



Thomas Melito
Vice President - Treasurer
(972) 409-1527

NEWS RELEASE
FOR IMMEDIATE RELEASE

Michael's Stores, Inc. Reports 1.4% Increase in Second Quarter Sales

IRVING, Texas – August 11, 2009 – Michael's Stores, Inc. reported today that net sales for the quarter ended August 1, 2009 were \$807 million, a 1.4% increase over last year's net sales of \$796 million. Same-store sales for the quarter declined 0.8% due to a 7.0% decrease in average ticket and a 6.2% increase in transactions. Canadian currency translation adversely affected same-store sales for the second quarter by approximately 100 basis points.

Net sales for the six month period ended August 1, 2009 increased 1.0% to \$1.659 billion from \$1.643 billion for the same period last year. Same-store sales declined 1.4% over the same period a year ago on a 5.2% decrease in average ticket, a 4.0% increase in transactions, and a negative 0.2% impact from deferred custom framing revenue. Canadian currency translation adversely affected same-store sales for the first six months of fiscal 2009 by approximately 130 basis points.

The Company expects to report second quarter earnings on August 25, 2009 and in conjunction with the earning release, will host a conference call on Wednesday, August 26, 2009 at 4:00 p.m. Central time, including Chief Executive Officer, John Menzer and Executive Vice President and Chief Financial Officer, Elaine Crowley. Those who wish to participate in the call may do so by dialing 973-935-8513, conference ID# 79813841. Any interested party will also have the opportunity to access the call via the Internet at www.michaels.com. To listen to the live call, please go to the website at least 15 minutes early to register and download any necessary audio software. For those who cannot listen to the live broadcast, a recording will be available for 30 days after the date of the event. Recordings may be accessed at www.michaels.com or by phone at 800-642-1687, PIN # 79813841.

Michael's Stores, Inc. is North America's largest specialty retailer of arts, crafts, framing, floral, wall décor and seasonal merchandise for the hobbyist and do-it-yourself home decorator. As of August 7, 2009, the Company owns and operates 1,023 Michael's stores in 49 states and Canada, and 155 Aaron Brothers stores.

Any statements in this press release that may be considered forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Those risks are described in the Company's public announcements, reports to investors and SEC filings, including but not limited to Reports on Forms 10-K, 8-K and 10-Q, copies of which are available from the SEC or may be obtained upon request from the Company. The Company undertakes no obligation to revise the forward-looking statements contained therein to reflect events or circumstances after the date hereof as a result of new information, future events or otherwise.

This press release is also available on the Michael's Stores, Inc. website (www.michaels.com).