

Walmart

México y Centroamérica



Company Overview (MSE: Walmex)



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History of Walmex



History: founded in 1958

1958

Aurrerá
start operations



Superama
start operations

1959

1964

Vips Restaurants
start operations



Bodega Aurrerá
& Suburbia
start operations

1970

1977

Cifra starts trading
on the Mexican
Stock Exchange



History: Walmart's first international business

1991

Joint venture between
Cifra and
Wal-Mart Stores, Inc.

CIFRA
&
WAL★MART®



Walmart Supercenter
start operations

1993

1997

Wal-Mart Stores, Inc.
acquires majority
position in
Cifra - Tender offer
on the MSE



Introduction of
Every Day Low
Prices

1999

2003

Walmart de México
Foundation created

Fundación
Walmart 
México

History: “Bodegas” expansion & incorporation of Central America

2004

Mi Bodega
start operations



Superama.com.mx
Online grocery sales pilot

Wal-Mart Stores, Inc.
acquires 33% of the
shares of CARHCO
(Central American Retail
Holding Company)

2005

2007

License issued
to operate
a bank in Mexico



Bodega Aurrerá
Express expansion

2008



2010

Walmart de México
acquires
100% of Walmart
Centroamérica



Walmart México Walmart Centroamérica

History: Sells its Restaurant Division, the Bank and Suburbia

2011

First Walmart Supercenter in Central America (Honduras)



2014

Walmart de México y Centroamérica sells its restaurant division to Alsea



2017

Walmart de México y Centroamérica sells Suburbia to Liverpool



Walmart.com.mx launches

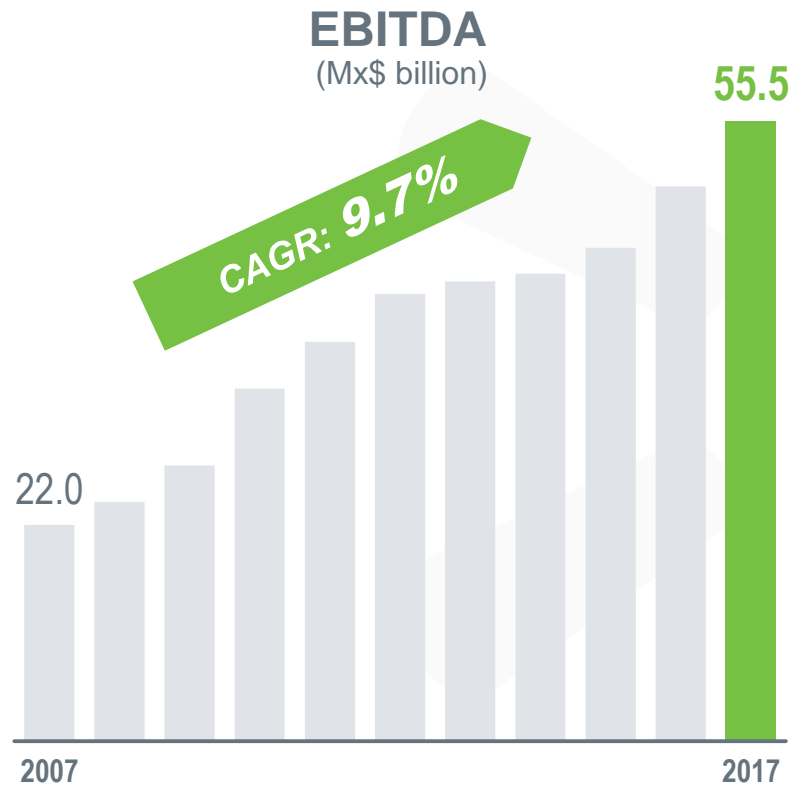
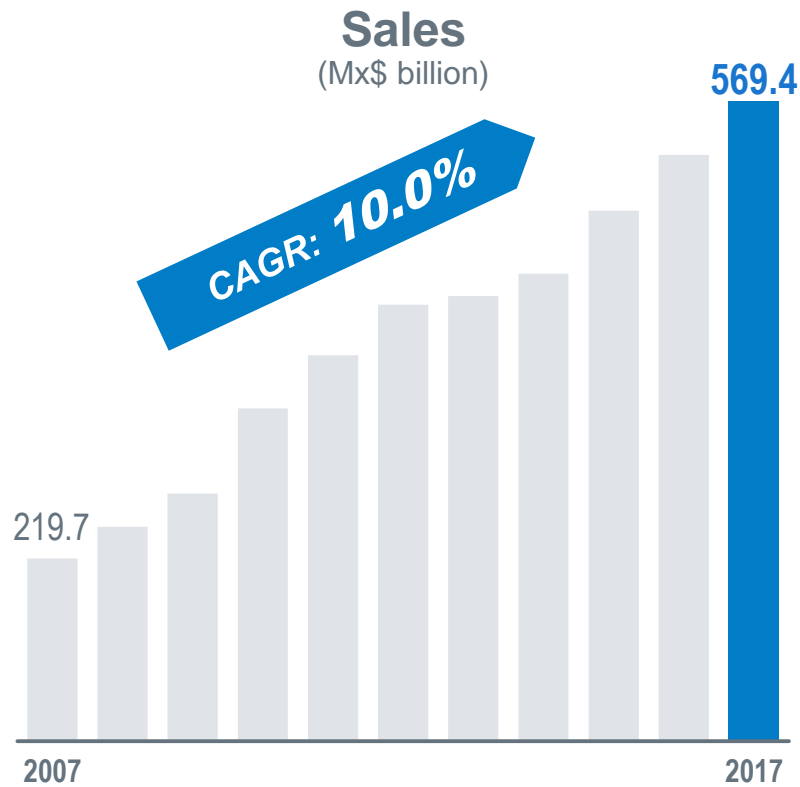
2013

2015

Walmart de México y Centroamérica sells its bank to Inbursa

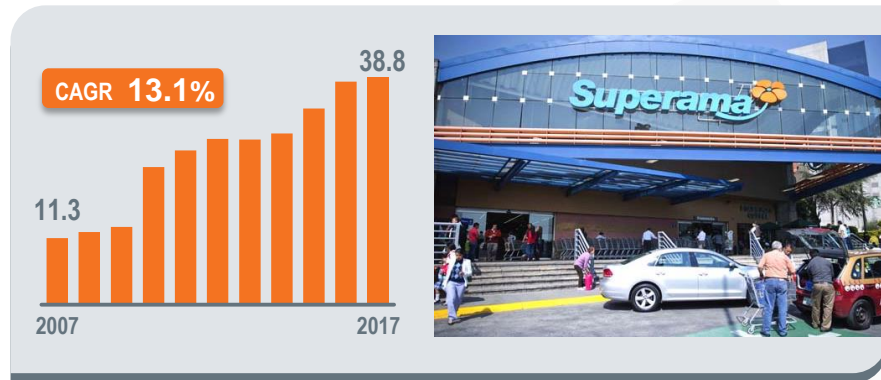


Continuous profitable growth



Growth across multiple formats

Total Sales (Mx\$ billion)





Walmex Today



Walmex: Listed on the Mexican Stock Exchange

Wal-Mart Stores, Inc.

70%

30%



Mexican
Stock
Exchange

ADR: WMMVY OTCQX

Walmex



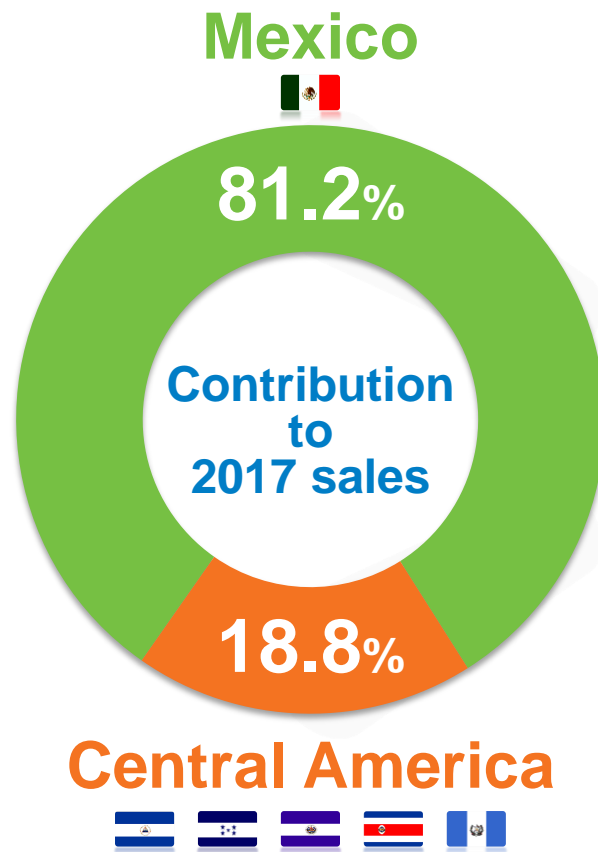
Mexican Stock Exchange
Sustainable Index

- Market Cap: Mx\$ 996 bn¹
- Weight on the MSE index: 7.1%²
- 3rd most traded stock on the MSE³

Company description

As of September 30, 2018

Revenues (Mx\$ billion)	608*
Units	3,205
Countries	6
Cities	644
Business formats	4
eCommerce sites	3
Distribution centers	24
Associates (thousand)	+237



"Bodegas"

Basic general merchandise, food and household items at the best prices.



% of 2017 Walmex sales **45.1**

Customer target **C, D, E**

Cities* **632**

Operating units*

– Mexico **1,866**

– Central America **673**

	SQ. FT. (average)	SKUs (average)	Units	Approach
"Bodegas"	44,295	32,000	510	Weekly shopping
Bodega Aurrerá	12,510	11,200	495	Small towns
Discount	3,735	4,400	1,534	Fill-in trip



Mama Lucha

She is the average Mexican housewife: she wants the best for her family, but faces a constant struggle (lucha in Spanish) to make ends meet.

She is Mexico's favorite **luchadora**, who fights against high prices together with Bodega Aurrerá. She brings the lowest prices to all families.





Value Drivers: Price and assortment



% of 2017 Walmex sales **27.7**

SQ. FT. (average) **78,870**

SKUs **90,000**

Customer target **A/B, C, D+**

Cities* **92**

Prototypes **4**

Operating units*

– Mexico **273**

– Central America **31**



Carrito



Carrito is the perfect shopping partner. He knows our customer better than anyone and he understands what motivates her to shop.

Only Carrito can join, advise and listen to our customer in order to help her find everything she needs when she comes to Walmart.

Qualities: Friendly, curious, helpful, observer, good listener, fun, responsible, practical, intelligent, ally, accomplice.



Neighborhood supermarkets with outstanding fresh and food departments at reasonable prices.



Value Drivers: Quality, convenience and service



% of 2017 Walmex sales	6.8
SQ. FT. (average)	16,150
SKUs	30,000
Customer target	A, B, C
Cities*	45
Prototypes	2
Operating units*	
– Mexico	94
– Central America	95

Local format branding



Membership warehouse clubs focused on businesses and high income households.



Value Drivers: Price leader, volume, new and unique merchandise



% of 2017 Walmex sales **20.4**

SQ. FT. (average) **76,750**

SKUs **4,500**

Customer target **A, B, C, D, Business**

Cities* **86**

Prototypes **4**

Operating units*

— Mexico **163**

Business Member



Individual Member



Superama.com.mx: online grocery sales leader

Web page



Delivery



Mobile Apps



Call Center

Walmart.com.mx: online general merchandise

Differentiated catalogue



Delivery



Categories

- Audio
- Auto & tires
- Baby & toddler
- Books
- Cell Phones
- Computers & tablets
- TV's & video
- Sports
- Consumer Appliances
- Electronics
- Furniture
- Cameras
- Home
- Musical Instruments
- Jewelry & accessories
- Toys
- Books
- Pets
- Health & Beauty
- Video Games
- Patio & Garden

Walmart.com.mx: groceries and perishables

Categories

- Meal Solution, grains & pasta, snacks
- Pharmacy, Health & Beauty
- Beverages, Wine & liquor
- Cleaning Supplies & Pets
- Frozen Food
- Produce
- Dairy, Eggs & Cheese
- Meat, Seafood & Poultry
- Baby & toddler
- Deli
- Bakery & Bread

Walmart.com.mx

Encuentra la edición especial **Gracias Mamá**, dedicada al amor más grande e infinito.

Ver productos

IMPORTRADOS Viaja a través del mundo con los sabores que traemos para ti.

Ver productos

• Limpieza y Mascotas

Limpieza y Mascotas

Limpieza Lavadores y lavavajillas Desodorizantes Mascotas

Perceira Organización y Almacenamiento Accesorios para Cocina Recipientes y Utensilios

PRECIOS BAJOS TODOS LOS DÍAS

Compra ahora

Pack de pollo para hervir 1kg \$89

Válido para pedidos y entregas hasta el 10 de mayo de 2017. Precios final reflejados en la foto de compra.

Walmart.com.mx

¿Qué estás buscando?

Todo el sitio

Mi Cuenta

Departamentos

Great Value Descubre la gran variedad de productos. Por su gran calidad y precio ¿Qué gran compra!

Compra ahora

Extra Special Alimentos Gourmet y Especializados

Compra ahora

Aurrera Alimentos básicos, procesados y gourmet básicos

Compra ahora

O'Roy Alimentos y accesorios para mascotas, perros y gatos

Compra ahora

Marketside Alimentos gourmet

Compra ahora

TECH Productos para el cuidado del auto

Compra ahora

equate Salud y belleza

Compra ahora

walmart.com.mx

Quiero ver más

Directorio de tiendas

Autos de privacidad

Autos de privacidad de tienda

Facturación electrónica

Mapa del sitio

Servicio a domicilio

Temas y contenidos

Beneficios

Formas de pago

Tiempos de entrega

Devoluciones

Servicios

Encuentra tu Tienda

Ayuda

Chat

Contactanos

Preguntas frecuentes

Mis pedidos

Info Corporativa

Batallas de trabajo

Proveedores

Sam's Club México

Suburbia México

Biología Aurrera

Supercentros

Walmart México y Centroamérica

Departamentos

Despensa Lácteos Frutas y Verduras Carnes y Pescados Salchichonería Panadería y Tortillería Jugos y Bebidas

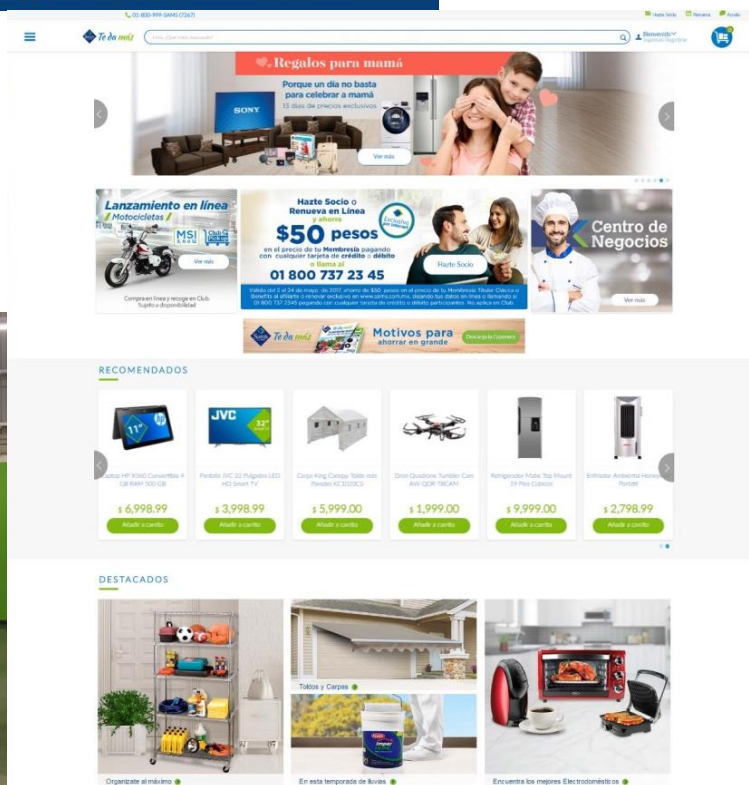
Cerveza, Vino y Licores Congelados Limpieza y Mascotas Bebés Farmacia Higiene y Belleza Electrónicos

Walmart México y Centroamérica



Compra en línea **sams.com.mx**

Descarga la App

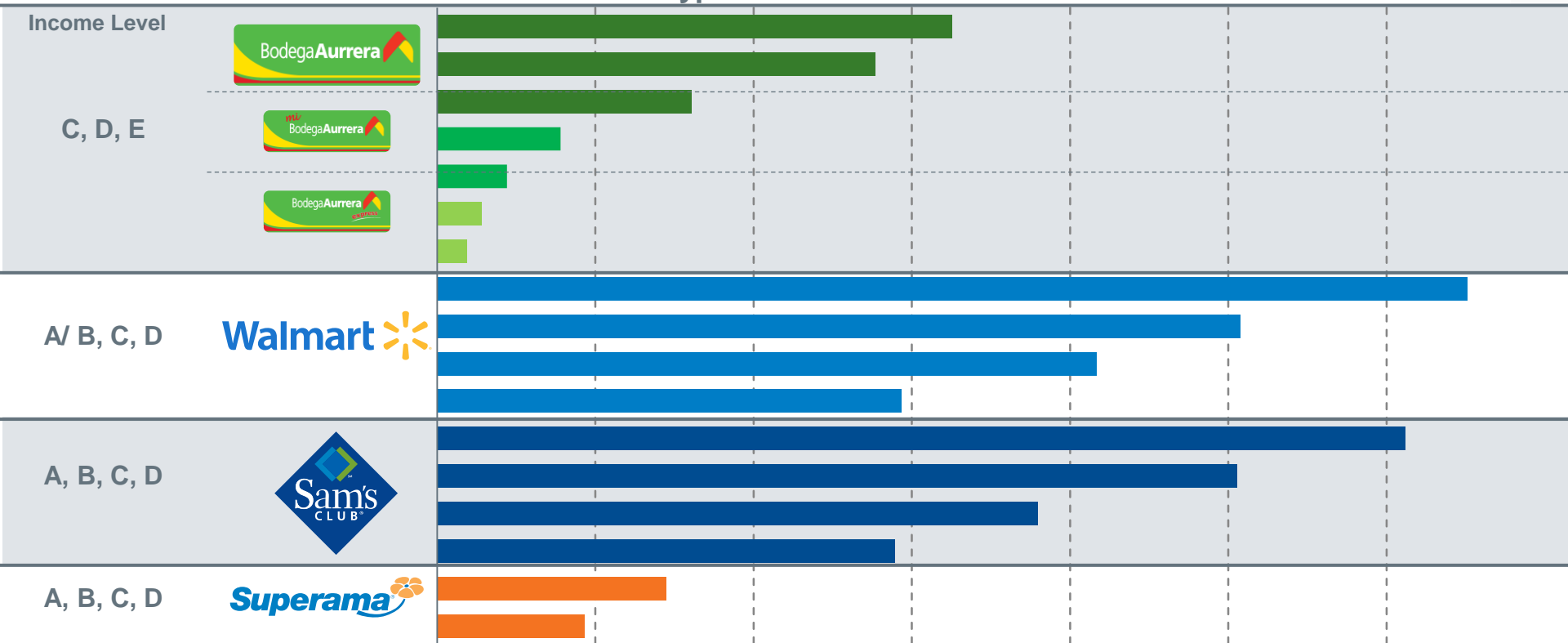


Exclusivo
Online



Flexible multiformat operation

Flexible Prototypes



Sales Area (Sq. Ft.)

Regional store presence

644 Cities with Walmex presence



Efficient distribution network

24 Distribution Centers





Financial Information



Walmex: 3Q18 Results

(MX\$ Millions)	3Q18		3Q17*		Variation
	\$	%	\$	%	%
Total revenues	147,768	100.0	136,898	100.0	7.9
Gross margin	34,413	23.3	31,768	23.2	8.3
General expenses	22,619	15.3	21,002	15.3	7.7
Earnings before other expenses, net	11,794	8.0	10,766	7.9	9.5
Other expenses, net	17	0.0	(296)	(0.2)	105.7
Operating income	11,811	8.0	10,470	7.6	12.8
EBITDA	14,903	10.1	13,356	9.8	11.6
Income from continuing operations	8,682	5.9	8,003	5.8	8.5
Net income	8,682	5.9	8,677	6.3	0.1

Mexico: 3Q18 Results

(MX\$ Millions)	3Q18		3Q17*		Variation
	\$	%	\$	%	%
Total revenues	120,732	100.0	112,214	100.0	7.6
Gross margin	27,740	23.0	25,766	23.0	7.7
General expenses	17,663	14.6	16,447	14.7	7.4
Earnings before other expenses, net	10,077	8.3	9,319	8.3	8.1
Other expenses, net	3	0.0	(293)	(0.3)	100.8
Operating income	10,080	8.3	9,026	8.0	11.7
EBITDA	12,458	10.3	11,292	10.1	10.3

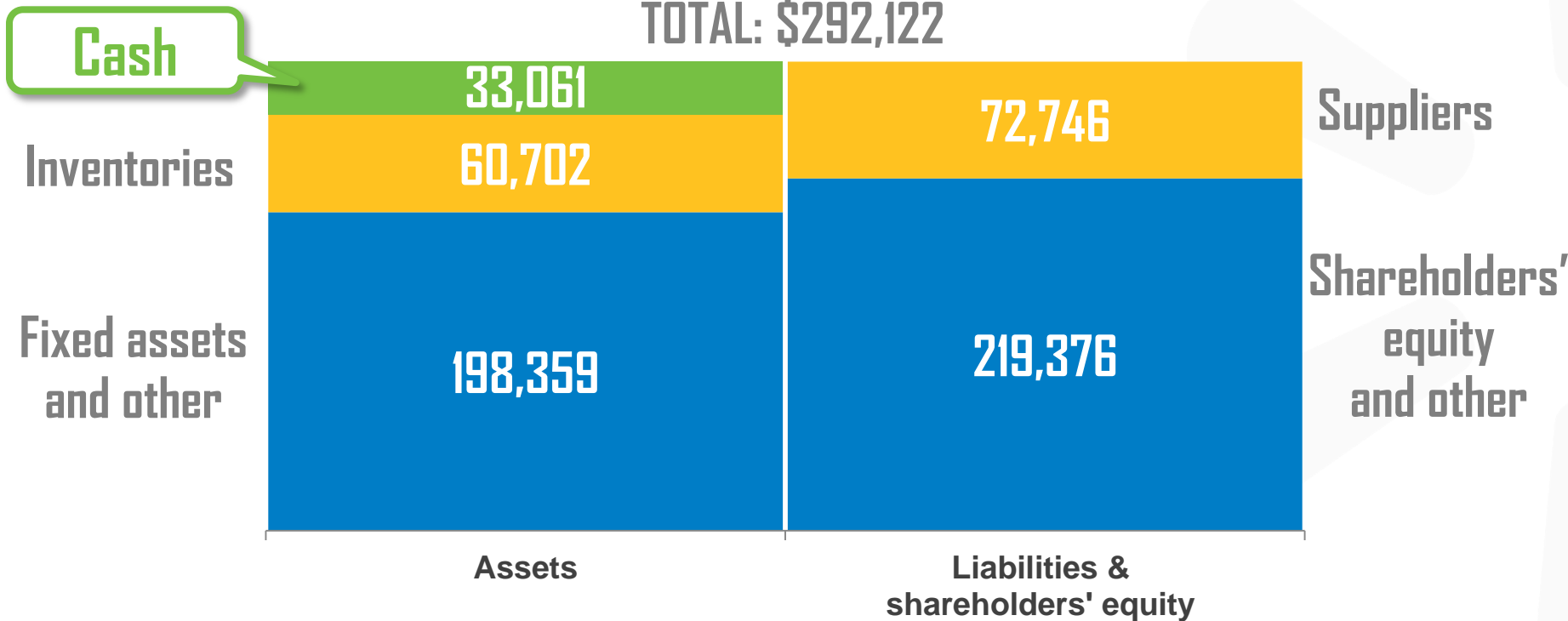
Central America: 3Q18 Results

(MX\$ Millions)	3Q18		3Q17*		Variation (%)	
	\$	%	\$	%	Peso terms	On a constant currency basis
Total revenues	27,036	100.0	24,684	100.0	9.5	4.8
Gross margin	6,673	24.7	6,002	24.3	11.2	6.4
General expenses	4,956	18.3	4,555	18.5	8.8	4.1
Earnings before other income, net	1,717	6.4	1,447	5.9	18.7	13.5
Other income, net	14	0.1	(3)	(0.0)	6.1t	5.4t
Operating income	1,731	6.4	1,444	5.9	19.9	14.7
EBITDA	2,445	9.0	2,064	8.4	18.4	13.3

Our financial strength enables choices

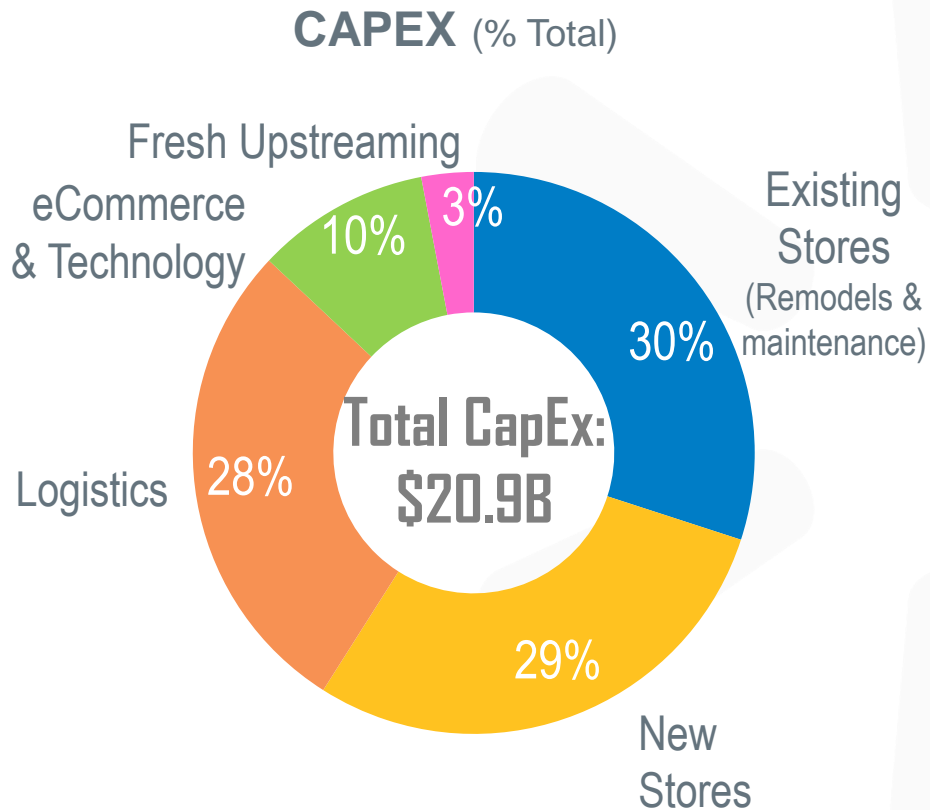
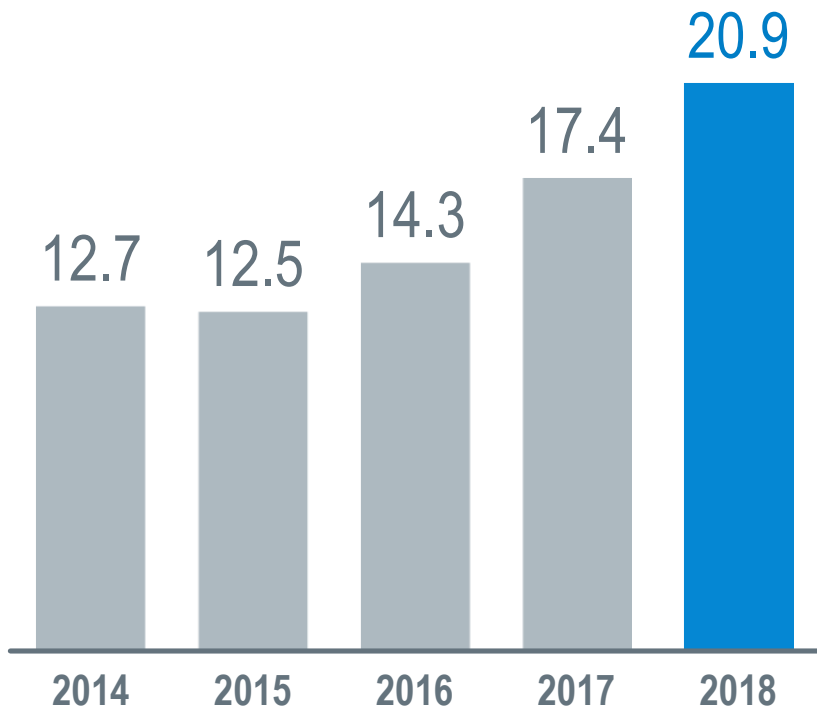
Balance sheet statement
(September 30th 2018 – MX\$ Million)

TOTAL: \$292,122



Growth Program 2018

(Mx\$ billion)





Competitors



Selected self-service competitors

Listed on the MSE

Revenues*
(Mx\$ billion)



153.5



107.6



18.5

Private



ANTAD: Self-service and Department Stores Association



September 2018*

MXN \$1,749 billion in sales

+100 Members

308.9 million sq. ft.



Informal market remains a large competitor



Associates

2017 highlights:

01

MX\$65 million invested in training

02

23,413 promoted associates

03

35% of management positions are filled by women



Community support

2017 highlights:

01

15,966 small producers developed



02

29,971 tons were donated

household necessities donated through the armed forces



03

75,558 volunteers

Associates, family members and customers participated as volunteers



Environmental commitment and success

2017 highlights:



01

MX\$ 1,310 million investment in sustainability initiatives

02

1.41% energy savings vs. 2016

03

1,046 water treatment plants

04

91% of our units are supplied by renewable energy

05

The zero waste objective:

73% progress in Mexico & 50% in Central America



Walmex resources

Investor Relations:

www.walmex.mx

Corporate:

www.walmartmexico.com.mx

Online & sales:

www.superama.com.mx

www.walmart.com.mx

www.sams.com.mx