

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 or 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported):
February 20, 2018

Walmart Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-06991
(Commission File Number)

71-0415188
(IRS Employer Identification No.)

702 S.W. 8th Street
Bentonville, Arkansas 72716
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code:
(479) 273-4000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

In accordance with Item 2.02 of Form 8-K of the Securities and Exchange Commission (the "SEC"), Walmart Inc., a Delaware corporation (the "Company"), is furnishing to the SEC a press release that the Company will issue on February 20, 2018 (the "Press Release") and a financial presentation that will be first posted by the Company on the Company's website at <http://stock.walmart.com> on February 20, 2018 (the "Financial Presentation"). The Press Release and the Financial Presentation will disclose information regarding the Company's results of operations for the three and twelve months ended January 31, 2018, and the Company's financial condition as of January 31, 2018.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 2.02 of this Current Report on Form 8-K, including Exhibits 99.1 and 99.2 hereto, which are furnished herewith pursuant to and relate to this Item 2.02, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise be subject to the liabilities of Section 18 of the Exchange Act. The information in this Item 2.02 of this Current Report on Form 8-K and Exhibits 99.1 and 99.2 hereto shall not be incorporated by reference into any filing or other document filed by the Company with the SEC pursuant to the Securities Act of 1933, as amended, the rules and regulations of the SEC thereunder, the Exchange Act, or the rules and regulations of the SEC thereunder, except as shall be expressly set forth by specific reference in such filing or document.

Item 9.01. Financial Statements and Exhibits.**(d) Exhibits**

The following documents are furnished as exhibits to this Current Report on Form 8-K:

- 99.1 [Press Release](#)
 - 99.2 [Financial Presentation](#)
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SIGNATURES

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 hereunto duly authorized.

Dated: February 20, 2018

WALMART INC.

By:	<u>/s/ M. Brett Biggs</u>
Name:	M. Brett Biggs
Title:	Executive Vice President and Chief Financial Officer



**Walmart U.S. Q4 comps¹ grew 2.6% and Walmart U.S. eCommerce sales grew 23%,
Walmart U.S. full year comps¹ grew 2.1% and Walmart U.S. eCommerce sales grew 44%,
Fiscal year 2018 GAAP EPS of \$3.28; Adjusted EPS² of \$4.42,
Company expects fiscal 2019 EPS of \$4.75 to \$5.00**

Fourth-quarter highlights

- * GAAP EPS was \$0.73 and adjusted EPS² was \$1.33.
- * Total revenue was \$136.3 billion, an increase of \$5.3 billion, or 4.1%. Excluding currency², total revenue was \$135.1 billion, an increase of \$4.1 billion, or 3.1%.
- * Walmart U.S. comp sales^{1,2} increased 2.6%, and comp traffic increased 1.6%. On a two-year stack, comp sales growth of 4.4% marked the best performance in eight years.
- * eCommerce sales and GMV³ at Walmart U.S. increased 23% and 24%, respectively.
- * Sam's Club comp sales, excluding fuel², increased 2.4% led by comp traffic growth of 4.3%.
- * Net sales at Walmart International were \$33.1 billion, an increase of 6.7%. Excluding currency², net sales were \$31.9 billion, an increase of 2.8%. Nine of eleven markets posted positive comp sales, including our four largest markets.
- * Consolidated operating income was \$4.5 billion, a decrease of 28%. Excluding the impact of discrete charges detailed in this press release, operating income would have decreased less than 1.0 percent.

"We have good momentum in the business with solid sales growth across Walmart U.S., Sam's Club and International. We're making real progress putting our unique assets to work to serve customers in all the ways they want to shop, and I want to thank our associates for their great work this past year. We're making decisions to position the business for success and investing to win with customers and shareholders."


Doug McMillon
President and CEO, Walmart

Fiscal 2018 highlights

- * Total revenue was \$500.3 billion, an increase of \$14.5 billion, or 3.0%. Excluding currency², total revenue was \$500.9 billion, an increase of \$15.1 billion, or 3.1%.
- * eCommerce sales and GMV³ at Walmart U.S. increased 44% and 47%, respectively.
- * Consolidated operating income was \$20.4 billion, a decrease of 10.2%. Excluding the impact of discrete charges detailed in this press release, operating income would have been relatively flat.
- * The company generated \$28.3 billion in operating cash flow and returned \$14.4 billion to shareholders through dividends and share repurchases.

Key results

(Amounts in billions, except as noted. Dollar and percentage changes may not recalculate due to rounding.)

	Q4 FY18	Q4 FY17	Change		FY18	FY17	Change	
Revenue	\$136.3	\$130.9	\$5.3	4.1%	\$500.3	\$485.9	\$14.5	3.0%
Revenue (constant currency) ²	\$135.1	\$130.9	\$4.1	3.1%	\$500.9	\$485.9	\$15.1	3.1%
Operating income	\$4.5	\$6.2	-\$1.7	-28.0%	\$20.4	\$22.8	-\$2.3	-10.2%
Operating income (constant currency) ²	\$4.4	\$6.2	-\$1.8	-29.3%	\$20.5	\$22.8	-\$2.3	-9.9%

¹ Represents Walmart U.S. comparable sales excluding fuel. Including fuel, Walmart U.S. comparable sales grew 2.7% and 2.2% for Q4 and the full year, respectively.

² See additional information at the end of this release regarding non-GAAP financial measures.

³ GMV represents the total U.S. dollar volume of merchandise sold or services rendered for all transactions, including marketplace transactions, that are generally initiated through our eCommerce platforms or include our owned inventory sold on other third party platforms.

NYSE: WMT

February 20, 2018

stock.walmart.com

Free Cash Flow	FY18	\$ Change	Returns to Shareholders	FY18	% Change
Operating cash flow	\$28.3	-\$3.3	Dividends	\$6.1	-1.5%
Capital expenditures	\$10.1	-\$0.6	Share repurchases ³	\$8.3	0.0%
Free cash flow²	\$18.3	-\$2.8	Total	\$14.4	-0.6%

Tax Reform

On December 22, 2017, the 2017 Tax Cuts and Jobs Act (the "Tax Act") was enacted into law and contains several key tax provisions that affected us, including a one-time mandatory transition tax on accumulated foreign earnings and a reduction of the U.S. corporate income tax rate to 21 percent, effective January 1, 2018. The Securities and Exchange Commission (SEC) staff subsequently issued Staff Accounting Bulletin No. 118 (SAB 118), allowing companies to record provisional amounts during a measurement period not to extend beyond one year of the enactment date while the accounting impact is still under analysis. We are currently analyzing the accounting impact of the Tax Act, but our analysis is incomplete. As a result, we have recorded a provisional benefit of \$207 million for both the fourth quarter and full year. We expect to complete our work within the allowed measurement period.


Fiscal 2019 Full Year Guidance

The following guidance reflects the company's expectations for full year fiscal 2019.

- Comp sales for the 52-week period ending Jan. 25, 2019:
 - Walmart U.S. (ex. fuel¹): at least +2.0%
 - Sam's Club (ex. fuel & tobacco¹): +3.0% to +4.0%
 - Excludes tobacco, which represents a negative impact to comp sales of approximately 400 basis points
- Consolidated net sales growth in constant currency of 1.5% to 2.0%, negatively impacted by:
 - Sam's Club closures and the decision to remove tobacco from certain clubs
 - Decision to wind-down first-party eCommerce business in Brazil and the divestiture of Suburbia
- Walmart U.S. eCommerce sales growth: approximately 40%
- EPS: \$4.75 to \$5.00, including a benefit of approximately \$0.05 from currency based on current rates
- Capital expenditures: approximately \$11.0 billion
- Effective tax rate: between 24% and 26%

Segment results

(Amounts in billions, except as noted. Dollar and percentage changes may not recalculate due to rounding.)


	Q4 FY18	Q4 FY17	Change		FY18	FY17	Change	
Net sales	\$86.6	\$83.7	\$2.8	3.4%	\$318.5	\$307.8	\$10.6	3.5%
Comp sales (ex. fuel) ^{1,2}	2.6%	1.8%	80 bps	N/A	2.1%	1.4%	70 bps	N/A
✶ Traffic	1.6%	1.4%	20 bps	N/A	NP	NP	NP	NP
✶ Ticket	1.0%	0.4%	60 bps	N/A	NP	NP	NP	NP
✶ eCommerce	~60 bps	~40 bps	~20 bps	N/A	NP	NP	NP	NP
Operating income	\$5.0	\$5.0	\$—	-0.9%	\$17.9	\$17.7	\$0.1	0.7%

¹ See additional information at the end of this release regarding non-GAAP financial measures.

² 13-week period ended Jan. 26, 2018, compared to 13-week period ended Jan. 27, 2017, and excludes fuel.

³ \$18.8 billion remaining of \$20 billion authorization approved in October 2017. The company repurchased approximately 105 million shares in fiscal 2018.

	Q4 FY18	Q4 FY17	Change		FY18	FY17	Change	
Net sales	\$33.1	\$31.0	\$2.1	6.7%	\$118.1	\$116.1	\$1.9	1.7%
Net sales (constant currency) ¹	\$31.9	\$31.0	\$0.9	2.8%	\$118.6	\$116.1	\$2.5	2.1%
Operating income	\$1.3	\$1.5	-\$0.2	-10.9%	\$5.4	\$5.8	-\$0.4	-7.1%
Operating income (constant currency) ¹	\$1.3	\$1.5	-\$0.2	-16.1%	\$5.4	\$5.8	-\$0.3	-5.9%

	Q4 FY18	Q4 FY17	Change		FY18	FY17	Change	
Net sales	\$15.5	\$15.0	\$0.5	3.3%	\$59.2	\$57.4	\$1.9	3.2%
Comp sales (ex. fuel) ^{1,2}	2.4%	2.4%	0 bps	N/A	2.0%	1.1%	90 bps	N/A
* Traffic	4.3%	1.2%	310 bps	N/A	NP	NP	NP	NP
* Ticket	-1.9%	1.2%	-310 bps	N/A	NP	NP	NP	NP
* eCommerce	~80 bps	~80 bps	~0 bps	N/A	NP	NP	NP	NP
Operating income	-\$0.3	\$0.4	-\$0.7	-172.6%	\$1.0	\$1.7	-\$0.7	-41.2%

Net EPS impact of discrete items

The net EPS impact of certain discrete items included in the company's reported fourth quarter and fiscal year results was -\$0.60¹ and -\$1.14¹ per share, respectively. The discrete items and the respective EPS impact, net of tax¹, included in the reported results were as follows:

Q4 fiscal year 2018, net of tax³

• Restructuring charges ⁴	-0.28
• Loss on extinguishment of debt	-0.21
• Asset impairments and write-offs ⁵	-0.12
• Associate lump sum bonus	-0.09
• U.S. tax reform benefit	0.07
• Legal settlement recovery	0.03
	<u>-0.60</u>

Fiscal year 2018, net of tax³

• Loss on extinguishment of debt	-0.67
• Restructuring charges ⁴	-0.28
• Asset impairments and write-offs ⁵	-0.16
• FCPA accrual	-0.09
• Associate lump sum bonus	-0.09
• U.S. tax reform benefit	0.07
• Gain on sale of Suburbia	0.05
• Legal settlement recovery	0.03
	<u>-1.14</u>

During fiscal year 2017, the net impact to EPS from discrete items included in the company's reported fourth quarter and full year results from continuing operations was -\$0.08¹ and \$0.06¹ per share. *[Note: Details provided in press release issued Feb. 21, 2017.]*

¹ See additional information at the end of this release regarding non-GAAP financial measures.

² 13-week period ended Jan. 26, 2018, compared to 13-week period ended Jan. 27, 2017, and excludes fuel.

³ Calculated based on nature of item and statutory rate in effect for relevant jurisdiction.

⁴ Restructuring charges include \$0.20 for restructurings in the U.S., primarily relating to Sam's Club store closures and Home Office severance, and \$0.08 for Walmart International, primarily due to the winding down of the first party Brazil eCommerce operations.

⁵ Asset impairments and write-offs for Q4 include \$0.08 of impairment charges due to decisions to discontinue certain real estate projects at Walmart U.S. and Sam's Club and technology assets at Corporate, and \$0.04 for the write-off of certain assets at Walmart International. Fiscal year 2018 also includes \$0.04 related to our Q3 decision to exit certain properties in a Walmart International market.

Walmart Inc. (NYSE: WMT) helps people around the world save money and live better - anytime and anywhere - in retail stores, online, and through their mobile devices. Each week, nearly 270 million customers and members visit our more than 11,700 stores under 59 banners in 28 countries and eCommerce websites. With fiscal year 2018 revenue of \$500.3 billion, Walmart employs approximately 2.3 million associates worldwide. Walmart continues to be a leader in sustainability, corporate philanthropy and employment opportunity. Additional information about Walmart can be found by visiting <http://corporate.walmart.com>, on Facebook at <http://facebook.com/walmart> and on Twitter at <http://twitter.com/walmart>.

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Forward-Looking Statements

This release contains statements as to Walmart management's guidance regarding earnings per share, consolidated net sales growth, Walmart U.S. eCommerce sales growth, capital expenditures and Walmart's effective tax rate for the fiscal year ending January 31, 2019, and Walmart U.S.'s comparable sales (excluding fuel) and Sam's Club's comparable sales (excluding fuel and tobacco) for the 52 weeks ending January 25, 2019. Walmart believes such statements are "forward-looking statements" as defined in, and are intended to enjoy the protection of the safe harbor for forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Assumptions on which such forward-looking statements are based are also forward-looking statements. Walmart's actual results may differ materially from the guidance provided as a result of changes in circumstances, assumptions not being realized or other risks, uncertainties and factors including:

- economic, geo-political, capital markets and business conditions, trends and events around the world and in the markets in which Walmart operates;
- currency exchange rate fluctuations, changes in market interest rates and commodity prices;
- unemployment levels;
- competitive pressures;
- inflation or deflation, generally and in particular product categories;
- consumer confidence, disposable income, credit availability, spending levels, shopping patterns, debt levels and demand for certain merchandise;
- consumer enrollment in health and drug insurance programs and such programs' reimbursement rates;
- the amount of Walmart's net sales denominated in the U.S. dollar and various foreign currencies;
- the impact of acquisitions, investments, divestitures, store or club closures, and other strategic decisions;
- Walmart's ability to successfully integrate acquired businesses, including within the eCommerce space;
- Walmart's effective tax rate and the factors affecting Walmart's effective tax rate, including assessments of certain tax contingencies, valuation allowances, changes in law (including the Tax Act), administrative audit outcomes, impact of discrete items and the mix of earnings between the U.S. and Walmart's international operations;
- customer traffic and average ticket in Walmart's stores and clubs and on its eCommerce websites;
- the mix of merchandise Walmart sells, the cost of goods it sells and the shrinkage it experiences;
- the amount of Walmart's total sales and operating expenses in the various markets in which it operates;
- transportation, energy and utility costs and the selling prices of gasoline and diesel fuel;
- supply chain disruptions and disruptions in seasonal buying patterns;
- consumer acceptance of and response to Walmart's stores, clubs, digital platforms, programs, merchandise offerings and delivery methods;
- cyber security events affecting Walmart and related costs;
- developments in, outcomes of, and costs incurred in legal or regulatory proceedings to which Walmart is a party;
- casualty and accident-related costs and insurance costs;
- the turnover in Walmart's workforce and labor costs, including healthcare and other benefit costs;
- changes in accounting estimates or judgments;
- changes in existing tax, labor and other laws and regulations and changes in tax rates, trade agreements,
- trade restrictions and tariff rates;
- the level of public assistance payments;
- natural disasters, public health emergencies, civil disturbances, and terrorist attacks; and
- Walmart's expenditures for Foreign Corrupt Practices Act "FCPA" and other compliance related costs, including the adequacy of the accrual with respect to this matter made in the third quarter of the fiscal year ending January 31, 2018.

Such risks, uncertainties and factors also include the risks relating to our operations and financial performance discussed in our filings with the SEC. You should read this release in conjunction with our Annual Report on Form 10-K for the year ended January 31, 2017, and our subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. You should consider all of the risks, uncertainties and other factors identified above and in those SEC reports carefully when evaluating the forward-looking statements in this release. We cannot assure you that the future results reflected in or implied by any such forward-looking statement will be realized or, even if substantially realized, will have the forecasted or expected consequences and effects for or on our operations or financial performance. Such forward-looking statements are made as of the date of this release, and Walmart undertakes no obligation to update such statements to reflect subsequent events or circumstances.

Walmart Inc.
Condensed Consolidated Statements of Income
(Unaudited)

	Quarters Ended January 31,			Fiscal Years Ended January 31,		
	2018	2017	Percent Change	2018	2017	Percent Change
<i>(Amounts in millions, except per share data)</i>						
Revenues:						
Net sales	\$ 135,150	\$ 129,750	4.2 %	\$ 495,761	\$ 481,317	3.0 %
Membership and other income	1,117	1,186	(5.8)%	4,582	4,556	0.6 %
Total revenues	136,267	130,936	4.1 %	500,343	485,873	3.0 %
Costs and expenses:						
Cost of sales	102,640	97,743	5.0 %	373,396	361,256	3.4 %
Operating, selling, general and administrative expenses	29,160	26,988	8.0 %	106,510	101,853	4.6 %
Operating income	4,467	6,205	(28.0)%	20,437	22,764	(10.2)%
Interest:						
Debt	448	508	(11.8)%	1,978	2,044	(3.2)%
Capital lease and financing obligations	88	77	14.3 %	352	323	9.0 %
Interest income	(37)	(30)	23.3 %	(152)	(100)	52.0 %
Interest, net	499	555	(10.1)%	2,178	2,267	(3.9)%
Loss on extinguishment of debt	1,004	—	N/A	3,136	—	N/A
Income before income taxes	2,964	5,650	(47.5)%	15,123	20,497	(26.2)%
Provision for income taxes	601	1,664	(63.9)%	4,600	6,204	(25.9)%
Consolidated net income	2,363	3,986	(40.7)%	10,523	14,293	(26.4)%
Consolidated net income attributable to noncontrolling interest	(188)	(229)	(17.9)%	(661)	(650)	1.7 %
Consolidated net income attributable to Walmart	\$ 2,175	\$ 3,757	(42.1)%	\$ 9,862	\$ 13,643	(27.7)%
Net income per common share:						
Basic net income per common share attributable to Walmart	\$ 0.74	\$ 1.23	(39.8)%	\$ 3.29	\$ 4.40	(25.2)%
Diluted net income per common share attributable to Walmart	\$ 0.73	\$ 1.22	(40.2)%	\$ 3.28	\$ 4.38	(25.1)%
Weighted-average common shares outstanding:						
Basic	2,959	3,065		2,995	3,101	
Diluted	2,978	3,077		3,010	3,112	
Dividends declared per common share	\$ —	\$ —		\$ 2.04	\$ 2.00	

Walmart Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

<i>(Amounts in millions)</i>	January 31, 2018	January 31, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 6,756	\$ 6,867
Receivables, net	5,614	5,835
Inventories	43,783	43,046
Prepaid expenses and other	3,511	1,941
Total current assets	59,664	57,689
Property and equipment:		
Property and equipment	185,154	179,492
Less accumulated depreciation	(77,479)	(71,782)
Property and equipment, net	107,675	107,710
Property under capital lease and financing obligations:		
Property under capital lease and financing obligations	12,703	11,637
Less accumulated amortization	(5,560)	(5,169)
Property under capital lease and financing obligations, net	7,143	6,468
Goodwill	18,242	17,037
Other assets and deferred charges	11,798	9,921
Total assets	\$ 204,522	\$ 198,825
LIABILITIES AND EQUITY		
Current liabilities:		
Short-term borrowings	\$ 5,257	\$ 1,099
Accounts payable	46,092	41,433
Accrued liabilities	22,122	20,654
Accrued income taxes	645	921
Long-term debt due within one year	3,738	2,256
Capital lease and financing obligations due within one year	667	565
Total current liabilities	78,521	66,928
Long-term debt	30,045	36,015
Long-term capital lease and financing obligations	6,780	6,003
Deferred income taxes and other	8,354	9,344
Commitments and contingencies		
Equity:		
Common stock	295	305
Capital in excess of par value	2,648	2,371
Retained earnings	85,107	89,354
Accumulated other comprehensive loss	(10,181)	(14,232)
Total Walmart shareholders' equity	77,869	77,798
Nonredeemable noncontrolling interest	2,953	2,737
Total equity	80,822	80,535
Total liabilities and equity	\$ 204,522	\$ 198,825

Walmart Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Fiscal Years Ended	
	January 31,	
	2018	2017
<i>(Amounts in millions)</i>		
Cash flows from operating activities:		
Consolidated net income	\$ 10,523	\$ 14,293
Adjustments to reconcile consolidated net income to net cash provided by operating activities:		
Depreciation and amortization	10,529	10,080
Deferred income taxes	(304)	761
Loss on extinguishment of debt	3,136	—
Other operating activities	1,210	206
Changes in certain assets and liabilities, net of effects of acquisitions:		
Receivables, net	(1,074)	(402)
Inventories	(140)	1,021
Accounts payable	4,086	3,942
Accrued liabilities	928	1,280
Accrued income taxes	(557)	492
Net cash provided by operating activities	28,337	31,673
Cash flows from investing activities:		
Payments for property and equipment	(10,051)	(10,619)
Proceeds from the disposal of property and equipment	378	456
Proceeds from disposal of certain operations	1,046	662
Purchase of available for sale securities	—	(1,901)
Business acquisitions, net of cash acquired	(375)	(2,463)
Other investing activities	(58)	(122)
Net cash used in investing activities	(9,060)	(13,987)
Cash flows from financing activities:		
Net change in short-term borrowings	4,148	(1,673)
Proceeds from issuance of long-term debt	7,476	137
Repayments of long-term debt	(13,061)	(2,055)
Premiums paid to extinguish debt	(3,059)	—
Dividends paid	(6,124)	(6,216)
Purchase of Company stock	(8,296)	(8,298)
Dividends paid to noncontrolling interest	(690)	(479)
Purchase of noncontrolling interest	(8)	(90)
Other financing activities	(261)	(398)
Net cash used in financing activities	(19,875)	(19,072)
Effect of exchange rates on cash and cash equivalents	487	(452)
Net increase (decrease) in cash and cash equivalents	(111)	(1,838)
Cash and cash equivalents at beginning of year	6,867	8,705
Cash and cash equivalents at end of period	\$ 6,756	\$ 6,867

Walmart Inc.
Supplemental Financial Information
(Unaudited)

Net sales and operating income

	Net Sales			Operating Income		
	Three Months Ended			Three Months Ended		
	January 31,			January 31,		
(dollars in millions)	2018	2017	Percent Change	2018	2017	Percent Change
Walmart U.S.	\$ 86,579	\$ 83,747	3.4%	\$ 4,952	\$ 4,995	-0.9 %
Walmart International	33,092	31,025	6.7%	1,348	1,513	-10.9 %
Sam's Club	15,479	14,978	3.3%	-283	390	-172.6 %
Corporate and support	—	—	N/A	-1,550	-693	123.7 %
Consolidated	\$ 135,150	\$ 129,750	4.2%	\$ 4,467	\$ 6,205	-28.0 %

	Net Sales			Operating Income		
	Fiscal Years Ended			Fiscal Years Ended		
	January 31,			January 31,		
(dollars in millions)	2018	2017	Percent Change	2018	2017	Percent Change
Walmart U.S.	\$ 318,477	\$ 307,833	3.5%	\$ 17,869	\$ 17,745	0.7 %
Walmart International	118,068	116,119	1.7%	5,352	5,758	-7.1 %
Sam's Club	59,216	57,365	3.2%	982	1,671	-41.2 %
Corporate and support	—	—	0.0%	-3,766	-2,410	56.3 %
Consolidated	\$ 495,761	\$ 481,317	3.0%	\$ 20,437	\$ 22,764	-10.2 %

U.S. comparable sales results

	With Fuel		Without Fuel¹		Fuel Impact	
	13 Weeks Ended		13 Weeks Ended		13 Weeks Ended	
	1/26/2018	1/27/2017	1/26/2018	1/27/2017	1/26/2018	1/27/2017
Walmart U.S.	2.7%	1.8%	2.6%	1.8%	0.1%	0.0%
Sam's Club	3.6%	3.1%	2.4%	2.4%	1.2%	0.7%
Total U.S.	2.8%	2.0%	2.6%	1.9%	0.2%	0.1%

	With Fuel		Without Fuel¹		Fuel Impact	
	52 Weeks Ended		52 Weeks Ended		52 Weeks Ended	
	1/26/2018	1/27/2017	1/26/2018	1/27/2017	1/26/2018	1/27/2017
Walmart U.S.	2.2%	1.4%	2.1%	1.4%	0.1%	0.0%
Sam's Club	3.0%	0.2%	2.0%	1.1%	1.0%	-0.9%
Total U.S.	2.3%	1.2%	2.1%	1.3%	0.2%	-0.1%

¹ See additional information at the end of this release regarding non-GAAP financial measures.

Walmart Inc.
Reconciliations of and Other Information Regarding Non-GAAP Financial Measures
(Unaudited)

The following information provides reconciliations of certain non-GAAP financial measures presented in the press release to which this reconciliation is attached to the most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles (GAAP). The company has provided the non-GAAP financial information presented in the press release, which is not calculated or presented in accordance with GAAP, as information supplemental and in addition to the financial measures presented in the press release that are calculated and presented in accordance with GAAP. Such non-GAAP financial measures should not be considered superior to, as a substitute for or alternative to, and should be considered in conjunction with, the GAAP financial measures presented in the press release. The non-GAAP financial measures in the press release may differ from similar measures used by other companies.

Constant Currency

In discussing our operating results, the term currency exchange rates refers to the currency exchange rates we use to convert the operating results for all countries where the functional currency is not the U.S. dollar into U.S. dollars. We calculate the effect of changes in currency exchange rates as the difference between current period activity translated using the current period's currency exchange rates, and the comparable prior year period's currency exchange rates. Throughout our discussion, we refer to the results of this calculation as the impact of currency exchange rate fluctuations. When we refer to constant currency operating results, this means operating results without the impact of the currency exchange rate fluctuations. The disclosure of constant currency amounts or results permits investors to better understand Walmart's underlying performance without the effects of currency exchange rate fluctuations.

The table below reflects the calculation of constant currency for total revenues, net sales and operating income for the three and twelve months ended January 31, 2018.

	Three Months Ended January 31,				Twelve Months Ended January 31,			
	Walmart International		Consolidated		Walmart International		Consolidated	
	2018	Percent Change ¹	2018	Percent Change ¹	2018	Percent Change ¹	2018	Percent Change ¹
<i>(Dollars in millions)</i>								
Total revenues:								
As reported	\$ 33,455	6.1 %	\$ 136,267	4.1 %	\$ 119,763	1.4 %	\$ 500,343	3.0 %
Currency exchange rate fluctuations	-1,208	N/A	-1,208	N/A	582	N/A	582	N/A
Constant currency total revenues	\$ 32,247	2.3 %	\$ 135,059	3.1 %	\$ 120,345	1.9 %	\$ 500,925	3.1 %
Net sales:								
As reported	\$ 33,092	6.7 %	\$ 135,150	4.2 %	\$ 118,068	1.7 %	\$ 495,761	3.0 %
Currency exchange rate fluctuations	-1,197	N/A	-1,197	N/A	542	N/A	542	N/A
Constant currency net sales	\$ 31,895	2.8 %	\$ 133,953	3.2 %	\$ 118,610	2.1 %	\$ 496,303	3.1 %
Operating income:								
As reported	\$ 1,348	-10.9 %	\$ 4,467	-28.0 %	\$ 5,352	-7.1 %	\$ 20,437	-10.2 %
Currency exchange rate fluctuations	-78	N/A	-78	N/A	68	N/A	67	N/A
Constant currency operating income	\$ 1,270	-16.1 %	\$ 4,389	-29.3 %	\$ 5,420	-5.9 %	\$ 20,504	-9.9 %

¹ Change versus prior year comparable period.

Free Cash Flow

We define free cash flow as net cash provided by operating activities in a period minus payments for property and equipment made in that period. We had net cash provided by operating activities of \$28.3 billion and \$31.7 billion for the twelve months ended January 31, 2018 and 2017, respectively. We generated free cash flow of \$18.3 billion and \$21.1 billion for the twelve months ended January 31, 2018 and 2017, respectively. The decreases in net cash provided by operating activities and free cash flow were due to the timing of tax and other payments, as well as lapping prior year's improvements in working capital management.

Free cash flow is considered a non-GAAP financial measure. Management believes, however, that free cash flow, which measures our ability to generate additional cash from our business operations, is an important financial measure for use in evaluating the company's financial performance. Free cash flow should be considered in addition to, rather than as a substitute for, consolidated net income as a measure of our performance and net cash provided by operating activities as a measure of our liquidity.

Additionally, Walmart's definition of free cash flow is limited, in that it does not represent residual cash flows available for discretionary expenditures, due to the fact that the measure does not deduct the payments required for debt service and other contractual obligations or payments made for business acquisitions. Therefore, we believe it is important to view free cash flow as a measure that provides supplemental information to our Consolidated Statements of Cash Flows.

Although other companies report their free cash flow, numerous methods may exist for calculating a company's free cash flow. As a result, the method used by Walmart's management to calculate our free cash flow may differ from the methods used by other companies to calculate their free cash flow.

The following table sets forth a reconciliation of free cash flow, a non-GAAP financial measure, to net cash provided by operating activities, which we believe to be the GAAP financial measure most directly comparable to free cash flow, as well as information regarding net cash used in investing activities and net cash used in financing activities.

	Fiscal Years Ended	
	January 31,	
	2018	2017 ¹
(Dollars in millions)		
Net cash provided by operating activities	\$ 28,337	\$ 31,673
Payments for property and equipment (capital expenditures)	-10,051	-10,619
Free cash flow	\$ 18,286	\$ 21,054
Net cash used in investing activities ²	\$ -9,060	\$ -13,987
Net cash used in financing activities	-19,875	-19,072

¹ Reclassifications made due to the adoption of ASU 2016-09, *Improvements to Employee Share-Based Payment Accounting*.

² "Net cash used in investing activities" includes payments for property and equipment, which is also included in our computation of free cash flow.

Adjusted EPS

Adjusted diluted earnings per share from continuing operations attributable to Walmart (Adjusted EPS) for each of the three months and fiscal years ended January 31, 2018 and 2017 is considered a non-GAAP financial measure under the SEC's rules because the Adjusted EPS for each such period excludes certain amounts not excluded in the diluted earnings per share from continuing operations attributable to Walmart calculated in accordance with GAAP (EPS) for such periods. Management believes that the Adjusted EPS for each of the three months and fiscal years ended January 31, 2018 and 2017 is a meaningful measure to share with investors because each measure, which adjusts EPS for such periods for certain items recorded in such periods, is the measure that best allows comparison of the performance for the comparable period. In addition, Adjusted EPS affords investors a view of what management considers Walmart's core earnings performance for each of the three months and fiscal years ended January 31, 2018 and 2017 and also affords investors the ability to make a more informed assessment of such core earnings performance for the comparable periods.

We have calculated Adjusted EPS for the three months and fiscal year ended January 31, 2018 by adjusting EPS for the following: (1) restructuring charges, (2) losses on the early extinguishment of certain debt, (3) asset impairments and write-offs, (4) U.S. associate lump sum bonuses, (5) the impact of U.S. tax reform, (6) a legal settlement recovery and, for the fiscal year ended January 31, 2018 only, the (7) the FCPA accrual based on discussions with government agencies regarding the possible resolution of the FCPA matter and (8) the gain on sale of Suburbia.

Adjusted EPS for the three months ended January 31, 2018 is a non-GAAP financial measure. The most directly comparable financial measure calculated in accordance with GAAP is EPS for the three months ended January 31, 2018.

Three Months Ended January 31, 2018			
Diluted earnings per share:			
Reported EPS			\$0.73
Adjustments:	Pre-Tax Impact	Tax Impact¹	Net Impact
Restructuring charges ²	\$0.40	-\$0.12	\$0.28
Loss on extinguishment of debt	0.34	-0.13	0.21
Asset impairments and write-offs ³	0.18	-0.06	0.12
Associate lump sum bonus	0.15	-0.06	0.09
U.S. tax reform benefit	—	-0.07	-0.07
Legal settlement recovery	-0.05	0.02	-0.03
Net adjustments			\$0.60
Adjusted EPS			\$1.33

¹ Calculated based on nature of item and statutory rate in effect for relevant jurisdiction.

² Restructuring charges include \$0.20 for restructurings in the U.S., primarily relating to Sam's Club store closures and Home Office severance, and \$0.08 for Walmart International, primarily due to the winding down of the first party Brazil eCommerce operations.

³ Asset impairments and write-offs for Q4 include \$0.08 of impairment charges due to decisions to discontinue certain real estate projects at Walmart U.S. and Sam's Club and technology assets at Corporate, and \$0.04 for the write-off of certain assets at Walmart International.

Adjusted EPS for the fiscal year ended January 31, 2018 is a non-GAAP financial measure. The most directly comparable financial measure calculated in accordance with GAAP is EPS for the fiscal year ended January 31, 2018.

Fiscal Year Ended January 31, 2018				
Diluted earnings per share:				
Reported EPS				\$3.28
Adjustments:				
	Pre-Tax Impact	Tax Impact¹	NCI Impact²	Net Impact
Loss on extinguishment of debt	\$1.05	-\$0.38	—	\$0.67
Restructuring charges ³	0.40	-0.12	—	0.28
Asset impairments and write-offs ⁴	0.23	-0.07	—	0.16
FCPA accrual	0.09	—	—	0.09
Associate lump sum bonus	0.15	-0.06	—	0.09
U.S. tax reform benefit	—	-0.07	—	-0.07
Gain on sale of Suburbia	-0.13	0.04	0.04	-0.05
Legal settlement recovery	-0.05	0.02	—	-0.03
Net adjustments				\$1.14
Adjusted EPS				\$4.42

¹ Calculated based on nature of item and statutory rate in effect for relevant jurisdiction.

² Calculated based on the ownership percentages of the noncontrolling interest at Walmex.

³ See prior page for details of restructuring charges.

⁴ In addition to Q4 details on prior page, also includes \$0.04 in Q3 related to decision to exit certain properties in a Walmart International market.

As previously disclosed in our fiscal year ended January 31, 2017 press release, we have calculated the Adjusted EPS for the three months and the fiscal year ended January 31, 2017 by adjusting the EPS for each period for the amount of the impact of: (1) U.S. discontinued real estate projects and severance and (2) the gain on the sale of Yihaodian in China as reported in Q2 FY17. Adjusted EPS for each of the three months and the fiscal year ended January 31, 2017 is a non-GAAP financial measure. The most directly comparable financial measure calculated in accordance with GAAP is EPS for the three months and the fiscal year ended January 31, 2017.

Adjusted EPS - Fiscal 2017			
Three Months Ended January 31, 2017			
Diluted earnings per share:			
Reported EPS			\$1.22
Adjustment:			
	Pre-Tax Impact	Tax Impact¹	Net Impact
U.S. discontinued real estate projects and severance	\$0.12	-\$0.04	\$0.08
Adjusted EPS			\$1.30
Fiscal Year Ended January 31, 2017			
Diluted earnings per share:			
Reported EPS			\$4.38
Adjustments:			
	Pre-Tax Impact	Tax Impact¹	Net Impact
Gain on the sale of Yihaodian in China	-\$0.17	\$0.03	-\$0.14
U.S. discontinued real estate projects and severance	0.12	-0.04	0.08
Net adjustments			-\$0.06
Adjusted EPS			\$4.32

¹ Calculated based on nature of item and statutory rate in effect for relevant jurisdiction.

Non-GAAP Comparable Sales Measures

The comparable sales of the company's Walmart U.S. and Sam's Club operating segments for the 13-week and 52-week periods ended January 26, 2018 and January 27, 2017, and our guidance for comparable sales for the 52-week period ending January 25, 2019, in each case calculated or forecasted by excluding fuel or fuel and tobacco sales for such periods (collectively the "Non-GAAP Comparable Sales Measures"), are non-GAAP financial measures as defined by the SEC's rules. We believe the most directly comparable financial measures computed in accordance with GAAP are the comparable sales calculated by including fuel and tobacco sales for the corresponding periods.

We believe that the presentation of the Non-GAAP Comparable Sales Measures provides useful information to investors regarding the company's financial condition and results of operations because that information permits investors to understand the impact of fuel or fuel and tobacco sales, which are affected by the volatility of fuel prices and Sam's Club's decision to remove tobacco from certain locations, on Walmart U.S. and Sam's Club's comparable sales for the periods presented.

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Financial presentation to accompany management transcript

Q4 FY18

Safe harbor and non-GAAP measures

This presentation contains statements as to Walmart management's guidance regarding earnings per share, consolidated net sales growth, Walmart U.S. eCommerce sales growth, capital expenditures and Walmart's effective tax rate for the fiscal year ending January 31, 2019, and Walmart U.S.'s comparable sales (excluding fuel) and Sam's Club's comparable sales (excluding fuel and tobacco) for the 52 weeks ending January 25, 2019. Walmart believes such statements are "forward-looking statements" as defined in, and are intended to enjoy the protection of the safe harbor for forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Assumptions on which such forward-looking statements are based are also forward-looking statements. Walmart's actual results may differ materially from the guidance provided as a result of changes in circumstances, assumptions not being realized or other risks, uncertainties and factors including:

- economic, geo-political, capital markets and business conditions, trends and events around the world and in the markets in which Walmart operates;
- currency exchange rate fluctuations, changes in market interest rates and commodity prices;
- unemployment levels;
- competitive pressures;
- inflation or deflation, generally and in particular product categories;
- consumer confidence, disposable income, credit availability, spending levels, shopping patterns, debt levels and demand for certain merchandise;
- consumer enrollment in health and drug insurance programs and such programs' reimbursement rates;
- the amount of Walmart's net sales denominated in the U.S. dollar and various foreign currencies;
- the impact of acquisitions, investments, divestitures, store or club closures, and other strategic decisions;
- Walmart's ability to successfully integrate acquired businesses, including within the eCommerce space;
- Walmart's effective tax rate and the factors affecting Walmart's effective tax rate, including assessments of certain tax contingencies, valuation allowances, changes in law (including the Tax Act), administrative audit outcomes, impact of discrete items and the mix of earnings between the U.S. and Walmart's international operations;
- customer traffic and average ticket in Walmart's stores and clubs and on its eCommerce websites;
- the mix of merchandise Walmart sells, the cost of goods it sells and the shrinkage it experiences;
- the amount of Walmart's total sales and operating expenses in the various markets in which it operates;
- transportation, energy and utility costs and the selling prices of gasoline and diesel fuel;
- supply chain disruptions and disruptions in seasonal buying patterns;
- consumer acceptance of and response to Walmart's stores, clubs, digital platforms, programs, merchandise offerings and delivery methods;
- cyber security events affecting Walmart and related costs;
- developments in, outcomes of, and costs incurred in legal or regulatory proceedings to which Walmart is a party;
- casualty and accident-related costs and insurance costs;
- the turnover in Walmart's workforce and labor costs, including healthcare and other benefit costs;
- changes in accounting estimates or judgments;
- changes in existing tax, labor and other laws and regulations and changes in tax rates, trade agreements, trade restrictions and tariff rates;
- the level of public assistance payments;
- natural disasters, public health emergencies, civil disturbances, and terrorist attacks; and
- Walmart's expenditures for Foreign Corrupt Practices Act "FCPA" and other compliance related costs, including the adequacy of the accrual with respect to this matter made in the third quarter of the fiscal year ending January 31, 2018.

Such risks, uncertainties and factors also include the risks relating to our operations and financial performance discussed in our filings with the SEC. You should read this presentation in conjunction with our Annual Report on Form 10-K for the year ended January 31, 2017, and our subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. You should consider all of the risks, uncertainties and other factors identified above and in those SEC reports carefully when evaluating the forward-looking statements in this release. We cannot assure you that the future results reflected in or implied by any such forward-looking statement will be realized or, even if substantially realized, will have the forecasted or expected consequences and effects for or on our operations or financial performance. Such forward-looking statements are made as of the date of this presentation, and Walmart undertakes no obligation to update such statements to reflect subsequent events or circumstances.

This presentation includes certain non-GAAP measures as defined under SEC rules, including net sales, revenue, and operating income on a constant currency basis, adjusted EPS, comp sales excluding fuel, free cash flow and return on investment. Refer to information about the non-GAAP measures contained in this presentation. Additional information as required by Regulation G and Item 10(e) of Regulation S-K regarding non-GAAP measures can be found in our most recent Form 10-K and our Form 8-K furnished as of the date of this presentation with the SEC, which are available at www.stock.walmart.com.



Fiscal Year 2019 Guidance



FY19 EPS:
\$4.75 to \$5.00



Comp sales for 52-week period,
excluding fuel^{1,2}:
at least +2.0%



Comp sales for 52-week period
(ex. fuel & tobacco)^{1,2}:
+3.0% to +4.0% (excluding the
approximately 400 basis point negative impact to
comp sales from tobacco)

or (-1.0%) to flat (including the impact of
reduced tobacco sales)



¹ 52-week period ending January 25, 2019.

² See press release located at www.stock.walmart.com and additional information at the end of this presentation regarding non-GAAP financial measures.

Additional Fiscal Year 2019 Guidance

- Consolidated net sales growth in constant currency: +1.5% to +2.0%
 - Negatively impacted by actions at Sam's Club, including club closures and tobacco sales reduction
 - Decision to wind-down first-party eCommerce business in Brazil and the divestiture of Suburbia
- Walmart U.S. eCommerce sales growth: approximately 40%
- Expect to slightly leverage expenses on a consolidated basis
- Consolidated operating margin (% of sales): approximately 4.3% - 4.4% in constant currency
- Capital expenditures: approximately \$11.0 billion
- Effective tax rate: between 24% and 26%



Walmart Inc.

(Amounts in millions, except per share data)

	Q4	\$ Δ^1	% Δ^1	FY18	\$ Δ^1	% Δ^1
Total revenue	\$136,267	\$5,331	4.1%	\$500,343	\$14,470	3.0%
Total revenue, constant currency ²	\$135,059	\$4,123	3.1%	\$500,925	\$15,052	3.1%
Net sales	\$135,150	\$5,400	4.2%	\$495,761	\$14,444	3.0%
Net sales, constant currency ²	\$133,953	\$4,203	3.2%	\$496,303	\$14,986	3.1%
Membership & other income	\$1,117	(69)	-5.8%	\$4,582	\$26	0.6%
Operating income	\$4,467	-\$1,738	-28.0%	\$20,437	-\$2,327	-10.2%
Operating income, constant currency ²	\$4,389	-\$1,816	-29.3%	\$20,504	-\$2,260	-9.9%
Interest expense, net	\$499	-\$56	-10.1%	\$2,178	-\$89	-3.9%
Consolidated net income attributable to Walmart	\$2,175	-\$1,582	-42.1%	\$9,862	-\$3,781	-27.7%
Diluted EPS	\$0.73	-\$0.49	-40.2%	\$3.28	-\$1.10	-25.1%
Adjusted EPS ²	\$1.33	\$0.03	2.3%	\$4.42	\$0.10	2.3%



¹ Change versus prior year comparable period.

² See press release located at www.stock.walmart.com and reconciliations at the end of presentation regarding non-GAAP financial measures.

Walmart Inc.

	Q4	bps Δ^1	FY18	bps Δ^1
Gross profit rate	24.1%	-61 bps	24.7%	-26 bps
Operating expenses as a percentage of net sales	21.6%	78 bps	21.5%	32 bps
Effective tax rate ²	20.3%	-917 bps	30.4%	15 bps
Debt to total capitalization ³	NP	NP	37.4%	-90 bps
Return on investment ⁴	NP	NP	14.2%	-100 bps

¹ Basis points change versus prior year comparable period.

² The decrease in the effective tax rate for the quarter was primarily due to the tax reform benefit recorded in the quarter.

³ Debt to total capitalization is calculated as of January 31, 2018. Debt includes short-term borrowings, long-term debt due within one year, capital lease and financing obligations due within one year, long-term debt, and long-term capital lease and financing obligations. Total capitalization includes debt and total Walmart shareholders' equity.

⁴ ROI is calculated for the trailing 12 months ended January 31, 2018. See press release located at www.stock.walmart.com and reconciliations at the end of presentation regarding non-GAAP financial measures.

NP - Not provided



Walmart Inc.

<i>(Amounts in millions)</i>	Q4	\$ Δ^1	% Δ^1
Receivables, net	\$5,614	-\$221	-3.8%
Inventories	\$43,783	\$737	1.7%
Accounts payable	\$46,092	\$4,659	11.2%

¹ Change versus prior year comparable period.



Walmart Inc.

(Amounts in millions)	FY18	\$ Δ^1
Operating cash flow	\$28,337	-\$3,336
Capital expenditures	\$10,051	-\$568
Free cash flow²	\$18,286	-\$2,768



(Amounts in millions)	Q4	% Δ^1	FY18	% Δ^1
Dividends	\$1,510	-1.6%	\$6,124	-1.5%
Share repurchases ³	\$1,640	-19.8%	\$8,296	0.0%
Total	\$3,150	-12.0%	\$14,420	-0.6%



¹ Change versus prior year comparable period.

² See press release located at www.stock.walmart.com and reconciliations at the end of this presentation regarding non-GAAP financial measures.

³ \$18.8 billion remaining of \$20 billion authorization approved in October 2017. The company repurchased approximately 105 million shares in fiscal 2018.

Walmart U.S.

(Amounts in millions)

	Q4	Δ^1	FY18	Δ^1
Net sales	\$86,579	3.4%	\$318,477	3.5%
Comparable sales ^{2,3}	2.6%	80 bps	2.1%	70 bps
• Comp traffic	1.6%	20 bps	NP	NP
• Comp ticket	1.0%	60 bps	NP	NP
eCommerce impact ^{3,4}	~0.6%	~20 bps	NP	NP
Neighborhood Market	~5.5%	~20 bps	NP	NP
Gross profit rate	Decrease	-50 bps	Decrease	-24 bps
Operating expense rate	Decrease	-19 bps	Decrease	-1 bps
Operating income	\$4,952	-0.9%	\$17,869	0.7%

¹ Change versus prior year comparable period.

² Comp sales for the 13-week and 52-week periods ended January 26, 2018, excluding fuel. Including fuel, Walmart U.S. comparable sales are 2.7% and 2.2%, respectively. See press release located at www.stock.walmart.com and reconciliations at the end of this presentation regarding non-GAAP financial measures.

³ The results of new acquisitions are included in our comp sales metrics in the 13th month after acquisition.

⁴ The company's eCommerce sales impact includes those sales initiated through the company's websites and fulfilled through the company's dedicated eCommerce distribution facilities, as well as an estimate for sales initiated online but fulfilled through the company's stores and clubs.



NP - Not provided

Walmart U.S. - quarterly financial highlights

Sales

- Comp sales¹ increased 2.6% led by strong comp traffic of 1.6%. eCommerce contributed approximately 60 basis points to segment comp sales growth. On a 2-year stack basis, comp sales and traffic were up 4.4% and 3.0%, respectively.
- Strong performance in food categories continued with comp sales, traffic and unit growth across categories.
- Strong growth in multi-channel sales continued, including online grocery and general merchandise pickup in store.

Gross Margin

- Gross margin rate declined 50 basis points due primarily to price investments, higher transportation expense as a result of higher volumes and fuel costs, and mix effects from our growing eCommerce business. For the full year, the gross margin rate declined 24 basis points.

Expenses

- Segment operating expenses leveraged 19 basis points. Physical stores leveraged expenses for the 4th consecutive quarter and were partially offset by investments in eCommerce and technology.
- This year's Q4 results included a \$244 million discrete charge related to discontinued real estate projects, which was partially offset by a \$137 million legal settlement recovery. Last year's Q4 results included a \$249M discrete charge related to discontinued real estate projects. Excluding these adjustments, expenses would have leveraged slightly.

Inventory

- Total inventory increased 0.1% versus last year and comp store inventory declined approximately 0.2%, while in-stock levels remained high.

Format growth

- We had net openings of 9 Supercenters and no Neighborhood Markets. We also remodeled 53 stores in the quarter and 496 for the full year.
- As of the end of Q4, online grocery was offered in over 1,100 locations, which represents more than 500 additional locations since last year.



¹ Comp sales for the 13-week period ended January 26, 2018, excluding fuel. Including fuel, Walmart U.S. comparable sales grew 2.7%. See press release located at www.stock.walmart.com and reconciliations at the end of this presentation regarding non-GAAP financial measures.

Walmart U.S. - quarterly merchandise highlights

Category	Comp	Comments
Grocery ¹	+ low single-digit	Food and consumables had solid comp sales driven by strong customer traffic. Strength was broad-based across categories, with fresh foods, packaged goods and private brands particularly strong driven by improvements in assortment, quality and price.
Health & wellness	+ mid single-digit	An elevated cold, cough and flu season drove strong comp performance in over-the-counter and pharmacy sales. The pharmacy business continues to benefit from branded drug inflation and script growth.
General merchandise ²	+ low single-digit	Overall, sales results were driven by seasonal, toys and apparel. Entertainment had its strongest quarter of the year with strong holiday sales. Women's apparel and shoes had strong results as customers responded favorably to the newness across categories.



¹ Includes food and consumables.

² General merchandise includes entertainment, toys, hardlines, apparel, home and seasonal.

Walmart International

(Amounts in millions)	Reported		Constant currency ¹		Reported		Constant currency ¹	
	Q4	Δ^2	Q4	Δ^2	FY18	Δ^2	FY18	Δ^2
Net sales	\$33,092	6.7%	\$31,895	2.8%	\$118,068	1.7%	\$118,610	2.1%
Gross profit rate	Decrease	-75 bps	NP	NP	Decrease	-28 bps	NP	NP
Operating income	\$1,348	-10.9%	\$1,270	-16.1%	\$5,352	-7.1%	\$5,420	-5.9%



¹ See press release located at www.stock.walmart.com and reconciliations at the end of presentation regarding non-GAAP financial measures.

² Change versus prior year comparable period.

NP - Not provided

Walmart International - quarterly financial highlights

Sales

- Net sales on a constant currency basis increased 2.8 percent.
 - Reported net sales increased 6.7 percent, which included a benefit of approximately \$1.2 billion from currency.
- The divestitures of Suburbia and Yihaodian created a headwind to sales of about \$400 million when compared to last year.
- Nine of 11 markets delivered positive comp sales.

Gross Margin

- Gross margin rate declined 75 basis points driven by price investments in certain markets, winding down our first-party Brazil eCommerce business and some unplanned items in two markets. The first-party Brazil eCommerce business wind down and the unplanned items collectively contributed more than half of the gross margin decline.

Operating income

- Operating income in the quarter declined 16.1 percent on a constant currency basis and 10.9 percent on a reported basis.
 - On a constant currency basis, restructuring and impairment charges of approximately \$400 million impacted operating income during the quarter, which was offset by a net \$100 million impact in the comparable prior year period. Without these items, operating income would have increased year-over-year

Inventory

- During the quarter, inventory grew more slowly than sales.



¹ See press release located at www.stock.walmart.com and reconciliations at the end of this presentation regarding non-GAAP financial measures.

² On a reported basis, restructuring and impairment charges were also approximately \$400 million during the quarter.

Walmart International - key markets quarterly results

Country ^{1,2}	Comp ³			Net sales ³	Gross profit rate ³	Operating income ³
	Sales	Traffic	Ticket			
United Kingdom ⁴	0.5%	-1.6%	2.1%	2.0%	Decrease	Decrease
Walmex ⁵	6.1%	0.9%	5.2%	4.3%	Decrease	Decrease
Canada	2.9%	1.4%	1.5%	3.4%	Decrease	Increase
China	2.3%	0.8%	1.5%	4.1%	Increase	Decrease

¹ Results are presented on a constant currency basis here and for all key market highlights. Net sales and comp sales are presented on a nominal, calendar basis.

² eCommerce results are included for each of the markets listed in the table.

³ Change versus prior year comparable period.

⁴ Comp sales for the United Kingdom are presented excluding fuel.

⁵ Walmex includes the consolidated results of Mexico and Central America. Excluding Suburbia net sales of \$270 million in the comparable prior year period would result in an increase in Walmex net sales of 7.9% for the quarter. Excluding Suburbia operating income of approximately \$50 million in the comparable prior year period, operating income would have increased.



Walmart International - key market highlights

Walmex

- Net sales in the quarter increased 4.3 percent and comp sales increased 6.1 percent. Normalizing for Suburbia² sales last year, net sales would have increased 7.9 percent.
- In Mexico specifically, comp sales increased 6.4 percent in the quarter or 14.3 percent on a two-year stacked basis.
 - For the year all of our merchandise divisions outpaced ANTAD¹ self-service and our strongest performance came from our key Food and Staples business.
 - From a format perspective, our strongest performance for the year came from Sam's Club followed by our Bodega format.
- Net sales in the quarter in Central America increased 9.2 percent, and all countries delivered positive comp sales.

Canada

- Net sales in the quarter increased 3.4 percent while comp sales increased 2.9 percent.
- We gained 60 basis points of market share in food, consumables, and health and wellness for the 12-week period ended January 27, according to Nielsen.
- Gross profit rate declined primarily driven by price investments.
- We leveraged operating expenses during the quarter through sales growth and continued cost control.
- Inventory levels decreased even as sales increased 3.4 percent.



¹ ANTAD - Asociación Nacional de Tiendas de Autoservicio y Departamentales; The National Association of Supermarkets and Department Stores

² Excluding Suburbia net sales of \$270 million in the comparable prior year period would result in an increase in Walmex net sales of 7.9% for the quarter.

Walmart International - key market highlights

U.K.

- During the quarter, net sales increased 2.0 percent, while comp sales increased 0.5 percent.
- During the quarter, we experienced improved in-store service scores and performance strengthened across our private brand and online grocery offerings.
- Gross profit rate in the quarter declined driven by on-going price investments.

China

- Net sales increased 4.1 percent while comp sales increased 2.3 percent.
 - Our omni channel initiatives drove strength within our hypermarket format and fresh continues to be a key growth driver.
- Approximately 160 Walmart stores now offer grocery delivery through JD Daojia.
- During the quarter, we continued to expand our assortment of items available from the U.S., Japan and the U.K. through our Walmart global imports store on the JD.com platform.
- Since the launch of our digital Sam's Club membership through WeChat, the majority of our new members have been acquired through this offering.



Sam's Club

(Amounts in millions)

	With fuel		Without fuel ¹		With fuel		Without fuel ¹	
	Q4	Δ ²	Q4	Δ ²	FY18	Δ ²	FY18	Δ ²
Net sales	\$15,479	3.3%	\$14,238	2.1%	\$59,216	3.2%	\$54,456	2.2%
Comparable sales ³	3.6%	50 bps	2.4%	— bps	3.0%	280 bps	2.0%	90 bps
• Comp traffic	NP	NP	4.3%	310 bps	NP	NP	NP	NP
• Comp ticket	NP	NP	-1.9%	-310 bps	NP	NP	NP	NP
eCommerce impact ⁴	NP	NP	~0.8%	~0 bps	NP	NP	NP	NP
Gross profit rate	Decrease	-93 bps	Decrease	-89 bps	Decrease	-44 bps	Decrease	-44 bps
Membership income	NP	NP	NP	1.9%	NP	NP	NP	1.3%
Operating income	-\$283	-172.6%	-\$307	-181.6%	\$982	-41.2%	\$864	-46.6%

¹ See press release located at www.stock.walmart.com and reconciliations at the end of this presentation regarding non-GAAP financial measures.

² Change versus prior year comparable period.

³ Comp sales for the 13-week and 52-week periods ended January 26, 2018.

⁴ The company's eCommerce sales impact includes those sales initiated through the company's websites and fulfilled through the company's dedicated eCommerce distribution facilities, as well as an estimate for sales initiated online but fulfilled through the company's stores and clubs.

NP - Not provided



Sam's Club - quarterly financial highlights

Sales

- Comp sales¹ for the period increased 2.4% with growth in comp traffic of 4.3%. Tobacco negatively impacted comp sales by approximately 120 basis points.
- In eCommerce, both Club Pickup and the direct to home business continued to have strong results.
- Penetration of the Members Mark brand continues to increase.

Gross Profit

- Excluding fuel¹, gross profit rate declined 89 basis points. Club closures negatively impacted gross profit rate by approximately 93 basis points, primarily as a result of markdowns to liquidate inventory. Consistent with previous quarters, certain fresh supply expenses were reclassified from operating expenses to cost of goods sold.

Operating Expenses

- Operating expenses de-levered 347 basis points, primarily due to a charge of approximately \$565 million related to club closures and discontinued real estate projects. The charge was partially offset by an approximately \$13 million legal settlement recovery.

Membership Income

- Membership income increased 1.9% versus last year. Plus penetration increased 9 basis points.

Inventory

- Inventory decreased 1.1%, primarily due to club closures. Inventory at comp clubs increased 4.2%.



¹ Gross profit including fuel declined 93 basis points.

Sam's Club - quarterly category highlights

Category	Comp	Comments
Fresh / Freezer / Cooler	+ mid single-digit	Strong performance in produce, bakery, deli and prepared foods.
Grocery and beverage	+ low single-digit	Good contributions from Instant Savings Book (ISB) offerings and Members Mark products.
Consumables	+ mid single-digit	Strong performance in Member's Mark items, especially in paper products and food service.
Home and apparel	+ high single-digit	Tires, domestics, kitchen electrics, as well as apparel and seasonal categories delivered strong results.
Technology, office and entertainment	+ low single-digit	Good performance in computers and tablets was partially offset by soft sales in televisions.
Health and wellness	+ low single-digit	Protein drinks performed well, along with overall strong performance in OTC.



Third-party FCPA- and compliance-related expenses

	Q4		YTD	
	FY18	FY17	FY18	FY17
<i>(Amounts in millions)</i>				
Ongoing inquiries and investigations	\$4	\$12	\$14	\$80
Global compliance program and organizational enhancements	3	5	26	19
Total	\$7	\$17	\$40	\$99

- In fiscal year 2019, we expect our third party FCPA and compliance-related expenses to be at or around the same level as in fiscal year 2018. These are included in our Corporate and support expenses.

Non-GAAP measures - ROI

We include Return on Assets ("ROA"), which is calculated in accordance with generally accepted accounting principles in the U.S. ("GAAP") as well as Return on Investment ("ROI") as measures to assess returns on assets. Management believes ROI is a meaningful measure to share with investors because it helps investors assess how effectively Walmart is deploying its assets. Trends in ROI can fluctuate over time as management balances long-term potential strategic initiatives with possible short-term impacts. We consider ROA to be the financial measure computed in accordance with GAAP that is the most directly comparable financial measure to our calculation of ROI.

ROA was 5.2 percent and 7.2 percent for the trailing twelve months ended January 31, 2018 and 2017, respectively. ROI was 14.2 percent and 15.2 percent for the trailing twelve months ended January 31, 2018 and 2017, respectively. The decline in ROA was primarily due to the losses on extinguishment of debt and the decrease in operating income. The decline in ROI was primarily due to the decrease in operating income.

We define ROI as adjusted operating income (operating income plus interest income, depreciation and amortization, and rent expense) for the trailing 12 months divided by average invested capital during that period. We consider average invested capital to be the average of our beginning and ending total assets, plus average accumulated depreciation and average amortization, less average accounts payable and average accrued liabilities for that period, plus a rent factor equal to the rent for the fiscal year or trailing 12 months multiplied by a factor of 8. When we have discontinued operations, we exclude the impact of the discontinued operations.

Our calculation of ROI is considered a non-GAAP financial measure because we calculate ROI using financial measures that exclude and include amounts that are included and excluded in the most directly comparable GAAP financial measure. For example, we exclude the impact of depreciation and amortization from our reported operating income in calculating the numerator of our calculation of ROI. In addition, we include a factor of 8 for rent expense that estimates the hypothetical capitalization of our operating leases. As mentioned above, we consider return on assets to be the financial measure computed in accordance with generally accepted accounting principles most directly comparable to our calculation of ROI. ROI differs from ROA (which is consolidated net income for the period divided by average total assets for the period) because ROI: adjusts operating income to exclude certain expense items and adds interest income; adjusts total assets for the impact of accumulated depreciation and amortization, accounts payable and accrued liabilities; and incorporates a factor of rent to arrive at total invested capital. Because of the adjustments mentioned above, we believe ROI more accurately measures how we are deploying our key assets and is more meaningful to investors than ROA.

Although ROI is a standard financial measure, numerous methods exist for calculating a company's ROI. As a result, the method used by management to calculate our ROI may differ from the methods used by other companies to calculate their ROI.



Non-GAAP measures - ROI cont.

The calculation of ROA and ROI, along with a reconciliation of ROI to the calculation of ROA, the most comparable GAAP financial measure, is as follows:

Walmart Inc.									
Return on Assets and Return on Investment									
Trailing Twelve Months Ended					Trailing Twelve Months Ended				
January 31,					January 31,				
(Dollars in millions)					(Dollars in millions)				
2018					2018				
2017					2017				
CALCULATION OF RETURN ON ASSETS					CALCULATION OF RETURN ON INVESTMENT				
Numerator					Numerator				
Consolidated net income	\$	10,523	\$	14,293	Operating income	\$	20,437	\$	22,764
Denominator					+ Interest income		152		100
Average total assets ¹	\$	201,674	\$	199,203	+ Depreciation and amortization		10,529		10,080
Return on assets (ROA)		5.2%		7.2%	+ Rent		2,932		2,612
					Adjusted operating income	\$	34,050	\$	35,556
As of January 31,					Denominator				
Certain Balance Sheet Data					Average total assets ¹	\$	201,674	\$	199,203
	2018	2017	2016		+ Average accumulated depreciation and amortization ¹		79,995		74,245
Total assets	\$	204,522	\$	198,825	- Average accounts payable ¹		43,763		39,960
Accumulated depreciation and amortization	83,039	76,951	71,538		- Average accrued liabilities ¹		21,388		20,131
Accounts payable	46,092	41,433	38,487		+ Rent x 8		23,456		20,896
Accrued liabilities	22,122	20,654	19,607		Average invested capital	\$	239,974	\$	234,253
					Return on investment (ROI)		14.2%		15.2%



¹ The average is based on the addition of the account balance at the end of the current period to the account balance at the end of the prior period and dividing by 2.

Non-GAAP measures - free cash flow

We define free cash flow as net cash provided by operating activities in a period minus payments for property and equipment made in that period. We had net cash provided by operating activities of \$28.3 billion and \$31.7 billion for the twelve months ended January 31, 2018 and 2017, respectively. We generated free cash flow of \$18.3 billion and \$21.1 billion for the twelve months ended January 31, 2018 and 2017, respectively. The decreases in net cash provided by operating activities and free cash flow were due to the timing of tax and other payments, as well as lapping prior year's improvements in working capital management.

Free cash flow is considered a non-GAAP financial measure. Management believes, however, that free cash flow, which measures our ability to generate additional cash from our business operations, is an important financial measure for use in evaluating the company's financial performance. Free cash flow should be considered in addition to, rather than as a substitute for, consolidated net income as a measure of our performance and net cash provided by operating activities as a measure of our liquidity. Additionally, Walmart's definition of free cash flow is limited, in that it does not represent residual cash flows available for discretionary expenditures, due to the fact that the measure does not deduct the payments required for debt service and other contractual obligations or payments made for business acquisitions. Therefore, we believe it is important to view free cash flow as a measure that provides supplemental information to our Consolidated Statements of Cash Flows.

The following table sets forth a reconciliation of free cash flow, a non-GAAP financial measure, to net cash provided by operating activities, which we believe to be the GAAP financial measure most directly comparable to free cash flow, as well as information regarding net cash used in investing activities and net cash used in financing activities.

	Fiscal Years Ended	
	January 31,	
	2018	2017 ¹
<i>(Dollars in millions)</i>		
Net cash provided by operating activities	\$ 28,337	\$ 31,673
Payments for property and equipment (capital expenditures)	-10,051	-10,619
Free cash flow	\$ 18,286	\$ 21,054
Net cash used in investing activities ²	\$ -9,060	\$ -13,987
Net cash used in financing activities	-19,875	-19,072

¹ Reclassifications made due to the adoption of ASU 2016-09, *Improvements to Employee Share-Based Payment Accounting*.

² "Net cash used in investing activities" includes payments for property and equipment, which is also included in our computation of free cash flow.



Non-GAAP measures - constant currency

In discussing our operating results, the term currency exchange rates refers to the currency exchange rates we use to convert the operating results for all countries where the functional currency is not the U.S. dollar into U.S. dollars. We calculate the effect of changes in currency exchange rates as the difference between current period activity translated using the current period's currency exchange rates, and the comparable prior year period's currency exchange rates. Throughout our discussion, we refer to the results of this calculation as the impact of currency exchange rate fluctuations. When we refer to constant currency operating results, this means operating results without the impact of the effects of currency exchange rate fluctuations. The disclosure of constant currency amounts or results permits investors to better understand Walmart's underlying performance without the effects of currency exchange rate fluctuations.

The table below reflects the calculation of constant currency for total revenues, net sales and operating income for the three and twelve months ended January 31, 2018.

(Dollars in millions)	Three Months Ended January 31,				Twelve Months Ended January 31,			
	Walmart International		Consolidated		Walmart International		Consolidated	
	2018	Percent Change ¹	2018	Percent Change ¹	2018	Percent Change ¹	2018	Percent Change ¹
Total revenues:								
As reported	\$ 33,455	6.1%	\$ 136,267	4.1%	\$ 119,763	1.4%	\$ 500,343	3.0%
Currency exchange rate fluctuations	-1,208	N/A	-1,208	N/A	582	N/A	582	N/A
Constant currency total revenues	\$ 32,247	2.3%	\$ 135,059	3.1%	\$ 120,345	1.9%	\$ 500,925	3.1%
Net sales:								
As reported	\$ 33,092	6.7%	\$ 135,150	4.2%	\$ 118,068	1.7%	\$ 495,761	3.0%
Currency exchange rate fluctuations	-1,197	N/A	-1,197	N/A	542	N/A	542	N/A
Constant currency net sales	\$ 31,895	2.8%	\$ 133,953	3.2%	\$ 118,610	2.1%	\$ 496,303	3.1%
Operating income:								
As reported	\$ 1,348	-10.9%	\$ 4,467	-28.0%	\$ 5,352	-7.1%	\$ 20,437	-10.2%
Currency exchange rate fluctuations	-78	N/A	-78	N/A	68	N/A	67	N/A
Constant currency operating income	\$ 1,270	-16.1%	\$ 4,389	-29.3%	\$ 5,420	-5.9%	\$ 20,504	-9.9%



¹ Change versus prior year comparable period.

Non-GAAP measures - comparable sales measures

The comparable sales of the company's Walmart U.S. and Sam's Club operating segments for the 13-week and 52-week periods ended January 26, 2018 and January 27, 2017, and our guidance for comparable sales for the 52-week period ending January 25, 2019, in each case calculated or forecasted by excluding fuel or fuel and tobacco sales for such periods (collectively the "Non-GAAP Comparable Sales Measures"), are non-GAAP financial measures as defined by the SEC's rules. We believe the most directly comparable financial measures computed in accordance with GAAP are the comparable sales calculated by including fuel and tobacco sales for the corresponding periods.

We believe that the presentation of the Non-GAAP Comparable Sales Measures provides useful information to investors regarding the company's financial condition and results of operations because that information permits investors to understand the impact of fuel or fuel and tobacco sales, which are affected by the volatility of fuel prices and Sam's Club's decision to remove tobacco from certain locations, on Walmart U.S. and Sam's Club's comparable sales for the periods presented.



Non-GAAP measures - comparable sales measures cont.

The table below reflects the calculation of the Sam's Club fuel impact for net sales and operating income for the three and twelve months ended January 31, 2018 and 2017.

(Dollars in millions)	Three Months Ended January 31,			Twelve Months Ended January 31,		
	2018	2017	% Change	2018	2017	% Change
Sam's Club						
Net Sales:						
As Reported	\$ 15,479	\$ 14,978	3.3%	\$ 59,216	\$ 57,365	3.2%
Less: Fuel Impact	1,241	1,034	N/A	4,760	4,076	N/A
Excluding Fuel	\$ 14,238	\$ 13,944	2.1%	\$ 54,456	\$ 53,289	2.2%
Operating Income:						
As Reported	\$ -283	\$ 390	-172.6%	\$ 982	\$ 1,671	-41.2%
Less: Fuel Impact	24	14	N/A	118	52	N/A
Excluding Fuel	\$ -307	\$ 376	-181.6%	\$ 864	\$ 1,619	-46.6%

The table below reflects the fuel impact for comparable club sales for the 13-week and 52-week periods ended January 26, 2018 and January 27, 2017.

	With Fuel		Without Fuel		Fuel Impact	
	13 Weeks Ended 1/26/2018	1/27/2017	13 Weeks Ended 1/26/2018	1/27/2017	13 Weeks Ended 1/26/2018	1/27/2017
Walmart U.S.	2.7%	1.8%	2.6%	1.8%	0.1%	0.0%
Sam's Club	3.6%	3.1%	2.4%	2.4%	1.2%	0.7%
	52 Weeks Ended		52 Weeks Ended		52 Weeks Ended	
	1/26/2018	1/27/2017	1/26/2018	1/27/2017	1/26/2018	1/27/2017
Walmart U.S.	2.2%	1.4%	2.1%	1.4%	0.1%	0.0%
Sam's Club	3.0%	0.2%	2.0%	1.1%	1.0%	-0.9%



Non-GAAP measures - adjusted EPS

Adjusted diluted earnings per share from continuing operations attributable to Walmart (Adjusted EPS) for each of the three months and fiscal years ended January 31, 2018 and 2017 is considered a non-GAAP financial measure under the SEC's rules because the Adjusted EPS for each such period excludes certain amounts not excluded in the diluted earnings per share from continuing operations attributable to Walmart calculated in accordance with GAAP (EPS) for such periods. Management believes that the Adjusted EPS for each of the three months and fiscal years ended January 31, 2018 and 2017 is a meaningful measure to share with investors because each measure, which adjusts EPS for such periods for certain items recorded in such periods, is the measure that best allows comparison of the performance for the comparable period. In addition, Adjusted EPS affords investors a view of what management considers Walmart's core earnings performance for each of the three months and fiscal years ended January 31, 2018 and 2017 and also affords investors the ability to make a more informed assessment of such core earnings performance for the comparable periods.

We have calculated Adjusted EPS for the three months and fiscal year ended January 31, 2018 by adjusting EPS for the following: (1) restructuring charges, (2) losses on the early extinguishment of certain debt, (3) asset impairments and write-offs, (4) U.S. associate lump sum bonuses, (5) the impact of U.S. tax reform, (6) a legal settlement recovery and, for the fiscal year ended January 31, 2018 only, the (7) the FCPA accrual based on discussions with government agencies regarding the possible resolution of the FCPA matter and (8) the gain on sale of Suburbia.

Adjusted EPS for the three months ended January 31, 2018 is a non-GAAP financial measure. The most directly comparable financial measure calculated in accordance with GAAP is EPS for the three months ended January 31, 2018.



Non-GAAP measures - adjusted EPS

Three Months Ended January 31, 2018				Fiscal Year Ended January 31, 2018			
Diluted earnings per share:							
Reported EPS				\$0.73			
				\$3.28			
Adjustments:	Pre-Tax Impact	Tax Impact ¹	Net Impact	Pre-Tax Impact	Tax Impact ¹	NCI Impact ⁴	Net Impact
Restructuring charges ²	0.40	-0.12	0.28	0.40	-0.12	—	0.28
Loss on extinguishment of debt	0.34	-0.13	0.21	1.05	-0.38	—	0.67
Asset impairments and write-offs ³	0.18	-0.06	0.12	0.23	-0.07	—	0.16
FCPA accrual	—	—	—	0.09	—	—	0.09
Associate lump sum bonus	0.15	-0.06	0.09	0.15	-0.06	—	0.09
U.S. tax reform benefit	—	-0.07	-0.07	—	-0.07	—	-0.07
Gain on sale of Suburbia	—	—	—	-0.13	0.04	0.04	-0.05
Legal settlement recovery	-0.05	0.02	-0.03	-0.05	0.02	—	-0.03
Net adjustments			0.60				1.14
Adjusted EPS				1.33			
				4.42			

¹ Calculated based on nature of item and statutory rate in effect for relevant jurisdiction.

² Restructuring charges include \$0.20 for restructurings in the U.S., primarily relating to Sam's Club store closures and Home Office severance, and \$0.08 for Walmart International, primarily due to the winding down of the first party Brazil eCommerce operations.

³ Asset impairments and write-offs for Q4 include \$0.08 of impairment charges due to decisions to discontinue certain real estate projects at Walmart U.S. and Sam's Club and technology assets at Corporate, and \$0.04 for the write-off of certain assets at Walmart International. Fiscal year 2018 also includes \$0.04 related to our Q3 decision to exit certain properties in a Walmart International market.

⁴ Calculated based on the ownership percentages of the noncontrolling interest at Walmex.



Non-GAAP measures - adjusted EPS

We have calculated the Adjusted EPS for the three months and the fiscal year ended January 31, 2017 by adjusting the EPS for each period for the amount of the impact of: (1) U.S. discontinued real estate projects and severance and (2) the gain on the sale of Yihaodian in China as reported in Q2 FY17. Adjusted EPS for each of the three months and the fiscal year ended January 31, 2017 is a non-GAAP financial measure. The most directly comparable financial measure calculated in accordance with GAAP is EPS for the three months and the fiscal year ended January 31, 2017.

Three Months Ended January 31, 2017			
Diluted earnings per share:			
Reported EPS			\$1.22
Adjustment:			
	Pre-Tax Impact	Tax Impact¹	Net Impact
U.S. discontinued real estate projects and severance	\$0.12	-\$0.04	\$0.08
Adjusted EPS			\$1.30
Fiscal Year Ended January 31, 2017			
Diluted earnings per share:			
Reported EPS			4.38
Adjustments:			
	Pre-Tax Impact	Tax Impact¹	Net Impact
Gain on the sale of Yihaodian in China	-\$0.17	\$0.03	-\$0.14
U.S. discontinued real estate projects and severance	0.12	-0.04	0.08
Net adjustments			-\$0.06
Adjusted EPS			4.32



¹ Calculated based on nature of item and statutory rate in effect for relevant jurisdiction.

Additional resources at stock.walmart.com

- Unit counts & square footage
- Comparable store sales
- Terminology
- Fiscal year 2019 earnings dates



