

Tuesday Morning Corporation Announces Fourth Quarter Sales

DALLAS, Jan. 4 /PRNewswire/ -- Tuesday Morning Corporation (Nasdaq: TUES), North America's largest operator of first quality deep-discount and closeout home furnishings and gift stores, today reported sales for its fourth quarter and year ended December 31, 2000. Sales for the quarter increased 13.5% to \$222.5 million compared to \$196.0 million in the corresponding period of the prior year. Comparable store sales increased 6.1% for the Company's sixth, seventh and eighth sale events, which began September 28, 2000 and ended December 30, 2000. This compares to a 10.3% comparable store sales increase achieved in the year-ago period.

Sales for the year increased 20% to \$586.9 million compared to \$488.9 million in 1999. Comparable store sales rose 9.0% for the year on top of a 13.3% gain in 1999.

Tuesday Morning Corporation operates the largest chain (currently 431 stores) of deep-discount closeout gift stores in North America. These stores open eight times a year for three-week to eight-week "events" during the retail industry's peak selling seasons. A broad variety of closeout items are available in such product categories as gifts, crystal, luggage, linens, toys, and seasonal items. The Company specializes in famous-maker, first-quality merchandise, which is often found in prestigious department and specialty stores. Such merchandise is sold by Tuesday Morning at prices 50%-80% below traditional retail levels. SOURCE Tuesday Morning Corporation

CONTACT: Mark E. Jarvis, Chief Financial Officer of Tuesday Morning Corporation, 972-387-3562; Laurey Peat of Laurey Peat & Associates, 214-871-8787, for Tuesday Morning Corporation; Investors - Betsy Brod or Suzanne Rosenberg, Press - Michael McMullan or Stacy Roth, all of Morgen-Walke

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding Tuesday Morning Corporation's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report or Form 10-K for the most recently ended fiscal year.