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EDITED TRANSCRIPT

ODP.OQ - Office Depot Inc. Broadcast

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OVERVIEW:

Company reported changes in its executive management team, with Rick Lepley appointed as EVP, North American Retail, Chuck Rubin now heading the Marketing Organization, as well as his recently named role as Chief Merchandising Officer, and Frank Scruggs appointed EVP, Human Resources. Co. expects EPS growth of 15-20% in 2004.



CORPORATE PARTICIPANTS

Eileen Dunn *Office Depot Incorporated - Vice President of Investor Relations*

Bruce Nelson *Office Depot Incorporated - Chairman and Chief Executive Officer*

PRESENTATION

Operator

Thank you for holding, this is the conference coordinator. This call is being taped. You may go ahead with the conference call.

Eileen Dunn - *Office Depot Incorporated - Vice President of Investor Relations*

Good morning.

This is Eileen Dunn, Office Depot's Vice President of Investor Relations and Corporate Communications. Before Bruce begins his comments this morning, let me remind that you except for historical information, the matters discussed in this case message are forward-looking statements within the meaning of the private securities litigation reform act. Forward-looking statements including projections and anticipated levels of future performance involve risks and uncertainties which may cause actual results to differ materially from those discussed here in. These risks and uncertainties are detailed from time to time by Office Depot in our filings with the United States Securities and Exchange Commission, including and without limitation are 10-K and 10-Q filings. You are strongly urged to review such filings for a more detailed discussion of such risks and uncertainties.

Now let me turn this morning's call over to Bruce Nelson, Office Depot's Chairman and CEO.

Bruce Nelson - *Office Depot Incorporated - Chairman and Chief Executive Officer*

Thanks, Eileen.

This morning, we announce the several changes in our executive management team. And have taped this message to provide you with more insight into our new appointments and expectations for the future.

First is the change in our north American retail organization. Jerry Colley has discussed with me for many months his personal desire to retire from a career that spans over 30 years in retailing. Like anyone, Jerry would prefer to go out on a winning note and the fact is that our positive, North American retail performance in early 2004 gives Jerry the opportunity to leave as a winner. To replace Jerry, I have appointed Rick Lepley as EVP North American Retail.

Rick is a season the veteran both at Office Depot and other senior management positions elsewhere. Rick is a builder and an entrepreneur both by background and personality. He has an extensive background in retailing first in the automotive business followed by office products under the Office Depot retail name in Poland and Hungary. Most recently he lead the turnaround of our Japanese retail operations and delivery businesses.

Over the past few months, he has been in the role of refining and prototyping the latest version of millennium, the format we will use as we enter the Northwestern and Mid Atlantic markets. Rick is the right person to take us forward into a major building and expansion phase as we plan to open 80 to 100 new North American stores in 2004 including many of the 50 to 60 retail stores recently acquired from Kids "R" Us.

He will build on the solid foundation that Jerry leaves behind and he will drive us towards the goal of profitably growing North American retail far more rapidly than we've been able to accomplish in the past several years.



Second is the change in our marketing organization. Jocelyn Carter-Miller has expressed for quite sometime her desires to direct her considerable skills and experience toward expanding a family, entrepreneurial business with her husband. She has a great passion for helping youth and the community prosper and for becoming the successful entrepreneur and she has earned the right to try a different path.

After our initial discussions, I asked Jocelyn to remain with our team through the women's conference for which she provided excellent leadership and guidance. I am pleased and grateful she was willing to do so and we wish her well in her new endeavors. Knowing her as I do, I am convinced that she will be very successful in the future.

We are fortunate to have a talented individual like Chuck Rubin to take up the leadership reins in our marketing organization. Chuck has already brought tremendous new vitality to our merchandising organization and he already works closely with Joslyn and her marketing team.

Finally, we are announcing a change in our human resource leadership as Jay Crosson has decided to leave our company and pursue other opportunities both in terms of lifestyle and geography. Jay and his wife are eager to relocate closer to family and while Jay intends to remain actively working for several more years, he wants to change the focus of his activities somewhat.

Even as we regret losing Jay, we are extremely fortunate to be in a position to immediately name a long time member of our board of directors, Frank Scrubbs as our new EVP of Human Resources. Frank has been a prominent labor and employment attorney for decades in Florida, and his reputation extends far beyond this state.

Frank will bring his many years of experience and creativity to his new post and we are absolutely excited to have him move from the advisory role that he has filled so well in our board to being a full-time contributor to the success of our company. Frank is stepping down from his position on our board to join our management team and the continuity of many years of experience on our board, which now shifts to our executive team is extremely helpful.

These three new individuals appointed to our executive leadership team are seasoned veterans who already have deep knowledge of our company and its culture. Each brings with him unique skill sets that I believe will enhance our leadership team and help drive us forward into the future.

We are fortunate to have these capable individuals chosen from within our existing team and board of directors eager to step forward and ensure that we proceed with continuity in the progress of the past four years since I became CEO of Office Depot. That progress is reflected in our performance to date in 2004.

While we have not yet completed our first quarter, which ends March 27th, we are encouraged by our results to date. Our North American retail comps are positive quarter to date. And we remain fully confident that EPS will grow in the 15 to 20% range in 2004.

We are beginning to see the benefits of the many changes we have implemented in North America retail over the past 12 months. We have a renewed sense of strength and optimism as we embark on the most ambitious new North America store opening plans in many years augmented by the recent acquisition of 124 Kids "R" Us sites primarily in the Northeastern and Mid-Atlantic states. And our other businesses, which in aggregate are actually larger than our North American retail business also continue to grow, especially in Europe where we continue to enjoy consistent outstanding performance.

Change is an essential ingredient to growth. These executive changes and realignment all from within the company strengthen our organization and increase our ability to successfully implement and execute our strategic objectives for 2004 and beyond. We have great confidence that these changes will make our company even a better place to work, shop and invest. Thank you very much for listening today.

Operator

Thank you for calling the digital replay service.

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