



## **DOLLAR TREE STORES, INC. ANNOUNCES APPROVAL OF MERGER BY STEP AHEAD SHAREHOLDERS**

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CHESAPEAKE, VA - December 10, 1998 - Dollar Tree Stores, Inc. (Nasdaq: DLTR) and privately-owned Step Ahead Investments, Inc., announced today that shareholders of Step Ahead have approved the merger of the two companies. Holders of 99.6% of the outstanding shares of Step Ahead voted in favor of the merger. Dollar Tree first announced this transaction on July 22, 1998.

As announced in an earlier press release on December 4, 1998, based on the average closing price of Dollar Tree common stock of \$45.3375 per share (calculated from November 25 through December 2), Dollar Tree will issue or reserve approximately 1.985 million shares for all of SAI's outstanding stock and options. Shareholders of Step Ahead can expect to receive 1.1212 shares of Dollar Tree common stock for each outstanding share of Step Ahead's common and preferred stock they own, subject to the terms and conditions of the merger agreement. Step Ahead shareholders will receive 90% of these shares immediately following the merger, and the remaining 10% of the shares will be placed in escrow for one year to secure Step Ahead's obligations to Dollar Tree.

Dollar Tree Stores, Inc. is a leading discount variety store chain offering a wide assortment of quality everyday general merchandise, in many traditional variety store categories, at the \$1.00 price point. Dollar Tree Stores operates 1,091 stores in 29 states as of November 30, 1998, having added 37 new stores since September 30, 1998, for a total of 208 new stores and four closed stores in 1998.

Step Ahead Investments, Inc., a privately-held corporation established in 1983, owns and operates 66 stores under the name "98¢ Clearance Centers." The stores offer variety merchandise at a fixed price of 98¢ or less and are located in northern and central California and northwestern Nevada.