NATIONAL ASSOCIATION OF INVESTORS CORPORATION
NAIC
INVESTMENT EDUCATION FOR INDIVIDUALS AND CLUBS SINCE 1951

Stock Selection Guide ®

The most widely used aid to good investment judgment

Company HOME DEPOT INC   Date 03-18-05
Prepared by RK   Data taken from NAIC Data
Where traded NYSE   Major product/service Home Improv

CAPITALIZATION --- Outstanding Amounts   Reference

Preferred($M)	0,0	% Insiders	% Institution
Common(M Shares)	2.195.000,0	0,0	0,0
Debt($M) 2.148.000,0	% to Tot.Cap. 0,0	% Potential Dil.	None

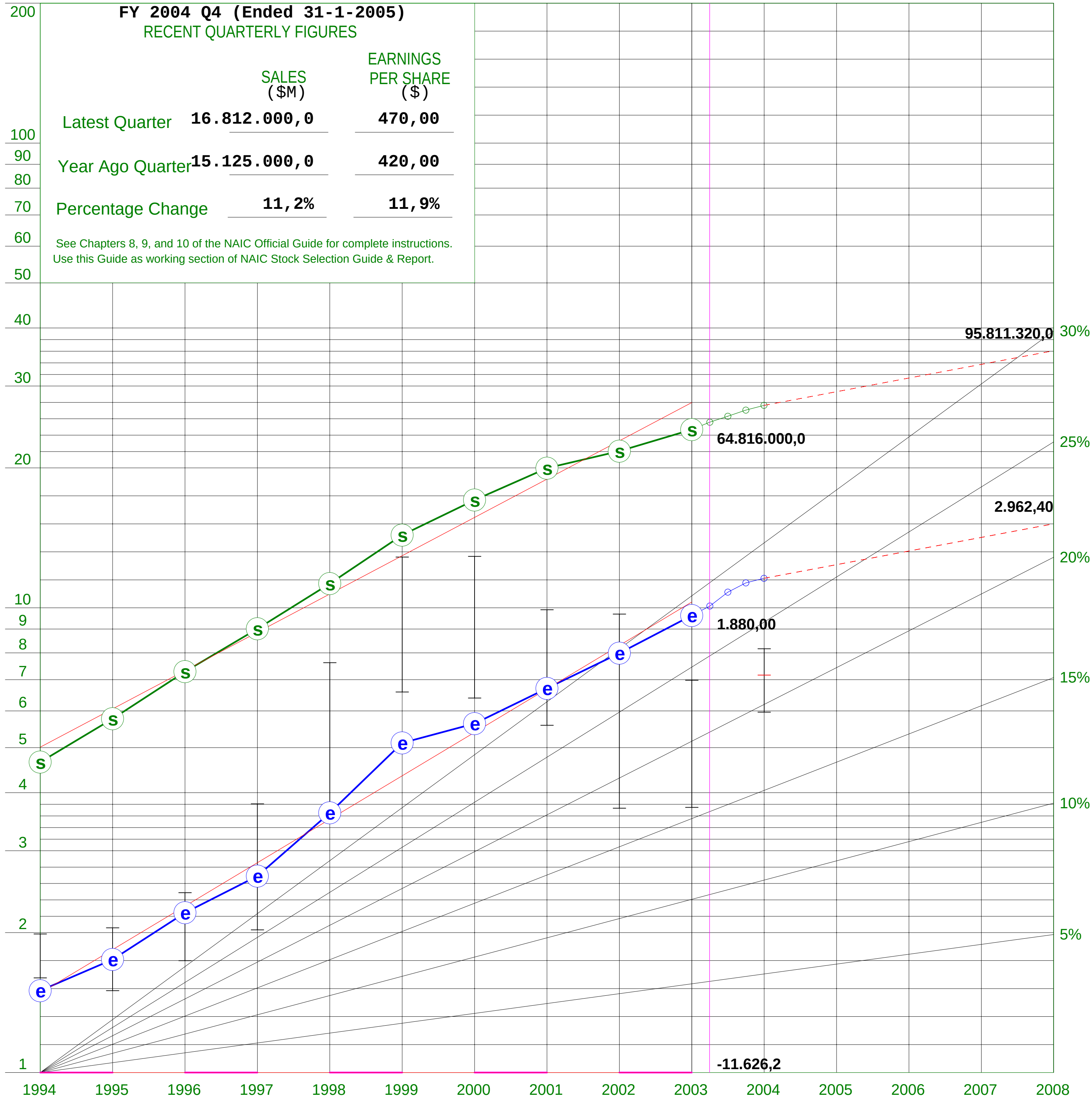
HD

1 VISUAL ANALYSIS of Sales, Earnings and Price

FY 2004 Q4 (Ended 31-1-2005)
RECENT QUARTERLY FIGURES

	SALES ($M)	EARNINGS PER SHARE ($)
Latest Quarter	16.812.000,0	470,00
Year Ago Quarter	15.125.000,0	420,00
Percentage Change	11,2%	11,9%

See Chapters 8, 9, and 10 of the NAIC Official Guide for complete instructions.
Use this Guide as working section of NAIC Stock Selection Guide & Report.



(1) Historical Sales Growth 20,9 %
(2) Estimated Future Sales Growth 7,0 %
(3) Historical Earnings Per Share Growth 24,0 %
(4) Estimated Future Earnings Per Share Growth 7,0 %

Printed: 03-21-05 10:03 Prepared by: RK Using The NAIC Investor's Toolkit

2 EVALUATING MANAGEMENT

Company HOME DEPOT INC (HD) 03-18-05

		1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	LAST 5 YEAR AVG.	TREND UP	TREND DOWN
A	% Pre-tax Profit on Sales (Net Before Taxes ÷ Sales)	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	EVEN	EVEN
B	% Earned on Equity (E/S ÷ Book Value)	17,4	14,7	15,6	16,0	17,9	18,7	17,0	17,0	18,1	18,9	17,9	UP	

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is a building block for translating earnings into future stock prices.

PRESENT PRICE 38.880,000 HIGH THIS YEAR 44.300,000 LOW THIS YEAR 32.340,000

	Year	A PRICE HIGH	B PRICE LOW	C Earnings Per Share	D Price Earnings Ratio HIGH A ÷ C	E Price Earnings Ratio LOW B ÷ C	F Dividend Per Share	G % Payout F ÷ C X 100	H % High Yield F ÷ B X 100
1	1999	69.750,0	~~35.750,0~~	1.000,00	~~69,8~~	~~35,8~~	113,000	11,3	0,3
2	2000	70.000,0	~~34.688,0~~	1.100,00	~~63,6~~	~~31,5~~	160,000	14,5	0,5
3	2001	53.730,0	30.300,0	1.310,00	~~41,0~~	~~23,1~~	170,000	13,0	0,6
4	2002	52.600,0	20.100,0	1.560,00	33,7	12,9	210,000	13,5	1,0
5	2003	37.890,0	20.180,0	1.880,00	20,2	10,7	260,000	13,8	1,3
6	TOTAL		70.580,0		53,9	23,6		66,1	
7	AVERAGE		23.526,7		27,0	11,8		13,2	
8	AVERAGE PRICE EARNINGS RATIO		19,4	9	CURRENT PRICE EARNINGS RATIO		17.204,0		

Proj. P/E [16,08] Based on Next 4 qtr. EPS [2418,20] Current P/E Based on Last 4 qtr. EPS [2260,00]

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE -- NEXT 5 YEARS

Avg. High P/E 27,0 (3D7 as adj.) X Estimate High Earnings/Share 2.962,40 = Forecast High Price $ 79.984,8 (4A1)

B LOW PRICE -- NEXT 5 YEARS

(a) Avg. Low P/E ~~11,8~~ 11,0 (3E7 as adj.) X Estimated Low Earnings/Share 1.880,00 = $ 20.680,0

(b) Avg. Low Price of Last 5 Years = 23.526,7 (3B7)

(c) Recent Severe Market Low Price = 20.100,0

(d) Price Dividend Will Support Present Divd. / High Yield (H) = 400,000 / 0,013 = 31.046,2

Selected Estimate Low Price = $ 23.526,7 (4B1)

C ZONING

79.984,8 (4A1) High Forecast Price Minus 23.526,7 (4B1) Low Forecast Price Equals 56.458,1 (C) Range. 1/3 of Range = 18.819,4 (4CD)

(4C2) Lower 1/3 = (4B1) 23.526,7 to 42.346,1 (Buy)

(4C3) Middle 1/3 = 42.346,1 to 61.165,4 (Maybe)

(4C4) Upper 1/3 = 61.165,4 to 79.984,8 (4A1) (Sell)

Present Market Price of 38.880,000 is in the Buy (4C5) Range

D UP-SIDE DOWN-SIDE RATIO (Potential Gain vs. Risk of Loss)

High Price (4A1) 79.984,8 Minus Present Price 38.880,000 / Present Price 38.880,000 Minus Low Price (4B1) 23.526,7 = 41.104,8 / 15.353,3 = 2,7 (4D) To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

High Price (4A1) 79.984,8 / Present Market Price 38.880,000 = (2,057) X 100 = (205,7) - 100 = 105,7 (4E) % Appreciation

Relative Value: 88.680,4% Proj. Relative Value: 82,9%

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

Note: Results are expressed as a simple rate; use the table below to convert to a compound rate.

A Present Full Year's Dividend $ 400,000 / Present Price of Stock $ 38.880,000 = 0,010 X 100 = 1,0 (5A) Present Yield or % Returned on Purchase Price

B AVERAGE YIELD OVER NEXT 5 YEARS

Avg. Earnings Per Share Next 5 Years 2.587,47 X Avg. % Payout (3G7) 13,2 = 34.154,6 / Present Price $ 38.880,000 = 0,9 % (5B)

C ESTIMATED AVERAGE ANNUAL RETURN OVER NEXT FIVE YEARS

5 Year Appreciation Potential (4E) 105,7 / 5 = 21,1 %

Average Yield (5B) 0,9 %

Average Total Annual Return Over the Next 5 Years (5C) 22,0 %

	P.A.R.	Tot. Ret.
Average Yield	0,7%	0,5%
Annual Appreciation	10,0%	20,5%
% Compd Ann Rate of Ret	10,7%	21,0%

Portfolio Management Guide

NATIONAL ASSOCIATION OF INVESTORS CORPORATION
NAIC
INVESTMENT EDUCATION FOR INDIVIDUALS AND CLUBS SINCE 1951

See Chapter 16 of the Investors Manual for instructions on the use of this guide.

Stock HOME DEPOT INC　　Analyst RK

1 PRICE EARNINGS ZONES

Refer to Section 3, columns D and E, Line 7, of your Stock Selection Guide study of this company for the information in columns 2 and 3 below.

1	2	3	4	5	6
YEAR	Average Price Earnings Ratios for Previous Five Years		Sum of Cols. 2 and 3	Column 4 Divided by 2	Column 5 Multiplied by 1½
	High	Low		Low P/E Guide Line	High P/E Guide Line
2000	40,3	24,0	64,3	32,2	48,2
2001	43,0	24,0	67,0	33,5	50,2
2002	49,1	25,1	74,2	37,1	55,6
2003	46,1	20,9	67,0	33,5	50,2
2004	27,0	11,8	38,8	19,4	29,1

2 PRICE ZONES

See Section 4C of Stock Selection Guide. 1 below is top of Buy Zone. 2 Below is bottom of Sell Zone

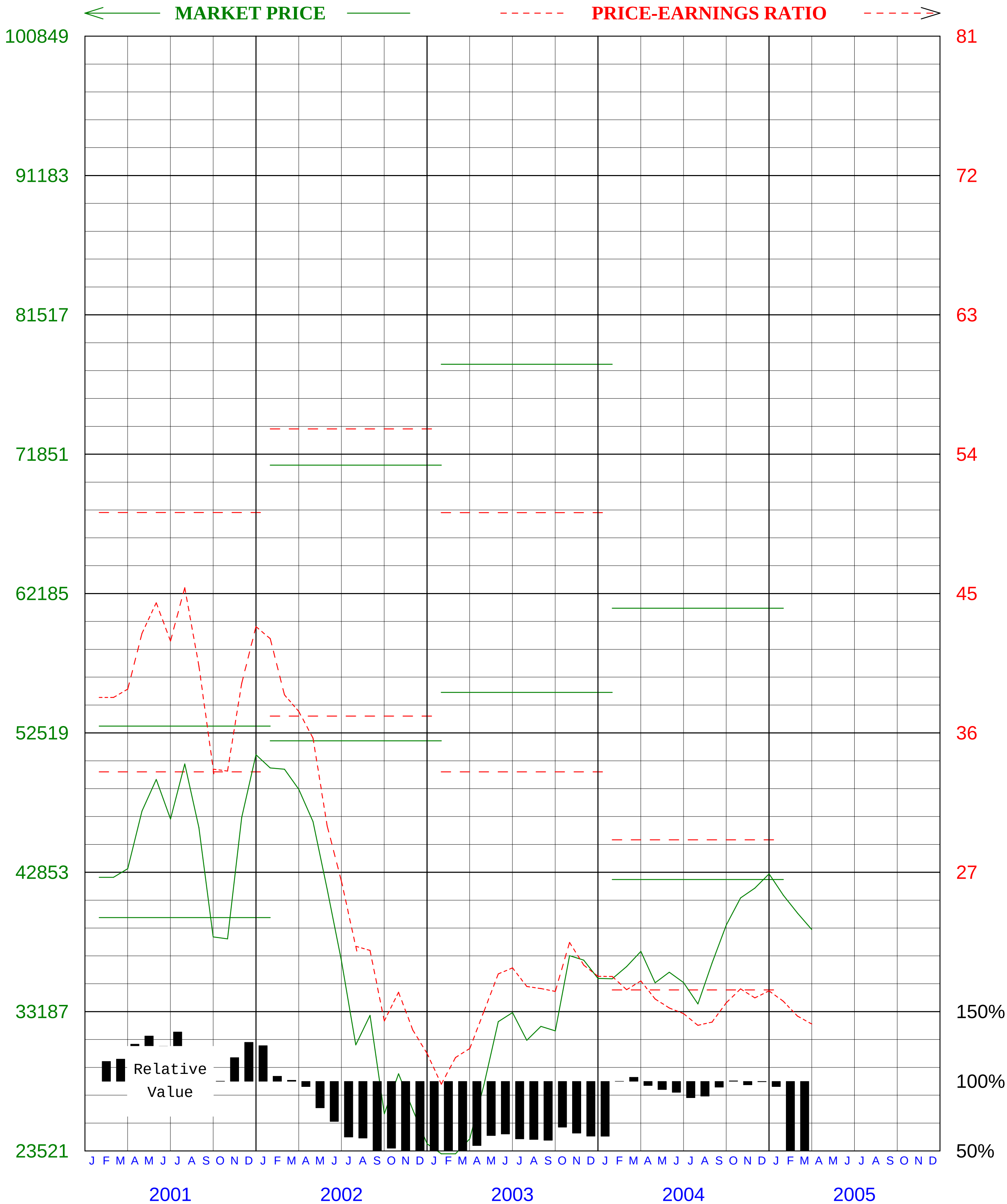
YEAR	1. Consider Buying Below	2.Consider Selling Above
2000	34.837,3	45.708,4
2001	39.708,1	52.991,8
2002	51.970,8	71.090,2
2003	55.331,6	78.088,0
2004	42.346,1	61.165,4

3 CUMULATIVE EARNINGS AND CURRENT PRICE-EARNINGS RATIO COMPUTATIONS

1	2	3	4	5	6	7	8	9	10	11	12
3 Months Ending	Earnings per Share	Total Earnings for last 4 Quarters	Date	Price	P/E Ratio at Time of Meeting	Date	Price	P/E Ratio at Time of Meeting	Date	Price	P/E Ratio at Time of Meeting
04-00	270,00		05-00	48.812,00		06-00	49.938,00		07-00	51.750,00	
07-00	360,00		08-00	48.062,00		09-00	53.062,00		10-00	43.000,00	
10-00	280,00		11-00	39.188,00		12-00	45.688,00		01-01	48.200,00	
01-01	200,00	1.110,00	02-01	42.500,00	38,3	03-01	43.100,00	38,8	04-01	47.100,00	42,4
04-01	270,00	1.110,00	05-01	49.290,00	44,4	06-01	46.550,00	41,9	07-01	50.370,00	45,4
07-01	390,00	1.140,00	08-01	45.950,00	40,3	09-01	38.370,00	33,7	10-01	38.230,00	33,5
10-01	330,00	1.190,00	11-01	46.650,00	39,2	12-01	51.010,00	42,9	01-02	50.090,00	42,1
01-02	310,00	1.300,00	02-02	50.000,00	38,5	03-02	48.610,00	37,4	04-02	46.370,00	35,7
04-02	360,00	1.390,00	05-02	41.690,00	30,0	06-02	36.730,00	26,4	07-02	30.880,00	22,2
07-02	500,00	1.500,00	08-02	32.930,00	22,0	09-02	26.100,00	17,4	10-02	28.880,00	19,3
10-02	400,00	1.570,00	11-02	26.400,00	16,8	12-02	24.020,00	15,3	01-03	20.900,00	13,3
01-03	300,00	1.560,00	02-03	23.450,00	15,0	03-03	24.360,00	15,6	04-03	28.130,00	18,0
04-03	390,00	1.590,00	05-03	32.490,00	20,4	06-03	33.120,00	20,8	07-03	31.200,00	19,6
07-03	560,00	1.650,00	08-03	32.160,00	19,5	09-03	31.850,00	19,3	10-03	37.070,00	22,5
10-03	500,00	1.750,00	11-03	36.760,00	21,0	12-03	35.490,00	20,3	01-04	35.470,00	20,3
01-04	420,00	1.870,00	02-04	36.310,00	19,4	03-04	37.360,00	20,0	04-04	35.190,00	18,8
04-04	490,00	1.970,00	05-04	35.920,00	18,2	06-04	35.200,00	17,9	07-04	33.720,00	17,1
07-04	700,00	2.110,00	08-04	36.560,00	17,3	09-04	39.200,00	18,6	10-04	41.080,00	19,5
10-04	600,00	2.210,00	11-04	41.750,00	18,9	12-04	42.740,00	19,3	01-05	41.260,00	18,7
01-05	470,00	2.260,00	02-05	40.020,00	17,7	03-05	38.880,00	17,2	04-05		
04-05			05-05			06-05			07-05		
07-05			08-05			09-05			10-05		
10-05			11-05			12-05			01-06		
01-06			02-06			03-06			04-06		

Company: HOME DEPOT INC (HD)

4 CHART OF PRICES AND PRICE-EARNINGS RATIO



Printed: 03-21-05 10:04 Prepared by: RK Using The NAIC Investor's Toolkit

NATIONAL ASSOCIATION OF INVESTORS CORPORATION
INVESTMENT EDUCATION FOR INDIVIDUALS AND CLUBS SINCE 1951

PERT Worksheet-A

Company HOME DEPOT INC (HD)

QUARTERLY DATA

PERIOD	EPS $	EPS % CHANGE	PRE-TAX PROFIT $ MIL	PRE-TAX PROFIT % SALES	PRE-TAX PROFIT % CHANGE	SALES $ MIL	SALES % CHANGE	INCOME TAX RATE
04-00	270,00	1.02	7.000,00	9,2	11.	112.000,00		38.113,0
07-00	360,00	1.36	9.000,00	10,8	12.	619.000,00		38.150,0
10-00	280,00	1.06	2.000,00	9,2	11.	544.000,00		37.989,0
01-01	200,00	75	9.000,00	7,3	10.	463.000,00		38.050,0
04-01	270,00	1,03	0.000,00	8,4	0,23.	200.000,00	9,8	38.477,0
07-01	390,00	1,50	4.000,00	10,3	9,4.	576.000,00	15,5	38.933,0
10-01	330,00	17,26	7.000,00	9,5	19,3.	289.000,00	15,1	38.740,0
01-02	310,00	55,20	1.000,00	8,9	58,2.	488.000,00	28,9	39.136,0
04-02	360,00	33,37	2.000,00	9,6	33,2.	282.000,00	17,1	37.945,0
07-02	500,00	28,89	4.000,00	11,6	25,9.	277.000,00	11,7	37.619,0
10-02	400,00	21,50	7.000,00	10,4	18,9.	475.000,00	8,9	37.810,0
01-03	300,00	-3,29	9.000,00	8,3	-8,5.	213.000,00	-2,0	36.970,0
04-03	390,00	8,34	2.000,00	9,5	5,1.	104.000,00	5,8	37.876,0
07-03	560,00	12,06	5.000,00	11,5	9,0.	989.000,00	10,5	37.573,0
10-03	500,00	25,92	3.000,00	11,0	21,0.	598.000,00	14,7	37.274,0
01-04	420,00	40,51	3.000,00	10,0	37,7.	125.000,00	14,5	36.986,0
04-04	490,00	25,64	2.000,00	9,9	20,8.	550.000,00	16,2	36.711,0
07-04	700,00	25,45	4.000,00	12,3	18,9.	960.000,00	11,0	36.846,0
10-04	600,00	20,06	0.000,00	11,0	13,0.	772.000,00	13,1	35.951,0
01-05	470,00	11,05	6.000,00	9,9	9,6.	812.000,00	11,2	37.589,0

LAST 12 MONTHS DATA

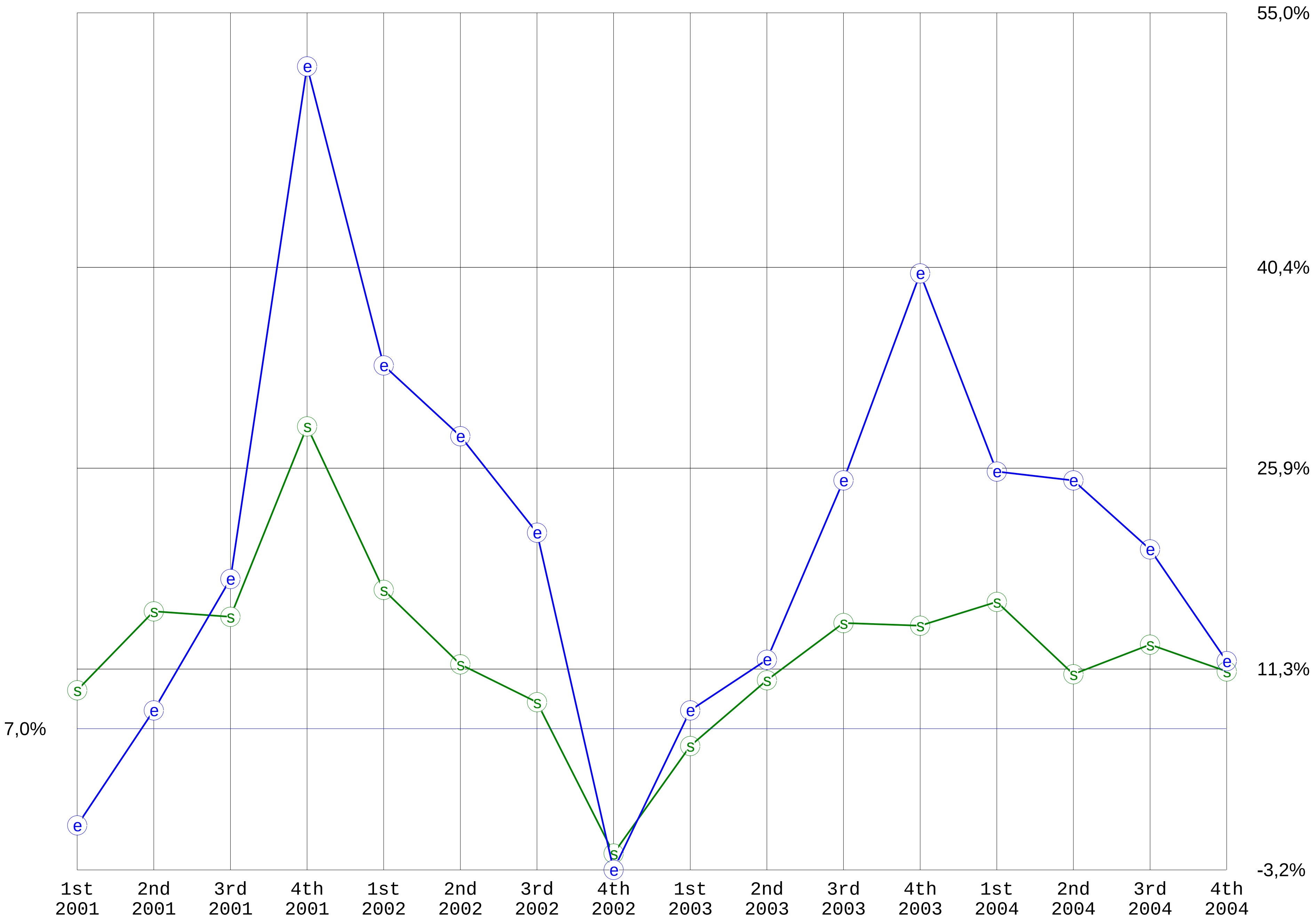
PERIOD	EPS $	PRE-TAX PROFIT $ MIL	PRE-TAX PROFIT % SALES	SALES MIL	INCOME TAX $ MIL	INCOME TAX % RATE	% CHANGE EPS	% CHANGE PRE-TAX PROFIT	% CHANGE SALES
04-00						38.353,0			
07-00						38.282,2			
10-00						38.171,2			
01-01	1.110,40.2	17.000,00	9,452.	738.1.060,5.	644.000,0	38.075,5			
04-01	1.110,40.2	20.000,00	9,460.	826.1.061,0.	626.000,0	38.166,5			
07-01	1.140,40.3	55.000,00	8,49.	783.1.067,0.	676.000,0	38.362,2			
10-01	1.190,40.5	60.000,00	9,50.	528.1.075,7.	880.000,0	38.550,0			
01-02	1.300,50.0	02.000,00	9,53.	553.1.094,1.	851.000,0	38.821,5	17,1	18,6	17,1
04-02	1.390,50.3	44.000,00	9,56.	635.2.006,7.	513.000,0	38.688,5	25,2	26,6	18,8
07-02	1.500,50.7	34.000,00	10,57.	336.2.019,9.	562.000,0	38.360,0	31,6	31,7	17,5
10-02	1.570,50.9	74.000,00	10,582.	522.2.027,7.	737.000,0	38.127,5	31,9	31,0	15,8
01-03	1.560,50.8	72.000,00	10,581.	247.2.020,7.	050.000,0	37.586,0	20,0	17,4	8,8
04-03	1.590,50.9	42.000,00	10,591.	069.2.023,2.	335.000,0	37.568,8	14,4	11,2	6,2
07-03	1.650,60.1	13.000,00	10,601.	781.2.029,5.	875.000,0	37.557,2	10,0	6,6	6,0
10-03	1.750,60.4	29.000,00	10,622.	904.2.040,5.	941.000,0	37.423,2	11,5	7,6	7,5
01-04	1.870,60.8	43.000,00	10,646.	816.2.056,1.	147.000,0	37.427,2	19,9	16,5	11,3
04-04	1.970,70.1	43.000,00	10,676.	262.2.065,2.	624.000,0	37.136,0	23,9	20,2	13,9
07-04	2.110,70.5	32.000,00	10,699.	233.2.078,3.	394.000,0	36.954,2	27,9	23,2	13,9
10-04	2.210,70.7	69.000,00	10,719.	407.2.084,5.	280.000,0	36.623,5	26,3	20,8	13,5
01-05	2.260,70.9	12.000,00	10,738.	094.2.090,9.	579.000,0	36.774,2	20,9	15,6	12,8

A B C D E F G H I J K L M N O P Q R S T

Quarterly Data Points

PERT Worksheet-A Graph

Company HOME DEPOT INC (HD)



NATIONAL ASSOCIATION OF INVESTORS CORPORATION

INVESTMENT EDUCATION FOR INDIVIDUALS AND CLUBS SINCE 1951

PERT Worksheet-B

Company HOME DEPOT INC Symbol HD

		PRICE RANGE		P/E RATIO		5 YR AVG P/E RATIO				% PAYOUT		
YEAR	EPS	HIGH	LOW	HIGH	LOW	HIGH	AVG	LOW	DIV/ SHARE	THIS YEAR	5 YR AVG	% HIGH YIELD
1994	293,00	10.778,0	8.667,0	36,8	29,6				33,000	11,3		,4
1995	342,00	11.111,0	8.139,0	32,5	23,8				42,000	12,3		,5
1996	431,00	13.222,0	9.444,0	30,7	21,9				51,000	11,8		,5
1997	517,00	20.542,0	11.000,0	39,7	21,3				63,000	12,2		,6
1998	707,00	41.333,0	20.417,0	58,5	28,9	39,6	32,4	25,1	77,000	10,9	11,7	,4
1999	1.000,00	69.750,0	35.750,0	69,8	35,8	46,2	36,3	26,3	113,000	11,3	11,7	,3
2000	1.100,00	70.000,0	34.688,0	63,6	31,5	52,5	40,2	27,9	160,000	14,5	12,2	,5
2001	1.310,00	53.730,0	30.300,0	41,0	23,1	54,5	41,3	28,1	170,000	13,0	12,4	,6
2002	1.560,00	52.600,0	20.100,0	33,7	12,9	53,3	39,9	26,4	210,000	13,5	12,6	1,0
2003	1.880,00	37.890,0	20.180,0	20,2	10,7	45,7	34,2	22,8	260,000	13,8	13,2	1,3
A	B	C	D	E	F	G	H	I	J	K	L	M