

Family Dollar Stores (FDO)

01-Jul-10

	2004	2005	53-Weeks 2006	Q1 2007	Q2 2007	Q3 2007	Q4 2007	2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008	2008	Q1 2009	Q2 2009	Q3 2009E	Q4 2009E	2009E	2010E
	27-Aug-05	26-Aug-06	01-Sep-07	01-Dec-07	01-Mar-08	31-May-08	30-Aug-08		29-Nov-08	28-Feb-09	30-May-09	29-Aug-09		28-Nov-09	27-Feb-10	29-May-10			
Store Count:																			
Store Count	5,898	6,173	6,430	6,477	6,509	6,545	6,571	6,571	6,617	6,643	6,654	6,655	6,655	6,665	6,689	6,724	6,769	6,769	6,904
Total Gross Square Footage	49,794,000	52,310,000	54,455,000	54,762,000	55,359,000	55,575,000	55,730,000	55,730,000	56,123,000	56,511,000	56,527,000	56,589,000	56,589,000	56,745,000	56,983,000	57,314,782	57,732,203	57,732,203	59,021,686
Avg Gross Square Ft per Unit	8,443	8,474	8,469	8,455	8,505	8,491	8,481	8,481	8,482	8,507	8,495	8,503	8,503	8,514	8,519	8,524	8,529	8,529	8,549
Income Statement:																			
Consumables	3,372,564	3,702,573	4,019,592	1,023,275	1,049,620	1,066,649	1,124,139	4,263,681	1,155,054	1,209,453	1,201,033	1,199,293	4,764,835	1,221,857	1,271,121				
Home Products	902,845	972,005	1,035,276	248,653	296,337	229,528	227,592	1,002,110	233,592	300,602	237,384	216,973	988,550	235,297	318,910				
Apparel and Accessories	879,546	920,847	982,926	216,468	239,089	230,784	228,813	915,155	186,100	214,882	219,193	211,146	831,321	182,299	214,358				
Seasonal and Electronics	669,853	799,347	796,511	194,647	247,565	175,236	185,233	802,682	179,087	267,323	185,479	184,012	815,900	183,453	285,841				
Net Revenue	5,824,808	6,394,772	6,834,305	1,683,043	1,832,611	1,702,197	1,765,777	6,983,628	1,753,833	1,992,260	1,843,089	1,811,424	7,400,606	1,822,906	2,090,230	1,996,746	1,955,838	7,865,720	8,249,018
Cost of Sales	(3,908,569)	(4,276,466)	(4,512,242)	(1,107,018)	(1,233,528)	(1,112,755)	(1,184,525)	(4,637,826)	(1,139,380)	(1,320,956)	(1,175,897)	(1,186,168)	(4,822,401)	(1,164,684)	(1,349,399)	(1,263,947)	(1,272,911)	(5,050,941)	(5,282,463)
Non-Recurring Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gross Profit	1,916,239	2,118,306	2,322,063	576,025	599,083	589,442	581,252	2,345,802	614,453	671,304	667,192	625,256	2,578,205	658,222	740,831	732,799	682,927	2,814,779	2,966,555
Selling, General, & Admin Expense	(1,577,429)	(1,745,501)	(1,915,730)	(490,885)	(502,620)	(487,835)	(499,156)	(1,980,496)	(522,049)	(537,218)	(528,158)	(533,511)	(2,120,936)	(548,551)	(559,480)	(568,727)	(570,636)	(2,247,394)	(2,359,234)
Litigation Charge	0	(45,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Recurring Items	0	(10,500)	(17,700)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Income	338,810	317,305	388,633	85,140	96,463	101,607	82,096	365,306	92,404	134,086	139,034	91,745	457,269	109,671	181,351	164,072	112,291	567,385	607,321
Interest Income	3,985	6,934	10,690	3,985	3,344	2,973	2,640	11,042	3,599	1,564	879	553	6,595	395	269	300	300	1,264	1,200
Interest Expense	0	(13,095)	(17,427)	(4,611)	(3,355)	(3,361)	(3,259)	(14,586)	(3,217)	(3,345)	(3,216)	(3,161)	(12,939)	(3,335)	(3,368)	(3,300)	(3,200)	(13,203)	(12,800)
Non-Recurring Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Income Before Tax	342,795	311,144	381,896	82,614	96,452	101,219	81,477	361,762	92,786	132,305	136,697	89,137	450,925	106,731	178,252	161,072	109,391	555,446	595,721
Income Tax (Exp)/Benefit	(125,286)	(116,033)	(139,042)	(30,668)	(33,149)	(36,546)	(28,326)	(128,689)	(33,497)	(48,165)	(48,976)	(29,021)	(159,659)	(39,110)	(66,043)	(57,986)	(39,381)	(202,520)	(211,481)
Minority Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income Bef Discontinued	217,509	195,111	242,854	51,946	63,303	64,673	53,151	233,073	59,289	84,140	87,721	60,116	291,266	67,621	112,209	103,086	70,011	352,927	384,240
Net Income per Share - Dil	1.30	1.26	1.62	0.37	0.45	0.46	0.38	1.66	0.42	0.60	0.62	0.43	2.07	0.49	0.81	0.76	0.52	2.56	2.90
Discontinued Operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	217,509	195,111	242,854	51,946	63,303	64,673	53,151	233,073	59,289	84,140	87,721	60,116	291,266	67,621	112,209	103,086	70,011	352,927	384,240
Net Income per Share - Dil	1.30	1.26	1.62	0.37	0.45	0.46	0.38	1.66	0.42	0.60	0.62	0.43	2.07	0.49	0.81	0.76	0.52	2.56	2.90
Weighted shares - Basic	166,791	154,967	149,141	140,936	140,439	139,696	139,701	140,193	139,817	139,996	140,319	139,441	139,894	138,686	137,480	135,000	134,000	136,921	132,000
Weighted shares - Diluted	167,092	155,124	149,599	141,324	140,617	139,920	140,114	140,494	140,237	140,456	141,195	140,199	140,522	139,271	138,142	135,700	134,700	137,621	132,700
Profitability Metrics:																			
Gross Profit Margin	32.90%	33.13%	33.98%	34.23%	32.69%	34.63%	32.92%	33.59%	35.03%	33.70%	36.20%	34.52%	34.84%	36.11%	35.44%	36.70%	34.92%	35.79%	35.96%
SG&A Expense Ratio	-27.08%	-27.30%	-28.03%	-29.17%	-27.43%	-28.66%	-28.27%	-28.36%	-29.77%	-29.77%	-26.97%	-29.45%	-28.66%	-30.09%	-26.77%	-28.48%	-29.18%	-28.57%	-28.60%
Operating Margin (ex-Items)	5.82%	5.83%	5.95%	5.06%	5.26%	5.97%	4.65%	5.23%	5.27%	6.73%	7.54%	5.06%	6.18%	6.02%	8.68%	8.22%	5.74%	7.21%	7.36%
Depreciation Expense	114,733	134,637	144,060	38,058	38,731	38,405	34,404	149,598	37,815	39,921	40,544	41,528	159,808	42,019	42,349	43,000	44,000	171,368	179,000
EBITDA (ex-Items)	453,543	507,442	550,393	123,198	135,194	140,012	116,500	514,904	130,219	174,007	179,578	133,273	617,077	151,690	223,700	207,072	156,291	738,753	786,321
Sales Metrics:																			
Total Company Revenue	10.3%	9.8%	6.9%	5.2%	-5.9%	2.9%	8.2%	2.2%	4.2%	8.7%	8.3%	2.6%	6.0%	3.9%	4.9%	8.3%	8.0%	6.3%	4.9%
Same Store Sales	2.3%	3.7%	0.9%	-1.0%	0.0%	0.1%	5.6%	1.2%	2.1%	6.4%	6.2%	1.0%	4.0%	2.4%	3.6%	7.0%	6.0%	4.8%	2.5%
Retail Sales per Avg Gross Sq Ft																			
Balance Sheet Highlights:																			
Cash & Marketable Securities	138,705	216,232	284,671	225,285	316,969	318,327	380,606	380,606	369,390	507,131	500,558	608,236	608,236	532,208	703,631				
Inventory	1,090,791	1,037,859	1,065,898	1,121,813	998,261	1,004,973	1,032,685	1,032,685	1,091,947	1,035,196	1,035,259	993,797	993,797	1,027,514	935,305	976,632	953,771	953,771	957,863
Inventory per Square Foot	22	20	20	20	18	18	19	19	19	18	18	18	18	18	16	17	17	17	16
Inventory Turnover		4.0	4.3				4.4					4.6						5.2	5.4
Capital Expenditures	229,065	192,173	131,594	36,563	27,851	44,445	59,073	167,932	28,167	33,621	41,402	52,211	155,401	39,140	43,711	40,000	40,000	162,851	160,000
Total Debt	0	250,000	250,000	303,500	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Debt % Total Inv Capital	0%	17%	18%	17%	18%	17%	17%	17%	16%	15%	15%	15%	15%	15%	15%	14%	13%	13%	11%
Total Shareholder's Equity	1,428,066	1,208,393	1,174,641	1,131,266	1,164,071	1,216,122	1,254,083	1,254,083	1,296,903	1,367,741	1,424,710	1,440,060	1,440,060	1,473,672	1,429,025	1,532,111	1,602,122	1,602,122	1,986,361
Valuation:																			
Market Price per Share	\$20.24	\$23.58	\$29.28	\$23.55	\$19.15	\$21.40	\$24.92	\$24.92	\$27.78	\$27.44	\$30.27	\$30.53	\$30.53	\$31.02	\$32.99	\$40.74	\$38.00	\$38.00	\$38.00
Market Cap - Avg Diluted	3,381,942	3,657,824	4,380,259	3,328,180	2,692,816	2,994,288	3,491,641	3,501,110	3,895,784	3,854,113	4,273,973	4,280,275	4,290,137	4,320,186	4,557,305	5,528,418	5,118,600	5,118,600	4,966,600
Book Value per Share	\$8.55	\$7.79	\$7.85	\$8.00	\$8.28	\$8.69	\$8.95	\$8.93	\$9.25	\$9.74	\$10.09	\$10.27	\$10.25	\$10.58	\$10				

Family Dollar (FDO) 3-Year Profitability Run Rates

	FY 2007 vs. LY	FY 2008 vs. LY	Combined 2-Year	FY 2009 vs. LY	Combined 3-Year
Gross Profit Margin %					
Q1	Lower 32 Bps +	Higher 80 Bps =	Higher 48 Bps +	Higher 108 Bps =	Higher 156 Bps
Q2	Lower 82 Bps +	Higher 101 Bps =	Higher 19 Bps +	Higher 174 Bps =	Higher 193 Bps
Q3	Lower 24 Bps +	Higher 157 Bps =	Higher 133 Bps +	=	=
Q4	Lower 15 Bps +	Higher 160 Bps =	Higher 145 Bps +	=	=
SG&A %					
Q1	Higher 32 Bps +	Higher 60 Bps =	Higher 92 Bps +	Higher 32 Bps =	Higher 124 Bps
Q2	Higher 190 Bps +	Lower 46 Bps =	Higher 144 Bps +	Lower 20 Bps =	Higher 124 Bps
Q3	Lower 25 Bps +	Flat =	Lower 25 Bps +	=	=
Q4	Lower 104 Bps +	Higher 118 Bps =	Higher 14 Bps +	=	=
Operating Margin % (ex-Items)					
Q1	Lower 63 Bps +	Higher 21 Bps =	Lower 42 Bps +	Higher 75 Bps =	Higher 33 Bps
Q2	Lower 272 Bps +	Higher 147 Bps =	Lower 125 Bps +	Higher 195 Bps =	Higher 70 Bps
Q3	Higher 1 Bps +	Higher 157 Bps =	Higher 158 Bps +	=	=
Q4	Higher 89 Bps +	Higher 41 Bps =	Higher 130 Bps +	=	=

	FY 2008 vs. LY	FY 2009 vs. LY	Combined 2-Year	FY 2010 vs. LY	Combined 3-Year
Gross Profit Margin %					
Q1	Higher 80 Bps +	Higher 108 Bps =	Higher 188 Bps +	=	=
Q2	Higher 101 Bps +	Higher 174 Bps =	Higher 275 Bps +	=	=
Q3	Higher 157 Bps +	=	=	+	=
Q4	Higher 160 Bps +	=	=	+	=
SG&A %					
Q1	Higher 60 Bps +	Higher 32 Bps =	Higher 92 Bps +	=	=
Q2	Lower 46 Bps +	Lower 20 Bps =	Lower 66 Bps +	=	=
Q3	Flat +	=	=	+	=
Q4	Higher 118 Bps +	=	=	+	=
Operating Margin % (ex-Items)					
Q1	Higher 21 Bps +	Higher 75 Bps =	Higher 96 Bps +	=	=
Q2	Higher 147 Bps +	Higher 195 Bps =	Higher 342 Bps +	=	=
Q3	Higher 157 Bps +	=	=	+	=
Q4	Higher 41 Bps +	=	=	+	=

*Gross Margin / SG&A Ratio / Operating Margin each are adjusted for non-recurring items.

Non-Recurring Items:

Q2 2005 Litigation Expense: \$45.000 million charge (\$0.18)
 Q4 2005 SG&A: \$10.500 million charge new measure date determine for certain historical option grants (\$0.04)
 Q2 2006 SG&A: \$12.000 million charge review stock option processes (\$)
 Q3 2006 SG&A: \$5.700 million charge settlement of shareholder litigation (\$0.02)

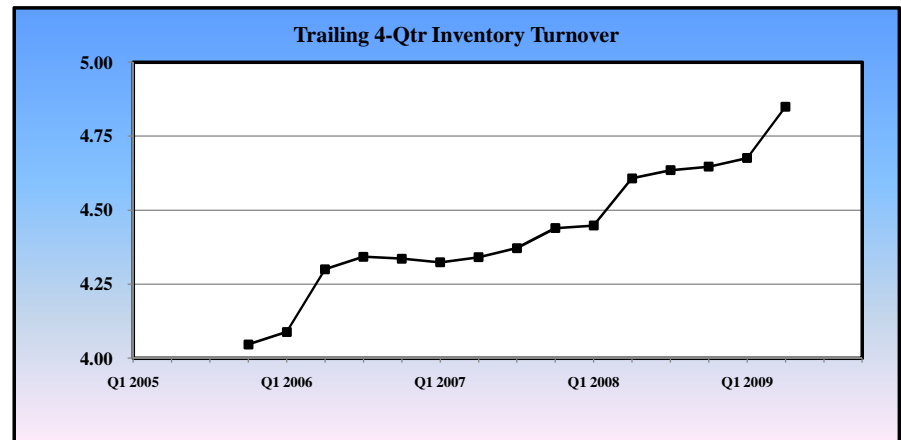
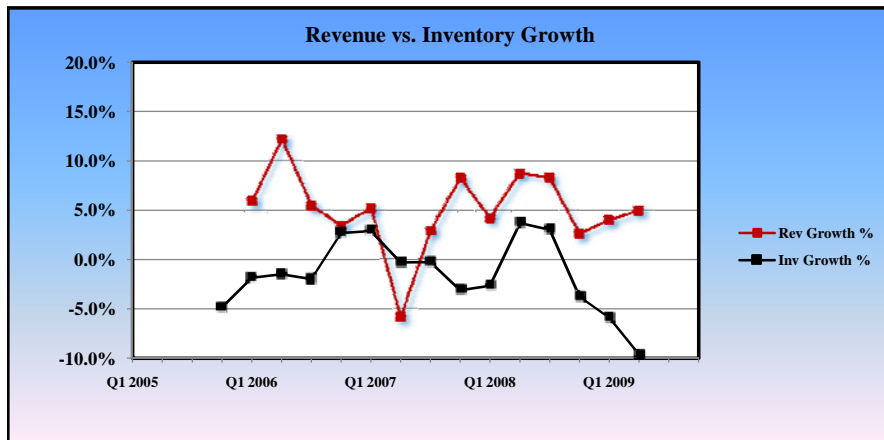
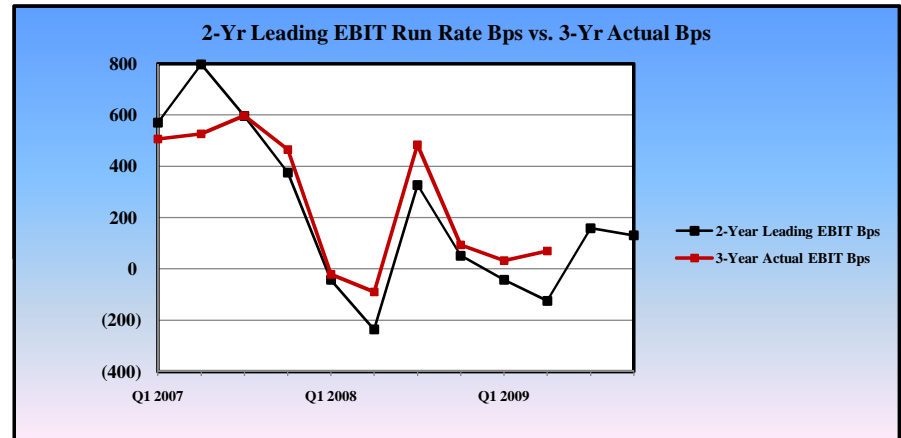
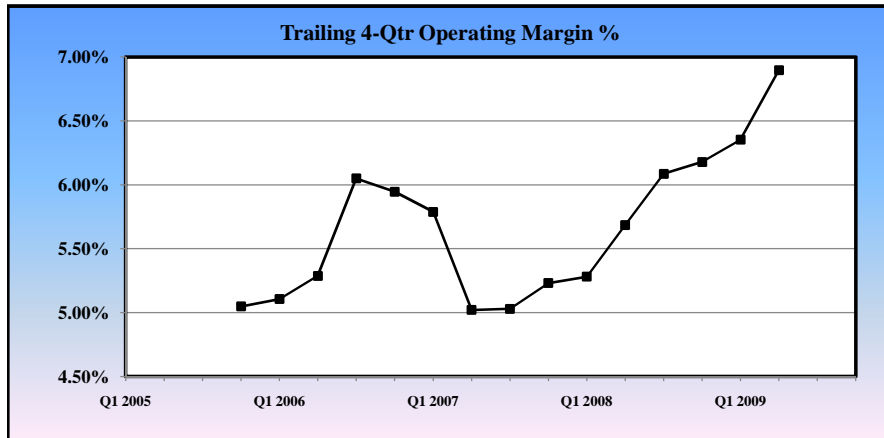
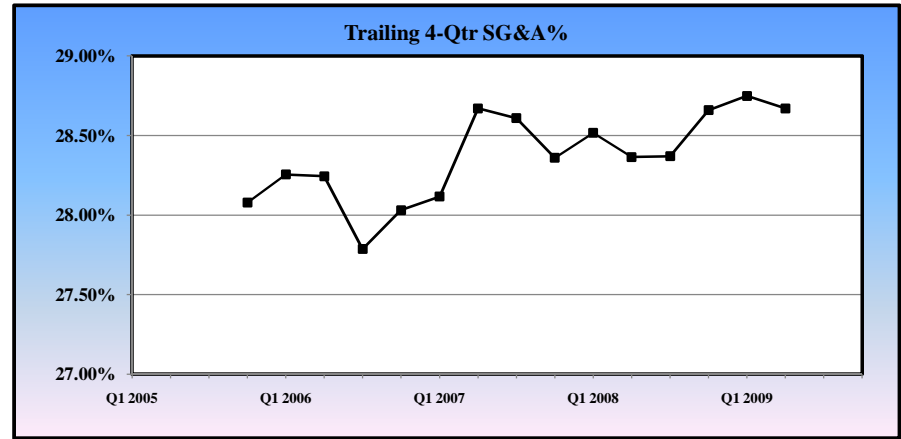
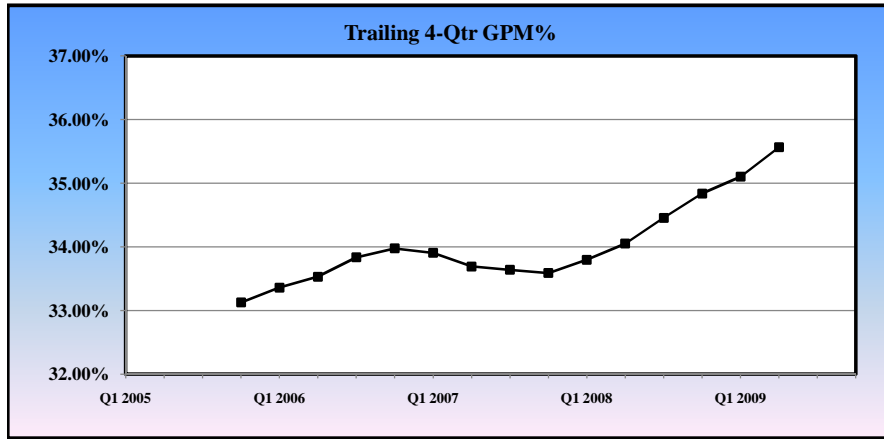
Family Dollar (FDO) Diagnostics

28-Jun-10

	Q1 2006		Q2 2006		Q3 2006		Q4 2006		Q1 2007		Q2 2007		Q3 2007		Q4 2007		Q1 2008		Q2 2008		Q3 2008		Q4 2008		Q1 2009		Q2 2009		Q3 2009		Q4 2009		
	25-Nov-06	03-Mar-07	02-Jun-07	01-Sep-07	01-Dec-07	01-Mar-08	31-May-08	30-Aug-08	29-Nov-08	28-Feb-09	30-May-09	29-Aug-09	28-Nov-09	27-Feb-10	29-May-10																		
Net Revenue	\$1,600,264	\$1,947,380	\$1,654,776	\$1,631,885	\$1,683,043	\$1,832,611	\$1,702,197	\$1,765,777	\$1,753,833	\$1,992,260	\$1,843,089	\$1,811,424	\$1,822,906	\$2,090,230																			
Growth %	5.9%	12.2%	5.4%	3.4%	5.2%	-5.9%	2.9%	8.2%	4.2%	8.7%	8.3%	2.6%	3.9%	4.9%																			
Gross Profit \$	\$552,882	\$652,510	\$577,011	\$539,660	\$576,025	\$599,083	\$589,442	\$581,252	\$614,453	\$671,304	\$667,192	\$625,256	\$658,222	\$740,831																			
Gross Profit Margin	34.55%	33.51%	34.87%	33.07%	34.23%	32.69%	34.63%	32.92%	35.03%	33.70%	36.20%	34.52%	36.11%	35.44%																			
Bps Change	93	64	125	63	(32)	(82)	(24)	(15)	81	101	157	160	107	175																			
Trailing 4-Qtr	33.36%	33.53%	33.84%	33.98%	33.90%	33.69%	33.64%	33.59%	33.80%	34.05%	34.46%	34.84%	35.10%	35.57%																			
Bps Change	24	17	31	14	(7)	(21)	(5)	(5)	21	25	40	38	26	46																			
SG&A \$	(\$461,755)	(\$497,204)	(\$478,437)	(\$478,334)	(\$490,885)	(\$502,620)	(\$487,835)	(\$499,156)	(\$522,049)	(\$537,218)	(\$528,158)	(\$533,511)	(\$548,551)	(\$559,480)																			
SG&A Exp Ratio	-28.85%	-25.53%	-28.91%	-29.31%	-29.17%	-27.43%	-28.66%	-28.27%	-29.77%	-26.97%	-28.66%	-29.45%	-30.09%	-26.77%																			
Bps Change	(72)	(29)	201	(101)	(31)	(189)	25	104	(60)	46	0	(118)	(33)	20																			
Trailing 4-Qtr	-28.26%	-28.24%	-27.79%	-28.03%	-28.12%	-28.67%	-28.61%	-28.36%	-28.52%	-28.36%	-28.37%	-28.66%	-28.75%	-28.67%																			
Bps Change	(18)	1	46	(24)	(9)	(55)	6	25	(16)	15	(0)	(29)	(9)	8																			
Operating Margin \$	\$91,127	\$155,306	\$98,574	\$61,326	\$85,140	\$96,463	\$101,607	\$82,096	\$92,404	\$134,086	\$139,034	\$91,745	\$109,671	\$181,351																			
Operating Margin	5.69%	7.98%	5.96%	3.76%	5.06%	5.26%	5.97%	4.65%	5.27%	6.73%	7.54%	5.06%	6.02%	8.68%																			
Bps Change	21	35	326	(37)	(64)	(271)	1	89	21	147	157	42	75	195																			
Bps Change - 2yr					(43)	(236)	327	52	(43)	(124)	159	131	96	341																			
Bps Change - 3yr					(22)	(89)	484	93	(22)	(89)	484	93	32	70																			
Trailing 4-Qtr	5.11%	5.29%	6.05%	5.95%	5.79%	5.02%	5.03%	5.23%	5.28%	5.69%	6.09%	6.18%	6.35%	6.90%																			
Bps Change	6	18	76	(10)	(16)	(77)	1	20	5	40	40	9	17	54																			
Depr/Amort \$	(\$35,473)	(\$35,826)	(\$36,268)	(\$36,493)	(\$38,058)	(\$38,731)	(\$38,405)	(\$34,404)	(\$37,815)	(\$39,921)	(\$40,544)	(\$41,528)	(\$42,019)	(\$42,349)																			
Trailing 4-Qtr	(\$137,883)	(\$140,953)	(\$143,160)	(\$144,060)	(\$146,645)	(\$149,550)	(\$151,687)	(\$149,598)	(\$149,355)	(\$150,545)	(\$152,684)	(\$159,808)	(\$164,012)	(\$166,440)																			
EBITDA \$	\$126,600	\$191,132	\$134,842	\$97,819	\$123,198	\$135,194	\$140,012	\$116,500	\$130,219	\$174,007	\$179,578	\$133,273	\$154,631	\$223,700																			
Trailing 4-Qtr	\$468,903	\$494,967	\$553,387	\$550,393	\$546,991	\$491,053	\$496,223	\$514,904	\$521,925	\$560,738	\$600,304	\$617,077	\$641,489	\$691,182																			
CapEx \$	(\$20,654)	(\$30,288)	(\$34,957)	(\$45,695)	(\$36,563)	(\$27,851)	(\$44,445)	(\$59,073)	(\$28,167)	(\$33,621)	(\$41,402)	(\$52,211)	(\$39,140)	(\$43,711)																			
Trailing 4-Qtr	(\$164,023)	(\$145,316)	(\$133,694)	(\$131,594)	(\$147,503)	(\$145,066)	(\$154,554)	(\$167,932)	(\$159,536)	(\$165,306)	(\$162,263)	(\$155,401)	(\$166,374)	(\$176,464)																			
Dividends \$	\$0	\$0	\$0	(\$65,804)	\$0	(\$32,482)	(\$17,463)	(\$17,463)	(\$17,464)	(\$17,489)	(\$18,922)	(\$18,863)	(\$18,738)	(\$18,681)																			
Trailing 4-Qtr	\$0	\$0	\$0	(\$65,804)	(\$65,804)	(\$98,286)	(\$115,749)	(\$67,408)	(\$84,872)	(\$69,879)	(\$71,338)	(\$72,738)	(\$74,012)	(\$75,204)																			
Share Repo \$	\$0	\$0	\$0	(\$257,523)	\$0	(\$97,674)	\$0	\$0	\$0	\$0	(\$38,456)	(\$32,611)	(\$24,758)	(\$141,244)																			
Trailing 4-Qtr	\$0	\$0	\$0	(\$257,523)	(\$257,523)	(\$355,197)	(\$355,197)	(\$97,674)	(\$97,674)	\$0	(\$38,456)	(\$71,067)	(\$95,825)	(\$237,069)																			
Inventory \$	\$1,090,266	\$1,001,373	\$1,007,792	\$1,065,898	\$1,121,813	\$998,261	\$1,004,973	\$1,032,685	\$1,091,947	\$1,035,196	\$1,035,259	\$993,797	\$1,027,514	\$935,305																			
Growth %	-1.8%	-1.5%	-2.0%	2.7%	2.9%	-0.3%	-0.3%	-3.1%	-2.7%	3.7%	3.0%	-3.8%	-5.9%	-9.6%																			
% Fwd Qtr CGS	84.2%	92.9%	92.3%	96.3%	90.9%	89.7%	84.8%	90.6%	82.7%	88.0%	87.3%	85.3%	76.1%																				
Inv Turn Trail 4-Qtr	4.1	4.3	4.3	4.3	4.3	4.3	4.4	4.4	4.4	4.6	4.6	4.6	4.7	4.8																			
GMROI % Trail 4-Qtr	204.7%	216.9%	222.1%	223.1%	221.8%	220.6%	221.6%	224.5%	227.1%	237.9%	243.7%	248.4%	252.9%	267.7%																			

Notes: Above metrics exclude non-recurring charges. See EPS model for a summary of what TRG considers non-recurring.

Family Dollar (FDO) Chartology



Family Dollar (FDO) Revenue Scorecard

28-Jun-10

	Q1 2008 29-Nov-08	Q2 2008 28-Feb-09	Q3 2008 30-May-09	Q4 2008 29-Aug-09	Q1 2009 28-Nov-09	Q2 2009 27-Feb-10	Q3 2009 29-May-10	Q4 2009
Total Co Revenue:								
Consolidated Revenue	\$1,753,833	\$1,992,260	\$1,843,089	\$1,811,424	\$1,822,906	\$2,090,230		
Growth %	4.2%	8.7%	8.3%	2.6%	3.9%	4.9%		
Comp Store Sales %	2.1%	6.4%	6.2%	1.0%	2.4%	3.6%	7.0%	
Transactions Growth %	"higher"	"higher"	"higher"	"higher"	"higher"	"higher"		
Average Dollar Sale Growth %	"higher"	"higher"	"higher"	"higher"	"flat"	"higher"		
Category Revenue:								
Consumables Revenue	\$1,155,054	\$1,209,453	\$1,201,033	\$1,199,293	\$1,221,857	\$1,271,121		
Growth %	12.9%	15.2%	12.6%	6.7%	5.8%	5.1%		
Sales Mix %	65.9%	60.7%	65.2%	66.2%	67.0%	60.8%		
Home Revenue	\$233,592	\$300,602	\$237,384	\$216,973	\$235,297	\$318,910		
Growth %	-6.1%	1.4%	3.4%	-4.7%	0.7%	6.1%		
Sales Mix %	13.3%	15.1%	12.9%	12.0%	12.9%	15.3%		
Apparel/Access Revenue	\$186,100	\$214,882	\$219,193	\$211,146	\$182,299	\$214,358		
Growth %	-14.0%	-10.1%	-5.0%	-7.7%	-2.0%	-0.2%		
Sales Mix %	10.6%	10.8%	11.9%	11.7%	10.0%	10.3%		
Seasonal/Electronics Revenue	\$179,087	\$267,323	\$185,479	\$184,012	\$183,453	\$285,841		
Growth %	-8.0%	8.0%	5.8%	-0.7%	2.4%	6.9%		
Sales Mix %	10.2%	13.4%	10.1%	10.2%	10.1%	13.7%		

**Italics indicate TRG estimate. Amounts in thousands (000).*

Family Dollar (FDO) Revenue/Profitability Notes - FY 2009

28-Jun-10

	Q1 2009 28-Nov-09	Q2 2009 27-Feb-10	Q3 2009 29-May-10	Q4 2009
Total Company Sales	\$1,822,906	\$2,090,230	\$1,996,746	
Growth %	3.9%	4.9%	8.3%	
Comp Sales %	2.4%	3.6%	7.0%	
Transactions	Higher	Higher		
Avg Dollar Sale	Flat	Higher		
Sales Comments:	consumables/food strongest discretionary categories weakest 55% stores have completed space re-alignment expect complete 1,000 more stores rest of yr 1,100 additional stores new register/POS tech 90% stores now new register/POS technology complete roll-out new reg/POS by end of Q2 15% of stores expanded operating hours	seasonal, electronics, home, consum strongest discretionary categories weakest reduce discretionary inventory -15% apparel/accessories flat vs. LY expect comps acceleration to continue into 2H space realignment helping drive consumables 100% stores now new register/POS technology above a 4-year program early innings of assort planning tool expanded hours almost all stores now (end Feb)		
Profitability Comments:	negative mix impact consumables price mgmt, pvt label, global source offset mix lowered inventory more discretionary categories lower inv reducing seasonal m/d risk lower inv lower shrink, work comp, gen liab	negative mix impact consumables price mgmt, pvt label, global source offset mix lowered inventory more discretionary categories greater negative mix impact in 2H constrain SG&A leverage at low-end sales guide aged inventory at an all time low inflation "flattish" at this point		

**Italics indicate TRG estimate. Amounts in thousands (000).*

Family Dollar (FDO) Revenue/Profitability Notes - FY 2008

28-Jun-10

	Q1 2008 29-Nov-08	Q2 2008 28-Feb-09	Q3 2008 30-May-09	Q4 2008 29-Aug-09
Total Company Sales	\$1,753,833	\$1,992,260	\$1,843,089	\$1,811,424
Growth %	4.2%	8.7%	8.3%	2.6%
Comp Sales %	2.1%	6.4%	6.2%	1.0%
Transactions	Higher	Higher	Higher	Higher
Avg Dollar Sale	Higher	Higher	Higher	No Commentary
Sales Comments:	consumables/food strongest calendar shift move advertise circ into Q2 calendar shift = 1 less wk. post-Tks sales in qtr increased marketing/promo events continued expansion of traffic drive consumables upgraded technology platform 600 stores 3,000 stores now upgraded technology 2,300 stores in FY upgraded technology above allows acceptance of food stamps	consumables/food strongest discretionary categories "mixed" apparel, access continue to be soft seasonal, electronics higher comps / home flat continued expansion of traffic drive consumables upgraded technology platform 500 stores 3,500 stores now upgraded technology	consumables/food strongest discretionary categories "mixed" apparel, access continue to be soft seasonal, electronics, home higher comps upgraded technology platform 600 stores 4,100 stores now upgraded technology expect 4,700 stores upgraded tech by end yr store re-alignment will impact 40% stores Q4	sales temp disrupted space re-align 3,000 stores above = "in and out in about 1wk. each store" +500 in Q1 thus far and another +500 to go anniversary last year's stimulus traffic increased for 5th consecutive quarter new POS tech supports credit, debit, food stamps above becoming a larger part of the payment mix "more challenging weather this year" vs. LY later BTS gave some momentum for September
Profitability Comments:	negative mix impact consumables price mgmt, pvt label, global source offset mix	negative mix impact consumables price mgmt, pvt label, global source offset mix \$8.0M markdowns new safety legislation	negative mix impact consumables price mgmt, pvt label, global source offset mix	auction process helping IMU / price team higher than \$10M to \$12M space re-align costs space re-align impact almost 3,000 stores above touched 60% to 70% mdse in these stores expect continued freight benefit in Q1 throughout next year more private label

**Italics indicate TRG estimate. Amounts in thousands (000).*

Family Dollar (FDO) Profitability Scorecard

28-Jun-10

	Q1 2008 29-Nov-08	Q2 2008 28-Feb-09	Q3 2008 30-May-09	Q4 2008 29-Aug-09	Q1 2009 28-Nov-09	Q2 2009 27-Feb-10	Q3 2009 29-May-10	Q4 2009
Gross Profit Margin:	35.03%	33.70%	36.20%	34.52%	36.11%	35.44%		
Bps Change	Higher 80 Bps	Higher 101 Bps	Higher 157 Bps	Higher 160 Bps	Higher 108 Bps	Higher 174 Bps		
Comments:	lower seasonal markdowns lower freight lower inventory shrink higher IMU neg impact consumables mix IMU benefits from: price optimize global sourcing efforts	lower seasonal markdowns lower inventory shrink lower freight higher IMU neg impact consumables mix \$8.0M m/d safety legislate IMU benefits from: zone pricing price optimize	lower freight lower inventory shrink higher IMU neg impact consumables mix IMU benefits from: zone pricing price optimize	lower freight lower inventory shrink higher IMU neg impact consumables mix IMU benefits from: zone pricing price optimize	lower freight lower inventory shrink higher IMU neg impact consumables mix IMU benefits from: price management private label development global sourcing efforts	higher IMU lower markdowns lower freight lower inventory shrink no \$8.0M m/d LY IMU benefits from: price management private label development global sourcing efforts		
SG&A:	-29.77%	-26.97%	-28.66%	-29.45%	-30.09%	-26.77%		
Bps Change	Higher 60 Bps	Lower 46 Bps	Flat	Higher 118 Bps	Higher 32 Bps	Lower 20 Bps		
Comments:	higher insurance 60 Bps higher occupancy 30 Bps	lower occupancy 70 Bps lower payroll 30 Bps higher bonus 50 Bps higher insurance 30 Bps new lease sys adjustment above helped lower occup	lower payroll 40 Bps lower occupancy 20 Bps higher bonus 40 Bps higher insurance 10 Bps	80 Bps neg impact via: space re-alignment new POS technology roll-out	higher store pay 30 Bps higher bonus exp 20 Bps higher depreciation 20 Bps lower insurance 30 Bps lower utilities 20 Bps	lower insurance 30 Bps lower utilities 30 Bps higher store pay 30 Bps higher store repair 30 Bps lower ins via W/C, gen liab higher store pay via hours higher repair via snow remove		

*Italics indicate TRG estimate. Amounts in thousands (000).

Family Dollar (FDO) Other/Guidance Scorecard

28-Jun-10

	Q1 2008 29-Nov-08	Q2 2008 28-Feb-09	Q3 2008 30-May-09	Q4 2008 29-Aug-09	Q1 2009 28-Nov-09	Q2 2009 27-Feb-10	Q3 2009 29-May-10	Q4 2009
Other:								
Share-Based Comp	(\$2,673)	(\$3,414)	(\$3,685)	(\$1,766)	(\$2,876)	(\$3,090)		
% Total Revenue	-0.15%	-0.17%	-0.20%	-0.10%	-0.16%	-0.15%		
Loss Dispose Property	(\$1,652)	(\$4,303)	(\$3,580)	(\$389)	(\$2,541)	(\$2,334)		
% Total Revenue	-0.09%	-0.22%	-0.19%	-0.02%	-0.14%	-0.11%		
Tax Rate %	-36.10%	-36.40%	-35.83%	-32.56% (-35.41% year)	-36.64%	-37.05%		
Inventory	\$1,091,947	\$1,035,196	\$1,035,259	\$993,797	\$1,027,514	\$935,305		
Growth %	-2.7%	3.7%	3.0%	-3.8%	-5.9%	-9.6%		
Inventory per Store	\$165	\$156	\$156	\$149	\$154	\$140		
Growth %					-6.6%	-10.3%		
Accounts Payable	\$553,905	\$538,902	\$462,631	\$528,104	\$501,030	\$584,944		
A/P % Inventory	50.7%	52.1%	44.7%	53.1%	48.8%	62.5%		
Dividends	(\$17,464)	(\$17,489)	(\$18,922)	(\$18,863)	(\$18,738)	(\$18,681)		
Share Repurchase	\$0	\$0	(\$38,456)	(\$32,611)	(\$24,758)	(\$141,244)		
Store Count:								
Open	65	57	26	32	43	43		
Close	(19)	(31)	(15)	(31)	(33)	(19)		
Expand/Relo/Renovate	12	8	21	10	11	10		
Total	6,617	6,643	6,654	6,655	6,665	6,689		
Growth %	2.2%	2.1%	1.7%	1.3%	0.7%	0.7%		
Financial Guidance:								
Guidance Date	03-Oct-08	07-Jan-09	08-Apr-09	08-Jul-09	07-Oct-09	06-Jan-10	07-Apr-10	
Fwd Qtr EPS Guidance	Q1: \$0.38 to \$0.42	Q2: \$0.48 to \$0.52	Q3: \$0.54 to \$0.58	Q4: \$0.39 to \$0.43	Q1: \$0.45 to \$0.50	Q2: \$0.65 to \$0.70	Q3: \$0.71 to \$0.76	
Fwd Qtr Comp Sales Guide	Q1: +2.0% to +4.0%	Q2: +3.0% to +5.0%	Q3: +5.0% to +7.0%	Q4: +2.0% to +4.0%	Q1: +3.0% to +5.0%	Q2: +2.0% to +4.0%	Q3: +6.0% to +8.0%	
Full Year EPS Guidance	\$1.58 to \$1.78	\$1.63 to \$1.81	\$1.90 to \$2.00	\$2.03 to \$2.07	\$2.15 to \$2.35	\$2.15 to \$2.35	\$2.48 to \$2.58	
Full Year Sales Guidance	+3.0% to +5.0%	+4.0% to +6.0%	+5.0% to +7.0%		+5.0% to +7.0%	+4.0% to +6.0%		

**Italics indicate TRG estimate. Amounts in thousands (000).*

Tiburon Research Group
Compology - Comp Store Sales Other Top-Line Metrics

7/1/2010

	Sep	Oct	Nov	Q1	Dec	Jan	Feb	Q2	Mar	Apr	May	Q3	Jun	Jul	Aug	Q4	Year
Family Dollar (FDO) FY 2009																	
Total Company				2.4%				3.6%				7.0%					
Consumables Sales Mix %				67.0%				60.8%									
Home Sales Mix %				12.9%				15.3%									
Apparel/Accessories Sales Mix %				10.0%				10.3%									
Seasonal/Electronics Sales Mix %				10.1%				13.7%									
Family Dollar (FDO) FY 2008																	
Total Company				2.1%	6.0%			6.4%				6.2%				1.0%	4.0%
Consumables Sales Mix %				65.9%				60.7%				65.2%				66.2%	64.4%
Home Sales Mix %				13.3%				15.1%				12.9%				12.0%	13.4%
Apparel/Accessories Sales Mix %				10.6%				10.8%				11.9%				11.7%	11.2%
Seasonal/Electronics Sales Mix %				10.2%				13.4%				10.1%				10.2%	11.0%
Family Dollar (FDO) FY 2007																	
Total Company	0.5%	0.0%	-3.4%	-1.0%	-0.7%	-0.1%	1.3%	0.0%	-4.4%	4.3%	1.8%	0.1%	8.0%	4.6%	3.6%	5.6%	1.2%
Consumables Sales Mix %				60.8%				57.3%				62.7%				63.7%	61.1%
Home Sales Mix %				14.8%				16.2%				13.5%				12.9%	14.3%
Apparel/Accessories Sales Mix %				12.9%				13.0%				13.6%				13.0%	13.1%
Seasonal/Electronics Sales Mix %				11.6%				13.5%				10.3%				10.5%	11.5%
Family Dollar (FDO) FY 2006																	
Total Company	1.1%	-0.2%	1.7%	0.9%	1.2%	0.1%	-0.5%	0.4%	5.8%	-4.9%	2.5%	1.5%	1.5%	0.5%	1.0%	1.0%	0.9%
Consumables Sales Mix %				60.3%				55.6%				58.9%				61.1%	58.8%
Home Sales Mix %				15.1%				16.7%				14.4%				14.0%	15.1%
Apparel/Accessories Sales Mix %				13.9%				13.3%				15.9%				14.6%	14.4%
Seasonal/Electronics Sales Mix %				10.6%				14.3%				10.8%				10.4%	11.7%
Family Dollar (FDO) FY 2005																	
Hardlines	4.3%	3.3%	5.0%	4.2%	3.6%	5.9%	6.5%	4.9%	2.2%	7.2%	6.2%	4.9%	4.0%	7.0%	5.4%	5.3%	4.8%
Softlines	-4.1%	2.2%	-2.3%	-1.6%	-2.6%	-6.2%	-2.5%	-3.6%	-1.2%	1.2%	-1.7%	-0.7%	2.4%	9.7%	-1.7%	3.1%	-0.7%
Total Company	2.6%	3.1%	3.4%	3.0%	2.3%	3.4%	4.4%	3.2%	1.4%	5.9%	4.5%	3.7%	3.6%	7.5%	4.0%	4.9%	3.7%
Transactions				-2.1%				-1.0%				-1.2%				-0.5%	-1.2%
Average Transaction Size				5.1%				4.2%				4.8%				5.2%	4.8%
\$ Transaction Size				\$9.36				\$10.28				\$9.54				\$9.45	\$9.66
Family Dollar (FDO) FY 2004																	
Hardlines	4.5%	2.1%	7.1%	4.5%	6.0%	6.1%	5.3%	5.8%	4.0%	1.2%	1.5%	2.4%	2.2%	-0.2%	3.7%	1.8%	3.7%
Softlines	-8.6%	-3.1%	-1.2%	-4.6%	-2.8%	2.1%	3.8%	0.0%	-2.9%	-0.1%	-1.3%	-2.6%	-1.3%	-6.6%	-4.9%	-4.2%	-2.6%
Total Company	1.5%	0.9%	5.2%	2.5%	4.0%	5.2%	4.9%	4.5%	2.4%	0.9%	0.2%	1.3%	1.4%	-1.6%	1.8%	0.6%	2.3%
Family Dollar (FDO) FY 2003																	
Hardlines	4.8%	3.0%	1.3%	3.0%	1.1%	4.7%	5.9%	3.2%	4.6%	1.0%	4.6%	3.4%	3.4%	2.9%	2.5%	2.9%	3.2%
Softlines	7.1%	-3.2%	-1.2%	1.1%	-0.7%	-2.7%	-0.4%	-1.2%	-4.3%	-4.8%	-0.1%	-3.4%	-6.9%	-4.0%	-8.9%	-7.2%	-2.5%
Total Company	5.3%	1.6%	0.7%	2.6%	0.7%	3.0%	4.3%	2.2%	2.4%	-0.4%	3.5%	1.9%	0.9%	1.4%	-0.1%	0.7%	1.9%
Family Dollar (FDO) FY 2002																	
Hardlines	6.4%	5.3%	-2.1%	3.1%	2.2%	5.8%	4.1%	3.5%	2.7%	9.7%	4.6%	5.4%	3.8%	5.9%	6.3%	5.1%	4.3%
Softlines	-3.2%	8.9%	4.2%	2.8%	1.8%	0.9%	-0.9%	0.8%	5.9%	-0.5%	0.5%	2.2%	1.6%	1.8%	5.5%	2.8%	2.1%
Total Company	4.1%	6.1%	-0.7%	3.0%	2.1%	4.7%	2.8%	2.9%	3.5%	7.1%	3.6%	4.6%	3.2%	4.9%	6.1%	4.6%	3.8%
Family Dollar (FDO) FY 2001																	
Hardlines	9.9%	8.2%	4.0%	7.3%	9.8%	10.1%	10.0%	9.9%	12.5%	3.5%	9.2%	8.5%	11.5%	5.2%	5.1%	7.4%	8.4%
Softlines	-2.2%	-0.3%	-7.7%	-3.5%	3.5%	0.5%	1.6%	1.9%	3.7%	-5.7%	-2.0%	-1.4%	-0.7%	-7.7%	-6.4%	-5.1%	-1.7%
Total Company	6.7%	6.2%	1.2%	4.6%	8.3%	7.7%	7.7%	8.0%	10.3%	1.0%	6.3%	6.1%	8.2%	1.9%	2.2%	4.4%	5.8%
Family Dollar (FDO) FY 2000																	
Hardlines	7.4%	9.6%	10.5%	9.1%	2.5%	10.4%	10.7%	5.8%	7.4%	10.6%	9.1%	8.5%	8.0%	12.0%	10.6%	9.8%	8.5%
Softlines	-6.0%	-9.2%	-5.1%	-6.7%	-9.5%	-8.6%	-7.9%	-9.1%	-14.1%	0.3%	-11.8%	-10.2%	-7.0%	-3.1%	0.7%	-4.2%	-7.0%
Total Company	3.5%	4.3%	6.1%	4.6%	-0.5%	5.2%	5.0%	2.2%	1.0%	7.6%	2.8%	3.6%	3.6%	7.7%	7.9%	6.1%	4.1%

Tiburon Research Group
Compology - Comp Store Sales 5-Year Run Rates

Family Dollar (FDO)	Q1	Q2	Q3	Q4
5-Year Run Rate	7.4%	13.6%	18.5%	
FY 2009	2.4%	3.6%	7.0%	
4-Year Run Rate	5.0%	10.0%	11.5%	12.5%
FY 2008	2.1%	6.4%	6.2%	1.0%
3-Year Run Rate	2.9%	3.6%	5.3%	11.5%
FY 2007	-1.0%	0.0%	0.1%	5.6%
FY 2006	0.9%	0.4%	1.5%	1.0%
FY 2005	3.0%	3.2%	3.7%	4.9%

Family Dollar (FDO) Comp Sales Run Rate Analysis

