



Ross Stores Reports December Sales and Estimated Earnings Per Share For Fiscal 2001

January 4, 2001

Newark, California, January 4, 2001 -- Ross Stores, Inc. (ROST) today reported sales of \$351 million for the five weeks ended December 30, 2000, an 8% increase above the \$325 million in sales for the five weeks ended January 1, 2000. Comparable store sales for the same period were even with the prior year.

For the eleven months through December 30, 2000, sales totaled \$2.526 billion, an 8% increase above the \$2.332 billion in sales for the prior year's comparable period ended January 1, 2000. For the eleven months, comparable store sales increased 1% over the prior year, versus a 6% increase for the same period in 1999.

Michael Balmuth, Vice Chairman and Chief Executive Officer, said, "Although business during the month was affected by a fiercely competitive environment, I am pleased to report that we performed at the high end of our guidance for same store sales in December. In addition, inventories remain in good shape, with in-store levels down 1% from the prior year at month-end. Our focus moving into 2001 is to stimulate stronger sales trends by improving the mix of exciting and recognizable name brand merchandise throughout our stores."

Mr. Balmuth continued, "Looking ahead, for 2001 we are forecasting same store sales to increase about 3% and estimating that earnings per share will be in the range of \$1.90 to \$2.00, which represents 10% to 14% growth on a 52-week basis over our updated forecast of \$1.80 to \$1.82 for fiscal 2000. We now estimate that the 53rd week will add about \$.07 to earnings per share in 2000, which is included in our forecast. The first quarter of 2001 is planned conservatively, with same store sales targeted to be flat to slightly down, vs. a 7% increase in the prior year, and earnings per share forecasted to be in the range of \$.44 to \$.47, compared to \$.47 in the prior year. We expect substantial improvement in sales and earnings trends during the balance of the year when comparisons ease and our merchandising strategies are expected to be fully back on track."

Additional recorded information concerning today's press release and the company's future outlook can be accessed by calling 706-645-9291, passcode #962102, from 8:30 a.m. EST on January 4, 2001 through 8:00 p.m. EST on January 5, 2001. A transcript of these comments also will be made available on the press release page of the company's web site at www.rossstores.com.

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," "forecast," "projected" 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 factors underlying our forecasts are dynamic and subject to change. As a result, our forecasts speak only as of the date they are given and do not necessarily reflect the company's outlook at any other point in time. The company does not undertake to update or revise these forward-looking statements.

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 411 stores at December 30, 2000, compared to 378 stores at the end of the same period last year.

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.