

Tuesday Morning Corporation Reports 128% Increase in First Quarter Profits

DALLAS, April 25 /PRNewswire/ -- Tuesday Morning Corporation (Nasdaq: TUES), North America's largest operator of deep-discount closeout home furnishings and gift stores, today reported a 128% improvement in its first quarter 2000 profit compared to last year's pro forma results.

The Company reported net income of \$2.3 million (\$0.06 per share) for the quarter ended March 31, 2000, versus \$1.0 million (\$0.03 per share) on a pro forma basis for 1999. Net sales grew 26% during the quarter from \$71.8 million to \$90.5 million. Comparable store sales increased 15.1% for the quarter.

"During the first quarter our customers continued to respond to our high quality merchandise, which featured decorative home accessories, lamps, rugs and other items for the home. We are very pleased with the sales for the quarter and the increase in the company's profitability," stated Jerry M. Smith, president and ceo.

Tuesday Morning Corporation operates the largest chain (currently 405 stores) of deep-discount closeout home furnishings and gift stores in North America. These stores open eight times a year for four-week to six-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.

Tuesday Morning Corporation common shares are traded on Nasdaq's National Market System under the symbol "TUES".

This press release contains forward-looking statements, which are made pursuant to the "safe harbor" provisions of the Private Securities Litigation Act of 1995. Actual results may differ substantially from such forward- looking statements. Forward-looking statements involve risks and uncertainties including, but not limited to, continued acceptance of the Company's products in the marketplace, the success of new store openings and the availability of new store locations, competitive factors, access to merchandise in a variety of foreign countries, economic trends, and other risks detailed in the Company's periodic report filings with the Securities and Exchange Commission. SOURCE Tuesday Morning Corporation

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"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.