

## **Value City Department Stores Reports First Quarter Operating Results**

Columbus, Ohio, June 12, 2002 /PRNewswire/ -- Value City Department Stores, Inc. (NYSE: VCD) today announced its consolidated financial results for the first quarter ended May 4, 2002.

- Net sales for the first quarter ended May 4, 2002 increased 10.5% to \$585.9 million from \$530.1 million for the quarter ended May 5, 2001.
- Comparable store sales did not change when compared to the same period last year.
- The net loss for the quarter was \$2.7 million, or \$0.08 per share on a diluted basis, compared to a net loss of \$7.8 million, or \$0.23 per share on a diluted basis last year.

At 4:00 p.m. EST, on June 12, 2002, the Company's management team will host a conference call to review the financial results. The conference call will be simultaneously broadcast over the Internet at [www.valuecity.com](http://www.valuecity.com). A replay will be available from 6:00 p.m. EST June 12, 2002 through July 12, 2002. To listen to the replay, dial 1-800-839-0860 and reference confirmation code number 1480.

Value City Department Stores, Inc. is a leading off-price retailer operating 117 full-line department stores in the Midwest, mid-Atlantic and southeastern U.S., 110 better-branded DSW Shoe Warehouse Stores in major metropolitan areas throughout the country and 21 Filene's Basement Stores.

SOURCE: Value City Department Stores, Inc.

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**VALUE CITY DEPARTMENT STORES, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Dollars in thousands)

	May 4, <u>2002</u> (Unaudited)	February 2, <u>2002</u>	May 5, <u>2001</u> (Unaudited)
<b>ASSETS</b>			
Cash and equivalents	\$ 22,838	\$ 35,915	\$ 48,757
Accounts receivable, net	13,095	6,650	45,526
Receivables from affiliates	1,476	905	1,742
Inventories	417,392	396,830	484,145
Prepaid expenses and other assets	15,037	15,741	25,955
Deferred income taxes	60,918	63,102	57,019
<b>Total current assets</b>	<b>530,756</b>	<b>519,143</b>	<b>663,144</b>
Property and equipment, net	238,942	244,644	248,375
Investment in joint venture	--	--	7,408
Goodwill	40,974	40,974	42,279
Tradenames, net	18,642	19,038	20,226
Other assets	55,771	56,512	45,423
<b>Total Assets</b>	<b>\$ 885,085</b>	<b>\$ 880,311</b>	<b>\$ 1,026,855</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Accounts payable	\$ 180,103	\$ 149,864	\$ 248,124
Accounts payable to affiliates	5,414	8,909	19,738
Accrued expenses	130,770	130,930	113,300
Current maturities of long-term obligations	709	665	562
<b>Total current liabilities</b>	<b>316,996</b>	<b>290,368</b>	<b>381,724</b>
Long-term obligations, net of current maturities	316,023	337,199	391,762
Deferred rent and other noncurrent liabilities	33,863	32,315	12,212
Shareholders' equity	218,203	220,429	241,157
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 885,085</b>	<b>\$ 880,311</b>	<b>\$ 1,026,855</b>

**VALUE CITY DEPARTMENT STORES, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Dollars in thousands, except per share amounts)  
(Unaudited)

	Thirteen Weeks Ended	
	May 4, 2002	May 5, 2001
Net sales, excluding sales of licensed departments	\$ 585,912	\$ 530,114
Cost of sales	362,725	328,221
Gross profit	223,187	201,893
Selling, general and administrative expenses	223,270	208,512
License fees from affiliates	889	2,112
Other operating income	1,273	495
Operating profit (loss)	2,079	(4,012)
Interest expense, net	6,338	8,436
Loss before equity in loss of joint venture and benefit for income taxes	(4,259)	(12,448)
Equity in loss of joint venture	--	(884)
Loss before benefit for income taxes	(4,259)	(13,332)
Benefit for income taxes	1,564	5,533
Net loss	\$ (2,695)	\$ (7,799)
Basic and diluted loss per share	\$ (0.08)	\$ (0.23)
Weighted average shares	33.8	33.5
Same store sales:		
Value City Department Stores	(1.3)%	(6.5)%
DSW Shoe Warehouse	1.4	2.4
Filene's Basement	4.9	18.9
Total	0.0%	(3.9)%
Store count at end of period:		
Value City Department Stores	117	119
DSW Shoe Warehouse	110	83
Filene's Basement	21	19
Total	248	221

SOURCE Value City Department Stores, Inc.