

THE HOME DEPOT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>in millions</i>	Fiscal 2017	Fiscal 2016	Fiscal 2015
Cash Flows from Operating Activities:			
Net earnings	\$ 8,630	\$ 7,957	\$ 7,009
Reconciliation of net earnings to net cash provided by operating activities:			
Depreciation and amortization	2,062	1,973	1,863
Stock-based compensation expense	273	267	244
Gain on sales of investments	—	—	(144)
Changes in assets and liabilities, net of acquisition effects:			
Receivables, net	139	(138)	(181)
Merchandise inventories	(84)	(769)	(546)
Other current assets	(10)	(48)	(5)
Accounts payable and accrued expenses	352	446	888
Deferred revenue	128	99	109
Income taxes payable	29	109	154
Deferred income taxes	92	(117)	15
Other	420	4	(33)
Net cash provided by operating activities	<u>12,031</u>	<u>9,783</u>	<u>9,373</u>
Cash Flows from Investing Activities:			
Capital expenditures, net of non-cash capital expenditures	(1,897)	(1,621)	(1,503)
Proceeds from sales of investments	—	—	144
Payments for businesses acquired, net	(374)	—	(1,666)
Proceeds from sales of property and equipment	47	38	43
Other investing activities	(4)	—	—
Net cash used in investing activities	<u>(2,228)</u>	<u>(1,583)</u>	<u>(2,982)</u>
Cash Flows from Financing Activities:			
Proceeds from short-term debt, net	850	360	60
Proceeds from long-term debt, net of discounts	2,991	4,959	3,991
Repayments of long-term debt	(543)	(3,045)	(39)
Repurchases of common stock	(8,000)	(6,880)	(7,000)
Proceeds from sales of common stock	255	218	228
Cash dividends	(4,212)	(3,404)	(3,031)
Other financing activities	(211)	(78)	4
Net cash used in financing activities	<u>(8,870)</u>	<u>(7,870)</u>	<u>(5,787)</u>
Change in cash and cash equivalents	933	330	604
Effect of exchange rate changes on cash and cash equivalents	124	(8)	(111)
Cash and cash equivalents at beginning of year	2,538	2,216	1,723
Cash and cash equivalents at end of year	<u>\$ 3,595</u>	<u>\$ 2,538</u>	<u>\$ 2,216</u>
Supplemental Disclosures:			
Cash paid for interest, net of interest capitalized	\$ 991	\$ 924	\$ 874
Cash paid for income taxes	4,732	4,623	3,853
Non-cash capital expenditures	150	179	165

See accompanying notes to consolidated financial statements.