

WAL-MART STORES NYSE-WMT										RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE									
										76.02	14.8	0.83	2.5%											
										(Trailing: 15.1)	15.0													
										60.2	61.3	54.6	52.2	51.4	63.8	57.5	56.3	60.0	77.6	81.4	80.0	Target Price Range		
										46.3	51.1	42.3	42.3	42.1	43.1	46.3	47.8	48.3	57.2	67.7	72.3	2017	2018	2019
TIMELINESS 3 Raised 6/20/14 SAFETY 1 Raised 2/15/02 TECHNICAL 2 Raised 10/10/14 BETA .65 (1.00 = Market)										LEGENDS — 10.0 x "Cash Flow" p sh Relative Price Strength Options: Yes Shaded area indicates recession										160				
2017-19 PROJECTIONS Price Gain Ann'l Total High 125 (+65%) 15% Low 100 (+30%) 10%																				120				
Insider Decisions D J F M A M J J A to Buy 0 0 0 0 0 0 0 0 Options 1 0 0 0 0 0 0 0 to Sell 4 0 1 2 0 1 1 0																				80				
Institutional Decisions 4Q2013 1Q2014 2Q2014 to Buy 623 582 599 to Sell 623 666 623 Hid's(000) 971546 963148 969688										Percent shares traded 12 8 4										40				
% TOT. RETURN 9/14 THIS STOCK VL ARITH. INDEX 1 yr. 6.0 9.5 3 yr. 58.6 84.2 5 yr. 76.1 104.4																				20				
										© VALUE LINE PUB. LLC 17-19										15				
1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Sales per sh ^A		189.85				
30.71	37.02	42.80	49.36	56.09	60.00	68.02	75.79	84.40	95.34	103.34	107.82	119.98	130.76	141.57	147.32	151.40	162.95	"Cash Flow" per sh		10.95				
1.41	1.81	2.05	2.25	2.61	2.95	3.47	3.78	4.27	4.83	5.16	5.64	6.42	6.92	7.69	7.92	7.95	8.50	Earnings per sh ^{A,B}		7.00				
.99	1.28	1.40	1.50	1.81	2.03	2.41	2.63	2.92	3.16	3.42	3.66	4.07	4.45	5.02	5.11	5.05	5.50	Div'ds Decl'd per sh ^{A,C}		2.30				
.16	.20	.24	.28	.30	.36	.52	.60	.67	.88	.95	1.09	1.21	1.46	1.59	1.88	1.92	2.05	Book Value per sh		35.50				
4.71	5.80	7.01	7.88	8.95	10.12	11.67	12.77	14.91	16.26	16.63	18.69	19.49	20.86	23.04	23.59	26.00	28.00	Common Shs Outst'g ^D		2950.0				
4482.0	4457.0	4470.0	4453.0	4395.0	4311.0	4234.0	4165.0	4131.0	3973.0	3925.0	3786.0	3516.0	3418.0	3314.0	3233.0	3220.0	3130.0	Avg Ann'l P/E Ratio		16.0				
31.2	39.1	38.0	34.9	30.3	26.9	22.8	18.3	16.0	14.9	16.2	13.9	13.1	12.4	13.5	14.9	Relative P/E Ratio		1.00						
1.62	2.23	2.47	1.79	1.66	1.53	1.20	.97	.86	.79	.97	.93	.83	.78	.86	.84	Avg Ann'l Div'd Yield		2.1%						
.5%	.4%	.5%	.5%	.5%	.7%	.9%	1.2%	1.4%	1.9%	1.7%	2.1%	2.3%	2.7%	2.3%	2.5%	Bold figures are Value Line estimates								
CAPITAL STRUCTURE as of 7/31/14 Total Debt \$50659 mill. Due in 5 Yrs \$16150 mill. LT Debt \$45699 mill. LT Interest \$2325 mill. Incl. \$2695 mill. capitalized leases. (Total interest coverage: 11.1x) (36% of Cap'l)										287989	315654	348650	378799	405607	408214	421849	446950	469162	476294	487500	510000	Sales (\$mill) ^A		560000
Leases, Uncapitalized Annual rentals \$1722 mill.										23.7%	23.8%	24.2%	24.4%	24.5%	25.4%	25.3%	25.0%	24.9%	26.7%	24.0%	24.5%	Gross Margin		25.5%
No Defined Benefit Pension Plan Pfd Stock None										7.5%	7.4%	7.4%	7.5%	7.3%	7.6%	7.9%	7.7%	7.7%	7.7%	7.6%	7.7%	Operating Margin		7.8%
Common Stock 3,222,513,219 shs. as of 9/3/14 MARKET CAP: \$245 billion (Large Cap)										5289	6141	6779	7262	7720	8416	8970	10130	10773	10942	11470	12100	Number of Stores		15000
CURRENT POSITION (\$MILL.)										10267	11014	12178	12884	13512	14204	14921	15523	16999	16728	16300	17300	Net Profit (\$mill)		20300
Cash Assets 7781 7281 6184 Receivables 6768 6677 6146 Inventory (LIFO) 43803 44858 45451 Other 1588 2369 1851										34.7%	34.7%	33.6%	34.2%	34.2%	34.1%	34.0%	33.4%	31.0%	32.2%	33.0%	33.0%	Income Tax Rate		33.0%
Current Assets 59940 61185 59632 Accts Payable 38080 37415 36828 Debt Due 12392 4412 4659 Other 21346 27518 25665 Current Liab. 71818 69345 67152										3.6%	3.5%	3.5%	3.4%	3.3%	3.5%	3.5%	3.5%	3.6%	3.5%	3.3%	3.4%	Net Profit Margin		3.6%
ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '11-'13 of change (per sh)										44397	d5002	d5166	d10869	d6441	d7230	d6591	d7325	d11878	d8160	d7500	d7000	Working Cap'l (\$mill)		d4000
Sales 10.0% 8.0% 5.0% "Cash Flow" 11.0% 9.5% 6.5% Earnings 10.5% 9.0% 6.5% Dividends 18.0% 14.5% 6.0% Book Value 9.5% 7.0% 9.0%										23669	30171	30735	33402	34549	36401	43842	47079	41417	44559	46000	47200	Long-Term Debt (\$mill)		40000
Fiscal Year Begins										49396	53171	61573	64608	65285	70799	68542	71315	76343	76255	83720	87640	Shr. Equity (\$mill)		104725
2011 104189 109366 110226 123169 446950 2012 113018 114296 113929 127919 469162 2013 114071 116829 115688 129706 476294 2014 114960 120125 118500 133915 487500 2015 119000 123300 124400 143300 510000										14.8%	14.0%	14.1%	14.1%	14.5%	14.1%	14.1%	14.0%	15.3%	14.7%	12.5%	13.0%	Return on Total Cap'l		14.0%
EARNINGS PER SHARE^{A,B}										20.8%	20.7%	19.8%	19.9%	20.7%	20.1%	21.8%	21.8%	22.3%	21.9%	19.5%	19.5%	Return on Shr. Equity		19.5%
2011 .97 1.09 .99 1.44 4.45 2012 1.09 1.18 1.08 1.67 5.02 2013 1.14 1.24 1.14 1.60 5.11 2014 1.10 1.21 1.15 1.59 5.05 2015 1.20 1.30 1.27 1.73 5.50										16.3%	16.0%	15.2%	14.4%	15.0%	14.1%	15.3%	14.7%	15.2%	13.9%	12.0%	12.5%	Retained to Com Eq		13.0%
QUARTERLY SALES^A (\$mill.)										22%	23%	23%	28%	28%	30%	30%	33%	32%	37%	38%	37%	All Div'ds to Net Prof		33%
Apr.30 Jul.31 Oct.31 Jan.31 Full Fiscal Year										BUSINESS: Wal-Mart Stores, Inc. is the world's largest retailer, operating 3,288 supercenters (includes sizable grocery departments), 508 discount stores, 632 Sam's Clubs, and 407 Neighborhood Markets in the U.S., plus 6,107 foreign stores, mainly in Latin America, with the balance in Asia, Canada, and the U.K. as of 1/31/14. Total store space: 1.101 billion square feet. Retail space is largely										owned, and most stores are within 400 miles of a distribution center. Groceries accounted for 55% of U.S. sales; sales per square foot in 2013: about \$433. Has 2,200,000 employees. Off./dir. own 50.6% of shares (4/14 proxy). Chairman: S. Robson Walton. CEO and Pres.: Doug McMillon. Inc.: DE. Addr.: 702 S.W. 8th St., Bentonville, AR 72716. Tel.: 479-273-4000. Internet: www.walmart.com.				
QUARTERLY DIVIDENDS PAID^C										Wal-Mart should continue reporting lackluster results. As expected, domestic same-store sales came in flat for the July quarter. Management was not pleased and looks to gain an edge in the market with innovative mobile-based promotional tactics like the Savings Catcher price-match program, more-localized merchandise selections, and a new opening price point private-label line, Price First. We are skeptical that these maneuvers will be enough to fully offset reserved spending by Wal-Mart's continuously cash-strapped and increasingly bargain-savvy core customer base of low- and middle-income consumers. Further, cuts to the Supplemental Nutrition Assistance Program (food stamps), have had a negative impact on sales for the past three quarters. The legislation change will be anniversaried this November, but ought to hurt results in the meantime.										more on improving stock availability and customer service via a significant increase in labor hours. Surprisingly, the expansion of small format Neighborhood Market and Wal-Mart Express stores is being put on hold as the company analyzes which regions to compete in as well as the product mix. This is likely a response to competition with dollar stores in urban markets as well as cannibalization from supercenters.				
Mar.31 Jun.30 Sep.30 Dec.31 Full Year										The company is adjusting its priorities. During the recent analyst meeting management laid out a plan to slow its supercenter footprint expansion. After nearly a year of pressure from investors, WMT finally appears ready to focus										more on improving stock availability and customer service via a significant increase in labor hours. Surprisingly, the expansion of small format Neighborhood Market and Wal-Mart Express stores is being put on hold as the company analyzes which regions to compete in as well as the product mix. This is likely a response to competition with dollar stores in urban markets as well as cannibalization from supercenters.				
2010 .2725 .605 .3025 -- 1.18 2011 .3025 .730 .365 -- 1.40 2012 .365 .795 .3975 .3975 1.96 2013 .47 .47 .47 .47 1.88 2014 .48 .48 .48										Operating income may suffer over the near term. The aforementioned labor costs coupled with heightened investment in the e-commerce platform will likely squeeze margins for several quarters.										We find these shares suitable for long-term investors. The challenging retail environment will likely keep comps flat over the near term. This, combined with a slowing footprint and increased investment in customer satisfaction and the omnichannel shopping experience, puts a damper on our near-term outlook. Eventually, we expect these investments to pay off in the form of increased same-store sales and earnings. Also, WMT shares receive our Highest Safety rank (1).				
(A) Fiscal year ends Jan. 31st of following calendar year. Sales exclude rentals from licensed depts. (B) Based on diluted shares. May not sum due to rounding. Excls. n/r										(losses)/gains: '01, (\$0.01); '05, \$0.03; '08, (\$0.07); '09, \$0.04; '10, \$0.40; '11, \$0.03; '13, (\$0.23). Next earnings report due Nov. 13th. (C) Divds. historically paid in early Mar., May, Aug., and Dec. Dividend reinvestment plan available. (D) In millions.										Kevin Downing October 31, 2014				
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