



Walmart and Flipkart Announce Completion of Walmart Investment in Flipkart, India's Leading Marketplace eCommerce Platform

Underscores long-term commitment to India, where companies serve customers, support job creation, small businesses, farmers and women entrepreneurs

Partnership to leverage combined synergies, including market insights, retail expertise and local and global supply-chain knowledge

BENTONVILLE, Ark., BENGALURU, India, Aug. 18, 2018 – Walmart Inc. (NYSE: WMT) and Flipkart Group (“Flipkart”) today announced the closing of the agreements for Walmart to become the largest shareholder in the Flipkart Group.

“Walmart and Flipkart will achieve more together than each of us could accomplish separately to contribute to the economic growth of India, creating a strong local business powered by Walmart,” said Judith McKenna, president and CEO of Walmart International. “Our investment will benefit India by providing quality, affordable goods for customers, while creating new skilled jobs and opportunities for suppliers. As a company, we are transforming globally to make life even easier for customers, and we are delighted to learn from, contribute to and work with Flipkart to grow in India, one of the fastest-growing and most attractive retail markets in world.”

“We are poised and ready to deliver the full value of this partnership for India,” said Binny Bansal, Flipkart’s co-founder and group chief executive officer. “By combining Walmart’s omni-channel retail expertise, supply-chain knowledge and financial strength with Flipkart’s talent, technology and local insights, we are confident that together we can drive the next wave of retail in India.”

The Flipkart investment transforms Walmart’s position in a country with more than 1.3 billion people, strong GDP growth, a growing middle class and significant runway for smartphone, internet and eCommerce penetration. As Walmart scales in India, the company will continue to partner to create sustained economic growth across agriculture, food and retail. Future investments by Walmart will support national initiatives and will bring sustainable benefits in jobs creation, supporting small businesses, supporting farmers and supply chain development and reducing food waste.

Structure and Financial Details

Flipkart’s existing management team will continue to lead the business. Tencent Holdings Limited and Tiger Global Management LLC will remain represented on the Flipkart board, in addition to independent board members, and will be joined by new members from Walmart. The board will work to maintain Flipkart’s core values and entrepreneurial spirit, while ensuring it has strategic and competitive advantages.

With the completion of the investment, Walmart now holds approximately 77 percent of Flipkart. The remainder of the business is held by other shareholders, including Flipkart co-founder Binny Bansal, Tencent, Tiger Global and Microsoft Corp. Moving forward, Flipkart’s financials will be reported as part of Walmart’s International business segment.

Walmart’s investment includes \$2 billion of new equity funding to help accelerate the growth of the Flipkart business. Both companies will retain their unique brands and operating structures in India.



Guidance

At the time the company disclosed the transaction, the estimated impact to FY19 EPS was a negative \$0.25-\$0.30 assuming the transaction closed mid-year. Consistent with guidance at the time of its second quarter earnings report, the company anticipates this level of EPS impact, prorated for today's close date.

In FY20, as we look to accelerate growth in this important market, Walmart continues to anticipate a headwind to EPS of around \$0.60.

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About Walmart

Walmart Inc. (NYSE: WMT) helps people around the world save money and live better - anytime and anywhere - in retail stores, online, and through their mobile devices. Each week, nearly 265 million customers and members visit our more than 11,200 stores under 55 banners in 27 countries and eCommerce websites. With fiscal year 2018 revenue of \$500.3 billion, Walmart employs approximately 2.2 million associates worldwide. Walmart continues to be a leader in sustainability, corporate philanthropy and employment opportunity. Additional information about Walmart can be found by visiting <http://corporate.walmart.com>, on Facebook at <http://facebook.com/walmartand> on Twitter at <http://twitter.com/walmart>.

About Flipkart

The Flipkart Group is one of India's largest e-commerce marketplace and includes group companies Flipkart, Myntra, Jabong, and PhonePe.

Launched in 2007, Flipkart has enabled millions of customers, sellers, merchants, and small businesses to be a part of India's e-commerce revolution, offering over 80 million products across 80+ categories. Flipkart is known for pioneering industry-first innovations such as Cash on Delivery, No Cost EMI and easy returns – customer-centric services that have made online shopping more accessible and affordable for millions of customers. Together with Myntra and Jabong, which hold prominent positions in the online fashion market, and PhonePe, India's first UPI based payment app, the Flipkart Group has steered the transformation of commerce in India.

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Forward Looking Statements

The statements in this press release regarding the impact of this investment, including management's guidance regarding the earnings per share impact of this investment for the fiscal year ending January 31, 2019, and the subsequent fiscal year and as to the future



operations of Flipkart and Walmart in India, are believed to be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, as amended (the “Act”), that are intended to enjoy the protection of the safe harbor for forward-looking statements provided by the Act. Walmart's actual results may differ materially from the guidance provided as a result of changes in circumstances, assumptions not being realized or other risks, uncertainties and other factors, including: the level of Walmart's investment in Flipkart from time to time; currency exchange rate fluctuations; competitive pressures and other economic, geo-political, capital markets and business conditions, trends and events in India; changes in existing rules and regulations regarding foreign direct investment in the retail business in India; other changes in existing tax, labor or other law or regulations in India; and other risks, uncertainties and factors relating to Walmart's operations and financial performance discussed in its filings with the SEC. You should read this press release in conjunction with our Annual Report on Form 10-K for the year ended January 31, 2018, and our subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. You should consider all of the risks, uncertainties and other factors identified in those SEC reports carefully when evaluating the forward-looking statements in this press release. Walmart cannot assure you that the future results reflected in or implied by any such forward-looking statement will be realized or, even if substantially realized, will have the forecasted or expected consequences and effects for or on our operations or financial performance. Such forward-looking statements are made as of the date of this release, and Walmart undertakes no obligation to update such statements to reflect subsequent events or circumstances.