

WAL MART STORES INC

FORM 8-K (Current report filing)

Filed 05/17/12 for the Period Ending 05/17/12

Address	702 SOUTHWEST 8TH ST BENTONVILLE, AR 72716
Telephone	5012734000
CIK	0000104169
Symbol	WMT
SIC Code	5331 - Variety Stores
Industry	Retail (Department & Discount)
Sector	Services
Fiscal Year	01/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 or 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported):
May 17, 2012**

Wal-Mart Stores, Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-06991
(Commission
File Number)

71-0415188
(IRS Employer
Identification No.)

702 Southwest 8th Street
Bentonville, Arkansas 72716-0215
(Address of Principal Executive Offices) (Zip code)

**Registrant's telephone number, including area code:
(479) 273-4000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

In accordance with Item 2.02 of Form 8-K of the Securities and Exchange Commission (the “SEC”), Wal-Mart Stores, Inc., a Delaware corporation (the “Company”), is furnishing to the SEC a press release that the Company will issue on May 17, 2012 (the “Press Release”). The Press Release will disclose information regarding the Company’s results of operations for the three months ended April 30, 2012 and the Company’s financial condition as of April 30, 2012.

The Press Release provides information regarding certain financial measures that may be considered non-GAAP financial measures (each, a “Non-GAAP Measure”) under the rules of the SEC. Those Non-GAAP Measures are:

- The Company’s free cash flow, calculated as set forth in the Press Release, for the three-month periods ended April 30, 2012 and 2011 (“Free Cash Flow”).
- The Company’s return on investment (“ROI”), calculated as set forth in the Press Release, for the trailing twelve-month periods ended April 30, 2012 and 2011.
- Financial measures stated to be presented on a constant currency basis (each, an “Adjusted Constant Currency Measure”). The Adjusted Constant Currency Measures are calculated by translating the results of the Company’s Walmart International operating segment (“Walmart International”) for a current fiscal period in the local currencies in which Walmart International operates into U.S. dollars using the currency exchange rates used to translate the similar results of Walmart International for the prior year comparable period into U.S. dollars to report those prior year comparable period results in the Company’s consolidated financial statements for that prior year comparable period and excluding the effect of acquisitions on such current fiscal period results until the effect of such acquisitions are included in both the current fiscal period results and the prior year comparable period results. The Adjusted Constant Currency Measures included in the Press Release exclude the effect of the results attributable to the Netto stores in the United Kingdom and of the Company’s majority-owned subsidiary, Massmart Holdings Limited, the acquisitions of which the Company completed during the three months ended July 31, 2011 (the “Acquisitions”).
- The Company’s total U.S. comparable store sales for the thirteen-week periods ended April 27, 2012 and April 29, 2011 (the “Total U.S. Comparable Store Sales”), the comparable club sales of the Company’s Sam’s Club operating segment (“Sam’s Club”) for the thirteen-week periods ended April 27, 2012, April 29, 2011 and July 29, 2011 and the projected comparable club sales of Sam’s Club for the thirteen-week period ending July 27, 2012, in each case calculated by excluding the fuel sales of Sam’s Club for such periods.
- The net sales of Sam’s Club for the three months ended April 30, 2012, excluding the fuel sales of Sam’s Club for that three-month period, and the percentage increase in the net sales of Sam’s Club for the three months ended April 30, 2012, excluding the fuel sales of Sam’s Club for that three-month period, over the net sales of Sam’s Club for the three months ended April 30, 2011, excluding the fuel sales of Sam’s Club for that three-month period.
- The increase in the Company’s consolidated membership and other income for the three months ended April 30, 2012 over the Company’s consolidated membership and other income for the three months ended April 30, 2011, excluding from the Company’s consolidated membership and other income for the three months ended April 30, 2011, a gain of \$51 million on the sale of an investment by the Company’s Chilean subsidiary that was recorded in the three months ended April 30, 2011.
- The increase in the Company’s consolidated operating income for the three months ended April 30 2012 over the Company’s consolidated operating income for the three months ended April 30, 2011 excluding the effect of \$50 million of net pre-tax items realized by the Company in the three months ended April 30, 2011.

The Press Release provides information that reconciles Free Cash Flow, ROI and Total U.S. Comparable Store Sales and the Sam’s Club comparable club sales for the thirteen-week periods ended April 27, 2012 and April 29, 2011 to the most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles (“GAAP”). Exhibit 99.2 to this Current Report on Form 8-K, the information in which is incorporated into this Item 2.02 by reference, sets forth reconciliations of each other Non-GAAP Measure that appears in the Press Release and the most directly comparable financial measures calculated and presented in accordance with GAAP to the extent such reconciliations are reasonably practicable.

The Company's management believes that the presentation of the Non-GAAP Measures discussed above (other than Free Cash Flow and ROI, which are discussed in the Press Release) provides useful information to investors regarding the Company's financial condition and results of operations as to the periods for which they are presented for the following reasons:

- The Company is required to translate Walmart International's operating results as stated in local currencies into U.S. dollars to report the Company's consolidated results of operations in accordance with generally accepted accounting principles as in effect in the United States. Period-over-period comparisons of the Company's consolidated results of operations can be affected by the differences between currency exchange rates in the prior fiscal period to which the comparison is made and the currency exchange rates in the current fiscal period as reflected in the Company's consolidated results of operations reported in U.S. dollars, making an investor's assessment of the underlying performance of Walmart International and its effect on total company underlying performance for the current fiscal period more difficult. Moreover, the inclusion of the results of acquisitions in the Company's consolidated results of operations and the results of operations of Walmart International for current periods when such acquisitions had not been consummated during the prior year comparable periods makes it more difficult for investors to assess the comparative period-over-period underlying performance of Walmart International and total company underlying performance without the effect on such underlying performance of such acquisitions on the current periods' results. The presentation of the Adjusted Constant Currency Measures permits investors to understand the combined effects of currency exchange rate translations and acquisitions on the Company's consolidated net sales and consolidated operating income and Walmart International's net sales and operating income and on the period-over-period increases in the Company's consolidated net sales and consolidated operating income and Walmart International's net sales, in each case for the periods as to which the Adjusted Financial Measures are presented, and what the Company's financial performance as reflected by those measures would have been for the periods for which the Adjusted Financial Measures are presented without the combined effects of currency exchange rate translations and such acquisitions.
- The presentation of the Company's total U.S. comparable store sales, Sam's Club's comparable club sales, the net sales of Sam's Club and the period-over-period percentage increase in the net sales of Sam's Club, calculated, in each case, excluding the fuel sales of Sam's Club, permits investors to understand the effect of such fuel sales, which are affected by the volatility of fuel prices, on the Company's total U.S. comparable store sales, on Sam's Club's comparable club sales and on Sam's Club's net sales for the periods presented.
- The presentation of the period-over-period increase in the Company's consolidated membership and other income, calculated excluding the gain from the sale of an investment recorded in the three months ended April 30, 2011, permits investors to assess the Company's period-over-period underlying performance with respect to the consolidated membership and other income of the Company without the effect of a gain of a type that is not frequently included in the Company's consolidated membership and other income.
- The presentation of the increase in the Company's consolidated operating income for the three months ended April 30, 2012 over the Company's consolidated operating income for the three months ended April 30, 2011 excluding the effect of \$50 million of net pre-tax items realized in the three months ended April 30, 2011 permits investors to assess the Company's period-over-period underlying performance with respect to the Company's consolidated operating income without the effect of those items, which were an aggregation of items of types that do not occur frequently in the Company's operations.

Item 8.01. Other Information.

The Audit Committee of the Company's Board of Directors (the "Audit Committee"), which is composed solely of independent directors, is conducting an internal investigation into, among other things, alleged violations of the U.S. Foreign Corrupt Practices Act (the "FCPA") and other alleged crimes or misconduct in connection with foreign subsidiaries including Wal-Mart de México, S.A.B. de C.V. ("Walmex") and whether prior allegations of such violations and/or misconduct were appropriately handled by the Company. The Audit Committee and the Company have engaged outside counsel from a number of law firms and other advisors who are assisting in the on-going investigation of these matters. The Company is also conducting a voluntary global review of its policies, practices and internal controls for FCPA compliance. The Company is engaged in strengthening its global anti-corruption compliance programs through appropriate remedial anti-corruption measures. In November 2011, the Company voluntarily disclosed that investigative activity to the U.S. Department of Justice (the "DOJ") and the SEC.

The Company has been informed by the DOJ and the SEC that it is also the subject of their respective investigations into possible violations of the FCPA. The Company is cooperating with the investigations by the DOJ and the SEC. A number of federal and local government agencies in Mexico have also recently initiated investigations of these matters. Walmex is cooperating with the Mexican governmental agencies conducting these investigations. Furthermore, lawsuits relating to the matters under investigation have recently been filed by several of the Company's shareholders against it, its current directors, certain of its former directors, certain of its current and former officers and certain of Walmex's current and former officers.

The Company could be exposed to a variety of negative consequences as a result of the matters noted above. There could be one or more enforcement actions in respect of the matters that are the subject of some or all of the ongoing government investigations, and such actions, if brought, may result in judgments, settlements, fines, penalties, injunctions, cease and desist orders or other relief, criminal convictions and/or penalties. The shareholder lawsuits may result in judgments against the Company and its current and former directors and officers named in those proceedings. The Company cannot predict accurately at this time the outcome or impact of the government investigations, the shareholder lawsuits, or its own internal investigation and review. In addition, the Company expects to incur costs in responding to requests for information or subpoenas seeking documents, testimony and other information in connection with the government investigations, in defending the shareholder lawsuits, and in conducting its internal investigation and review, and it cannot predict at this time the ultimate amount of all such costs. These matters may require the involvement of certain members of the Company's senior management that could impinge on the time they have available to devote to other matters relating to the business. The Company may also see ongoing media and governmental interest in these matters that could impact the perception among certain audiences of its role as a corporate citizen.

The Company is in the early stages of assessing and responding to the governmental investigations, the shareholder lawsuits, and its internal investigation and review are on-going. Although the Company does not presently believe that these matters will have a material adverse effect on its business, given the inherent uncertainties in such situations, the Company can provide no assurance that these matters will not be material to its business in the future.

Item 9.01. Financial Statements and Exhibits.

Exhibit 99.1—A copy of the Press Release being furnished pursuant to the foregoing Item 2.02 is included herewith as Exhibit 99.1.

Exhibit 99.2—Reconciliations of Certain Non-GAAP Measures to Most Directly Comparable GAAP Measures being furnished pursuant to the foregoing Item 2.02 are included herewith as Exhibit 99.2.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: May 17, 2012

WAL-MART STORES, INC.

By: /s/ Gordon Y. Allison

Name: Gordon Y. Allison

Title: Vice President and
General Counsel, Corporate



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**Walmart reports Q1 EPS of \$1.09, above guidance;
Walmart U.S. and Sam's deliver positive comp sales above guidance;
Walmart International grows operating income 21.2 percent**

Q1 highlights:

- *Walmart reported first quarter diluted earnings per share from continuing operations of \$1.09, which is above guidance of \$1.01 to \$1.06. This compares to \$0.98 per share from continuing operations last year.*
- *Walmart U.S. comparable store sales rose 2.6 percent in the 13-week period ended April 27, 2012, both traffic and ticket were positive. Walmart U.S. comp sales guidance was flat to two percent.*
- *Sam's Club comparable sales, without fuel, increased 5.3 percent for the same 13-week period. Sam's Club comp sales guidance, without fuel, was three to five percent.*
- *Walmart International grew net sales 15.0 percent. Constant currency net sales were up 10.9 percent.*
- *Consolidated net sales were \$112.3 billion, an increase of 8.6 percent from last year. Currency exchange rate fluctuations had a negative impact on sales of approximately \$800 million.*
- *The company leveraged operating expenses for the quarter.*
- *Consolidated operating income was \$6.4 billion, up 8.3 percent from last year. Walmart International operating income was \$1.3 billion, up 21.2 percent from last year's results.*
- *Walmart ended the first quarter with free cash flow of \$3.1 billion ¹.*
- *During the quarter, the company returned \$2.9 billion to shareholders through dividends and share repurchases.*
- *Return on investment (ROI) for the trailing 12 months ended April 30, 2012 was 18.1 percent ¹.*

BENTONVILLE, Ark., May 17, 2012 — Wal-Mart Stores, Inc. (NYSE: WMT) today reported financial results for the quarter ended April 30, 2012. Net sales for the first quarter of fiscal 2013 were \$112.3 billion, an increase of 8.6 percent from \$103.4 billion in the first quarter last year. Net sales for this quarter included a negative currency exchange rate impact of approximately \$800 million.

¹ See additional information at the end of this release regarding non-GAAP financial measures.

Membership and other income increased 3.2 percent, excluding \$51 million from the sale of an investment owned by Walmart Chile during the prior year's quarter.

Income from continuing operations attributable to Walmart for the quarter was \$3.7 billion, up 9.2 percent from the first quarter last year. Diluted earnings per share from continuing operations attributable to Walmart (EPS) for the first quarter of fiscal 2013 were \$1.09. By comparison, last year's EPS were \$0.98. The company had several pre-tax items in the first quarter of last year that netted to a \$0.01 benefit to EPS.

Strong earnings performance

"We are very pleased that Walmart delivered earnings and comparable sales above guidance for the first quarter. Despite a negative impact from currency, we grew sales and operating profit over last year," said Mike Duke, Wal-Mart Stores, Inc. president and chief executive officer. "Our overall performance reflects the success of Walmart's business model: driving the productivity loop, leveraging expenses and investing in price leadership. We believe that the momentum throughout our business positions us very well for the rest of the year."

Duke highlighted the successful performance of the company's three operating segments.

"In a highly competitive retail environment, Walmart U.S. is increasing price separation across categories and driving increased traffic to both the grocery and general merchandise areas of our stores. That strategy was reflected in the 2.6 percent comp," said Duke. "Customers count on us for one-stop shopping and our merchandising priorities are aligned with that in mind. Walmart U.S. also grew operating income faster than sales this quarter.

"Sam's Club is off to a great start this year, with continued strength in traffic and ticket," Duke continued. "Membership engagement scores are at record highs, membership income is growing, and renewals and upgrades are strong.

"Walmart International delivered strong sales growth in the first quarter and operating income grew faster than sales, increasing more than 20 percent," said Duke. "We are very focused on improving profitability and returns, and with greater transitions to everyday low price in more markets, we have stronger customer traffic, which contributed to net sales growth."

The company leveraged operating expenses for the first quarter, delivering on its commitment to reduce costs and improve productivity.

"Powered by Walmart remains a competitive advantage," said Duke. "We're sharing best practices on global business processes to improve inventory management and labor scheduling to maximize product availability on the shelf. Our ability to continually find ways to reduce expenses and improve associate productivity means we can pass on those savings to customers."

Returns and Guidance

Walmart ended the first quarter with strong free cash flow of \$3.1 billion ¹, compared to a negative \$415 million ¹ from the previous year. ROI for the trailing 12 months ended April 30, 2012 was 18.1 percent ¹, compared to 18.5 percent ¹ for the prior year. ROI was negatively impacted by capital expenditures and acquisition-related activities, partially offset by positive currency exchange rate fluctuations.

¹ See additional information at the end of this release regarding non-GAAP financial measures.

“We remain committed to returning value to shareholders,” said Charles Holley, executive vice president and chief financial officer. “In March, our board declared an annual dividend of \$1.59 per share for this fiscal year, approximately a 9 percent increase over the previous year’s per share dividend. We returned \$2.9 billion to our shareholders during the first quarter through dividends and share repurchases.”

“Based on our current trend in performance, along with seasonal impacts and the current economic and sales environment, we expect second quarter fiscal 2013 diluted earnings per share from continuing operations to range between \$1.13 and \$1.18. This compares to last year’s second quarter reported EPS of \$1.09,” said Holley. “We are committed to continued sales momentum. Expense leverage will continue to be a key focus as it drives both growth and returns.”

Operating Segment Details and Analysis

Net sales results

Net sales, including fuel, were as follows (dollars in billions):

	Three Months Ended April 30,		Percent Change
	2012	2011	
Net Sales:			
Walmart U.S.	\$ 66.341	\$ 62.669	5.9%
Walmart International	32.077	27.905	15.0%
Sam’s Club	13.854	12.841	7.9%
Total Company	\$112.272	\$103.415	8.6%

Constant currency consolidated net sales increased by 7.5 percent to \$111.2 billion for the quarter.

Walmart International reported net sales of \$32.1 billion, including acquisitions of \$1.9 billion and negative currency exchange rate fluctuations of approximately \$800 million. Therefore, constant currency net sales of \$31.0 billion increased 10.9 percent from the prior year. Brazil, Mexico and the U.K. had the strongest overall sales growth for the first quarter.

Net sales for Sam’s Club, excluding fuel, grew to \$12.1 billion, an increase of 7.1 percent from last year’s first quarter results. Sam’s membership income for the first quarter increased 2.0 percent over last year.

Segment operating income

Segment operating income was as follows (dollars in billions):

	Three Months Ended April 30,		Percent Change
	2012	2011	
Segment Operating Income:			
Walmart U.S.	\$5.033	\$4.657	8.1%
Walmart International	1.319	1.088	21.2%
Sam’s Club	0.490	0.455	7.7%

Consolidated operating income for the first quarter, which includes unallocated corporate overhead, was \$6.4 billion, up 8.3 percent from last year. Excluding the \$50 million of net pre-tax items realized in last year’s first quarter, consolidated operating income was up 9.2 percent. On a constant currency basis, consolidated operating income rose 8.6 percent to \$6.4 billion.

Walmart U.S. operating income grew 8.1 percent for the quarter, due primarily to higher sales, aided by our price investment strategy, our continued focus on productivity and expense management. Walmart U.S. leveraged expenses for the quarter.

Walmart International reported operating income that included a negative impact from currency exchange rate fluctuations of \$50 million for the first quarter. Constant currency operating income increased to \$1.3 billion for the first quarter. Walmart International's operating expenses grew slower than sales.

Sam's Club operating income for the first quarter increased 7.7 percent. The impact of fuel was minimal.

U.S. comparable store sales review and guidance

The company reported U.S. comparable store sales based on its 13-week retail calendar periods ended April 27, 2012 and April 29, 2011, as follows:

	Without Fuel		With Fuel		Fuel Impact	
	Thirteen Weeks Ended		Thirteen Weeks Ended		Thirteen Weeks Ended	
	04/27/12	04/29/11	04/27/12	04/29/11	04/27/12	04/29/11
Walmart U.S.	2.6%	-1.1%	2.6%	-1.1%	0.0%	0.0%
Sam's Club	5.3%	4.2%	6.2%	8.5%	0.9%	4.3%
Total U.S.	3.0%	-0.3%	3.2%	0.4%	0.2%	0.7%

During the 13-week period, both traffic and ticket rose for Walmart U.S. All merchandise units delivered comparable sales growth for the quarter, with the exception of entertainment, which continues to experience price deflation.

"Our strategy is clear. Our merchants are focused on increasing sales through the right assortment at the right time and for the lowest price," said Bill Simon, Walmart U.S. president and chief executive officer. "We will continue to invest in price to lower costs for our customers by enhancing leverage initiatives and managing expenses."

For the 4-5-4 period from April 28, 2012 through July 27, 2012, Walmart U.S. expects comparable store sales to range from one percent to three percent. The Walmart U.S. 13-week comp for last year's second quarter declined 0.9 percent.

For Sam's Club, comparable traffic and ticket, excluding fuel, increased for both Business and Advantage members for the 13-week period.

"Sam's Club provides quality merchandise at the best price in a clean and efficient shopping environment. Clearly, our first quarter results show that this strategy is resonating with members," said Rosalind Brewer, Sam's Club president and chief executive officer. "We have great summer events planned that will create excitement and drive traffic to the clubs in the second quarter."

Sam's Club expects comp sales, without fuel, for the current 13-week period, to increase between four percent and six percent. Last year, Sam's Club comp, without fuel, for the second quarter comparable 13-week period rose 5.0 percent.

Both Walmart U.S. and Sam's Club will report comparable sales for the 13-week period on Aug. 16, when the company reports second quarter results.

Notes

For the purpose of determining our constant currency results, we calculate the effect of changes in currency exchange rates as the difference between current period activity translated using the current period's currency exchange rates and the comparable prior period's currency exchange rates. The impact of acquisitions is excluded from the calculation until the acquisitions are included in both comparable periods.

After this earnings release has been furnished to the Securities and Exchange Commission (SEC), a pre-recorded call offering additional comments on the quarter will be available to all investors. Callers may listen to this call by dialing 800-778-6902, or 585-219-6420 outside the U.S. and Canada. Information included in this release, including reconciliations, and the pre-recorded phone call are available in the investor information area on the company's website at www.walmartstores.com/investors.

Wal-Mart Stores, Inc. (NYSE: WMT) serves customers and members more than 200 million times per week at 10,231 retail units under 69 different banners in 27 countries. With fiscal year 2012 sales of \$444 billion, Walmart employs more than 2 million associates worldwide. Walmart continues to be a leader in sustainability, corporate philanthropy and employment opportunity. Additional information about Walmart can be found by visiting <http://www.walmartstores.com>.

Forward-Looking Statements

This release contains statements as to Walmart management's forecast of the company's earnings per share for the fiscal quarter to end July 31, 2012 (and certain assumptions underlying such forecast), management's expectations regarding the comparable store sales of the Walmart U.S. segment and comparable club sales, excluding fuel, of the Sam's Club segment of the company for the 13-week period from Apr. 28, 2012 through Jul. 27, 2012, and management's expectations that expense leverage will continue to be a key focus for the company, that the company's Walmart U.S. segment will continue to invest in price to lower costs for its customers by enhancing leverage initiatives and tightly managing expenses and that the company's Sam's Club segment has great summer events planned that will create excitement and drive traffic to the clubs in the three months to end July 31, 2012, that the company believes are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These statements are intended to enjoy the protection of the safe harbor for forward-looking statements provided by that act. Those statements can be identified by the use of the word or phrase "expect," "expects," "guidance," "will continue," "will create," and "will ... drive" in the statements or relating to such statements. These forward-looking statements are subject to risks, uncertainties and other factors, domestically and internationally, including: general economic conditions; economic conditions affecting specific markets in which we operate; competitive pressures; inflation and deflation; consumer confidence, disposable income, credit availability, spending patterns and debt levels; the seasonality of Walmart's business and seasonal buying patterns in the United States and other markets; geo-political conditions and events; weather conditions and events and their effects; catastrophic events and natural disasters and their effects on Walmart's business; public health emergencies; civil unrest and disturbances and terrorist attacks; commodity prices; the cost of goods Walmart sells; transportation costs; the cost of diesel fuel, gasoline, natural gas and electricity; the selling prices of gasoline; disruption of Walmart's supply chain, including transport of goods from foreign suppliers; trade restrictions; changes in tariff and freight rates; labor costs; the availability of qualified labor pools in Walmart's markets; changes in employment laws and regulations; the cost of healthcare and other benefits; casualty and other insurance costs; accident-related costs; the cost of construction materials; the availability of acceptable building sites for new stores, clubs and facilities; zoning, land use and other regulatory restrictions; adoption of or changes in tax and other laws and regulations that affect Walmart's business, including changes in corporate tax rates; developments in, and the outcome of, legal and regulatory proceedings to which Walmart is a party or is subject; currency exchange rate fluctuations; changes in market interest rates; conditions and events affecting domestic and global financial and capital markets; and other risks. The company discusses

certain of these factors more fully in certain of its filings with the SEC, including its most recent annual report on Form 10-K filed with the SEC, and this release should be read in conjunction with that annual report on Form 10-K, together with all of the company's other filings, including its current reports on Form 8-K, made with the SEC through the date of this release. The company urges readers to consider all of these risks, uncertainties and other factors carefully in evaluating the forward-looking statements contained in this release. As a result of these matters, changes in facts, assumptions not being realized or other circumstances, the company's actual results may differ materially from the expected results discussed in the forward-looking statements contained in this release. The forward-looking statements made in this release are made only as of the date of this release, and Walmart undertakes no obligation to update them to reflect subsequent events or circumstances.

Wal-Mart Stores, Inc.
Consolidated Statements of Income
(Unaudited)

SUBJECT TO RECLASSIFICATION

	Three Months Ended April 30,		
	2012	2011	Percent Change
<i>(Amounts in millions except per share data)</i>			
Revenues:			
Net sales	\$112,272	\$103,415	8.6%
Membership and other income	746	774	-3.6%
Total revenues	113,018	104,189	8.5%
Cost of sales	85,186	78,177	9.0%
Operating, selling, general and administrative expenses	21,445	20,116	6.6%
Operating income	6,387	5,896	8.3%
Interest:			
Debt	503	491	2.4%
Capital leases	70	71	-1.4%
Interest income	(38)	(44)	-13.6%
Interest, net	535	518	3.3%
Income from continuing operations before income taxes	5,852	5,378	8.8%
Provision for income taxes	1,958	1,800	8.8%
Income from continuing operations	3,894	3,578	8.8%
Loss from discontinued operations, net of tax	—	(28)	-100.0%
Consolidated net income	3,894	3,550	9.7%
Less consolidated net income attributable to noncontrolling interest	(152)	(151)	0.7%
Consolidated net income attributable to Walmart	\$ 3,742	\$ 3,399	10.1%
Income from continuing operations attributable to Walmart:			
Income from continuing operations	\$ 3,894	\$ 3,578	8.8%
Less consolidated net income attributable to noncontrolling interest	(152)	(151)	0.7%
Income from continuing operations attributable to Walmart	\$ 3,742	\$ 3,427	9.2%
Basic net income per common share:			
Basic income per common share from continuing operations attributable to Walmart	\$ 1.10	\$ 0.98	12.2%
Basic loss per common share from discontinued operations attributable to Walmart	—	(0.01)	-100.0%
Basic net income per common share attributable to Walmart	\$ 1.10	\$ 0.97	13.4%
Diluted net income per common share:			
Diluted income per common share from continuing operations attributable to Walmart	\$ 1.09	\$ 0.98	11.2%
Diluted loss per common share from discontinued operations attributable to Walmart	—	(0.01)	-100.0%
Diluted net income per common share attributable to Walmart	\$ 1.09	\$ 0.97	12.4%
Weighted-average common shares outstanding:			
Basic	3,409	3,497	
Diluted	3,425	3,513	
Dividends declared per common share	\$ 1.59	\$ 1.46	

Wal-Mart Stores, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

SUBJECT TO RECLASSIFICATION

<i>(Amounts in millions)</i>	April 30, 2012	January 31, 2012	April 30, 2011
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 8,117	\$ 6,550	\$ 9,400
Receivables, net	5,574	5,937	4,785
Inventories	41,284	40,714	38,495
Prepaid expenses and other	2,221	1,685	3,330
Current assets of discontinued operations	80	89	108
Total current assets	<u>57,276</u>	<u>54,975</u>	<u>56,118</u>
Property and equipment:			
Property and equipment	158,329	155,002	151,766
Less accumulated depreciation	<u>(47,600)</u>	<u>(45,399)</u>	<u>(45,473)</u>
Property and equipment, net	110,729	109,603	106,293
Property under capital leases:			
Property under capital leases	5,978	5,936	6,064
Less accumulated amortization	<u>(3,235)</u>	<u>(3,215)</u>	<u>(3,213)</u>
Property under capital leases, net	2,743	2,721	2,851
Goodwill	21,003	20,651	16,895
Other assets and deferred charges	5,349	5,456	4,068
Total assets	<u>\$197,100</u>	<u>\$193,406</u>	<u>\$186,225</u>
LIABILITIES AND EQUITY			
Current liabilities:			
Short-term borrowings	\$ 5,799	\$ 4,047	\$ 3,451
Accounts payable	37,068	36,608	34,481
Dividends payable	4,059	—	3,828
Accrued liabilities	16,637	18,154	15,962
Accrued income taxes	2,560	1,164	927
Long-term debt due within one year	2,509	1,975	3,173
Obligations under capital leases due within one year	322	326	345
Current liabilities of discontinued operations	24	26	44
Total current liabilities	<u>68,978</u>	<u>62,300</u>	<u>62,211</u>
Long-term debt	42,956	44,070	45,486
Long-term obligations under capital leases	3,040	3,009	3,211
Deferred income taxes and other	7,735	7,862	6,902
Redeemable noncontrolling interest	456	404	423
Commitments and contingencies			
Equity:			
Common stock	339	342	348
Capital in excess of par value	3,625	3,692	3,450
Retained earnings	65,463	68,691	60,330
Accumulated other comprehensive income (loss)	<u>(463)</u>	<u>(1,410)</u>	<u>878</u>
Total Walmart shareholders' equity	68,964	71,315	65,006
Noncontrolling interest	<u>4,971</u>	<u>4,446</u>	<u>2,986</u>
Total equity	<u>73,935</u>	<u>75,761</u>	<u>67,992</u>
Total liabilities and equity	<u>\$197,100</u>	<u>\$193,406</u>	<u>\$186,225</u>

Wal-Mart Stores, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

SUBJECT TO RECLASSIFICATION

<i>(Amounts in millions)</i>	Three Months Ended	
	April 30,	
	2012	2011
Cash flows from operating activities:		
Consolidated net income	\$ 3,894	\$ 3,550
Loss from discontinued operations, net of tax	—	28
Income from continuing operations	3,894	3,578
Adjustments to reconcile income from continuing operations to net cash provided by operating activities:		
Depreciation and amortization	2,106	1,985
Deferred income taxes	(149)	220
Other	(413)	(429)
Changes in certain assets and liabilities, net of effects of acquisitions:		
Accounts receivable	494	341
Inventories	(150)	(1,713)
Accounts payable	(21)	205
Accrued liabilities	(1,714)	(2,976)
Accrued taxes	1,387	763
Net cash provided by operating activities	5,434	1,974
Cash flows from investing activities:		
Payments for property and equipment	(2,375)	(2,389)
Proceeds from disposal of property and equipment	50	94
Other investing activities	(111)	426
Net cash used in investing activities	(2,436)	(1,869)
Cash flows from financing activities:		
Net change in short-term borrowings	1,763	2,428
Proceeds from issuance of long-term debt	5	4,921
Payment of long-term debt	(545)	(2,057)
Dividends paid	(1,352)	(1,274)
Purchase of Company stock	(1,589)	(2,129)
Other financing activities	(89)	(223)
Net cash provided by (used in) financing activities	(1,807)	1,666
Effect of exchange rates on cash and cash equivalents	376	234
Net increase in cash and cash equivalents	1,567	2,005
Cash and cash equivalents at beginning of year	6,550	7,395
Cash and cash equivalents at end of period	<u>\$ 8,117</u>	<u>\$ 9,400</u>

Wal-Mart Stores, Inc.
 Reconciliations of and Other Information Regarding Non-GAAP Financial Measures
 (Unaudited)
(In millions, except per share data)

The following information provides reconciliations of certain non-GAAP financial measures presented in the press release to which this reconciliation is attached to the most nearly comparable financial measures calculated and presented in accordance with generally accepted accounting principles (“GAAP”). The company has provided the non-GAAP financial information presented in the press release, which is not calculated or presented in accordance with GAAP, as information supplemental and in addition to the financial measures presented in the press release that are calculated and presented in accordance with GAAP. Such non-GAAP financial measures should not be considered superior to, as a substitute for or as an alternative to, and should be considered in conjunction with, the GAAP financial measures presented in the press release. The non-GAAP financial measures in the press release may differ from similar measures used by other companies.

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 was \$3.1 billion and negative \$415 million for the quarters ended April 30, 2012 and 2011, respectively.

Free cash flow is considered a non-GAAP financial measure. 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 as 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 other companies to calculate their free cash flow before comparing our free cash flow to that of such other companies.

The following table sets forth a reconciliation of free cash flow, a non-GAAP financial measure, to net cash provided by operating activities, 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 provided by financing activities.

<i>(Amounts in millions)</i>	For the Three Months Ended	
	April 30,	
	2012	2011
Net cash provided by operating activities	\$ 5,434	\$ 1,974
Payments for property and equipment	(2,375)	(2,389)
Free cash flow	<u>\$ 3,059</u>	<u>\$ (415)</u>
Net cash used in investing activities	\$ (2,436)	\$ (1,869)
Net cash provided by (used in) financing activities	\$ (1,807)	\$ 1,666

Calculation of Return on Investment and Return on Assets

Management believes return on investment (“ROI”) is a meaningful metric to share with investors because it helps investors assess how effectively Walmart is deploying its assets. Trends in ROI can fluctuate over time as management balances long-term potential strategic initiatives with any possible short-term impacts.

ROI was 18.1 percent and 18.5 percent for the trailing 12 months ended April 30, 2012 and 2011, respectively.

We define ROI as adjusted operating income (operating income plus interest income, depreciation and amortization, and rent expense) for the fiscal year or trailing twelve months divided by average invested capital during that period. We consider average invested capital to be the average of our beginning and ending total assets of continuing operations plus average accumulated depreciation and average amortization less average accounts payable and average accrued liabilities for that period, plus a rent factor equal to the rent for the fiscal year or trailing twelve months multiplied by a factor of eight.

ROI is considered a non-GAAP financial measure. We consider return on assets (“ROA”) to be the financial measure computed in accordance with GAAP that is the most directly comparable financial measure to ROI as we calculate that financial measure. ROI differs from ROA (which is income from continuing operations for the fiscal year or trailing 12 months divided by average total assets of continuing operations for the period) because ROI: adjusts operating income to exclude certain expense items and adds interest income; adjusts total assets from continuing operations for the impact of accumulated depreciation and amortization, accounts payable and accrued liabilities; and incorporates a factor of rent to arrive at total invested capital.

Although ROI is a standard financial metric, numerous methods exist for calculating a company’s ROI. As a result, the method used by management to calculate ROI may differ from the methods other companies use to calculate their ROI. We urge you to understand the methods used by other companies to calculate their ROI before comparing our ROI to that of such other companies.

The calculation of ROI along with a reconciliation to the calculation of ROA, the most comparable GAAP financial measurement, is as follows:

Wal-Mart Stores, Inc.
Return on Investment and Return on Assets

<i>(Dollar amounts in millions)</i>	Trailing Twelve Months Ended April 30,	
	2012	2011
CALCULATION OF RETURN ON INVESTMENT		
Numerator		
Operating income	\$ 27,049	\$ 25,701
+ Interest income	157	194
+ Depreciation and amortization	8,251	7,762
+ Rent	2,515	2,002
= Adjusted operating income	\$ 37,972	\$ 35,659
Denominator		
Average total assets of continuing operations ¹	\$ 191,569	\$ 180,016
+ Average accumulated depreciation and amortization ¹	49,761	45,641
- Average accounts payable ¹	35,775	32,927
- Average accrued liabilities ¹	16,300	15,790
+ Rent * 8	20,120	16,016
= Average invested capital	\$ 209,375	\$ 192,956
Return on investment (ROI)	18.1%	18.5%
CALCULATION OF RETURN ON ASSETS		
Numerator		
Income from continuing operations	\$ 16,770	\$ 16,093
Denominator		
Average total assets of continuing operations ¹	\$ 191,569	\$ 180,016
Return on assets (ROA)	8.8%	8.9%

Certain Balance Sheet Data	As of April 30,		
	2012	2011	2010
Total assets of continuing operations ²	\$197,020	\$186,117	173,914
Accumulated depreciation and amortization	50,835	48,686	42,596
Accounts payable	37,068	34,481	31,372
Accrued liabilities	16,638	15,962	15,617

1 The average is based on the addition of the account balance at the end of the current period to the account balance at the end of the prior period and dividing by 2.

2 Total assets of continuing operations as of April 30, 2012, 2011 and 2010 in the table above exclude assets of discontinued operations that are reflected in the Company's Consolidated Balance Sheets of \$80 million, \$108 million and \$129 million, respectively.

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Reconciliations of Certain Non-GAAP Measures to Most Directly Comparable GAAP Measures

Set forth below are reconciliations of certain non-GAAP financial measures appearing in the Press Release (as defined in the disclosure appearing under Item 2.02 of the Current Report on Form 8-K to which this Exhibit 99.2 is attached (the “Current Report”)) of Wal-Mart Stores, Inc., a Delaware corporation (the “Company”), to the most directly comparable financial measures calculated and presented in accordance with GAAP. The defined terms used in this Exhibit 99.2 and not defined herein are used with the meanings ascribed to those terms in the Current Report.

1. Reconciliation of the constant currency consolidated net sales of the Company for the three months ended April 30, 2012 (the “Current Quarter”) and the reported consolidated net sales of the Company for the Current Quarter (dollar amounts in billions):

Reported consolidated net sales for the Current Quarter	\$112.3
Reversing the negative effect of currency translation for the Current Quarter	0.8
Excluding effect of the Acquisitions for the Current Quarter	<u>(1.9)</u>
Constant currency consolidated net sales for the Current Quarter	\$111.2

2. Reconciliation of the increase in the constant currency consolidated net sales of the Company for the Current Quarter over the reported consolidated net sales of the Company for the three months ended April 30, 2011 (the “Prior Year Quarter”) and the increase in the reported consolidated net sales of the Company for the Current Quarter over the reported consolidated net sales of the Company for the Prior Year Quarter (dollar amounts in billions):

a. Constant currency consolidated net sales for the Current Quarter	\$111.2
b. Reported consolidated net sales for the Prior Year Quarter	\$103.4
Percentage Increase (% increase = (a ÷ b)-1)	7.5%
a. Reported consolidated net sales for the Current Quarter	\$112.3
b. Reported consolidated net sales for the Prior Year Quarter	\$103.4
Percentage Increase (% increase = (a ÷ b)-1)	8.6%

3. Reconciliation of the constant currency consolidated operating income of the Company for the Current Quarter and the reported consolidated operating income of the Company for the Current Quarter (dollar amounts in billions):

Reported consolidated operating income for the Current Quarter	\$ 6.4
Reversing the negative effect of currency translation for the Current Quarter	0.1
Excluding effect of the Acquisitions for the Current Quarter	<u>(0.1)</u>
Constant currency consolidated operating income for the Current Quarter	\$ 6.4

4. Reconciliation of the increase in the constant currency consolidated operating income of the Company for the Current Quarter over the reported consolidated operating income of the Company for the Prior Year Quarter and the increase in the reported consolidated operating income of the Company for the Current Quarter over the reported consolidated operating income of the Company for the Prior Year Quarter (dollar amounts in billions):

a. Constant currency consolidated operating income for the Current Quarter	\$6.4
b. Reported consolidated operating income for the Prior Year Quarter	\$5.9
Percentage Increase (% increase = (a ÷ b)-1)	8.6%
a. Reported consolidated operating income for the Current Quarter	\$6.4
b. Reported consolidated operating income for the Prior Year Quarter	\$5.9
Percentage Increase (% increase = (a ÷ b)-1)	8.3%

Note: Differences in percentage increases result from the calculation of percentages prior to rounding of amounts of reported and constant currency consolidated operating income for reporting purposes.

5. Reconciliation of the reported consolidated membership and other income of the Company for the Prior Year Quarter and consolidated membership and other income for the Company for the Prior Year Quarter excluding a gain of \$51 million from the sale of an investment by the Company's Chilean subsidiary that was recorded in the Prior Year Quarter (the "Chilean Investment Sale Gain") (dollar amounts in millions):

Reported consolidated membership and other income for the Prior Year Quarter	\$774
Excluding Chilean Investment Sale Gain	<u>(51)</u>
Consolidated membership and other income for the Prior Year Quarter excluding the Chilean Investment Sale Gain	\$723

6. Reconciliation of the increase in the reported consolidated membership and other income of the Company for the Current Quarter over the consolidated membership and other income of the Company for the Prior Year Quarter excluding the Chilean Investment Sale Gain, and the increase in the reported consolidated membership and other income of the Company for the Current Quarter over the reported consolidated membership and other income of the Company for the Prior Year Quarter (dollar amounts in millions):

a. Reported consolidated membership and other income for the Current Quarter	\$746
b. Consolidated membership and other income for the Prior Year Quarter excluding the Chilean Investment Sale Gain	\$723
Percentage Increase (% increase = $(a \div b) - 1$)	3.2%
a. Reported consolidated membership and other income for the Current Quarter	\$746
b. Reported consolidated membership and other income for the Prior Year Quarter	\$774
Percentage Decrease (% decrease = $1 - (a \div b)$)	-3.6%

7. Reconciliation of the constant currency net sales of the Company's Walmart International operating segment ("Walmart International") for the Current Quarter and the reported net sales of Walmart International for the Current Quarter (dollar amounts in billions):

Reported segment net sales for the Current Quarter	\$32.1
Reversing the negative effect of currency translation for the Current Quarter	0.8
Excluding effect of the Acquisitions for the Current Quarter	<u>(1.9)</u>
Constant currency segment net sales for the Current Quarter	\$31.0

8. Reconciliation of the increase in the constant currency net sales of Walmart International for the Current Quarter over the reported net sales of Walmart International for the Prior Year Quarter and the increase in the reported net sales of Walmart International for the Current Quarter over the reported net sales of Walmart International for the Prior Year Quarter (dollar amounts in billions):

a. Constant currency segment net sales for the Current Quarter	\$31.0
b. Reported segment net sales for the Prior Year Quarter	\$27.9
Percentage Increase (% increase = $(a \div b) - 1$)	10.9%
a. Reported segment net sales for the Current Quarter	\$32.1
b. Reported segment net sales for the Prior Year Quarter	\$27.9
Percentage Increase (% increase = $(a \div b) - 1$)	15.0%

9. Reconciliation of the constant currency operating income of Walmart International for the Current Quarter and the reported operating income of Walmart International for the Current Quarter (dollar amounts in billions):

Reported segment operating income for the Current Quarter as reported	\$ 1.3
Reversing the negative effect of currency translation for the Current Quarter	0.1
Excluding effect of the Acquisitions for the Current Quarter	<u>(0.1)</u>
Constant currency segment operating income for the Current Quarter	\$ 1.3

10. Reconciliation of the net sales of the Company's Sam's Club operating segment ("Sam's Club"), excluding fuel sales, for the Current Quarter and the reported net sales of Sam's Club for the Current Quarter (dollar amounts in billions):

Segment net sales, excluding fuel sales, for the Current Quarter	\$12.1
Segment fuel sales for the Current Quarter	<u>1.8</u>
Reported segment net sales for the Current Quarter	\$13.9

11. Reconciliation of the increase in the net sales, excluding fuel sales, of Sam's Club for the Current Quarter over the net sales, excluding fuel sales, of Sam's Club for the Prior Year Quarter and the increase in the reported net sales of Sam's Club for the Current Quarter over the reported net sales of Sam's Club for the Prior Year Quarter (dollar amounts in billions):

a. Segment net sales, excluding fuel sales, for the Current Quarter	\$12.1
b. Segment net sales, excluding fuel sales, for the Prior Year Quarter	\$11.3*
Percentage Increase (% increase = (a ÷ b)-1)	7.1%
a. Reported segment net sales for the Current Quarter	\$13.9
b. Reported segment net sales for the Prior Year Quarter	\$12.8
Percentage Increase (% increase = (a ÷ b)-1)	7.9%

* Segment net sales, excluding fuel sales, of Sam's Club for the Prior Year Quarter excluded \$1.5 billion of fuel sales from the reported segment net sales of Sam's Club for the Prior Year Quarter of \$12.8 billion.

12. Reconciliation of the Sam's Club comparable store sales, excluding fuel sales, for the thirteen weeks ended July 29, 2011 and the Sam's Club comparable store sales, including fuel sales, for the thirteen weeks ended July 29, 2011 (the "Prior Year Thirteen Weeks")

Comparable club sales, excluding fuel sales, for the Prior Year Thirteen Weeks	5.0%
Plus fuel sales contribution for the Prior Year Thirteen Weeks	<u>4.6%</u>
Comparable club sales, including fuel sales, for the Prior Year Thirteen Weeks	9.6%

13. Reconciliation of the reported consolidated operating income of the Company for the Prior Year Quarter and the consolidated operating income for the Company for the Prior Year Quarter excluding \$50 million of net pre-tax items realized in the Prior Year Quarter.

Reported consolidated operating income for the Prior Year Quarter	\$5,896
Excluding Prior Year Quarter net pre-tax items	<u>(50)</u>
Consolidated operating income for the Prior Year Quarter excluding Prior Year Quarter net pre-tax items	\$5,846

14. Reconciliation of the increase of the reported consolidated operating income of the Company for the Current Quarter over the consolidated operating income for the Company for the Prior Year Quarter excluding \$50 million of net pre-tax items realized in the Prior Year Quarter and the increase of the reported consolidated operating income of the Company for the Current Quarter over the reported consolidated operating income of the Company for the Prior Year Quarter.

a. Reported consolidated operating income for the Current Quarter	\$6,387
b. Consolidated operating income for the Prior Year Quarter excluding Prior Year Quarter net pre-tax items	\$5,846
Percentage Increase (% increase = (a÷b)-1)	9.2%
a. Reported consolidated operating income for the Current Quarter	\$6,387
b. Reported consolidated operating income for the Prior Year Quarter	\$5,896
Percentage Increase (% increase = (a÷b)-1)	8.3%