

ROSS STORES, INC.
STOCK DIVIDEND QUESTIONS & ANSWERS
GENERAL STOCKHOLDERS



General Information about a Stock Dividend for Common Stockholders

1. What happens in a 100% stock dividend transaction?

A stock dividend is similar to a cash dividend but instead of paying cash to all Stockholders on record, the company will issue an additional share of stock for every share owned. At the same time, the per-share value of the stock will be divided in half. This is very similar to a two-for-one stock split.

Put another way, all Stockholders will keep their existing stock holdings (either through certificates or brokerage accounts) and receive, as a dividend, one new share of stock for each existing share of stock owned as of June 11, 2015 (payable date).

2. Why do companies split their stock or pay a stock dividend?

A stock split / stock dividend increases the total number of shares outstanding and available for trading and, at the same time, reduces the market price of the stock to a more attractive level.

3. When and how will I receive my new shares?

Stockholders with Stock Certificates

Stock certificates representing the new additional shares will **not** be issued. Instead, the shares will be issued electronically pursuant to a Direct Registration System (“DRS”). Computershare, the Company’s transfer agent, will distribute a Direct Registration Advice to Stockholders reflecting the additional shares. (More information regarding DRS is provided below.)

Stockholders with Shares in a Brokerage Account

If you hold your shares in a brokerage account, the new shares will be distributed directly to the broker and deposited into your account.

4. What effect does this have on the value of the stock I hold?

The total value of your Ross Stores Inc. (“Ross”) stock does not change merely as a result of a stock dividend / stock split. While the number of shares outstanding doubles, the value of all shares outstanding held by any individual stockholder does not change. After the stock dividend is paid on June 11, 2015, you will have twice as many shares initially valued at one-half of the previous per-share price. For example: 100 shares at \$100.00 per share before the dividend payment would become 200 shares at \$50.00 per share after the stock dividend is paid. In both instances, the total value of the shares is

\$10,000. Of course, the market price of Ross shares will continue to change for reasons other than the stock dividend payment.

- 5. Is there any tax liability arising out of a stock dividend or stock split?**
No, this is not considered a taxable event by the Internal Revenue Service.
- 6. What happens if I sell shares after April 22, 2015 (the record date), but I have not yet received the new shares as a result of the stock dividend?**
Stockholders who sell stock between April 22, 2015 (the record date) and June 11, 2015 (the payment date) will not be entitled to the additional dividend shares. You must hold the shares on the payable date in order to receive the additional stock dividend shares.
- 7. Is any action required of me to affect the stock dividend?**
No. The stock dividend is automatic.
- 8. Is there any cost to me for the issuance of these new shares?**
No.
- 9. Who do I call if I do not receive a Direct Registration Advice from Computershare within a reasonable amount of time after June 11, 2015?**
Contact Computershare directly by calling (866) 455-3120.

Direct Registration System (“DRS”)

Shares held in DRS form are not held at a broker. DRS shares are held directly by the Company’s transfer agent, Computershare. This section does not apply if you hold your Ross Inc. shares through a broker.

- 10. What is Direct Registration System (“DRS”)?**
DRS is a certificate-less form of ownership, whereby your shares are tracked electronically and protected from loss, theft or destruction.

Five to seven days after the dividend payable date of June 11, 2015, a DRS Advice will be sent to Stockholders of record, which will reflect the number of additional shares credited to your Computershare account as a result of the stock dividend.
- 11. Can a Stockholder request a stock certificate for the additional dividend shares?**
Yes. A Stockholder may contact Computershare at (866) 455-3120 to request a stock certificate.
- 12. Can a Stockholder request the additional shares be transferred to their personal broker?**
Yes. A Stockholder (or the broker) may contact Computershare at (866) 455-3120 to request the transfer of shares to his/her personal broker.
- 13. Can a Stockholder view their shareholdings online?**
Yes, a Stockholder may view all the common shares they hold directly through Computershare’s online account system at www.computershare.com/investor