

**THE HOME DEPOT, INC.**  
**CONSOLIDATED BALANCE SHEETS**

<i>in millions, except per share data</i>	February 3, 2019	January 28, 2018
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,778	\$ 3,595
Receivables, net	1,936	1,952
Merchandise inventories	13,925	12,748
Other current assets	890	638
Total current assets	18,529	18,933
Net property and equipment	22,375	22,075
Goodwill	2,252	2,275
Other assets	847	1,246
Total assets	<u>\$ 44,003</u>	<u>\$ 44,529</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Short-term debt	\$ 1,339	\$ 1,559
Accounts payable	7,755	7,244
Accrued salaries and related expenses	1,506	1,640
Sales taxes payable	656	520
Deferred revenue	1,782	1,805
Income taxes payable	11	54
Current installments of long-term debt	1,056	1,202
Other accrued expenses	2,611	2,170
Total current liabilities	16,716	16,194
Long-term debt, excluding current installments	26,807	24,267
Deferred income taxes	491	440
Other long-term liabilities	1,867	2,174
Total liabilities	45,881	43,075
Common stock, par value \$0.05; authorized: 10,000 shares; issued: 1,782 at February 3, 2019 and 1,780 shares at January 28, 2018; outstanding: 1,105 shares at February 3, 2019 and 1,158 shares at January 28, 2018	89	89
Paid-in capital	10,578	10,192
Retained earnings	46,423	39,935
Accumulated other comprehensive loss	(772)	(566)
Treasury stock, at cost, 677 shares at February 3, 2019 and 622 shares at January 28, 2018	(58,196)	(48,196)
Total stockholders' (deficit) equity	(1,878)	1,454
Total liabilities and stockholders' equity	<u>\$ 44,003</u>	<u>\$ 44,529</u>

See accompanying notes to consolidated financial statements.

**THE HOME DEPOT, INC.**  
**CONSOLIDATED STATEMENTS OF EARNINGS**

<i>in millions, except per share data</i>	<b>Fiscal 2018</b>	<b>Fiscal 2017</b>	<b>Fiscal 2016</b>
Net sales	\$ 108,203	\$ 100,904	\$ 94,595
Cost of sales	71,043	66,548	62,282
Gross profit	37,160	34,356	32,313
Operating expenses:			
Selling, general and administrative	19,513	17,864	17,132
Depreciation and amortization	1,870	1,811	1,754
Impairment loss	247	—	—
Total operating expenses	21,630	19,675	18,886
Operating income	15,530	14,681	13,427
Interest and other (income) expense:			
Interest and investment income	(93)	(74)	(36)
Interest expense	1,051	1,057	972
Other	16	—	—
Interest and other, net	974	983	936
Earnings before provision for income taxes	14,556	13,698	12,491
Provision for income taxes	3,435	5,068	4,534
Net earnings	\$ 11,121	\$ 8,630	\$ 7,957
Basic weighted average common shares	1,137	1,178	1,229
Basic earnings per share	\$ 9.78	\$ 7.33	\$ 6.47
Diluted weighted average common shares	1,143	1,184	1,234
Diluted earnings per share	\$ 9.73	\$ 7.29	\$ 6.45

*Fiscal 2018 includes 53 weeks. Fiscal 2017 and fiscal 2016 include 52 weeks.*

*See accompanying notes to consolidated financial statements.*

**THE HOME DEPOT, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

<i>in millions</i>	Fiscal 2018	Fiscal 2017	Fiscal 2016
<b>Cash Flows from Operating Activities:</b>			
Net earnings	\$ 11,121	\$ 8,630	\$ 7,957
Reconciliation of net earnings to net cash provided by operating activities:			
Depreciation and amortization	2,152	2,062	1,973
Stock-based compensation expense	282	273	267
Impairment loss	247	—	—
Changes in receivables, net	33	139	(138)
Changes in merchandise inventories	(1,244)	(84)	(769)
Changes in other current assets	(257)	(10)	(48)
Changes in accounts payable and accrued expenses	743	352	446
Changes in deferred revenue	80	128	99
Changes in income taxes payable	(42)	29	109
Changes in deferred income taxes	26	92	(117)
Other operating activities	(103)	420	4
Net cash provided by operating activities	13,038	12,031	9,783
<b>Cash Flows from Investing Activities:</b>			
Capital expenditures, net of non-cash capital expenditures	(2,442)	(1,897)	(1,621)
Payments for businesses acquired, net	(21)	(374)	—
Proceeds from sales of property and equipment	33	47	38
Other investing activities	14	(4)	—
Net cash used in investing activities	(2,416)	(2,228)	(1,583)
<b>Cash Flows from Financing Activities:</b>			
(Repayments of) proceeds from short-term debt, net	(220)	850	360
Proceeds from long-term debt, net of discounts	3,466	2,991	4,959
Repayments of long-term debt	(1,209)	(543)	(3,045)
Repurchases of common stock	(9,963)	(8,000)	(6,880)
Proceeds from sales of common stock	236	255	218
Cash dividends	(4,704)	(4,212)	(3,404)
Other financing activities	(26)	(211)	(78)
Net cash used in financing activities	(12,420)	(8,870)	(7,870)
Change in cash and cash equivalents	(1,798)	933	330
Effect of exchange rate changes on cash and cash equivalents	(19)	124	(8)
Cash and cash equivalents at beginning of year	3,595	2,538	2,216
Cash and cash equivalents at end of year	\$ 1,778	\$ 3,595	\$ 2,538
<b>Supplemental Disclosures:</b>			
Cash paid for income taxes	\$ 3,774	\$ 4,732	\$ 4,623
Cash paid for interest, net of interest capitalized	1,035	991	924
Non-cash capital expenditures	248	150	179

*Fiscal 2018 includes 53 weeks. Fiscal 2017 and fiscal 2016 include 52 weeks.  
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