



Jeff Davis

CHIEF FINANCIAL OFFICER

Dollar Tree, Inc.



Improving Sales
Productivity &
Enhancing
Margins

Larry Gatta



Extending the
Multi-Price
Journey

Rick McNeely



Operate with
Excellence &
Accelerate
Growth

Mike Creedon



Developing
Technology
and Supply
Chain

Mike Kindy
Bobby Aflatooni



Adding It
All Up:
\$10+ EPS FY26

Jeff Davis

Right Team | Right Time



Adding It All Up: \$10+ EPS FY26

Q2 &
FY23 Outlook

Substantial Sales &
Profit Growth

Healthy Balance Sheet
& Strong Free
Cash Flow Generation

3-Year Targets

Highly Attractive Investment with Runway Beyond 2026



Re-Affirming FY2023 Outlook¹

PERIOD 4 COMP SALES 'ON TRACK' WITH Q2 OUTLOOK

	<u>Q2</u>	<u>Fiscal Year</u>
Sales – Enterprise	\$7.0B – \$7.2B	\$30.0B – \$30.5B
• Comp Sales – Enterprise	MSD	LSD – MSD
• Comp Sales – Dollar Tree	MSD	LSD – MSD
• Comp Sales – Family Dollar	MSD	MSD
• Selling Square Footage Growth		3.0% to 3.5%
Depreciation		\$845M – \$850M
Net Interest Expense	~\$28M	~\$110M
Effective Tax Rate	24.1% – 24.3%	23.9% – 24.1%
Diluted Earnings per Share	\$0.79 – \$0.89	\$5.73 – \$6.13 ²
Capital Expenditures		~\$2.0B



1. As announced in the Dollar Tree, Inc. earnings release dated May 25, 2023

2. Includes \$30M (or \$0.12 per diluted share) of costs for Q1 2023 accrual related to previously disclosed legal proceedings with our West Memphis, Arkansas distribution center

Adding It All Up: \$10+ EPS FY26

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FY23 Outlook

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- Reaffirm FY23 Outlook

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Early Actions are Delivering Results

FORTIFY THE BASE

- Wage Investments
- Store and DC Labor
- Store Repairs & Maintenance
- Supply Chain Infrastructure
- IT Infrastructure

STRATEGIC INITIATIVES

Dollar Tree

- Break the Dollar
- Multi-Price Acceleration

Family Dollar

- Price Parity
- Merchandising Excellence

Store Operations

- Market Refresh
- Store Standards (G.O.L.D)

Building Capabilities

- IT, Supply Chain, People

YIELDING EARLY RESULTS

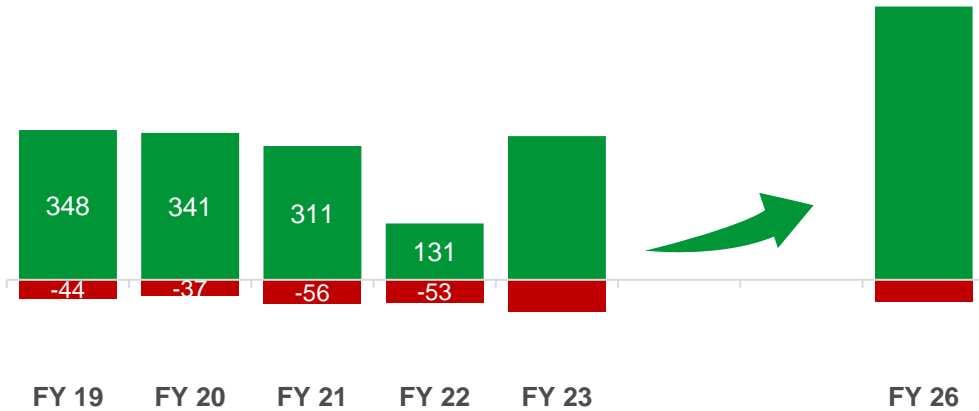
- ✓ Meaningful Comp Sales Acceleration
 - Dollar Tree
 - Family Dollar
- ✓ Attractive Traffic Trends
- ✓ Gaining Market Share
- ✓ Improving In-Stocks
- ✓ Reducing Employee Turnover
- ✓ Enhancing Store Standards



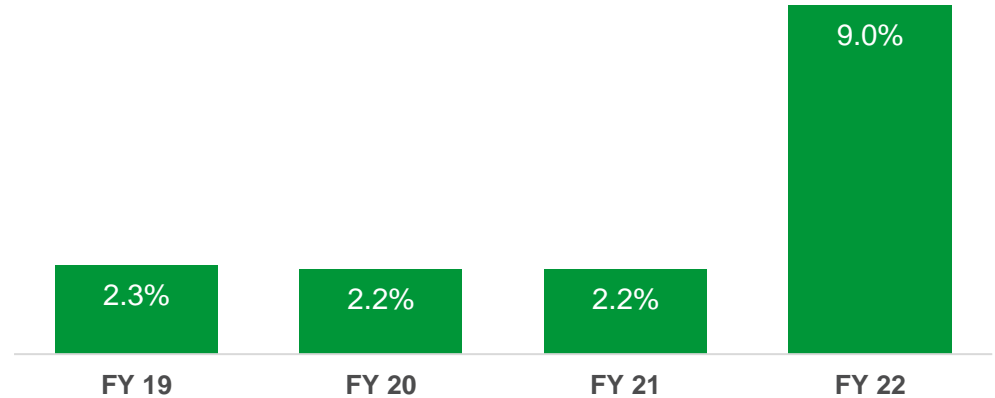
'Clear Path Forward' Delivers Productive Store Growth

DOLLAR TREE SEGMENT

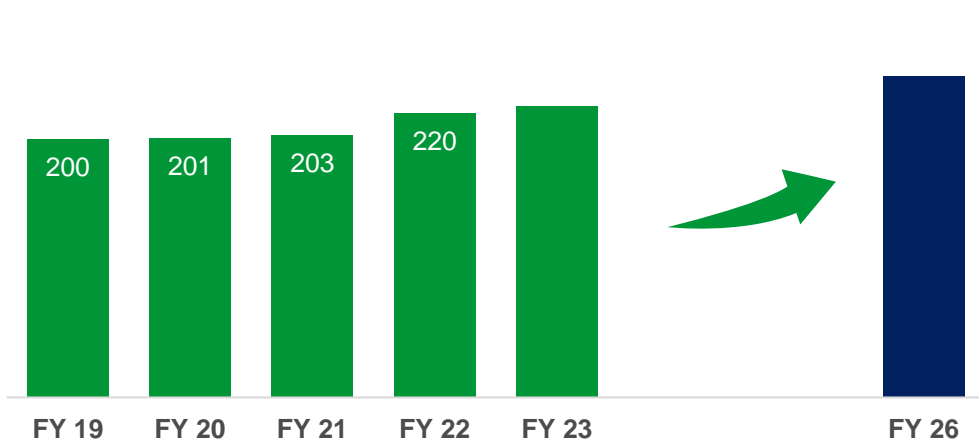
Net New Store Expansion



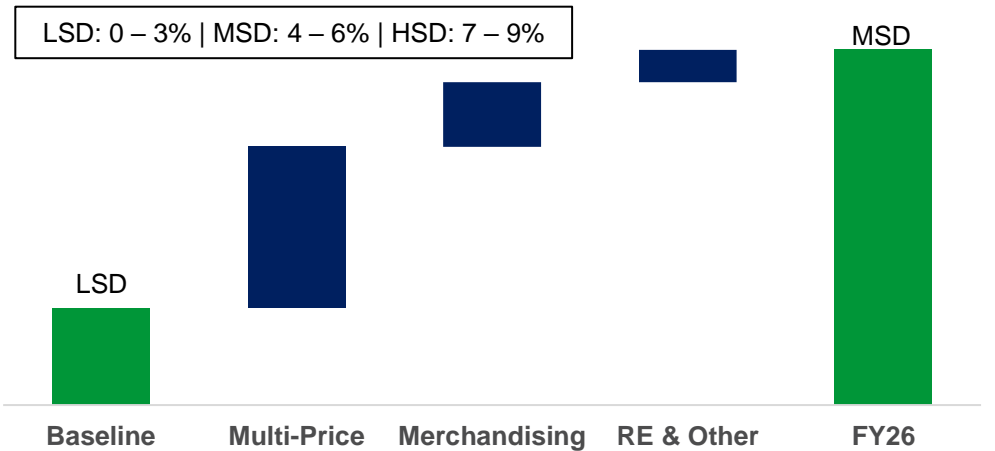
Historic Comp Sales Growth (2019)



Sales Per Selling Square Foot



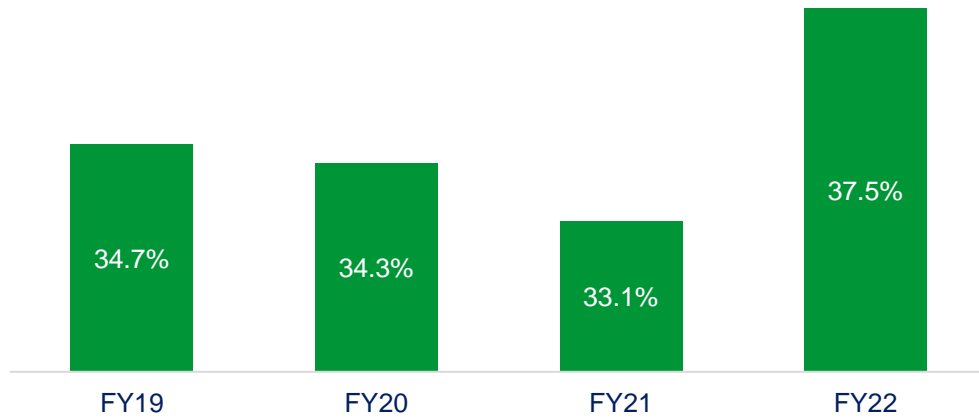
Key Drivers: Forward Comp Sales Growth



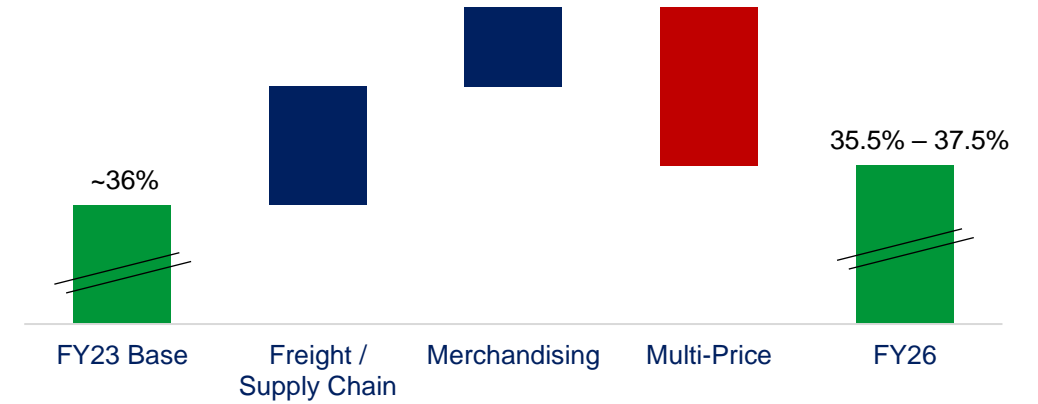
'Clear Path Forward' Delivers Margin Stability while Expanding Dollars

DOLLAR TREE SEGMENT

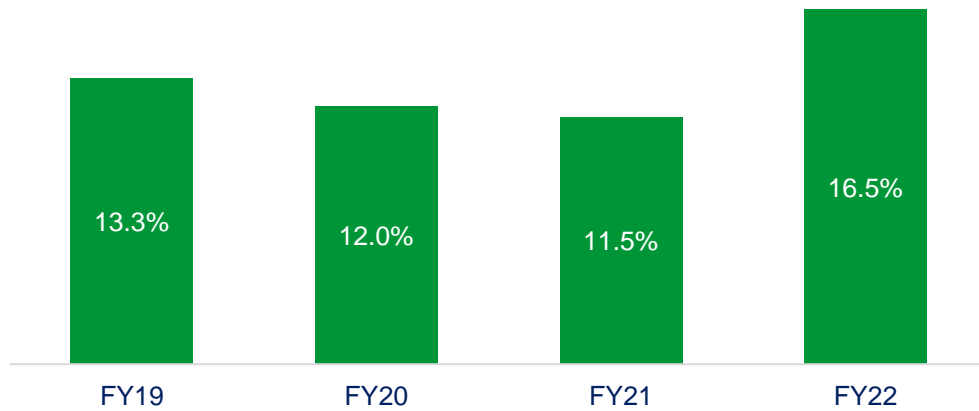
Gross Margin



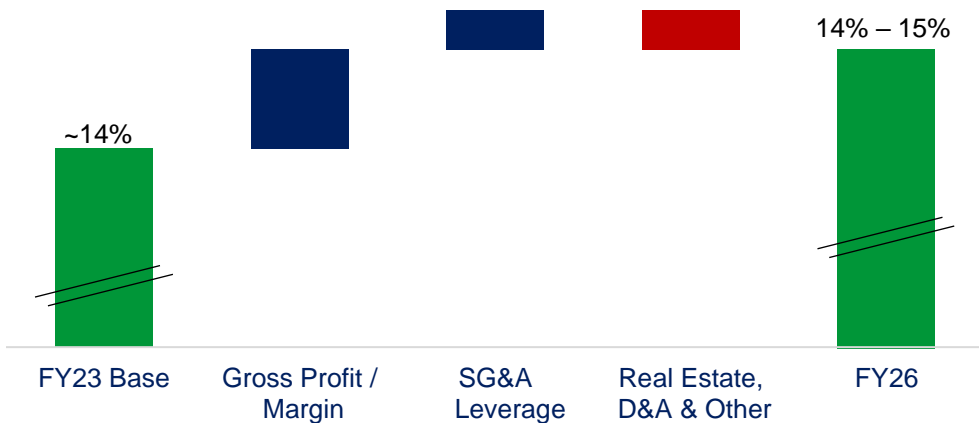
Key Drivers: Forward Gross Margin



Operating Margin



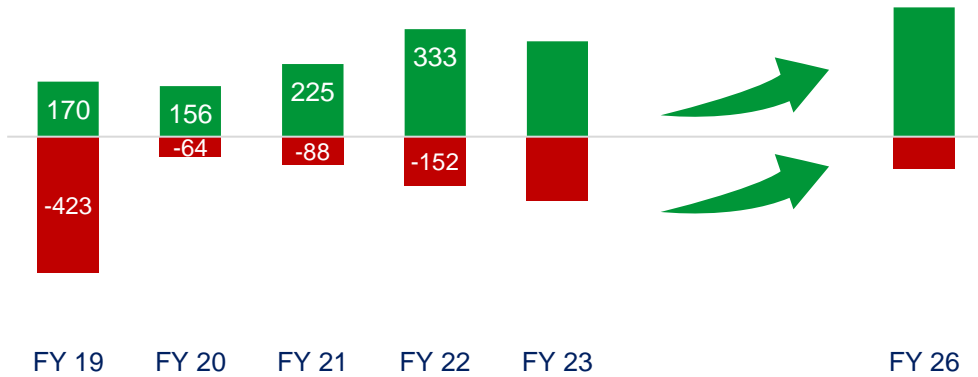
Key Drivers: Forward Operating Margin



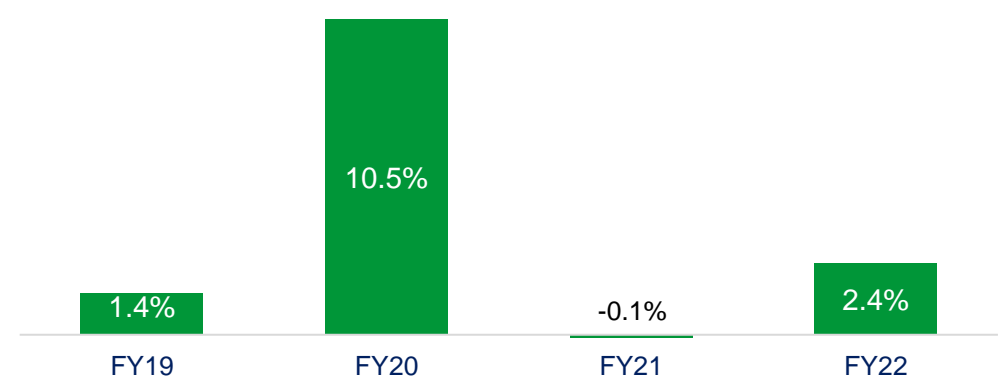
'Clear Path Forward' Delivers Productive Store Growth

FAMILY DOLLAR SEGMENT

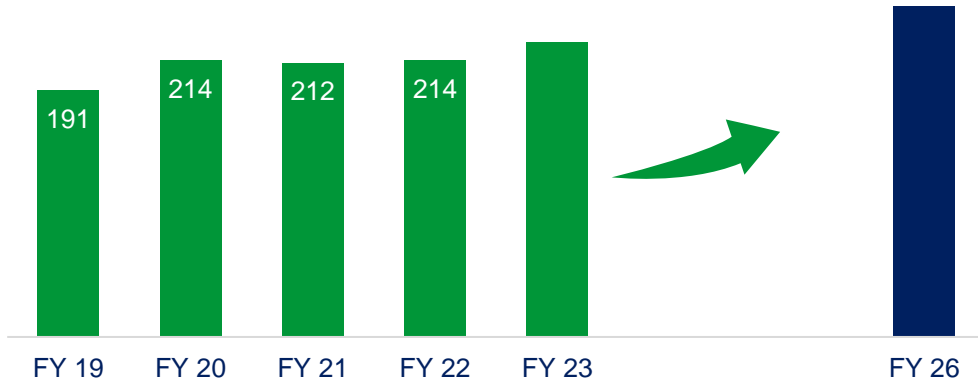
Net New Store Expansion



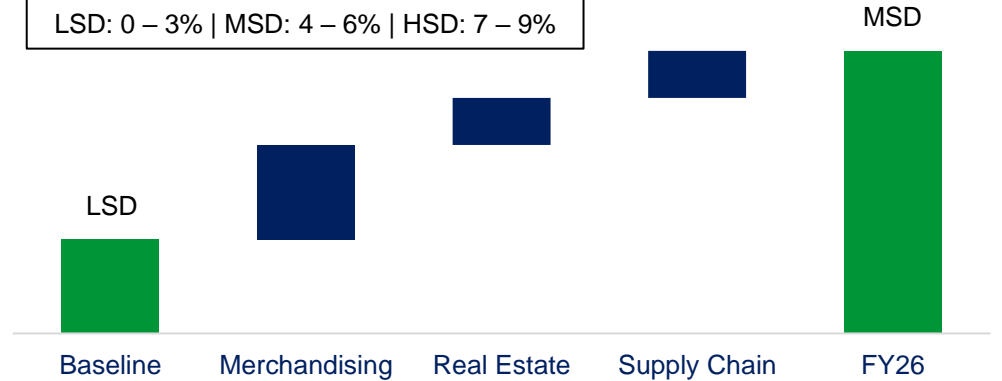
Historic Comp Sales Growth



Sales Per Selling Square Foot



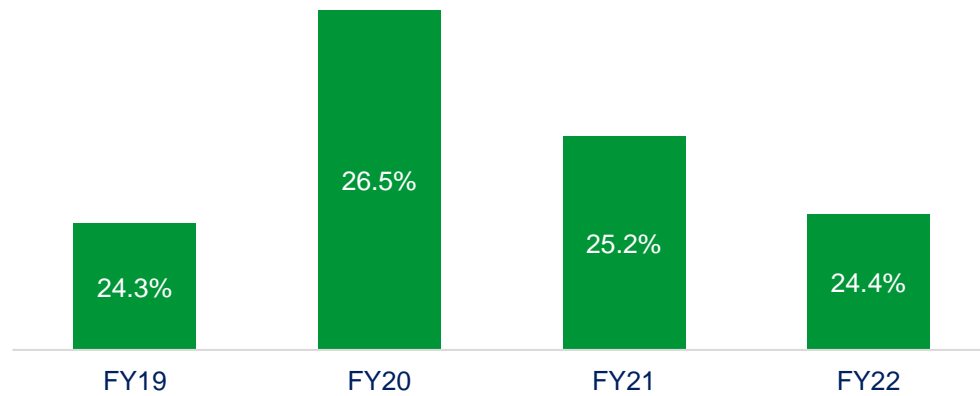
Key Drivers: Forward Comp Sales Growth



'Clear Path Forward' Delivers Margin Expansion and Dollar Growth

FAMILY DOLLAR SEGMENT

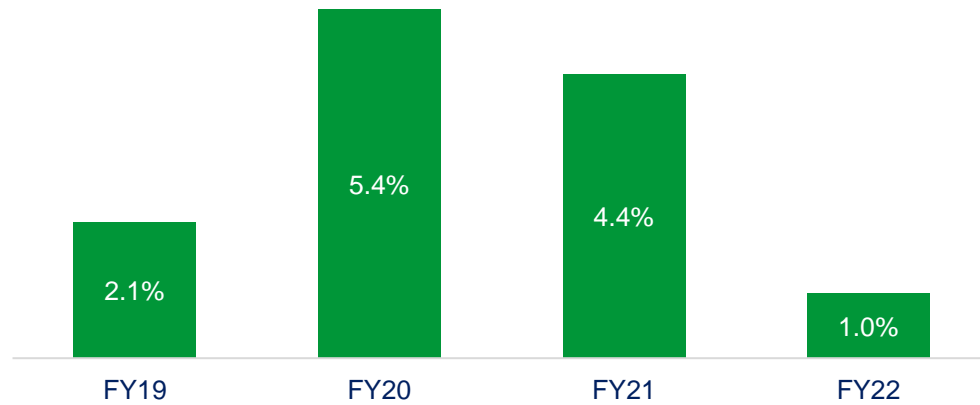
Gross Margin



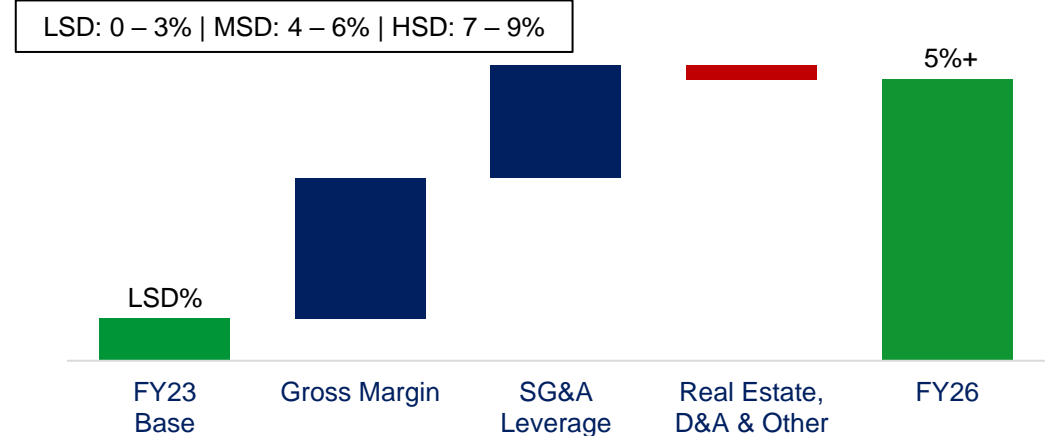
Key Drivers: Forward Gross Margin



Operating Margin*



Key Drivers: Forward Operating Margin



* Excludes goodwill impairment

Adding It All Up: \$10+ EPS FY26

Q2 & FY23 Outlook

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- Reaffirm FY23 Outlook

Substantial Sales & Profit Growth

- Net New Stores
- Comp Store
- Sales Productivity
- Gross Margin
- Operating Margin

Healthy Balance Sheet & Strong Free Cash Flow Generation

3-Year Targets

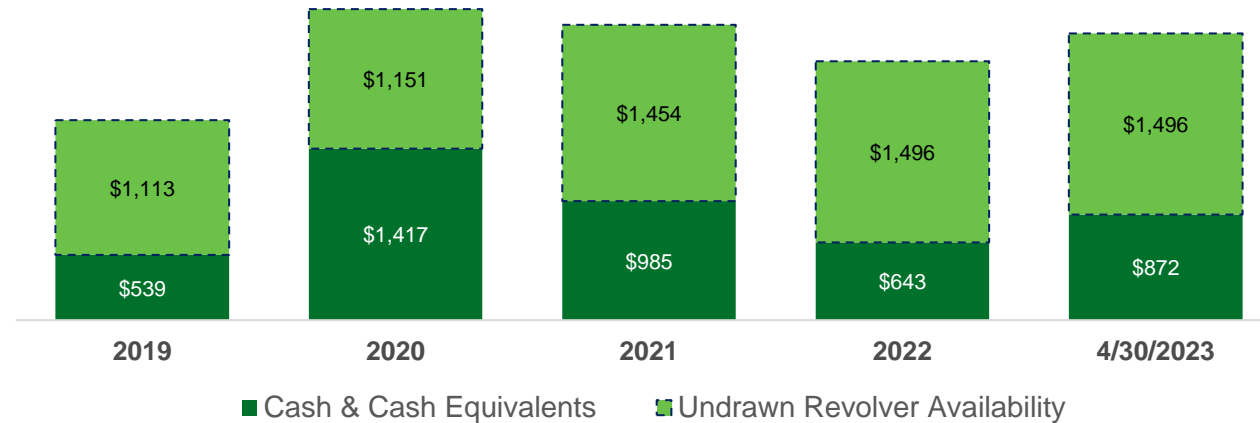
Highly Attractive Investment with Runway Beyond 2026



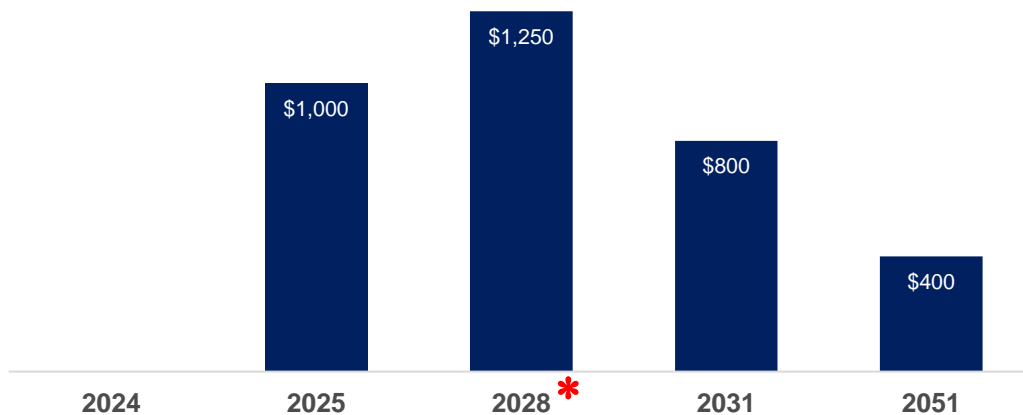
Financial Strength

LOW LEVERAGE WITH SUBSTANTIAL ACCESS TO LIQUIDITY | MANAGEABLE DEBT MATURITIES

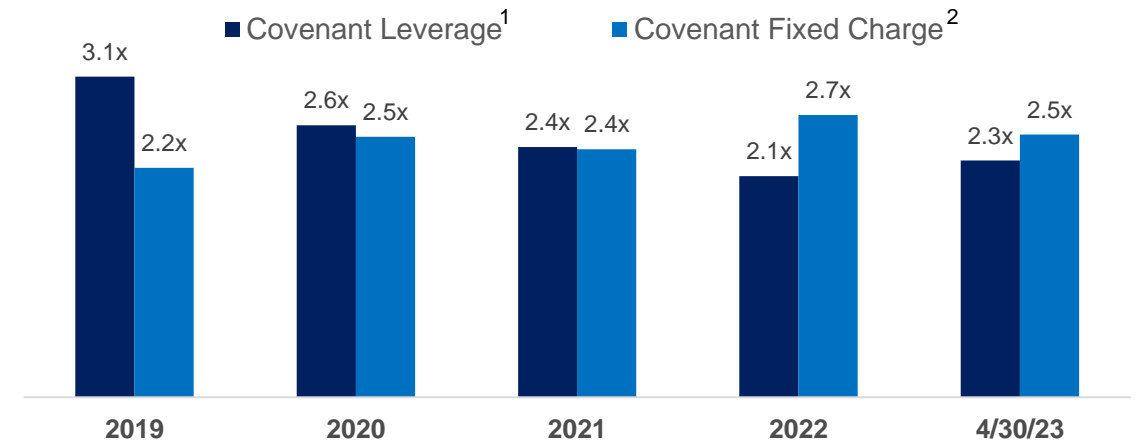
Liquidity



Senior Note Maturity Schedule



Leverage & Fixed Charge Ratio



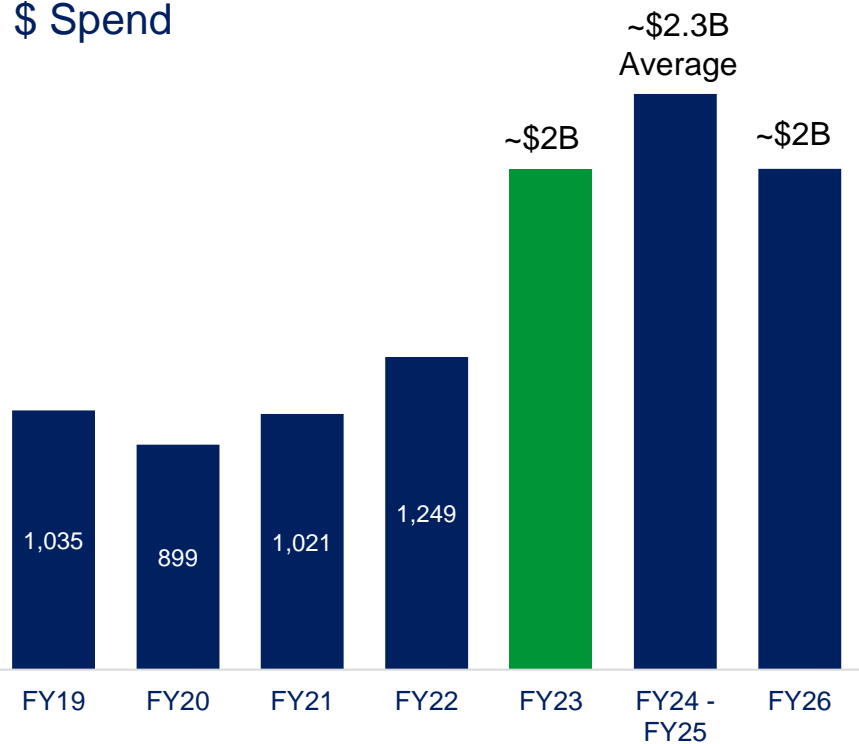
1. Consolidated Total Debt divided Consolidated EBITDAR as defined under our Credit Agreement dated December 8, 2021
 2. Consolidated EBITDAR divided by Consolidated Fixed Charges

*Corrected: Slide as originally presented during live presentation reflected maturity date of \$1.25B 2028 Senior Notes as 2026

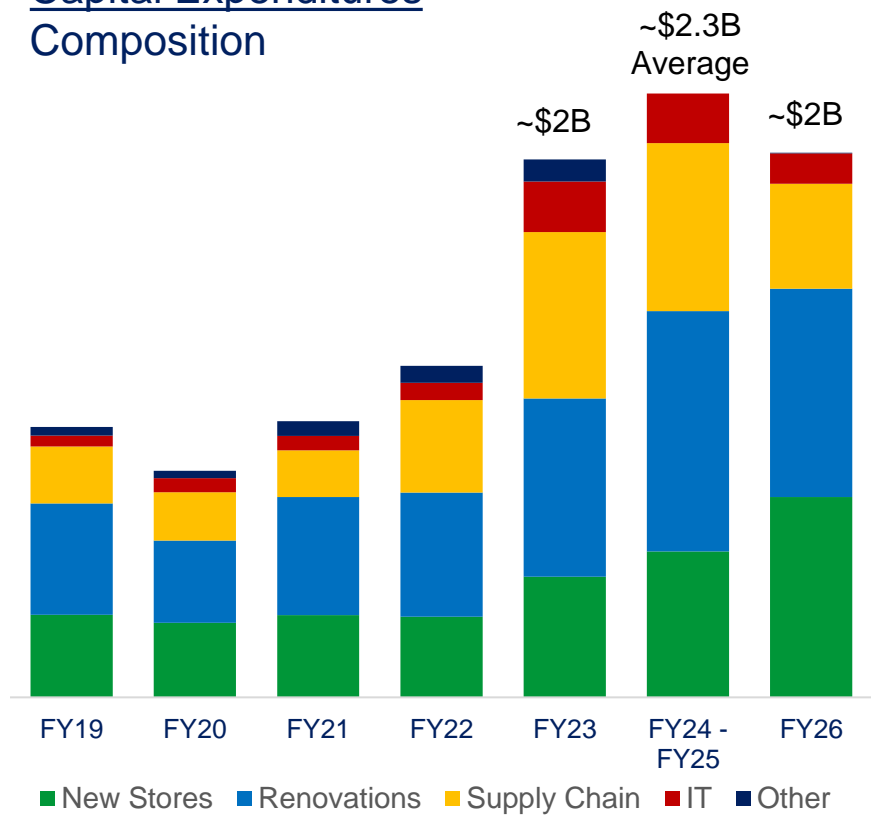
Business Investments Remain Elevated

POST FY26 EXPECT TO MODERATE TO MORE EFFICIENT MAINTENANCE LEVEL
UNLOCKING WORKING CAPITAL TO HELP FUND ELEVATED SPEND

Capital Expenditures
\$ Spend



Capital Expenditures
Composition

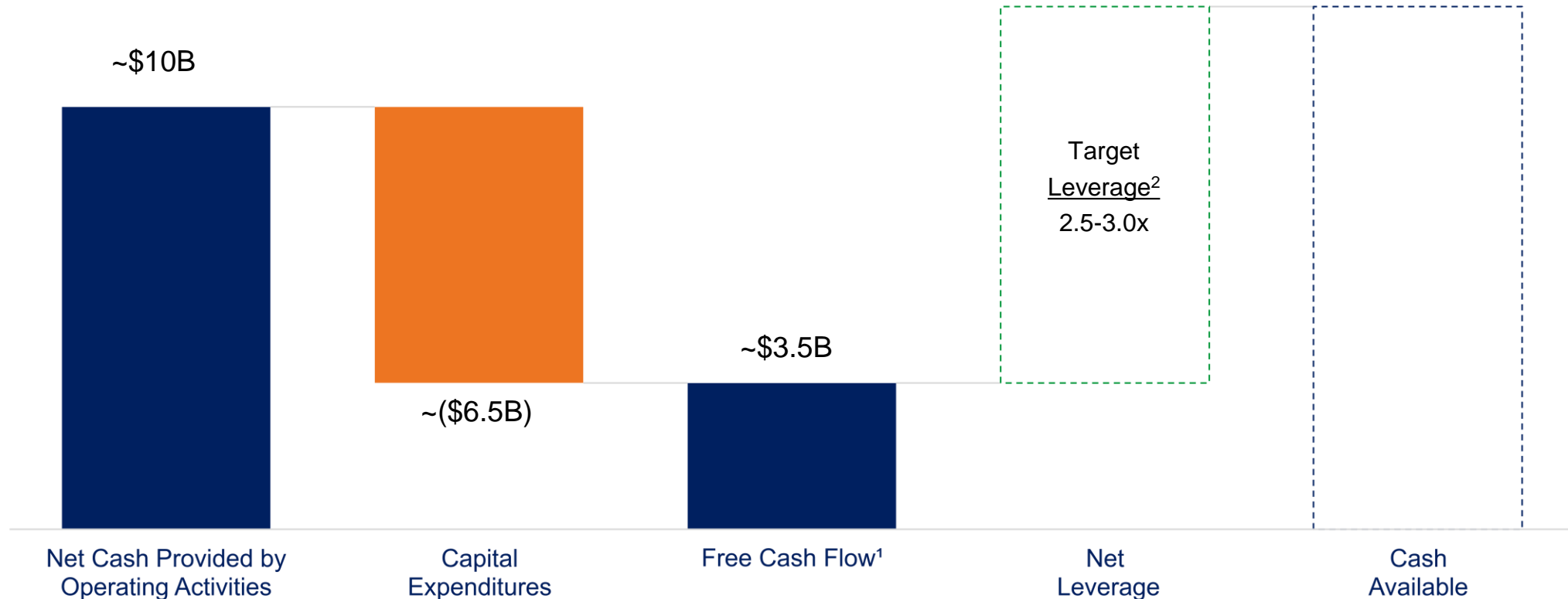


- FY '26+
Continued reduction:
- Renovations
 - Supply Chain
 - Information Technology

Cash Available for Capital Allocation (FY24 – FY26)

SIGNIFICANT FREE CASH FLOW GENERATION

ADDITIONAL CASH AVAILABLE THROUGH DEBT ISSUANCE WHILE MAINTAINING BBB DEBT RATING



1. Free cash flow is a non-GAAP financial measure and may not represent the amount of cash flow available for general discretionary use, because it excludes non-discretionary expenditures, such as mandatory debt repayments and required settlements of recorded and/or contingent liabilities not reflected in cash flow from operations

2. Consolidated Total Debt divided by Consolidated EBITDAR as defined under our existing Credit Agreement dated December 8, 2021

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- Ample Liquidity
- Manageable Debt Maturities
- Solid IG Rating

3-Year Targets

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Three-Year Targets

FISCAL 2026

FISCAL 2026

Net New Store Growth

- Dollar Tree
- Family Dollar

MSD%
LSD – MSD%

Comp Store Growth

- Dollar Tree
- Family Dollar

MSD%
MSD%

Gross Margin

- Dollar Tree
- Family Dollar

35.5% – 37.5%
26% – 28%

Operating Profit Margin

- Dollar Tree
- Family Dollar
- Store Support Center

14% – 15%
5%+
(1.5%) – (1.7%)

EPS¹

\$10+

Capital Expenditures

~\$2.0B

Free Cash Flow (Cumulative: FY24-FY26)

~\$3.5B



1.Excludes any share repurchases; Assumes no additional leverage



Additional Runway Beyond 2026

- FY26 only reflects partial realization of latent potential across both banners
- Additional runway exists beyond 2026:
 - ✓ Continued iteration of Dollar Tree multi-price and continued Family Dollar transformation likely provides at least several years of above-trend comp sales growth
 - ✓ Continued impact beyond 2026 from many initiatives supporting both banners, most notably in Supply Chain and IT, which are not fully completed or realized
 - ✓ Meaningful remaining whitespace provides long runway of store growth within existing concepts
 - ✓ Additional potential for experimentation with new formats and markets



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- Manageable Debt Maturities
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3-Year Targets (FY26E)

- New Store Growth
- Comp Sales
- Gross Margin
- Operating Margin
- EPS
- CAPEX
- Free Cash Flow

Highly Attractive Investment with Runway Beyond 2026





Key Takeaways

ADDING IT ALL UP

- Compelling merchandising strategies and other enabling initiatives drive accelerated sales productivity across Dollar Tree and Family Dollar segments
- Accelerating Gross Profit dollar expansion
- Significant improvements in operating efficiency delivered through Store Operations and Supply Chain
- Family Dollar achieves mid single-digit Operating Margin
- 'Clear Path Forward' delivers \$10+ EPS in 2026 with additional prospect to deliver continued growth
- Meaningful Working Capital improvements support core business investments in high-return projects
- Healthy balance sheet with capacity to issue additional leverage
- Substantial cash available for disciplined capital allocation over next 3 years

Next Level

OUR CLEAR PATH FORWARD