

| | | | | | | | | | |
|--------------|--------|-----------|------------------------------------|--------------------|------|-----------|------|------------|------|
| RECENT PRICE | 233.00 | P/E RATIO | 22.9 (Trailing: 22.8 Median: 19.0) | RELATIVE P/E RATIO | 1.35 | DIV'D YLD | 2.6% | VALUE LINE | 1139 |
|--------------|--------|-----------|------------------------------------|--------------------|------|-----------|------|------------|------|

[illegible]

| 2022-24 PROJECTIONS | | | | |
|---------------------|-------|--------|-------------|--|
| | Price | Gain | Ann'l Total | |
| | | Return | | |
| High | 285 | (+20%) | 8% | |
| Low | 235 | (Nil) | 3% | |

| Insider Decisions | | | | | | | | | | | | |
|-------------------|---|---|---|---|---|---|---|---|---|--|--|--|
| | N | D | J | F | M | A | M | J | J | | | |
| to Buy | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | |
| Options | 1 | 1 | 0 | 0 | 9 | 0 | 2 | 1 | 0 | | | |
| to Sell | 1 | 1 | 0 | 0 | 4 | 0 | 4 | 1 | 0 | | | |

| Institutional Decisions | | | |
|-------------------------|--------|--------|--------|
| | 4Q2018 | 1Q2019 | 2Q2019 |
| to Buy | 1061 | 1097 | 1065 |
| to Sell | 995 | 970 | 1001 |
| Hld's(000) | 771349 | 764229 | 771076 |

| | Percent | shares | traded |
|------------|---------|--------|--------|
| to Buy | 30 | | |
| to Sell | 20 | | |
| Hld's(000) | 10 | | |

| % TOT. RETURN 8/19 | | |
|--------------------|------------|-----------------|
| | THIS STOCK | VL ARITH. INDEX |
| 1 yr. | 15.8 | -9.8 |
| 3 yr. | 81.3 | 20.7 |
| 5 yr. | 172.2 | 29.0 |

| 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | © VALUE LINE PUB. LLC | 22-24 |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--|--------|-----------------------------------|--------|
| 27.31 | 33.86 | 38.38 | 46.11 | 45.77 | 42.03 | 38.84 | 41.90 | 45.80 | 50.37 | 57.11 | 63.64 | 70.70 | 78.63 | 87.14 | 97.92 | 103.95 | 111.80 | Sales per sh ^A | 134.00 |
| 2.27 | 2.93 | 3.44 | 3.82 | 3.50 | 2.81 | 2.66 | 3.07 | 3.55 | 4.21 | 5.08 | 5.96 | 6.82 | 8.07 | 9.19 | 11.92 | 12.15 | 13.15 | "Cash Flow" per sh | 15.90 |
| 1.88 | 2.26 | 2.72 | 2.79 | 2.27 | 1.78 | 1.66 | 2.03 | 2.47 | 3.10 | 3.76 | 4.56 | 5.34 | 6.45 | 7.46 | 9.89 | 10.05 | 10.95 | Earnings per sh ^{AB} | 13.35 |
| .26 | .33 | .40 | .68 | .90 | .90 | .90 | .95 | 1.04 | 1.16 | 1.56 | 1.88 | 2.36 | 2.76 | 3.56 | 4.12 | 5.44 | 6.40 | Div'ds Decl'd per sh ^C | 7.80 |
| 9.44 | 11.19 | 12.67 | 12.71 | 10.48 | 10.48 | 11.42 | 11.64 | 11.64 | 11.98 | 9.07 | 7.13 | 5.04 | 3.60 | 1.26 | d1.70 | d2.60 | d3.85 | Book Value per sh ^E | d6.00 |
| 2373.0 | 2158.7 | 2124.0 | 1970.0 | 1690.0 | 1696.0 | 1698.0 | 1623.0 | 1537.0 | 1484.0 | 1380.0 | 1307.0 | 1252.0 | 1203.0 | 1158.0 | 1105.0 | 1065.0 | 1035.0 | Common Shs Outst'g ^D | 1000.0 |
| 16.7 | 16.7 | 14.7 | 13.7 | 15.4 | 14.3 | 15.3 | 15.6 | 15.0 | 17.9 | 20.2 | 19.1 | 22.1 | 20.3 | 21.6 | 18.9 | Bold figures are Value Line estimates | | Avg Ann'l P/E Ratio | 19.5 |
| .95 | .88 | .78 | .74 | .82 | .86 | 1.02 | .99 | .94 | 1.14 | 1.13 | 1.01 | 1.11 | 1.07 | 1.09 | 1.02 | | | Relative P/E Ratio | 1.10 |
| .8% | .9% | 1.0% | 1.8% | 2.6% | 3.5% | 3.5% | 3.0% | 2.8% | 2.1% | 2.1% | 2.2% | 2.0% | 2.1% | 2.2% | 2.2% | | | Avg Ann'l Div'd Yield | 3.0% |

| CAPITAL STRUCTURE as of 8/4/19 | | | | 65955 | 67997 | 70395 | 74754 | 78812 | 83176 | 88519 | 94595 | 100904 | 108203 | 110700 | 115700 | Sales (\$mill) ^A | 134000 |
|--|--|--|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----------------------------|-----------------|
| Total Debt \$28379 mill. Due in 5 Yrs\$10334 mill. LT Debt \$27064 mill. LT Interest \$1015 mill. (Total interest coverage: 15.1x. LT int earned: 15.1x) (104% of Cap'l) Leases, Uncapitalized Annual rentals \$976 mill. No Defined Benefit Pension Plan Pfd Stock None Common Stock 1,095,153,073 shs. as of 8/20/19 MARKET CAP: \$255 billion (Large Cap) CURRENT POSITION | | | | 33.9% | 34.3% | 34.5% | 34.6% | 34.8% | 34.8% | 34.2% | 34.2% | 34.0% | 34.3% | 34.0% | 34.1% | Gross Margin | 34.3% |
| | | | | 10.1% | 11.0% | 11.7% | 12.7% | 13.7% | 14.6% | 15.1% | 16.0% | 16.5% | 16.3% | 16.2% | 16.3% | Operating Margin | 16.3% |
| | | | | 2244 | 2248 | 2252 | 2256 | 2263 | 2269 | 2274 | 2278 | 2284 | 2287 | 2292 | 2297 | Number of Stores | 2310 |
| | | | | 2811.0 | 3371.0 | 3883.0 | 4680.0 | 5385.0 | 6139.0 | 6848.0 | 7957.0 | 8832.0 | 11305 | 11005 | 11550 | Net Profit (\$mill) | 13540 |
| | | | | 34.5% | 36.7% | 36.0% | 36.5% | 36.4% | 36.4% | 36.3% | 36.1% | 36.3% | 36.1% | 23.6% | 25.0% | 25.0% | Income Tax Rate |
| | | | | 4.3% | 5.0% | 5.5% | 6.3% | 6.8% | 7.4% | 7.7% | 8.4% | 8.8% | 10.4% | 9.9% | 10.0% | Net Profit Margin | 10.1% |
| | | | | 3537.0 | 3357.0 | 5144.0 | 3910.0 | 4530.0 | 4033.0 | 4467.0 | 3591.0 | 2739.0 | 1813.0 | 2000 | 2000 | Working Cap'l (\$mill) | 2000 |
| | | | | 8662.0 | 8707.0 | 10758 | 9475.0 | 14691 | 16869 | 20888 | 22349 | 24267 | 26807 | 27000 | 27000 | Long-Term Debt (\$mill) | 27000 |
| | | | | 19393 | 18889 | 17898 | 17777 | 12522 | 9322.0 | 6316.0 | 4333.0 | 1454.0 | d1878 | d2750 | d4000 | Shr. Equity (\$mill) | d6000 |
| | | | | 11.1% | 13.0% | 14.5% | 18.3% | 21.0% | 25.0% | 26.8% | 31.6% | 36.4% | 47.5% | 47.5% | 52.5% | Return on Total Cap'l | 67.5% |
| | | | | 14.5% | 17.8% | 21.7% | 26.3% | 43.0% | 65.9% | 108.4% | 183.6% | 607.4% | NMF | NMF | NMF | Return on Shr. Equity | NMF |
| | | | | 6.6% | 9.5% | 12.6% | 16.5% | 25.1% | 38.7% | 60.4% | 105.1% | 317.7% | NMF | NMF | NMF | Retained to Com Eq | NMF |
| | | | | 54% | 47% | 42% | 37% | 42% | 41% | 44% | 43% | 48% | 42% | 54% | 58% | All Div'ds to Net Prof | 58% |

| | | | |
|------------------|-------|-------|-------|
| (SMALL) | | | |
| Cash Assets | 3595 | 1778 | 254 |
| Receivables | 1952 | 1936 | 2274 |
| Inventory (LIFO) | 12748 | 13925 | 1474 |
| Other | 638 | 890 | 1137 |
| Current Assets | 18933 | 18529 | 20699 |
| Accts Payable | 7244 | 7755 | 9494 |
| Debt Due | 2761 | 2395 | 1315 |
| Other | 6189 | 6566 | 7989 |
| Current Liab. | 16194 | 16716 | 18798 |

BUSINESS: The Home Depot, Inc. operates a chain of 2,291 retail building supply/home improvement "warehouse" stores across the U.S. and in Canada and Mexico (as of 8/4/19). Acquired Hughes Supply in 1/06. Average store size: roughly 104,000 sq. ft. indoor plus 24,000 sq. ft. garden center. Items stocked: about 35,000. Product lines include building materials; lumber; floor/wall cover-

ings; plumbing, heating, & electrical; paint & furniture; seasonal and specialty items; hardware & tools. Has about 413,000 employees. Off. & dir. own less than 1.0% of common stock: The Vanguard Group, 7.6% (4/19 Proxy). Chairman, CEO, & President: Craig Meneer. Inc.: DE. Addr.: 2455 Paces Ferry Road, Atlanta, Georgia 30339. Telephone: 770-433-8211. Internet: www.homedepot.com.

| | |
|--|---|
| The Home Depot's fiscal second- | disputes, political unrest, and softness |
|--|---|

| ANNUAL RATES | Past 10 Yrs. | Past 5 Yrs. | Est'd '16-'18 to '22-'24 | quarter (ended August 4th) results | in Europe are raising concerns about |
|--------------------|--------------|-------------|--------------------------|--|---|
| of change (per sh) | 7.0% | 5 Yrs. | to '22-'24 | were greeted warmly by investors. | the health of the global economy. On |
| Sales | 11.5% | 7.5% | | Sales increased 1.2% from a year earlier, | our shores, the housing market is generally |
| "Cash Flow" | 11.0% | 18.0% | 8.5% | to \$30.839 billion, versus our \$31.200 billion | stable, if uneven, and the unemployment |
| Earnings | 13.5% | 20.5% | 9.0% | forecast. A shift in the fiscal calendar | ment rate is low, as are borrowing costs. |
| Dividends | 15.5% | 22.5% | 14.5% | base was partially to blame (fiscal 2018 | That said, management did rein in its |
| Book Value | -21.0% | -37.5% | NMF | | |

| Fiscal Year Begins | QUARTERLY SALES (\$ mill.) ^A | | | | Full Fiscal Year |
|--------------------|---|---------|---------|---------|------------------|
| | Apr.Per | Jul.Per | Oct.Per | Jan.Per | |
| 2016 | 22762 | 26472 | 23154 | 22207 | 94595 |
| 2017 | 23887 | 28108 | 25026 | 23883 | 100904 |
| 2018 | 24947 | 30463 | 26302 | 26491 | 108203 |
| 2019 | 26381 | 30839 | 27480 | 26000 | 110700 |
| 2020 | 27700 | 32200 | 28800 | 27000 | 115700 |

| Fiscal Year Begins | EARNINGS PER SHARE ^{A B} | | | | | Full Fiscal Year |
|--------------------|-----------------------------------|---------|---------|---------|--|------------------|
| | Apr.Per | Jul.Per | Oct.Per | Jan.Per | | |
| 2016 | 1.44 | 1.97 | 1.60 | 1.44 | | 6.45 |
| 2017 | 1.67 | 2.25 | 1.84 | 1.69 | | 7.46 |
| 2018 | 2.08 | 3.05 | 2.51 | 2.25 | | 9.89 |
| 2019 | 2.27 | 3.17 | 2.50 | 2.11 | | 10.05 |
| 2020 | 2.40 | 3.40 | 2.75 | 2.40 | | 10.95 |

| Calendar | QUARTERLY DIVIDENDS PAID ^c | | | | Full Year |
|----------|---------------------------------------|--------|--------|--------|-----------|
| | Mar.31 | Jun.30 | Sep.30 | Dec.31 | |
| 2015 | .59 | .59 | .59 | .59 | 2.36 |
| 2016 | .69 | .69 | .69 | .69 | 2.76 |
| 2017 | .89 | .89 | .89 | .89 | 3.56 |
| 2018 | 1.03 | 1.03 | 1.03 | 1.03 | 4.12 |
| 2019 | 1.36 | 1.36 | 1.36 | | |

(A) Fiscal year ends Sunday closest to January 31st of the following year.

(B) Diluted earnings. Excludes nonrecurring gains/(losses): '07, (\$0.10); '08, (\$0.44); '09,

(\$0.09); '10, (\$0.02); '12, (\$0.10); '14, \$0.15; '15, \$0.12; '17, (\$0.17); '18, (\$0.16). Totals may not sum due to rounding. Next earnings report due November 19th. (C) Dividends his-

torically paid in March, June, Sept., and Dec. Div'd reinvest. plan avail. (D) In millions, adjusted for stock splits. (E) Includes intangibles. At 2/3/19: \$2,252 mill. (\$2.04/share).

| | |
|------------------------------|-----|
| Company's Financial Strength | A++ |
| Stock's Price Stability | 95 |
| Price Growth Persistence | 100 |
| Earnings Predictability | 100 |

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