

HOME DEPOT INC
Form 10-Q
May 24, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q
(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the quarterly period ended May 1, 2016

- OR -

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-8207

THE HOME DEPOT, INC.

(Exact name of Registrant as specified in its charter)

Delaware 95-3261426
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

2455 Paces Ferry Road, Atlanta, Georgia 30339
(Address of principal executive offices) (Zip Code)
(770) 433-8211

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

1,244,007,307 shares of common stock, \$0.05 par value, as of May 17, 2016

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

THE HOME DEPOT, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Unaudited)

amounts in millions, except share and per share data	May 1, 2016	January 31, 2016
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$3,257	\$ 2,216
Receivables, net	1,989	1,890
Merchandise Inventories	13,219	11,809
Other Current Assets	545	569
Total Current Assets	19,010	16,484
Property and Equipment, at cost	39,815	39,266
Less Accumulated Depreciation and Amortization	17,572	17,075
Net Property and Equipment	22,243	22,191
Goodwill	2,123	2,102
Other Assets	1,200	1,196
Total Assets	\$44,576	\$ 41,973
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Short-Term Debt	\$—	\$ 350
Accounts Payable	8,711	6,565
Accrued Salaries and Related Expenses	1,339	1,515
Sales Taxes Payable	679	476
Deferred Revenue	1,607	1,566
Income Taxes Payable	829	34
Current Installments of Long-Term Debt	44	77
Other Accrued Expenses	1,940	1,941
Total Current Liabilities	15,149	12,524
Long-Term Debt, excluding current installments	20,904	20,789
Other Long-Term Liabilities	1,885	1,965
Deferred Income Taxes	303	379
Total Liabilities	38,241	35,657
STOCKHOLDERS' EQUITY		
Common Stock, par value \$0.05; authorized: 10 billion shares; issued: 1.774 billion shares at May 1, 2016 and 1.772 billion shares at January 31, 2016; outstanding: 1.245 billion shares at May 1, 2016 and 1.252 billion shares at January 31, 2016	88	88
Paid-In Capital	9,362	9,347
Retained Earnings	31,907	30,973
Accumulated Other Comprehensive Loss	(578)	(898)
Treasury Stock, at cost, 529 million shares at May 1, 2016 and 520 million shares at January 31, 2016	(34,444)	(33,194)
Total Stockholders' Equity	6,335	6,316
Total Liabilities and Stockholders' Equity	\$44,576	\$ 41,973

See accompanying Notes to Consolidated Financial Statements.

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THE HOME DEPOT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)

	Three Months Ended	
amounts in millions, except per share data	May 1, 2016	May 3, 2015
NET SALES	\$22,762	\$20,891
Cost of Sales	14,971	13,712
GROSS PROFIT	7,791	7,179
Operating Expenses:		
Selling, General and Administrative	4,281	4,163
Depreciation and Amortization	433	419
Total Operating Expenses	4,714	4,582
OPERATING INCOME	3,077	2,597
Interest and Other (Income) Expense:		
Interest and Investment Income	(7) (4
Interest Expense	244	197
Interest and Other, net	237	193
EARNINGS BEFORE PROVISION FOR INCOME TAXES	2,840	2,404
Provision for Income Taxes	1,037	825
NET EARNINGS	\$1,803	\$1,579
Weighted Average Common Shares	1,247	1,298
BASIC EARNINGS PER SHARE	\$1.45	\$1.22
Diluted Weighted Average Common Shares	1,252	1,305
DILUTED EARNINGS PER SHARE	\$1.44	\$1.21
Dividends Declared per Share	\$	