

Fact Sheet CORPORATE GOVERNANCE

California Public Employees' Retirement System • 400 Q Street • Sacramento, California 95814

CalPERS 2007 Focus List Company At-A-Glance

Dollar Tree Stores, Inc. (DLTR) – Chesapeake, Virginia

Dollar Tree Stores operates discount variety stores in the United States. The company offers consumable merchandise including candy and food, health and beauty care products, frozen and refrigerated food, and miscellaneous household consumables.

Market Capitalization: \$3.5 billion

CalPERS' Holdings: \$26.5 million (.8% of outstanding shares)

Total Return Performance for Selected Periods Ending 02/28/2007

Time period ending 2/28/2007	Dollar Tree Stores Inc.	S&P Composite 1500	Relative to S&P 1500 Index	Multiline Retail S&P Industry Peer Index	Relative to Peer Index
5 years	6.46%	43.42%	-36.96%	81.64%	-75.18%
3 years	10.39%	31.62%	-21.23%	53.24%	-42.85%
1 year	24.40%	11.62%	12.78%	28.02%	-3.62%

Source: FactSet

The Problems:

- Dollar Tree's stock has underperformed relative to its industry peer index over the 1, 3 and 5 year time periods ending February 28th.
- Lack of board accountability – The company would not agree to seek shareowner approval to remove the company's classified or "staggered" board structure.
- Would not agree to seek shareowner approval to remove the supermajority voting requirements that pertain to the articles of incorporation and bylaws.
- Limited shareowner rights – Would not agree to grant shareowners the right to call special meetings or act by written consent.
- Would not agree to implement "double triggers" on equity payouts so that during a change in control, unvested equity would convert to the new company (without termination).

CalPERS 2007 Shareowner Proposal:

CalPERS seeks to remove the company's supermajority voting requirements that pertain to the articles and bylaws.