

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q**

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

For the quarterly period ended October 31, 2025.

or

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. For the transition period from ___ to ___.

Commission File Number 001-06991

Walmart Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

71-0415188

(I.R.S. Employer Identification No.)

1 Customer Drive

Bentonville AR

(Address of principal executive offices)

72716

(Zip Code)

Registrant's telephone number, including area code: **(479) 273-4000**

Former name, former address and former fiscal year, if changed since last report: N/A

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.10 per share	WMT	New York Stock Exchange
2.550% Notes due 2026	WMT26	New York Stock Exchange
1.050% Notes due 2026	WMT26A	New York Stock Exchange
1.500% Notes due 2028	WMT28C	New York Stock Exchange
4.875% Notes due 2029	WMT29B	New York Stock Exchange
5.750% Notes due 2030	WMT30B	New York Stock Exchange
1.800% Notes due 2031	WMT31A	New York Stock Exchange
5.625% Notes due 2034	WMT34	New York Stock Exchange
5.250% Notes due 2035	WMT35A	New York Stock Exchange
4.875% Notes due 2039	WMT39	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

Smaller Reporting Company

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The registrant had 7,970,166,964 shares of common stock outstanding as of December 2, 2025.

Walmart Inc.
Form 10-Q
For the Quarterly Period Ended October 31, 2025

Table of Contents

	<u>Page</u>
Part I. Financial Information	
Item 1. Financial Statements	
Condensed Consolidated Statements of Income	3
Condensed Consolidated Statements of Comprehensive Income	4
Condensed Consolidated Balance Sheets	5
Condensed Consolidated Statements of Shareholders' Equity	6
Condensed Consolidated Statements of Cash Flows	8
Notes to Condensed Consolidated Financial Statements	9
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	19
Item 3. Quantitative and Qualitative Disclosures About Market Risk	29
Item 4. Controls and Procedures	30
Part II. Other Information	
Item 1. Legal Proceedings	31
Item 1A. Risk Factors	31
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	32
Item 5. Other Information	32
Item 6. Exhibits	36
Signatures	37

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Walmart Inc.
Condensed Consolidated Statements of Income
(Unaudited)

	Three Months Ended		Nine Months Ended	
	October 31,		October 31,	
	2025	2024	2025	2024
<i>(Amounts in millions, except per share data)</i>				
Revenues:				
Net sales	\$ 177,769	\$ 168,003	\$ 517,500	\$ 495,708
Membership and other income	1,727	1,585	5,007	4,723
Total revenues	<u>179,496</u>	<u>169,588</u>	<u>522,507</u>	<u>500,431</u>
Costs and expenses:				
Cost of sales	134,706	127,340	391,780	375,581
Operating, selling, general and administrative expenses	38,094	35,540	109,610	103,361
Operating income	<u>6,696</u>	<u>6,708</u>	<u>21,117</u>	<u>21,489</u>
Interest:				
Debt	563	496	1,733	1,650
Finance lease	121	122	357	361
Interest income	(93)	(140)	(280)	(368)
Interest, net	591	478	1,810	1,643
Other (gains) and losses	(2,081)	132	(4,192)	500
Income before income taxes	<u>8,186</u>	<u>6,098</u>	<u>23,499</u>	<u>19,346</u>
Provision for income taxes	2,098	1,384	5,621	4,614
Consolidated net income	<u>6,088</u>	<u>4,714</u>	<u>17,878</u>	<u>14,732</u>
Consolidated net (income) loss attributable to noncontrolling interest	55	(137)	(222)	(550)
Consolidated net income attributable to Walmart	<u>\$ 6,143</u>	<u>\$ 4,577</u>	<u>\$ 17,656</u>	<u>\$ 14,182</u>
Net income per common share:				
Basic net income per common share attributable to Walmart	\$ 0.77	\$ 0.57	\$ 2.21	\$ 1.76
Diluted net income per common share attributable to Walmart	0.77	0.57	2.20	1.75
Weighted-average common shares outstanding:				
Basic	7,974	8,038	7,987	8,044
Diluted	8,011	8,082	8,026	8,082
Dividends declared per common share			\$ 0.94	\$ 0.83

See accompanying notes.

Walmart Inc.
Condensed Consolidated Statements of Comprehensive Income
(Unaudited)

<i>(Amounts in millions)</i>	Three Months Ended October 31,		Nine Months Ended October 31,	
	2025	2024	2025	2024
Consolidated net income	\$ 6,088	\$ 4,714	\$ 17,878	\$ 14,732
Consolidated net (income) loss attributable to noncontrolling interest	55	(137)	(222)	(550)
Consolidated net income attributable to Walmart	6,143	4,577	17,656	14,182
Other comprehensive income (loss), net of income taxes				
Currency translation and other	(413)	(520)	444	(1,620)
Cash flow hedges	(20)	(4)	218	34
Other comprehensive income (loss), net of income taxes	(433)	(524)	662	(1,586)
Other comprehensive (income) loss attributable to noncontrolling interest	42	177	(181)	363
Other comprehensive income (loss) attributable to Walmart	(391)	(347)	481	(1,223)
Comprehensive income, net of income taxes	5,655	4,190	18,540	13,146
Comprehensive (income) loss attributable to noncontrolling interest	97	40	(403)	(187)
Comprehensive income attributable to Walmart	\$ 5,752	\$ 4,230	\$ 18,137	\$ 12,959

See accompanying notes.

Walmart Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

<i>(Amounts in millions)</i>	October 31, 2025	January 31, 2025	October 31, 2024
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 10,582	\$ 9,037	\$ 10,049
Receivables, net	12,115	9,975	10,039
Inventories	65,354	56,435	63,302
Prepaid expenses and other	4,869	4,011	3,548
Total current assets	<u>92,920</u>	<u>79,458</u>	<u>86,938</u>
Property and equipment, net	130,201	119,993	116,598
Operating lease right-of-use assets	14,501	13,599	13,701
Finance lease right-of-use assets, net	6,138	6,112	6,227
Goodwill	28,722	28,792	27,942
Other long-term assets	16,173	12,869	11,993
Total assets	<u>\$ 288,655</u>	<u>\$ 260,823</u>	<u>\$ 263,399</u>
LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST, AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term borrowings	\$ 8,401	\$ 3,068	\$ 3,579
Accounts payable	67,156	58,666	62,863
Dividends payable	1,908	—	1,674
Accrued liabilities	31,521	29,345	28,117
Accrued income taxes	789	608	783
Long-term debt due within one year	3,523	2,598	3,246
Operating lease obligations due within one year	1,592	1,499	1,507
Finance lease obligations due within one year	842	800	789
Total current liabilities	<u>115,732</u>	<u>96,584</u>	<u>102,558</u>
Long-term debt	34,445	33,401	33,645
Long-term operating lease obligations	13,705	12,825	12,927
Long-term finance lease obligations	5,916	5,923	6,056
Deferred income taxes and other	16,345	14,398	13,748
Commitments and contingencies			
Redeemable noncontrolling interest	306	271	189
Shareholders' equity:			
Common stock	797	802	803
Capital in excess of par value	6,863	5,503	5,395
Retained earnings	101,558	98,313	94,435
Accumulated other comprehensive loss	(13,124)	(13,605)	(12,525)
Total Walmart shareholders' equity	<u>96,094</u>	<u>91,013</u>	<u>88,108</u>
Nonredeemable noncontrolling interest	6,112	6,408	6,168
Total shareholders' equity	<u>102,206</u>	<u>97,421</u>	<u>94,276</u>
Total liabilities, redeemable noncontrolling interest, and shareholders' equity	<u>\$ 288,655</u>	<u>\$ 260,823</u>	<u>\$ 263,399</u>

See accompanying notes.

Walmart Inc.
Condensed Consolidated Statements of Shareholders' Equity
(Unaudited)

	Common Stock		Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Loss	Total Walmart Shareholders' Equity	Nonredeemable Noncontrolling Interest	Total Equity
	Shares	Amount						
<i>(Amounts in millions)</i>								
Balances as of February 1, 2025	8,024	\$ 802	\$ 5,503	\$ 98,313	\$ (13,605)	\$ 91,013	\$ 6,408	\$ 97,421
Consolidated net income	—	—	—	4,487	—	4,487	161	4,648
Other comprehensive income, net of income taxes	—	—	—	—	309	309	36	345
Dividends declared (\$0.94 per share)	—	—	—	(7,540)	—	(7,540)	—	(7,540)
Purchase of Company stock	(51)	(5)	(243)	(4,350)	—	(4,598)	—	(4,598)
Dividends to noncontrolling interest	—	—	—	—	—	—	(5)	(5)
Other	13	2	181	(61)	—	122	(52)	70
Balances as of April 30, 2025	7,986	\$ 799	\$ 5,441	\$ 90,849	\$ (13,296)	\$ 83,793	\$ 6,548	\$ 90,341
Consolidated net income	—	—	—	7,026	—	7,026	132	7,158
Other comprehensive income, net of income taxes	—	—	—	—	563	563	187	750
Purchase of Company stock	(16)	(2)	(90)	(1,500)	—	(1,592)	—	(1,592)
Dividends to noncontrolling interest	—	—	—	—	—	—	(424)	(424)
Other	5	—	367	(47)	—	320	(3)	317
Balances as of July 31, 2025	7,975	\$ 797	\$ 5,718	\$ 96,328	\$ (12,733)	\$ 90,110	\$ 6,440	\$ 96,550
Consolidated net income	—	—	—	6,143	—	6,143	(51)	6,092
Other comprehensive loss, net of income taxes	—	—	—	—	(391)	(391)	(42)	(433)
Purchase of Company stock	(8)	(1)	(45)	(759)	—	(805)	—	(805)
Dividends to noncontrolling interest	—	—	—	—	—	—	7	7
Other	5	1	1,190	(154)	—	1,037	(242)	795
Balances as of October 31, 2025	7,972	\$ 797	\$ 6,863	\$ 101,558	\$ (13,124)	\$ 96,094	\$ 6,112	\$ 102,206

See accompanying notes.

[Table of Contents](#)

	Common Stock		Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Loss	Total Walmart Shareholders' Equity	Nonredeemable Noncontrolling Interest	Total Equity
	Shares	Amount						
<i>(Amounts in millions)</i>								
Balances as of February 1, 2024	8,054	\$ 805	\$ 4,544	\$ 89,814	\$ (11,302)	\$ 83,861	\$ 6,488	\$ 90,349
Consolidated net income	—	—	—	5,104	—	5,104	209	5,313
Other comprehensive income (loss), net of income taxes	—	—	—	—	(65)	(65)	72	7
Dividends declared (\$0.83 per share)	—	—	—	(6,683)	—	(6,683)	—	(6,683)
Purchase of Company stock	(18)	(2)	(50)	(999)	—	(1,051)	—	(1,051)
Dividends to noncontrolling interest	—	—	—	—	—	—	(5)	(5)
Sale of subsidiary stock	—	—	10	—	—	10	5	15
Other	13	2	121	(6)	—	117	11	128
Balances as of April 30, 2024	8,049	\$ 805	\$ 4,625	\$ 87,230	\$ (11,367)	\$ 81,293	\$ 6,780	\$ 88,073
Consolidated net income	—	—	—	4,501	—	4,501	219	4,720
Other comprehensive loss, net of income taxes	—	—	—	—	(811)	(811)	(258)	(1,069)
Purchase of Company stock	(15)	(1)	(50)	(942)	—	(993)	—	(993)
Dividends to noncontrolling interest	—	—	—	—	—	—	(634)	(634)
Sale of subsidiary stock	—	—	10	—	—	10	4	14
Other	1	(1)	425	(1)	—	423	31	454
Balances as of July 31, 2024	8,035	\$ 803	\$ 5,010	\$ 90,788	\$ (12,178)	\$ 84,423	\$ 6,142	\$ 90,565
Consolidated net income	—	—	—	4,577	—	4,577	155	4,732
Other comprehensive loss, net of income taxes	—	—	—	—	(347)	(347)	(177)	(524)
Purchase of Company stock	(13)	(1)	(52)	(927)	—	(980)	—	(980)
Dividends to noncontrolling interest	—	—	—	—	—	—	(5)	(5)
Sale of subsidiary stock	—	—	5	—	—	5	1	6
Other	12	1	432	(3)	—	430	52	482
Balances as of October 31, 2024	8,034	\$ 803	\$ 5,395	\$ 94,435	\$ (12,525)	\$ 88,108	\$ 6,168	\$ 94,276

See accompanying notes.

Walmart Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Nine Months Ended October 31,	
	2025	2024
<i>(Amounts in millions)</i>		
Cash flows from operating activities:		
Consolidated net income	\$ 17,878	\$ 14,732
Adjustments to reconcile consolidated net income to net cash provided by operating activities:		
Depreciation and amortization	10,462	9,599
Investment (gains) and losses, net	(4,123)	654
Deferred income taxes	2,310	(245)
Other operating activities	2,976	1,685
Changes in certain assets and liabilities, net of effects of acquisitions and dispositions:		
Receivables, net	(2,128)	(1,395)
Inventories	(8,221)	(9,200)
Accounts payable	7,277	7,406
Accrued liabilities	894	(807)
Accrued income taxes	127	489
Net cash provided by operating activities	<u>27,452</u>	<u>22,918</u>
Cash flows from investing activities:		
Payments for property and equipment	(18,627)	(16,696)
Proceeds from disposal of property and equipment	69	358
Proceeds from disposal of certain strategic investments	799	3,813
Other investing activities	(1,271)	(136)
Net cash used in investing activities	<u>(19,030)</u>	<u>(12,661)</u>
Cash flows from financing activities:		
Net change in short-term borrowings	5,313	2,680
Proceeds from issuance of long-term debt	3,983	—
Repayments of long-term debt	(2,625)	(2,817)
Dividends paid	(5,630)	(5,004)
Purchase of Company stock	(7,008)	(3,049)
Other financing activities	(1,045)	(1,483)
Net cash used in financing activities	<u>(7,012)</u>	<u>(9,673)</u>
Effect of exchange rates on cash, cash equivalents and restricted cash	<u>151</u>	<u>(351)</u>
Net increase in cash, cash equivalents and restricted cash	1,561	233
Cash, cash equivalents and restricted cash at beginning of year	9,536	9,935
Cash, cash equivalents and restricted cash at end of period	<u>\$ 11,097</u>	<u>\$ 10,168</u>

See accompanying notes.

Walmart Inc.
Notes to Condensed Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The Condensed Consolidated Financial Statements of Walmart Inc. and its subsidiaries ("Walmart" or the "Company") and the accompanying notes included in this Quarterly Report on Form 10-Q are unaudited. In the opinion of management, all adjustments necessary for the fair presentation of the Condensed Consolidated Financial Statements have been included. Such adjustments are of a normal, recurring nature. The Condensed Consolidated Financial Statements, and the accompanying notes, are prepared in accordance with generally accepted accounting principles in the United States ("GAAP") and do not contain certain information included in the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 2025 ("fiscal 2025"). Therefore, the interim Condensed Consolidated Financial Statements should be read in conjunction with that Annual Report on Form 10-K.

The Company's Condensed Consolidated Financial Statements are based on a fiscal year ending January 31 for the United States ("U.S.") and Canadian operations. The Company consolidates all other operations generally using a one-month lag based on a calendar year. There were no significant intervening events during the month of October 2025 related to the consolidated operations using a lag that materially affected the Condensed Consolidated Financial Statements.

The Company's business is seasonal to a certain extent due to calendar events and national and religious holidays, as well as weather patterns. Historically, the Company's highest sales volume has occurred in the fiscal quarter ending January 31.

Use of Estimates

The Condensed Consolidated Financial Statements have been prepared in conformity with GAAP. Those principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities. Management's estimates and assumptions also affect the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ materially from those estimates.

Supplier Financing Program Obligations

The Company has supplier financing programs with financial institutions, whereby the Company agrees to pay the financial institution the stated amount of confirmed invoices on the invoice due date for participating suppliers. Participation in these programs is optional and solely up to the supplier, who negotiates the terms of the arrangement directly with the financial institution and may allow early payment. The outstanding payment obligations to financial institutions under these programs were \$6.2 billion, \$5.7 billion and \$6.8 billion as of October 31, 2025, January 31, 2025 and October 31, 2024, respectively.

Recent Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which expands the requirements for income tax disclosures in order to provide greater transparency. The amendments are effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments should be applied prospectively, although optional retrospective application is permitted. Management intends to adopt the amendments prospectively for the fiscal year ending January 31, 2026 and is currently evaluating this ASU to determine its impact on the Company's disclosures. The amendments only impact disclosures and are not expected to have an impact on the Company's financial condition and results of operations.

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires incremental disclosures about specific expense categories, including but not limited to, purchases of inventory, employee compensation, depreciation, amortization and selling expenses. The amendments are effective for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted and the amendments may be applied either prospectively or retrospectively. Management is currently evaluating this ASU to determine its impact on the Company's disclosures. The amendments only impact disclosures and are not expected to have an impact on the Company's financial condition and results of operations.

Note 2. Net Income Per Common Share

Basic net income per common share attributable to Walmart is based on the weighted-average common shares outstanding during the relevant period. Diluted net income per common share attributable to Walmart is based on the weighted-average common shares outstanding during the relevant period adjusted for the dilutive effect of share-based awards as determined under the treasury stock method. The Company did not have significant share-based awards outstanding that were antidilutive and not included in the calculation of diluted net income per common share attributable to Walmart for the three and nine months ended October 31, 2025 and 2024.

The following table provides a reconciliation of the numerators and denominators used to determine basic and diluted net income per common share attributable to Walmart:

<i>(Amounts in millions, except per share data)</i>	Three Months Ended October 31,		Nine Months Ended October 31,	
	2025	2024	2025	2024
Numerator				
Consolidated net income	\$ 6,088	\$ 4,714	\$ 17,878	\$ 14,732
Consolidated net (income) loss attributable to noncontrolling interest	55	(137)	(222)	(550)
Consolidated net income attributable to Walmart	<u>\$ 6,143</u>	<u>\$ 4,577</u>	<u>\$ 17,656</u>	<u>\$ 14,182</u>
Denominator				
Weighted-average common shares outstanding, basic	7,974	8,038	7,987	8,044
Dilutive impact of share-based awards	37	44	39	38
Weighted-average common shares outstanding, diluted	<u>8,011</u>	<u>8,082</u>	<u>8,026</u>	<u>8,082</u>
Net income per common share attributable to Walmart				
Basic	\$ 0.77	\$ 0.57	\$ 2.21	\$ 1.76
Diluted	0.77	0.57	2.20	1.75

Note 3. Accumulated Other Comprehensive Loss

The following tables provide the changes in the composition of total accumulated other comprehensive loss:

<i>(Amounts in millions and net of immaterial income taxes)</i>	Currency Translation and Other	Cash Flow Hedges	Total
Balances as of February 1, 2025	\$ (12,661)	\$ (944)	\$ (13,605)
Other comprehensive income before reclassifications, net	47	259	306
Reclassifications to income, net	—	3	3
Balances as of April 30, 2025	<u>\$ (12,614)</u>	<u>\$ (682)</u>	<u>\$ (13,296)</u>
Other comprehensive income (loss) before reclassifications, net	587	(45)	542
Reclassifications to income, net	—	21	21
Balances as of July 31, 2025	<u>\$ (12,027)</u>	<u>\$ (706)</u>	<u>\$ (12,733)</u>
Other comprehensive loss before reclassifications, net	(371)	(45)	(416)
Reclassifications to income, net	—	25	25
Balances as of October 31, 2025	<u>\$ (12,398)</u>	<u>\$ (726)</u>	<u>\$ (13,124)</u>

<i>(Amounts in millions and net of immaterial income taxes)</i>	Currency Translation and Other	Cash Flow Hedges	Total
Balances as of February 1, 2024	\$ (10,407)	\$ (895)	\$ (11,302)
Other comprehensive income (loss) before reclassifications, net	(93)	10	(83)
Reclassifications to income, net	—	18	18
Balances as of April 30, 2024	<u>\$ (10,500)</u>	<u>\$ (867)</u>	<u>\$ (11,367)</u>
Other comprehensive loss before reclassifications, net	(725)	(98)	(823)
Reclassifications to income, net	(96)	108	12
Balances as of July 31, 2024	<u>\$ (11,321)</u>	<u>\$ (857)</u>	<u>\$ (12,178)</u>
Other comprehensive loss before reclassifications, net	(346)	(16)	(362)
Reclassifications to income, net	3	12	15
Balances as of October 31, 2024	<u>\$ (11,664)</u>	<u>\$ (861)</u>	<u>\$ (12,525)</u>

Amounts reclassified from accumulated other comprehensive loss for cash flow hedges are generally recorded in interest, net, in the Company's Condensed Consolidated Statements of Income. Amounts reclassified related to the cumulative translation for settlements of foreign-denominated bonds and associated cross-currency swaps are recorded in operating, selling, general and administrative expenses in the Company's Condensed Consolidated Statements of Income.

Note 4. Short-term Borrowings and Long-term Debt

The Company has various committed lines of credit in the U.S. to support its commercial paper program. In April 2025, the Company renewed and extended its existing 364-day revolving credit facility of \$10.0 billion as well as its five-year credit facility of \$5.0 billion. In total, the Company had committed lines of credit in the U.S. of \$15.0 billion at October 31, 2025 and January 31, 2025, all undrawn.

The following table provides the changes in the Company's long-term debt for the nine months ended October 31, 2025:

<i>(Amounts in millions)</i>	Long-term debt due within one year	Long-term debt	Total
Balances as of February 1, 2025	\$ 2,598	\$ 33,401	\$ 35,999
Proceeds from issuance of long-term debt ⁽¹⁾	—	3,983	3,983
Repayments of long-term debt	(2,625)	—	(2,625)
Reclassifications of long-term debt	3,551	(3,551)	—
Currency and other adjustments	(1)	612	611
Balances as of October 31, 2025	\$ 3,523	\$ 34,445	\$ 37,968

⁽¹⁾ Proceeds from issuance of long-term debt are net of deferred loan costs and any related discount or premium.

Debt Issuances

Information on significant long-term debt issued during the nine months ended October 31, 2025, for general corporate purposes, is as follows:

<i>(Amounts in millions)</i>	Principal Amount	Maturity Date	Interest Rate	Net Proceeds
Issue Date				
April 28, 2025	\$ 750	April 28, 2027	Floating	\$ 749
April 28, 2025	\$ 750	April 28, 2027	4.100%	\$ 748
April 28, 2025	\$ 1,000	April 28, 2030	4.350%	\$ 993
April 28, 2025	\$ 1,500	April 28, 2035	4.900%	\$ 1,493
Total				\$ 3,983

These issuances are senior, unsecured notes which rank equally with all other senior, unsecured debt obligations of the Company, and are not convertible or exchangeable. These issuances do not contain any financial covenants and do not restrict the Company's ability to pay dividends or repurchase company stock.

Debt Repayments

Information on significant long-term debt repayments during the nine months ended October 31, 2025 is as follows:

<i>(Amounts in millions)</i>	Principal Amount	Fixed vs. Floating	Interest Rate	Repayment
Maturity Date				
June 26, 2025	\$875	Fixed	3.550%	\$ 875
September 9, 2025	\$1,750	Fixed	3.900%	\$ 1,750
				\$ 2,625

Note 5. Fair Value Measurements

Assets and liabilities recorded at fair value are measured using the fair value hierarchy, which prioritizes the inputs used in measuring fair value. The levels of the fair value hierarchy are:

- Level 1: observable inputs such as quoted prices in active markets;
- Level 2: inputs other than quoted prices in active markets that are either directly or indirectly observable; and
- Level 3: unobservable inputs for which little or no market data exists, therefore requiring the Company to develop its own assumptions.

[Table of Contents](#)

The Company measures the fair value of certain equity investments, including certain immaterial equity method investments where the Company has elected the fair value option, on a recurring basis primarily within other long-term assets in the accompanying Condensed Consolidated Balance Sheets. The amounts of gains and losses included in earnings from fair value changes for these investments are recognized within other gains and losses in the Condensed Consolidated Statements of Income. The fair value of these investments is as follows:

<i>(Amounts in millions)</i>	Fair Value as of October 31, 2025	Fair Value as of January 31, 2025
Equity investments measured using Level 1 inputs	\$ 1,557	\$ 959
Equity investments measured using Level 2 inputs	5,154	2,082
Total	\$ 6,711	\$ 3,041

The fair value of these investments increased \$2.1 billion and \$3.7 billion for the three and nine months ended October 31, 2025, respectively, primarily due to gains and losses resulting from net changes in the underlying stock prices of the investments and certain other immaterial investment activity. The fair value of these investments decreased \$3.7 billion and \$4.3 billion for the three and nine months ended October 31, 2024, respectively, primarily due to the sale of certain strategic investments, as well as gains and losses resulting from net changes in the underlying stock prices of the remaining investments and certain other immaterial investment activity. Equity investments without readily determinable fair values are carried at cost and adjusted for any observable price changes or impairments within other gains and losses in the Condensed Consolidated Statements of Income.

Derivatives

The Company also has derivatives recorded at fair value. Derivative fair values are the estimated amounts the Company would receive or pay upon termination of the related derivative agreements as of the reporting dates. The fair values have been measured using the income approach and Level 2 inputs, which include the relevant interest rate and foreign currency forward curves. As of October 31, 2025 and January 31, 2025, the notional amounts and fair values of these derivatives were as follows:

<i>(Amounts in millions)</i>	October 31, 2025		January 31, 2025	
	Notional Amount	Fair Value	Notional Amount	Fair Value
Receive fixed-rate, pay variable-rate interest rate swaps designated as fair value hedges	\$ 4,771	\$ (414) ⁽¹⁾	\$ 4,771	\$ (611) ⁽¹⁾
Receive fixed-rate, pay fixed-rate cross-currency swaps designated as cash flow hedges	5,831	(1,123) ⁽¹⁾	5,452	(1,388) ⁽¹⁾
Total	\$ 10,602	\$ (1,537)	\$ 10,223	\$ (1,999)

⁽¹⁾ Primarily classified in deferred income taxes and other within the Company's Condensed Consolidated Balance Sheets.

Nonrecurring Fair Value Measurements

In addition to assets and liabilities recorded at fair value on a recurring basis, the Company's assets and liabilities are also subject to nonrecurring fair value measurements. Generally, assets are recorded at fair value on a nonrecurring basis as a result of impairment charges. The Company did not have any material assets or liabilities resulting in nonrecurring fair value measurements as of October 31, 2025 in the Company's Condensed Consolidated Balance Sheets.

Other Fair Value Disclosures

The Company records cash and cash equivalents, restricted cash and short-term borrowings at cost. The carrying values of these instruments approximate their fair value due to their short-term maturities.

The Company's long-term debt is also recorded at cost. The fair value is estimated using Level 2 inputs based on observable prices of identical instruments in less active markets. The carrying value and fair value of the Company's long-term debt as of October 31, 2025 and January 31, 2025, are as follows:

<i>(Amounts in millions)</i>	October 31, 2025		January 31, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term debt, including amounts due within one year	\$ 37,968	\$ 36,813	\$ 35,999	\$ 33,790

Note 6. Contingencies

Legal Proceedings

The Company is involved in a number of legal proceedings and certain regulatory matters. The Company records a liability for those legal proceedings and regulatory matters when it determines it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. The Company also discloses when it is reasonably possible that a material loss may be incurred. From time to time, the Company may enter into discussions regarding settlement of these matters, and may enter into settlement agreements, if it believes settlement is in the best interest of the Company and its shareholders.

Unless stated otherwise, the matters discussed below, if decided adversely to or settled by the Company, individually or in the aggregate, may result in a liability material to the Company's financial position, results of operations or cash flows. The Company can provide no assurance as to the scope and outcome of these matters and cannot reasonably estimate any loss or range of loss, beyond the amounts accrued, if any, that may arise from these matters.

Settlement of Certain Opioid-Related Matters

The Company entered into settlement agreements with all 50 states, the District of Columbia, Puerto Rico, three U.S. territories, and the vast majority of eligible political subdivisions and federally recognized Native American tribes to resolve opioid-related claims against the Company. In fiscal year 2023, the Company accrued a liability of approximately \$3.3 billion for these settlements, which included amounts for remediation of alleged harms, attorneys' fees, and costs. As of January 31, 2025, all of the accrued liability had been paid. Remaining federally recognized Native American tribes have until February 24, 2026 to join the settlement, but the Company will owe no additional funds for any that join.

Ongoing Opioid-Related Litigation

The Company will continue to vigorously defend against any opioid-related matters not settled or otherwise resolved, including, but not limited to, each of the matters described below; any other actions filed by healthcare providers, individuals, and third-party payers; and any action filed by a political subdivision or Native American tribe that elects not to join the settlement described above. Accordingly, the Company has not accrued a liability for these opioid-related matters nor can the Company reasonably estimate any loss or range of loss that may arise from these matters. The Company can provide no assurance as to the scope and outcome of any of the opioid-related matters and no assurance that its business, financial position, results of operations or cash flows will not be materially adversely affected.

Opioid Multidistrict Litigation; Other Opioid-Related Matters in the U.S. and Canada. In December 2017, the United States Judicial Panel on Multidistrict Litigation consolidated numerous lawsuits filed against a wide array of defendants by various plaintiffs, including counties, cities, healthcare providers, Native American tribes, individuals and third-party payers, asserting claims generally concerning the impacts of widespread opioid abuse. The consolidated multidistrict litigation is entitled *In re National Prescription Opiate Litigation* (MDL No. 2804) (the "MDL") and is pending in the U.S. District Court for the Northern District of Ohio (the "MDL Court"). The Company is named as a defendant in some cases included in the MDL.

Several opioid-related cases against the Company remain pending in the MDL and in state and federal courts. The plaintiffs include healthcare providers, third-party payers, individuals and others and seek compensatory and punitive damages and injunctive relief, including abatement. Four cases brought by third-party payers and one case brought by a hospital system have been selected as bellwether cases to proceed through discovery in the MDL, and the MDL Court may designate additional bellwether cases in the future. The Florida Health Sciences Center case pending in state court in Florida asserts claims on behalf of several hospital systems against the Company and other defendants. A jury trial on this matter commenced on September 18, 2025, and is ongoing.

The Company has been responding to subpoenas, information requests, and investigations from governmental entities related to nationwide controlled substance dispensing and distribution practices involving opioids.

Wal-Mart Canada Corp. and certain other subsidiaries of the Company have been named as defendants in two putative class action complaints filed in Canada related to distribution practices involving opioids. These matters remain pending.

Department of Justice Opioid Civil Litigation. On December 22, 2020, the U.S. Department of Justice (the "DOJ") filed a civil complaint in the U.S. District Court for the District of Delaware alleging that the Company unlawfully dispensed controlled substances from its pharmacies and unlawfully distributed controlled substances to those pharmacies. The complaint alleges that this conduct resulted in violations of the Controlled Substances Act. The DOJ is seeking civil penalties and injunctive relief. On March 11, 2024, the Court granted in-part Walmart's motion to dismiss by dismissing the entirety of the DOJ's claims related to distribution and dismissing the DOJ's claims arising under one of the DOJ's two dispensing liability theories. The DOJ's claims arising under its other dispensing liability theory remain pending. Trial is scheduled for November 2027.

Opioid-Related Securities Class Actions. The Company is the subject of two securities class actions alleging violations of the federal securities laws regarding the Company's disclosures with respect to opioids purportedly on behalf of a class of investors who acquired Walmart stock from March 31, 2017 through December 22, 2020. Those actions were filed in the U.S. District Court for the District of Delaware in 2021 and later consolidated. On April 8, 2024, the Court granted the Company's motion to

dismiss these actions. The plaintiffs appealed, and on August 29, 2025, the Third Circuit Court of Appeals affirmed the dismissal of these actions.

False Claims Act Litigation. On August 23, 2019, a qui tam action was filed in the U.S. District Court for the District of New Mexico. The action was partially unsealed on April 30, 2024 after the federal government declined to intervene. The DOJ informed the Company of its decision not to intervene on June 20, 2024. On July 25, 2024, the Court transferred the litigation to the U.S. District Court for the District of Delaware. On January 9, 2025, the plaintiffs filed a third amended complaint on behalf of two former pharmacists of the Company as relators that alleges the Company violated the Controlled Substances Act and state pharmacy regulations and that such conduct constitutes violations of the federal False Claims Act. The Company has filed a renewed motion to dismiss that is currently pending with the Court.

Other Legal Proceedings

Asda Equal Value Claims. Asda, formerly a subsidiary of the Company, is a defendant in certain equal value claims that began in 2008 and are proceeding in the United Kingdom before an Employment Tribunal in Manchester and before the High Court. Claims have been brought by approximately 73,000 current and former Asda store employees who allege their work is of equal value to the work done by employees in Asda's distribution centers and that the difference in pay and conditions between the different jobs is not objectively justified. Additional employees may assert claims in the future. The High Court claims are stayed pending the determination of a cohort of claims brought in the Employment Tribunal. The legal proceedings to consider these equal value claims are in three phases, and the first phase is complete. On January 31, 2025, the Employment Tribunal issued a ruling that certain of the claims are permitted to advance to the third phase. Certain claims remain under consideration in the second phase. The hearing on the third phase is scheduled to begin on November 23, 2026. There are factual and legal defenses to the equal value claims, and the Company intends to vigorously defend them. Subsequent to the divestiture of Asda in February 2021, the Company continues to oversee the conduct of the defense of these claims. While potential liability for these claims remains with Asda, the Company has agreed to provide indemnification with respect to certain of these claims up to a contractually determined amount. The Company cannot predict the number of such claims that may ultimately be filed and cannot reasonably estimate any loss or range of loss that may arise related to these proceedings. Accordingly, the Company can provide no assurance as to the scope and outcome of these matters.

Money Transfer Agent Services Matter. The Company has responded to grand jury subpoenas issued by the United States Attorney's Office for the Middle District of Pennsylvania on behalf of the DOJ seeking documents regarding the Company's consumer fraud prevention program and anti-money laundering compliance related to the Company's money transfer services, where Walmart is an agent. The most recent subpoena was issued in August 2020. Walmart's responses to DOJ's subpoenas have been complete since 2021. While it continues to cooperate with the DOJ's review, the Company intends to vigorously defend this matter. The Company can provide no assurance as to the scope and outcome of this matter and cannot reasonably estimate any loss or range of loss that may arise. Accordingly, the Company can provide no assurance that its business, financial position, results of operations or cash flows will not be materially adversely affected.

Driver Platform Matters. The Company has been responding to subpoenas, information requests and investigations from, and is in discussions with, the FTC and State Attorneys General, regarding payment and operational practices, with respect to its driver platform. The Company has also been responding to subpoenas, information requests and investigations from governmental entities with respect to the independent contractor classification of drivers regarding its driver platform. The Company is also defending putative class and representative action civil litigation relating to driver classification and defending other civil litigation and arbitration claims in connection with its driver platform. The Company intends to vigorously defend itself in these matters. However, the Company can provide no assurance as to the scope and outcome of these matters and cannot reasonably estimate any loss or range of loss that may arise. Accordingly, the Company can provide no assurance that its business, financial position, results of operations or cash flows will not be materially adversely affected.

Mexico Antitrust Matter. On October 6, 2023, the Comisión Federal de Competencia Económica of México ("COFECE") notified the main Mexican operating subsidiary of Wal-Mart de México, S.A.B. de C.V. ("Walmex"), a majority owned subsidiary of the Company, that COFECE's Investigatory Authority ("IA") had recommended the initiation of a quasi-judicial administrative process against Walmex's subsidiary for alleged relative monopolistic practices in connection with the supply and wholesale distribution of certain consumer goods, retail marketing practices of such consumer goods and related services. On December 12, 2024, after Walmex provided defenses, produced expert evidence and participated in a hearing, COFECE issued a split decision that Walmex's subsidiary had engaged in a single relative monopolistic practice in relation to the negotiation of two types of contributions with its suppliers. The resolution imposed a monetary penalty on Walmex's subsidiary in the amount of \$93.4 million pesos (approximately \$5 million U.S. dollars) and certain non-structural conduct measures relating to the two prohibited types of supplier contributions (while recognizing that other supplier contributions can continue). On January 6, 2025, Walmex's subsidiary challenged COFECE's resolution through an appeal in the specialized federal courts. Until the appeal is resolved, Walmex's subsidiary will operate in compliance with COFECE's ruling. Payment of the monetary penalty is stayed until the lawsuit is resolved.

Foreign Direct Investment Matters. In July 2021, the Directorate of Enforcement in India issued a show cause notice to Flipkart Private Limited and one of its subsidiaries ("Flipkart"), and to unrelated companies and individuals, including certain current and former shareholders and directors of Flipkart. The notice requests the recipients to show cause as to why further proceedings under India's Foreign Direct Investment rules and regulations (the "Rules") should not be initiated against them based on alleged violations during the period from 2009 to 2015, prior to the Company's acquisition of a majority stake in Flipkart in 2018 (the "Notice"). In addition, there have been more recent requests for information from the Directorate of Enforcement to Flipkart for periods prior and subsequent to April 2016 regarding the Rules, including the most recent request in April 2025 (the "Requests"), to which Flipkart has been responding. The Notice is an initial stage of proceedings under the Rules which could, depending upon the conclusions at the end of the initial stage, lead to a hearing to consider the merits of the allegations described in the Notice. If a hearing on the merits is initiated, whether with respect to the Notice or pursuant to any further proceedings related to the Requests, and if it is determined that violations of the Rules occurred, then the regulatory authority has the authority to impose monetary and/or non-monetary relief, such as share ownership restrictions. Flipkart has been responding to the Notice and, if the matter progresses to a consideration of the merits of the allegations described in the Notice, Flipkart intends to defend against the allegations vigorously. Due to the fact that the process regarding the Notice is in the early stages, the Company is unable to predict whether the Notice will lead to a hearing on the merits or, if it does, the final outcome of the resulting proceedings, as well as whether any further proceedings will arise with respect to the Requests. The Company cannot reasonably estimate any loss or range of loss that may arise from these matters and can provide no assurance as to the scope or outcome of any proceeding that might result from the Notice or the Requests, or the amount of the proceeds the Company may receive in indemnification from individuals and entities that sold shares to the Company under the 2018 agreement for the period prior to the date the Company acquired its majority stake in Flipkart, and further can provide no assurance that its business, financial position, results of operations or cash flows will not be materially adversely affected.

India Antitrust Matter. On January 13, 2020, the Competition Commission of India ("CCI") ordered its Director General (the "DG") to investigate certain matters alleging competition law violations by certain subsidiaries of Flipkart in India and other parties. On September 13, 2024, those subsidiaries received a non-confidential version of the DG's Investigation Report (the "Report"), alleging certain competition law violations. CCI is not bound by the Report, and will conduct its independent analysis of the allegations, including hearing objections from the subsidiaries and other parties before issuing its final order in the matter, which could include monetary and non-monetary relief. CCI's final order would also be subject to appropriate appellate proceedings. The Company can provide no assurance as to the scope and outcome of this matter, cannot reasonably estimate any loss or range of loss that may arise, and can provide no assurance that its business, financial position, results of operations or cash flows will not be materially adversely affected.

Note 7. Segments and Disaggregated Revenue

Segments

The Company is engaged in the operation of retail and wholesale stores and clubs, as well as eCommerce websites and mobile applications, located throughout the U.S., Africa, Canada, Central America, Chile, China, India and Mexico. The Company's operations are conducted in three reportable segments: Walmart U.S., Walmart International and Sam's Club U.S. The Company defines its segments as those operations whose results the chief operating decision maker ("CODM"), the Company's Chief Executive Officer, regularly reviews to analyze performance and allocate resources. The Company sells similar individual products and services in each of its segments. It is impractical to segregate and identify revenues for each of these individual products and services.

The Walmart U.S. segment includes the Company's mass merchandising concept in the U.S., as well as eCommerce, which includes omnichannel initiatives and certain other business offerings such as advertising services. The Walmart International segment consists of the Company's operations outside of the U.S., as well as eCommerce, which includes omnichannel initiatives. The Sam's Club U.S. segment includes the warehouse membership clubs in the U.S., as well as eCommerce, which includes omnichannel initiatives. Corporate and support consists of corporate overhead and other items not allocated to any of the Company's segments.

[Table of Contents](#)

The Company measures the profit or loss of its segments using operating income. The CODM uses operating income to allocate resources across the reportable segments as part of the Company's long-range and annual planning processes, and to evaluate planned versus actual results when assessing segment operating performance. From time to time, the Company may revise the measurement of each segment's operating income, including any corporate overhead allocations, and presentation of significant segment expenses, as determined by the information regularly reviewed by its CODM. The operating results of each reportable segment, including the mix of cost of sales and operating, selling, general and administrative expenses, are not directly comparable due to differences in business model, format and channel mix. Additionally, the operating results of each reportable segment may not be comparable to those of other retailers. Information for the Company's segments, as well as for Corporate and support, including the reconciliation to income before income taxes, is provided as follows:

<i>(Amounts in millions)</i>	Three Months Ended October 31,		Nine Months Ended October 31,	
	2025	2024	2025	2024
Walmart U.S.				
Net sales	\$ 120,678	\$ 114,875	\$ 353,752	\$ 338,892
Membership and other income	665	618	1,950	1,835
Total revenues	121,343	115,493	355,702	340,727
Cost of sales	87,366	83,384	255,955	245,999
Operating, selling, general and administrative expenses	28,197	26,674	81,542	77,370
Operating income	\$ 5,780	\$ 5,435	\$ 18,205	\$ 17,358
Walmart International				
Net sales	\$ 33,541	\$ 30,277	\$ 94,496	\$ 89,677
Membership and other income	391	367	1,151	1,122
Total revenues	33,932	30,644	95,647	90,799
Cost of sales	26,539	23,748	74,475	70,028
Operating, selling, general and administrative expenses	6,691	5,692	17,979	16,674
Operating income	\$ 702	\$ 1,204	\$ 3,193	\$ 4,097
Sam's Club U.S.⁽¹⁾				
Net sales	\$ 23,550	\$ 22,851	\$ 69,252	\$ 67,139
Membership and other income	665	588	1,889	1,728
Total revenues	24,215	23,439	71,141	68,867
Cost of sales	20,801	20,208	61,350	59,554
Operating, selling, general and administrative expenses	2,743	2,597	7,945	7,483
Operating income	\$ 671	\$ 634	\$ 1,846	\$ 1,830
Corporate and support				
Membership and other income ⁽²⁾	\$ 6	\$ 12	\$ 17	\$ 38
Operating, selling, general and administrative expenses	463	577	2,144	1,834
Operating loss	\$ (457)	\$ (565)	\$ (2,127)	\$ (1,796)
Consolidated				
Net sales	\$ 177,769	\$ 168,003	\$ 517,500	\$ 495,708
Membership and other income	1,727	1,585	5,007	4,723
Total revenues	179,496	169,588	522,507	500,431
Cost of sales	134,706	127,340	391,780	375,581
Operating, selling, general and administrative expenses	38,094	35,540	109,610	103,361
Operating income	6,696	6,708	21,117	21,489
Interest, net	591	478	1,810	1,643
Other (gains) and losses	(2,081)	132	(4,192)	500
Income before income taxes	\$ 8,186	\$ 6,098	\$ 23,499	\$ 19,346

⁽¹⁾ Total fuel-related cost of sales and operating, selling, general and administrative expenses for Sam's Club U.S. were \$2.2 billion and \$2.4 billion for the three months ended October 31, 2025 and 2024, respectively, and \$6.7 billion and \$7.7 billion for the nine months ended October 31, 2025 and 2024, respectively.

⁽²⁾ Includes other income from corporate campus facilities.

Depreciation and amortization and capital expenditures for the Company's segments, as well as for Corporate and support, are as follows:

<i>(Amounts in millions)</i>	Three Months Ended October 31,		Nine Months Ended October 31,	
	2025	2024	2025	2024
Walmart U.S.				
Depreciation and amortization	\$ 2,378	\$ 2,156	\$ 6,917	\$ 6,308
Capital expenditures	5,484	4,222	14,031	11,795
Walmart International				
Depreciation and amortization	\$ 584	\$ 556	\$ 1,705	\$ 1,687
Capital expenditures	801	952	2,028	2,167
Sam's Club U.S.				
Depreciation and amortization	\$ 197	\$ 179	\$ 581	\$ 517
Capital expenditures	287	373	625	819
Corporate and support				
Depreciation and amortization	\$ 447	\$ 369	\$ 1,259	\$ 1,087
Capital expenditures	646	642	1,943	1,915
Consolidated				
Depreciation and amortization	\$ 3,606	\$ 3,260	\$ 10,462	\$ 9,599
Capital expenditures	7,218	6,189	18,627	16,696

Total assets for the Company's segments, as well as for Corporate and support, are as follows:

<i>(Amounts in millions)</i>	October 31, 2025	January 31, 2025
Assets by segment		
Walmart U.S.	\$ 168,285	\$ 150,006
Walmart International	88,221	80,016
Sam's Club U.S.	17,372	16,862
Corporate and support	14,777	13,939
Total assets	<u>\$ 288,655</u>	<u>\$ 260,823</u>

Disaggregated Revenues

In the following tables, segment net sales are disaggregated by either merchandise category or market. In addition, net sales related to eCommerce are provided for each segment. Net sales related to eCommerce include omnichannel sales where a customer initiates an order digitally and the order is fulfilled through a store or club, as well as net sales from other business offerings that are part of the Company's ecosystem such as certain advertising arrangements, fulfillment services and data insights. From time to time, the Company revises the assignment of net sales of a particular item to a merchandise category. When the assignment changes, previous period amounts are reclassified to be comparable to the current period's presentation.

<i>(Amounts in millions)</i>	Three Months Ended October 31,		Nine Months Ended October 31,	
	2025	2024	2025	2024
Walmart U.S. net sales by merchandise category				
Grocery	\$ 71,713	\$ 69,344	\$ 210,636	\$ 204,455
General merchandise	27,366	26,621	82,100	81,312
Health and wellness	18,379	16,360	51,871	45,639
Other categories	3,220	2,550	9,145	7,486
Total	<u>\$ 120,678</u>	<u>\$ 114,875</u>	<u>\$ 353,752</u>	<u>\$ 338,892</u>

Of Walmart U.S.'s total net sales, approximately \$24.8 billion and \$19.5 billion related to eCommerce for the three months ended October 31, 2025 and 2024, respectively, and approximately \$70.0 billion and \$56.0 billion related to eCommerce for the nine months ended October 31, 2025 and 2024, respectively.

<i>(Amounts in millions)</i>	Three Months Ended October 31,		Nine Months Ended October 31,	
	2025	2024	2025	2024
Walmart International net sales by market				
Mexico and Central America	\$ 12,869	\$ 12,064	\$ 37,129	\$ 38,395
China	6,110	5,012	18,475	14,895
Canada	6,004	5,803	17,263	17,022
Other	8,558	7,398	21,629	19,365
Total	<u>\$ 33,541</u>	<u>\$ 30,277</u>	<u>\$ 94,496</u>	<u>\$ 89,677</u>

Of Walmart International's total net sales, approximately \$10.2 billion and \$8.1 billion related to eCommerce for the three months ended October 31, 2025 and 2024, respectively, and approximately \$26.1 billion and \$21.3 billion related to eCommerce for the nine months ended October 31, 2025 and 2024, respectively.

(Amounts in millions)

Sam's Club U.S. net sales by merchandise category	Three Months Ended October 31,		Nine Months Ended October 31,	
	2025	2024	2025	2024
Grocery	\$ 16,673	\$ 15,902	\$ 48,533	\$ 45,791
Fuel and other	2,976	3,187	8,891	10,043
General merchandise	2,551	2,469	7,964	7,796
Health and wellness	1,350	1,293	3,864	3,509
Total	\$ 23,550	\$ 22,851	\$ 69,252	\$ 67,139

Of Sam's Club U.S.'s total net sales, approximately \$3.8 billion and \$3.1 billion related to eCommerce for the three months ended October 31, 2025 and 2024, respectively, and approximately \$10.8 billion and \$8.7 billion related to eCommerce for the nine months ended October 31, 2025 and 2024, respectively.

Note 8. Share-based compensation and noncontrolling interest

In September 2025, the Company's PhonePe subsidiary modified certain of its share-based payment arrangements in contemplation of a potential initial public offering. Upon modification, the Company recorded a non-cash charge of \$0.7 billion (a portion of which was based on grant-date fair value) in operating, selling, general and administrative expenses within the Walmart International segment, primarily related to previously unrecognized share-based compensation expense under these arrangements. Following the modification, certain PhonePe employee-held options were vested and exercised (including certain previously vested awards), which decreased the Company's ownership in PhonePe from approximately 84% to approximately 73%.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

This discussion, which presents Walmart Inc.'s ("Walmart," the "Company," "our," "us" or "we") results for periods occurring in the fiscal year ending January 31, 2026 ("fiscal 2026") and the fiscal year ended January 31, 2025 ("fiscal 2025"), should be read in conjunction with our Condensed Consolidated Financial Statements as of and for the three and nine months ended October 31, 2025, and the accompanying notes included in [Part I, Item 1](#) of this Quarterly Report on Form 10-Q, as well as our Consolidated Financial Statements as of and for the year ended January 31, 2025, the accompanying notes and the related Management's Discussion and Analysis of Financial Condition and Results of Operations, contained in our Annual Report on Form 10-K for the year ended January 31, 2025.

Recent Developments, Macroeconomic Conditions and Potential Impacts

We expect continued uncertainty in our business and the global economy due to tariffs and trade restrictions; inflationary trends; fluctuations in global currencies; swings in macroeconomic conditions and their effect on consumer confidence; volatility in employment trends; and supply chain pressures, any of which may impact our results. While we operate in a highly dynamic tariff environment, less than one third of what we sell in the U.S. is imported, with most of our imports coming from China, Mexico, Vietnam, India and Canada. We are committed to helping customers save money and live better through everyday low prices, supported by everyday low costs. Our operating results are influenced in part by our sourcing, pricing, merchandising, inventory management and other strategies in response to cost increases, which are further discussed in our Annual Report on Form 10-K. Information on certain risks, factors, and uncertainties that can affect our operating results and an investment in our securities can be found herein under "[Item 1A. Risk Factors](#)" and "[Item 5. Other Information](#)."

In July 2025, the One Big Beautiful Bill Act (the "Tax Act") was enacted, introducing a series of corporate tax changes in the U.S., including 100% bonus depreciation on qualified property and full expensing for research and development expenditures. The impacts of the Tax Act were not material to our income tax expense or effective tax rate. We expect certain provisions will decrease cash taxes paid in the current fiscal year and may change the timing of cash tax payments in future periods.

For a detailed discussion on results of operations by reportable segment, refer to "[Results of Operations](#)" below.

Company Performance Metrics

We are committed to helping customers save money and live better through everyday low prices, supported by everyday low costs. At times, we adjust our business strategies to maintain and strengthen our competitive positions in the countries in which we operate. We define our financial priorities as follows:

- Growth - serve customers through a seamless omnichannel experience;
- Margin - improve our operating income margin through productivity initiatives as well as category and business mix; and
- Returns - improve our Return on Investment through margin improvement and disciplined capital spend.

Growth

Our objective of prioritizing growth means we will focus on serving customers and members however they want to shop through our omnichannel business model. This includes increasing comparable store and club sales through increasing membership at Sam's Club U.S. and through Walmart+, accelerating eCommerce sales growth and expansion of omnichannel initiatives that complement our strategy.

Comparable sales is a metric that indicates the performance of our existing stores and clubs by measuring the change in sales for such stores and clubs, including eCommerce sales, for a particular period over the corresponding period in the previous year. The retail industry generally reports comparable sales using the retail calendar (also known as the 4-5-4 calendar). To be consistent with the retail industry, we provide comparable sales using the retail calendar in our quarterly earnings releases. However, when we discuss our comparable sales below, we are referring to our calendar comparable sales calculated using our fiscal calendar, which may result in differences when compared to comparable sales using the retail calendar. We focus on comparable sales in the U.S. as we believe it is a meaningful metric within the context of the U.S. retail market where there is a single currency, one inflationary market and generally consistent store and club formats from year to year.

Calendar comparable sales, as well as the impact of fuel, for the three and nine months ended October 31, 2025 and 2024, were as follows:

	Three Months Ended October 31,				Nine Months Ended October 31,			
	2025	2024	2025	2024	2025	2024	2025	2024
	With Fuel		Fuel Impact		With Fuel		Fuel Impact	
Walmart U.S.	4.8 %	5.1 %	0.0 %	(0.2)%	4.2 %	4.7 %	0.0 %	(0.1)%
Sam's Club U.S.	2.8 %	3.8 %	(1.4)%	(3.4)%	3.0 %	4.3 %	(2.2)%	(1.7)%
Total U.S.	4.5 %	4.9 %	(0.2)%	(0.7)%	4.0 %	4.7 %	(0.4)%	(0.3)%

Comparable sales in the U.S., including fuel, increased 4.5% and 4.0% for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. The Walmart U.S. segment had comparable sales growth of 4.8% and 4.2% for the three and nine months ended October 31, 2025, respectively, driven by growth in average ticket and transactions, reflecting strength in all merchandise categories. The Walmart U.S. segment's eCommerce net sales positively contributed approximately 4.4% and 3.9% to comparable sales for the three and nine months ended October 31, 2025, respectively. This growth reflects continued strength in customer and Walmart+ member engagement with omnichannel offerings, which was primarily driven by store-fulfilled pickup and delivery.

Comparable sales in the Sam's Club U.S. segment increased 2.8% and 3.0% for the three and nine months ended October 31, 2025, respectively, with growth in unit volumes and transactions, reflecting strong sales in grocery, general merchandise and health and wellness. The Sam's Club U.S. segment's eCommerce net sales positively contributed approximately 3.0% and 3.3% to comparable sales for the three and nine months ended October 31, 2025, respectively, which outpaced the total segment growth as a result of lower fuel sales driven by lower fuel prices. This growth reflects continued strength in member engagement with omnichannel offerings.

Margin

Our objective of prioritizing margin focuses on growth by driving incremental margin accretion through a combination of productivity improvements, as well as category and business mix. We invest in technology and process improvements to increase productivity, manage inventory and reduce costs, and we operate with discipline by managing expenses and optimizing the efficiency of how we work. We measure operating discipline through expense leverage, which we define as net sales growing at a faster rate than operating, selling, general and administrative ("operating") expenses. Additionally, we focus on our mix of businesses, including expanding our ecosystem in higher margin areas, such as digital advertising and marketplace. Our objective is to achieve operating income leverage, which we define as growing operating income at a faster rate than net sales.

(Amounts in millions)	Three Months Ended October 31,		Nine Months Ended October 31,	
	2025	2024	2025	2024
Net sales	\$ 177,769	\$ 168,003	\$ 517,500	\$ 495,708
Percentage change from comparable period	5.8 %	5.4 %	4.4 %	5.3 %
Operating income	\$ 6,696	\$ 6,708	\$ 21,117	\$ 21,489
Percentage change from comparable period	(0.2)%	8.2 %	(1.7)%	8.8 %
Percentage of net sales				
Gross profit ⁽¹⁾	24.2 %	24.2 %	24.3 %	24.2 %
Operating expenses	21.4 %	21.2 %	21.2 %	20.9 %
Operating income	3.8 %	4.0 %	4.1 %	4.3 %

⁽¹⁾ Gross profit defined as net sales less cost of sales.

Gross profit as a percentage of net sales ("gross profit rate") increased 2 and 6 basis points for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. The increases were primarily due to the Walmart U.S. segment, driven by disciplined inventory management and growth in higher margin businesses, partially offset by mix shifts into lower margin merchandise categories and the timing of Flipkart's The Big Billion Days ("BBD") sales event in the Walmart International segment, which primarily occurred in the fourth quarter of fiscal 2025 but mostly shifted to the third quarter of fiscal 2026. Additionally, the increases were partially offset by ongoing channel and format mix shifts in the Walmart International segment.

Operating expenses as a percentage of net sales increased 28 and 33 basis points for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year, primarily driven by a charge of \$0.7 billion related to modification of certain share-based compensation arrangements for our PhonePe subsidiary. The increase for the nine months ended October 31, 2025 was also impacted by higher self-insured general liability claims expense in the U.S. of approximately \$0.8 billion, influenced by rising costs to resolve claims across retail and related industries.

Operating income as a percentage of net sales decreased 22 and 26 basis points for the three and nine months ended October 31, 2025, respectively, primarily due to the factors described above.

Returns

As we execute our financial framework, we believe our return on capital will improve over time. We measure return on capital with our return on investment and free cash flow metrics. In addition, we provide returns in the form of share repurchases and dividends, which are discussed in the [Liquidity and Capital Resources](#) section.

Return on Assets and Return on Investment

We include Return on Assets ("ROA") and Return on Investment ("ROI") as metrics to assess our return on capital. ROA is the most directly comparable measure based on our financial statements presented in accordance with generally accepted accounting principles in the U.S. ("GAAP") while ROI is considered a non-GAAP financial measure. Management believes ROI is a meaningful metric to share with investors because it helps investors assess how effectively Walmart deploys its assets. Trends in ROI can fluctuate over time as management balances long-term strategic initiatives with possible short-term impacts.

Our calculation of ROI is considered a non-GAAP financial metric because we calculate ROI using financial measures that exclude and include amounts that are included and excluded in ROA, the most directly comparable GAAP financial measure. ROA is consolidated net income for the period divided by average total assets for the period. We define ROI as operating income plus interest income, depreciation and amortization, and rent expense for the trailing 12 months divided by average invested capital during that period. We consider average invested capital to be the average of our beginning and ending total assets, plus average accumulated depreciation and amortization, less average accounts payable and averaged accrued liabilities for that period. Although ROI is a standard financial measure, numerous methods exist for calculating a company's ROI. As a result, the method used by management to calculate our ROI may differ from the methods used by other companies to calculate their ROI.

The calculation of ROA and ROI, along with a reconciliation of ROI to the calculation of ROA, the most comparable GAAP financial measure, is as follows:

	For the Trailing Twelve Months Ended October 31,	
	2025	2024
<i>(Amounts in millions)</i>		
CALCULATION OF RETURN ON ASSETS		
Numerator		
Consolidated net income	\$ 23,303	\$ 20,410
Denominator		
Average total assets ⁽¹⁾	\$ 276,027	\$ 261,287
Return on assets (ROA)	8.4 %	7.8 %
CALCULATION OF RETURN ON INVESTMENT		
Numerator		
Operating income	\$ 28,976	\$ 28,743
+ Interest income	393	513
+ Depreciation and amortization	13,837	12,715
+ Rent	2,402	2,329
= ROI operating income	\$ 45,608	\$ 44,300
Denominator		
Average total assets ⁽¹⁾	\$ 276,027	\$ 261,287
+ Average accumulated depreciation and amortization ⁽¹⁾	126,953	120,464
- Average accounts payable ⁽¹⁾	65,010	61,956
- Average accrued liabilities ⁽¹⁾	29,819	27,125
= Average invested capital	\$ 308,151	\$ 292,670
Return on investment (ROI)	14.8 %	15.1 %

⁽¹⁾The average is based on the addition of the account balance at the end of the current period to the account balance at the end of the previous period and dividing by two.

	As of October 31,		
	2025	2024	2023
<i>(Amounts in millions)</i>			
Certain Balance Sheet Data			
Total assets	\$ 288,655	\$ 263,399	\$ 259,174
Accumulated depreciation and amortization	131,099	122,806	118,122
Accounts payable	67,156	62,863	61,049
Accrued liabilities	31,521	28,117	26,132

ROA was 8.4% and 7.8% for the trailing 12 months ended October 31, 2025 and 2024, respectively. The increase in ROA was primarily due to an increase in net income as a result of net increases in the fair value of our equity and other investments combined with higher operating income, offset by an increase in average total assets due to higher purchases of property and equipment. ROI was 14.8% and 15.1% for the trailing 12 months ended October 31, 2025 and 2024, respectively. The decrease in ROI was the result of an increase in average invested capital due to higher purchases of property and equipment. ROI benefited from increased operating income due to improved business performance, which was partially offset by the incremental non-cash share-based compensation charge at PhonePe as well as other business restructuring and certain legal matters.

Capital Allocation

Our strategy includes allocating our capital to higher-return areas such as automation and investments in stores and clubs. The following table provides additional detail regarding our capital expenditures:

<i>(Amounts in millions)</i>	Nine Months Ended October 31,	
	2025	2024
Allocation of Capital Expenditures		
Supply chain, customer-facing initiatives, technology and other	\$ 11,286	\$ 9,652
Store and club remodels	4,472	4,610
New stores and clubs, including expansions and relocations	841	267
Total U.S.	16,599	14,529
Walmart International	2,028	2,167
Total Capital Expenditures	\$ 18,627	\$ 16,696

Free Cash Flow

Free cash flow is considered a non-GAAP financial measure. Management believes, however, that free cash flow, which measures our ability to generate additional cash from our business operations, is an important financial measure for use in evaluating the Company's financial performance. Free cash flow should be considered in addition to, rather than as a substitute for, consolidated net income as a measure of our performance and net cash provided by operating activities as a measure of our liquidity. See [Liquidity and Capital Resources](#) for discussions of GAAP metrics including net cash provided by operating activities, net cash used in investing activities and net cash used in financing activities.

We define free cash flow as net cash provided by operating activities in a period minus payments for property and equipment made in that period. Walmart's definition of free cash flow is limited in that it does not represent residual cash flows available for discretionary expenditures due to the fact that the measure does not deduct the payments required for debt service and other contractual obligations or payments made for business acquisitions. Therefore, we believe it is important to view free cash flow as a measure that provides supplemental information to our Condensed Consolidated Statements of Cash Flows.

Although other companies report their free cash flow, numerous methods may exist for calculating a company's free cash flow. As a result, the method used by management to calculate our free cash flow may differ from the methods used by other companies to calculate their free cash flow.

The following table sets forth a reconciliation of free cash flow, a non-GAAP financial measure, to net cash provided by operating activities, which we believe to be the GAAP financial measure most directly comparable to free cash flow, as well as information regarding net cash used in investing activities and net cash used in financing activities.

<i>(Amounts in millions)</i>	Nine Months Ended October 31,	
	2025	2024
Net cash provided by operating activities	\$ 27,452	\$ 22,918
Payments for property and equipment	(18,627)	(16,696)
Free cash flow	\$ 8,825	\$ 6,222
Net cash used in investing activities ⁽¹⁾	\$ (19,030)	\$ (12,661)
Net cash used in financing activities	(7,012)	(9,673)

⁽¹⁾ Net cash used in investing activities includes payments for property and equipment, which is also included in our computation of free cash flow.

Net cash provided by operating activities was \$27.5 billion for the nine months ended October 31, 2025, which represents an increase of \$4.5 billion when compared to the same period in the previous fiscal year. The increase was primarily due to timing of certain payments, increased cash provided by operating income and lower cash tax payments. Free cash flow for the nine months ended October 31, 2025 was \$8.8 billion, which represents an increase of \$2.6 billion when compared to the same period in the previous fiscal year. The increase in free cash flow was due to the increase in net cash provided by operating activities described above, partially offset by an increase of \$1.9 billion in capital expenditures to support our investment strategy.

Results of Operations

Consolidated Results of Operations

(Dollar amounts and retail square feet in millions)	Three Months Ended October 31,		Nine Months Ended October 31,	
	2025	2024	2025	2024
Net sales	\$ 177,769	\$ 168,003	\$ 517,500	\$ 495,708
Percentage change from comparable period	5.8 %	5.4 %	4.4 %	5.3 %
Membership and other income ⁽¹⁾	1,727	1,585	5,007	4,723
Total revenues	179,496	169,588	522,507	500,431
Percentage change from comparable period	5.8 %	5.5 %	4.4 %	5.4 %
Gross profit ⁽²⁾	43,063	40,663	125,720	120,127
Operating expenses ⁽²⁾	38,094	35,540	109,610	103,361
Operating income	6,696	6,708	21,117	21,489
Other (gains) and losses	(2,081)	132	(4,192)	500
Consolidated net income	\$ 6,088	\$ 4,714	\$ 17,878	\$ 14,732
Percentage of net sales				
Gross profit	24.2 %	24.2 %	24.3 %	24.2 %
Operating expenses	21.4 %	21.2 %	21.2 %	20.9 %
Operating income	3.8 %	4.0 %	4.1 %	4.3 %
Unit counts at period end	10,822	10,660	10,822	10,660
Retail square feet at period end	1,053	1,050	1,053	1,050

⁽¹⁾ Membership and other income includes membership fees and other items such as rental and tenant income, recycling income and gift card breakage income, as well as other income from corporate campus facilities.

⁽²⁾ Gross profit is defined as net sales less cost of sales. Operating expenses refers to operating, selling, general and administrative expenses.

Our total revenues increased \$9.9 billion or 5.8% and \$22.1 billion or 4.4% for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. The increases were primarily due to strong positive comparable sales in our U.S. segments and international markets driven by growth in average ticket and transactions, with strength in eCommerce. Net sales growth across channels also reflected strong sales in grocery, health and wellness and general merchandise in our U.S. segments. Net sales for the three and nine months ended October 31, 2025 were negatively affected by \$0.2 billion and \$4.0 billion, respectively, in currency exchange rate fluctuations. Membership and other income increased \$0.1 billion or 9.0% and \$0.3 billion or 6.0% for the three and nine months ended October 31, 2025, respectively, primarily due to strong growth in membership fee income globally, partially offset by decreases in other income items.

Gross profit rate increased 2 and 6 basis points for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. The increases were primarily due to the Walmart U.S. segment, driven by disciplined inventory management and growth in higher margin businesses, partially offset by mix shifts into lower margin merchandise categories and the timing of Flipkart's BBD sales event in the Walmart International segment, which primarily occurred in the fourth quarter of fiscal 2025 but mostly shifted to the third quarter of fiscal 2026. Additionally, the increases were partially offset by ongoing channel and format mix shifts in the Walmart International segment.

Operating expenses as a percentage of net sales increased 28 and 33 basis points for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year, primarily driven by a charge of \$0.7 billion related to modification of certain share-based compensation arrangements for our PhonePe subsidiary. The increase for the nine months ended October 31, 2025 was also impacted by higher self-insured general liability claims expense in the U.S. of approximately \$0.8 billion, influenced by rising costs to resolve claims across retail and related industries.

Other gains and losses consist of certain non-operating items, such as the change in the fair value of our investments and gains or losses on business dispositions, which by their nature can fluctuate from period to period. Other gains and losses for the three and nine months ended October 31, 2025 consisted of net gains of \$2.1 billion and \$4.2 billion, respectively, compared to net losses of \$0.1 billion and \$0.5 billion for the same periods in the previous fiscal year. These net gains and losses primarily consisted of changes in fair value of our equity and other investments driven by changes in their underlying stock prices.

Our effective income tax rate was 25.6% and 23.9% for the three and nine months ended October 31, 2025, respectively, compared to 22.7% and 23.8% for the same periods in the previous fiscal year. The increase in effective tax rate is primarily due to the share-based compensation charge recorded at the Company's PhonePe subsidiary, which provided no tax benefit. Our effective income tax rate may fluctuate as a result of various factors, including changes in our assessment of unrecognized tax benefits, valuation allowances, business operations, acquisitions, investments, entry into new businesses and geographies, intercompany transactions, changes in tax law, changes in the administrative practices, principles, and interpretations related to tax, and the mix and size of earnings among our U.S. operations and international operations, which are subject to statutory rates that may be different than the U.S. statutory rate.

[Table of Contents](#)

As a result of the factors discussed above, consolidated net income increased \$1.4 billion and \$3.1 billion for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. Accordingly, diluted net income per common share attributable to Walmart was \$0.77 and \$2.20 for the three and nine months ended October 31, 2025, respectively, which represents an increase of \$0.20 and \$0.45 when compared to the same periods in the previous fiscal year.

Walmart U.S. Segment

<i>(Dollar amounts and retail square feet in millions)</i>	Three Months Ended October 31,		Nine Months Ended October 31,	
	2025	2024	2025	2024
Net sales	\$ 120,678	\$ 114,875	\$ 353,752	\$ 338,892
Net sales percentage change from comparable period	5.1 %	5.0 %	4.4 %	4.5 %
Calendar comparable sales increase	4.8 %	5.1 %	4.2 %	4.7 %
Membership and other income	665	618	1,950	1,835
Gross profit	33,312	31,491	97,797	92,893
Operating expenses	28,197	26,674	81,542	77,370
Operating income	\$ 5,780	\$ 5,435	\$ 18,205	\$ 17,358
Percentage of net sales				
Gross profit	27.6 %	27.4 %	27.6 %	27.4 %
Operating expenses	23.4 %	23.2 %	23.1 %	22.8 %
Operating income	4.8 %	4.7 %	5.1 %	5.1 %
Unit counts at period end	4,606	4,606	4,606	4,606
Retail square feet at period end	698	698	698	698

Net sales for the Walmart U.S. segment increased \$5.8 billion or 5.1% and \$14.9 billion or 4.4% for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. The increases were due to comparable sales of 4.8% and 4.2% for the three and nine months ended October 31, 2025, driven by growth in average ticket and transactions, reflecting strength in all merchandise categories. The Walmart U.S. segment's eCommerce net sales positively contributed approximately 4.4% and 3.9% to comparable sales for the three and nine months ended October 31, 2025, respectively. This growth reflects continued strength in customer and Walmart+ member engagement with omnichannel offerings, which was primarily driven by store-fulfilled pickup and delivery.

Membership and other income increased 7.6% and 6.3% for the three and nine months ended October 31, 2025, respectively, primarily driven by double-digit percentage growth in membership fee income from Walmart+.

Gross profit rate increased 19 and 24 basis points for the three and nine months ended October 31, 2025, when compared to the same periods in the previous fiscal year. The increases were primarily driven by disciplined inventory management and growth in higher margin businesses, partially offset by mix shifts into lower margin merchandise categories.

Operating expenses as a percentage of net sales increased 15 and 22 basis points for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. The increases were primarily due to higher self-insured general liability claims expense, increased depreciation expense related to our continued capital investments, as well as VIZIO operating costs following the acquisition in December 2024.

As a result of the factors discussed above, operating income increased \$0.3 billion and \$0.8 billion for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year.

Walmart International Segment

	Three Months Ended October 31,		Nine Months Ended October 31,	
	2025	2024	2025	2024
<i>(Dollar amounts and retail square feet in millions)</i>				
Net sales	\$ 33,541	\$ 30,277	\$ 94,496	\$ 89,677
Percentage change from comparable period	10.8 %	8.0 %	5.4 %	9.1 %
Membership and other income	391	367	1,151	1,122
Gross profit	7,002	6,529	20,021	19,649
Operating expenses	6,691	5,692	17,979	16,674
Operating income	\$ 702	\$ 1,204	\$ 3,193	\$ 4,097
Percentage of net sales				
Gross profit	20.9 %	21.6 %	21.2 %	21.9 %
Operating expenses	19.9 %	18.8 %	19.0 %	18.6 %
Operating income	2.1 %	4.0 %	3.4 %	4.6 %
Unit counts at period end	5,615	5,454	5,615	5,454
Retail square feet at period end	274	271	274	271

Net sales for the Walmart International segment increased \$3.3 billion or 10.8% and \$4.8 billion or 5.4% for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. The increases were primarily due to positive comparable sales across our international markets, including strength in eCommerce and the shift in timing of Flipkart's BBD sales event, partially offset by negative fluctuations in currency exchange rates of \$0.2 billion and \$4.0 billion for the three and nine months ended October 31, 2025, respectively.

Gross profit rate decreased 68 and 72 basis points for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. The decreases were primarily driven by ongoing channel and format mix shifts, including timing from BBD, partially offset by growth in higher margin businesses.

Operating expenses as a percentage of net sales increased 115 and 44 basis points for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year, primarily due to a charge of \$0.7 billion related to PhonePe's modification of certain share-based payment arrangements in contemplation of a potential initial public offering (refer to [Note 8](#)), partially offset by strong sales, BBD timing as well as format mix shifts.

As a result of the factors discussed above, operating income decreased \$0.5 billion and \$0.9 billion for the three and nine months ended October 31, 2025, when compared to the same periods in the previous fiscal year.

Sam's Club U.S. Segment

(Dollar amounts and retail square feet in millions)	Three Months Ended October 31,		Nine Months Ended October 31,	
	2025	2024	2025	2024
Including Fuel				
Net sales	\$ 23,550	\$ 22,851	\$ 69,252	\$ 67,139
Percentage change from comparable period	3.1 %	3.9 %	3.1 %	4.4 %
Calendar comparable sales increase	2.8 %	3.8 %	3.0 %	4.3 %
Membership and other income	665	588	1,889	1,728
Gross profit	2,749	2,643	7,902	7,585
Operating expenses	2,743	2,597	7,945	7,483
Operating income	\$ 671	\$ 634	\$ 1,846	\$ 1,830
Percentage of net sales				
Gross profit	11.7 %	11.6 %	11.4 %	11.3 %
Operating expenses	11.6 %	11.4 %	11.5 %	11.1 %
Operating income	2.8 %	2.8 %	2.7 %	2.7 %
Unit counts at period end	601	600	601	600
Retail square feet at period end	81	80	81	80
Excluding Fuel ⁽¹⁾				
Net sales	\$ 21,148	\$ 20,263	\$ 62,072	\$ 58,946
Percentage change from comparable period	4.4 %	7.2 %	5.3 %	6.0 %
Operating income	\$ 493	\$ 437	\$ 1,375	\$ 1,343

⁽¹⁾ We believe the Excluding Fuel information is useful to investors because it permits investors to understand the effect of the Sam's Club U.S. segment's fuel sales on its results of operations, which are impacted by the volatility of fuel prices. Volatility in fuel prices may continue to impact the operating results of the Sam's Club U.S. segment in the future.

Net sales for the Sam's Club U.S. segment increased \$0.7 billion or 3.1% and \$2.1 billion or 3.1% for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. The increases were primarily due to comparable sales, including fuel, of 2.8% and 3.0% for the three and nine months ended October 31, 2025, respectively, with growth in unit volumes and transactions, reflecting strong sales in grocery, general merchandise and health and wellness. Sam's Club U.S. eCommerce net sales positively contributed approximately 3.0% and 3.3% to comparable sales for the three and nine months ended October 31, 2025, respectively, which outpaced the total segment comparable sales as a result of lower fuel sales driven by lower fuel prices. This growth reflects continued strength in member engagement with omnichannel offerings.

Membership and other income increased 13.1% and 9.3% for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. The increases were primarily due to growth in the membership base and Plus penetration, as well as breakage income related to unredeemed Sam's Cash rewards.

Gross profit rate increased 10 and 11 basis points for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. The increase for the three months ended October 31, 2025 was primarily due to product mix changes and operational efficiencies. The increase for the nine months ended October 31, 2025 was primarily due to higher margins in fuel, product mix changes and operational efficiencies, partially offset by higher eCommerce fulfillment costs and the impact of reorganization charges related to strategic supply chain decisions.

Operating expenses as a percentage of net sales increased 29 and 32 basis points for the three and nine months ended October 31, 2025, respectively, when compared to the same periods in the previous fiscal year. The increase for the three months ended October 31, 2025 was primarily due to associate wage investments, lower fuel sales and higher self-insured general liability claims expense. The increase for the nine months ended October 31, 2025 was primarily due to lower fuel sales, higher self-insured general liability claims expense and continued technology investments.

As a result of the factors discussed above, operating income increased slightly for both the three and nine months ended October 31, 2025, when compared to the same periods in the previous fiscal year.

Liquidity and Capital Resources

Liquidity

The strength and stability of our operations have historically supplied us with a significant source of liquidity. Our cash flows provided by operating activities, supplemented with our long-term debt and short-term borrowings, have been sufficient to fund our operations while allowing us to invest in activities that support the long-term growth of our operations. Generally, some or all of the remaining available cash flow has been used to fund dividends on our common stock and share repurchases. We believe our sources of liquidity will continue to be sufficient to fund operations, finance our investment activities, pay dividends and fund our share repurchases for at least the next 12 months and for the foreseeable future.

Net Cash Provided by Operating Activities

<i>(Amounts in millions)</i>	Nine Months Ended October 31,	
	2025	2024
Net cash provided by operating activities	\$ 27,452	\$ 22,918

Net cash provided by operating activities for the nine months ended October 31, 2025 increased \$4.5 billion when compared to the same period in the previous fiscal year. The increase was primarily due to timing of certain payments, increased cash provided by operating income and lower cash tax payments.

Cash Equivalents and Working Capital Deficit

Cash and cash equivalents were \$10.6 billion and \$10.0 billion at October 31, 2025 and 2024, respectively. Our working capital deficit was \$22.8 billion as of October 31, 2025, which increased when compared to the \$15.6 billion working capital deficit as of October 31, 2024. The increase in our working capital deficit was primarily driven by the timing of certain payments described above and an increase in short-term borrowings for general corporate purposes, partially offset by an increase in receivables and inventories primarily related to sales growth. We generally operate with a working capital deficit due to our efficient use of cash in funding operations, consistent access to the capital markets and returns provided to our shareholders in the form of cash dividends and share repurchases.

As of October 31, 2025 and January 31, 2025, cash and cash equivalents of \$4.8 billion and \$3.3 billion, respectively, may not be freely transferable to the U.S. due to local laws or other restrictions or are subject to the approval of the noncontrolling interest shareholders.

Net Cash Used in Investing Activities

<i>(Amounts in millions)</i>	Nine Months Ended October 31,	
	2025	2024
Net cash used in investing activities	\$ (19,030)	\$ (12,661)

Net cash used in investing activities for the nine months ended October 31, 2025 increased \$6.4 billion when compared to the same period in the previous fiscal year. The increase is primarily due to the change in net proceeds received from the sale of certain strategic investments as well as increased payments for property and equipment.

Net Cash Used in Financing Activities

<i>(Amounts in millions)</i>	Nine Months Ended October 31,	
	2025	2024
Net cash used in financing activities	\$ (7,012)	\$ (9,673)

Net cash used in financing activities decreased \$2.7 billion for the nine months ended October 31, 2025, when compared to the same period in the previous fiscal year. The decrease is primarily due to proceeds from new long-term debt issued and higher short-term borrowings in the current fiscal year, primarily offset by increased share repurchases.

In April 2025, the Company renewed and extended its existing 364-day revolving credit facility of \$10.0 billion as well as its five-year credit facility of \$5.0 billion. In total, we had committed lines of credit in the U.S. of \$15.0 billion at October 31, 2025, all undrawn.

Long-term Debt

The following table provides the changes in our long-term debt for the nine months ended October 31, 2025:

<i>(Amounts in millions)</i>	Long-term debt due within one year	Long-term debt	Total
Balances as of February 1, 2025	\$ 2,598	\$ 33,401	\$ 35,999
Proceeds from issuance of long-term debt ⁽¹⁾	—	3,983	3,983
Repayments of long-term debt	(2,625)	—	(2,625)
Reclassifications of long-term debt	3,551	(3,551)	—
Currency and other adjustments	(1)	612	611
Balances as of October 31, 2025	<u>\$ 3,523</u>	<u>\$ 34,445</u>	<u>\$ 37,968</u>

⁽¹⁾ Proceeds from issuance of long-term debt are net of deferred loan costs and any related discount or premium.

During the nine months ended October 31, 2025, our total outstanding long-term debt increased \$2.0 billion, primarily due to the issuance of new long-term debt in April 2025 less current year debt repayments. Refer to [Note 4](#) to our Condensed Consolidated Financial Statements for details.

Dividends

Effective February 20, 2025, the Company approved the fiscal 2026 annual dividend of \$0.94 per share, a 13% increase over the fiscal 2025 annual dividend of \$0.83 per share. For fiscal 2026, the annual dividend was or will be paid in four quarterly installments of \$0.235 per share, according to the following record and payable dates:

Record Date	Payable Date
March 21, 2025	April 7, 2025
May 9, 2025	May 27, 2025
August 15, 2025	September 2, 2025
December 12, 2025	January 5, 2026

The dividend installments payable on April 7, 2025, May 27, 2025 and September 2, 2025 were paid as scheduled.

Company Share Repurchase Program

From time to time, the Company repurchases shares of its common stock under share repurchase programs authorized by the Company's Board of Directors. All repurchases made during the nine months ended October 31, 2025 were made under the current \$20 billion share repurchase program approved in November 2022, which has no expiration date or other restrictions limiting the period over which the Company can make repurchases. As of October 31, 2025, authorization for \$5.1 billion of share repurchases remained under the share repurchase program. Any repurchased shares are constructively retired and returned to an unissued status.

We regularly review share repurchase activity and consider several factors in determining when to execute share repurchases, including, among other things, current cash needs, capacity for leverage, cost of borrowings, our results of operations and the market price of our common stock. We anticipate that a majority of the ongoing share repurchase program will be funded through the Company's free cash flow. The following table provides, on a settlement date basis, share repurchase information for the nine months ended October 31, 2025 and 2024:

<i>(Amounts in millions, except per share data)</i>	Nine Months Ended October 31,	
	2025	2024
Total number of shares repurchased	75.3	45.9
Average price paid per share	\$ 93.04	\$ 66.37
Total amount paid for share repurchases	\$ 7,008	\$ 3,049

During the nine months ended October 31, 2025, the Company repurchased \$7.0 billion in shares of its common stock, an increase of \$4.0 billion as compared to the same period in the previous fiscal year. The increase was primarily driven by opportunistic prices during the first quarter of fiscal 2026 as part of the Company's long-term strategy.

Material Cash Requirements

Material cash requirements from operating activities primarily consist of inventory purchases, employee related costs, taxes, interest and other general operating expenses, which we expect to be primarily satisfied by our cash from operations. Other material cash requirements from known contractual and other obligations include short-term borrowings, long-term debt and related interest payments, leases and purchase obligations.

Capital Resources

We believe our cash flows from operations, current cash position, short-term borrowings and access to capital markets will continue to be sufficient to meet our anticipated cash requirements and contractual obligations, which includes funding seasonal buildups in merchandise inventories and funding our capital expenditures, acquisitions, dividend payments and share repurchases.

We have strong commercial paper and long-term debt ratings that have enabled and should continue to enable us to refinance our debt as it becomes due at favorable rates in capital markets. As of October 31, 2025, the ratings assigned to our commercial paper and rated series of our outstanding long-term debt were as follows:

Rating agency	Commercial paper	Long-term debt
Standard & Poor's	A-1+	AA
Moody's Investors Service	P-1	Aa2
Fitch Ratings	F1+	AA

Credit rating agencies review their ratings periodically and, therefore, the credit ratings assigned to us by each agency may be subject to revision at any time. Accordingly, we are not able to predict whether our current credit ratings will remain consistent over time. Factors that could affect our credit ratings include changes in our operating performance, the general economic environment, conditions in the retail industry, our financial position, including our total debt and capitalization, and changes in our business strategy. Any downgrade of our credit ratings by a credit rating agency could increase our future borrowing costs or impair our ability to access capital and credit markets on terms commercially acceptable to us. In addition, any downgrade of our current short-term credit ratings could impair our ability to access the commercial paper markets with the same flexibility that we have experienced historically, potentially requiring us to rely more heavily on more expensive types of debt financing. The credit rating agency ratings are not recommendations to buy, sell or hold our commercial paper or debt securities. Each rating may be subject to revision or withdrawal at any time by the assigning rating organization and should be evaluated independently of any other rating. Moreover, each credit rating is specific to the security to which it applies.

Other Matters

In [Note 6](#) to our Condensed Consolidated Financial Statements, which is captioned "Contingencies" and appears in Part I of this Quarterly Report on Form 10-Q under the caption "[Item 1. Financial Statements](#)," we discuss, under the sub-captions "*Settlement of Certain Opioid-Related Matters*," and "*Ongoing Opioid-Related Litigation*," certain opioid-related matters, as well as the Prescription Opiate Litigation, and other matters, including certain risks arising therefrom. In [Note 6](#), we discuss, "*Asda Equal Value Claims*" the Company's indemnification obligation for the Asda Equal Value Claims matter, "*Money Transfer Agent Services Matter*," a government investigation by the U.S. Attorney's Office for the Middle District of Pennsylvania into the Company's consumer fraud prevention and anti-money laundering compliance related to the Company's money transfer agent services, as well as matters related to independent contractor drivers on the driver platform under "*Driver Platform Matters*." In [Note 6](#), under "*Mexico Antitrust Matter*," we also discuss a quasi-judicial administrative process initiated by COFECE against Walmex and Walmex's related constitutional challenge. In [Note 6](#) we also discuss a show cause notice and requests issued by the Directorate of Enforcement to Flipkart regarding Foreign Direct Investment rules and regulations in India and an India Antitrust Matter. We reference various legal proceedings related to the Prescription Opiate Litigation, the DOJ Opioid Civil Litigation, Opioids-Related Securities Class Actions and False Claims Act Litigation; Asda Equal Value Claims; Money Transfer Agent Services Matter; Driver Platform Matters; Mexico Antitrust Matter; and an India Antitrust Matter in [Part II](#) of this Quarterly Report on Form 10-Q under the caption "[Item 1. Legal Proceedings](#)," under the caption "I. Supplemental Information." We also discuss an environmental matter with the U.S. Environmental Protection Agency in [Part II](#) of this Quarterly Report on Form 10-Q under the caption "[Item 1. Legal Proceedings](#)," under the sub-caption "II. Environmental Matters." The foregoing matters and other matters described elsewhere in this Quarterly Report on Form 10-Q represent contingent liabilities of the Company that may or may not result in the incurrence of a material liability by the Company upon their final resolution.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market risks relating to our operations result primarily from changes in interest rates, currency exchange rates and the fair value of certain equity investments. As of October 31, 2025, there were no material changes to our market risks disclosed in our Annual Report on Form 10-K for the fiscal year ended January 31, 2025. The information concerning market risk set forth in Part II, Item 7A. of our Annual Report on Form 10-K for the fiscal year ended January 31, 2025, as filed with the SEC on March 14, 2025, under the caption "[Quantitative and Qualitative Disclosures About Market Risk](#)," is hereby incorporated by reference into this Quarterly Report on Form 10-Q.

Item 4. Controls and Procedures

We maintain disclosure controls and procedures that are designed to provide reasonable assurance that information, which is required to be timely disclosed, is accumulated and communicated to management in a timely fashion. In designing and evaluating such controls and procedures, we recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Our management is necessarily required to use judgment in evaluating controls and procedures. Also, we have investments in unconsolidated entities. Since we do not control or manage those entities, our controls and procedures with respect to those entities are substantially more limited than those we maintain with respect to our consolidated subsidiaries.

In the ordinary course of business, we review our internal control over financial reporting and make changes to our systems and processes to improve such controls and increase efficiency, while ensuring that we maintain an effective internal control environment. Changes may include such activities as implementing new, more efficient systems, updating existing systems, automating manual processes, standardizing controls globally, migrating certain processes to our shared services organizations and increasing monitoring controls. We are continuing to upgrade our financial systems globally, and modernize functions across the business which will impact our internal control over financial reporting.

An evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report was performed under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure and are effective to provide reasonable assurance that such information is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms. There has been no significant change in the Company's internal control over financial reporting that occurred during the fiscal quarter ended October 31, 2025, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

I. SUPPLEMENTAL INFORMATION: The Company is involved in legal proceedings arising in the normal course of its business, including litigation, arbitration and other claims, and investigations, inspections, subpoenas, audits, claims, inquiries and similar actions by governmental authorities. We discuss certain legal proceedings in Part I of this Quarterly Report on Form 10-Q under the caption "Item 1. Financial Statements," in [Note 6](#) to our Condensed Consolidated Financial Statements, which is captioned "Contingencies," under the sub-caption "Legal Proceedings." We refer you to that discussion for important information concerning those legal proceedings, including the basis for such actions and, where known, the relief sought. We provide the following additional information concerning those legal proceedings, including the name of the lawsuit, the court in which the lawsuit is pending, and the date on which the petition commencing the lawsuit or appeal was filed, in addition to disclosure of certain other legal matters.

Opioid-Related Litigation: *In re National Prescription Opiate Litigation (MDL No. 2804)* (the "MDL") is pending in the U.S. District Court for the Northern District of Ohio and includes approximately 230 cases with claims against the Company as of December 1, 2025. In addition, there are approximately 13 other opioid-related cases against the Company and its subsidiaries pending in U.S. state and federal courts and Canadian courts as of December 1, 2025. The non-MDL case citations are listed on Exhibit 99.1 to this Quarterly Report on Form 10-Q.

DOJ Opioid Civil Litigation: *United States of America v. Walmart Inc., et al.*, USDC, Dist. of DE, 12/22/20.

Settlement of Certain Opioid-Related Matters: As described in more detail in [Note 6](#) to our Condensed Consolidated Financial Statements, the Company accrued a liability of approximately \$3.3 billion in fiscal year 2023 for certain opioid-related settlements. As of January 31, 2025, all of the accrued liability has been paid. Certain federally recognized Native American tribes have until February 24, 2026 to join the settlement.

Opioid-Related Securities Class Actions: *Stanton v. Walmart Inc. et al.*, USDC, Dist. of DE, 1/20/21 and *Martin v. Walmart Inc. et al.*, USDC, Dist. of DE, 3/5/21, consolidated into *In re Walmart Inc. Securities Litigation*, USDC, Dist. of DE, 5/11/21; *In re Walmart Inc. Securities Litigation*, USCCA, 3d Cir., 4/29/24.

False Claims Act Litigation: *United States of America ex rel. James Marcilla and Isela Chavez*, USDC, Dist. of N.M., 8/23/19, transferred to USDC Dist. of DE 7/25/24.

ASDA Equal Value Claims: *Ms S Brierley & Others v. ASDA Stores Ltd (2406372/2008 & Others – Manchester Employment Tribunal)*; *Abbas & Others v Asda Stores limited (KB-2022-003243)*; and *Abusubih & Others v Asda Stores limited (KB-2022-003240)*.

Mexico Antitrust Matter: *Comisión Federal de Competencia Económica of México, Investigative Authority v. Nueva Wal-Mart de México, S.de R.L. de C.V.* (Docket IO-002-2020, consolidated with Docket DE-026-2020), Mexico, 10/6/23.

India Antitrust Matter: Competition Commission of India, Case No. 40 of 2019, order initiating investigation 1/13/20.

II. ENVIRONMENTAL MATTERS: Item 103 of SEC Regulation S-K requires disclosure of certain environmental matters when a governmental authority is a party to the proceedings and such proceedings involve potential monetary sanctions that the Company reasonably believes will exceed \$1 million.

In October 2023, the Company received a Finding of Violation from the U.S. Environmental Protection Agency (the "EPA") alleging violations of the Clean Air Act in connection with the Company's refrigeration leak detection and repair program at certain of its facilities. The Company is cooperating with the EPA in its investigation. The EPA may seek to impose monetary and non-monetary penalties for the alleged violations of the Clean Air Act. The Company is unable to predict the final outcome of this matter, but the EPA could seek penalties in excess of \$1 million. Although the Company does not believe this matter will have a material adverse effect on its business, financial position, results of operations, or cash flows, the Company can provide no assurance that its business, financial position, results of operations or cash flows will not be materially adversely affected.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the risk factors disclosed in Part I, Item 1A, under the caption "Risk Factors," of our Annual Report on Form 10-K for the fiscal year ended January 31, 2025, which risks could materially and adversely affect our business, results of operations, financial condition and liquidity. No material change in the risk factors discussed in such Form 10-K has occurred. Such risk factors do not identify all risks that we face because our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Our business operations could also be affected by additional factors that apply to all companies operating in the U.S. and globally.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

From time to time, the Company repurchases shares of its common stock under share repurchase programs authorized by the Company's Board of Directors. All repurchases made during the three months ended October 31, 2025 were made under the current \$20 billion share repurchase program approved in November 2022, which has no expiration date or other restrictions limiting the period over which the Company can make repurchases. As of October 31, 2025, authorization for \$5.1 billion of share repurchases remained under the share repurchase program. Any repurchased shares are constructively retired and returned to an unissued status.

The Company regularly reviews its share repurchase activity and considers several factors in determining when to execute share repurchases, including, among other things, current cash needs, capacity for leverage, cost of borrowings, its results of operations and the market price of its common stock. Share repurchase activity under our share repurchase program, on a trade date basis, for the three months ended October 31, 2025, was as follows:

Fiscal Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽¹⁾ (billions)
August 1 - 31, 2025	2,974,615	\$ 99.53	2,974,615	\$ 5.6
September 1 - 30, 2025	2,506,546	101.99	2,506,546	5.3
October 1 - 31, 2025	2,434,368	103.84	2,434,368	5.1
Total	7,915,529		7,915,529	

⁽¹⁾ Represents approximate dollar value of shares that could have been purchased under the plan in effect at the end of the month.

Item 5. Other Information

Security Trading Plans of Directors and Executive Officers

During the Company's fiscal quarter ended October 31, 2025, the following Section 16 officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement:

On September 5, 2025, John David Rainey, Executive Vice President and Chief Financial Officer, entered into a stock trading plan designed to comply with Rule 10b5-1 under the Exchange Act. Under the terms of the plan, Mr. Rainey is scheduled to sell an aggregate of 40,000 shares of common stock in trades scheduled in February and March 2026. The plan will terminate on March 2, 2026.

On September 19, 2025, Daniel Danker, Executive Vice President, AI Acceleration, Product and Design, entered into a stock trading plan designed to comply with Rule 10b5-1 under the Exchange Act. Under the terms of the plan, Mr. Danker is scheduled to sell an aggregate of 109,976 shares of common stock (less shares withheld for taxes upon vesting of such shares) in trades scheduled in January and August 2026. The plan will terminate on August 25, 2026.

On September 22, 2025, Donna Morris, Executive Vice President and Chief People Officer, entered into a stock trading plan designed to comply with Rule 10b5-1 under the Exchange Act. Under the terms of the plan, Ms. Morris is scheduled to sell, subject to a specified minimum stock price threshold, an aggregate of 148,665 shares of common stock (less shares withheld for taxes upon vesting of such shares) in trades scheduled beginning in January 2026. The plan will terminate on the earlier of (i) July 13, 2026 or (ii) the sale of all applicable shares under the plan.

Disclosure Pursuant to Section 13(r) of the Securities Exchange Act of 1934

Section 13(r) of the Exchange Act, requires an issuer to disclose certain information in its periodic reports if it or any of its affiliates knowingly engaged in certain activities, transactions or dealings with individuals or entities subject to specific U.S. economic sanctions during the reporting period.

As previously disclosed, the Company has identified transactions in South Africa between Builders, which specializes in retail home improvement and construction materials and is a division of its subsidiary Massmart Retail (Pty) Ltd. ("Massmart"), and a customer that appears to be the Embassy of Iran in Pretoria, South Africa (the "Embassy"). In August 2025, the Company had multiple ordinary retail sales transactions to the Embassy of general construction materials valued at approximately \$85.

During a review of Massmart business customers following discovery of the above transactions, the Company also identified transactions between Makro, a separate division of Massmart, and an individual apparently purchasing on behalf of the Embassy. From April 2019 through October 1, 2025, the Company had multiple ordinary retail sales transactions with this individual valued at approximately \$74,000, including approximately \$3,500 during the fiscal quarter ended October 31, 2025.

We are unable to accurately calculate the net profit attributable to these sales transactions, but it would be significantly less than the gross sales amount. The Company does not plan to continue selling to the Embassy or this individual.

Cautionary Statement Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains statements that Walmart believes are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Those forward-looking statements are intended to enjoy the protection of the safe harbor for forward-looking statements provided by that Act as well as protections afforded by other federal securities laws.

Forward-looking Statements

The forward-looking statements in this report include, among other things:

- statements in [Note 6](#) to those Condensed Consolidated Financial Statements regarding the possible outcome of, and future effect on Walmart's financial condition and results of operations of, certain litigation and other proceedings to which Walmart is a party, the possible outcome of, and future effect on Walmart's business of, certain other matters to which Walmart is subject, including the Company's ongoing opioids litigation, the False Claims Act Litigation, Walmart's ongoing indemnification obligation for the Asda Equal Value Claims, the Company's Money Transfer Agent Services Matters, the Driver Platform Matters, the Mexico Antitrust Matter, the Foreign Direct Investment Matters, the India Antitrust Matter, and the liabilities, losses, expenses and costs that Walmart may incur in connection with such matters;
- in Part I, Item 2 "[Management's Discussion and Analysis of Financial Condition and Results of Operations](#)": statements under the caption "[Overview](#)" regarding future changes to our business and our expectations about the potential impacts on our business, financial position, results of operations or cash flows as a result of macroeconomic factors such as geopolitical conditions, tariffs and trade restrictions, supply chain disruptions, volatility in employment trends and consumer confidence; statements under the caption "[Overview](#)" relating to the possible impact of inflationary pressures and volatility in currency exchange rates on the results, including net sales and operating income, of Walmart and the Walmart International segment, as well as our sourcing, pricing, merchandising, inventory management and other strategies in response to cost increases; a statement under the caption "[Overview](#)" relating to management's expectations regarding the timing of cash tax payments; statements under the caption "[Company Performance Metrics - Growth](#)" regarding our strategy to serve customers through a seamless omnichannel experience; statements under the caption "[Company Performance Metrics - Margin](#)" regarding our strategy to improve operating income margin through productivity initiatives, as well as category and business mix; statements under the caption "[Company Performance Metrics - Returns](#)" regarding our belief that returns on capital will improve as we execute on our strategic priorities; statements under the caption "[Results of Operations - Consolidated Results of Operations](#)" regarding the possibility of fluctuations in Walmart's effective income tax rate from quarter to quarter and the factors that may cause those fluctuations; a statement under the caption "[Results of Operations - Sam's Club U.S. Segment](#)" relating to the possible continuing impact of volatility in fuel prices on the future operating results of the Sam's Club U.S. segment; a statement under the caption "[Liquidity and Capital Resources - Liquidity](#)" that Walmart's sources of liquidity will be adequate to fund its operations, finance its investment activities, pay dividends and fund share repurchases; a statement under the caption "[Liquidity and Capital Resources - Liquidity - Net Cash Used in Financing Activities - Dividends](#)" regarding the payment of annual dividends in fiscal 2026; a statement under the caption "[Liquidity and Capital Resources - Liquidity - Net Cash Used in Financing Activities - Company Share Repurchase Program](#)" regarding funding of our share repurchase program; a statement under the caption "[Liquidity and Capital Resources - Liquidity - Net Cash Used in Financing Activities - Material Cash Requirements](#)" regarding funding of our material cash requirements from operating activities; statements under the caption "[Liquidity and Capital Resources - Capital Resources](#)" regarding management's expectations regarding the Company's cash flows from operations, current cash position, short-term borrowings and access to capital markets continuing to be sufficient to meet its anticipated cash requirements and contractual obligations, the Company's commercial paper and long-term debt ratings continuing to enable it to refinance its debts at favorable rates, factors that could affect its credit ratings, and the effect that lower credit ratings would have on its access to capital and credit markets and borrowing costs; and statements under the caption "[Other Matters](#)" regarding the contingent liabilities of the Company that may or may not result in the incurrence of a material liability by the Company;
- in Part I, Item 4 "[Controls and Procedures](#)": statements regarding the effect of changes to systems and processes on our internal control over financial reporting; and
- in Part II, Item 1 "[Legal Proceedings](#)": statements regarding the effect that possible losses or the range of possible losses that might be incurred in connection with the legal proceedings and other matters discussed therein may have on our financial condition or results of operations.

Risks, Factors and Uncertainties Regarding Our Business

These forward-looking statements are subject to risks, uncertainties and other factors, domestically and internationally. We, along with other retail companies, are influenced by a number of factors including, but not limited to:

Economic Factors

- economic, geopolitical, capital markets and business conditions, trends and events around the world and in the markets in which Walmart operates;
- changes or modifications in tariff rates, exemptions therefrom or the imposition of new tariffs or new taxes on imports;
- changes or modifications in trade restrictions or the imposition of new trade restrictions;
- currency exchange rate fluctuations;
- changes in market rates of interest;
- inflation or deflation, generally and in certain product categories;
- transportation, energy and utility costs;
- commodity prices, including the prices of oil and natural gas;
- changes in market levels of wages;
- changes in the size of various markets, including eCommerce markets;
- unemployment levels;
- consumer confidence, disposable income, credit availability, spending levels, shopping patterns, debt levels and demand for certain merchandise;
- trends in consumer shopping habits around the world and in the markets in which Walmart operates;
- consumer enrollment in health and drug insurance programs and such programs' reimbursement rates and drug formularies; and
- initiatives of competitors, competitors' entry into and expansion in Walmart's markets or lines of business, and competitive pressures.

Operating Factors

- the amount of Walmart's net sales and operating expenses denominated in U.S. dollar and various foreign currencies;
- the financial performance of Walmart and each of its segments, including the amount of Walmart's cash flow during various periods;
- customer transaction and average ticket in Walmart's stores and clubs and on its eCommerce platforms;
- the mix of merchandise Walmart sells and its customers purchase;
- the availability of goods from suppliers and the cost of goods acquired from suppliers;
- the effectiveness of the implementation and operation of Walmart's strategies, plans, programs and initiatives;
- the financial and operational impacts of our investments in eCommerce, technology, talent and automation;
- supply chain disruption and production, labor shortages and increases in labor costs;
- the impact of acquisitions, divestitures, store or club closures and other strategic decisions;
- Walmart's ability to successfully integrate acquired businesses;
- unexpected changes in Walmart's objectives and plans;
- the amount of inventory shrinkage Walmart experiences;
- consumer acceptance of and response to Walmart's stores and clubs, eCommerce platforms, programs, merchandise offerings and delivery methods;
- Walmart's gross profit margins, including pharmacy margins and margins of other product categories;
- the selling prices of gasoline and diesel fuel;
- disruption of seasonal buying patterns in Walmart's markets;
- disruptions in Walmart's supply chain and inventory management;
- developments and disruptions related to the deployment of artificial intelligence technologies;
- cybersecurity events affecting Walmart and related costs and impact of any disruption in business;
- Walmart's labor costs, including healthcare and other benefit costs;
- Walmart's casualty and accident-related costs and insurance costs;
- the size of and turnover in Walmart's workforce and the number of associates at various pay levels within that workforce;
- the availability of necessary personnel to staff Walmart's stores, clubs and other facilities;
- delays in the opening of new, expanded, relocated or remodeled units;
- developments in, and the outcome of, legal and regulatory proceedings and investigations to which Walmart is a party or is subject, and the liabilities, obligations and expenses, if any, that Walmart may incur in connection therewith, including expenses pertaining to general liability claims, for which we self-insure;
- changes in the credit ratings assigned to the Company's commercial paper and debt securities by credit rating agencies;
- Walmart's effective tax rate; and
- unanticipated changes in accounting judgments and estimates.

Regulatory and Other Factors

- changes in existing tax, labor and other laws and changes in tax rates, including the enactment of laws and the adoption and interpretation of administrative rules and regulations, including those related to worker classification;
- adoption or creation of new, and modification of existing, governmental policies, programs, initiatives and actions in the markets in which Walmart operates and elsewhere and actions with respect to such policies, programs and initiatives;
- changes in government-funded benefit programs or changes in levels of other public assistance payments;
- changes in currency control laws;
- one or more prolonged federal government shutdowns;
- the timing of federal income tax refunds;
- natural disasters, changes in climate, catastrophic events and global health epidemics or pandemics; and
- changes in generally accepted accounting principles in the United States.

Other Risk Factors; No Duty to Update

This Quarterly Report on Form 10-Q should be read in conjunction with Walmart's Annual Report on Form 10-K for the fiscal year ended January 31, 2025 and all of Walmart's subsequent other filings with the Securities and Exchange Commission. Walmart urges investors to consider all of the risks, uncertainties and other factors disclosed in these filings carefully in evaluating the forward-looking statements contained in this Quarterly Report on Form 10-Q. The Company cannot assure you that the results or developments anticipated by the Company and reflected or implied by any forward-looking statement contained in this Quarterly Report on Form 10-Q will be realized or, even if substantially realized, that those results or developments will result in the forecasted or expected consequences for the Company or affect the Company, its operations or its financial performance as the Company has forecasted or expected. As a result of the matters discussed above and other matters, including changes in facts, assumptions not being realized or other factors, the actual results relating to the subject matter of any forward-looking statement in this Quarterly Report on Form 10-Q may differ materially from the anticipated results expressed or implied in that forward-looking statement. The forward-looking statements included in this Quarterly Report on Form 10-Q are made only as of the date of this report, and Walmart undertakes no obligation to update any such statements to reflect subsequent events or circumstances.

Item 6. Exhibits

The following documents are filed as an exhibit to this Quarterly Report on Form 10-Q:

Exhibit 3.1(a)	Restated Certificate of Incorporation of the Company dated February 1, 2018 is incorporated herein by reference to Exhibit 3.1 to the Report on Form 8-K filed by the Company on February 1, 2018
Exhibit 3.1(b)	Certificate of Amendment to the Restated Certificate of Incorporation of the Company, effective February 23, 2024 is incorporated herein by reference to Exhibit 3.1 to the Report on Form 8-K filed by the Company on February 23, 2024
Exhibit 3.2	Amended and Restated Bylaws of the Company dated November 10, 2022 are incorporated herein by reference to Exhibit 3.1 to the Report on Form 8-K filed by the Company on November 16, 2022
Exhibit 10.1*	Retirement Agreement between the Company and Doug McMillon dated November 13, 2025
Exhibit 10.2*	Form of Walmart Inc. Stock Incentive Plan of 2025 Global Restricted Stock Notification of Award and Terms and Conditions of Award
Exhibit 10.3*	Form of Walmart Inc. Stock Incentive Plan of 2025 Global Share-Settled Performance-Based Restricted Stock Unit Notification of Award and Terms and Conditions of Award
Exhibit 31.1*	Chief Executive Officer Section 302 Certification
Exhibit 31.2*	Chief Financial Officer Section 302 Certification
Exhibit 32.1**	Chief Executive Officer Section 906 Certification
Exhibit 32.2**	Chief Financial Officer Section 906 Certification
Exhibit 99.1*	Non-MDL Opioid-Related Litigation Case Citations
Exhibit 101.INS*	Inline XBRL Instance Document
Exhibit 101.SCH*	Inline XBRL Taxonomy Extension Schema Document
Exhibit 101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
Exhibit 101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
Exhibit 101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
Exhibit 101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
Exhibit 104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended October 31, 2025, formatted in Inline XBRL (included in Exhibit 101)

* Filed herewith as an Exhibit.

** Furnished herewith as an Exhibit.

