Walmart Inc. (NYSE: WMT)

Fourth Quarter Fiscal Year 2018 Earnings

February 20, 2018

The following document contains statements that Walmart believes are "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, and that are intended to enjoy the protection of the safe harbor for forward-looking information provided by that Act. A cautionary statement regarding forward looking statements is at the end of this document.

Doug McMillon
Walmart Inc., President & CEO

We just completed an exciting year with solid fourth quarter results and continued momentum in the business. On a constant currency basis, total revenue grew approximately 3 percent both in the quarter and for the full year. We reached more than $500 billion in revenue for fiscal 2018 for the first time as a company.

For the quarter, Walmart U.S. delivered strong comp sales growth of 2.6 percent due primarily to improved comp traffic growth in stores of 1.6 percent. Strength was broad-based across merchandise categories, formats, and regions, and holiday sales were solid. In addition, comp store inventory declined again for the eleventh consecutive quarter, so we're well-positioned as we begin the year. Sam's Club comps improved 2.4 percent and in International, nine of eleven markets posted positive comp sales. So overall, we were pleased with most aspects of the quarter and confident in the foundational aspects of the business as we enter this new fiscal year.

Walmart U.S. eCommerce sales growth in the fourth quarter was 23 percent, down from 50 percent in the third quarter. The majority of this slowdown was expected as we fully lapped the Jet acquisition as well as creating a healthier long-term foundation for holiday. A smaller portion of the slowdown was unexpected, as we experienced some operational challenges that negatively impacted growth. Overall, we finished the year with eCommerce sales growth of more than 40 percent. So, we feel better about the year than the quarter.

Looking ahead, we expect eCommerce growth to increase from the fourth quarter level as we enter the new year with about 40 percent growth for the year.

We're confident in our strategy to transform the company and we continue to be guided by four key objectives:

- Make every day easier for busy families
- Change how we work
- Deliver results and operate with discipline and
- Be the most trusted retailer.

We're accelerating innovation in the business to make shopping faster and easier for our customers. Creativity, decisiveness and speed are priorities. We made good progress this past year to save busy families time and money and we will do more. By becoming stronger at mobile and leveraging digital capabilities, we improved in-store experiences, including our pharmacy and money services areas. We enabled easy reorder online. We're making the checkout experience easier with Scan & Go and also digitizing the returns process. We made acquisitions to improve our online assortment and we're partnering with others, like Google and JD.com, in new ways. We're expanding online grocery in the U.S. and around the world and broadening our delivery capabilities in the U.S., China and other international markets.

It's really all about providing more convenience for customers. Customers that shop across all channels are important to us. As we said in October, U.S. customers that shop us in-store and online spend nearly twice as much as customers that only shop with us in stores. Their loyalty to Walmart strengthens overall. Online grocery customers are a great example as they spend more with us in total once they start using the service. So we'll lean in this year by nearly doubling the number of online grocery locations in the U.S.

We're also becoming more efficient by changing the way we work, including leveraging technology to equip and empower our associates to be successful. They now have better information, tools and training. Finally, we're always striving to earn and maintain trust. We're focused on not only helping our customers save money and live better but also on creating shared value for our business and the communities we serve.

In his remarks, Brett will go over the financials and guidance. This will include an overview of the benefits of tax reform and the strategic choices we're making to further strengthen our business. Tax reform gives us the opportunity to accelerate plans for the U.S. You may have seen our announcement last month about investing some of the proceeds in better wages and benefits for more than a million U.S. hourly associates. We'll also continue to lower prices for customers, improve technology in our business, and accelerate grocery delivery in the U.S.

Now, let's get into more details for the segments, and I'll start with Walmart U.S.

We had a strong year of top-line growth and we're seeing signs that the productivity loop is turning. In our stores, we're making shopping easier and equipping associates to serve customers more efficiently. This means our associates are spending less time doing repetitive tasks and more time driving sales. In the fourth quarter, we took steps to restructure our store leadership teams and corporate support areas to be more nimble. We're becoming more efficient and it's contributing to the expense leverage that physical stores have delivered all year. Beginning this week, we increased the U.S. starting hourly wage rate to $11. We were also proud to announce adoption benefits for associates that went into effect earlier this month in addition to expanded paid parental leave for all associates that will take effect in March. Investing in our associates will help us attract and retain talent in the future. In addition, we invested in nearly 200 training academies this past year that have further developed the retail skills of more than 250,000 associates. We also deployed new technology and apps in our stores to help associates improve in-stock levels and better manage markdowns in areas like Fresh. Innovations in processes like section work and Top Stock have also improved availability. So our stores are executing better, we're innovating more, we're lowering prices and customers are responding with higher sales and traffic.

As I mentioned earlier, this has also been a year of good progress in eCommerce. We strengthened our offering for customers by launching free two-day shipping on Walmart.com a year ago and the response has been strong. Customers also love online grocery pickup. This popular initiative has the highest net promoter scores of anything we've launched in the recent past. We're focused on serving our customers seamlessly across our app, site, and stores. Execution continues to improve for general merchandise pickup and wait times continue to come down. We're also expanding our tests of same-day and next-day delivery and the use of crowd-sourced partners and our own associates. Over the past year, we've strengthened our assortment by doubling the number of items on Walmart.com to nearly 75 million SKUs. Acquisitions like Bonobos and Modcloth bring unique, private branded products to our shopping experience. In addition, partnerships, like the agreement with Lord and Taylor, will help create specialty experiences that complement our own assortment with more brands customers want.

Jet.com complements Walmart.com nicely. Walmart.com, including online grocery, is and has been the key driver of our eCommerce growth, and that will continue. The Jet brand over-indexed with higher income, urban, millennial customers when we made the acquisition and we intend to build on that strength going forward. The cost to acquire a new customer on a nation-wide basis is cheaper with the Walmart brand so we've been investing more in Walmart.com on a national basis and reducing marketing investment in Jet except in certain urban markets. Due to this change, Jet will not grow as quickly as it did in the early days but it will be well-positioned where we've chosen to focus the brand. We'll continue to evaluate ourselves on the total U.S. eCommerce growth number.

Moving to **Sam's Club**, you will remember that we made a decision to close 63 Sam's Club locations in the U.S. We've talked about transforming the Sam's business, and part of this transformation means managing the club portfolio to include clubs that are both financially viable and that fit within the strategic framework for the future. Closing stores and clubs is difficult. It's obviously difficult for our impacted associates and there is never a good time to do it. John and the Sam's team are working to place as many of them as possible at nearby locations. These closures will help us run a healthier business.

We also took additional steps recently to align resources around the initiatives that are most important to our members. We enhanced the value of the Plus membership with a free shipping proposition. We also made the decision to remove tobacco from certain locations. In addition, Sam's Club changed its merchandising structure to encourage more expertise and continuity in buying roles. The strategy continues to come to life, and we are already seeing progress.

Our International team continues to deliver consistently solid results. While Walmex led the way this year, our good performance was broad-based. In fact, ten of our 11 markets posted positive comp sales for the year and five of those markets grew comp sales by more than five percent. As we mentioned at our October investment community meeting, there's more work to be done on the portfolio. We've set priorities, focused on our North American core and key growth markets including China and India. During the fourth quarter, we made the decision to wind down the Brazil first-party eCommerce business. We always want our resources aimed at winning in the most strategic places.

At Walmex, we continued to see strong momentum in the business – across all formats, channels, countries, and merchandise divisions. Comp store sales increased 6 percent this year and we continue to find good opportunities to open new stores across multiple countries and formats, including our 500th large format bodega in Mexico City. From an eCommerce perspective, we continue to provide convenience to customers through initiatives like online grocery, and a recently-launched marketplace offering. We ended the year with more than 500 locations offering pick up service and we doubled our general merchandise assortment online this year.

In Canada, customers have responded well to strategic investments we've made in price and this is contributing to market share gains in key-traffic driving categories like food, consumables and health and wellness. The team in Canada continues to do a good job of leveraging learnings and best practices from our operations in the U.S. and applying them locally to improve the customer experience. For example, we recently launched a marketplace offering by leveraging our U.S. platform. In the last quarter alone, this allowed us to expand our general merchandise assortment online by more than 50 percent. We've also continued to roll-out our online grocery pick up offering across multiple provinces and later this year we will expand our mobile scan and go technology to additional stores across Canada.

In China, the team has done a nice job of driving sales through an on-going focus on fresh in our stores and clubs. This is an important category that allows us to drive traffic and also build trust as we reach a broader customer base within China. Throughout the year, we also expanded our partnership with JD.com. We now offer grocery delivery in less than one hour from 160 of our stores through the JD Daojia platform. China is a key growth market for us and we are proud of how we have positioned the business to win.

In the U.K., Asda delivered positive comp sales again this quarter with particular strength during the Christmas period. We're pleased to see customers responding to our investments in the value proposition through improved in-store experience scores and the strengthening of our private brand and online grocery offerings. We know we have more work to do in the U.K., however we are encouraged by recent results in key areas of our business.

So overall, the International segment continues to make steady progress as we find new ways to serve customers more effectively through stores and eCommerce.

In conclusion:

- We have a plan that leverages our unique assets and strengths to benefit customers and shareholders.
- It's resulting in momentum.
- We're being disciplined about costs and capital.
- And, we're acting faster as a company; but are pushing to increase our speed.

Thanks for your interest in Walmart.

Brett Biggs
Walmart Inc. EVP & CFO

As Doug mentioned, we're pleased with the company's performance during the fourth quarter and for the full year. We've made progress on several fronts, and we have good momentum across the business as we enter the new fiscal year.

Adjusted EPS for the quarter was $1.33 and $4.42 for the fiscal year. GAAP EPS of $0.73 for the fourth quarter and $3.28 for the fiscal year was negatively impacted by a number of discrete items totaling $0.60 and $1.14, respectively.

Most of these items position the business for more efficient growth going forward, including closing 63 Sam's Club locations to create a more viable fleet and healthier business. In addition, we discontinued real estate projects in the U.S. following our decision to open fewer stores and clubs, with greater emphasis on comp sales and eCommerce growth. We also completed our third bond tender of the year to take advantage of more favorable interest rates. A full reconciliation of GAAP EPS to adjusted EPS is included in today's earnings release.

During the quarter, we had additional EPS headwind related to some smaller unplanned items and expenses we incurred as we pulled forward initiatives in order to take advantage of a higher tax deduction. These were only partially offset by slightly more favorable currency exchange rates.

Before we get to the results, I'd like to highlight some accomplishments for the full year.

- Total revenue surpassed $500 billion for the first time and increased $15.1 billion, or 3.1 percent in constant currency.
- Walmart U.S. comp sales grew 2.1 percent – the highest growth rate since fiscal 2009 - led by traffic growth of 1.4 percent.
- Walmart U.S. eCommerce sales grew 44 percent, reaching $11.5 billion.
- We made good progress on expenses, especially in Walmart U.S. stores and International. Without the discrete items mentioned in arriving at adjusted EPS, we would have leveraged expenses.
- Adjusted EPS increased 2 percent.
- Operating cash flow was $28.3 billion.
- The company returned $14.4 billion to shareholders through dividends and share repurchases, and
- Strong working capital improvements continued.

Now, let's move on to the quarter

We delivered a solid quarter to finish out the year as constant currency revenue grew 3.1 percent to $135.1 billion. Comp sales were positive in all three segments with growth of 2.6 percent and 2.4 percent at Walmart U.S. and Sam's Club, respectively. On a two-year stacked basis, comp sales accelerated for the third consecutive quarter for both of these segments at 4.4 percent and 4.8 percent, respectively. Even more encouraging is that these results were driven by strong in-store traffic. International grew net sales 2.8 percent in constant currency, led by strength at Walmex.

Consolidated gross profit margin declined 61 basis points. Approximately two-thirds of the decline was driven by price investments in certain markets and the mix effect from our growing eCommerce business. The remaining one-third was driven by Sam's Club inventory markdowns associated with closures, and other international items, including the wind-down of our Brazil first-party eCommerce business. Looking ahead to fiscal 2019, we'll continue to make investments that will pressure the rate some, but not to the extent of this quarter.

Similar to our full year results, SG&A and operating income were significantly impacted by charges for discrete items. Excluding these items, we would have leveraged expenses in the quarter, and operating income would have decreased less than 1.0 percent.

Let's move on to U.S. eCommerce. As a reminder, results include all web-initiated transactions including those through Walmart.com such as ship-to-home, ship-to-store, pick up today and online grocery, as well as transactions through Jet.com and the other sites in our family of brands.

As Doug mentioned, the slowdown in growth during the quarter was a bit more than we planned. Looking ahead, we have a number of new initiatives planned for the year. We expect eCommerce growth to increase from the Q4 level as we enter the new year with about 40 percent growth for the year.

Now, let's discuss the results for each operating segment during the quarter, beginning with Walmart U.S.

Walmart U.S.

The U.S. team continued to produce strong top-line growth. Customers are responding well to our everyday low prices and the convenience we're providing through a variety of initiatives. All store formats had positive comps, and we saw strength in key categories with increased customer traffic and units. During the fourth quarter, comp sales increased 2.6 percent, led by traffic growth of 1.6 percent. Comp sales performance on a two-year stack was the best in eight years, and eCommerce contributed approximately 60 basis points to the segment.

Gross margin rate declined 50 basis points in the quarter due primarily to price investments, higher transportation expenses, and mix effects from our growing eCommerce business.

The team leveraged operating expenses slightly even when considering adjustments for discrete items in both current and prior year periods. I'm pleased that the stores delivered solid leverage in the quarter. The progress the stores' team has made on expense discipline, combined with high customer service levels, is impressive. Overall, we like the momentum we see in Walmart U.S. Our strategy is working and customers are responding.

Walmart International

International had another solid quarter. The teams around the world have done a nice job of delivering top-line growth through a focus on price as well as strength in fresh and in private brands.

Growth was broad-based across the markets, and results at Walmex were particularly strong. Overall, net sales in constant currency increased 2.8 percent and grew 6.7 percent on a reported basis. Changes in currency rates benefited net sales by approximately $1.2 billion. It's also important to note the divestitures of Yihaodian and Suburbia created a headwind to sales of about $400 million when compared to last year.

From a profitability standpoint, fourth quarter operating income decreased 16.1 percent in constant currency and 10.9 percent on a reported basis. As detailed in this morning's release, restructuring and impairment charges in certain markets negatively impacted operating income. Without these items, operating income would have increased year-over-year.

Let's now turn to highlights from key markets. The following results for the quarter are on a constant currency basis.

Momentum at Walmex continued across all countries and regions. All divisions outpaced ANTAD self-service, and the strongest performance came from the food and staples business. Comp sales increased 6.1 percent at Walmex, and on a two-year stacked basis, comp sales in Mexico increased 14.3 percent.

In Canada, net sales increased 3.4 percent, led by comp sales of 2.9 percent. During the quarter we invested in price and the customer responded. Additionally, the team continued to drive efficiencies across the business that allowed us to leverage operating expenses and lower inventory levels.

In China, net sales increased 4.1 percent and comp sales increased 2.3 percent. Our omni-channel initiatives drove strength in the hypermarket format, and fresh continues to be a key growth driver for the business.

Turning to the U.K.…net sales increased 2.0 percent and comp sales grew 0.5 percent. We continue to make progress in this business, and we continue to do more to further enhance the value proposition.

Overall, we're pleased with the consistent performance we've seen from our International business, and we feel good about the year ahead.

<u>Sam's Club</u>

Sam's delivered solid top-line results. Comp sales, without fuel, increased 2.4 percent led by a traffic increase of 4.3 percent. Tobacco negatively impacted comp sales by 120 basis points. E-commerce growth was solid and contributed 80 basis points to the comp. Also in the eCommerce space, the team recently announced a free shipping offer from Samsclub.com for Plus members.

Sam's will continue to focus on people, product and digital, and more time and resources will flow to the categories that are most important to our members, including Fresh. We also made the decision to remove tobacco from certain locations. We'll see a negative impact to sales this year as a result of this decision, which I'll quantify in a moment, and will be incremental to the headwinds from club closures. Additionally, Sam's will invest in price and other initiatives this year, which will pressure operating income. The team is moving quickly and making decisions that we believe will benefit our members and the business over time.

<u>Guidance</u>

I'll close today with guidance. As always, we have a number of assumptions in our guidance, including that economic conditions and the tax and regulatory landscape in our largest markets remain generally consistent.

You will recall we issued fiscal year 2019 guidance last October at our meeting for the investment community. Since that time we've made some decisions and assessed other potential opportunities to accelerate investments, primarily as a result of tax reform.

Let me start with our expectations related to tax reform. Our estimates are based on available information and our current analysis regarding the application of the new law.

We expect our effective tax rate for fiscal 2019 to be 24 percent to 26 percent compared with our previous guidance, prior to tax reform, of 32.5 percent. Our global blended rate is higher than the new U.S. federal rate due to state taxes and taxes we pay outside of the U.S.

In terms of cash flow, in addition to the income statement benefit from a lower U.S. tax rate, we expect an additional cash tax benefit due primarily to accelerated depreciation. Including all aspects of tax reform, we currently expect a cash benefit of around $2 billion for the year.

Additionally, we are reviewing our cash positions overseas in light of the new law, but have not made any decisions regarding potential repatriation.

Our priorities for capital allocation remain unchanged. We'll focus first on investing in our business and other growth initiatives. We also remain committed to our dividend, as evidenced by the increase we announced today, and we announced a $20 billion share repurchase program back in October.

We've consistently talked about investing in the business for the long-term while balancing near-term results. As tax reform has taken shape, we took the opportunity to step back and assess various aspects of the business, including potential investments. We will continue to be aggressive, but thoughtful, to ensure we win long-term.

We recently announced some additional investments related to increased wages, training and benefits for our associates in the U.S. In addition to that, we'll look to accelerate investments in our customers through lower prices, and we'll make investments in technology, supply chain and eCommerce to better position the company for the future. We'll also continue to prioritize winning with customers in our grocery and fresh business ensuring we make shopping with us simple and at a great value.

At the October meeting, Doug talked about some decisions we had in the queue, but it was too early to comment further at that time. During the quarter we took several actions, including:

- A wind-down of the first-party eCommerce business in Brazil
- The closure of 63 Sam's Club locations in the U.S., and
- The decision to remove tobacco from certain locations at Sam's

These decisions impact the guidance we gave in October, particularly in regards to total sales growth, so I will quantify the impacts and compare back to the October guidance.

Let's first talk about Brazil eCommerce. We expect a headwind to sales of approximately $500 million related to the wind-down of the first-party portion of the business. In terms of profit, the benefit of fewer operating losses will be largely offset by one-time costs associated with the wind-down.

As for Sam's, we anticipate a negative impact to sales of about $6.3 billion related to the decisions to close clubs and remove tobacco from certain locations.

Additionally, recall that we sold our Suburbia business in Mexico in the second quarter of last year, and this will create a headwind in the first quarter of this year.

The combined topline impact of these items will negatively impact consolidated net sales growth by about 140 basis points and as a result, we now expect net sales growth to range between 1.5 percent and 2 percent in constant currency. Adjusting for these changes, this growth compares to the guidance of “at or above three percent” that we provided in October.

As for comp sales, we expect growth at Walmart U.S. of at least 2.0 percent. Sam’s Club comps excluding fuel and tobacco, should range between 3.0 percent and 4.0 percent, and flat to negative one percent when including the impact of reduced tobacco sales.

We expect international total net sales growth to be around 3 percent in constant currency.

Our October guidance for fiscal 2019 also included expectations for expense leverage, relatively steady operating income margin and EPS growth of around 5 percent.

The incremental investments mentioned earlier will pressure operating expenses more than anticipated in October. On a consolidated basis, we still expect to slightly leverage expenses, but not to the extent we had originally planned. Excluding the impact of the reduction in Sam’s Club sales, leverage would be stronger. Overall cost management is continuing to improve across the business and we remain pleased with the progress.

As for operating margin, we expect consolidated operating income as a percentage of net sales to be approximately 4.3 percent to 4.4 percent in constant currency, resulting in a low single digit percentage decrease in operating income versus operating income this past year adjusted for the discrete items.

Considering all of these items, we expect full year EPS to be in a range of $4.75 and $5.00, an increase of 7 percent to 13 percent compared with adjusted EPS of $4.42 in fiscal 2018. The range represents an increase from the guidance given in October. Additional guidance is included in the materials we issued this morning, so please reference these documents as you analyze our outlook.

Going forward, we're moving to an annual guidance framework with quarterly updates, as warranted. We considered a number of factors when making this decision, including management's long-term view of the business, the transformation of the business, the investment time horizon of many of our shareholders and the uncertainty of the timing of investments during the year. There could be fluctuations within the quarters, but we believe EPS growth will be relatively consistent across the year. We look forward to updating you on our progress throughout the year.

With that, I'll close by saying thank you to all of our associates for the work you do every day in serving our customers and communities around the world.

Detailed Cautionary Statement Regarding Forward – Looking Statements

This call includes certain forward-looking statements intended to enjoy the safe harbor protections within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements relate to management's guidance and forecasts as to, and expectations for, Walmart's earnings per share and adjusted earnings per share, consolidated net sales growth, Walmart U.S. eCommerce sales growth, capital expenditures and Walmart's effective tax rate for the fiscal year ending January 31, 2019, and Walmart U.S.'s comparable sales (excluding fuel) and Sam's Club comparable sales(excluding fuel and tobacco), for the 52 weeks ending January 25, 2019, comp sales and eCommerce leading to future top-line growth, and the contribution of Walmart's financial framework to long-term value creation.

Assumptions on which any guidance or forecasts are based are considered forward-looking statements.

Walmart’s actual results may differ materially from the guidance provided, or the goals, expectations or forecasts discussed, in such forward-looking statements as a result of changes in facts, assumptions not being realized or other risks, uncertainties and factors, including:

- economic, geo-political, capital markets and business conditions, trends and events around the world and in the markets in which Walmart operates;
- 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;
- the amount of Walmart's net sales denominated in the U.S. dollar and various foreign currencies;
- the financial performance of Walmart and each of its segments;
- the impact of acquisitions, investments, divestitures, store or club closures, and other strategic decisions;
- Walmart's ability to successfully integrate acquired businesses, including in the eCommerce space;
- Walmart's effective tax rate and the factors affecting Walmart's effective tax rate, including assessments of certain tax contingencies, valuation allowances, changes in law (including the Tax Act), administrative audit outcomes, impact of discrete items and the mix of earnings between the U.S. and Walmart's international operations;
- customer traffic and average ticket in Walmart's stores and clubs and on its eCommerce websites;
- the mix of merchandise Walmart sells, the cost of goods it sells and the shrinkage it experiences;

- the amount of Walmart's total sales and operating expenses in the various markets in which it operates including eCommerce;
- 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 Walmart's stores, clubs, digital platforms, programs, merchandise offerings and delivery methods;
- cyber security events affecting Walmart and related costs;
- developments in, outcomes of, and costs incurred in legal or regulatory proceedings to which Walmart is a party;
- casualty and accident-related costs and insurance costs;
- the turnover in Walmart's 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 regulations and changes in tax rates, trade agreements, trade restrictions and tariff rates;
- the level of public assistance payments;
- natural disasters, public health emergencies, civil disturbances, and terrorist attacks; and
- Walmart's expenditures for Foreign Corrupt Practices Act “FCPA” and other compliance related costs, including the adequacy of our accrual with respect to the matter made in the third quarter of the fiscal year ending January 31, 2018.

Such risks, uncertainties and factors also include the risks relating to Walmart’s strategy, operations and performance and the financial, legal, tax, regulatory, compliance, reputational and other risks discussed in Walmart’s most recent annual report on Form 10-K and subsequent quarterly reports on Form 10-Q and current reports on Form 8-K filed with the SEC. You should consider the forward-looking statements in this call in conjunction with such reports. Walmart urges 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 call. Walmart cannot assure you that the results reflected 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 Walmart's operations or financial performance. The forward-looking statements made in this call are as of the date of this call. Walmart undertakes no obligation to update these forward-looking statements to reflect subsequent events or circumstances.

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