

Return On Invested Capital (ROIC)

(Dollars in thousands)

	2012
Net income	\$ 290,709
Impairment of available-for-sale investments, after tax	27,636
Adjusted net income	<u>318,345</u>
Net income for ROIC calculation	318,345
Interest expense, after tax	3,620
Rent expense, net, after tax	233,010
Net income for ROIC after adjustments (numerator)	<u>\$ 554,975</u>
Total stockholders' equity	\$ 1,587,324
Total debt including capital and financing lease obligations	16,275
Operating leases capitalized at 8x annual rent expense	3,106,794
Total debt and operating leases capitalized at 8x annual rent expense	<u>3,123,069</u>
Total capital (total stockholders' equity + total debt and operating leases capitalized at 8x annual rent expense)	4,710,393
Average total capital (denominator) ¹	\$ 4,692,421
ROIC	11.8%
ROIC using GAAP amounts ²	11.2%

¹ Average total capital is calculated as the sum of the current and prior year ending total capital divided by two.

² ROIC using GAAP amounts was derived as the quotient of GAAP Net income (loss) for ROIC not adjusted (numerator) and average total capital.