



## Ross Stores Reports June Same Store Sales Gain of 8%, Raises Second Quarter EPS Guidance

July 10, 2008

PLEASANTON, Calif., July 10 /PRNewswire-FirstCall/ -- Ross Stores, Inc. (Nasdaq: ROST) today reported sales of \$628 million for the five weeks ended July 5, 2008, a 15% increase over the \$545 million in sales for the five weeks ended July 7, 2007. Same store sales for the five weeks ended July 5, 2008 rose 8% on top of a 4% gain in the prior year.

For the five months ended July 5, 2008, sales increased 12% to \$2.698 billion, up from \$2.405 billion for the five months ended July 7, 2007. Comparable store sales for the five months ended July 5, 2008 grew 5% on top of a 1% gain in the prior year.

Michael Balmuth, Vice Chairman, President and Chief Executive Officer, commented, "We are pleased with the ongoing strength of our business in June. We believe that our better-than-expected sales results continued to benefit primarily from our ability to deliver compelling bargains on a wide assortment of brand name fashions for the family and the home. Favorable weather in many of our markets was also a positive factor during the month. Dresses, Accessories and Shoes remained the strongest merchandise categories, while Texas and the Mid-Atlantic were the best-performing markets."

Mr. Balmuth continued, "We have been able to deliver solid sales gains year-to-date on lower in-store inventories, which is contributing to faster turns and fewer markdowns compared to the prior year. This has resulted in significantly lower clearance levels as we enter the month of July, which is typically a more clearance-driven period. However, based on our recent sales trends, we are now targeting same store sales in July to increase 2% to 4%, compared to our prior projection of flat comparable sales. Based on this updated July sales forecast, and with favorable gross margin trends quarter-to-date, we now project that earnings per share for the 13 weeks ending August 2, 2008 will be \$.51 to \$.53, up from our prior range of \$.43 to \$.47, and compared to \$.37 for the second quarter ended August 4, 2007."

Additional recorded information concerning today's press release and the Company's future outlook can be accessed by calling 706-645-9291, PIN # 50663641, from 8:30 a.m. Eastern time on July 10, 2008 through 8:00 p.m. Eastern time on July 11, 2008. A transcript of these comments is available at <http://www.rossstores.com>.

The Company expects to report July 2008 sales results on Thursday, August 7th and second quarter 2008 earnings results on Wednesday, August 20th.

**Forward-Looking Statements:** This press release and the recorded comments on our website contain forward-looking statements regarding expected sales and earnings levels and our stock repurchase program that are subject to risks and uncertainties which could cause our 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 Dress for Less(R) ("Ross") and dd's DISCOUNTS(R) include, without limitation, competitive pressures in the apparel industry; changes in the level of consumer spending on or preferences for apparel or home-related merchandise, including the potential impact from uncertainty in mortgage credit markets and higher gas and commodity prices; changes in geopolitical and general economic conditions; unseasonable weather trends; disruptions in supply chain; lower than planned gross margin, including higher than planned markdowns and higher than expected inventory shortage; greater than planned operating costs; our ability to continue to purchase attractive brand-name merchandise at desirable discounts; our ability to attract and retain personnel with the retail talent necessary to execute our strategies; our ability to effectively operate our various supply chain, core merchandising and other information systems; our ability to improve our merchandising capabilities through the development and implementation of new processes and systems enhancements; achieving and maintaining targeted levels of productivity and efficiency in our distribution centers; potential pressure on freight costs from higher-than-expected fuel surcharges; and obtaining acceptable new store locations. Other risk factors are detailed in our SEC filings including, without limitation, the Form 10-K for fiscal 2007 and Form 10-Q and 8-K's for fiscal 2008. 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 our outlook at any other point in time. We do not undertake to update or revise these forward-looking statements.

Ross Stores, Inc., a Fortune 500 company headquartered in Pleasanton, California, is the nation's second largest off-price retailer with fiscal 2007 revenues of \$6.0 billion. As of July 5, 2008, the Company operated 863 Ross Dress for Less(R) ("Ross") stores and 55 dd's DISCOUNTS(R) locations, compared to 796 Ross and 44 dd's DISCOUNTS locations at the end of the same period last year. Ross 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 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 at <http://www.rossstores.com>.

SOURCE Ross Stores, Inc.

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