BON-TON

The Bon-Ton Stores, Inc. Announces Three New Board Members

York, PA, January 3, 2003--The Bon-Ton Stores, Inc. (NASDAQ: BONT) today announced it has named Robert B. Bank, Shirley A. Dawe and Robert E. Salerno as members of its Board of Directors.

Robert B. Bank, 55, is president of Robert B. Bank Investment and Advisory Services, a private capital investment and consulting firm. Prior to establishing his own firm in 1982, Mr. Bank was principal and chief merchandising officer at Jos. A. Bank Clothiers. He also was a partner with Alex Brown Ventures Partners from 1985 to 1990. Mr. Bank serves on the board of directors of Nautica Enterprises, Inc. and is the chairman of the Executive Investment Committee of Associated Jewish Charities of Baltimore, Maryland. Mr. Bank is a graduate of Princeton University and Johns Hopkins University.

Shirley A. Dawe, 56, is president of Shirley Dawe Associates, Inc., a consulting group specializing in strategic planning, merchandise management and marketing. Prior to establishing her own firm, Ms. Dawe had a 15-year career from 1969 to 1984 with the Hudson's Bay Company where she rose to National General Manager responsible for the marketing, merchandising and procurement for six softgoods divisions. Currently, Ms. Dawe serves on the board of directors of National Bank of Canada, Oshkosh B'Gosh, Inc. and Henry Birks & Sons, Inc. Ms. Dawe studied at the University of British Columbia and McGill University.

Robert E. Salerno, 55, is currently a consultant. From 1996 to 1999, Mr. Salerno was a senior vice president at Bergdorf Goodman, responsible for all operational, financial and administrative functions. Additionally, from 1978 to 1995, he was a partner in the National Retail Consulting Group of Coopers & Lybrand. Mr. Salerno is a graduate of Clarkson University and Cornell University.

Tim Grumbacher, chairman of the board and chief executive officer, commented, "The addition of Ms. Dawe and Messrs. Bank and Salerno will further enhance The Bon-Ton's board of directors. I am particularly pleased to have individuals with such diverse business experience joining our board. Their backgrounds will provide valuable perspective and insight as The Bon-Ton faces strategic issues in this changing retail environment."

The Bon-Ton Stores, Inc. operates 73 department stores in targeted markets in Pennsylvania, New York, Maryland, New Jersey, Connecticut, Massachusetts, New Hampshire, Vermont and West Virginia. The stores carry a broad assortment of quality, brand-name fashion apparel and accessories for women, men and children, as well as distinctive home furnishings.