

Consolidated Statements of Income

| | Fiscal Years Ended January 31, | | |
|--|--------------------------------|------------------|------------------|
| (Amounts in millions, except per share data) | 2016 | 2015 | 2014 |
| Revenues: | | | |
| Net sales | \$478,614 | \$482,229 | \$473,076 |
| Membership and other income | 3,516 | 3,422 | 3,218 |
| Total revenues | 482,130 | 485,651 | 476,294 |
| Costs and expenses: | | | |
| Cost of sales | 360,984 | 365,086 | 358,069 |
| Operating, selling, general and administrative expenses | 97,041 | 93,418 | 91,353 |
| Operating income | 24,105 | 27,147 | 26,872 |
| Interest: | | | |
| Debt | 2,027 | 2,161 | 2,072 |
| Capital lease and financing obligations | 521 | 300 | 263 |
| Interest income | (81) | (113) | (119) |
| Interest, net | 2,467 | 2,348 | 2,216 |
| Income from continuing operations before income taxes | 21,638 | 24,799 | 24,656 |
| Provision for income taxes: | | | |
| Current | 7,584 | 8,504 | 8,619 |
| Deferred | (1,026) | (519) | (514) |
| Total provision for income taxes | 6,558 | 7,985 | 8,105 |
| Income from continuing operations | 15,080 | 16,814 | 16,551 |
| Income from discontinued operations, net of income taxes | — | 285 | 144 |
| Consolidated net income | 15,080 | 17,099 | 16,695 |
| Consolidated net income attributable to noncontrolling interest | (386) | (736) | (673) |
| Consolidated net income attributable to Walmart | \$ 14,694 | \$ 16,363 | \$ 16,022 |
| Basic net income per common share: | | | |
| Basic income per common share from continuing operations attributable to Walmart | \$ 4.58 | \$ 5.01 | \$ 4.87 |
| Basic income per common share from discontinued operations attributable to Walmart | — | 0.06 | 0.03 |
| Basic net income per common share attributable to Walmart | \$ 4.58 | \$ 5.07 | \$ 4.90 |
| Diluted net income per common share: | | | |
| Diluted income per common share from continuing operations attributable to Walmart | \$ 4.57 | \$ 4.99 | \$ 4.85 |
| Diluted income per common share from discontinued operations attributable to Walmart | — | 0.06 | 0.03 |
| Diluted net income per common share attributable to Walmart | \$ 4.57 | \$ 5.05 | \$ 4.88 |
| Weighted-average common shares outstanding: | | | |
| Basic | 3,207 | 3,230 | 3,269 |
| Diluted | 3,217 | 3,243 | 3,283 |
| Dividends declared per common share | \$ 1.96 | \$ 1.92 | \$ 1.88 |

See accompanying notes.



Consolidated Balance Sheets

| (Amounts in millions) | Fiscal Years Ended January 31, | |
|--|--------------------------------|-----------|
| | 2016 | 2015 |
| ASSETS | | |
| <i>Current assets:</i> | | |
| Cash and cash equivalents | \$ 8,705 | \$ 9,135 |
| Receivables, net | 5,624 | 6,778 |
| Inventories | 44,469 | 45,141 |
| Prepaid expenses and other | 1,441 | 2,224 |
| Total current assets | 60,239 | 63,278 |
| <i>Property and equipment:</i> | | |
| Property and equipment | 176,958 | 177,395 |
| Less accumulated depreciation | (66,787) | (63,115) |
| Property and equipment, net | 110,171 | 114,280 |
| <i>Property under capital lease and financing obligations:</i> | | |
| Property under capital lease and financing obligations | 11,096 | 5,239 |
| Less accumulated amortization | (4,751) | (2,864) |
| Property under capital lease and financing obligations, net | 6,345 | 2,375 |
| Goodwill | 16,695 | 18,102 |
| Other assets and deferred charges | 6,131 | 5,455 |
| Total assets | \$199,581 | \$203,490 |
| LIABILITIES AND EQUITY | | |
| <i>Current liabilities:</i> | | |
| Short-term borrowings | \$ 2,708 | \$ 1,592 |
| Accounts payable | 38,487 | 38,410 |
| Accrued liabilities | 19,607 | 19,152 |
| Accrued income taxes | 521 | 1,021 |
| Long-term debt due within one year | 2,745 | 4,791 |
| Capital lease and financing obligations due within one year | 551 | 287 |
| Total current liabilities | 64,619 | 65,253 |
| Long-term debt | 38,214 | 40,889 |
| Long-term capital lease and financing obligations | 5,816 | 2,606 |
| Deferred income taxes and other | 7,321 | 8,805 |
| Commitments and contingencies | | |
| <i>Equity:</i> | | |
| Common stock | 317 | 323 |
| Capital in excess of par value | 1,805 | 2,462 |
| Retained earnings | 90,021 | 85,777 |
| Accumulated other comprehensive income (loss) | (11,597) | (7,168) |
| Total Walmart shareholders' equity | 80,546 | 81,394 |
| Nonredeemable noncontrolling interest | 3,065 | 4,543 |
| Total equity | 83,611 | 85,937 |
| Total liabilities and equity | \$199,581 | \$203,490 |

See accompanying notes.

Consolidated Statements of Cash Flows

| (Amounts in millions) | Fiscal Years Ended January 31, | | |
|--|--------------------------------|-----------|-----------|
| | 2016 | 2015 | 2014 |
| Cash flows from operating activities: | | | |
| Consolidated net income | \$ 15,080 | \$ 17,099 | \$ 16,695 |
| Income from discontinued operations, net of income taxes | — | (285) | (144) |
| Income from continuing operations | 15,080 | 16,814 | 16,551 |
| Adjustments to reconcile income from continuing operations to net cash provided by operating activities: | | | |
| Depreciation and amortization | 9,454 | 9,173 | 8,870 |
| Deferred income taxes | (672) | (503) | (279) |
| Other operating activities | 1,410 | 785 | 938 |
| Changes in certain assets and liabilities, net of effects of acquisitions: | | | |
| Receivables, net | (19) | (569) | (566) |
| Inventories | (703) | (1,229) | (1,667) |
| Accounts payable | 2,008 | 2,678 | 531 |
| Accrued liabilities | 1,303 | 1,249 | 103 |
| Accrued income taxes | (472) | 166 | (1,224) |
| Net cash provided by operating activities | 27,389 | 28,564 | 23,257 |
| Cash flows from investing activities: | | | |
| Payments for property and equipment | (11,477) | (12,174) | (13,115) |
| Proceeds from disposal of property and equipment | 635 | 570 | 727 |
| Proceeds from disposal of certain operations | 246 | 671 | — |
| Other investing activities | (79) | (192) | (138) |
| Net cash used in investing activities | (10,675) | (11,125) | (12,526) |
| Cash flows from financing activities: | | | |
| Net change in short-term borrowings | 1,235 | (6,288) | 911 |
| Proceeds from issuance of long-term debt | 39 | 5,174 | 7,072 |
| Payments of long-term debt | (4,432) | (3,904) | (4,968) |
| Dividends paid | (6,294) | (6,185) | (6,139) |
| Purchase of Company stock | (4,112) | (1,015) | (6,683) |
| Dividends paid to noncontrolling interest | (719) | (600) | (426) |
| Purchase of noncontrolling interest | (1,326) | (1,844) | (296) |
| Other financing activities | (513) | (409) | (260) |
| Net cash used in financing activities | (16,122) | (15,071) | (10,789) |
| Effect of exchange rates on cash and cash equivalents | (1,022) | (514) | (442) |
| Net increase (decrease) in cash and cash equivalents | (430) | 1,854 | (500) |
| Cash and cash equivalents at beginning of year | 9,135 | 7,281 | 7,781 |
| Cash and cash equivalents at end of period | \$ 8,705 | \$ 9,135 | \$ 7,281 |
| Supplemental disclosure of cash flow information: | | | |
| Income taxes paid | 8,111 | 8,169 | 8,641 |
| Interest paid | 2,540 | 2,433 | 2,362 |

See accompanying notes.