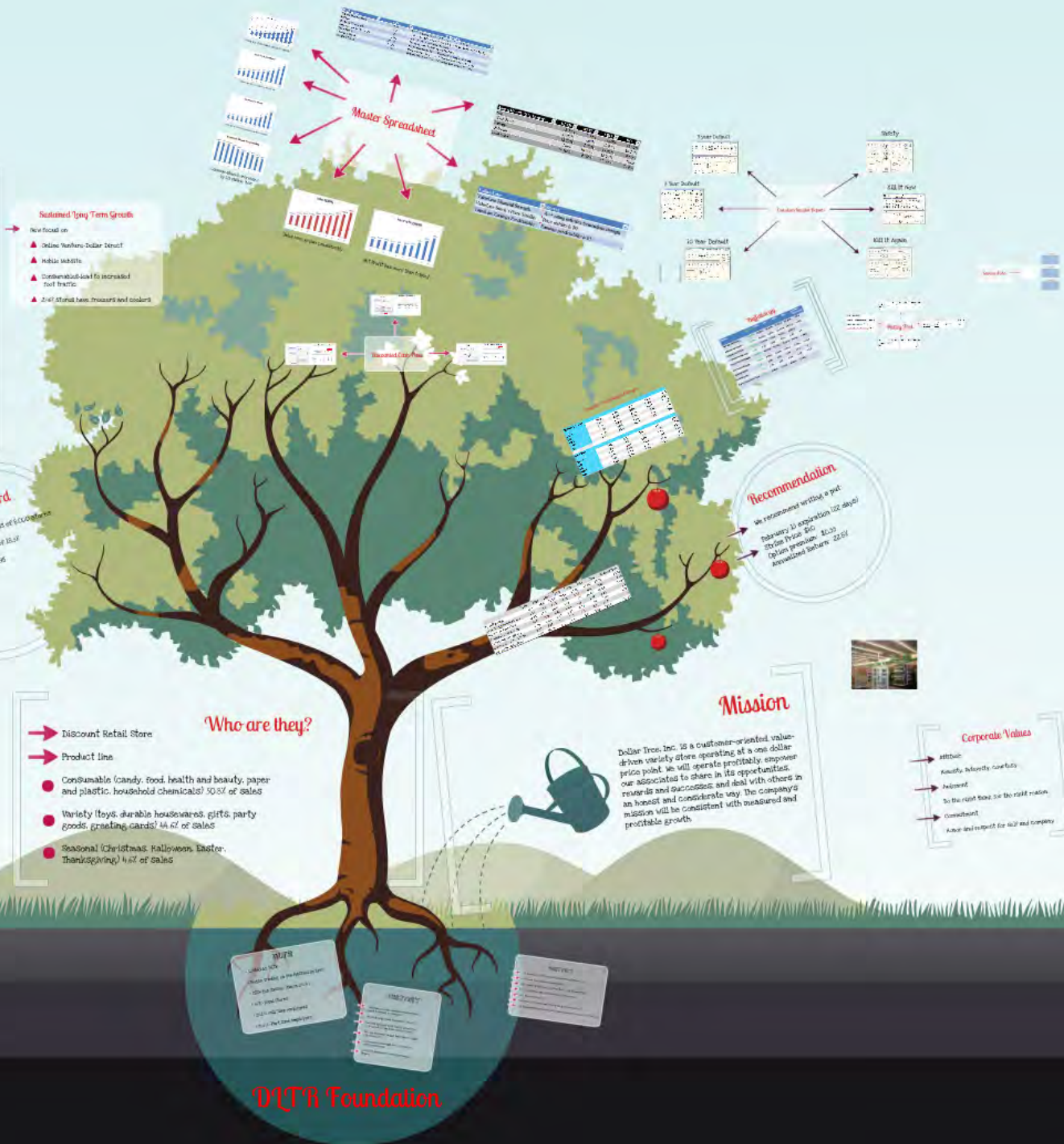


Dollar Tree

Presented by:
The Mighty Value Pandas

Cody Foil, Lucas Kneitz, Arthur Munoz,
Erblin Ribari, Ernie Stephenson



Sustained Long Term Growth
New focus on:
 ▲ Online (Amazon-Dollar Direct)
 ▲ Mobile (Apps)
 ▲ Consumer demand for increased foot traffic
 ▲ Chief statistic: new products and colors

Going Forward
 ■ Management projects upward of 100% growth
 ■ Projected average growth of 18.5%
 ■ Able to manage growth as

Recommendation
 We recommend writing a put
 February 13 expiration (10 days)
 Dollar Tree, \$10
 Option premium: \$2.50
 Assignment: \$7.50

Who are they?
 → Discount Retail Store
 → Product line
 ● Consumable (candy, food, health and beauty, paper and plastic, household chemicals) 30% of sales
 ● Variety (toys, durable housewares, gifts, party goods, greeting cards) 44% of sales
 ● Seasonal (Christmas, Halloween, Easter, Thanksgiving) 14% of sales

Mission
 Dollar Tree, Inc. is a customer-oriented, value-driven variety store operating at a one dollar price point. We will operate profitably, empower our associates to share in its opportunities, reinvest and succeed, and deal with others in a honest and considerate way. The company's mission will be consistent with measured and profitable growth.

Corporate Values
 → Ethical
 → Knowledgeably, respectfully, courteously
 → Empowered
 → Do the right thing, our way
 → Commitment
 → Honor and respect for self and company

Risk and Predictability
 ▲ Fuel economy - we do fuel stamps in 160 stores
 ▲ Ability to grow
 ▲ Inherent risk in inventory and domestic suppliers - no supplier provides more than 10% of goods
 ▲ Increased Competition - No one is as efficient
 ▲ Inflation

Logistics
Tasks
 → Identification of purchases
 → Transportation modes
 → Backlog shipments
 → Supplier training

Key Business Objectives
 → High-Demand
 → High-Demand
 → Inventory Management/Product Mix
 → Logistics
 → Efficient Inventory Reception of Value

Performance Measures:
 → Reduced transportation costs
 → Reduced warehouse floor
 → Less time needed on back and forth communication
 → Allocation of products based on performance/cost for each store

Goals (2014-2015)
 → Approx. 2000 third parties
 → 1000 new and expanded store, inventory management
 → New part of the store/operational program in 2015
 → Integrated Data Technology into existing search engine
Key Goals:

SWOT
Strengths
 → Low price point
 → Wide variety of products
 → High customer loyalty
Weaknesses
 → Limited product range
 → High inventory costs
Opportunities
 → Expansion into new markets
 → Online sales growth
Threats
 → Increased competition
 → Inflationary pressures

DTR Foundation

Dollar Tree

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Dollar Tree

Presented by:
The Mighty Value Pandas

Andy Foil, Lucas Kneitz, Arthur Munoz,
Erin Ribari, Ernie Stephenson

Sustained Long Term Growth
New Focus on:
 ▲ Online Warehouse Dollar Target
 ▲ Multi-Website
 ▲ Consolidated lead to increased food traffic
 ▲ 2.67 stores per thousand retail centers

Master Spreadsheet

Going Forward

- remanagement projects spend at \$200M/store
- Projected Operating Growth of 10.5%
- Price to Earnings Growth 36

Recommendation

We recommend writing a put
February to expiration (20 days)
Strike Price: \$40
Option Premium: \$0.55
Annualized Return: 23.0%

Risk and Predictability

- ▲ Bid economy - we do food stamps in 500 stores
- ▲ Inability to grow
- ▲ Inherent risk in foreign and domestic supplies - no supplier provides more than 10% of goods
- ▲ Increased Competition - No one is as efficient
- ▲ Inflation

Logistics

Tasks:

- Consolidation of purchases
- 7x exportation routes
- Tracking shipments
- Supplier training

Performance Measures

- Reduced transportation costs
- Reduced transportation times
- Less time spent on labor and other overheads
- Allocation of products based on performance/cost to each store

Most/Sustained Competitive Advantage

- Highly Efficient
- Strategic Expansion
- Inventory Management/Forecasting
- Location
- Efficient Line High Perception of Value

Who are they?

- Discount Retail Store
- Product line
 - Consumable (candy, food, health and beauty, paper and plastic, household chemicals) 50.8% of sales
 - Variety (toys, durable housewares, gifts, party goods, greeting cards) 44.6% of sales
 - Seasonal (Christmas, Halloween, Easter, Thanksgiving) 4.6% of sales

Mission

Dollar Tree, Inc. is a customer-oriented value-driven variety store operating at a one dollar price point. We will operate profitably, empower our associates to share in its opportunities, rewards and successes and deal with others in an honest and considerate way. The company's mission will be consistent with measured and profitable growth.

Corporate Values

- Attitude
- Honesty, Integrity, Creativity
- Judgment
- Do the right thing for the right reason
- Commitment
- Hire and respect the skill and talents

DTA Foundation

DTA

Founded in 2005

Supports the work of DTA

100% of the profits go to DTA

DTA is a 501(c)(3) organization

DTA is a non-profit organization

DTA is a charitable organization

MISSION

To provide financial support to the work of DTA

To provide financial support to the work of DTA

To provide financial support to the work of DTA

GOALS

To provide financial support to the work of DTA

To provide financial support to the work of DTA

To provide financial support to the work of DTA

DLTR

- Listed as DLTR
- Began trading on the NASDAQ in 1995
- CEO- Bob Sasser (since 2004)
- 4630 Total Stores
- 14,170 Full Time employees
- 58,600 Part Time employees

HISTORY


- 1953-Dollar Tree was founded for the everyday American looking for a bargain
- 1986-First single price model store: Only \$1.00
- 1991- K&K Toys sold to KB toys, to focus more on the growth of the dollar store concept
- 1993- The company changed their name to Dollar Tree Stores, Inc.
- 1996-Acquired Dollar Bills, Inc., 136 stores a Chicago based chain
- 1997- First distribution center Chesapeake, Virginia

DLTR Foundation


DLTR

- Listed as DLTR
- Began trading on the NASDAQ in 1995
- CEO- Bob Sasser (since 2004)
- 4630 Total Stores
- 14,170 Full Time employees
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HISTORY




1953-Dollar Tree was founded for the everyday American looking for a bargain




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1993- The company changed their name to Dollar Tree Stores, Inc.



1996-Acquired Dollar Bills, Inc., 136 stores a Chicago based chain



1997- First distribution center Chesapeake, Virginia

HISTORY

→ 1999- Acquired 98-Cent Clearance Center and Only \$One Stores.

→ 2000- Dollar Tree acquired Dollar Express

→ 2004- Opening in ND marks operations in all 48 contiguous states


→ 2006- 3000th store and acquired Deal\$ from Super Value

→ 2008- Reached Fortune 500

→ 2009- Number-one performing stock in the entire Fortune 500

→ 2010- Expanded into Canada with Dollar Giant Stores and opened its 4,000th store

Mission




Dollar Tree, Inc. is a customer-oriented, value-driven variety store operating at a one dollar price point. We will operate profitably, empower our associates to share in its opportunities, rewards and successes; and deal with others in an honest and considerate way. The company's mission will be consistent with measured and profitable growth.

Corporate Values



Attitude

Honesty, integrity, courtesy



Judgment

Do the right thing for the right reason



Commitment

Honor and respect for self and company



Million Dollar Brands! \$1

FOR ALL SEASONS Summer \$1 FOR ALL SEASONS

New Items Weekly! \$1

Now Shop Online

BOWL BOWL BOWL

PLATE PLATE PLATE

MARGARITA GLASS MARGARITA GLASS

SQUARE PLATE SQUARE PLATE

More \$1 POWER

SAVE UP TO 50% OFF

Who are they?

➔ Discount Retail Store

➔ Product line

- Consumable (candy, food, health and beauty, paper and plastic, household chemicals) 50.8% of sales
- Variety (toys, durable housewares, gifts, party goods, greeting cards) 44.6% of sales
- Seasonal (Christmas, Halloween, Easter, Thanksgiving) 4.6% of sales

Going Forward

- Management projects upwards of 8,000 stores
- Projected Earnings Growth of 18.5%
- Price to Earnings Growth .98

Sustained Long Term Growth

➔ New focus on

- ▲ Online Venture-Dollar Direct
- ▲ Mobile Website
- ▲ Consumables-lead to increased foot traffic
- ▲ 2,467 stores have freezers and coolers

Risk and Predictability

- ▲ Bad economy - we do food stamps in 3860 stores
- ▲ Inability to grow
- ▲ Inherent risk in foreign and domestic suppliers-
no supplier provides more than 10% of goods
- ▲ Increased Competition - No one is as efficient
- ▲ Inflation




Moat/Sustained Competitive Advantage


- Highly Efficient
- Strategic Expansion
- Inventory Management/Product Mix
- Logistics
- Bottom Line: High Perception of Value

Logistics


Tasks:




Coordination of purchases



Transportation Routes



Tracking Shipments



Supplier Training


Performance Increases:



Reduced Transportation Costs



Reduced turnaround times



Less time wasted on back and forth communication



Allocation of products based on performance/cost to each store

Retail Technology

➔ Approx. 6200 items per store

➔ 3400 are Auto Replenished (Basic, Everyday Items)

➔ New Point-Of-Sale/Merchandising System in 2011

➔ Integrated this technology with Canadian stores in 2012

Distribution





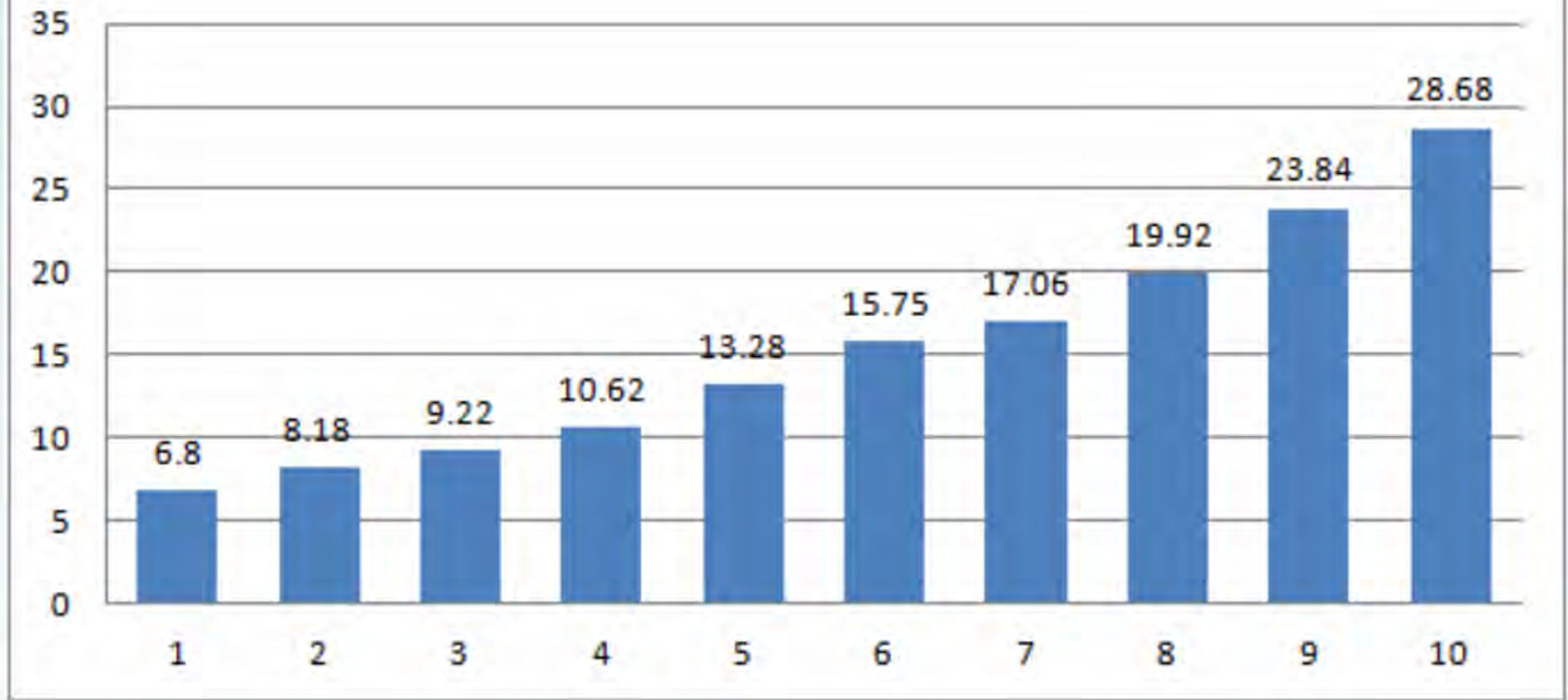
Dollar Tree's Solid, Scalable Infrastructure



The background features a light blue gradient at the top, transitioning to white. Several thick, dark pink arrows point in various directions: one points straight up from the top center, others point diagonally towards the corners, and two point diagonally towards the bottom center. At the bottom, there are several irregular, light green shapes that resemble stylized foliage or abstract forms.

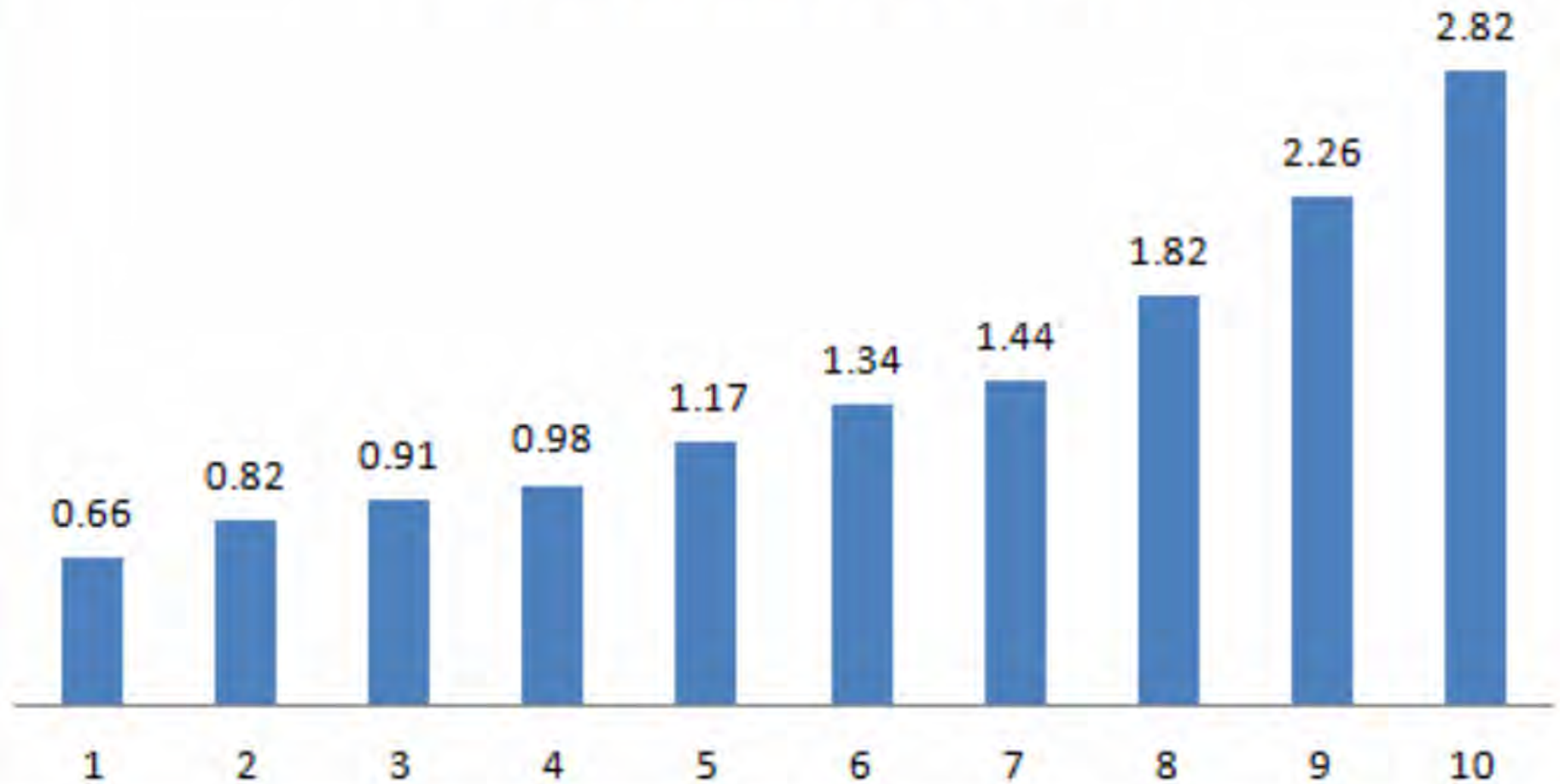
Master Spreadsheet

Sales per share



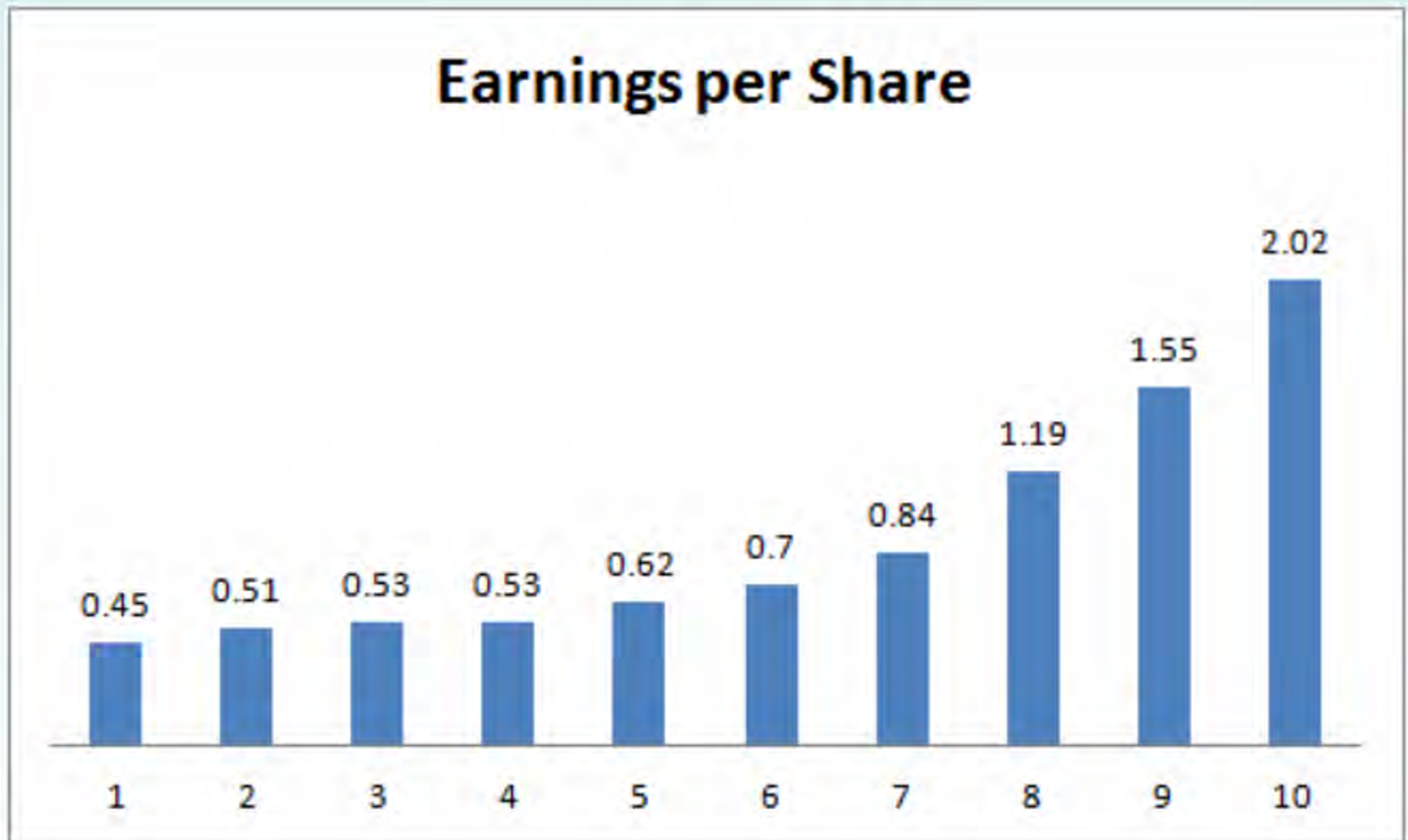
Sales per share (increased 4.6 times)

Cash Flow per Share



Cash Flow per Share (Increased more than 4 times)

Earnings per Share



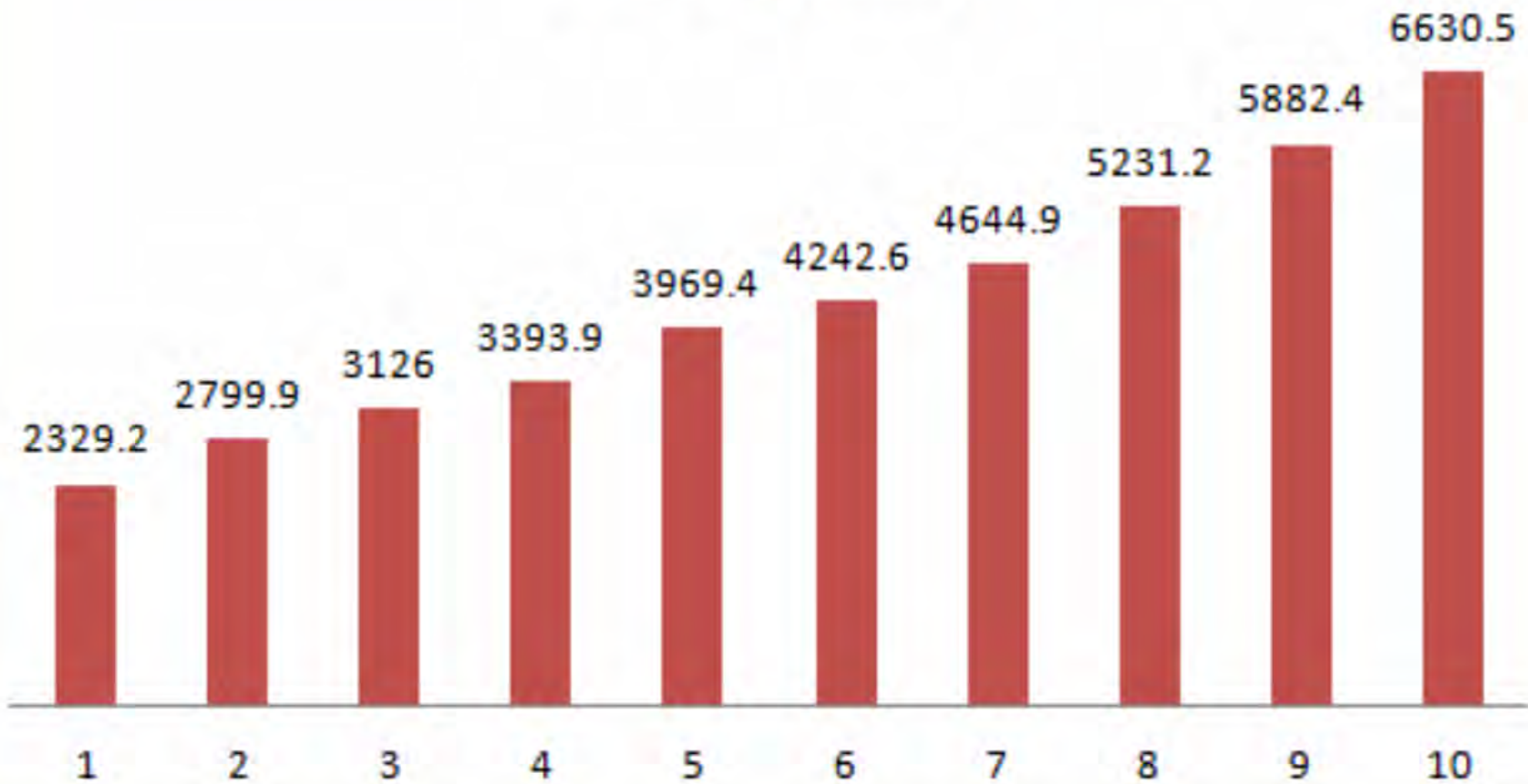
Earnings per Share (Increased more than 4 times)

Common Shares Outstanding



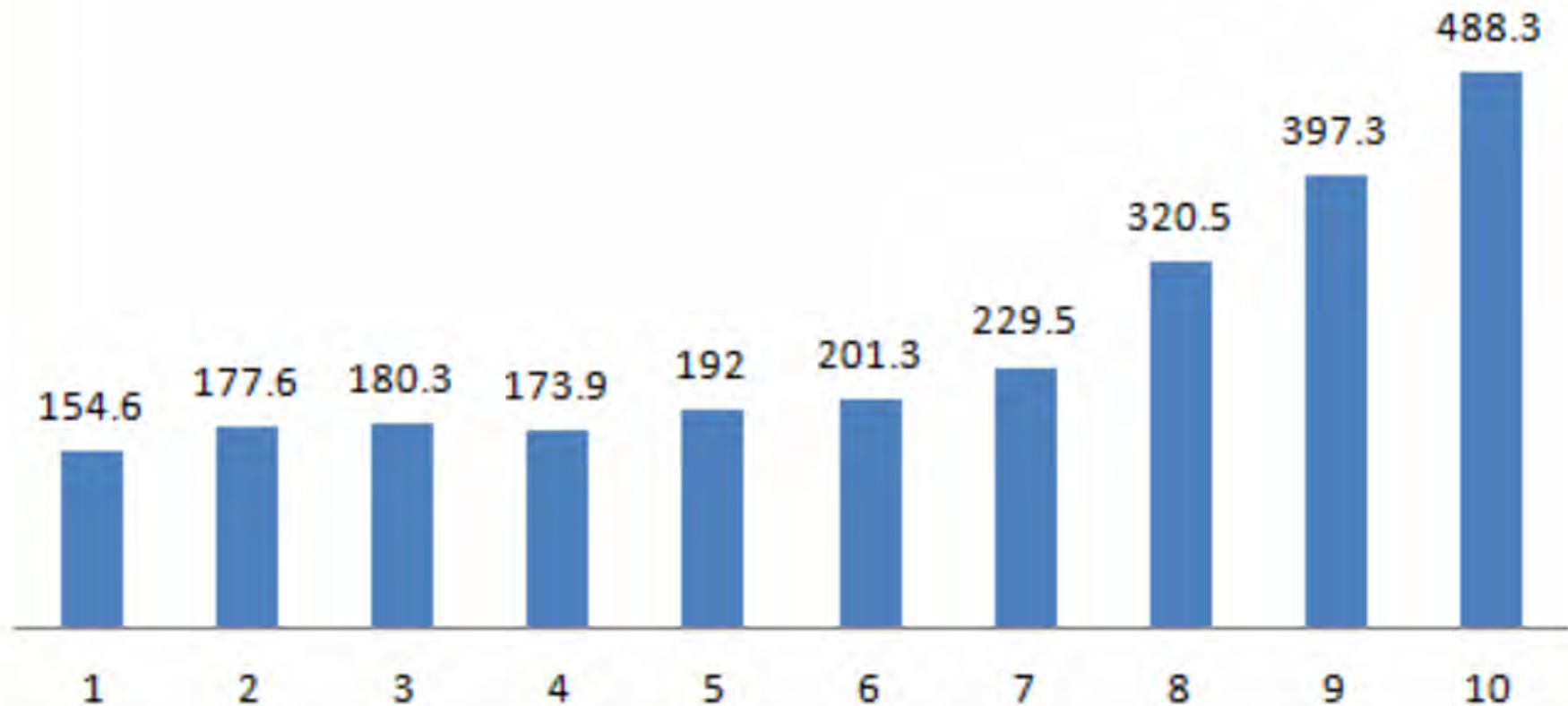
Common Shares decreased
by 111 Million (32%)

Sales (\$Mill)



Sales have grown consistently

Net Profit (\$Mill)



Net Profit has more than tripled

DLTR Ratios	Value	Explanation
Current Price per Share	41.06	DLTR is trading near its 52 Week low (38.4 to 56.8)
P/E Ratio	16.6	This is one of the lowest PE ratios that DLTR has traded at. (14.5 to 22)
Return on Total Capital	23.8%	It is expected to increase in the future.
Return on Shareholder's Equity	36.3%	This easily meets Buffett's threshold of 15%
Gross Margin	35.9%	Has remained in the 38%-40% range over the past 10 years
Operating Margin	14.3%	Has remained in the 11.5%-14.3% range over the past 10 years.
Net Profit Margin	7.4%	Has remained in the 4.7% - 7.4% range over the past 10 years.



Annual Growth Rate Analysis	DLTR	WMT	FDO	DG
Sales	13.50%	7.50%	11.00%	11.50%
"Cash Flow"	17.00%	9.00%	12.00%	16.50%
Earnings	18.50%	9.50%	13.00%	20.50%
Dividends	None	10.00%	12.00%	None
Book value	18.50%	9.50%	17.00%	15.00%

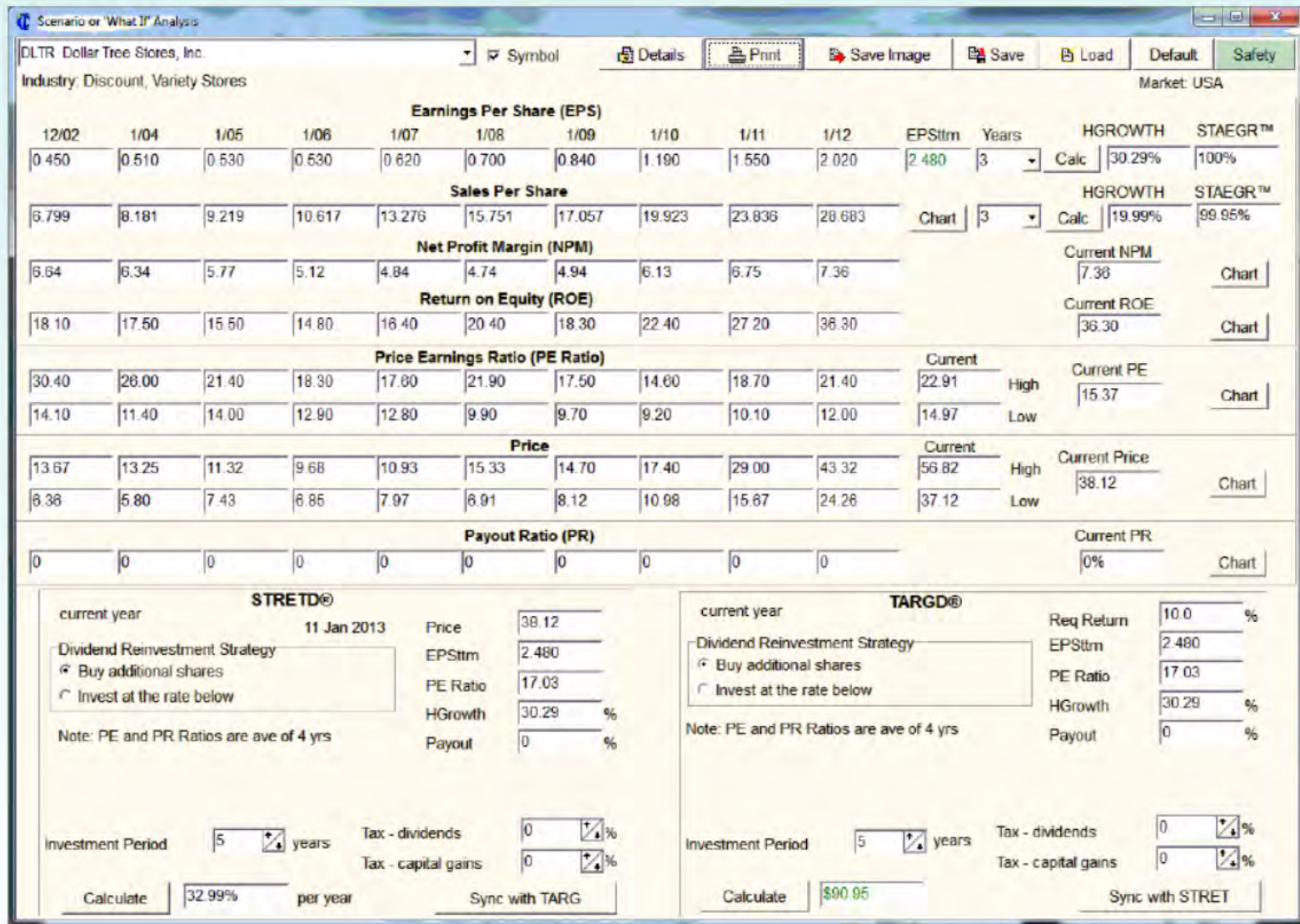
Value Line	Scores
ValueLine Financial Strength	A++ rating indicates tremendous strength
ValueLine Stock's Price Stability	Price stability is 80.
ValueLine Earnings Predictability	Earnings predictability is 95.

Buffettology

Metric	DLTR	FDO	DG	WMT	BIG	Buffett's Threshold
Return on Equity	36.32%	32.54%	16.42%	20.72%	25.15%	> 15%
Return on Capital	23.85%	19.08%	9.87%	11.02%	18.87%	> 15%
Return on Assets	20.97%	12.52%	7.91%	8.12%	12.62%	
LT Debt/Net Income	1.44	2.17	4.04	3.09	1.32	< 5
Gross Profit Margin	35.87%	34.94%	31.73%	25.02%	39.8%	> 40%
Net Profit Margin	7.36%	4.53%	5.18%	3.51%	3.98%	> 10%
Current Ratio	2.10	1.66	1.51	0.88	1.72	> 1
Debt/Equity	0.73	1.38	1.08	0.64	0.36	< 0.8
Free Cash Flow Yield	6.94%	5.45%	0.39%	4.45%	12.4%	

Conscious Investor Reports

3 year Default



Save Image

Save

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Default

Safety

Market: USA

EPSttm

Years

HGROWTH

STAEGR™

2.480

3

Calc

30.29%

100%

Chart

3

Calc

HGROWTH

STAEGR™

19.99%

99.95%

Current NPM

7.36

Chart

Current ROE

36.30

Chart

6.36	5.80	7.43	6.85	7.97	6.91	8.12	10.98
------	------	------	------	------	------	------	-------

Payout Ratio (PR)

0	0	0	0	0	0	0	0
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STRETD®

current year

11 Jan 2013

Price 38.12

Dividend Reinvestment Strategy

- Buy additional shares
- Invest at the rate below

EPSttm 2.480

PE Ratio 17.03

HGrowth 30.29 %

Note: PE and PR Ratios are ave of 4 yrs

Payout 0 %

Investment Period

5 years

Tax - dividends 0 %

Tax - capital gains 0 %

Calculate

32.99% per year

Sync with TARG

6 Year Default

Scenario or 'What If' Analysis

DLTR Dollar Tree Stores, Inc. Symbol Details Print Save Image Save Load Default Safety

Industry: Discount, Variety Stores Market: USA

Earnings Per Share (EPS)										EPSttm	Years	HGROWTH	STAEGR™	
12/02	1/04	1/05	1/06	1/07	1/08	1/09	1/10	1/11	1/12			Calc		
0.450	0.510	0.530	0.530	0.620	0.700	0.840	1.190	1.550	2.020	2.480	8		28.24%	95.79%
Sales Per Share												HGROWTH	STAEGR™	
6.799	8.181	9.219	10.617	13.276	15.751	17.057	19.923	23.836	28.683	Chart	6	Calc	16.18%	97.57%
Net Profit Margin (NPM)										Current NPM		Chart		
6.64	6.34	5.77	5.12	4.84	4.74	4.94	6.13	6.75	7.36	7.36		Chart		
Return on Equity (ROE)										Current ROE		Chart		
18.10	17.50	15.50	14.80	16.40	20.40	18.30	22.40	27.20	36.30	36.30		Chart		
Price Earnings Ratio (PE Ratio)										Current		Current PE	Chart	
30.40	26.00	21.40	18.30	17.80	21.90	17.50	14.60	18.70	21.40	22.91	High	15.37	Chart	
14.10	11.40	14.00	12.90	12.80	9.90	9.70	9.20	10.10	12.00	14.97	Low			
Price										Current		Current Price	Chart	
13.67	13.25	11.32	9.68	10.93	15.33	14.70	17.40	29.00	43.32	56.82	High	38.12	Chart	
6.38	5.80	7.43	6.85	7.97	6.91	8.12	10.98	15.87	24.26	37.12	Low			
Payout Ratio (PR)										Current PR		Chart		
0	0	0	0	0	0	0	0	0	0	0%		Chart		

STRETD®

current year 11 Jan 2013 Price 38.12

Dividend Reinvestment Strategy

Buy additional shares

Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

EPSttm 2.480

PE Ratio 17.03

HGrowth 28.24 %

Payout 0 %

Investment Period 5 years Tax - dividends 0 %

Tax - capital gains 0 %

Calculate 30.9% per year Sync with TARG

TARGD®

current year Req Return 10.0 %

Dividend Reinvestment Strategy

Buy additional shares

Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

EPSttm 2.480

PE Ratio 17.03

HGrowth 28.24 %

Payout 0 %

Investment Period 5 years Tax - dividends 0 %

Tax - capital gains 0 %

Calculate \$90.95 Sync with STRET

Save Image Save Load Default Safety

Market: USA

2	EPSttm	Years		HGROWTH	STAEGR™
20	2.480	6	Calc	28.24%	95.79%
683	Chart	6	Calc	16.18%	97.57%
6				Current NPM	Chart
				7.38	
30				Current ROE	Chart
				36.30	

Current

6.36	5.80	7.43	6.85	7.97	6.91	8.12	10.98
------	------	------	------	------	------	------	-------

Payout Ratio (PR)

0	0	0	0	0	0	0	0
---	---	---	---	---	---	---	---

STRETD®

current year

11 Jan 2013

Price

38.12

Dividend Reinvestment Strategy

EPSttm

2.480

Buy additional shares

PE Ratio

17.03

Invest at the rate below

HGrowth

28.24 %

Note: PE and PR Ratios are ave of 4 yrs

Payout

0 %

Investment Period

5 years

Tax - dividends

0 %

Tax - capital gains

0 %

Calculate

30.9% per year

Sync with TARG

10 Year Default

Scenario or 'What If' Analysis

DLTR Dollar Tree Stores, Inc. Symbol Details Print Save Image Save Load Default Safety

Industry: Discount, Variety Stores Market: USA

Earnings Per Share (EPS)										EPSStm	Years	HGROWTH	STAEGR™
12/02	1/04	1/05	1/06	1/07	1/08	1/09	1/10	1/11	1/12	2.480	10	17.59%	84.23%
0.450	0.510	0.530	0.530	0.620	0.700	0.840	1.190	1.550	2.020				
Sales Per Share											Years	HGROWTH	STAEGR™
6.799	8.181	9.219	10.617	13.276	15.751	17.057	19.923	23.836	28.683	Chart	10	16.98%	97.69%
Net Profit Margin (NPM)												Current NPM	
6.64	6.34	5.77	5.12	4.84	4.74	4.94	6.13	6.75	7.36			7.38	Chart
Return on Equity (ROE)												Current ROE	
18.10	17.50	15.50	14.80	16.40	20.40	18.30	22.40	27.20	36.30			36.30	Chart
Price Earnings Ratio (PE Ratio)										Current		Current PE	
30.40	26.00	21.40	18.30	17.80	21.90	17.50	14.60	18.70	21.40	22.91	High	15.37	Chart
14.10	11.40	14.00	12.90	12.80	9.90	9.70	9.20	10.10	12.00	14.97	Low		
Price										Current		Current Price	
13.67	13.25	11.32	9.68	10.93	15.33	14.70	17.40	29.00	43.32	56.82	High	38.12	Chart
8.36	5.80	7.43	6.85	7.97	6.91	8.12	10.98	15.67	24.26	37.12	Low		
Payout Ratio (PR)												Current PR	
0	0	0	0	0	0	0	0	0	0			0%	Chart

STRETD®

current year 11 Jan 2013 Price 38.12

Dividend Reinvestment Strategy Buy additional shares Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

EPSStm 2.480
PE Ratio 17.03
HGrowth 17.59 %
Payout 0 %

Tax - dividends 0 %
Tax - capital gains 0 %

Investment Period 5 years

Calculate 20.03% per year Sync with TARG

TARGD®

current year Req Return 10.0 %

Dividend Reinvestment Strategy Buy additional shares Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

EPSStm 2.480
PE Ratio 17.03
HGrowth 17.59 %
Payout 0 %

Tax - dividends 0 %
Tax - capital gains 0 %

Investment Period 5 years

Calculate \$90.95 Sync with STRET

ve Image

Save

Load

Default

Safety

Market: USA

EPSttm

Years

HGROWTH

STAEGR™

2.480

10

Calc

17.59%

84.23%

Chart

10

Calc

HGROWTH

16.98%

STAEGR™

97.69%

Current NPM

7.36

Chart

Current ROE

36.30

Chart

6.35 | 5.80 | 7.43 | 6.85 | 7.97 | 6.91 | 8.12 | 10.98

Payout Ratio (PR)

0 | 0 | 0 | 0 | 0 | 0 | 0 | 0

STRETD®

current year

11 Jan 2013

Price

38.12

Dividend Reinvestment Strategy

EPSttm

2.480

Buy additional shares

PE Ratio

17.03

Invest at the rate below

HGrowth

17.59 %

Note: PE and PR Ratios are ave of 4 yrs

Payout

0 %

Investment Period

5 years

Tax - dividends

0 %

Tax - capital gains

0 %

Calculate

20.03% per year

Sync with TARG

Safety

Scenario or "What If" Analysis

DLTR Dollar Tree Stores, Inc. Symbol Details Print Save Image Save Load Default Safety

Industry: Discount, Variety Stores Market: USA

Earnings Per Share (EPS)											EPSttm	Years	HGROWTH	STAEGR™
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Price Earnings Ratio (PE Ratio)											Current		Current PE	Chart
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14.10	11.40	14.00	12.90	12.80	9.90	9.70	9.20	10.10	12.00	14.97	Low			
Price											Current		Current Price	Chart
13.67	13.25	11.32	9.68	10.93	15.33	14.70	17.40	29.00	43.32	56.82	High	38.12		Chart
6.36	5.80	7.43	6.85	7.97	6.91	8.12	10.98	15.67	24.26	37.12	Low			
Payout Ratio (PR)											Current PR		Chart	
0	0	0	0	0	0	0	0	0	0			0%		Chart

STRETD®

current year 11 Jan 2013

Dividend Reinvestment Strategy

Buy additional shares

Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

Price 38.12

EPSttm 2.480

PE Ratio 13.23

HGrowth 13.81 %

Payout 0 %

Investment Period 5 years

Tax - dividends 0 %

Tax - capital gains 0 %

Calculate 10.45% per year

Sync with TARG

TARGD®

current year

Dividend Reinvestment Strategy

Buy additional shares

Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

Req Return 10.0 %

EPSttm 2.480

PE Ratio 13.23

HGrowth 13.81 %

Payout 0 %

Investment Period 5 years

Tax - dividends 0 %

Tax - capital gains 0 %

Calculate \$38.90

Sync with STRET

Payout Ratio (PR)

0	0	0	0	0	0	0	0
---	---	---	---	---	---	---	---

STRETD®

current year

11 Jan 2013

Price 38.12

EPSttm 2.480

PE Ratio 13.23

HGrowth 13.81 %

Payout 0 %

Dividend Reinvestment Strategy

Buy additional shares

Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

Investment Period 5 years

Tax - dividends 0 %

Tax - capital gains 0 %

Calculate 10.45% per year

Sync with TARG

Kill It Now

Scenario or 'What-If' Analysis

DLTR Dollar Tree Stores, Inc. Symbol Details Print Save Image Save Load Default Safety

Industry: Discount, Variety Stores Market: USA

Earnings Per Share (EPS)											EPSStm	Years	HGROWTH	STAEGR™	
12/02	1/04	1/05	1/06	1/07	1/08	1/09	1/10	1/11	1/12						
0.450	0.510	0.530	0.530	0.620	0.700	0.840	1.190	1.550	2.020	2.480	6	Calc	28.24%	95.79%	
Sales Per Share													HGROWTH	STAEGR™	
6.799	8.181	9.219	10.617	13.276	15.751	17.057	19.923	23.836	28.683		Chart	6	Calc	16.18%	97.57%
Net Profit Margin (NPM)													Current NPM		
6.64	6.34	5.77	5.12	4.84	4.74	4.94	6.13	6.75	7.36					Chart	
Return on Equity (ROE)													Current ROE		
18.10	17.50	15.50	14.80	16.40	20.40	18.30	22.40	27.20	36.30					Chart	
Price Earnings Ratio (PE Ratio)											Current		Current PE		
30.40	26.00	21.40	18.30	17.60	21.90	17.50	14.60	18.70	21.40	22.91	High			Chart	
14.10	11.40	14.00	12.90	12.80	9.90	9.70	9.20	10.10	12.00	14.97	Low				
Price											Current		Current Price		
13.67	13.25	11.32	9.66	10.93	15.33	14.70	17.40	29.00	43.32	56.82	High			Chart	
6.36	5.80	7.43	6.85	7.97	6.91	8.12	10.98	15.67	24.26	37.12	Low				
Payout Ratio (PR)													Current PR		
0	0	0	0	0	0	0	0	0	0	0				Chart	

STRETD®

current year 11 Jan 2013

Price 38.12

Dividend Reinvestment Strategy

Buy additional shares

Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

EPSStm 2.480

PE Ratio 11

HGrowth 10 %

Payout 0 %

Tax - dividends 0 %

Tax - capital gains 0 %

Investment Period 5 years

Calculate 2.88% per year

Sync with TARG

TARGD®

current year

Req Return 10.0 %

Dividend Reinvestment Strategy

Buy additional shares

Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

EPStm 2.480

PE Ratio 13.23

HGrowth 13.81 %

Payout 0 %

Tax - dividends 0 %

Tax - capital gains 0 %

Investment Period 5 years

Calculate \$38.90

Sync with STRET

Payout Ratio (PR)

0	0	0	0	0	0	0	0
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STRETD®

current year

11 Jan 2013

Dividend Reinvestment Strategy

- Buy additional shares
- Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

Price	38.12
EPSttm	2.480
PE Ratio	11
HGrowth	10 %
Payout	0 %

Investment Period

5 years

Tax - dividends

0 %

Tax - capital gains

0 %

Calculate

2.88% per year

Sync with TARG

Kill It Again

Scenario or 'What If' Analysis

DLTR Dollar Tree Stores, Inc. Symbol Details Print Save Image Save Load Default Safety

Industry: Discount, Variety Stores Market: USA

Earnings Per Share (EPS)											EPStm	Years	HGROWTH	STAEGR™
12/02	1/04	1/05	1/06	1/07	1/08	1/09	1/10	1/11	1/12					
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Sales Per Share												Chart	HGROWTH	STAEGR™
8.799	8.181	9.210	10.617	13.276	15.751	17.057	19.023	23.836	28.683		6	Calc	16.18%	97.57%
Net Profit Margin (NPM)													Current NPM	
6.64	6.34	5.77	5.12	4.84	4.74	4.94	6.13	6.75	7.36				7.36	Chart
Return on Equity (ROE)													Current ROE	
18.10	17.50	15.50	14.80	16.40	20.40	18.30	22.40	27.20	36.30				36.30	Chart
Price Earnings Ratio (PE Ratio)											Current		Current PE	
30.40	26.00	21.40	18.30	17.60	21.90	17.50	14.60	18.70	21.40	22.91	High		15.37	Chart
14.10	11.40	14.00	12.90	12.80	9.90	9.70	9.20	10.10	12.00	14.97	Low			
Price											Current		Current Price	
13.87	13.25	11.32	9.88	10.93	15.33	14.70	17.40	29.00	43.32	58.82	High		38.12	Chart
6.36	5.80	7.43	6.85	7.97	6.91	8.12	10.98	15.67	24.26	37.12	Low			
Payout Ratio (PR)													Current PR	
0	0	0	0	0	0	0	0	0	0				0%	Chart

STRETD®

current year 11 Jan 2013 Price 38.12

Dividend Reinvestment Strategy Buy additional shares Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

EPStm 2.480

PE Ratio 10

HGrowth 9 %

Payout 0 %

Tax - dividends 0 %

Tax - capital gains 0 %

Investment Period 5 years

Calculate 0.02% per year Sync with TARG

TARGD®

current year Req Return 10.0 %

Dividend Reinvestment Strategy Buy additional shares Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

EPStm 2.480

PE Ratio 13.23

HGrowth 13.81 %

Payout 0 %

Tax - dividends 0 %

Tax - capital gains 0 %

Investment Period 5 years

Calculate \$38.90 Sync with STRET

Payout Ratio (PR)

0	0	0	0	0	0	0	0
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STRETD®

current year

11 Jan 2013

Price 38.12

EPSttm 2.480

PE Ratio 10

HGrowth 9 %

Payout 0 %

Dividend Reinvestment Strategy

- Buy additional shares
- Invest at the rate below

Note: PE and PR Ratios are ave of 4 yrs

Investment Period years

Tax - dividends %

Tax - capital gains %


per year

Discounted Cash Flow

Enter Symbol: (Price: USD 41.26)

Earnings Per Share : USD

Growth Rate in the Next: Years: %

Business Predictability 

Terminal Growth Rate: %

Years of Terminal Growth:

Discount Rate: %

Tangible Book Value: USD (not added to Fair Value)

Growth Value: USD 33.18

+ Terminal Value: USD 27.94

= Fair Value:

Margin Of Safety: **33%**

Financial Data of Dollar Tree Stores, Inc.

Annual Rates (per share)	10 yrs	5 yrs	12 months
Revenue Growth (%)	16.5	16.8	17.3
EBITDA Growth (%)	16.1	23.9	21.5
Earning Growth (%)	17.7		13
Free Cash Flow Growth (%)	47.6	40.6	49.2
Book Value Growth (%)	9.3	12.6	11.4


Per Share Data	Annuals (Year End)			Quarterly
	Jan10	Jan11	Jan12	Oct12
Revenue (USD)	19.50	23.14	27.56	7.52
EBITDA	2.50	3.11	3.93	1.00
Free Cashflow	2.17	1.34	2.85	0.15
EPS (USD)	1.20	1.57	2.03	0.68
Book Value	5.33	5.74	5.59	6.73



Enter Symbol: (Price: USD 41.26)

Earnings Per Share : USD

Growth Rate In the Next: Years: %

Business Predictability 

Terminal Growth Rate: %

Years of Terminal Growth:

Discount Rate: %

Tangible Book Value: USD (not added to Fair Value)

Growth Value: USD 31.25

+ Terminal Value: USD 25.22

= Fair Value: USD 56.47

Margin Of Safety: 27%

Financial Data of Dollar Tree Stores, Inc.


Annual Rates (per share)	10 yrs	5 yrs	12 months
Revenue Growth (%)	16.5	7.3	7.3
EBITDA Growth (%)	16.1	23.9	21.5
Earning Growth (%)	17.7	31.6	33
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Enter Symbol: (Price: USD 41.26)

Earnings Per Share : USD

Growth Rate In the Next: Years: %

Business Predictability 

Terminal Growth Rate: %

Years of Terminal Growth:


Discount Rate: %

Tangible Book Value: USD (not added to Fair Value)

Growth Value: USD

+ Terminal Value: USD

= Fair Value:

Margin Of Safety: **0%** 

Financial Data of Dollar Tree Stores, Inc.

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Book Value	5.33	5.74	5.59	6.73



Competitive Trend Analysis of Margins

Operating Margin					
	2008	2009	2010	2011	2012
DLTR	7.8%	7.9%	9.8%	10.7%	11.8%
DG	2.7%	5.6%	8.1%	9.8%	10.1%
FDO	5.2%	6.2%	7.3%	7.5%	7.4%
WMT	5.8%	5.6%	5.9%	6.1%	5.9%
BIG	5.1%	5.5%	6.9%	7.2%	6.6%
Net Margin					
	2008	2009	2010	2011	2012
DLTR	5%	5%	6%	7%	7%
DG	-0.1%	1.0%	2.9%	4.8%	5.2%
FDO	3.3%	3.9%	4.6%	4.5%	4.5%
WMT	3.4%	3.3%	3.5%	3.9%	3.5%
BIG	3.4%	3.3%	4.2%	4.5%	4.0%



Motley Fool



Company	Sales per Square Foot	10 Year Sales Growth	10 Year EPS Growth	Points
Dollar General	\$213	10.1%	13.2%	4
Dollar Tree Stores	\$182	11.8%	18.7%	5
Family Dollar Stores	\$152	7.3%	9.64%	0



Company	Cash/Debt	Dividend %	% Reduction in Shares (10 Year)	Points
Dollar General	146M/3.03B= .05	0%	-1%	0
Dollar Tree Stores	222M/264M= .84	0%	32%	4
Family Dollar Stores	122M/725M=. 17	1.5%	32%	5



Company	PE	Forward PE	5 Year PEG	Price/Cash Flow	Price/Sales	CAPS Rating	Points
Dollar General	16	13	0.9	13	0.9	***	10
Dollar Tree Stores	16	14	0.9	14	1.3	****	8
Family Dollar Stores	16	13	1.3	17	0.7	***	8

Final Leaderboard

Bronze: Family Dollar Stores - 13 points

Silver: Dollar General - 14 points

Gold: Dollar Tree Stores - 17 points

Seeking Alpha



Dollar General



Family Dollar

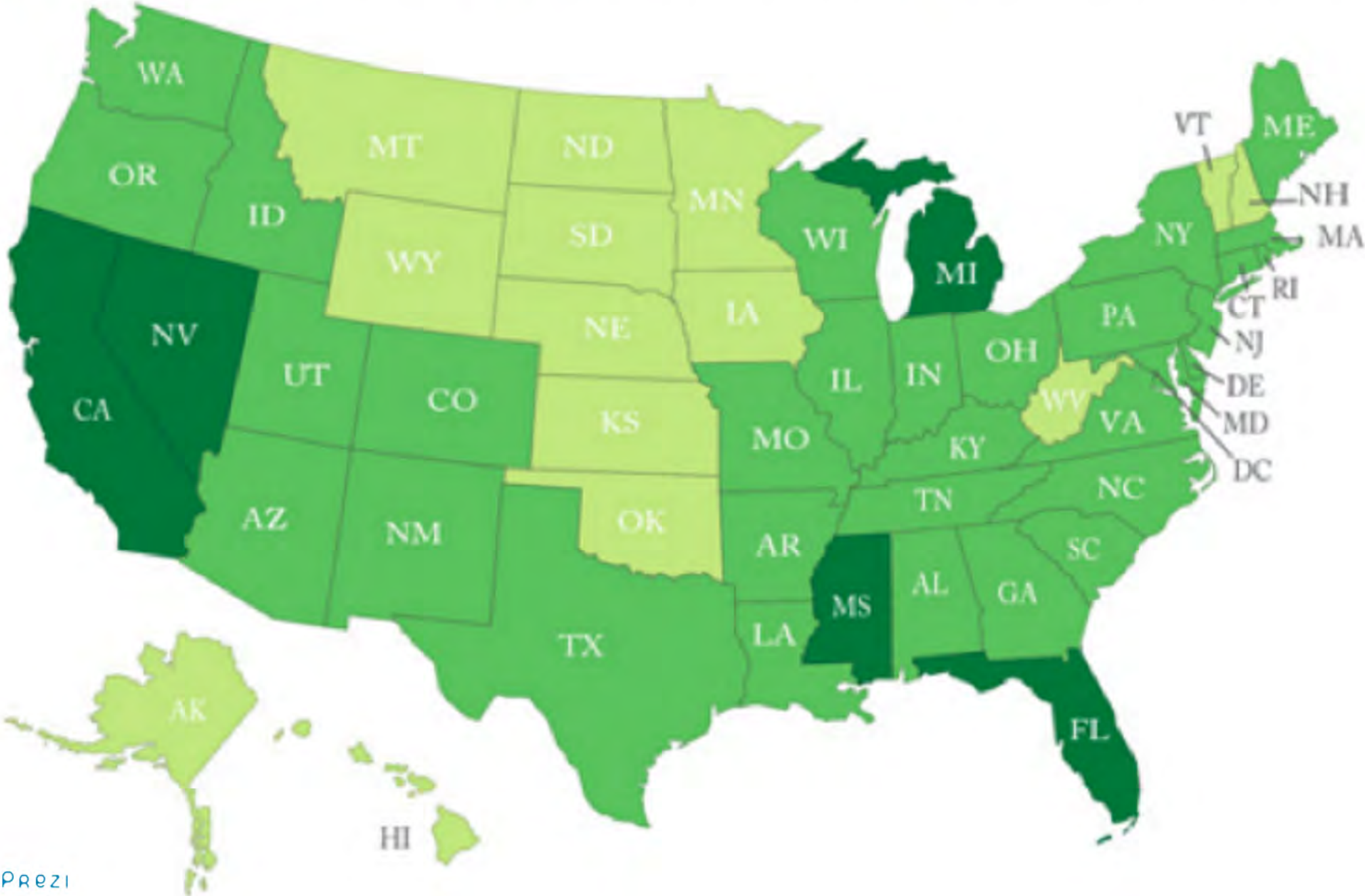


Dollar Tree



Underemployment, 2011

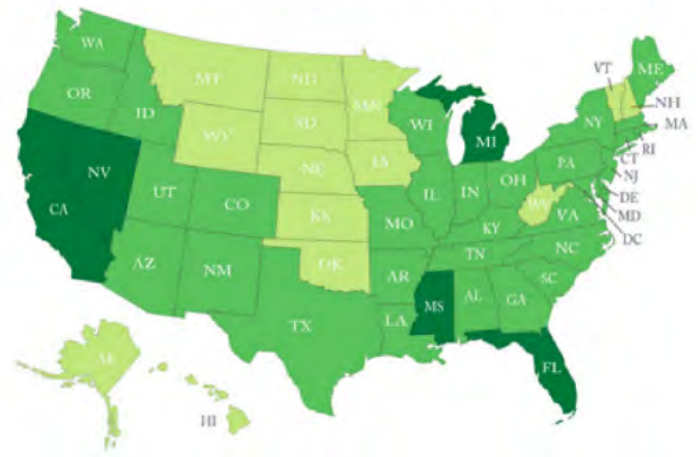
■ Above average (21.0%-24.0%) ■ Average (15.6%-20.9%) ■ Below average (6.0%-15.5%)





Underemployment, 2011

■ Above average (21.0%-24.0%)
 ■ Average (15.6%-20.9%)
 ■ Below average (6.0%-15.5%)



Family Dollar




Dollar Tree



	2006	2007	2008	2009	2010	2011	2012	Current Price
Price/Earnings	15.4	16.9	13.32	16.81	13.84	16.14	20.76	15.92
Price/Tangible Book Value	2.54	3.1	3.03	3.46	3.37	4.92	8.43	6.69
Price/Free Cash Flow	11.65	17.47	14.83	14.1	7.57	18.87	14.67	13.59
Price/Sales (Revenue)	0.79	0.81	0.63	0.83	0.85	1.09	1.53	1.3
Enterprise Value/Sales	0.76	0.84	0.65	0.81	0.77	1.04	1.49	1.31
Enterprise Value/EBITDA	6.07	7.14	5.6	7.15	6.02	7.73	10.41	9
Enterprise Value/EBIT	9.08	10.79	8.3	10.32	7.87	9.69	12.59	10.79

Recommendation



We recommend writing a put:

February 15 expiration (22 days)



Strike Price: \$40

Option premium: \$0.55

Annualized Return: 22.8%