

Consolidated Statements of Operations

(millions, except per share data)	2018	2017 <i>As Adjusted ^(a)</i>	2016 <i>As Adjusted ^(a)</i>
Sales	\$ 74,433	\$ 71,786	\$ 69,414
Other revenue	923	928	857
Total revenue	75,356	72,714	70,271
Cost of sales	53,299	51,125	49,145
Selling, general and administrative expenses	15,723	15,140	14,217
Depreciation and amortization (exclusive of depreciation included in cost of sales)	2,224	2,225	2,045
Operating income	4,110	4,224	4,864
Net interest expense	461	653	991
Net other (income) / expense	(27)	(59)	(88)
Earnings from continuing operations before income taxes	3,676	3,630	3,961
Provision for income taxes	746	722	1,295
Net earnings from continuing operations	2,930	2,908	2,666
Discontinued operations, net of tax	7	6	68
Net earnings	\$ 2,937	\$ 2,914	\$ 2,734
Basic earnings per share			
Continuing operations	\$ 5.54	\$ 5.32	\$ 4.61
Discontinued operations	0.01	0.01	0.12
Net earnings per share	\$ 5.55	\$ 5.32	\$ 4.73
Diluted earnings per share			
Continuing operations	\$ 5.50	\$ 5.29	\$ 4.58
Discontinued operations	0.01	0.01	0.12
Net earnings per share	\$ 5.51	\$ 5.29	\$ 4.69
Weighted average common shares outstanding			
Basic	528.6	546.8	577.6
Diluted	533.2	550.3	582.5
Antidilutive shares	—	4.1	0.1

Note: Per share amounts may not foot due to rounding.

See accompanying Notes to Consolidated Financial Statements.

^(a) Refer to Note 2 regarding the adoption of new accounting standards for revenue recognition, leases, and pensions.

Consolidated Statements of Comprehensive Income

(millions)		2018	2017	2016
			<i>As Adjusted ^(a)</i>	<i>As Adjusted ^(a)</i>
Net earnings	\$	2,937	\$ 2,914	\$ 2,734
Other comprehensive (loss)/ income, net of tax				
Pension and other benefit liabilities, net of tax		(52)	2	(13)
Currency translation adjustment and cash flow hedges, net of tax		(6)	6	4
Other comprehensive (loss)/ income		(58)	8	(9)
Comprehensive income	\$	2,879	\$ 2,922	\$ 2,725

See accompanying Notes to Consolidated Financial Statements.

^(a) Refer to Note 2 regarding the adoption of new accounting standards for revenue recognition, leases, and pensions.

Consolidated Statements of Financial Position

(millions, except footnotes)	February 2, 2019	February 3, 2018 <i>As Adjusted ^(a)</i>
Assets		
Cash and cash equivalents	\$ 1,556	\$ 2,643
Inventory	9,497	8,597
Other current assets	1,466	1,300
Total current assets	12,519	12,540
Property and equipment		
Land	6,064	6,095
Buildings and improvements	29,240	28,131
Fixtures and equipment	5,912	5,623
Computer hardware and software	2,544	2,645
Construction-in-progress	460	440
Accumulated depreciation	(18,687)	(18,398)
Property and equipment, net	25,533	24,536
Operating lease assets	1,965	1,884
Other noncurrent assets	1,273	1,343
Total assets	\$ 41,290	\$ 40,303
Liabilities and shareholders' investment		
Accounts payable	\$ 9,761	\$ 8,677
Accrued and other current liabilities	4,201	4,094
Current portion of long-term debt and other borrowings	1,052	281
Total current liabilities	15,014	13,052
Long-term debt and other borrowings	10,223	11,117
Noncurrent operating lease liabilities	2,004	1,924
Deferred income taxes	972	693
Other noncurrent liabilities	1,780	1,866
Total noncurrent liabilities	14,979	15,600
Shareholders' investment		
Common stock	43	45
Additional paid-in capital	6,042	5,858
Retained earnings	6,017	6,495
Accumulated other comprehensive loss	(805)	(747)
Total shareholders' investment	11,297	11,651
Total liabilities and shareholders' investment	\$ 41,290	\$ 40,303

Common Stock Authorized 6,000,000,000 shares, \$0.0833 par value; 517,761,600 shares issued and outstanding at February 2, 2019; 541,681,670 shares issued and outstanding at February 3, 2018.

Preferred Stock Authorized 5,000,000 shares, \$0.01 par value; no shares were issued or outstanding at February 2, 2019 or February 3, 2018.

See accompanying Notes to Consolidated Financial Statements.

^(a) Refer to Note 2 regarding the adoption of new accounting standards for revenue recognition, leases, and pensions.

Consolidated Statements of Cash Flows

(millions)	2018	2017 As Adjusted ^(a)	2016 As Adjusted ^(a)
Operating activities			
Net earnings	\$ 2,937	\$ 2,914	\$ 2,734
Earnings from discontinued operations, net of tax	7	6	68
Net earnings from continuing operations	2,930	2,908	2,666
Adjustments to reconcile net earnings to cash provided by operations:			
Depreciation and amortization	2,474	2,476	2,318
Share-based compensation expense	132	112	113
Deferred income taxes	322	(188)	40
Loss on debt extinguishment	—	123	422
Noncash losses / (gains) and other, net	95	208	(11)
Changes in operating accounts:			
Inventory	(900)	(348)	293
Other assets	(299)	(156)	56
Accounts payable	1,127	1,307	(166)
Accrued and other liabilities	89	419	(394)
Cash provided by operating activities—continuing operations	5,970	6,861	5,337
Cash provided by operating activities—discontinued operations	3	74	107
Cash provided by operations	5,973	6,935	5,444
Investing activities			
Expenditures for property and equipment	(3,516)	(2,533)	(1,547)
Proceeds from disposal of property and equipment	85	31	46
Cash paid for acquisitions, net of cash assumed	—	(518)	—
Other investments	15	(55)	28
Cash required for investing activities	(3,416)	(3,075)	(1,473)
Financing activities			
Additions to long-term debt	—	739	1,977
Reductions of long-term debt	(281)	(2,192)	(2,649)
Dividends paid	(1,335)	(1,338)	(1,348)
Repurchase of stock	(2,124)	(1,046)	(3,706)
Stock option exercises	96	108	221
Cash required for financing activities	(3,644)	(3,729)	(5,505)
Net (decrease) / increase in cash and cash equivalents	(1,087)	131	(1,534)
Cash and cash equivalents at beginning of period	2,643	2,512	4,046
Cash and cash equivalents at end of period	\$ 1,556	\$ 2,643	\$ 2,512
Supplemental information			
Interest paid, net of capitalized interest	\$ 476	\$ 678	\$ 999
Income taxes paid	373	934	1,514
Leased assets obtained in exchange for new finance lease liabilities	130	139	252
Leased assets obtained in exchange for new operating lease liabilities	246	212	148

See accompanying Notes to Consolidated Financial Statements.

^(a) Refer to Note 2 regarding the adoption of new accounting standards for revenue recognition, leases, and pensions.

Consolidated Statements of Shareholders' Investment

(millions)	Common Stock Shares	Stock Par Value	Additional Paid-in Capital	Retained Earnings <i>As Adjusted</i> ^(a)	Accumulated Other Comprehensive (Loss)/ Income	Total
January 30, 2016	602.2	\$ 50	\$ 5,348	\$ 8,196	\$ (629)	\$ 12,965
Adoption of ASC Topic 842 (Leases)	—	—	—	(43)	—	(43)
Net earnings	—	—	—	2,734	—	2,734
Other comprehensive loss	—	—	—	—	(9)	(9)
Dividends declared	—	—	—	(1,359)	—	(1,359)
Repurchase of stock	(50.9)	(4)	—	(3,682)	—	(3,686)
Stock options and awards	4.9	—	313	—	—	313
January 28, 2017	556.2	\$ 46	\$ 5,661	\$ 5,846	\$ (638)	\$ 10,915
Net earnings	—	—	—	2,914	—	2,914
Other comprehensive income	—	—	—	—	8	8
Dividends declared	—	—	—	(1,356)	—	(1,356)
Repurchase of stock	(17.6)	(1)	—	(1,026)	—	(1,027)
Stock options and awards	3.1	—	197	—	—	197
Reclassification of tax effects to retained earnings	—	—	—	117	(117)	—
February 3, 2018	541.7	\$ 45	\$ 5,858	\$ 6,495	\$ (747)	\$ 11,651
Net earnings	—	—	—	2,937	—	2,937
Other comprehensive loss	—	—	—	—	(58)	(58)
Dividends declared	—	—	—	(1,347)	—	(1,347)
Repurchase of stock	(27.2)	(2)	—	(2,068)	—	(2,070)
Stock options and awards	3.3	—	184	—	—	184
February 2, 2019	517.8	\$ 43	\$ 6,042	\$ 6,017	\$ (805)	\$ 11,297

We declared \$2.54, \$2.46, and \$2.36 dividends per share for the twelve months ended February 2, 2019, February 3, 2018, and January 28, 2017, respectively.

See accompanying Notes to Consolidated Financial Statements.

^(a) Refer to Note 2 regarding the adoption of new accounting standards for revenue recognition, leases, and pensions.