



**CarMax, Inc.****KMX NYSE****Retail - Specialty**

Market Capitalization USD:

\$5,400.36 mm**CONCERN LEVEL: AVERAGE**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group. 
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Thomas J. Folliard**Age: 47****CEO Since: 2006**

	2009	2010	2011
Base Salary	\$846,154	\$850,000	\$1,037,308
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$0	\$1,700,000	\$898,560
Benefits and Perquisites	\$88,350	\$132,309	\$319,390
TOTAL ANNUAL COMPENSATION	\$934,504	\$2,682,309	\$2,255,258
Increase in Post-Retirement Benefits	\$99,928	\$194,519	\$357,735
Stock Option Awards	\$2,026,750	\$1,900,956	\$2,905,722
Stock Awards	\$0	\$526,328	\$955,904
TOTAL COMPENSATION	\$2,732,482	\$5,304,112	\$6,474,619
Median of Other Named Executive Officers Total Compensation	\$2,202,138	\$2,202,138	\$2,636,759
Value Realized on Exercise of Stock Option	\$0	\$1,219,579	\$2,678,350
Value Realized on Vesting of Stock	\$0	\$0	\$0
TOTAL REALIZED EQUITY COMPENSATION	\$0	\$1,219,579	\$2,678,350

Proxy Date: 3 May 2012

Annual Meeting Date: 25 Jun 2012

Equity Reserves: 13.98%

Stock Option Run Rate: 1.00%

CarMax, Inc.

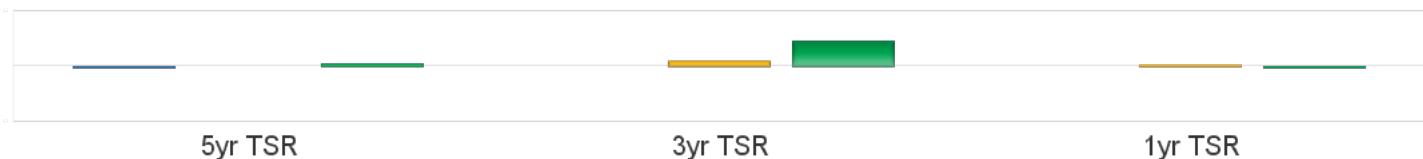
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Performance Comparison

■ S&P500 ■ Industry ■ KMX



Peer Comparisons (TRBC) =Retail - Specialty

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
KMX	CarMax, Inc.	\$2,732,482	\$5,304,112	\$6,474,619	\$5,400,356,024
BBBY	Bed Bath & Beyond Inc.	\$8,697,028	\$15,483,413	\$13,927,234	\$14,277,550,896
AZO	AutoZone, Inc.	\$3,208,830	\$3,809,927		\$13,265,699,506
SPLS	Staples, Inc.	\$10,759,001	\$15,165,193	\$8,861,104	\$9,432,218,953
ORLY	O'Reilly Automotive, Inc.	\$3,541,095	\$4,896,696	\$3,696,252	\$9,057,934,394
PETM	PetSmart, Inc.	\$5,298,326	\$6,520,020	\$7,320,348	\$4,808,462,634
AN	AutoNation, Inc.	\$5,163,879	\$6,765,622	\$6,428,361	\$4,778,468,999

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

Advance Auto Parts, Inc., Family Dollar Stores, Inc., Penske Automotive Group, Inc., AutoNation, Inc., GameStop Corp., PetSmart, Inc., AutoZone, Inc., Genuine Parts Company, Ross Stores, Inc., Bed Bath & Beyond Inc., Group 1 Automotive, Inc., The Sherwin-Williams Company, Dick's Sporting Goods, Inc., The Hertz Corporation, Staples, Inc., Dollar General Corporation, Kohl's Corporation, Tractor Supply Company.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Thomas G. Stembera	Chairman	63	Male	9	Outside
Edgar H. Grubb	Member	72	Male	5	Outside
Ronald E. Blavlock	Member	52	Male	5	Outside

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