UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

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

Date of Report: February 26, 2008

Commission file number 1-10948

OFFICE DEPOT, INC.

(Exact name of registrant as specified in its charter)

Delaware	**59-2663954**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
2200 Old Germantown Road, Delray Beach, Florida	**33445**
(Address of principal executive offices)	**(Zip Code)**

(561) 438-4800
(Registrant's telephone number, including area code)

Former name or former address, if changed since last report: N/A

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Attached hereto as Exhibit 99.1.1 and incorporated by reference herein is Office Depot, Inc.'s news release dated February 26, 2008, announcing its financial results for its fiscal fourth quarter and full year 2007. This release also contains forward-looking statements relating to Office Depot's fiscal year 2008.

This information is furnished pursuant to Item 2.02 of Form 8-K. The information in this report shall not be treated as filed for purposes of the Securities Exchange Act of 1934, as amended.

ITEM 7.01 REGULATION FD DISCLOSURE

The latest Investor Relations presentation that management of Office Depot, Inc. (the "Company") intends to cover in any meetings with shareholders during the quarter is attached to this Current Report on Form 8-K as Exhibit 99.1.2. The presentation provides an overview of the Company, perspective on the office supply market and operating results for the Company's fourth quarter and full year ended December 29, 2007. In addition, the presentation provides information on strategy, action plans and outlook. The Company will also post the attached materials on its web site (www.OfficeDepot.com) located in the Investor Relations section of that site.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

Exhibit 99.1.1 News release of Office Depot, Inc. issued on February 26, 2008.

Exhibit 99.1.2 Presentation Materials for Investor Relations Conferences for Office Depot, Inc.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OFFICE DEPOT, INC.

Date: February 26, 2008

By: /S/ ELISA D. GARCIA C.
Elisa D. Garcia C.
Executive Vice President, General Counsel
and Corporate Secretary

Exhibit 99.01.01

Office DEPOT

CONTACTS:

Brian Turcotte
Investor Relations
561-438-3657
brian.turcotte@officedepot.com

Brian Levine
Public Relations
561-438-2895
brian.levine@officedepot.com

OFFICE DEPOT ANNOUNCES FOURTH QUARTER RESULTS

Delray Beach, Fla., February 26, 2008 — Office Depot, Inc. (NYSE: ODP), a leading global provider of office products and services, today announced fourth quarter and full year results for the fiscal period ended December 29, 2007.

FOURTH QUARTER RESULTS [1]

Total Company sales for the fourth quarter increased 1% to $3.9 billion. Sales in the North American Retail Division were down 3% with comparable store sales down 7% for the quarter. The North American Business Solutions Division reported a 4% sales decline in the quarter while International Division sales increased 12% in U.S. dollars and 2% in local currencies.

Net earnings were $19 million compared to earnings of $127 million in the same period of 2006. Earnings per share on a diluted basis were $0.07 for the quarter, versus $0.45 in the fourth quarter of 2006. On an adjusted basis, diluted earnings per share were $0.10 for the quarter, versus $0.51 in the same period one year ago.

Total Company operating expenses, as adjusted, represented 26.3% of sales, an increase of 40 basis points over the fourth quarter of 2006. EBIT, as adjusted, was $6 million in the fourth quarter of 2007 or 0.2% as expressed as a percentage of sales, compared to $201 million or 5.2% in the prior-year period.

Results for the quarter included an as adjusted tax benefit of $30 million. The fourth quarter 2007 tax benefit was primarily due to lower North American income and a late quarter tax law change.

Return on Invested Capital for the trailing 4 quarters, adjusted for Charges and Credits, was 11.3%. The Return on Equity adjusted for Charges and Credits for the trailing four quarters was 15.2%.

FOURTH QUARTER DIVISION RESULTS

North American Retail Division

Fourth quarter sales in the North American Retail Division were down 3% at $1.7 billion. Comparable store sales in the 1,158 stores in the U.S. and Canada that have been open for more than one year decreased 7% for the fourth quarter. Results continue to be negatively impacted by difficult housing-related economic conditions in key markets, particularly Florida and California. Combined, these two states represented 26% of total store sales and about 40% of the total comparable sales decrease in the

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1 Includes non-GAAP information. Fourth quarter results include impacts of previously announced programs, a legal settlement and a 2006 gain on building sale (“Charges” or “Charges and Credits”). Additional information is provided in our Form 10-K filing. Reconciliations from GAAP to non-GAAP financial measures can be found in this release, as well as on the corporate web site, www.officedepot.com, under the category Investor Relations.

fourth quarter. This economic weakness has spread to other U.S. retail markets with housing issues, creating additional pressure on sales and margins.

Sales in the Northeast moderated slightly versus the previous quarter, but continued to be the Division's best performing region in North America despite a limited retail presence in that market. Other drivers negatively impacting comparable sales included cannibalization from the new store build out, competitive intrusion and private brand penetration. The Design, Print and Ship business continued to perform well in the fourth quarter, slightly offsetting the negative drivers.

Operating profit in the North American Retail Division was $23 million for the fourth quarter, a decline from $109 million in the same period of the prior year. Although costs were managed effectively in the fourth quarter, broader economic factors continued to pressure profit margins, which decreased 490 basis points versus the fourth quarter 2006. A number of factors contributed to the operating margin decline, including lower than expected vendor program funding, lower product margins, a de-leveraging of fixed property costs, and higher shrink. Partially offsetting some of the decline was the impact of lower operational expenses.

Comparable average sales per square foot in the fourth quarter decreased to $231 and average order value was up about 2.3% in the fourth quarter.

During the fourth quarter, Office Depot opened 12 new stores and closed 2 stores, bringing the total store count to 1,222. The Company also remodeled 12 stores, bringing the yearly total to 177. As of year end, more than half of the chain was operating under the M2 format. Inventory per store was $960 thousand as of the end of the fourth quarter of 2007, 3% greater than the same period last year. Average inventory per store during the quarter was $1,030 thousand for the fourth quarter of 2007, flat versus the same period last year.

North American Business Solutions Division

Total sales in the North American Business Solutions Division were $1.1 billion, down 4% compared to the fourth quarter of last year. Sales to small- to mid-sized customers were down 13%. This decrease overshadowed solid sales growth of 5% among large, national account customers and 10% sales growth to the public sector in the fourth quarter. Growth in state government and the K-12 educational sectors have been driving the results in the public sector, both delivering double-digit increases for all four quarters of 2007.

The North American Business Solutions Division had an operating profit of $1 million for the fourth quarter of 2007 compared to $72 million for the same period of the prior year. Operating margins declined by 640 basis points versus the fourth quarter 2006. Contributing factors to the margin decline included a less-favorable customer mix, lower vendor program funding, higher reserves for inventory clearance and returned product, and product cost increases that could not be fully passed through in higher prices.

International Division

The International Division reported a sales increase of 12% in the fourth quarter compared with the same period last year and organic sales in local currency increased by 2%. This marks the eighth consecutive quarter the division has grown the top-line in local currency. In particular, the Contract channel continued its strong performance, growing sales in local currency by 8% in the quarter. This is a reflection of the strength of Office Depot's global brand with an increasingly global customer base.

Division operating profit was $60 million in the fourth quarter compared to $77 million in the prior year's fourth quarter. Operating profit margin declined by 230 basis points to 5.3%, from 7.6% in the prior year, as the U.K. business continued to struggle.

Continued overall weakness in the U.K. business accounted for much of the profit decline and operating margin compression. Continued investment, including establishing regional offices in Asia and Latin America, centralization of certain support functions in Europe, green-field business expansion in Poland, and consolidation of warehouse facilities to better support the multi-channel business portfolio in Europe accounted for the remainder of the margin decline. Growth in the large customer segment, which has a lower margin rate than the small- to medium-sized customer segments, drove unfavorable customer mix and compressed overall operating margins as well.

FULL YEAR RESULTS [2]

For the full year, sales increased 3% to $15.5 billion. Net earnings for fiscal 2007 were $396 million compared to earnings of $503 million in the same period of 2006. Earnings per share on a diluted basis were $1.43 in 2007 compared to $1.75 in the prior year. The as adjusted diluted earnings per share for fiscal 2007 were $1.54 versus $1.90 in 2006.

For the full year, EBIT, as adjusted, decreased 31% from the prior year and EBIT margins compressed by 180 basis points to 3.5%. The as adjusted effective tax rate for the full year was 15%.

Capital expenditures for 2007 were $461 million. Capital expenditure estimates for 2008 are expected to be around $375 million, reflecting a reduction in the number of planned new store openings from 150 to about 75, approximately 100 M2 store remodels, and investments in the Company's global supply chain and IT initiatives. The Company will continue to evaluate spending in accordance with operating performance and financial guidelines, and the overall business environment.

In 2007, the Company repurchased approximately 5.7 million shares of its common stock for $200 million. The Company also previously announced that its Board has authorized the repurchase of an additional $500 million of its common stock. Current plans are to repurchase common stock if cash flow permits. Over the past three years, the Company has returned to shareholders about 140% of as adjusted after-tax earnings, 106% of operating cash flow and 140% of net cash flow, excluding share repurchases.

Other Matters

Office Depot is announcing that its Executive Vice President and Chief Financial Officer, Patricia A. McKay, is leaving the Company effective March 1, 2008. Charles E. Brown, the Company's President, International, has agreed to assume the role of acting Chief Financial Officer following McKay's departure. Brown was Office Depot's Executive Vice President and Chief Financial Officer from 2001 to 2005. Office Depot plans to begin its search for a permanent Chief Financial Officer immediately and will announce a successor when this process is completed.

Commenting on McKay's departure, Steve Odland, Office Depot's Chief Executive Officer, said: "Pat has made valuable contributions to the Company since joining the management team in 2005. We thank her for her tireless work and dedication to the Company. We also wish her all the best in her future endeavors."

Additionally, Kim Maguire, Executive Vice President, Merchandising, is leaving at the end of the month for personal reasons. The Company hopes to fill this role quickly.

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2 Includes non-GAAP information. Full year results include impacts of previously announced programs, a legal settlement and a 2006 gain on building sale ("Charges" or "Charges and Credits"). Additional information is provided in our Form 10-K filing. Reconciliations from GAAP to non-GAAP financial measures can be found in this release, as well as on the corporate web site, www.officedepot.com, under the category Investor Relations.

Non-GAAP Reconciliation

A reconciliation of GAAP results to non-GAAP results excluding certain items is presented in this release and also may be accessed on the corporate website, www.officedepot.com, under the category Company Info.

Conference Call Information

Office Depot will hold a conference call for investors and analysts at 9 a.m. (Eastern Daylight Time) today. The conference call will be available to all investors via Web cast at http://investor.officedepot.com. Interested parties may contact Investor Relations at 561-438-7893 for further information.

About Office Depot

Every day, Office Depot is Taking Care of Business for millions of customers around the globe. For the local corner store as well as Fortune 500 companies, Office Depot provides products and services to its customers through more than 1,600 worldwide retail stores, a dedicated sales force, top-rated catalogs and a $4.9 billion e-commerce operation. Office Depot has annual sales of approximately $15.5 billion, and employs about 49,000 associates around the world. The Company provides more office products and services to more customers in more countries than any other company, and currently sells to customers directly or through affiliates in 43 countries.

Office Depot's common stock is listed on the New York Stock Exchange under the symbol ODP and is included in the S&P 500 Index. Additional press information can be found at: http://mediarelations.officedepot.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS: The Private Securities Litigation Reform Act of 1995, as amended (the "Act") provides protection from liability in private lawsuits for "forward-looking" statements made by public companies under certain circumstances, provided that the public company discloses with specificity the risk factors that may impact its future results. We want to take advantage of the "safe harbor" provisions of the Act. Certain statements made in this press release are 'forward-looking' statements under the Act. Except for historical financial and business performance information, statements made in this press release should be considered 'forward-looking' as referred to in the Act. Much of the information that looks towards future performance of our company is based on various factors and important assumptions about future events that may or may not actually come true. As a result, our operations and financial results in the future could differ materially and substantially from those we have discussed in the forward-looking statements made in this press release. Certain risks and uncertainties are detailed from time to time in our filings with the United States Securities and Exchange Commission ("SEC"). You are strongly urged to review all such filings for a more detailed discussion of such risks and uncertainties. The Company's SEC filings are readily obtainable at no charge at www.sec.gov and at www.freeEDGAR.com, as well as on a number of other commercial web sites.

OFFICE DEPOT, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)
(Unaudited)

	As of December 29, 2007	As of December 30, 2006
Assets		
Current assets:		
Cash and cash equivalents	$ 222,954	$ 173,552
Receivables, net	1,511,681	1,480,316
Inventories	1,717,662	1,539,685
Deferred income taxes	120,162	131,977
Prepaid expenses and other current assets	143,255	116,931
Total current assets	3,715,714	3,442,461
Property and equipment, net	1,588,958	1,424,967
Goodwill	1,282,457	1,198,886
Other intangible assets	107,987	114,289
Other assets	561,424	376,835
Total assets	$ 7,256,540	$ 6,557,438
Liabilities and stockholders' equity		
Current liabilities:		
Trade accounts payable	$ 1,591,154	$ 1,561,784
Accrued expenses and other current liabilities	1,170,775	1,224,565
Income taxes payable	3,491	135,448
Short-term borrowings and current maturities of long-term debt	207,996	48,130
Total current liabilities	2,973,416	2,969,927
Deferred income taxes and other long-term liabilities	576,254	403,289
Long-term debt, net of current maturities	607,462	570,752
Minority interest	15,564	16,023
Commitments and contingencies		
Stockholders' equity:		
Common stock — authorized 800,000,000 shares of $.01 par value; issued and outstanding shares — 428,777,625 in 2007 and 426,177,619 in 2006	4,288	4,262
Additional paid-in capital	1,784,184	1,700,976
Accumulated other comprehensive income	495,916	295,253
Retained earnings	3,783,805	3,370,538
Treasury stock, at cost — 155,819,358 shares in 2007 and 149,778,235 shares in 2006	(2,984,349)	(2,773,582)
Total stockholders' equity	3,083,844	2,597,447
Total liabilities and stockholders' equity	$ 7,256,540	$ 6,557,438

OFFICE DEPOT, INC.
CONSOLIDATED STATEMENTS OF EARNINGS
(In thousands, except per share amounts)
(Unaudited)

	13 Weeks Ended		52 Weeks Ended	
	December 29, 2007	December 30, 2006	December 29, 2007	December 30, 2006
Sales	$ 3,866,927	$ 3,843,030	$15,527,537	$15,010,781
Cost of goods sold and occupancy costs	2,844,391	2,655,929	11,024,639	10,363,437
Gross profit	1,022,536	1,187,101	4,502,898	4,647,344
Store and warehouse operating and selling expenses	851,985	862,296	3,381,129	3,296,443
Asset impairments	—	7,450	—	7,450
General and administrative expenses	183,546	173,582	645,661	651,696
Gain and amortization of deferred gain on sale of building	(1,874)	(21,432)	(7,493)	(21,432)
Operating profit (loss)	(11,121)	165,205	483,601	713,187
Other income (expense):				
Interest income	3,228	382	9,440	9,828
Interest expense	(13,093)	(7,693)	(63,080)	(40,830)
Loss on extinguishment of debt	—	(5,715)	—	(5,715)
Miscellaneous income, net	3,739	10,119	28,672	30,565
Earnings (loss) before income taxes	(17,247)	162,298	458,633	707,035
Income taxes	(36,021)	35,714	63,018	203,564
Net earnings	$ 18,774	$ 126,584	$ 395,615	$ 503,471
Earnings per common share:				
Basic	$ 0.07	$ 0.46	$ 1.45	$ 1.79
Diluted	0.07	0.45	1.43	1.75
Weighted average number of common shares outstanding:				
Basic	272,204	274,895	272,899	281,618
Diluted	273,309	280,351	275,940	287,722

OFFICE DEPOT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	52 Weeks Ended	
	December 29, 2007	December 30, 2006
Cash flow from operating activities:		
Net earnings	$ 395,615	$ 503,471
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	281,383	279,005
Charges for losses on inventories and receivables	109,798	85,610
Net earnings from equity method investments	(34,825)	(27,125)
Compensation expense for share-based payments	37,738	39,889
Deferred income tax provision	(1,022)	(15,847)
Gain on disposition of assets	(25,190)	(23,948)
Asset impairments	—	7,450
Other operating activities	2,927	(1,704)
Changes in assets and liabilities:		
Decrease (increase) in receivables	25,909	(128,558)
Increase in inventories	(191,685)	(155,955)
Net increase in prepaid expenses and other assets	(12,342)	(23,212)
Net (decrease) increase in accounts payable, accrued expenses and other long-term liabilities	(176,921)	287,999
Total adjustments	15,770	323,604
Net cash provided by operating activities	411,385	827,075
Cash flows from investing activities:		
Purchases of short-term investments	—	(961,450)
Sales of short-term investments	—	961,650
Acquisitions, net of cash acquired, and related payments	(48,036)	(248,319)
Capital expenditures	(460,571)	(343,415)
Proceeds from disposition of assets and other	129,182	106,381
Dividends received	25,000	—
Restricted cash for pending transaction	(18,100)	—
Net cash used in investing activities	(372,525)	(485,153)
Cash flows from financing activities:		
Net proceeds from exercise of stock options and sale of stock under employee stock purchase plans	29,332	101,034
Tax benefit from employee share-based exercises	18,266	43,355
Acquisition of treasury stock under approved repurchase plans	(199,592)	(970,640)
Treasury stock additions from employee related plans	(11,201)	(12,796)
Proceeds from issuance of borrowings	177,413	8,494
Payments on long- and short-term borrowings	(6,292)	(58,545)
Net cash provided by (used in) financing activities	7,926	(889,098)
Effect of exchange rate changes on cash and cash equivalents	2,616	17,531
Net increase (decrease) in cash and cash equivalents	49,402	(529,645)
Cash and cash equivalents at beginning of period	173,552	703,197
Cash and cash equivalents at end of period	$ 222,954	$ 173,552

OFFICE DEPOT, INC.
Comparative Trailing Four Quarters Data and
GAAP to Non-GAAP Reconciliations
(Unaudited)

Total Company

(Dollars in millions)	Trailing 4 Quarters December 29, 2007	Trailing 4 Quarters December 30, 2006	Change
Sales	$15,527.5	$15,010.8	3%
EBIT[1]	$ 512.2	$ 738.0	-31%
% of sales	3.3%	4.9%	-160 bps
EBIT — as adjusted[1]	$ 550.7	$ 802.1	-31%
% of sales	3.5%	5.3%	-180 bps
Net earnings	$ 395.6	$ 503.5	-21%
Net earnings — as adjusted[1]	$ 423.8	$ 545.7	-22%
Diluted Earnings Per Share	$ 1.43	$ 1.75	-18%
Diluted Earnings Per Share — as adjusted[1]	$ 1.54	$ 1.90	-19%
EBITDA — as adjusted[1]	$ 813.7	$ 1,060.8	-23%
% of sales	5.2%	7.1%	-190 bps
Return on Equity (ROE) — as adjusted[1]	15.2%	21.4%	-620 bps
Return on Invested Capital (ROIC) — as adjusted [1]	11.3%	15.4%	-410 bps
Average shares	275.9	287.7	-4%

1 *EBIT and EBITDA are non-GAAP financial measures; EBIT — as adjusted and EBITDA — as adjusted exclude the Charges. (bps = basis points)*

The Company is committed to measuring and reporting results in conformity with accounting principles generally accepted in the United States of America ("GAAP"). However, management also recognizes that some financial measures other than those prepared in accordance with GAAP ("non-GAAP") can provide meaningful and useful information about performance and allow for an informed assessment of possible future performance. Certain non-GAAP performance measures (e.g. EBIT and ROIC) are used to determine variable pay awards throughout our Company.

Non-GAAP measures in these tables exclude certain charges ("Charges") that are important and required under GAAP but that may not clearly convey the on-going results of operating the business during the period. These measures also exclude a gain on sale of a building and a legal settlement, both recognized in the fourth quarter of 2006.

OFFICE DEPOT, INC.
GAAP to Non-GAAP Reconciliations

The non-GAAP numbers presented along with the most closely related GAAP numbers, and the reconciliations are provided in the following tables. *($ in millions)*

Q4 2007	GAAP	% of Sales	Charges and Other Adjustments	Non-GAAP	% of Sales
Gross Profit	$1,022.5	26.4%	$ 0.1	$ 1,022.6	26.4%
Operating Expenses	$1,033.6	26.7%	$ (13.6)	$ 1,020.0	26.3%
Operating Profit (Loss)	$ (11.1)	-0.3%	$ 13.7	$ 2.6	0.1%
Net Earnings	$ 18.8	0.5%	$ 7.8	$ 26.6	0.7%
Diluted Earnings Per Share	$ 0.07		$ 0.03	$ 0.10	

Q4 2006	GAAP	% of Sales	Charges and Other Adjustments	Non-GAAP	% of Sales
Gross Profit	$1,187.1	30.9%	$ 0.2	$ 1,187.3	30.9%
Operating Expenses	$1,021.9	26.6%	$ (25.9)	$ 996.0	25.9%
Operating Profit	$ 165.2	4.3%	$ 26.1	$ 191.3	5.0%
Net Earnings	$ 126.6	3.3%	$ 16.7	$ 143.3	3.7%
Diluted Earnings Per Share	$ 0.45		$ 0.06	$ 0.51	

YTD 2007	GAAP	% of Sales	Charges and Other Adjustments	Non-GAAP	% of Sales
Gross Profit	$4,502.9	29.0%	$ 0.3	$ 4,503.2	29.0%
Operating Expenses	$4,019.3	25.9%	$ (38.2)	$ 3,981.1	25.6%
Operating Profit	$ 483.6	3.1%	$ 38.5	$ 522.1	3.4%
Net Earnings	$ 395.6	2.5%	$ 28.2	$ 423.8	2.7%
Diluted Earnings Per Share	$ 1.43		$ 0.11	$ 1.54	

YTD 2006	GAAP	% of Sales	Charges and Other Adjustments	Non-GAAP	% of Sales
Gross Profit	$4,647.3	31.0%	$ 0.9	$ 4,648.2	30.9%
Operating Expenses	$3,934.1	26.2%	$ (57.5)	$ 3,876.6	25.8%
Operating Profit	$ 713.2	4.8%	$ 58.4	$ 771.6	5.1%
Net Earnings	$ 503.5	3.4%	$ 42.2	$ 545.7	3.6%
Diluted Earnings Per Share	$ 1.75		$ 0.15	$ 1.90	

Office Depot, Inc.
DIVISION INFORMATION
(Unaudited)

North American Retail Division

(Dollars in millions)	Fourth Quarter 2007	Fourth Quarter 2006	Year-to-Date 2007	Year-to-Date 2006
Sales	$1,667.7	$1,723.2	$6,813.6	$6,789.4
% change	-3%	—%	—%	4%
Division operating profit	$ 23.5	$ 109.3	$ 354.5	$ 454.3
% of sales	1.4%	6.3%	5.2%	6.7%

North American Business Solutions Division

(Dollars in millions)	Fourth Quarter 2007	Fourth Quarter 2006	Year-to-Date 2007	Year-to-Date 2006
Sales	$1,064.7	$1,110.5	$4,518.4	$4,576.8
% change	-4%	1%	-1%	6%
Division operating profit	$ 0.8	$ 71.9	$ 220.1	$ 367.0
% of sales	0.1%	6.5%	4.9%	8.0%

International Division

(Dollars in millions)	Fourth Quarter 2007	Fourth Quarter 2006	Year-to-Date 2007	Year-to-Date 2006
Sales	$1,134.6	$1,009.4	$4,195.6	$3,644.6
% change	12%	13%	15%	5%
% change in local currency sales	2%	13%	6%	7%
Division operating profit	$ 59.6	$ 76.8	$ 231.1	$ 249.2
% of sales	5.3%	7.6%	5.5%	6.8%

Division operating profit excludes Charges from the Division performance, as those Charges are evaluated at a corporate level.

Office Depot, Inc.
SELECTED FINANCIAL AND OPERATING DATA
(Unaudited)

Other Selected Financial Information

(In thousands, except operational data)	52 Weeks Ended December 29, 2007	52 Weeks Ended December 30, 2006
Cumulative share repurchases under approved repurchase plans ($):	$199,592	$970,640
Cumulative share repurchases under approved repurchase plans (shares):	5,702	26,417
Shares outstanding, end of quarter	272,958	276,399
Amount authorized for future share repurchases, end of quarter ($):	$500,000	

Selected Operating Highlights

	13 Weeks Ended		52 Weeks Ended	
	December 29, 2007	December 30, 2006	December 29, 2007	December 30, 2006
Store Statistics				
United States and Canada:				
Store count:				
Stores opened	12	39	71	115
Stores closed	2	2	7	4
Stores relocated	2	2	3	7
Total U.S. and Canada stores	1,222	1,158	1,222	1,158
North American Retail Division square footage:	29,790,082	28,520,269		
Average square footage per NAR store	24,378	24,629		
Inventory per store (end of period)	$ 960,000	$ 935,000		
International Division company-owned:				
Store count:				
Stores opened	5	5	26	13
Stores closed	1	—	3	—
Stores acquired	—	—	—	42
Total International company-owned stores	148	125	148	125

Exhibit 99.01.02

Office DEPOT

Investor Presentation

February / March 2008

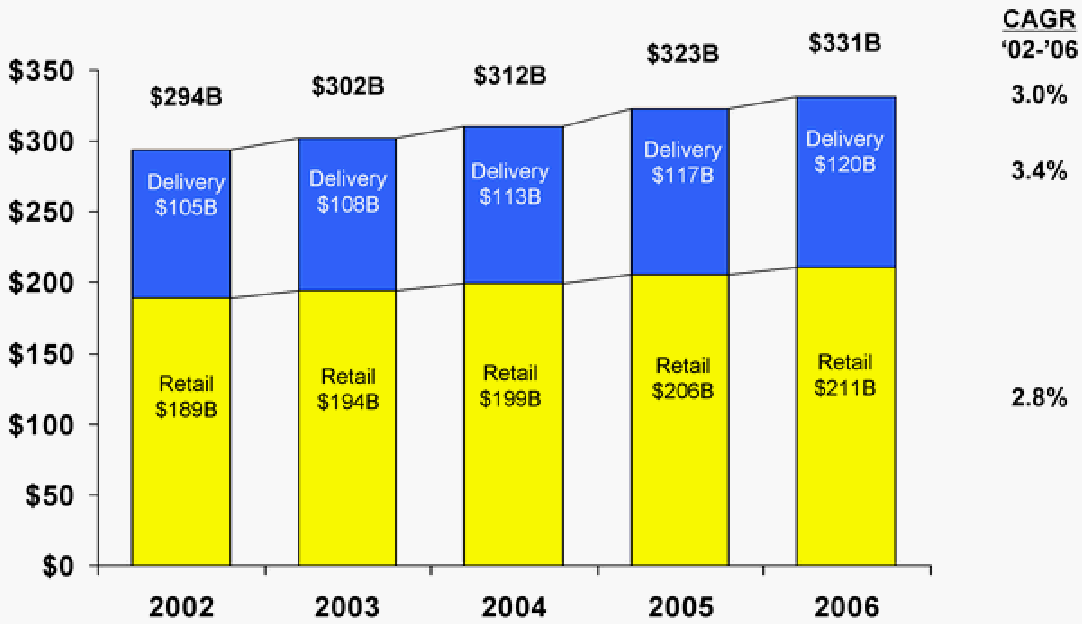
Safe Harbor Statement

The Private Securities Litigation Reform Act of 1995 (the “Act”) provides protection from liability in private lawsuits for “forward-looking” statements made by public companies under certain circumstances, provided that the public company discloses with specificity the risk factors that may impact its future results. We want to take advantage of the “safe harbor” provisions of the Act. Certain statements made during this presentation are ‘forward-looking’ statements under the Act. Except for historical financial and business performance information, statements made during this presentation should be considered ‘forward-looking’ as referred to in the Act. Much of the information that looks towards future performance of our company is based on various factors and important assumptions about future events that may or may not actually come true. As a result, our operations and financial results in the future could differ materially and substantially from those we have discussed in the forward-looking statements made during this presentation. Certain risks and uncertainties are detailed from time to time in our filings with the United States Securities and Exchange Commission (“SEC”). You are strongly urged to review all such filings for a more detailed discussion of such risks and uncertainties. This presentation may refer to results which are not GAAP numbers. A reconciliation of non-GAAP numbers to GAAP results is available on our web site at *www.officedepot.com*.

Industry Perspective

U.S. Office Products Industry

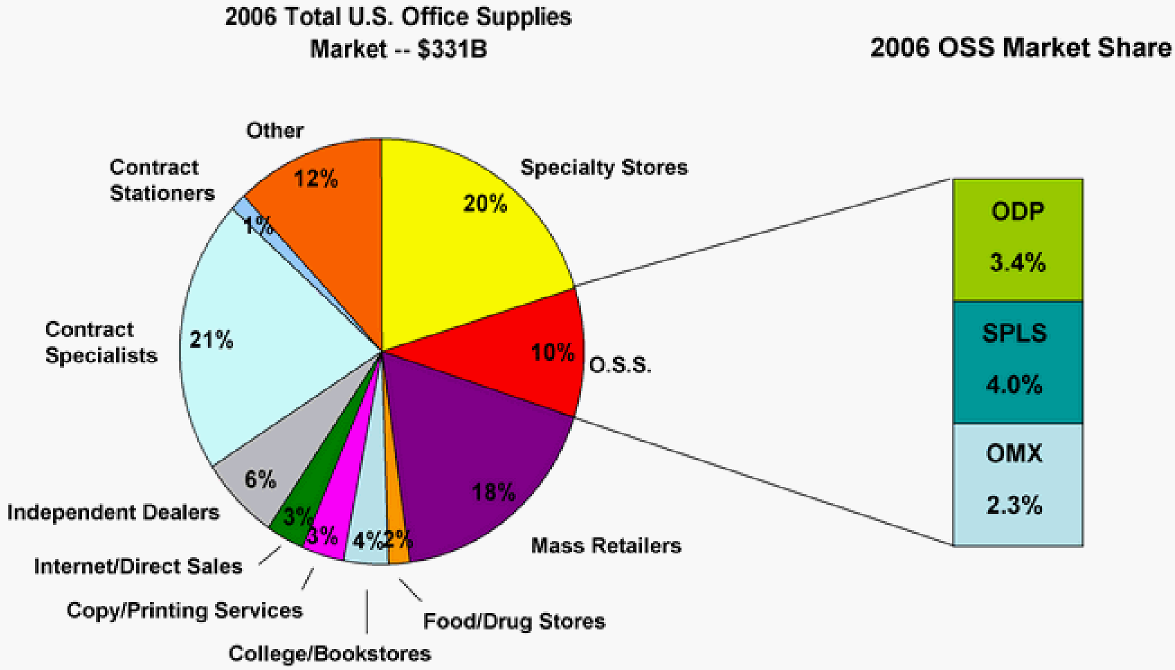
Market is large and growing. We began to see some cyclicality from a weakening macroeconomic environment beginning in early 2007.



Source: SHOPA School and Office Products Industry – 2007 / Office Depot Estimates

U.S. Office Products Industry

OSS comprise a small portion of the overall U.S. office supply industry



Source: SHOPA School and Office Products Industry – 2007 / Office Depot Estimates
Note: Figures may not add to 100% due to rounding

Office Depot Overview

Investor Relations Update

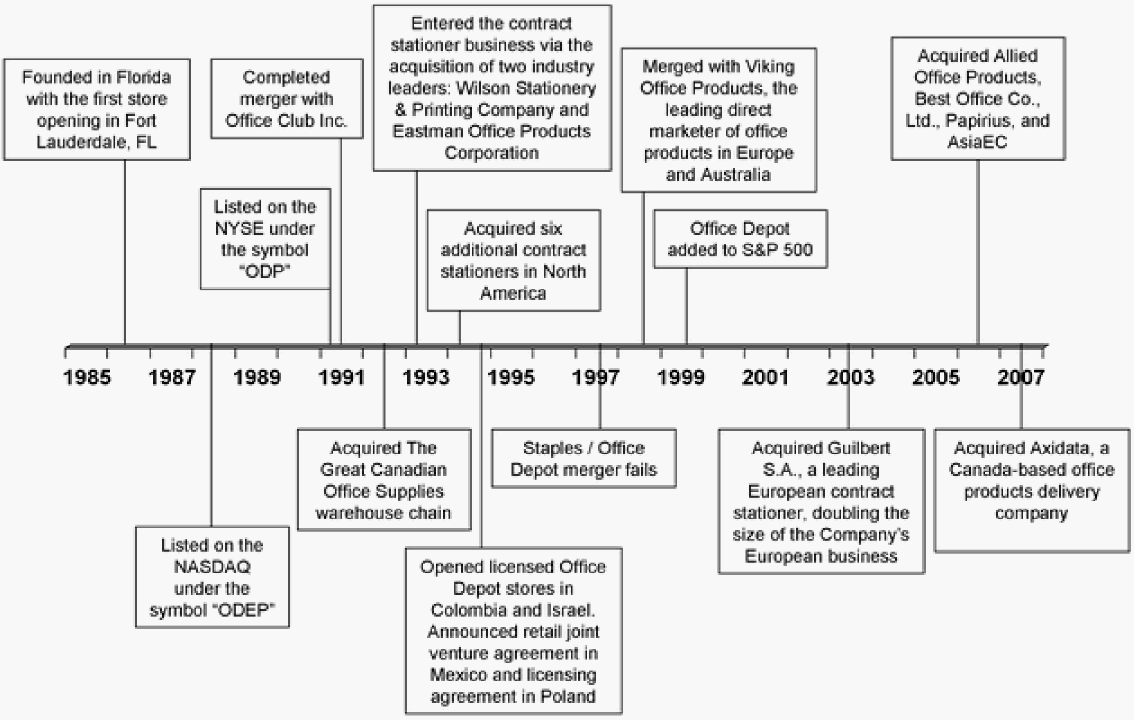
- History of creating value for our shareholders
  - Over the past three years, we have returned to shareholders about 140% of our as adjusted after-tax earnings, 106% of our operating cash flow and 140% of our net cash flow, excluding share repurchases
- Recognized the need to improve our shareholder communication effort
  - Hired an investor relations professional with corporate IR and buy-side investment experience in August 2007
  - Engaged an investor relations firm to conduct an investor perception study in third quarter 2007
  - Hosting an investor / sell-side analyst conference in 2008

Office Depot Overview

- Office Depot is a leading global provider of office products and services
  - Annual sales of approximately $15.5 billion
  - Sells to customer directly and through affiliates in 43 countries
  - Multi-channel – stores, catalog, Internet and contract
- Three divisions using multi-channel capabilities to serve business customers of any size, from SOHO to Fortune 500 accounts
  - North American Retail – Over 1,200 stores in U.S. and Canada
  - North American Business Solutions – catalog, contract and e-commerce
  - International – catalog, contract, e-commerce, and retail
  - One of the world's largest e-commerce retailers – $4.9 billion in sales[2]
- Provides office products and related services[1]
  - Supplies – 63% of sales
  - Technology – 26% of sales
  - Furniture and Other – 11% of sales

Note: [1]2007 total Company sales mix by product category. "Furniture" refers to "Furniture, low tech, and other" as more fully described in our 2007 annual report on Form 10-K. [2] Trailing 12 months

Office Depot Timeline



Acquisition Integration Dates

Viking Office Products

- 1998 - Office Depot merged with Viking Office Products. Viking Office Products became a wholly owned subsidiary of Office Depot
- 2004 - Began consolidation of Viking brand into Office Depot catalog channel
- September 2005 - Office Depot announced plans to close the domestic operations of its Viking Office Products business and merged it within its Office Depot operations

Guilbert S.A.

- June 2003 - Acquired Guilbert S.A., a leading European contract stationer
- 2005 - Integrated the former Guilbert operations and customers into Office Depot and Viking operations
- 2006 - Integrated the Guilbert brand into the Office Depot brand
- 2007 - Systems and back office still separate. Numerous and potentially redundant distribution centers still exist.

Allied Office Products

- May 2006 - Acquired Allied Office Products, an independent dealer of office products and services
- Dec 2006 - Integration of Allied Office Products acquisition was substantially completed

State of the Business

Office Depot Issues 2004

- Functionally-aligned organization with no divisional leadership
- Limited growth opportunities
- Duplicate costs due to non-integrated systems
- IT systems in disarray and impeding growth
- Non-integrated acquisitions, most running independently with duplicate overhead, multiple strategies and few synergies.
- Minimal process definition and sophistication
- Duplicate supply chain
- Operating margin gap versus largest competitor and no plan to close gap
- Stagnant growth
- Losing market share
- Aging stores and no plans to improve / standardize store format. Many versions of a new store format had been attempted but none finalized or proven
- 700 different store sets and at least five different retail formats – inconsistency in shopping experience and service, and lack of differentiation
- Resulted in $385M in charges from inception through the end of 2007

Office Depot Focus 2005 - 2006

- North American Retail
  - Improve North American retail profitability while continuing store build out program
  - Finalize the format for the remodeled stores (M2 design proven by first quarter 2006) and make improvements that fuel productivity
  - Improve service in stores
- North American Business Solutions
  - Profitably grow market share organically and through acquisitions
  - Expand large contract sales, add sales force
  - Complete Viking integration
  - Expand product / service portfolio
- International
  - Improve profitability by growing European contract business, tightening cost control
  - Initiate use of telephone account managers to acquire new customers in Europe
  - Integrate various operations around the globe
  - Expand geographic reach into developing areas

Strategic Priorities 2008 - Taking Care of Business

- North American Retail
  - Improving product value offerings to micro-business customers
  - Growing loyalty programs
  - Enhancing service offerings to complement product offerings
- North American Business Solutions
  - Developing a customer contact strategy
  - Redesigning the telephone account management (TAM) program
  - Implementing margin-enhancement initiatives
- International
  - Executing an action plan to improve performance in the U.K.
  - Maintaining a sharp focus on execution to improve productivity in existing businesses
  - Leveraging global sourcing to increase direct import and private brand penetration in Europe and Asia

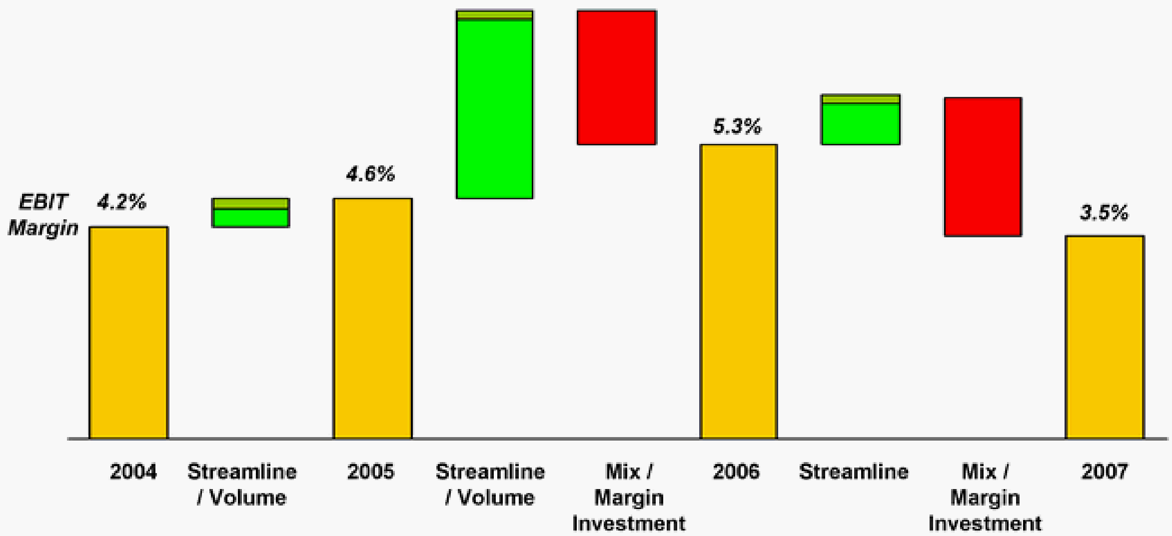
Outlook

- First quarter 2008 outlook
  - Sales to date still remain sluggish in the U.S. and U.K.
  - First and second quarter margins should be improved versus the fourth quarter 2007
  - Earnings per share most likely down versus prior year for the first half 2008
  - Cutting spending and shoring up margins while funding necessary labor levels in the stores; taking care of customers for the long run
- Longer term, business model can deliver improved results
  - Mid-single digit top-line growth
  - Mid-teens earnings per share growth
  - Total margin expansion of up to 300 basis points from our key initiatives possible

Global Margin Improvement

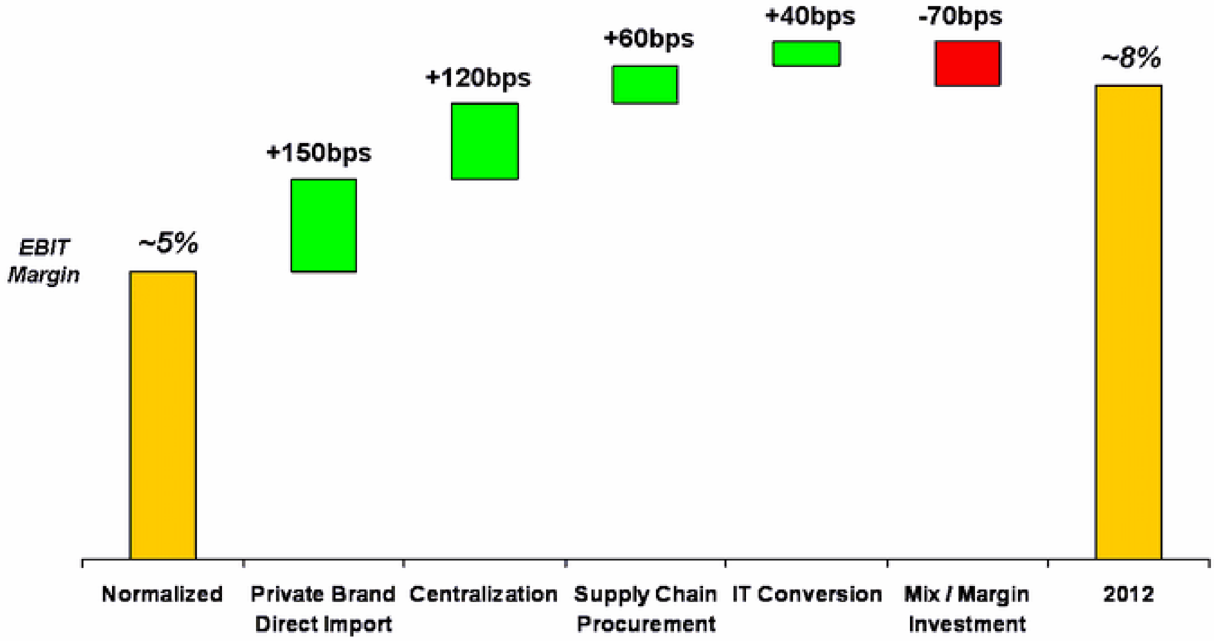
Global Margin Improvement Initiative Progress (2004 -2007)

Global margin improvement initiative progress was mostly offset by margin compression due to promotional pricing and sales mix shift



2012 Global Margin Improvement Initiative

Identified 300 basis points of potential margin improvement through the implementation of the global initiative



Global Margin Improvement Initiative Projects In-Progress

- Leverage Global Spend
- BSD Pricing
- Global Tenders NA
- Consolidation and Harmonization of Financial Services in Eastern Europe (Pre-IT and post-IT)
- Global Direct Import
- Consolidation and Harmonization of Call Centers in Europe
- Global Negotiations with Large Vendors
- Increase Scan-Based Trading Penetration
- European CDC
- Micro Matte Lighting Reflector
- Private Brand Credit Card
- Global Tenders Europe
- Pro Fees Reduction
- Furniture Destroy No Credit
- Dynamic Routing
- Health Care Redesign
- Inventory Life Cycle Management
- Optimize Coupon Offers
- Worklife Rewards Reward Restructure
- Mail-in Rebate Program Revision
- Insurance Opportunities
- DPS Automation
- Store Satellite Delivery Model
- Legal Entity Consolidation
- Increase Percentage of Electronic Orders Globally

North American Supply Chain Initiative

- Currently have two separate North American supply chains
  - 12 cross docks serving North American Retail
  - 21 distribution centers serving North American Business Solutions
- 7.2M square feet over 33 buildings
- Plan to convert to 12 combination facilities with about 7M square feet and capacity for approximately 9M square feet to accommodate growth
- Each facility will have pick/pack and flow through capability to optimize service for Retail and Business Solutions
- Move from three warehouse management systems to one
- Development period of six years as current leases expire or capacity needs arise
- New buildings to be leased

International Supply Chain Initiative

- Over the next 3-5 years, expect to reduce supply chain network from 22 to 15 facilities
- Consolidate to one warehouse management system from seven systems
- Improve global supply chain expense as a percent of sales by 2012
  - 50 basis points improvement

Information Technology Initiative

IT Environment

- IT environment costly and complex due to historical legacy and acquired systems, major acquisitions in 1998 and 2003, multiple channels and no single integrated system
  - 23 SKU databases
  - 12 Customer databases/order management systems
  - 13 Warehouse operating systems
  - Multiple hardware platforms and software packages
  - Redundant IT teams around the world to support duplicative platforms and applications

Initiative

- To simplify, consolidate, globalize and standardize processes and practices, and support them with common applications and platforms
  - The project is based on a global Oracle ERP system that replaces many separate platforms Office Depot utilized to run the entire corporation
  - Narrow the Company's many different warehouse management systems to one

Benefits

- Reduce IT costs as a percent of sales from current level of 1.7% and, coupled with other benefits, reduce costs by 40 bps+ over the next 3 to 5 years
- Enable easier integration of future business expansions and acquisitions
- Provide a consistent customer experience across the globe
- Provide better information and tools

North American Retail

North American Retail - Key Issues

- ✓ Margin erosion
- ✓ Macroeconomic impact - small business customer slowdown

North American Retail – Results & Variance Analysis

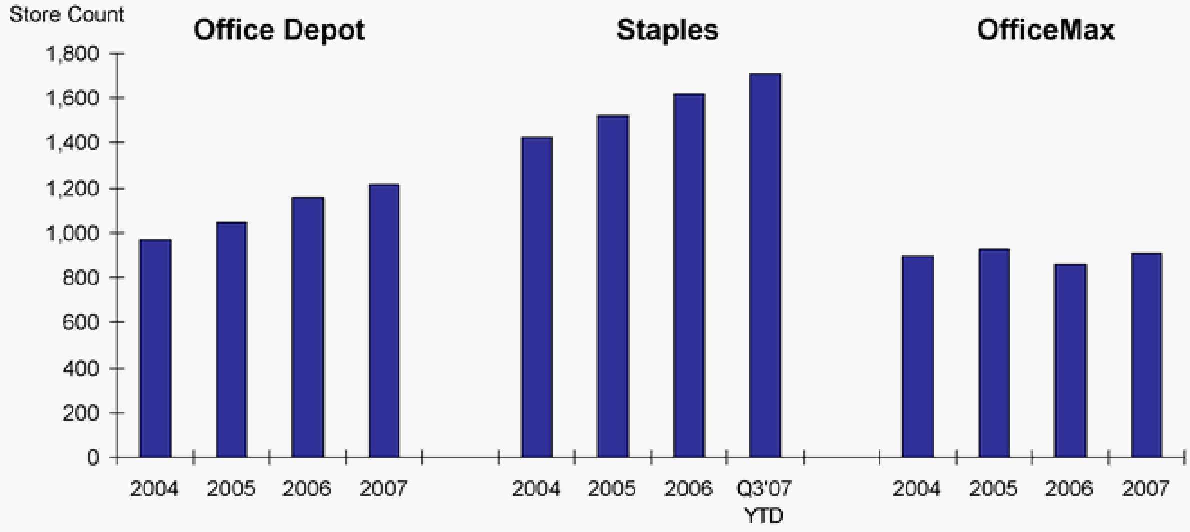
- Sales were down 3% and comparable store sales were 7% lower in the fourth quarter 2007
- Operating profit of $23 million versus $109 million one year ago as broader economic factors continued to challenge profit margins
  - Lower product margins due to promotional holiday season, sales mix, and inventory clearance
- Providing highest level of customer service - CSI scores increased year-over-year and sequentially

	Operating Margin
Q4 2006	6.3%
Vendor program funding	-200 bps
Product margins	-140 bps
Fixed property de-leveraging	-100 bps
Inventory shrink	-75 bps
Other	+25 bps
Q4 2007	1.4%

Vendor Program Funding

- Two types of agreements
  - Annual purchase
  - Over-and-above
- Fourth quarter 2007 impacts
  - Annual purchase agreements: the Company did not hit the pre-determined purchase tiers as a result of softer sales and disciplined inventory management
    - Pulling back purchases for 2007 severely impacted fourth quarter results for North American Retail and North American BSD
      - About $30 million of the impact was a true up
  - Over-and-above agreements: vendors also experiencing difficult sales environment, negatively impacted their participation in discretionary marketing investments.

North American OSS Store Trends



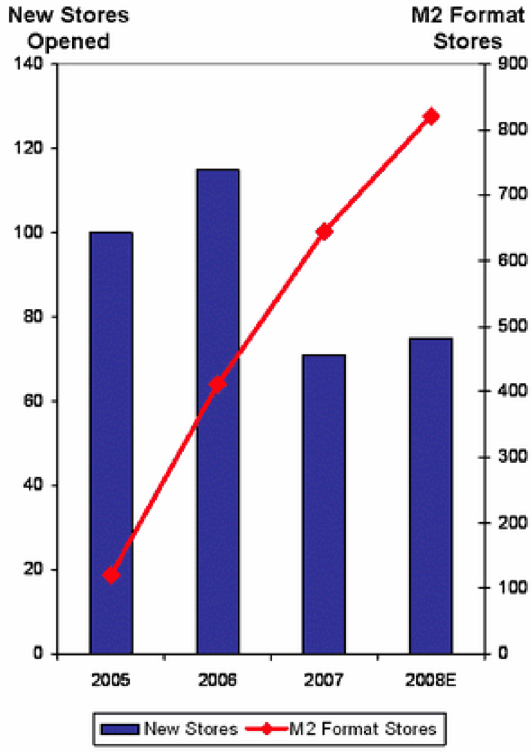
	Office Depot 2004	2005	2006	2007	Staples 2004	2005	2006	Q3'07 YTD	OfficeMax 2004	2005	2006	2007
Sq. Ft. Growth	7.6%	8.2%	10.6%	5.5%	5.0%	6.7%	6.4%	5.4%	-4.4%	3.5%	-7.3%	5.7%
Net Stores Opened	68	79	111	64	68	96	98	88	-41	31	-68	49
Cumulative Net Stores Opened	68	147	258	322	68	164	262	350	-41	-10	-78	-29

Source: Store counts are from respective Annual Reports or Quarter-end reports. New store openings are based on the difference between the total number of stores of prior year. Staples Q3 2007 YTD store count is based on Office Depot market estimates. North American locations includes Canada, Puerto Rico, and US Virgin Islands. The source for Staples and OfficeMax square footage growth data is Goldman Sachs research and Office Depot estimates.

Office DEPOT

North American Retail – Store Growth

- 1,222 total stores at the end of 2007
  - 71 opened, 7 closed
- Reducing the number of new store openings
  - Targeting about 75 stores in 2008
- M2 format store remodels
  - 177 remodels completed in 2007
  - Targeting about 100 remodels in 2008



North American Retail - M2 Store Remodels

Easier to operate and improved customer experience with low site lines and complete storewide visibility

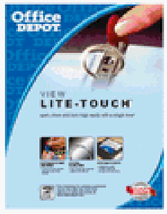
- $225K - $250K per store, much could be considered maintenance
- 645 stores were in M2 format as of year-end 2007
- Majority of remaining stores to be remodeled in next few years
- M2 remodeled stores expect to exceed hurdle rate
- Cumulative sales performance is slightly up versus control stores
- IMU positive versus control stores
- 2007 remodels performing better than 2006 remodels

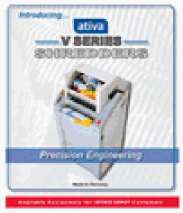
Increasing Private Brand Penetration and Direct Sourcing

Private branded products can contribute 500 to 1,000 bps to gross margin over comparable, nationally branded products. Direct import provides additional contribution

Expand Within Categories

Expand to New Categories





Build Brands

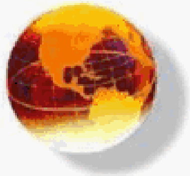
FORAY

ativa
empowering technology

Office DEPOT

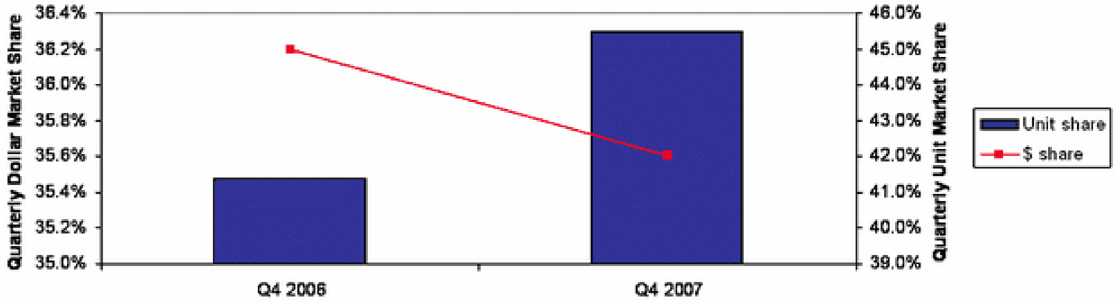
VIKING

Direct Sourcing



Opened Global Sourcing Office in Shenzhen, China

North American Retail - Market Share[1]

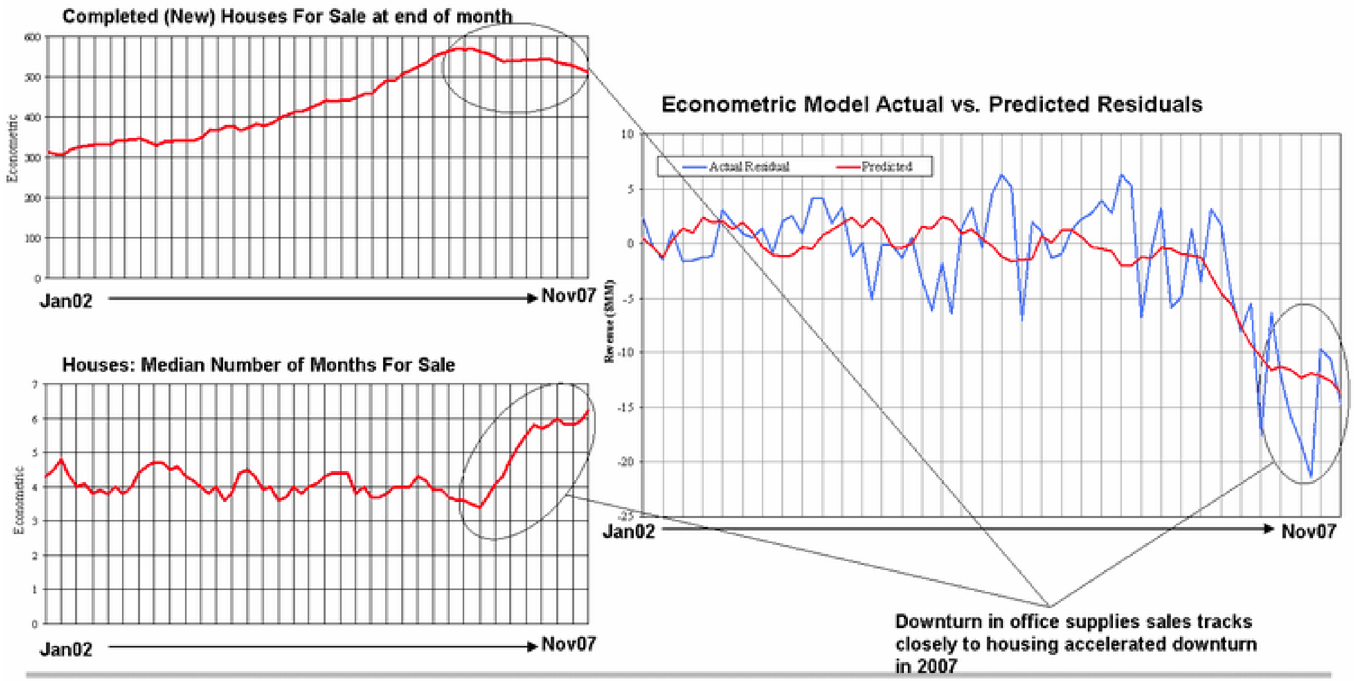


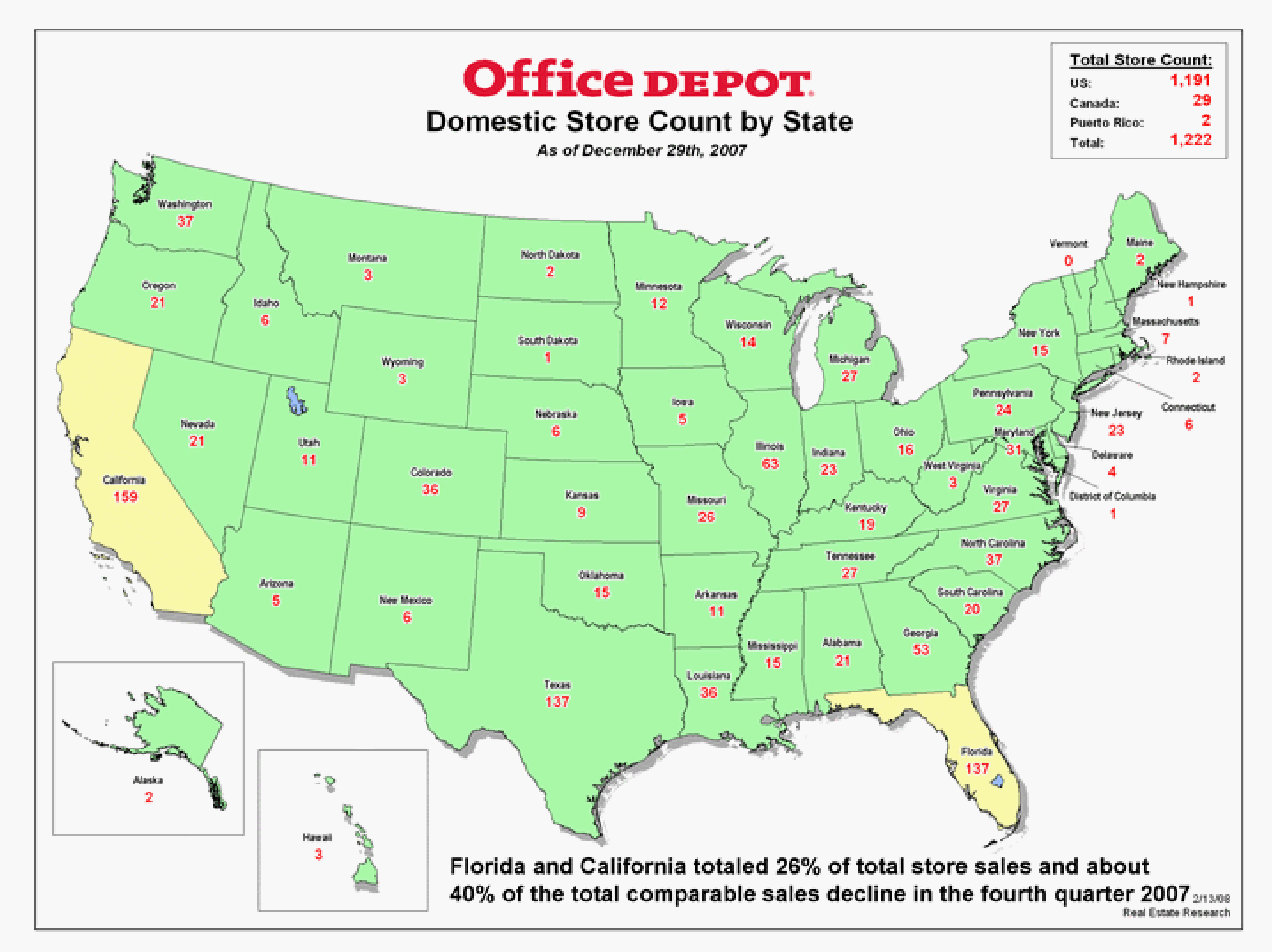
- In fourth quarter 2007, market share trends in core categories were mixed
  - Unit market share increased in all months within the office supply market versus the same period a year ago
  - Furniture had positive dollar and unit share growth, with strong unit growth in seating and lighting
  - Design, Print and Ship business, which had positive comparable sales for the quarter, also posted market share gains year-over-year in both dollars and units
  - Dollar market share was down slightly, driven primarily by technology, as the office supply competition continued to intensify their technology offerings
  - Office supplies were down slightly on both a dollar and unit share basis versus the prior year; although, successfully grew ink and toner unit share

[1] The NPD Group data

Macro Economic Conditions

Independent econometric analysis shows housing industry performance correlated to sales




Office DEPOT
Domestic Store Count by State
As of December 29th, 2007
Total Store Count:
US: 1,191
Canada: 29
Puerto Rico: 2
Total: 1,222
Washington 37
Oregon 21
California 159
Idaho 6
Nevada 21
Montana 3
Wyoming 3
Utah 11
Arizona 5
Colorado 36
New Mexico 6
North Dakota 2
South Dakota 1
Nebraska 6
Kansas 9
Oklahoma 15
Texas 137
Minnesota 12
Iowa 5
Missouri 26
Arkansas 11
Louisiana 36
Wisconsin 14
Illinois 63
Michigan 27
Indiana 23
Ohio 16
Kentucky 19
Tennessee 27
Mississippi 15
Alabama 21
Georgia 53
Florida 137
South Carolina 20
North Carolina 37
Virginia 27
West Virginia 3
Maryland 31
Pennsylvania 24
New York 15
Vermont 0
Maine 2
New Hampshire 1
Massachusetts 7
Rhode Island 2
Connecticut 6
New Jersey 23
Delaware 4
District of Columbia 1
Alaska 2
Hawaii 3
Florida and California totaled 26% of total store sales and about
40% of the total comparable sales decline in the fourth quarter 2007
2/13/08
Real Estate Research

North American Retail – Pricing Strategy

- Expand lower entry price points to improve value perception with very small business customer
- Offer a low-price guarantee which includes matching competitor pricing on identical products
- Utilize a category management framework supported by our price optimization solution, which helps us understand true customer demand and set prices across an entire category
- Customers can take advantage of significant savings across a wide range of products through various programs
  - Buy More & Save
  - Private Brands
  - Worklife Rewards™

North American Retail – Labor Strategy

- Designed to provide the appropriate levels of coverage in the following areas:
  - Customer service (sales floor assistance)
  - Tasks (receiving, stocking, planograms, cashiers, etc.)
  - Management (Store, Assistant and Department Managers)
- Payroll is allocated using labor standard derived from time studies
- Payroll allocation will fluctuate based on changes in sales volume and activities
- A staffing model is used to staff a store with an appropriate mix of full-time, part-time and management associates
- Customer service index increased sequentially during fourth quarter 2007 and achieved its highest levels since the program was introduced in 2002

North American Retail – Taking Care of Business

- Focusing on improving product value offerings for our micro-business customers, especially in core supplies:
  - Having the products in stock to meet customer demand
  - Modifying assortment to deliver increased value
- Growing loyalty program to provide a stronger value proposition for our micro-business customers:
  - Successfully relaunched Worklife Rewards™ customer loyalty program in third quarter 2007
  - Launched Worklife Rewards™ Visa card in November
- Enhancing service offerings to complement product assortment:
  - DPS experienced sales growth in fourth quarter 2007
  - Tech Depot service became available at the customers' work or home locations in fourth quarter 2007

North American Business Solutions

North American Business Solutions – Key Issues

- ✓ Direct channel - losing sales in small-sized customer base
- ✓ Former Allied customer and key sales people recovery continues
- ✓ Largest but lowest margin customers have been growing at the fastest rate
- ✓ Coverage and retention issues exist with small- to medium-sized customers
- ✓ Existing incentive system limits accountability and P&L responsibility
- ✓ Strong focus on acquiring new customers but not enough emphasis on growing positions with existing customers
- ✓ Sales organization is often engaged in non-productive activities
- ✓ Need more effective marketing

North American BSD – Results & Variance Analysis

- Sales were down 4% in the fourth quarter 2007
  - Sales to small- to mid-size customers down 13%
  - Partially offset by 5% sales growth with large, national account customers and 10% growth in sales to public sector
- Operating profit of $1 million versus $72 million one year ago

	Operating Margin
Q4 2006	**6.5%**
Customer mix	**-230 bps**
Vendor program funding	**-220 bps**
Inventory clearance reserves & returned product	**-160 bps**
Product cost increases	**-80 bps**
Other	**+50 bps**
Q4 2007	**0.1%**

North American BSD – Taking Care of Business

- Developing a detailed contact strategy to optimize penetration of existing customers:
  - Pilot is underway, targeting national rollout in third quarter 2008
- Direct marketing program redesign underway:
  - Launched new telephone account management (TAM) structure and strategy
  - Revising catalog marketing strategy
  - Improving on-line marketing efficiency and effectiveness
- Implementing specific margin-enhancement initiatives that expect to show results early in 2008:
  - Placing stricter controls on account-level pricing decisions
  - Piloting simplified customer price plans

Customer Segmentation / Strategies

Micro customers: 1-9 employees

- Retail action plan

Small customers: 10-20 employees

- Remix catalog products / pricing
- Remodel catalog mailing depth and frequency
- Fix telephone account management (TAM)
- Add telephone account managers
- Add third party sales force “Feet on the Street”

Customer Segmentation / Strategies (continued)

Medium customers: 20-100 employees

- Remodel catalog mailing depth and frequency
- Add telephone account managers
- Add third party sales force “Feet on the Street”
- Add prospecting from business development managers (BDM’s)
- Add solutions

Large customers: 100+ employees

- Contract
- Prioritize BDM activities
- Refocus account managers to deepen share of wallet
- Add solutions

International

International - Key Issues

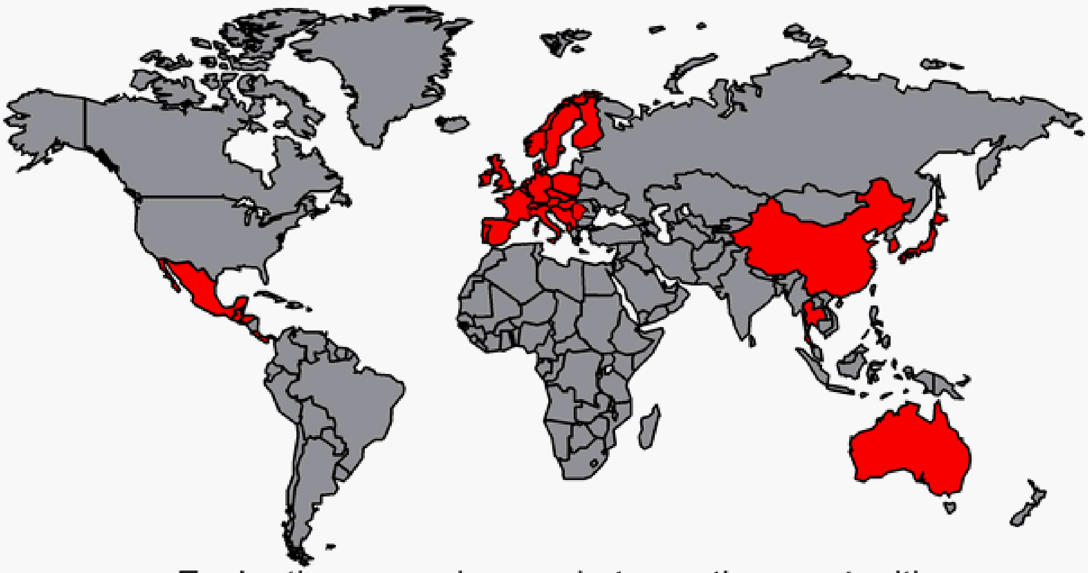
- ✓ Margin erosion
- ✓ U.K. performance - Early signs of economic slowdown

International – Results & Variance Analysis

- Sales were up 12% in the fourth quarter 2007
  - Local currency organic sales were up 2%
- Operating profit was $60 million versus $77 million one year ago due primarily to weaker U.K. performance

	Operating Margin
Q4 2006	7.6%
U.K. performance	-105 bps
Investment spending	-85 bps
Customer mix	-40 bps
Q4 2007	5.3%

International - Global Strategy



- Evaluating emerging market growth opportunities
- Would consider partners with local expertise
- No large acquisition – too much integration risk

International – Taking Care of Business

- Improving service in the U.K. and adjusting to slowing economy
  - Isolated some controllable issues related to delivery service levels and are taking corrective steps
  - Rolling out certain technology solutions throughout our distribution and transportation operations
  - Expand share of wallet among small users
- Improving productivity in existing businesses
  - Successfully transitioned the first wave of back-office accounting functions (U.K.) to shared service center in Eastern Europe
  - Continued progress on consolidation of European call centers
  - Consolidating distribution center footprint in Europe
- Leveraging Global Sourcing Office to increase direct import and drive private brand penetration in Europe and Asia
  - Central Distribution Center launched in Europe
  - Received first containers of goods from China in December
  - Expect benefits to ramp through the year

Financial Results / Capital Structure

Financial Guidelines

- Drive profitable growth
- Increase free cash flow and margins
- Culture of thrift
- Streamline operations
- Disciplined capital management
- Economic value added mindset

Financial Model

- Base Case
  - Mid- to upper- single digit top-line growth
  - Very low single digit North American Retail comps
  - Some gross margin expansion
  - Some expense leverage
  - Share buybacks with excess cash flow
  - Solid mid-teens EPS growth
- Upside
  - Store expansion
  - Contract sales force and telephone account manager growth
  - Category management
  - Private brand expansion
  - Direct sourcing acceleration
  - Cost containment efforts
  - Leverage from supply chain cost control

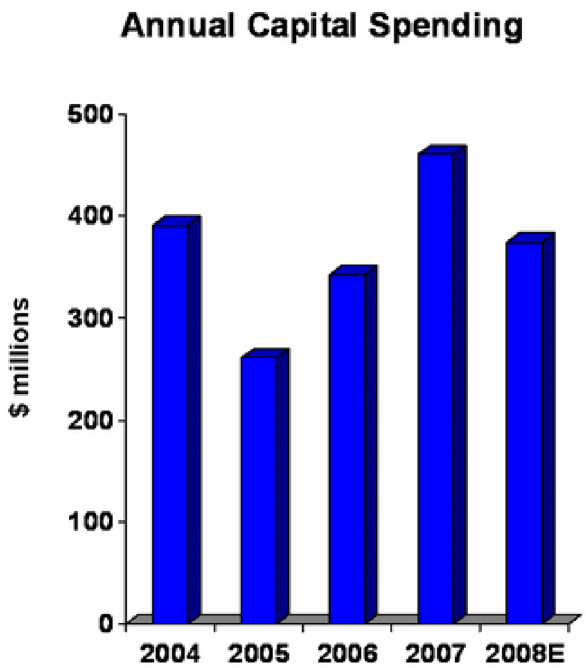
Capital Structure

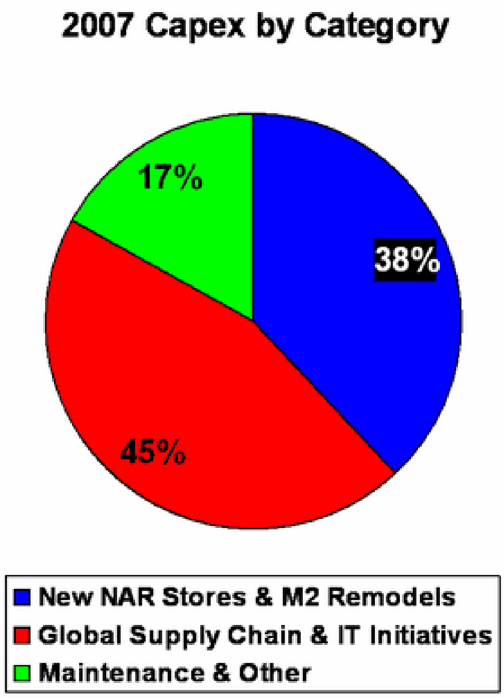
(in billions, except ratios)	**2007**
Long-Term Debt, Net	$0.6
Imputed Debt (using 8x rent)	$4.2
Total Adjusted Debt	$4.8
Adjusted Debt / Enterprise Value	57%
Adjusted Debt / Total Capital	61%

Why not lever up and buy back shares?

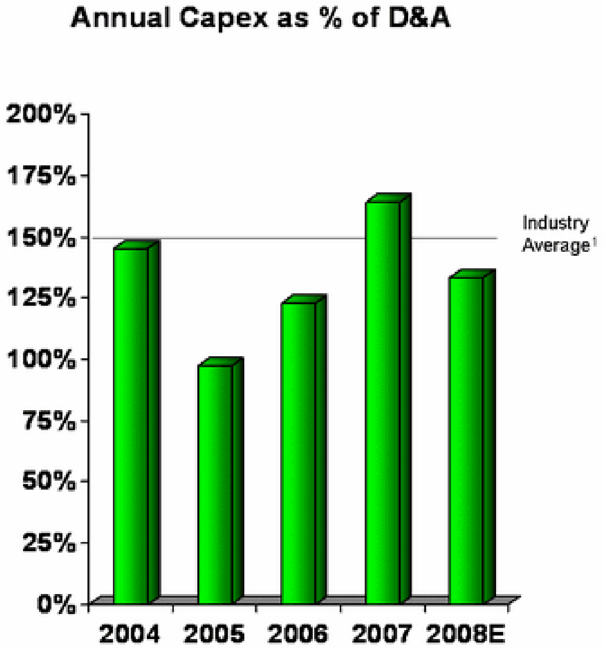
- Engaged four different investment banking firms to analyze capital structure and they advised management to maintain current structure for multiple reasons
  - Funding cost is lower - lower interest expense
  - Access to more sources of liquidity - long term bond markets
  - Less restrictive covenants and no call on assets
  - More flexibility to fund internal growth, share repurchases and acquisitions
  - Lower operating lease costs
  - Business has proven to be cyclical – need more flexibility

Capital Spending Summary

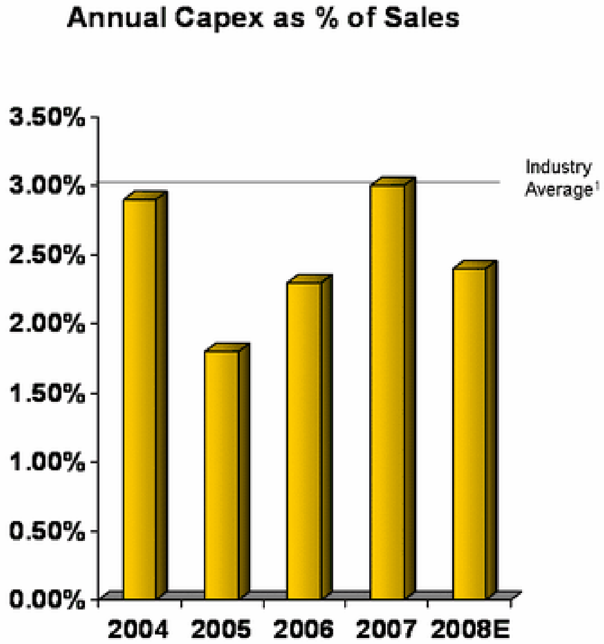




Capital Spending Summary



Note: 2007 D&A used for 2008 estimate



Note: Consensus estimates used for 2008 sales

[1] Average of 16 retailers for 2006

Consolidated Financials – Fourth Quarter 2007

in millions, except ratios, returns and per share data	Q4 2007		Q4 2006		B/W	
	Amount	**% Sales**	**Amount**	**% Sales**	**%**	**bps**
Sales	$3,867	--	$3,843	--	1%	--
Operating Expense[1]	$1,020	26.3%	$ 996	25.9%	-2%	-40 bps
EBIT[1]	$ 6	0.2%	$ 201	5.2%	-97%	-500 bps
Net Earnings[1]	$ 27	0.7%	$ 143	3.7%	-81%	-300 bps
Net Earnings - GAAP	$ 19	0.5%	$ 127	3.3%	-85%	-280 bps
Diluted Shares	273.3	--	280.4	--	-3%	--
EPS – GAAP	$ 0.07	--	$ 0.45	--	-84%	--
EPS[1]	$ 0.10	--	$ 0.51	--	-80%	--

[1]Non-GAAP numbers. A reconciliation of GAAP to non-GAAP numbers can be found on the Office Depot web site at www.officedepot.com.

2007 Financial Summary

in millions, except ratios, returns and per share data	2007		2006		B/W	
	Amount	**% Sales**	**Amount**	**% Sales**	**%**	**bps**
Sales	$15,528	--	$ 15,011	--	3%	--
EBIT[1]	$ 551	3.5%	$ 802	5.3%	-31%	-180 bps
Net Earnings[1]	$ 424	2.7%	$ 546	3.6%	-22%	-90 bps
Net Earnings - GAAP	$ 396	2.5%	$ 503	3.4%	-21%	-90 bps
Diluted Shares	275.9	--	287.7	--	-4%	--
EPS – GAAP	$ 1.43	--	$ 1.75	--	-18%	--
EPS[1]	$ 1.54	--	$ 1.90	--	-19%	--
ROIC[1]	11.3%	--	15.4%	--	--	-410 bps
ROE[1]	15.2%	--	21.4%	--	--	-620 bps

[1]Non-GAAP numbers. A reconciliation of GAAP to non-GAAP numbers can be found on the Office Depot web site at www.officedepot.com.

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Charges

in millions

	Q4 2007	Q4 2006	Program to Date	2008	2009	Total
Income Statement Charges	$ 15	$ 31	$ 385	$ 62	$ 23	$ 470
Cash Flow Impact						
Cash	$ 12	$ 9	$ 131	$ 47	$ 22	$ 200
Non-Cash	$ 3	$ 22	$ 254	$ 15	$ 1	$ 270

During the third quarter of 2005, we announced a number of material charges relating to asset impairments, exit costs and other operating decisions (the "Charges"). This announcement followed a wide-ranging assessment of assets and commitments which began in the second quarter of 2005. We indicated that these actions would continue to impact our results for several years, and expenses associated with future activities would be recognized as the individual plans are implemented and the applicable accounting recognition criteria are met. As with any estimate, the amounts may change when expenses are incurred.

Cash Flow Highlights

in millions	2007	2006	% Change
Net Cash Provided by Operating Activities	$ 411	$ 827	-50%
Depreciation & Amortization	$ 281	$ 279	1%
EBITDA[1]	$ 814	$ 1,061	-23%
CAPEX	$ 461	$ 343	34%
Free Cash Flow (Use) - Before Share Repurchases	$ -50	$ 484	-110%
Share Repurchases	$ 200	$ 971	-79%
Acquisitions	$ 48	$ 248	-81%

[1]Non-GAAP numbers. A reconciliation of GAAP to non-GAAP numbers can be found on the Office Depot web site at www.officedepot.com.

Balance Sheet Highlights

in millions, except ratios and returns	2007	2006	% Change
Inventory Per Store (end of period)	$ 0.960	$ 0.935	3%
Inventories	$ 1,718	$ 1,540	12%
Working Capital[1]	$ 727	$ 347	110%
Working Capital as a % of Sales[2]	3.5%	2.5%	100 bps
Net Debt (end of period)	$ 593	$ 445	33%
Return on Invested Capital, Adjusted[3]	11.3%	15.4%	-410 bps
Return on Equity, Adjusted[3]	15.2%	21.4%	-620 bps

[1] WC = (current assets – cash and short-term investments) – (current liabilities – current maturities of long-term debt)

[2] WC as % of Sales = ((WC Q4 current year + WC Q4 prior year) / 2) / Trailing four quarter sales

[3] Non-GAAP numbers. A reconciliation of GAAP to non-GAAP numbers can be found on the Office Depot web site at www.officedepot.com.

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