

# Walmart de México y Centroamérica Reports

## November 2019 Sales

FREE TRANSLATION, NOT TO THE LETTER

Mexico City, December 5, 2019

Wal-Mart de México, S.A.B. de C.V. (BMV: WALMEX) announces to its shareholders as well as to the public in general that during November 2019, total sales were **\$60,929 million pesos**, an increase of **7.7%** over sales reported in the same month of 2018.

### Total Sales

	November			January – November		
	2019 Millions MXN	2018 Millions MXN	% Growth	2019 Millions MXN	2018 Millions MXN	% Growth
<b>Mexico</b>	50,315	46,424	8.4	466,325	440,509	5.9
<b>Central America*</b>	10,614	10,148	4.6	101,839	100,250	1.6
<b>Consolidated</b>	60,929	56,572	7.7	568,164	540,759	5.1

\*Central America sales growth figures are impacted by variations in exchange rates.

### Mexico Sales

Total sales for Mexico increased **8.4%** over sales reported in November 2018. Comp store sales, which considers all units in operation for over a year, increased **6.9%** compared to the same month last year.

Considering the **four-week period from November 2<sup>nd</sup> to November 29<sup>th</sup>, 2019**, as compared to the four-week period ending November 30<sup>th</sup>, 2018, total sales increased **7.4%** and comp store sales increased **6.0%**.

### Mexico Sales Growth 2019

	Calendar		Retail Calendar (Saturday-Friday)		
	Total Stores %	Comp Stores %		Number of weeks	Comp Stores %
<b>January</b>	5.6	4.4		5	5.3
<b>February</b>	6.4	5.4		4	4.7
<b>March</b>	5.3	4.4		4	1.2
<b>April</b>	7.1	6.1		5	8.2
<b>May</b>	6.6	5.6		4	4.7
<b>June</b>	6.0	4.7		4	4.2
<b>July</b>	3.6	2.2		5	3.4
<b>August</b>	7.4	6.1		4	4.5
<b>September</b>	4.4	3.1		4	5.6
<b>October</b>	3.5	2.3		5	1.6
<b>November</b>	8.4	6.9		4	6.0
<b>January- November</b>	5.9	4.7		48	4.5

This document may contain certain references concerning Wal-Mart de México S.A.B. de C.V.'s future performance that should be considered as good faith estimates made by the Company. These references are a reflection of Managements' expectations about the Company and are based upon currently available data. Actual results are always subject to future events, risks and uncertainties, which could materially impact the Company's actual performance.

December 5, 2019



During November, average comp ticket increased **4.4%** and the number of comp transactions increased **2.5%** compared to last year.

## Central America Sales

In Central America, total sales increased **7.8%** and comp store sales increased **4.8%** on a constant currency basis.

### Central America Sales Growth 2019 (Constant currency basis)

	Calendar		Retail Calendar (Saturday-Friday)		
	Total Stores %	Comp Stores %	Number of weeks	Total Stores %	Comp Stores %
January	3.8	0.5	5	4.9	2.0
February	4.1	0.9	4	2.6	-0.5
March	-1.4	-4.1	4	-5.1	-7.7
April	7.2	3.8	5	11.3	7.7
May	2.3	-0.6	4	0.9	-2.1
June	5.4	2.0	4	3.1	-0.1
July	2.0	-1.2	5	1.3	-1.8
August	6.1	3.1	4	3.5	0.6
September	-0.2	-2.6	4	1.6	-0.9
October	2.3	-0.2	5	4.5	1.9
November	7.8	4.8	4	4.1	1.0
January- November	3.6	0.6	48	3.1	0.2

## Openings

In **November**, we opened **28** units:

**Mexico:** 25 units

- **5 Bodegas Aurrera:** 2 in León, Guanajuato, 1 in Tizayuca, Hidalgo, 1 in Tuxtla Gutiérrez, Chiapas and 1 in Zitácuaro, Michoacán.
- **14 Mi Bodegas:** 1 in Técpan de Galeana, Guerrero, 1 in Taretan, Michoacán, 1 in San Fernando, Chiapas, 1 in Monterrey, Nuevo León, 1 in Zaragoza, Coahuila, 2 in Guadalajara, Jalisco, 1 in Río Grande, Oaxaca, 1 in Tanquián de Escobedo, San Luis Potosí, 1 in El Naranjo, San Luis Potosí, 1 in Juan Rodríguez Clara, Veracruz, 1 in Rincón de Guayabitos, Nayarit, 1 in el Parral Chiapas and 1 in Durango, Durango.
- **5 Bodegas Express:** 2 in Querétaro, Querétaro, 1 in Chalco, Estado de México, 1 in Monterrey, Nuevo León and 1 in Aguascalientes, Aguascalientes.
- **1 Supercenter:** 1 in Querétaro, Querétaro.

This document may contain certain references concerning Wal-Mart de México S.A.B. de C.V.'s future performance that should be considered as good faith estimates made by the Company. These references are a reflection of Managements' expectations about the Company and are based upon currently available data. Actual results are always subject to future events, risks and uncertainties, which could materially impact the Company's actual performance.

December 5, 2019



## Central America: 3 units

- **1 Supercenter:** in San José, Costa Rica.
- **2 Discount Stores:** 1 in Cartago, Costa Rica and 1 in Guatemala, Guatemala.

Additionally, during December we opened in Mexico 2 Mi Bodegas, 1 in Cihuatlán, Jalisco and 1 in Querétaro, Querétaro and 1 Bodega Express in Monterrey, Nuevo León.

## Corporate Social Responsibility and other news

In November, **Walmart de México y Centroamérica** was recognized by the international nonprofit organizations “2020 Women on Boards” and “Women Corporate Directors”, for its efforts on issues of Diversity and Inclusion, as one of the companies listed on the Mexican Stock Exchange with more participation of women in its Board of Directors, with at least one woman as an independent director.

### • Other news

Today, we announced that we expect that earnings per share of Walmex will be reduced approximately by \$0.065 pesos per share for 2019, as a result of a charge we are taking in the month of November to account for a new agreement reached between our subsidiaries in Central America (“Walmart CAM”) and Walmart Inc. (“Walmart”) on November 30, 2019.

The agreement, which is effective beginning in 2019, relates to the payment of intellectual property royalties from Walmart CAM to Walmart and it will continue to affect earnings in subsequent years with an impact similar to the one registered in 2019, subject to fluctuations in the annual sales of Walmart CAM. Walmart CAM had a prior arrangement with Walmart regarding the payment of royalties that had been in force for a number of years and that has expired.

The Audit and Corporate Governance Committees of the Board of Directors of Walmex, composed exclusively of independent directors, approved this transaction as being: (1) comparable to terms that would have been reached by unrelated third parties in an arm’s length transaction, and (2) in the best interests of Walmex as a whole, and in arriving at such conclusions, based its determination, among other things, on the opinion of expert independent advisors.

The rationale behind this new arrangement is based on the fact that the prior royalty agreements did not reflect the changes in the business that have occurred since they were implemented and the need for Walmart to continue to fully provide support to Walmart CAM in the manner in which a business of the size and scope of Walmart CAM requires to continue its growth and development.

This document may contain certain references concerning Wal-Mart de México S.A.B. de C.V.’s future performance that should be considered as good faith estimates made by the Company. These references are a reflection of Managements’ expectations about the Company and are based upon currently available data. Actual results are always subject to future events, risks and uncertainties, which could materially impact the Company’s actual performance.

December 5, 2019



## Company Description

WALMEX is a Retail Sector company trading on the Mexican Stock Exchange since 1977. As of **November 2019**, it operated **3,380** units:

### 2,544 Mexico

2,008 Bodegas Aurrera:  
539 Bodegas  
393 Mi Bodegas  
1,076 Bodegas Express  
280 Walmarts  
163 Sam's Clubs  
93 Superamas

### 836 Central America

549 Discount Stores  
99 Supermarkets  
33 Walmarts  
155 Bodegas

## Ticker Symbols

Mexican Stock Exchange:	Bloomberg:	Reuters:	ADR's sponsored program:
Walmex	Walmex* MM WMMVY US	Walmex.Mx WMMVY.Pk	WMMVY

## Websites

Investor Relations: [www.walmex.mx](http://www.walmex.mx)

Corporate: [www.walmartmexico.com](http://www.walmartmexico.com)

Business formats:

[www.walmart.com.mx](http://www.walmart.com.mx)

[www.superama.com.mx](http://www.superama.com.mx)

[www.sams.com.mx](http://www.sams.com.mx)

## Contacts

Investor Relations	Corporate Communications
Pilar de la Garza Fernández del Valle (52-55) 5283 - 0289 <a href="mailto:pilar.de@walmart.com">pilar.de@walmart.com</a>	Gabriela Buenrostro Ortega (52-55) 5283 - 0237 <a href="mailto:gabriela.buenrostro@walmart.com">gabriela.buenrostro@walmart.com</a>

Note: The information presented in this document is preliminary.

This document may contain certain references concerning Wal-Mart de México S.A.B. de C.V.'s future performance that should be considered as good faith estimates made by the Company. These references are a reflection of Managements' expectations about the Company and are based upon currently available data. Actual results are always subject to future events, risks and uncertainties, which could materially impact the Company's actual performance.

December 5, 2019

