

August 2005

BIG LOTS, INC.
AMENDED AND RESTATED AUDIT COMMITTEE CHARTER

The Audit Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Big Lots, Inc. (the “Company”) to assist the Board in fulfilling its oversight responsibility relating to (1) the integrity of the Company’s financial statements and financial reporting process and the Company’s systems of internal accounting and financial controls, (2) the compliance by the Company with legal and regulatory requirements, including the Company’s disclosure controls and procedures, (3) the annual independent audit of the Company’s financial statements, the engagement of the independent auditor and the evaluation of the independent auditor’s qualifications, independence and performance, (4) the performance of the Company’s internal audit services function, (5) the evaluation of enterprise risk issues, and (6) the fulfillment of the other responsibilities set out herein.

Composition

The Committee shall be comprised of three members and shall meet the independence and experience requirements of the New York Stock Exchange and the Securities Exchange Commission, as such requirements are interpreted by the Board in its business judgment. The members of the Committee shall be appointed annually by the Board on the recommendation of the Nominating/Corporate Governance Committee. The Board shall designate one member of the Committee as its chairperson. Committee members may be replaced by the Board. Each member will be “financially literate” (or will become so within a reasonable time after his or her appointment to the Committee), and the chairperson of the Committee shall have “accounting or related financial management expertise,” as such qualifications are interpreted by the Board in its business judgment.

No director may serve as a member of the Committee if such director serves on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Committee. No member of the Committee may receive any compensation from the Company other than directors’ fees.

Authority

The Committee shall have the sole authority to appoint or replace the Company’s independent auditor (subject, if applicable, to shareholder ratification), and shall approve all audit engagement fees (and other fees paid in connection with any non-audit services) and terms of all significant non-audit engagements with the Company’s independent auditor. The Committee shall consult with management but shall not delegate these responsibilities.

The Committee shall approve guidelines for the retention of the Company’s independent auditor for any non-audit service and the fee for such service and shall determine procedures for the approval of audit and non-audit services in advance. The Committee shall, in accordance

with such procedures, approve in advance any audit or non-audit service provided to the Company by the Company's independent auditor, all as required by applicable law or listing standards.

The Committee may request any officer or employee of the Company, the Company's outside counsel, independent auditor, or internal auditor (or internal audit service provider) to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Committee shall meet with management, the independent auditor and the internal audit service provider in separate executive sessions at least quarterly.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing audit reports or performing other audit, review or attest services for the Company and to any advisors employed by the Committee, as well as funding for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee is empowered to retain persons having special competence (including special legal counsel, accounting or other consultants) as necessary to assist the Committee in fulfilling its responsibility, and may meet with the Company's investment bankers or financial analysts who follow the Company. The Committee shall have full authority to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company.

The Committee shall instruct the Company's independent auditor that the independent auditor is ultimately accountable to the Board and the Committee, as representatives of the Company's shareholders.

Meetings/Attendance

The Committee is to meet at least quarterly, and as many times as the Committee deems necessary. Meetings may be by telephone. Members of the Committee are to participate in all meetings. An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting.

Communication/Reporting

The Committee members are expected to maintain free and open communication with the Company's independent auditor, members of management and the internal audit service provider. This communication shall include private sessions with each of these parties. Furthermore, the Committee shall provide sufficient opportunity for the Company's independent auditor to meet with others in the Company as appropriate without members of management present.

Minutes of each meeting are to be prepared and sent to Committee members and the Company's Directors who are not members of the Committee. Copies are to be provided to the Company's independent auditor as well as the Company's Chief Financial Officer.

The Committee shall make regular reports to the Board. The Committee shall review with the full Board any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditors, or the performance of the internal audit function.

Responsibilities

The Committee is to serve as a focal point for communication between the Company's Directors who are not members of the Committee, the Company's independent auditor, and members of management, as their duties relate to financial accounting, reporting and controls. The Committee is to assist the Board in fulfilling its fiduciary responsibilities as to accounting policies and reporting practices of the Company, its subsidiaries and affiliates, and the sufficiency of auditing relative thereto. It is to be the Board's principal agent in ensuring the independence of the Company's independent auditor, the integrity of management and the adequacy of disclosures to shareholders. The opportunity for the independent auditor to meet with the entire Board as needed is not to be restricted, however.

The Committee shall rely on the expertise and knowledge of the Company's members of management and the Company's independent auditor in carrying out its oversight responsibilities. Management of the Company is responsible for determining the Company's financial statements are complete, accurate, and in accordance with generally accepted accounting principles ("GAAP"). The Company's independent auditor is responsible for auditing the Company's financial statements. It is not the duty of the Committee to plan or conduct audits, to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with GAAP or to assure compliance with applicable rules and regulations.

The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Specific Duties

At least quarterly, the Committee is to:

(1) Meet to review and discuss with members of management and the Company's independent auditor the Company's quarterly financial statements prior to the filing of its Form 10-Q, including the results of the Company's independent auditor's review of the quarterly financial statements and the disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

(2) Discuss with members of management and the Company's independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's quarterly financial statements, including any significant changes in the

Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls (including any special audit steps adopted in light of material control deficiencies), the development, selection and disclosure of critical accounting estimates, and analysis of the affect of alternative assumptions, estimates or GAAP methods on the Company's financial statements.

(3) Discuss with members of management the Company's earnings press releases, including the use of "proforma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies.

(4) Receive periodic reports from the Company's independent auditor regarding their independence, discuss such reports with them, consider whether the provision of non-audit services is compatible with maintaining the independent auditor's independence and, if so determined by the Committee, recommend that the Board take appropriate action to satisfy itself of the independence of the Company's independent auditor.

(5) Review with members of management and the Company's independent auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.

(6) Meet with the Chief Financial Officer, the Company's independent auditor and the Company's internal auditor (or internal audit service provider) in separate sessions, without management present.

(7) Review with the Company's General Counsel legal or other matters that may have a material impact on the financial statements, the Company's compliance policies (including compliance with the Company's Code of Business Conduct & Ethics) and any material reports or inquiries received from regulators or governmental agencies.

(8) Discuss with members of management all certifications required under Section 302 of the Sarbanes-Oxley Act of 2002.

(9) Review with the Chief Executive Officer, the Chief Financial Officer and the General Counsel the Company's disclosure controls and procedures and review management's conclusions about the effectiveness of such disclosure controls and procedures, including any significant deficiencies in, or material non-compliance with, such controls and procedures.

(10) Review with members of management and the Company's independent auditor the effect of new or proposed regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company's financial statements and other public disclosures.

At least annually, the Committee is to:

(1) Meet with the Company's independent auditor and internal auditor (or internal audit service provider) prior to their respective audits to review the overall scope and plans for the

respective audits, the adequacy of staffing (including experience and qualifications of senior members) and other factors that may affect the effectiveness and timeliness of such audits. The Committee shall discuss with members of management, the internal auditor (or internal audit service provider) and the Company's independent auditor the Company's major risk exposures (whether financial, operating or otherwise), including the steps management has taken to monitor and control such exposures, management of the Company's legal compliance programs and other considerations that may be relevant to their respective audits. The Committee shall review with members of management and the Company's independent auditor management's annual internal control report, including any attestation of the same by the Company's independent auditor and the adequacy and effectiveness of the Company's accounting and financial controls. Members of management and the internal auditor (or internal audit service provider) shall report periodically to the Committee regarding any significant deficiencies in the design or operation of the Company's internal controls, material weaknesses in internal controls and any fraud (regardless of materiality) involving persons having a significant role in the internal controls, as well as any significant changes in internal controls implemented by management during the most recent reporting period of the Company.

(2) Discuss with the Company's independent auditor and members of management the internal audit responsibilities, budget and staffing (whether internal or outsourced) and any recommended changes in the planned scope of the internal audit. If the internal audit services are outsourced, the Committee shall be responsible for the engagement, evaluation and termination of the internal audit service provider and shall approve fees paid to the internal audit service provider. As part of its responsibility to evaluate any internal audit service provider, the Committee shall review the quality control procedures applicable to the service provider. The Committee shall also obtain a report of the service provider addressing such service provider's internal control procedures, issues raised by their most recent internal quality control review or by any inquiry or investigation by governmental or professional authorities for the preceding five years and the response of such service provider.

(3) Meet to review and discuss the annual audited financial statements, with members of management and the Company's independent auditor, including disclosures made under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K. When conducting its review, the Committee shall discuss with members of management and the Company's independent auditor their judgments about the quality, not just acceptability, of accounting principles, the reasonableness of significant judgments, the clarity of the disclosures in the financial statements and the adequacy of internal controls.

(4) Discuss with members of management and the Company's independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's annual financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls, the development, selection and disclosure of critical accounting estimates, analysis of the affect of alternative assumptions, estimates or GAAP methods on the Company's financial statements, and a description of any transactions as to which management

obtained Statement on Auditing Standards No. 50 (Reports on the Application of Accounting Principles) letters.

(5) Discuss with the Company's independent auditor and internal audit service provider, if any, any consultations they held with their respective national offices regarding accounting or auditing issues.

(6) Obtain from the Company's independent auditor assurance that Section 10A of the Securities Exchange Act of 1934, regarding illegal acts, has not been implicated.

(7) Discuss with the Company's independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees) relating to the conduct of the audit. In particular, and without limitation, discuss:

(a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Company's independent auditor for management.

(b) The management letter provided by the Company's independent auditor and the Company's response to that letter.

(c) Any difficulties encountered in the course of the audit work and management's response, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

(8) Obtain and review a report from the Company's independent auditor regarding (a) the auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the Company's independent auditor and the Company. Evaluate the qualifications, performance and independence of the Company's independent auditor, including whether the Company's independent auditor's internal quality-controls are adequate and its provision of non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and the Company's internal auditor (or internal audit service provider). Review and evaluate the performance of the lead partner of the Company's independent auditor assigned to the Company. The Committee shall present its conclusions to the Board and, if so determined by the Committee, recommend that the Board take additional action to satisfy itself of the qualifications, performance and independence of the auditor.

(9) Obtain and review any other material written communications (or summaries thereof) between the Company's independent auditor and management and all relevant reports (or summaries thereof) rendered by the Company's independent auditor.

(10) Consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the lead audit partner or even the Company's independent auditing firm itself on a regular basis.

(11) Obtain and review a summary of the Company's transactions with Directors and officers of the Company and with firms that employ Directors, as well as any other material related party transactions.

(12) Prepare the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement.

(13) Review the Company's independent auditor's attestation and report on management's internal control report required under Section 404(b) of the Sarbanes-Oxley Act of 2002.

As required, the Committee is to:

(1) Review with members of management and the Company's independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures, if any, on the Company's financial statements.

(2) Meet periodically with members of management to review major financial risk exposures of the Company identified by management, if any, and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

(3) Set policies and guidelines for the Company's hiring of employees or former employees of the Company's independent auditor who were engaged on the Company's account.

(4) The Committee shall also carry out such other duties that may be delegated to it by the Board from time to time.

Performance Evaluation

The Committee shall produce and provide to the Board an annual performance self-evaluation of the Committee, which evaluation shall compare the performance of the Committee with the requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation shall also recommend to the Board, for its approval, any improvements to the Committee's charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Committee or any other member of the Committee designated by the Committee to make this report.