

**STAPLES, INC. AND SUBSIDIARIES**  
**Reconciliation of GAAP to Non-GAAP Consolidated Statements of Income**  
**(Dollar Amounts in Thousands, Except Per Share Data)**  
**(Unaudited)**

**13 Weeks Ended**

	November 1, 2008						November 3, 2007			
	As reported	Non-Cash Write Down of Staples European Trade Names	Integration and Restructuring Expenses	Non-Cash Charge Related to Tax Planning Strategies	As Adjusted \$	As Adjusted %	As reported	Wage and hour settlement	As Adjusted \$	As Adjusted %
Sales.....	\$ 6,950,933	\$ -	\$ -	\$ -	\$ 6,950,933	100.00%	\$ 5,168,351	\$ -	\$ 5,168,351	100.00%
Cost of goods sold and occupancy costs.....	5,086,799	-	-	-	5,086,799	73.18%	3,662,677	-	3,662,677	70.87%
Gross profit.....	1,864,134	-	-	-	1,864,134	26.82%	1,505,674	-	1,505,674	29.13%
Operating and other expenses:										
Selling, general and administrative.....	1,314,134	-	-	-	1,314,134	18.91%	1,072,998	(38,000)	1,034,998	20.03%
Integration and restructuring charges.....	132,282	(123,775)	(8,507)	-	-	0.00%	-	-	-	0.00%
Amortization of intangibles.....	28,011	-	-	-	28,011	0.40%	4,371	-	4,371	0.08%
Total operating expenses.....	1,474,427	(123,775)	(8,507)	-	1,342,145	19.31%	1,077,369	(38,000)	1,039,369	20.11%
Operating income.....	389,707	123,775	8,507	-	521,989	7.51%	428,305	38,000	466,305	9.02%
Interest and other income, net	57,369	-	-	-	57,369	0.83%	(264)	-	(264)	(0.01%)
Income before income taxes and minority interests.....	332,338	123,775	8,507	-	464,620	6.68%	428,569	38,000	466,569	9.03%
Income tax expense.....	171,644	42,702	2,935	(57,000)	160,281	2.31%	154,285	13,680	167,965	3.25%
Income before minority interests.....	160,694	81,073	5,572	57,000	304,339	4.38%	274,284	24,320	298,604	5.78%
Minority interests.....	3,991	-	-	-	3,991	0.06%	(234)	-	(234)	(0.00%)
Net income.....	<u>\$ 156,703</u>	<u>\$ 81,073</u>	<u>\$ 5,572</u>	<u>\$ 57,000</u>	<u>\$ 300,348</u>	4.32%	<u>\$ 274,518</u>	<u>\$ 24,320</u>	<u>\$ 298,838</u>	5.78%
Earnings Per Share:										
Basic earnings per common share.....	<u>\$ 0.22</u>	<u>\$ 0.12</u>	<u>\$ 0.01</u>	<u>\$ 0.08</u>	<u>\$ 0.43</u>		<u>\$ 0.39</u>	<u>\$ 0.04</u>	<u>\$ 0.43</u>	
Diluted earnings per common share.....	<u>\$ 0.22</u>	<u>\$ 0.11</u>	<u>\$ 0.01</u>	<u>\$ 0.08</u>	<u>\$ 0.42</u>		<u>\$ 0.38</u>	<u>\$ 0.04</u>	<u>\$ 0.42</u>	
Weighted average shares outstanding:										
Basic.....	701,161,150						702,258,662			
Diluted.....	712,711,480						715,257,576			

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**Reconciliation of GAAP to Non-GAAP Consolidated Statements of Income**  
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(Unaudited)

39 Weeks Ended

	November 1, 2008						November 3, 2007			
	As reported	Non-Cash Write Down of Staples European Trade Names	Integration and Restructuring Expenses	Non-Cash Charge Related to Tax Planning Strategies	As Adjusted \$	As Adjusted %	As reported	Wage and hour settlement	As Adjusted \$	As Adjusted %
Sales.....	\$ 16,910,207	\$ -	\$ -	\$ -	\$ 16,910,207	100.00%	\$ 14,048,240	\$ -	\$ 14,048,240	100.00%
Cost of goods sold and occupancy costs.....	12,323,649	-	-	-	12,323,649	72.88%	10,047,260	-	10,047,260	71.52%
Gross profit.....	4,586,558	-	-	-	4,586,558	27.12%	4,000,980	-	4,000,980	28.48%
Operating and other expenses:										
Selling, general and administrative.....	3,450,599	-	-	-	3,450,599	20.41%	2,957,909	(38,000)	2,919,909	20.78%
Integration and restructuring charges.....	132,445	(123,775)	(8,670)	-	-	0.00%	-	-	-	0.00%
Amortization of intangibles.....	46,426	-	-	-	46,426	0.27%	11,681	-	11,681	0.08%
Total operating expenses.....	3,629,470	(123,775)	(8,670)	-	3,497,025	20.68%	2,969,590	(38,000)	2,931,590	20.87%
Operating income.....	957,088	123,775	8,670	-	1,089,533	6.44%	1,031,390	38,000	1,069,390	7.61%
Interest and other income, net	68,423	-	-	-	68,423	0.40%	(2,756)	-	(2,756)	(0.02%)
Income before income taxes and minority interests.....	888,665	123,775	8,670	-	1,021,110	6.04%	1,034,146	38,000	1,072,146	7.63%
Income tax expense.....	363,588	42,702	2,991	(57,000)	352,281	2.08%	372,293	13,680	385,973	2.75%
Income before minority interests.....	525,077	81,073	5,679	57,000	668,829	3.96%	661,853	24,320	686,173	4.88%
Minority interests.....	5,859	-	-	-	5,859	0.03%	(636)	-	(636)	(0.00%)
Net income.....	<u>\$ 519,218</u>	<u>\$ 81,073</u>	<u>\$ 5,679</u>	<u>\$ 57,000</u>	<u>\$ 662,970</u>	3.92%	<u>\$ 662,489</u>	<u>\$ 24,320</u>	<u>\$ 686,809</u>	4.89%
Earnings Per Share:										
Basic earnings per common share.....	<u>\$ 0.75</u>	<u>\$ 0.12</u>	<u>\$ 0.01</u>	<u>\$ 0.08</u>	<u>\$ 0.95</u>		<u>\$ 0.94</u>	<u>\$ 0.03</u>	<u>\$ 0.97</u>	
Diluted earnings per common share.....	<u>\$ 0.73</u>	<u>\$ 0.11</u>	<u>\$ 0.01</u>	<u>\$ 0.08</u>	<u>\$ 0.93</u>		<u>\$ 0.92</u>	<u>\$ 0.03</u>	<u>\$ 0.95</u>	
Weighted average shares outstanding:										
Basic.....	696,811,222						707,301,022			
Diluted.....	710,684,025						723,415,325			