



DOLLAR TREE STORES NAMED #3 HIGH PERFORMANCE RETAILER IN U.S.

DOLLAR TREE STORES NAMED #3 HIGH PERFORMANCE RETAILER IN U.S.

CHESAPEAKE, VA -- December 1, 1998 -- Dollar Tree Stores, Inc. (OTC:DLTR) the nation's leading "everything's a dollar" store, has been named as the number three 'high performance retailer' in the country by Chain Store Age magazine. Reaching more than 35,000 retail head office executives and shopping center developers, the publication is considered the voice of the national multi-store retail industry.

To attain high performance retailer status, a retailer must meet or exceed the median results for publicly traded retail companies in three categories -- compound revenue growth, compound earnings growth, and average return on assets -- as determined by Management Horizons, a consulting division of Pricewaterhouse Coopers LLP.

Coldwater Creek, a national catalog retailer targeting professional working women, was ranked number one. Bebe Stores, a California-based designer and retailer of contemporary women's apparel and accessories, came in at number two on the HPR list.

A total of 51 retailers made the HPR list including big box home improvement chain Home Depot at number 25, and upscale jeweler Tiffany & Co. at number 44.

Dollar Tree Stores showed a compound annual growth rate on revenue of 39.4% (compared to the industry average of 10.31%), compound annual earnings growth of 35% (compared to the industry average of 14.43%), and an annual average return on assets of 22.8% (compared to the industry average of 3.46%). At September 30, 1998, Dollar Tree had 1,054 stores with over 11,000 employees in 29 states.

Dollar Tree recently announced a sales increase of \$111.3 million for the first three quarters of 1998 and net earnings of \$11.5 million on sales of \$176.1 million for the quarter ended September 30, 1998. Year to date, sales in comparable stores were up by 6.8%. Figures for 1997 showed third quarter net earnings of \$8.7 million on sales of \$142.4 million.

Dollar Tree Stores was recently recognized in Equities magazine's 1998 Nasdaq 1000 Honor Roll. Of the 203 companies trading on the Nasdaq that showed improvement in four critical areas -- market value, assets, sales and net income -- Dollar Tree was one of only 14 that have been honored on the list for the past three consecutive years.

Earlier this year Dollar Tree was ranked at number 93 in the Top 100 of America's fastest growing companies by Fortune magazine. With a 58% earnings per share annual growth rate, Dollar Tree Stores was the only extreme value retailer to make the list.

On October 1, 1998 Dollar Tree was added to the Standard & Poors MidCap 400 Index. The S&P stock price Indexes are widely considered key barometers of stock market activity and performance benchmarks

for professional money managers. Approximately \$20 billion in corporate capitalization is indexed to the S&P MidCap 400 Index which also includes companies such as Office Max, Provident Financial and American Standard.