SNAPSHOT REPORT

THIRD QUARTER SNAPSHOT

retailstat FINANCIAL

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DOLLAR GENERAL

CREDIT RATING: B1

ARMS PAYMENT SCORE: 915

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SOLID QUARTER WITH BROAD STRENGTH / FY GUIDANCE RAISED

ANALYST HIGHLIGHTS

- 3Q25 comps up 2.5%, supported by higher traffic and growth across all major categories
- Company-provided operating income jumped over 30%
- Store activity: 196 openings, 8 relocations, and more than 1,100 remodels across Elevate and Renovate formats
- Raised FY25 guidance again; reiterated plans for approximately 575 new U.S. stores
- Provided 2026 store growth outlook

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3Q25 RESULTS

Dollar General (DG) delivered another strong quarter in 3Q25, with net sales up 4.6% to $10.65 billion and same-store sales rising 2.5%, supported by 2.5% transaction volume growth and a flat average ticket. Comps improved across all major categories, including consumables (+4.5%), seasonal (+5.5%), home products (+5.4%) and apparel (+2.4%). Gross margin improved on stronger markups and lower shrink, offset in part by higher SG&A from labor, maintenance and utilities. Together, Company-provided operating income increased 31.5% to $426 million, with margin expanding 80 bps to 4%.

The Company continued to optimize inventory, with merchandise inventories down 8.2% on an average per-store basis, supporting YTD25 operating cash flow growth of 28.4% to $2.82 billion. During the quarter, DG opened 196 new stores, remodeled 651 stores under Project Elevate, remodeled 524 stores under Project Renovate and relocated 8 stores. The Company ended 3Q with 20,901 stores.

Following strong 3Q performance, DG raised its FY25 guidance, now expecting net sales growth of 4.7% to 4.9% and same-store sales growth of 2.5% to 2.7%. Management also reiterated plans to execute approximately 4,885 real estate projects in FY25, including 575 U.S. new stores, up to 15 stores in Mexico, roughly 2,000 Project Renovate remodels, approximately 2,250 Project Elevate remodels, and 45 relocations. Lastly, the Company provided 2026 store growth plans (details below).

MANAGEMENT COMMENT

CEO Todd Vasos, commented on operating results, "I want to thank our team for their work serving our customers and communities, which led to another quarter of strong financial results. These results were highlighted by EPS growth of 44%, strong operating margin performance, and balanced sales growth, including market share gains across both consumable and non-consumable categories.

He continued, "We are especially pleased with the continued progress we are making against our key initiatives and are excited about the opportunities ahead of us at Dollar General, including the 2026 real estate growth plans we announced today. As America's neighborhood general store in nearly 21,000 locations, we are focused on continuing to enhance our value and convenience proposition to serve both new and existing customers. Looking ahead, we are confident in our long-term financial framework and our ability to create sustainable long-term value for our customers, associates, and shareholders."

FINANCIAL SNAPSHOT
(U.S. Dollar In Millions)

	3 Months Ended			9 Months Ended		
	10/31/25	11/01/24	% Change	10/31/25	11/01/24	% Change
Sales	$ 10,649.5	$ 10,183.4	4.6%	$ 31,813.2	$ 30,307.8	5.0%
Store Count	20,901	20,523	1.8%	20,901	20,523	1.8%
Comps	2.5%	1.3%		2.6%	1.4%	
Operating Income (1)	$ 425.9	$ 323.8	31.5%	$ 1,597.4	$ 1,419.9	12.5%
Operating Margin	4.0%	3.2%	0.8%	5.0%	4.7%	0.3%
Cash	$ 1,240.6	$ 537.3	130.9%	$ 1,240.6	$ 537.3	130.9%
Total Debt	$ 5,135.3	$ 6,242.4	-17.7%	$ 5,135.3	$ 6,242.4	-17.7%
Net Debt (Cash)	$ 3,894.6	$ 5,705.1	-31.7%	$ 3,894.6	$ 5,705.1	-31.7%

(1) Company-provided operating income

STORE ACTIVITY

	For the 39 Weeks Ended	
	October 31, 2025	November 1, 2024
Beginning store count	20,594	19,986
New store openings	556	617
Store closings	(249)	(80)
Net new stores	307	537
Ending store count	20,901	20,523
Total selling square footage (000's)	158,907	156,169
Growth rate (square footage)	1.8%	5.1%

GUIDANCE UPDATE

Fiscal Year 2025 Financial Guidance and Store Growth Outlook

The Company is raising its financial expectations for the year, primarily to reflect its outperformance in the third quarter, as well as its improved outlook for the remainder of the year, while also taking into consideration the potential for uncertainty related to consumer behavior.

The Company now expects the following for the fiscal year ending January 30, 2026 ("fiscal year 2025"):

- Net sales growth of approximately 4.7% to 4.9%, compared to its previous expectation of approximately 4.3% to 4.8%
- Same-store sales growth of approximately 2.5% to 2.7%, compared to its previous expectation of approximately 2.1% to 2.6%
- Diluted EPS of approximately $6.30 to $6.50, compared to its previous expectation of approximately $5.80 to $6.30
  - Diluted EPS guidance continues to assume an effective tax rate of approximately 23.5%

The Company now expects capital expenditures, including those related to investments in the Company's strategic initiatives, to be toward the lower end of the range of $1.3 billion to $1.4 billion.

The Company is also reiterating its plans to execute approximately 4,885 real estate projects in fiscal year 2025, including opening approximately 575 new stores in the U.S. and up to 15 new stores in Mexico, remodeling approximately 2,000 stores through Project Renovate, remodeling approximately 2,250 stores through Project Elevate, and relocating approximately 45 stores.

Fiscal Year 2026 Store Growth Outlook

For the fiscal year ending January 29, 2027 ("fiscal year 2026"), the Company plans to execute approximately 4,730 real estate projects, including opening approximately 450 new stores in the U.S. (as well as approximately 10 new stores in Mexico), fully remodeling approximately 2,000 stores through Project Renovate, remodeling approximately 2,250 stores through Project Elevate, and relocating approximately 20 stores.

ANALYTICAL SUPPORT

For questions or analytical support, please contact **Taylor Ricketts** at 800-789-0123 Ext. 139 or taylorr@fdreports.com

BUSINESS DESCRIPTION

Dollar General is a discount retailer that primarily operates under its Dollar General Banner, along with other fo rmats such as Dollar General Market, a discount supermarket; and DGX, a smaller format discount store. The C ompany has also introduced a non-consumable banner, pOpshelf, that after initial testing, it is now pruning. T he Company operates more than 20,500 locations in 48 states and Mexico, with an average size of 7,400 squar e feet.

CONTACT INFORMATION

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KEY PERSONNEL

Michael M. Calbert	Chairman
Todd C. Vasos	CEO
Donny Lau	CFO & EVP

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