

Q1 2022



**Supplemental
Financial
Presentation**



April 21, 2022

SAFE HARBOR



The Company claims the protection of the safe-harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

The information in this presentation contains certain forward-looking statements. These statements discuss, among other things, expectations with respect to sales, earnings, comparable store sales growth, operating margin and operating margin percentage the announced acquisition of Orscheln Farm and Home, LLC, operating margin rate, net income and diluted earnings per share. These forward-looking statements are based on estimates, projections, beliefs and assumptions, including, without limitation, assumptions with respect to capital expenses, expenses, including depreciation expense, debt, payment of dividends, the timing and amount of stock repurchases, and tax rates. These forward-looking statements may also be affected by risks or uncertainties including, but not limited to, the effects of the COVID-19 pandemic, disruptions in the supply chain, including the cost and availability of products, competition, product demand, economic conditions, the ability to open new stores, the effectiveness of merchandising and marketing initiatives, the ability to realize operational efficiencies, inflation, consumer debt levels, governmental approvals, ability to hire and retain qualified employees, weather, the imposition of tariffs on imported products, etc. The Company intends these forward-looking statements to speak only as of the time of the presentation and does not undertake any obligation to update or revise them after the date hereof or as more information becomes available, except as required by law.

Actual results may differ materially from anticipated results described in these forward-looking statements. As a result, all of the forward-looking statements made are qualified by these cautionary statements and those contained in the Risk Factors section of the Company's Annual Report for the fiscal year ended December 25, 2021, as filed with the Securities and Exchange Commission.



**THANK YOU
TEAM TRACTOR!**

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Q1 2022 Performance

Strong Sales Growth

Net Sales Growth
(\$ in billions)

+8.3%

\$2.79

\$3.02

Q1 2021

Q1 2022

Comp Sales Growth

+43.8%

2-Year Stack

38.6%

5.2%

Q1 2021

Q1 2022

HIGHLIGHTS

Average Ticket Up 6.7%

Customer Transactions Decreased 1.4%

Double-Digit or Higher E-commerce
Sales Growth for 39 Consecutive
Quarters

~3x C.U.E. Sales Growth vs. Overall
Sales Growth

Q1 2022 Performance

Broad-Based Strength in Customer Trends



NEIGHBOR'S CLUB MEMBERS

24.8M+

+24% YoY

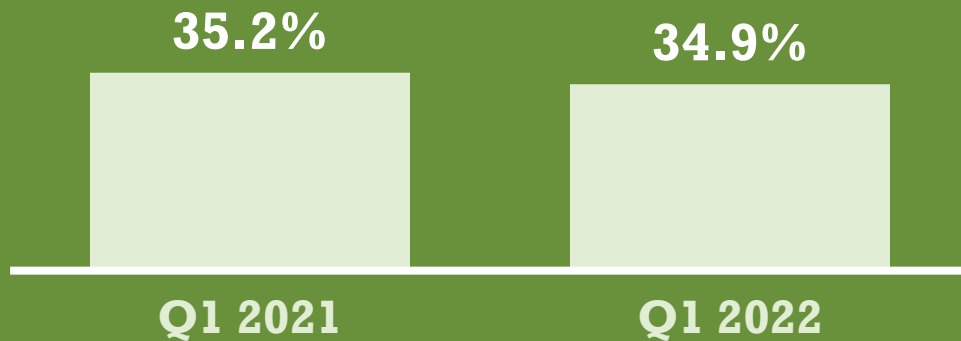
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Q1 2022 Performance

GROSS MARGIN

as a % of net sales

-29 bps Decrease



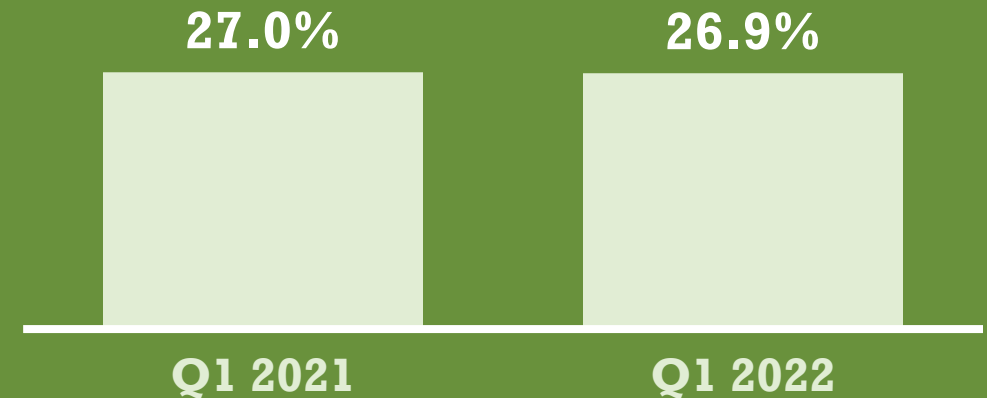
Key Drivers

- Strong Price Management Actions
- Significant Product Cost Inflation Pressures
- Higher Transportation Costs
- Product Mix from the Robust Growth of C.U.E. Products

SG&A EXPENSES

as a % of net sales

+11 bps Improvement



Key Drivers

- More Normalized Incentive Compensation
- Moderation of COVID-19 Response Costs
- Leverage in Occupancy and Other Costs
- Partially Offset by Investments in Store Wages and Strategic Growth Initiatives

Q1 2022 Performance

Profitability

Operating Margin

-18 bps

8.3%

8.1%

Q1 2021

Q1 2022

Net Income

(\$ in millions)

+3.2%

\$181

\$187

Q1 2021

Q1 2022

Diluted EPS

+6.5%

\$1.55

\$1.65

Q1 2021

Q1 2022

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Reiterated Full-Year 2022 Outlook

(53-Week Year)

Net Sales	\$13.6B to \$13.8B
Comparable Store Sales	+3.0% to +4.5%
Operating Margin Rate	10.1% to 10.3%
Net Income	\$1.04B to \$1.08B
Diluted Earnings Per Share	\$9.20 to \$9.50

ESG Updates

- **Published Stewards of Life Out Here Sustainability Report**
 - Reported Scope 1, 2 and 3 GHG Emissions with Year-over-Year Reductions
 - Avoided Landfill Contributions with Ongoing Recycling Efforts
 - Donated over \$14 Million to Community Organizations
- **Announced Water Conservation Goal**
 - Conserve 25 Million Gallons by 2025
- **Recognized as a *Forbes* Best Employers for Diversity 2022**



Learn more at [IR.TractorSupply.com/ESG](https://ir.tractorsupply.com/ESG)

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Deliver Legendary Customer Experiences



Advance Our ONETractor Capabilities



Operate the Tractor Way



Go the Country Mile for Our Team



Generate Healthy Shareholder Return



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