

HOME DEPOT INC  
Form 424B5  
March 23, 2006

**Table of Contents**

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 Registration No. 333-124699

PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED MAY 19, 2005

\$4,000,000,000

**THE HOME DEPOT, INC.**

**5.20% Senior Notes due March 1, 2011**

**5.40% Senior Notes due March 1, 2016**

This is an offering of an aggregate of \$1,000,000,000 5.20% Notes due March 1, 2011, which we refer to as the 2011 Notes, and an aggregate of \$3,000,000,000 5.40% Notes due March 1, 2016, which we refer to as the 2016 Notes. We refer to the 2011 Notes and the 2016 Notes collectively as the notes. We will pay interest on the notes every September 1 and March 1 beginning September 1, 2006. We may redeem the notes at any time at the redemption price specified herein.

For a more detailed description of the notes, see Description of the Notes beginning on page S-3.

	<b>Price to the Public</b>	<b>Underwriting Discounts and Commissions</b>	<b>Proceeds to Home Depot</b>
Per 2011 Note	99.948%	0.350%	99.598%
Per 2016 Note	99.511%	0.450%	99.061%
Total	\$ 3,984,810,000	\$ 17,000,000	\$ 3,967,810,000

Delivery of the notes in book-entry form only through the facilities of The Depository Trust Company and its direct and indirect participants, including Euroclear Bank S.A./ N.V. ( Euroclear ) Clearstream Banking, societe anonyme ( Clearstream, Luxembourg ) on or about March 24, 2006, against payment therefore in immediately available funds.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus to which it relates is truthful or complete. Any representation to the contrary is a criminal offense.**

*Joint Book-Running Managers*

**Morgan Stanley**

**JPMorgan**

**Merrill Lynch & Co.**

The date of this prospectus supplement is March 21, 2006.

We have not, and the underwriters have not, authorized any dealer, salesperson or other person to give any information or to make any representation other than those contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. You must not rely upon any information or representation not contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the registered securities to which they relate, nor do this prospectus supplement and the accompanying prospectus constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information contained in this prospectus supplement and the accompanying prospectus is accurate as of the dates on their respective covers. When we deliver this prospectus supplement and the accompanying prospectus or make a sale pursuant to this prospectus supplement and the accompanying prospectus, we are not implying that the information is current as of the date of the delivery or sale.

**TABLE OF CONTENTS**  
**Prospectus Supplement**

	<b>Page</b>
<u>About this Prospectus Supplement</u>	ii
<u>The Home Depot, Inc.</u>	S-1
<u>Recent Developments</u>	S-1
<u>Use of Proceeds</u>	S-2
<u>Ratio of Earnings to Fixed Charges</u>	S-2
<u>Capitalization</u>	S-3
<u>Description of the Notes</u>	S-3
<u>Certain U.S. Income Tax Considerations for Non-U.S. Holders</u>	S-5
<u>Underwriting</u>	S-8
<u>Notice to Canadian Residents</u>	S-9
<u>Legal Matters</u>	S-10
<u>Incorporation of Certain Documents by Reference</u>	S-10

**Prospectus**

	<b>Page</b>
<u>About this Prospectus</u>	2
<u>Where You Can Find More Information</u>	2
<u>Special Note Regarding Forward-Looking Statements and Other Factors</u>	3
<u>Use of Proceeds</u>	3
<u>The Home Depot</u>	3
<u>Ratio of Earnings to Fixed Charges</u>	4
<u>Description of Debt Securities</u>	5
<u>Book-Entry Procedures</u>	11
<u>Plan of Distribution</u>	13
<u>Validity of Debt Securities</u>	15
<u>Experts</u>	15

**Table of Contents**

**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document has two parts. The first part consists of this prospectus supplement, which describes the specific terms of this offering and the notes offered. The second part, the accompanying prospectus, provides more general information, some of which may not apply to this offering. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

Before purchasing any notes, you should carefully read both this prospectus supplement and the accompanying prospectus, together with the additional information described under the heading **Incorporation of Certain Documents by Reference** in this prospectus supplement.

Unless otherwise indicated, all references in this prospectus supplement to **we**, **our** or **Home Depot** refer to The Home Depot, Inc. and its consolidated subsidiaries.

**Table of Contents**

**THE HOME DEPOT, INC.**

The Home Depot, Inc. is the world's largest home improvement retailer and the second largest retailer in the United States ( U.S. ), based on net sales for the fiscal year ended January 29, 2006 ( fiscal 2005 ). As of the end of fiscal 2005, we were operating 2,042 stores, most of which are The Home Depot® stores. The following is a description of our Home Depot stores, Home Depot Supply and other store formats.

The Home Depot stores sell a wide assortment of building materials, home improvement and lawn and garden products and provide a number of services. The Home Depot stores average approximately 105,000 square feet of enclosed space, with approximately 23,000 additional square feet of outside garden area. As of the end of fiscal 2005, we had 1,984 The Home Depot stores located throughout the U.S. (including the territories of Puerto Rico and the Virgin Islands), Canada and Mexico.

In addition to The Home Depot stores, we have a retail store format that sells products and services primarily for home decorating and remodeling projects called EXPO Design Center and two retail store formats focused on professional customers called Home Depot Supply and The Home Depot Landscape Supply. As of the end of fiscal 2005, we were operating 34 EXPO Design Center stores, three Home Depot Supply stores and 11 The Home Depot Landscape Supply stores. We also have two The Home Depot Floor Stores located in Texas and Florida that primarily sell flooring products.

In addition to our retail stores, our business also includes Home Depot Supply. Home Depot Supply distributes products and sells installation services primarily to professional business contractors, businesses and municipalities and generally operates in the following three areas:

*Maintenance, Repair and Operations ( MRO )* supplies maintenance, repair and operating products primarily to multi-family housing, hospitality and lodging facilities. Included under MRO are National Waterworks, Inc. and Apex Supply Company, Inc. National Waterworks provides a wide range of water and wastewater transmission products through 137 branches in 36 states. Apex Supply is a wholesale supplier of plumbing, HVAC, appliances and other related professional products with 25 locations in the Southeast. MRO also distributes its products through 20 distribution centers located in 14 states.

*Builder* provides products and arranges installation services for production homebuilders through 37 locations in 14 states. Builder includes Williams Bros. Lumber Company, LLC, a supplier of lumber and building materials to homebuilders through 16 branches in Georgia.

*Professional Supply* includes various brands, such as White Cap Construction and Contractors Warehouse. White Cap Construction distributes specialty hardware, tools and materials to construction contractors through 103 branches in 23 states. Contractors Warehouse caters to small contractors and remodeling tradesmen through eight stores located in California.

The Home Depot, Inc. is a Delaware corporation that was incorporated in 1978. Our Store Support Center (corporate office) is located at 2455 Paces Ferry Road, N.W., Atlanta, Georgia 30339. Our telephone number is 770-433-8211.

**RECENT DEVELOPMENTS**

On February 21, 2006, we announced our financial results for our fourth fiscal quarter ended January 29, 2006 and fiscal 2005. For the fourth fiscal quarter ended January 29, 2006, we announced diluted earnings per share of \$0.60 on net earnings of \$1.3 billion, compared with \$0.47 on net earnings of \$1.0 billion reported for the fiscal year ended January 30, 2005 ( fiscal 2004 ). Sales for the fourth quarter of fiscal 2005 totaled \$19.5 billion, a 15.9 percent increase from the fourth quarter of fiscal 2004. For fiscal 2005, we reported diluted earnings per share increased 20.4 percent to \$2.72 on net earnings of \$5.8 billion, compared to diluted earnings per share of \$2.26 on net earnings of \$5.0 billion in fiscal 2004. Sales for fiscal 2005 increased to \$81.5 billion, an 11.5 percent increase over fiscal 2004.

**Table of Contents**

On January 9, 2006, we entered into an agreement to acquire Hughes Supply, Inc. ( Hughes Supply ), a leading distributor of construction, repair and maintenance products, for aggregate estimated consideration of \$3.5 billion, including the payment of \$46.50 per outstanding share and the assumption of \$285 million in net debt. Hughes Supply will operate as part of Home Depot Supply. This transaction is expected to close in the first quarter of 2006. A portion of the proceeds from this offering will be used for financing our acquisition of Hughes Supply.

**USE OF PROCEEDS**

We estimate that the net proceeds to us from this offering will be approximately \$3,965,647,000, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds of this offering for financing our acquisition of Hughes Supply and for the repayment of \$500,000,000 aggregate principal amount of our outstanding 5<sup>3</sup>/<sub>8</sub>% Senior Notes due April 1, 2006. Pending any such application, the proceeds will be invested temporarily in short-term marketable securities.

**RATIO OF EARNINGS TO FIXED CHARGES**

Our ratio of earnings to fixed charges for each of the five fiscal years ended January 29, 2006 is as follows:

	<b>Fiscal Year(1)</b>				
	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001(2)</b>
Ratio of Earnings to Fixed Charges	25.0x	29.1x	27.4x	26.5x	22.0x

(1) Fiscal years 2005, 2004, 2003, 2002 and 2001 refer to the fiscal years ended January 29, 2006, January 30, 2005, February 1, 2004, February 2, 2003 and February 3, 2002.

(2) Fiscal year 2001 consisted of 53 weeks.

For purposes of computing the ratios of earnings to fixed charges, earnings consist of earnings before income taxes and minority interest plus fixed charges, excluding capitalized interest. Fixed charges consist of interest incurred on indebtedness, including capitalized interest, amortization of debt expenses and one-third of the portion of rental expense under operating leases, which is deemed to be the equivalent of interest. The ratios of earnings to fixed charges are calculated as follows:

$$\frac{(\text{earnings before income taxes and minority interest}) + (\text{fixed charges}) - (\text{capitalized interest})}{(\text{fixed charges})}$$

**Table of Contents****CAPITALIZATION**

The table below sets forth The Home Depot's consolidated capitalization at January 29, 2006 on an actual basis and as adjusted to give effect to the issuance of the notes offered hereby and the application of approximately \$3,970,000,000 of the net proceeds from the sale of the notes to finance the acquisition of Hughes Supply and for the repayment of our outstanding 5<sup>3</sup>/<sub>8</sub>% Senior Notes due April 1, 2006.

You should read the table together with our consolidated financial statements and the notes thereto incorporated by reference into this prospectus supplement and accompanying prospectus.

	<b>January 29, 2006</b>	
	<b>Actual</b>	<b>As Adjusted</b>
	<b>(In millions, except per share data)</b>	
Cash and Short-Term Investments	\$ 807	\$ 803
Debt Included in Current Liabilities:		
Short-Term Debt	\$ 900	\$ 900
Current Installments of Long-Term Debt	513	13
Debt Included in Long-Term Liabilities:		
Long-Term Debt, excluding current installments	2,672	6,657
Total Debt	\$ 4,085	\$ 7,570
Stockholders' Equity	26,909	26,909
Total Debt and Stockholders' Equity	\$ 30,994	\$ 34,479

**DESCRIPTION OF THE NOTES**

The 5.20% Senior Notes due March 1, 2011, which we refer to as the 2011 Notes, and the 5.40% Senior Notes due March 1, 2016, which we refer to as the 2016 Notes each constitute a series of senior debt securities described in the accompanying prospectus. This description supplements, and to the extent inconsistent therewith, replaces the descriptions of the general terms and provisions contained in Description of Debt Securities in the accompanying prospectus.

Each series of notes will be issued under the indenture dated May 4, 2005 entered into with The Bank of New York Trust Company, N.A., as trustee. We urge you to read the indenture because it, not the summaries below and in the accompanying prospectus, defines your rights. You may obtain a copy of the indenture from us without charge. See the section entitled Where You Can Find More Information in the accompanying prospectus.

**General**

The 2011 Notes will mature on March 1, 2011, and will bear interest at 5.20% per annum from March 24, 2006, or from the most recent date to which interest has been paid or provided for, payable semiannually in arrears to holders of record at the close of business on the February 15 or August 15 immediately preceding the interest payment date on March 1 and September 1 of each year, commencing September 1, 2006.

The 2016 Notes will mature on March 1, 2016, and will bear interest at 5.40% per annum from March 24, 2006, or from the most recent date to which interest has been paid or provided for, payable semiannually in arrears to holders of record at the close of business on the February 15 or August 15 immediately preceding the interest payment date on March 1 and September 1 of each year, commencing September 1, 2006.

If any interest payment date, date of redemption or the maturity date of any of the notes is not a business day, then payment of principal and interest will be made on the next succeeding business day. No interest will accrue on the

amount so payable for the period from such interest payment date, redemption date or maturity

S-3

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**Table of Contents**

date, as the case may be, to the date payment is made. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The notes do not contain any sinking fund provisions.

In some circumstances, we may elect to discharge our obligations on the notes through defeasance or covenant defeasance. See Description of Debt Securities Defeasance in the accompanying prospectus for more information about how we may do this.

The notes will be issued only in registered form without coupons, in denominations of \$2,000 or integral multiples of \$1,000 thereof. No service charge will be made for any registration of transfer or any exchange of notes, but we may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith.

The notes will be our unsecured and unsubordinated obligations ranking equally with our other outstanding unsecured and unsubordinated indebtedness.

**Additional Notes**

We may, without the consent of the holders of the notes, create and issue additional notes ranking equally with either series of notes in all respects, including having the same CUSIP number of such series, so that such additional notes shall be consolidated and form a single series with such notes and shall have the same terms as to status or otherwise as such notes. No additional notes may be issued if an event of default has occurred and is continuing with respect to such notes.

**Optional Redemption**

We may, at our option, at any time and from time to time redeem all or any portion of the notes on not less than 30 nor more than 60 days prior notice mailed to the holders of the notes to be redeemed. The notes will be redeemable at a redemption price, plus accrued interest to the date of redemption, equal to the greater of (1) 100% of the principal amount of the notes to be redeemed or (2) the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed that would be due after the related redemption date but for such redemption (except that, if such redemption date is not an interest payment date, the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued thereon to the redemption date), discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months). The discount rate for the 2011 Notes will be the Treasury Rate plus 10 basis points, and the discount rate for the 2016 Notes will be the Treasury Rate plus 15 basis points.

Treasury Rate means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity (computed as of the second business day immediately preceding such redemption date) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

Comparable Treasury Issue means the United States Treasury security selected by an Independent Investment Banker that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the notes. Independent Investment Banker means one of the Reference Treasury Dealers appointed by us.

Comparable Treasury Price means, with respect to any redemption date, (1) the average of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) on the third business day preceding such redemption date, as set forth in the daily statistical release (or any successor release) published by the Federal Reserve Bank of New York and designated Composite 3:30 p.m. Quotations for U.S. Government Notes or (2) if such release (or any successor release) is not published or does not contain such prices on such business day, (a) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference

**Table of Contents**

Treasury Dealer Quotations, or (b) if the trustee obtains fewer than four such Reference Treasury Dealer Quotations, the average of all Quotations obtained.

Reference Treasury Dealer means Morgan Stanley & Co. Incorporated, J.P. Morgan Securities Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated and their successors and two other nationally recognized investment banking firms that are Primary Treasury Dealers specified from time to time by us, except that if any of the foregoing ceases to be a primary U.S. Government securities dealer in New York City (a Primary Treasury Dealer), we are required to designate as a substitute another nationally recognized investment banking firm that is a Primary Treasury Dealer.

Reference Treasury Dealer Quotations means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the trustee by such Reference Treasury Dealer as of 3:30 p.m., New York City time, on the third business day preceding such redemption date.

On and after any redemption date, interest will cease to accrue on the notes called for redemption. Prior to any redemption date, we are required to deposit with a paying agent money sufficient to pay the redemption price of and accrued interest on the notes to be redeemed on such date. If we are redeeming less than all the notes, the trustee under the indenture must select the notes to be redeemed by such method as the trustee deems fair and appropriate in accordance with methods generally used at the time of selection by fiduciaries in similar circumstances.

**Book-Entry System**

Upon issuance, each series of notes will be represented by one or more fully registered global certificates, each of which we refer to as a global security. Each such global security will be deposited with, or on behalf of, the Depository Trust Company or DTC, and registered in the name of DTC or a nominee thereof. Unless and until it is exchanged in whole or in part for notes in definitive form, no global security may be transferred except as a whole by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC or by DTC or any such nominee to a successor of DTC or a nominee of such successor. Accountholders in the Euroclear or Clearstream Banking clearance systems may hold beneficial interests in the notes through the accounts that each of these systems maintains as a participant in DTC.

A description of DTC's procedures with respect to the global securities is set forth in the section Book-Entry Procedures in the accompanying prospectus.

**CERTAIN U.S. INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS**

The following summary describes certain U.S. federal income tax consequences to you of the purchase, ownership and disposition of notes as of the date hereof. This summary deals only with holders that are Non-U.S. Holders and that purchase notes in the initial offering at their issue price and that hold such notes as capital assets. The term

Non-U.S. Holder means a beneficial owner of a note for U.S. federal income tax purposes that is not (1) a citizen or resident of the United States, (2) a domestic corporation, (3) a partnership or other entity classified as a partnership for U.S. federal income tax purposes, (4) a domestic estate or trust or (5) a person who is otherwise subject to U.S. federal income tax on a net income basis in respect of the notes.

If an entity classified as a partnership for U.S. federal income tax purposes holds notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding notes, you should consult your tax advisors.

This summary is based upon provisions of the Internal Revenue Code of 1986, as amended (the Code), and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those

**Table of Contents**

summarized below. This summary does not represent a detailed description of the federal income tax consequences to you in light of your particular circumstances.

**If you are considering the purchase of notes, you should consult your own tax advisors concerning the particular U.S. federal income tax consequences to you of the ownership of the notes, as well as the consequences to you arising under the laws of any other taxing jurisdiction, including any state, local or non-U.S. income tax consequences.**

**U.S. Federal Withholding Tax**

The 30% U.S. federal withholding tax will not apply to any payment of principal or stated interest on a note provided that:

you do not actually (or constructively) own 10% or more of the total combined voting power of all classes of our voting stock within the meaning of the Code and applicable U.S. Treasury regulations;

you are not a controlled foreign corporation that is related to us, directly or indirectly, through stock ownership;

you are not a bank whose receipt of interest on the note is described in section 881(c)(3)(A) of the Code; and

either (a) you provide your name and address on an IRS Form W-8BEN (or other applicable form) and certify, under penalties of perjury, that you are not a U.S. person or (b) you hold your notes through certain foreign intermediaries and satisfy the certification requirements of applicable U.S. Treasury regulations. Special certification and other rules apply to certain Non-U.S. holders that are entities rather than individuals.

If you cannot satisfy the requirements described above, payments of interest made to you will be subject to the 30% U.S. federal withholding tax, unless you provide us or our paying agent with a properly executed (1) IRS Form W-8BEN (or other applicable form) claiming an exemption from or reduction in withholding tax under the benefit of an applicable tax treaty or (2) IRS Form W-8ECI (or other applicable form) stating that interest paid on a note is not subject to withholding tax because it is effectively connected with your conduct of a trade or business (as described below under U.S. Federal Income Tax ) in the United States.

You are urged to consult your tax advisor regarding the availability of the above exemptions and the procedure for obtaining such exemptions, if available. A claim for exemption will not be valid if the person receiving the applicable form has actual knowledge or reason to know that the statements on the form are false.

The 30% U.S. federal withholding tax generally will not apply to any gain that you realize on the sale, exchange, retirement or other disposition of a note.

**U.S. Federal Income Tax**

If you are engaged in a trade or business in the United States and interest on the notes is effectively connected with your conduct of that trade or business (and the interest is attributable to a permanent establishment maintained by you in the United States if that is required by an applicable income tax treaty as a condition for subjecting you to U.S. tax on a net income basis), you will be subject to U.S. federal income tax on that interest on a net income basis (although exempt from the 30% withholding tax, provided you comply with certain certification and disclosure requirements discussed above in U.S. Federal Withholding Tax ) in the same manner as if you were a U.S. person as defined under the Code. In addition, if you are a foreign corporation, you may be subject to a branch profits tax equal to 30% (or lower applicable treaty rate) of such effectively connected interest.

**Table of Contents**

Any gain realized on the disposition of a note generally will not be subject to U.S. federal income tax unless:

the gain is effectively connected with your conduct of a trade or business in the U.S. (and, if applicable, attributable to a permanent establishment maintained by you in the U.S.), in which case if you are a foreign corporation the branch profits tax described above may also apply; or

you are an individual who is present in the U.S. for 183 days or more in the taxable year of that disposition, and certain other conditions are met.

***U.S. Federal Estate Tax***

If you are an individual who at death is not a U.S. citizen or resident (as specially defined for U.S. federal estate tax purposes), your estate will not be subject to U.S. federal estate tax on notes beneficially owned by you at the time of your death, provided that (1) you do not actually (or constructively) own 10% or more of the total combined voting power of all classes of our voting stock within the meaning of the Code and applicable U.S. Treasury regulations and (2) interest on those notes would not have been, if received at the time of your death, effectively connected with your conduct of a trade or business in the United States.

**Backup Withholding Tax and Information Reporting**

The amount of interest paid to you, and the tax withheld with respect to such interest, regardless of whether any withholding was required, must be reported annually to the IRS and you. Copies of the information returns reporting the amount of such interest and the amount of any withholding may also be made available to the tax authorities in the country in which you reside under the provisions of an applicable income tax treaty.

In general, you will not be subject to backup withholding and information reporting with respect to payments made by us with respect to the notes if you have provided us with an IRS Form W-8BEN as described above and we do not have actual knowledge or reason to know that you are a U.S. person. In addition, no backup withholding or information reporting will be required regarding the gross proceeds of the sale of notes made within the United States or conducted through certain U.S. financial intermediaries if the payor receives the certification described above and does not have actual knowledge or reason to know that you are a U.S. person or you otherwise establish an exemption. Backup withholding is not an additional tax. Any amounts so withheld will be allowed as a credit against your federal income tax liability and may entitle you to a refund provided you timely furnish the required information to the IRS.

**Table of Contents****UNDERWRITING**

Under the terms and subject to the conditions contained in an underwriting agreement dated March 21, 2006, we have agreed to sell to the underwriters named below, the following respective principal amounts of the notes:

<b>Underwriter</b>	<b>Principal Amount of 2011 Note</b>		<b>Principal Amount of 2016 Note</b>	
Morgan Stanley & Co. Incorporated	\$	350,000,000	\$	1,050,000,000
J.P. Morgan Securities Inc.		325,000,000		975,000,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated		325,000,000		975,000,000
Total	\$	1,000,000,000	\$	3,000,000,000

The underwriting agreement provides that the underwriters are obligated to purchase all of the notes if any are purchased.

The underwriters propose to offer the notes initially at the public offering price on the cover page of this prospectus supplement and to selling group members at that price less a selling concession of 0.175% of the principal amount per 2011 Note and 0.225% of the principal amount per 2016 Note. After the initial public offering the representative may change the public offering price and concession and discount to broker/ dealers.

We estimate that our expenses for this offering, excluding underwriting discounts and commissions, will be approximately \$2,163,000.

The notes are new issues of securities with no established trading market. One or more of the underwriters intend to make a secondary market for the notes. However, they are not obligated to do so and may discontinue making a secondary market for the notes at any time without notice. No assurance can be given as to how liquid the trading market for the notes will be.

We have agreed to indemnify the underwriters against liabilities under the Securities Act of 1933, as amended, or contribute to payments that the underwriters may be required to make in that respect.

The notes are offered for sale in those jurisdictions in the United States, Europe, Asia and elsewhere where it is lawful to make such offers.

Each of the underwriters has represented and agreed that it has not offered, sold or delivered and will not offer, sell or deliver any of the notes directly or indirectly, or distribute this prospectus supplement or the accompanying prospectus or any other offering material relating to the notes, in or from any jurisdiction except under circumstances that will result in compliance with the applicable laws and regulations thereof and that will not impose any obligations on us except as set forth in the underwriting agreement.

The underwriters and their affiliates have from time to time performed, and may in the future perform, various financial advisory, commercial banking and investment banking services for us and our affiliates in the ordinary course of business, for which they received, or will receive, customary fees and expenses.

In connection with the offering, the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions and penalty bids.

Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

Over-allotment involves sales by the underwriters of notes in excess of the principal amount of the notes the underwriters are obligated to purchase, which creates a syndicate short position.

Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover syndicate short positions. A short position is more likely to be created if the

underwriters are concerned that there may be downward pressure on the price of the  
S-8

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**Table of Contents**

notes in the open market after pricing that could adversely affect investors who purchase in the offering.

Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the notes originally sold by the syndicate member are purchased in a stabilizing transaction or a syndicate covering transaction to cover syndicate short positions.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of the notes or preventing or retarding a decline in the market price of the notes. As a result the price of the notes may be higher than the price that might otherwise exist in the open market. These transactions, if commenced, may be discontinued at any time.

**NOTICE TO CANADIAN RESIDENTS**

**Resale Restrictions**

The distribution of the notes in Canada is being made only on a private placement basis exempt from the requirement that we prepare and file a prospectus with the securities regulatory authorities in each province where trades of the notes are made. Any resale of the notes in Canada must be made under applicable securities laws, which will vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the notes.

**Representations of Purchasers**

By purchasing the notes in Canada and accepting a purchase confirmation a purchaser is representing to us and the dealer from whom the purchase confirmation is received that:

the purchaser is entitled under applicable provincial securities laws to purchase the notes without the benefit of a prospectus qualified under those securities laws;

where required by law, that the purchaser is purchasing as principal and not as agent; and

the purchaser has reviewed the text above under Resale Restrictions.

**Rights of Action Ontario Purchasers Only**

Under Ontario securities legislation, a purchaser who purchases a security offered by this prospectus supplement during the period of distribution will have a statutory right of action for damages, or while still the owner of the notes, for rescission against us in the event that this prospectus supplement contains a misrepresentation without regard to whether the purchaser relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the notes. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the notes. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against us. In no case will the amount recoverable in any action exceed the price at which the notes were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, we will have no liability. In the case of an action for damages, we will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the notes as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario purchaser. The foregoing is a summary of the rights available to an Ontario purchaser. Ontario purchasers should refer to the complete text of the relevant statutory provisions.

**Table of Contents**

**Enforcement of Legal Rights**

All of our directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

**Taxation and Eligibility for Investment**

Canadian purchasers of notes should consult their own legal and tax advisors with respect to the tax consequences of an investment in the notes in their particular circumstances and about the eligibility of the notes for investment by the purchaser under relevant Canadian legislation.

**LEGAL MATTERS**

The validity of the notes will be passed upon for us by Frank L. Fernandez, Esq., Executive Vice President, Secretary and General Counsel of Home Depot. Mr. Fernandez beneficially owns, or has rights to acquire under our employee benefit plans, an aggregate of less than one percent of our common stock. Davis Polk & Wardwell, New York, New York, will pass upon certain legal matters relating to the notes for the underwriters.

**INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document that we file at the SEC's public reference room located at Headquarters Office, 100 F Street, N.E., Room 1580, Washington, DC 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our SEC filings are also available to the public from the SEC's web site at <http://www.sec.gov>, and at the offices of the New York Stock Exchange. For further information on obtaining copies of our public filings at the New York Stock Exchange, you should call (212) 656-5060. See "Where You Can Find More Information" in the accompanying prospectus for information on the documents we incorporate by reference in this prospectus supplement and the accompanying prospectus.

In addition to the documents listed in the accompanying prospectus, we incorporate by reference the following documents:

Our Quarterly Reports on Form 10-Q for the quarters ended May 1, 2005, July 31, 2005 and October 30, 2005; and

Our Current Reports on Form 8-K filed with the SEC on May 27, 2005, June 3, 2005, July 29, 2005, August 19, 2005, September 14, 2005, November 22, 2005, December 16, 2005, February 3, 2006 and February 27, 2006.



**Table of Contents**

**PROSPECTUS**

**\$5,000,000,000  
Debt Securities**

We may offer from time to time debt securities and will receive an aggregate amount of up to \$5,000,000,000 from the sales of the debt securities. The debt securities may be offered together or separately and in one or more series, if any, in amounts, at prices and on other terms to be determined at the time of the offering and described for you in an accompanying prospectus supplement.

This prospectus provides you with a general description of the debt securities we may offer. Each time we sell debt securities we will provide a supplement to this prospectus that contains specific information about the offering and the terms of the debt securities. The prospectus supplement may update or change information contained in this prospectus. You should carefully read this prospectus and any supplement before you invest in any of our debt securities.

The debt securities may be offered directly or to or through underwriters, agents or dealers. The names of any underwriters, agents or dealers will be included in an accompanying prospectus supplement to this prospectus.

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The date of this prospectus is May 19, 2005.

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## TABLE OF CONTENTS

About This Prospectus	2
Where You Can Find More Information	2
Special Note Regarding Forward-Looking Statements and Other Factors	3
Use of Proceeds	3
The Home Depot	3
Ratio of Earnings to Fixed Charges	4
Description of Debt Securities	5
Book-Entry Procedures	11
Plan of Distribution	13
Validity of Debt Securities	15
Experts	15

**We have not authorized anyone to give any information or make any representation about the offering that is different from, or in addition to, that contained in this prospectus, the related registration statement or in any of the materials that we have incorporated by reference into this prospectus. Therefore, if anyone does give you information of this type, you should not rely on it. If you are in a jurisdiction where offers to sell, or solicitations of offers to purchase, the debt securities offered by this document are unlawful, or if you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this document does not extend to you. The information contained in this document speaks only as of the date of this document unless the information specifically indicates that another date applies.**

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**Table of Contents**

**ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that we filed with the United States Securities and Exchange Commission, or the SEC, utilizing a shelf registration process. Under this process, we may, from time to time, sell any combination of the debt securities described in this prospectus up to a total aggregate initial offering price of \$5,000,000,000 in one or more offerings.

This prospectus provides you with a general description of the debt securities that we may offer. Each time we sell debt securities, we will provide a supplement to this prospectus that will contain specific information about the terms of those debt securities. Those terms may vary from the terms described in this prospectus. As a result, the summary descriptions of the debt securities in this prospectus are subject, and qualified by reference, to the descriptions of the particular terms of any debt securities contained in the accompanying prospectus supplement. The accompanying prospectus supplement may also add, update or change other information contained in this prospectus. Before purchasing any debt securities, you should carefully read both this prospectus and any accompanying prospectus supplement, together with the additional information described under the heading **Where You Can Find More Information**.

In this prospectus, unless otherwise specified, the terms **Home Depot**, **we**, **us**, and **our** mean The Home Depot, Inc. and its consolidated subsidiaries.

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document that we file at the SEC's public reference room located at Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our SEC filings are also available to the public from the SEC's web site at <http://www.sec.gov>, and at the offices of the New York Stock Exchange. For further information on obtaining copies of our public filings at the New York Stock Exchange, you should call (212) 656-5060.

This prospectus incorporates by reference information that we have filed with the SEC under the Securities Exchange Act of 1934. This means that we are disclosing important information to you by referring you to those documents. Information contained in any subsequently filed document, to the extent it modifies information in this prospectus or in any document incorporated by reference in this prospectus, will automatically update and supersede the information originally in this prospectus or incorporated by reference in this prospectus. We incorporate by reference the following documents listed below and any future filings with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, until the termination of the offering of debt securities offered by this prospectus:

Our Annual Report on Form 10-K for the year ended January 30, 2005; and

Our Current Reports on Form 8-K filed with the SEC on February 1, 2005; February 24, 2005; and March 23, 2005.

You can obtain any of the filings incorporated by reference in this prospectus through us or from the SEC through the SEC's web site or at its facilities described above. Documents incorporated by reference are available from us without charge, excluding any exhibits to those documents that are not specifically incorporated by reference in such documents. You can request a copy of the documents incorporated by reference in this prospectus and a copy of the indenture and other agreements referred to in this prospectus by requesting them in writing at the following address or by telephone from us at the following telephone number:

The Home Depot, Inc.  
2455 Paces Ferry Road  
Atlanta, Georgia 30339  
Attention: Investor Relations  
Telephone: (770) 433-8211

**Table of Contents**

**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND OTHER FACTORS**

Certain statements contained herein or incorporated by reference in this prospectus, including those regarding net sales growth, increases in comparable store sales, impact of cannibalization, commodity price inflation and deflation, implementation of store initiatives, net earnings performance, including depreciation expense and stock-based compensation expense, store openings, capital allocation and expenditures, the effect of adopting certain accounting standards, strategic direction and the demand for our products and services, constitute forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on currently available information and are based on our current expectations and projections about future events. These statements are subject to risks and uncertainties that could cause actual results to differ materially from our historical experience and expectations. These risks and uncertainties include, but are not limited to:

- economic conditions in North America;
- changes in our cost structure;
- the availability of sourcing channels consistent with our strategy of differentiation;
- conditions affecting new store development;
- conditions affecting customer transactions and average ticket, including, but not limited to, weather conditions;
- the success of our technology initiatives in improving operations and customers in-store experience;
- our ability to identify and respond to evolving trends in demographics and consumer preferences;
- the relative success of our expansion strategy, including our ability to integrate acquisitions and create appropriate distribution channels for key sales platforms;
- our ability to attract, train and retain highly-qualified associates;
- the impact of new accounting standards; and
- the impact of competition, decisions by management related to possible asset impairments, regulation and litigation matters.

Undue reliance should not be placed on such forward-looking statements as they speak only as of the date made. Additional information regarding these and other risks and uncertainties is contained in our periodic filings with the SEC, including our Annual Report on Form 10-K for the fiscal year ended January 30, 2005, which is incorporated by reference in this prospectus. See [Where You Can Find More Information](#).

**USE OF PROCEEDS**

Unless stated otherwise in an accompanying prospectus supplement, the net proceeds from the sale of debt securities described in this prospectus will be used by us for general corporate purposes, which may include refinancing existing debt and/or financing working capital needs, and may be used by us to fund acquisitions.

When a particular series of debt securities is offered, the accompanying prospectus supplement will set forth our intended use for the net proceeds received from the sale of those debt securities. Pending application for specific purposes, the net proceeds may be invested in marketable securities.

**THE HOME DEPOT**

The Home Depot, Inc. is the world's largest home improvement retailer and the second largest retailer in the United States, based on net sales for the fiscal year ended January 30, 2005 (Fiscal 2004). At the end of



**Table of Contents**

Fiscal 2004, we were operating 1,890 stores. Most of our stores are Home Depot® stores. A description of our Home Depot stores and our other store formats follows.

Home Depot stores sell a wide assortment of building materials, home improvement and lawn and garden products and provide a number of services. Home Depot stores average approximately 106,000 square feet of enclosed space, with approximately 22,000 additional square feet in the outside garden area. At the end of Fiscal 2004, we had 1,818 Home Depot stores located throughout the United States (including the territories of Puerto Rico and the Virgin Islands), Canada and Mexico.

In addition to Home Depot stores, our EXPO Design Center® stores sell products and services primarily for home decorating and remodeling projects. EXPO Design Center stores average approximately 100,000 square feet of enclosed space. At the end of Fiscal 2004, we were operating 54 EXPO Design Center stores in the United States. We also have two store formats focused on professional customers called The Home Depot Supply store and Home Depot Landscape Supply. At the end of Fiscal 2004, we were operating five The Home Depot Supply stores and 11 Home Depot Landscape Supply stores. We also have two stores located in Texas and Florida called The Home Depot Floor Store that sell primarily flooring products. Our Landscape Supply locations are designed to extend the reach of Home Depot's garden departments, focusing on professional landscapers and do-it-yourself garden enthusiasts. Each location has a heated/cooled space of about 12,000 square feet, a covered greenhouse and 1 to 3 acres of fenced-in Pro-Yard.

The Home Depot Supply distributes products and sells installation services primarily to businesses and governments. During Fiscal 2004, The Home Depot Supply operated primarily through five subsidiaries, Apex Supply Company, Inc., Your Other Warehouse, LLC, The Home Depot Supply, Inc., White Cap Industries, Inc. and HD Builder Solutions Group, Inc. Apex Supply Company, The Home Depot Supply, and HD Builder Solutions Group conduct business under The Home Depot Supply brand, and HD Builders Solutions Group also conducts business under the Creative Touch Interiors brand. Apex Supply Company is a wholesale supplier of plumbing, HVAC, appliances and other related professional products with 26 locations in Florida, Georgia, South Carolina and Tennessee. Your Other Warehouse is a plumbing, lighting and hardware distributor that focuses on special order fulfillment through five distribution centers in Georgia, Louisiana, Maryland and Nevada and one call center located in Louisiana. The Home Depot Supply supplies maintenance, repair and operating products serving primarily the multi-family housing, hospitality and lodging facilities management market. The Home Depot Supply fills orders through 20 distribution centers located in Arizona, California, Colorado, Connecticut, Florida, Georgia, Illinois, Maryland, Massachusetts, Missouri, Ohio, Texas, Virginia, and Washington. White Cap distributes specialty hardware, tools and materials to construction contractors. HD Builder Solutions Group provides products and arranges installation services for production homebuilders through 27 locations in Arizona, California, Colorado, Delaware, Florida, Indiana, Kentucky, Maryland, Michigan, Nevada, New Jersey, New Mexico, Ohio, Pennsylvania, and Virginia.

**RATIO OF EARNINGS TO FIXED CHARGES**

Our ratio of earnings to fixed charges for each of the five fiscal years ended January 30, 2005:

	<b>Fiscal Year(1)</b>				
	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
Ratio of Earnings to Fixed Charges	29.1x	27.4x	26.5x	22.0x	21.5x

(1) Fiscal years 2004, 2003, 2002, 2001 and 2000 refer to the fiscal years ended January 30, 2005, February 1, 2004, February 2, 2003, February 3, 2002 and January 28, 2001.

For purposes of computing the ratios of earnings to fixed charges, earnings consist of earnings before income taxes and minority interest plus fixed charges, excluding capitalized interest. Fixed charges consist of interest incurred on indebtedness including c