



Ross Stores Reports September Sales

October 9, 2008

Updates Second Half 2008 Guidance

PLEASANTON, Calif., Oct. 9 /PRNewswire-FirstCall/ -- Ross Stores, Inc. (Nasdaq: ROST) today reported sales of \$561 million for the five weeks ended October 4, 2008, a 5% increase over the \$537 million in sales for the five weeks ended October 6, 2007. Same store sales for the five weeks ended October 4, 2008 declined 2% compared to the five weeks ended October 6, 2007.

For the eight months ended October 4, 2008, sales were \$4.262 billion, an 11% increase over the \$3.853 billion in sales for the eight months ended October 6, 2007. Comparable store sales for the eight months ended October 4, 2008 rose 3% over the eight months ended October 6, 2007.

Michael Balmuth, Vice Chairman, President and Chief Executive Officer, commented, "During September, we experienced an unexpected slowdown from our healthy same store sales trend for the first seven months of the year. Weather was a significant factor during the month, as we estimate that the combination of Hurricanes Gustav and Ike, Tropical Storm Hannah, and unseasonably warm weather throughout the western United States reduced comparable store sales by about 2%. We also believe that the recent disruptions in the credit and financial markets have had a negative impact on the consumer."

Looking ahead, Mr. Balmuth said, "We continue to believe that our resilient off-price model provides the flexibility to manage through the current business climate with less volatility than most full-price retailers. We are able to do this by reducing inventories and expenses while also taking advantage of the huge supply of compelling name brand bargains in the market. That said, based on the heightened uncertainty in today's macro-economic and retail landscape, and factoring in September's performance, we believe it is prudent to adopt a more cautious outlook for the balance of the year. We are now planning same store sales to be relatively flat for October and flat to up 2% for the fourth quarter."

Mr. Balmuth continued, "Better-than-planned shortage results and other expense savings are expected to offset much of the impact to gross margin from our more conservative sales outlook. Based on these assumptions, we are now projecting earnings per share ("EPS") for the 13 weeks ending November 1, 2008 to be toward the lower end of our current range of \$.42 to \$.44, compared to \$.36 in the prior year. For the 13 weeks ending January 31, 2009, we have widened our forecasted EPS range of \$.78 to \$.81 to \$.76 to \$.81, compared to \$.70 in the prior year."

Additional recorded information concerning today's press release and the Company's future outlook can be accessed by calling 706-645-9291, PIN # 50663644 from 8:30 a.m. Eastern time on October 9, 2008 through 8:00 p.m. Eastern time on October 10, 2008. A transcript of these comments is available at <http://www.rossstores.com>.

Forward-Looking Statements: This press release and the recorded comments on our website contain forward-looking statements regarding expected sales and earnings levels that are subject to risks and uncertainties which could cause our actual results to differ materially from management's current expectations. 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 financial and 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's 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 October 4, 2008, the Company operated 885 Ross Dress for Less(R) ("Ross") stores and 57 dd's DISCOUNTS(R) locations, compared to 817 Ross and 52 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>.

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