

# NYSE: WMT

## Consumer Staples Industry



### Krause Research Fund Fall 2024

#### Analysts

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#### Company Overview

Walmart, Inc. is the world's largest discount retailer with more than 10K stores worldwide. Renowned for its customer centric strategy and everyday low prices, Walmart continues to create a highly efficient environment through its top-of-the-line supply chain and innovation from new technology [1].

#### Financial Snapshot

##### Valuation Models:

DCF: \$70.99  
DDM: \$58.86  
Relative Valuation: \$30.48

##### Stock Performance Highlights:

Current Price: \$84.08  
52-Week Range: \$49.85 – 85.79  
Market Cap: 675.9B

##### Financial Metrics:

2024 Revenue (\$M): 648,125  
2025E Revenue (\$M): 679,495  
2024 EPS: \$1.92  
2025E EPS: \$2.72

##### Financial Ratios:

2024 ROE: 17.13%  
2024 ROA: 8.4%  
2024 Net Profit Margin: 35.51%

**Stock Rating: SELL**  
As of 11/18/2024

Stock Price: **\$84.08**

Target Range **\$63 – \$84**

#### Investment Thesis

We recommend a **SELL** rating for Walmart (WMT) because although they have growth potential in their U.S. and Walmart International stores, the share price is highly inflated. Walmart is currently trading at a 30x+ P/E multiple which is more than double the average of our industry peers and has been outpacing the market for the last 6 months. WMT presents a 0% upside return and a minimum -25% return.

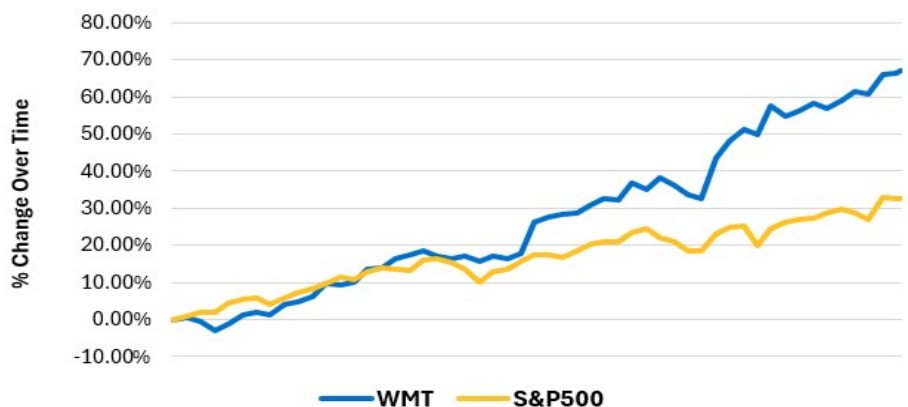
##### Thesis Drivers:

- **Tariffs:** With a new administration taking office in the coming months, tariffs loom as a risk to Walmart's cost of sales on imported items. Cost of sales could increase 1-2% if a flat tariff is introduced or if the burden is passed onto the consumer; demand on discretionary retail products may subside equally.
- **High P/E Multiple:** Despite a strong dose of optimism in our valuation modeling, our price target has still fallen well below their current price. As previously stated, they are trading at a forward-looking 30x+ P/E ratio.

##### Thesis Risks:

- **Continued Drive for Discount Retail:** Consumer staples products have seen high influxes in prices since the recovery of the pandemic. We expect that as higher prices on goods continue to eliminate a larger portion of consumer's disposable income, demand for discount retailers will dominate premium-price retailers.
- **Private Label Product Growth:** Additionally, we are expecting an increase of private label product sales which will bolster revenue growth to 5.6% and 5.29% over the next four years for Walmart U.S. and Sam's Club, respectively.

#### 1 Year Stock Price Compared to S&P 500



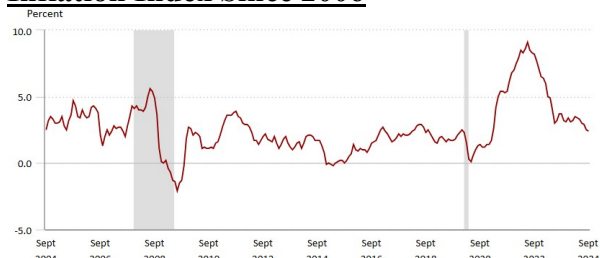
Source: [2] [3]

## Economic Analysis

### **Inflation:**

Inflation has a unique influence on Walmart's financial outlook because it can harm sales per capita but increase the number of shoppers who choose Walmart. While increased inflation impacts the purchasing power of consumers, we would expect an increase in inflation to cause a sales per capita loss. However, discount retailers may benefit from this loss of purchasing power as consumers will push to seek lower-cost options. Before the pandemic, inflation had stayed steady at around 2-3% over the last 30 years, excluding times of deflation during the recession from 2008 to 2009. [4]. Inflation fell from its peak of 9.1% in June of 2022 to 3% in June of 2023. We expect this trend to flatten out through the remainder of 2024 into 2025 and reach levels of 2.3%. In the long term, we expect the Federal Reserve to continue to reach its target of 2%. While the effects of high inflation rates may currently heed the purchasing power of consumers in the sector, we can expect this downward pressure to slowly ease in the coming years.

### **Inflation Index Since 2006**



Source: [4]

### **Consumer Confidence Index:**

Consumer confidence is integral to the consumer staples sector as the perceptions of individuals on the economy affect their behavior and therefore spending habits. Applications of this can be seen in the sales of private label and branded products, when the population expects the economy to worsen, they would be more likely to budget and purchase the cheaper private label products. The index is the result of a consumer's thoughts on the business and labor market conditions, economic growth, and both

financial and employment expectations 12 months into the future [5]. In the next 6 months, we expect the index to increase about 1% (1 point). In the next 2-3 years, we expect the index to increase 2% (2 points) from today because of improving economic conditions and a cooling inflation rate. As consumers develop an optimistic view of the economy, and the index rises, they will be more likely to buy more whenever they shop instead of needing to feel limited with their spending budget. If Walmart has established themselves as a consumer's primary shopping location, then Walmart would see an increase in the total amount that consumers buy during their visit.

### **Monthly Change of the Consumer Confidence Index**

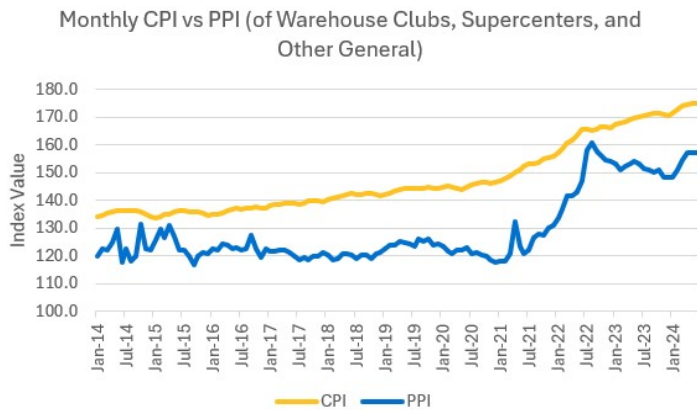


Source: [5]

### **Producer Price Index (PPI) vs Consumer Price Index (CPI):**

The PPI is an index that measures the changes in selling prices received by producers over time and is a leading indicator of the CPI [6]. The PPI used in the graph analyzes the warehouse club, supercenter, and other general retailer industry, and the CPI used analyzes urban consumers' market basket of goods [7]. Within the last 10 years, these indexes have both increased dramatically. In total, the CPI has risen by 30.4% since January 2014, and the PPI saw a 31.1% increase in the same period. Both indexes faced the largest changes from January 2021 to July 2022, where the CPI grew by 12.5%, but the PPI grew by 34%. As the PPI increases and decreases, there is an influence on the CPI, where it increases at faster or slower rates. However, the increases in the CPI are

much less drastic, as the highest monthly increase in the PPI at 9.5% in April 2021, was followed by an 8.3% increase in the CPI over the following year [6] [7]. This means that producers slowly pass the increased costs to the consumers and hold back price hikes to maintain demand. However, in 2023 as the PPI dropped, the CPI continued to increase, meaning the producers are passing more and more of the costs to the consumer. We anticipate the PPI to face an increase of 0.6% in the next 6 months, and to increase by 3.5% in the next 2 to 3 years. We also expect the CPI to increase by 0.5% in the next 6 months and 2.5% in the next 2-3 years. This would indicate that the producers will slowly pass on the price increases to the consumers as they have done in the past, keeping consumer demand in check.

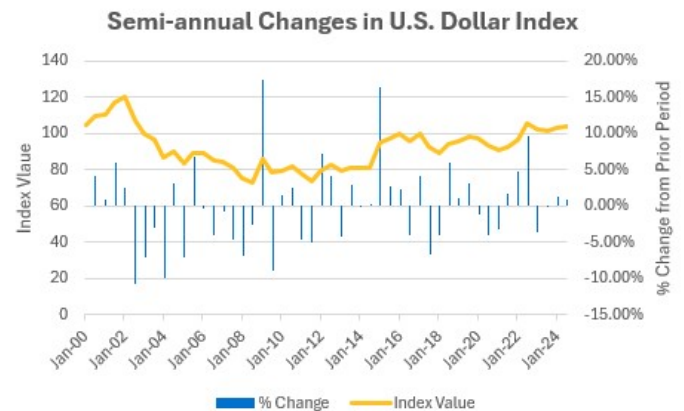


Source: [9]

## US Dollar Index

For companies that operate internationally or import from other countries, the strength of the US dollar must be considered before making certain decisions. When the U.S. dollar grows in strength, it could make buying materials from other countries more cost-efficient than getting them domestically. The same logic applies to international operations, where the same level of expenses would be cheaper when the U.S. dollar is strong. The index measures the strength of the U.S. dollar against 6 other foreign currencies at the same time: the euro, the Swiss franc, the Japanese yen, the Canadian dollar, the British pound, and the Swedish krona [8]. This index has shown that the US dollar has appreciated slightly more compared to these other currencies, meaning the U.S. dollar is

slightly stronger overall. Despite a decrease in the index at the start of the COVID-19 pandemic, dropping 7% in 18 months, the index has increased by about 11% over the last 4 years [8]. The index has settled down to more consistent levels since the start of 2023, only increasing by 2%. In the next 6 months, we anticipate the U.S. dollar index to decrease by 1 point because many nations are still dealing with inflation, and the index to decrease by 5 points in the next 2-3 years due to uncertainty with the foreign policy of the U.S.



Source: [8]

## Industry Analysis

### Trends

The large-scale discount retail industry is making shifts toward the inclusion of automation and decreasing shrink. The most notable automation change is the shift of self-checkout within stores. Target and Dollar General have been pushing back on self-checkout by limiting the number of items allowed or decreasing the number of self-checkout stations. Walmart is joining the industry leaders by shifting toward traditional checkout lanes in a location in Missouri [9]. Depending on the results in the next few years, we could expect the retail shopping experience to change back to more conventional checkout methods. Doing this will increase wage expenses, but it may also provide a more fulfilling experience for shoppers while reducing the chance of theft from self-checkout.

Walmart is also focusing on automation in their fulfillment centers to improve their supply chain by

using robots to sort and pack items, then having a human do the final quality checks [10]. For a firm, doing this will increase efficiency and lower wage expenses because fewer people are interacting with the products. Implementing similar kinds of technology in other industry-leading retailers could increase competitive pressure from firms such as Costco and Target.

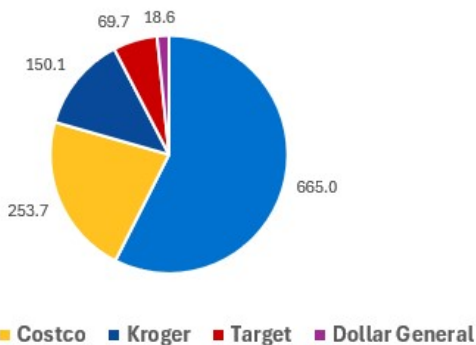
Online shopping has been more relevant after the COVID-19 pandemic and may increase because of more mobile connections and a deeper integration of technology in people’s lives. This is also met with more delivery options such as same-day delivery, curbside, and contactless delivery [11]. Further technological advancements will only make this process more efficient and convenient for the consumer. Higher availability of online shopping increases the buying power of consumers as well since it is easier than ever to compare prices among several stores in just a few minutes.

### Key Players and Peers

Large-scale discount retailers have few competitors in the industry due to the benefits of economies of scale that only few can benefit from, tight margins that require lots of sales volume to withhold, and the logistical burden required to establish an efficient supply chain. The leaders in the industry are Walmart (WMT) with \$665B in sales, Costco (COST) with \$253B, Kroger (KR) with \$150B, Target (TGT) with \$107B, and Dollar General (DG) with \$39B.

### Peer Comparisons

Peer Sales in Millions of \$

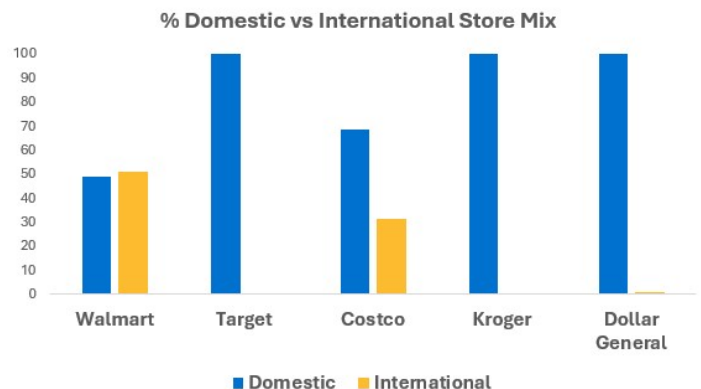


Source: [1] [12] [13] [14] [15]

### Walmart

**Financial:** Walmart is trading at a P/E ratio of 41.96x, the second most among comparable discount retailers, only behind Costco [1]. They have the lowest ROE at ~18%, likely a result of increasing operating costs. Additionally, they have a current ratio of 0.80, the lowest among their competitors, but could also be explained by supply chain intricacies to move a massive amount of inventory for an asset turnover of 5.47.

**Operating:** Walmart has experienced the largest increase in same-store sales (often referred to as comparable sales) from the last fiscal year compared to its peers at 5.5% [1]. They have a healthy mix of geographic coverage with 5,214 stores inside the U.S. and 5,402 internationally. Combined, Walmart’s retail space covers over 1M square feet which is more than 4x the size of the closest competitor. They fall in the middle of the pack in average sales per square foot at \$606.



Source: [1] [12] [13] [14] [15]

### Costco

**Financial:** Costco is trading at a 55.63x P/E multiple, the highest among competitors. This is due to their financial strength, as they have an ROE of 31.64%, second to Target [12]. They are slightly less leveraged than the industry average with a current ratio of 0.94. and they have an asset turnover of 3.81.

**Operating:** Costco falls right behind Walmart in same-store sales with a 3% growth. They have the least number of stores relative to its’ peers with 591 in the U.S. and 270 internationally (largely in Canada) [12]. Because of this, they have the least

total retail square feet but make up for this with the highest sales per retail square foot at \$1,882, more than twice as much as the next closest competitor. This high value reflects Costco's bulk sales and strong location strategy, Walmart can tap into this with greater investment in Sam's Club location opening.

### **Kroger**

**Financial:** Kroger is currently trading at a 14.41x P/E multiple, the second lowest among competitors. They have an ROE of 24% and an asset turnover of 3.00; both of which are the median values of our expressed industry competitors. Additionally, a current ratio of 0.87 [13].

**Operating:** Kroger finds themselves in the middle of the pack on nearly all operating metrics. In the last fiscal year, they experienced 0.9% growth in same-store sales, the third lowest among direct competitors. They operate exclusively in the U.S. with 2,722 locations for a total of 180M square which generates \$838 per square foot [13]. Kroger competes with other discount retailers on selection. They operate their food production facilities for private label products, offer in-store pharmacies & jewelers, and on-site fuel stations at supermarkets [16]. This is beneficial to the Kroger brand, as it can become a "one-stop-shopping" spot for consumers.

### **Target**

**Financial:** Target has a P/E ratio of 15.79x, the median of competitors. However, they generate the highest ROE at 33.97%, a current ratio of 0.90 and the second lowest asset turnover at 1.97 [14].

**Operating:** Target was the only competitor in the industry to experience a loss of comparable sales in the last year, regressing 3.7%. This is likely a result of being a premium player on price in a time when there is less disposable income. Their locations are similarly sized to that of Walmart, ahead of Kroger and Dollar General. Therefore, although they only have 1,956 locations (second least), they have a total of 244M square feet of retail space (second most). From which they generate \$432 in sales per square foot [14]. Target finds its success as a premium player compared to other discount retailers due to its strong

set of private-label brands in areas such as clothing, home décor, and food & beverage [17]. This brand-centric approach can provide strong brand loyalty and customer retention, especially in times when budgets are tight.

### **Dollar General**

**Financial:** Dollar General is trading at the lowest P/E multiple of its competitors at 13.34x. Despite this, they have a ROE of 20.88%, which is greater than Walmart [15]. Additionally, they have the healthiest current ratio of 1.22 meaning they are the only competitor that could pay off their debt obligations due within a year with their current assets. However, they have the worst asset turnover at only 1.33.

**Operating:** Dollar General is also a leader in terms of price, although they do not offer a selection of other discount retailers who have much larger stores or supermarkets. They have an industry-high 20,000+ stores across the U.S., with only 3 outside of the U.S., all of which are in Mexico [15]. In total, they have 145M in retail square feet, only leading Costco by <20M. Last year, their comparable sales grew by only 0.2%. Additionally, they have an industry-low \$264 sales per square foot. For reference, this is less than half of Walmart and more than 6 times less than Costco. Dollar General has a high upside if stores can prove to be profitable as they can expand their stores into locations with smaller populations due to their inherent small store size.

## **Company Analysis**

### **Profile**

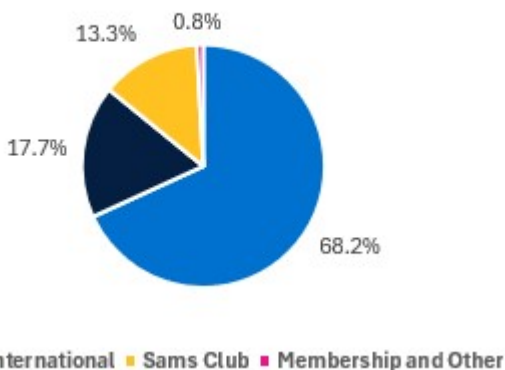
Walmart is the world's largest retailer, operating across the globe and serving millions of customers weekly through its physical stores and digital platforms [1]. The company operates through three main segments: Walmart U.S., its largest and most profitable division; Walmart International, spanning 19 countries; and Sam's Club, a membership-based warehouse club offering bulk goods and services. Known for its "Everyday Low Prices" strategy, Walmart appeals to cost-conscious consumers across a diverse product portfolio, including groceries, apparel, electronics, and pharmacy services. In

In addition to physical stores, Walmart also has expanded into e-commerce with Walmart+, a membership service offering subscribers extra benefits.

## Revenue Analysis

In 2024, Walmart made \$648 billion in revenue and grew 6% from 2023. This revenue comes from 3 operational segments: Walmart US, Walmart International, and Sam’s Club. Walmart also offers a membership service through Walmart+. Over the past 10 years, the company has faced many changes in their growth. From 2015 to 2020, Walmart did not have a year where they grew by more than 3% and decreased in revenue in 2016 by 0.7% [1]. In the past 4 years however, Walmart has experienced much higher growth, having 6.7% revenue growth in 2021 and 2023, but a 2.4% growth in 2022. We expect Walmart’s comprehensive growth in revenue to grow by 4.8% in 2025, and then stay at 5.6% growth from 2025 to 2028. We then predict growth to cool each year by 0.04% until 2032. This is because of Walmart’s recent increased investment in technology to improve their supply chain, which would cause revenue to temporarily rise to a higher level before slowing over 4 years to a 4.1% increase in revenue in 2032 as consumers adjust to Walmart’s improved supply chain.

2024 Revenues by Segment



Source: [1]

### Walmart U.S.

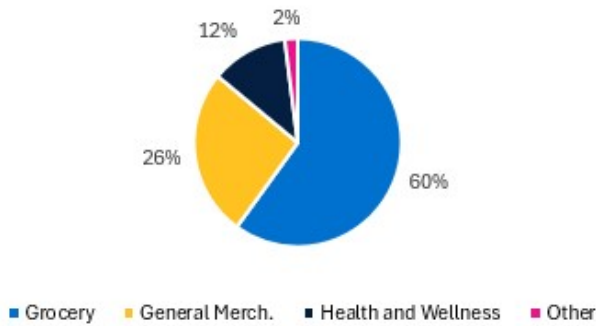
Walmart operates in all 50 states, Washington D.C., and Puerto Rico, making up the Walmart U.S. segment. The U.S. operations for make up the largest portion of their revenues at 68.2% in 2024, earning

\$441.8 billion [1]. For the last 10 years, Walmart has been using their store space more efficiently in this time as well. The sales per square foot increased from \$420 to \$630 per square foot over that period. Since 2020, Walmart U.S. has also been growing consistently at over 5% per year. We anticipate this trend to continue and for Walmart to continuously improve the amount of revenue per square foot for each fiscal year, eventually reaching \$970 per square foot in 2032. The growth rate for this is expected to be faster than the other segments because it is a much larger source of revenue for Walmart, so the focus on improvement would be focused on U.S. Walmart stores. We are also expecting Walmart’s store count to begin to increase each year by the average 10-year historical store growth, eventually gaining 81 stores over the forecasted 8 years, and thus boosting the amount of U.S. revenue brought in.

### Walmart International

The second largest portion of revenue for Walmart comes from international operations. In 2024, Walmart International contributed 17.7% of the total sales and \$114.6 billion [1]. This segment’s growth is irregular, with 2022’s revenue decreasing by 16.8% from the prior period, no growth in sales in 2023, and 13.5% sales growth in 2024. Walmart has more stores located around the world compared to stores in the U.S., with 787 stores in 2024, but is less efficient at using the space. 2024’s sales per square foot only reached \$420, which Walmart U.S. achieved in 2015. However, Walmart International has been growing the sales per square foot for the past 7 years, originally starting at \$310. While we forecast the store growth to decrease in the future because the 10-year historical store growth has shown a decline, we believe the efficiency trend will continue and increase by \$20 per square foot per year because of their increased supply chain and better technology integration. 60% of Walmart International and U.S. store sales are from grocery products which proves to be a reliable staple because it is essential. Walmart has room for growth in the Health and Wellness segment, as it only makes up 12% of sales.

Walmart U.S. & Int. Sales by Category

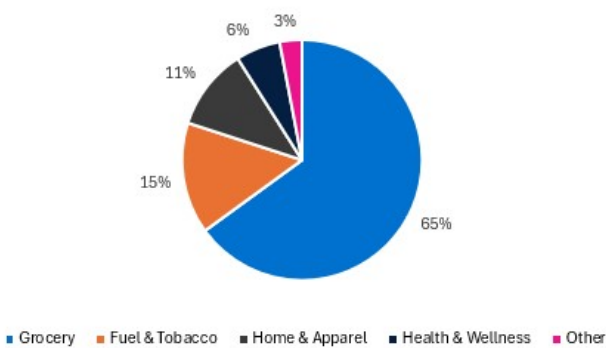


Source: [1]

### Sam's Club

Sam's Club is a membership-only warehouse club that operates with lower gross profit rates compared to the other segments. This segment of Walmart offered 13.3% of revenue in 2024, at \$86.2 billion, but holds the highest amount of revenue per square foot at \$1,070 in 2024 [1]. The revenue growth this segment has generated has been relatively tame except for 8.7% growth in 2021, 15.1% in 2022, and 14.7% in 2023. Sam's Club also faced some decreases in revenue in 2016 and 2019 at 2.1% and 2.4% respectively. While Sam's Club's revenue only grew 2.2% from 2023, we project sales growth to rise again to 5.3% for the next 4 years, then steadily cool down to 3.29% in 2032. We also anticipate the efficiency of Sam's Club's space to continue to improve, increasing by \$60 per year. Sam's Club is more grocery intensive than Walmart U.S. and International Stores. The Fuel & Tobacco segment accounts for 15% of store sales, which is important to the diversification of segments.

Sam's Club Sales by Category



Source: [1]

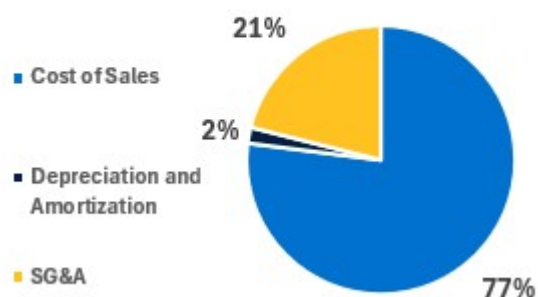
### Memberships

In addition to Sam's Club membership revenue, Walmart also offers Walmart+. This subscription gives members perks such as free delivery, discounted fuel, and online deals. 2024 brought \$5.5 billion in membership revenue, making 0.8% of the revenue that year. The past 3 years have experienced 27.4%, 8.3%, and 1.5% growth in 2022, 2023, and 2024 respectively [1]. As we expect e-commerce to become more prominent in the future, we also forecast membership revenue to grow at 0.8% per year until 2029, when we expect Walmart's online presence to improve and thus grow at a faster rate each year.

### Expense Analysis

Most of Walmart's expenses come from its operations since it is a company that heavily revolves around holding large amounts of inventory. In 2024, Walmart's cost of sales accounted for 77% of its operating expenses [1]. Operating, selling, general, and administrative expenses were the next largest portion of Walmart's operating expenses, at 21% in 2024. Lastly, depreciation and amortization only made up 2% of operating expenses. These operating expenses remain at a relatively constant level percentage of sales throughout previous years and the forecasted amounts. In the past 10 years, cost of sales has represented 73.11% of the sales on average, operating selling, general, and administrative expenses averaged 20.56%, and depreciation and amortization has made up 1.97% on average. We anticipate the portion of sales for these expenses to stay near the historical levels. Our forecast projects an average of 73.22% of sales for cost of sales, 20.66% for operating selling, general, and administrative expenses, and 1.52% for depreciation and amortization over the next 8 years.

## Walmart 2024 Operating Expense Breakdown



Source: [1]

## Debt Maturity Analysis

Walmart's long-term debts due in the next 5 years are at manageable levels that they have dealt with before. The highest amount of debt that they will face will not exceed 0.52% of their sales, and the highest amount of long-term debt due within a year in the past was 1.02% of sales in 2020. Walmart only releases information about the long-term debt due in the next 5 years, so to estimate the final 3 years of the forecast, we used a 10-year running average of the previous amounts of long-term debt due within 1 year. Standard and Poor's rating of Walmart's long-term debt is AA [1], the highest debt rating of direct competitors. This makes Walmart incredibly trustworthy in paying their debt obligations and reflects the low level of risk in their operations. In past years, Walmart has often carried at least double their current portion of long-term debt year in cash and cash equivalents, suggesting that the company is prepared to pay any debts they may gain in the future.

## Capital Expenditures Assumptions

Walmart has been increasing their Capital Expenditures compared to previous years to focus on improving their "investment strategy". CFO John David Rainey mentioned in the August 15<sup>th</sup> earnings call that management is "pleased with the returns from these investments, particularly the automation of our supply chain" [18]. Walmart's expenditures in supply chain, customer-facing initiatives, and technology made up 66.8% of Walmart U.S. capital expenditures in 2024 and increased by 28.4% from 2023. We expect Walmart to keep a relatively high

total capital expenditure values to continue supporting their investment strategy in improving supply chain automation. Our forecast predicts a constant level of capital expenditure after 2024 based on a 5-year average of capital expenditure per square foot. This results in capital expenditures that are lower than in 2024 but are higher than the past 10 years to compensate for more investment in supply chain automation.

## Payout Policy – Dividends & Repurchases

Walmart pays regular dividends to their shareholders each year. Dividends have been increasing at an average rate of \$0.013 per year for the last 10 years, after adjusting for the stock split that occurred in February 2024 and displaying their reliability to pay out dividends to shareholders. These stable dividends are appealing and follow our forecast of Walmart increasing their dividends.

Walmart's stock repurchase funds come from their free cash flows and are following a \$20 billion share repurchase program approved in November of 2022. This plan has no expiration date and has authorization for \$16.5 billion of share repurchases remaining as of January 31, 2024.

## M&A Activity

Walmart's most recent acquisition was the purchase of Vizio on February 20, 2024, for \$11.50 per share (\$2.3 billion). Vizio creates smart TVs and soundbars, and the acquisition allows Walmart to connect with customers further through home media experiences and entertainment. Walmart planned to use "cash and/or debt" to finance the purchase [19]. Other recent acquisitions include Menomi, a technology-producing company for virtual reality try-on fashion experiences using AI [20], and Volt Systems, a technology company that allows suppliers to have on-demand visibility with their merchandising resources [21]. Both companies were acquired in 2022 for an undisclosed price. We believe that these purchases were beneficial to Walmart because they can help improve Walmart's media presence and efficiencies within their supply chain. Having a technology focus when it comes to Walmart's acquisitions is a smart



move to add a competitive edge by staying ahead of trends like AI inclusion and to improve data collection and utilization capabilities.

## SWOT Analysis

### **Strengths**

Walmart's strengths come from its massive size being the world's largest retailer by revenue, and its global presence. Offering "everyday low prices" brings in millions of customers every day and allows them to remain competitive while bringing in large amounts of traffic. Such a large scale itself is a massive advantage, allowing lower per-unit costs through bulk purchases. Walmart's scale also forces them to have a very efficient supply chain. Having a diverse number of products also enables stable revenues despite seasonality. The Walmart name is another strength of the company, as it is arguably the most popular cost-effective retailer. The presence the company holds in the minds of consumers is a powerful determinant of where they decide to shop.

### **Weaknesses**

Keeping prices low and competitive means a lower profit margin for Walmart and is saved by the massive scale that they have. This massive scale has primarily been led by their in-person traffic but lacking in e-commerce compared to other companies. Walmart+ is a great way to get membership revenue and online presence, although this market is dominated by Costco and Amazon. Due to this, Walmart may be seeing slower membership growth than what they wanted. While Walmart is a global store, most of their sales are focused on the United States, making domestic economic fluctuations much more difficult to deal with as they will have a larger impact on sales.

### **Opportunities**

With the health and wellness sector growing, Walmart can put more effort into their pharmaceutical and healthcare products, taking advantage of the growing market. Doing this can help increase revenues in an area of merchandise that could have

higher profit margins given the market conditions. As Walmart continues to grow in scale, they can afford to make acquisitions to continue to grow their business. Another opportunity Walmart can act on is offering better online deals through Walmart+. Since Walmart needs to be more competitive in e-commerce, they can compete in the online grocery market by giving subscribers better bulk deals on food items to make the subscription more appealing.

### **Threats**

Walmart offers a variety of products throughout their stores, which also means that companies can focus on one market and attempt to operate better than Walmart. This competition comes from e-commerce leaders such as Amazon, value-based warehouse clubs that sell bulk products such as Costco, and grocery stores that may offer better products such as Target or Aldi. A major risk that has emerged from recent investments is that their capital expenditures to focus on automating and improving their supply chain cannot meet expectations, which would cause Walmart to fall behind other stores.

## Valuation Analysis

### **Assumptions**

There are many assumptions used throughout our valuations and are derived from various methods. The risk-free rate is the 10-year rate on U.S. Treasury bonds, at 4.29% [22]. The beta of 0.55 is the average of Walmart's 2, 3, 4, and 5-year weekly betas. The 5.26% equity risk premium is a geometric average of 10-year Treasury rates from 1928 to 2020. This results in a 7.18% cost of equity for Walmart. For Walmart's pre-tax cost of debt, we used the yield to maturity of a 30-year Walmart corporate bond and included the effects of a tax shield from debt by incorporating the marginal tax rate. Using the market values of debt and equity multiplied by their respective cost, we reached a WACC for Walmart of 6.93%. The return on investment is the 1-year yield on U.S. treasury bonds [22] and was used to increase Walmart's other assets since they were non-operating and as an assumption for interest income.

We felt that it was appropriate to forecast 8 years into the future because it gives a more holistic view of the firm's outlook since there are many opportunities for Walmart to grow in the next few years. Other assumptions we use include the CV growth of net operating profit less adjusted taxes (NOPLAT) and EPS at 3.5%, and 2.5%. We believe this value is reasonable based on Walmart's historical performance as well as the current and forecasted competitive landscape. Walmart's position in the market as a price leader with large geographic coverage sets them up for a minimum return of 2.5% and combined with growth initiatives for another 0.8-1.2% growth averages a 3.5% return.

## **Discounted Cash Flow (DCF) and Economic Profit (EP) Models**

Estimated Share Price: **\$73.24**

To estimate the intrinsic value using the DCF model, we first found the free cash flows (FCF) in the forecasted years for the firm. This was done by finding the NOPLAT and subtracting the change in invested capital. The FCF for each year was discounted by the WACC, totaled, and then adjusted for non-operating balance sheet items to find the value of the firm's equity. We then divided by the shares outstanding, adjusted the price for the portion of the fiscal year that has passed, and found a price of \$73.24.

A similar method was used for the EP model. The EP was found by taking the difference between the return on invested capital (ROIC) and the WACC times the beginning invested capital. Essentially, we are taking the difference between Walmart's return and the hurdle rate multiplied by how much money was invested. If the hurdle rate (WACC) were greater than the ROIC then it would result in a negative EP, and the greater the invested capital, the more negative the return. The sum of the EP for each forecasted year then followed the same process as the DCF model to find the same intrinsic price of \$73.24.

## **Dividend Discount Model (DDM)**

Estimated Share Price: **\$60.24**

This valuation model focuses on the future dividends a firm will pay to estimate a stock price. We forecasted the dividends we believe Walmart will be able to pay to its shareholders. Historically, Walmart has increased their dividends yearly by \$0.013 per year but has announced a \$0.83 per share dividend for 2025. This is a \$0.07, 9.21%, increase from 2024 and disrupts Walmart's constant growth. Assuming Walmart can continue to increase their dividends each year, we used the payout ratio of the previous year times 1.0921 to continue the 9.21% increase from 2025's dividend announcement, multiplied by the net income per share and 1 plus the revenue growth rate that year to compensate for how quickly Walmart is expected to grow. Because the value this model produced was much lower than other models produced, we felt it was appropriate to not consider it when evaluating Walmart's value.

## **Relative Valuation**

Estimated Share Price: **\$39.4**

To compare against Walmart, we used the largest competitors in the large-scale discount retailer industry. This included Target (TGT), Costco (COST), Kroger (KR), Dollar General (DG), BJ's Wholesale Club (BJ), PriceSmart (PSMT), and Dollar Tree (DLTR). We analyzed each firm's expected earnings per share for 2025 and 2026 to calculate the price-to-earnings ratio for those years. Excluding the price-to-earnings ratio for COST because it was considered an outlier, we took the average P/E for each firm to use as a multiplier for Walmart's EPS that was estimated for 2025 and 2026 to reach an implied relative value of \$30.48 for 2025 and \$39.40 for 2026.

## **Sensitivity Analysis**

Sensitivity Analysis through Sensitivity Tables generates potential implied share prices based on the impact of changes in key variables. Values shown in green represent a greater implied share price and therefore the better circumstance for the variables being tested.

The total range these key variables resulted in is **\$58.29 – \$85.78**

## Beta vs Capex Per Square Foot

Beta and Capex Per Square Foot have an important impact on the value of Walmart's stock. Beta, a measure of risk relative to the market, impacts Walmart's WACC which affects Walmart's projected cash flows. Capex or Capital Expenditures are funds used for acquiring, upgrading, or maintaining physical assets [23]. Together, they influence Walmart's decision-making in taking on new projects or financing PPE.

Increasing the Beta will increase Walmart's firm-specific risk and increase how much the projected cash flows are discounted by, lowering the implied share price. Increasing the Capex Per Square Foot increases Walmart's cash outflows and expenses, creating lower margins which generate a lower implied share price. Decreasing both variables creates the highest implied share price.

The stock price range these variables resulted in is **\$58.29 – \$85.78**

		Beta							
		70.99	0.49	0.51	0.53	0.55	0.57	0.59	0.61
Capex Per Sqft (2025-2032)	1.03%	85.78	83.09	80.56	78.16	75.89	73.74	71.70	
	1.13%	83.22	80.60	78.12	75.78	73.56	71.46	69.47	
	1.23%	80.67	78.10	75.68	73.40	71.23	69.18	67.23	
	1.33%	78.09	75.59	73.23	70.99	68.88	66.88	64.98	
	1.43%	75.55	73.11	70.81	68.63	66.57	64.62	62.76	
	1.53%	73.00	70.62	68.37	66.25	64.24	62.33	60.53	
	1.63%	70.44	68.12	65.93	63.87	61.91	60.05	58.29	

Source: Krause Fund Model

## Weighted Average Cost of Capital (WACC) vs CV Growth of NOPLAT

The WACC and CV Growth NOPLAT strongly impact the implied value of Walmart's stock in our models. WACC, as previously stated, is Walmart's weighted average cost of capital, and is the key factor in discounting forecasted cash flows. This has an even greater impact when the growth of Walmart's NOPLAT has returned to a normal state or a continuing value as all cash flows beyond the years we forecasted will be discounted at this rate.

Lowering the WACC to 6.74% decreases the amount future cash flows are discounted by, creating a greater implied price. Additionally, increasing the Continuing Value Growth of NOPLAT (2033+) to 3.80%

increases the implied share price because it increases the future net operating profits. Increasing the WACC and decreasing the CV Growth of NOPLAT generates a lower implied share price.

The stock price range these variables resulted in is **\$61.48 – \$84.23**

		WACC							
		70.99	6.74%	6.84%	6.94%	7.04%	7.14%	7.24%	7.34%
CV Growth of NOPLAT 2033+	3.20%	73.66	71.35	69.17	67.12	65.13	63.26	61.48	
	3.30%	75.17	72.75	70.47	68.34	66.27	64.32	62.48	
	3.40%	76.76	74.24	71.85	69.63	67.47	65.45	63.53	
	3.50%	78.46	75.81	73.31	70.99	68.74	66.63	64.64	
	3.60%	80.26	77.48	74.86	72.44	70.08	67.89	65.81	
	3.70%	82.18	79.25	76.51	73.96	71.50	69.21	67.04	
	3.80%	84.23	81.14	78.26	75.59	73.00	70.60	68.34	

Source: Krause Fund Model

## Walmart U.S. Store Growth vs Pre-Tax Cost of Debt

Walmart's largest revenue segment by sales, Walmart U.S., can grow the company's revenue by increasing the number of locations it has. Pre-Tax Cost of Debt, by excluding the effects of certain taxes in different locations, can measure the financial burden of Walmart's debt. This plays into effect if Walmart wants to take on debt to build new stores.

Increasing the number of stores in the U.S. to 0.55% increases the implied share price because Walmart's stores are profitable so it each new store would generate a higher net income. Additionally, decreasing the Pre-Tax Cost of Debt to 3.43% would generate a higher implied share price.

The stock price range these variables resulted in is **\$74.22 – \$67.98**

		Walmart US Store Growth (2025-2032)							
		70.99	-0.05%	0.05%	0.15%	0.25%	0.35%	0.45%	0.55%
Pre-Tax Cost of Debt	3.43%	70.73	71.30	71.88	72.45	73.04	73.63	74.22	
	3.93%	70.25	70.82	71.39	71.96	72.54	73.12	73.71	
	4.43%	69.78	70.34	70.91	71.47	72.05	72.63	73.21	
	4.93%	69.32	69.88	70.43	70.99	71.57	72.14	72.71	
	5.43%	68.86	69.42	69.97	70.52	71.09	71.66	72.23	
	5.93%	68.42	68.96	69.51	70.06	70.62	71.18	71.75	
	6.43%	67.98	68.52	69.06	69.61	70.16	70.72	71.28	

Source: Krause Fund Model

## Walmart U.S. Sales Growth (2025-2028) vs Cost of Equity

Walmart U.S. has the highest forecasted sales relative to other segments for the years 2025-2028 at 6.09%,

from which it then cools down 0.5% each year until it reaches 4.4% in 2032. The Cost of Equity is used in the WACC equation which impacts the future cash flows.

When Walmart U.S. Sales Growth increases and Cost of Equity decreases, it generates a higher implied share price. In reality, Walmart’s sales growth has been volatile and could vary much more than our table accounts for. However, this value spread better aligns with our thesis statement.

The stock price range these variables resulted in is **\$61.93 – \$81.92**

	70.99	5.49%	5.69%	5.89%	6.09%	6.29%	6.49%	6.69%
7.00%	73.78	75.09	76.42	77.78	79.13	80.52	81.92	
7.10%	71.53	72.81	74.10	75.42	76.73	78.07	79.43	
7.20%	69.40	70.64	71.90	73.18	74.45	75.76	77.07	
7.30%	67.33	68.53	69.75	<b>70.99</b>	72.23	73.50	74.78	
7.40%	65.48	66.65	67.83	69.04	70.25	71.48	72.72	
7.50%	63.66	64.80	65.95	67.13	68.30	69.50	70.71	
7.60%	61.93	63.04	64.16	65.31	66.45	67.62	68.80	

Source: Krause Fund Model

### Sam’s Club Sales Growth (2025-2028) vs Risk-Free Rate

The Sam’s Club Segment has the second highest forecasted revenue growth from 2025-2028 in our model. They have had the highest growth in recent years, and we expect that value to remain volatile as it is membership based. The Risk-Free Rate is used in the WACC formula. Although this value is only for the years 2025-2028, it serves as the basis for the growth projections in the years following which is why it has a greater impact than one would expect.

Increasing Sam’s Club Sales growth and lowering the Risk-Free Rate generates a higher implied share price because revenues increase and are discounted less each year.

The stock price range these variables resulted in is **\$65.01 – \$78.17**

	70.99	2.29%	3.29%	4.29%	5.29%	6.29%	7.29%	8.29%
4.26%	70.95	71.97	73.06	74.21	75.45	76.77	78.17	
4.31%	69.89	70.90	71.97	73.11	74.33	75.63	77.01	
4.36%	68.87	69.86	70.92	72.04	73.24	74.52	75.89	
4.41%	67.87	68.84	69.89	<b>70.99</b>	72.18	73.44	74.79	
4.46%	66.89	67.85	68.88	69.98	71.15	72.39	73.72	
4.51%	65.94	66.89	67.91	68.98	70.14	71.37	72.67	
4.56%	65.01	65.95	66.95	68.02	69.16	70.37	71.65	

Source: Krause Fund Model

### Walmart International Sales Growth vs Marginal Tax Rate

Walmart International has experienced some sales growth despite the regress in sales. These sales are subject to the mix of foreign taxes Walmart faces which are included in the Marginal Tax Rate calculation, which calculates the tax rate of the highest dollar earned [24]. Because most sales are inside of the U.S., this number has low variability.

Increasing the Walmart International Sales Growth and decreasing the Marginal Tax rate yields a higher implied share price because more revenues are being generated and a higher margin of those revenues remains after being taxed.

The stock price range these variables resulted in is **\$69.74 – \$73.42**

	70.99	3.64%	4.04%	4.42%	4.82%	5.22%	5.62%	6.02%
22.80%	70.08	70.61	71.12	71.68	72.24	72.82	73.42	
23.00%	69.86	70.38	70.89	71.45	72.01	72.59	73.19	
23.20%	69.63	70.16	70.67	71.22	71.78	72.36	72.96	
23.40%	69.41	69.93	70.44	<b>70.99</b>	71.55	72.13	72.73	
23.60%	69.19	69.71	70.21	70.77	71.33	71.90	72.49	
23.80%	68.96	69.48	69.99	70.54	71.10	71.67	72.26	
24.00%	68.74	69.26	69.76	70.31	70.87	71.44	72.03	

Source: Krause Fund Model

## Conclusion

In conclusion, while Walmart (WMT) exhibits strong growth potential in its Walmart U.S. and Walmart International segments, alongside impressive momentum in Sam's Club, we recommend a SELL rating due to significant valuation concerns and external risks. Walmart's current forward P/E multiple of over 30x—more than double the average of its industry peers excluding Costco—limits its return potential, with an upside of 0% and a downside risk of -25%. However, the company's focus on private label products and the drive for discount retail in a tight-budget consumer climate may partially offset these risks, supporting moderate revenue growth. Ultimately, the elevated valuation and limited return potential present a less favorable risk-reward balance, justifying our SELL recommendation.

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Walmart Inc.

Revenue Decomposition

Fiscal Years Ending Jan. 31	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E
<b>Consolidated Results of Operations</b>																		
Total revenues	485,651	482,130	485,873	500,343	514,405	523,964	559,151	572,754	611,289	648,125	679,495	717,605	757,963	800,702	842,763	883,724	923,164	960,671
% change from comparable period	2.0%	-0.7%	0.8%	3.0%	2.8%	1.9%	6.7%	2.4%	6.7%	6.0%	4.8%	5.6%	5.6%	5.6%	5.3%	4.9%	4.5%	4.1%
Net sales	482,229	478,614	481,317	495,761	510,329	519,926	555,233	567,762	605,881	642,637	673,962	712,027	752,338	795,032	836,933	877,613	916,635	953,567
% change from comparable period	1.9%	-0.70%	0.6%	3.0%	2.9%	1.9%	6.8%	2.3%	6.7%	6.1%	4.9%	5.6%	5.7%	5.7%	5.3%	4.9%	4.4%	4.0%
Membership & Other	3,422	3,516	4,556	4,582	4,076	4,038	3,918	4,992	5,408	5,488	5,533	5,578	5,625	5,670	5,830	6,112	6,529	7,104
% change from comparable period		2.75%	29.58%	0.57%	-11.04%	-0.93%	-2.97%	27.41%	8.33%	1.48%	0.82%	0.83%	0.83%	0.81%	2.82%	4.83%	6.83%	8.81%
<b>Walmart US Segment</b>																		
Number of stores	4,516	4,574	4,672	4,761	4,769	4,756	4,743	4,742	4,717	4,615	4,627	4,638	4,650	4,661	4,673	4,684	4,696	4,708
*Average size of store in square feet (in thousand)	150.60	150.78	149.68	147.98	147.77	147.88	148.23	148.25	148.77	151.46	149.14	149.14	149.14	149.14	149.14	149.14	149.14	149.14
Total square footage (in thousands)	680,112	689,647	699,289	704,516	704,719	703,318	703,032	702,996	701,726	699,001	689,889	691,609	693,332	695,061	696,793	698,530	700,271	702,016
*Average sales per thousand square feet	0.42	0.43	0.44	0.45	0.47	0.48	0.53	0.56	0.60	0.63	0.67	0.71	0.75	0.80	0.85	0.89	0.93	0.97
<b>total segment revenue</b>	<b>288,049</b>	<b>298,378</b>	<b>307,833</b>	<b>318,477</b>	<b>331,666</b>	<b>341,004</b>	<b>369,963</b>	<b>393,247</b>	<b>420,553</b>	<b>441,817</b>	<b>462,621</b>	<b>492,026</b>	<b>523,300</b>	<b>556,562</b>	<b>589,149</b>	<b>620,690</b>	<b>650,809</b>	<b>679,127</b>
% change from comparable period	3.1%	3.6%	3.2%	3.5%	4.1%	2.8%	8.5%	6.3%	6.9%	5.1%	4.7%	6.4%	6.4%	6.4%	5.9%	5.4%	4.9%	4.4%
<b>Walmart International Segment</b>																		
Number of stores	6,290	6,299	6,363	6,360	5,993	6,146	6,101	5,251	5,306	5,402	5,318	5,236	5,155	5,076	4,997	4,920	4,844	4,769
*Average size of store in square feet	58.45	59.09	59.21	58.69	57.44	56.13	55.28	52.78	51.54	50.70	55.93	55.93	55.93	55.93	55.93	55.93	55.93	55.93
Total square footage (in thousands)	367,630	372,198	376,769	373,281	344,210	344,949	337,273	277,125	273,450	273,865	274,753	270,505	266,323	262,206	258,153	254,162	250,233	246,365
*Average sales per thousand square feet	0.37	0.33	0.31	0.32	0.35	0.35	0.36	0.36	0.37	0.42	0.44	0.46	0.48	0.51	0.53	0.56	0.58	0.61
<b>total segment revenue</b>	<b>136,160</b>	<b>123,408</b>	<b>116,119</b>	<b>118,068</b>	<b>120,824</b>	<b>120,130</b>	<b>121,360</b>	<b>100,959</b>	<b>100,983</b>	<b>114,641</b>	<b>120,559</b>	<b>124,419</b>	<b>128,403</b>	<b>132,514</b>	<b>136,757</b>	<b>141,136</b>	<b>145,655</b>	<b>150,319</b>
% change from comparable period	-0.3%	-9.4%	-5.9%	1.7%	2.3%	-0.6%	1.0%	-16.8%	---	13.5%	5.16%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%
<b>Sam's Club Segment</b>																		
<b>Including fuel</b>																		
Number of stores	647	655	660	597	599	599	599	600	600	599	599	599	599	599	599	599	599	599
*Average size of store in square feet	133.71	133.67	133.90	134.12	133.96	134.11	133.95	133.92	133.92	133.89	133.91	133.91	133.91	133.91	133.91	133.91	133.91	133.91
Total square footage (in thousands)	86,510	87,552	88,376	80,068	80,240	80,329	80,239	80,351	80,351	80,199	80,240	80,240	80,240	80,240	80,240	80,240	80,241	80,241
*Average sales per thousand square feet	0.67	0.65	0.65	0.74	0.72	0.73	0.80	0.92	1.05	1.07	1.13	1.19	1.25	1.32	1.38	1.44	1.50	1.55
<b>Total segment revenue</b>	<b>58,020</b>	<b>56,828</b>	<b>57,365</b>	<b>59,216</b>	<b>57,839</b>	<b>58,792</b>	<b>63,910</b>	<b>73,556</b>	<b>84,345</b>	<b>86,179</b>	<b>90,782</b>	<b>95,581</b>	<b>100,635</b>	<b>105,955</b>	<b>111,027</b>	<b>115,787</b>	<b>120,171</b>	<b>124,121</b>
% change from comparable period	1.5%	-2.1%	0.9%	3.2%	-2.3%	1.6%	8.7%	15.1%	14.7%	2.2%	5.34%	5.29%	5.29%	5.29%	4.79%	4.29%	3.79%	3.29%

**Walmart Inc.**  
Income Statement

<b>Fiscal Years Ending Jan. 31</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Revenues</b>									
Net sales	482,229	478,614	481,317	495,761	510,329	519,926	555,233	567,762	605,881
Membership & other income	3,422	3,516	4,556	4,582	4,076	4,038	3,918	4,992	5,408
<b>Total revenues</b>	<b>485,651</b>	<b>482,130</b>	<b>485,873</b>	<b>500,343</b>	<b>514,405</b>	<b>523,964</b>	<b>559,151</b>	<b>572,754</b>	<b>611,289</b>
<b>Costs and Expenses</b>									
Cost of sales	355,913	351,530	351,176	362,867	374,623	383,618	409,163	418,342	452,776
Depreciation & Amortization	9,173	9,454	10,080	10,529	10,678	10,987	11,152	10,658	10,945
Operating, selling, general & administrative expenses	93,418	97,041	101,853	106,510	107,147	108,791	116,288	117,812	127,140
<b>Operating income (loss)</b>	<b>27,147</b>	<b>24,105</b>	<b>22,764</b>	<b>20,437</b>	<b>21,957</b>	<b>20,568</b>	<b>22,548</b>	<b>25,942</b>	<b>20,428</b>
<b>Interest</b>									
Interest expense on debt	2,161	2,027	2,044	1,978	1,975	2,262	1,976	1,674	1,787
Interest expense on finance, capital lease & financing obligations	300	521	323	352	371	337	339	320	341
Interest income	113	81	100	152	217	189	121	158	254
<b>Interest income (expense), net</b>	<b>(2,348)</b>	<b>(2,467)</b>	<b>(2,267)</b>	<b>(2,178)</b>	<b>(2,129)</b>	<b>(2,410)</b>	<b>(2,194)</b>	<b>(1,836)</b>	<b>(1,874)</b>
Gain (loss) on extinguishment of debt	-	-	-	(3,136)	-	-	-	(2,410)	-
Other gains & (losses)	285	-	-	-	(8,368)	1,958	210	(3)	(1,538)
<b>Earnings before taxes</b>	<b>25,084</b>	<b>21,638</b>	<b>20,497</b>	<b>15,123</b>	<b>11,460</b>	<b>20,116</b>	<b>20,564</b>	<b>21,693</b>	<b>17,016</b>
<b>Provision (benefit) for income taxes</b>	<b>7,985</b>	<b>6,558</b>	<b>6,204</b>	<b>4,600</b>	<b>4,281</b>	<b>4,915</b>	<b>6,858</b>	<b>4,756</b>	<b>5,724</b>

Walmart Inc.  
Balance Sheet

Fiscal Years Ending Jan. 31	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E
<b>Assets</b>																		
Cash & cash equivalents	9,135	8,705	6,867	6,756	7,722	9,465	17,741	14,760	8,625	9,867	13,655	17,908	25,229	29,598	36,695	41,107	43,052	45,693
Receivables, net	6,778	5,624	5,835	5,614	6,283	6,284	6,516	8,280	7,933	8,796	8,956	8,966	9,533	10,116	10,766	11,339	11,923	12,528
Inventories	45,141	44,469	43,046	43,783	44,269	44,435	44,949	56,511	56,576	54,892	60,370	63,755	67,341	71,138	74,875	78,514	82,018	85,351
Prepaid expenses & other current assets	2,224	1,441	1,941	3,511	3,623	1,622	20,861	1,519	2,521	3,322	3,067	5,997	6,662	7,375	8,026	8,282	9,251	6,669
<b>Total current assets</b>	<b>63,278</b>	<b>60,239</b>	<b>57,689</b>	<b>59,664</b>	<b>61,897</b>	<b>61,806</b>	<b>90,067</b>	<b>81,070</b>	<b>75,655</b>	<b>78,877</b>	<b>86,048</b>	<b>96,626</b>	<b>108,765</b>	<b>118,227</b>	<b>130,362</b>	<b>139,242</b>	<b>146,243</b>	<b>150,241</b>
Operating lease right-of-use assets	-	-	-	-	-	17,424	13,642	13,758	13,555	13,673	14,343	14,955	15,514	16,025	16,491	16,917	17,304	17,658
Property & equipment, net	114,280	110,171	107,710	107,675	104,317	105,208	92,201	94,515	100,760	110,810	116,237	121,198	125,731	129,870	133,649	137,097	140,241	143,105
Property under capital lease & financing obligations, net	2,375	6,345	6,468	7,143	7,078	4,417	4,005	4,351	4,919	5,855	6,142	6,404	6,643	6,862	7,062	7,244	7,410	7,561
Goodwill	18,102	16,695	17,037	18,242	31,181	31,073	28,983	29,014	28,174	28,113	27,930	27,930	27,930	27,930	27,930	27,930	27,930	27,930
Other assets & deferred charges	5,671	6,131	9,921	11,798	14,822	16,567	23,598	22,152	20,134	17,071	17,810	18,581	19,386	20,225	21,101	22,015	22,968	23,963
<b>Total assets</b>	<b>203,706</b>	<b>199,581</b>	<b>198,825</b>	<b>204,522</b>	<b>219,295</b>	<b>236,495</b>	<b>252,496</b>	<b>244,860</b>	<b>243,197</b>	<b>252,399</b>	<b>268,509</b>	<b>285,694</b>	<b>303,969</b>	<b>319,140</b>	<b>336,595</b>	<b>350,444</b>	<b>362,097</b>	<b>370,458</b>
<b>Liabilities</b>																		
Short-term borrowings	1,592	2,708	1,099	5,257	5,225	575	224	410	372	878	261	283	301	319	337	353	371	376
Accounts payable	38,410	38,487	41,433	46,092	47,060	46,973	49,141	55,261	53,742	56,812	59,618	62,962	66,503	70,253	73,943	77,537	80,997	84,288
Accrued liabilities	19,152	19,607	20,654	22,122	22,159	22,296	37,966	26,060	31,126	28,759	31,335	33,092	34,953	36,924	38,864	40,753	42,571	44,301
Accrued income taxes	1,021	521	921	645	428	280	242	851	727	307	735	768	806	852	907	957	1,010	1,059
Operating lease obligations due within one year	-	-	-	-	-	1,793	1,466	1,483	1,473	1,487	1,536	1,602	1,662	1,717	1,766	1,812	1,854	1,891
Long-term debt due within one year	4,810	2,745	2,256	3,738	1,876	5,362	3,115	2,803	4,191	3,447	3,447	2,600	3,483	1,760	3,458	3,367	3,167	3,172
Finance lease obligations due within one year	287	551	565	667	729	511	491	511	567	725	667	696	722	745	767	787	805	821
<b>Total current liabilities</b>	<b>65,272</b>	<b>64,619</b>	<b>66,928</b>	<b>78,521</b>	<b>77,477</b>	<b>77,790</b>	<b>92,645</b>	<b>87,379</b>	<b>92,198</b>	<b>92,415</b>	<b>97,598</b>	<b>102,002</b>	<b>108,429</b>	<b>112,570</b>	<b>120,043</b>	<b>125,565</b>	<b>130,776</b>	<b>135,910</b>
Long-term debt	41,086	38,214	36,015	30,045	43,520	43,714	41,194	34,864	34,649	36,132	33,592	35,241	36,513	37,723	38,867	39,868	40,940	41,352
Long-term operating lease obligations	-	-	-	-	-	16,171	12,909	13,009	12,828	12,943	15,041	15,683	16,270	16,806	17,295	17,741	18,147	18,518
Long-term capital lease & financing obligations	2,606	5,816	6,003	6,780	6,683	4,307	3,847	4,243	4,843	5,709	6,546	6,825	7,081	7,314	7,527	7,721	7,898	8,059
Deferred income taxes & other liabilities	8,805	7,321	9,344	8,354	11,981	12,961	14,370	13,474	14,688	14,629	14,894	15,170	15,461	15,768	16,095	16,440	16,804	17,186
<b>Total liabilities</b>	<b>117,769</b>	<b>115,970</b>	<b>118,290</b>	<b>123,700</b>	<b>139,661</b>	<b>154,943</b>	<b>164,965</b>	<b>152,969</b>	<b>159,206</b>	<b>161,828</b>	<b>167,671</b>	<b>174,922</b>	<b>183,754</b>	<b>190,180</b>	<b>199,826</b>	<b>207,335</b>	<b>214,565</b>	<b>221,025</b>
<b>Equity</b>																		
Common equity	2,785	2,122	2,676	2,943	3,253	3,531	3,928	5,115	5,238	5,349	5,349	5,349	5,349	5,349	5,349	5,349	5,349	5,349
Retained earnings (accumulated deficit)	85,777	90,021	89,354	85,107	80,785	83,943	88,763	86,904	83,135	89,814	99,542	108,907	117,750	125,859	133,001	138,641	142,330	143,470
Accumulated other comprehensive income (loss)	(7,168)	(11,597)	(14,232)	(10,181)	(11,542)	(12,805)	(11,766)	(8,766)	(11,680)	(11,302)	(11,302)	(11,302)	(11,302)	(11,302)	(11,302)	(11,302)	(11,302)	(11,302)
Total Walmart Inc. shareholders' equity (deficit)	81,394	80,546	77,798	77,869	72,496	74,669	80,925	83,253	76,693	83,861	93,589	102,954	111,797	119,906	127,048	132,688	136,377	137,517
Nonredeemable noncontrolling interest	4,543	3,065	2,737	2,953	7,138	6,883	6,606	8,638	7,298	6,710	7,249	7,818	8,419	9,053	9,722	10,422	11,154	11,916
<b>Total equity (deficit)</b>	<b>85,937</b>	<b>83,611</b>	<b>80,535</b>	<b>80,822</b>	<b>79,634</b>	<b>81,552</b>	<b>87,531</b>	<b>91,891</b>	<b>83,991</b>	<b>90,571</b>	<b>100,838</b>	<b>110,772</b>	<b>120,216</b>	<b>128,960</b>	<b>136,770</b>	<b>143,110</b>	<b>147,531</b>	<b>149,433</b>

**Walmart Inc.**
*Historical Cash Flow Statement*

<b>Fiscal Years Ending Jan. 31</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Consolidated net income (loss)	17,099	15,080	14,293	10,523	7,179	15,201	13,706	13,940	11,292	16,270
Loss (income) from discontinued operations, net of income taxes	(285)	-	-	-	-	-	-	-	-	-
Depreciation & amortization	9,173	9,454	10,080	10,529	10,678	10,987	11,152	10,658	10,945	11,853
Net unrealized & realized losses & (gains)	-	-	-	-	-	(1,886)	(8,589)	2,440	1,683	2,642
Unrealized gain (loss) on investments	-	-	-	-	3,516	-	-	-	-	3,193
Losses (gains) on disposal of business operations	-	-	-	-	4,850	15	8,401	433	-	-
Asda Group Limited ("Asda") pension contribution	-	-	-	-	-	(1,036)	-	-	-	-
Deferred income taxes	(503)	(672)	761	(304)	(499)	320	1,911	(755)	449	(175)
Loss (gain) on extinguishment of debt	-	-	-	3,136	-	-	-	2,410	-	-
Other operating activities	785	1,410	206	1,210	1,734	1,981	1,521	1,652	1,919	-
Receivables, net	(569)	(19)	(402)	(1,074)	(368)	154	(1,086)	(1,796)	240	(797)
Inventories	(1,229)	(703)	1,021	(140)	(1,311)	(300)	(2,395)	(11,764)	(528)	2,017
Accounts payable	2,678	2,008	3,942	4,086	1,831	(274)	6,966	5,520	(1,425)	2,515
Accrued liabilities	1,249	1,303	1,137	928	183	186	4,623	1,404	4,393	(1,324)
Accrued income taxes	166	(472)	492	(557)	(40)	(93)	(136)	39	(127)	(468)
<b>Net cash flows from operating activities</b>	<b>28,564</b>	<b>27,389</b>	<b>31,530</b>	<b>28,337</b>	<b>27,753</b>	<b>25,255</b>	<b>36,074</b>	<b>24,181</b>	<b>28,841</b>	<b>35,726</b>
Payments for property & equipment	(12,174)	(11,477)	(10,619)	(10,051)	(10,344)	(10,705)	(10,264)	(13,106)	(16,857)	(20,606)
Proceeds from the disposal of property & equipment	570	635	456	378	519	321	215	394	170	250
Proceeds from disposal of certain operations, net of divested cash	671	246	662	1,046	876	833	56	7,935	-	135
Purchase of available for sale securities	-	-	(1,901)	-	-	-	-	-	-	-
Payments for business acquisitions, net of cash acquired	-	-	(2,463)	(375)	(14,656)	(56)	(180)	(359)	(740)	(9)
Other investing activities	(192)	(79)	(122)	(58)	(431)	479	102	(879)	(295)	(1,057)
<b>Net cash flows from investing activities</b>	<b>(11,125)</b>	<b>(10,675)</b>	<b>(13,987)</b>	<b>(9,060)</b>	<b>(24,036)</b>	<b>(9,128)</b>	<b>(10,071)</b>	<b>(6,015)</b>	<b>(17,722)</b>	<b>(21,287)</b>
Net change in short-term borrowings	(6,288)	1,235	(1,673)	4,148	(53)	(4,656)	(324)	193	(34)	512
Proceeds from issuance of long-term debt	5,174	39	137	7,476	15,872	5,492	-	6,945	5,041	4,967
Repayments of long-term debt	(3,904)	(4,432)	(2,055)	(13,061)	(3,784)	(1,907)	(5,382)	(13,010)	(2,689)	(4,217)
Premiums paid to extinguish debt	-	-	-	(3,059)	-	-	-	(2,317)	-	-
Dividends paid	(6,185)	(6,294)	(6,216)	(6,124)	(6,102)	(6,048)	(6,116)	(6,152)	(6,114)	(6,140)
Purchase of company stock	(1,015)	(4,112)	(8,298)	(8,296)	(7,410)	(5,717)	(2,625)	(9,787)	(9,920)	(2,779)
Dividends paid to noncontrolling interest	(600)	(719)	(479)	(690)	(431)	(555)	(434)	(424)	(444)	(763)
Sale of subsidiary stock	-	-	-	-	-	-	-	3,239	66	716
Purchase of noncontrolling interest	(1,844)	(1,326)	(90)	(8)	-	-	-	-	(827)	(3,462)
Other financing activities	(409)	(513)	(255)	(261)	(629)	(908)	(1,236)	(1,515)	(2,118)	(2,248)
<b>Net cash flows from financing activities</b>	<b>(15,071)</b>	<b>(16,122)</b>	<b>(18,929)</b>	<b>(19,875)</b>	<b>(2,537)</b>	<b>(14,299)</b>	<b>(16,117)</b>	<b>(22,828)</b>	<b>(17,039)</b>	<b>(13,414)</b>
<b>Effect of exchange rates on cash, cash equivalents &amp; restricted cash</b>	<b>(514)</b>	<b>(1,022)</b>	<b>(452)</b>	<b>487</b>	<b>(438)</b>	<b>(69)</b>	<b>235</b>	<b>(140)</b>	<b>(73)</b>	<b>69</b>
<b>Net increase (decrease) in cash, cash equivalents &amp; restricted cash</b>	<b>1,854</b>	<b>(430)</b>	<b>(1,838)</b>	<b>(111)</b>	<b>742</b>	<b>1,759</b>	<b>10,121</b>	<b>(4,802)</b>	<b>(5,993)</b>	<b>1,094</b>
Change in cash & cash equivalents reclassified from (to) assets held for sale	-	-	-	-	-	-	(1,848)	1,848	-	-
Cash, cash equivalents & restricted cash at beginning of year	7,281	9,135	8,705	6,867	7,014	7,756	9,515	17,788	14,834	8,841
Cash, cash equivalents & restricted cash at end of year	9,135	8,705	6,867	6,756	7,756	9,515	17,788	14,834	8,841	9,935

**Walmart Inc.**

*Forecasted Cash Flow Statement*

<b>Fiscal Years Ending Jan. 31</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>	<b>2029E</b>	<b>2030E</b>	<b>2031E</b>	<b>2032E</b>
<b>Operating Cash Flows</b>								
Consolidated Net Income	22,379	23,380	24,553	25,950	27,639	29,151	30,794	32,293
Depreciation & Amortization	11,203	11,752	12,253	12,712	13,130	13,512	13,861	14,179
Changes in Receivables, net	(160)	(10)	(567)	(583)	(651)	(573)	(583)	(606)
Changes in Inventories	(5,478)	(3,386)	(3,586)	(3,797)	(3,737)	(3,639)	(3,504)	(3,332)
Changes in Prepaid expenses & othe	255	(2,930)	(665)	(713)	(650)	(256)	(969)	2,582
Changes in Accounts payable	2,806	3,344	3,541	3,750	3,690	3,594	3,460	3,291
Changes in Accrued liabilities	2,576	1,757	1,861	1,971	1,940	1,889	1,819	1,730
Changes in Accrued income taxes	428	33	39	46	55	49	54	49
Changes in Deferred income taxes &	265	277	291	307	327	345	364	382
<b>Cash flows from operating activities</b>	<b>34,274</b>	<b>34,217</b>	<b>37,719</b>	<b>39,642</b>	<b>41,744</b>	<b>44,072</b>	<b>45,296</b>	<b>50,567</b>
<b>Investing Cash Flows</b>								
Changes in Operating lease ROU	(670)	(612)	(559)	(511)	(466)	(425)	(388)	(353)
Changes in Capital lease ROU	(287)	(262)	(240)	(219)	(200)	(182)	(166)	(151)
Changes in PPE (CapEx)	(16,630)	(16,713)	(16,786)	(16,851)	(16,909)	(16,960)	(17,004)	(17,043)
Capitalization of intangible assets (gr	183	-	-	-	-	-	-	-
Change in Other Assets	(739)	(771)	(805)	(839)	(876)	(914)	(953)	(995)
<b>Cash flows from investing activities</b>	<b>(18,142)</b>	<b>(18,358)</b>	<b>(18,389)</b>	<b>(18,420)</b>	<b>(18,451)</b>	<b>(18,481)</b>	<b>(18,512)</b>	<b>(18,543)</b>
<b>Financing Cash Flows</b>								
Changes in Short-term borrowings	(617)	23	17	18	18	16	18	5
Changes in Long-term debt due with	-	(847)	883	(1,723)	1,698	(91)	(200)	5
Changes in Operating lease obligatio	49	66	60	55	50	46	42	38
Change in Finance lease obligations	(58)	28	26	24	22	20	18	16
Change in Long-term debt	(2,540)	1,649	1,273	1,210	1,144	1,001	1,071	412
Changes in Operating lease obligatio	2,098	642	587	536	489	446	407	371
Changes in Capital lease & financing	837	279	255	233	213	194	177	161
Changes in Common equity	-	-	-	-	-	-	-	-
Changes in Accumulated other comp	-	-	-	-	-	-	-	-
Change in Nonredeemable noncontr	539	569	601	635	668	701	732	762
Payment of dividends	(6,655)	(8,019)	(9,714)	(11,845)	(14,502)	(17,515)	(21,109)	(25,157)
Repurchases of shares	(5,996)	(5,996)	(5,996)	(5,996)	(5,996)	(5,996)	(5,996)	(5,996)
<b>Cash flows from financing activities</b>	<b>(12,343)</b>	<b>(11,606)</b>	<b>(12,008)</b>	<b>(16,853)</b>	<b>(16,196)</b>	<b>(21,179)</b>	<b>(24,839)</b>	<b>(29,382)</b>
Net increase (decrease) in cash	3,788	4,253	7,321	4,368	7,097	4,412	1,945	2,642
Cash and Cash equivalents at the be	9,867	13,655	17,908	25,229	29,598	36,695	41,107	43,052
Cash and Cash equivalents at the en	13,655	17,908	25,229	29,598	36,695	41,107	43,052	45,693

Walmart Inc.

Common Size Income Statement

Fiscal Years Ending Jan. 31	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E
<b>Revenues</b>																		
Net sales	99.30%	99.27%	99.06%	99.08%	99.21%	99.23%	99.30%	99.13%	99.12%	99.15%	99.19%	99.22%	99.26%	99.29%	99.31%	99.31%	99.29%	99.26%
Membership & other income	0.70%	0.73%	0.94%	0.92%	0.79%	0.77%	0.70%	0.87%	0.88%	0.85%	0.81%	0.78%	0.74%	0.71%	0.69%	0.69%	0.71%	0.74%
Total revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<b>Costs and Expenses</b>																		
Cost of sales	73.29%	72.91%	72.28%	72.52%	72.83%	73.21%	73.18%	73.04%	74.07%	73.80%	73.11%	73.09%	73.11%	73.20%	73.26%	73.31%	73.32%	73.33%
Depreciation & Amortization	1.89%	1.96%	2.07%	2.10%	2.08%	2.10%	1.99%	1.86%	1.79%	1.83%	1.65%	1.64%	1.62%	1.59%	1.56%	1.53%	1.50%	1.48%
Operating, selling, general & administrative expenses	19.24%	20.13%	20.96%	21.29%	20.83%	20.76%	20.80%	20.57%	20.80%	20.21%	20.56%	20.69%	20.75%	20.72%	20.67%	20.65%	20.64%	20.63%
Operating income (loss)	5.59%	5.00%	4.69%	4.08%	4.27%	3.93%	4.03%	4.53%	3.34%	4.17%	4.68%	4.58%	4.52%	4.49%	4.51%	4.51%	4.54%	4.57%
<b>Interest</b>																		
Interest expense on debt	0.44%	0.42%	0.42%	0.40%	0.38%	0.43%	0.35%	0.29%	0.29%	0.35%	0.29%	0.26%	0.25%	0.25%	0.23%	0.24%	0.23%	0.23%
Interest expense on finance, capital lease & financing obligations	0.06%	0.11%	0.07%	0.07%	0.07%	0.06%	0.06%	0.06%	0.06%	0.07%	0.05%	0.05%	0.05%	0.05%	0.04%	0.04%	0.04%	0.04%
Interest income	0.02%	0.02%	0.02%	0.03%	0.04%	0.04%	0.02%	0.03%	0.04%	0.08%	0.06%	0.08%	0.10%	0.14%	0.15%	0.18%	0.19%	0.19%
Interest income (expense), net	-0.48%	-0.51%	-0.47%	-0.44%	-0.41%	-0.46%	-0.39%	-0.32%	-0.31%	-0.33%	-0.28%	-0.22%	-0.19%	-0.16%	-0.12%	-0.10%	-0.08%	-0.08%
Gain (loss) on extinguishment of debt	-	-	-	-0.63%	-	-	-	-0.42%	-	-	-	-	-	-	-	-	-	-
Other gains & (losses)	-	-	-	-	-1.63%	0.37%	0.04%	0.00%	-0.25%	-0.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Earnings before taxes	5.17%	4.49%	4.22%	3.02%	2.23%	3.84%	3.68%	3.79%	2.78%	3.37%	4.40%	4.36%	4.33%	4.33%	4.38%	4.41%	4.46%	4.49%
Provision (benefit) for income taxes	1.64%	1.36%	1.28%	0.92%	0.83%	0.94%	1.23%	0.83%	0.94%	0.86%	1.03%	1.02%	1.01%	1.01%	1.03%	1.03%	1.04%	1.05%
Consolidated net loss (income) attributable to noncontrolling interest	-0.15%	-0.08%	-0.13%	-0.13%	-0.10%	-0.06%	-0.04%	-0.05%	0.06%	-0.12%	-0.08%	-0.08%	-0.08%	-0.08%	-0.08%	-0.08%	-0.08%	-0.08%
<b>Consolidated net income (loss) attributable to Walmart Inc.</b>	<b>3.37%</b>	<b>3.05%</b>	<b>2.81%</b>	<b>1.97%</b>	<b>1.30%</b>	<b>2.84%</b>	<b>2.42%</b>	<b>2.39%</b>	<b>1.91%</b>	<b>2.39%</b>	<b>3.29%</b>	<b>3.26%</b>	<b>3.24%</b>	<b>3.24%</b>	<b>3.28%</b>	<b>3.30%</b>	<b>3.34%</b>	<b>3.36%</b>

Walmart Inc.  
Common Size Balance Sheet

Fiscal Years Ending Jan. 31	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	
<b>Assets</b>																			
Cash & cash equivalents	1.88%	1.81%	1.41%	1.35%	1.50%	1.81%	3.17%	2.58%	1.41%	1.52%	2.01%	2.50%	3.33%	3.70%	4.35%	4.65%	4.66%	4.76%	
Receivables, net	1.40%	1.17%	1.20%	1.12%	1.22%	1.20%	1.17%	1.45%	1.30%	1.36%	1.32%	1.25%	1.26%	1.26%	1.28%	1.28%	1.29%	1.30%	
Inventories	9.29%	9.22%	8.86%	8.75%	8.61%	8.48%	8.04%	9.87%	9.26%	8.47%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	8.88%	
Prepaid expenses & other current assets	0.46%	0.30%	0.40%	0.70%	0.70%	0.31%	3.73%	0.27%	0.41%	0.51%	0.45%	0.84%	0.88%	0.92%	0.95%	0.94%	1.00%	0.69%	
Total current assets	13.03%	12.49%	11.87%	11.92%	12.03%	11.80%	16.11%	14.15%	12.38%	11.86%	12.66%	13.47%	14.35%	14.77%	15.47%	15.76%	15.84%	15.64%	
Operating lease right-of-use assets						3.33%	2.44%	2.40%	2.22%	2.11%	2.11%	2.08%	2.05%	2.00%	1.96%	1.91%	1.87%	1.84%	
Property & equipment, net	23.53%	22.85%	22.17%	21.52%	20.28%	20.08%	16.49%	16.50%	16.48%	17.10%	17.11%	16.89%	16.59%	16.22%	15.86%	15.51%	15.19%	14.90%	
Property under capital lease & financing obligations, net	0.49%	1.32%	1.33%	1.43%	1.38%	0.84%	0.72%	0.76%	0.80%	0.90%	0.90%	0.89%	0.88%	0.86%	0.84%	0.82%	0.80%	0.79%	
Goodwill	3.73%	3.46%	3.51%	3.65%	6.06%	5.93%	5.18%	5.07%	4.61%	4.34%	4.11%	3.89%	3.68%	3.49%	3.31%	3.16%	3.03%	2.91%	
Other assets & deferred charges	1.17%	1.27%	2.04%	2.36%	2.88%	3.16%	4.22%	3.87%	3.29%	2.63%	2.62%	2.59%	2.56%	2.53%	2.50%	2.49%	2.49%	2.49%	
<b>Total assets</b>	<b>41.94%</b>	<b>41.40%</b>	<b>40.92%</b>	<b>40.88%</b>	<b>42.63%</b>	<b>45.14%</b>	<b>45.16%</b>	<b>42.75%</b>	<b>39.78%</b>	<b>38.94%</b>	<b>39.52%</b>	<b>39.81%</b>	<b>40.10%</b>	<b>39.86%</b>	<b>39.94%</b>	<b>39.66%</b>	<b>39.22%</b>	<b>38.56%</b>	
<b>Liabilities</b>																			
Short-term borrowings	0.33%	0.56%	0.23%	1.05%	1.02%	0.11%	0.04%	0.07%	0.06%	0.14%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	
Accounts payable	7.91%	7.98%	8.53%	9.21%	9.15%	8.96%	8.79%	9.65%	8.79%	8.77%	8.77%	8.77%	8.77%	8.77%	8.77%	8.77%	8.77%	8.77%	
Accrued liabilities	3.94%	4.07%	4.25%	4.42%	4.31%	4.26%	6.79%	4.55%	5.09%	4.44%	4.61%	4.61%	4.61%	4.61%	4.61%	4.61%	4.61%	4.61%	
Accrued income taxes	0.21%	0.11%	0.19%	0.13%	0.08%	0.05%	0.04%	0.15%	0.12%	0.05%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	
Operating lease obligations due within one year	-	-	-	-	-	0.34%	0.26%	0.26%	0.24%	0.23%	0.23%	0.22%	0.22%	0.21%	0.21%	0.21%	0.20%	0.20%	
Long-term debt due within one year	0.99%	0.57%	0.46%	0.75%	0.36%	1.02%	0.56%	0.49%	0.69%	0.53%	0.51%	0.36%	0.46%	0.22%	0.41%	0.38%	0.34%	0.33%	
Finance lease obligations due within one year	0.06%	0.11%	0.12%	0.13%	0.14%	0.10%	0.09%	0.09%	0.09%	0.11%	0.10%	0.10%	0.10%	0.09%	0.09%	0.09%	0.09%	0.09%	
Total current liabilities	13.44%	13.40%	13.77%	15.69%	15.06%	14.85%	16.57%	15.26%	15.08%	14.26%	14.36%	14.21%	14.31%	14.06%	14.24%	14.21%	14.17%	14.15%	
Long-term debt	8.46%	7.93%	7.41%	6.00%	8.46%	8.34%	7.37%	6.09%	5.67%	5.57%	4.94%	4.91%	4.82%	4.71%	4.61%	4.51%	4.43%	4.30%	
Long term operating lease obligations						3.09%	2.31%	2.27%	2.10%	2.00%	2.21%	2.19%	2.15%	2.10%	2.05%	2.01%	1.97%	1.93%	
Long-term capital lease & financing obligations	0.54%	1.21%	1.24%	1.36%	1.30%	0.82%	0.69%	0.74%	0.79%	0.88%	0.96%	0.95%	0.93%	0.91%	0.89%	0.87%	0.86%	0.84%	
Deferred income taxes & other liabilities	1.81%	1.52%	1.92%	1.67%	2.33%	2.47%	2.57%	2.35%	2.40%	2.26%	2.19%	2.11%	2.04%	1.97%	1.91%	1.86%	1.82%	1.79%	
<b>Total liabilities</b>	<b>24.25%</b>	<b>24.05%</b>	<b>24.35%</b>	<b>24.72%</b>	<b>27.15%</b>	<b>29.57%</b>	<b>29.50%</b>	<b>26.71%</b>	<b>26.04%</b>	<b>24.97%</b>	<b>24.68%</b>	<b>24.38%</b>	<b>24.24%</b>	<b>23.75%</b>	<b>23.71%</b>	<b>23.46%</b>	<b>23.24%</b>	<b>23.01%</b>	
<b>Equity</b>																			
Common equity	0.57%	0.44%	0.55%	0.59%	0.63%	0.67%	0.70%	0.89%	0.86%	0.83%	0.79%	0.75%	0.71%	0.67%	0.63%	0.61%	0.58%	0.56%	
Retained earnings (accumulated deficit)	17.66%	18.67%	18.39%	17.01%	15.70%	16.02%	15.87%	15.17%	13.60%	13.86%	14.65%	15.18%	15.54%	15.72%	15.78%	15.69%	15.42%	14.93%	
Accumulated other comprehensive income (loss)	-1.48%	-2.41%	-2.93%	-2.03%	-2.24%	-2.44%	-2.10%	-1.53%	-1.91%	-1.74%	-1.66%	-1.57%	-1.49%	-1.41%	-1.34%	-1.28%	-1.22%	-1.18%	
Total Walmart Inc. shareholders' equity (deficit)	16.76%	16.71%	16.01%	15.56%	14.09%	14.25%	14.47%	14.54%	12.55%	12.94%	13.77%	14.35%	14.75%	14.98%	15.08%	15.01%	14.77%	14.31%	
Nonredeemable noncontrolling interest	0.94%	0.64%	0.56%	0.59%	1.39%	1.31%	1.18%	1.51%	1.19%	1.04%	1.07%	1.09%	1.11%	1.13%	1.15%	1.18%	1.21%	1.24%	
<b>Total equity (deficit)</b>	<b>17.70%</b>	<b>17.34%</b>	<b>16.58%</b>	<b>16.15%</b>	<b>15.48%</b>	<b>15.56%</b>	<b>15.65%</b>	<b>16.04%</b>	<b>13.74%</b>	<b>13.97%</b>	<b>14.84%</b>	<b>15.44%</b>	<b>15.86%</b>	<b>16.11%</b>	<b>16.23%</b>	<b>16.19%</b>	<b>15.98%</b>	<b>15.56%</b>	

Walmart Inc.  
Value Driver Estimation

Fiscal Years Ending Jan. 31	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	
<b>NOPLAT:</b>																			
Total revenue	485,651	482,130	485,873	500,343	514,405	523,964	559,151	572,754	611,289	648,125	679,495	717,605	757,963	800,702	842,763	883,724	923,164	960,671	
- Cost of sales	355,913	351,530	351,176	362,867	374,623	383,618	409,163	418,342	452,776	478,289	496,793	524,531	554,169	586,086	617,441	647,837	676,835	704,470	
- SG&A	93,418	97,041	101,853	106,510	107,147	108,791	116,288	117,812	127,140	130,971	139,690	148,473	157,250	165,943	174,186	182,510	190,553	198,145	
- Depreciation Expense	9,173	9,454	10,080	10,529	10,678	10,987	11,152	10,658	10,945	11,853	11,203	11,752	12,253	12,712	13,130	13,512	13,861	14,179	
+ Implied interest on operating leases	-	-	-	-	-	-	859	673	678	668	674	707	737	765	790	813	834	853	
<b>EBITA</b>	<b>27,147</b>	<b>24,105</b>	<b>22,764</b>	<b>20,437</b>	<b>21,957</b>	<b>20,568</b>	<b>23,407</b>	<b>26,615</b>	<b>21,106</b>	<b>27,680</b>	<b>32,483</b>	<b>33,556</b>	<b>35,028</b>	<b>36,726</b>	<b>38,796</b>	<b>40,678</b>	<b>42,749</b>	<b>44,731</b>	
Income tax provision	7,985	6,558	6,204	4,600	4,281	4,915	6,858	4,756	5,724	5,578	7,001	7,316	7,684	8,121	8,647	9,119	9,631	10,098	
(Add) Tax Shield on operating leases expense	-	-	-	-	-	-	206	150	171	161	162	170	178	184	190	196	201	206	
(Add) Tax Shield on Interest Expense on Total Del	839	1,040	975	974	483	629	556	445	536	647	558	524	537	566	562	599	612	624	
(Less) Tax Shield on Interest Income	(39)	(33)	(41)	(64)	(45)	(46)	(29)	(35)	(64)	(132)	(103)	(142)	(187)	(263)	(309)	(383)	(429)	(449)	
(Add) Tax Shield on Extinguishment of Debt	-	1,279	-	-	-	583	-	-	-	-	-	-	-	-	-	-	-	-	
Add or (Loss) Tax on Other Gains and Losses	(97)	-	-	-	1,724	(474)	(50)	1	388	730	-	-	-	-	-	-	-	-	
Adjusted taxes	8,688	8,844	7,138	5,510	6,443	5,608	7,540	5,316	6,755	6,984	7,619	7,868	8,212	8,608	9,091	9,531	10,015	10,478	
Change in deferred taxes	(503)	(672)	761	(304)	(499)	320	1,911	(755)	449	(175)	265	-	-	-	-	-	-	-	
<b>NOPLAT</b>	<b>17,956</b>	<b>14,589</b>	<b>16,387</b>	<b>14,623</b>	<b>15,015</b>	<b>15,280</b>	<b>17,778</b>	<b>20,543</b>	<b>14,801</b>	<b>20,522</b>	<b>25,129</b>	<b>25,688</b>	<b>26,816</b>	<b>28,118</b>	<b>29,705</b>	<b>31,148</b>	<b>32,735</b>	<b>34,253</b>	
<b>Invested Capital (IC):</b>																			
<b>+Non-Interest-Bearing OCA</b>																			
Normal Cash	6,558	6,510	6,561	6,756	6,946	7,075	7,550	7,734	8,254	8,751	9,175	9,690	10,235	10,812	11,380	11,933	12,465	12,972	
Accounts Receivable	6,778	5,624	5,835	5,614	6,283	6,284	6,516	8,280	7,933	8,796	8,956	8,966	9,533	10,116	10,766	11,339	11,923	12,528	
Inventories	45,141	44,469	43,046	43,783	44,269	44,435	44,949	56,511	56,576	54,892	60,370	63,755	67,341	71,138	74,875	78,514	82,018	85,351	
Prepaid Expenses	2,224	1,441	1,941	3,511	3,623	1,622	20,861	1,519	2,521	3,322	3,067	5,997	6,662	7,375	8,026	8,282	9,251	6,669	
<b>Total NIBOCA</b>	<b>60,701</b>	<b>58,044</b>	<b>57,383</b>	<b>59,664</b>	<b>61,121</b>	<b>59,416</b>	<b>79,876</b>	<b>74,044</b>	<b>75,284</b>	<b>75,761</b>	<b>81,567</b>	<b>88,408</b>	<b>93,771</b>	<b>99,441</b>	<b>105,047</b>	<b>110,068</b>	<b>115,657</b>	<b>117,519</b>	
<b>- Non-Interest-Bearing OCL</b>																			
Accounts payable	38,410	38,487	41,433	46,092	47,060	46,973	49,141	55,261	53,742	56,812	59,618	62,962	66,503	70,253	73,943	77,537	80,997	84,288	
Accrued liabilities	19,152	19,607	20,654	22,122	22,159	22,296	37,966	26,060	31,126	28,759	31,335	33,092	34,953	36,924	38,864	40,753	42,571	44,301	
Accrued income taxes	1,021	521	921	645	428	280	242	851	727	307	735	768	806	852	907	957	1,010	1,059	
<b>Total NIBOCL</b>	<b>58,583</b>	<b>58,615</b>	<b>63,008</b>	<b>68,859</b>	<b>69,647</b>	<b>69,549</b>	<b>87,349</b>	<b>82,172</b>	<b>85,595</b>	<b>85,878</b>	<b>91,687</b>	<b>96,821</b>	<b>102,262</b>	<b>108,029</b>	<b>113,714</b>	<b>119,246</b>	<b>124,579</b>	<b>129,648</b>	
<b>Operating Working Capital</b>	<b>2,118</b>	<b>(571)</b>	<b>(5,625)</b>	<b>(9,195)</b>	<b>(8,526)</b>	<b>(10,133)</b>	<b>(7,473)</b>	<b>(8,128)</b>	<b>(10,311)</b>	<b>(10,117)</b>	<b>(10,120)</b>	<b>(8,414)</b>	<b>(8,491)</b>	<b>(8,587)</b>	<b>(8,667)</b>	<b>(9,178)</b>	<b>(8,922)</b>	<b>(12,129)</b>	
<b>+ Net PPE</b>	<b>114,280</b>	<b>110,171</b>	<b>107,710</b>	<b>107,675</b>	<b>104,317</b>	<b>105,208</b>	<b>92,201</b>	<b>94,515</b>	<b>100,760</b>	<b>110,810</b>	<b>116,237</b>	<b>121,198</b>	<b>125,731</b>	<b>129,870</b>	<b>133,649</b>	<b>137,097</b>	<b>140,241</b>	<b>143,105</b>	
Property under capital lease & financing obligatic	2,375	6,345	6,468	7,143	7,078	4,417	4,005	4,351	4,919	5,855	6,142	6,404	6,643	6,862	7,062	7,244	7,410	7,561	
Operating lease right-of-use assets	-	-	-	-	-	17,424	13,642	13,758	13,555	13,673	14,343	14,955	15,514	16,025	16,491	16,917	17,304	17,658	
Other assets & deferred charges	5,671	6,131	9,921	11,798	14,822	16,567	23,598	22,152	20,134	17,071	17,810	18,581	19,386	20,225	21,101	22,015	22,968	23,963	
<b>Total Other Long-Term OA</b>	<b>8,046</b>	<b>12,476</b>	<b>16,389</b>	<b>18,941</b>	<b>21,900</b>	<b>38,408</b>	<b>41,245</b>	<b>40,261</b>	<b>38,608</b>	<b>36,599</b>	<b>38,295</b>	<b>39,940</b>	<b>41,543</b>	<b>43,112</b>	<b>44,654</b>	<b>46,175</b>	<b>47,683</b>	<b>49,182</b>	
<b>Total Other Long-Term OL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Invested Capital</b>	<b>124,444</b>	<b>122,076</b>	<b>118,474</b>	<b>117,421</b>	<b>117,691</b>	<b>133,483</b>	<b>125,973</b>	<b>126,648</b>	<b>129,057</b>	<b>137,292</b>	<b>144,412</b>	<b>152,724</b>	<b>158,783</b>	<b>164,395</b>	<b>169,636</b>	<b>174,094</b>	<b>179,001</b>	<b>180,159</b>	
<b>Free Cash Flow (FCF):</b>																			
NOPLAT	17,956	14,589	16,387	14,623	15,015	15,280	17,778	20,543	14,801	20,522	25,129	25,688	26,816	28,118	29,705	31,148	32,735	34,253	
Change in IC	(2,368)	(3,602)	(1,053)	270	15,792	(7,510)	675	2,409	8,235	7,119	8,313	6,059	5,612	5,241	4,458	4,907	1,157		
<b>FCF</b>	<b>16,957</b>	<b>19,989</b>	<b>15,675</b>	<b>14,745</b>	<b>(512)</b>	<b>25,288</b>	<b>19,869</b>	<b>12,391</b>	<b>12,286</b>	<b>18,010</b>	<b>17,375</b>	<b>20,757</b>	<b>22,505</b>	<b>24,464</b>	<b>26,690</b>	<b>27,828</b>	<b>33,096</b>		
<b>Return on Invested Capital (ROIC):</b>																			
NOPLAT	17,956	14,589	16,387	14,623	15,015	15,280	17,778	20,543	14,801	20,522	25,129	25,688	26,816	28,118	29,705	31,148	32,735	34,253	
Beginning IC	124,444	122,076	118,474	117,421	117,691	133,483	125,973	126,648	129,057	137,292	144,412	152,724	158,783	164,395	169,636	174,094	179,001		
<b>ROIC</b>	<b>11.72%</b>	<b>13.42%</b>	<b>12.34%</b>	<b>12.79%</b>	<b>12.98%</b>	<b>13.32%</b>	<b>16.31%</b>	<b>11.69%</b>	<b>15.90%</b>	<b>18.30%</b>	<b>17.79%</b>	<b>17.56%</b>	<b>17.71%</b>	<b>18.07%</b>	<b>18.36%</b>	<b>18.80%</b>	<b>19.14%</b>		
<b>Economic Profit (EP):</b>																			
Beginning IC	124,444	122,076	118,474	117,421	117,691	133,483	125,973	126,648	129,057	137,292	144,412	152,724	158,783	164,395	169,636	174,094	179,001		
x (ROIC - WACC)	-7.04%	4.68%	6.39%	5.30%	5.75%	5.94%	6.28%	9.27%	4.65%	8.86%	11.26%	10.75%	10.52%	10.67%	11.03%	11.32%	11.76%	12.10%	
<b>EP</b>	<b>-</b>	<b>5,830</b>	<b>7,795</b>	<b>6,284</b>	<b>6,750</b>	<b>6,997</b>	<b>8,382</b>	<b>11,677</b>	<b>5,886</b>	<b>11,438</b>	<b>15,466</b>	<b>15,523</b>	<b>16,066</b>	<b>16,942</b>	<b>18,134</b>	<b>19,208</b>	<b>20,481</b>	<b>21,654</b>	



**Walmart Inc.***Weighted Average Cost of Capital (WACC) Estimation***Cost of Equity:**

Risk-Free Rate	4.41%
Beta	0.55
Equity Risk Premium	5.26%
<b>Cost of Equity</b>	<b>7.30%</b>

**ASSUMPTIONS:**

*10-year Treasury bond  
Average of 2, 3, 4, and 5-year weekly beta  
1928-2020 geometric average over 10-year Treasury*

**Cost of Debt:**

Risk-Free Rate	4.41%
Implied Default Premium	0.52%
Pre-Tax Cost of Debt	4.93%
Marginal Tax Rate	23%
<b>After-Tax Cost of Debt</b>	<b>3.78%</b>

*10-year Treasury bond*

*YTM on company's 30-year corporate bond*

**Market Value of Common Equity:**

Total Shares Outstanding	8054
Current Stock Price	\$84.08
<b>MV of Equity</b>	<b>677,180.32</b>

**MV Weights**

92.50%

**Market Value of Debt:**

Short-Term Debt	878
Current Portion of LTD	3447
Long-Term Debt	36132
PV of Operating Leases	14430
<b>MV of Total Debt</b>	<b>54,887.00</b>

7.50%

**Market Value of the Firm**

**732,067.32**

100.00%

**Estimated WACC**

**7.04%**

**Walmart Inc.**

*Discounted Cash Flow (DCF) and Economic Profit (EP) Valuation Models*

Key Inputs:

CV Growth of NOPLAT	3.50%
CV Year ROIC	19.14%
WACC	7.04%
Cost of Equity	7.30%

<b>Fiscal Years Ending Jan. 31</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>	<b>2029E</b>	<b>2030E</b>	<b>2031E</b>	<b>2032E</b>
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**DCF Model:**

Free Cash Flow (FCF)	18009.9	17375.3	20757.5	22505.5	24464.2	26689.7	27827.9	33095.8
Continuing Value (CV)								790934.1
PV of FCF	16825.6	15165.3	16926.0	17144.6	17411.2	17746.1	17286.1	491312.3
Value of Operating Assets:	609817.1							
Non-Operating Adjustments								
+Excess Cash	1115.5							
-Short Term Borrowings	878.0							
-PV of Operating Leases	14430.0							
-Long Term Debt Due Within 1 year	3447.0							
-Long Term Debt	36132.0							
-Nonredeemable noncontrolling interest	6710.0							
-Finance lease obligations due within one year	511.0							
-Long-term capital lease & financing obligations	4307.0							
Value of Equity	544517.6							
Shares Outstanding	8054.0							
Intrinsic Value of Last FYE	\$ 67.61							
<b>Implied Price as of Today</b>	<b>\$ 70.99</b>							

**EP Model:**

Economic Profit (EP)	15465.6	15523.3	16066.4	16941.9	18134.1	19207.7	20481.1	21653.8
Continuing Value (CV)								611932.8
PV of EP	14448.7	13548.8	13100.8	12906.2	12906.1	12771.3	12722.5	380120.3
Total PV of EP	472524.6							
Invested Capital (last FYE)	137292.5							
Value of Operating Assets:	609817.1							
Non-Operating Adjustments								
+Excess Cash	1115.5							
-Short Term Borrowings	878.0							
-PV of Operating Leases	14430.0							
-Long Term Debt Due Within 1 year	3447.0							
-Long Term Debt	36132.0							
-Nonredeemable noncontrolling interest	6710.0							
-Finance lease obligations due within one year	511.0							
-Long-term capital lease & financing obligations	4307.0							
Value of Equity	544517.6							
Shares Outstanding	8054.0							
Intrinsic Value of Last FYE	\$ 67.61							
<b>Implied Price as of Today</b>	<b>\$ 70.99</b>							

**Walmart Inc.***Dividend Discount Model (DDM) or Fundamental P/E Valuation Model*

<b>Fiscal Years Ending</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>	<b>2029E</b>	<b>2030E</b>	<b>2031E</b>	<b>2032E</b>
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EPS	\$ 2.79	\$ 2.94	\$ 3.11	\$ 3.32	\$ 3.56	\$ 3.78	\$ 4.02	\$ 4.24
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**Key Assumptions**

CV growth of EPS	2.50%
CV Year ROE	21.89%
Cost of Equity	7.30%

**Future Cash Flows**

P/E Multiple (CV Year)								18.4
EPS (CV Year)								4.2
Future Stock Price								78.2
Dividends Per Share	0.83	1.01	1.23	1.51	1.87	2.27	2.76	
Discounted Cash Flows	0.77	0.88	1.00	1.14	1.31	1.49	1.68	47.77

Intrinsic Value as of Last FYE \$ 56.04

**Implied Price as of Today** **\$ 58.85**



Walmart Inc.

Key Management Ratios

Fiscal Years Ending Jan. 31	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E
<b>Liquidity Ratios:</b>																		
Current Ratio = current assets / current liabilities	0.97	0.93	0.86	0.76	0.80	0.79	0.97	0.93	0.82	0.83	0.88	0.95	1.00	1.05	1.09	1.11	1.12	1.11
Quick Ratio = (cash + marketable securities + A/R) / cui	0.24	0.22	0.19	0.16	0.18	0.20	0.26	0.26	0.18	0.20	0.23	0.26	0.32	0.35	0.40	0.42	0.42	0.43
Cash Ratio = Cash & cash equivalents / current liabilities	0.14	0.13	0.10	0.09	0.10	0.12	0.19	0.17	0.09	0.11	0.14	0.18	0.23	0.26	0.31	0.33	0.33	0.34
Net working Capital = current assets - current liabilities:	(1,994.00)	(4,380.00)	(9,239.00)	(18,857.00)	(15,580.00)	(15,984.00)	(2,578.00)	(6,309.00)	(16,543.00)	(15,538.00)	(11,550.59)	(5,376.10)	336.36	5,657.66	10,319.34	13,677.23	15,467.35	14,331.10
<b>Asset-Management Ratios:</b>																		
Inventory Turnover Ratio = COGS / Average Inventory		7.85	8.03	8.36	8.51	8.65	9.16	8.25	8.01	8.58	8.62	8.45	8.45	8.46	8.46	8.45	8.43	8.42
Total Asset Turnover = sales / Average Total Assets		2.39	2.44	2.48	2.43	2.30	2.29	2.30	2.50	2.62	2.61	2.59	2.57	2.57	2.57	2.57	2.59	2.62
Working Capital Turnover = sales / average net working capital		(151.28)	(71.35)	(35.62)	(29.88)	(33.20)	(60.25)	(128.90)	(53.50)	(40.41)	(50.17)	(84.79)	(300.79)	267.17	105.50	73.65	63.35	64.48
<b>Financial Leverage Ratios:</b>																		
Debt-to-Assets = total debt / total assets	0.58	0.58	0.59	0.60	0.64	0.66	0.65	0.62	0.65	0.64	0.62	0.61	0.60	0.60	0.59	0.59	0.59	0.60
Debt-to-Equity = total debt / total equity	1.37	1.39	1.47	1.53	1.75	1.90	1.88	1.66	1.90	1.79	1.66	1.58	1.53	1.47	1.46	1.45	1.45	1.48
Debt-to-Capital = total debt / (total debt + equity)	0.58	0.58	0.59	0.60	0.64	0.66	0.65	0.62	0.65	0.64	0.62	0.61	0.60	0.60	0.59	0.59	0.59	0.60
<b>Profitability Ratios:</b>																		
Return on Equity = Net Income / total equity	19.04%	17.57%	16.94%	12.20%	8.38%	18.25%	15.43%	14.88%	13.91%	17.13%	22.19%	21.11%	20.42%	20.12%	20.21%	20.37%	20.87%	21.61%
Return on Assets = Net Income / total assets	8.03%	7.36%	6.86%	4.82%	3.04%	6.29%	5.35%	5.58%	4.80%	6.15%	8.33%	8.18%	8.08%	8.13%	8.21%	8.32%	8.50%	8.72%
Gross Profit Margin = (Sales - Cost of Sales) / Sales	36.45%	37.15%	38.36%	37.89%	37.31%	36.58%	36.66%	36.91%	35.01%	35.51%	36.78%	36.81%	36.77%	36.62%	36.49%	36.41%	36.39%	36.37%
Operating margin = Operating Profit / Sales	5.59%	5.00%	4.69%	4.08%	4.27%	3.93%	4.03%	4.53%	3.34%	4.17%	4.68%	4.58%	4.52%	4.49%	4.51%	4.51%	4.54%	4.57%
<b>Payout Policy Ratios:</b>																		
Dividend Payout Ratio = (Dividend/EPS)	37.87%	42.76%	45.47%	61.99%	91.18%	40.63%	45.28%	44.89%	52.24%	39.58%	29.74%	34.30%	39.56%	45.64%	52.47%	60.09%	68.55%	77.90%
Total Payout Ratio = ((Divs. + Repurchases)/NI)	44.00%	70.82%	106.38%	146.22%	202.58%	79.06%	64.70%	116.57%	137.28%	57.50%	56.53%	59.94%	63.98%	68.75%	74.16%	80.65%	88.02%	96.47%
Retention Ratio = (Net Income - Dividends)/ Net Income	137.80%	142.83%	145.56%	162.10%	191.48%	140.64%	145.27%	144.99%	152.35%	139.58%	129.74%	134.30%	139.56%	145.64%	152.47%	160.09%	168.55%	177.90%

**Walmart Inc.**  
Sensitivity Tables

		Beta							
		70.99	0.49	0.51	0.53	0.55	0.57	0.59	0.61
Capex Per Sqft (2025-2032)	1.03%	85.78	83.09	80.56	78.16	75.89	73.74	71.70	
	1.13%	83.22	80.60	78.12	75.78	73.56	71.46	69.47	
	1.23%	80.67	78.10	75.68	73.40	71.23	69.18	67.23	
	1.33%	78.09	75.59	73.23	70.99	68.88	66.88	64.98	
	1.43%	75.55	73.11	70.81	68.63	66.57	64.62	62.76	
	1.53%	73.00	70.62	68.37	66.25	64.24	62.33	60.53	
	1.63%	70.44	68.12	65.93	63.87	61.91	60.05	58.29	

		Walmart US Sales Growth (2025-2028)							
		70.99	5.49%	5.69%	5.89%	6.09%	6.29%	6.49%	6.69%
Cost of Equity	7.00%	73.78	75.09	76.42	77.78	79.13	80.52	81.92	
	7.10%	71.53	72.80	74.10	75.42	76.73	78.07	79.43	
	7.20%	69.40	70.64	71.90	73.18	74.45	75.75	77.07	
	7.30%	67.33	68.53	69.75	70.99	72.23	73.50	74.78	
	7.40%	65.48	66.65	67.83	69.04	70.25	71.48	72.72	
	7.50%	63.66	64.80	65.95	67.13	68.30	69.50	70.71	
	7.60%	61.93	63.04	64.16	65.31	66.45	67.62	68.80	

		WACC							
		70.99	6.74%	6.84%	6.94%	7.04%	7.14%	7.24%	7.34%
CV Growth of NOPLAT 2033+	3.20%	73.66	71.35	69.16	67.12	65.12	63.26	61.48	
	3.30%	75.17	72.75	70.47	68.34	66.27	64.32	62.48	
	3.40%	76.76	74.24	71.85	69.63	67.47	65.45	63.53	
	3.50%	78.46	75.81	73.31	70.99	68.74	66.63	64.64	
	3.60%	80.26	77.48	74.86	72.44	70.08	67.88	65.81	
	3.70%	82.18	79.25	76.51	73.96	71.50	69.21	67.04	
	3.80%	84.23	81.14	78.26	75.58	73.00	70.60	68.34	

		Sam's Club Sales Growth (2025-2028)							
		70.99	2.29%	3.29%	4.29%	5.29%	6.29%	7.29%	8.29%
Risk Free Rate	4.26%	70.95	71.97	73.06	74.21	75.45	76.77	78.17	
	4.31%	69.89	70.90	71.97	73.11	74.33	75.63	77.01	
	4.36%	68.87	69.86	70.92	72.04	73.24	74.52	75.89	
	4.41%	67.87	68.84	69.89	70.99	72.18	73.44	74.79	
	4.46%	66.89	67.85	68.88	69.98	71.15	72.39	73.71	
	4.51%	65.94	66.89	67.91	68.98	70.14	71.37	72.67	
	4.56%	65.01	65.95	66.95	68.02	69.16	70.37	71.65	

		Walmart US Store Growth (2025-2032)							
		70.99	-0.05%	0.05%	0.15%	0.25%	0.35%	0.45%	0.55%
Pre-Tax Cost of Debt	3.43%	70.73	71.30	71.88	72.45	73.04	73.63	74.22	
	3.93%	70.25	70.82	71.39	71.96	72.54	73.12	73.71	
	4.43%	69.78	70.34	70.91	71.47	72.05	72.63	73.21	
	4.93%	69.32	69.88	70.43	70.99	71.57	72.14	72.71	
	5.43%	68.86	69.41	69.97	70.52	71.09	71.66	72.23	
	5.93%	68.42	68.96	69.51	70.06	70.62	71.18	71.75	
	6.43%	67.97	68.52	69.06	69.61	70.16	70.72	71.28	

		Walmart International Sales Growth (2025-2028)							
		70.99	3.64%	4.04%	4.42%	4.82%	5.22%	5.62%	6.02%
Marginal Tax Rate	22.80%	70.08	70.61	71.12	71.68	72.24	72.82	73.42	
	23.00%	69.86	70.38	70.89	71.45	72.01	72.59	73.19	
	23.20%	69.63	70.16	70.67	71.22	71.78	72.36	72.96	
	23.40%	69.41	69.93	70.44	70.99	71.55	72.13	72.73	
	23.60%	69.18	69.71	70.21	70.77	71.33	71.90	72.49	
	23.80%	68.96	69.48	69.99	70.54	71.10	71.67	72.26	
	24.00%	68.74	69.26	69.76	70.31	70.87	71.44	72.03	