

## July

The comments on reported results in this summary relate to Target Corporation sales for the four week period ended August 1<sup>st</sup>, 2009 compared to the four week period ended August 2<sup>nd</sup>, 2008. These sales results are included in the table of our sales release issued on August 6<sup>th</sup>, 2009.

For the fiscal July period, reported comparable-store sales decreased 6.5 percent. More than half of this decline was driven by a decrease in average transaction size, with the remainder due to a decrease in comparable-store transactions. Comparable-store sales in July 2008 decreased 1.2 percent.

The current month sales release quotes Gregg Steinhafel, chairman, president and chief executive officer of Target Corporation, as saying, "July comparable-store sales performance was in line with our expectation for the month. While our sales remain challenging, we continue to experience favorable gross margin performance within categories and disciplined expense control in our retail segment, as well as modestly improving risk trends in our credit card segment."

Within our merchandise assortment, comparable-store sales were strongest in healthcare, beauty, and food. Overall performance in hardlines categories was in line with company performance, led by better-than-average performance in entertainment and toys, and weaker-than-average performance in electronics. Comparable-store sales in apparel declined in the high single-digit range, led by better-than-average performance in intimate/hosiery/performance, and weaker-than-average performance in women's and men's apparel. Comparable-store sales in home were down in the low double-digit range, with better-than-average performance in seasonal categories including school supplies, and weaker-than-average performance in decorative home and garden.

July comparable-store sales performance was better than average in northern California and the Los Angeles area, as well as states along the northeast corridor. Comparable-store sales performance was weaker than the rest of the chain in Florida, Georgia, the Carolinas and Michigan.

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

For the month of August, our comparable-store sales results will compare the four weeks ended August 29<sup>th</sup>, 2009 to the four weeks ended August 30<sup>th</sup>, 2008. We expect our comparable-store sales performance for this period to be in line with our second quarter sales trend.

Target's current sales disclosure practice includes a sales recording on the day of our monthly sales release. Our next sales recording is expected to be issued on Thursday, September 3<sup>rd</sup> and may be accessed by calling 612-761-6500.