

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

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**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)  
November 15, 2022

**Walmart Inc.**

(Exact name of registrant as specified in its charter)

DE  
(State or other jurisdiction of incorporation or  
organization)

001-06991  
(Commission File Number)

71-0415188  
(I.R.S. Employer Identification No.)

702 S.W. 8th Street  
Bentonville, AR 72716-0215  
(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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.10 per share	WMT	NYSE
2.550% Notes Due 2026	WMT26	NYSE

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 November 15, 2022 (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 November 15, 2022 (the "Financial Presentation"). The Press Release and the Financial Presentation will disclose information regarding the Company's results of operations for the three and nine months ended October 31, 2022, and the Company's financial condition as of October 31, 2022.

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 7.01. Regulation FD Disclosure.**

The Company has agreed to financial amounts and payment terms to resolve substantially all opioids-related lawsuits filed against the Company, as well as all potential claims that could be made against the Company, by states and political subdivisions (the “State Settlement Framework”) and tribes (the “Tribal Settlement Framework”). The Company will issue a press release on November 15, 2022 regarding the Settlement Frameworks, a copy which is furnished as Exhibit 99.3 to this report.

Both frameworks provide for the possibility of settling substantially all of the opioid claims that have been or could be made against it by states, political subdivisions, and tribes for up to approximately \$3.1 billion, which includes amounts for remediation of alleged harms as well as attorneys’ fees and costs (the “Settlement Amount”). The Settlement Amount includes some, but not all amounts, from previously agreed recent settlements by the Company. If a sufficient number of states and political subdivisions agree within prescribed deadlines to participate in the State Settlement Framework (collectively, the “Settling States”), the Company would expect to pay up to the full Settlement Amount attributable to the Settling States. In the event a sufficient number of Settling States participate in the State Settlement Framework and provided that all other applicable conditions of the State Settlement Framework are satisfied, then the Company would expect payments to the Settling States to begin as early as the second quarter of its fiscal year ending January 31, 2024 (“fiscal 2024”). The Settling States that achieve complete local government participation in the initial sign-up period will receive all of their settlement funds the same year. The Settling States that achieve high levels of local government participation will also receive most of the settlement funds to which they become entitled in the same year. Similarly, if a sufficient number of tribes (excluding Cherokee Nation) agree within prescribed deadlines to participate in the Tribal Settlement Framework (collectively, the “Settling Tribes”) and all other applicable conditions of the Tribal Settlement Framework are satisfied, then the Company would expect payments to the Settling Tribes could begin as early as the fourth quarter of its fiscal year ending January 31, 2023 (“fiscal 2023”) and could be completed during either fiscal 2023 or fiscal 2024. The Settlement Frameworks include no admission of wrongdoing or liability by the Company.

The State Settlement Framework is contingent on: (1) a sufficient number of states agreeing to the State Settlement Framework following a notice period; and (2) following a notice period, a sufficient number of political subdivisions, including those that have not sued the Company, agreeing to the Settlement Framework or otherwise having their claims foreclosed. The Tribal Settlement Framework is contingent on a sufficient number of tribes agreeing to the Tribal Settlement Framework. The Company cannot predict if or when the Settlement Frameworks will be finalized. The Company will continue to vigorously defend against any litigation not covered or otherwise extinguished by the Settlement Frameworks. The Company continues to believe it has strong legal defenses and appellate arguments in those cases.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.3 hereto, which is furnished herewith pursuant to and relate to this Item 7.01, shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise be subject to the liabilities of Section 18 of the Exchange Act. The information in this Item 7.01 of this Current Report on Form 8-K and Exhibit 99.3 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.

#### **Cautionary Note Regarding Forward-Looking Statements**

All statements in this report that are not historical including, without limitation, those regarding the expected finalization of the Settlement Frameworks and payments anticipated to be made pursuant to the Settlement Frameworks, are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as “achieve,” “as early as,” “could be,” “could begin,” “if,” “in the event,” “is contingent on,” “would expect,” “will,” “will receive,” “likely,” “intend,” “plan,” “aim,” “continue,” “believe,” “seek,” “anticipate,” “upcoming,” “may,” “provide for the possibility,” and variations of such words and similar expressions are intended to identify such forward-looking statements.

These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions, known or unknown, that could cause actual results to vary materially from those indicated or anticipated. These risks, assumptions and uncertainties include those described in Item 1A (Risk Factors) of our Annual Report on Form 10-K for the fiscal year ended January 31, 2022, and in other documents that we file or furnish with the SEC. If one or more of these risks or uncertainties materializes, or if underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. All forward-looking statements we make or that are made on our behalf are qualified by these cautionary statements. Accordingly, you should not place undue reliance on these forward-looking statements, which speak only as of the date they are made.

We do not undertake, and expressly disclaim, any duty or obligation to update publicly any forward-looking statement after the date of this release, whether as a result of new information, future events, changes in assumptions or otherwise.

#### **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 regarding financial results for the third quarter of fiscal year ending January 31, 2023](#)

99.2 [Financial Presentation](#)

99.3 [Press Release regarding nationwide opioid litigation settlement frameworks](#)

Exhibit 104 Cover Page Interactive Data File (formatted as Inline XBRL).

**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: November 15, 2022

WALMART INC.

By:	<u>/s/ Gordon Y. Allison</u>
Name:	Gordon Y. Allison
Title:	Senior Vice President, Office of the Corporate Secretary, and Chief Counsel for Finance and Governance



**Company delivers strong revenue growth of 8.7% with strength across segments**  
**Walmart U.S. grew comp sales<sup>1</sup> 8.2%, with unit growth in food, and eCommerce up 16%**  
**Q3 FY23 GAAP EPS of (\$0.66); Adjusted EPS<sup>2</sup> of \$1.50**  
**Company raises full-year outlook on strong results for Q3**  
**Company announces new \$20 billion share repurchase authorization**

### Third-quarter highlights

- ✱ Company delivered strong revenue growth globally, with strength in Walmart U.S., Sam's Club U.S., Flipkart, and Walmex. Total revenue was \$152.8 billion, up 8.7%, or 9.8% in constant currency<sup>2</sup>.
- ✱ Walmart U.S. comp sales<sup>1</sup> grew 8.2% and 17.4% on a two-year stack. eCommerce growth was 16% and 24% on a two-year stack. Continued to gain market share in grocery.
- ✱ Sam's Club comp sales<sup>1</sup> increased 10.0%, and 23.9% on a two-year stack. Membership income increased 8.0% with member count reaching an all-time high.
- ✱ Walmart International net sales were \$25.3 billion, an increase of \$1.7 billion, or 7.1%, negatively affected by \$1.5 billion from currency fluctuations. Segment operating income led by double-digit growth for Walmex.
- ✱ Global advertising business<sup>3</sup> grew over 30%, led by 40% at Walmart Connect in the U.S. and strength in Flipkart Ads.
- ✱ Consolidated gross profit rate declined 89 basis points, primarily due to markdowns and mix of sales in the U.S., an inflation-related LIFO charge at Sam's Club, and the timing of Flipkart's annual event, The Big Billion Days.
- ✱ Consolidated operating expenses as a percentage of net sales increased 144 basis points due to charges of \$3.3 billion related to opioid legal settlements. Adjusted operating expenses as a percentage of net sales<sup>4</sup> decreased 75 basis points, primarily due to strong sales growth and lower Covid-related costs.
- ✱ Consolidated operating income was \$2.7 billion, a decrease of 53.5%, including the legal charges described above. Adjusted operating income<sup>2</sup> was \$6.0 billion, an increase of 3.9%.
- ✱ Adjusted EPS<sup>2</sup> of \$1.50 excludes the effects, net of tax, of \$1.11 from net losses on equity and other investments and \$1.05 from charges related to opioid legal settlements.
- ✱ Subsequent to the third quarter the Company approved a new \$20 billion share repurchase authorization replacing its existing authorization, which had approximately \$1.9 billion remaining at the end of Q3.

"We had a good quarter with strong top-line growth globally led by Walmart and Sam's Club U.S., along with Flipkart and Walmex. Walmart U.S. continued to gain market share in grocery, helped by unit growth in our food business. We significantly improved our inventory position in Q3, and we'll continue to make progress as we end the year. From The Big Billion Days in India, through our Deals for Days events in the U.S. and a Thanksgiving meal that will cost the same as last year, we're here to help make this an affordable and special time for families around the world. We have an amazing group of associates that make all this happen, and I want to say thank you."

Doug McMillon  
President and CEO, Walmart

<sup>1</sup> Comp sales for the 13-week period ended October 28, 2022 compared to the 13-week period ended October 29, 2021, and excludes fuel. See Supplemental Financial Information for additional information.


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

<sup>3</sup> Our global advertising business is recorded either in net sales or as a reduction to cost of sales, depending on the nature of the advertising arrangement.

<sup>4</sup> Adjusted operating expenses as a percentage of net sales excludes a 219 basis point impact for the opioid legal charges reflected in the non-GAAP reconciliation of adjusted operating income at the end of this release.

## Key results

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

Walmart 		Q3 FY23	Q3 FY22	Change	
Revenue		\$152.8	\$140.5	\$12.3	8.7%
Revenue (constant currency) <sup>1</sup>		\$154.3	\$140.5	\$13.8	9.8%
Operating income		\$2.7	\$5.8	-\$3.1	-53.5%
Operating income (constant currency) <sup>1</sup>		\$2.7	\$5.8	-\$3.1	-52.8%
Adjusted operating income (constant currency) <sup>1</sup>		\$6.1	\$5.8	\$0.3	4.6%
Free Cash Flow <sup>1</sup>		YTD FY23	\$ Change	Returns to Shareholders	
Operating cash flow		\$15.7	-\$0.6	Dividends	\$1.5 -1.1%
Capital expenditures		\$12.1	\$3.5	Share repurchases <sup>2</sup>	\$3.0 36.6%
Free cash flow <sup>1</sup>		\$3.6	-\$4.1	Total	\$4.5 21.0%

## Fourth quarter and Fiscal Year 2023 guidance

The following guidance reflects the company's expectations for Q4 and fiscal year 2023 and is provided on a non-GAAP basis as the company cannot predict certain elements which are included in reported GAAP results, such as the changes in fair value of the company's equity and other investments. Growth rates reflect an adjusted basis for prior year results. Fiscal year 2023 operating income is adjusted for charges related to opioid legal settlements in the third quarter. The company's guidance assumes a generally stable consumer in the U.S., continued pressure from inflation and mix of products and formats globally.

### Fourth quarter

- Consolidated net sales growth of about 3.0%, negatively affected by approximately \$1.3 billion from currency fluctuations.
- Walmart U.S. comp sales, excluding fuel, of about 3.0%.
- Consolidated operating income increase 1.0% to decline 1.0%
- Adjusted earnings per share decline of 3.0% to 5.0%.

### Fiscal Year 2023

The company raises full-year outlook to reflect third quarter performance:

- Consolidated net sales growth of about 5.5%. Excluding divestitures<sup>3</sup>, consolidated net sales growth of about 6.5%. Based on current exchange rates, the company expects a headwind of about \$4.1 billion for the year.
- Walmart U.S. comp sales growth, excluding fuel, of about 5.5%.
- Consolidated adjusted operating income decline of 6.5% to 7.5%, which improved from the company's prior guidance of a decline of 9.0% to 11.0% and reflects better performance in the third quarter. Excluding divestitures<sup>3</sup>, consolidated adjusted operating income decline of 5.5% to 6.5%.
- Adjusted earnings per share decline of 6.0% to 7.0%. Excluding divestitures<sup>3</sup>, adjusted earnings per share decline of 5.0% to 6.0%.





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

<sup>2</sup> \$1.9 billion remaining of \$20 billion authorization approved in February 2021. The company repurchased approximately 22 million shares in Q3 fiscal 2023.


<sup>3</sup> We completed the sale of our operations in the U.K. and Japan in the first quarter of fiscal 2022.

## Segment results





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

Walmart  U.S.		Q3 FY23	Q3 FY22	Change	
Net sales		\$104.8	\$96.6	\$8.2	8.5%
Comp sales (ex. fuel) <sup>2</sup>		8.2%	9.2%	NP	NP
 Transactions		2.1%	5.7%	NP	NP
 Average ticket		6.0%	3.3%	NP	NP
 eCommerce contribution		~80 bps	< 10 bps	NP	NP
Operating income		\$5.1	\$4.9	\$0.2	4.8%

Walmart  International		Q3 FY23	Q3 FY22	Change	
Net sales		\$25.3	\$23.6	\$1.7	7.1%
Net sales (constant currency) <sup>1</sup>		\$26.8	\$23.6	\$3.1	13.3%
Operating income		\$0.9	\$0.9	\$—	-1.1%
Operating income (constant currency) <sup>1</sup>		\$0.9	\$0.9	\$—	3.2%

sam's club 		Q3 FY23	Q3 FY22	Change	
Net sales		\$21.4	\$19.0	\$2.4	12.8%
Comp sales (ex. fuel) <sup>2</sup>		10.0%	13.9%	NP	NP
 Transactions		4.8%	11.1%	NP	NP
 Average ticket		4.9%	2.6%	NP	NP
 eCommerce contribution		~120 bps	~170 bps	NP	NP
Operating income		\$0.6	\$0.5	\$0.1	18.3%

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

<sup>2</sup> Comp sales for the 13-week period ended October 28, 2022 compared to the 13-week period ended October 29, 2021, and excludes fuel. See Supplemental Financial Information for additional information.

NP - Not provided

## About Walmart

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, approximately 230 million customers and members visit more than 10,500 stores and numerous eCommerce websites under 46 banners in 24 countries. With fiscal year 2022 revenue of \$573 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 <https://corporate.walmart.com>, on Facebook at <https://facebook.com/walmart>, on Twitter at <https://twitter.com/walmart>, and on LinkedIn at <https://www.linkedin.com/company/walmart/>.

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## Forward-Looking Statements

This release and related management commentary contains statements or may include or may incorporate by reference Walmart management's guidance regarding adjusted earnings per share, consolidated net sales, consolidated operating income and consolidated adjusted operating income, capital expenditures, share repurchases, Walmart's effective tax rate for the fiscal year ending January 31, 2023, and comparable sales, among other items. Walmart believes such statements may be deemed to be "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Act") and are intended to enjoy the protection of the safe harbor for forward-looking statements provided by the Act as well as protections afforded by other federal securities laws. Assumptions on which such forward-looking statements are based are also forward-looking statements. Such forward-looking statements are not statements of historical facts, but instead express our estimates or expectations for our consolidated, or one of our segment's or business', economic performance or results of operations for future periods or as of future dates or events or developments that may occur in the future or discuss our plans, objectives or goals. Our actual results may differ materially from those expressed in or implied by any of these forward-looking statements as a result of changes in circumstances, assumptions not being realized or other risks, uncertainties and factors including: the impact of the COVID-19 pandemic on our business and the global economy; economic, capital markets and business conditions; trends and events around the world and in the markets in which we operate; currency exchange rate fluctuations, changes in market interest rates and market levels of wages; changes in the size of various markets, including eCommerce markets; unemployment levels; 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; the effectiveness of the implementation and operation of our strategies, plans, programs and initiatives; unexpected changes in our objectives and plans; the impact of acquisitions, investments, divestitures, and other strategic decisions; our ability to successfully integrate acquired businesses; changes in the trading prices or fair value of certain equity investments we hold; initiatives of competitors, competitors' entry into and expansion in our markets, and competitive pressures; customer traffic and average transactions in our stores and clubs and on our eCommerce websites; the mix of merchandise we sell, the cost of goods we sell and the shrinkage we experience; our gross profit margins; the financial performance of Walmart and each of its segments, including the amounts of our cash flow during various periods; the amount of our net sales and operating expenses denominated in the U.S. dollar and various foreign currencies; commodity prices and the price of gasoline and diesel fuel; challenges with our supply chain, including disruptions and issues relating to inventory management; disruptions in seasonal buying patterns; the availability of goods from suppliers and the cost of goods acquired from suppliers; our ability to respond to changing trends in consumer shopping habits; consumer acceptance of and response to our stores, clubs, eCommerce platforms, programs, merchandise offerings and delivery methods; cyber security events affecting us and related costs and impact to the business; developments in, outcomes of, and costs incurred in legal or regulatory proceedings to which we are a party or are subject, and the liabilities, obligations and expenses, if any, that we may incur in connection therewith; casualty and accident related costs and insurance costs; the turnover in our workforce and labor costs, including healthcare and other benefit costs; our effective tax rate and the factors affecting our effective tax rate, including assessments of certain tax contingencies, valuation allowances, changes in law, administrative audit outcomes, impact of discrete items and the mix of earnings between the U.S. and Walmart's international operations; changes in existing tax, labor and other laws and regulations and changes in tax rates including the enactment of laws and the adoption and interpretation of administrative rules and regulations; the imposition of new taxes on imports, new tariffs and changes in existing tariff rates; the imposition of new trade restrictions and changes in existing trade restrictions; adoption or creation of new, and modification of existing, governmental policies, programs, initiatives and actions in the markets in which Walmart operates and elsewhere and actions with respect to such policies, programs and initiatives; changes in accounting estimates or judgments; the level of public assistance payments; natural disasters, changes in climate, geopolitical events, global health epidemics or pandemics and catastrophic events; and changes in generally accepted accounting principles in the United States.

Our most recent annual report on Form 10-K and subsequent quarterly reports on Form 10-Q filed with the SEC discuss other risks and factors that could cause actual results to differ materially from those expressed or implied by any forward-looking statement in the release and related management commentary. We urge you to consider all of the risks, uncertainties and factors identified above or discussed in such reports carefully in evaluating the forward-looking statements in this release. Walmart cannot assure you that the results reflected in or implied by any forward-looking statement will be realized or, even if substantially realized, that those results will have the forecasted or expected consequences and effects for or on our operations or financial performance. The forward-looking statements made today are as of the date of this release. Walmart undertakes no obligation to update these forward-looking statements to reflect subsequent events or circumstances.

**Walmart Inc.**  
**Condensed Consolidated Statements of Income**  
**(Unaudited)**

	Three Months Ended October 31,			Nine Months Ended October 31,		
	2022	2021	Percent Change	2022	2021	Percent Change
<i>(Amounts in millions, except per share data)</i>						
<b>Revenues:</b>						
Net sales	\$ 151,469	\$ 139,207	8.8 %	\$ 443,138	\$ 416,237	6.5 %
Membership and other income	1,344	1,318	2.0 %	4,103	3,646	12.5 %
Total revenues	152,813	140,525	8.7 %	447,241	419,883	6.5 %
<b>Costs and expenses:</b>						
Cost of sales	115,613	105,023	10.1 %	338,298	313,478	7.9 %
Operating, selling, general and administrative expenses	34,505	29,710	16.1 %	94,076	86,350	8.9 %
<b>Operating income</b>	2,695	5,792	(53.5)%	14,867	20,055	(25.9)%
<b>Interest:</b>						
Debt	499	408	22.3 %	1,266	1,326	(4.5)%
Finance lease obligations	85	78	9.0 %	252	241	4.6 %
Interest income	(84)	(44)	90.9 %	(151)	(111)	36.0 %
Interest, net	500	442	13.1 %	1,367	1,456	(6.1)%
Loss on extinguishment of debt	—	2,410	(100.0)%	—	2,410	(100.0)%
Other (gains) and losses	3,626	(1,207)	(400.4)%	5,386	2,275	136.7 %
<b>Income (loss) before income taxes</b>	(1,431)	4,147	(134.5)%	8,114	13,914	(41.7)%
Provision for income taxes	336	1,015	(66.9)%	2,631	3,607	(27.1)%
<b>Consolidated net income (loss)</b>	(1,767)	3,132	(156.4)%	5,483	10,307	(46.8)%
Consolidated net income attributable to noncontrolling interest	(31)	(27)	14.8 %	(78)	(196)	(60.2)%
<b>Consolidated net income (loss) attributable to Walmart</b>	<u>\$ (1,798)</u>	<u>\$ 3,105</u>	<u>(157.9)%</u>	<u>\$ 5,405</u>	<u>\$ 10,111</u>	<u>(46.5)%</u>
<b>Net income per common share:</b>						
Basic net income (loss) per common share attributable to Walmart	\$ (0.66)	\$ 1.11	(159.5)%	\$ 1.98	\$ 3.61	(45.2)%
Diluted net income (loss) per common share attributable to Walmart	\$ (0.66)	\$ 1.11	(159.5)%	\$ 1.97	\$ 3.59	(45.1)%
<b>Weighted-average common shares outstanding:</b>						
Basic	2,711	2,785		2,733	2,799	
Diluted	2,711	2,797		2,743	2,813	
<b>Dividends declared per common share</b>	\$ —	\$ —		\$ 2.24	\$ 2.20	



**Walmart Inc.**  
**Condensed Consolidated Balance Sheets**  
**(Unaudited)**

<i>(Amounts in millions)</i>	October 31, 2022	January 31, 2022	October 31, 2021
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 11,587	\$ 14,760	\$ 16,111
Receivables, net	8,218	8,280	7,349
Inventories	64,706	56,511	57,484
Prepaid expenses and other	3,169	1,519	2,020
Total current assets	87,680	81,070	82,964
Property and equipment, net	97,553	94,515	92,242
Operating lease right-of-use assets	13,394	13,758	13,863
Finance lease right-of-use assets, net	4,597	4,351	4,226
Goodwill	28,137	29,014	28,923
Other long-term assets	16,295	22,152	22,633
<b>Total assets</b>	<b>\$ 247,656</b>	<b>\$ 244,860</b>	<b>\$ 244,851</b>
<b>LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST, AND EQUITY</b>			
<b>Current liabilities:</b>			
Short-term borrowings	\$ 6,811	\$ 410	\$ 447
Accounts payable	57,263	55,261	57,156
Dividends payable	1,527	—	1,528
Accrued liabilities	27,443	26,060	24,474
Accrued income taxes	900	851	446
Long-term debt due within one year	5,458	2,803	1,575
Operating lease obligations due within one year	1,457	1,483	1,486
Finance lease obligations due within one year	549	511	508
Total current liabilities	101,408	87,379	87,620
Long-term debt	33,935	34,864	36,425
Long-term operating lease obligations	12,658	13,009	13,095
Long-term finance lease obligations	4,512	4,243	4,061
Deferred income taxes and other	14,760	13,474	12,893
Commitments and contingencies			
Redeemable noncontrolling interest	260	—	—
<b>Equity:</b>			
Common stock	270	276	277
Capital in excess of par value	4,817	4,839	4,811
Retained earnings	77,946	86,904	85,674
Accumulated other comprehensive loss	(10,780)	(8,766)	(8,488)
Total Walmart shareholders' equity	72,253	83,253	82,274
Nonredeemable noncontrolling interest	7,870	8,638	8,483
Total equity	80,123	91,891	90,757
<b>Total liabilities, redeemable noncontrolling interest, and equity</b>	<b>\$ 247,656</b>	<b>\$ 244,860</b>	<b>\$ 244,851</b>

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

	Nine Months Ended October 31,	
	2022	2021
<i>(Amounts in millions)</i>		
<b>Cash flows from operating activities:</b>		
Consolidated net income	\$ 5,483	\$ 10,307
Adjustments to reconcile consolidated net income to net cash provided by operating activities:		
Depreciation and amortization	8,134	7,952
Net unrealized and realized losses	5,611	1,831
Losses on disposal of business operations	—	433
Deferred income taxes	28	(1,402)
Loss on extinguishment of debt	—	2,410
Other operating activities	921	1,057
Changes in certain assets and liabilities, net of effects of acquisitions and dispositions:		
Receivables, net	(59)	(842)
Inventories	(9,008)	(12,663)
Accounts payable	3,183	7,906
Accrued liabilities	1,354	(722)
Accrued income taxes	51	24
Net cash provided by operating activities	15,698	16,291
<b>Cash flows from investing activities:</b>		
Payments for property and equipment	(12,061)	(8,588)
Proceeds from the disposal of property and equipment	126	290
Proceeds from disposal of certain operations, net of divested cash	—	7,935
Payments for business acquisitions, net of cash acquired	(730)	(248)
Other investing activities	(300)	(919)
Net cash used in investing activities	(12,965)	(1,530)
<b>Cash flows from financing activities:</b>		
Net change in short-term borrowings	6,451	228
Proceeds from issuance of long-term debt	4,969	6,945
Repayments of long-term debt	(1,439)	(13,010)
Premiums paid to extinguish debt	—	(2,317)
Dividends paid	(4,600)	(4,627)
Purchase of Company stock	(8,708)	(7,368)
Dividends paid to noncontrolling interest	(16)	(20)
Sale of subsidiary stock	55	3,231
Other financing activities	(2,293)	(1,175)
Net cash used in financing activities	(5,581)	(18,113)
Effect of exchange rates on cash, cash equivalents and restricted cash	(331)	(118)
Net decrease in cash, cash equivalents and restricted cash	(3,179)	(3,470)
Change in cash and cash equivalents reclassified from assets held for sale	—	1,848
Cash, cash equivalents and restricted cash at beginning of year	14,834	17,788
Cash, cash equivalents and restricted cash at end of period	\$ 11,655	\$ 16,166

**Walmart Inc.**  
**Supplemental Financial Information**  
**(Unaudited)**

**Net sales and operating income**

*(dollars in millions)*

Walmart U.S.  
Walmart International  
Sam's Club  
Corporate and support  
**Consolidated**

Net Sales			Operating Income		
Three Months Ended October 31,			Three Months Ended October 31,		
2022	2021	Percent Change	2022	2021	Percent Change
\$ 104,775	\$ 96,609	8.5%	\$ 5,093	\$ 4,860	4.8%
25,295	23,627	7.1%	861	871	-1.1%
21,399	18,971	12.8%	562	475	18.3%
—	—	—	(3,821)	(414)	822.9%
\$ 151,469	\$ 139,207	8.8%	\$ 2,695	\$ 5,792	-53.5%

**U.S. comparable sales results**

	With Fuel		Without Fuel		Fuel Impact	
	13 Weeks Ended		13 Weeks Ended		13 Weeks Ended	
	10/28/2022	10/29/2021	10/28/2022	10/29/2021	10/28/2022	10/29/2021
Walmart U.S.	8.5%	9.6%	8.2%	9.2%	0.3%	0.4%
Sam's Club	12.7%	19.8%	10.0%	13.9%	2.7%	5.9%
Total U.S.	9.2%	11.1%	8.5%	9.9%	0.7%	1.2%

Comparable sales is a metric that indicates the performance of our existing stores and clubs by measuring the change in sales for such stores and clubs, including eCommerce sales, and it is important to review in conjunction with the company's financial results reported in accordance with GAAP. Comparable sales excluding fuel is also an important, separate metric that indicates the performance of our existing stores and clubs without considering fuel, which is volatile and unpredictable. Other companies in our industry may calculate comparable sales differently, limiting the comparability of the metric.

**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 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. Additionally, no currency exchange rate fluctuations are calculated for non-USD acquisitions until owned for 12 months.

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 nine months ended October 31, 2022.

	Three Months Ended October 31, 2022				Nine Months Ended October 31, 2022			
	Walmart International		Consolidated		Walmart International		Consolidated	
	2022	Percent Change <sup>1</sup>	2022	Percent Change <sup>1</sup>	2022	Percent Change <sup>1</sup>	2022	Percent Change <sup>1</sup>
<i>(Dollars in millions)</i>								
<b>Total revenues:</b>								
As reported	\$ 25,653	6.7 %	\$ 152,813	8.7 %	\$ 74,638	-0.6 %	\$ 447,241	6.5 %
Currency exchange rate fluctuations	1,491	N/A	1,491	N/A	2,865	N/A	2,865	N/A
Constant currency total revenues	\$ 27,144	12.9 %	\$ 154,304	9.8 %	\$ 77,503	3.2 %	\$ 450,106	7.2 %
<b>Net sales:</b>								
As reported	\$ 25,295	7.1 %	\$ 151,469	8.8 %	\$ 73,408	-0.7 %	\$ 443,138	6.5 %
Currency exchange rate fluctuations	1,473	N/A	1,473	N/A	2,805	N/A	2,805	N/A
Constant currency net sales	\$ 26,768	13.3 %	\$ 152,942	9.9 %	\$ 76,213	3.0 %	\$ 445,943	7.1 %
<b>Operating income:</b>								
As reported	\$ 861	-1.1 %	\$ 2,695	-53.5 %	\$ 2,676	-8.5 %	\$ 14,867	-25.9 %
Currency exchange rate fluctuations	38	N/A	38	N/A	121	N/A	121	N/A
Constant currency operating income	\$ 899	3.2 %	\$ 2,733	-52.8 %	\$ 2,797	-4.4 %	\$ 14,988	-25.3 %

<sup>1</sup> Change versus prior year comparable period.

### Adjusted operating income

Adjusted operating income is considered a non-GAAP financial measure under the SEC's rules because it excludes certain charges included in operating income calculated in accordance with GAAP. Management believes that adjusted operating income is a meaningful measure to share with investors because it best allows comparison of the performance with that of the comparable period. In addition, adjusted operating income affords investors a view of what management considers Walmart's core earnings performance and the ability to make a more informed assessment of such core earnings performance as compared with that of the prior year.

When we refer to adjusted operating income in constant currency, this means adjusted 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 reflect the calculation of adjusted operating income and adjusted operating income in constant currency for the three and nine months ended October 31, 2022.

	<b>Three Months Ended October 31,</b>	
	<b>Consolidated</b>	
	2022	2021
<i>(Dollars in millions)</i>		
<b>Operating income:</b>		
Operating income, as reported	\$2,695	\$5,792
Opioid legal charges <sup>1</sup>	3,325	—
Adjusted operating income	6,020	5,792
Percent change <sup>2</sup>	3.9%	NP
Currency exchange rate fluctuations	38	—
Adjusted operating income, constant currency	\$6,058	5,792
Percent change <sup>2</sup>	4.6%	NP
	<b>Nine Months Ended October 31,</b>	
	<b>Consolidated</b>	
	2022	2021
<i>(Dollars in millions)</i>		
<b>Operating income:</b>		
Operating income, as reported	\$14,867	\$20,055
Opioid legal charges <sup>1</sup>	3,325	—
Adjusted operating income	18,192	20,055
Percent change <sup>2</sup>	(9.3)%	NP
Currency exchange rate fluctuations	121	—
Adjusted operating income, constant currency	\$18,313	\$20,055
Percent change <sup>2</sup>	(8.7)%	NP

<sup>1</sup> The opioid legal charges are recorded in Corporate and support.

<sup>2</sup> Change versus prior year comparable period.

NP - Not provided

## 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. Net cash provided by operating activities was \$15.7 billion for the nine months ended October 31, 2022, which represents a decline of \$0.6 billion when compared to the same period in the prior year. The decline is primarily due to the timing of certain payments and a decrease in operating income, partially offset by moderated inventory purchases. Free cash flow for the nine months ended October 31, 2022 was \$3.6 billion, which represents a decline of \$4.1 billion when compared to the same period in the prior year. The decline in free cash flow is due to the reduction in operating cash flows described above, as well as an increase of \$3.5 billion in capital expenditures to support our investment strategy.

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.

	Nine Months Ended October 31,	
	2022	2021
<i>(Dollars in millions)</i>		
Net cash provided by operating activities	\$ 15,698	\$ 16,291
Payments for property and equipment (capital expenditures)	(12,061)	(8,588)
Free cash flow	\$ 3,637	\$ 7,703
Net cash used in investing activities <sup>1</sup>	\$ (12,965)	\$ (1,530)
Net cash used in financing activities	(5,581)	(18,113)

<sup>1</sup> "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 attributable to Walmart (Adjusted EPS) is considered a non-GAAP financial measure under the SEC's rules because it excludes certain amounts included in the diluted earnings per share attributable to Walmart calculated in accordance with GAAP (EPS), the most directly comparable financial measure calculated in accordance with GAAP. Management believes that Adjusted EPS is a meaningful measure to share with investors because it best allows comparison of the performance with that of the comparable period. In addition, Adjusted EPS affords investors a view of what management considers Walmart's core earnings performance and the ability to make a more informed assessment of such core earnings performance with that of the prior year.

We adjust for the unrealized and realized gains and losses on our equity and other investments each quarter because although the investments are strategic decisions for the company's retail operations, management's measurement of each strategy is primarily focused on the operational results rather than the fair value of such investments. Additionally, management does not forecast changes in the fair value of its equity and other investments. Accordingly, management adjusts EPS each quarter for the realized and unrealized gains and losses related to those equity investments.

We have calculated Adjusted EPS for the three and nine months ended October 31, 2022 by adjusting EPS for the following:

1. unrealized gains and losses on the company's equity and other investments;
2. the gain on sale of equity method investment in Brazil;
3. a discrete tax item; and
4. opioid legal charges

Three Months Ended October 31, 2022				
<b>Diluted earnings per share:</b>				
Reported EPS				\$ (0.66)
<b>Adjustments:</b>	<b>Pre-Tax Impact</b>	<b>Tax Impact<sup>1,2</sup></b>	<b>NCI Impact<sup>3</sup></b>	<b>Net Impact</b>
Unrealized (gains) and losses on equity and other investments	\$1.34	\$ (0.24)	\$0.01	\$1.11
Opioid legal charges	1.22	(0.17)	—	1.05
<b>Net adjustments<sup>4</sup></b>				<b>\$2.16</b>
Adjusted EPS <sup>4</sup>				<b>\$1.50</b>

Nine Months Ended October 31, 2022 <sup>5</sup>				
<b>Diluted earnings per share:</b>				
Reported EPS				\$1.97
<b>Adjustments:</b>	<b>Pre-Tax Impact</b>	<b>Tax Impact<sup>1,2</sup></b>	<b>NCI Impact<sup>3</sup></b>	<b>Net Impact</b>
Unrealized (gains) and losses on equity and other investments	\$2.18	\$ (0.40)	\$—	\$1.78
Gain on sale of equity method investment in Brazil	(0.16)	—	—	(0.16)
Discrete tax item	—	(0.06)	—	(0.06)
Opioid legal charges	1.21	(0.17)	—	1.04
<b>Net adjustments</b>				<b>\$2.60</b>
Adjusted EPS				<b>\$4.57</b>

<sup>1</sup> Calculated based on nature of item, including any realizable deductions, and statutory rate in effect for relevant jurisdictions.

<sup>2</sup> The reported effective tax rate was (23.5%) and 32.4% for the three and nine months ended October 31, 2022, respectively. Adjusted for the above item, the effective tax rate was 25.9% and 25.7% for the three and nine months ended October 31, 2022, respectively.

<sup>3</sup> Calculated based on the ownership percentages of our noncontrolling interests.

<sup>4</sup> Adjusted EPS for the three months ended October 31, 2022 was calculated using weighted average shares outstanding of 2,720 million, which includes the dilutive impact of share-based payment awards

<sup>5</sup> Quarterly adjustments or adjusted EPS may not sum to YTD adjustments or YTD adjusted EPS due to rounding.

As previously disclosed in our third quarter ended October 31, 2021 press release, we have calculated Adjusted EPS for the three and nine months ended October 31, 2021 by adjusting EPS for the following: (1) unrealized and realized gains and losses on the company's equity investments, (2) loss on extinguishment of debt; and (3) the incremental loss on sale of our operations in the U.K and Japan recorded during the first quarter of fiscal 2022.

Three Months Ended October 31, 2021			
<b>Diluted earnings per share:</b>			
Reported EPS			\$1.11
<b>Adjustments:</b>	<b>Pre-Tax Impact</b>	<b>Tax Impact<sup>1, 2</sup></b>	<b>Net Impact</b>
Unrealized and realized (gains) and losses on equity investments	\$(0.42)	\$0.09	\$(0.33)
Loss on extinguishment of debt	0.86	(0.19)	0.67
<b>Net adjustments</b>			<b>\$0.34</b>
Adjusted EPS			<b>\$1.45</b>
Nine Months Ended October 31, 2021 <sup>3</sup>			
<b>Diluted earnings per share:</b>			
Reported EPS			\$3.59
<b>Adjustments:</b>	<b>Pre-Tax Impact</b>	<b>Tax Impact<sup>1, 2</sup></b>	<b>Net Impact</b>
Unrealized and realized (gains) and losses on equity investments	\$0.65	\$(0.13)	\$0.52
Loss on extinguishment of debt	0.86	(0.19)	\$0.67
Incremental loss on sale of our operations in the U.K. and Japan	0.15	—	0.15
<b>Net adjustments</b>			<b>\$1.34</b>
Adjusted EPS			<b>\$4.93</b>

<sup>1</sup> Calculated based on nature of item, including any realizable deductions, and statutory rate in effect for relevant jurisdictions. Minimal realizable tax benefit was provided in connection with the incremental loss on sale.

<sup>2</sup> The reported effective tax rate was 24.5% and 25.9% for the three and nine months ended October 31, 2021, respectively. Adjusted for the above items, the effective tax rate was 24.3% and 24.5% for the three and nine months ended October 31, 2021, respectively.

<sup>3</sup> Quarterly adjustments or adjusted EPS may not sum to YTD adjustments or YTD adjusted EPS due to rounding.





## Financial presentation to accompany management commentary

### Q3 FY2023



# Safe harbor and non-GAAP measures



This presentation contains statements or may include or may incorporate by reference Walmart management's guidance regarding adjusted earnings per share, consolidated net sales, consolidated operating income and consolidated adjusted operating income, capital expenditures, share repurchases, Walmart's effective tax rate for the fiscal year ending January 31, 2023, and comparable sales, among other items. Walmart believes such statements may be deemed to be "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Act") and are intended to enjoy the protection of the safe harbor for forward-looking statements provided by the Act as well as protections afforded by other federal securities laws. Assumptions on which such forward-looking statements are based are also forward-looking statements. Such forward-looking statements are not statements of historical facts, but instead express our estimates or expectations for our consolidated, or one of our segment's or business', economic performance or results of operations for future periods or as of future dates or events or developments that may occur in the future or discuss our plans, objectives or goals. Our actual results may differ materially from those expressed in or implied by any of these forward-looking statements as a result of changes in circumstances, assumptions not being realized or other risks, uncertainties and factors including: the impact of the COVID-19 pandemic on our business and the global economy; economic, capital markets and business conditions; trends and events around the world and in the markets in which we operate; currency exchange rate fluctuations, changes in market interest rates and market levels of wages; changes in the size of various markets, including eCommerce markets; unemployment levels; 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; the effectiveness of the implementation and operation of our strategies, plans, programs and initiatives; unexpected changes in our objectives and plans; the impact of acquisitions, investments, divestitures, and other strategic decisions; our ability to successfully integrate acquired businesses; changes in the trading prices or fair value of certain equity investments we hold; initiatives of competitors, competitors' entry into and expansion in our markets, and competitive pressures; customer traffic and average transactions in our stores and clubs and on our eCommerce websites; the mix of merchandise we sell, the cost of goods we sell and the shrinkage we experience; our gross profit margins; the financial performance of Walmart and each of its segments, including the amounts of our cash flow during various periods; the amount of our net sales and operating expenses denominated in the U.S. dollar and various foreign currencies; commodity prices and the price of gasoline and diesel fuel; challenges with our supply chain, including disruptions and issues relating to inventory management; disruptions in seasonal buying patterns; the availability of goods from suppliers and the cost of goods acquired from suppliers; our ability to respond to changing trends in consumer shopping habits; consumer acceptance of and response to our stores, clubs, eCommerce platforms, programs, merchandise offerings and delivery methods; cyber security events affecting us and related costs and impact to the business; developments in, outcomes of, and costs incurred in legal or regulatory proceedings to which we are a party or are subject, and the liabilities, obligations and expenses, if any, that we may incur in connection therewith; casualty and accident-related costs and insurance costs; the turnover in our workforce and labor costs, including healthcare and other benefit costs; our effective tax rate and the factors affecting our effective tax rate, including assessments of certain tax contingencies, valuation allowances, changes in law, administrative audit outcomes, impact of discrete items and the mix of earnings between the U.S. and Walmart's international operations; changes in existing tax, labor and other laws and regulations and changes in tax rates including the enactment of laws and the adoption and interpretation of administrative rules and regulations; the imposition of new taxes on imports, new tariffs and changes in existing tariff rates; the imposition of new trade restrictions and changes in existing trade restrictions; adoption or creation of new, and modification of existing, governmental policies, programs, initiatives and actions in the markets in which Walmart operates and elsewhere and actions with respect to such policies, programs and initiatives; changes in accounting estimates or judgments; the level of public assistance payments; natural disasters, changes in climate, geopolitical events, global health epidemics or pandemics and catastrophic events; and changes in generally accepted accounting principles in the United States.

Our most recent annual report on Form 10-K and subsequent quarterly reports on Form 10-Q filed with the SEC discuss other risks and factors that could cause actual results to differ materially from those expressed or implied by any forward-looking statement in the presentation. We urge you to consider all of the risks, uncertainties and factors identified above or discussed in such reports carefully in evaluating the forward-looking statements in this presentation. Walmart cannot assure you that the results reflected in or implied by any forward-looking statement will be realized or, even if substantially realized, that those results will have the forecasted or expected consequences and effects for or on our operations or financial performance. The forward-looking statements made today are as of the date of this presentation. Walmart undertakes no obligation to update these forward-looking 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 operating income, adjusted operating income on a constant currency basis, adjusted EPS, 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](http://www.stock.walmart.com).

# Fourth quarter and Fiscal Year 2023 guidance



The following guidance reflects the company's expectations for Q4 and fiscal year 2023 and is provided on a non-GAAP basis as the company cannot predict certain elements which are included in reported GAAP results, such as the changes in fair value of the company's equity and other investments. Growth rates reflect an adjusted basis for prior year results. Fiscal year 2023 operating income is adjusted for charges related to opioid legal settlements in the third quarter. The company's guidance assumes a generally stable consumer in the U.S., continued pressure from inflation and mix of products and formats globally.

## Fourth quarter

- Consolidated net sales growth of about 3.0%, negatively affected by approximately \$1.3 billion from currency fluctuations.
- Walmart U.S. comp sales, excluding fuel, of about 3.0%.
- Consolidated operating income increase 1.0% to decline 1.0%
- Adjusted earnings per share decline of 3.0% to 5.0%.

## Fiscal Year 2023

The company raises full-year outlook to reflect third quarter performance:

- Consolidated net sales growth of about 5.5%. Excluding divestitures<sup>1</sup>, consolidated net sales growth of about 6.5%. Based on current exchange rates, the company expects a headwind of about \$4.1 billion for the year.
- Walmart U.S. comp sales growth, excluding fuel, of about 5.5%.
- Consolidated adjusted operating income decline of 6.5% to 7.5%, which improved from the company's prior guidance of a decline of 9.0% to 11.0% and reflects better performance in the third quarter. Excluding divestitures<sup>1</sup>, consolidated adjusted operating income decline of 5.5% to 6.5%.
- Adjusted earnings per share decline of 6.0% to 7.0%. Excluding divestitures<sup>1</sup>, adjusted earnings per share decline of 5.0% to 6.0%.

<sup>1</sup> We completed the sale of our operations in the U.K. and Japan in the first quarter of fiscal 2022

# Walmart Inc. - Q3 FY23



Dollars in billions, except per share.  
Change is calculated as the change versus the prior year comparable period

Total revenue	Net sales	Operating expense as a percentage of net sales	Effective tax rate
\$152.8	\$151.5	22.8%	(23.5)%
+8.7%	+8.8%	+144 bps	EPS
Total revenue, constant currency <sup>1</sup>	Net sales, constant currency <sup>1</sup>	Operating income	-\$0.66
\$154.3	\$152.9	\$2.7	-159.5%
+9.8%	+9.9%	-53.5%	Adjusted EPS <sup>1</sup>
Membership and Other Income	Gross profit rate	Adj. operating income, constant currency <sup>1</sup>	\$1.50
\$1.3	23.7%	\$6.1	+3.4%
+2.0%	-89 bps	+4.6%	

<sup>1</sup> See press release located at [www.stock.walmart.com](http://www.stock.walmart.com) and reconciliations at the end of presentation regarding non-GAAP financial measures.

# Walmart Inc. - Q3 FY23

Dollars in billions.

Change is calculated as the change versus the prior year comparable period



Receivables, net

**\$8.2**

+11.8%

Inventories

**\$64.7**

+12.6%

Accounts payable

**\$57.3**

+0.2%

Debt to capitalization<sup>1</sup>

**41.5%**

+720 bps

Return on assets<sup>2</sup>

**3.7%**

+40 bps

Return on investment<sup>2</sup>

**12.8%**

-170 bps



Walmart+ benefits continue to expand driving membership growth



Together, Walmart, Sam's Club and the Walmart Foundation have committed up to \$6 million to support recovery and relief efforts

<sup>1</sup> Debt to total capitalization calculated as of October 31, 2022. Debt includes short-term borrowings, long-term debt due within one year, finance lease obligations due within one year, long-term debt and long-term finance lease obligations. Total capitalization includes debt and total Walmart shareholders' equity.

<sup>2</sup> Calculated for the trailing 12 months ended October 31, 2022. For ROI, see reconciliations at the end of presentation regarding non-GAAP financial measures.



# Walmart Inc. - YTD Q3 FY23

Dollars in billions. Dollar changes may not recalculate due to rounding.  
Change is calculated as the change versus the prior year comparable period



Operating cash flow

**\$15.7**

-\$0.6

Capital expenditures

**\$12.1**

+\$3.5

Free cash flow<sup>1</sup>

**\$3.6**

-\$4.1

Dividends

**\$4.6**

Share repurchases<sup>2</sup>

**\$8.7**

Returns to shareholders

**\$13.3**



In October, Walmart released our mid-year Culture, Diversity, Equity & Inclusion report



Launched two new immersive experiences in the metaverse mega-platform, Roblox, Walmart Land and Walmart's Universe of Play

<sup>1</sup> See press release located at [www.stock.walmart.com](http://www.stock.walmart.com) and reconciliations at the end of this presentation regarding non-GAAP financial measures.

<sup>2</sup> \$1.9 billion remaining of \$20 billion authorization approved in February 2021. The company repurchased approximately 22 million shares in Q3 fiscal 2023.

# Walmart U.S. - Q3 FY23

Dollars in billions.  
Change is calculated as the change versus the prior year comparable period



## Net Sales

**\$104.8**

**+8.5%**

eCommerce net sales growth

**+16%**

eCommerce contribution to comp<sup>1</sup>

**80 bps**

- Strong grocery share gains, including from high-income households
- Robust seasonal event sales with strength in Back-to-School classroom essentials and Halloween candy, costumes and home decor
- eCommerce sales reflected 40% growth in advertising as well as strength in pickup & delivery, marketplace, and fulfillment services

## Comparable sales<sup>1</sup>

**8.2%**

Comparable transactions

**2.1%**

Comparable average ticket

**6.0%**

- Comp sales up 17.4% on two-year stack, a 570 bps acceleration from Q2
- Comp sales reflected strength in food categories, private brand sales, and higher average ticket and store transactions
- On a two-year stack, comp transactions increased 7.8%

## Inventory

**Total: +12.4%**

- ~70% of increase relates to inflation
- Remainder of growth due to improved in-stocks and higher levels of general merchandise
- Q3 growth reflects a 10 percentage point sequential improvement versus Q2 levels

Remodels: **>235 stores**

Pickup: **~4,600 locations**

Same-day delivery: **>3,900 stores**

<sup>1</sup> Comp sales for the 13-week period ended October 28, 2022 compared to the 13-week period ended October 29, 2021, and excludes fuel.

# Walmart U.S. - Q3 FY23



Dollars in billions.

Change is calculated as the change versus the prior year comparable period

## Gross profit rate

-77 bps

- Increased general merchandise markdowns pressured gross margin
- Category mix shifts toward grocery and away from general merchandise negatively affected the rate
- Benefited from managing prices to reflect high levels of cost inflation

## Operating expense rate

-60 bps

- Expense leverage reflects higher sales and lower COVID costs, partially offset by increased wage costs
- COVID costs were lower by ~\$0.3 billion

## Operating income

\$5.1

+4.8%

- Operating expense leverage and solid growth in membership and other income more than offset gross margin pressure



# Walmart U.S. - quarterly merchandise highlights



Category	Comp sales	Details
Grocery	+ mid-teens	<ul style="list-style-type: none"><li>Sales growth led by strength in food (+mid-teens); reflected continued market share gains (according to Nielsen)</li><li>Grocery sales increased mid-20% on a two-year stack</li><li>Food units sold increased year-over-year, reversing a slight y/y decline last quarter</li><li>Consumables led by strength in pet, personal care and beauty due in part to inflation</li></ul>
Health & wellness	+ high single-digits	<ul style="list-style-type: none"><li>Strong pharmacy sales primarily reflected mix, branded drug inflation and higher immunization volumes, partially offset by lower COVID vaccines</li><li>Sales were up low-20% on a two-year stack</li></ul>
General merchandise	- low single-digits	<ul style="list-style-type: none"><li>General merchandise sales declined on tough compares; on a two-year stack, sales increased MSD%</li><li>Softness in discretionary categories including electronics, home, and apparel</li><li>Sales were strong in lawn &amp; garden, automotive and back-to-school classroom essentials</li></ul>

# Walmart International - Q3 FY23



Dollars in billions. Dollar changes may not recalculate due to rounding.  
Change is calculated as the change versus the prior year comparable period

<p>Net sales</p> <p><b>\$25.3</b></p> <p>+7.1%</p> <p>Net sales, constant currency<sup>1</sup></p> <p><b>\$26.8</b></p> <p>+13.3%</p> <ul style="list-style-type: none"> <li>• Strong sales growth with double-digit growth in Flipkart and Walmex</li> <li>• Strong growth from Flipkart due in part to timing of The Big Billion Days event, which moved from Q4 last year to Q3 this year</li> <li>• Comp sales outpacing inflation in most markets</li> <li>• eCommerce net sales comprised 23% of total net sales, up 400 bps YoY primarily due to Flipkart</li> </ul>	<p>Gross profit rate</p> <p><b>-131 bps</b></p> <ul style="list-style-type: none"> <li>• Primarily due to timing of sales events, including Flipkart's The Big Billion Days</li> <li>• Mix effect from continued growth in lower margin formats and channels of Sam's Club and eCommerce in China</li> </ul> <p>Operating expense rate</p> <p><b>-136 bps</b></p> <ul style="list-style-type: none"> <li>• Expense leverage from strong sales, including timing of sales events</li> </ul>	<p>Operating income</p> <p><b>\$0.9</b></p> <p>-1.1%</p> <p>Operating income, constant currency<sup>1</sup></p> <p><b>\$0.9</b></p> <p>+3.2%</p> <ul style="list-style-type: none"> <li>• Operating income growth even while lapping a strong quarter last year, led by strength in Walmex and China</li> </ul>	<p>Inventory</p> <p><b>\$12.2</b></p> <p>+2.5%</p> <ul style="list-style-type: none"> <li>• Inventory normalizing across markets</li> <li>• Timing of Flipkart's The Big Billion Days event helped reduce inventory growth</li> <li>• Increase is partially offset by currency exchange rate fluctuations</li> </ul>
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<sup>1</sup> See press release located at [www.stock.walmart.com](http://www.stock.walmart.com) and reconciliations at the end of presentation regarding non-GAAP financial measures.

# Walmart International - Q3 FY23



Results are presented on a constant currency basis. Net sales and comp sales are presented on a nominal, calendar basis and include eCommerce results. Change is calculated as the change versus the prior year comparable period.

	Walmex <sup>1</sup>	China	Canada
Net sales growth	+12.9%	+6.9%	+5.5%
Comparable sales	+11.7%	+5.6%	+5.2%
Comparable transactions	+5.2%	+1.0%	+5.8%
Comparable ticket	+6.2%	+4.6%	-0.5%
	<ul style="list-style-type: none"> <li>• Double-digit growth with continued strength in food and consumables and the opening of over 20 new stores</li> <li>• In Mexico, comp sales grew 11.1% driven by Bodega and Sam's Club</li> <li>• Mexico eCommerce net sales +17%                             <ul style="list-style-type: none"> <li>◦ Two-year stack +44%</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Strong growth in Sam's Club and eCommerce</li> <li>• eCommerce net sales +63%                             <ul style="list-style-type: none"> <li>◦ Two-year stack +159%</li> <li>◦ eCommerce net sales contributed 41% of China net sales</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Sales in food and consumables outpacing general merchandise</li> <li>• eCommerce net sales +3%                             <ul style="list-style-type: none"> <li>◦ Two-year stack +34%</li> </ul> </li> </ul>

<sup>1</sup> Walmex includes the consolidated results of Mexico and Central America.

# Walmart International - Q3 FY23



Results are presented on a constant currency basis.  
Change is calculated as the change versus the prior year comparable period

	Walmex <sup>1</sup>	China	Canada
Gross profit rate	<p>Relatively Flat</p> <ul style="list-style-type: none"> <li>Supply chain efficiencies and new revenue streams in Mexico, offset by continuing price investments</li> </ul>	<p>Decrease</p> <ul style="list-style-type: none"> <li>Mix effect from continued growth in lower margin formats and channels for Sam's Club and eCommerce</li> </ul>	<p>Decrease</p> <ul style="list-style-type: none"> <li>Higher sales in lower margin food and consumables categories as well as higher shrink</li> </ul>
Operating expense rate	<p>Relatively Flat</p> <ul style="list-style-type: none"> <li>Higher sales and cost savings initiatives allowing for continued investment in strategic priorities</li> </ul>	<p>Decrease</p> <ul style="list-style-type: none"> <li>Increased leverage from operational efficiencies as well as higher penetration of Sam's Club, which has a lower operating expense rate</li> </ul>	<p>Decrease</p> <ul style="list-style-type: none"> <li>Primarily driven by higher productivity and cost savings initiatives</li> </ul>
Operating income \$	Increase	Increase	Decrease

<sup>1</sup> Walmex includes the consolidated results of Mexico and Central America.

# Sam's Club - Q3 FY23

Dollars in billions.  
Change is calculated as the change versus the prior year comparable period



## With Fuel

Net sales

**\$21.4**

**+12.8%**

Comparable sales<sup>1</sup>

**+12.7%**

- Strong comp sales growth driven by solid increases in transactions and ticket
- On a two-year stack, comp sales increased 32.5%
- Strength in most categories, led by food
- Fuel positively affected comp sales as both prices and gallons sold increased
- Tobacco negatively affected comp sales

eCommerce net sales growth

**+20%**

- Strong contribution from both curbside and ship-to-home

Membership income

**+8.0%**

- Solid membership trends with record total member count
- Plus penetration continues to improve, reaching a record quarter-end high
- Increased membership fees in late Q3; minimal impact to membership metrics to date

Gross profit rate

**-46 bps**

- LIFO charge of \$113 million

Operating expense rate

**-68 bps**

- Higher sales positively affected operating expense leverage

Operating income

**\$0.6**

**+18.3%**

Inventory

**\$7.3**

**+35.8%**

- Increase reflects inventory build to support higher sales trends, improving in-stocks and inflation

<sup>1</sup> Comp sales for the 13-week period ended October 28, 2022 compared to the 13-week period ended October 29, 2021.

# Sam's Club - Q3 FY23

Dollars in billions.  
Change is calculated as the change versus the prior year comparable period



## Without Fuel

<p>Net sales</p> <p><b>\$18.3</b></p> <p><b>+10.2%</b></p>	<p>Comparable transactions</p> <p><b>+4.8%</b></p> <ul style="list-style-type: none"> <li>On a two-year stack, comp transactions increased 15.9%</li> </ul>	<p>Gross profit rate</p> <p><b>-51 bps</b></p>	<p>Operating income</p> <p><b>\$0.4</b></p> <p><b>+7.9%</b></p>
<p>Comparable sales<sup>1, 2</sup></p> <p><b>+10.0%</b></p> <ul style="list-style-type: none"> <li>On a two-year stack, comp sales increased 23.9%</li> </ul>	<p>Average comparable ticket</p> <p><b>+4.9%</b></p> <ul style="list-style-type: none"> <li>On a two-year stack, average comp ticket increased 7.5%</li> </ul>	<p>Operating expense rate</p> <p><b>-52 bps</b></p>	<p>eCommerce contribution</p> <p><b>~120 bps</b></p>

<sup>1</sup> Comp sales for the 13-week period ended October 28, 2022 compared to the 13-week period ended October 29, 2021, and excludes fuel.

<sup>2</sup> Tobacco negatively affected comp sales for the 13-week period ended October 28, 2022 by 30 basis points. On a two-year stack, tobacco negatively affected comp sales by 190 basis points.

# Sam's Club - quarterly financial highlights



Category	Comp sales	Details
Fresh / Freezer / Cooler	+ low double-digit	<ul style="list-style-type: none"><li>Cooler, fresh meat &amp; seafood, produce &amp; floral, and deli performed well</li></ul>
Grocery and beverage	+ mid-teens	<ul style="list-style-type: none"><li>Dry grocery, drinks, and chips showed strength</li></ul>
Consumables	+ mid single-digit	<ul style="list-style-type: none"><li>Tabletop &amp; bags, pet supplies, and health &amp; beauty aids performed well</li></ul>
Home and apparel	+ high single-digit	<ul style="list-style-type: none"><li>Strength in apparel, sporting goods, seasonal, and housewares</li></ul>
Technology, office and entertainment	- mid single-digit	<ul style="list-style-type: none"><li>Softness in consumer electronics, partially offset by strength in gift cards</li></ul>
Health and wellness	+ mid single-digit	<ul style="list-style-type: none"><li>Pharmacy and optical performed well</li></ul>



## Non-GAAP measures - ROI



We include Return on Assets ("ROA"), which is calculated in accordance with U.S. generally accepted accounting principles ("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 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 3.7 percent and 3.3 percent for the trailing 12 months ended October 31, 2022 and 2021, respectively. The increase in ROA was primarily due to the increase in net income due primarily to lapping losses associated with our dispositions of Asda and Seiyu. ROI was 12.8 percent and 14.5 percent for the trailing 12 months ended October 31, 2022 and 2021, respectively. The decrease in ROI was primarily due to a decrease in operating income which included opioid legal charges recorded in the third quarter of fiscal 2023.

We define ROI as adjusted operating income (operating income plus interest income, depreciation and amortization, and rent expense) for the trailing twelve 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.

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. As mentioned above, we consider ROA to be the financial measure computed in accordance with GAAP 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; and adjusts total assets for the impact of accumulated depreciation and amortization, accounts payable and accrued liabilities 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, is as follows:

CALCULATION OF RETURN ON ASSETS				CALCULATION OF RETURN ON INVESTMENT			
		Trailing Twelve Months				Trailing Twelve Months	
		Ended	October 31,			Ended	October 31,
(Dollars in millions)		2022	2021	(Dollars in millions)		2022	2021
<b>Numerator</b>				<b>Numerator</b>			
Consolidated net income		\$ 9,116	\$ 8,299	Operating income		\$ 20,754	\$ 25,542
<b>Denominator</b>				+ Interest income		196	141
Average total assets <sup>1</sup>		\$ 246,254	\$ 247,857	+ Depreciation and amortization		10,840	10,771
<b>Return on assets (ROA)</b>		3.7 %	3.3 %	+ Rent		2,296	2,360
				<b>ROI operating income</b>		<b>\$ 34,086</b>	<b>\$ 38,814</b>
				<b>Denominator</b>			
		October 31,		Average total assets <sup>1</sup>		\$ 246,254	\$ 247,857
<b>Certain Balance Sheet Data</b>		<b>2022</b>	<b>2021</b>	+ Average accumulated depreciation and amortization <sup>1</sup>		103,898	99,872
Total assets	\$	247,656	244,851	- Average accounts payable <sup>1</sup>		57,210	55,654
Accumulated depreciation and amortization		107,628	100,168	- Average accrued liabilities <sup>1</sup>		25,959	24,735
Accounts payable		57,263	57,156	Average invested capital		\$ 266,983	\$ 267,340
Accrued liabilities		27,443	24,474	<b>Return on investment (ROI)</b>		<b>12.8 %</b>	<b>14.5 %</b>

<sup>1</sup> 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. Net cash provided by operating activities was \$15.7 billion for the nine months ended October 31, 2022, which represents a decline of \$0.6 billion when compared to the same period in the prior year. The decline is primarily due to the timing of certain payments and a decrease in operating income, partially offset by moderated inventory purchases. Free cash flow for the nine months ended October 31, 2022 was \$3.6 billion, which represents a decline of \$4.1 billion when compared to the same period in the prior year. The decline in free cash flow is due to the reduction in operating cash flows described above, as well as an increase of \$3.5 billion in capital expenditures to support our investment strategy.

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.

(Dollars in millions)	Nine Months Ended October 31,	
	2022	2021
Net cash provided by operating activities	\$ 15,698	\$ 16,291
Payments for property and equipment (capital expenditures)	(12,061)	(8,588)
<b>Free cash flow</b>	<b>\$ 3,637</b>	<b>\$ 7,703</b>
Net cash used in investing activities <sup>1</sup>	\$ (12,965)	\$ (1,530)
Net cash used in financing activities	(5,581)	(18,113)

<sup>1</sup> "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 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. Additionally, no currency exchange rate fluctuations are calculated for non-USD acquisitions until owned for 12 months. 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 nine months ended October 31, 2022.

	Three Months Ended October 31, 2022				Nine Months Ended October 31, 2022			
	2022	Percent Change <sup>1</sup>	2022	Percent Change <sup>1</sup>	2022	Percent Change <sup>1</sup>	2022	Percent Change <sup>1</sup>
	Walmart International		Consolidated		Walmart International		Consolidated	
<i>(Dollars in millions)</i>								
<b>Total revenues:</b>								
As reported	\$ 25,653	6.7%	\$ 152,813	8.7 %	\$ 74,638	-0.6%	\$ 447,241	6.5 %
Currency exchange rate fluctuations	1,491	N/A	1,491	N/A	2,865	N/A	2,865	N/A
Constant currency total revenues	\$ 27,144	12.9%	\$ 154,304	9.8 %	\$ 77,503	3.2%	\$ 450,106	7.2 %
<b>Net sales<sup>2</sup>:</b>								
As reported	\$ 25,295	7.1%	\$ 151,469	8.8 %	\$ 73,408	-0.7%	\$ 443,138	6.5 %
Currency exchange rate fluctuations	1,473	N/A	1,473	N/A	2,805	N/A	2,805	N/A
Constant currency net sales	\$ 26,768	13.3%	\$ 152,942	9.9 %	\$ 76,213	3.0%	\$ 445,943	7.1 %
<b>Operating income:</b>								
As reported	\$ 861	-1.1%	\$ 2,695	-53.5 %	\$ 2,676	-8.5%	\$ 14,867	-25.9 %
Currency exchange rate fluctuations	38	N/A	38	N/A	121	N/A	121	N/A
Constant currency operating income	\$ 899	3.2%	\$ 2,733	-52.8 %	\$ 2,797	-4.4%	\$ 14,988	-25.3 %

<sup>1</sup> Change versus prior year comparable period.

<sup>2</sup> Walmart International eCommerce net sales were \$5.9 billion for the three months ended October 31, 2022, and were negatively impacted by \$0.4 billion of currency exchange rate fluctuations. Walmart International eCommerce net sales were \$4.3 billion for the three months ended October 31, 2021.

## Non-GAAP measures - adjusted operating income



Adjusted operating income is considered a non-GAAP financial measure under the SEC's rules because it excludes certain charges included in operating income calculated in accordance with GAAP. Management believes that adjusted operating income is a meaningful measure to share with investors because it best allows comparison of the performance with that of the comparable period. In addition, adjusted operating income affords investors a view of what management considers Walmart's core earnings performance and the ability to make a more informed assessment of such core earnings performance as compared with that of the prior year.

When we refer to adjusted operating income in constant currency, this means adjusted 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 reflect the calculation of adjusted operating income and adjusted operating income in constant currency for the three and nine months ended October 31, 2022.

	Three Months Ended October 31,		Nine Months Ended October 31,	
	Consolidated		Consolidated	
	2022	2021	2022	2021
<b>Operating income:</b>				
Operating income, as reported	2,695	5,792	14,867	20,055
Opioid legal charges <sup>1</sup>	3,325	—	3,325	—
Adjusted operating income	6,020	5,792	18,192	20,055
Percent change <sup>2</sup>	3.9 %	NP	(9.3)%	NP
Currency exchange rate fluctuations	38	—	121	—
Adjusted operating income, constant currency	6,058	5,792	18,313	20,055
Percent change <sup>2</sup>	4.6 %	NP	(8.7)%	NP

<sup>1</sup> The opioid legal charges are recorded in Corporate and support.

<sup>2</sup> Change versus prior year comparable period.

NP - not provided

## Non-GAAP measures - adjusted EPS



Adjusted diluted earnings per share attributable to Walmart (Adjusted EPS) is considered a non-GAAP financial measure under the SEC's rules because it excludes certain amounts included in the diluted earnings per share attributable to Walmart calculated in accordance with GAAP (EPS), the most directly comparable financial measure calculated in accordance with GAAP. Management believes that Adjusted EPS is a meaningful measure to share with investors because it best allows comparison of the performance with that of the comparable period. In addition, Adjusted EPS affords investors a view of what management considers Walmart's core earnings performance and the ability to make a more informed assessment of such core earnings performance with that of the prior year.

We adjust for the unrealized and realized gains and losses on our equity and other investments each quarter because although the investments are strategic decisions for the company's retail operations, management's measurement of each strategy is primarily focused on the operational results rather than the fair value of such investments. Additionally, management does not forecast changes in the fair value of its equity and other investments. Accordingly, management adjusts EPS each quarter for the realized and unrealized gains and losses related to those equity investments.

We have calculated Adjusted EPS for the three and nine months ended October 31, 2022 by adjusting EPS for the following:

1. unrealized gains and losses on the company's equity and other investments;
2. the gain on sale of equity method investment in Brazil;
3. a discrete tax item; and
4. opioid legal charges



## Non-GAAP measures - adjusted EPS (cont.)



	Three Months Ended October 31, 2022				Percent Change <sup>1</sup>	Nine Months Ended October 31, 2022 <sup>5</sup>				Percent Change <sup>1</sup>
Diluted earnings per share:										
Reported EPS	\$ (0.66)				-159.5%	\$ 1.97				-45.1%
Adjustments <sup>5</sup> :	Pre-Tax Impact	Tax Impact <sup>2,3</sup>	NCI Impact <sup>4</sup>	Net Impact		Pre-Tax Impact	Tax Impact <sup>2,3</sup>	NCI Impact <sup>4</sup>	Net Impact	
Unrealized (gains) and losses on equity and other investments	\$ 1.34	\$ (0.24)	\$ 0.01	\$ 1.11		\$ 2.18	\$ (0.40)	\$ —	\$ 1.78	
Gain on sale of equity method investment in Brazil	—	—	—	—		(0.16)	—	—	(0.16)	
Discrete tax item	—	—	—	—		—	(0.06)	—	(0.06)	
Opioid legal charges	1.22	(0.17)	—	1.05		1.21	(0.17)	—	1.04	
Net adjustments <sup>6</sup>	\$ 2.16					\$ 2.60				
Adjusted EPS <sup>5</sup>	\$ 1.50				3.4%	\$ 4.57				-7.3%

<sup>1</sup> Change versus prior year comparable period.

<sup>2</sup> Calculated based on nature of item, including any realizable deductions, and statutory rate in effect for relevant jurisdictions.

<sup>3</sup> The reported effective tax rate was (23.5%) and 32.4% for the three and nine months ended October 31, 2022, respectively. Adjusted for the above item, the effective tax rate was 25.9% and 25.7% for the three and nine months ended October 31, 2022, respectively.

<sup>4</sup> Calculated based on the ownership percentages of our noncontrolling interests.

<sup>5</sup> Adjusted EPS for the three months ended October 31, 2022 was calculated using weighted average shares outstanding of 2,720 million, which includes the dilutive impact of share-based payment awards

<sup>6</sup> Quarterly adjustments or adjusted EPS may not sum to YTD adjustments or YTD adjusted EPS due to rounding.

## Non-GAAP measures - adjusted EPS (cont.)



As previously disclosed in our third quarter ended October 31, 2021 press release, we have calculated Adjusted EPS for the three and nine months ended October 31, 2021 by adjusting EPS for the following: (1) unrealized and realized gains and losses on the company's equity investments, (2) loss on extinguishment of debt; and (3) the incremental loss on sale of our operations in the U.K and Japan recorded during the first quarter of fiscal 2022.

	Three Months Ended October 31, 2021			Nine Months Ended October 31, 2021 <sup>3</sup>		
<b>Diluted earnings per share:</b>						
Reported EPS			\$ 1.11			\$ 3.59
<b>Adjustments:</b>	<b>Pre-Tax Impact</b>	<b>Tax Impact<sup>1,2</sup></b>	<b>Net Impact</b>	<b>Pre-Tax Impact</b>	<b>Tax Impact<sup>1,2</sup></b>	<b>Net Impact</b>
Unrealized and realized (gains) and losses on equity investments	(0.42)	0.09	(0.33)	0.65	(0.13)	0.52
Loss on extinguishment of debt	0.86	(0.19)	0.67	0.86	(0.19)	0.67
Incremental loss on sale of our operations in the U.K. and Japan	—	—	—	0.15	—	0.15
<b>Net adjustments</b>			\$ 0.34			\$ 1.34
<b>Adjusted EPS</b>			<u>\$ 1.45</u>			<u>\$ 4.93</u>

<sup>1</sup> Calculated based on nature of item, including any realizable deductions, and statutory rate in effect for relevant jurisdictions. Minimal realizable tax benefit was provided in connection with the incremental loss on sale.

<sup>2</sup> The reported effective tax rate was 24.5% and 25.9% for the three and nine months ended October 31, 2021, respectively. Adjusted for the above items, the effective tax rate was 24.3% and 24.5% for the three and nine months ended October 31, 2021, respectively.

<sup>3</sup> Quarterly adjustments or adjusted EPS may not sum to YTD adjustments or YTD adjusted EPS due to rounding.

## Additional resources at [stock.walmart.com](https://stock.walmart.com)



- Unit counts & square footage
- Comparable store sales, including and excluding fuel
- Terminology







### **Walmart Announces Nationwide Opioid Settlement Framework**

BENTONVILLE, Ark., Nov. 15, 2022 — Walmart announced today it has agreed to a \$3.1 billion nationwide opioid settlement framework designed to resolve substantially all opioid lawsuits and potential lawsuits by state, local, and tribal governments, if all conditions are satisfied.

Walmart believes the settlement framework is in the best interest of all parties and will provide significant aid to communities across the country in the fight against the opioid crisis, with aid reaching state and local governments faster than any other nationwide opioid settlement to date, subject to satisfying all settlement requirements.

Walmart is proud of our pharmacists and our efforts to help fight the opioid crisis. Walmart strongly disputes the allegations in these matters, and this settlement framework does not include any admission of liability. Walmart will continue to vigorously defend the company against any lawsuit not resolved through this settlement framework.

#### **About Walmart's Commitment to Opioid Stewardship**

Walmart's mission is to help people "live better," and this includes both providing our customers with access to their prescription medications and helping to fight the opioid crisis facing our country. Walmart has adopted many approaches to fighting the opioid crisis, such as:

- Educating and empowering pharmacists
- Reducing the amount of opioids dispensed
- Protecting against diversion and theft
- Increasing access to overdose reversal medication
- Educating our patients and our communities about opioid abuse
- Advocating for state and national policies aimed at curbing opioid abuse and misuse

More information about Walmart's industry-leading Opioid Stewardship program is available at <https://corporate.walmart.com/opioids>.

#### **About Walmart**

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, approximately 230 million customers and members visit more than 10,500 stores and numerous eCommerce websites under 46 banners in 24 countries. With fiscal year 2022 revenue of \$573 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 <https://corporate.walmart.com>, on Facebook at <https://facebook.com/walmart> and on Twitter at <https://twitter.com/walmart>.

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### **Forward-Looking Statements**

This release contains statements that may be deemed to be “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Act”), that are intended to enjoy the protection of the safe harbor for forward-looking statements provided by the Act as well as protections afforded by other federal securities laws. Assumptions on which such forward-looking statements are based are also forward-looking statements. Such forward-looking statements can typically be identified by the use therein of words and phrases such as “believe,” “continue,” “designed to,” “to be,” “will continue,” “will provide,” variations of such words or phrases, other phrases commencing with the word “will” or similar words and phrases denoting anticipated or expected occurrences or results. These forward-looking statements are based on our knowledge and assumptions that we believe to be reasonable when such forward-looking statements were or are made. Consequently, this cautionary statement qualifies all forward-looking statements we make, including those made herein and incorporated by reference herein. We cannot assure you that the results or developments expected or anticipated by us will be realized or, even if substantially realized, that those results or developments will result in the expected consequences for us or affect us, our business, our operations or our operating results in the manner or to the extent we expect. We caution readers not to place undue reliance on such forward-looking statements, which speak only as of their dates. We undertake no obligation to revise or update any of the forward-looking statements to reflect subsequent events or circumstances except to the extent required by applicable law.