

DEARBORN PARTNERS

A Year-Over-Year Double-Digit Dearborn Partners Core Rising Dividend SMA Portfolio Increase: Fastenal Company

On April 10, 2025, after only one quarter, Fastenal Company (FAST) announced a \$0.44 per share quarterly dividend (\$1.76 annually) to be paid on May 23, 2025 to holders of record as of April 25, 2025. This is a 2.3% increase from the \$0.43 per share (\$1.72 annually) paid the previous quarter, and a 12.8% increase from the \$0.39 (\$1.56 annually) quarterly dividend per share paid a year earlier. Fastenal Company has increased its dividend for 26 consecutive years.

Fastenal has now increased its dividend twice so far this year. As we write in each of our Quarterly Commentaries: a dividend is tangible evidence of a company's health; a rising dividend telegraphs a company's strength. It is our opinion that Fastenal is telegraphing the health of its business even in these uncertain times.

From the press release:

“We began paying annual dividends in 1991, semi-annual dividends in 2003, and then expanded to quarterly dividends in 2011. In addition to these regular dividend payments, we have previously paid special one-time dividends in December 2008, December 2012, December 2020, and December 2023. Our board of directors currently intends to continue paying quarterly dividends, though all future determination as to payment of dividends will depend upon the financial condition and results of operations of Fastenal and such other factors as are deemed relevant by the board of directors at that time.

With more than 3,500 in-market locations spanning 25 countries, Fastenal supplies a broad offering of fasteners, safety products, metal cutting products, and other industrial supplies to customers engaged in manufacturing, construction, warehousing, wholesale, and state and local government. By investing in local experts and inventory, customer-facing technology, wide-ranging services, and best-in-class sourcing and logistics, we offer a unique combination of capabilities to help our customers reduce cost, risk, and scalability constraints in their global supply chains. This "high-touch, high-tech" approach is reflected in our tagline, Where Industry Meets Innovation™.”

Fastenal Company is in the Industrials sector of our Dearborn Partners Core Rising Dividend separately managed account (SMA) portfolio. So far this year, 14 of 49 companies in our Core Rising Dividend portfolio have announced 15 dividend increases averaging about 6.8% more than these companies paid a year earlier. No companies in this portfolio have reduced or suspended dividends so far this year.

Thank you for your continued interest in our Dearborn Partners Rising Dividend Strategy.

This dividend increase announcement is not a complete description of, nor a recommendation to invest in, any investment strategy (the “Strategy”) mentioned herein. It is for informational purposes only and does not constitute an offer to sell nor a solicitation to buy, is not a recommendation regarding any securities transaction, nor is it an offer to provide advisory or other services by Dearborn Partners, L.L.C. The information contained in this writing should not be construed as financial or investment advice on any subject matter. Past performance is no guarantee of future results. There is no assurance the Strategy will

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