



## Ross Stores Reports September Sales, Raises Third Quarter EPS Guidance

October 7, 2010

PLEASANTON, Calif., Oct 07, 2010 /PRNewswire via COMTEX/ -- Ross Stores, Inc. (Nasdaq: ROST) today reported that sales for the five weeks ended October 2, 2010 increased 6% to \$666 million from \$629 million for the five weeks ended October 3, 2009. Same store sales for the month rose 2% on top of an 8% gain in the prior year.

For the eight months ended October 2, 2010, sales totaled \$5.121 billion, up 10% over the \$4.647 billion in sales for the eight months ended October 3, 2009. Comparable store sales for the eight months ended October 2, 2010 increased 6% on top of a 4% gain in 2009.

Michael Balmuth, Vice Chairman and Chief Executive Officer, commented, "While we experienced unseasonably warm weather during the month in many of our core markets, we still were able to achieve same store sales at the high end of our expectations. Dresses and Home were the top merchandise categories during the month, while Florida was the best-performing market."

Looking ahead, Mr. Balmuth said, "I am pleased to report that earnings per share for the 13 weeks ending October 30, 2010 are now projected to be in the range of \$.94 to \$.96, compared to \$.84 in last year's third quarter. The forecasted upside from our previous earnings per share guidance of \$.79 to \$.83 is being driven mainly by much better-than-expected shortage results from our annual physical inventory of stores in September along with other favorable gross margin trends. Our lower projected shrink expense for 2010 reflects the significant progress we have made over the past few years in successfully implementing our shortage control initiatives. Our updated third quarter guidance also reflects our continued expectation for October same store sales to be flat to up 1%."

Mr. Balmuth concluded, "For the fourth quarter ending January 29, 2011, we continue to project comparable store sales to be flat to down 1% and earnings per share of \$1.15 to \$1.20. For the 2010 fiscal year ending January 29, 2011, earnings per share now are forecast to be in the range of \$4.33 to \$4.40, a projected increase of 22% to 24% over \$3.54 in fiscal 2009."

Additional recorded information concerning today's press release and the Company's future outlook can be accessed by calling 706-645-9291, PIN #53158824, from 8:30 a.m. Eastern time on October 7, 2010 through 8:00 p.m. Eastern time on October 8, 2010. A transcript of these comments will also be available in the Investors section of the Company's website at <http://www.rossstores.com/>.

The Company expects to report October 2010 sales results on Thursday, November 4th.

**Forward-Looking Statements:** *This press release and the recorded comments and transcript on our corporate website contain forward-looking statements regarding expected sales and earnings levels in future periods 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," "target," "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 or home-related merchandise industry; changes in the level of consumer spending on or preferences for apparel or home-related merchandise, including the potential impact from the macro-economic environment, uncertainty in financial and credit markets, and changes in geopolitical 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 recent implementation of new processes and systems enhancements; achieving and maintaining targeted levels of productivity and efficiency in our distribution centers; and obtaining acceptable new store locations. Other risk factors are detailed in our SEC filings including, without limitation, the Form 10-K for fiscal 2009 and Form 10-Qs and 8-Ks for fiscal 2010. 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., an S&P 500, Fortune 500 and Nasdaq 100 (ROST) company headquartered in Pleasanton, California, is the nation's second largest off-price retailer with fiscal 2009 revenues of \$7.2 billion. As of October 2, 2010 the Company operated 978 Ross Dress for Less(R) ("Ross") stores and 67 dd's DISCOUNTS(R) locations, compared to 939 Ross and 53 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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