



Ross Stores Reports August Sales

September 2, 2004

PLEASANTON, Calif., Sept. 2 /PRNewswire-FirstCall/ -- Ross Stores, Inc. (Nasdaq: ROST) today reported sales of \$312 million for the four week period ended August 28, 2004, down 1% from the \$315 million in sales for the four weeks ended August 30, 2003. Comparable store sales for the same period declined 8%.

For the seven month period ended August 28, 2004, sales were \$2.313 billion, a 7% increase above the \$2.160 billion in sales for the prior year's comparable period ended August 30, 2003. Comparable store sales for the same period declined 1%.

Michael Balmuth, Vice Chairman and Chief Executive Officer, commented, "We continued to make progress in remedying the Core Merchandising System issues and are pleased to report that the majority of the critical information and trend data requirements we considered most important to the buying process were addressed by the end of August. This improved information is expected to increase the effectiveness of our buyers and gradually result in better business trends. However, as we have previously stated, we anticipate the residual effect of these issues to continue to negatively impact sales and earnings throughout the second half of 2004."

Mr. Balmuth continued, "We are seeing a modest improvement in our business, with same store sales for the second half of August down 6%, compared to a 10% decline in the first half of the month. As a result, we are maintaining our prior same store sales forecasts of down 2% to down 5% in September and down 2% to up 1% in October. If same store sales perform in line with these projections, we now estimate that earnings per share for the third quarter ending October 30, 2004 will be toward the lower end of our previously-forecasted range of \$.25 to \$.30."

Additional recorded information concerning today's press release and the Company's future outlook can be accessed by calling 402-220-5900, PIN #2363, from 8:30 a.m. Eastern time on September 2, 2004 through 8:00 p.m. Eastern time on September 3, 2004. A transcript of these comments also will be made available on the press release page of the Company's website at www.rossstores.com.

Forward-Looking Statements: This press release and the recorded comments and transcript on the Company's website contain forward-looking statements regarding planned new store growth and expected sales and earnings levels and forward-looking statements regarding the time needed to remedy ongoing difficulties with new core merchandising systems and the severity, duration and financial impact of resulting in-store inventory imbalances, all of which are subject to risks and uncertainties that could cause the Company's actual results to differ materially from management's current expectations. The Company is continuing to assess the new information systems, and cannot be certain that all problems have currently been discovered or that their scope is understood. The words "plan," "expect," "anticipate," "estimate," "believe," "forecast," "project," "guidance," "looking ahead" and similar expressions identify forward-looking statements. Risk factors for Ross Stores and dd's DISCOUNTS(SM) include, without limitation, the Company's ability to successfully and quickly implement, integrate and correct difficulties in various new supply chain and core merchandising systems, including generation of all necessary information in a timely and cost effective manner, obtaining acceptable new store locations, competitive pressures in the apparel industry, changes in the level of consumer spending on or preferences for apparel or home-related merchandise, changes in geopolitical and general economic conditions, unseasonable weather trends, lower than planned gross margin and greater than planned operating costs. Other risk factors are detailed in the Company's Form 10-K for fiscal 2003. 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., a Fortune 500 and Nasdaq 100 (ROST) company headquartered in Pleasanton, California, is the nation's second-largest off-price company with 2003 revenues of \$3.9 billion. The Company had a total of 622 Ross stores in operation as of August 28, 2004, compared to 562 locations at the end of the same period last year. In addition, the first five dd's DISCOUNTS(SM) opened in August, with another five locations planned to open during September, for a total of 10 initial dd's DISCOUNTS(SM) in Northern California. Ross Stores offers first-quality, in-season, name brand and designer apparel, accessories, footwear and home fashions for the entire family at everyday savings of 20 to 60 percent off department and specialty store regular prices. dd's DISCOUNTS(SM) features a more moderate assortment of first-quality, in-season, name brand apparel, accessories, footwear and home fashions for the entire family at everyday savings of 20 to 70 percent off moderate department and discount store regular prices. Additional information is available on the Company's website at www.rossstores.com.

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