

## **Retail Ventures, Inc. Reports Third Quarter Operating Results**

Columbus, Ohio, December 7, 2004 /PRNewswire/ -- Retail Ventures, Inc. (NYSE: RVI) today announced its consolidated financial results for the third quarter ended October 30, 2004.

- Net sales for the third quarter ended October 30, 2004 increased 2.8% to \$699.7 million from \$680.6 million for the quarter ended November 1, 2003.
- Comparable store sales for the quarter decreased 4.1% when compared to the same period last year.
- Operating profit for the quarter was \$8.4 million compared to a \$13.2 million profit for the prior year's quarter.
- The net loss for the quarter was \$0.9 million, or \$0.03 per share loss on a diluted basis, compared to a net profit of \$0.9 million, or \$0.03 per share profit on a diluted basis last year.
- At 8:00 a.m. EST, on December 8, 2004, 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.retailventuresinc.com](http://www.retailventuresinc.com). A replay will be available from 6:00 p.m. EST December 8, 2004 through January 8, 2005. To listen to the replay, dial 1-800-839-0860 and reference confirmation code number 8237.

Retail Ventures, Inc. is a leading off-price retailer operating 116 full-line department stores in the Midwest, mid-Atlantic and southeastern United States, 167 better-branded DSW Shoe Warehouse Stores in major metropolitan areas throughout the country and 25 Filene's Basement Stores. DSW also supplies, under supply arrangements, to 204 locations for other non-related retailers in the United States.

SOURCE: Retail Ventures, Inc.

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

	<u>October 30,</u> <u>2004</u>	<u>January 31,</u> <u>2004</u>	<u>November 1,</u> <u>2003</u>
<b>ASSETS</b>			
Cash and equivalents	\$ 17,666	\$ 14,226	\$ 8,529
Accounts receivable, net	13,135	8,969	8,163
Receivables from related parties	193	137	1,012
Inventories	584,832	420,338	547,718
Prepaid expenses and other assets	23,844	10,651	22,337
Deferred income taxes	52,120	44,933	57,349
<b>Total current assets</b>	<b>691,790</b>	<b>499,254</b>	<b>645,108</b>
Property and equipment, net	269,822	251,818	241,042
Goodwill	37,619	37,619	37,619
Tradenames and other intangibles, net	44,512	43,638	44,627
Other assets	34,295	31,616	29,521
<b>Total Assets</b>	<b>\$1,078,038</b>	<b>\$ 863,945</b>	<b>\$ 997,917</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Accounts payable	\$ 272,384	\$ 147,771	\$ 231,683
Accounts payable to related parties	5,178	3,335	1,661
Accrued expenses	129,285	112,550	125,631
Current maturities of long-term obligations	573	741	799
<b>Total current liabilities</b>	<b>407,420</b>	<b>264,397</b>	<b>359,774</b>
Long-term obligations, net of current maturities	388,021	326,940	381,583
Other noncurrent liabilities	66,504	55,841	50,482
Shareholders' equity	216,093	216,767	206,078
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$1,078,038</b>	<b>\$ 863,945</b>	<b>\$ 997,917</b>

**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>October 30,</u> <u>2004</u>	<u>November 1,</u> <u>2003</u>	<u>October 30,</u> <u>2004</u>	<u>November 1,</u> <u>2003</u>
Net sales, excluding sales of licensed departments	\$ 699,738	\$ 680,639	\$ 1,977,692	\$ 1,873,765
Cost of sales	(419,776)	(419,251)	(1,178,731)	(1,159,291)
Gross profit	279,962	261,388	798,961	714,474
Selling, general and administrative expenses	(273,560)	(249,597)	(777,025)	(714,516)
License fees and other income	1,950	1,454	5,073	4,246
Operating profit	8,352	13,245	27,009	4,204
Interest expense, net	(9,938)	(9,574)	(29,247)	(29,223)
(Loss) income before income taxes	(1,586)	3,671	(2,238)	(25,019)
Benefit (provision) for income taxes	646	(2,770)	911	9,099
Net (loss) income	\$ (940)	\$ 901	\$ (1,327)	\$ (15,920)
Weighted average shares outstanding:				
Basic	33,978	33,783	33,914	33,738
Diluted	33,978	34,173	33,914	33,738
Basic and diluted (loss) income per share:	\$ (0.03)	\$ 0.03	\$ (0.04)	\$ (0.47)
Same store sales:				
Value City Department Stores	(7.8)%	2.3%	(4.9)%	(0.4)%
DSW Shoe Warehouse	0.7	11.7	4.5	4.2
Filene's Basement	1.2	8.5	6.6	0.6
Total	(4.1)%	5.4%	(0.7)%	0.9%
Store count at end of period:				
Value City Department Stores			116	116
DSW Shoe Warehouse			167	137
Filene's Basement			25	21
Total			308	274

SOURCE: Retail Ventures, Inc.