UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark one)

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended April 30, 1994

OR

TRANSITION REPORT PURSUANT TO SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _______ to _______

Commission file number 0-14678

ROSS STORES, INC.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	94-1390387 (I.R.S. Employer Identification No.)
8333 Central Avenue, Newark, California (Address of principal executive offices)	94560-3433 (Zip Code)
Registrant's telephone number, including area code	(510) 505-4400
Former name, former address and former fiscal year, if changed since last report.	N/A

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes X No

The number of shares of Common Stock, with $.01 par value, outstanding on May 28, 1994 was 24,577,862.

PART I. FINANCIAL INFORMATION

Item 1. Financial statements.

ROSS STORES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

($000) ASSETS	April 30, 1994	January 29, 1994	May 1, 1993
	(Unaudited)	(Note A)	(Unaudited)
Current Assets			
Cash	$ 15,838	$ 32,307	$ 14,103
Accounts receivable	12,366	4,016	7,480
Merchandise inventory	292,309	228,929	275,275
Prepaid expenses and other	11,850	15,224	12,339
Total Current Assets	332,363	280,476	309,197
Property and Equipment			
Land and buildings	22,534	22,502	20,061
Fixtures and equipment	124,654	120,493	106,146
Leasehold improvements	93,909	89,588	84,396
Construction-in-progress	4,196	10,739	2,449
	245,293	243,322	213,052
Less accumulated depreciation and amortization	104,260	99,170	85,237
	141,033	144,152	127,815
Lease rights and other assets	16,582	12,743	14,227
	$489,978	$437,371	$451,239

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities			
Accounts payable	$129,099	$ 89,561	$102,721
Accrued expenses	36,432	43,262	32,240
Accrued payroll and other	15,903	16,202	15,490
Income taxes payable	5,679	6,404	4,977
Total Current Liabilities	187,113	155,429	155,428
Long-term debt	54,450	33,308	62,772
Deferred income taxes and other liabilities	20,325	20,412	19,960
Stockholders' Equity			
Capital stock	247	247	256
Additional paid-in capital	122,021	122,073	120,766
Retained earnings	105,822	105,902	92,057
	228,090	228,222	213,079
	$489,978	$437,371	$451,239

See notes to condensed consolidated financial statements.

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ROSS STORES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

	Three Months Ended	
($000 except per share data, unaudited)	April 30, 1994	May 1, 1993

Sales	$264,207	$239,552
Costs and Expenses		
Cost of goods sold and occupancy	191,586	172,184
General, selling and administrative	59,179	55,849
Depreciation and amortization	5,554	4,895
Interest	541	634
	$256,860	$233,562
Earnings before taxes	7,347	5,990
Provision for taxes on earnings	2,939	2,396
Net earnings	$ 4,408	$ 3,594
Net earnings per share:		
Primary	$.18	$.14
Fully diluted	$.18	$.14
Weighted average shares outstanding:		
Primary	24,996	26,196
Fully diluted	25,050	26,254
Stores open at end of period	251	231

See notes to condensed consolidated financial statements.

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ROSS STORES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

($000, unaudited)	Three Months Ended April 30, 1994	May 1, 1993
Cash flows from operating activities		
Net earnings	$ 4,408	$ 3,594
Adjustments to reconcile net earnings to net cash used in operating activities:		
Depreciation and amortization of property and equipment	5,554	4,895
Other amortization	1,178	1,642
Change in current assets and current liabilities:		
Increase in merchandise inventory	(63,380)	(54,227)
Increase in other current assets - net	(4,996)	(4,326)
Increase in accounts payable	40,773	6,989
Decrease in other current liabilities - net	(1,015)	(6,638)
Other	(3,393)	591
Net cash used in operating activities	(20,871)	(47,480)
Cash flows from investing activities		
Additions to property and equipment	(9,894)	(7,124)
Net cash used in investing activities	(9,894)	(7,124)

Cash flows from financing activities		
Borrowing under line of credit agreement	21,200	29,300
Repayment of long-term debt	(102)	(89)
Issuance of common stock related to stock plan	972	534
Repurchase of common stock	(6,539)	(1,494)
Dividends paid	(1,235)	
Net cash provided by financing activities	14,296	28,251
Net increase (decrease) in cash	(16,469)	(26,353)
Cash		
Beginning of year	32,307	40,456
End of quarter	$15,838	$14,103

See notes to condensed consolidated financial statements.

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ROSS STORES, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Three Months Ended April 30, 1994 and May 1, 1993
(Unaudited)

NOTE A - Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared from the records of the company without audit and, in the opinion of management, include all adjustments (consisting of only normal recurring accruals) necessary to present fairly the financial position at April 30, 1994 and May 1, 1993; the interim results of operations for the three months ended April 30, 1994 and May 1, 1993; and changes in cash flows for the three months then ended. The balance sheet at January 29, 1994, presented herein, has been derived from the audited financial statements of the company for the fiscal year then ended.

Accounting policies followed by the company are described in Note A to the audited consolidated financial statements for the fiscal year ended January 29, 1994. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted for purposes of the condensed consolidated interim financial statements. The condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements, including notes thereto, for the year ended January 29, 1994.

The results of operations for the three month periods herein presented are not necessarily indicative of the results to be expected for the full year.

The condensed consolidated financial statements at April 30, 1994 and May 1, 1993, and for the three months then ended have been reviewed, prior to filing, by the registrant's independent accountants whose report covering their review of the financial statements is included in this report on page 6.

Note B - Statements of Cash Flows Supplemental Disclosures

Total cash paid for interest and income taxes is as follows:

Three Months Ended

($000, unaudited)	April 30, 1994	May 1, 1993
Interest	$ 578	$ 557
Income Taxes	$3,663	$8,663

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors and Stockholders of Ross Stores, Inc.
Newark, California

We have made a review of the condensed consolidated balance sheets of Ross Stores, Inc. (the "Company") as of April 30, 1994 and May 1, 1993 and the related condensed consolidated statements of earnings and cash flows for the three month periods then ended. These condensed consolidated financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data, and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objectives of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to such condensed consolidated financial statements for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of Ross Stores, Inc. as of January 29, 1994, and the related consolidated statements of earnings, stockholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated March 11, 1994, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of January 29, 1994 is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Deloitte & Touche
San Francisco, CA

May 20, 1994

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Item 2. Management's Discussion and Analysis of Financial Conditions and Results of Operations.

Stores and General

As of April 30, 1994, and May 1, 1993, the company operated a total of 251 stores and 231 stores respectively. Accordingly, the results of operations for the three months ended April 30, 1994, over the same quarter last year, reflect an increase in the level of operations which was due to the greater number of open stores during the current period as well as an increase of 3% in comparable store sales.

Results of Operations

Sales

During the quarter ended April 30, 1994, sales were $264 million, an increase of approximately $25 million over the corresponding period last year. This increase resulted from the combination of a greater number of stores in operation and an increase of 3% in comparable store sales. For the quarter ended May 1, 1993, comparable store sales decreased 1% from the comparable period of the prior year.

Costs and Expenses

Cost of goods sold and occupancy as a percentage of sales increased to 73% for the first quarter of 1994 compared to 72% for the same period of 1993. This increase mainly resulted from higher levels of clearance merchandise at the beginning of 1994 as compared to 1993 combined with lower initial pricing in 1994.

General selling and administrative expenses as a percentage of sales decreased to 22% for the first quarter of 1994 from 23% for the comparable quarter the prior year. This decrease was primarily due to lower advertising expenditures combined with leverage from a larger sales base.

The decrease in interest expense for the first quarter of 1994 is a result of lower average borrowings.

Taxes on Earnings

The company's effective tax rate for the first quarter of 1994 and 1993 was 40%. Both rates reflect the applicable statutory tax rates.

Liquidity and Capital Resources

The primary uses of cash during the first quarter of 1994 were for seasonal inventory build-up, new store capital expenditures, the company's stock repurchase program and payments to repair the company's Carlisle, Pennsylvania distribution center as well as related additional operating expenses. The company believes it is fully insured for the costs related to the situation at the Carlisle, Pennsylvania's distribution center and accordingly has reflected these expenditures as a receivable in the balance sheet. Partially offsetting this is an increase in accounts payable resulting from receipt of merchandise purchased late in the first quarter with payment terms extending into the second quarter. The company believes it can fund its capital needs for the remainder of the fiscal year and complete the remainder of the two million share repurchase program through internally generated cash, trade credit, and established bank lines and lease financing.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

3.1 Certificate of Incorporation, as amended, incorporated by reference to Exhibit 3.1 to the Registration Statement on Form 8-B (the "Form 8-B") filed September 1, 1989 by Ross Stores, Inc., a Delaware corporation ("Ross Stores").

3.2 Amended By-laws, dated August 29, 1991, incorporated by reference to Exhibit 3.2 to the 1991 Form 10-K filed by Ross Stores for its year ended February 1, 1992 ("1991 Form 10-K").

10.1 Agreement of Lease, dated November 24, 1986, for Ross Stores' corporate headquarters and distribution center in Newark, CA, incorporated by reference to Exhibit 10.5 on Form 8-B.

10.2 Credit Agreement, dated March 2, 1992, among Ross Stores, Wells Fargo Bank, National Association, Bank of America, National Trust and Savings Association, and Security Pacific National Bank; and Wells Fargo Bank, National Association, as agent for Banks, incorporated by reference to Exhibit 10.8 to the 1991 Form 10-K.

10.3 Amended and Restated Credit Agreement, dated November 23, 1992, among Ross Stores, Wells Fargo Bank, National Association, Bank of America, N.T. & S.A., Nationsbank of Texas, N.A., and Banque Nationale de Paris; and Wells Fargo Bank, National Association, as agent for Banks, incorporated by reference to Exhibit 10.9 to the 1992 Form 10-K filed by Ross Stores for its year ended January 30, 1993 ("1992 Form 10-K").

10.4 First Amendment to Amended and Restated Credit Agreement, entered into as of February 5, 1993, by and among Ross Stores, Wells Fargo Bank, National Association, Bank of America, N.T. & S.A., Nationsbank of Texas, N.A., and Banque Nationale de Paris ("Banks"); and Wells Fargo Bank, National Association, as agent for Banks, incorporated by reference to Exhibit 10.10 to the 1992 Form 10-K.

10.5 Revolving Credit Agreement, dated July 31, 1993, among Ross Stores, Wells Fargo Bank, National Association, Bank of America, N.T. & S.A., Nationsbank of Texas, N.A., and Banque Nationale de Paris ("Banks"), and Wells Fargo Bank, National Association, as agent for Banks, incorporated by reference to Exhibit 10.17 on the Form 10-Q filed by Ross Stores for its quarter ended July 31, 1993.

10.6 Term Credit Agreement, dated September 16, 1991, between Ross Stores and the Industrial Bank of Japan, Limited, incorporated by reference to Exhibit 10 to the Form 10-Q filed by Ross Stores for its quarter ended

August 3, 1991.

10.7 Amendment to Term Credit Agreement, dated February 19, 1993, between Ross Stores and the Industrial Bank of Japan, Limited, incorporated by reference to Exhibit 10.12 to the 1992 Form 10-K.

10.8 Second Amendment to Term Credit Agreement, dated as of October 29, 1993, between Ross Stores and the Industrial Bank of Japan, Limited, incorporated by reference to Exhibit 10.13 to the Form 10-Q filed by Ross Stores for its quarter ended October 30, 1993.

MANAGEMENT CONTRACTS AND COMPENSATORY PLANS (EXHIBITS 10.9 - 10.21)

10.9 Ross Stores 1992 Stock Option Plan, incorporated by reference to Exhibit 19.1 on Form 10-Q filed by Ross Stores for its quarter ended August 1, 1992.

10.10 Third Amended and Restated Ross Stores Employee Stock Purchase Plan, incorporated by reference to Exhibit 19.2 on Form 10-Q filed by Ross Stores for its quarter ended August 1, 1992.

10.11 Third Amended and Restated Ross Stores 1988 Restricted Stock Plan, incorporated by reference to Exhibit 19.3 on Form 10-Q filed by Ross Stores for its quarter ended August 1, 1992.

10.12 1991 Outside Directors Stock Option Plan, incorporated by reference to Exhibit 10.13 to the 1991 Form 10-K.

10.13 Ross Stores Executive Medical Plan, incorporated by reference to Exhibit 10.13 to the 1993 Form 10-K filed by Ross Stores for its year ended January 29, 1994 ("1993 Form 10-K").

10.14 Third Amended and Restated Ross Stores Executive Supplemental Retirement Plan, incorporated by reference to Exhibit 10.14 to the 1993 Form 10-K.

10.15 Ross Stores Non-Qualified Deferred Compensation Plan, incorporated by reference to Exhibit 10.15 to the 1993 Form 10-K.

10.16 Ross Stores Incentive Compensation Plan, incorporated by reference to Exhibit 10.16 to the 1993 Form 10-K.

10.17 Employment Agreement between Ross Stores, Inc. and Norman A. Ferber, dated March 17, 1989, incorporated by reference to Exhibit 10.4 to the 1988 Form 10-K filed by Ross Stores, Inc., a California corporation, for its year ended January 28, 1989.

10.18 Amendment to Employment Agreement between Ross Stores and Norman A. Ferber, dated March 11, 1991, incorporated by reference to Exhibit 10.51 to the 1990 Form 10-K filed by Ross Stores for its year ended February 2, 1991.

10.19 Second Amendment to Employment Agreement between Ross Stores and Norman A. Ferber, dated April 23, 1992, incorporated by reference to Exhibit 10.7 to the 1991 Form 10-K.

10.20	Employment Agreement between Ross Stores and Melvin A. Wilmore, effective as of March 15, 1994.
10.21	Consulting Agreement between Ross Stores and Stuart G. Moldaw, effective as of March 12, 1993, incorporated by reference to Exhibit 10.16 on the Form 10-Q filed by Ross Stores for its quarter ended May 1, 1993.
11	Statement re: Computation of Per Share Earnings.
15	Letter re: Unaudited Interim Financial Information.

(b) Reports on Form 8-K

None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed by the undersigned thereunto duly authorized.

ROSS STORES, INC.
Registrant

Date: June 9, 1994

/s/John M. Vuko
John M. Vuko, Senior Vice President, Controller and Principal Accounting Officer

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11	Statement re: Computation of Per Share Earnings.
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EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is made effective as of March 15, 1994, by and between Ross Stores, Inc. (the "Company") and Melvin A. Wilmore (the "Executive"). The Executive is presently employed by the Company as its President and Chief Operating Officer pursuant to an employment contract of November 25, 1991 (the "Initial Contract"), and it is now the intention of the Company and the Executive to enter into a new employment agreement and to terminate the Initial Contract. Accordingly, the Company and the Executive hereby terminate the Initial Contract and enter into this Agreement.

1. Term. The employment of the Executive by the Company will continue as of the date hereof and end on February 1, 1997, unless extended or terminated in accordance with this Agreement. During August 1996, and during August every other year thereafter (every two years) for so long as the Executive is employed by the Company, upon the written request of the Executive the Board of Directors of the Company (the "Board") shall consider extending the Executive's employment with the Company. Such request must be delivered to the Chairman of the Compensation Committee no later than the July 31st which precedes the August in which the requested extension will be considered. The Board shall advise the Executive, in writing, on or before the September 1st following its consideration of the Executive's written request, whether it approves of such extension. The failure of the Board to provide such written advice shall constitute approval of the Executive's request for extension. If the Executive's request for an extension is approved, this Agreement shall be extended two additional years.

2. Position and Duties. The Executive shall continue to serve as the President and Chief Operating Officer of the Company with overall responsibility for the Company's corporate operations and the accomplishment of its plans and objectives. The Executive shall report directly to the Company's Chief Executive Officer and Chairman of the Board of Directors and shall himself be a member of the Board. The Executive shall devote substantially all of his working time and efforts to the business and affairs of the Company. During the term of his employment, the Executive may engage in outside activities provided those activities do not conflict with his duties and responsibilities hereunder, and provided further that the Executive gives written notice to the Board of any significant outside business activity in which he plans to become involved, whether or not such activity is pursued for profit. The Executive may not render services to or invest in any business competitive with any existing or contemplated business of the Company except with respect to personal investments in securities, limited partnerships or similar passive investment interests that are publicly traded.

3. Place of Performance. The Executive shall be employed at the principal executive or operational offices of the Company except for required travel on the Company's business to an extent substantially consistent with present business travel obligations.

4. Compensation and Related Matters.

a. Salary. During his employment the Company shall pay the Executive a salary of not less than $425,000 per annum. This salary shall be payable in equal installments in accordance with the Company's normal payroll practices applicable to senior officers. Subject to the first sentence of this paragraph, the Executive's salary may be adjusted from time to time by the Board in accordance with normal business practices of the Company.

b. Bonus. During his employment the Company shall continue to pay the Executive an annual bonus in accordance with the terms of the existing bonus incentive plan that covers the Executive (or any replacement plan of substantially equivalent or greater value that may subsequently be established and in effect at the time for such action).

c. Expenses. During his employment the Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by him in performing services hereunder, including all reasonable expenses of travel and living while away from home, provided that such expenses are incurred and accounted for in accordance with the policies and procedures established by the Company.

d. Other Benefits. The Executive shall be entitled to continue to participate in all of the Company's employee benefit plans and arrangements in effect on the date hereof in which the Executive now participates (including without limitation each pension and retirement plan and arrangement, supplemental pension and retirement plan, deferred compensation plan, short-term and long-term incentive plan, stock option plan, life insurance and health-and-accident plan and arrangement, medical insurance plan, physical examination program, dental care plan, accidental death and disability plan, survivor income plan, relocation plan, financial, tax and legal counseling programs, and vacation plan). The Company shall not make any changes in such plans or arrangements which would adversely affect the Executive's rights or benefits thereunder, unless such change occurs pursuant to a program applicable to all senior executives of the Company and does not result in a proportionately greater reduction in the rights of, or benefits to, the Executive as compared with any other senior executive of the Company. The Executive shall be entitled to participate in or receive benefits under any employee benefit plan or arrangement made available by the Company in the future to its executives and key management employees, subject to, and on a basis consistent with, the terms, conditions and overall administration of such plans and arrangements. Except as otherwise specifically provided herein, nothing paid to the Executive under any plan or arrangement presently in effect or made available in the future shall be in lieu of the salary or bonus payable under subsections (a) and (b).

e. Vacations. The Executive shall be entitled to the number of vacation days in each calendar year, and to compensation in respect of earned but unused vacation days, determined in accordance with the Company's vacation plan. The Executive shall also be

entitled to all paid holidays given by the Company to its executives. Unused vacation days shall not be forfeited once they have been earned and, if still unused at the time of the Executive's termination of employment with the Company, shall be promptly paid to the Executive at their then-current value, based on the Executive's rate of pay at the time of his termination of employment.

f. Services Furnished. The Company shall furnish the Executive with office space and such services as are suitable to the Executive's position and adequate for the performance of his duties.

5. Offices. The Executive agrees to serve, if elected or appointed thereto, as a director of the Company and any of its subsidiaries and in one or more executive offices of any of the Company's subsidiaries, provided that the Executive is indemnified for serving in any and all such capacities on a basis no less favorable than is currently provided by the Company's by-laws and applicable state law.

6. Confidential Information.

a. The Executive agrees not to disclose, either while in the Company's employ or at any time thereafter, to any person not employed by the Company, or not engaged to render services to the Company, any confidential information obtained while in the employ of the Company, including, without limitation, any of the Company's inventions, processes, methods of distribution or customers or trade secrets; provided, however, that this provision shall not preclude the Executive from use or disclosure of information known generally to the public or from disclosure required by law or court order.

b. The Executive agrees that upon leaving the Company's employ he will make himself reasonably available to answer questions from Company officers regarding his former duties and responsibilities and the knowledge he obtained in connection therewith. In addition, he will not take with him, without the prior written consent of any officer authorized to act in the matter by the Board, any study, memoranda, drawing, blueprint, specification or other document of the Company, its subsidiaries, affiliates and divisions, which is of a confidential nature relating to the Company, its subsidiaries, affiliates and divisions.

7. Termination. The Executive's employment may be terminated during the term of this Agreement only as follows:

a. Death. The Executive's employment shall terminate upon his death. A termination of employment pursuant to this paragraph 7(a) shall be deemed an involuntary termination for purposes of this Agreement or any plan or practice of the Company.

b. Disability. If, as a result of the Executive's incapacity due to physical or mental illness, the Executive shall have been absent from his duties hereunder on a full-time basis for the entire period of six consecutive months, and within thirty days after written notice of termination is given by the Company or the Executive (which may occur before or after the end of such six-month period), the Executive shall not have returned to the performance of his duties hereunder on a full-time basis, the Executive's employment shall terminate. A termination of employment pursuant to this paragraph 7(b) shall be deemed an involuntary termination for purposes of this Agreement or any plan or practice of the Company.

c. Cause. The Company may terminate the Executive's employment for Cause. The Company shall have "Cause" to terminate the Executive's employment upon (A) the continued failure by the Executive to substantially perform his duties hereunder (other than a failure resulting from a disability as defined in subsection (b)) after written notice is delivered by the Company that specifically identifies the manner in which the Executive has not substantially performed his duties, or (B) the engaging by the Executive in knowing, illegal or grossly negligent conduct which is materially injurious to the Company monetarily or otherwise.

d. Without Cause. The Company may terminate the Executive's employment at any time without cause. A termination "without cause" is a termination of the Executive's employment by the Company for any reason other than those set forth in subsections (a)[Death], (b)[Disability] or (c)[For Cause] of this paragraph.

e. Termination by the Executive for Good Reason. The Executive may terminate his employment with the Company for Good Reason which shall be deemed to occur if he terminates his employment within six months after (i) written notice of a failure by the Company to comply with any material provision of this Agreement which failure has not been cured within ten days after such written notice of noncompliance has been given by the Executive to the Company, or (ii) a significant diminishment in the nature or scope of the authority, power, function or duty attached to the position which the Executive currently maintains without the express written consent of the Executive.

f. Termination Following Change of Control. The Executive may terminate his employment with the Company within six months after a Change of Control, which shall be deemed to have occurred in the event of: (i) the direct or indirect sale or exchange by the stockholders of the Company of all or substantially all of the stock of the Company, in a single or series of related transactions, after which sale or exchange the stockholders of the Company immediately prior to such transactions do not retain, directly or indirectly, at least a majority of the beneficial interest in the voting stock of the Company; (ii) a merger in which the Company is a party after which merger the stockholders of the Company do not retain, directly or indirectly, at least a majority of the beneficial interest in the voting stock of the surviving company; or (iii) the sale, exchange, or transfer of all or substantially all of the Company's assets (other than a sale, exchange, or transfer to one or

more corporations where the stockholders of the Company before such sale, exchange, or transfer retain, directly or indirectly, at least a majority of the beneficial interest in the voting stock of the corporation(s) to which the assets were transferred). Provided, however, that the Executive shall not be entitled to terminate his employment under this subsection in the event that the purchaser of the Company, or any successor by merger, consolidation or otherwise, or the entity to which all or a significant portion of the Company's assets have been transferred, shall have expressly assumed in writing all duties and obligations of the Company under this Agreement.

g. Voluntary Termination. The Executive may voluntarily terminate his employment with the Company at any time. A termination of employment by the Executive pursuant to paragraph 7(e)[For Good Reason] or (f)[Change of Control] shall not be deemed a voluntary termination by the Executive for purposes of this Agreement or any plan or practice of the Company but shall be deemed an involuntary termination.

h. Non-Renewal. If the Executive fails to request an extension of this Agreement in accordance with paragraph 1, or if the Board shall fail to approve such request, this Agreement shall automatically expire at the end of its term. Such expiration shall not entitle the Executive to any compensation or benefits except as earned by the Executive through the date of expiration of this Agreement and set forth in paragraph 9(e). The parties shall have no further obligations to each other thereafter except as set forth in paragraphs 6 and 12.

8. Notice and Effective Date of Termination.

a. Notice. Any termination of the Executive's employment by the Company or by the Executive during the term of this Agreement (other than as a result of death) shall be communicated by written notice of termination to the other party hereto. Such notice shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under that provision.

b. Date of Termination. The date of termination shall be:

(i) if the Executive's employment is terminated by his death, the date of his death;

(ii) if the Executive's employment is terminated pursuant to paragraph 7(b)[Disability], the date of termination shall be the 31st day following delivery of the notice of termination;

(iii) if the Executive's employment is terminated for any other reason by either party, the date on which a notice of termination is delivered to the other party; and

(iv) if the Agreement expires pursuant to paragraph 7(h)[Non-Renewal], the parties' employment relationship shall terminate on the last day of the term of this Agreement without any notice.

9. Compensation and Benefits Upon Termination.

a. Death, Disability, Without Cause or For Good Reason. If the Executive's employment terminates pursuant to paragraph 7(a)[Death], (b)[Disability], (d)[Without Cause] or (e)[For Good Reason], the Company shall:

(i) Salary: continue to pay the Executive (or his designee or estate) his then-current salary through the remaining term of this Agreement as defined in paragraph 1;

(ii) Bonus: continue to pay the Executive (or his designee or estate) an annual bonus(es) throughout such remaining term; each such bonus shall be in an amount equal to the greater of (A) the Executive's bonus during the year prior to his termination or (B) the bonus that the Executive would have earned under the Company's bonus plan in the year that he was terminated had he remained in its employment; provided, however, that such post-termination bonuses shall not exceed the lesser of the 100%

targeted amounts for those bonus payments in the prior and then-current year, and such bonuses shall not be paid until due under the Company's present bonus plan;

(iii) Stock Options: with respect to any stock options granted to the Executive by the Company, the Executive shall immediately become vested in any unvested stock options upon such termination; and

(iv) Restricted Stock: with respect to any restricted stock granted to the Executive by the Company which has not become vested as of such termination, the Executive shall immediately become vested in a pro rata portion of such unvested stock in accordance with the terms of the applicable stock grant agreements.

The Company shall have no further obligations to the Executive as a result of such termination except as set forth in paragraph 12.

b. For Cause. If the Executive's employment is terminated for cause as defined in paragraph 7(c)(A)[Failure to Perform], the Executive shall receive the post-termination compensation and benefits described in paragraph 9(a)[Compensation and Benefits Upon Death, Disability, Termination Without Cause or For Good Reason]. If the Executive's employment is terminated for cause as defined in paragraph 7(c)(B)[Materially Injurious Conduct], he shall only receive the post-termination compensation and benefits described in paragraph 9(d)[Compensation and Benefits Upon Voluntary Termination].

c. Change of Control. Upon a Change of Control (whether or not the Executive's employment terminates), the Executive shall immediately become vested in any shares of restricted stock granted to the Executive by the Company which had not vested prior to the Change of Control in accordance with the terms of the applicable stock grant agreements. In addition, if the Executive's employment terminates pursuant to paragraph 7(f)[Change of Control], the Company shall:

(i) Salary: continue to pay the Executive (or his designee or estate) his then-current salary through the remaining term of this Agreement as defined in paragraph 1;

(ii) Bonus: continue to pay the Executive (or his designee or estate) his annual bonus(es) throughout such remaining term; each such bonus shall be in an amount equal to the greater of (A) the Executive's bonus during the year prior to his termination or (B) the bonus that the Executive would have earned under the Company's bonus plan in the year that he was terminated had he remained in its employment; provided, however, that such post-termination bonuses shall not exceed the lesser of the 100% targeted amounts for those bonus payments in the prior and then-current year, and such bonuses shall not be paid until due under the Company's present bonus plan; and

(iii) Stock Options: with respect to any stock options granted to the Executive by the Company, the Executive shall immediately become vested in any unvested stock options upon such termination.

The Company shall reimburse the Executive for any excise taxes paid by the Executive pursuant to Internal Revenue Code section

4999 as a result of any "excess parachute payments" that he receives from the Company as determined under section 280G of said Code. This reimbursement shall not include any additional amount to cover the Executive's income or other taxes on such reimbursement. The Company shall have no further obligations to the Executive as a result of such termination.

d. Voluntary Termination. If the Executive terminates his employment pursuant to paragraph 7(g)[Voluntary Termination], he shall be paid his salary through his termination date and not thereafter. He shall not be entitled to any bonus payments which were not fully earned prior to his termination date, and he shall not be entitled to any pro-rated bonus payment for the year in which he terminates his employment. Any stock options granted to him by the Company will continue to vest only through the date of his termination (provided, however, that if the Executive's voluntary termination occurs within six months of a Change of Control, the Executive shall immediately become fully-vested in any unvested stock options previously granted to him by the Company) and any restricted stock that was granted to the Executive by the Company which is unvested as of the date of his termination will automatically be reacquired by the Company and the Executive shall have no further rights with respect to such restricted stock. The Company shall have no further obligations to the Executive as a result of such termination.

e. Non-Renewal. If the Agreement expires as set forth in paragraph 7(h)[Non-Renewal], the Company shall have no further obligations to the Executive except as set forth in paragraph 12 and except that with respect to any restricted stock granted to the Executive by the Company which has not become vested as of such expiration date, the Executive shall immediately become vested in a pro rata portion of such unvested stock in accordance with the terms of the applicable stock grant agreements.

f. Option to Elect Life Insurance Coverage. In lieu of the compensation and benefits to be paid upon the Executive's death as described in paragraph 9(a), the Executive may elect to have the Company purchase insurance upon his life in such amounts and on such terms as the Company and the Executive shall agree in writing. Such life insurance may be elected by the Executive in lieu of the entire compensation and benefits package described in paragraph 9(a), or it may be elected in lieu of any one or more elements (salary, bonus, stock options or restricted stock) of that compensation and benefits package. After its purchase of such life insurance, upon the Executive's termination pursuant to paragraph 7(a)[Death] the Company shall have no further obligation to provide to the Executive (or his designees, heirs or estate) the compensation and/or benefits described in paragraph 9(a) which the Executive and the Company have agreed to replace with such life insurance. The Executive shall have the sole and exclusive right to designate the beneficiary or beneficiaries of any life insurance purchased pursuant to this paragraph.

10. Exercise of Stock Options Following Termination. If the Executive's employment terminates pursuant to paragraph 7(a)[Death] or (b)[Disability], he (or his estate) may exercise his right to purchase any vested stock under the stock options granted to him by the Company for up to one year following the date of his termination, but not later than the termination date of such options. In all other instances, he may exercise that right for up to three months following the date of his termination, but not later than the termination date of such

options. All such purchases must be made by the Executive in accordance with the applicable stock option plans and agreements between the parties.

11. Successors; Binding Agreement. This Agreement and all rights of the Executive hereunder shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive should die while any amounts would still be payable to him hereunder all such amounts shall be paid in accordance with the terms of this Agreement to the Executive's written designee, or if there be no such designee, to the Executive's estate.

12. Insurance and Indemnity. The Company shall, to the extent permitted by law, include the Executive during the term of this Agreement under any directors and officers liability insurance policy maintained for its directors and officers, with coverage at least as favorable to the Executive in amount and each other material respect as the coverage of other directors and officers covered thereby. This obligation to provide insurance and indemnify the Executive shall survive expiration or termination of this Agreement with respect to proceedings

or threatened proceedings based on acts or omissions of the Executive occurring during the Executive's employment with the Company or with any affiliated company. Such obligations shall be binding upon the Company's successors and assigns and shall inure to the benefit of the Executive's heirs and personal representatives.

13. Notice. For the purposes of this Agreement, notices, demands and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered or (unless otherwise specified) mailed by United States registered mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive: Melvin A. Wilmore
c/o Ross Stores, Inc.
8333 Central Avenue
Newark, CA 94560-3433

If to the Company: Ross Stores, Inc.
8333 Central Avenue
Newark, CA 94560-0728
Attention: Corporate Secretary

or to such other address as any party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

14. Modification or Waiver; Entire Agreement. No provision of this Agreement may be modified or waived except in a document signed by the Executive and the chairman of the Compensation Committee of the Board or such other person as may be designated by the Board. This Agreement, along with any stock option or restricted stock agreements between the parties, constitute the entire agreement between the parties regarding their employment relationship, and any other agreements, including the Initial Contract, are terminated and of no further force or legal effect. To the extent that this Agreement is in any way inconsistent with any prior restricted stock or stock option agreements between the parties, this Agreement shall control. No agreements or

representations, oral or otherwise, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement.

15. Governing Law; Severability. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of California. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

16. Mitigation. In the event the Executive's employment with the Company terminates for any reason other than death, the Executive shall be obligated to seek other employment following such termination in order to mitigate payments that the Company may

be required to make to him or for his benefit hereunder. Such obligation shall not apply during any period in which the Executive is disabled. If the Executive obtains other employment during any period in which he is entitled to receive continued salary or bonus payments under paragraph 9, any salary or bonus payments earned by the Executive during such period shall reduce the Company's obligation to pay continued salary and/or bonus payments under paragraph 9 by the amount of the salary and/or bonus payments so earned by the Executive.

17. Withholding. All payments required to be made by the Company hereunder to the Executive or his estate or beneficiaries shall be subject to the withholding of such amounts as the Company may reasonably determine it should withhold pursuant to any applicable law. To the extent permitted, the Executive may provide all or any part of any necessary withholding by contributing Company stock with value, determined on the date such withholding is due, equal to the number of shares contributed multiplied by the closing NASDAQ price on the date preceding the date the withholding is determined.

18. Arbitration. In the event of any dispute or claim relating to or arising out of the parties' employment relationship or this Agreement (including, but not limited to, any claims of breach of contract, wrongful termination or age, race, sex, disability or other discrimination), all such disputes shall be fully, finally and exclusively resolved by binding arbitration conducted by the American Arbitration Association in Alameda County, California; provided, however, that this arbitration provision shall not apply to any disputes or claims relating to or arising out of the misuse or misappropriation of the Company's trade secrets or proprietary information.

19. Attorneys' Fees. Each party shall bear its own attorneys' fees and costs incurred in any action or dispute arising out of this Agreement.

20. Miscellaneous. No right or interest to, or in, any payments shall be assignable by the Executive; provided, however, that this provision shall not preclude Executive from designating in writing one or more beneficiaries to receive any amount that may be payable after Executive's death and shall not preclude the legal representative of Executive's estate from assigning any right hereunder to the person or persons entitled thereto. This Agreement shall be binding upon and shall inure to the benefit of the Executive, his heirs and legal representatives and the Company and its successors.

IN WITNESS WHEREOF, the parties have executed this Employment Agreement effective as of the date and year first above written.

ROSS STORES, INC.

By:	/s/ Donald G. Fisher	/s/ M. Wilmore
Title:	Chairman, Compensation Committee	EXECUTIVE

EXHIBIT 11

ROSS STORES, INC.

STATEMENT RE: COMPUTATION OF EARNINGS PER SHARE
(Amounts in thousands, except per share amounts)

	Three Months Ended			
	April 30, 1994		May 1, 1993	
	Primary	Fully Diluted	Primary	Fully Diluted
Net earnings	$4,408	$4,408	$3,594	$3,594
Weighted average shares outstanding:				
Common shares	24,739	24,739	25,528	25,586
Common equivalent shares:				
Stock options	257	311	668	668
Weighted average common and common equivalent shares outstanding	24,996	25,050	26,196	26,254
Earnings per common and common equivalent share	$.18	$.18	$.14	$.14

EXHIBIT 15

June 8, 1994

Ross Stores, Inc.
Newark, California

We have made a review, in accordance with standards established by the American Institute of Certified Public Accountants, of the unaudited condensed consolidated interim financial statements of Ross Stores, Inc. for the three-month periods ended April 30, 1994 and May 1, 1993, as indicated in our independent accountant's review reports dated May 20, 1994 and May 21, 1993, because we did not perform an audit, we expressed no opinion on that information.

We are aware that our reports referred to above, which were included in your Quarterly Reports on Form 10-Q for the quarters ended April 30, 1994 and May 1, 1993, are incorporated by reference in Registration Statements nos. 33-51916, 33-51896, 33-51898, 33-41415, 33-41413, and 33-29600 of Ross Stores, Inc. on Form S-8.

We are also aware that the aforementioned reports, pursuant to Rule 436(c) under the Securities Act, are not considered a part of the Registration Statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

Deloitte & Touche
San Francisco, CA