



**TRACTOR
SUPPLY CO[®]**

For Life Out Here

**Q3 2023
Supplemental
Financial
Presentation**

October 26, 2023





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, statements regarding market share gains, positive customer trends, new stores and distribution centers, the Orscheln Farm and Home conversion, property development plans, and financial guidance for 2023, including net sales, comparable store sales, operating margin rates, net income, diluted earnings per share, and capital expenditures. 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.

Actual results may differ materially from anticipated results described in these forward-looking statements, including as a result of the factors discussed in “Risk Factors” in our Annual Report on Form 10-K for 2022 and other reports filed with the SEC. 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 on Form 10-K for the fiscal year ended December 31, 2022, as filed with the Securities and Exchange Commission



**Thank You
Team Tractor!**



**TSC TRACTOR
SUPPLY CO.**
For Life Out Here



Q3 2023 Overview

Consistent Demand for Core Year-Round and C.U.E. Products

Growth in Active, Reactivated and New Customers

All-Time High Customer Satisfaction Ratings

Continued Progress on Life Out Here Strategy

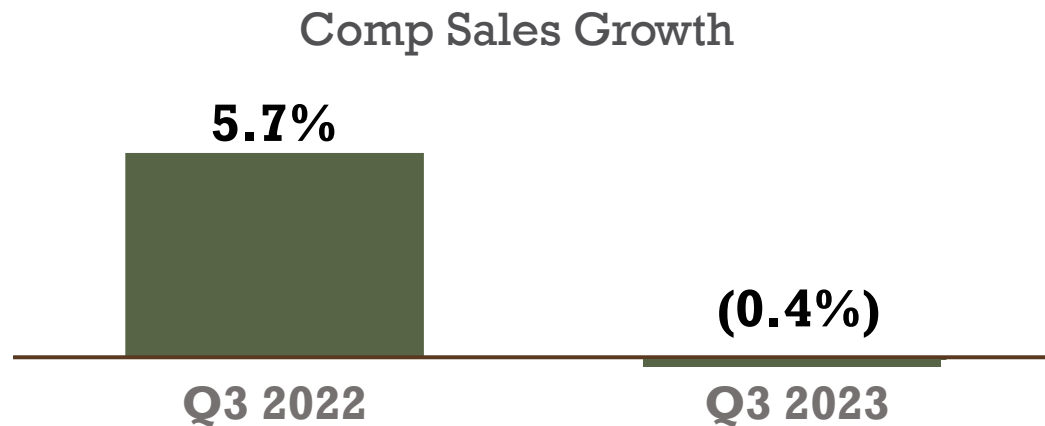
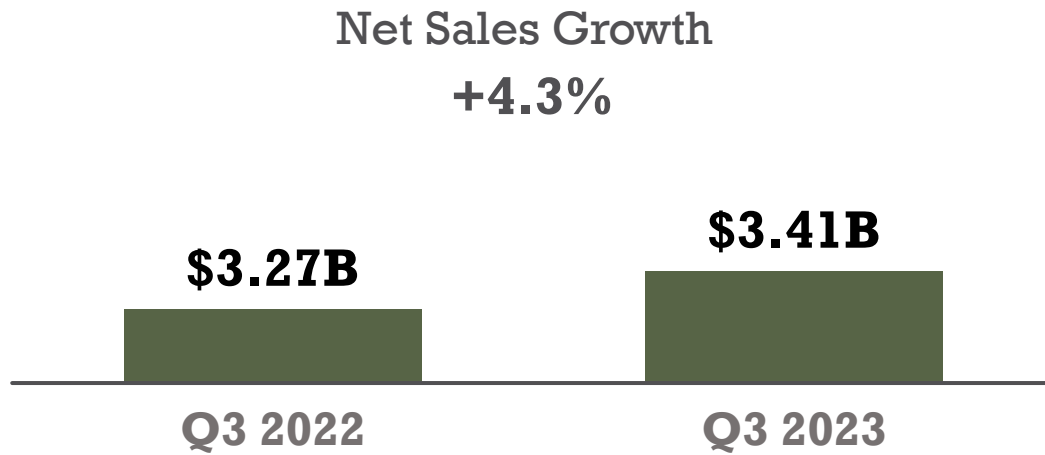
- 35% of Tractor Supply stores in Fusion Layout
 - Over 420 Garden Centers
- Over \$1B in eCommerce sales over last 12 months

Revised Full Year 2023 Outlook



Q3 2023 Performance

Sustained Sales Growth



Highlights

Non-Comp Sales Increased from Orscheln Farm & Home Acquisition and New Store Growth

Comparable Transactions Flat

Comparable Ticket Declined 0.3%

Growth in Year-Round Products Offset by Softness in Seasonal and Big Ticket



Q3 2023 Performance

Sales from Neighbor's Club



77%



68%

Growth in Active, New and Reactivated Customers

Q3 2023 Performance

Gross Margin

as a % of net sales

+101 bps Expansion

35.6%

36.7%

Q3 2022

Q3 2023

Key Drivers

- Execution of Everyday Low Price Strategy
- Lower Transportation Costs from Improvement in Global Supply Chain
- Efficiencies from New Distribution Center
- Modestly Offset by Negative Product Mix

SG&A Expenses

as a % of net sales

-38 bps Deleverage

26.3%

26.7%

Q3 2022

Q3 2023

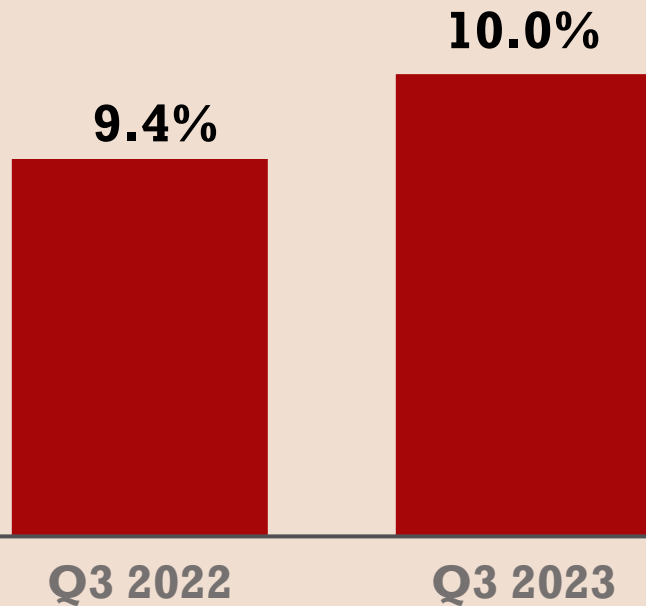
Key Drivers

- Over 85% of Core SG&A Growth from Planned Investments
- Higher Medical Claims
- Fixed Cost Deleverage
- Net 70 bps Benefit from Sale-Leaseback Transaction
- One-Time Benefit of 35 bps from Adjustment to Depreciation Expense for a Small Subset of Remodeled Stores

Q3 2023 Performance

Operating Margin

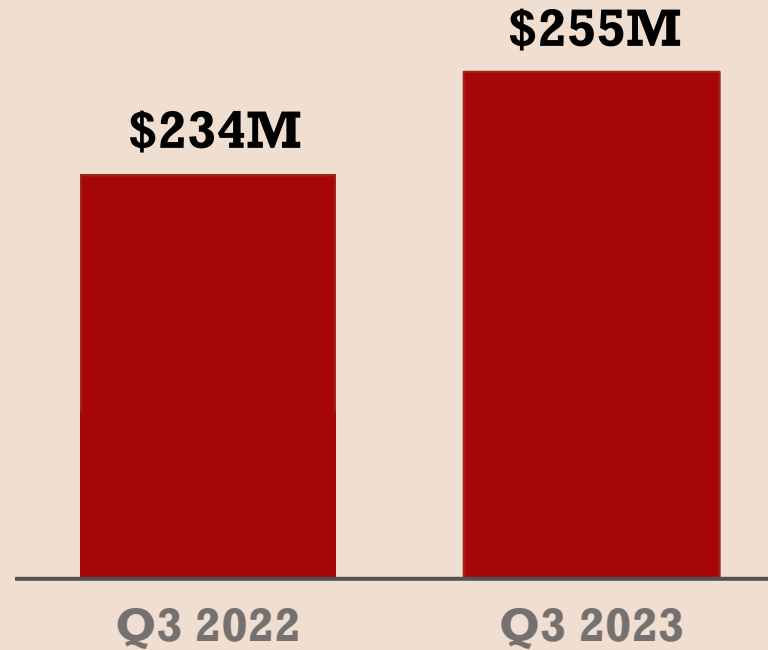
+62 bps



Profitability

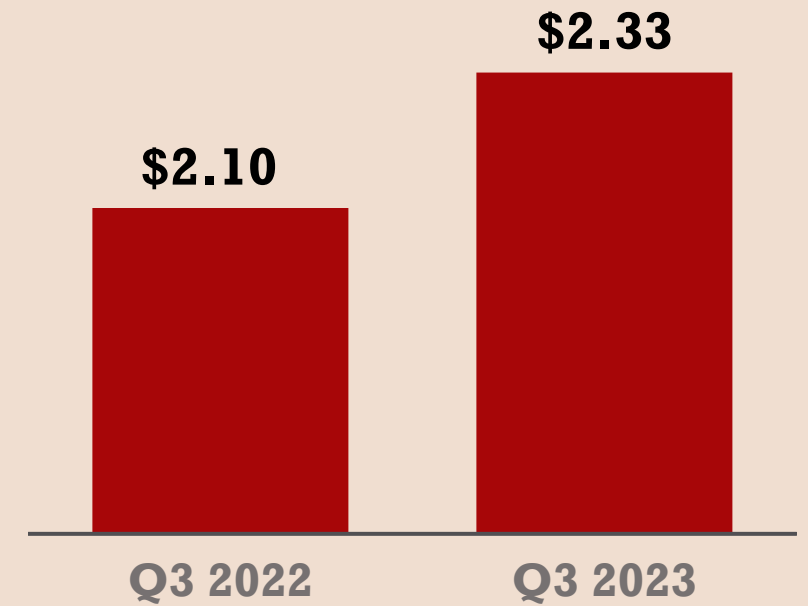
Net Income

+8.9%



Diluted EPS

+11.0%



The background of the slide is a photograph of a rural landscape in autumn. In the foreground, there is a thick layer of fallen orange and brown leaves. To the left, a wooden fence runs across a grassy field. In the background, there are several trees with green and yellowing leaves under a clear blue sky. A large tree trunk is visible on the right side of the frame.

Updated Full-Year 2023 Outlook

Net Sales

\$14.5B to \$14.6B

Comparable Store Sales

Flat

Operating Margin Rate

10.1% to 10.2%

Net Income

\$1.10B to \$1.11B

Diluted Earnings Per Share

\$10.00 to \$10.10

Capital Expenditures

\$800M to \$850M

Net of Store Sale Proceeds

\$725M to \$775M



Deliver Legendary Customer Experiences



Advance Our ONETractor Capabilities



Operate the Tractor Way



Go the Country Mile for Our Team



Generate Healthy Shareholder Return

For Life Out Here

We are committed to being an integral part of our customers' lives as the dependable supplier of Our Here Lifestyle solutions.

Anytime. Anywhere. Anyway.



