



FORM 10-K405

ROSS STORES INC - ROST

Filed: April 24, 1995 (period: January 28, 1995)

Annual report. The Regulation S-K Item 405 box on the cover page is checked

PART I

- [ITEM 1. BUSINESS](#)
- [ITEM 2. PROPERTIES](#)
- [ITEM 3. LEGAL PROCEEDINGS](#)
- [ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS](#)

PART II

- [ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED](#)
- [ITEM 6. SELECTED FINANCIAL DATA](#)
- [ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL](#)
- [ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA](#)
- [ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON](#)

PART III

- [ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT](#)
- [ITEM 11. EXECUTIVE COMPENSATION](#)
- [ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND](#)
- [ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS](#)

PART IV

- [ITEM 14. EXHIBITS, FINANCIAL STATEMENTS, SCHEDULES AND REPORTS ON](#)
- [SIGNATURES](#)
- [INDEX TO EXHIBITS](#)
- [EX-11 \(Statement regarding computation of per-share earnings\)](#)
- [EX-23 \(Consents of experts and counsel\)](#)
- [EX-27](#)

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K405

(Mark one)

X ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]
For the fiscal year ended January 28, 1995

OR

TRANSITION REPORT PURSUANT TO
SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
[NO FEE REQUIRED]
For the transition period from _____ to _____

Commission file number 0-14678

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

Delaware 94-1390387
(State or other jurisdiction of (I.R.S. Employer Identification
incorporation or organization) No.)

8333 Central Avenue, Newark, California 94560-3433
(Address of principal executive (Zip Code)
offices)

Registrant's telephone number,
including (510) 505-4400
area code:

Securities registered pursuant to
Section 12(b) of the Act: None

Securities registered pursuant to
Section 12(g) of the Act:

Title of each class	Name of each exchange on which registered
Common stock, par value \$.01	NASDAQ/NMS

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

Indicate by check mark if disclosure of delinquent files pursuant to Item
405 of Regulation S-K is not contained herein, and will not be contained,
to the best of registrant's knowledge, in definitive proxy or information
statements incorporated by reference in Part III of this Form 10-K or any
amendment to this Form 10-K. X

The aggregate market value of the voting stock held by non-affiliates of
the Registrant as of March 31, 1995 was \$270,946,654.

The number of shares of Common Stock, with \$.01 par value, outstanding on
March 31, 1995 was 24,631,514.

Documents incorporated by reference:

Portions of the Proxy Statement for Registrant's Annual
Meeting of Stockholders, to be held Thursday, May 25, 1995,
are incorporated herein by reference into Part III.

PART I

ITEM 1. BUSINESS

Ross Stores, Inc. operates a chain of off-price retail apparel stores which target value conscious men and women between the ages of 25 and 54 in white collar, middle-to-upper middle income households, which the company believes to be the largest customer segment in the retailing industry. The decisions of the company, from merchandising, purchasing and pricing, to the location of its stores, are aimed at its customer base. The company offers its merchandise at low everyday prices, generally 20% to 60% below regular prices of most department and specialty stores. The company believes it derives a competitive advantage by offering a wide assortment of quality brand-name merchandise within each of its merchandise categories in an attractive easy-to-shop environment.

Ross Stores' mission is to offer competitive values to its target customers by focusing on the following key strategic objectives: achieve an appropriate level of brands and labels at strong discounts throughout the store; meet customer needs on a more regional basis; deliver an in-store shopping experience that reflects the expectations of the off-price customer; and manage real estate growth to maintain dominance or achieve parity with the competition in key markets.

The original Ross Stores, Inc. was incorporated in California in 1957. In August 1982, the company was purchased by some of its current stockholders and restaffed with a new management team. The six stores acquired at the time were completely refurbished in the company's current off-price format and stocked with new merchandise.

At the stockholders' meeting in May 1989, the company's stockholders approved the reincorporation of Ross Stores, Inc., in the state of Delaware. The reincorporation was completed in June 1989.

Merchandising, Purchasing and Pricing

Ross seeks to provide its target customers with a wide assortment of first quality, in-season, name brand apparel, accessories and footwear for the entire family at everyday savings of 20% to 60% from regular department and specialty store prices, as well as similar savings on fragrances and gift items for the home. In 1994 Ross introduced its new Bed and Bath Department in 72 stores, featuring tabletop, bed and bath linens and bath accessories. The company reviews its merchandise mix each week, enabling it to respond to merchandise trends and purchasing opportunities in the market. The company's merchandising strategy is reflected in its television and newspaper advertising, which emphasizes a strong value message: Ross' customers get great prices everyday of the year. Although not a fashion leader, the company sells recognizable branded merchandise that is current and fashionable in each category.

Merchandising. The Ross merchandising strategy incorporates mainly in-season apparel, shoes and accessories for the entire family, as well as fragrances and giftware and linens for the home. The company's emphasis on brand names reflects management's conviction that brand-name merchandise sold at affordable prices will continue to be an important determinant of its success. Ross leaves the brand-name label on the merchandise it sells.

The company has established a merchandise assortment which it believes is attractive to its target customer group. Although Ross Stores offers fewer classifications of merchandise than most department stores, the company generally offers a large selection of brand names within each classification with a wide assortment of vendors, prices, colors, styles and fabrics within each size. During the year ended January 28, 1995, the overall merchandise sales mix was approximately 95% first quality merchandise and 5% irregulars. Ross clears out all in-store seasonal inventory on a semi-annual basis. During the past year, the respective departments accounted for total sales approximately as follows: Ladies 40%, Men's 24%, Accessories, Hosiery and Lingerie 10%, Shoes 10%, Children's 8%, and Fragrances, Home Accents and Bed and Bath 8%.

Purchasing. During the past three years, no single vendor has accounted for more than 2% of the company's purchases. The company continues to add new vendors and believes it has adequate sources of first quality merchandise to meet its requirements. The company purchases the vast majority of its merchandise directly from manufacturers and has not experienced any difficulty in obtaining sufficient inventory.

The company believes that its ability to effectively execute certain off-price buying strategies is a key factor in its business. Ross buyers use a number of methods that enable the company to offer customers name brand merchandise at strong everyday discounts relative to department and specialty stores. By purchasing later in the merchandise buying cycle than department and specialty stores, Ross is able to take advantage of imbalances of manufacturer-projected supply of merchandise.

The company has increased its emphasis in recent years on opportunistic purchases created by manufacturer overruns and canceled orders during and at the end of a season. These buys are referred to as "closeout" or "packaway" purchases. Closeouts can be shipped to stores in season or stored in the company's warehouses until the beginning of the next selling season (i.e., packaway). The company has put more emphasis on packaway purchases as this technique is an effective method of increasing the percentage of prestige and national brands at competitive savings within the merchandise assortments. Purchases of packaway merchandise are goods that are not usually affected by seasonal shifts in fashion trends.

Ross, unlike most department and specialty stores, does not require that manufacturers provide it with promotional and markdown allowances, return privileges and delayed deliveries. In addition, Ross requires only one invoice for each delivery and deliveries are made to one of the company's two distribution centers. These flexible requirements further enable the company's buyers to obtain significant discounts on in-season purchases.

Ross Stores' buying offices are located in New York City and Los Angeles, the nation's two largest apparel markets. These strategic locations allow buyers to be in the market on a daily basis, sourcing opportunities and negotiating purchases with vendors and manufacturers. These locations also enable the company's buyers to strengthen vendor relationships, a key determinant in the success of its off-price buying strategies.

The company's buyers have an average of 15 years of experience, including experience with other retailers such as Bloomingdale's, Burlington Coat Factory, Dayton Hudson, Lord & Taylor, Macy's, Marshalls and TJ Maxx. The company has recently increased the size of its merchandising staff, which is comprised of general and divisional merchandise managers, buyers and assistant buyers. Management believes that these increased resources will enable its merchants to spend even more time in the market, which should strengthen the company's ability to procure the most desirable brands at competitive discounts.

The combination of the above off-price buying strategies enables the company to purchase merchandise at net prices which are lower than prices paid by department and specialty stores.

As a summary, important factors in the company's ability to execute its purchasing strategy are the following:

- An enlarged merchandising staff strategically located in the New York and Los Angeles garment districts;

- Experienced buyers who select and price the merchandise for the company's stores and make markdown decisions with pre-arranged budgets as a guide;

- Off-price buying techniques that enable the company to offer strong discounts everyday on name brand merchandise;

A fully-integrated, on-line management information system which provides buyers with accurate and timely information on a weekly basis; and

The company's ability to pay its vendors quickly.

Pricing. The company's policy is to sell merchandise which can generally be priced at 20% to 60% less than most department and specialty store regular prices. The Ross pricing policy is to affix to all brand name merchandise a ticket displaying the company's selling price as well as the estimated comparable selling price of that item at department and specialty stores.

The Ross pricing strategy differs from that of a department or specialty store. Ross purchases its merchandise at lower prices and marks it up less than a department or specialty store. This strategy enables Ross to offer customers consistently low prices. Ticketed prices are not increased and are reviewed weekly for possible markdowns based on the rate of sales to promote faster turnover of inventory and accelerate the flow of fresh merchandise.

Operating Costs

Consistent with the other aspects of its business strategy, Ross strives to keep operating costs as low as possible. Among the factors which have enabled the company to operate at low costs to date are:

Reduced in-store labor costs resulting from a store design which directs customers to merchandise, a self-selection retail format and utilization of labor saving technologies;

Economies of scale with respect to general and administrative costs as a result of centralized merchandising, marketing and purchasing decisions;

Model store layout criteria which facilitate conversion of existing buildings to the Ross format; and

A fully-integrated, on-line management information system which enables the company to respond quickly when making purchasing, merchandising and pricing decisions.

The Ross Store

As of January 28, 1995, the company operated 275 stores. The typical new Ross store is approximately 28,160 square feet, yielding approximately 22,300 square feet of selling space. All stores are leased, with the exception of one. They are conveniently located predominantly in community and neighborhood strip shopping centers in heavily populated urban and suburban areas. Where the size of the market permits, the company clusters stores to maximize economies of scale in advertising, distribution and management. During the year, the average Ross store employs approximately 37 full-and part-time people.

The company believes a key element of its success is the attractive, easy-to-shop environment in its stores which allows each customer to shop at his or her own pace. The Ross store's sales area is based on a prototype single floor design with a racetrack aisle layout. A customer can locate desired departments by signs displayed just below the ceiling of each department. Ross encourages its customers to select among sizes and prices through prominent category and sizing markers, promoting a self-service atmosphere. Shopping carts are available at the entrance for customer convenience. Checkout stations are located at store entrances for customer ease and efficient employee assignment.

The Ross store is designed for customer convenience in its merchandise presentation, dressing rooms, and checkout and merchandise return areas. Racks, displays and dressing rooms are kept neat and orderly. It is the company's policy to minimize transaction time for the customer at the checkout counter by opening a new register whenever a line has three or more customers and by using electronic systems for scanning each ticket at the point of sale and authorizing credit for personal checks and credit cards in a matter of seconds. Approximately one-third of payments are made with credit cards. Ross provides full cash or credit card refunds on all merchandise returned with a receipt within 30 days and believes this policy appeals to its customers.

Each Ross store is serviced by the company's two distribution centers located in Newark California (approximately 494,000 square feet) and Carlisle, Pennsylvania (approximately 424,000 square feet). Having a distribution center on each coast enhances cost efficiencies per unit and decreases turn-around time in getting the merchandise from the vendors to the stores.

Turn-around time between receipt of goods at the distribution centers and when they are staged and ready for shipment to the stores is approximately five days. Shipments are made by contract carriers to the stores three to five times a week depending on location.

Ross is developing new systems to improve its distribution process. The company's objective is to automate as many functions as possible thereby reducing paper flow and its associated costs. The new Distribution Center Information System should contribute to improved merchandise flow, faster and more accurate processing of receipts, reduced labor costs and shrinkage, and better reporting to facilitate decision-making by managers. The initial phase of the new Distribution Center Information System is expected to be in place by the end of 1995. The company expects that it will begin to realize cost benefits from these improvements in 1996.

Advertising

During the fiscal years 1994, 1993 and 1992, advertising costs were approximately \$36.5 million, \$33.8 million and \$34.1 million. The company utilizes extensive advertising which emphasizes quality, brand-name merchandise at low everyday prices. The company predominantly uses television advertising. This reflects the company's belief that television is the best medium for presenting Ross' everyday low price message.

Control Systems

The company's management information system fully integrates data from significant phases of its operations and is a key element in the company's planning, purchasing, distribution and pricing decisions. The system enables Ross to respond to changes in the retail market and to increase speed and accuracy in its merchandise distribution.

Data from the current and last fiscal year can be monitored on levels ranging from merchandise classification units to overall totals for the company. Data important to the decision-making process is on-line, real time data to all authorized users. Merchandise is tracked by the system from the creation of its purchase order, through its receipt at the distribution center, through the distribution planning process, and ultimately to the point of sale.

In addition to its new distribution center technology, the company is also developing new store-based systems which are designed to speed up, simplify and automate most transactions at the point of sale and the stores' back offices. Ross plans to conduct a pilot test in the summer of 1995 followed by a limited roll-out for the remainder of 1995 and a chain-wide roll-out in 1996. The company expects that it will begin to realize cost benefits from these improvements in 1996 as the technology is phased into more stores.

Stores

From August 1982 to January 28, 1995, the company expanded from six stores in California to 275 stores in 18 states: Arizona, California, Colorado, Florida, Georgia, Hawaii, Idaho, Maryland, Nevada, New Jersey, New Mexico, Oklahoma, Oregon, Pennsylvania, Texas, Utah, Virginia and Washington.

The company's real estate strategy is to open additional stores in existing market areas, to increase its market penetration and reduce overhead and advertising expenses as a percentage of sales in each market. Important considerations in evaluating a new market are the availability of potential sites, demographic characteristics, competition and population density of the market.

During 1994, store expansion accelerated with the addition of 35 new Ross 'Dress For Less' stores. Ross acquired the lease rights to six former Builder's Emporium stores in Southern California in late 1993 and eight former Solo Serve stores in the company's newest market -- Houston, Texas -- in mid-1994. In 1995 and 1996, the company plans to focus on opening its new stores in existing markets.

Competition

The national apparel retail market is highly fragmented. Ross faces intense competition for business from department stores, specialty stores, discount stores, other off-price retailers and manufacturer-owned outlet stores, many of which are units of large national or regional chains that have substantially greater resources than the company. The retail apparel business may become even more competitive in the future. The company believes that the principal competitive factors in the off-price retail apparel industry are offering large discounts on name brand merchandise appealing to its target customer and consistently providing a store environment that is convenient and easy to shop. To execute this concept, the company has strengthened its buying organization and is making buying decisions based on regional and/or local factors as well as improving cost efficiencies to leverage expenses and mitigate competitive pressures on gross margin. The company believes that it is well positioned to compete on the basis of each of these factors.

Trademarks and Service Marks

The service mark and trademark for Ross Shoes For Less and Ross Dress For Less has been registered, or has an application pending, with the United States Patent and Trademark Office.

Employees

At January 28, 1995, the company had 10,574 employees which includes an estimated 6,073 part-time employees. Of the full-time employees, approximately 428 are administrative employees, 509 are distribution center employees and 3,564 are store employees. The company's employees are non-union. Management of the company considers the relationship between the company and its employees to be excellent.

Seasonality

The combined sales of the company for the third and fourth (holiday) fiscal quarters are higher than the combined sales for the first two fiscal quarters. The company has realized a significant portion of its profits in each fiscal year during the fourth quarter. Intensified price competition, lower-than-anticipated consumer demand or other seasonal factors, if they were to occur during the last six months, and in particular during the fourth quarter, could adversely affect the company's fiscal year results.

ITEM 2. PROPERTIES

The company currently leases its Newark, California distribution center, corporate and buying offices, store facilities, and some of its fixtures and equipment. The company owns its distribution center in Carlisle, Pennsylvania, which has an outstanding mortgage value of \$10.1 million at the end of the 1994 fiscal year. As of January 28, 1995, the company's 275 stores generally range in size from 24,000 to 30,000 gross square feet, and have an average of 22,000 square feet of selling space. During the fiscal year ended January 28, 1995, no one store accounted for more than 2% of the company's sales.

Where possible, the company has obtained sites in existing buildings requiring minimal alterations. This has allowed Ross to establish stores in new locations in a relatively short period of time at reasonable costs in a given market.

At January 28, 1995, the majority of the company's stores had unexpired original lease terms ranging from one to ten years with two to three renewal options of five years each. The average unexpired original lease term of its leased stores is six years, or 19 years if renewal options are included. See Note D of Notes to Consolidated Financial Statements. Most of the company's store leases contain a provision for

percentage rental payments after a specified sales level has been achieved. To date, the company has been able to secure leases in suitable locations for its stores.

The company's two distribution centers provide the company with the potential warehouse/distribution capacity to support its growth through 1996 at which time Ross anticipates it will need to add more space. Management currently is studying its options on the best way to expand its warehouse and distributions facilities.

ITEM 3. LEGAL PROCEEDINGS

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

EXECUTIVE OFFICERS OF THE REGISTRANT

The following list sets forth the names and ages of all executive officers of the company, indicating each person's principal occupation or employment during the past five years. The term of office is at the pleasure of the Board of Directors.

Name	Age	Position
Norman A. Ferber	46	Director, Chairman of the Board and Chief Executive Officer
Melvin A. Wilmore	49	Director, President and Chief Operating Officer
Michael A. Balmuth	44	Executive Vice President, Merchandising
Earl T. Benson	47	Senior Vice President, Chief Financial Officer and Corporate Secretary
Michael J. Bush	34	Senior Vice President, Marketing and Strategic Planning
James S. Fassio	40	Senior Vice President, Property Development
Barry S. Gluck	42	Senior Vice President and General Merchandising Manager
Peter C.M. Hart	44	Senior Vice President, Management Information Systems and Distribution
James S. Jacobs	50	Senior Vice President, Store Operations
Irene Jamieson	44	Senior Vice President and General Merchandising Manager
Stephen F. Joyce	53	Senior Vice President, Human Resources
Barbara Levy	40	Senior Vice President and General Merchandising Manager
John M. Vuko	44	Senior Vice President, Controller and Principal Accounting Officer

Mr. Ferber has served as Chairman of the Board of Directors and Chief Executive Officer since March 1993. Prior to March 1993, he served as President and Chief Executive Officer since January 1988. From February 1987 to January 1988, he served as President and Chief Operating Officer. Prior to February 1987, Mr. Ferber was Executive Vice President, Merchandising, Marketing and Distribution of the company. Mr. Ferber joined the company in October 1982.

Mr. Wilmore has served as President, Chief Operating Officer and a member of the Board of Directors since March 1993. Prior to this, he served as Executive Vice President and Chief Operating Officer since December 1991. From October 1989 to December 1991, he was Chief Executive Officer of Live Specialty Retail, a division of LIVE Entertainment, Inc. From March 1988 to June 1989, he was President/General Partner of Albert's Acquisition Corporation. From March 1987 to March 1988, Mr. Wilmore was engaged in the acquisition of Albert's Hosiery and Bodywear by Albert's Acquisition Corporation. From April 1984 to March 1987, he was the President and Chief Operating Officer of Zale Jewelry Stores, a division of Zale Corporation.

Mr. Balmuth became Executive Vice President, Merchandising in July 1993. Prior to this he served as Senior Vice President and General Merchandise Manager since November 1989. Before joining Ross, he was Senior Vice President and General Merchandise Manager at Bon Marche in Seattle from September 1988 through November 1989. From April 1986 to September 1988, he served as Executive Vice President and General Merchandise Manager for Karen Austin Petites.

Mr. Benson has served as Senior Vice President, Chief Financial Officer, and Corporate Secretary since May 1988. He joined the company in June 1984 as Controller, Treasurer and Assistant Secretary and became a Vice President in October 1987.

Mr. Bush has served as Senior Vice President, Marketing and Strategic Planning since March 1993. He joined the company in April 1991 as Vice President, Strategic Planning. Prior to joining Ross, Mr. Bush was affiliated with the consulting firm, Bain & Company, Inc.

Mr. Fassio has served as Senior Vice President, Property Development since March 1991. He joined the company in June 1988 as Vice President of Real Estate. Prior to joining Ross, Mr. Fassio was Vice President, Real Estate and Construction at Craftmart and Property Director of Safeway Stores, Inc.

Mr. Gluck has served as Senior Vice President and General Merchandise Manager since August 1993. He joined the company in February 1989 as Vice President and Divisional Merchandise Manager. Prior to joining Ross, Mr. Gluck served as General Merchandise Manager, Vice President for Today's Man from May 1987 to February 1989.

Mr. Hart has served as Senior Vice President, Management Information Systems (MIS) and Distribution since November 1988. From January 1987 to November 1988, he served as Senior Vice President of MIS. Mr. Hart joined the company in February 1983.

Mr. Jacobs has served as Senior Vice President, Store Operations since November 1988. From November 1986 to October 1988, he served as Regional Vice President, Director of Stores for the J.W. Robinson's division of May Department Stores.

Ms. Jamieson became Senior Vice President and General Merchandise Manager in January 1995. From December 1992 to January 1995, she served as Vice President and Divisional Merchandise Manager. Prior to joining Ross, Ms. Jamieson served as Vice President and Divisional Merchandise Manager of the Home Store for Lord & Taylor from September 1983 to December 1992.

Mr. Joyce has served as Senior Vice President, Human Resources since July 1988. Before joining Ross, he was Vice President, Human Resources at Denny's, Inc. since February 1983.

Ms. Levy has served as Senior Vice President and General Merchandise Manager since May 1993. Prior to joining Ross, Ms. Levy was with R. H. Macy & Co., Inc. most recently as Senior Vice President and General Merchandise Manager from January 1992 to April 1993 and before that as their Regional Director - Stores from May 1989 to January 1992 and from August 1985 to May 1989 she was their Divisional Merchandise Manager - Better Sportswear.

Mr. Vuko has served as Senior Vice President, Controller and Principal Accounting Officer since June 1992. He joined the company in October 1989 as Vice President, Treasurer and Controller.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

See the information set forth under the caption "Quarterly Financial Data (Unaudited)" under Note J of Notes to Consolidated Financial Statements in Item 8 of this document which is incorporated herein by reference. The company's stock is traded on the Nasdaq National Market System under the symbol ROST. The number of stockholders of record as of April 10, 1995 was 1,186. The company's Board of Directors declared an initial quarterly cash dividend of \$0.05 per common share on January 27, 1994. On January 26, 1995, the quarterly cash dividend was increased to \$0.06 per common share.

ITEM 6. SELECTED FINANCIAL DATA

(\$000, except per share data)	1994	1993	1992	1991	1990	1989<F1>
Operations						
Sales	\$1,262,544	\$1,122,033	\$1,043,062	\$926,377	\$798,350	\$733,469
Cost of goods sold and occupancy	920,265	814,745	742,749	656,504	568,896	508,788
Percent of sales	72.9%	72.6%	71.2%	70.9%	71.3%	69.4%
General, selling and administrative	263,777	235,558	221,795	203,120	184,140	159,560
Percent of sales	20.9%	21.0%	21.3%	21.9%	23.1%	21.8%
Depreciation and amortization	24,017	20,539	18,740	15,922	13,140	11,961
Interest	3,528	2,318	3,071	5,395	6,955	5,907
Insurance Proceeds	(10,412)					
Earnings before taxes	61,369	48,873	56,707	45,436	25,219	47,253
Percent of sales	4.9%	4.4%	5.4%	4.9%	3.2%	6.4%
Provision for taxes on earnings	24,548	19,549	22,683	17,720	8,574	17,413
Net earnings	36,821	29,324	34,024	27,716	16,645	29,840
Percent of sales	2.9%	2.6%	3.3%	3.0%	2.1%	4.1%
Earnings per fully-diluted common share	\$1.49	\$1.14	\$1.30	\$1.09	\$.72	\$1.24
Cash dividends declared per common share	\$.21	\$.05				

<FN>

<F1>Fiscal 1989 is a 53-week year; all other fiscal years are 52 weeks.

</FN>

(\$000, except per share data)	1994	1993	1992	1991	1990	1989<F1>
Financial Position						
Merchandise inventory	\$275,183	\$228,929	\$221,048	\$185,041	\$157,899	\$129,413
Property and equipment, net	171,251	144,152	128,070	126,848	114,913	88,342
Total assets	506,241	437,371	419,870	357,690	309,543	249,766
Working capital	131,776	125,047	121,012	77,448	67,002	60,373
Current ratio	1.7:1	1.8:1	1.8:1	1.6:1	1.6:1	1.7:1
Total debt	46,069	33,308	33,525	40,723	57,600	53,900
Stockholders' equity	254,551	228,222	209,595	162,583	123,064	103,768
Book value per common share						
outstanding at year-end	\$10.42	\$9.24	\$8.23	\$6.64	\$5.33	\$4.53
Total debt as a percent of						
total capitalization	15%	13%	14%	20%	32%	34%
Return on average stockholders'						
equity	15%	13%	18%	19%	15%	27%
Other Statistics						
Number of stores opened	35	22	23	20	29	17
Number of stores closed	3	2	3	2		1
Number of stores at year-end	275	243	223	203	185	156
Comparable store sales increase						
(decline) (52-week basis)	2%	(1%)	3%	2%	(3%)	7%
Sales per square foot of selling						
space (52-week basis)<F2>	\$227	\$222	\$222	\$214	\$208	\$215
Square feet of selling space						
at year-end (000)	5,901	5,210	4,879	4,518	4,155	3,590
Number of employees at year-	10,516	8,949	8,156	7,397	7,164	6,054
end						
Number of average fully-diluted						
shares at year-end (000)	24,723	25,791	26,249	25,496	23,251	24,142
Number of common stockholders						
of record at year-end	1,168	1,275	1,381	1,340	1,715	1,511
<FN>						
<F1>Fiscal 1989 is a 53-week year; all other fiscal years are 52 weeks.						
<F2>Based on average annual selling square footage.						
</FN>						

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS

For the fiscal years ended January 28, 1995, January 29, 1994 and January 30, 1993 (referred to as 1994, 1993 and 1992).

Results of Operations

Stores. Total stores open at the end of 1994, 1993 and 1992 were 275, 243 and 223. During 1994, the company opened 35 new stores and closed 3 stores, which included the fall 1994 openings of eight locations in the company's newest market, Houston, Texas. During 1993, the company opened 22 new stores and closed 2 stores. In 1992, the company opened 23 new stores and closed 3 stores.

Sales. Sales were \$1.263 billion, \$1.122 billion and \$1.043 billion in 1994, 1993 and 1992, with each year consisting of 52 weeks. Comparable store sales increased 2% for 1994, decreased 1% for 1993 and increased 3% for 1992. The increase in sales for 1994 was due to a greater number of stores in operation and an increase in comparable store sales. In 1993, the increase in sales was due to a greater number of stores in operation which offset a decline in comparable store sales caused by increased competition. The increase in sales for 1992 was due to a greater number of stores in operation and an increase in comparable store sales. The company anticipates that the competitive climate for apparel and off-price retailers will continue in 1995.

Cost of Goods Sold and Occupancy. Cost of goods sold and occupancy as a percentage of sales was 73%, 73% and 71% for 1994, 1993 and 1992. Despite the increasingly competitive climate for apparel retailers, the company was able to minimize the increased pressures on markdown levels in 1994. The company believes this is a result of the contributions made by the company's expanded merchandise organization. In 1993, the change was due to increased pressures on price points and markdown levels, resulting from the competitive retail climate in 1993.

General, Selling and Administrative Expenses. General, selling and administrative expenses were 21% of sales for 1994, 1993 and 1992. In 1994, management focused on strong expense controls which allowed expenses overall to be flat as a percent of sales for the year despite the increased costs that resulted from entering the Houston market in the fall of 1994 and increased costs from the expanded merchandise organization. In 1993, management focused store growth primarily in existing markets and also maintained strong expense controls, which helped to offset the unfavorable percentage increase normally associated with a same store sales decline.

The largest component of general, selling and administrative expenses is payroll. The total number of employees, including both full and part-time, at year-end 1994, 1993 and 1992 was approximately 10,500, 8,900 and 8,200.

Depreciation and Amortization. Depreciation and amortization as a percentage of sales has remained relatively constant over the last three years, due primarily to the consistent level of assets in each store.

Interest. The increase in interest expense in 1994 from 1993 resulted from higher interest rates and higher average borrowings, due in part to the completion of the company's stock repurchase program. The decrease in interest expense in 1993 from 1992 was due to lower interest rates from the prior year partially offset by increased borrowings due primarily to the company's repurchases of its common stock.

Insurance Proceeds. In March 1994, a section of the roof at the company's distribution center in Carlisle, Pennsylvania collapsed due to unusually heavy snow accumulation. In October 1994, the company entered into a settlement agreement with its insurance carrier for claims related to the impact on business that resulted from the roof collapse. This settlement included net proceeds of \$10.4 million for business interruption.

Taxes on Earnings. The company's effective rate for 1994, 1993 and 1992 was 40%, which represents the applicable statutory rates reduced by the federal benefit received for state taxes and targeted jobs tax credits. In August 1993, the federal government enacted a new income tax law which raised the 34% corporate income tax rate to 35%. The change in both the mix of state income taxes and available tax credits allowed the company to maintain its 40% effective tax rate.

Financial Condition

Liquidity and Capital Resources. During 1994, 1993 and 1992, liquidity and capital requirements were provided by cash flows from operations, bank borrowings and trade credit. The company's store sites, central office, and California distribution center, as well as the buying offices, are leased and, except for certain leasehold improvements and equipment, do not represent fixed capital investments. Commitments related to operating leases are described in Note D of Notes to Consolidated Financial Statements. The company's east coast distribution center is owned by the company and was financed by a ten-year mortgage (see Note C of Notes to Consolidated Financial Statements). Short-term trade credit represents a significant source of financing for investments in merchandise inventories. Trade credit arises from customary trade practices with the company's vendors. Management regularly reviews the adequacy of credit available to the company from all sources and has been able to maintain adequate lines to meet the capital and liquidity requirements of the company.

During 1994, the primary uses of cash, other than for operating expenditures, were for merchandise inventory and property and equipment to open 35 new stores, the remodeling of 32 stores, a planned increase in "packaway merchandise" inventory, repurchases in the open market of 820,000 shares of the company's common stock, the acquisition of lease rights for eight new stores, and quarterly dividend payments. During 1993, the primary uses of cash, other than operating expenditures, were for merchandise inventory and property and equipment to open 22 new stores, the remodeling of 12 stores, timing of accounts payable payments, and repurchases in the open market of 1.2 million shares of the company's common stock. In 1992, the primary uses of cash, other than operating expenditures, were for merchandise inventory and property and equipment to open 23 new stores, prepaying \$7 million of senior debt, and making opportunistic inventory purchases, thereby increasing the level of packaway inventory. In 1994, 1993 and 1992, the company spent approximately \$52 million, \$33 million and \$22 million for capital expenditures, net of leased equipment, that included fixtures and leasehold improvements to open 35, 22 and 23 stores, remodeling costs for 32, 12 and 0 stores and modifications to the New York buying office, purchase of previously leased equipment and various expenditures for existing stores and the central office.

The company currently intends to open 15 to 20 stores annually through 1996. The company anticipates that this growth will be financed primarily from cash flows from operating activities, available credit facilities, and lease commitments.

The company's Board of Directors declared quarterly dividends of \$.05 per common share beginning in January 1994. In January 1995, a 20% increase in the quarterly dividend payment to \$.06 per common share was declared by the Board of Directors, payable on April 3, 1995. The company uses cash flows from operations and available cash resources to provide for dividends.

The company has available under its principal bank credit agreement a \$110 million revolving credit facility, which expires in July 1997. At the company's option, the bank credit agreement can be extended for one year to July 1998. In March 1992, the company obtained two short-term revolving credit facilities of \$10 million and \$15 million each. A third short-term credit facility of \$15 million was added in November 1992. In June 1994, the company obtained its fourth short-term credit facility of \$10 million. These facilities are available until canceled by either party. At year-end 1994, 1993 and 1992, there were no outstanding balances under any revolving credit facility. In June 1994, the company signed a \$60 million term loan credit agreement with a bank due June 1999, of which \$36 million was outstanding at year-end 1994. This term loan replaced the \$23 million term loan that was outstanding at year-ends 1993 and 1992. For additional information relating to these obligations, refer to Note C of Notes to Consolidated Financial Statements.

Working capital was approximately \$132 million at the end of 1994 compared to \$125 million at the end of 1993 and \$121 million at the end of 1992. At year-end 1994, 1993 and 1992, the company's current ratios were 1.7:1, 1.8:1 and 1.8:1. The percentage of long-term debt to total capitalization at year-end 1994, 1993 and 1992

was 15% , 13% and 14%.

The company's primary source of liquidity is the sale of its merchandise inventories. Management regularly reviews the age and condition of the merchandise and is able to maintain current inventory in its stores through the replenishment processes and liquidation of non-current merchandise through markdowns and clearances.

In March 1994, a section of the roof at the company's distribution center in Carlisle, Pennsylvania collapsed due to unusually heavy snow accumulation. In October 1994, the company entered into a settlement agreement with its insurance carrier for claims related to the impact on business that resulted from the roof collapse. This settlement included net proceeds of \$10.4 million for business interruption.

The company believes that cash flows from operations, bank credit lines and trade credit are adequate to meet operating cash needs as well as to provide for dividend payments and planned capital additions during 1995.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

CONSOLIDATED BALANCE SHEETS

(\$000, except per share data)	January 28, 1995	January 29, 1994
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 23,581	\$ 32,307
Accounts receivable	5,360	4,016
Merchandise inventory	275,183	228,929
Prepaid expenses and other	12,157	15,224
Total Current Assets	<u>316,281</u>	<u>280,476</u>
PROPERTY AND EQUIPMENT		
Land and buildings	23,723	22,502
Fixtures and equipment	145,427	120,493
Leasehold improvements	111,615	89,588
Construction-in-progress	12,490	10,739
	<u>293,255</u>	<u>243,322</u>
Less accumulated depreciation and amortization	122,004	99,170
	<u>171,251</u>	<u>144,152</u>
Intangibles and other assets	18,709	12,743
	<u>\$ 506,241</u>	<u>\$ 437,371</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 109,589	\$ 89,561
Accrued expenses and other	48,472	43,262
Accrued payroll and benefits	21,705	16,202
Income taxes payable	4,739	6,404
Total Current Liabilities	<u>184,505</u>	<u>155,429</u>
Long-term debt	46,069	33,308
Deferred income taxes and other liabilities	21,116	20,412
STOCKHOLDERS' EQUITY		
Common stock, par value \$.01 per share		
Authorized 100,000,000 shares		
Issued and outstanding 24,433,000 and 24,695,000 shares	244	247
Additional paid-in capital	125,451	122,073
Retained earnings	128,856	105,902
	<u>254,551</u>	<u>228,222</u>
	<u>\$ 506,241</u>	<u>\$ 437,371</u>

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF EARNINGS

(\$000, except share data)	Year Ended January 28, 1995	Year Ended January 29, 1994	Year Ended January 30, 1993
SALES	\$1,262,544	\$1,122,033	\$1,043,062
COSTS AND EXPENSES			
Cost of goods sold and occupancy	920,265	814,745	742,749
General, selling and administrative	263,777	235,558	221,795
Depreciation and amortization	24,017	20,539	18,740
Interest	3,528	2,318	3,071
Insurance proceeds	(10,412)		
	<u>1,201,175</u>	<u>1,073,160</u>	<u>986,355</u>
Earnings before taxes	61,369	48,873	56,707
Provision for taxes on earnings	24,548	19,549	22,683
Net earnings	<u>\$ 36,821</u>	<u>\$ 29,324</u>	<u>\$ 34,024</u>
EARNINGS PER SHARE			
Primary	\$ 1.49	\$ 1.14	\$ 1.32
Fully-diluted	\$ 1.49	\$ 1.14	\$ 1.30
WEIGHTED AVERAGE SHARES OUTSTANDING (000)			
Primary	24,707	25,715	25,683
Fully-diluted	24,723	25,791	26,249

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(000's)	Common Stock		Additional Paid-In Capital	Retained Earnings	Total
	Shares	Amount			
BALANCE AT FEBRUARY 1, 1992	24,491	\$245	\$106,765	\$55,573	\$162,583
Common stock issued under stock plans, including tax benefit	970	10	12,957		12,967
Payment on stock purchased			21		21
Net earnings				34,024	34,024
BALANCE AT JANUARY 30, 1993	<u>25,461</u>	<u>255</u>	<u>119,743</u>	<u>89,597</u>	<u>209,595</u>
Common stock issued under stock plans, including tax benefit	414	4	8,101		8,105
Stock repurchased	(1,180)	(12)	(5,771)	(11,791)	(17,574)
Net earnings				29,324	29,324
Dividends declared				(1,228)	(1,228)
BALANCE AT JANUARY 29, 1994	<u>24,695</u>	<u>247</u>	<u>122,073</u>	<u>105,902</u>	<u>228,222</u>
Common stock issued under stock plans, including tax benefit	558	5	7,500		7,505
Stock repurchased	(820)	(8)	(4,122)	(8,725)	(12,855)
Net earnings				36,821	36,821
Dividends declared				(5,142)	(5,142)
BALANCE AT JANUARY 28, 1995	<u>24,433</u>	<u>\$244</u>	<u>\$125,451</u>	<u>\$128,856</u>	<u>\$254,551</u>

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(\$000)	Year Ended January 28, 1995	Year Ended January 29, 1994	Year Ended January 30, 1993
CASH FLOWS FROM OPERATING ACTIVITIES			
Net earnings	\$36,821	\$29,324	\$34,024
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization of property and equipment	24,017	20,539	18,740
Other amortization	4,995	8,741	8,424
Deferred income taxes	923	669	2,911
Change in assets and liabilities:			
(Increase) in merchandise inventory	(46,254)	(7,881)	(36,007)
(Increase) decrease in other current assets - net	1,720	(6,528)	(5,385)
Increase (decrease) in accounts payable	19,787	(7,398)	5,427
Increase (decrease) in other current liabilities - net	8,154	(361)	11,615
Other	(4,947)	1,080	3,609
Net cash provided by operating activities	<u>45,216</u>	<u>38,185</u>	<u>43,358</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment	(52,055)	(33,391)	(21,657)
Net cash used in investing activities	<u>(52,055)</u>	<u>(33,391)</u>	<u>(21,657)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of senior notes			(7,000)
Proceeds (repayment) of long-term debt	12,666	(303)	(296)
Issuance of common stock related to stock plans	3,202	4,933	9,678
Repurchase of common stock	(12,855)	(17,574)	
Dividends paid	(4,900)		
Net cash provided by (used in) financing activities	<u>(1,887)</u>	<u>(12,944)</u>	<u>2,382</u>
Net increase (decrease) in cash and cash equivalents	<u>(8,726)</u>	<u>(8,150)</u>	<u>24,083</u>
Cash and cash equivalents:			
Beginning of year	32,307	40,457	16,374
End of year	<u>\$23,581</u>	<u>\$32,307</u>	<u>\$40,457</u>

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Fiscal Years Ended January 28, 1995, January 29, 1994 and January 30, 1993 (referred to as 1994, 1993 and 1992).

Note A: Summary of Significant Accounting Policies

Business. The company is an off-price retailer of first quality, in-season, branded apparel, shoes, gift items for the home, bed and bath items, fragrances and accessories for the entire family. At January 28, 1995, the company operated 275 stores.

Principles of Consolidation. The consolidated financial statements include the accounts of all subsidiaries. Intercompany transactions and accounts have been eliminated. Certain reclassifications have been made in the 1993 and 1992 financial statements to conform to the 1994 presentation. The years 1994, 1993 and 1992 consisted of 52 weeks.

Cash Equivalents. Cash equivalents are highly liquid, fixed income instruments purchased with a maturity of three months or less.

Merchandise Inventory. Merchandise inventory is stated at the lower of cost or market determined under the unit cost method.

Store Opening Expenses. Store opening expenses are deferred until the store's grand opening date, and then the deferred costs are expensed. During 1993, the company changed its accounting treatment from deferring and amortizing store opening expenses, resulting in all pre-opening expenses for 1993 new stores and any prior year deferred costs being expensed in 1993. The effect of this change in accounting principle did not have a material impact on any of the periods presented.

Advertising. All advertising expenses are expensed when incurred, resulting in no advertising amounts recorded as assets. In 1994, 1993 and 1992, advertising expenses were \$36.5 million, \$33.8 million and \$34.1 million.

Deferred Rent. Many of the company's leases signed since 1988 contain fixed escalations of the minimum annual lease payments during the original term of the lease. For these leases, the company recognizes rental expense on a straight-line basis and records the difference between the average rental amount charged to expense and the amount payable under the lease as deferred rent. At the end of 1994 and 1993, the balance of deferred rent was \$7.5 million and \$6.4 million. Deferred rent is included in other liabilities.

Intangibles and Other Assets. Intangibles and other assets include lease rights and interests and the excess of cost over the acquired net assets. Lease rights and interests consist of payments made to acquire store leases, which are amortized over the remaining applicable life of the lease. The excess of cost over the acquired net assets is amortized on a straight-line basis over a period of 40 years.

Property and Equipment. Property and equipment are stated at cost. Depreciation is calculated using the straight-line method over the estimated useful life of the asset, typically ranging from five to twelve years for equipment and 20 to 40 years for real property. The cost of leasehold improvements is amortized over the estimated useful life of the asset or the applicable lease term, whichever is less. Computer hardware and software costs are included in fixtures and equipment and are amortized over their estimated useful life of five years.

Estimated Fair Value of Financial Instruments. Statement of Financial Accounting Standards No. 107 (SFAS 107), Disclosures About Fair Value of Financial Instruments, requires disclosure of the estimated fair value of financial instruments. The carrying value of cash and cash equivalents, accounts receivable, accounts payable and long-term debt approximates their estimated fair value.

Taxes on Earnings. Income taxes are accounted for under Statement of Financial Accounting Standards No. 109 (SFAS 109), Accounting for Income Taxes. SFAS 109 is an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the company's financial statements or tax returns. In estimating future tax consequences, SFAS 109 generally considers all expected future events other than changes in the tax law or rates.

Earnings Per Share. Earnings per share are based on primary and fully-diluted weighted average common shares and common stock equivalents outstanding during the year, as calculated under the treasury stock method. The company's common stock equivalents consist of outstanding stock options.

Note B: Statements of Cash Flows Supplemental Disclosures

Total cash paid for interest and taxes is as follows:

(\$000)	1994	1993	1992
Interest	\$3,828	\$ 2,850	\$ 3,229
Income taxes	\$24,614	\$21,014	\$14,871

Note C: Long-Term Debt

Long-term debt consists of the following:

(\$000)	1994	1993
Mortgage	\$10,069	\$10,308
Term loan	36,000	23,000
	<u>\$46,069</u>	<u>\$33,308</u>

The weighted average interest rates on borrowings outstanding at 1994 and 1993 year-ends were 7.1% and 6.0%.

Mortgage. On August 8, 1991, the company obtained a \$10.8 million mortgage at 9.5% interest, collateralized by the land and building of its east coast distribution center. Interest and principal are based on a 20-year amortization period. The mortgage is due in 2001 with principal payments of \$263,000, \$288,000, \$318,000, \$349,000 and \$384,000 due in 1995, 1996, 1997, 1998 and 1999, respectively. In 1996, the interest rate will be reset at the lender's best prevailing interest rate or repaid, at the company's option.

Term Loan. On June 22, 1994, the company signed a \$60 million term loan credit agreement with a bank due in June 1999, of which \$36 million was outstanding at year-end 1994. Repayment is not required until June 1999. The interest rate, which is based on the London Interbank Offered Rate (LIBOR), was 6% at January 28, 1995. This term loan replaced the \$23 million term loan that was outstanding at year-end 1993.

Bank Credit Facilities. The company has available under its principal credit agreement a \$110 million revolving credit facility which expires in July 1997 and is renewable at the company's option for a one-year period. The credit facility is also available for the issuance of letters of credit. Interest is payable monthly under several pricing options, including the bank's prime rate. At year-end 1994 and 1993, the company had \$13.6 million and \$11.7 million in outstanding letters of credit. Borrowing under the credit facility is subject to the company maintaining certain levels of tangible net worth, pretax earnings and leverage ratios.

In addition, the company has \$50 million in short-term bank lines of credit which are available until canceled by either party. When utilized, interest is payable monthly under several pricing options.

Included in accounts payable are checks outstanding in excess of cash balances of approximately \$22.6 million and \$13.9 million at year-end 1994 and 1993. The company can utilize its revolving line of credit to cover payment of these checks as they clear the bank.

Note D: Leases

The company leases its distribution center and corporate office located in Newark, California under a 15-year, noncancelable lease agreement expiring 2002. The lease contains six renewal options of five years each. In addition, the company leases its store sites, selected computer and related equipment, and distribution center equipment under operating leases with original, noncancelable terms that in general range from three to fifteen years, expiring through 2009. Store leases typically contain provisions for two to three renewal options of five years each. Most store leases also provide for minimum annual rentals, with provisions for additional rent based on percentage of sales and for payment of certain expenses.

The aggregate future minimum annual lease payments under leases in effect at year-end 1994 are as follows:

(\$000)	Amounts
1995	\$ 80,618
1996	77,551
1997	71,181
1998	67,626
1999	63,387
Later years	188,413
Total	<u>\$548,776</u>

Total rent expense for all operating leases is as follows:

(\$000)	1994	1993	1992
Minimum rentals	\$76,593	\$70,856	\$65,329

Note E: Taxes on Earnings

The provision for taxes consists of the following:

(\$000)	1994	1993	1992
CURRENTLY PAYABLE			
Federal	\$18,987	\$14,885	\$14,342
State	4,638	3,995	3,660
	<u>23,625</u>	<u>18,880</u>	<u>18,002</u>
DEFERRED			
Federal	565	506	4,065
State	358	163	616
	<u>923</u>	<u>669</u>	<u>4,681</u>
	<u>\$24,548</u>	<u>\$19,549</u>	<u>\$22,683</u>

In 1994, 1993 and 1992, tax benefits of \$0.7 million, \$2.7 million and \$2.9 million related to stock options exercised and the vesting of restricted stock were credited to additional paid-in capital.

The provisions for income taxes for financial reporting purposes are different from the tax provision computed by applying the statutory federal income tax rate. The differences are reconciled as follows:

	1994	1993	1992
Federal income taxes at the statutory rate	35%	35%	34%
Increase in income taxes resulting from:			
State income taxes, net of federal benefit	5%	5%	5%
Other, net			1%
	<u>40%</u>	<u>40%</u>	<u>40%</u>

The components of the net deferred tax liability at year-end are as follows:

(\$000)	1994	1993
DEFERRED TAX ASSETS		
California franchise taxes	\$ 883	\$ 688
Inventory	207	203
Straight-line rent	3,206	2,737
Deferred compensation	3,873	2,625
Reserve for uninsured losses	1,455	1,615
Employee benefits	3,601	2,346
Other	1,748	1,230
	<u>14,973</u>	<u>11,444</u>
DEFERRED TAX LIABILITIES		
Depreciation	(15,393)	(11,382)
Prepaid expenses	(4,859)	(5,811)
Supplies	(1,380)	
Other	(42)	(29)
	<u>(21,674)</u>	<u>(17,222)</u>
NET DEFERRED TAX LIABILITIES	(\$ 6,701)	(\$ 5,778)

Note F: Insurance Proceeds

In March 1994, a section of the roof at the company's distribution center in Carlisle, Pennsylvania collapsed due to unusually heavy snow accumulation. In October 1994, the company entered into a settlement agreement with its insurance carrier for claims related to the impact on business that resulted from the roof collapse. This settlement included net proceeds of \$10.4 million for business interruption.

The company has available to certain employees a profit sharing retirement plan. Under the Plan, employee and company contributions and accumulated Plan earnings qualify for favorable tax treatment under Section 401(k) of the Internal Revenue Code. In 1987, the company adopted an Incentive Compensation Program, which provides cash awards to key management employees based on the company's and the individual's performance. In 1991, the company began offering an Executive Supplemental Retirement Plan, which allows eligible employees to purchase individual life insurance policies and/or annuity contracts. In 1993, the company made available to management a Nonqualified Deferred Compensation Plan which allows management to contribute on a pre-tax basis in addition to the 401(k) Plan. This Plan does not qualify under Section 401(k) of the Internal Revenue Code.

Note H: Stockholders' Equity

The company's Board of Directors declared dividends of \$.05 per common share in January, June, August and November 1994. In January 1995, a quarterly dividend payment of \$.06 per common share was declared by the Board of Directors, payable on or about April 3, 1995.

Preferred Stock. The company has four million shares of preferred stock authorized, with a par value of \$.01 per share. No preferred stock has been issued or outstanding during the past three years.

Common Stock. On February 4, 1993, the company announced that its Board of Directors approved a repurchase of up to one million shares of common stock. On November 17, 1993, the company announced that the Board extended the repurchase program and authorized the buyback of an additional one million shares. Approximately 1.2 million shares were repurchased at an average price of \$14.89 per share in 1993 and the remaining 820,000 shares were repurchased in 1994 at an average price of \$15.68 per share.

Stock Options. The company's Stock Option Plan allows for the granting of incentive and nonqualified stock options at prices not less than the fair market value of the common shares on the date the option is granted, and normally vest over a period not exceeding four years from the date of grant. Options under the Plan are exercisable upon grant, subject to the company's conditional right to repurchase unvested shares. The following is a summary of stock option activity under the Plan for 1994, 1993 and 1992.

(000)	Number of Shares	Average Price
Outstanding and exercisable at February 1, 1992	2,049	\$ 9.13
Granted	705	\$18.85
Exercised	(681)	\$ 8.47
Canceled	(57)	\$12.39
Outstanding and exercisable at January 30, 1993	2,016	\$12.67
Granted	584	\$18.49
Exercised	(185)	\$ 7.59
Canceled	(117)	\$16.04
Outstanding and exercisable at January 29, 1994	2,298	\$14.38
Granted	738	\$15.59
Exercised	(170)	\$ 8.49
Canceled	(91)	\$17.80
Outstanding and exercisable at January 28, 1995	2,775	\$14.95

At year-end 1994, 1993 and 1992, 1.1 million, 1.7 million and 2.2 million shares remained available for grant under the Plan.

Restricted Stock. During 1994, 1993 and 1992, the company awarded 278,000, 194,000, and 234,000 shares to certain employees under the Restricted Stock Plan, of which 8,000, 49,000 and 7,000 were subsequently canceled and returned to the share reserve. At year-end 1994, 1993 and 1992, 225,000, 495,000 and 640,000 shares remained available for grant under the Plan. The compensation associated with these awards is amortized over vesting periods of generally two to five years. At year-end 1994, 1993 and 1992, the unamortized compensation expense was \$4.7 million, \$4.8 million and \$5.1 million and was included in additional paid-in capital.

Employee Stock Purchase Plan. During 1994, employees purchased approximately 116,000 shares of the company's common stock through payroll deductions under the Employee Stock Purchase Plan. Through January 28, 1995, approximately 511,000 shares had been issued under this Plan, and 89,000 shares remained available for future issuance under the Plan.

Outside Directors Stock Option Plan. Under this Plan, stock options are to be granted at exercise prices not less than the fair market value of the common shares on the date the option is granted, and normally vest over a period not exceeding three years from the date of the grant. Through January 28, 1995, the company had granted options for approximately 97,000 shares at exercise prices ranging from \$8.63 to \$20.88 per share. During 1994, options for 11,000 shares were exercised at \$8.63 per share, and options for 3,000 shares were canceled and returned to the share reserve. At year-end 1994, 31,000 shares remained available for grants under the Plan, and options for 83,000 shares remained outstanding and exercisable.

Note I: Legal Proceedings

The company is party to various legal proceedings arising from normal business activities. In the opinion of management, resolution of these matters will not have a material adverse effect on the company's consolidated financial condition.

Note J: Quarterly Financial Data (Unaudited)

(\$000, except per share data)	13 Weeks Ended April 30, 1994	13 Weeks Ended July 30, 1994	13 Weeks Ended October 29, 1994	13 Weeks Ended January 28, 1995	52 Weeks Ended January 28, 1995
Sales	\$264,207	\$312,296	\$294,960	\$391,080	\$1,262,544
Gross margin, after occupancy	72,621	86,345	80,050	103,263	342,279
Net earnings	4,408	8,847	11,085<F1>	12,481	36,821
Net earnings per fully- diluted share	.18	.36	.45<F1>	.51	1.49
Dividends declared per share on common stock		.05	.05	.11<F2>	.21
Closing stock price<F3>					
High	17 1/2	17	17	14 3/8	17 1/2
Low	13 1/4	13 1/4	13 7/8	10 3/8	10 3/8

<FN>

<F1>Includes after-tax net insurance proceeds of \$6.247 million or \$.25 per share.

<F2>Includes \$.05 per share dividend declared November 1994 and a \$.06 per share dividend declared in January 1995.

<F3>Ross Stores, Inc. common stock trades on the NASDAQ National Market System (NMS) under the symbol ROST.

</FN>

(\$000, except per share data)	13 Weeks Ended May 1, 1993	13 Weeks Ended July 31, 1993	13 Weeks Ended October 30, 1993	13 Weeks Ended January 29, 1994	52 Weeks Ended January 29, 1994
Sales	\$239,552	\$275,965	\$262,244	\$344,272	\$1,122,033
Gross margin, after occupancy	67,368	75,045	71,498	93,378	307,288
Net earnings	3,594	8,153	4,786	12,791	29,324
Net earnings per fully- diluted share	.14	.31	.19	.51	1.14
Dividends declared per share on common stock				.05	.05
Closing stock price<F3>					
High	23 1/2	16 1/8	15 5/8	18	23 1/2
Low	15	12 7/8	13 1/8	12 5/8	12 5/8

<FN>

<F1> Includes after-tax net insurance proceeds of \$6.247 million or \$.25 per share.

<F2> Includes \$.05 per share dividend declared November 1994 and a \$.06 per share dividend declared in January 1995.

<F3> Ross Stores, Inc. common stock trades on the NASDAQ National Market System (NMS) under the symbol ROST.

</FN>

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying consolidated balance sheets of Ross Stores, Inc. and subsidiaries (the "company") as of January 28, 1995 and January 29, 1994, and the related consolidated statements of earnings, stockholders' equity, and cash flows for each of the three years in the period ended January 28, 1995. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the company as of January 28, 1995 and January 29, 1994, and the results of their operations and their cash flows for each of the three years in the period ended January 28, 1995 in conformity with generally accepted accounting principles.

DELOITTE & TOUCHE LLP
San Francisco, California

March 13, 1995

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON
ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

For information with respect to the executive officers of the Registrant, see "Executive Officers of the Registrant" at the end of Part I of this report. Information with respect to the Directors of the Registrant is incorporated herein by reference to the section entitled "Information Regarding Nominees and Incumbent Directors" of the Ross Stores, Inc. Proxy Statement for the Annual Meeting of Stockholders to be held on Thursday, May 25, 1995 (the "Proxy Statement").

ITEM 11. EXECUTIVE COMPENSATION

Incorporated herein by reference to the sections of the Proxy Statement entitled (i) "Compensation Committee Interlocks and Insider Participation"; (ii) "Compensation of Directors"; (iii) "Employment Contracts, Termination of Employment and Change-in-Control Arrangements"; and (iv) the following tables, and their footnotes, Summary Compensation, Option Grants in Last Fiscal Year and Aggregated Option Exercises and Year-End Value.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND
MANAGEMENT

Incorporated herein by reference to the section of the Proxy Statement entitled "Stock Ownership of Certain Beneficial Owners and Management".

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Incorporated herein by reference to the sections of the Proxy Statement entitled (i) "Compensation of Directors" and (ii) "Certain Transactions".

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENTS, SCHEDULES AND REPORTS ON FORM 8-K

- (a) The following financial statements, schedules and exhibits are filed as part of this report or are incorporated herein as indicated:

1. List of Financial Statements.

The following consolidated financial statements included herein as Item 8:

Consolidated Balance Sheets at January 28, 1995 and January 29, 1994.
 Consolidated Statements of Earnings for the years ended January 28, 1995, January 29, 1994 and January 30, 1993.
 Consolidated Statements of Stockholders' Equity for the years ended January 28, 1995, January 29, 1994 and January 30, 1993.
 Consolidated Statements of Cash Flows for the years ended January 28, 1995, January 29, 1994 and January 30, 1993.
 Notes to Consolidated Financial Statements.
 Independent Auditors' Report.

2. List of Financial Statement Schedules.

Schedules are omitted because they are not required, not applicable, or shown in the financial statements or notes thereto which are contained in this Report.

3. List of Exhibits (in accordance with Item 601 of Regulation S-K)

- 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 Bylaws, dated August 25, 1994, incorporated by reference to Exhibit 3.2 to the Form 10-Q filed by Ross Stores for its quarter ended July 30, 1994.
- 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 to the Form 8-B.
- 10.2 Revolving Credit Agreement, dated July 31, 1993, among Ross Stores, Wells Fargo Bank, National Association ("Wells Fargo"), Bank of America, N.T. & S.A., Nationsbank of Texas, N.A., and Banque Nationale de Paris ("Banks"); and Wells Fargo Bank as agent for Banks, incorporated by reference to Exhibit 10.17 to the Form 10-Q filed by Ross Stores for its quarter ended July 31, 1993.
- 10.3 First Amendment to Revolving Credit Agreement, effective on July 31, 1994, by and among Ross Stores, Banks and Wells Fargo Bank as agent for Banks, incorporated by reference to Exhibit 10.5 to the Form 10-Q filed by Ross Stores for its quarter ended July 30, 1994.
- 10.4 Credit Agreement, dated as of June 22, 1994, among Ross Stores, Bank of America National Trust and Savings Association as Agent, the Industrial Bank of Japan as Co-Agent and the other financial institutions party thereto, incorporated by reference to Exhibit 10.6 to the Form 10-Q filed by Ross Stores for its quarter ended July 30, 1994.

- Management Contracts and Compensatory Plans (Exhibits 10.5 - 10.15)
- 10.5 Ross Stores 1992 Stock Option Plan, incorporated by reference to Exhibit 19.1 to the Form 10-Q filed by Ross Stores for its quarter ended August 1, 1992.
- 10.6 Third Amended and Restated Ross Stores Employee Stock Purchase Plan, incorporated by reference to Exhibit 19.2 to the Form 10-Q filed by Ross Stores for its quarter ended August 1, 1992.
- 10.7 Third Amended and Restated Ross Stores 1988 Restricted Stock Plan, incorporated by reference to Exhibit 19.3 to the Form 10-Q filed by Ross Stores for its quarter ended August 1, 1992.
- 10.8 1991 Outside Directors Stock Option Plan, incorporated by reference to Exhibit 10.13 to the 1991 Form 10-K filed by Ross Stores for its year ended February 1, 1992.
- 10.9 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").
- 10.10 Third Amended and Restated Ross Stores Executive Supplemental Retirement Plan, incorporated by reference to Exhibit 10.14 to the 1993 Form 10-K.
- 10.11 Ross Stores Non-Qualified Deferred Compensation Plan, incorporated by reference to Exhibit 10.15 to the 1993 Form 10-K.
- 10.12 Ross Stores Incentive Compensation Plan, incorporated by reference to Exhibit 10.16 to the 1993 Form 10-K.
- 10.13 Employment Agreement between Ross Stores and Norman A. Ferber, effective as of June 8, 1994, incorporated by reference to Exhibit 10.15 to the Form 10-Q filed by Ross Stores for its quarter ended July 30, 1994.
- 10.14 Employment Agreement between Ross Stores and Melvin A. Wilmore, effective as of March 15, 1994 incorporated by reference to Exhibit 10.20 to the Form 10-Q filed by Ross Stores for its quarter ended April 30, 1994.
- 10.15 Consulting Agreement between Ross Stores and Stuart G. Moldaw, effective as of March 12, 1993, incorporated by reference to Exhibit 10.16 to the Form 10-Q filed by Ross Stores for its quarter ended July 31, 1993.
- 11 Statement re: Computation of Per Share Earnings.
- 23 Independent Auditors' Consent.
- 27 Financial Data Schedule (submitted for SEC use only).

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

ROSS STORES, INC.
(Registrant)

Date: April 24, 1995

By /s/Norman A. Ferber
(Norman A. Ferber, Chairman of the Board
and Chief Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/Norman A. Ferber Norman A. Ferber	Chairman, Chief Executive Officer and Director	April 24, 1995
/s/M. Wilmore Melvin A. Wilmore	President, Chief Operating Officer and Director	April 24, 1995
/s/Earl Benson Earl T. Benson	Senior Vice President, Chief Financial Officer and Secretary	April 24, 1995
/s/John M. Vuko John M. Vuko	Senior Vice President, Controller and Principal Accounting Officer	April 24, 1995
/s/Stuart G. Moldaw Stuart G. Moldaw	Chairman Emeritus, Director	April 24, 1995
/s/Donald G. Fisher Donald G. Fisher	Director	April 24, 1995
/s/G. Orban George P. Orban	Director	April 24, 1995
/s/Donald H. Seiler Donald H. Seiler	Director	April 24, 1995
/s/Philip Schlein Philip Schlein	Director	April 24, 1995
/s/D. L. Weaver Donna L. Weaver	Director	April 24, 1995

INDEX TO EXHIBITS

Exhibit Number	Exhibit
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 Bylaws, dated August 25, 1994, incorporated by reference to Exhibit 3.2 to the Form 10-Q filed by Ross Stores for its quarter ended July 30, 1994.
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 to the Form 8-B.
10.2	Revolving Credit Agreement, dated July 31, 1993, among Ross Stores, Wells Fargo Bank, National Association ("Wells Fargo"), Bank of America, N.T. & S.A., Nationsbank of Texas, N.A., and Banque Nationale de Paris ("Banks"); and Wells Fargo Bank as agent for Banks, incorporated by reference to Exhibit 10.17 to the Form 10-Q filed by Ross Stores for its quarter ended July 31, 1993.
10.3	First Amendment to Revolving Credit Agreement, effective on July 31, 1994, by and among Ross Stores, Banks and Wells Fargo Bank as agent for Banks, incorporated by reference to Exhibit 10.5 to the Form 10-Q filed by Ross Stores for its quarter ended July 30, 1994.
10.4	Credit Agreement, dated as of June 22, 1994, among Ross Stores, Bank of America National Trust and Savings Association as Agent, the Industrial Bank of Japan as Co-Agent and the other financial institutions party thereto, incorporated by reference to Exhibit 10.6 to the Form 10-Q filed by Ross Stores for its quarter ended July 30, 1994.
	Management Contracts and Compensatory Plans (Exhibits 10.5 - 10.15)
10.5	Ross Stores 1992 Stock Option Plan, incorporated by reference to Exhibit 19.1 to the Form 10-Q filed by Ross Stores for its quarter ended August 1, 1992.
10.6	Third Amended and Restated Ross Stores Employee Stock Purchase Plan, incorporated by reference to Exhibit 19.2 to the Form 10-Q filed by Ross Stores for its quarter ended August 1, 1992.
10.7	Third Amended and Restated Ross Stores 1988 Restricted Stock Plan, incorporated by reference to Exhibit 19.3 to the Form 10-Q filed by Ross Stores for its quarter ended August 1, 1992.
10.8	1991 Outside Directors Stock Option Plan, incorporated by reference to Exhibit 10.13 to the 1991 Form 10-K filed by Ross Stores for its year ended February 1, 1992.
10.9	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").
10.10	Third Amended and Restated Ross Stores Executive Supplemental Retirement Plan, incorporated by reference to Exhibit 10.14 to the 1993 Form 10-K.

32
Exhibit
Number

Exhibit

- 10.11 Ross Stores Non-Qualified Deferred Compensation Plan, incorporated by reference to Exhibit 10.15 to the 1993 Form 10-K.
- 10.12 Ross Stores Incentive Compensation Plan, incorporated by reference to Exhibit 10.16 to the 1993 Form 10-K.
- 10.13 Employment Agreement between Ross Stores and Norman A. Ferber, effective as of June 8, 1994, incorporated by reference to Exhibit 10.15 to the Form 10-Q filed by Ross Stores for its quarter ended July 30, 1994.
- 10.14 Employment Agreement between Ross Stores and Melvin A. Wilmore, effective as of March 15, 1994 incorporated by reference to Exhibit 10.20 to the Form 10-Q filed by Ross Stores for its quarter ended April 30, 1994.
- 10.15 Consulting Agreement between Ross Stores and Stuart G. Moldaw, effective as of March 12, 1993, incorporated by reference to Exhibit 10.16 to the Form 10-Q filed by Ross Stores for its quarter ended July 31, 1993.
- 11 Statement re: Computation of Per Share Earnings.
- 23 Independent Auditors' Consent.
- 27 Financial Data Schedule (submitted for SEC use only).

</TEXT>
</DOCUMENT>

EXHIBIT 11

STATEMENT RE: COMPUTATION OF PER SHARE EARNINGS

	Year Ended		
	January 28, 1995	January 29, 1994	January 30, 1993
	(In thousands, except per share amounts)		
Primary			
Net Earnings	\$36,821 =====	\$29,324 =====	\$34,024 =====
Weighted average shares outstanding:			
Common Shares	24,495	25,229	24,921
Common equivalent shares:			
Stock Options	212	486	762
Weighted average common and common equivalent shares outstanding, as adjusted	24,707 =====	25,715 =====	25,683 =====
Earnings per common and common equivalent share	\$1.49 =====	\$1.14 =====	\$1.32 =====
Fully Diluted			
Net Earnings	\$36,821 =====	\$29,324 =====	\$34,024 =====
Weighted average shares outstanding:			
Common shares	24,495	25,287	25,346
Common equivalent shares:			
Stock Options	228	504	903
Weighted average common and common equivalent shares outstanding, as adjusted	24,723 =====	25,791 =====	26,249 =====
Earnings per common and common equivalent share	\$1.49 =====	\$1.14 =====	\$1.30 =====

</TEXT>
</DOCUMENT>

EXHIBIT 23

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statement Nos. 33-51916, 33-51896, 33-51898, 33-41415, 33-41413 and 33-29600 of Ross Stores, Inc. on Form S-8 of our report dated March 13, 1995, appearing in this Annual Report on Form 10-K of Ross Stores, Inc. for the year ended January 28, 1995.

Deloitte & Touche LLP
San Francisco, California
April 18, 1995

</TEXT>
</DOCUMENT>

<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
CONDENSED CONSOLIDATED BALANCE SHEETS AND STATEMENTS OF EARNINGS FOR THE TWELVE
MONTHS ENDED JANUARY 28, 1995 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO
SUCH FINANCIAL STATEMENTS

</LEGEND>

<CIK> 0000745732

<NAME> ROSS STORES, INC.

<MULTIPLIER> 1,000

<PERIOD-TYPE>	12-MOS	
<FISCAL-YEAR-END>	JAN-28-1995	
<PERIOD-START>	JAN-30-1995	
<PERIOD-END>	JAN-28-1995	
<CASH>	23,581	
<SECURITIES>	0	
<RECEIVABLES>	5,360	
<ALLOWANCES>	0	
<INVENTORY>	275,183	
<CURRENT-ASSETS>	316,281	
<PP>	293,255	
<DEPRECIATION>	122,004	
<TOTAL-ASSETS>	506,241	
<CURRENT-LIABILITIES>	184,505	
<BONDS>	46,069	
<COMMON>	244	
<PREFERRED-MANDATORY>	0	
<PREFERRED>	0	
<OTHER-SE>	254,551	
<TOTAL-LIABILITY-AND-EQUITY>	506,241	
<SALES>	1,262,544	
<TOTAL-REVENUES>	1,262,544	
<CGS>	920,265	
<TOTAL-COSTS>	1,201,175	
<OTHER-EXPENSES>	0	
<LOSS-PROVISION>	0	
<INTEREST-EXPENSE>	3,528	
<INCOME-PRETAX>	61,369	
<INCOME-TAX>	24,548	
<INCOME-CONTINUING>	36,821	
<DISCONTINUED>	0	
<EXTRAORDINARY>	0	
<CHANGES>	0	
<NET-INCOME>	36,821	
<EPS-PRIMARY>	1.49	
<EPS-DILUTED>	1.49	

</TEXT>

</DOCUMENT>

Created by 10K Wizard www.10KWizard.com