Walmart

2017 Investment Community Meeting

Moving With Speed

John Furner

Sam's Club

First half FY18 financial performance

+2.6%*

Net sales

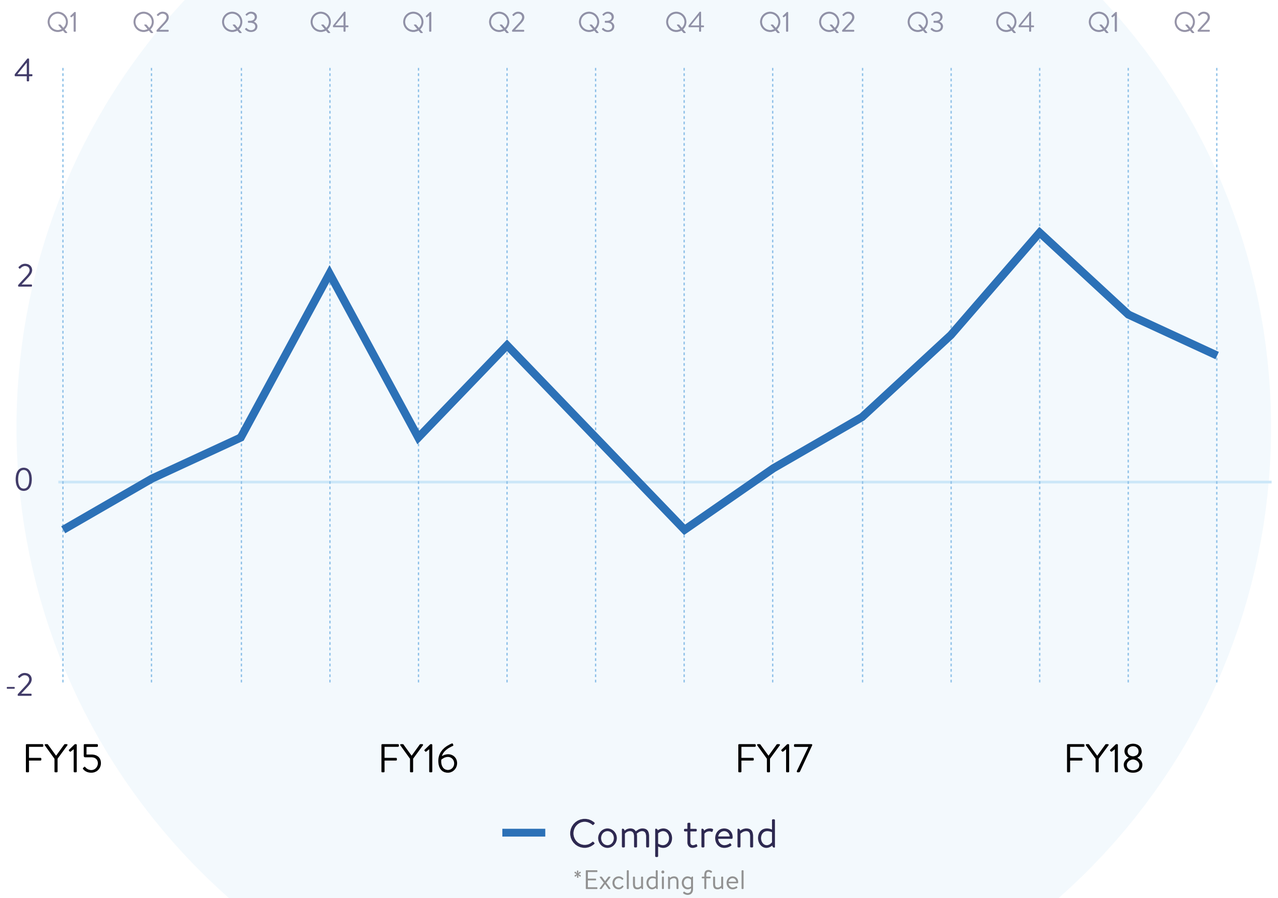
*including fuel

Highlights

- ✓ Traffic up 1.6%
- ✓ Six straight quarters of positive comp growth
- ✓ Member's Mark now $11B brand

Walmart

Our competitive position must improve



Walmart

2017 Investment Community Meeting

Experienced leadership

Walmart

Improvements are giving us confidence

- ✓ Member's Mark
- ✓ Fresh
- ✓ Traffic
- ✓ eCommerce
- ✓ Checkout scores

Walmart

Current membership sign-up process

1. Managing memberships
2. Taking photos
3. Issuing cards
4. Scanning documents
5. Accepting payment

Walmart

Savings and Business member purchase patterns

Savings Business

2 main choices for membership

3 in 4 choose to be Savings members

Almost all purchase for household only

*excludes fuel & tobacco

Walmart

Narrowing our member focus

- ✓ $75-$125K households
- ✓ Large families (4+)
- ✓ May own small businesses

Walmart

Transforming the business

People

Product

Digital

Walmart

Winning with merchandising

- ✓ Fresh items
- ✓ Member's Mark
- ✓ WOW merchandise

Walmart

Winning with merchandising

- ✓ Fresh items
- ✓ Member's Mark
- ✓ WOW merchandise

Walmart

Winning with merchandising

- ✓ Fresh items
- ✓ Member's Mark
- ✓ WOW merchandise

Walmart

Winning with merchandising

- ✓ Fresh items
- ✓ Member's Mark
- ✓ WOW merchandise

Walmart

Key takeaways

Focused strategy

Serve one member

Lead with agile technology

Win with merchandising