



**FOR IMMEDIATE RELEASE**

## **DUCKWALL-ALCO STORES REPORTS JUNE SALES RESULTS**

**Abilene, Kan. (July 9, 2009)** - Duckwall-ALCO Stores, Inc. (Nasdaq: DUCK) today announced that sales from continuing operations for the most recent fiscal five week period ending July 5, 2009 decreased 3.4% to \$48.0 million compared to \$49.8 million in the prior-year. Same-store sales were down 4.3%.

Sales year-to-date increased 5.4% to \$204.6 million compared to prior-year sales of \$194.2 million, and same-store sales increased 2.2%.

Larry Zigerelli, President and Chief Executive Officer, commented, "Despite soft sales performance, due primarily to unseasonably cool weather for the month of June, all elements of our strategic turnaround program that began last fall remain on track. Gross margin and SG&A progress continues ahead of plan and inventory on seasonal products is now selling through. We remain confident in same-store sales progress near term."

### **About Duckwall-ALCO Stores, Inc.**

Duckwall-ALCO Stores, Inc. is a regional broad line retailer that specializes in meeting the needs of smaller, underserved communities across 23 states, primarily in the central United States. The Company offers an exceptional selection of quality products and recognized brand names at reasonable prices. Its specialty is delivering those products with the friendly, personal service its customers have come to expect. With 258 stores, Duckwall-ALCO Stores is proud to have continually provided excellent products at good value prices to its customers for 108 years. To learn more about Duckwall-ALCO Stores, Inc. visit [www.ALCOstores.com](http://www.ALCOstores.com).

### **Forward-looking statements**

This press release contains forward-looking statements, as referenced in the Private Securities Litigation Reform Act of 1995 ("the Act"). Any forward-looking statements are made by the Company in good faith, pursuant to the safe-harbor provisions of the Act. These forward-looking statements reflect management's current views and projections regarding economic conditions, retail industry environments, and Company performance. Factors which could significantly change results include but are not limited to: sales performance, expense levels, competitive activity, interest rates, changes in the Company's financial condition, and factors affecting the retail category in general. Additional information regarding these and other factors may be included in the Company's 10-Q filings and other public documents, copies of which are available from the Company on request and are available from the United States Securities and Exchange Commission.

###

**For more information, contact:**

**Donny R. Johnson**

**Executive Vice President - Chief Financial Officer**

**785-263-3350 X164**

**email: [djohnson@ALCOstores.com](mailto:djohnson@ALCOstores.com)**

**or**

**Debbie Hagen**

**Hagen and Partners**

**913-652-6547**

**email: [dhagen@hagenandpartners.com](mailto:dhagen@hagenandpartners.com)**