't need to take our word for it; here's what some CEOs that we have worked with say about Nelson and Trian:

"Nelson was quick to recognize that removing Snapple from a bureaucratic Quaker Oats culture would enable entrepreneurialism and innovation. The result was a dramatic sales turnaround and more than quadrupling of company value in just 3 years. And I experienced first-hand at Heinz [as a Director] how Nelson emerged from a hotly contested proxy battle to become an incredibly respected and valued Board member."
- Mike Weinstein (CEO of Snapple from 1997-2000; H.J. Heinz Director from 2006-2013)

"I said to another CEO…who had called me and inquired about Nelson, that if I were to form the board today, Nelson would be one of the first directors I'd ask to serve because he is an insightful, communicative, enthusiastic, energetic and available director."
- Bill Johnson (CEO of H. J. Heinz from 1998-2013)

"Nelson is a valued and very constructive director who has made significant contributions to our board processes and business decisions. He has a sharp eye for changing consumer trends and willingly shares his ideas and best practices from his deep knowledge and extensive operating experience in the consumer goods industry."
- Irene Rosenfeld (CEO of Mondelēz International from 2007-Present)

"I have the highest regard for Nelson Peltz and Ed Garden. Since becoming CEO of DuPont, I have talked many times with the Trian team and appreciate their insights on strategy and operations, as well as the collaborative and productive manner in which they have engaged with us. Their ability to rigorously analyze opportunities for long-term value maximization has been consistently demonstrated over the years."

- Ed Breen (CEO of DuPont from 2015-Present)

As you can see, Nelson is a highly engaged shareowner with a track record of success in the boardroom and deep experience with consumer companies and brands. But in a misguided effort to keep Nelson off the Board, P&G management has mounted a massive defense and estimates it will spend approximately $35 million of your money – which we believe, in reality, will amount to at least **$100 million** – on multiple mailings to P&G shareholders and payments to at least nine advisors. Imagine what all that money could do if it were invested in regaining lost market share – instead of paying for four investment banks, at least two law firms, two proxy solicitors and a PR firm, that P&G has hired to keep one highly qualified shareholder out of the P&G boardroom.

With beneficial ownership of approximately $3.5 billion of P&G shares, Nelson has far more skin in the game than the entire P&G Board. He will be a motivated independent director with a laser focus on long-term shareholder value creation that can accelerate positive change – as he has done with many other consumer companies over the past 40 years.

We urge you to help us revitalize P&G by voting "FOR" Nelson Peltz on the **WHITE** proxy card today.

Sincerely,

TRIAN FUND MANAGEMENT, L.P.

Your vote is important. Please discard any Blue proxy cards you have received from P&G. If you have already returned a Blue proxy card, you can change your vote simply by signing, dating and returning a **WHITE** proxy card today. Only your latest-dated proxy card will be counted.

NOTES:

[i] Source: Capital IQ, SEC filings and annual reports. Total shareholder returns of the S&P 500, the Company and its peers measured through June 15, 2017, one day before rumors surfaced of Trian seeking P&G Board representation. Trian considers the Company's peers to include Beiersdorf, Church & Dwight, Clorox, Colgate, Edgewell Personal Care, Henkel, Kimberly-Clark, L'Oreal, Reckitt Benckiser and Unilever. We believe this peer group is relevant because each is domiciled in the United States or Europe, has a significant market capitalization and generates a significant portion of its sales in categories in which P&G competes.

[ii] The Trian Group believes that P&G's organizational structure is overly "matrixed," which we believe impedes growth by adding unnecessary complexity and cost. We understand that there are three overlapping organizational structures at P&G (Global Business Units as defined by category, Selling and Marketing Operations, and Corporate Functions), and in our view, these overlapping structures obscure accountability, increase bureaucracy and slow decision-making and impede sales growth and market shares.

[iii] Source: P&G SEC filings, peer SEC filings and Bloomberg.

[iv] Source: Euromonitor and Wall Street research.

[v] The Trian Group believes that P&G's organizational structure is overly "matrixed," which we believe impedes growth by adding unnecessary complexity and cost. We understand that there are three overlapping organizational structures at P&G (Global Business Units as defined by category, Selling and Marketing Operations, and Corporate Functions), and in our view, these overlapping structures obscure accountability, increase bureaucracy and slow decision-making and impede sales growth and market shares.

[vi] Please see slide 19 of the "Introductory Presentation on P&G," filed by Trian Partners (as defined below) with the SEC under cover of Schedule 14A on July 17, 2017 (the "Introductory Presentation"), as well as the notes and disclaimers to the Introductory Presentation, which is available at RevitalizePG.com.

Important Information About the 2017 Annual Meeting

The Company has disclosed that the 2017 Annual Meeting will take place on Tuesday, October 10, 2017 at 9:00 a.m. Eastern Daylight Time at The Procter & Gamble Company General Offices, 1 Procter & Gamble Plaza, Cincinnati, Ohio 45202. Shareholders of record as of the close of business on August 11, 2017 (the record date for the 2017 Annual Meeting) are entitled to vote at the 2017 Annual Meeting and any postponement or adjournment thereof.

We commenced our solicitation of proxies on or about July 31, 2017, which is prior to the record date, and we will continue to solicit proxies until the date of the 2017 Annual Meeting. If you delivered a proxy prior to the record date, it will remain valid and effective so long as you continue to be a shareholder on the record date, and you do not need to deliver another proxy after the record date. If you delivered a proxy prior to the record date and do not revoke that proxy, your proxy will be deemed to cover the number of shares you own on the record date even if that number is different from the number of shares you owned when you executed and delivered your proxy. Proxies received from persons who are not holders of record on the record date will not be effective.

The following table shows all entities known to the Company to be beneficial owners of more than 5% of any class of the Company's voting securities, including the Company's common stock, without par value (the "Shares"):

Title of Class	Name and Address of Beneficial Owner	Number of Shares Beneficially Owned	Percent of Class
Common	BlackRock, Inc. 55 East 52nd Street, New York, NY 10055	154,087,387	5.80%
Common	The Vanguard Group 100 Vanguard Blvd., Malvern, PA 19355	177,383,781	6.62%

[1] Based on information as of December 31, 2016 contained in a Schedule 13G/A filed with the SEC on January 25, 2017 by BlackRock, Inc. The Schedule 13G/A indicates that BlackRock, Inc. has (i) sole power to vote or direct to vote with respect to 130,306,193 Shares, and (ii) sole dispositive power with respect to 154,087,387 Shares.

[2] Based on information as of December 31, 2016 contained in a Schedule 13G/A filed with the SEC on February 13, 2017 by The Vanguard Group. The Schedule 13G indicates that The Vanguard Group has (i) sole power to vote or direct to vote with respect to 4,163,731 Shares, (ii) shared voting power with respect to 491,081 Shares, (iii) sole dispositive power with respect to 172,764,633 shares, and (iv) shared dispositive power with respect to 4,619,148 Shares.

The following table and footnotes provide information regarding the ownership of the Shares and Series A and B ESOP Convertible Class A Preferred Stock by all directors and nominees, each named executive officer ("NEO"), and all directors and executive officers as a group as of June 30, 2017:

	Shares						Class A Preferred Stock	
Name[3]	Direct and Profit Sharing[4]	Right to Acquire[5]	Trusteeships and Family Holdings[6]	Total	% of Class	RSUs[7]	Series A ESOP Convertible (%)[10]	Series B ESOP Convertible (%)[10]
Steven D. Bishop	39.617	365,190	1,369	406,176	*	32,500	8,408 (**)	0 (–)
Francis S. Blake	3,081	0	0	3,081	*	4,522	0 (–)	0 (–)

Angela F. Braly	8,848	0	0	8,848	*21,821	0 (–)	0 (–)
Amy L. Chang	0	0	0	0	*0	0 (–)	0 (–)
Kenneth I. Chenault	6,700	0	0	6,700	*26,908	0 (–)	0 (–)
Giovanni Ciserani	19,901	530,931	0	550,832	*44,346	0 (–)	0 (–)
Scott D. Cook	33,721	0	32,616	66,337	*37,429	0 (–)	0 (–)
Mary Lynn-Ferguson-McHugh[8]	41,247	282,320	2,491	326,058	*72,129	8,259(**)	165 (**)
Terry J. Lundgren	2,657	0	530	3,187	*12,683	0 (–)	0 (–)
W. James McNerney, Jr.	30,476	0	0	30,476	*37,429	0 (–)	0 (–)
Jon R. Moeller[9]	65,335	682,032	8,939	756,306	*87,897	13,570 (**)	0 (–)
David Taylor	77,446	607,449	0	684,895	*76,869	12,296 (**)	181 (**)
Margaret C. Whitman	0	0	11,075	11,075	*15,067	0 (–)	0 (–)
Patricia A. Woertz	1,660	0	0	1,660	*23,615	0 (–)	0 (–)
Ernesto Zedillo	5,785	0	0	5,785	*38,191	0 (–)	0 (–)
30 directors and executive officers, as a group	646,576	6,334,259	59,982	7,040,817	*954,735	113,064 (**)	1,313 (**)
Employee Stock Ownership Trust	–	–	–	–	––	6,097,747(**)	31,124,695(**)

* Less than .28% for any one director or NEO, and for the directors and executive officers, as a group.

** Less than .34% for any one director or NEO, and for the directors and executive officers, as a group; by the terms of the stock, only persons who are or have been employees can have beneficial ownership of these shares.

[3] The address of each of individual is 1 Procter & Gamble Plaza, Cincinnati, Ohio 45202 and the address of the Employee Stock Ownership Trust is P.O. Box 599, Cincinnati, Ohio 45201-0599.

[4] Includes unrestricted Shares over which each director or executive officer has sole voting and investment power and restricted Shares over which they have voting power but no investment power (until restrictions lapse). Shares allocated to personal accounts of executive officers under the Retirement Trust pursuant to The Procter & Gamble Profit Sharing Trust and Employee Stock Ownership Plan (the "PST"). Plan participants have sole discretion as to voting and, within limitations provided by PST, investment of shares. Shares are voted by the trustees in accordance with instructions from participants. If instructions are not received by the trustees as to the voting of particular shares, shares are to be voted in proportion to instructions actually received from other participants in the Retirement Trust.

[5] Total includes stock options that have vested or will vest within 60 days, Shares pursuant to the PST that will be allocated to personal accounts of executive officers within 60 days, Performance Stock Program ("PSP") awards (as described beginning on page 35) that will deliver as Shares in August 2017, any Restricted Stock that will vest within 60 days, and any RSUs that will deliver as Shares within 60 days.

[6] This column includes Shares in which voting and/or investment powers are shared. It also includes shares indirectly held through family members who reside in the household of the director or officer.

[7] Restricted Stock Units ("RSUs") represent the right to receive unrestricted Shares upon the lapse of restrictions, at which point the holders will have a non-forfeitable right to delivery of Shares on a specific date in the future. Total includes RSUs that will not deliver as Shares within 60 days and any PSP awards that will deliver as RSUs in August 2017. RSUs that will not deliver within 60 days of the record date are not considered "beneficially owned" because holders are not entitled to voting rights or investment control until the shares are delivered. RSUs that will deliver within 60 days are listed in the "Right to Acquire" column.

[8] Totals include shares indirectly held by Ms. Ferguson-McHugh through her spouse, who was previously employed by the Company.

[9] Totals include shares indirectly held by Mr. Moeller through his spouse, who is also employed by the Company.

[10] For each director or NEO, and for the directors and executive officers, as a group, represents shares allocated to personal accounts of executive officers under the Employee Stock Ownership Trust pursuant to the PST. Plan participants have sole discretion as to voting and, within limitations provided by PST, investment of shares. Shares are voted by the Trustees in accordance with instructions from participants. If instructions are not received by the Trustees as to the voting of particular shares, shares are to be voted in proportion to instructions actually received from other participants in the Trust. For the Employee Stock Ownership Trust of The Procter & Gamble Profit Sharing Trust and Employee Stock Ownership Plan (R. L. Antoine, S. P. Donovan, Jr. and R. C. Stewart, Trustees), represents unallocated shares held via trusteeship. The voting of these unallocated shares is governed by the terms of PST, which provides that the Trustees shall vote unallocated shares held by them in proportion to instructions received from Trust participants as to voting of allocated shares. The disposition of these shares in connection with a tender offer would be governed by the terms of PST, which provides that the Trustees shall dispose of unallocated shares held by them in proportion to instructions received from Trust participants as to the disposition of allocated shares.

Important Information About the 2018 Annual Meeting

According to the Company's proxy statement for the 2017 Annual Meeting (the "Company's Proxy Statement"), it is anticipated that the 2018 annual meeting of shareholders (the "2018 Annual Meeting") will be held on Tuesday, October 9, 2018. Pursuant to regulations issued by the SEC, to be considered for inclusion in the Company's proxy statement for presentation at the 2018 Annual Meeting, all shareholder proposals must be received by the Company on or before the close of business on April 3, 2018. In addition, according to the Company's Proxy Statement, a shareholder wishing to bring business before the 2018 Annual Meeting must provide such advance notice requirements as are forth in the Company's Code of Regulations no earlier than February 12, 2018 and no later than July 12, 2018. Finally, based on the Company's Proxy Statement and the one-year anniversary of the 2017 Annual Meeting, a shareholder wishing to nominate a candidate for election to the Board at the 2018 Annual Meeting must provide such notice no earlier than February 12, 2018, and no later than May 23, 2018.

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)

9,741

10,533

(7.5
)
EBITDA
1,627

1,523

6.8

5,307

5,224

1.6

Depreciation and amortization
570

561

1.6

1,686

1,651

2.1

EBIT
$
1,057

$
962

9.9
%

$
3,621

$
3,573

1.3
%
Note: We operate as a single segment which includes all of our continuing operations, excluding net interest expense and certain other discretely managed items. Our segment operations are designed to enable guests to purchase

products seamlessly in stores, online, or through mobile devices. See Note 15 of our Financial Statements for a reconciliation of our segment results to earnings before income taxes.
[a] Sales include $1,112 million and $3,240 million related to our former pharmacy and clinic businesses for the three and nine months ended October 31, 2015, respectively, and cost of sales include $885 million and $2,572 million, respectively. The December 2015 sale of these businesses to CVS had no notable impact on EBITDA or EBIT.
[b] SG&A includes $168 million and $489 million of net profit-sharing income under our credit card program agreement for the three and nine months ended October 29, 2016, respectively, and $166 million and $477 million for the three and nine months ended October 31, 2015, respectively.

Rate Analysis	Three Months Ended		Nine Months Ended	
	October 29, 2016	October 31, 2015	October 29, 2016	October 31, 2015
Gross margin rate	30.2 %	29.4 %	30.8 %	30.2 %
SG&A expense rate	20.3	20.7	20.0	20.2
EBITDA margin rate [a]	9.9	8.6	10.9	10.0
Depreciation and amortization expense rate	3.5	3.2	3.5	3.2
EBIT margin rate [a]	6.4	5.5	7.4	6.8

Note: Rate analysis metrics are computed by dividing the applicable amount by sales.
[a] Excluding sales of our former pharmacy and clinic businesses, EBITDA margin rates were 9.2 percent and 10.7 percent for the three and nine months ended October 31, 2015, respectively, and EBIT margin rates were 5.8 percent and 7.3 percent, respectively.

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Sales

Sales include merchandise sales, net of expected returns, from our stores and digital channels, 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 or our stores.

Sales by Channel	Three Months Ended		Nine Months Ended	
	October 29, 2016	October 31, 2015 [(a)]	October 29, 2016	October 31, 2015 [(a)]
Stores	96.5 %	97.3 %	96.5 %	97.2 %
Digital	3.5	2.7	3.5	2.8
Total	100 %	100 %	100 %	100 %

(a) Excluding sales of our former pharmacy and clinic businesses, stores and digital channels sales were 97.1 percent and 2.9 percent of total sales, respectively, for both the three and nine months ended October 31, 2015.

Sales by Product Category	Three Months Ended		Nine Months Ended	
	October 29, 2016	October 31, 2015	October 29, 2016	October 31, 2015
Household essentials [(a)]	23 %	28 %	23 %	28 %
Food and pet supplies	23	22	23	21
Apparel and accessories	21	19	21	20
Home furnishings and décor	19	18	19	17
Hardlines	14	13	14	14
Total	100 %	100 %	100 %	100 %

(a) Pharmacy represented six percent of total sales for the three and nine months ended October 31, 2015.

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 that we have owned less than 13 months, stores that have been closed, and digital acquisitions that we no longer operate. We removed pharmacy and clinic sales from the 2015 sales amounts when calculating 2016 comparable sales. 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		Nine Months Ended	
	October 29, 2016	October 31, 2015	October 29, 2016	October 31, 2015
Comparable sales change	(0.2)%	1.9 %	— %	2.2 %
Drivers of change in comparable sales				
Number of transactions	(1.2)	1.4	(1.0)	1.3
Average transaction amount	1.0	0.4	1.0	0.9
Selling price per unit	3.5	2.5	3.0	3.8
Units per transaction	(2.5)	(2.1)	(2.0)	(2.8)

Note: Amounts may not foot due to rounding.

Contribution to Comparable Sales Change	Three Months Ended		Nine Months Ended	
	October 29, 2016	October 31, 2015	October 29, 2016	October 31, 2015
Stores channel comparable sales change	(1.0)%	1.4 %	(0.7)%	1.6 %

Digital channel contribution to comparable sales change	0.7	0.4	0.6	0.6
Total comparable sales change	(0.2)%	1.9%	—%	2.2%

Note: Amounts may not foot due to rounding.

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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, with the remainder representing a shift in tender type. Guests receive a 5 percent discount on virtually all purchases when they use a REDcard at Target.

REDcard Penetration	Three Months Ended		Nine Months Ended	
	October 29, 2016	October 31, 2015	October 29, 2016	October 31, 2015
Target Debit Card	12.9 %	12.1 %	12.9 %	12.0 %
Target Credit Cards	11.4	10.2	11.0	9.9
Total REDcard Penetration	24.3 %	22.3 %	23.9 %	22.0 %

Note: Excluding sales of our former pharmacy and clinic businesses, total REDcard penetration was 23.5 percent and 23.1 percent for the three and nine months ended October 31, 2015, respectively. Amounts may not foot due to rounding.

Gross Margin Rate

For the three and nine months ended October 29, 2016, our gross margin rate was 30.2 percent and 30.8 percent, respectively, compared with 29.4 percent and 30.2 percent in the comparable period last year. The increase was primarily due to the Pharmacy Transaction and faster sales growth in higher margin categories, such as Apparel and Accessories and Home Furnishings and Décor, than the chain average (mix), partially offset by increased shipping costs. Cost of goods savings helped offset the impact of a competitive promotional environment.

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Selling, General, and Administrative Expense Rate

For the three and nine months ended October 29, 2016, our SG&A expense rate was 20.3 percent and 20.0 percent, respectively, compared to 20.7 percent and 20.2 percent in the comparable periods last year. For the three and nine months ended October 29, 2016, the decrease was primarily due to the benefit of the Pharmacy Transaction and technology-related cost savings, partially offset by other items.

Store Data

Change in Number of Stores	Three Months Ended		Nine Months Ended	
	October 29, 2016	October 31, 2015	October 29, 2016	October 31, 2015
Beginning store count	1,797	1,799	1,792	1,790
Opened	5	6	11	15
Closed	(2)	—	(3)	—
Ending store count	1,800	1,805	1,800	1,805

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Number of Stores and Retail Square Feet	Number of Stores			Retail Square Feet [a]		
	October 29, 2016	January 30, 2016	October 31, 2015	October 29, 2016	January 30, 2016	October 31, 2015
170,000 or more sq. ft.	278	278	280	49,685	49,688	50,036
50,000 to 169,999 sq. ft.	1,503	1,505	1,516	189,496	189,677	190,873
49,999 or less sq. ft.	19	9	9	464	174	174
Total	1,800	1,792	1,805	239,645	239,539	241,083

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

Other Performance Factors

Consolidated Selling, General, and Administrative Expenses

We recorded $(4) million of selling, general, and administrative expenses outside of the segment during the three months ended October 29, 2016, and $86 million and $212 million for the three and nine months ended October 31, 2015, respectively, because they are discretely managed. Additional information about these items is provided within the Reconciliation of Non-GAAP Financial Measures to GAAP Measures on page 18 and Note 15 to the Consolidated Financial Statements included in Item 1 (the Financial Statements).

Net Interest Expense

Net interest expense from continuing operations was $142 million and $864 million for the three and nine months ended October 29, 2016, respectively, compared to $151 million and $455 million for the three and nine months ended October 31, 2015. Net interest expense for the nine months ended October 29, 2016 included a loss on early retirement of debt of $422 million.

Provision for Income Taxes

Our effective income tax rate from continuing operations for the three and nine months ended October 29, 2016 was 33.8 percent and 33.0 percent, respectively, compared with 34.3 percent and 34.6 percent for the three and nine months ended October 31, 2015, respectively. For the three months ended October 29, 2016, the decrease was primarily due to a variety of factors, none of which was individually significant. For the nine months ended October 29, 2016, the decrease was primarily due to the recognition of $18 million of excess tax benefits related to share-based payments after the adoption of ASU 2016-09. Refer to Note 12 of the Financial Statements for more information regarding ASU 2016-09.

Discontinued Operations

See Note 3 of the Financial Statements for information regarding our Canada exit.

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. 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.

Adjusted EPS	Three Months Ended					
	October 29, 2016			October 31, 2015		
(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			$ 1.06			$ 0.76
Adjustments						
Restructuring costs [a]	$ —	$ —	$ —	$ 21	$ 13	$ 0.02
Impairments [b]	—	—	—	39	29	0.05
Other [c]	(4)	(3)	—	26	20	0.03
Resolution of income tax matters	—	(5)	(0.01)	—	—	—
Adjusted diluted earnings per share from continuing operations			$ 1.04			$ 0.86

	Nine Months Ended					
	October 29, 2016			October 31, 2015		
(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			$ 3.14			$ 2.98
Adjustments						
Loss on early retirement of debt	$ 422	$ 257	$ 0.44	$ —	$ —	$ —
Restructuring costs [a]	—	—	—	138	85	0.13
Impairments [b]	—	—	—	39	29	0.05
Other [c]	—	—	—	38	27	0.04
Resolution of income tax matters	—	(8)	(0.01)	—	(8)	(0.01)
Adjusted diluted earnings per share from continuing operations			$ 3.56			$ 3.18

Note: Amounts may not foot due to rounding.

[a] Refer to Note 4 of the Financial Statements.

[b] Refer to Note 7 and Note 8 of the Financial Statements.

[c] For the three and nine months ended October 29, 2016, represents items related to the Pharmacy Transaction. For the three and nine months ended October 31, 2015, represents costs related to the 2013 data breach.

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We have also disclosed after-tax return on invested capital from continuing operations (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 October 29, 2016	October 31, 2015
Earnings from continuing operations before interest expense and income taxes	$5,790	$ 4,946
+ Operating lease interest (a)(b)	72	90
Adjusted earnings from continuing operations before interest expense and income taxes	5,862	5,036
- Income tax effect (c)	1,849	1,717
Net operating profit	$4,013	$ 3,319

after
taxes

Denominator (dollars in millions)	October 29, 2016	October 31, 2015	November 1, 2014
Current portion of long-term debt and other borrowings	$ 729	$ 825	$ 483
+ Noncurrent portion of long-term debt	12,097	11,887	12,551
+ Shareholders' equity	11,069	13,256	16,373
+ Capitalized operating lease obligations (b)(d)	1,192	1,503	1,639
- Cash and cash equivalents	1,231	1,977	718
- Net assets of discontinued operations	60	197	4,550
Invested capital	$ 23,796	$ 25,298	$ 25,778
Average invested capital (e)	$ 24,547	$ 25,538	

After-tax return on invested capital (f)	16.3 %	13.0 %

(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 31.5% and 34.1% for the trailing twelve months ended October 29, 2016 and October 31, 2015. For the trailing twelve months ended October 29, 2016 and October 31, 2015, includes tax effect of $1,826 million and $1,686 million, respectively, related to EBIT and $23 million and $31 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 14.3 percent for the trailing twelve months ended October 29, 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.

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Reconciliation of Capitalized Operating Leases (dollars in millions)	Trailing Twelve Months		
	October 29, 2016	October 31, 2015	November 1, 2014
Total rent expense	$ 149	$ 188	$ 205
Capitalized operating lease obligations (total rent expense x 8)	1,192	1,503	1,639
Operating lease interest (capitalized operating lease obligations x 6%)	72	90	98

Analysis of Financial Condition

Liquidity and Capital Resources

Our cash and cash equivalents balance was $1,231 million at October 29, 2016, compared with $1,977 million for the same period in 2015. 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 invest fully in profitable opportunities to grow our business and create sustainable long-term value; second, we maintain our quarterly dividend and seek to grow it annually; and finally, if we have excess cash after addressing the first two priorities, we repurchase shares when we have capacity within the limits of targeted investment-grade credit ratings.

Cash Flows

Operating cash flow provided by continuing operations was $2,770 million for the nine months ended October 29, 2016, compared with $3,035 million for the same period in 2015. The decrease is primarily due to the payment of approximately $500 million of taxes during the first quarter of 2016 related to the Pharmacy Transaction. In April 2016, we issued $1.0 billion of unsecured debt that matures in 2026 and $1.0 billion of unsecured debt that matures in 2046. Combined with our prior year-end cash position, these proceeds allowed us to repurchase $1,389 million of debt at a market value of $1,800 million, fund current debt maturities, pay approximately $500 million in taxes related to the Pharmacy Transaction, invest in the business, pay dividends, and repurchase shares under our share repurchase program.

Share Repurchases

In September 2016, our Board of Directors authorized a new $5 billion share repurchase program. We will begin repurchasing shares under this new authorization upon completion of the current $10 billion program, which is expected by the end of 2016. Under our current $10 billion share repurchase program, we have repurchased 133.1 million shares of common stock through October 29, 2016, at an average price of $70.52, for a total investment of $9.4 billion, excluding the initial delivery of 3.4 million shares and $350 million prepayment under the accelerated share repurchase agreement (ASR) described in Note 11 of the Financial Statements.

During the three and nine months ended October 29, 2016, we repurchased 8.1 million and 38.5 million shares of our common stock, respectively, for a total investment of $564 million ($69.73 per share) and $2,807 million ($72.87 per share), respectively, not including the initial share delivery and $350 million prepayment under the ASR. During the three and nine months ended October 31, 2015, we repurchased 12.1 million and 27.3 million shares of our common stock, respectively, for a total investment of $942 million ($77.87 per share) and $2,182 million ($79.84 per share), respectively.

Dividends

We paid dividends totaling $345 million ($0.60 per share) and $1,011 million ($1.72 per share) for the three and nine months ended October 29, 2016, respectively, and $352 million ($0.56 per share) and $1,017 million ($1.60 per share) for the three and nine months ended October 31, 2015, a per share increase of 7.1 and 7.5 percent, respectively. We declared dividends totaling $342 million ($0.60 per share) in third quarter 2016, a per share increase of 7.1 percent over the $348 million ($0.56 per share) of declared dividends during the third quarter of 2015. 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 manage our net exposure to floating interest rate volatility, and to maintain a balanced spectrum of debt maturities. 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 October 29, 2016 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 and 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, that expires in October 2021. This new 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 2016 or 2015.

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 October 29, 2016, 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, other than the new borrowings and payments discussed in Note 6 of the Financial Statements, there were no material changes to our contractual obligations and commitments outside the ordinary course of business since January 30, 2016 as reported in our 2015 Form 10-K.

New Accounting Pronouncements

Refer to Note 2 and Note 10 of the Financial Statements for a description of new accounting pronouncements related to revenues and leases, 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 w 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 expected benefits of restructuring initiatives, 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 and our plans for adoption of new accounting pronouncements, our intentions regarding future dividends, contributions and payments related to our pension plan, the effects of our use of derivative financial instruments and hedging activities, the expected return on plan assets, the expected outcome of, and adequacy of our reserves for, claims and litigation.

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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 30, 2016, 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 30, 2016.

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 third quarter of 2016 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. 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

No response is required under Item 103 of Regulation S-K, nor have there been any material developments for any previously reported legal proceedings.

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 30, 2016.

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

On January 11, 2012, our Board of Directors authorized the repurchase of $5 billion of our common stock and on June 9, 2015 expanded the program by an additional $5 billion for a total authorization of $10 billion. On September 20, 2016, our Board of Directors authorized a new $5 billion share repurchase program. We will begin repurchasing shares under this new authorization upon completion of the current $10 billion program. There is no stated expiration for the share repurchase programs. Under the current program, we have repurchased 133.1 million shares of common stock through October 29, 2016, at an average price of $70.52, for a total investment of $9.4 billion, excluding the September 2016 ASR because the transaction was not fully settled as of October 29, 2016. The table below presents information with respect to Target common stock purchases made during the three months ended October 29, 2016, 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
July 31, 2016 through August 27, 2016				
Open market and privately negotiated purchases	1,722,716	$ 70.46	1,722,716	$ 1,057,191,247
August 28, 2016 through October 1, 2016				
Open market and privately negotiated purchases	4,817,969	70.01	4,817,969	5,719,900,702
September 2016 ASR [(a)]	3,350,000	TBD	3,350,000	5,369,900,702
October 2, 2016 through October 29, 2016				
Open market and privately negotiated purchases	1,549,856	68.06	1,549,856	5,264,416,260
Total	11,440,541	TBD	11,440,541	$ 5,264,416,260

[(a)] In November 2016, the contract was settled and we received an additional 1.3 million shares, which were retired, and $36 million for the remaining amount not settled in shares. The $36 million, in addition to the amount reflected in the table, is available under the program. We repurchased a total of 4.6 million shares under the ASR for total cash investment of $314 million, or an average per share price of $67.67. Refer to Note 11 of the Financial Statements for further details about our ASR contract.

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]
(12)	Statements of Computations of Ratios of Earnings to Fixed Charges
(10)G	Target Corporation Officer EDCP (2017 Plan Statement) (as amended and restated effective January 1, 2017)
(10)O	Five-Year Credit Agreement dated as of October 5, 2016 among Target Corporation, Bank of America, N.A. as Administrative Agent and the Banks listed therein
(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
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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.

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: November 23, 2016 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

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EXHIBIT INDEX

Exhibit	Description	Manner of Filing
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101.PRE	XBRL Taxonomy Extension Presentation Linkbase	Filed Electronically

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