



1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC		18-20
2.01	2.46	2.70	2.98	3.28	4.08	5.04	5.98	6.91	7.88	6.55	7.70	9.37	10.57	11.21	12.62	<b>14.00</b>	<b>15.50</b>	Sales per sh		<b>19.15</b>
.25	.30	.28	.30	.34	.51	.65	.77	.91	1.09	.76	1.04	1.36	1.60	1.73	1.91	<b>2.20</b>	<b>2.45</b>	"Cash Flow" per sh		<b>3.20</b>
.22	.27	.23	.25	.28	.43	.55	.66	.78	.96	.62	.90	1.21	1.42	1.51	1.67	<b>1.90</b>	<b>2.10</b>	Earnings per sh <sup>A</sup>		<b>2.75</b>
.01	.01	.01	.01	.05	.10	.16	.20	.22	.26	.36	.41	.65	.74	.80	1.00	<b>1.12</b>	<b>1.24</b>	Div'ds Decl'd per sh <sup>B</sup>		<b>1.60</b>
.93	1.18	1.40	1.65	1.90	2.25	2.59	3.05	3.39	3.85	4.04	4.35	4.94	5.26	5.97	6.47	<b>7.25</b>	<b>8.10</b>	Book Value per sh		<b>11.35</b>
303.51	303.51	303.51	303.51	303.51	303.51	302.11	302.41	298.24	297.06	294.86	294.86	295.26	296.56	296.75	295.87	<b>296.00</b>	<b>297.00</b>	Common Shs Outst'g <sup>C</sup>		<b>300.00</b>
26.0	25.8	32.4	36.7	34.1	32.2	28.7	30.4	26.6	23.0	28.6	27.9	28.2	31.7	32.3	27.9	<i>Bold figures are Value Line estimates</i>		Avg Ann'l P/E Ratio		<b>25.0</b>
1.48	1.68	1.66	2.00	1.94	1.70	1.53	1.64	1.41	1.38	1.90	1.77	1.77	2.02	1.81	1.47			Relative P/E Ratio		<b>1.55</b>
.1%	.1%	.2%	.1%	.6%	.7%	1.0%	1.0%	1.1%	1.2%	2.0%	1.6%	1.9%	1.6%	1.6%	2.1%			Avg Ann'l Div'd Yield		<b>2.3%</b>

CAPITAL STRUCTURE as of 12/31/14				
Total Debt	None			
Leases, Uncapitalized	Annual rentals \$103.3 mill.			
No Defined Benefit Pension Plan				
Preferred Stock	None			
Common Stock	295,880,219 shs. as of 1/23/15			
MARKET CAP:	\$12.6 billion (Large Cap)			
CURRENT POSITION	2012	2013	12/31/14	
Cash Assets	80.0	59.0	114.5	
Receivables	372.2	414.3	462.1	
Inventory (FIFO)	715.4	784.1	869.2	
Other	119.1	151.1	137.5	
Current Assets	1286.7	1408.5	1583.3	
Accts Payable	78.0	91.3	103.9	
Debt Due	-	-	-	
Other	126.2	148.5	271.5	
Current Liab.	204.2	239.8	375.4	

1523.3	1809.3	2061.8	2340.4	1930.3	2269.5	2766.9	3133.6	3326.1	3733.5	<b>4150</b>	<b>4600</b>	Sales (\$mill)	<b>5750</b>
51.7%	52.0%	52.6%	54.5%	53.0%	53.6%	53.4%	53.2%	53.6%	53.2%	<b>53.0%</b>	<b>52.8%</b>	Gross Margin	<b>54.0%</b>
19.5%	19.5%	20.1%	21.3%	17.4%	20.7%	22.4%	23.2%	23.3%	23.0%	<b>23.0%</b>	<b>23.0%</b>	Operating Margin	<b>24.0%</b>
1755	2000	2160	2311	2369	2490	2585	2652	2687	2637	<b>2650</b>	<b>2675</b>	Number of Stores	<b>2800</b>
166.8	199.0	232.6	284.3	184.4	265.4	357.9	420.5	448.6	494.2	<b>560</b>	<b>625</b>	Net Profit (\$mill)	<b>825</b>
38.0%	38.0%	38.4%	38.4%	38.0%	38.4%	37.8%	37.6%	37.1%	37.2%	<b>37.0%</b>	<b>37.2%</b>	Income Tax Rate	<b>38.0%</b>
11.0%	11.0%	11.3%	12.1%	9.6%	11.7%	12.9%	13.4%	13.5%	13.2%	<b>13.5%</b>	<b>13.6%</b>	Net Profit Margin	<b>14.3%</b>
557.5	663.9	743.0	827.4	862.9	923.5	1048.3	1082.5	1168.7	1207.9	<b>1250</b>	<b>1300</b>	Working Cap'l (\$mill)	<b>1500</b>
-	-	-	-	-	-	-	-	-	-	<b>Nil</b>	<b>Nil</b>	Long-Term Debt (\$mill)	<b>Nil</b>
783.5	922.1	1010.2	1142.3	1190.8	1282.5	1459.0	1560.4	1772.7	1915.2	<b>2145</b>	<b>2400</b>	Shr. Equity (\$mill)	<b>3400</b>
21.3%	21.6%	23.0%	24.9%	15.5%	20.7%	24.5%	27.0%	25.3%	25.8%	<b>26.0%</b>	<b>26.0%</b>	Return on Total Cap'l	<b>24.5%</b>
21.3%	21.6%	23.0%	24.9%	15.5%	20.7%	24.5%	27.0%	25.3%	25.8%	<b>26.0%</b>	<b>26.0%</b>	Return on Shr. Equity	<b>24.5%</b>
15.3%	15.0%	16.5%	18.1%	6.5%	11.3%	11.4%	12.9%	11.9%	10.3%	<b>10.5%</b>	<b>10.5%</b>	Retained to Com Eq	<b>10.0%</b>
28%	30%	28%	27%	58%	46%	54%	52%	53%	60%	<b>59%</b>	<b>59%</b>	All Div'ds to Net Prof	<b>58%</b>

**BUSINESS:** Fastenal Company sells and delivers industrial and construction supplies through stores in the U.S., Puerto Rico, Canada, Mexico, Singapore, China, and the Netherlands. Engages in both wholesale and retail sales. Sells threaded fasteners; tools and equipment; cutting tool blades and abrasives; components and accessories for hydraulics, pneumatics, plumbing and HVAC; metals; and janitorial, welding, safety and electrical supplies. Has 2,637 stores and 18,417 employees. Officers & directors own less than 1% of common stock; Ruane, Cunniff & Goldfarb, 8.1%; Vanguard, 7.5% (2/15 proxy). Chmn.: Robert A. Kierlin. Pres. & CEO: Willard D. Oberton, Inc.: MN. Address: 2001 Theurer Boulevard, Winona, MN 55987. Telephone: 507-454-5374. Internet: www.fastenal.com.

**Fastenal's solid 2014 results augur well for the year ahead.** Annual sales increased 12% while earnings improved nearly 11%. A strong focus on cost control should help keep margins relatively stable. The company has also been proactive in reevaluating its geographic coverage as it continues to expand. To wit, 72 stores were closed in 2014. For 2015, management expects that the store count will be marginally positive. Although persistent low oil prices may eventually affect Fastenal's business in energy-leveraged states, only 12-13% of overall sales are likely to see an impact, if any. Top- and bottom-line growth has been very good of late, and should remain at healthy levels. As a result, we are keeping our 2015 earnings estimate at \$1.90 a share. **Macroeconomic uncertainty notwithstanding, the U.S. economy has been relatively strong and should continue to support Fastenal's expansion plans over the next couple of years.** Meanwhile, its efficiency-oriented strategy for established stores and its growing vending segment ought to help keep margins around their recent-year levels.

**The company's plans to reposition itself for the future are proceeding well.** Its vending solutions appeal to larger customers while its stores remain popular with smaller businesses. Fostering deeper ties with its existing customers will be an important priority as it looks for additional growth opportunities over the next 3 to 5 years. **These shares have been in a down trend over the past year, but offer some intriguing long-term prospects.** This neutrally ranked equity has a competitive dividend yield and is priced at an attractive valuation relative to its historical median P/E. Value-oriented investors will want to consider this stock's above-average long-term appreciation potential. Fastenal also has a high score for Financial Strength and has ample resources to support its long-term strategic goals. Competition, however, will likely increase over the 3- to 5-year pull. As a result, its ongoing enhancements to efficiency will prove to be crucial. Investors looking to add some stability to their portfolios will also want to consider this high-quality stock.

Cal-endar	QUARTERLY SALES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2012	768.9	804.9	802.6	757.2	3133.6
2013	806.3	847.6	858.4	813.8	3326.1
2014	876.5	949.9	980.8	926.3	3733.5
2015	<b>975</b>	<b>1050</b>	<b>1100</b>	<b>1025</b>	<b>4150</b>
2016	<b>1100</b>	<b>1150</b>	<b>1200</b>	<b>1150</b>	<b>4600</b>

Cal-endar	EARNINGS PER SHARE <sup>A</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2012	.34	.38	.37	.33	1.42
2013	.37	.41	.40	.33	1.51
2014	.38	.44	.45	.40	1.67
2015	<b>.45</b>	<b>.50</b>	<b>.50</b>	<b>.45</b>	<b>1.90</b>
2016	<b>.50</b>	<b>.55</b>	<b>.55</b>	<b>.50</b>	<b>2.10</b>

Cal-endar	QUARTERLY DIVIDENDS PAID <sup>B</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2011	.25	.13	.13	.14	.65
2012	.17	.17	.19	.21	.74
2013	.10	.20	.25	.25	.80
2014	.25	.25	.25	.25	1.00
2015	.28				

(A) Basic earnings. Excludes non-recurring gains/(losses): '08, (\$0.03). Next earnings report due late April. May not sum due to rounding. (B) Dividends historically paid in February, May, August, November. Switched from semi-annual dividend to quarterly dividend in April, 2011. Special dividends paid: \$0.27 on 12/15/08, \$0.42 on 12/6/10, \$0.50 on 12/21/12. (C) In millions, adjusted for splits. **Company's Financial Strength** A+ **Stock's Price Stability** 70 **Price Growth Persistence** 85 **Earnings Predictability** 75