



Stein Mart, Inc. Reports December '05 and Year to Date Sales

JACKSONVILLE, Fla., Jan. 5 /PRNewswire-FirstCall/ -- Stein Mart, Inc. (Nasdaq: SMRT) today announced total sales and comparable store sales for the fiscal period(s) ended December 31, 2005, as follows (dollars in millions):

Fiscal Period:	Total Sales		Percent Change	
	2005	2004	Total Sales	Comparable Store Sales
December (5 weeks)	\$211.8	\$224.0	(-5.4%)	(-6.1%)
Quarter to date (9 weeks)	\$347.1	\$364.3	(-4.7%)	(-5.3%)
Year to date (48 weeks)	\$1,401.4	\$1,379.9	1.6%	0.3%

The best performing categories were ladies' career sportswear and men's sport clothing and furnishings. Geographically, the best results were in south Florida, east Texas and Arizona.

"December sales were below our expectations. Men's and ladies' apparel sales were basically flat to last year, when we achieved a 10.3% comparable store sales increase; apparel inventory is at an appropriate level to efficiently clear the remaining fall and holiday merchandise and to receive early spring assortments," commented Michael D. Fisher, president and chief executive officer. "However, December's results were most dramatically impacted by a double digit sales decrease in the home division due to significant reductions in the overall home and holiday decor inventories."

As previously noted, the home business (which includes linens and gifts) has lagged the Company's performance this year, and a new merchandise strategy is being deployed. Liquidation of phased-out merchandise has been underway this fall and, as a result, home division inventories decreased double-digits from last year's December levels. Delivery of merchandise and installation of fixtures reflecting the new home division strategy will be complete in the first quarter of 2006.

Management now anticipates comparable store sales for the fourth quarter to be down 5 - 6 percent to last year, which would produce earnings of \$0.36 - \$0.39 per share, as compared to last year's earnings of \$0.54 per share with an 8.0 percent increase in comparable store sales. For the current fiscal year, management expects earnings per share to be \$1.03 to \$1.06 compared to \$0.89 per share earned in fiscal 2004.

The Company operated 262 stores on December 31, 2005 as compared to 261 stores at the same time last year.

About Stein Mart

Stein Mart stores offer the fashion merchandise, service and presentation of a better department or specialty store, at prices competitive with off-price retail chains. Currently with locations from California to New York, Stein Mart's focused assortment of merchandise features moderate to designer brand-name apparel for women, men and young children, as well as accessories, gifts, linens and shoes.

SAFE HARBOR STATEMENT>>>>>>>Except for historical information contained herein, the statements in this release may be forward-looking, and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The Company does not assume any obligation to update or revise any forward-looking statements even if experience or future changes make it clear that projected results expressed or implied will not be realized. Forward-looking statements involve known and unknown risks and uncertainties that may cause Stein Mart's actual results in future periods to differ materially from forecasted or expected results. Those risks include, without limitation, on-going competition from other retailers, availability of new store sites at acceptable lease terms, ability to successfully implement strategies to exit or improve under-performing stores, changing preferences in apparel, changes in consumer spending due to current events and/or general economic conditions, the effectiveness of advertising, marketing and promotional strategies, adequate sources of merchandise at acceptable prices, disruption of the Company's distribution system, unanticipated weather conditions and unseasonable weather, acts of terrorism, the Company's ability to attract and retain qualified employees to support planned growth, and the other risks and uncertainties described in the Company's filings with the Securities and Exchange Commission.

Additional information about Stein Mart, Inc. can be found at <http://www.steinmart.com>

SOURCE: Stein Mart, Inc.

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