

Walmart Reports First Quarter Results

- Strong revenue growth of 6.0% with operating income growing faster at 9.6%; adjusted operating income up 13.7%¹
- eCommerce up 21% globally, led by store-fulfilled pickup & delivery and marketplace
- GAAP EPS of \$0.63; Adjusted EPS of \$0.60¹
- Company issues guidance for Q2; updates outlook for FY25

BENTONVILLE, Ark., May 16, 2024 – Walmart Inc. (NYSE: WMT) announces first quarter results with strong growth in revenue and operating income. Globally, eCommerce penetration is higher across all markets led by store-fulfilled pickup & delivery and marketplace. Walmart U.S. comp sales up 3.8%². Looking ahead, the Company issues guidance for the second quarter and expects net sales to increase 3.5% to 4.5% and operating income to grow 3.0% to 4.5%, in constant currency (“cc”)¹. The Company now expects to be at the high-end or slightly above its previous guidance (cc) for net sales growth of 3.0% to 4.0% and operating income growth of 4.0% to 6.0% for FY25.

First Quarter Highlights

- Consolidated revenue of \$161.5 billion, up 6.0%, or 5.8% (cc)¹, including a benefit of ~1% from an additional selling day
- Consolidated gross margin rate up 42bps due to improvements across segments, led by Walmart U.S.
- Consolidated operating income up \$0.6 billion, or 9.6%; adjusted operating income up 13.7%¹, due to higher gross margins and growth in membership income
- Global eCommerce sales grew 21%, led by store-fulfilled pickup & delivery and marketplace
- Global advertising business³ grew 24%, including 26% for Walmart Connect in the U.S.
- Adjusted EPS¹ of \$0.60 excludes the effect, net of tax, from a net gain of \$0.05 on equity and other investments and business reorganization charges of \$0.02
- Global inventory down 2.7%, including a decrease of 4.2% for Walmart U.S.; in-stock levels healthy

“ Our team delivered a great quarter. Around the world our goal is simple - we’re focused on saving our customers both money and time. It’s inspiring to see how our associates are simultaneously executing the fundamentals and innovating to make shopping with us more enjoyable and convenient. We’re people-led and tech-powered, and that combination is propelling our business.”

[Doug McMillon](#)
President and CEO, Walmart



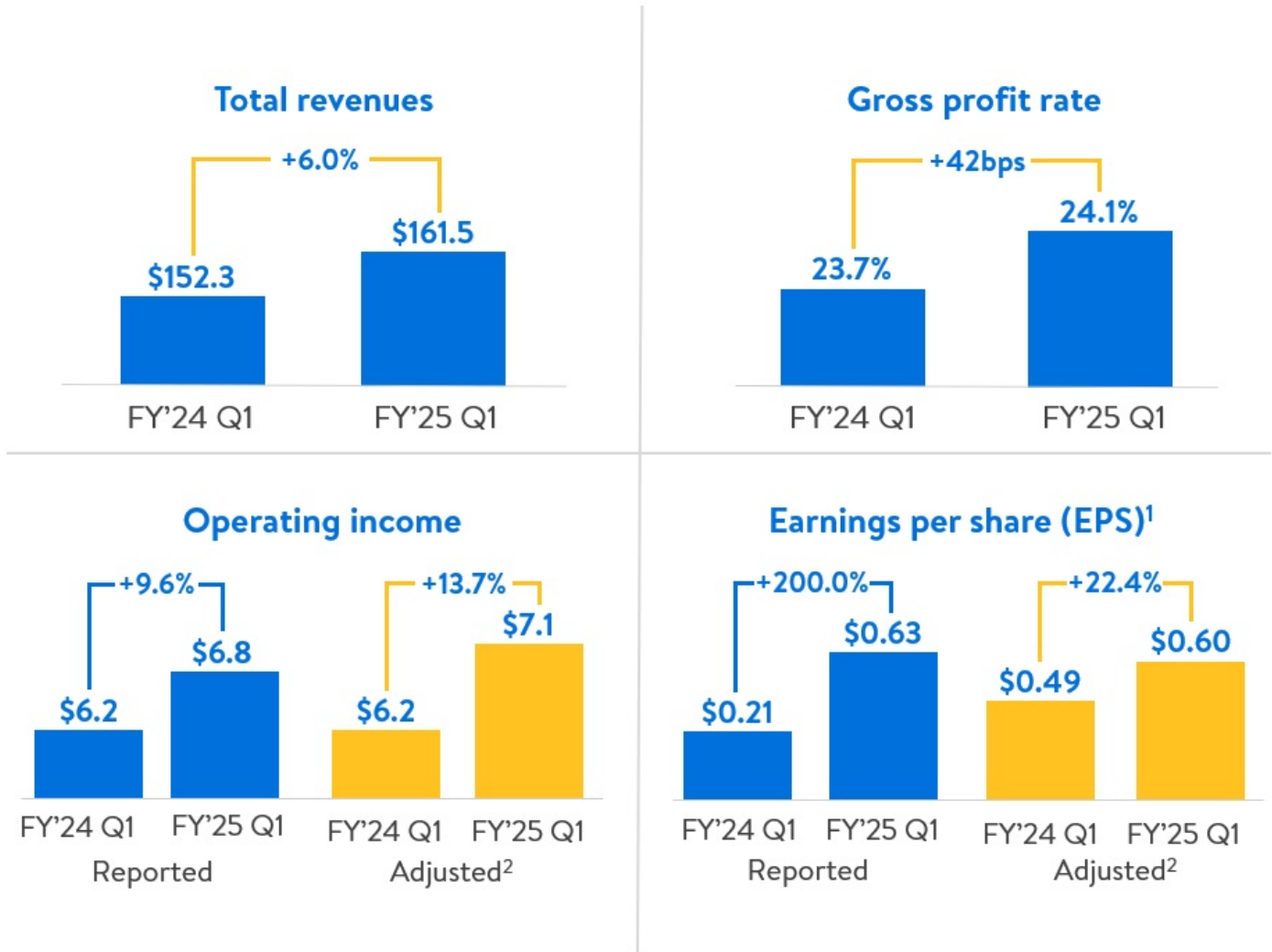
¹ See additional information at the end of the release regarding non-GAAP financial measures.

² Comp sales for the 13-week period ended April 26th, 2024 compared to the 13-week period ended April 28th, 2023, and excludes fuel. See Supplemental Financial Information for additional information.

³ Our global advertising business is recorded in either net sales or as a reduction to cost of sales, depending on the nature of the advertising arrangement.
“cc” - constant currency

Key Financial Metrics

Dollars in billions, except per share data. Dollar and percentage changes may not recalculate due to rounding. Charts may not be to scale.



Balance Sheet and Liquidity

- Cash and cash equivalents of \$9.4 billion
- Total debt of \$50.1 billion³
- Operating cash flow of \$4.2 billion, a decrease of \$0.4 billion
- Free cash flow of negative \$0.4 billion², a decrease of \$0.6 billion
- Repurchased 18.0 million shares⁴, or \$1.1 billion
- Inventory of \$55.4 billion, a decrease of \$1.6 billion

¹Comparison period per-share amounts have been retroactively adjusted to reflect the February 23, 2024 stock split.

²See additional information at the end of this release regarding non-GAAP financial measures.

³Debt includes short-term borrowings, long-term debt due within one year, finance lease obligations due within one year, long-term debt and long-term finance lease obligations.

⁴\$15.5 billion remaining of \$20 billion authorization approved in November 2022.

Business Highlights and Strategic Initiatives

Dollars in billions, except as noted. Dollar and percentage changes may not recalculate due to rounding.

	Walmart U.S.	FY'25Q1	FY'24Q1	Change	
Net sales		\$108.7	\$103.9	\$4.8	4.6%
Comp sales (ex. fuel) ²		3.8%	7.4%	NP	NP
Transactions		3.8%	2.9%	NP	NP
Average Ticket		flat	4.4%	NP	NP
eCommerce contribution to comp		~280 bps	~270 bps	NP	NP
Operating income		\$5.3	\$5.0	\$0.3	7.0%
Adjusted operating income ¹		\$5.5	\$5.0	\$0.5	9.6%

Walmart U.S.

- Sales reflected strength in transaction counts and unit volumes; like-for-like inflation slightly positive
- Value-convenience proposition is resonating; share gains primarily driven by upper-income households
- Growth in eCommerce of 22%, led by store-fulfilled pickup & delivery and marketplace
- Walmart Connect advertising sales grew 26%; strong growth in advertiser counts, including marketplace sellers
- Gross profit rate increased 46 bps; membership income increased; operating expense deleveraged 48 bps
- Inventory declined 4.2% with sustained strong sales and higher in-stock levels

	Walmart International	FY'25Q1	FY'24Q1	Change	
Net sales		\$29.8	\$26.6	\$3.2	12.1%
Net sales cc ¹		\$29.4	\$26.6	\$2.8	10.7%
Operating income		\$1.5	\$1.2	\$0.4	31.7%
Operating income cc ¹		\$1.5	\$1.2	\$0.3	27.2%

Walmart International

- Growth in net sales cc¹ of 10.7% led by Walmex, China and Flipkart
- eCommerce sales up 19%, led by store fulfilled pickup & delivery and marketplace. Penetration up across markets
- Advertising business³ grew 27%, led by Flipkart and Walmex
- Strength in food and consumables as well as improved growth in general merchandise
- Gross profit rate increased 32bps due to improved eCommerce margins and growth in higher-margin services
- Operating income cc¹ up 27.2% with strength across markets and benefiting from lower losses in eCommerce

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

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³ Our global advertising business is recorded in either net sales or as a reduction to cost of sales, depending on the nature of the advertising arrangement.

NP - Not provided

cc - constant currency

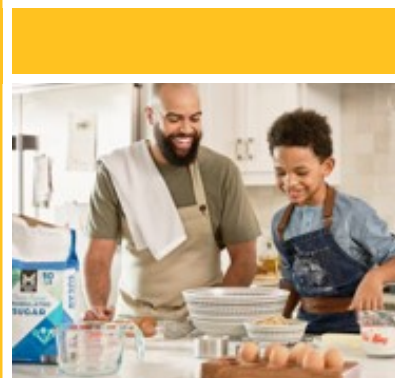
Sam's Club U.S.	FY'25Q1	FY'24Q1	Change	
Net sales	\$21.4	\$20.5	\$0.9	4.6%
Net sales (ex. fuel)	\$18.7	\$17.8	\$0.9	5.3%
Comp sales (ex. fuel) ¹	4.4%	7.0%	NP	NP
Transactions	5.4%	2.9%	NP	NP
Average Ticket	-1.0%	4.0%	NP	NP
eCommerce contribution to comp	~180 bps	~160 bps	NP	NP
Operating income	\$0.6	\$0.5	\$0.2	34.3%

Sam's Club U.S.

- Solid comp sales, led by food and consumables as well as increases in transactions and unit volumes
- Gained dollar and unit market share in grocery
- Growth in eCommerce sales of 18% led by club-fulfilled curbside and delivery
- Strong growth in membership income, up 13.3%, with record total membership and Plus penetration at quarter end
- Gross profit rate increased 58 bps; operating expense deleverage 17 bps
- Inventory declined 4.9% with sustained strong sales and higher in-stock levels

¹ Comp sales for the 13-week period ended April 26th, 2024 compared to the 13-week period ended April 28th, 2023, and excludes fuel. See Supplemental Financial Information for additional information.

NP - Not provided



Guidance

The following guidance reflects the Company's expectations for the second quarter and fiscal year 2025 and is provided on a non-GAAP basis as the Company cannot predict certain elements that are included in reported GAAP results, such as the changes in fair value of the Company's equity and other investments. Growth rates reflect an adjusted basis for prior year results. Additionally, the Company's guidance assumes a generally stable consumer and continued pressure from its mix of products and formats globally. The Company's fiscal year guidance is based on the following FY24 figures: Net sales: \$642.6 billion, adjusted operating income¹: \$27.1 billion, and adjusted EPS¹: \$2.22.

Second Quarter

Metric	Q2
Consolidated net sales (cc)	Increase 3.5% to 4.5%
Consolidated operating income (cc)	Increase 3.0% to 4.5%
Adjusted EPS	\$0.62 to \$0.65

Fiscal Year 2025

Metric	FY 2025 (updated)	FY 2025 (original)
Consolidated net sales (cc)	High-end or slightly above original guidance	Increase 3.0% to 4.0%
Consolidated adj. operating income (cc)	High-end or slightly above original guidance	Increase 4.0% to 6.0%
Interest, net	Unchanged from original guidance	Increase approximately \$100M to \$200M
Effective tax rate	Unchanged from original guidance	Approximately 25.0% to 26.0%
Non-controlling interest	Unchanged from original guidance	Relatively flat
Adjusted EPS	High-end or slightly above original guidance	\$2.23 to \$2.37
Capital expenditures	Unchanged from original guidance	Approximately 3.0% to 3.5% of net sales

¹ For relevant reconciliations, see Q4 FY24 earnings release furnished on Form 8-K on February 20, 2024.
cc - constant currency

Walmart Inc.

Condensed Consolidated Statements of Income

(Unaudited)

(Amounts in millions, except per share data)	Three Months Ended		Percent Change
	2024	April 30, 2023	
Revenues:			
Net sales	\$ 159,938	\$ 151,004	5.9 %
Membership and other income	1,570	1,297	21.0 %
Total revenues	161,508	152,301	6.0 %
Costs and expenses:			
Cost of sales	121,431	115,284	5.3 %
Operating, selling, general and administrative expenses	33,236	30,777	8.0 %
Operating income	6,841	6,240	9.6 %
Interest:			
Debt	597	568	5.1 %
Finance lease obligations	117	96	21.9 %
Interest income	(114)	(107)	6.5 %
Interest, net	600	557	7.7 %
Other (gains) and losses	(794)	2,995	NM
Income before income taxes	7,035	2,688	161.7 %
Provision for income taxes	1,728	792	118.2 %
Consolidated net income	5,307	1,896	179.9 %
Consolidated net income attributable to noncontrolling interest	(203)	(223)	(9.0)%
Consolidated net income attributable to Walmart	\$ 5,104	\$ 1,673	205.1 %
Net income per common share:			
Basic net income per common share attributable to Walmart	\$ 0.63	\$ 0.21	200.0 %
Diluted net income per common share attributable to Walmart	\$ 0.63	\$ 0.21	200.0 %
Weighted-average common shares outstanding:			
Basic	8,053	8,082	
Diluted	8,084	8,112	
Dividends declared per common share	\$ 0.83	\$ 0.76	

NM = Not Meaningful