

FORM 10-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Annual report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended January 31, 1995, 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 1-6991.

WAL-MART STORES, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State of other jurisdiction of
incorporation or organization)

71-0415188
(IRS Employer
Identification No.)

Bentonville, Arkansas
(Address of principal executive offices)

72716
(Zip Code)

Registrant's telephone number, including area code: (501) 273-4000

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

Title of each class	Name of each exchange on which registered
Common Stock, par value \$.10 per share	New York Stock Exchange Pacific Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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 for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for at least the past 90 days.
Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

The aggregate market value of the voting stock held by non-affiliates of the registrant, based on the closing price of these shares on the New York Stock Exchange on March 31, 1995, was \$36,044,647,699. For the purposes of this disclosure only, the registrant has assumed that its directors, executive officers, and beneficial owners of 5% or more of the registrant's common stock are the affiliates of the Registrant.

The registrant has 2,297,580,232 shares of Common Stock outstanding as of March 31, 1995.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Annual Report to Shareholders for the fiscal year ended January 31, 1995, are incorporated by reference into Part II of this Form 10-K.

Portions of the Registrant's Proxy Statement for the Annual Meeting of Shareholders to be held June 2, 1995, are incorporated by reference into Part III of this Form 10-K.

WAL-MART STORES, INC.

FORM 10-K ANNUAL REPORT

FOR THE YEAR ENDED JANUARY 31, 1995

PART I

ITEM 1. BUSINESS

(a) General Development of Business

Wal-Mart Stores, Inc. (together with its subsidiaries hereinafter referred to as the "Company") has become America's largest retailer and during the fiscal year ended January 31, 1995, had net sales of \$82,494,000,000. The Company serves customers domestically and in

Puerto Rico primarily through the operation of Wal-Mart stores (discount department stores), Sam's Clubs (warehouse membership clubs), and Wal-Mart Supercenters (a combination full-line supermarket and discount department store). As of January 31, 1995, the Company operated 1,990 Wal-Mart stores, 428 Sam's Clubs, and 143 Wal-Mart Supercenters. A table summarizing information concerning Wal-Mart stores, Sam's Clubs, Wal-Mart Supercenters, and other stores operated since January 31, 1990 is set forth in Schedule A to Item I found on page 9 of this annual report.

In fiscal 1992, the Company entered into a joint venture, in which it has 50% interest, with CIFRA, Mexico's largest retailer, to develop and expand retailing services in Mexico. At January 31, 1995, the joint venture operated 22 warehouse clubs, 23 discount stores, four combination stores, three supermarkets, four specialty department stores, 29 restaurants, and 11 Wal-Mart Supercenters.

In March 1994, the Company completed the acquisition of 122 Woolco department stores located in Canada from Woolworth Canada, Inc., a subsidiary of Woolworth Corporation. The acquisition included all inventory, leasehold interests and other assets at each location. At January 31, 1995, the Company operated 123 Canadian Wal-Mart stores.

In fiscal 1995, the Company entered into a joint venture in which it has a 50% interest with Ek Chor Distribution System Co., Ltd., a subsidiary of C.P. Pokphand Co. Ltd. of the Charoen Pokphand Group, to develop and operate warehouse clubs and Supercenters in Hong Kong and the People's Republic of China. At January 31, 1995, the joint venture operated three warehouse clubs in Hong Kong.

In fiscal 1995, the Company entered into a joint venture in which it has a 60% interest with Lojas Americanas, a leading retailer in Brazil, to develop and operate Supercenters and warehouse clubs in Brazil. Also during fiscal 1995, the Company announced plans to operate wholly-owned Supercenters and warehouse clubs in Argentina. At January 31, 1995 there were no operations in Argentina or Brazil. The entry into these markets will not have a significant impact on the Company's operations or financial position in fiscal 1996.

(b) Financial Information About Industry Segments

Sales of merchandise through stores which include Wal-Mart stores, Sam's Clubs, and Wal-Mart Supercenters, is the only significant industry segment of which the Company is a part. Reference is made to the financial information incorporated by reference in this report for the financial results of the Company's operations.

(c) Narrative Description of Business

The Company, a Delaware corporation, has its principal offices in Bentonville, Arkansas. Although the Company was incorporated in October 1969, the businesses conducted by its predecessors began in 1945 when Sam M. Walton opened a franchise Ben Franklin variety store in Newport, Arkansas. In 1946, his brother, James L. Walton, opened a similar store in Versailles, Missouri. Until 1962, the Company's business was devoted entirely to the operation of variety stores. In that year, the first Wal-Mart Discount City (referred to herein as "Wal-Mart store") was opened. In fiscal 1984, the Company opened its first three Sam's Clubs, and in fiscal 1989, its first Wal-Mart Supercenter. Through the years, the Company has made certain strategic acquisitions that have supported the growth of the Wal-Mart stores, clubs and Supercenters, such as the acquisition of ten full service and four specialty distribution centers through the purchase of McLane Company, Inc., which sells and distributes merchandise to the convenience store industry and a variety of other retailers, the acquisition of selected assets of Pace Membership Warehouse, Inc., and the acquisition of selected assets related to 122 Woolco stores in Canada from Woolworth Canada, Inc., a subsidiary of Woolworth Corporation.

General. The Company operates Wal-Mart stores in 49 states and Puerto Rico. The average size of a Wal-Mart store is approximately 87,600 square feet, and store sizes generally range between 30,000 and 150,000 square feet of building area. The Company operates Wal-Mart Supercenter stores in 19 states and the average size of a Supercenter store is 181,000 square feet.

The Company operates Sam's Clubs in 48 states and Puerto Rico. The average size of a Sam's Club is approximately 121,000 square feet, and club sizes generally range between 90,000 and 150,000 square feet of building area.

During the last fiscal year, no single location accounted for as much as 1% of sales or net income.

Merchandise. Wal-Mart stores are generally organized with 40 departments and offer a wide variety of merchandise, including apparel for women, girls, men, boys, and infants. Each store also carries curtains, fabrics and notions, shoes, housewares, hardware, electronics, home furnishings, small appliances, automotive accessories, garden equipment and supplies, sporting goods, toys, cameras and supplies, health and beauty aids, pharmaceuticals, and jewelry.

Nationally advertised merchandise accounts for a majority of sales of the stores. The Company markets lines of merchandise under the store brands "Sam's American Choice", "Great Value", "House Beautiful", "Sports Afield", "Ol' Roy", "Equate", "Popular Mechanics", and "Better Homes & Gardens".

During the fiscal year ended January 31, 1995, domestic sales of general merchandise at Wal-Mart stores (which are subject to seasonal variance), including licensed departments, by product category were as follows:

CATEGORY	PERCENTAGE OF SALES
Softgoods/domestics.....	26%
Hardgoods.....	24
Stationery and candy.....	11
Records and electronics.....	10
Pharmaceuticals.....	9
Sporting goods and toys.....	9
Health and beauty aids.....	7
Shoes.....	2
Jewelry.....	2
	100%

Sales in pharmaceuticals are a combination of owned and licensed departments. While these percentages include sales of licensed departments, the Company records as other income only rentals received from such departments.

Sam's offers bulk displays of name brand hardgood merchandise, some softgoods, and institutional size grocery items. Each Sam's also carries jewelry, sporting goods, toys, tires, stationery, and books. Most clubs have fresh food departments which include bakery, meat, and produce.

McLane offers a wide variety of grocery and non-grocery products, including perishable and non-perishable items. The non-grocery products consist primarily of tobacco products, hardgood merchandise, health and beauty aids, toys, and stationery. McLane is a wholesale distributor that sells its merchandise to a variety of retailers, including the Company's Wal-Mart stores, Supercenters, and Sam's Clubs.

Operations. Except for extended hours during certain holiday seasons, the majority of the Wal-Mart stores are open from 9:00 a.m. to 9:00 p.m. six (6) days a week, and from 12:30 p.m. to 5:30 p.m. on Sundays, with the remainder of the stores being closed on Sunday. Some Wal-Mart stores and most of the Supercenter stores are currently open 24 hours each day. Wal-Mart stores maintain uniform prices, except where lower prices are necessary to meet local competition. Sales are primarily on a self-service, cash-and-carry basis with the objective of maximizing sales volume and inventory turnover while minimizing expenses. Bank credit card programs, operated without recourse to the Company, are available in all stores. Wal-Mart stores and Supercenters maintain a "satisfaction guaranteed" program to promote customer goodwill and acceptance.

Sam's clubs are membership only, cash-and-carry operations. However, a financial service credit card program (Discover Card) is available in all clubs and the "Sam's Direct" commercial finance program is available to qualifying business members. Club members include businesses and those individuals who are members of certain qualifying organizations, such as government and state employees and credit union members. Both business and individual members have an annual membership fee of \$25 for the primary membership card.

Operating hours vary among Sam's clubs, but generally, they are open Monday through Friday from 10:00 a.m. to 8:30 p.m. Most Sam's are open weekend hours of 9:30 a.m. to 7:00 p.m. on Saturday and 12:00 noon to 6:00 p.m. on Sunday. Sam's, which offers a limited number of items, attempts to maximize sales volume and inventory turnover and to minimize expenses.

Distribution. During the 1995 fiscal year, approximately 84% of

the Wal-Mart stores' and Supercenters' purchases were shipped from Wal-Mart's 30 distribution centers, six located in Arkansas; four in Texas; two in California, Indiana, Pennsylvania, and South Carolina; and one each in Alabama, Arizona, Colorado, Florida, Georgia, Iowa, Mississippi, New York, Ohio, Utah, Virginia, and Wisconsin. The balance was shipped directly to the stores from suppliers. Each of the distribution centers is designed to serve the distribution needs of approximately 150 stores. The average size of these distribution centers is approximately 1,000,000 square feet. Sam's Clubs receive the majority of their merchandise via direct shipments from suppliers, rather than from the Company's distribution centers.

The McLane distribution centers buy, sell, and distribute merchandise primarily to the convenience store industry, and they also service Wal-Mart stores, Supercenters and Sam's Clubs. The McLane Company has 20 distribution centers with three located in Texas, two located in Arizona, California, Utah, and Virginia, and one each in Colorado, Florida, Georgia, Illinois, Mississippi, Missouri, New York, Washington, and Mexico.

Merchandising. Substantially all purchasing and merchandising for all stores is controlled from the home offices of the Company through centralized buying and planning practices. During the fiscal year 1995, no single supplier to the stores accounted for more than 3.7% of the Company's purchases.

Store Management. Every retail outlet is managed by a store manager or club general manager and one or more assistant store or club managers. The Company maintains training programs for managers, assistant managers and department managers. The Company is committed to an ongoing training program in an effort to assure well trained future store management.

Expansion Plans. In fiscal 1996, the Company plans to open 90 to 100 new Wal-Mart stores, nine new Sam's Clubs, and 12 new Wal-Mart Supercenters. The Company plans to expand or relocate approximately 70 older Wal-Mart stores and four Sam's Clubs along with the conversion of approximately 80 to 85 older Wal-Mart stores into Wal-Mart Supercenters. Also planned is the construction of three full-line distribution centers. The Company plans to continue to develop its interests in Hong Kong, China, Argentina, Brazil, and Canada with the planned addition of approximately 20 to 25 new units. The Company expenses its start-up costs for each new unit during the first full month of operation. Delays may be experienced in projected opening dates because of construction problems, weather and other reasons. There can be no assurance that planned expansion will proceed as scheduled.

Seasonal Aspects of Operations. The Company's business is seasonal to a certain extent. Generally, the highest volume of sales and net income occurs in the fourth fiscal quarter and the lowest volume occurs during the first fiscal quarter.

Competition. The Company's Wal-Mart stores compete with other discount, department, drug, variety, and specialty stores, many of which are national chains. Sam's Clubs compete with wholesale clubs, as well as with discount retailers, wholesale grocers, and general merchandise wholesalers and distributors. The Wal-Mart Supercenters compete with other supercenter type stores, discount stores, supermarkets, and specialty stores, many of which are national or regional chains. The Company also competes for new store sites. As of January 31, 1995, based on net sales, the Company ranked first among all retail department store chains and among all discount department store chains.

The Company's competitive position within the industry is largely determined by the Company's ability to offer value and service to its customers. The Company has many programs designed to meet the competitive needs of its industry. These include the "Everyday Low Price", "Item Merchandising", "Store-within-a-Store", "Our Business is Saving Your Business Money", and "Buy America" programs. Although the Company believes it has had a major influence in most of the retail markets in which its stores are located, there is no assurance that this will continue.

Employees (Associates). As of January 31, 1995, the Company had approximately 622,000 full- and part-time associates, an increase of approximately 94,000 associates for the year. Part-time associates are primarily sales personnel. Associates who are in supervisory and management positions are compensated on a salaried basis; store managers and club general managers receive additional compensation based on their unit's profits. All other store associates are compensated on an hourly basis with the opportunity of receiving additional incentive bonuses based

upon the Company's productivity and profitability.

The Company maintains profit sharing plans under which most full- and many part-time associates become participants following one year of employment with the Company. Annual contributions, based on the profitability of the Company, are made at the sole discretion of the Company. For the fiscal years ended January 31, 1990 through 1995, contributions of approximately \$90,000,000, \$98,000,000, \$130,000,000, \$166,000,000, \$166,000,000, and \$175,000,000, respectively, have been made.

The Company also offers an associate stock ownership plan that provides for the voluntary purchase of the Company's common stock, with a 15% match by the Company on up to \$1,800 of annual stock purchases. The Company also has stock option plans that provide certain management associates an opportunity to share in the long-term success of the Company. At January 31, 1995, there were approximately 5,000 management associates who had been granted stock options by the Company.

<TABLE>

WAL-MART STORES, INC. AND SUBSIDIARIES
SCHEDULE A TO ITEM 1 - UNITED STATES STORE COUNT AND NET SQUARE FOOTAGE GROWTH
YEARS ENDED JANUARY 31, 1990 THROUGH 1995

<CAPTION>
STORE COUNT

Fiscal Year Ended Ending January 31, Balance	Wal-Mart Stores				Sam's Clubs			Wal-Mart Supercenters		Total**			
	Opened	Closed	Relocated*	Total	Opened	Closed	Total	Opened	Total	Balance	Opened	Closed	
	<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
	Balance	Forward		1,257			105		2				
1,364													
1990	145	2	1	1,399	18	0	123	1	3	1,364	163	2	
1,525													
1991	176	5	2	1,568	25	0	148	2	5	1,525	201	5	
1,721													
1992	148	1	1	1,714	61	1	208	1	6	1,721	209	2	
1,928													
1993	161	1	24	1,850	48	0	256	24	30	1,928	209	1	
2,136													
1994	142	2	37	1,953	164	1	419	38	68	2,136	307	3	
2,440													
1995	111	5	69	1,990	22	13	428	75	143	2,440	139	18	
2,561													

</TABLE>

<TABLE>

<CAPTION>

NET SQUARE FOOTAGE

Fiscal Year Ended Per Jan 31, Ft.***	Wal-Mart Stores		Sam's Clubs		Wal-Mart Supercenters		Total		Sales
	Net Additions	Total	Net Additions	Total	Net Additions	Total	Net Additions	Sq.Ft.	Sq.
	<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
	Balance	Forward	79,766,689	11,053,456	210,493		91,030,638		
\$251.67									
1990	12,881,367	92,648,056	2,010,716	13,064,172	183,492	393,985	15,075,575	106,106,213	
272.75									
1991	17,737,917	110,385,973	2,874,918	15,939,090	423,255	817,240	21,036,090	127,142,303	
292.40									
1992	17,729,395	128,115,368	7,320,510	23,259,600	180,545	997,785	25,230,450	152,372,753	
306.33									
1993	19,480,707	147,596,075	7,444,530	30,704,130	4,037,493	5,035,278	30,962,730	183,335,483	
319.52									
1994	16,312,500	163,908,575	19,882,754	50,586,884	6,762,080	11,797,358	42,957,334	226,292,817	
300.33									
1995	10,372,791	174,281,366	1,370,074	51,956,958	14,056,859	25,854,217	25,799,724	252,092,541	
300.80									

</TABLE>

[FN]

<F1>
* Wal-Mart Stores locations relocated or expanded as Wal-Mart Supercenters.

<F2>
** The Company also operated 75 Bud's Warehouse Outlets, 10 Food-4-Less stores, and four Hypermart*USA stores at January 31, 1995.

<F3>
*** Includes only stores and clubs that were open at least twelve months as of January 31 of the previous year.

ITEM 2. PROPERTIES

The number and location of Wal-Mart stores, Supercenters, and

Sam's Clubs is incorporated by reference of the table under the caption "Operating Units" of Page 2 of the Annual Report to Shareholders for the year ended January 31, 1995.

The Company leases most of the buildings in which its present stores are located. These stores are either leased from a commercial property developer, leased pursuant to a sale/leaseback arrangement, or leased from a local governmental entity through an industrial revenue bond transaction. All of the Company's leases for its stores provide for fixed annual rentals and, in many cases, the leases provide for additional rent based on sales volume.

The Company owns 911 properties on which Wal-Mart stores and Supercenters are located and 249 of the properties on which Sam's are located. In some cases, the Company owns the land associated with leased buildings. New buildings, both leased and owned, are constructed by independent contractors.

The Company operated 30 Wal-Mart distribution facilities and 20 McLane distribution facilities at January 31, 1995. These distribution facilities are primarily owned by the Company, and several are subject to mortgage securing loans. Some of the distribution facilities are leased under industrial development bond financing arrangements and provide the option of purchasing these facilities at the end of the lease term for nominal amounts.

The Company owns office facilities in Bentonville, Arkansas that serve as the home office and owns additional office facilities in Temple, Texas.

ITEM 3. LEGAL PROCEEDINGS

The Company is not a party to any material pending legal proceedings and no properties of the Company are subject to any material pending legal proceeding, other than routine litigation incidental to its business.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of the Company's security holders during the last quarter of the year ended January 31, 1995.

ITEM 4A. EXECUTIVE OFFICERS OF THE REGISTRANT

The following information is furnished with respect to each of the executive officers of the Company, each of whom is elected by and serves at the pleasure of the Board of Directors. The business experience shown for each officer has been his principal occupation for at least the past five years.

Name	Business Experience	Current Position Held Since	Age
David D. Glass	President and Chief Executive Officer.	1988	59
S. Robson Walton	Chairman. From 1985 until his election as Chairman in 1992, he served as Vice Chairman.	1992	50
Donald G. Soderquist	Vice Chairman and Chief Operating Officer.	1988	61
Paul R. Carter	Executive Vice President and Chief Financial Officer.	1988	54
William R. Fields	Executive Vice President - Wal-Mart Stores, Inc. and President and Chief Executive Officer of Wal-Mart Stores Division. Prior to 1992, he served as Executive Vice President - Merchandise and Sales.	1992	45

Dean L. Sanders	Executive Vice President - Wal-Mart Stores, Inc. and President and Chief Executive Officer of Sam's Club Division. Prior to 1992, he served as Executive Vice President - Operations.	1992	44
Nicholas J. White	Executive Vice President - Wal-Mart Supercenter Division. Prior to 1989, he served as Executive Vice President - Sam's Wholesale Club.	1989	50
Joseph S. Hardin, Jr.	Executive Vice President - Wal-Mart Stores, Inc. and Chief Operating Officer of Wal-Mart Stores Division. Prior to 1995, he served as President and Chief Executive Officer of McLane Company, Inc. Prior to 1993, he served as Executive Vice President - Logistics and Personnel Administration. Prior to 1992, he held the position of Senior Vice President - Distribution and Transportation.	1995	49
Bob L. Martin	Executive Vice President - Wal-Mart Stores, Inc., and President and Chief Executive Officer of Wal-Mart International Division. Prior to 1993, he served as Executive Vice President - Corporate Information Systems. Prior to 1992, he served the Company as Senior Vice President - Information Systems.	1993	46
H. Lee Scott, Jr.	Executive Vice President - Logistics. Prior to 1995, he served as Senior Vice President - Logistics. Prior to 1992, he served as Vice President - Distribution.	1995	46
Thomas P. Seay	Executive Vice President - Real Estate and Construction. Prior to 1992, he served as Senior Vice President - Real Estate and Construction.	1992	53
Robert K. Rhoads	Senior Vice President, Secretary and General Counsel. Prior to 1992, he served as Vice President, Secretary and General Counsel.	1992	40
William G. Rosier	President and Chief Executive Officer of McLane Company, Inc. Prior to 1995, he served as Senior Vice President - Marketing and Customer Services for McLane. Prior to 1991, he served as Senior Vice President - Purchasing and Distribution for McLane. Prior to 1990, he served as Vice President - Eastern Region for McLane.	1995	46
James A. Walker, Jr.	Senior Vice President and Controller. Prior to 1995, he served as Vice President and Controller	1995	48

PART II

The information required by this item is incorporated by reference of the information "Number of Shareholders" under the caption "11 Year Financial Summary" on Pages 12, and 13, and all the information under the captions "Market Price of Common Stock" and "Dividends Paid Per Share" on page 27 of the Annual Report to Shareholders for the year ended January 31, 1995.

ITEM 6. SELECTED FINANCIAL DATA

The information required by this item is incorporated by reference of all information under the caption "11 Year Financial Summary" on Pages 12 and 13 of the Annual Report to Shareholders for the year ended January 31, 1995.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information required by this item is furnished by incorporation by reference of all information under the caption "Management's Discussion and Analysis" on Pages 14, 15, and 16 on the Annual Report to Shareholders for the year ended January 31, 1995.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this item is furnished by incorporation by reference of all information under the captions "Consolidated Statements of Income", "Consolidated Balance Sheets", "Consolidated Statements of Shareholders' Equity", "Consolidated Statements of Cash Flows", and "Notes to Consolidated Financial Statements" on Pages 17 through 25 of the Annual Report to Shareholders for the year ended January 31, 1995.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information required by this item with respect to the Company's directors and compliance by the Company's directors, executive officers and certain beneficial owners of the Company's Common Stock with Section 16(a) of the Securities Exchange Act of 1934 is furnished by incorporation by reference of all information under the captions entitled "Election of Directors" and "Compliance with Section 16(a) of the Securities Exchange Act of 1934" in the Company's Proxy Statement for its Annual Meeting of the Shareholders to be held on June 2, 1995. The information required by this item with respect to the Company's executive officers appears at Item 4A of Part I of this Form 10K.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is furnished by incorporation by reference of all information under the caption entitled "Executive Compensation" in the Company's Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by this item is furnished by incorporation by reference of all information under the caption "Equity Securities and Principal Holders Thereof" in the Company's Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by this item is furnished by incorporation by reference of all information under the caption "Interest of Management in Certain Transactions" in the Company's Proxy Statement.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a)

1. & 2. Consolidated Financial Statements and Schedules

The financial statements listed in the Index to Consolidated Financial Statements and Schedules, which appears on Page 18, are incorporated by reference herein or filed as part of this Form 10-K.

3. Exhibits

The following documents are filed as exhibits to this Form 10-K:

- 3(a) Restated Certificate of Incorporation of the Company is incorporated herein by reference from the Annual Report on Form 10-K of the Company for the year ended January 31, 1989, and the Certificate of Amendment to the Restated Certificate of Incorporation is incorporated herein by reference to Registration Statement on Form S-8 (File Number 33-43315).
- 3(b) By-Laws of the Company, as amended June 3, 1993, are incorporated herein by reference to Exhibit 3(b) to the Company's Annual Report on Form 10-K for the year ended January 31, 1994.
- 4(a) Form of Indenture dated as of June 1, 1985 between the Company and Boatmen's Trust Company (formerly Centerre Trust Company) of St. Louis, Trustee, is incorporated herein by reference to Exhibit 4(c) to Registration Statement on Form S-3 (File Number 2-97917).
- 4(b) Form of Indenture dated as of August 1, 1985 between the Company and Boatmen's Trust Company (formerly Centerre Trust Company) of St. Louis, Trustee, is incorporated herein by reference to Exhibit 4(c) to Registration Statement on Form S-3 (File Number 2-99162).
- 4(c) Form of Indenture dated as of August 15, 1985 between the Company and Bankers Trust Company, Trustee, is incorporated herein by reference to Exhibit 4(b) to Registration Statement on Form S-3 (File Number 2-99485).
- 4(d) Form of Amended and Restated Indenture, Mortgage and Deed of Trust, Assignment of Rents and Security Agreement dated as of December 1, 1986, among the First National Bank of Boston and James E. Mogavero, Owner Trustees, Rewal Corporation I, Estate for Years Holder, Rewal Corporation II, Remainderman, the Company and the First National Bank of Chicago and R.D. Manella, Indenture Trustees, is incorporated herein by reference to Exhibit 4(b) to Registration Statement on Form S-3 (File Number 33-11394).
- 4(e) Form of Indenture dated as of July 15, 1990 between the Company and Harris Trust and Savings Bank, Trustee, is incorporated herein by reference to Exhibit 4(b) to Registration Statement on Form S-3 (File Number 33-35710).
- 4(f) Indenture dated as of April 1, 1991, between the Company and The First National Bank of Chicago, Trustee, is incorporated herein by reference to Exhibit 4(a) to Registration Statement on Form S-3 (File Number 33-51344).
- 4(g) First Supplemental Indenture dated as of September 9, 1992, to the Indenture dated as of April 1, 1991, between the Company and The First National Bank of Chicago, Trustee, is incorporated herein by reference to Exhibit 4(b) to Registration Statement on Form S-3 (File Number 33-51344).
- +10(a) Form of individual deferred compensation agreements is incorporated herein by reference from the Annual Report on Form 10-K of the Company, as amended, for the year ended January 31, 1986.
- +10(b) Wal-Mart Stores, Inc. Stock Option Plan of 1984 is incorporated herein by reference to Registration Statement on Form S-8 (File Number 2-94358).
- +10(c) 1986 Amendment to the Wal-Mart Stores, Inc. Stock Option Plan of 1984 is incorporated herein by reference from the Annual Report on Form 10-K of the Company for the year ended January 31, 1987.
- +10(d) 1991 Amendment to the Wal-Mart Stores, Inc. Stock Option Plan of 1984 is incorporated herein by reference from the Annual Report on Form 10-K of the Company for the year ended January 31, 1992.
- +10(e) 1993 Amendment to the Wal-Mart Stores, Inc. Stock Option Plan of 1984 is incorporated herein by reference from the Annual Report on Form 10-K of the Company for the year ended January 31, 1993.
- +10(f) Wal-Mart Stores, Inc. Stock Option Plan of 1994 is

incorporated herein by reference to Exhibit 4(c) to the registration statement on Form S-8 (File Number 33-5325).

10(g) Exchange Agreement by and between Wal-Mart Stores, Inc. and Walton Enterprises, Inc., dated May 23, 1990, is incorporated herein by reference to Current Report on Form 8-K dated June 14, 1990.

+10(h) A written description of a consulting agreement by and between Wal-Mart Stores, Inc. and Jack C. Shewmaker, is incorporated herein by reference to the description contained in the third paragraph under the caption "Compensation of Directors" in the Company's definitive Proxy Statement to be filed in connection with the Annual Meeting of the Shareholders to be held on June 2, 1995.

+10(i) Wal-Mart Stores, Inc. Directors Deferred Compensation Plan is incorporated herein by reference to Exhibit 4(d) to Registration Statement on Form S-8 (File Number 33-55178).

*13 All information incorporated by reference in Items 5, 6, 7 and 8 of this Annual Report on Form 10-K from the Annual Report to Shareholders for the year ended January 31, 1995.

*21 List of the Company's Subsidiaries

*23 Consent of Independent Auditors

*27 Financial Data Schedule

*Filed herewith as an Exhibit.

+Management contract or compensatory plan or arrangement.

(b) Reports on Form 8-K

During the last quarter of the fiscal year ended January 31, 1995, the Company filed two reports on Form 8-K with the Securities and Exchange Commission (the "Commission") as described below:

(1) Form 8-K dated November 11, 1994 and filed with the Commission on November 14, 1994. The Form 8-K was filed for the purpose of filing certain documents as exhibits under Item 7 of Form 8-K in connection with, and for incorporation by reference into, the Company's Registration Statement on Form S-3 (File No. 33-55725). The documents related to the closing on November 10, 1994, of the issuance of certain Pass Through Certificates described in the Prospectus Supplement dated November 3, 1994.

(2) Form 8-K dated December 28, 1994 and filed with the Commission on December 28, 1994. The Form 8-K was filed for the purpose of filing certain documents as exhibits under Item 7 of Form 8-K in connection with, and for incorporation by reference into, the Company's Registration Statement on Form S-3 (File No. 33-55725). The documents related to the closing on December 22, 1994, of the issuance of certain Pass Through Certificates described in the Prospectus Supplement dated December 15, 1994.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND SCHEDULES

	Annual Report to Shareholders (page)
Covered by Report of Independent Auditors:	
Consolidated Statements of Income for each of the three years in the period ended January 31, 1995	17
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Consolidated Statements of Shareholders' Equity for each of the three years in the period ended January 31, 1995	19

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Notes to Consolidated Financial Statements, except Note 8	21-25

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Auditors:

Note 8 - Quarterly Financial Data (unaudited)	25
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All schedules have been omitted because the required information is not present or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the financial statements, including the notes thereto.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DATE: April 21, 1995 WAL-MART STORES, INC.

BY:/s/David D. Glass
David D. Glass
President and Chief
Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

DATE: April 21, 1995 /s/S. Robson Walton
S. Robson Walton
Chairman of the Board

DATE: April 21, 1995 /s/David D. Glass
David D. Glass
President, Chief Executive
Officer and Director

DATE: April 21, 1995 /s/Donald G. Soderquist
Donald G. Soderquist
Vice Chairman, Chief
Operating Officer
and Director

DATE: April 21, 1995 /s/Paul R. Carter
Paul R. Carter
Executive Vice President,
Chief Financial Officer and
Director

DATE: April 21, 1995 /s/James A. Walker, Jr.
James A. Walker, Jr.
Senior Vice President and
Controller (Principal
Accounting Officer)

DATE: April 21, 1995 /s/David R. Banks
David R. Banks
Director

DATE: April 21, 1995

John A. Cooper, Jr.
Director

DATE: April 21, 1995

Robert H. Dedman
Director

DATE: April 21, 1995

/s/Frederick S. Humphries
Frederick S. Humphries
Director

DATE: April 21, 1995

/s/F. Kenneth Iverson
F. Kenneth Iverson
Director

DATE: April 21, 1995

/s/Elizabeth A. Sanders
Elizabeth A. Sanders
Director

DATE: April 21, 1995

/s/Jack Shewmaker
Jack Shewmaker
Director

DATE: April 21, 1995

/s/John Walton
John Walton
Director

<TABLE>

<CAPTION>

11-Year Financial Summary

(Dollar amounts in millions except per share data.)

	1995	1994	1993	1992	1991	1990
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Operating Results						
Net sales	\$82,494	\$67,344	\$55,484	\$43,887	\$32,602	\$25,811
Net sales increase	22%	21%	26%	35%	26%	25%
Comparative store sales increase	7%	6%	11%	10%	10%	11%
Other income - net	918	641	501	403	262	175
Cost of sales	65,586	53,444	44,175	34,786	25,500	20,070
Operating, selling, and general and administrative expenses	12,858	10,333	8,321	6,684	5,152	4,070
Interest costs:						
Debt	520	331	143	113	43	20
Capital leases	186	186	180	153	126	118
Provision for federal and state income taxes	1,581	1,358	1,171	945	752	632
Net income	2,681	2,333	1,995	1,609	1,291	1,076
Per share of common stock:						
Net income	1.17	1.02	.87	.70	.57	.48
Dividends	.17	.13	.11	.09	.07	.06
Financial Position						
Current assets	\$15,338	\$12,114	\$10,198	\$ 8,575	\$ 6,415	\$ 4,713
Inventories at replacement cost	14,415	11,483	9,780	7,857	6,207	4,751
Less LIFO reserve	351	469	512	473	399	323
Inventories at LIFO cost	14,064	11,014	9,268	7,384	5,808	4,428
Net property, plant, equipment and capital leases	15,874	13,176	9,793	6,434	4,712	3,430
Total assets	32,819	26,441	20,565	15,443	11,389	8,198
Current liabilities	9,973	7,406	6,754	5,004	3,990	2,845
Long-term debt	7,871	6,156	3,073	1,722	740	185
Long-term obligations under capital leases	1,838	1,804	1,772	1,556	1,159	1,087
Preferred stock with mandatory redemption provisions	---	---	---	---	---	---
Shareholders' equity	12,726	10,753	8,759	6,990	5,366	3,966
Financial Ratios						
Current ratio	1.5	1.6	1.5	1.7	1.6	1.7
Inventories/working capital	2.6	2.3	2.7	2.1	2.4	2.4
Return on assets*	10.1%	11.3%	12.9%	14.1%	15.7%	16.9%
Return on shareholders' equity*	24.9%	26.6%	28.5%	30.0%	32.6%	35.8%
Other Year-End Data						
Number of Wal-Mart Stores	1,990	1,953	1,850	1,714	1,568	1,399
Number of Supercenters	143	68	30	6	5	3
Number of Sam's Clubs	428	419	256	208	148	123
Average Wal-Mart Store size	87,600	83,900	79,800	74,700	70,700	66,400
Number of Associates	622,000	528,000	434,000	371,000	328,000	271,000
Number of Shareholders	259,286	257,946	180,584	150,242	122,414	79,929

</TABLE>

[FN]

* On beginning of year balances.

<TABLE>

<CAPTION>

11-Year Financial Summary

(Dollar amounts in millions except per share data.)

	1989	1988	1987	1986	1985
<S>	<C>	<C>	<C>	<C>	<C>
Operating Results					
Net Sales	\$20,649	\$15,959	\$11,909	\$ 8,451	\$ 6,401
Net sales increase	29%	34%	41%	32%	37%
Comparative store sales increase	12%	11%	13%	9%	15%
Other income - net	137	105	85	55	52
Cost of sales	16,057	12,282	9,053	6,361	4,722
Operating, selling, and general and administrative expenses	3,268	2,599	2,008	1,485	1,181
Interest costs:					
Debt	36	25	10	2	5
Capital leases	99	89	76	55	43
Provision for federal and state income taxes	488	441	396	276	231

Net income	838	628	451	327	271
Per share of common stock:					
Net income	.37	.28	.20	.15	.12
Dividends	.04	.03	.02	.02	.01
Financial Position					
Current assets	\$ 3,631	\$ 2,905	\$ 2,353	\$ 1,784	\$ 1,303
Inventories at replacement cost	3,642	2,855	2,185	1,528	1,227
Less LIFO reserve	291	203	154	140	123
Inventories at LIFO cost	3,351	2,652	2,031	1,388	1,104
Net property, plant, equipment and capital leases	2,662	2,145	1,676	1,303	870
Total assets	6,360	5,132	4,049	3,104	2,205
Current liabilities	2,066	1,744	1,340	993	689
Long-term debt	184	186	179	181	41
Long-term obligations under capital leases	1,009	867	764	595	450
Preferred stock with mandatory redemption provisions	---	---	---	5	6
Shareholders' equity	3,008	2,257	1,690	1,278	985
Financial Ratios					
Current ratio	1.8	1.7	1.8	1.8	1.9
Inventories/working capital	2.1	2.3	2.0	1.8	1.8
Return on assets*	16.3%	15.5%	14.5%	14.8%	16.4%
Return on shareholders' equity*	37.1%	37.1%	35.2%	33.3%	36.7%
Other Year-End Data					
Number of Wal-Mart Stores	1,259	1,114	980	859	745
Number of Supercenters	--	--	--	--	--
Number of Sam's Clubs	105	84	49	23	11
Average Wal-Mart Store size	63,500	61,500	59,000	57,000	55,000
Number of Associates	223,000	183,000	141,000	104,000	81,000
Number of Shareholders	80,270	79,777	32,896	21,828	14,799

</TABLE>

[FN]

* On beginning of year balances.

Management's Discussion and Analysis

Results of Operations

Revenues

Sales for the three fiscal years ended January 31 and the respective total and comparable store percentage increases over the prior year were:

Fiscal Year	Sales (in millions)	Total Company Increases	Comparable Store Increases
1995	\$82,494	22%	7%
1994	67,344	21%	6%
1993	55,484	26%	11%

The sales increase of 22% in fiscal 1995 compared with fiscal 1994 was attributable to 111 new stores, 6 new Supercenters, and 22 new Sam's Clubs; sales from the relocation or expansion of 69 existing Wal-Mart stores into Supercenters; comparative store sales increases of 7%; and the entry into the Canadian market through the purchase of 122 stores from Woolworth Canada, Inc., a subsidiary of Woolworth Corporation. Sam's Clubs sales as a percentage of total sales increased by 1.1%, part of which is attributable to the PACE units acquired in the fourth quarter of fiscal 1994. Supercenter sales as a percentage of total sales increased by .5% and Canada store sales accounted for 1.5% of total sales.

The sales increase of 21% in fiscal 1994 compared with fiscal 1993 was attributable to 142 new stores, 1 new Supercenter, and 65 new Sam's Clubs; sales from the relocation or expansion of 37 existing Wal-Mart stores into Supercenters; comparative store sales increases of 6%; a 37% growth in the sales of the McLane Company, and the acquisition of 99 PACE Clubs in the fourth quarter. Sam's Clubs sales as a percentage of total sales decreased by .3% while the McLane Company sales as a percentage of total sales increased by .7%.

New Wal-Mart Stores and Sam's Clubs

	1995	1994	1993
New Wal-Mart stores	111	142	161
New Supercenters	6	1	
Wal-Mart stores relocated or expanded to Supercenters	69	37	24
New Sam's Clubs	22	65	48
Acquired PACE clubs		99	

Acquired Canada Woolco stores	122
New Canada stores	1

Costs and Expenses

Cost of sales as a percentage of sales increased .1% in fiscal 1995 as compared with fiscal 1994 and decreased .3% in fiscal 1994 as compared with fiscal 1993. The increase in fiscal 1995 is primarily due to a larger percentage of consolidated sales attributable to Sam's Clubs resulting in part from the addition of the PACE Clubs. The cost of sales in Sam's Clubs is significantly higher as a percentage of sales than in Wal-Mart stores due to a lower markup on purchases. The decrease in fiscal 1994 as compared with fiscal 1993 was due to a larger percentage of consolidated sales attributed to departments within Wal-Mart stores which have higher markon percents and increases in markon percents in Sam's Clubs and McLane Company.

Operating, selling, and general and administrative expenses as a percentage of sales increased .2% and .3%, respectively, in each of the last two fiscal years when compared with the previous year. The increase in fiscal 1995 was primarily attributable to the acquisition of the Canada stores and higher payroll and payroll-related benefit costs. The increase in fiscal 1994 was due principally to higher payroll and payroll-related benefit cost, depreciation costs and certain occupancy costs in part attributable to the Company's expansion program.

Interest Cost

Interest cost increased in fiscal 1995 and 1994 due primarily to increased indebtedness in each of the years, which is attributable to the expansion program. The cost of short-term borrowing increased as average short-term borrowing rates increased approximately 1.4% in fiscal 1995 compared with fiscal 1994. Interest cost will increase in fiscal 1996 with the additional borrowing required to finance the expansion program. The Company may use short-term borrowing arrangements to take advantage of the most favorable financing rates. See Note 2 of Notes to Consolidated Financial Statements for additional information on interest and debt.

Income Taxes

The effective income tax rate was 37.1% and 36.8% in fiscal 1995 and 1994 respectively. See Note 4 of Notes to Consolidated Financial Statements for additional information on income taxes.

Liquidity and Capital Resources

Cash Flow Information

Cash flow provided from operations was \$2.9 billion in fiscal 1995. These funds, combined with the long-term borrowings of \$1.3 billion and proceeds from sale/leaseback transactions of \$.5 billion, were used to finance capital expenditures of \$3.7 billion, acquire the assets of 122 Canada Woolco stores, invest in international operations, pay dividends, provide working capital, and fund the operation of subsidiaries.

Borrowing Information

The Company had committed lines of credit of \$1,175 million with 11 banks and informal lines with various banks totaling an additional \$1,050 million which were used to support short-term borrowing and commercial paper. These lines of credit and their anticipated cyclical increases will be sufficient to finance the seasonal buildups in merchandise inventories and interim financing requirements for stores developed with sale/leaseback or other long-term financing objectives.

The Company has aggressively expanded during the past three years. Even though interest rates increased throughout fiscal 1995, the Company has taken advantage of interest rates in the past three years which have been substantially lower than those available in recent history. These favorable debt market conditions, combined with the Company's ability to generate significant cash flows from operations, have allowed it to continue this expansion and position itself to continue as the world's largest retailer. These increased borrowings to support the expansion programs have caused the Company's debt (including obligations under capital leases) to equity ratios to increase to .77:1 at the end of fiscal 1995, as compared with .75:1 and .56:1 at the end of fiscal 1994 and 1993, respectively. In view of the Company's significant working capital, its consistent ability to generate working capital from operations and the availability of external financing, the Company foresees no difficulty in providing funds necessary to fulfill its working capital needs and to finance its expansion plans.

Foreign Currency Translation

The Company has operations in Mexico through a joint venture with CIFRA, Mexico's largest retailer. In fiscal 1995 the value of the peso dropped significantly in relation to the dollar, and accordingly the Company's investment and shareholders' equity were reduced due to a foreign currency translation adjustment of approximately \$235 million related to the joint venture in Mexico. The Company also had a foreign currency translation reduction of approximately \$21 million related to its Canadian operation.

The Company is evaluating strategies to reduce the risk of currency devaluation. Although the Company is currently exposed to this risk, any further devaluation of the peso or other currencies should not significantly impact the Company's consolidated operations or financial position.

Expansion

The Company plans to continue to enhance its position as the world's largest retailer through expansion in fiscal 1996. Expansion plans include 90 to 100 new Wal-Mart stores, 12 new Supercenters and 9 new Sam's Clubs along with the expansion or relocation of approximately 70 Wal-Mart stores and 4 Sam's Clubs, and the conversion of approximately 80 Wal-Mart stores into Supercenters.

The Company will continue to develop its interests in Hong Kong, China, Argentina, Brazil and Canada with the planned addition of 20 to 25 new units. With the recent devaluation of the peso, the Company has slowed its planned expansion program in Mexico and will continue to evaluate future opportunities.

Also included in expansion plans for fiscal 1996 are three distribution centers. Total planned capital expenditures for 1996 approximate \$4 billion. The Company may sell \$1,051 million of public debt utilizing shelf registration statements previously filed with the Securities and Exchange Commission. Long-term and short-term borrowings along with cash provided from operations should provide adequate funding for the Company's fiscal 1996 expansion program.

Consolidated Statements of Income

(Amounts in millions except per share data.)

Fiscal years ended January 31,

	1995	1994	1993
Revenues:			
Net sales	\$82,494	\$67,344	\$55,484
Other income_net	918	641	501
	83,412	67,985	55,985
Costs and Expenses:			
Cost of sales	65,586	53,444	44,175
Operating, selling, and general and administrative expenses	12,858	10,333	8,321
Interest Costs:			
Debt	520	331	143
Capital leases	186	186	180
	79,150	64,294	52,819
Income Before Income Taxes	4,262	3,691	3,166
Provision for Income Taxes:			
Current	1,572	1,325	1,137
Deferred	9	33	34
	1,581	1,358	1,171
Net Income	\$ 2,681	\$ 2,333	\$ 1,995
Net Income Per Share	\$ 1.17	\$ 1.02	\$.87

See accompanying notes.

Net Income

(Millions of Dollars) (Graph)

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
327	451	628	838	1,076	1,291	1,609	1,995	2,333	2,681

Consolidated Balance Sheets

(Amounts in millions.)

January 31,

	1995	1994
Assets		
Current Assets:		
Cash and cash equivalents	\$ 45	\$ 20
Receivables	700	690
Recoverable costs from sale/leaseback	200	208
Inventories:		
At replacement cost	14,415	11,483
Less LIFO reserve	351	469
Inventories at LIFO cost	14,064	11,014
Prepaid expenses and other	329	182
Total Current Assets	15,338	12,114

Property, Plant, and Equipment, at Cost:

Land	3,036	2,741
Buildings and improvements	8,973	6,818
Fixtures and equipment	4,768	3,981
Transportation equipment	313	260
	17,090	13,800
Less accumulated depreciation	2,782	2,173
Net property, plant, and equipment	14,308	11,627
Property under capital leases	2,147	2,059
Less accumulated amortization	581	510
Net property under capital leases	1,566	1,549
Other Assets and Deferred Charges	1,607	1,151
Total Assets	\$32,819	\$26,441

Liabilities and Shareholders' Equity

Current Liabilities:

Commercial paper	\$ 1,795	\$ 1,575
Accounts payable	5,907	4,104
Accrued liabilities	1,819	1,473
Accrued federal and state income taxes	365	183
Long-term debt due within one year	23	20
Obligations under capital leases due within one year	64	51
Total Current Liabilities	9,973	7,406

Long-Term Debt	7,871	6,156
Long-Term Obligations Under Capital Leases	1,838	1,804
Deferred Income Taxes	411	322

Shareholders' Equity:

Preferred stock (\$.10 par value; 100 shares authorized, none issued)		
Common stock (\$.10 par value; 5,500 shares authorized, 2,297 and 2,299 issued and outstanding in 1995 and 1994, respectively)	230	230
Capital in excess of par value	539	536
Retained earnings	12,213	9,987
Foreign currency translation adjustment	(256)	
Total Shareholders' Equity	12,726	10,753

Total Liabilities and Shareholders' Equity	\$32,819	\$26,441
--	----------	----------

See accompanying notes.

<TABLE>

Consolidated Statements of Shareholders' Equity

<CAPTION>

	Number of shares	Common stock	Capital in excess of par value	Retained earnings	Foreign currency translation adjustment	Total
(Amounts in millions except per share data.)						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance - January 31, 1992	1,149	\$115	\$626	\$ 6,249	\$ --	\$6,990
Net Income				1,995		1,995
Cash dividends (\$.11 per share)				(241)		(241)
Two-for-one stock split	1,150	115	(115)			--
Other	1		16			16
Balance - January 31, 1993	2,300	230	527	8,003	--	8,760
Net Income				2,333		2,333
Cash dividends (\$.13 per share)				(299)		(299)
Other	(1)		9	(50)		(41)
Balance - January 31, 1994	2,299	230	536	9,987	--	10,753
Net Income				2,681		2,681
Cash dividends (\$.17 per share)				(391)		(391)
Foreign currency translation adjustment					(256)	(256)
Other	(2)		3	(64)		(61)
Balance - January 31, 1995	2,297	\$230	\$539	\$12,213	\$ (256)	\$12,726

</TABLE>

See accompanying notes.

Consolidated Statements of Cash Flows

(Amounts in millions.)

Fiscal years ended January 31,

	1995	1994	1993
Cash flows from			
operating activities:			
Net income	\$2,681	\$2,333	\$1,995
Adjustments to reconcile			
net income to net cash			
provided by operating			
activities:			
Depreciation and amortization	1,070	849	649
Increase in accounts receivable	(84)	(165)	(106)
Increase in inventories	(3,053)	(1,324)	(1,884)
Increase in accounts payable	1,914	230	420
Increase in accrued liabilities	496	327	176
Other	(118)	(55)	28
Net cash provided by operating			
activities	2,906	2,195	1,278
Cash flows from investing activities:			
Payments for property, plant,			
and equipment	(3,734)	(3,644)	(3,756)
Acquisition of assets from PACE			
Membership Warehouses, Inc.	-	(830)	-
Acquisition of assets from			
Woolworth Canada, Inc.	(352)	-	-
Sale/leaseback arrangements			
and other property sales	502	272	416
Investment in international			
operations	(434)	(198)	(106)
Other investing activities	226	(86)	(60)
Net cash used in investing			
activities	(3,792)	(4,486)	(3,506)
Cash flows from financing activities:			
Increase (decrease) in			
commercial paper	220	(14)	1,135
Proceeds from issuance of			
long-term debt	1,250	3,108	1,367
Dividends paid	(391)	(299)	(241)
Payment of long-term debt	(37)	(19)	(8)
Payment of capital lease			
obligations	(70)	(437)	(60)
Other financing activities	(61)	(40)	16
Net cash provided by financing			
activities	911	2,299	2,209
Net increase (decrease) in cash			
and cash equivalents	25	8	(19)
Cash and cash equivalents at			
beginning of year	20	12	31
Cash and cash equivalents at			
end of year	\$ 45	\$ 20	\$ 12
Supplemental disclosure of cash flow information:			
Income tax paid	\$1,390	\$1,366	\$1,173
Interest paid	658	450	317
Capital lease obligations incurred	193	162	286

See accompanying notes.

Notes to Consolidated Financial Statements

1. Summary of Significant Accounting Policies

Segment information

The Company and its subsidiaries are principally engaged in the operation of mass merchandising stores.

Consolidation

The consolidated financial statements include the accounts of subsidiaries. Significant intercompany transactions have been eliminated in consolidation.

Cash and cash equivalents

The Company considers investments with a maturity of three months or less when purchased to be "cash equivalents."

Inventories

Inventories are stated principally at cost (last-in, first-out), which is not in excess of market, using the retail method for inventories in stores.

Pre-opening costs

Costs associated with the opening of stores are expensed during the first full month of operations. The costs are

carried as prepaid expenses prior to the store opening.

Recoverable costs from sale/leaseback

All costs of acquisition and construction of properties for which the Company plans to sell and leaseback within one year are accumulated in current assets until properties are sold.

Interest during construction

In order that interest costs properly reflect only that portion relating to current operations, interest on borrowed funds during the construction of property, plant, and equipment is capitalized. Interest costs capitalized were \$70 million, \$65 million and \$80 million in 1995, 1994, and 1993, respectively.

Depreciation and Amortization

Depreciation and amortization for financial statement purposes is provided on the straight-line method over the estimated useful lives of the various assets. For income tax purposes, accelerated methods are used with recognition of deferred income taxes for the resulting temporary differences.

Operating, selling, and general and administrative expenses

Buying, warehousing, and occupancy costs are included in operating, selling, and general and administrative expenses.

Income taxes

In fiscal 1994, the Company adopted Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (SFAS 109) prospectively as a change in accounting principle effective February 1, 1993. Under SFAS 109, the deferred tax provision is determined under the liability method, whereby deferred tax assets and liabilities are recognized based on differences between financial statement and tax bases of assets and liabilities using presently enacted tax rates. In fiscal year 1993, deferred income taxes were provided on timing differences between financial statement and taxable income.

Net income per share

Net income per share is based on the weighted average outstanding common shares. The dilutive effect of stock options is insignificant and consequently has been excluded from the earnings per share computations.

Stock options

Proceeds from the sale of common stock issued under the stock option plans and related tax benefits which accrue to the Company are accounted for as capital transactions, and no charges or credits are made to income in connection with the plans.

2. Commercial Paper and Long-term Debt

Information on short-term borrowings and interest rates is as follows (dollar amounts in millions):

Fiscal year ended January 31,	1995	1994	1993
Maximum amount outstanding at month-end	\$2,729	\$2,395	\$2,315
Average daily short-term borrowings	1,693	1,247	1,184
Weighted average interest rate	4.4%	3.0%	3.5%

At January 31, 1995, the Company had committed lines of credit of \$1,175 million with 11 banks and informal lines of credit with various banks totaling an additional \$1,050 million, which were used to support short-term borrowings and commercial paper. Short-term borrowings under these lines of credit bear interest at or below the prime rate.

Long-term debt at January 31 consists of (amounts in millions):

		1995	1994
8 5\8%	Notes due April 2001	\$ 750	\$ 750
5 7\8%	Notes due October 2005	750	750
9 1\10%	Notes due July 2000	500	500
5 1\2%	Notes due September 1997	500	500
6 1\8%	Notes due October 1999	500	500
5 1\2%	Notes due March 1998	500	500
6 1\2%	Notes due June 2003	500	500

7 1\4%	Notes due June 2013	500	500
7 1\2%	Notes due May 2004	500	-
7 8\10%-8 1\4%	Obligations from sale/ leaseback transactions due 2014	484	--
7%-8%	Obligations from sale/ leaseback transactions due 2013	322	335
8%	Notes due May 1996	250	250
6 3\8%	Notes due March 2003	250	250
6 3\4%	Notes due October 2023	250	250
8%	Notes due September 2006	250	-
8 1\2%	Notes due September 2024	250	-
6 7\8%	Eurobond due June 1999	250	-
5 1\8%	Eurobond due October 1998	250	250
10 7\8%	Debentures due August 2000	100	100
	Other	215	221
		\$7,871	\$6,156

Long-term debt is unsecured except for \$220 million which is collateralized by property with an aggregate carrying value of approximately \$358 million. Annual maturities on long-term debt during the next five years are (in millions):

Fiscal years ending	Annual
January 31,	maturity
1996	\$ 23
1997	268
1998	523
1999	774
2000	806
Thereafter	5,500

The Company observes certain covenants under the terms of its note and debenture agreements, the most restrictive of which relates to amounts of additional secured debt and long-term leases. The Company has entered into sale/leaseback transactions involving buildings while retaining title to the underlying land. These transactions were accounted for as financings and are included in long-term debt and the annual maturities schedules above. The resulting obligations are amortized over the lease terms. Future minimum lease payments for each of the five succeeding years as of January 31, 1995 are (in millions):

Fiscal years ending	Minimum
January 31,	Rentals
1996	\$ 81
1997	72
1998	76
1999	76
2000	104
Thereafter	1,109

The fair value of the Company's long-term debt approximates \$7,530 million based on the Company's current incremental borrowing rate for similar types of borrowing arrangements. The carrying amount of the short-term borrowings approximates fair value.

At January 31, 1995 and 1994, the Company had letters of credit outstanding totaling \$580 and \$808 million, respectively. These letters of credit were issued primarily for the purchase of inventory.

The Company has guaranteed the indebtedness of a joint venture for the development of real estate in Puerto Rico. At January 31, 1995, the amount guaranteed was approximately \$54 million. The Company does not anticipate any joint venture defaults.

Under shelf registration statements previously filed with the Securities and Exchange Commission, the Company may issue debt securities aggregating \$1,051 million.

3. Defined Contribution Plan

The Company maintains a profit sharing plan under which most full and many part-time Associates become participants following one year of employment. Annual contributions, based on the profitability of the Company, are made at the sole discretion of the Company. Contributions were \$175 million, \$166 million, and \$166 million in 1995, 1994, and 1993, respectively.

4. Income Taxes

The Company prospectively adopted SFAS 109 as a change in accounting principle effective February 1, 1993; consequently, prior years' financial statements have not been restated. Due to the nature of the predominant cumulative differences in the Company's book and tax bases of assets and liabilities, which relate to items that were both timing differences under Accounting Principles Board Opinion 11, "Accounting for Income Taxes" (APB 11), and temporary differences under SFAS 109, the cumulative impact of adoption was insignificant.

The income tax provision consists of the following (in millions):

	1995	1994	1993
Current:			
Federal	\$1,394	\$1,193	\$1,002
State and local	178	132	135
Total current tax provision	1,572	1,325	1,137
Deferred:			
Federal	7	30	31
State and local	2	3	3
Total deferred tax provision	9	33	34
Total provision for income taxes	\$1,581	\$1,358	\$1,171

Deferred income taxes under SFAS 109 reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Items that give rise to significant portions of the deferred tax accounts at January 31 are as follows (in millions):

	1995	1994
Deferred tax liabilities:		
Property, plant, and equipment	\$518	\$408
Inventory	88	38
Other	8	9
Total deferred tax liabilities	614	455
Deferred tax assets:		
Amounts accrued for financial reporting purposes not yet deductible for tax purposes	230	114
Capital leases	114	95
Other	33	18
Total deferred tax assets	377	227
Net deferred tax liabilities	\$237	\$228

The components of the provision for deferred income taxes under APB11 for the years ended January 31, 1993 are (in millions):

	1993
Depreciation	\$ 68
Capital leases	(21)
Other	(12)
	\$ 35

A reconciliation of the significant differences between the effective income tax rate and the federal statutory rate on pretax income follows:

	1995	1994	1993
Statutory tax rate	35.0%	35.0%	34.0%
State income taxes, net of federal income tax benefit	2.7%	2.4%	2.9%
Other	(0.6%)	(0.6%)	0.1%
Effective tax rate	37.1%	36.8%	37.0%

5. Acquisitions

In two unrelated cash transactions during fiscal 1994, the Company acquired selected assets of PACE Membership Warehouses, Inc., including the right to operate 107 of PACE's former locations, for \$830 million, recording \$336 million of goodwill which is being amortized over 25 years.

In fiscal 1995, the Company acquired selected assets related to 122 Woolco stores in Canada from Woolworth Canada, Inc., a subsidiary of Woolworth Corporation, for approximately \$352 million, recording \$221 million of leasehold and location value which is being amortized over 20 years. These transactions have been accounted for as purchases, and the results of operations for the acquired units since the dates of their acquisitions have been included in the Company's results. Pro forma results of operations are not presented due to insignificant

differences from the historical results.

6. Stock Option Plans

At January 31, 1995, 76 million shares of common stock were reserved for issuance under stock option plans. The options granted under the stock option plans expire 10 years from date of grant and may be exercised in nine annual installments. Further information concerning the options is as follows:

Option price	Shares	per share	Total
Shares under option			
January 31, 1992	13,618,000	\$.67-27.25	\$142,763,000
Options Granted	4,072,000	\$25.75-30.82	118,430,000
Options Cancelled	(1,134,000)	\$.67-30.82	(13,560,000)
Options Exercised	(2,092,000)	\$.67-27.25	(12,773,000)
January 31, 1993	14,464,000	\$ 1.43-30.82	\$234,860,000
Options Granted	3,550,000	\$25.00-27.25	90,377,000
Options Cancelled	(803,000)	\$ 1.43-30.82	(17,325,000)
Options Exercised	(1,335,000)	\$ 1.43-30.82	(9,664,000)
January 31, 1994	15,867,000	\$ 1.43-30.82	\$298,248,000
Options Granted	4,125,000	\$21.63-26.75	95,689,000
Options Cancelled	(1,013,000)	\$ 1.43-30.82	(23,127,000)
Options Exercised	(1,019,000)	\$ 2.08-27.25	(7,829,000)
January 31, 1995 (4,223,000 shares exercisable)	17,969,000	\$ 2.78-30.82	\$362,981,000
Shares available for option:			
January 31, 1994	11,502,000		
January 31, 1995	58,107,000		

7. Long-term Lease Obligations

The Company and certain of its subsidiaries have long-term leases for stores and equipment. Rentals (including, for certain leases, amounts applicable to taxes, insurance, maintenance, other operating expenses, and contingent rentals) under all operating leases were \$479 million in 1995, \$361 million in 1994, and \$313 million in 1993. Aggregate minimum annual rentals at January 31, 1995, under non-cancelable leases are as follows (in millions):

Fiscal years	Operating leases	Capital leases
1996	\$ 386	\$ 252
1997	403	251
1998	386	251
1999	334	249
2000	318	247
Thereafter	3,155	2,785
Total minimum rentals	\$4,982	4,035
Less estimated executory costs		80
Net minimum lease payments		3,955
Less imputed interest at rates ranging from 6.1% to 14.0%		2,053
Present value of net minimum lease payments		\$1,902

Certain of the leases provide for contingent additional rentals based on percentage of sales. Such additional rentals amounted to \$42 million, \$27 million, and \$30 million in 1995, 1994, and 1993, respectively. Substantially all of the store leases have renewal options for additional terms from five to 25 years at the same or lower minimum rentals.

The Company has entered into lease commitments for land and buildings for 62 future locations. These lease commitments with real estate developers or through sale/leaseback arrangements provide for minimum rentals for 20 to 25 years, excluding renewal options, which, if consummated based on current cost estimates, will approximate \$58 million annually over the lease terms.

8. Quarterly Financial Data (Unaudited)

Amounts in millions (except per share information)	Quarters ended			
	April 30,	July 31,	October 31,	January 31,
1995				

Net sales	\$17,686	\$19,942	\$20,418	\$24,448
Cost of sales	14,063	15,960	16,201	19,362
Net income	498	565	588	1,030
Net income per share	\$.22	\$.25	\$.26	\$.45

1994

Net sales	\$13,920	\$16,237	\$16,827	\$20,360
Cost of sales	11,017	12,963	13,308	16,156
Net income	451	496	519	867
Net income per share	\$.20	\$.22	\$.23	\$.38

Market Price of Common Stock

Quarter	Fiscal years ended January 31,			
	1995		1994	
	High	Low	High	Low
April 30	\$29.13	\$24.00	\$34.00	\$26.38
July 31	25.88	22.75	28.50	24.88
October 31	26.00	22.75	27.25	23.50
January 31	24.13	20.88	29.88	24.38

Dividends Paid Per Share

		Fiscal years ended January 31,	
		Quarterly	
	1995		1994
April 14	\$0.0425	April 9	\$0.0325
July 8	0.0425	July 9	0.0325
October 3	0.0425	October 4	0.0325
January 5	0.0425	January 5	0.0325

SUBSIDIARIES OF WAL-MART STORES, INC.

SUBSIDIARY	STATE OF INCORPORATION	PERCENT OF EQUITY SECURITIES OWNED	NAME UNDER WHICH DOING BUSINESS OTHER THAN SUBSIDIARY'S
North Arkansas Wholesale Co., Inc., and its subsidiaries	Arkansas	100	Wal-Mart
McLane Company, Inc., and its subsidiaries	Texas	100	Wal-Mart

Exhibit 21

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in this Annual Report (Form 10-K) of Wal-Mart Stores, Inc. of our report dated March 24, 1995, included in the 1995 Annual Report to Shareholders of Wal-Mart Stores, Inc.

We also consent to the incorporation by reference of our report dated March 24, 1995, with respect to the consolidated financial statements of Wal-Mart Stores, Inc. incorporated by reference in this Annual Report (Form 10-K) for the year ended January 31, 1995, in the following registration statements and related prospectuses.

The Wholesale Club, Inc. Incentive Stock Option Plan of Wal-Mart Stores, Inc.	Form S-8	File No. 33-42617
Associate Stock Purchase Plan of Wal-Mart Stores, Inc.	Form S-8	File No. 2-64662
Stock Option Plan of 1984 of Wal-Mart Stores, Inc., as amended	Form S-8	File No. 2-94358 and 33-43315
Stock Option Plan of 1994 of Wal-Mart Stores, Inc.	Form S-8	File No. 33-55235
Debt Securities and Pass- Through Certificates of Wal-Mart Stores, Inc.	Form S-3	File No. 33-55725
Directors Deferred Compensation Plan of Wal-Mart Stores, Inc.	Form S-8	File No. 33-55178
Debt Securities of Wal-Mart Stores, Inc.	Form S-3	File No. 33-53125

ERNST & YOUNG LLP

Tulsa, Oklahoma
April 21, 1995

Exhibit 23

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