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**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: March 4, 2005**

**Date of Earliest Event Reported: March 3, 2005**

**Commission file number 1-10948**

**OFFICE DEPOT, INC.**

**(Exact name of registrant as specified in its charter)**

**Delaware**

**(State or other jurisdiction of  
incorporation or organization)**

**2200 Old Germantown Road, Delray Beach, Florida**

**(Address of principal executive offices)**

**59-2663954**

**(I.R.S. Employer  
Identification No.)**

**33445**

**(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 is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## **Item 2.02. Results of Operations and Financial Condition**

On March 4, 2005, Office Depot, Inc. (“Office Depot” or the “Company”) issued a press release pertaining to the Company’s decision to correct its method of lease accounting to conform to GAAP. The press release also refers to the Company’s decision to apply this change retrospectively and to restate its reported financial results for fiscal years ended in December 2002 through 2004.

Attached hereto as Exhibit 99.1.1 is a copy of Office Depot’s news release dated March 4, 2005.

This information is furnished pursuant to Item 2.02 of Form 8-K. The information furnished under this Item 2.02 shall not be treated as filed for purposes of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under such Act unless and except as specifically incorporated therein.

### **Item 4.02(a). Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Report**

Following a review of its lease accounting policies, the Company has decided to correct its method of accounting for property lease transactions as set forth in the Company’s news release attached to this Current Report on Form 8-K as Exhibit 99.1.1. The Company’s Audit Committee, meeting on March 3, 2005, has concurred in management’s recommendation that the Company should restate its financial statements for the fiscal years ended in December 2002 and 2003, to correct errors in those financial statements pertaining to the application of generally accepted accounting principles (“GAAP”) to the Company’s lease accounting, and to correct similar errors in the financial statements attached to the Company’s previously issued news release (issued on February 10, 2005) reporting its financial results for the fiscal year ended December 25, 2004.

Previously reported GAAP earnings per share of \$1.07 for fiscal year 2004 will be reported in the Company’s Annual Report on Form 10-K as \$1.06. The Company also will file restated financial statement information for its fiscal years ended December 27, 2003 and December 28, 2002, with its Annual Report on Form 10-K, to be filed on March 10, 2005. The restatement will have an impact of approximately \$0.01 per share for each of such years. The Company’s Audit Committee has discussed the matters disclosed in this filing under Item 4.02(a) with the Company’s independent accountants.

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS:** This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from those discussed herein. These risks and uncertainties are detailed from time to time by the Company in its filings with the SEC. Investors are strongly urged to review all such filings for a more detailed discussion of such risks and uncertainties.

## **Item 9.01. Financial Statements and Exhibits**

Exhibit 99.1.1            News release of Office Depot, Inc. issued on March 4, 2005.

**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: March 4, 2005

By: /s/ DAVID C. FANNIN

David C. Fannin

Executive Vice President and General Counsel

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**OFFICE DEPOT, INC. CORRECTS LEASE ACCOUNTING METHOD**

- **Company to Restate Financial Results for The Last Three Years to Reflect Changes in Accounting Methodology**
- **Changes Expected to Reduce Previously Reported 2004 EPS by \$0.01 per Share**

**Delray Beach, Fla. — March 4, 2005** – Office Depot, Inc. (NYSE: ODP) today announced that it is correcting its method of accounting for its real estate lease transactions to conform to generally accepted accounting principles (GAAP), as recently clarified by the Chief Accountant of the SEC in a February 7, 2005 public letter (the “Letter”).

Although amounts involved in correcting Office Depot’s method of accounting for lease transactions are not material to any one year, the Company has decided to restate prior year financial statements to correct errors resulting from its prior method of accounting for lease transactions. This decision will result in the restatement of previously reported financial results for the fiscal year ended on December 25, 2004 (as reported in the Company’s press release issued on February 10, 2005) and the financial statements for the fiscal years ended in December 2003 and 2002.

Corrected financial statements for these prior periods will be included in the Company’s Annual Report on Form 10-K, to be filed with the SEC on March 10, 2005. As applied to the Company’s fiscal year ended December 25, 2004, the change in its lease accounting methodology will reduce previously reported GAAP EPS from \$1.07 per share to \$1.06 per share for 2004. The restatement will similarly reduce GAAP EPS for each of 2003 and 2002 by approximately \$0.01 per year.

After reviewing the statements made in the SEC Chief Accountant’s Letter, the Company immediately began an internal review of the Company’s previous interpretations of GAAP as applied to real estate lease transactions. The Company concluded that its previous interpretations did not comply with GAAP, and, accordingly, the Company is correcting its lease accounting in the following areas:

- Adjusting rent expense to include the straight-line impact of escalating rents for periods where we are reasonably assured of exercising lease options and to recognize rent expense for an additional period of “rent holidays”;
- Ensuring that leasehold improvements are amortized over the shorter of their economic lives or the lease term; and

- Reclassifying tenant allowances from a reduction of depreciation expense to a reduction of rent expense. The reclassification of tenant allowances will also impact the balance sheet and statement of cash flows, but none of these changes will impact free cash flow (i.e., cash provided by operating activities less capital expenditures).

“Based on the internal review that we conducted after the issuance of the SEC Chief Accountant’s Letter, and discussions that we have had with our Audit Committee and our independent registered public accounting firm, Deloitte & Touche LLP, we have concluded, as many other retail companies have recently concluded, that our lease accounting methodology must be modified to conform to GAAP,” Charles Brown, Office Depot’s Executive Vice President and Chief Financial Officer commented.

“While the dollar amounts are not material to any prior year, we feel it is important that our financial statements conform to GAAP in all respects and thus are taking the steps outlined above in this press release,” Brown concluded.

**About Office Depot**

With annual sales approaching \$14 billion, Office Depot sells more office products to more customers in more countries than any other company. Incorporated in 1986 and headquartered in Delray Beach, Florida, Office Depot conducts business in 23 countries and employs 46,000 people worldwide. The Company operates under the Office Depot®, Viking Office Products®, Viking Direct®, Guilbert®, and Tech Depot® brand names.

Office Depot is a leader in every distribution channel – from retail stores and contract delivery to catalogs and e-commerce. With \$3.1 billion in online sales in FY’04, the Company is the world’s number three Internet retailer. In North America, Office Depot has 969 retail stores in addition to a national business-to-business delivery network supported by 22 delivery centers and more than 60 local sales offices. Internationally, the Company conducts wholly owned operations in 14 countries via 78 retail stores and 25 distribution centers, and operates 153 retail stores under joint venture and license arrangements in another seven countries.

The company’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: Except for historical information, the matters discussed in this press release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements, including without limitation all of the projections and anticipated levels of future performance, involve risks and uncertainties which may cause actual results to differ materially from those discussed herein. These risks and uncertainties are detailed from time to time by Office Depot in its filings with the United States Securities and Exchange Commission (“SEC”), including without limitation its most recent filing on Form 10-K, filed on February 26, 2004, its upcoming report on Form 10-K due on March 10, 2005, and its 10-Q and 8-K filings made from time to time. 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](http://www.sec.gov) and at [www.freeEDGAR.com](http://www.freeEDGAR.com), as well as on a number of other commercial web sites.

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