

# Wal-Mart Stores, Inc. (NYSE: WMT)

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CEO and President  
Walmart U.S.



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# Forward-looking statement

*Walmart includes the following cautionary statement so that any forward-looking statements made by, or on behalf of, Walmart will enjoy the safe harbor protection of the PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, as amended. Such forward-looking statements, which will describe our objectives, plans, goals, targets or expectations, can be identified by their use of words or phrases such as “anticipate,” “estimate,” “expect,” “forecast,” “plan,” “projected,” “will be” or words or phrases of similar import. Statements of our expectations for FY14, and any subsequent fiscal years are forward-looking. Walmart’s actual results might differ materially from those expressed or implied in a forward-looking statement as a result of factors including, among others, recessionary economic environment, cost of goods, competitive pressures, availability of credit, geopolitical conditions and events, labor and healthcare costs, inflation, deflation, consumer spending patterns, debt levels and credit access, currency exchange fluctuations, trade restrictions, tariff and freight rate changes, fluctuations in fuel, other energy, transportation and utility costs, health care and other insurance costs, accident costs, interest rate fluctuations, other capital market conditions, weather conditions, storm-related damage to facilities, customer traffic, factors limiting our ability to construct, expand or relocate stores, regulatory matters and other risks set forth in our SEC filings. Our most recent Annual Report on Form 10-K and our other filings with the SEC contain more information concerning factors that, along with changes in facts, assumptions not being realized or other circumstances, could cause actual results to differ materially from those expressed or implied in a forward-looking statement. Walmart undertakes no obligation to update any forward-looking statement to reflect subsequent events.*

# Wal-Mart Stores, Inc. continues to grow and strengthen



*Added **\$22B** in consolidated net sales, growing **5%***



*Leveraged expenses for third consecutive year*



*Delivered free cash flow of almost **\$13B***



*Returned **\$13B** to shareholders*

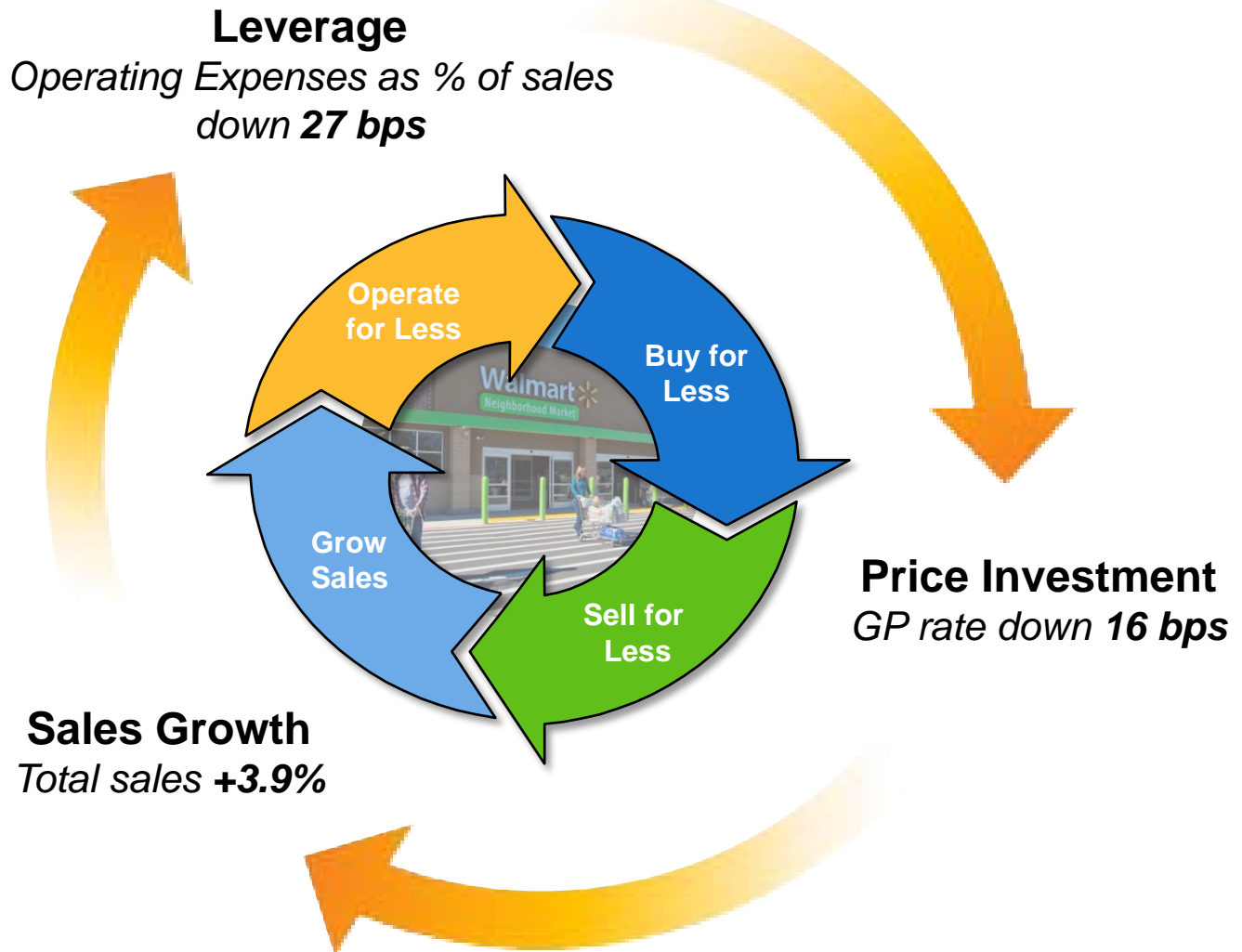


*Increased annual FY14 dividend **18%** to **\$1.88***

Source: FY13 consolidated results; \$13B returned to shareholders includes dividends and share repurchases

# Executing our core Walmart U.S. strategy

*Helping our customers save money and live better*



Source: FY13 Walmart U.S. results

# The Walmart U.S. strategy is working



**~\$275B, \$10B+ in growth**

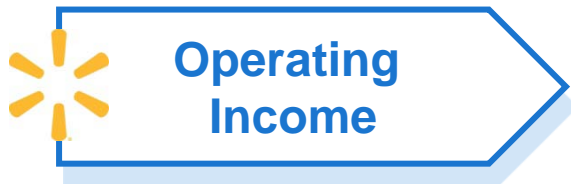
*1.8% comp sales increase*

*50 bps increase in market share*



**2.5% increase**

*Lower than 3.9% sales increase*



**~\$22B, +\$1B in growth**

*5.4% increase*

*Grew profit faster than sales each quarter this year*

Source: FY13 Walmart U.S. results

Market share for the 52-week period ending Jan 26, 2013 as reported by Nielsen for the measured category of "Food, Consumables and Health & Wellness (OTC)"

# Sharing our success with associates

- Nearly **\$1.5B** in field incentive payouts throughout the year
- Approximately **\$550M** paid in total associate discounts
- Over **\$800M** in company contribution to 401K and associate stock purchase plans



***“We’re all working together, that’s the secret.” Sam Walton***

# Personal finances top-of-mind for our customers

*Polling indicates our strategy is relevant in any economy*



## Top Concerns

- *Job security & availability*
- *Taxes*
- *Rising food costs*
- *Increased gas & energy costs*

Results through 1/31/13. Source: Internal Data



# We're well positioned to serve the customer



Our strategy enables  
**Everyday Low Prices...**



...and we're communicating our **price leadership** in a unique way



***Evident by our continued increase in market share***

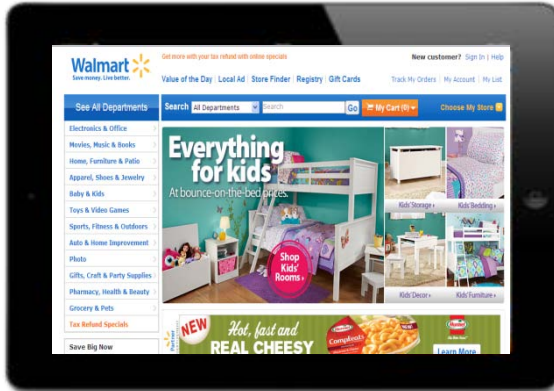
*Market share for the 52-week period ending Jan 26, 2013 as reported by Nielsen for the measured category of "Food, Consumables and Health & Wellness (OTC)"*



# Convenient, anytime, anywhere shopping experience

Online business

Physical retail business



***Serving our customers through integrated channels***

# Innovating to meet customers' needs



# Evolving real estate portfolio to reach more customers

## Supercenters



- 129 units added in FY13
- ~125 units planned in FY14

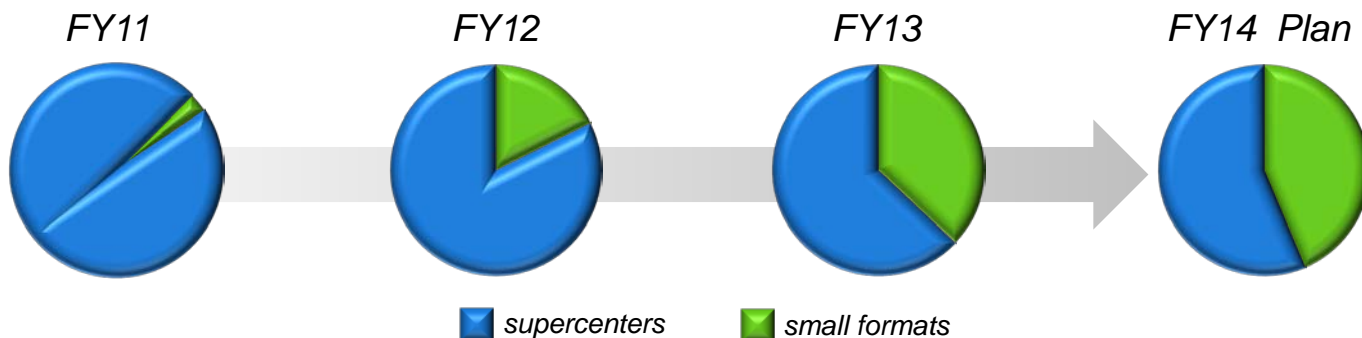
## Small formats



- 76 units added in FY13
- 95 - 115 units planned for FY14

## New store count distribution by format

*Supercenter vs. small formats*

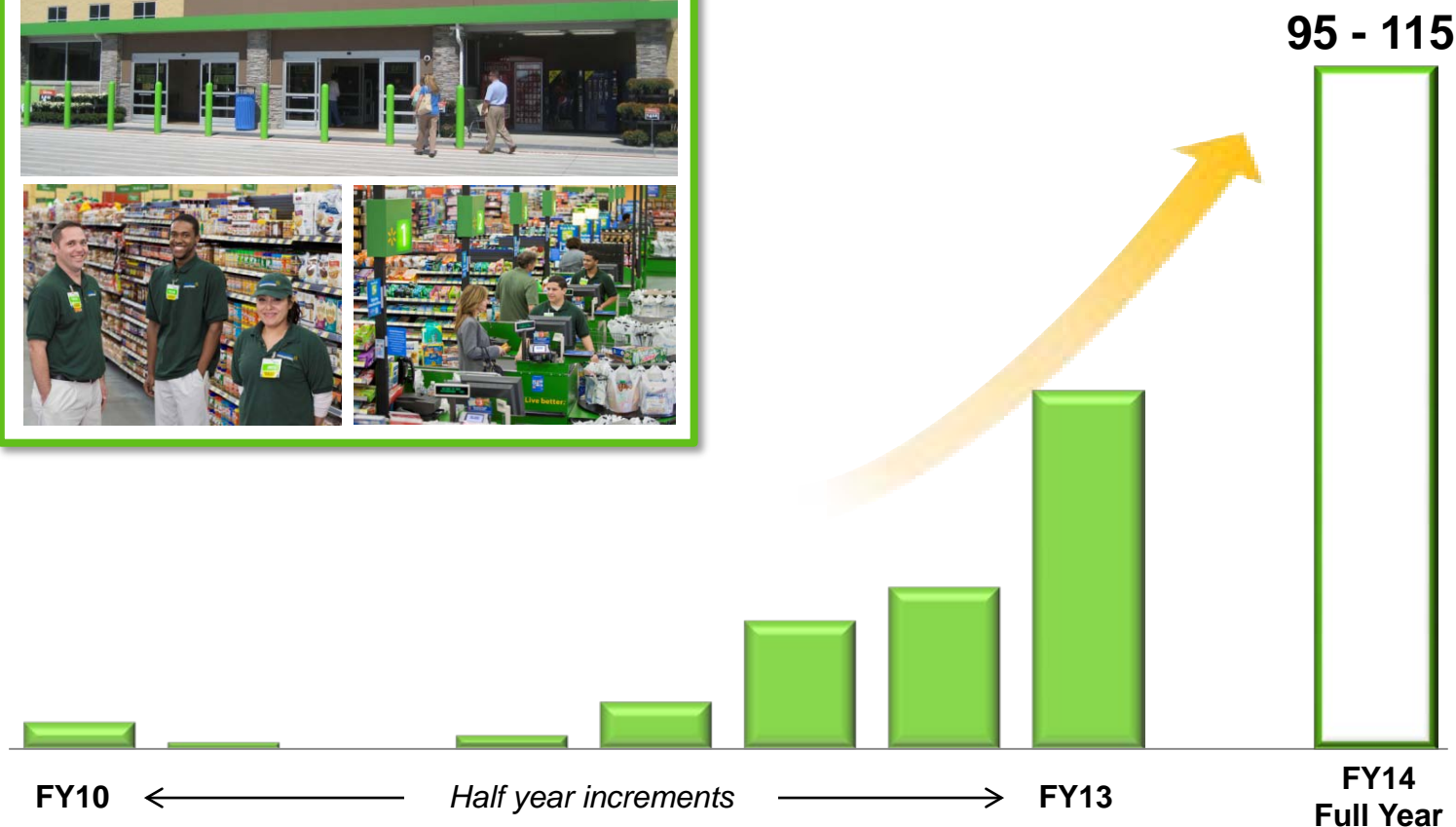


Supercenters include all new, relocated, expanded, and converted stores. Small formats include all new, relocated, expanded, and converted Neighborhood Markets and all new Express stores. FY14 chart based on projected number of supercenters and small formats.

# Growing the small format fleet by about 40% in FY14



## Small format unit growth (Neighborhood Market & Express)



Bars represent new units added in half year increments through FY13. FY14 not drawn to scale.

# Small formats compete well against multiple channels



	Walmart small formats	Dollar	Grocery	Drug
<i>Low prices</i>	✓	✓		
<i>Fresh food</i>	✓	✓	✓	✓
<i>Pharmacy</i>	✓		✓	✓
<i>Quality perception</i>	✓		✓	✓
<i>Dotcom capabilities</i>	✓			

✓ = Early Stages



# Strength of small format assortment evident in results

Everyday Low Price



## Pharmacy & OTC

High single-digit positive comp

*Strength across OTC and Rx, including increasing Rx units*



## Grocery

Mid single-digit positive comp

*Strength across fresh produce, deli, bakery, adult beverages and consumables*



## General merchandise

Mid single-digit positive comp

*Increasing price gaps and improving customer relevance*

Based on FY13 results for both Express & Neighborhood Market stores

# Small formats delivering consistent growth

## Neighborhood Market



### *Mid single-digit positive FY13 comp*

- Traffic up over 2% every quarter
- Strength across all geographies

## Walmart Express



### *Double-digit positive FY13 comp*

- Positive traffic every quarter
- Strong Rx script growth
- Improved SKU productivity and optimized assortment

Comp sales based on 52-weeks ended 1/25/13



# Continued focus on Neighborhood Market

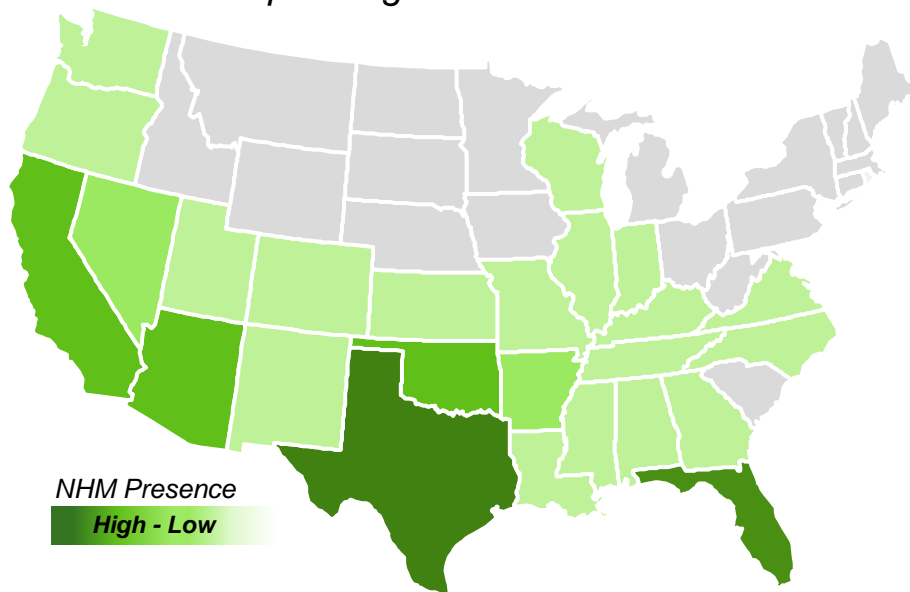
## *Improving results and expanding across the country*

### Improving results

- **Decreasing** building cost
- **Improving** sales trend
- **Improving** productivity

### Expanding footprint

*Operating units as of FY13*



**500+ Neighborhood Markets by FY16,**  
*representing \$10B+ in sales*

*Building cost based on prototypical stores*

# Express market density test under way



## North Carolina



### **Growing our footprint...**

*10 stores smaller than 20K sq. ft. each*

### **With disciplined capital...**

*Reducing capital by 20%*

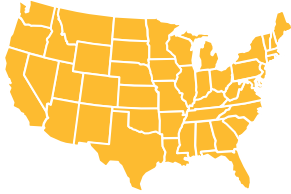
### **Meeting customer needs...**

*Localized products, Rx, financial services, fuel, and Site-to-Store capabilities*

### **While operating efficiently**

*9% increase in units per labor hour vs. LY*

# Leading on issues that matter to Walmart customers



## U.S. and local sourcing

- Buy additional \$50B over next 10 years for Walmart U.S. and Sam's Club
- Invest to grow local produce



## Women's empowerment

- Attract, retain, promote top talent
- Ensure women's networks thrive



## Sustainability

- Reduce waste through produce sourcing and packaging innovations
- Solar, fuel cell, wind projects continue



## Veterans' initiatives

- Jobs for honorably discharged vets
- Hire 100K over next 5 years

# Key messages for Walmart U.S.



*Strong financial performance in FY13*



*The core Walmart U.S. strategy is working*



*Best positioned U.S. retailer to serve customers in any economy*



*Evolving real estate portfolio to reach more customers*



*Leading on issues that matter to our customers and associates*