



# Raymond James Institutional Investors Conference

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EVP & Chief Financial Officer

Wal-Mart Stores, Inc.

March 8, 2017

# Forward Looking Statements

Walmart includes the following cautionary statement so that any forward-looking statements made by, on behalf of, Walmart will enjoy the safe harbor protection of the PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, as amended. These forward-looking statements can be identified by their use of words or phrases such as “anticipate,” “expect,” “forecast,” “plan,” “projected,” “will be,” or similar words or phrases. Statements of our guidance, projections, estimates, expectations, plans and objectives for FY 18, and for subsequent fiscal years are forward-looking statements. Our actual results might differ materially from those expressed in or implied by any of these forward-looking statements as a result of changes in facts, assumptions not being realized or other circumstances or as a result of risks, uncertainties and other factors, including: economic, geo-political, 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 commodity prices; unemployment levels; competitive pressures; inflation or deflation, generally and in particular product categories; consumer confidence, disposable income, credit availability, spending levels, shopping patterns, debt levels and demand for certain merchandise; consumer enrollment in health and drug insurance programs and such programs' reimbursement rates; factors affecting our effective tax rate; customer traffic and average ticket in our stores and clubs and on our e-commerce websites; the mix of merchandise we sell, the cost of goods we sell and the shrinkage we experience; the amount of total sales and operating expenses in the various markets in which we operate; transportation, energy and utility costs and the selling prices of gasoline and diesel fuel; supply chain disruptions and disruptions in seasonal buying patterns; consumer acceptance of and response to our stores, clubs, e-commerce websites, mobile apps, initiatives, programs and merchandise offerings; cyber security events affecting us and related costs; developments in, outcomes of, and costs incurred in legal proceedings and investigations, including our FCPA investigation; casualty and accident-related costs and insurance costs; the turnover in our workforce and labor costs, including healthcare and other benefit costs; changes in accounting estimates or judgments; changes in existing tax, labor and other laws and changes in tax rates, trade restrictions, trade agreements and tariff rates; the level of public assistance payments; natural disasters, public health emergencies, civil disturbances, and terrorist attacks. Our most recent Annual Report on Form 10-K and subsequent filings discuss other risks and factors that could cause actual results to differ materially from those expressed in or implied by any forward-looking statement in the presentations. 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 the presentations. We cannot assure you that the results discussed in or implied by any forward-looking statement will be realized or, even if substantially realized, will have the forecasted or expected consequences and effects for or on our operations or financial performance. Walmart undertakes no obligation to update these forward-looking statements to reflect subsequent events or circumstances.

# We Save People Money So They Can Live Better

Service to  
the Customer

Respect for  
the Individual

Strive for  
Excellence

Act with  
Integrity

Make Every Day Easier for Busy Families

Change How We Work

Deliver Results and Operate with Discipline

Be the Most Trusted Retailer

Customers

Associates

Communities

Shareholders

# Great Financial Strength

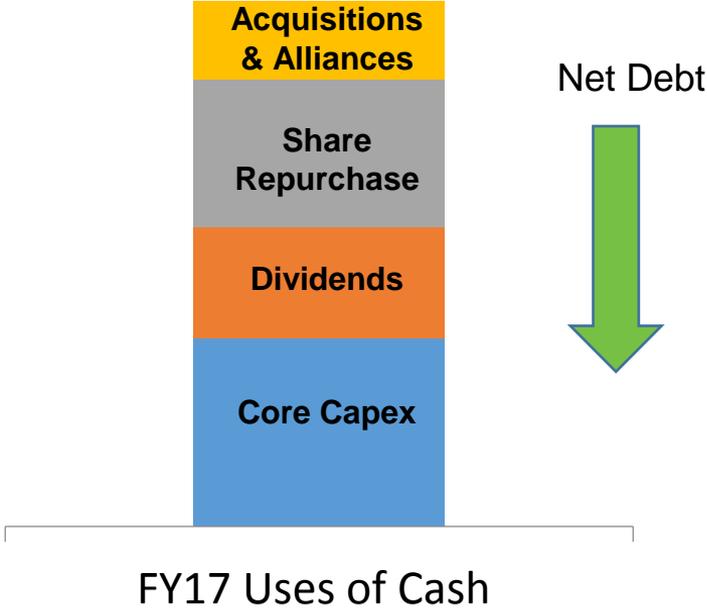
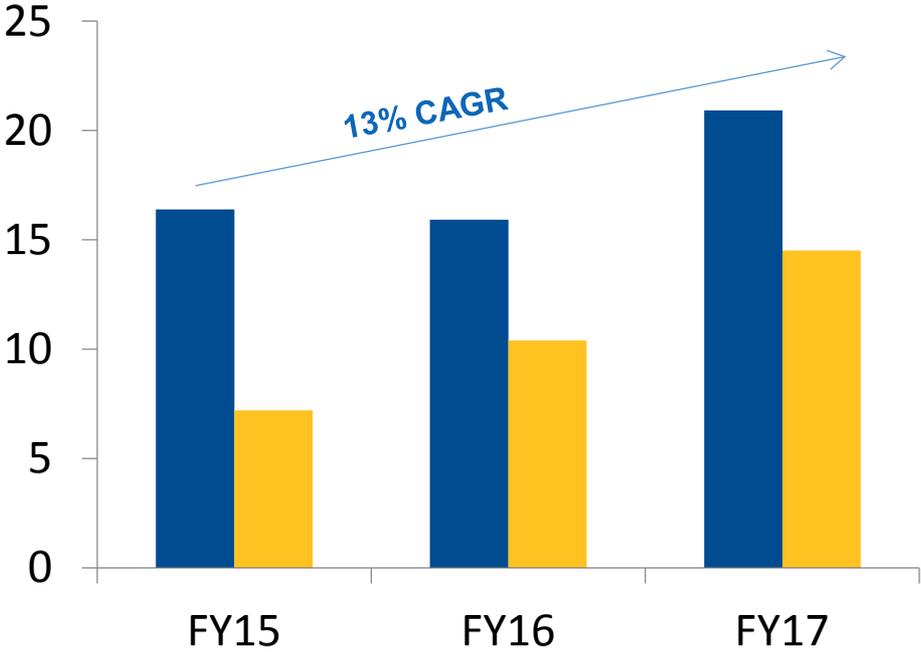
**\$486B**  
revenue

**\$31.5B**  
operating cash  
flow

**\$14.5B**  
returned to  
shareholders



# Generating Strong Cash Returns for Shareholders



■ Free Cash Flow (\$B) ■ Cash Returned to Shareholders (\$B)

# Growth from Multiple Channels

Walmart U.S. comp  
sales **+1.8%**<sup>1</sup> in Q4

<sup>1</sup> includes 40 bps from E-commerce

Walmart U.S. GMV  
**+36%** in Q4

## Omni-channel Progress

- Pickup Today sales up 27%
- Online Grocery now 600+ locations
- Sam's Club Pickup sales up 30%
- China: JD and New Dada



# Strength in Traffic Driving Categories



Fresh



Health & Wellness



# Becoming a More Digital Enterprise

~\$15B in Global E-commerce sales



Making every day easier for busy families

35M+ SKUs online assortment in US



# Financial Framework

Strong, Efficient Growth

Operating Discipline

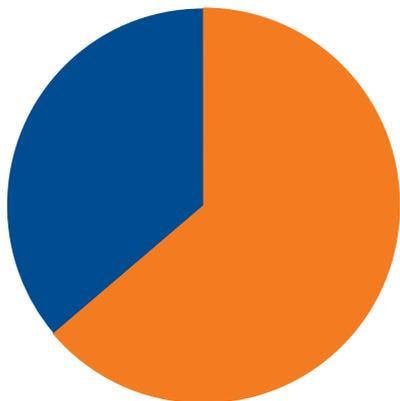
Strategic Capital Allocation

Framework for  
Sustainable Earnings  
Growth & Strong Returns

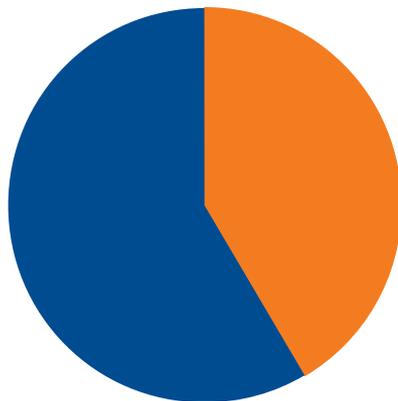
# Strong, Efficient Growth

Increased sales growth through comps and e-commerce

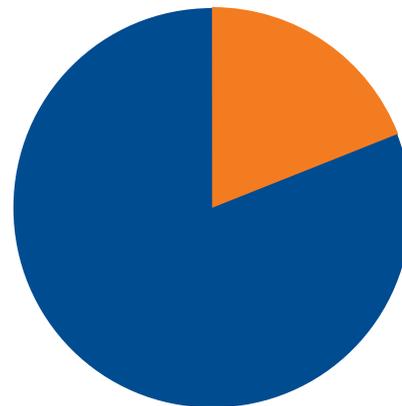
**FY15 Sales Growth**



**FY17 Sales Growth**



**Projected FY18/19 Sales Growth**



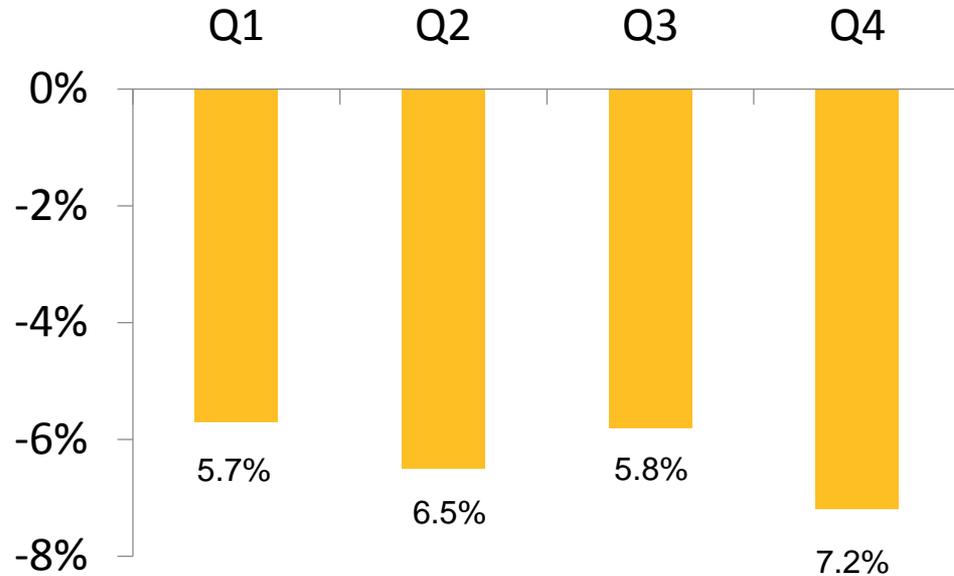
New Stores/Clubs



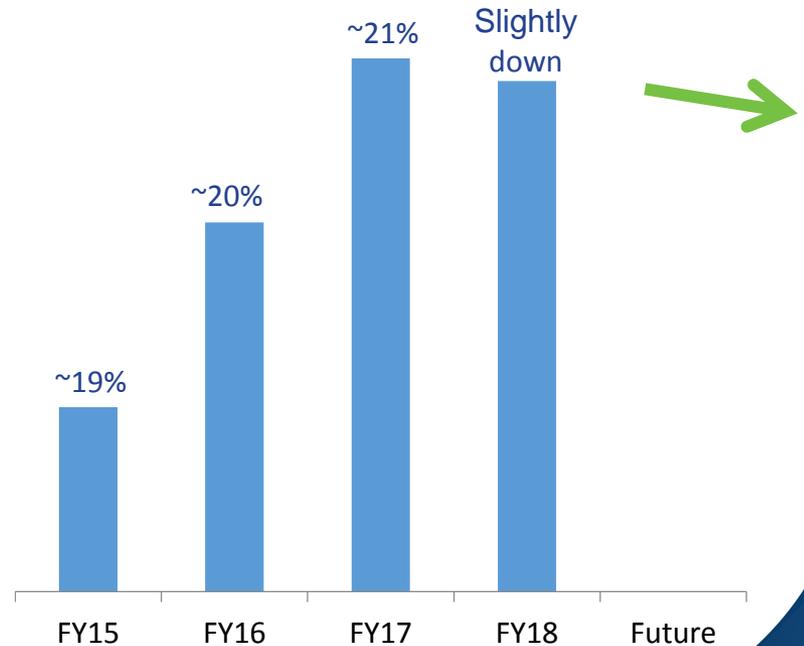
Store/Club Comps & E-commerce

# Operating Discipline

## Walmart U.S. FY17 vs. FY16 Comp Store Inventory Decline



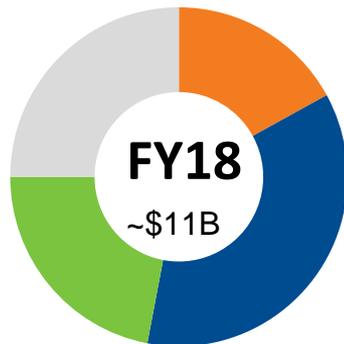
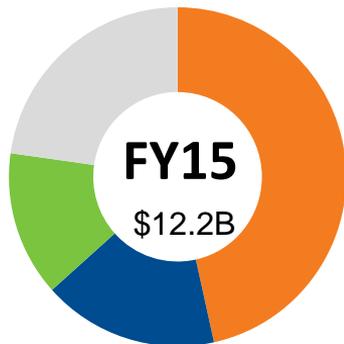
## SG&A % to Sales



# Strategic Capital Allocation

Positioning to win

Reducing New Store Growth, Increasing E-Commerce and Remodels



% of Capex spending by type



Repositioning for Growth

Acquisitions/Alliances



JD.COM 京东 ~10% shares

NewDada 新达达  
可靠 配送 便捷 到家

Divestitures<sup>1</sup>



1. Suburbia sale pending regulatory approval

# Uniquely Positioned for Customers...



... and Shareholders