

DOLLAR TREE INC  
Form 10-Q  
May 31, 2018  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q  
(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended May 5, 2018

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 0-25464

DOLLAR TREE, INC.

(Exact name of registrant as specified in its charter)

Virginia

26-2018846

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

500 Volvo Parkway, Chesapeake, Virginia 23320

(Address of principal executive offices) (Zip Code)

(757) 321-5000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐

Emerging growth company ☐

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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. "

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes " No ý

As of May 29, 2018, there were 237,775,572 shares of the registrant's common stock outstanding.

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## Part I - FINANCIAL INFORMATION

## Item 1. FINANCIAL STATEMENTS.

## DOLLAR TREE, INC.

## CONDENSED CONSOLIDATED INCOME STATEMENTS

(Unaudited)

	13 Weeks Ended	
	May 5,	April 29,
(in millions, except per share data)	2018	2017
Net sales	\$5,553.7	\$5,287.1
Cost of sales	3,854.1	3,660.0
Gross profit	1,699.6	1,627.1
Selling, general and administrative expenses, excluding Receivable impairment	1,262.0	1,187.4
Receivable impairment	—	50.9
Selling, general and administrative expenses	1,262.0	1,238.3
Operating income	437.6	388.8
Interest expense, net	230.0	74.7
Other expense, net	0.2	0.3
Income before income taxes	207.4	313.8
Income tax expense	46.9	113.3
Net income	\$160.5	\$200.5
Basic net income per share	\$0.68	\$0.85
Diluted net income per share	\$0.67	\$0.85

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

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DOLLAR TREE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)

	13 Weeks Ended	
	May 5,	April 29,
(in millions)	2018	2017
Net income	\$160.5	\$200.5
Foreign currency translation adjustments	(3.9 )	(3.0 )
Total comprehensive income	\$156.6	\$197.5

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

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## DOLLAR TREE, INC.

## CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(in millions)	May 5, 2018	February 3, 2018	April 29, 2017
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$475.2	\$ 1,097.8	\$1,154.9
Short-term investments	—	—	4.0
Merchandise inventories, net	3,248.2	3,169.3	2,878.4
Other current assets	318.6	309.2	240.8
Total current assets	4,042.0	4,576.3	4,278.1
Property, plant and equipment, net of accumulated depreciation of \$3,322.3, \$3,192.1 and \$2,814.5, respectively	3,249.7	3,200.7	3,093.9
Assets available for sale	8.0	8.0	10.6
Goodwill	5,024.2	5,025.2	5,022.4
Favorable lease rights, net of accumulated amortization of \$251.0, \$230.9 and \$180.8, respectively	354.9	375.3	443.4
Tradenname intangible asset	3,100.0	3,100.0	3,100.0
Other intangible assets, net	4.7	4.8	5.0
Other assets	43.6	42.5	41.3
Total assets	\$15,827.1	\$16,332.8	\$15,994.7
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Current liabilities:			
Current portion of long-term debt	\$—	\$915.9	\$165.9
Accounts payable	1,181.5	1,174.8	1,223.9