



Ross Stores Reports December Same Store Sales Gain of 2%

January 4, 2007

PLEASANTON, Calif., Jan. 4 /PRNewswire-FirstCall/ -- Ross Stores, Inc. (Nasdaq: ROST) today reported that sales grew 8% to \$729 million for the five weeks ended December 30, 2006, compared to \$672 million for the five weeks ended December 31, 2005. December comparable store sales grew 2% on top of a 6% gain in the prior year period.

For the eleven months ended December 30, 2006, sales rose 11% to \$5.171 billion, compared to \$4.655 billion for the eleven months ended December 31, 2005. Comparable store sales for the same year-to-date period rose 4% on top of a 6% gain in the prior year.

In commenting, Michael Balmuth, Vice Chairman, President and Chief Executive Officer, said, "December same store sales performed in line with our forecast for a 1% to 3% increase. The Mid-Atlantic, the Southwest and Texas were the best performing geographic regions, while Shoes remained the strongest merchandise department during the month."

Mr. Balmuth continued, "Looking ahead, we continue to project same store sales gains of 1% to 3% in January. In addition, operating margin trends remain favorable, as our fourth quarter profitability is projected to benefit from an ongoing gradual decline in distribution costs as a percent of sales, lower-than-expected workers compensation expense, and leverage from the 53rd week, partially offset by stock option-related expenses. As a result, we have fine-tuned our earnings per share forecast for the 14 weeks ending February 3, 2007 to now be in the range of \$.63 to \$.65, compared to our previous range of \$.59 to \$.65. Earnings per share were \$.49 for the 13 weeks ended January 28, 2006."

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 January 4, 2007 through 8:00 p.m. Eastern time on January 5, 2007. A transcript of these comments also will be made available on the press release page of the Company's website at www.rossstores.com. The Company will report January sales results on Thursday, February 8, 2007.

Forward-Looking Statements: This press release, the recorded comments and other material on the Company's website contain forward-looking statements that are subject to risks and uncertainties which 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 DISCOUNTS(R) include, without limitation, the Company's ability to convert certain Albertsons LLC real estate sites to the Ross and dd's DISCOUNTS formats in a timely and cost effective manner and on acceptable terms, and the ability to achieve targeted levels of sales, profits and cash flows from these acquired store locations; the Company's ability to effectively operate its various supply chain, core merchandising and other information systems; its ability to improve its micro-merchandising capabilities through the implementation of new processes and systems enhancements; achieving and maintaining targeted levels of productivity and efficiency in its distribution centers; potential pressure on freight costs from higher-than-expected fuel surcharges; 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, including the potential impact from higher gas prices on consumer spending; 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; the Company's ability to continue to purchase attractive brand-name merchandise at desirable discounts; the Company's ability to identify and successfully enter new geographic markets; and the Company's ability to attract and retain personnel with the retail talent necessary to execute its strategies. Other risk factors are detailed in the Company's SEC filings including, without limitation, the Form 10-K for fiscal 2005 and the Form 10-Q's and 8-K's for fiscal 2006. 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 2005 revenues of \$4.9 billion. As of December 30, 2006, the Company operated 772 Ross stores and 26 dd's DISCOUNTS locations, compared to 715 Ross stores and 20 dd's DISCOUNTS 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 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 www.rossstores.com.

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