

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 2, 2022



DOLLAR TREE, INC.

(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction of incorporation)

0-25464
(Commission File Number)

26-2018846
(IRS Employer Identification No.)

500 Volvo Parkway
Chesapeake, Virginia
(Address of principal executive offices)

23320
(Zip Code)

(757) 321-5000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading symbol(s) | Name of each exchange on which registered |
|---|-------------------|---|
| Common Stock, par value \$.01 per share | DLTR | NASDAQ Global Select Market |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

Today, March 2, 2022, Dollar Tree, Inc. ("the Company") issued a press release reporting its fiscal 2021 fourth quarter sales and earnings results and announcing that it will hold a publicly available telephone conference call to discuss these results. A copy of the press release is attached to this Form 8-K as Exhibit 99.1 and is incorporated herein by this reference. In connection with the issuance of the press release, the Company is making the following additional disclosure:

On February 11, 2022, the U.S. Food and Drug Administration ("FDA") issued Form 483 observations primarily regarding rodent infestation at the Company's West Memphis, Arkansas distribution center ("DC 202"), as well as other items that require remediation. In connection therewith, the Company initiated a voluntary retail-level product recall of FDA and U.S. Department of Agriculture-regulated products stored and shipped from DC 202 from January 1, 2021 through February 18, 2022 (the "Recall"), temporarily closed DC 202 for extensive cleaning, temporarily closed the affected stores to permit the removal and destruction of inventory subject to the Recall, ceased sales of relevant inventory subject to the Recall, committed to the FDA to continue to cease the shipment of FDA-regulated products from DC 202 until FDA approval is received, and initiated corrective actions at DC 202 intended to ensure that these issues will not recur when shipment of FDA-regulated products recommences. The Company is taking this matter extremely seriously, and is responding to all observations made in the Form 483. The Company is cooperating fully with the FDA, and intends to cooperate fully with any other applicable regulatory body. The Company recorded total charges of approximately \$34.1 million in the fourth quarter of its 2021 fiscal year in connection with the Recall, primarily attributable to inventory markdowns and related costs. The circumstances leading to the Recall (and/or the Recall itself) has had and may have other negative impacts, which could include reputational damage, lost sales, further or additional governmental investigations and/or enforcement actions, private litigation (see below) and/or further diversion of management attention, which could have a material adverse effect, individually or collectively, on the Company's business, results of operations and/or financial condition.

On February 22, 2022, a proposed class action complaint was filed in Arkansas state court, alleging various causes of action on behalf of the citizens of Arkansas who purchased "contaminated products" covered by the Recall from January 1, 2021 through the date of such Recall. Plaintiffs seek restitution, disgorgement, damages, attorney fees, costs and expenses, punitive damages and such further relief (in each case in unspecified amounts), as the Court deems just and proper.

On February 23, 2022, a proposed class action complaint was filed in Mississippi federal court alleging various causes of action related to the sale of products that may be contaminated by virtue of a rodent infestation and other unsanitary conditions in stores throughout Mississippi, Arkansas, Louisiana, Alabama, Missouri and Tennessee. Plaintiffs seek damages, attorney fees and costs, punitive damages and the replacement of, or refund of money paid to purchase the relevant products, and any other legal relief available for their claims (in each case in unspecified amounts), including equitable and injunctive relief.

On February 25, 2022, a proposed class action complaint was filed in Virginia federal court, on behalf of all persons who purchased products subject to the Recall (with a subclass for all persons residing in the State of Tennessee who purchased products subject to the Recall), alleging breach of the implied warranty of merchantability and unjust enrichment. Plaintiffs seek restitution, damages, interest, punitive damages, attorney fees, costs and expenses, and such further relief (in each case in unspecified amounts), as the Court deems just and equitable.

The Company intends to vigorously defend itself in these litigations. Although the Company recently received the complaints, it does not believe that any of them will, individually or in the aggregate, have a material adverse effect on its business or financial condition. However, the Company cannot assure that these litigations, individually or in the aggregate, will not have a material adverse effect on its results of operations for the period or year in which they are reserved or resolved.

The information contained in items 2.02 and 7.01, including that incorporated by reference, is being furnished to the Securities and Exchange Commission. Such information shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section. The information shall not be deemed incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, except as expressly set forth by specific reference in such filing.

Item 7.01. Regulation FD Disclosure.

The information (including disclaimer) presented under Item 2.02 is incorporated by reference into this Item 7.01.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 [Press release dated March 2, 2022 issued by Dollar Tree, Inc.](#)

104 The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DOLLAR TREE, INC.

Date: March 2, 2022

By: /s/ Kevin S. Wampler
Kevin S. Wampler
Chief Financial Officer



**Dollar Tree, Inc. Reports Results for the
Fourth Quarter and Fiscal Year 2021**

~ Diluted Earnings per Share of \$2.01 for Q4 and \$5.80 for Fiscal 2021 ~
 ~ Consolidated Net Sales Increased 4.6% to \$7.08 Billion ~
 ~ Same-Store Sales: Enterprise +2.5%; Dollar Tree +3.1%; Family Dollar +1.7% ~
 ~ \$1.25 Price Point Conversion Completed at All U.S. Dollar Tree Stores Ahead of Schedule ~
 ~ Company Introduces Fiscal 2022 Earnings per Share Guidance of \$7.60 to \$8.00 ~

CHESAPEAKE, Va.--March 2, 2022--Dollar Tree, Inc. (NASDAQ: DLTR) today reported financial results for its fourth quarter and fiscal year ended January 29, 2022.

"I am extremely proud of the team's strong performance through this transformative quarter. We delivered comparable sales increases at Dollar Tree and Family Dollar, both representing improvements from the prior quarter on a two-year stack basis. Our EPS of \$2.01 exceeded our \$1.69 to \$1.79 guidance range," stated Michael Witynski, President and Chief Executive Officer. "Importantly, we recently completed a successful conversion to a \$1.25 price point across all Dollar Tree stores in the U.S., more than two months ahead of schedule, which significantly enhances our ability to provide a meaningful assortment at extreme value to our shoppers. We continue to have terrific performance on other key strategic initiatives, including the expansion of our \$3 and \$5 *Plus* assortment in Dollar Tree stores, as well as our Combo Stores and H2 Renovations at Family Dollar."

Fourth Quarter Results

Consolidated net sales increased 4.6% to \$7.08 billion from \$6.77 billion in the prior year's fourth quarter. Enterprise same-store sales increased 2.5%. Same-store sales for Dollar Tree increased 3.1%. Family Dollar same-store sales increased 1.7%.

Gross profit was \$2.14 billion for the quarter. Gross margin was 30.2%, compared to 31.8% in the prior year's quarter. The 160 basis point decrease was driven by higher freight costs and recall-related markdowns, partially offset by improved initial mark-on and favorable product mix, reduced shrink and leverage on distribution costs.

Selling, general and administrative expenses were 22.1% of total revenue, compared to 21.7% of total revenue in the prior year's fourth quarter. The increase was primarily due to higher store payroll, card transaction fees, legal fees, and costs associated with the \$1.25 price point conversions at all U.S. Dollar Tree stores.

Operating income for the quarter was \$578.8 million compared with \$681.6 million in the same period last year and operating income margin was 8.2% compared to 10.1% in the prior year's quarter.

Net income was \$454.2 million in the fourth quarter and diluted earnings per share for the quarter was \$2.01, compared to \$2.13 in the prior year's quarter. The Company incurred three untypical items in its fourth quarter that netted to no effect on quarterly earnings per share. A deferred tax benefit of \$61.6 million (or \$0.27 per share) was offset by debt extinguishment costs of \$46.5 million (or \$0.16 per share) related to its refinancing, as well as inventory markdowns and related costs of \$34.1 million (or \$0.11 per share) in connection with the Company's recent product recall in its Arkansas distribution center and the 404 Family Dollar stores it serves.

During the quarter, the Company opened 174 new stores, expanded or relocated 24 stores, and closed 65 stores. Additionally, the Company completed 23 Family Dollar store renovations. Retail selling square footage at year-end was approximately 128.9 million square feet.

Full Year Fiscal 2021 Results

Consolidated net sales increased 3.1% to \$26.31 billion from \$25.51 billion in the prior year. Enterprise same-store sales increased 1.0% on a constant currency basis (or 1.1% when adjusted to include the impact of Canadian currency fluctuations), when compared to the prior year. Same-store sales for Dollar Tree increased 2.1% (or 2.2% when adjusted to include the impact of Canadian currency fluctuations). Family Dollar same-store sales decreased 0.1%, representing an increase of 10.4% on a two-year stack basis.

Gross profit was \$7.73 billion compared to \$7.79 billion in the prior year. Gross margin was 29.4%, compared to 30.5% in the prior year.

Selling, general and administrative expenses were 22.5% of total revenue, compared to 23.1% of total revenue in fiscal 2020. The prior year included \$242.8 million, or 1.0% of net sales, in COVID-19-related costs.

Operating income for the year was \$1.81 billion, compared with \$1.89 billion in the prior year and operating income margin was 6.9%, compared to 7.4% for fiscal 2020.

Net income was \$1.33 billion and diluted earnings per share improved 2.7% to \$5.80, compared to \$5.65 in the prior year.

The Company repurchased 9,156,898 shares for \$950 million.

Update on Conversion to \$1.25 Price Point

In September 2021, the Company announced plans to introduce a \$1.25 price point for the majority of Dollar Tree's assortment in order to enhance the Company's ability to expand its offerings, introduce new products and sizes, and meet more of its customers' everyday needs. In addition, this new pricing strategy has enabled the Company to reintroduce many customer favorites and key traffic-driving products that were previously discontinued due to the constraints of the \$1.00 price point. The Company launched the transition in more than 100 stores in October, and later shared its plans to expand to more than 2,000 stores in December 2021 and complete the rollout to all Dollar Tree stores by the end of its first fiscal quarter in 2022. The Company completed the rollout of the \$1.25 price point to all of its U.S. Dollar Tree stores in late February 2022, more than two months ahead of schedule.

"I am incredibly proud of the commitment and teamwork that enabled us to execute this key strategic initiative so smoothly and more than two months ahead of schedule. Support teams designed, procured and distributed signage and training materials; field and store teams converted their stores and communicated pricing to shoppers effectively; and, most importantly, our merchant teams are evolving our assortment to drive traffic, productivity, and customer loyalty at the new price point," added Witynski. "Our shoppers have been very supportive of the change, confirming that consumers continue to choose Dollar Tree for the extreme value our products offer compared to other retailers. As always, we will be relentless in our commitment to offer the best value possible at the \$1.25 price point."

Company Outlook

The Company estimates consolidated net sales for the first quarter of 2022 will range from \$6.63 billion to \$6.78 billion, based on a low single-digit increase in same-store sales for the enterprise. Diluted earnings per share for the quarter are estimated to be in the range of \$1.95 to \$2.10.

Consolidated net sales for full-year fiscal 2022 are expected to range from \$27.22 billion to \$27.85 billion. This estimate is based on a low-to-mid single-digit increase in same-store sales and approximately 2.8% selling square footage growth. Diluted earnings per share are expected to range from \$7.60 to \$8.00. While share repurchases are not included in the outlook, the Company currently has \$2.5 billion remaining under its board repurchase authorization.

For fiscal 2022, the Company plans to open 590 new stores and to renovate 800 Family Dollar stores. The new stores are expected to consist of 190 Dollar Tree stores and 400 Family Dollar stores. Approximately 350 of the new Family Dollar stores will be in the Combo Store format. Additionally, the Company plans to expand the \$3 and \$5 *Plus* assortment to more than 1,500 Dollar Tree stores.

"We are dedicated, aligned and focused. The ability to execute our key strategic initiatives is paying off and setting a solid foundation for improved operating performance. We delivered EPS of \$5.80 in fiscal 2021 and the high end of our guidance range this year is \$8.00, representing a 38% increase," Witynski concluded. "This year, we are laser-focused on meeting our customers' needs while driving our initiatives that are delivering the best returns. These initiatives, combined

with our strong balance sheet, position us well to deliver long-term value for all of our stakeholders – customers, associates, suppliers, and shareholders.”

Conference Call Information

On Wednesday, March 2, 2022, the Company will host a conference call to discuss its earnings results at 9:00 a.m. Eastern Time. The telephone number for the call is 800-289-0720. A recorded version of the call will be available until midnight Tuesday, March 8, 2022, and may be accessed by dialing 888-203-1112. The access code is 9879297. A webcast of the call is accessible through Dollar Tree's website and will remain online through Tuesday, March 8, 2022.

Dollar Tree, a Fortune 200 Company, operated 16,077 stores across 48 states and five Canadian provinces as of January 29, 2022. Stores operate under the brands of Dollar Tree, Family Dollar, and Dollar Tree Canada. To learn more about the Company, visit www.DollarTree.com.

Note

Please refer to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission today for a description of several proposed class action complaints filed against Family Dollar pertaining to the recall described above and related matters, as well as risks pertaining to the foregoing.

A WARNING ABOUT FORWARD-LOOKING STATEMENTS: Our press release contains "forward-looking statements" as that term is used in the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the fact that they address future events, developments or results and do not relate strictly to historical facts. Any statements contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements include, without limitation, statements preceded by, followed by or including words such as: "believe", "anticipate", "expect", "intend", "plan", "view", "target" or "estimate", "may", "will", "should", "predict", "possible", "potential", "continue", "strategy", and similar expressions. For example, our forward-looking statements include statements regarding our expectations of continued volatility and uncertainty related to the Family Dollar recall and related matters including proposed class actions; the COVID-19 pandemic; our plans relating to new store openings, renovations and square footage growth; our expectations regarding capital expenditures and share repurchases for fiscal 2022; our plans and expectations concerning various store format initiatives, including our new Combination Stores and Family Dollar H2 renovations; the impact of the \$1.25 price point rollout and expansion of our Dollar Tree *Plus* initiative; our plans and expectations regarding traffic, store productivity, product assortment, operating performance, and net sales, same-store sales, and diluted earnings per share for the first fiscal quarter and full fiscal year 2022; and our other plans, objectives, expectations (financial and otherwise) and intentions. These statements are subject to risks and uncertainties. For a discussion of the risks, uncertainties and assumptions that could affect our future events, developments or results, you should carefully review the "Risk Factors," "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections in our Annual Report on Form 10-K filed March 16, 2021, our Form 10-Q for the most recently ended fiscal quarter and other filings we make from time to time with the Securities and Exchange Commission. We are not obligated to release publicly any revisions to any forward-looking statements contained in this press release to reflect events or circumstances occurring after the date of this report and you should not expect us to do so.

CONTACT: Dollar Tree, Inc.
Randy Guiler, 757-321-5284
Vice President, Investor Relations
www.DollarTree.com
DLTR-E

DOLLAR TREE, INC.
Condensed Consolidated Income Statements
(In millions, except per share data)

| | 13 Weeks Ended | | Year Ended | |
|--|-------------------|-------------------|---------------------|---------------------|
| | January 29, 2022 | January 30, 2021 | January 29, 2022 | January 30, 2021 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| Net sales | \$ 7,077.4 | \$ 6,767.3 | \$ 26,309.8 | \$ 25,508.4 |
| Other revenue | 3.2 | 0.6 | 11.4 | 0.9 |
| Total revenue | 7,080.6 | 6,767.9 | 26,321.2 | 25,509.3 |
| Cost of sales | 4,940.3 | 4,615.1 | 18,583.9 | 17,721.0 |
| Selling, general & administrative expenses | 1,561.5 22.1 % | 1,471.2 21.7 % | 5,925.9 22.5 % | 5,900.4 23.1 % |
| Operating income | 578.8 8.2 % | 681.6 10.1 % | 1,811.4 6.9 % | 1,887.9 7.4 % |
| Interest expense, net | 79.5 | 34.2 | 178.9 | 147.3 |
| Other expense, net | 0.1 | — | 0.3 | 0.8 |
| Income before income taxes | 499.2 7.1 % | 647.4 9.6 % | 1,632.2 6.2 % | 1,739.8 6.8 % |
| Provision for income taxes | 45.0 | 144.6 | 304.3 | 397.9 |
| Income tax rate | 9.0 % | 22.3 % | 18.6 % | 22.9 % |
| Net income | \$ 454.2 6.4 % | \$ 502.8 7.4 % | \$ 1,327.9 5.0 % | \$ 1,341.9 5.3 % |
| Net earnings per share: | | | | |
| Basic | \$ 2.02 | \$ 2.14 | \$ 5.83 | \$ 5.68 |
| Weighted average number of shares | 225.0 | 234.6 | 227.9 | 236.4 |
| Diluted | \$ 2.01 | \$ 2.13 | \$ 5.80 | \$ 5.65 |
| Weighted average number of shares | 226.3 | 235.9 | 229.0 | 237.3 |

The information for the year ended January 30, 2021 was derived from the audited consolidated financial statements as of that date.

DOLLAR TREE, INC.
Segment Information
(In millions, except store count)

| | 13 Weeks Ended | | | | Year Ended | | | | | | | |
|---------------------------------|------------------|----------------|------------------|----------------|------------------|-----------------|------------------|-----------------|---------------|----|----------------|---------------|
| | January 29, 2022 | | January 30, 2021 | | January 29, 2022 | | January 30, 2021 | | | | | |
| | (Unaudited) | | (Unaudited) | | (Unaudited) | | (a) | | | | | |
| Net sales: | | | | | | | | | | | | |
| Dollar Tree | \$ | 3,919.1 | \$ | 3,707.4 | \$ | 13,922.1 | \$ | 13,265.0 | | | | |
| Family Dollar | | 3,158.3 | | 3,059.9 | | 12,387.7 | | 12,243.4 | | | | |
| Total net sales | \$ | <u>7,077.4</u> | \$ | <u>6,767.3</u> | \$ | <u>26,309.8</u> | \$ | <u>25,508.4</u> | | | | |
| Gross profit: | | | | | | | | | | | | |
| Dollar Tree | \$ | 1,396.5 | 35.6 % | \$ | 1,337.0 | 36.1 % | \$ | 4,543.8 | 34.3 % | | | |
| Family Dollar | | 740.6 | 23.4 % | | 815.2 | 26.6 % | | 3,243.6 | 26.5 % | | | |
| Total gross profit | \$ | <u>2,137.1</u> | <u>30.2 %</u> | \$ | <u>2,152.2</u> | <u>31.8 %</u> | \$ | <u>7,725.9</u> | <u>29.4 %</u> | \$ | <u>7,787.4</u> | <u>30.5 %</u> |
| Operating income (loss): | | | | | | | | | | | | |
| Dollar Tree | \$ | 587.8 | 15.0 % | \$ | 591.5 | 16.0 % | \$ | 1,607.0 | 11.5 % | \$ | 1,598.0 | 12.0 % |
| Family Dollar | | 86.8 | 2.7 % | | 183.6 | 6.0 % | | 543.1 | 4.4 % | | 655.6 | 5.4 % |
| Corporate, support and Other | | (95.8) | (1.4 %) | | (93.5) | (1.4 %) | | (338.7) | (1.3 %) | | (365.7) | (1.4 %) |
| Total operating income | \$ | <u>578.8</u> | <u>8.2 %</u> | \$ | <u>681.6</u> | <u>10.1 %</u> | \$ | <u>1,811.4</u> | <u>6.9 %</u> | \$ | <u>1,887.9</u> | <u>7.4 %</u> |

| | 13 Weeks Ended | | | | | | Year Ended | | | | | |
|--------------------------------------|------------------|---------------|---------------|------------------|---------------|---------------|------------------|---------------|---------------|------------------|---------------|---------------|
| | January 29, 2022 | | | January 30, 2021 | | | January 29, 2022 | | | January 30, 2021 | | |
| | Dollar Tree | Family Dollar | Total | Dollar Tree | Family Dollar | Total | Dollar Tree | Family Dollar | Total | Dollar Tree | Family Dollar | Total |
| Store Count: | | | | | | | | | | | | |
| Beginning | 7,984 | 7,982 | 15,966 | 7,741 | 7,865 | 15,606 | 7,805 | 7,880 | 15,685 | 7,505 | 7,783 | 15,288 |
| New stores | 97 | 77 | 174 | 79 | 45 | 124 | 311 | 225 | 536 | 341 | 156 | 497 |
| Re-bannered stores (b) | 2 | — | 2 | (1) | 1 | — | 1 | (1) | — | (4) | 5 | 1 |
| Closings | (22) | (43) | (65) | (14) | (31) | (45) | (56) | (88) | (144) | (37) | (64) | (101) |
| Ending | <u>8,061</u> | <u>8,016</u> | <u>16,077</u> | <u>7,805</u> | <u>7,880</u> | <u>15,685</u> | <u>8,061</u> | <u>8,016</u> | <u>16,077</u> | <u>7,805</u> | <u>7,880</u> | <u>15,685</u> |
| Selling Square Footage (in millions) | <u>69.7</u> | <u>59.2</u> | <u>128.9</u> | <u>67.4</u> | <u>57.7</u> | <u>125.1</u> | <u>69.7</u> | <u>59.2</u> | <u>128.9</u> | <u>67.4</u> | <u>57.7</u> | <u>125.1</u> |
| Growth Rate (Square Footage) | <u>3.4 %</u> | <u>2.6 %</u> | <u>3.0 %</u> | <u>4.3 %</u> | <u>1.8 %</u> | <u>3.1 %</u> | <u>3.4 %</u> | <u>2.6 %</u> | <u>3.0 %</u> | <u>4.3 %</u> | <u>1.8 %</u> | <u>3.1 %</u> |

(a) The information for the year ended January 30, 2021 was derived from the audited consolidated financial statements as of that date.

(b) Stores are included as re-banners when they close or open, respectively.

DOLLAR TREE, INC.
Condensed Consolidated Balance Sheets
(In millions)

| | January 29, 2022 | January 30, 2021 |
|--|-----------------------------|-----------------------------|
| | (Unaudited) | |
| Cash and cash equivalents | \$ 984.9 | \$ 1,416.7 |
| Merchandise inventories | 4,367.3 | 3,427.0 |
| Other current assets | 257.0 | 207.1 |
| Total current assets | <u>5,609.2</u> | <u>5,050.8</u> |
| Property, plant and equipment, net | 4,477.3 | 4,116.3 |
| Restricted cash | 53.4 | 46.9 |
| Operating lease right-of-use assets | 6,425.3 | 6,324.1 |
| Goodwill | 1,984.4 | 1,984.4 |
| Trade name intangible asset | 3,100.0 | 3,100.0 |
| Deferred tax asset | 20.3 | 23.2 |
| Other assets | 51.9 | 50.3 |
| Total assets | <u>\$ 21,721.8</u> | <u>\$ 20,696.0</u> |
| Current portion of operating lease liabilities | \$ 1,407.8 | \$ 1,348.2 |
| Accounts payable | 1,884.2 | 1,480.5 |
| Income taxes payable | 82.6 | 86.3 |
| Other current liabilities | 802.0 | 815.3 |
| Total current liabilities | <u>4,176.6</u> | <u>3,730.3</u> |
| Long-term debt, net | 3,417.0 | 3,226.2 |
| Operating lease liabilities, long-term | 5,145.5 | 5,065.5 |
| Deferred income taxes, net | 987.2 | 1,013.5 |
| Income taxes payable, long-term | 20.9 | 22.6 |
| Other liabilities | 256.1 | 352.6 |
| Total liabilities | <u>14,003.3</u> | <u>13,410.7</u> |
| Shareholders' equity | <u>7,718.5</u> | <u>7,285.3</u> |
| Total liabilities and shareholders' equity | <u>\$ 21,721.8</u> | <u>\$ 20,696.0</u> |

The January 30, 2021 information was derived from the audited consolidated financial statements as of that date.

DOLLAR TREE, INC.
Condensed Consolidated Statements of Cash Flows
(In millions)

| | Year Ended | |
|---|--------------------|--------------------|
| | January 29, | January 30, |
| | 2022 | 2021 |
| | (Unaudited) | |
| Cash flows from operating activities: | | |
| Net income | \$ 1,327.9 | \$ 1,341.9 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 716.0 | 686.6 |
| Provision for deferred income taxes | (23.2) | 30.7 |
| Stock-based compensation expense | 79.9 | 83.9 |
| Amortization of debt discount and debt-issuance costs | 8.9 | 4.0 |
| Other non-cash adjustments to net income | 11.2 | 19.0 |
| Loss on debt extinguishment | 43.8 | — |
| Changes in operating assets and liabilities | (733.0) | 550.2 |
| Total adjustments | 103.6 | 1,374.4 |
| Net cash provided by operating activities | 1,431.5 | 2,716.3 |
| Cash flows from investing activities: | | |
| Capital expenditures | (1,021.2) | (898.8) |
| Proceeds from governmental grant | 2.9 | — |
| Proceeds from (payments for) fixed asset disposition | (1.6) | 9.1 |
| Net cash used in investing activities | (1,019.9) | (889.7) |
| Cash flows from financing activities: | | |
| Proceeds from long-term debt, net of discount | 1,197.4 | — |
| Principal payments for long-term debt | (1,000.0) | (550.0) |
| Debt-issuance and debt extinguishment costs | (59.3) | — |
| Proceeds from revolving credit facility | — | 750.0 |
| Repayments of revolving credit facility | — | (750.0) |
| Proceeds from stock issued pursuant to stock-based compensation plans | 17.8 | 17.0 |
| Cash paid for taxes on exercises/vesting of stock-based compensation | (42.4) | (16.9) |
| Payments for repurchase of stock | (950.0) | (400.0) |
| Net cash used in financing activities | (836.5) | (949.9) |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | (0.4) | 0.9 |
| Net increase (decrease) in cash, cash equivalents and restricted cash | (425.3) | 877.6 |
| Cash, cash equivalents and restricted cash at beginning of period | 1,463.6 | 586.0 |
| Cash, cash equivalents and restricted cash at end of period | \$ 1,038.3 | \$ 1,463.6 |

The January 30, 2021 information was derived from the audited consolidated financial statements as of that date.