



Ross Stores Reports August Sales and Forecasted Third Quarter and 2000 EPS

August 31, 2000

Newark, California, August 31, 2000 - Ross Stores, Inc. (ROST) today reported sales of \$204 million for the four week period ended August 26, 2000, a 3% increase above the \$198 million in sales for the four weeks ended August 28, 1999. Comparable store sales for the same period declined 3% vs. a 7% increase in the prior year.

For the seven months through August 26, 2000, sales were \$1.495 billion, a 10% increase above the \$1.363 billion in sales for the prior year's comparable period ended August 28, 1999. Comparable store sales for the seven months increased 2% on top of a 7% gain in the prior year.

Michael Balmuth, Vice Chairman and Chief Executive Officer, said, "We believe that our business in August continued to be impacted by a more competitive climate compared to last year, especially from the department store sector. Looking ahead, we are maintaining our cautious outlook for the balance of 2000, particularly since the environment remains difficult to predict, and the softening in our sales momentum continues to pressure both gross margin and expense ratios. As a result, if same store sales for the balance of the current year perform in line with the recent trend of flat to down 3%, we now expect earnings per share to be in the range of \$.33 to \$.36 for the third quarter and \$1.75 to \$1.85 for fiscal 2000. The company reported earnings per share before non-recurring legal costs of \$.38 and \$1.70 for the 1999 third quarter and fiscal year."

Additional recorded information concerning today's press release can be accessed by calling 719-457-0820, passcode #883427, from 8:30 a.m. EDT on August 31, 2000 through 8:00 p.m. EDT on September 1, 2000.

Forward-Looking Statements: *This press release contains certain forward-looking statements which are subject to risks and uncertainties that could cause the company's actual results to differ materially from management's current expectations. The words "expect," "anticipate," "estimate," "believe" and similar expressions identify forward-looking statements. Risk factors include obtaining acceptable new store locations, competitive pressures in the apparel industry, changes in the level of consumer spending on or preferences in apparel or home-related merchandise, unseasonable weather trends, and greater than planned operating costs. Other risk factors are detailed in the company's Form 10-K for fiscal 1999. The company does not undertake to publicly update or revise these forward-looking statements even if experience or future changes indicate that any projected results expressed or implied therein will not be realized.*

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Ross Stores, Inc. operates a national chain of off-price retail stores offering first quality, in-season, branded apparel and apparel-related merchandise for the entire family at prices that average 20% to 60% less than department and specialty stores, as well as merchandise for the home at similar savings. The company had 392 stores at August 26, 2000, compared to 363 stores at the end of the same period last year.

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NOTE TO EDITORS: Ross Stores, Inc. press releases are available at no charge through the company's home page on the internet at www.rossstores.com.