



## Ross Stores Reports June Sales and Updates Second Quarter EPS Guidance

July 7, 2005

PLEASANTON, Calif., July 7, 2005 /PRNewswire-FirstCall via COMTEX/ -- Ross Stores, Inc. (Nasdaq: ROST) today reported sales of \$440 million for the five weeks ended July 2, 2005, a 15% increase above the \$381 million in sales for the five weeks ended July 3, 2004. Comparable store sales for the month of June increased 6% over the prior year.

For the five months ended July 2, 2005, sales were \$1.934 billion, a 14% increase over the \$1.691 billion in sales for the prior year's comparable period ended July 3, 2004. Comparable store sales for the five months grew 5% over the prior year.

In commenting, Vice Chairman, President and Chief Executive Officer Michael Balmuth said, "Same store sales in June were slightly below our expectations for a 7% to 8% increase, mainly due to lower than plan business during the latter part of the month. Continued weakness in the Men's area contributed to disappointing Father's Day results, while sales of seasonal products also underperformed. As a result, gross margin is being pressured by higher than expected markdowns. Looking ahead, we continue to forecast same store sales gains of 5% to 6% in July and now project earnings per share for the 13 weeks ending July 30, 2005 to be in the range of \$.28 to \$.30, compared to our prior forecast of \$.30 to \$.32."

Additional recorded information concerning today's press release and the Company's future outlook for the second quarter and fiscal year can be accessed by calling 402-220-5900, PIN #2363, from 8:30 a.m. Eastern time on July 7, 2005 through 8:00 p.m. Eastern time on July 8, 2005. A transcript of these comments also will be made available on the press release page of the Company's website at [www.rossstores.com](http://www.rossstores.com). The Company expects to report July sales on Thursday, August 4, 2005.

**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 concerning the Company's distribution centers and information systems, 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 words "plan," "expect," "anticipate," "estimate," "believe," "forecast," "projected," "guidance," "looking ahead" and similar expressions identify forward-looking statements. Risk factors for Ross Stores and dd's DISCOUNTSSM include, without limitation, the Company's ability to effectively operate and integrate various new supply chain and core merchandising systems, including generation of all necessary information in a timely and cost effective manner; achieving and maintaining targeted levels of productivity and efficiency in its distribution centers; 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; disruptions in supply chain; 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 2004. 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 fiscal 2004 revenues of \$4.2 billion. As of July 2, 2005, the Company operated 674 Ross stores and 13 dd's DISCOUNTSSM stores, compared to 611 Ross locations at the end of the same period last year.

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 DISCOUNTSSM features a more moderately-priced 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](http://www.rossstores.com).

SOURCE Ross Stores, Inc.

John G. Call  
Senior Vice President  
Chief Financial Officer  
+1-925-965-4315, or  
Katie Loughnot  
Vice President  
Investor Relations  
+1-925-965-4509  
[katie.loughnot@ros.com](mailto:katie.loughnot@ros.com)  
both of Ross Stores, Inc.