Non-GAAP Measures

The Company's presentations may include certain non-GAAP financial measures, such as its adjusted debt/EBITDAR ratio. This supplemental information should not be considered in isolation or as a substitute for related GAAP measures. The Company believes that its adjusted debt/EBITDAR ratio better enables management and investors to understand and analyze the Company's level of indebtedness in relation to its capital structure. The Company defines adjusted debt/EBITDAR as follows:

Adjusted Debt

The Company defines adjusted debt as long-term debt, plus current installments of long-term debt, plus short-term debt as shown on the balance sheet, plus eight times operating rents, excluding the impact of stores no longer operated by the Company, for the last four quarters. The Company believes eight times operating rents is a reasonable industry standard for estimating the economic value of its leased assets.

EBITDAR

The Company defines EBITDAR as net earnings before interest and other, taxes, depreciation and amortization, and operating rents, calculated on a four quarter rolling basis.

Adjusted Debt/EBITDAR

The Company defines adjusted debt/EBITDAR as adjusted debt divided by EBITDAR.

EBITDAR Calculation

	Four Quarters Ended	
(USD millions)	**5/3/2015**	**5/4/2014**
Net Earnings	$6,545	$5,538
Interest and Other, net	595	629
Taxes	3,649	3,182
Depreciation and Amortization (Note 1)	1,793	1,769
Operating Rents (Last 4 Quarters)	895	866
EBITDAR	**$13,477**	**$11,984**

Note 1: Total depreciation & amortization includes depreciation of distribution centers and tool rental equipment included in Cost of Sales and amortization of deferred financing costs included in Interest Expense.

Adjusted Debt/EBITDAR Calculation

	Period Ended	
(USD Millions)	**5/3/2015**	**5/4/2014**
Long-Term Debt	$13,818	$14,707
Current Installments of Long-Term Debt	3,054	34
Total Debt	**$16,872**	**$14,741**
8x Operating Rents (Note 1)	7,016	6,758
Adjusted Debt	**$23,888**	**$21,499**
Adjusted Debt/EBITDAR	**1.8x**	**1.8x**

Note 1: The Company excludes certain rent payments from its 8x operating rents calculation to reflect the impact of stores no longer operated by the Company. This adjustment reduces 8x operating rents by $144 million for the period ended 5/3/2015 and $170 million for the period ended 5/4/2014.