Consumer Staples Stock Recommendations

Consumer Staples Sector Recap

- Current SIM Weight: 7.78% (+2.43%)
- Current S&P 500 Weight: 5.35%
- Sensitivity: Low Sensitivity to market volatility (often used to hedge).
- Trend: Slower growth but consistent.

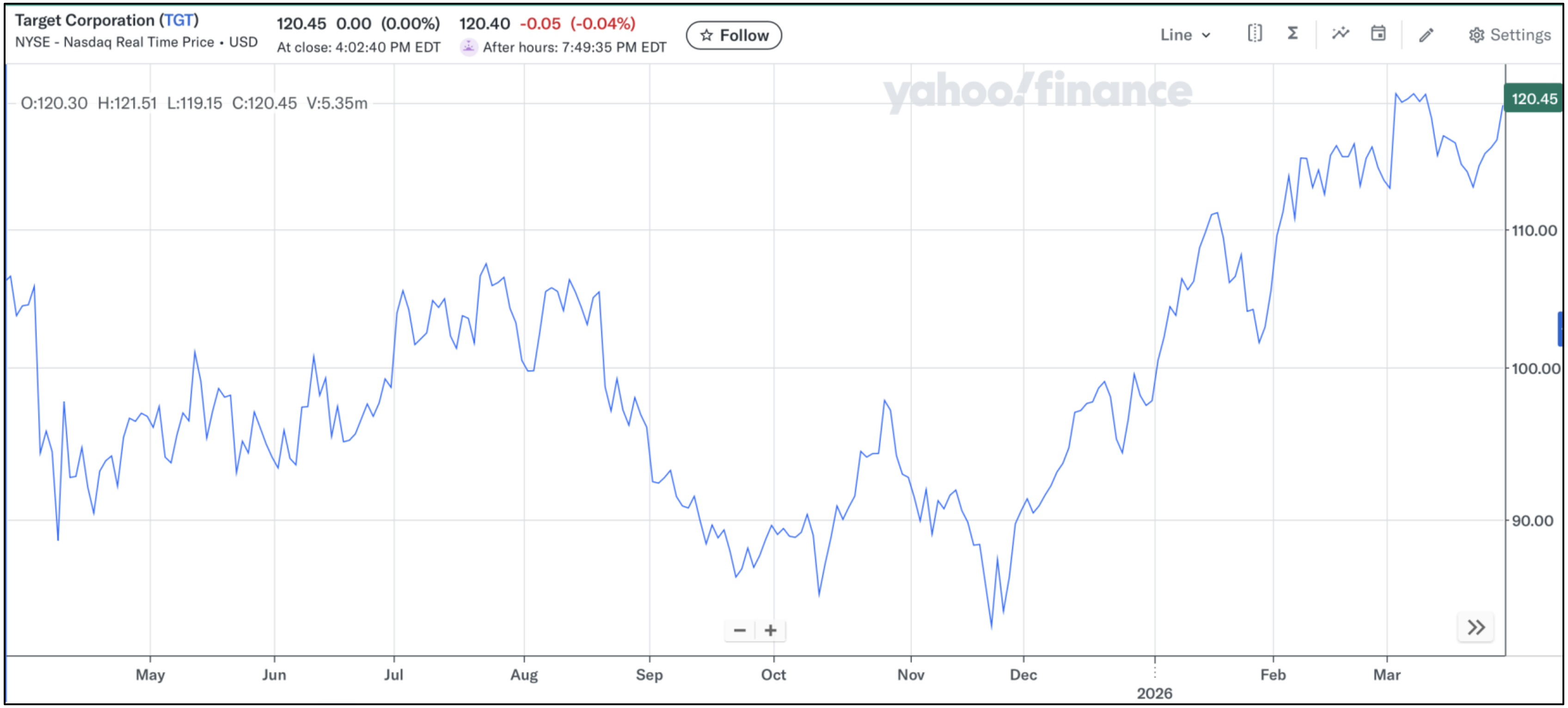
Sector	SP 500	Consumer Staples
Operating Margin	15.20	7.68
Profit Margin	13.97	7.15
5-year Return %	88.45%	64.60%
Annual Return Eq	13.50%	10.48%

Consumer Staples Recap

Current Holdings:

Stock	% of SIM port.	Recommendation
BROWN-FORMAN CORP	0.95%	Hold
KROGER	1.85%	Hold
PHILIP MORRIS INTERNATIONAL	4.21%	Hold
TARGET	1.97%	Sell
WALMART	1.16%	Hold

Target Corporation (TGT) Overview



Stock Price (as of 3/27/2026): $119.84	**Target Price: $109.64**
Diluted Shared Outstanding: 456.86 MM	**Target Return: -8.54%**
52-Week Price Range: $83.44-$126	**Dividend Yield: 4.56%**
Market Capitalization: 54.27 Bn	**Recommendation: Sell**

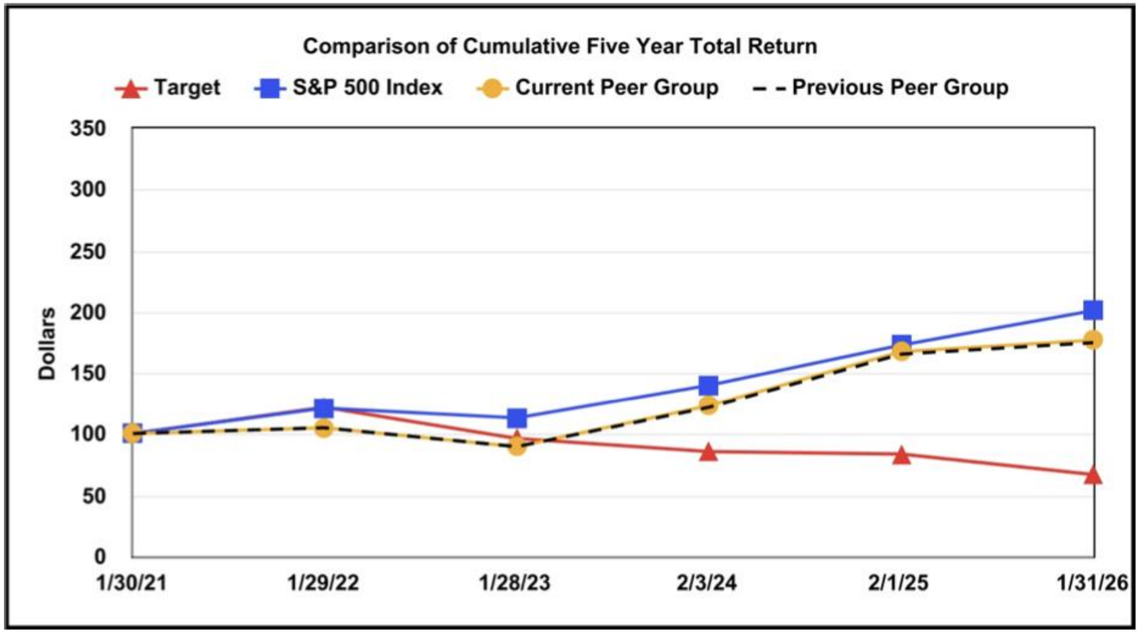
Target Corporation Overview Cont.

- Business Product Segments(% of Sales Revenue):
  - Food and Beverages: 24%
  - Household Essentials: 18%
  - Home Furnishings and Décor: 15%
  - Apparel and Accessories: 15%
  - Hardlines: 15%
  - Beauty: 13%

- Decision Drivers:
  - Conclusion of Ulta Beauty Partnership
  - Owned Brands tariff sensitivity
  - Overvaluation from DCF and multiples valuations

Target Financial Analysis

- Declining ~9% Market Share
- Recovering operating margins from 2021-2022 drop
- Strong consistently growing dividend yield
- High capital requirement for $5 billion & $1 billion investment plan



Absolute Valuation	Current Stock Price	Current Multiple	Target Multiple	Target/ Current	Target Price	Implied Return
P/E	$119.84	14.07x	13.0x	0.924x	$110.73	-7.6%
P/B	$119.84	3.10x	3.0x	0.968x	$116.01	-3.2%
P/S	$119.84	0.46x	0.4x	0.870x	$104.26	-13.0%
P/EBITDA	$119.84	5.10x	5.0x	0.980x	$117.44	-2.0%
Average					$109.64	-8.51%

Target Valuation Analysis

- Implied equity value per share: $109.64
- Implied downside of DCF: -8.54%
- Consensus: $124.72
- Sensitivity Scenarios →

Scenario	WACC	Terminal Growth Rate	Implied Price
Conservative Recovery	8.50%	2.05%	$124.26
Base	9.00%	2.25%	$109.64
Soft Landing	9.25%	2.15%	$103.58

Year:	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E
FCFs (MM):	$2,854	$3,031	$3,158	$3,166	$3,267	$3,592	$3,710	$3,627	$3,856	$3,987	$4,159
Discount Rate:	9%										
Growth Rate:	2.25%										
NPV of Cash Flows (MM):	$23,037										
NPV of Terminal Value:	$26,613										
Projected Equity Value (MM):	$49,650										

Casey's (CASY) Overview

Stock Price (as of 3/22/2026): $659.63	Target Price: $637.88
Shares Outstanding: 37.12 MM	Implied Return (3/22): −1.2%
52-Week Price Range: $397.80 – $696.66	Dividend Yield: 0.34% (Forward)
Market Capitalization: $24.4B	Recommendation: HOLD

Business Segments

Segment	% Revenue	Gross Margin
Fuel	61%	Low
Grocery	~26%	High
Prepared Food	~10%	Highest

Decision Drivers

- **Prepared food & pizza:** drives traffic and generates the highest margins — differentiates from traditional c-stores
- **Rural market dominance:** #1 in Central region (1,561 stores); limited competition from national chains
- **Overvaluation:** P/E at 37.7x above FY25 avg of 28.8x; DCF implies −1.2% downside at current price

Casey's (CASY) Analysis

Peer Comparison

	Op. Margin	Gross Margin	Rev. Growth	Div. Yield
CASY	5%	24%	7.30%	0.35%
BF/B	28%	59%	-4.90%	4.01%
KR	1%	23%	6.90%	1.91%
TGT	5%	28%	-1.70%	4.03%
BJ	4%	19%	4.70%	N/A

Valuation Ratios

	High (FY25)	Low (FY25)	Avg (FY25)	Current (3/22)
P/E	34.23	23.14	28.84	37.71
P/B	5.7	3.85	4.8	6.33
P/S	1.17	0.78	0.98	1.44
P/CF	19.33	13.07	16.27	18.65

DCF Summary

Discounted Rate	Terminal Growth	Equity Value/Share	Implied Return
9.0%	**6.0%**	**$637.88**	**-1.2%**

Casey's (CASY) Recommendation

Stock	Stock Price (3/22)	Current Price (4/6)	Target Price	Expected Return (3/22)	Recommendation
CASY	$659.63	$747.77	**$637.88**	-1.2%	**HOLD**

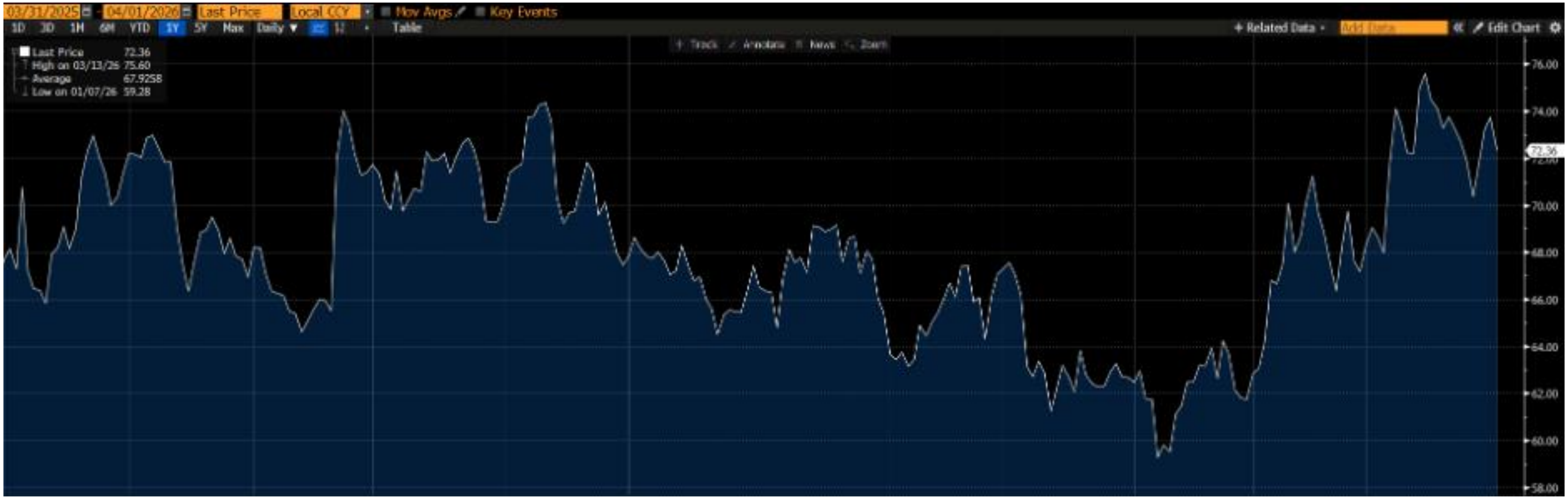
Growth Drivers

- **Prepared food & pizza:** highest-margin segment; drives traffic and differentiates from peers
- **Store expansion:** Recent acquisition adds new geographies.
- **Loyalty program:** millions of active members support same-store sales growth and repeat visits
- **Defensive characteristics:** low beta (0.65), stable demand, consistent dividend growth (5Y: 11.2%)

Risks

- **Valuation risk:** P/E 37.7x exceeds FY25 high of 34.2x; any miss on growth could trigger compression
- **Fuel price volatility:** fuel = 61% of revenue but only ~12% margin; highly sensitive to oil price swings
- **Cost & margin pressure:** rising labor and food costs may squeeze prepared food segment margins

Kroger (KR) Overview



Overview	
Industry	Consumer Staples
Market Cap	43,680.1 M
Beta	0.59
Dividend Yield	1.92%
52 week Range	$59.28-$75.60
Diluted Shares Outstanding	614.0M

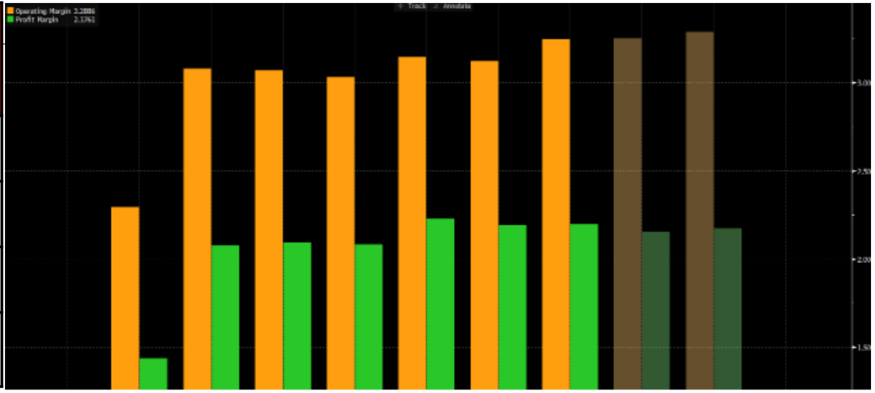
Kroger (KR) Overview

Business Segments

- Supermarkets
- Pharmacy/Health and Wellness
- Fuel Centers
- ECommerce

Kroger Valuation

Absolute Basis	High	Low	Average	Current
P/E	19.96	9.74	13.03	15.1
P/B	6.26	1.94	3.57	7.48
P/S	0.36	.138	0.23	0.30
P/EBITDA	9.01	5.27	6.69	6.61



Operating: 3.29% **Profit**: 2.18%

Company	Market Cap	P/E	P/S	P/B	EV/EBITDA
Kroger	$44,326 M	15.1	0.30	7.48	12.58
Walmart	990,810 M	46.9	1.4	9.94	22.68
Amazon (Whole Foods)	2,235.8 B	29.8	3.1	5.44	14.29
Costco	442,068 M	52.3	1.5	13.78	32.09
Average		36.025	1.575	9.16	20.41

DCF Summary

Discounted Rate	Terminal Growth	Equity Value/Share	Implied Return
5.86%	**3.00%**	**$73.35**	**0.43%**

Kroger Recommendation

Investment Risks:

- **eCommerce Execution:** Kroger has estimated a significant portion of its 2026 earnings and growth on eCommerce, turning profitable.
- **Debt:** Balance sheet leverage is a concern with potential rising interest rates.
- **Competition:** Intense price competition from Walmart, Costco, and Whole Foods.
- **Inflation and Tariffs**: Persistent food inflation and tariffs strain customers' budgets and shrink margins.

Growth Drivers

- **ECommerce**- has become Kroger's fastest-growing line and a central strategic pillar with 20% growth YOY
- **Private Label**- carries structurally higher margins than national brands and serves as a loyalty and differentiation tool for their customer base with more than $30 billion in revenue.
- **Pharmacy**- benefiting from secular tailwinds regarding new drug development. Kroger is expanding its pharmacy operations seeing growth in vaccinations as well as prescriptions.
- **84.51**- analyzes billions of transactions to enable personalized marketing, better pricing and product management. This asset contributes to customer growth and retention as it provides a better, more personalized experience.

Recommendation:

Stock	Stock Price (3/31)	Current Price (4/6)	Target Price	Expected Return (4/6)	Recommendation
KROGER	$72.36	73.03	**$73.35**	0.43%	HOLD

BJ's Overview

52 Week Price Range	88.68 - 121.10
Market Capitalization	13.034 B
Diluted Shares outstanding	132.1 M
Dividend yield	0.00%

BJ's Overview

- Business Segments (% of Sales Revenue)

  - Merchandise sales – 90%
  - Membership Revenue – 2%
  - Gasoline - 8%

- Decision Drivers
  - Membership Growth & Renewal Rate
  - Competitors
  - Inflation
  - Private Label Growth (Berkely Jensen)

BJ's Valuation

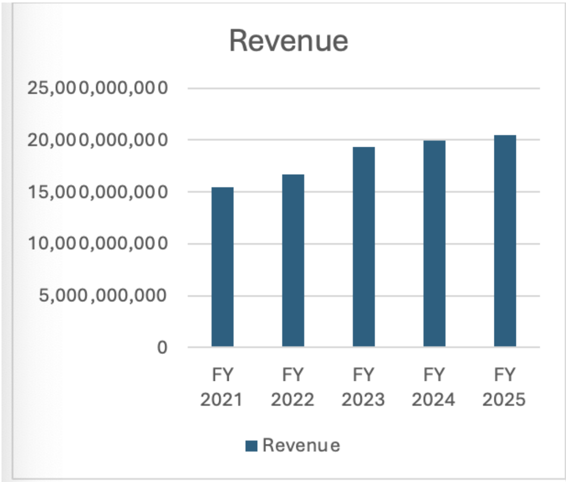
Key Points

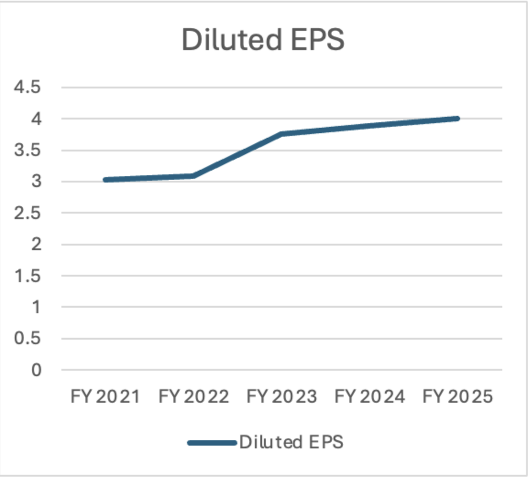
- Strong revenue & EPS growth with improving margins

-Undervalued vs peers

- 50%+ upside based on P/E and P/B valuation

-Defensive model limits downside risk





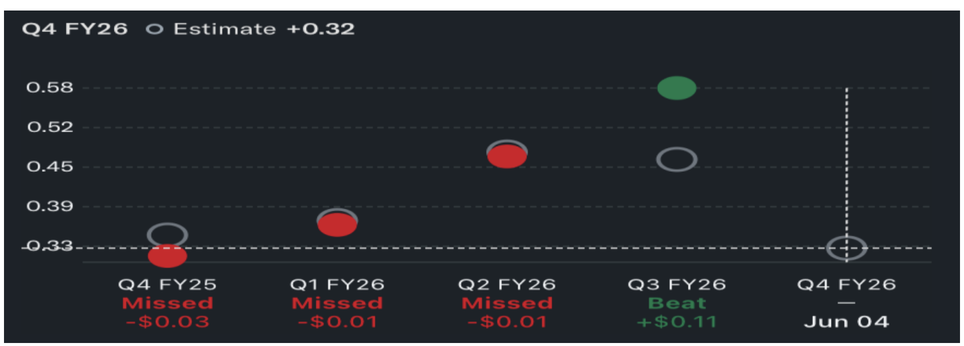
Absolute Valuation	Current Stock Price	Current Multiple	Your Target Multiple	Target/ Current	Target Price *	Implied Return #
P/E	91.58	21.87	34.675	1.5856	145.17	58.56%
P/B	91.58	.57	8.4225	1.5485	141.78	54.84%
P/S	91.58	5.44	1.77	3.1053	284.91	210.53%
P/EBITDA	91.58	13.21	13.6	1.0295	94.28	2.95%

BJ's Recommendation - BUY

- BUY rating with ~$105–$110 price target
- 10–15% upside from current price
- Driven by membership growth & margin expansion
- Defensive business model supports downside protection

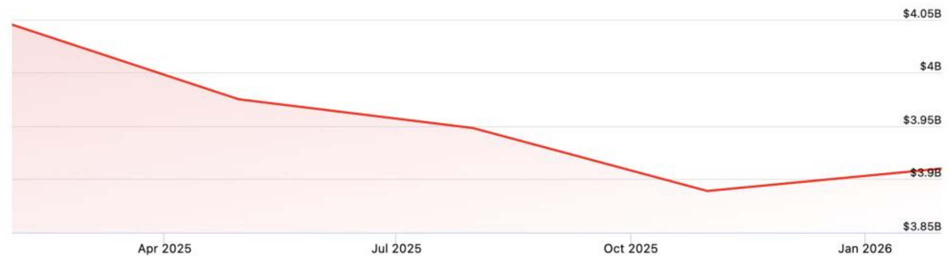
Brown-Forman Overview

Day's Range	26.49 - 27.01	Market Cap (intraday)	12.261B
52 Week Range	22.61 - 36.18	Beta (5Y Monthly)	0.42
Volume	2,063,048	PE Ratio (TTM)	15.54
Avg. Volume	6,074,576	EPS (TTM)	1.72



- **Iconic brand portfolio with durable moats.**
- **Valuation near multi-decade lows. Negative news and returns are already priced in.**
- **42-year dividend growth streak.**
- **Near-term headwinds are not structural.**
- **Emerging market growth offsets developed market weakness.**
- **Strong free cash flow.**

Brown-Forman Financial Analysis



Revenue TTM: $3.910B, -3.34%

Free Cash Flow 1Y: $730.000M, +36.7%

- **Revenue stabilizing after decline. Q3 2026 marked first positive sales growth in over two years.**
- **Free cash flow surged 36% in the last year, core business remains cash generative under other pressures.**
- **Free cash flow growth funds shareholders return.**
- **A revenue FCF- divergence is bullish. Signals Brown-Forman is cutting costs and improving efficiency.**

Financials Cont.

- Valuation has compressed dramatically. Fallen 43% over the past year, a historically low level for a premium consumer staple with durable moats. Near term headwinds are priced in.

- PE reflects cautious optimism. Earnings pressure justifies discount until a clear recovery trend emerges.

- Cyclical headwinds are not structural declines for consumer staples. Market is pricing in damage.

EV/EBITDA 1Y: 7.69, -43.41%

PE Ratio 1Y: 15.54, -0.85%

Brown-Forman Recommendation

Growth Driver

- **Brand Moat:** Jack Daniel's and Woodford reserve command global pricing power with over 150 years of business which provides the company with resilience through economic cycles.
- **Emerging Market Expansion:** Double-digit market growth in Mexico and Brazil offsets developed market weakness.
- **Dividend Reliability:** 42 consecutive years of dividend increases with strong FCF ($730M) to sustain payouts.

Risk

- **Canada Trade Dispute:** Creates a direct and ongoing revenue headwind with no resolution.
- **Secular Decline in Spirits:** Gen Z consuming less alcohol represents a long-term structural challenge for the entire industry.
- **Earnings Momentum is Negative:** YTD EPS is down 8%, a recovery in multiples requires execution on cots cuts and revenue stabilization.

Stock	Stock Price (2/11)	Current Price (4/6)	Target Price	Expected Return (4/6)	Recommendation
BF/B	$30.28	$26.73	**$31.07**	2.61%	**HOLD**

Final Recommendation

Stock	Current Price	Current Weighting	Buy/Sell/ Hold	Weighting after Recc	Target Price	Expected Return
Target	122.21	1.97%	Sell 17 BPs	1.80%	109.64	-8.54%
Caseys's	747.77	0	Hold	0	637.88	-12.8%
Kroger	73.03	1.85%	Hold	1.85%	73.35	0.43%
BJ's	95.59	0	Buy 50 BPs	.5%	108.83	13.85%
Brown-Forman	26.73	0.95%	Hold	0.95%	31.07	2.16%

Primary Catalysts

- Target:
  - Uncertain “own branding” execution from Ulta Partnership conclusion
  - Geopolitical risks from tariff implementations
  - DCF & Multiples overvaluation result

Primary Risks

- BJ’s
  - Margin Pressure from Inflation and Competition
  - Underperformance in high growth markets due to its defensive nature

Appendix

Target’s DCF

Target Inc. (TGT)											
Analyst: Eric Cid Valdez					Terminal Discount Rate =	9.00%					
03/27/2026					Terminal FCF Growth =	2.25%					
(millions, except price)											
Year	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**	**2035E**	**2036E**
Revenue	106,666.04	109,332.69	112,612.67	116,103.66	119,818.98	123,653.19	127,733.74	131,948.96	136,435.22	141,074.02	146,011.61
% Growth		2.5%	3.0%	3.1%	3.2%	3.2%	3.3%	3.3%	3.4%	3.4%	3.5%
Operating Income	5,546.63	5,575.97	5,630.63	5,805.18	5,990.95	6,182.66	6,386.69	6,465.50	6,685.33	6,912.63	7,154.57
Operating Margin	5.2%	5.1%	5.0%	5.0%	5.0%	5.0%	5.0%	4.9%	4.9%	4.9%	4.9%
Interest Expense (Income)	533.33	437.33	563.06	580.52	599.09	494.61	510.93	659.74	545.74	564.30	730.06
Interest % of Sales	0.5%	0.4%	0.5%	0.5%	0.5%	0.4%	0.4%	0.5%	0.4%	0.4%	0.5%
Income Before Taxes	5,119.9699	5,247.9692	5,180.1829	5,224.6649	5,391.8542	5,688.0467	5,875.7522	5,805.7542	6,139.5850	6,348.3309	6,424.5109
Taxes	1,126.39	1,154.55	1,139.64	1,149.43	1,186.21	1,251.37	1,292.67	1,277.27	1,350.71	1,396.63	1,413.39
Tax Rate	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Net Income	**3,993.58**	**4,093.42**	**4,040.54**	**4,075.24**	**4,205.65**	**4,436.68**	**4,583.09**	**4,528.49**	**4,788.88**	**4,951.70**	**5,011.12**
% Growth		2.5%	-1.3%	0.9%	3.2%	5.5%	3.3%	-1.2%	5.8%	3.4%	1.2%
Add Depreciation/Amort	2,773	2,952	3,266	3,367	3,475	3,710	3,832	3,958	4,229	4,373	4,672
% of Sales	2.6%	2.7%	2.9%	2.9%	2.9%	3.0%	3.0%	3.0%	3.1%	3.1%	3.2%
Plus/(minus) Changes WC	(13)	(297)	(94)	(97)	(100)	(103)	(107)	(110)	(114)	(118)	(122)
% of Sales	0.0%	-0.3%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
Subtract Cap Ex	3,900	3,717	4,054	4,180	4,313	4,452	4,598	4,750	5,048	5,220	5,402
Capex % of sales	3.7%	3.4%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.7%	3.7%	3.7%
Free Cash Flow	**2,854**	**3,031**	**3,158**	**3,166**	**3,267**	**3,592**	**3,710**	**3,627**	**3,856**	**3,987**	**4,159**
% Growth		6.2%	4.2%	0.2%	3.2%	9.9%	3.3%	-2.2%	6.3%	3.4%	4.3%
NPV of Cash Flows	**23,037**	46%									
NPV of terminal value	**26,613.31**	54%								**Terminal Value**	**63,003**
Projected Equity Value	**49,650**	100%									
Free Cash Flow Yield	**5.26%**									**Free Cash Yield**	**6.60%**
Current P/E	**13.6**	**13.3**	**13.4**							**Terminal P/E**	**12.6**
Projected P/E	*12.4*	*12.1*	*12.3*								
Current EV/EBITDA	**7.7**	**7.5**	**7.2**							**Terminal EV/EBITDA**	**6.1**
Projected EV/EBITDA	*7.1*	*6.9*	*6.7*								
Shares Outstanding	**452.86**										
				Consensus Analyst Price Target (TGT)							
Current Price	**$ 119.84**			**$ 124.72**							
Implied equity value/share	**£ 109.64**										
Upside/(Downside) to DCF	**-8.51%**										
Debt	**14,304**										
Cash	**4,762**										
Cash/share	**10.52**										

Casey's DCF

CASEYS GENERAL STORES INC (CASY)											
Analyst: Ting-An Chen				Terminal Discount Rate =	9.0%						
2026/3/21				Terminal FCF Growth =	6.0%						
(000s)											
Year	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**	**2035E**	**2036E**
Revenue	17,056,762	18,250,735	19,528,287	20,797,626	22,149,471	23,589,187	25,122,484	26,755,446	28,360,772	30,062,419	31,866,164
% Growth		7.0%	7.0%	6.5%	6.5%	6.5%	6.5%	6.5%	6.0%	6.0%	6.0%
Operating Income	1,279,257	1,368,805	1,464,622	1,559,822	1,661,210	1,769,189	1,884,186	2,006,658	2,127,058	2,254,681	2,389,962
Operating Margin	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
Interest Expense (Income)	(68,227)	(73,003)	(78,113)	(83,190)	(88,598)	(94,357)	(100,490)	(107,022)	(113,443)	(120,249)	(127,464)
Interest % of Sales	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%
D&A	341135	365015	390566	415,952.51	442,989.43	471,783.74	502,449.68	535,108.91	567,215.45	601,248.37	637,323.28
% of Sales	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Income Before Taxes	869,895	930,787	995,943	1,227,060	1,306,819	1,391,762	1,482,226	1,578,571	1,673,285	1,773,682	1,880,103
Taxes	200,076	214,081	229,067	282,224	300,568	320,105	340,912	363,071	384,856	407,947	432,424
Tax Rate	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%
Net Income	**669,819**	**716,706**	**766,876**	**944,836**	**1,006,250**	**1,071,657**	**1,141,314**	**1,215,500**	**1,288,430**	**1,365,736**	**1,447,680**
% Growth		7.0%	7.0%	23.2%	6.5%	6.5%	6.5%	6.5%	6.0%	6.0%	6.0%
Add Depreciation/Amort	341,135	365,015	390,566	415,953	442,989	471,784	1,004,899	1,070,218	1,134,431	1,202,497	1,274,647
% of Sales	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Plus/(minus) Changes WC	(83,314)	(95,518)	(102,204)	(108,847)	(115,922)	(123,457)	(131,482)	(140,028)	(148,430)	(157,336)	(166,776)
% of Sales	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%
Subtract Cap Ex	576,220	547,522	585,849	623,929	664,484	707,676	1,004,899	1,070,218	1,134,431	1,202,497	1,274,647
Capex % of sales	3.4%	3.0%	3.0%	3.0%	3.0%	3.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Free Cash Flow	**351,420**	**438,681**	**469,389**	**628,012**	**668,833**	**712,307**	**1,009,832**	**1,075,471**	**1,140,000**	**1,208,399**	**1,280,903**
% Growth		24.8%	7.0%	33.8%	6.5%	6.5%	41.8%	6.5%	6.0%	6.0%	6.0%
NPV of Cash Flows	**5,079,270**	21%									
NPV of terminal value	**19,117,717**	79%								**Terminal Value**	**45,258,589**
Projected Equity Value	**24,196,987**	100%									
Free Cash Flow Yield	**1.44%**									**Free Cash Yield**	**2.83%**
Current P/E	**36.6**	**34.2**	**31.9**							**Terminal P/E**	**31.3**
Projected P/E	*36.1*	*33.8*	*31.6*								
Current EV/EBITDA	**16.3**	**15.2**	**14.2**							**Terminal EV/EBITDA**	**12.9**
Projected EV/EBITDA	*16.1*	*15.0*	*14.0*								

Shares Outstanding	37116
Current Price	$ 659.63
Implied equity value/share	$ 651.93
Upside/(Downside) to DCF	-1.2%
Debt	2,350,000
Cash	492,000
Cash/share	13.26

Current Price		Terminal Discount Rate						
$ 659.63		7.5%	8.0%	8.5%	9.0%	9.5%	10.0%	10.5%
FCF Growth	5.0%	$ 831.06	$ 687.33	$ 584.77	$ 507.95	$ 448.28	$ 400.61	$ 369.22
	5.5%	$ 1,018.81	$ 809.06	$ 669.35	$ 569.66	$ 494.97	$ 436.96	$ 394.77
	6.0%	$ 1,331.74	$ 991.66	$ 787.75	$ 651.93	$ 551.01	$ 482.40	$ 452.99
	6.5%	$ 1,931.74	$ 1,279.29	$ 953.36	$ 757.86	$ 627.62	$ 540.81	$ 465.02
	7.0%	$ 3,731.77	$ 1,854.86	$ 1,229.38	$ 916.76	$ 729.28	$ 604.36	$ 512.20

Kroger DCF

Kroger
Anthony Calleri

2/3/2026
(In millions, except per share amounts)

Terminal Discount Rate = 5.86%
Terminal FCF Growth = 3.00%

Year	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E
Revenue	$ 148,594.23	$ 151,566.11	$ 155,355.27	$ 160,015.93	$ 164,816.40	$ 169,760.90	$ 174,853.72	$ 180,099.33	$ 185,502.31	$ 191,067.38	$ 196,799.40
% Growth		2.00%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Operating Income	$ 3,933.48	$ 4,046.82	$ 4,225.66	$ 4,400.44	$ 4,532.45	$ 4,668.42	$ 4,808.48	$ 4,952.73	$ 5,101.31	$ 5,254.35	$ 5,411.98
Operating Margin	2.65%	2.67%	2.72%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Interest Expense (Income)	$ (475.50)	$ (534.94)	$ (574.81)	$ (528.05)	$ (543.89)	$ (560.21)	$ (577.02)	$ (594.33)	$ (612.16)	$ (630.52)	$ (649.44)
Interest % of Sales	-0.32%	-0.35%	-0.37%	-0.33%	-0.33%	-0.33%	-0.33%	-0.33%	-0.33%	-0.33%	-0.33%
Income Before Taxes	$ 3,398.32	$ 3,556.45	$ 3,697.46	$ 3,872.39	$ 3,988.56	$ 4,108.21	$ 4,231.46	$ 4,358.40	$ 4,489.16	$ 4,623.83	$ 4,762.55
Taxes	$ 713.65	$ 746.86	$ 776.47	$ 813.20	$ 837.60	$ 862.72	$ 888.61	$ 915.26	$ 942.72	$ 971.00	$ 1,000.13
Tax Rate	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%
Net Income from Cont Ops	$ 2,684.67	$ 2,809.60	$ 2,920.99	$ 3,059.18	$ 3,150.96	$ 3,245.49	$ 3,342.85	$ 3,443.14	$ 3,546.43	$ 3,652.83	$ 3,762.41
Less: Net inc attributable to noncont interests	$ 5.94	$ 6.21	$ 6.40	$ 6.40	$ 6.59	$ 6.79	$ 6.99	$ 7.20	$ 7.42	$ 7.64	$ 7.87
% of Revs	0.0040%	0.0041%	0.0041%	0.0040%	0.0040%	0.0040%	0.0040%	0.0040%	0.0040%	0.0040%	0.0040%
Net Income	**$ 2,678.22**	**$ 2,803.66**	**$ 2,914.78**	**$ 3,052.78**	**$ 3,144.37**	**$ 3,238.70**	**$ 3,335.86**	**$ 3,435.94**	**$ 3,539.01**	**$ 3,645.18**	**$ 3,754.54**
Add Depreciation/Amort	$ 3,283.93	$ 3,349.61	$ 3,433.35	$ 3,536.35	$ 3,642.44	$ 3,751.72	$ 3,864.27	$ 3,980.20	$ 4,099.60	$ 4,222.59	$ 4,349.27
% of Sales	2.21%	2.21%	2.21%	2.21%	2.21%	2.21%	2.21%	2.21%	2.21%	2.21%	2.21%
Plus/(minus) Changes WC	$ (1,233.33)	$ (1,333.78)	$ (1,398.20)	$ 1,360.14	$ 1,400.94	$ 1,442.97	$ 1,486.26	$ 1,530.84	$ 1,576.77	$ 1,624.07	$ 1,672.79
% of Sales	-0.83%	-0.88%	-0.90%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%
Subtract Cap Ex	$ 3,417.67	$ 3,486.02	$ 3,557.64	$ 3,776.38	$ 3,889.67	$ 4,006.36	$ 4,126.55	$ 4,250.34	$ 4,377.85	$ 4,509.19	$ 4,644.47
Capex % of sales	2.30%	2.30%	2.29%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%
Free Cash Flow	**$ 1,311.15**	**$ 1,333.46**	**$ 1,392.29**	**$ 1,452.62**	**$ 1,496.20**	**$ 1,541.09**	**$ 1,587.32**	**$ 1,634.94**	**$ 1,683.99**	**$ 1,734.51**	**$ 1,786.54**
% Growth		2%	4%	4.33%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
NPV of Cash Flows	**$12,026.54**	50%									
NPV of terminal value	**$ 34,390.17**	50%								**Terminal Value**	**$ 64,340.61**
Projected Equity Value	**$46,416.71**	100%									
Free Cash Flow Yield	**2.86%**									**Free Cash Yield**	**2.78%**
Current P/E	17.10	16.33	15.71							**Terminal P/E**	**17.14**
Projected P/E	17.33	16.56	15.92								
Current EV/EBITDA	8.61	8.53	8.30			Consensus Analyst Price Target (ANR)					
Projected EV/EBITDA	8.69	8.61	8.39			73.52					
Shares Outstanding	632.85										
Current Price	$ 72.36										
Implied equity value/share	$73.35										
Upside/(Downside) to DCF	1.36%										
Debt	$ 20,285.00										
Cash	$ 3,959.00										
Cash/share	$ 6.26										

		Discount Rate				
	$73.35	4%	5%	6%	7%	8%
	1%	$ 72.59	$ 53.06	$ 43.65	$ 36.19	$ 31.00
	2%	$ 106.93	$ 68.93	$ 53.66	$ 42.68	$ 35.55
Growth Rate	3%	$ 261.46	$ 110.04	$ 75.18	$ 54.98	$ 43.51
	4%	$ (2,056.47)	$ 205.60	$ 109.35	$ 70.87	$ 52.69
	5%	$ (202.12)	$ 2,021.34	$ 206.27	$ 101.08	$ 67.39

BJ's DCF

BJS (BJ)

Analyst: John Corr
3/31/26
(000s)

Terminal Discount Rate = 7.5%
Terminal FCF Growth = 3.5%

Year	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E
Revenue	21,260,371	22,578,514	23,730,018	24,809,734	25,938,577	27,118,782	28,352,686	29,642,734	30,991,478	32,401,590	33,875,863
% Growth		6.2%	5.1%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%
Operating Income	1,136,627	951,537	942,767	942,770	1,063,482	1,193,226	1,134,107	1,185,709	1,239,659	1,296,064	1,355,035
Operating Margin	5.3%	4.2%	4.0%	3.8%	4.1%	4.4%	4.0%	4.0%	4.0%	4.0%	4.0%
Interest Expense (Income)	64,440	77,729	66,241	69,255	72,406	75,700	79,145	82,746	86,511	90,447	94,562
Interest % of Sales	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Income Before Taxes	1,072,188	873,808	876,526	873,515	991,076	1,117,526	1,054,963	1,102,964	1,153,148	1,205,617	1,260,472
Taxes	292,171	231,035	246,304	245,458	278,492	314,025	296,445	309,933	324,035	338,778	354,193
Tax Rate	27.3%	26.4%	28.1%	28.1%	28.1%	28.1%	28.1%	28.1%	28.1%	28.1%	28.1%
Net Income from Cont Ops	501,727	547,178	546,494	628,057	712,584	803,501	758,518	793,031	829,114	866,838	906,280
Less: Net inc attributable to noncont interests	166	66	302	315	330	345	360	377	394	412	431
% of Revs	0.0008%	0.0003%	0.0013%	0.0013%	0.0013%	0.0013%	0.0013%	0.0013%	0.0013%	0.0013%	0.0013%
Net Income	779,850	642,707	629,921	627,742	712,584	803,501	758,518	793,031	829,114	866,838	906,280
% Growth		-17.6%	-2.0%	-0.3%	13.5%	12.8%	-5.6%	4.6%	4.6%	4.5%	4.6%
Add Depreciation/Amort	280,625	304,646	334,104	349,306	365,199	381,816	1,134,107	1,185,709	1,239,659	1,296,064	1,355,035
% of Sales	1.3%	1.3%	1.4%	1.4%	1.4%	1.4%	4.0%	4.0%	4.0%	4.0%	4.0%
Plus/(minus) Changes WC	(61,247)	(43,678)	4,718	4,932	5,157	5,391	5,637	5,893	6,161	6,442	6,735
% of Sales	-0.3%	-0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Subtract Cap Ex	685,971	838,880	846,861	885,393	925,678	967,797	1,134,107	1,185,709	1,239,659	1,296,064	1,355,035
Capex % of sales	3.2%	3.7%	3.6%	3.6%	3.6%	3.6%	4.0%	4.0%	4.0%	4.0%	4.0%
Free Cash Flow	313,256	64,795	121,881	96,587	157,261	222,912	764,155	798,924	835,275	873,280	913,014
% Growth		-79.3%	88.1%	-20.8%	62.8%	41.7%	242.8%	4.6%	4.6%	4.6%	4.6%

NPV of Cash Flows	2,860,035	20%	
NPV of terminal value	11,462,339	80%	
Projected Equity Value	14,322,374	100%	
Free Cash Flow Yield	2.38%		
Current P/E	16.9	20.5	20.9
Projected P/E	*18.4*	*22.3*	*22.7*
Current EV/EBITDA	9.7	10.9	10.7
Projected EV/EBITDA	*10.5*	*11.8*	*11.6*
Shares Outstanding	132,216		
Current Price	$ 99.61		
Implied equity value/share	$ 108.33		
Upside/(Downside) to DCF	8.8%		
Debt	599,000		
Cash	55,000		
Cash/share	0.42		

Terminal Value	23,624,243
Free Cash Yield	3.86%
Terminal P/E	26.1
Terminal EV/EBITDA	8.9

Consensus Analyst Price Target (ANR)
$ 104.10

	FCF Growth Vs Discount Rate		
	6.50%	7.50%	8.50%
2.50%	117.39	90.32	72.43
3.50%	150.04	108.33	83.48
4.50%	215.34	138.34	100.05

Brown-Forman DCF

	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E
Brown-Forman (BF/B)											
Analyst: Cullen Brown				Terminal Discount Rate =		9.0%					
2/11/26				Terminal FCF Growth =		3.0%					
(000s)											
Year	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E
Revenue	3,850	3,910	4,050	4,172	4,297	4,426	4,558	4,695	4,836	4,981	5,130
% Growth		1.6%	3.6%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Operating Income	1,014	878	1,104	521	516	487	479	493	508	523	539
Operating Margin	26.3%	22.5%	27.3%	12.5%	12.0%	11.0%	10.5%	10.5%	10.5%	10.5%	10.5%
Interest Expense (Income)	(85)	(82)	(88)	(91)	(94)	(97)	(99)	(102)	(105)	(109)	(112)
Interest % of Sales	-2.2%	-2.1%	-2.2%	-2.2%	-2.2%	-2.2%	-2.2%	-2.2%	-2.2%	-2.2%	-2.2%
Income Before Taxes	930	796	1,016	612	609	583	578	595	613	632	651
Taxes	205	191	254	159	158	152	150	155	159	164	169
Tax Rate	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%
Net Income	725	605	762	453	451	432	428	441	454	467	481
% Growth		-16.6%	26.0%	-40.5%	-0.5%	-4.3%	-0.9%	3.0%	3.0%	3.0%	3.0%
Add Depreciation/Amort	85	82	88	91	94	97	182	188	193	199	205
% of Sales	2.2%	2.1%	2.2%	2.2%	2.2%	2.2%	4.0%	4.0%	4.0%	4.0%	4.0%
Plus/(minus) Changes WC	(216)	69	(38)	(39)	(40)	(41)	(42)	(44)	(45)	(46)	(48)
% of Sales	-5.6%	1.8%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%
Subtract Cap Ex	127	165	88	91	94	97	182	188	193	199	205
Capex % of sales	3.3%	4.2%	2.2%	2.2%	2.2%	2.2%	4.0%	4.0%	4.0%	4.0%	4.0%
Free Cash Flow	467	591	724	414	411	390	385	397	409	421	434
% Growth		26.5%	22.6%	-42.8%	-0.8%	-5.0%	-1.3%	3.0%	3.0%	3.0%	3.0%
NPV of Cash Flows	3,046	49%									
NPV of terminal value	3,145	51%								Terminal Value	7,445
Projected Equity Value	6,191	100%									
Free Cash Flow Yield	3.26%									Free Cash Flow Yield	5.83%
Current P/E	19.7	23.7	18.8							Terminal P/E	15.5
Projected P/E	*8.5*	*10.2*	*8.1*								
Current EV/EBITDA	14.9	17.0	13.7							Terminal EV/EBITDA	12.7
Projected EV/EBITDA	*7.5*	*8.5*	*6.9*								
Shares Outstanding	472.66										
				Consensus Analyst Price Target (ANR)							
Current Price	$ 30.28			$ 31.07							
Implied equity value/share	$ 13.10										
Upside/(Downside) to DCF	-56.7%										
Debt	2,448										
Cash	444										
Cash/share	0.94										