

## Walmart Stores, Inc.

### Five Year Annual 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. Free cash flow is considered a non-GAAP financial measure under the Securities and Exchange Commission's (the "SEC") rules. 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, income from continuing operations as a measure of our performance and net cash provided by operating activities as a measure of our liquidity.

Additionally, our 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 entire 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 our management to calculate free cash flow may differ from the methods other companies use to calculate their free cash flow. We urge you to understand the methods used by another company to calculate its free cash flow before comparing our free cash flow to that of such other company.

The following table sets forth a reconciliation of free cash flow, a non-GAAP financial measure, to net cash provided by operating activities, a generally accepted accounting principles ("GAAP") measure, 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 in those periods:

	For the Years Ended January 31,				
<i>(Amounts in millions)</i>	2012	2011	2010	2009	2008
Net cash provided by operating activities	\$ 24,255	\$ 23,643	\$ 26,249	\$ 23,147	\$ 20,642
Payments for property and equipment	(13,510)	(12,699)	(12,184)	(11,499)	(14,937)
Free cash flow	\$ 10,745	\$ 10,944	\$ 14,065	\$ 11,648	\$ 5,705
Net cash used in investing activities	\$ (16,606)	\$ (12,193)	\$ (11,620)	\$ (10,742)	\$ (15,670)
Net cash used in financing activities	\$ (8,458)	\$ (12,028)	\$ (14,191)	\$ (9,918)	\$ (7,422)