

June

The comments on reported results in this summary relate to Target Corporation sales for the five week period ended July 4th, 2009 compared to the five week period ended July 5th, 2008. These sales results are included in the table of our sales release issued on July 9th, 2009.

For the fiscal June period, reported comparable-store sales decreased 6.2 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 June 2008 increased 0.4 percent.

The current month sales release quotes Gregg Steinhafel, chairman, president and chief executive officer of Target Corporation, as saying, "Sales for the month of June continued to reflect a very challenging economic environment. Consistent with our first quarter experience, however, we continue to mitigate the impact of a substantial portion of this sales shortfall on our profitability through better than expected gross margin rate and continued expense discipline in our retail segment. Separately, we continue to enjoy the benefit of modestly improving risk trends in our credit card segment. As a result, we expect our second quarter EPS performance to meet or exceed the current median FirstCall estimate of 64 cents"

Within our merchandise assortment, comparable-store sales were strongest in non-discretionary categories such as healthcare and food. Within hardlines categories, toys experienced better-than-average performance, while performance in sporting goods was weaker-than-average. Comparable-store sales in apparel declined in the low double-digit range, led by better-than-average performance in intimate/hosiery/performance and children's apparel, and weaker-than-average performance in women's apparel and shoes. Comparable-store sales in home were down in the low double-digit range, with better-than-average performance in seasonal categories and weaker-than-average performance in decorative home and garden.

June comparable-store sales performance was better than average in northern California and portions of the upper midwest. Comparable-store sales performance was much weaker than the rest of the chain in portions of the northeast, mountain states, and southern California.

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

For the month of July, our comparable-store sales results will compare the four weeks ended August 1st, 2009 to the four weeks ended August 2nd, 2008. We expect our comparable-store sales performance for this period to be in line with our recent experience.

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, August 6th and may be accessed by calling 612-761-6500.

The statement on expected EPS performance is a forward-looking statement within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements speak only as of the date they are 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 31, 2009.