

Retail Ventures, Inc. Reports Third Quarter Operating Results

Columbus, Ohio, December 8, 2003 /Business Wire/ -- Retail Ventures, Inc. (NYSE: RVI) today announced its consolidated financial results for the third quarter ended November 1, 2003.

- Net sales for the third quarter ended November 1, 2003 increased 10.3% to \$680.6 million from \$617.0 million for the quarter ended November 2, 2002.
- Comparable store sales for the quarter increased 5.4% when compared to the same period last year.
- Operating profit for the quarter was \$12.3 million compared to a \$3.1 million profit for the prior year's quarter.
- The net income for the quarter was \$0.9 million, or \$0.03 per share on a diluted basis, compared to a net loss of \$3.5 million, or \$0.10 per share on a diluted basis last year.
- At 4:00 p.m. EST, on December 8, 2003, 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. A replay will be available from 6:00 p.m. EST December 8, 2003 through January 8, 2004. To listen to the replay, dial 1-800-839-0860 and reference confirmation code number 1266.

Retail Ventures, Inc., headquartered in Columbus, Ohio, is a leading off-price retailer with stores in 29 states in the Midwest, Northeast and Southeast. It currently operates 116 Value City Department Stores, 21 Filene's Basement Stores and 142 DSW stores.

SOURCE: Retail Ventures, Inc.

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RETAIL VENTURES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

	November 1, <u>2003</u> (Unaudited)	February 1, <u>2003</u>	November 2, <u>2002</u> (Unaudited)
ASSETS			
Cash and equivalents	\$ 8,529	\$ 11,059	\$ 30,626
Accounts receivable, net	8,163	10,666	18,423
Receivables from affiliates	1,012	933	533
Inventories	547,718	389,825	487,931
Prepaid expenses and other assets	22,337	19,354	19,278
Deferred income taxes	57,349	51,317	60,159
Total current assets	645,108	483,154	616,950
Property and equipment, net	241,042	233,452	238,180
Goodwill	37,619	37,619	37,619
Tradenames and other intangibles, net	44,627	47,583	48,579
Other assets	29,521	29,991	35,523
Total Assets	\$ 997,917	\$ 831,799	\$ 976,851
LIABILITIES AND SHAREHOLDERS' EQUITY			
Accounts payable	\$ 231,683	\$ 160,809	\$ 231,097
Accounts payable to affiliates	1,661	4,228	2,653
Accrued expenses	125,631	135,918	135,337
Current maturities of long-term obligations	799	809	782
Total current liabilities	359,774	301,764	369,869
Long-term obligations, net of current maturities	381,583	264,664	349,678
Other noncurrent liabilities	50,482	44,207	38,193
Shareholders' equity	206,078	221,164	219,111
Total Liabilities and Shareholders' Equity	\$ 997,917	\$ 831,799	\$ 976,851

RETAIL VENTURES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in thousands, except per share amounts)
(Unaudited)

	<u>Thirteen Weeks Ended</u>		<u>Thirty-nine Weeks Ended</u>	
	<u>November 1, 2003</u>	<u>November 2, 2002</u>	<u>November 1, 2003</u>	<u>November 2, 2002</u>
Net sales, excluding sales of licensed departments	\$ 680,639	\$ 616,990	\$ 1,873,765	\$ 1,771,964
Cost of sales	419,251	383,921	1,159,291	1,092,109
Gross profit	261,388	233,069	714,474	679,855
Selling, general and administrative expenses	250,575	231,241	717,491	673,855
License fees and other operating income	1,454	1,257	4,246	5,850
Operating profit	12,267	3,085	1,229	11,850
Interest expense, net	8,596	8,765	26,248	22,966
Income (loss) before (provision) benefit for income taxes and cumulative effect of accounting change	3,671	(5,680)	(25,019)	(11,116)
(Provision) benefit for income taxes	(2,770)	2,184	9,099	4,199
Income (loss) before cumulative effect of accounting change	901	(3,496)	(15,920)	(6,917)
Cumulative effect of accounting change, net of income taxes	--	--	--	(2,080)
Net Income (loss)	\$ 901	\$ (3,496)	\$ (15,920)	\$ (8,997)
Shares used in per share calculations:				
Basic	33,783	33,677	33,738	33,652
Diluted	34,173	33,677	33,738	33,652
Basic and diluted earnings (loss) per share:				
Income (loss) before cumulative effect of accounting change	\$ 0.03	\$ (0.10)	\$ (0.47)	\$ (0.21)
Cumulative effect of accounting change, net of income taxes	--	--	--	(0.06)
Basic and diluted earnings (loss) per share	\$ 0.03	\$ (0.10)	\$ (0.47)	\$ (0.27)
Same store sales:				
Value City Department Stores	2.3%	(7.2)%	(0.4)%	(4.9)%
DSW Shoe Warehouse	11.7	1.8	4.2	0.3
Filene's Basement	8.5	0.0	0.6	1.9
Total	5.4%	(4.6)%	0.9%	(3.0)%
Store count at end of period:				
Value City Department Stores			116	116
DSW Shoe Warehouse			137	124
Filene's Basement			21	20
Total			274	260

SOURCE: Retail Ventures, Inc.