



Tractor Supply Company (TSCO)

Updated April 27th, 2026, by Kody Kester

Key Metrics

Current Price:	\$36	5 Year CAGR Estimate:	14.7%	Market Cap:	\$19.0B
Fair Value Price:	\$43	5 Year Growth Estimate:	9.0%	Ex-Dividend Date:	05/27/26 ¹
% Fair Value:	85%	5 Year Valuation Multiple Estimate:	3.4%	Dividend Payment Date:	06/09/26 ¹
Dividend Yield:	2.7%	5 Year Price Target	\$66	Years Of Dividend Growth:	17
Dividend Risk Score:	B	Sector:	Consumer Discretionary	Rating:	Buy

Overview & Current Events

Tractor Supply Company (TSCO) is the largest rural lifestyle retailer in the United States, founded in 1938 and headquartered in Brentwood, Tennessee. As of March 28th, 2026, TSCO operates over 2,600 retail locations across 49 states under the Tractor Supply and Petsense by Tractor Supply banners. The company serves recreational farmers, ranchers, tradesmen, and pet owners with a broad assortment of farm and ranch supplies, pet food and supplies, clothing, livestock feed, power equipment, and seasonal merchandise. TSCO generated \$15.52 billion in net sales in fiscal 2025, and has increased its annual dividend for 17 consecutive years.

On April 21st, the company shared its financial results for the first quarter ended March 28th, 2026. TSCO's net sales grew by 3.6% year-over-year to \$3.59 billion during the quarter. That was largely driven by robust new store openings. To a lesser extent, comparable net sales growth contributed to these results in the quarter (+0.5%). While companion animal performance was below the company average due to softer demand trends and an unfavorable product mix, TSCO made up for it with growth in four of five product categories, as well as double-digit growth in digital sales. The company's diluted EPS decreased by 7.2% over the year-ago period to \$0.31 for the quarter. This missed the analyst consensus by \$0.03 during the quarter. Even so, TSCO maintained its comparable store sales growth guidance of 1% to 3% for the year and diluted EPS of between \$2.13 and \$2.23 for 2026.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$0.65	\$0.67	\$0.86	\$0.94	\$1.37	\$1.72	\$1.92	\$2.02	\$2.04	\$2.06	\$2.13	\$3.28
DPS	\$0.18	\$0.21	\$0.24	\$0.27	\$0.30	\$0.42	\$0.74	\$0.82	\$0.88	\$0.92	\$0.96	\$1.41
Shares²	654.0	626.5	609.1	590.8	581.2	565.6	551.3	539.9	532.2	527.0	526.0	480.0

Since 2016, TSCO has logged nearly 14% annual diluted EPS growth. While this has lagged over the last few years (4.4% five-year CAGR), we believe that the company is on track to deliver 9.0% annual diluted EPS growth through 2031, off an anticipated 2026 base of \$2.13. This is because TSCO still anticipates that it can reach its long-term goal of 3,000 locations. Combined with modest comparable store sales growth and share buybacks, that's the pathway to our forecast.

¹ Estimated based on past dividend dates.

² Share count is in millions.



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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	23.2	22.5	19.3	19.6	20.5	27.7	23.2	21.3	25.5	24.7	16.9	20.0
Avg. Yld.	1.2%	1.4%	1.4%	1.5%	1.1%	0.9%	1.6%	1.9%	1.7%	1.8%	2.7%	2.2%

Over the past decade, TSCO has traded at a P/E ratio as low as the high-teens to as much as the upper-20s. Over that time, the average P/E ratio was nearly 23. Since it takes more to move the growth needle now than it did five or 10 years ago, we think that a fair value P/E ratio of 20 is reasonable for TSCO. Relative to the current-year P/E ratio of 16.9, that represents a meaningful discount to fair value.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	28%	31%	28%	29%	22%	24%	38%	41%	43%	45%	45%	43%

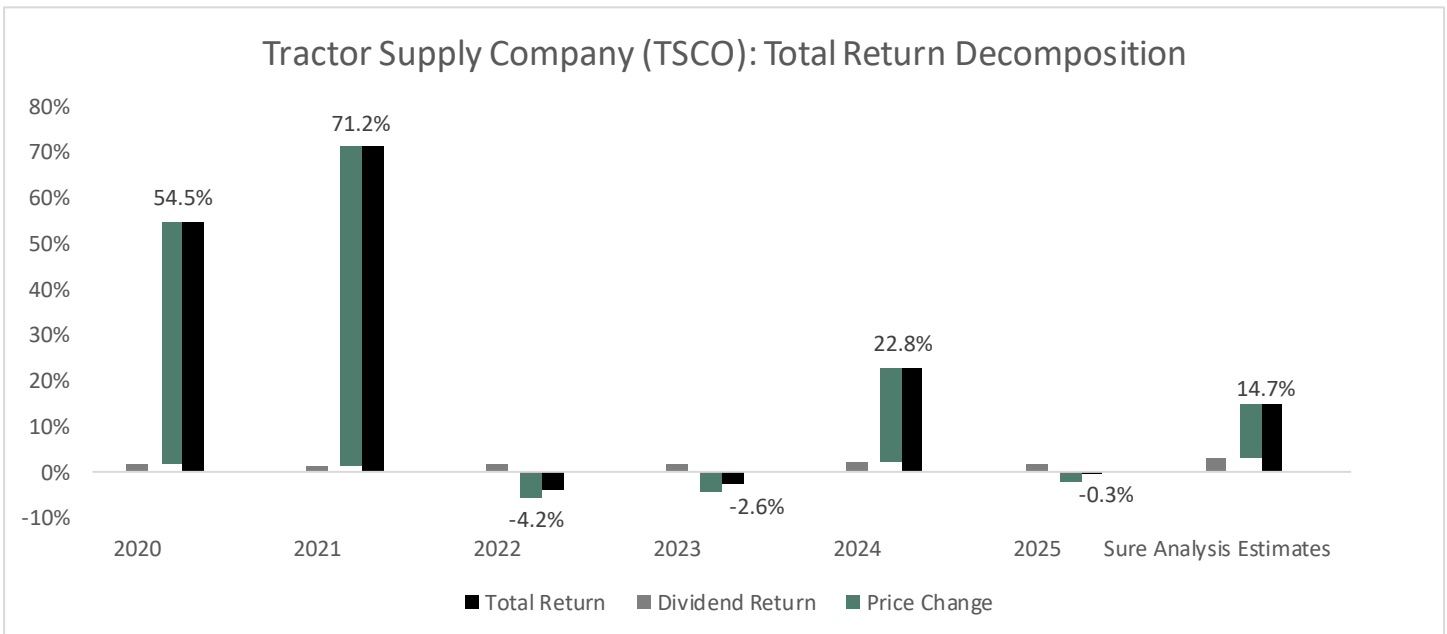
Many brick-and-mortar retailers feel the impact that Amazon (AMZN) and other online retailers are having on traffic at their stores, but TSCO is rather insulated from the e-commerce threat. Many of the items the company sells are large and complex, and therefore not easily purchased online or shipped to customers' homes. This serves as a major advantage versus many other brick-and-mortar retailers.

TSCO also does not have a lot of competition in the niche market it serves. The company is financially stable, with a BBB S&P credit rating. TSCO's dividend payout ratio is also reasonably secure, which is why we believe that the payout can grow almost as fast as earnings for the foreseeable future.

Final Thoughts & Recommendation

TSCO's 2.7% dividend yield, 9.0% annual diluted EPS growth prospects, and 3.4% annual valuation multiple expansion could generate 14.7% annual total returns through 2031. As a result, we're upgrading shares to a Buy rating following the sharp selloff in recent months.

Total Return Breakdown by Year



Disclosure: This analyst has a position in TSCO.



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	6,780	7,256	7,911	8,352	10,620	12,731	14,205	14,556	14,883	15,524
Gross Profit	2,182	2,326	2,525	2,676	3,544	4,207	4,629	4,835	4,949	5,160
Gross Margin	32.2%	32.1%	31.9%	32.0%	33.4%	33.0%	32.6%	33.2%	33.3%	33.2%
SG&A Exp.	1,488	1,640	1,823	1,933	2,479	2,900	3,194	3,356	3,482	3,693
D&A Exp.	143	166	177	196	217	270	343	393	447	494
Operating Profit	694	686	702	743	1,188	1,370	1,435	1,479	1,468	1,467
Operating Margin	10.2%	9.5%	8.9%	8.9%	11.2%	10.8%	10.1%	10.2%	9.9%	9.5%
Net Profit	437	423	532	562	749	997	1,089	1,107	1,101	1,096
Net Margin	6.4%	5.8%	6.7%	6.7%	7.1%	7.8%	7.7%	7.6%	7.4%	7.1%
Free Cash Flow	425	381	416	594	1,101	510	584	580	637	740
Income Tax	251	250	151	161	219	283	316	325	312	302

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	2,760	2,945	3,187	5,289	7,049	8,646	9,434	9,188	9,805	10,934
Cash & Equivalents	54	109	86	84	1,342	878	203	397	251	194
Inventories	1,370	1,453	1,590	1,603	1,783	2,191	2,710	2,646	2,840	3,084
Goodwill & Int. Ass.	126	124	124	124	56	56	253	270	270	399
Total Liabilities	1,307	1,527	1,625	3,722	5,125	6,644	7,392	7,038	7,535	8,352
Accounts Payable	520	577	620	643	976	1,156	1,398	1,180	1,236	1,391
Long-Term Debt	301	462	440	2,432	3,243	3,598	3,924	4,667	5,028	5,493
Shareholder's Equity	1,453	1,419	1,562	1,567	1,924	2,003	2,042	2,150	2,270	2,581
LTD/E Ratio	0.21	0.33	0.28	1.73	1.84	1.96	2.09	2.34	2.39	2.30

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	16.8%	14.8%	17.4%	13.3%	12.1%	12.7%	12.0%	11.9%	11.6%	10.6%
Return on Equity	30.7%	29.4%	35.7%	35.9%	42.9%	50.8%	53.8%	52.8%	49.8%	45.2%
ROIC	26.4%	23.3%	27.4%	17.9%	15.4%	17.5%	17.8%	16.4%	14.8%	13.5%
Shares Out.	655	625	605	585	580	565	550	540	532	528
Revenue/Share	10.13	11.32	12.81	13.83	18.09	21.98	25.33	26.53	27.58	29.17
FCF/Share	0.63	0.59	0.67	0.98	1.87	0.88	1.04	1.06	1.18	1.39

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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