Fourth Quarter 2016 Results

March 1, 2017

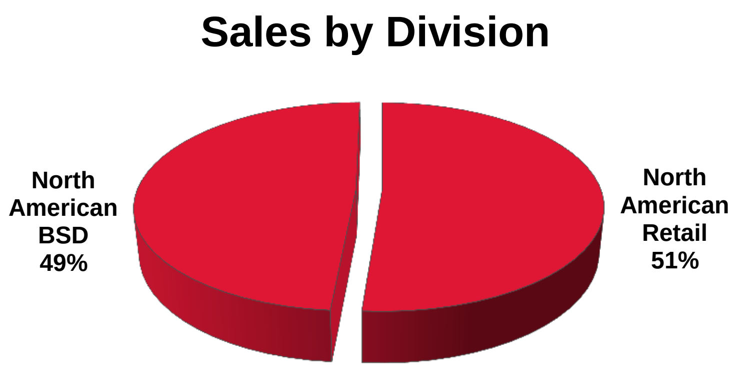
Safe Harbor Statement

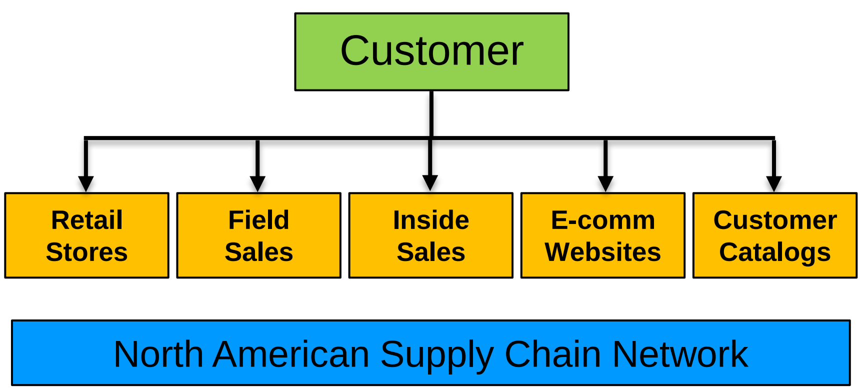
The Private Securities Litigation Reform Act of 1995, as amended, (the “Act”) provides protection from liability in private lawsuits for “forward-looking” statements made by public companies under certain circumstances, provided that the public company discloses with specificity the risk factors that may impact its future results. We want to take advantage of the “safe harbor” provisions of the Act. Certain statements made during this presentation are forward-looking statements under the Act. Except for historical financial and business performance information, statements made during this presentation should be considered forward-looking as referred to in the Act. Much of the information that looks towards future performance of our company is based on various factors and important assumptions about future events that may or may not actually come true. As a result, our operations and financial results in the future could differ materially and substantially from those we have discussed in the forward-looking statements made during this presentation. Certain risks and uncertainties are detailed from time to time in our filings with the United States Securities and Exchange Commission (“SEC”). 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 and at the company’s website at investor.officedepot.com. During portions of today’s presentation, we may refer to results which are not GAAP numbers. A reconciliation of GAAP to non-GAAP measures is available on our website at investor.officedepot.com.

Gerry Smith

Chief Executive Officer

Key Business Assets/Opportunities





- ✓ Balanced business portfolio
- ✓ Omni-channel focus on meeting customer needs
- ✓ Attractive service offerings
- ✓ Strong customer relationships and share of wallet opportunities
- ✓ Efficient nation-wide delivery network
- ✓ Promising store of the future pilot underway to reinvent retail
- ✓ Strong balance sheet and free cash flow generation

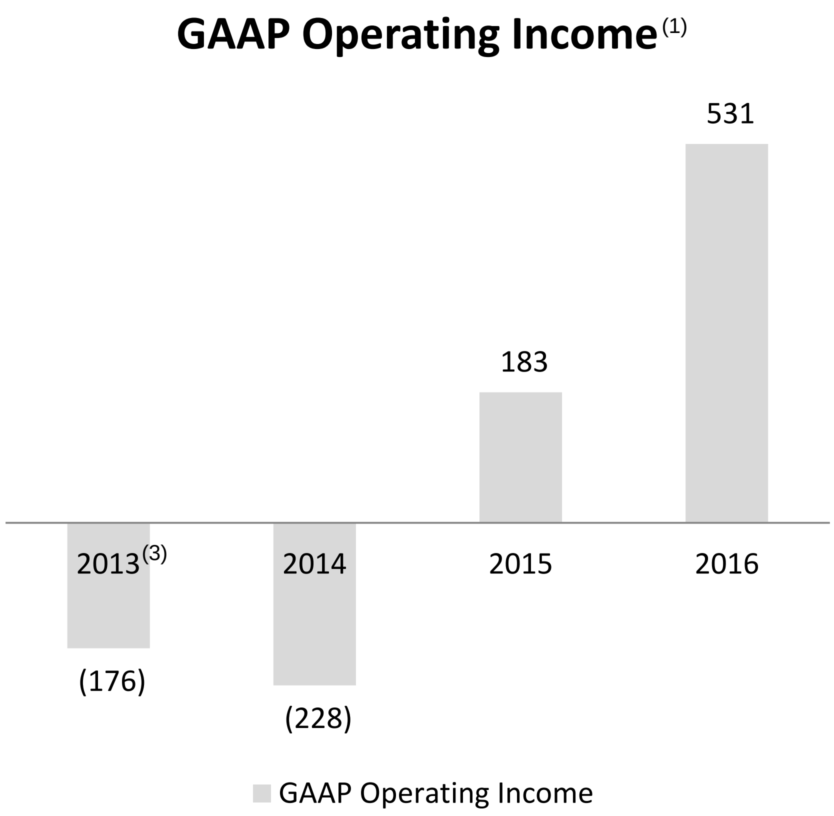
2016 Accomplishments

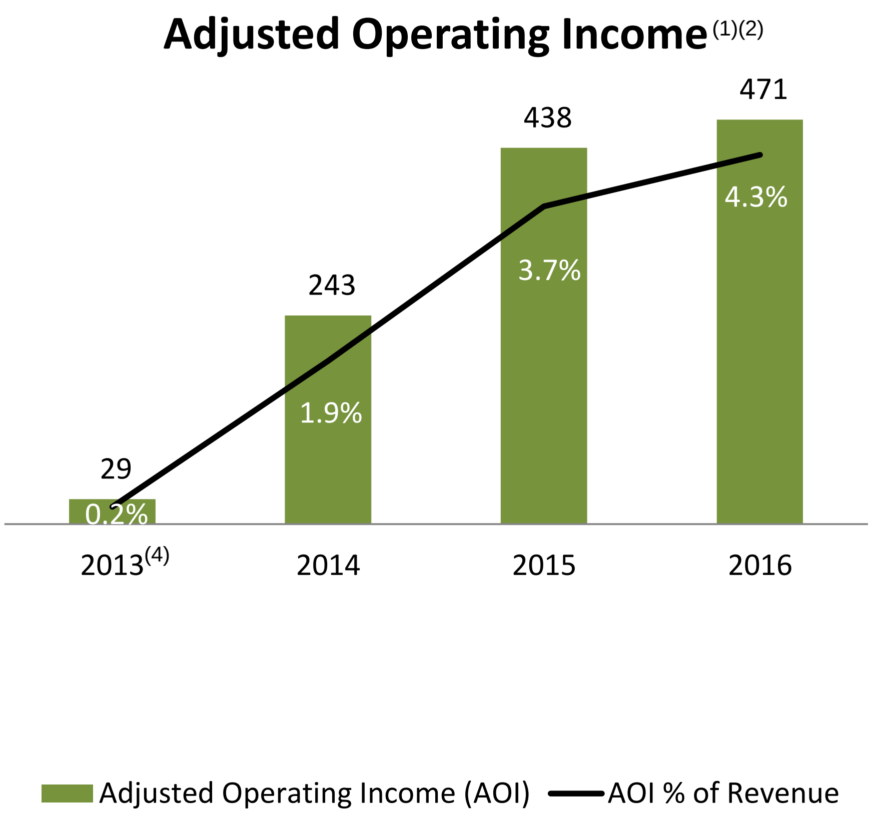
- Q4 2016 diluted EPS from continuing operations of $0.10 per share versus $0.06 per share in Q4 2015
- Q4 2016 operating income of $57 million compared to $42 million in 2015
- Improved full-year gross margins 20 bps and adjusted operating margins* 60 bps despite sales declines
- Realized $700 million in merger synergies and on track to substantially complete OfficeMax integration by end of 2017
- Streamlined operations including sale of European business to focus on North American growth opportunities
- Developed compelling new three-year strategic plan with implementation well underway

* Non-GAAP number. A reconciliation of GAAP to non-GAAP numbers can be found at investor.officedepot.com.

Significantly Improved Profitability Profile

($'s in Millions)





(1) GAAP operating income and adjusted operating income are for continuing operations only
(2) Non-GAAP measure. A reconciliation of GAAP to non-GAAP measures can be found at investor.officedepot.com
(3) 2013 GAAP operating income includes full-year fiscal results for Office Depot and stub period results for OfficeMax as of merger on November 5, 2013
(4) 2013 adjusted operating income includes full-year fiscal results for Office Depot and full-year proforma results for OfficeMax

Steve Hare

Executive Vice President and Chief Financial Officer

Fourth Quarter 2016 Summary

($ in millions, except per share amounts)	4Q16 GAAP	4Q16 Non-GAAP*	4Q15 GAAP	4Q15 Non-GAAP*
Operating Income	$57	$111	$42	$83
Income Tax Expense (Benefit)	$(9)	$41	$(5)	$32
Net Income from Continuing Operations	$55	$59	$31	$35
Discontinued Operations, Net of Tax	$25	--	$(16)	--
Net Income	$80	$59	$15	$35
Earnings per Share from Continuing Operations (diluted)	$0.10	$0.11	$0.06	$0.06
Earnings per Share from Discontinued Operations	$0.05	--	$(0.03)	--
Earnings per Share (most dilutive)	$0.15	$0.11	$0.03	$0.06

- Total company sales declined 2% compared to Q4 2015
  - ✓ Down 4%* adjusted for planned U.S. store closures, foreign currency and 53rd week benefit
  - ✓ Impacted by customer attrition and fewer customer additions in prior periods
- 4Q16 Adjusted operating income* of $111 million, up $28 million to 4Q15
  - ✓ Excludes $55 million in restructuring, integration, asset impairment and executive transition costs
  - ✓ Includes $15 million benefit from 53rd week
- 4Q16 Adjusted EPS* from continuing operations of $0.11, up 83% to 4Q15

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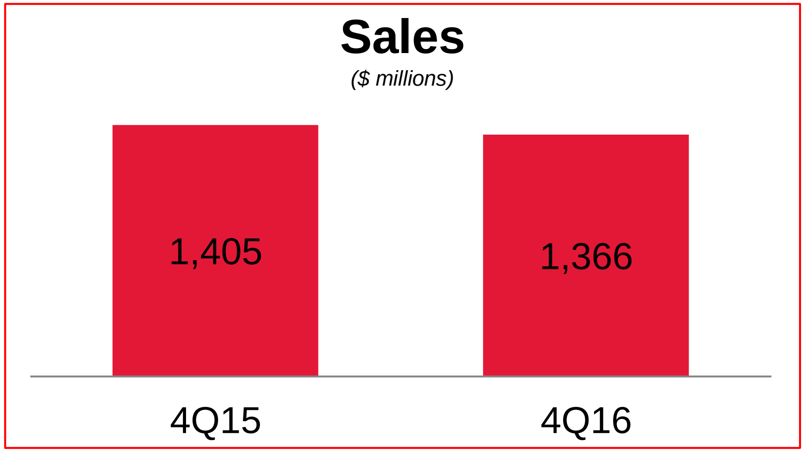
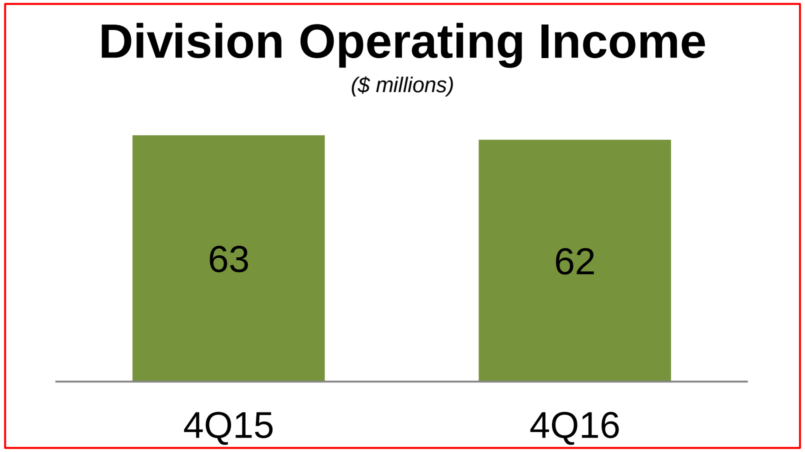
North American Retail – 4Q16





- 4Q16 same-store sales decreased 4%; total sales decreased 3% excluding 53rd week and impact of planned store closures
  - ✓ Transaction counts decreased with average order value down slightly
  - ✓ Sales down in technology (ink, toner and laptop computers) and supplies
  - ✓ Sales relatively flat in cleaning/breakroom and furniture
- 4Q16 division income decreased $1 million compared to 4Q15
  - ✓ Excluding benefits of 53rd week in 2016 of $14 million and favorable legal settlements in 2015 of $17 million, operating income increased versus 4Q15
  - ✓ Negative flow-through impact from lower sales and lower gross margin rate offset by lower SG&A expenses including payroll and advertising

Optimize and Reinvent Retail

- Phase 2 store closures underway
  - ✓ Closed 72 stores in 2H16 and anticipate closing 75 in 2017
  - ✓ Sales transfer rates continue to exceed expectations
- Actions underway to optimize retail business model:
  - ✓ Implemented ship from store capabilities
  - ✓ Completed rollout of workforce management tool to all stores
  - ✓ Reducing non-selling tasks to enable more customer-facing time
- Converted 25 stores in 2016 to the new store of the future format
  - ✓ Customer feedback continues to be very positive
  - ✓ Targeting to have 100 stores converted by end of 2017

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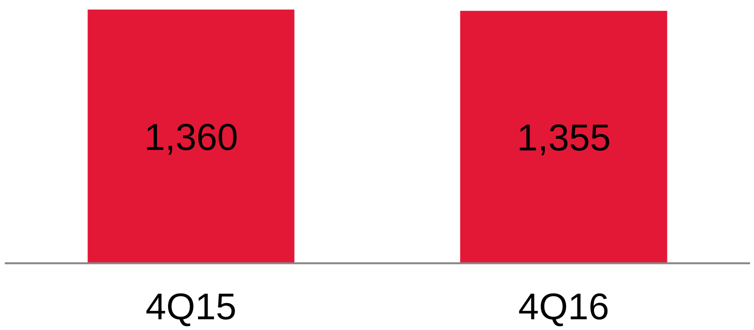
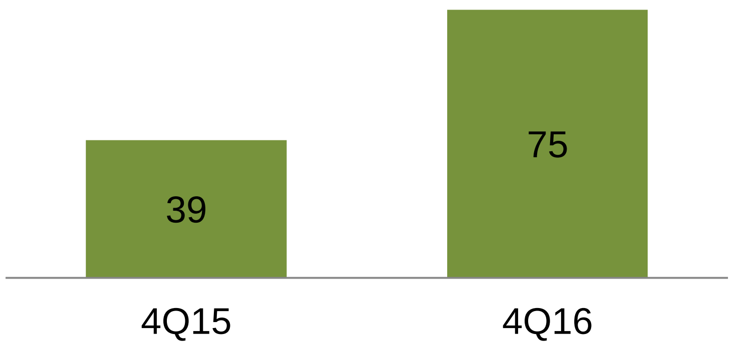
Business Solutions – 4Q16





- 4Q16 sales decreased 5% versus 4Q15 in constant currency and excluding 53rd week
  - ✓ Contract channel sales declined driven by customer attrition and fewer customer additions during the period of Staples business disruption earlier in the year
  - ✓ Direct channel sales increased due to strong online sales during the holiday period, partly offset by lower catalog sales and higher buy online-pick up in store purchases
  - ✓ Sales declined across most product categories but increased in copy and print, cleaning/breakroom and education

- 4Q16 division income increased $36 million compared to 4Q15
  - ✓ Higher gross margin rate, lower SG&A expenses and 53rd week benefit of $4 million, as well as negative impact of customer acquisition costs in prior year

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Accelerate Contract and Initiatives for Growth

- Contract channel sales pipeline continues to improve
  - ✓ 4Q16 customer commitments remain strong and above 2014 levels
- Migration of legacy OfficeMax customers underway with over 70% of accounts either started or completed
- Expect BSD supply chain integration to be completed ahead of schedule in 2017
  - ✓ All facilities closed/converted and operating on a common platform
  - ✓ Enables additional transportation savings as network is fully optimized
- Building capabilities across organization to support expansion into adjacent growth categories
  - ✓ Adding selling resources in cleaning/breakroom
  - ✓ Working with key vendors on SKU expansion strategy
  - ✓ Project plans in place for supply chain, marketing and sales operations

Sale of International Operations

- Completed sale of European business on 12/31/16
- Remaining international businesses generated approximately $600 million in annual sales in 2016

- Actively marketing for sale the international businesses located in:
  - ✓ Australia
  - ✓ South Korea
  - ✓ New Zealand
  - ✓ Mainland China
- Currently plan to retain the sourcing and trading operations in Asia

Full Year 2016 Summary

	2016		2015	
($ in millions, except per share amounts)	GAAP	Non-GAAP*	GAAP	Non-GAAP*
Operating Income	$531	$471	$183	$438
Income Tax Expense (Benefit)	$(220)	$163	$23	$147
Net Income from Continuing Operations	$679	$251	$92	$222
Discontinued Operations, Net of Tax	$(150)	--	$(84)	--
Net Income	$529	$251	$8	$222
Earnings per Share from Continuing Operations (diluted)	$1.24	$0.46	$0.16	$0.40
Earnings per Share from Discontinued Operations	$(0.27)	--	$(0.15)	--
Earnings per Share (most dilutive)	$0.96	$0.46	$0.01	$0.40

- Total company sales declined 6% compared to 2015
  - ✓ Down 4%* adjusted for planned U.S. store closures, foreign currency and 53rd week benefit
  - ✓ Impacted by customer attrition and fewer customer additions in prior periods
- 2016 Adjusted operating income* of $471 million, up $33 million compared to 2015
  - ✓ Excludes $59 million of income from the Staples termination fee reduced by acquisition, integration, restructuring, asset impairment and executive transition costs
- 2016 Adjusted EPS* from continuing operations of $0.46, up 15% to 2015
  - ✓ Excludes after-tax impact of $15 million loss on extinguishment of debt
  - ✓ Excludes impact from reversal of U.S. valuation allowance for GAAP purposes

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Balance Sheet / Cash Flow Highlights

Net Cash Position (of Continuing Operations)	• Total liquidity of approximately \$1.8 billion at end of 2016 ✓ \$0.8 billion of cash & equivalents ✓ \$1.0 billion available on asset-based lending facility • Debt of \$387 million at end of 2016, excluding non-recourse timber notes
Operating Cash Flow (of Continuing Operations)	• Operating cash provided \$492 million in 2016, including: ✓ \$128 million in Staples acquisition-related income, net of costs ✓ \$113 million in OfficeMax merger integration costs ✓ \$47 million in restructuring activities
Capex	• Capex of \$111 million in 2016 ✓ Includes merger integration capex of \$27 million
Shareholder Return	• Repurchased 37 million shares for \$132 million in 2016 • Paid cash dividend of \$0.025 per share in December and total dividends of approximately \$26 million in 2016

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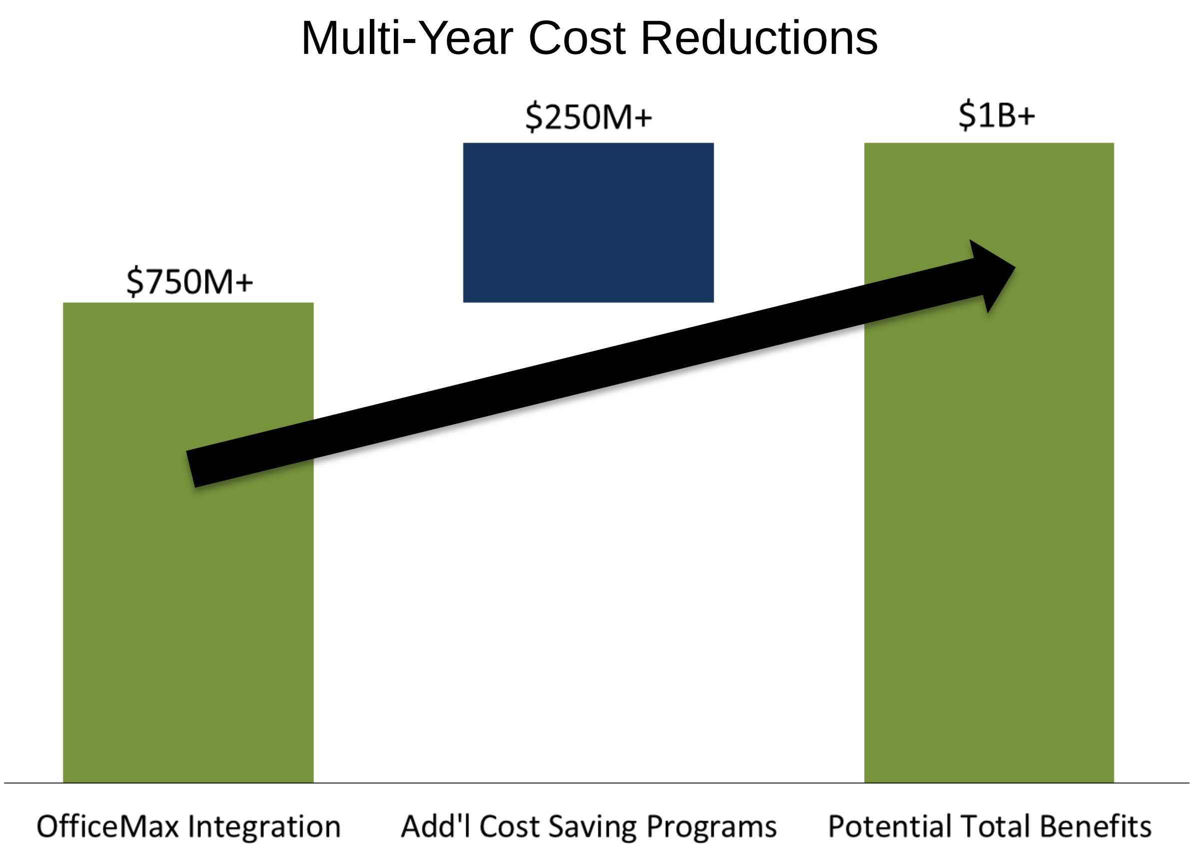
Cost Savings Programs

- Realized $700 million in OfficeMax integration synergies and on track to achieve over $750 million
- Phase 2 of real estate strategy to optimize store network
- Actions underway to streamline division operating models for greater efficiency
- Indirect procurement savings initiated in Q4 with detailed contract reviews in process
- Implemented G&A cost reduction actions in Q1
- Expect to deliver over $250 million of annual cost reductions by end of 2018



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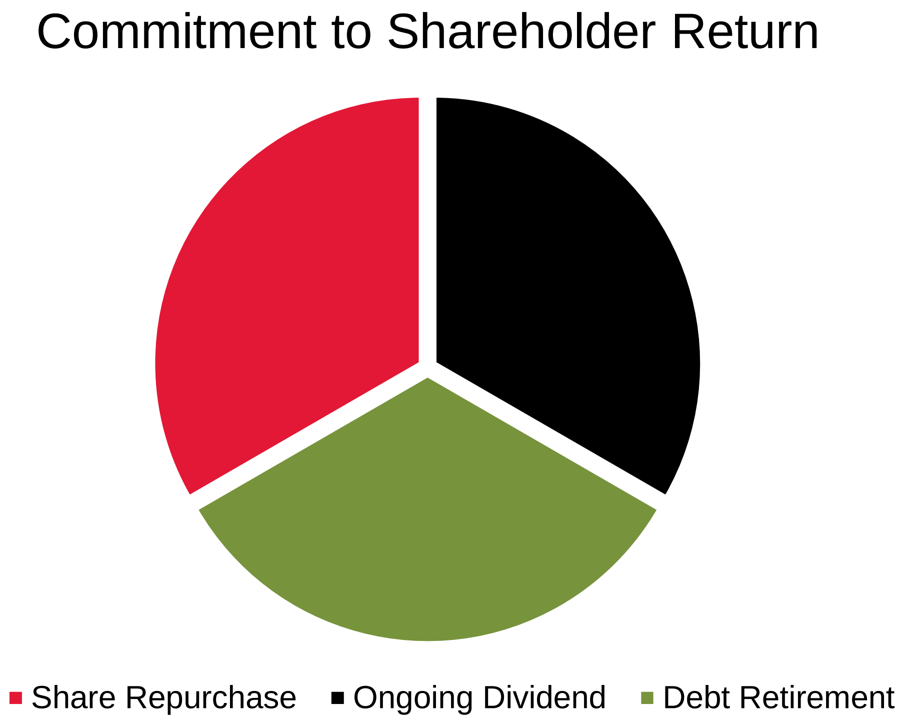
Capital Structure and Shareholder Return

- Retired 9.75% senior secured notes for $262 million, resulting in $24 million in annual cash interest savings
- Paid cash dividend in Q4, with next dividend to be paid on March 15th
- Repurchased approximately 37 million shares for $132 million since inception of the program in May through end of 2016
- Approximately $118 million remaining on current buyback authorization
- Utilized $420 million of cash in 2016 to improve shareholder returns



2017 Outlook Summary

- Comparable total company sales in 2017 expected to be lower than 2016 primarily as a result of:
  - ✓ Impact of U.S. retail store closures with approximately 75 planned in 2017
  - ✓ Prior year customer losses, though expect the rate of decline to improve throughout the year as Contract channel sales pipeline strengthens
- The company expects to achieve approximately $500 million in adjusted operating income* in 2017
  - ✓ 10% increase compared to 2016 excluding the $15 million estimated 53rd week benefit
- Free cash flow* from continuing operations of more than $300 million in 2017
  - ✓ Capital expenditures from continuing operations estimated at $200 million
  - ✓ Approximately $150 million of depreciation and amortization expense
- Estimated non-GAAP annual effective tax rate of approximately 41% for fiscal 2017, with a cash tax rate of 15%

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Strategic Areas of Focus

- Deliver on 2017 operating plan and outlook
- Continue strong execution against critical priorities:
  - ✓ Completing OfficeMax integration
  - ✓ Executing on cost savings programs
  - ✓ Optimizing retail business
  - ✓ Validating store of the future opportunity
  - ✓ Accelerating growth in contract
  - ✓ Expanding opportunities in adjacencies and services
- Build foundation for profitable top-line growth

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Q & A