UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 3, 2020

DOLLAR GENERAL CORPORATION

(Exact name of registrant as specified in its charter)

Tennessee	001-11421	61-0502302
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

100 MISSION RIDGE GOODLETTSVILLE, TN	37072
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (615) 855-4000

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.875 per share	DG	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

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. ☐

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On December 3, 2020, Dollar General Corporation (the "Company") issued a news release regarding results of operations and financial condition for the fiscal 2020 third quarter (13 weeks) and 39-week periods ended October 30, 2020. The news release is furnished as Exhibit 99 hereto.

The information contained within this Item 2.02, including the information in Exhibit 99, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended.

ITEM 7.01 REGULATION FD DISCLOSURE.

The information set forth in Item 2.02 above is incorporated herein by reference. The news release also:

- sets forth statements regarding, among other things, the Company's outlook, as well as the Company's planned conference call to discuss the reported financial results, the Company's outlook, and certain other matters; and

- announces that on December 2, 2020, the Company's Board of Directors declared a quarterly cash dividend of $0.36 per share on the Company's outstanding common stock payable on or before January 19, 2021 to shareholders of record on January 5, 2021.

The information contained within this Item 7.01, including the information in Exhibit 99, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial statements of businesses acquired. N/A
(b) Pro forma financial information. N/A
(c) Shell company transactions. N/A
(d) Exhibits. See Exhibit Index to this report.

EXHIBIT INDEX

Exhibit No.	Description
99	News release issued December 3, 2020
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: December 3, 2020

DOLLAR GENERAL CORPORATION

By: /s/ Rhonda M. Taylor

Rhonda M. Taylor
Executive Vice President and General Counsel

Exhibit 99

Dollar General Corporation Reports Third Quarter 2020 Results

Announces Fiscal 2021 Real Estate Growth Plans

GOODLETTSVILLE, Tenn.--(BUSINESS WIRE)--December 3, 2020--Dollar General Corporation (NYSE: DG) today reported financial results for its fiscal year 2020 third quarter (13 weeks) ended October 30, 2020.

- Net Sales Increased 17.3%; Same-Store Sales Increased 12.2%
- Operating Profit Increased 57.3% to $773.1 million
- Diluted Earnings Per Share ("EPS") Increased 62.7% to $2.31
- Year-to-Date Cash Flows from Operations Increased 103.7% to $3.4 billion
- $990 million Returned to Shareholders through Share Repurchases and Cash Dividend
- Board of Directors Declares Fourth Quarter 2020 Cash Dividend of $0.36 per share

"I want to thank our associates for their tireless work over the past several months in helping our customers and communities impacted by the COVID-19 pandemic," said Todd Vasos, Dollar General's chief executive officer. "To further demonstrate our appreciation and support, we plan to award a total of up to $75 million in appreciation bonuses to eligible frontline employees in Q4, which includes our recent announcement to double our initial plans for second-half bonuses by approximately $50 million, bringing the Company's full-year investment in employee appreciation bonuses to approximately $173 million. Despite continued significant uncertainty in the operating environment, our team members have been unwavering in their commitment to fulfilling our mission of Serving Others. As a result, we are pleased to report strong third-quarter financial results.

"During the quarter, we also continued to make great progress advancing our key strategic initiatives, including the rollout of DG Pickup across nearly our entire store base, and the launch of our newest store format, pOpshelf. In total, we executed 765 real estate projects, further laying and building the foundation for future growth. Overall, our ongoing operating priorities, coupled with our key strategic initiatives, position us well to continue delivering value and convenience for our customers, along with long-term sustainable growth and value for our shareholders."

Third Quarter 2020 Highlights

Net sales increased 17.3% to $8.2 billion in the third quarter of 2020 compared to $7.0 billion in the third quarter of 2019. The net sales increase included positive sales contributions from new stores and growth in same-store sales, modestly offset by the impact of store closures. Same-store sales increased 12.2% compared to the third quarter of 2019, driven by an increase in average transaction amount, partially offset by a decline in customer traffic. Same-store sales increased in each of the consumables, seasonal, home products and apparel categories, with the largest percentage increase in the home products category. The Company believes consumer behavior driven by COVID-19 had a significant positive effect on net sales and same-store sales.

Gross profit as a percentage of net sales was 31.3% in the third quarter of 2020 compared to 29.5% in the third quarter of 2019, an increase of 178 basis points. This gross profit rate increase was primarily attributable to a reduction in markdowns as a percentage of net sales, higher initial markups on inventory purchases, a greater proportion of sales coming from the non-consumables product categories, which generally have a higher gross profit rate than the consumables product category, and a reduction in inventory shrink as a percentage of net sales. These factors were partially offset by increased distribution and transportation costs, which were impacted by the COVID-19 pandemic in the form of increased volume and discretionary employee bonus expense. As a result of the significant increase in sales, the Company believes consumer behavior driven by COVID-19 also had a significant positive effect on gross profit dollars.

Selling, general and administrative expenses ("SG&A") as a percentage of net sales were 21.9% in the third quarter of 2020 compared to 22.5% in the third quarter of 2019, a decrease of 62 basis points. Although the Company incurred certain incremental costs related to COVID-19, they were more than offset by the significant increase in net sales during the quarter as discussed above. Expenses that were lower as a percentage of net sales in the current year period include occupancy costs, utilities, retail labor, depreciation and amortization, repairs and maintenance, and employee benefits. These items were partially offset by increased incentive compensation and hurricane-related expenses.

Operating profit for the third quarter of 2020 increased 57.3% to $773.1 million compared to $491.4 million in the third quarter of 2019. The third quarter of 2020 included approximately $38 million of incremental investments the Company made in response to the COVID-19 pandemic. These investments included measures taken to further protect the health and safety of employees and customers, and approximately $25 million in appreciation bonuses for eligible frontline employees.

The effective income tax rate in the third quarter of 2020 was 21.6% compared to 21.7% in the third quarter of 2019. This lower effective income tax rate was primarily due to increased tax benefits associated with share-based compensation and a larger income tax rate benefit from state taxes, partially offset by a lower income tax rate benefit from federal income tax credits due to higher pre-tax earnings in the 2020 period compared to the 2019 period.

The Company reported net income of $574.3 million for the third quarter of 2020, an increase of 57.1% compared to $365.6 million in the third quarter of 2019. Diluted EPS increased 62.7% to $2.31 for the third quarter of 2020 compared to diluted EPS of $1.42 in the third quarter of 2019.

39-Week Period Highlights

For the 39-week period ended October 30, 2020, net sales increased 23.0% to $25.3 billion, compared to $20.6 billion in the comparable 2019 period. This net sales increase included positive sales contributions from new stores and growth in same-store sales, modestly offset by the impact of store closures. Same-store sales increased 17.5% from the 2019 39-week period, driven by an increase in average transaction amount, partially offset by a decline in customer traffic. Same-store sales in the 2020 period included growth in the consumables, seasonal, home products and apparel categories, with the largest percentage increase in the home products category. The Company believes consumer behavior driven by COVID-19 had a significant positive effect on net sales and same-store sales.

Gross profit as a percentage of net sales was 31.5% in the 2020 39-week period, compared to 30.2% in the comparable 2019 period, an increase of 133 basis points. The gross profit rate increase in the 2020 period was primarily attributable to a reduction in markdowns as a percentage of net sales, higher initial markups on inventory purchases, and a greater proportion of sales coming from the non-consumables product categories, which generally have a higher gross profit rate than the consumables product category. These factors were partially offset by increased distribution costs, which were impacted by the COVID-19 pandemic in the form of increased volume and discretionary employee bonus expense. As a result of the significant increase in sales, the Company believes consumer behavior driven by COVID-19 also had a significant positive effect on gross profit dollars.

SG&A as a percentage of net sales was 20.9% in the 2020 39-week period compared to 22.5% in the comparable 2019 period, a decrease of 158 basis points. Although the Company incurred certain incremental costs related to COVID-19, they were more than offset by the significant increase in net sales during the 39-week period as discussed above. Expenses that were lower as a percentage of net sales in the 2020 period include occupancy costs, retail labor, utilities, depreciation and amortization, employee benefits, taxes and licenses, and repairs and maintenance. These items were partially offset by increased incentive compensation expenses and hurricane-related expenses. The 2019 period included expenses of $31.0 million relating to significant legal matters (the "Significant Legal Expenses"). SG&A in the 39-week period of 2020 decreased 143 basis points as a percentage of sales compared to Adjusted SG&A of 22.4%[1], which excluded the impact of the Significant Legal Expenses, in the 2019 period.

Operating profit for the 2020 39-week period grew 69.6% to $2.7 billion compared to $1.6 billion in the comparable 2019 period. Operating profit for the 2020 period increased 66.4% compared to Adjusted operating profit of $1.6 billion[1], which excluded the impact of the Significant Legal Expenses, for the 2019 39-week period. The 2020 period included approximately $153 million of incremental investments the Company made in response to the COVID-19 pandemic. These investments included measures taken to further protect the health and safety of employees and customers, and approximately $99 million in appreciation bonuses for eligible frontline employees.

The effective income tax rate in the 2020 39-week period was 21.8% compared to 21.9% in the comparable 2019 period. This lower effective income tax rate was primarily due to increased tax benefits associated with share-based compensation and a greater income tax rate benefit from state taxes, partially offset by a lower income tax rate benefit from federal income tax credits due to higher pre-tax earnings in the 2020 period compared to the 2019 period.

The Company reported net income of $2.0 billion for the 2020 39-week period, an increase of 71.0% compared to $1.2 billion in the comparable 2019 period. Diluted EPS increased 76.2% to $8.00 for the 2020 39-week period compared to diluted EPS of $4.54 in the comparable 2019 period. Net income and diluted EPS for the 2020 period increased 67.5% and 72.4%, respectively, compared to Adjusted net income and Adjusted diluted EPS of $1.2 billion[1] and $4.64[1], respectively. Adjusted net income and Adjusted diluted EPS for the comparable 2019 period excluded the after-tax impact of the Significant Legal Expenses of approximately $24.1 million, or $0.09 per diluted share.

[1] See "Non-GAAP Disclosure" herein.

Merchandise Inventories

As of October 30, 2020, total merchandise inventories, at cost, were $5.0 billion compared to $4.5 billion as of November 1, 2019, an increase of 5.9% on a per-store basis.

Capital Expenditures

Total additions to property and equipment in the 2020 39-week period were $698 million, including approximately: $304 million for improvements, upgrades, remodels and relocations of existing stores; $209 million for store facilities, primarily for leasehold improvements, fixtures and equipment in new stores; $140 million for distribution and transportation related projects; and $39 million for information systems upgrades and technology-related projects. During the 2020 39-week period, the Company opened 780 new stores, remodeled 1,425 stores and relocated 76 stores.

Share Repurchases

The Company repurchased $902 million of its common stock, or 4.4 million shares, under its share repurchase program at an average price of $204.58 per share in the third quarter of 2020. The total remaining authorization for future repurchases was $1.6 billion at the end of the third quarter of 2020. Under the authorization, repurchases may be made from time to time in open market transactions, including pursuant to trading plans adopted in accordance with Rule 10b5-1 of the Securities Exchange Act of 1934, as amended, or in privately negotiated transactions. The timing, manner and number of shares repurchased will depend on a variety of factors, including price, market conditions, compliance with the covenants and restrictions under the Company's debt agreements and other factors. The authorization has no expiration date.

Dividend

On December 2, 2020, the Company's Board of Directors declared a quarterly cash dividend of $0.36 per share on the Company's common stock, payable on or before January 19, 2021 to shareholders of record on January 5, 2021. While the Board of Directors intends to continue regular cash dividends, the declaration and amount of future dividends are subject to the sole discretion of the Board and will depend upon, among other things, the Company's results of operations, cash requirements, financial condition, contractual restrictions, and other factors the Board may deem relevant in its sole discretion.

Fiscal Year 2020 Update

As noted above, the Company realized a significant sales benefit in the 39-week period ended October 30, 2020, as a result of COVID-19. In addition, since the end of the third quarter, the Company has continued to experience elevated demand in its stores. As a result, from October 31, 2020 through December 1, 2020, same-store sales increased approximately 14% as compared to the comparable timeframe in the 2019 fiscal year.

Due to the significant uncertainty that continues to exist around the severity and duration of the COVID-19 pandemic, including its impact on the U.S. economy, consumer behavior and the Company's business, there is a lack of visibility for the remainder of 2020 with many unknowns. Because it is difficult to predict specific outcomes, the Company is not issuing updated fiscal 2020 sales or EPS guidance at this time.

However, for the 52-week fiscal year ending January 29, 2021 ("fiscal year 2020"), the Company continues to expect the following:

- Share repurchases of approximately $2.5 billion;
- Capital expenditures, including those related to investments in the Company's strategic initiatives, in the range of $1.0 billion to $1.1 billion; and
- 2,780 real estate projects, including 1,000 new store openings, 1,670 remodels, and 110 store relocations.

Fiscal Year 2021 Store Growth Outlook

For the 52-week fiscal year ending January 28, 2022 ("fiscal year 2021"), the Company plans to execute 2,900 real estate projects, including 1,050 new store openings, 1,750 remodels, and 100 store relocations.

“We are excited to once again accelerate our real estate growth plans in fiscal year 2021,” said Jeff Owen, Dollar General’s chief operating officer. “Our portfolio of high-return real estate projects continues to be a top priority for capital allocation as we look to continue delivering long-term shareholder value. With a robust pipeline in place and plans to execute an average of nearly eight real estate projects per day in fiscal year 2021, we are enthusiastic about the opportunity to further expand our footprint and serve even more customers across the country.”

Conference Call Information

The Company will hold a conference call on December 3, 2020 at 9:00 a.m. CT/10:00 a.m. ET, hosted by Todd Vasos, chief executive officer, Jeff Owen, chief operating officer, and John Garratt, chief financial officer. To participate via telephone, please call (877) 407-0890 at least 10 minutes before the conference call is scheduled to begin. The conference ID is 13711997. There will also be a live webcast of the call available at https://investor.dollargeneral.com under “News & Events, Events & Presentations.” A replay of the conference call will be available through December 31, 2020, and will be accessible via webcast replay or by calling (877) 660-6853. The conference ID for the telephonic replay is 13711997.

Non-GAAP Disclosure

Adjusted SG&A, Adjusted operating profit, Adjusted net income and Adjusted diluted EPS, and their respective growth metrics, for the 39-week period ended November 1, 2019 have not been derived in accordance with U.S. GAAP, but rather exclude the impact of the Significant Legal Expenses, which are associated with wage and hour and consumer/product certified class action litigation and related matters. Due to the nature, infrequency, and financial magnitude of such matters, the Company believes these non-GAAP financial measures provide useful information to investors in assessing the Company’s operating performance as these measures provide an additional relevant comparison of the Company’s operating performance across periods. Reconciliations of these non-GAAP measures to the most directly comparable measures calculated in accordance with GAAP are provided in the accompanying schedules.

The non-GAAP measures discussed above are not measures of financial performance or condition, liquidity or profitability in accordance with GAAP, and should not be considered as alternatives to SG&A, operating profit, net income, diluted EPS or any other measure derived in accordance with GAAP. These non-GAAP measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of the Company’s financial results as reported in accordance with GAAP. Because not all companies use identical calculations, these presentations may not be comparable to other similarly titled measures of other companies.

Forward-Looking Statements

This press release contains forward-looking information within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act. Forward-looking statements include those regarding the Company's outlook, strategy, initiatives, plans and intentions including, but not limited to, statements made within the quotations of Mr. Vasos and Mr. Owen, and in the sections entitled "Share Repurchases," "Dividend," "Fiscal Year 2020 Update," and "Fiscal Year 2021 Store Growth Outlook." A reader can identify forward-looking statements because they are not limited to historical fact or they use words such as "outlook," "may," "will," "should," "could," "would," "can," "believe," "anticipate," "plan," "expect," "estimate," "forecast," "predict," "position," "assume," "opportunities," "intend," "continue," "future," "long-term," "guidance," "look to," "looking ahead," "subject to," "committed," "focus on," or "likely to," and similar expressions that concern the Company's strategy, plans, intentions or beliefs about future occurrences or results. These matters involve risks, uncertainties and other factors that may cause the actual performance of the Company to differ materially from that which the Company expected. Many of these statements are derived from the Company's operating budgets and forecasts as of the date of this release, which are based on many detailed assumptions that the Company believes are reasonable. However, it is very difficult to predict the effect of known factors on the Company's future results, and the Company cannot anticipate all factors that could affect future results that may be important to an investor. All forward-looking information should be evaluated in the context of these risks, uncertainties and other factors. Important factors that could cause actual results to differ materially from the expectations expressed in or implied by such forward-looking statements include, but are not limited to:

- risks related to the COVID-19 pandemic, including but not limited to, the effects on the Company's supply chain, distribution network, store and distribution center growth, store and distribution center closures, transportation and distribution costs, SG&A expenses, share repurchase activity, as well as domestic and foreign economies and customers' spending patterns;
- economic factors, including but not limited to employment levels; inflation; higher fuel, energy, healthcare and housing costs, interest rates, consumer debt levels, and tax rates; tax law changes that negatively affect credits and refunds; lack of available credit; decreases in, or elimination of, government subsidies such as unemployment and food assistance programs; commodity rates; transportation, lease and insurance costs; wage rates; foreign exchange rate fluctuations; measures that create barriers to or increase the costs of international trade (including increased import duties or tariffs); and changes in laws and regulations, and their effect on, as applicable, customer spending and disposable income, the Company's ability to execute its strategies and initiatives, the Company's cost of goods sold, and the Company's SG&A expenses (including real estate costs);
- failure to achieve or sustain the Company's strategies and initiatives, including those relating to merchandising, real estate and new store development, store formats, digital, shrink, sourcing, private brand, inventory management, supply chain, store operations, expense reduction, technology, the Company's Fresh initiative and the Company's Fast Track initiative;
- failure to timely and cost-effectively execute the Company's real estate projects or to anticipate or successfully address the challenges imposed by the Company's expansion, including into new states or urban areas;
- competitive pressures and changes in the competitive environment and the geographic and product markets where the Company operates, including, but not limited to, pricing, promotional activity, expanded availability of mobile, web-based and other digital technologies, and alliances or other business combinations;
- levels of inventory shrinkage;
- failure to successfully manage inventory balances;
- failure to maintain the security of the Company's business, customer, employee or vendor information or to comply with privacy laws;
- damage or interruption to the Company's information systems as a result of external factors, staffing shortages or challenges in maintaining or updating the Company's existing technology or developing or implementing new technology;
- a significant disruption to the Company's distribution network, the capacity of the Company's distribution centers or the timely receipt of inventory, or delays in constructing or opening new distribution centers;
- risks and challenges associated with sourcing merchandise from suppliers, including, but not limited to, those related to international trade;
- product liability, product recall or other product safety or labeling claims;
- the impact of changes in or noncompliance with governmental regulations and requirements (including, but not limited to, those relating to environmental compliance, product and food safety or labeling, information security and privacy, labor and employment, employee wages, and those governing the sale of products, as well as tax laws, the interpretation of existing tax laws, or the Company's failure to sustain its reporting positions negatively affecting the Company's tax rate) and developments in or outcomes of private actions, class actions, multi-district litigation, arbitrations, derivative actions, administrative proceedings, regulatory actions or other litigation;
- incurrence of material uninsured losses, excessive insurance costs or accident costs;
- natural disasters, unusual weather conditions (whether or not caused by climate change), pandemic outbreaks, acts of violence or terrorism, and global political events;
- failure to attract, train and retain qualified employees while controlling labor costs and other labor issues;
- loss of key personnel or inability to hire additional qualified personnel;
- risks associated with the Company's private brands, including, but not limited to, the Company's level of success in improving their gross profit rate;
- seasonality of the Company's business;
- deterioration in market conditions, including market disruptions, limited liquidity and interest rate fluctuations, or changes in the Company's credit profile;
- new accounting guidance or changes in the interpretation or application of existing guidance;
- the factors disclosed under "Risk Factors" in the Company's most recent Annual Report on Form 10-K and any subsequently filed Quarterly Reports on Form 10-Q; and
- such other factors as may be discussed or identified in this press release.

All forward-looking statements are qualified in their entirety by these and other cautionary statements that the Company makes from time to time in its SEC filings and public communications. The Company cannot assure the reader that it will realize the results or developments the Company anticipates or, even if substantially realized, that they will result in the consequences or affect the Company or its operations in the way the Company expects. Forward-looking statements speak only as of the date made. The Company undertakes no obligation, and specifically disclaims any duty, to update or revise any forward-looking statements to reflect events or circumstances arising after the date on which they were made, except as otherwise required by law. As a result of these risks and uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements included herein or that may be made elsewhere from time to time by, or on behalf of, the Company.

Investors should also be aware that while the Company does, from time to time, communicate with securities analysts and others, it is against the Company's policy to disclose to them any material, nonpublic information or other confidential commercial information. Accordingly, shareholders should not assume that the Company agrees with any statement or report issued by any securities analyst regardless of the content of the statement or report. Furthermore, the Company has a policy against confirming projections, forecasts or opinions issued by others. Thus, to the extent that reports issued by securities analysts contain any projections, forecasts or opinions, such reports are not the Company's responsibility.

About Dollar General Corporation

Dollar General Corporation has been delivering value to shoppers for more than 80 years. Dollar General helps shoppers Save time. Save money. Every day!® by offering products that are frequently used and replenished, such as food, snacks, health and beauty aids, cleaning supplies, basic apparel, housewares and seasonal items at everyday low prices in convenient neighborhood locations. Dollar General operated 16,979 stores in 46 states as of October 30, 2020. In addition to high-quality private brands, Dollar General sells products from America's most-trusted manufacturers such as Clorox, Energizer, Procter & Gamble, Hanes, Coca-Cola, Mars, Unilever, Nestle, Kimberly-Clark, Kellogg's, General Mills, and PepsiCo. Learn more about Dollar General at www.dollargeneral.com.

DOLLAR GENERAL CORPORATION AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(In thousands)

	(Unaudited)		
	October 30 2020	November 1 2019	January 31 2020
ASSETS			
Current assets:			
Cash and cash equivalents	$ 2,199,443	$ 276,076	$ 240,320
Merchandise inventories	5,025,810	4,496,377	4,676,848
Income taxes receivable	111,139	103,188	76,537
Prepaid expenses and other current assets	197,040	192,901	184,163
Total current assets	7,533,432	5,068,542	5,177,868
Net property and equipment	3,701,782	3,131,073	3,278,359
Operating lease assets	9,343,375	8,639,378	8,796,183
Goodwill	4,338,589	4,338,589	4,338,589
Other intangible assets, net	1,199,900	1,200,059	1,200,006
Other assets, net	36,364	35,149	34,079
Total assets	$26,153,442	$22,412,790	$22,825,084
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Current portion of operating lease liabilities	$ 1,044,368	$ 940,504	$ 964,805
Accounts payable	3,770,528	2,844,171	2,860,682
Accrued expenses and other	1,060,602	717,467	709,156
Income taxes payable	10,713	3,341	8,362
Total current liabilities	5,886,211	4,505,483	4,543,005
Long-term obligations	4,131,573	2,763,045	2,911,993
Long-term operating lease liabilities	8,285,027	7,688,923	7,819,683
Deferred income taxes	686,694	634,041	675,227
Other liabilities	178,418	173,003	172,676
Total liabilities	19,167,923	15,764,495	16,122,584
Commitments and contingencies			
Shareholders' equity:			
Preferred stock	-	-	-
Common stock	214,375	222,775	220,444
Additional paid-in capital	3,426,729	3,308,160	3,322,531
Retained earnings	3,346,821	3,120,738	3,162,660
Accumulated other comprehensive loss	(2,406)	(3,378)	(3,135)
Total shareholders' equity	6,985,519	6,648,295	6,702,500
Total liabilities and shareholders' equity	$26,153,442	$22,412,790	$22,825,084

DOLLAR GENERAL CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Income
(In thousands, except per share amounts)
(Unaudited)

	For the Quarter Ended			
	October 30 2020	% of Net Sales	November 1 2019	% of Net Sales
Net sales	$ 8,199,625	100.00%	$ 6,991,393	100.00%
Cost of goods sold	5,631,385	68.68	4,926,307	70.46
Gross profit	2,568,240	31.32	2,065,086	29.54
Selling, general and administrative expenses	1,795,110	21.89	1,573,669	22.51
Operating profit	773,130	9.43	491,417	7.03
Interest expense	40,298	0.49	24,264	0.35
Income before income taxes	732,832	8.94	467,153	6.68
Income tax expense	158,572	1.93	101,603	1.45
Net income	$ 574,260	7.00%	$ 365,550	5.23%
Earnings per share:				
Basic	$ 2.32		$ 1.43	
Diluted	$ 2.31		$ 1.42	
Weighted average shares outstanding:				
Basic	247,131		256,041	
Diluted	249,063		257,699	

	For the 39 Weeks Ended			
	October 30 2020	% of Net Sales	November 1 2019	% of Net Sales
Net sales	$25,332,315	100.00%	$ 20,596,331	100.00%
Cost of goods sold	17,350,148	68.49	14,380,033	69.82
Gross profit	7,982,167	31.51	6,216,298	30.18
Selling, general and administrative expenses	5,299,626	20.92	4,634,869	22.50
Operating profit	2,682,541	10.59	1,581,429	7.68
Interest expense	110,117	0.43	75,007	0.36
Income before income taxes	2,572,424	10.15	1,506,422	7.31
Income tax expense	560,117	2.21	329,304	1.60
Net income	$ 2,012,307	7.94%	$ 1,177,118	5.72%
Earnings per share:				
Basic	$ 8.06		$ 4.57	
Diluted	$ 8.00		$ 4.54	
Weighted average shares outstanding:				
Basic	249,731		257,618	
Diluted	251,627		259,022	

DOLLAR GENERAL CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	For the 39 Weeks Ended	
	October 30 2020	November 1 2019
Cash flows from operating activities:		
Net income	$ 2,012,307	$ 1,177,118
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation and amortization	424,466	372,378
Deferred income taxes	11,207	14,308
Noncash share-based compensation	51,366	35,605
Other noncash (gains) and losses	9,266	10,531
Change in operating assets and liabilities:		
Merchandise inventories	(352,261)	(401,006)
Prepaid expenses and other current assets	(13,525)	(24,345)
Accounts payable	919,806	425,414
Accrued expenses and other liabilities	357,320	108,906
Income taxes	(32,251)	(52,076)
Other	(4,161)	(5,723)
Net cash provided by (used in) operating activities	3,383,540	1,661,110
Cash flows from investing activities:		
Purchases of property and equipment	(697,598)	(518,051)
Proceeds from sales of property and equipment	1,587	1,910
Net cash provided by (used in) investing activities	(696,011)	(516,141)
Cash flows from financing activities:		
Issuance of long-term obligations	1,494,315	-
Repayments of long-term obligations	(2,564)	(525)
Net increase (decrease) in commercial paper outstanding	(425,200)	(90,800)
Borrowings under revolving credit facilities	300,000	-
Repayments of borrowings under revolving credit facilities	(300,000)	-
Costs associated with issuance of debt	(13,574)	(1,675)
Repurchases of common stock	(1,566,546)	(785,301)
Payments of cash dividends	(268,630)	(246,776)
Other equity and related transactions	53,793	20,697
Net cash provided by (used in) financing activities	(728,406)	(1,104,380)
Net increase (decrease) in cash and cash equivalents	1,959,123	40,589
Cash and cash equivalents, beginning of period	240,320	235,487
Cash and cash equivalents, end of period	$ 2,199,443	$ 276,076
Supplemental cash flow information:		
Cash paid for:		
Interest	$ 105,192	$ 99,277
Income taxes	$ 580,656	$ 368,471
Supplemental schedule of non-cash investing and financing activities:		
Right of use assets obtained in exchange for new operating lease liabilities	$ 1,319,711	$ 1,311,734
Purchases of property and equipment awaiting processing for payment, included in Accounts payable	$ 100,288	$ 96,950

DOLLAR GENERAL CORPORATION AND SUBSIDIARIES
Selected Additional Information
(Unaudited)

Sales by Category (in thousands)

	For the Quarter Ended		
	October 30 2020	November 1 2019	% Change
Consumables	$ 6,385,315	$ 5,523,157	15.6%
Seasonal	906,623	750,843	20.7%
Home products	517,147	400,934	29.0%
Apparel	390,540	316,459	23.4%
Net sales	$ 8,199,625	$ 6,991,393	17.3%

	For the 39 Weeks Ended		
	October 30 2020	November 1 2019	% Change
Consumables	$19,585,114	$16,164,317	21.2%
Seasonal	2,986,146	2,341,914	27.5%
Home products	1,601,450	1,151,715	39.0%
Apparel	1,159,605	938,385	23.6%
Net sales	$25,332,315	$20,596,331	23.0%

Store Activity

	For the 39 Weeks Ended	
	October 30 2020	November 1 2019
Beginning store count	16,278	15,370
New store openings	780	769
Store closings	(79)	(45)
Net new stores	701	724
Ending store count	16,979	16,094
Total selling square footage (000's)	125,542	118,998
Growth rate (square footage)	5.5%	5.6%

DOLLAR GENERAL CORPORATION AND SUBSIDIARIES
Reconciliation of Non-GAAP Financial Measures
Adjusted Selling General and Administrative Expenses, Adjusted Operating Profit,
Adjusted Net Income, and Adjusted Diluted Earnings Per Share
(Unaudited)

(in millions, except per share amounts)

	For the 39 Weeks Ended					
	October 30 2020	% Net Sales	November 1 2019	% Net Sales	bps Change	% Change
Net sales	$ 25,332.3		$ 20,596.3			
Selling, general and administrative expenses	$ 5,299.6	20.92	$ 4,634.9	22.50	(1.58)	14.3
Significant Legal Expenses	-	-	(31.0)	(0.15)	0.15	
Adjusted selling, general and administrative expenses	$ 5,299.6	20.92	$ 4,603.9	22.35	(1.43)	15.1
Operating profit	$ 2,682.5	10.59	$ 1,581.4	7.68	2.91	69.6
Significant Legal Expenses	-	-	31.0	0.15	(0.15)	
Adjusted operating profit	$ 2,682.5	10.59	$ 1,612.4	7.83	2.76	66.4
Net income	$ 2,012.3	7.94	$ 1,177.1	5.72	2.22	71.0
Significant Legal Expenses	-	-	31.0	0.15	(0.15)	
Deferred tax benefit of Significant Legal Expenses	-	-	(6.9)	(0.03)	0.03	
Significant Legal Expenses net of deferred tax benefit	-	-	24.1	0.12	(0.12)	
Adjusted net income	$ 2,012.3	7.94	$ 1,201.2	5.83	2.11	67.5
Diluted earnings per share:						
As reported	$ 8.00		$ 4.54			76.2
After-tax impact of Significant Legal Expenses	-		0.09			
Adjusted	$ 8.00		$ 4.64			72.4
Weighted average diluted shares outstanding:	251.6		259.0			

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