
Ross Stores, Inc.

Investor Overview

March 2020

Disclosure of Risk Factors

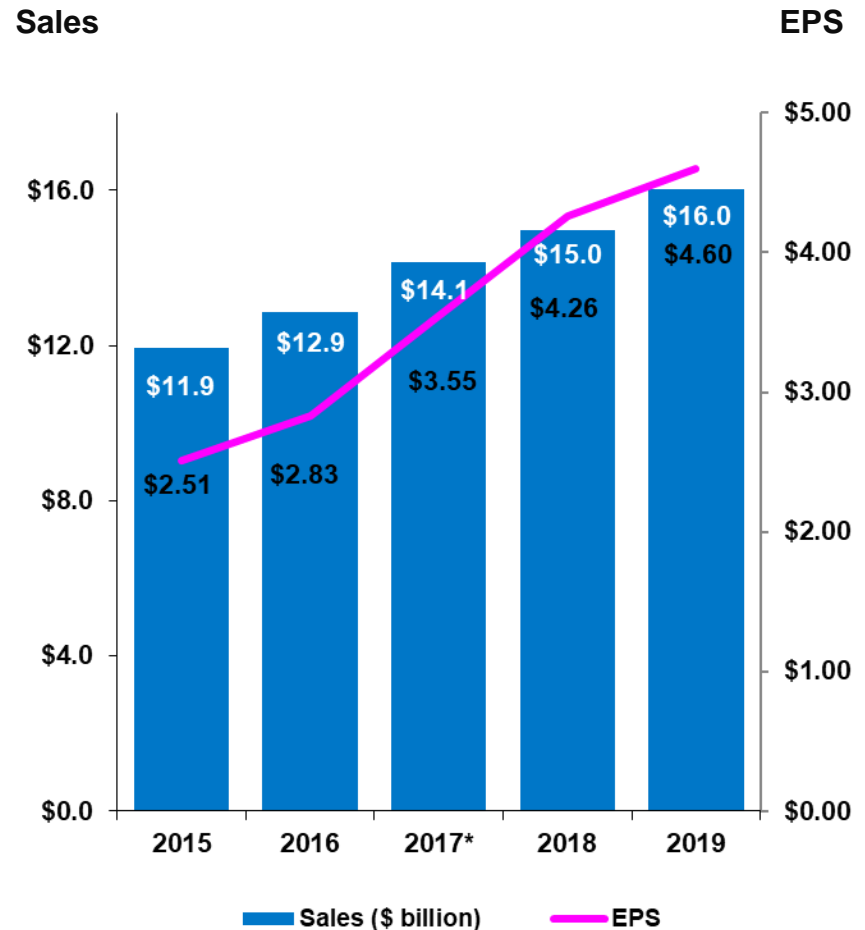
Forward-Looking Statements: *This presentation contains forward-looking statements regarding expected sales, earnings levels, new store growth opportunity, and other financial results in future periods that are subject to risks and uncertainties which could cause our actual results to differ materially from management's current expectations. The words "plan," "expect," "target," "anticipate," "estimate," "believe," "forecast," "projected," "guidance," "outlook," "looking ahead," and similar expressions identify forward-looking statements.*

Risk factors for Ross Dress for Less® ("Ross") and dd's DISCOUNTS® include without limitation, competitive pressures in the apparel or home-related merchandise retailing industry; changes in the level of consumer spending on or preferences for apparel and home-related merchandise; market availability, quantity, and quality of attractive brand name merchandise at desirable discounts and our buyers' ability to purchase merchandise that enables us to offer customers a wide assortment of merchandise at competitive prices; impacts from the macro-economic environment, financial and credit markets, geopolitical conditions, or public health issues (such as pandemics); our ability to continually attract, train, and retain associates to execute our off-price strategies; unseasonable weather that may affect shopping patterns and consumer demand for seasonal apparel and other merchandise, and may result in temporary store closures and disruptions in deliveries of merchandise to our stores; potential information or data security breaches, including cyber-attacks on our transaction processing and computer information systems, which could result in theft or unauthorized disclosure of customer, credit card, employee, or other private and valuable information that we handle in the ordinary course of our business; potential disruptions in our supply chain or information systems; issues involving the quality, safety, or authenticity of products we sell, which could harm our reputation, result in lost sales, and/or increase our costs; our ability to effectively manage our inventories, markdowns, and inventory shortage to achieve planned gross margin; changes in U.S. tax, tariff, or trade policy regarding apparel and home-related merchandise produced in other countries that could adversely affect our business; volatility in revenues and earnings; an adverse outcome in various legal, regulatory, or tax matters; a natural or man-made disaster in California or in another region where we have a concentration of stores, offices, or a distribution center; unexpected issues or costs from expanding in existing markets and entering new geographic markets; obtaining acceptable new store sites with favorable consumer demographics; damage to our corporate reputation or brands; effectively advertising and marketing our brands; issues from selling and importing merchandise produced in other countries; and maintaining sufficient liquidity to support our continuing operations, new store and distribution center growth plans, and stock repurchase and dividend programs.

Other risk factors are set forth in our SEC filings including without limitation, the Form 10-K for fiscal 2018, and Form 10-Qs and Form 8-Ks for fiscal 2019. 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.

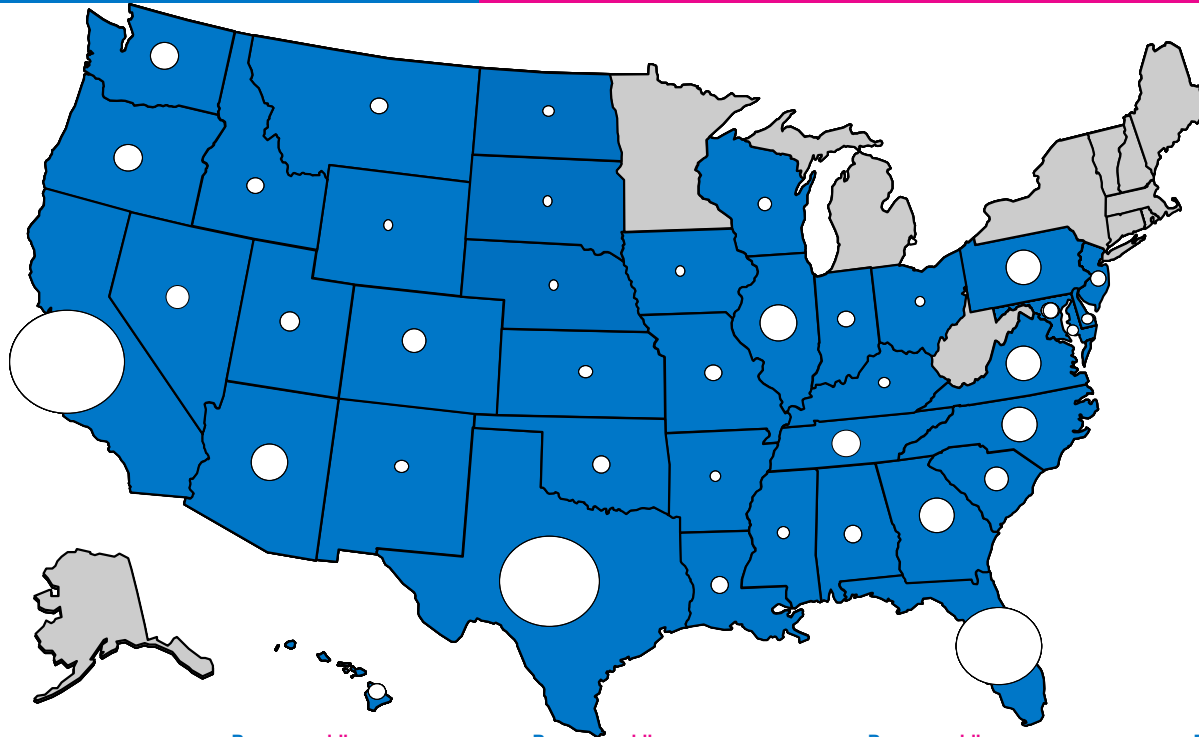
Ross Stores, Inc. Overview

- S&P 500, Fortune 500 and NASDAQ 100 company with fiscal 2019 revenues of \$16.0 billion
- Ross Dress for Less® is the largest off-price apparel and home fashion chain in the U.S. with 1,546 stores in 39 states, the District of Columbia, and Guam
- Also operates 259 dd's DISCOUNTS® in 19 states
- Consistent long-term growth in both sales and EPS
- 2018 Fortune 500 Statistics
 - Ranked #209 in 2018, similar to 2017, up from #219 in 2016, and #237 in 2015
 - Ranked #19 out of 500 companies for total return to stockholders on a 10-year basis (~29%)
 - Ranked #20 out of 500 companies on 10-year annual EPS growth rate (~22%)



* 2017 was a 53-week year; all other years were 52-week years.
 EPS adjusted to reflect two-for-one stock split effective June 2015.

1,805 Stores in 39 States (as of 2/1/20)



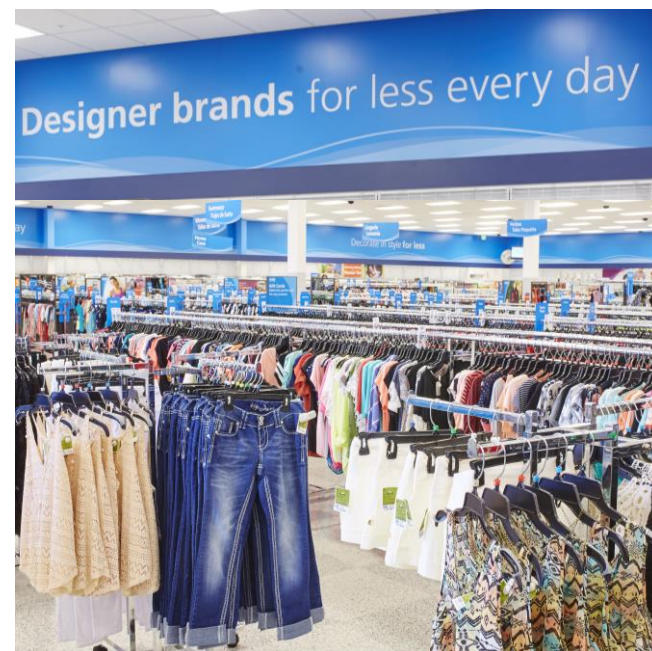
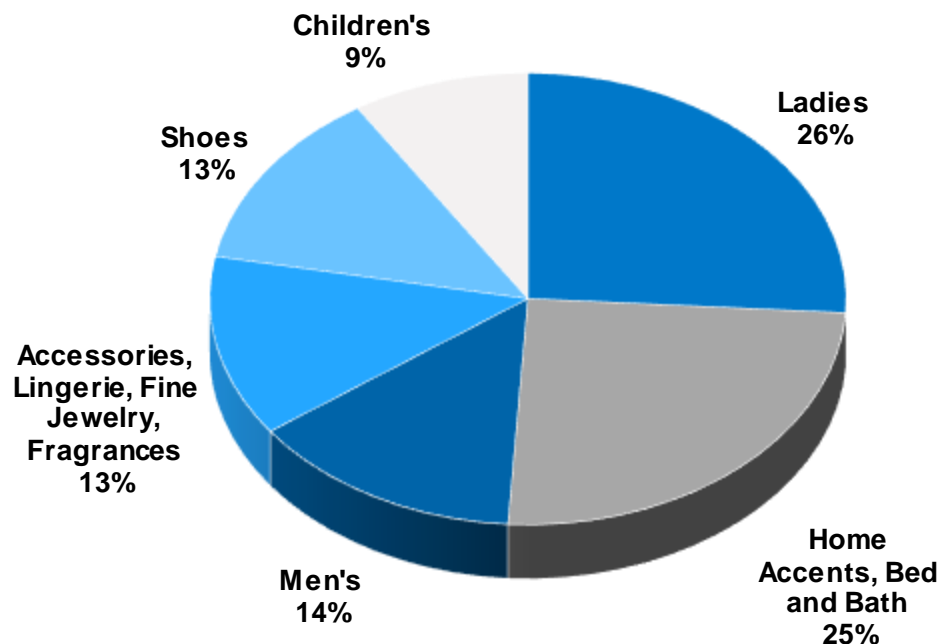
	Ross	dd's		Ross	dd's		Ross	dd's		Ross	dd's
Alabama	24		Idaho	12		Nebraska	5		South Dakota	2	
Arizona	67	15	Illinois	74	9	Nevada	31	8	Tennessee	33	3
Arkansas	9		Indiana	20		New Jersey	13	1	Texas	202	53
California	315	102	Iowa	6		New Mexico	15	3	Utah	22	
Colorado	34	4	Kansas	12		North Carolina	46	2	Virginia	39	1
Delaware	2	1	Kentucky	15		North Dakota	3		Washington	42	
District of Columbia	2		Louisiana	16	3	Ohio	5		Wisconsin	19	
Florida	184	37	Maryland	24	2	Oklahoma	25	2	Wyoming	3	
Georgia	55	9	Mississippi	9		Oregon	31				
Guam	2		Missouri	27		Pennsylvania	48	2	TOTAL	1,546	259
Hawaii	22		Montana	6		South Carolina	25	2			



Delivering Bargains

- Department store brands
- Significant discounts off comparable prices
 - Great savings every day
- Wide assortment of styles and fashions (e.g., “treasure hunt”)
- Constant flow of fresh merchandise

Merchandise Mix*



* Fiscal 2019

Key Value Drivers

- Opportunistic buying supported by a large and growing off-price buying organization
 - Hundreds of merchants sourcing product from thousands of manufacturers and vendors
- Broad market coverage and strong vendor relationships enhanced by strategic location of buying offices in New York City and Los Angeles
- Effective management of inventory and liquidity
- Planning and allocating at a local versus regional level
 - Systems and processes allow us to understand customer preferences and allocate the right item to the right store at the right time

Typical Ross Customer

Demographic

- About 70-75% female, shopping for herself and other family members
- Wide range of household incomes – “want a bargain” versus “need a bargain”
- Price and value matter most – great deals on brands she loves is a key way of showing her that value
- Embraces the “treasure hunt” format and spends time shopping for bargains
- Core customer averages about two-to-three store visits a month

How We Reach Her

- Marketing reflects the business strategy – bargains on a wide assortment of brands and styles
- Television is an effective medium to reach customers with a strong value message
 - Creates and sustains awareness
 - Encourages frequent shopping
 - Cost effective vehicle
- Also engaging customers through social media (e.g., Facebook, Instagram) and other digital channels

Ross Dress for Less Store Prototype



- Efficient, low-cost format
- Opening stores with average approximate size of 22,000 – 30,000 gross square feet
- Convenient self-service format
- Strong co-tenancy
- Visible and accessible retail locations
- Located in markets with a large proportion of broad income levels
- High traffic intersections

dd's DISCOUNTS

- Concept launched in California in 2004
- Opening stores with average approximate size of 18,000 – 22,000 gross square feet
- Established shopping centers
- Stores located in California, Texas, Florida, Arizona, Georgia, Illinois, Nevada, Colorado, Louisiana, New Mexico, Tennessee, Maryland, North Carolina, Oklahoma, Pennsylvania, South Carolina, Delaware, New Jersey, and Virginia
- Target customer is typically younger, more ethnically diverse, and from lower-to-moderate income households
- Assortments feature more moderate brands and fashions for the family and home at lower average price points than Ross



dd's DISCOUNTS Update

- dd's DISCOUNTS continued to perform well, with robust above-plan growth in both sales and operating profits in the fourth quarter
- dd's has benefited by delivering a faster flow of fresh and exciting product to our stores while operating on lower inventory levels
- Its solid performance reflects that dd's DISCOUNTS' value-focused merchandise offerings continue to resonate well with its target customer
- We added 22 net new locations in 2019 and 24 in 2018; potential for about 600 locations over the long term



Commitment to Value

- Our top priority is ensuring access to terrific brands at great savings every day
 - Reflected in ongoing investments in people and processes in our merchant organization
 - Our highly skilled merchants purchase product from thousands of vendors and manufacturers, enabling consistent access to quality name brand bargains that our customers value
- Believe consumers will continue to seek out bargains
 - More value-focused shopping behavior is enabling Ross and dd's DISCOUNTS to attract customers
 - Offering the best bargains available retains these customers
 - Also capturing market share from retailers who have closed stores and/or gone out of business

Significant Growth Opportunities

- Over the long-term, we believe we can operate a total of 3,000 stores
 - Significant opportunity to expand in both existing and newer markets, such as the Midwest
 - Today, we only operate in 39 states with plans to become a national retailer over time
 - Long-term, we project Ross Dress for Less can grow to approximately 2,400 locations
 - dd's DISCOUNTS can become a chain of about 600 stores

Financial Results

Flexible and Resilient Off-Price Model

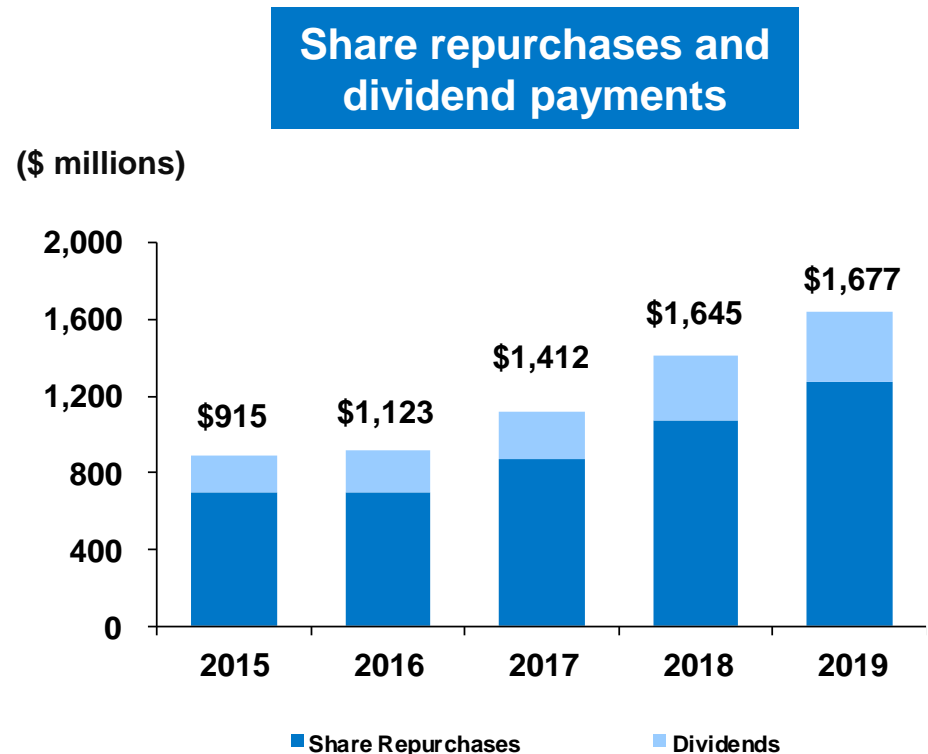
- Long history of consistent sales and earnings growth in both healthy and challenging retail and macro-economic environments
- Benefiting from our ability to offer terrific bargains
 - Taking advantage of close-out opportunities in the marketplace
 - Continued investment in our merchandising organization
- Operating the business on lean in-store inventories
 - Increases the percentage of fresh product in front of the customer and promotes faster inventory turns
 - Enhances cash flow by reducing working capital needs
- Tightly managing expenses across the Company
- Overall, we remain very focused on diligent execution of our strategies, which is always the key to maximizing our prospects for sales and earnings growth

Fiscal 2019 Results

- FY 2019 sales increased 7% to \$16.0 billion, with comparable store sales up 3% over fiscal 2018
 - Children's was the best performing category
 - Midwest was the strongest region
- Added 88 net new locations in FY 2019
 - Ended the year with 1,546 Ross and 259 dd's DISCOUNTS stores
- FY 2019 operating margin decreased 25 basis points to 13.4%
- Earnings per share for the year grew to \$4.60, up from \$4.26 in 2018

Higher Levels of Cash Returned to Stockholders

- In March 2019, our Board of Directors approved a two-year share repurchase program to be completed in the next two fiscal years for \$2.55 billion
 - Represents an increase from the previous \$1.95 billion authorization
 - Company has repurchased shares in-line with plan every year since 1993
- Our Board of Directors recently approved an increase in the quarterly cash dividend by 12% to \$.285 per share, on top of 13% growth in the prior year (26th consecutive annual increase)
- Stock repurchase and dividend programs reflect our ongoing confidence in the Company's future growth prospects and continued commitment to enhancing stockholder value
- Combination of existing cash balances, ongoing cash generation, and current credit facilities gives Ross flexibility for both the short- and long-term



Capital Expenditures

- FY 2019 capital expenditures was \$555 million, up from \$414 million last year
- The increased level of capital expenditures in 2019 was driven by initial investments for our next distribution center

	2018 Actual	2019 Actual
New stores	\$ 135 million	\$ 137 million
Existing stores	130 million	125 million
Distribution, Transportation	64 million	201 million
Information Systems, Corporate, Other	85 million	92 million
Total	\$ 414 million	\$ 555 million

Investment Highlights

- Favorably positioned as a leader in the off-price industry, which continues to gain market share
 - Ross Dress for Less is the largest off-price apparel and home fashion chain in the U.S. with 1,546 locations in 39 states, the District of Columbia, and Guam
 - dd's DISCOUNTS operates 259 locations across 19 states
- Significant growth opportunities ahead with the potential to grow our store base to approximately 3,000 locations in the U.S. over the long-term
- Proven strategies have driven growth for over 37 years
- Core focus on delivering competitive bargains continues to resonate with value-driven consumer