



TARGET

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Douglas A. Scovanner
Executive Vice President & CFO

July 11, 2006

Mr. Stephen J. Adler, Editor-in-Chief
Business Week
1221 Avenue of The Americas, 43rd Floor
New York, NY 10020

Dear Mr. Adler:

Last week, Robert Berner wrote an article for your publication entitled "Where Target May Miss the Mark – Its high-interest-rate credit-card business is looking riskier" which continues a string of work by this reporter that has been blatantly inaccurate and grossly misleading to your readers. *(Reference reports titled "Target Takes a Gamble The Markets Don't Like – Its growing reliance on credit income gives analysts the jitters" from March 2002 and "Has Target's Food Foray Missed the Mark? – Its supercenters may be too far away to lure frequent shoppers" from November 2002).*

In powerful contrast to the unfounded claims made by Mr. Berner in these articles, our credit card strategy is carefully conceived and well-executed, and it provides Target with a compelling tool to foster stronger, deeper and longer-lasting relationships with our best guests. In addition, it has produced consistent, industry-leading financial results over many years and it continues to generate substantial incremental sales and profits in our core retail business – facts which seem to be lost on Mr. Berner. Similarly, our strategy and approach to food retailing over the past decade has proven to be highly successful in driving shopping frequency, market share and profitability.

Mr. Berner has repeatedly demonstrated that his reporting on Target is factually unsupportable and in my view, lacks journalistic integrity. In short, the risks he loves to highlight are starkly inconsistent with the outstanding financial performance we have delivered over time. Ultimately, last week he chose to ignore nearly all of the facts we had provided in our good faith effort to address his questions. As a result, Target Corporation will no longer engage in any correspondence or communication with Robert Berner as it has proven to be a significant waste of our time.

Sincerely,

Doug Scovanner
Executive Vice President and Chief Financial Officer

DAS/nje

cc: Mr. Robert Berner
Mr. Joseph Weber