

Edgar Filing: WAL MART STORES INC - Form S-3

WAL MART STORES INC
Form S-3
July 06, 2001

As filed with the Securities and Exchange Commission on July 6, 2001
Registration No. 333-_____

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-3
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

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

Delaware

71-0415188

(State or other jurisdiction of incorporation or organization)

(IRS Employer Identification Number)

WAL-MART CAYMAN (EURO) FINANCE CO.
(Exact name of registrant as specified in its charter)

Cayman Islands

Application Pending

(State or other jurisdiction of incorporation or organization)

(IRS Employer Identification Number)

WAL-MART CAYMAN (CANADIAN) FINANCE CO.
(Exact name of registrant as specified in its charter)

Cayman Islands

Application Pending

(State or other jurisdiction of incorporation or organization)

(IRS Employer Identification Number)

WAL-MART CAYMAN (STERLING) FINANCE CO.
(Exact name of registrant as specified in its charter)

Cayman Islands

Application Pending

(State or other jurisdiction of incorporation or organization)

(IRS Employer Identification Number)

702 S.W. Eighth Street
Bentonville, Arkansas 72716
(501) 273-4000
(Address, including zip code, and telephone number,
including area code, of each Registrant's
principal executive offices)

ALLISON D. GARRETT, ESQ.

Edgar Filing: WAL MART STORES INC - Form S-3

VICE PRESIDENT AND ASSISTANT GENERAL COUNSEL
 Wal-Mart Stores, Inc.
 702 S.W. Eighth Street
 Bentonville, Arkansas 72716
 (501) 273-4505
 (Name, address, and telephone number,
 including area code, of agent for service)

Copies to:
 DUDLEY W. MURREY, ESQ.
 Hughes & Luce, L.L.P.
 1717 Main Street, Suite 2800
 Dallas, Texas 75201
 (214) 939-5500

Approximate date of commencement of proposed sale of the securities to the public: From time to time after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box:

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box:

CALCULATION OF REGISTRATION FEE

Title of each class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Unit	Proposed Maximum Aggregate Offering Price ^{1,2}
Debt Securities ⁴	\$6,000,000,000	100%	\$6,000,000,000
Guarantees of Wal-Mart Stores, Inc. with respect to the debt securities issued by Wal-Mart Cayman (Euro) Finance Co., Wal-Mart Cayman (Canadian) Finance	----	----	----

Edgar Filing: WAL MART STORES INC - Form S-3

Co. and/or Wal-Mart
Cayman (Sterling)
Finance Co./5/

Total	\$6,000,000,000	100%	\$6,000,000,000
-------	-----------------	------	-----------------

1. The proposed maximum offering price per unit will be determined from time to time by the registrants in connection with the issuance by the registrants of the securities registered hereunder.
2. Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933 as amended. The aggregate public offering price of all the debt securities offered hereunder will not exceed an aggregate of \$6,000,000,000, including, in the case of any debt securities issued hereunder that are denominated in any currency other than United States dollars, the amount in United States dollars equivalent to the principal amount on the date of issuance of the debt securities in one or more foreign currencies, foreign currency units or composite currencies. That amount represents the offering price of all debt securities to be issued, and is not calculated based on the principal amount of any debt securities to be issued at an original issue discount.
3. Pursuant to Rule 429 under the Securities Act of 1933, as amended, and Interpretation D.85 of the Securities and Exchange Commission's Telephone Interpretation Manual, the registration fee for a total of \$700,100,000 of debt securities of Wal-Mart Stores, Inc. is being carried forward from Wal-Mart Stores, Inc.'s Registration Statements on Form S-3, Registration Nos. 333-52045 and 333-82909. The amounts of the registration fees that were paid with those registration statements in respect of securities that have not been sold are \$147,707 and \$55,433, respectively. The amount of the registration fee included in the table is the total fee payable with respect to the debt securities being registered. The amount of the registration fee to be paid at the time the registrants file this registration statement will be \$1,296,860.00.
4. Includes debt securities to be issued, from time to time, by one or more of the registrants and including, for each of the registrants, such indeterminate principal amount of debt securities as may from time to time be issued by each such registrant at indeterminate prices.
5. Wal-Mart Stores, Inc. is also registering under this registration statement the guarantees that it will issue with respect to any debt securities that may be issued by Wal-Mart Cayman (Euro) Finance Co., Wal-Mart Cayman (Canadian) Finance Co. and Wal-Mart Cayman (Sterling) Finance Co. No separate consideration will be received for any guarantees issued by Wal-Mart Stores, Inc. in connection with any such debt securities.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Edgar Filing: WAL MART STORES INC - Form S-3

NOTE

This Registration Statement contains two prospectuses to be used in connection with offerings of the following securities:

The first prospectus relates to the offer and sale of debt securities of Wal-Mart Stores, Inc. on a delayed basis pursuant to Rule 415.

The second prospectus relates to the offer and sale of debt securities of one or more of the following subsidiaries of Wal-Mart Stores, Inc.: Wal-Mart Cayman (Euro) Finance Co., Wal-Mart Cayman (Canadian) Finance Co., and Wal-Mart Cayman (Sterling) Finance Co., which debt securities will be unconditionally and irrevocably guaranteed by Wal-Mart Stores, Inc. and will be offered and sold on a delayed basis pursuant to Rule 415.

Under the shelf registration process, one or more of Wal-Mart Sores, Inc., Wal-Mart Cayman (Euro) Finance Co., Wal-Mart Cayman (Canadian) Finance Co., and Wal-Mart Cayman (Sterling) Finance Co. may offer for sale and sell any combination of the debt securities described in the two prospectuses in one or more offerings, which offerings will have a total aggregate offering price of up to \$6,000,000,000.

*The information in this prospectus is not complete and may be changed. This *
*prospectus is not an offer to sell these securities or our solicitation of *
your offer to buy these securities, nor will we sell them or accept your offer
*to buy them, in any state or other jurisdiction where that would not be *
*permitted or legal prior to registration or qualification in that state or *
*other jurisdiction. We may not sell these securities until the registration *
*statement filed with the Securities and Exchange Commission is effective. *

SUBJECT TO COMPLETION, DATED JULY 6, 2001

PROSPECTUS

WAL-MART STORES, INC.

\$6,000,000,000

DEBT SECURITIES

This prospectus forms part of a shelf registration statement that we and certain of our subsidiaries filed with the Securities and Exchange Commission. We may use that registration statement to offer and sell, in one or more offerings at various times, up to a total of \$6,000,000,000 of our debt securities. As described in a separate prospectus, that registration statement also registers the offer and sale of debt securities by three of our finance subsidiaries, Wal-Mart Cayman (Euro) Finance Co., Wal-Mart Cayman (Canadian) Finance Co. and Wal-Mart Cayman (Sterling) Finance Co. The offer and sale of debt securities by one or more of those subsidiaries pursuant to that separate prospectus and any related prospectus supplements will reduce the amount of debt securities that we can offer and sell under this prospectus.

We may offer and sell debt securities in different series that have different terms and conditions. This prospectus provides you with a general description of certain material terms of those debt securities. When we sell a particular series of the debt securities, we will provide a prospectus supplement describing the specific terms and conditions of that series of debt

Edgar Filing: WAL MART STORES INC - Form S-3

securities, including:

- . the public offering price;
- . the maturity date;
- . the interest rate or rates, which may be fixed or variable;
- . the times for payment of principal, interest and any premium; and
- . any redemption provisions of the debt securities in the series.

The particular prospectus supplement may also contain important information about U.S. federal income tax consequences and, in certain circumstances, consequences under other countries' tax laws to which you may become subject if you acquire the debt securities being offered by that prospectus supplement. The prospectus supplement may also update or change information contained in this prospectus.

THIS PROSPECTUS MAY NOT BE USED TO SELL SECURITIES UNLESS ACCOMPANIED BY A PROSPECTUS SUPPLEMENT.

You should read carefully both this prospectus and any prospectus supplement together with the additional information described under the heading "Where You Can Find More Information" before making your investment decision.

We maintain our principal executive offices at:

702 S.W. 8/th/ Street, Mail Stop 0290
Bentonville, Arkansas 72716
Telephone: (501) 273-4000.

Neither the Securities and Exchange Commission nor any state securities commission or other regulatory body has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this Prospectus is July __, 2001.

TABLE OF CONTENTS

	Page

Where You Can Find More Information.....	2
Special Note Regarding Forward-Looking Statements.....	3
Wal-Mart Stores, Inc.....	4
Ratio of Earnings to Fixed Charges.....	4
Use of Proceeds.....	5
Description of the Debt Securities.....	5
Tax Consequences to Holders.....	11
Plan of Distribution.....	11
Legal Matters.....	12
Experts.....	12

You should rely only on the information contained or incorporated by reference in this prospectus and in any accompanying prospectus supplement. We

Edgar Filing: WAL MART STORES INC - Form S-3

have not authorized anyone to provide you with different information.

We are not offering the debt securities in any jurisdiction in which the offer is not permitted.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. Instead of repeating the information that we have already filed with the SEC, the SEC allows us to "incorporate by reference" in this prospectus information contained in documents we have filed with the SEC. Those documents form an important part of this prospectus. Any documents that we file with the SEC in the future will also be considered to be part of this prospectus and will automatically update and supersede the information contained in this prospectus.

We incorporate by reference in this prospectus the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we complete or terminate the offering of debt securities by this prospectus.

- . Wal-Mart's Annual Report on Form 10-K for its fiscal year ended January 31, 2001, as amended.
- . Wal-Mart's Quarterly Report on Form 10-Q for its fiscal quarter ended April 30, 2001.
- . Wal-Mart's Current Report on Form 8-K dated May 9, 2001.

As allowed by the SEC's rules, we have not included in this prospectus all of the information that is included in the registration statement. At your request we will provide you, free of charge, with a copy of the registration statement, any of the exhibits to the registration statement or a copy of any other information we have incorporated by reference into the registration statement. If you want more information, write in care of or call:

Allison D. Garrett, Esq.
Vice President and Assistant General Counsel
Wal-Mart Stores, Inc.
Corporate Offices
702 S.W. 8/th/ Street, Mail Stop 0290
Bentonville, Arkansas 72716
Telephone: (501) 273-4505

You may also obtain a copy of any filing we have made with the SEC directly from the SEC. You may either:

- . read and copy any materials we file with the SEC at the SEC's public reference rooms at 450 Fifth Street, N.W., Washington, D.C. 20549 and at its offices in New York, New York at 7 World Trade Center, Suite 1300, New York, New York 10048, and Chicago, Illinois at Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511; or
- . visit the SEC's Internet site at <http://www.sec.gov>, which contains reports, proxy and information statements and other information regarding issuers that file electronically.

You can obtain more information about the SEC's public reference room by calling the SEC at 1-800-SEC-0330.

Edgar Filing: WAL MART STORES INC - Form S-3

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus includes and incorporates by reference certain statements that may be deemed to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be included, for example, under "Wal-Mart Stores, Inc." and "Use of Proceeds," and in certain portions of our reports and other information incorporated in this prospectus by reference. These forward-looking statements may include statements that address activities, events or developments that we expect or anticipate will or may occur in the future, including:

- . future capital expenditures, including the amount and nature of those expenditures;
- . future expansion and other development trends of industry segments in which we and our subsidiaries are active;
- . our business strategy;
- . our financing strategy;
- . future expansion and growth of our business; and
- . future operations and other similar matters.

Although we believe the expectations expressed in the forward-looking statements are based on reasonable assumptions within the bounds of our knowledge of our business, a number of factors could cause actual results to differ materially from those expressed in any forward-looking statements, whether oral or written, made by us or on our behalf. Many of these factors have previously been identified in filings or statements made by us or on our behalf.

Our business operations are subject to factors outside our control. Any one, or a combination, of these factors could materially affect our financial performance. These factors include:

- . the costs of goods;
- . the cost of electricity and other energy requirements;
- . competitive pressures;
- . inflation;
- . consumer debt levels;
- . currency exchange fluctuations;
- . trade restrictions;
- . changes in tariff and freight rates;
- . unemployment levels;
- . interest rate fluctuations; and
- . other capital market and economic conditions.

Forward-looking statements that we make or that are made by others on our behalf are based on a knowledge of our business and the environment in which we

Edgar Filing: WAL MART STORES INC - Form S-3

operate, but because of the factors listed above, actual results may differ from those in the forward-looking statements. Consequently, all of the forward-looking statements made are qualified by these cautionary statements. We cannot assure you that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to or effects

3

on us or on our business or operations. Prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. We assume no obligation to update any of the forward-looking statements.

WAL-MART STORES, INC.

We are the world's largest retailer as measured by total net sales for fiscal 2001. Our total net sales exceeded \$191 billion in fiscal 2001, over 83% of which was generated in the United States. We operate mass merchandising stores that serve our customers primarily through the operation of three segments:

- . Wal-Mart stores, which include our discount stores, Supercenters and Neighborhood Markets in the United States;
- . SAM'S Clubs, which include our warehouse membership clubs in the United States; and
- . the international segment of our business.

We currently operate in all 50 states of the United States, Argentina, Brazil, Canada, Germany, Korea, Mexico, Puerto Rico, and the United Kingdom, and in China under joint venture agreements. In addition, through our subsidiary, McLane Company, Inc., we provide products and distribution services to retail industry and institutional food service customers. As of April 30, 2001, we operated in the United States:

- . 1,702 Wal-Mart stores;
- . 952 Supercenters;
- . 20 Neighborhood Markets; and
- . 479 SAM'S Clubs.

As of April 30, 2001, we also operated 176 Canadian Wal-Mart stores, 11 units in Argentina, 20 units in Brazil, 11 units in China, 94 units in Germany, six units in Korea, 509 units in Mexico, 17 units in Puerto Rico and 244 units in the United Kingdom. The units operated by our International Division represent a variety of retail formats. As of April 30, 2001, we employed more than 962,000 associates in the United States and 282,000 associates internationally.

Wal-Mart Stores, Inc. is the parent company of a group of subsidiary companies, including McLane Company, Inc., Wal-Mart.com, Inc., Wal-Mart de Mexico, S.A. de C.V., Asda Group Limited, Sam's West, Inc., Sam's East, Inc., Wal-Mart Stores East, Inc., Sam's Property Co., Wal-Mart Property Co., Wal-Mart Real Estate Business Trust, Sam's Real Estate Business Trust and Wares Delaware Corporation. The information presented above relates to our operations and our subsidiaries on a consolidated basis.

Wal-Mart Stores, Inc. was incorporated in the State of Delaware on October 31, 1969.

RATIO OF EARNINGS TO FIXED CHARGES

Edgar Filing: WAL MART STORES INC - Form S-3

The following table sets forth the ratio of our earnings to fixed charges, for the periods indicated:

Year Ended January 31,					Three Months Ended April
1997	1998	1999	2000	2001	2000
----	----	----	----	----	----
4.59x	5.33x	6.24x	6.76x	5.54x	5.47x

For the purpose of computing our ratios of earnings to fixed charges, we have defined "earnings" to mean our earnings before income taxes and fixed charges, excluding capitalized interest and earnings attributable to minority interests owned by others in our subsidiaries.

We have also defined "fixed charges" to mean:

- . the interest that we pay; plus
- . the capitalized interest that we show on our accounting records; plus

4

- . the portion of the rental expense for real and personal property that we believe represents the interest factor in those rentals.

We have not disclosed ratios of earnings to fixed charges and preferred stock dividends because we do not have any shares of preferred stock outstanding.

USE OF PROCEEDS

Except as we otherwise specifically describe in an applicable prospectus supplement, we will use the net proceeds from the sale of the debt securities:

- . to repay the short-term borrowings that we have incurred for corporate purposes, including to finance capital expenditures such as the purchase of land and construction of stores and other facilities;
- . to repay short-term borrowings that we have incurred to acquire other companies and assets; and
- . to meet our other general working capital requirements.

Before we apply the net proceeds to one or more of these uses, we may invest those net proceeds in short-term marketable securities.

We may also incur from time to time additional debt other than through the offering of debt securities under this prospectus.

DESCRIPTION OF THE DEBT SECURITIES

We will issue the debt securities in one or more series under an indenture, dated as of July 5, 2001, among three of our finance subsidiaries, Wal-Mart

Edgar Filing: WAL MART STORES INC - Form S-3

Cayman (Euro) Finance Co., Wal-Mart Cayman (Canadian) Finance Co., and Wal-Mart Cayman (Sterling) Finance Co., (collectively, the "finance subsidiaries"), Bank One Trust Company, NA, as the indenture trustee, and us.

The indenture is a contract between Wal-Mart Cayman (Euro) Finance Co., Wal-Mart Cayman (Canadian) Finance Co., and Wal-Mart Cayman (Sterling) Finance Co., the trustee and us. The trustee has two main roles. First, the trustee can enforce your rights against us if an "event of default," as that term is described below, occurs under the indenture in relation to debt securities we have issued. Second, the trustee performs certain administrative duties for us.

We have summarized below material provisions of the debt securities that we will offer and sell pursuant to this prospectus and material provisions of the indenture. However, you should understand that this is only a summary. We have not described all of the provisions of the indenture. We have filed the indenture with the SEC, and we suggest that you read the indenture. We are incorporating by reference the provisions of the indenture referred to in the following summary, whether by reference to articles, sections or defined terms. The following summary is qualified in its entirety by those provisions of the indenture.

We will describe the particular terms and conditions of any series of debt securities offered in the applicable prospectus supplement. The prospectus supplement, which we will file with the SEC, may or may not modify the general terms found in this prospectus. For a complete description of any series of debt securities, you should read both this prospectus and the prospectus supplement relating to that series of debt securities.

General

As a holder of debt securities issued under the indenture, you will be one of our unsecured creditors and will have a right to payment equal to that of our other unsecured creditors.

5

The debt securities offered by this prospectus, when aggregated with the debt securities offered by the finance subsidiaries through the separate prospectus filed under the registration statement of which this prospectus is a part, will be limited to a total of \$6,000,000,000, or the equivalent amount in any non-U.S. currency. The indenture, however, does not limit the amount of debt securities that may be issued under it and provides that debt securities may be issued under it from time to time in one or more series.

With respect to each particular series of debt securities that we offer by this prospectus, the prospectus supplement will describe the following terms of each series of debt securities:

- . the title of the series;
- . the maximum aggregate principal amount, if any, established for debt securities of the series;
- . the maximum aggregate initial public offering price, if any, established for the debt securities of the series;
- . the date or dates on which the principal will be paid;
- . the conditions pursuant to which and the times at which any premium on the debt securities of the series will be paid;

Edgar Filing: WAL MART STORES INC - Form S-3

- . the annual rate or rates, if any, at which the debt securities of the series shall bear interest, or the method or methods by which the rate or rates, if any, at which the debt securities of the series shall bear interest may be determined;
- . the date or dates from which interest, if any, shall accrue;
- . the dates on which any accrued interest shall be payable and the record dates for the interest payment dates;
- . the percentage of the principal amount at which the debt securities of the series will be issued, and if less than face amount, the portion of the principal amount that will be payable upon acceleration of those debt securities' maturity or at the time of any prepayment of those debt securities or the method for determining that amount;
- . whether we may prepay the debt securities of the series in whole or part and, if so, the time or times at which any such prepayment may be made, whether the prepayment may be made in whole or may be made in part from time to time and the terms and conditions on which such prepayment may be made, including the obligation to pay any premium or any other make-whole amount in connection with any prepayment;
- . the office or offices or agency where the debt securities of the series may be presented for registration of transfer or exchange;
- . the place or places where the principal of, premium, if any, and interest, if any, on debt securities of the series will be paid;
- . whether we will have the right to redeem or repurchase the debt securities of the series, in whole or in part, at our option, when those redemptions or repurchases may be made, the redemption or repurchase price or the method or methods for determining the redemption or repurchase price, and any other terms and conditions relating to any such redemption or repurchase by us;
- . whether, when, on what terms and at whose option we will be obligated to redeem or repurchase the debt securities of the series in whole or part at any time pursuant to any sinking fund or analogous provisions or without the benefit of any sinking fund or analogous provisions, and any redemption or repurchase price or the method for determining any redemption or

6

repurchase price;

- . whether the debt securities of the series will be convertible into any other of our securities and, if so, when the conversion of exchange right may be exercised, the conversion or exchange price or the ratio or ratios or the method of determining the conversion or exchange price or ratio and any other terms and conditions, including anti-dilution terms, upon which any conversion or exchange may occur;
- . if other than denominations of \$1,000 and any integral multiple thereof, the denominations in which we will issue debt securities of the series;

Edgar Filing: WAL MART STORES INC - Form S-3

- . the currency in which we will pay principal, any premium, interest or other amounts owing with respect to the debt securities of the series, which may be United States dollars, a foreign currency or a composite currency;
- . any index, formula or other method that we must use to determine the amount of any payment of principal, any premium or interest on the debt securities of the series;
- . whether, and under what conditions, we will be required to pay any additional amounts;
- . whether the debt securities of the series will be issued in certificated or book-entry form;
- . any addition to or change in the events of default with respect to, or covenants relating to, the debt securities in the series;
- . whether the debt securities of the series will be subject to defeasance as provided in the indenture; and
- . any other specific terms and conditions of the series of debt securities.

If we sell any series of debt securities for, that we may pay in, or that are denominated in, one or more foreign currencies, currency units or composite currencies, we will disclose any material applicable restrictions, elections, tax consequences, specific terms and other information with respect to that series of debt securities and the relevant currencies, currency units or composite currencies in the prospectus supplement relating to the offer of that series.

We may also offer and sell a series of the debt securities as original issue discount securities, bearing no interest or interest at a rate that at the time of issuance is below market rates, or at a substantial discount below their stated principal amount. We will describe the income tax consequences and other special considerations applicable to any original issue discount securities of that kind described in the prospectus supplement relating to that series.

Events of Default and Waiver

An event of default with respect to debt securities of a series issued will occur if:

- . we fail to pay interest on any outstanding debt securities when it is due and payable and that failure continues for 30 days;
- . we fail to pay principal on any outstanding debt securities when it is due and payable;
- . we fail to perform or we breach any covenant or warranty in the indenture with respect to any debt securities outstanding or we fail to perform or breach any covenant or warranty particular to a series of debt securities and that failure continues for 90 days after we receive written notice of that default; and
- . certain events of bankruptcy, insolvency or reorganization occur with respect to us.

If an event of default with respect to any series of outstanding debt securities occurs and is continuing, the trustee or the holders of not less than

Edgar Filing: WAL MART STORES INC - Form S-3

25% in aggregate principal amount of that series of outstanding debt securities may declare the principal amount of the outstanding debt securities of that series to be immediately due and payable. The holders of a majority in aggregate principal amount of the outstanding debt securities of a series may waive an event of default resulting in acceleration of the debt securities of that series, but only if all other events of default with respect to the debt

7

securities of that series have been remedied or waived and all payments due with respect to the debt securities of that series, other than those due as a result of acceleration, have been made. If an event of default occurs and is continuing with respect to the debt securities of a series, the trustee may, in its discretion, and at the written request of holders of not less than a majority in aggregate principal amount of the outstanding debt securities of that series and upon reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request and subject to certain other conditions set forth in the indenture shall, proceed to protect the rights of the holders of the debt securities of that series. Prior to any acceleration of the maturity of the debt securities of a series, the holders of a majority in aggregate principal amount of the debt securities of that series may waive any past default under the indenture except a default in the payment of principal of, or interest on, those debt securities.

The indenture provides that upon the occurrence of an event of default described in the first two bullet points in the first paragraph under "Events of Default and Waiver" with respect to a series of debt securities, we will, upon the trustee's demand, pay to the trustee for the benefit of the holders of the outstanding debt securities of that series, the whole amount then due and payable on the debt securities of that series for principal and interest. The indenture also provides that if we fail to pay such amount forthwith upon such demand, the trustee may, among other things, institute a judicial proceeding for the collection of those amounts.

The indenture provides that, notwithstanding any other provision of the indenture, the holder of any debt securities of a series shall have the right to institute suit for the enforcement of any payment of principal of, and interest on, the debt securities of that series when due and that such right shall not be impaired without the consent of that holder.

The trustee is required, within 90 days after the occurrence of a default with respect to the debt securities of a series, to give to the holders of the debt securities of that series notice of all uncured defaults known to it. However, except in the case of default in the payment of principal or interest on any of the debt securities of that series, the trustee will be protected in withholding that notice if the trustee in good faith determines that the withholding of that notice is in the interest of the holders of the debt securities of that series. The term "default," for the purpose of this provision only, means the occurrence of any of the events of default specified above excluding any grace periods.

We are required to file annually with the applicable trustee a written statement as to the existence or non-existence of defaults under the indenture or any series of debt securities.

Legal Defeasance and Covenant Defeasance

We and the finance subsidiaries that are parties to the indenture may, at our collective option and at any time, elect to have all of the obligations discharged with respect to the outstanding debt securities and any

Edgar Filing: WAL MART STORES INC - Form S-3

guarantee of those debt securities, except for:

- . the rights of holders of debt securities to receive payments of principal and interest from the trust referred to below when those payments are due;
- . our obligations respecting the debt securities concerning issuing temporary notes, registration of transfers of debt securities, mutilated, destroyed, lost or stolen debt securities, the maintenance of an office or agency for payment and money for debt security payments being held in trust;
- . the rights, powers, trusts, duties and immunities of the trustee and our obligations in connection therewith; and
- . the provisions of the indenture relating to such a discharge of obligations.

We refer to such a discharge as "defeasance."

In addition, other than our covenant to pay the amounts due and owing with respect to a series of debt securities, we may elect to have our obligations as the issuer of a series of debt securities released with respect to covenants relating to that series of debt securities. Thereafter, any failure to comply with those obligations will not constitute a default or event of default with respect to the debt securities of that series. If such a release of our covenants occurs, our failure to perform or our breach of the covenants or warranties defeased will no longer constitute an event of default with respect to those debt securities.

To exercise the right to either of the rights we describe above, certain conditions must be met, including:

8

- . the issuer of the affected debt securities must irrevocably deposit with the trustee, in trust for the debt security holders' benefit, cash in U.S. dollars, certain United States government securities, or a combination thereof, in amounts sufficient to pay the principal of and interest on all of the then outstanding debt securities to be affected by the defeasance at their stated maturity;
- . the trustee must receive an opinion of counsel confirming that the holders of the outstanding debt securities will not recognize income, gain or loss for federal income tax purposes as a result of that defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if that defeasance had not occurred, which opinion, in the case of the type of defeasance first described above only, will be based on a ruling of the Internal Revenue Service or a change in federal income tax law to that effect occurring after the date of the indenture;
- . no default or event of default exists on the date of such deposit, subject to certain exceptions; and
- . the trustee must receive an opinion of counsel to the effect that, after the 91st day following the deposit, the trust funds will not be part of any "estate" formed by the bankruptcy or reorganization of the party depositing those funds with the trustee or subject to the "automatic stay" under the United States Bankruptcy Code or, in the

Edgar Filing: WAL MART STORES INC - Form S-3

case of covenant defeasance, will be subject to a first priority lien in favor of the trustee for the benefit of the holders.

Satisfaction and Discharge

If we and our finance subsidiaries that are also parties to the indenture so request, the indenture will cease to be of further effect, other than as to certain rights of registration of transfer or exchange of the notes, as provided for in the indenture, and the trustee, at our expense, will execute proper instruments acknowledging satisfaction and discharge of the indenture, the debt securities and any guarantees then outstanding when:

- . either all the debt securities previously authenticated and delivered under the indenture, other than destroyed, lost or stolen securities that have been replaced or paid and notes that have been subject to defeasance, have been delivered to the trustee for cancellation; or
- . all of the securities issued under the indenture not previously delivered to the trustee for cancellation have become due and payable, will become due and payable at their stated maturity within 60 days or will become due and payable at redemption within 60 days under arrangements satisfactory to the trustee for the giving of notice of redemption by the trustee in our name and expense; and
- . in each of the foregoing cases, each issuer of the affected debt securities has irrevocably deposited or caused to be deposited with the trustee cash in U.S. dollars, certain United States government securities, or a combination thereof, in trust for the purpose and in an amount sufficient to pay and discharge the entire indebtedness arising under the debt securities issued pursuant to the indenture not previously delivered to the trustee for cancellation, for principal, and premium, if any, on and interest on these securities to the date of such deposit (in the case of notes that have become due and payable) or to the stated maturity of these securities or redemption date, as the case may be;
- . we and the finance subsidiaries have paid or caused to be paid all sums payable under the indenture by us; and
- . we and the finance subsidiaries have delivered to the trustee an officers' certificate and an opinion of counsel, each stating that all conditions precedent provided in the indenture relating to the satisfaction and discharge of the indenture, the securities issued under the indenture have been complied with.

Modification of the Indenture

The indenture provides that, with the consent of the holders of not less than a majority in aggregate principal amount of the outstanding debt securities of each affected series, modifications and alterations of such indenture may be made which affect the rights of the holders of such debt securities. However, no such modification or alteration may be made without the consent of the holder of each debt security if the modification or alteration would, among other things:

- . change the maturity of the principal of, or of any installment of interest on, any debt security, or reduce the principal amount of any debt security, or change the method of calculation of interest or the currency of payment of principal or interest on, or reduce the minimum rate of interest thereon, or impair the right to institute suit for the enforcement of any such payment on or with respect to any such debt security; or

- . reduce the above-stated percentage in principal amount of outstanding debt securities required to modify or alter such indenture.

The trustee and we, without the consent of the holders of the debt securities, may execute an indenture or supplemental indentures to:

- . evidence the succession of another corporation to us and the successor's assumption to our respective agreements and obligations with respect to the debt securities and the indenture;
- . add to our covenants further restrictions or conditions that our board of directors and the trustee consider to be for the protection of holders of all or any series of the debt securities and to make the occurrence of a default in any of those additional covenants, restrictions or conditions a default or an event of default under the indenture subject to certain limitations;
- . cure ambiguities or correct or supplement any provision contained in the indenture or any supplemental indenture that may be defective or inconsistent with another provision;
- . provide for the issuance of debt securities whether or not then outstanding under the indenture in coupon form and to provide for exchangeability of the coupon form securities with other debt securities issued under the indenture in fully registered form;
- . establish new series of debt securities and the form or terms of such series of debt securities and to provide for the issuance of securities of any series so established; and
- . evidence and provide for the acceptance of appointment of a successor trustee and to change the indenture as necessary to have more than one trustee under the indenture.

Amalgamation, Consolidation, Merger or Sale of Assets

The indenture provides that we may, without the consent of the holders of any of the outstanding debt securities of any series, amalgamate, consolidate with, merge into or transfer our assets substantially as an entirety to any person, provided that:

- . any successor to us assumes our obligations on the debt securities and under the indenture;
- . any successor to us must be an entity incorporated or organized under the laws of the United States;
- . after giving effect thereto, no event of default, as defined in the indenture, shall have occurred and be continuing; and
- . certain other conditions under the indenture are met. Any such amalgamation, consolidation, merger or transfer of assets substantially as an entirety that meets the conditions described above would not create any default or event of default that would entitle holders of the debt securities or the trustee, on their behalf, to take any of the actions described above under "Events of Default and Waiver."

Edgar Filing: WAL MART STORES INC - Form S-3

Debt and Lien Incurrence

The indenture and the debt securities do not contain any provision that would limit our right to incur other indebtedness, enter into any sale and leaseback transaction or grant liens on our assets.

The Indenture Trustee

Bank One Trust Company, NA is the trustee under the indenture governing the debt securities and will also be the registrar and paying agent. The trustee is a national banking association with its principal offices in Chicago, Illinois.

The trustee has two main roles under the indenture. First, the trustee can enforce your rights against us if any of the actions described above under "Events of Default and Waiver," occurs. Second, the trustee performs certain administrative duties for us. The trustee is entitled, subject to the duty of the trustee during a default to act with the required standard of care, to be indemnified by the holders of the debt securities before proceeding to exercise any right or power under the indenture at the request of those holders. The indenture provides that the holders of a majority in principal amount of the debt securities may direct, with regard to that series, the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or

10

power conferred on the trustee, with respect to the debt securities, although the trustee may decline to act if that direction is contrary to law or if the trustee determines in good faith that the proceeding so directed would be illegal or would result in personal liability to it.

Bank One Trust Company, NA also serves as trustee under an indenture, dated as of April 1, 1991, between it and us. As of May 31, 2001, we had issued a total of \$17.46 billion of our senior unsecured securities under that indenture as supplemented through the date of this offering memorandum. Bank One Trust Company, NA also serves as trustee under an indenture, dated as of December 1, 1986, covering secured bonds issued in the aggregate principal amount of \$137,082,000 by the owner trustees of approximately 24 SAM'S Clubs store properties that are leased to one of our subsidiaries. Bank One Leasing Corporation, an affiliate of Bank One Trust Company, NA established a business trust that purchased 15 Wal-Mart discount stores for \$53,661,785 and leased the stores back to us for an initial term of 20 years in a transaction consummated on December 22, 1992. On November 10, 1994, a second business trust of which Bank One Leasing Corporation is a beneficiary purchased an additional 23 Wal-Mart discount stores for \$128,842,500 and leased the stores back to us for an initial term of 20 years. Bank One Trust Company, NA also serves as trustee under an indenture, dated as of April 27, 2001 between Wal-Mart Canada Venture Corp., one of our subsidiaries, us, as guarantor, and Bank One Trust Company, NA, as the indenture trustee. On April 27, 2001, Wal-Mart Canada Venture Corp. issued a total of \$325,000,000 of its senior unsecured debt securities under that indenture that are guaranteed by us.

We expect to maintain banking relationships in the ordinary course of business with Bank One, NA, an affiliate of Bank One Trust Company, NA.

TAX CONSEQUENCES TO HOLDERS

A prospectus supplement may describe the principal U.S. federal income tax consequences of acquiring, owning and disposing of debt securities of some

Edgar Filing: WAL MART STORES INC - Form S-3

series in the following circumstances:

- . payment of the principal, interest and any premium in a currency other than the U. S. dollar;
- . the issuance of any debt securities with "original issue discount," as defined for U. S. federal income tax purposes;
- . the issuance of any debt securities with an associated "bond premium," as defined for U.S. federal income tax purposes; and
- . the inclusion of any special terms in debt securities that may have a material effect for U.S. federal income tax purposes.

In addition, if the tax laws of foreign countries are material to a particular series of debt securities, a prospectus supplement may describe the principal income tax consequences of acquiring, owning and disposing of debt securities of some series under similar circumstances.

PLAN OF DISTRIBUTION

General

We may sell the debt securities being offered hereby:

- . directly to purchasers;
- . through agents;
- . through dealers;
- . through underwriters; or

11

- . through a combination of any of those methods of sale.

We may effect the distribution of the debt securities from time to time in one or more transactions either:

- . at a fixed price or prices which may be changed;
- . at market prices prevailing at the time of sale; or
- . at prices related to the prevailing market prices; or
- . at negotiated prices.

We may directly solicit offers to purchase the debt securities. Offers to purchase debt securities may also be solicited by agents designated by us from time to time. Any of those agents, who may be deemed to be an "underwriter," as that term is defined in the Securities Act of 1933, involved in the offer or sale of the debt securities in respect of which this prospectus is delivered will be named, and any commissions payable by us to that agent will be set forth in the prospectus supplement.

If a dealer is utilized in the sale of the debt securities in respect of which this prospectus is delivered, we will sell those debt securities to the dealer, as principal. The dealer, who may be deemed to be an "underwriter," as that term is defined in the Securities Act of 1933, may then resell those debt

Edgar Filing: WAL MART STORES INC - Form S-3

securities to the public at varying prices to be determined by that dealer at the time of resale.

If we use an underwriter or underwriters in the sales, we will execute an underwriting agreement with those underwriters at the time of sale of the debt securities and the name of the underwriters will be set forth in the prospectus supplement, which will be used by the underwriters to make resales of the debt securities in respect of which this prospectus is delivered to the public. The compensation of any underwriters will also be set forth in the prospectus supplement.

Underwriters, dealers, agents and other persons may be entitled, under agreements that may be entered into with us, to indemnification by us against certain civil liabilities, including liabilities under the Securities Act of 1933, or to our contributing to payments those underwriters, dealers, agents and other persons are required to make.

Underwriters, dealers and agents may engage in transactions with, or perform services for, us or any of our subsidiaries in the ordinary course of business.

LEGAL MATTERS

The validity of the debt securities offered by this prospectus and any prospectus supplement will be passed upon for us by Hughes & Luce, L.L.P., our counsel.

EXPERTS

The consolidated financial statements of Wal-Mart Stores, Inc. and its subsidiaries incorporated by reference in Wal-Mart Stores, Inc.'s Annual Report on Form 10-K, as amended, for the fiscal year ended January 31, 2001, have been audited by Ernst & Young LLP, independent auditors, as set forth in their report thereon incorporated by reference therein and incorporated herein by reference. Such financial statements are, and audited financial statements to be included in subsequently filed documents will be, incorporated herein in reliance upon the reports of Ernst & Young LLP pertaining to such financial statements, to the extent covered by consents filed with the Securities and Exchange Commission, given on the authority of such firm as experts in accounting and auditing.

12

*The information in this prospectus is not complete and may be changed. This *
*prospectus is not an offer to sell these securities or our solicitation of *
*your offer to buy these securities, nor will we sell them or accept your *
*offer to buy them, in any state or other jurisdiction where that would not be *
*permitted or legal prior to registration or qualification in that state or *
*other jurisdiction. We may not sell these securities until the registration *
*statement filed with the Securities and Exchange Commission is effective. *

SUBJECT TO COMPLETION, DATED JULY 6, 2001

PROSPECTUS

Wal-Mart Cayman (Euro) Finance Co.
Wal-Mart Cayman (Canadian) Finance Co.
Wal-Mart Cayman (Sterling) Finance Co.

Edgar Filing: WAL MART STORES INC - Form S-3

Payment of Principal and Interest Unconditionally Guaranteed by

WAL-MART STORES, INC.

\$6,000,000,000

DEBT SECURITIES

Unless otherwise stated or the context otherwise requires, references in this prospectus to "Wal-Mart" refer to Wal-Mart Stores, Inc., and references to "we," "our," or "us" refer to one of Wal-Mart Cayman (Euro) Finance Co., Wal-Mart Cayman (Canadian) Finance Co. or Wal-Mart (Sterling) Finance Co., which are wholly-owned subsidiaries of Wal-Mart. When we refer to the "finance subsidiaries," we are referring to those Wal-Mart subsidiaries as a group and references to a "finance subsidiary" refer to one of the finance subsidiaries.

This prospectus forms part of a shelf registration statement that Wal-Mart and the finance subsidiaries filed with the Securities and Exchange Commission. Any of Wal-Mart and the finance subsidiaries may use the registration statement to offer and sell its debt securities in one or more offerings at various times, for up to a total of \$6,000,000,000 of debt securities. The offer and sale of debt securities pursuant to this prospectus or by Wal-Mart pursuant to a separate prospectus relating to its offer and sale of debt securities that forms a part of that registration statement reduces the amount of debt securities any finance subsidiary may offer and sell under that registration statement pursuant to this prospectus.

We may offer and sell debt securities in different series that have different terms and conditions. This prospectus provides you with a general description of certain material terms of those debt securities. When we sell a particular series of the debt securities, we will provide a prospectus supplement describing the specific terms and conditions of that series of debt securities, including:

- . the public offering price;
- . the maturity date;
- . the interest rate or rates, which may be fixed or variable;
- . the times for payment of principal, interest and any premium; and
- . any redemption provisions of the debt securities in the series.

Wal-Mart, our parent company, will unconditionally guarantee payment of the principal of, and the accrued and unpaid interest on, the debt securities that the finance subsidiaries issue as described in this prospectus.

The particular prospectus supplement may also contain important information about U. S. federal income tax consequences and, in certain circumstances, consequences under other countries' tax laws to which you may become subject if you acquire the debt securities being offered by that prospectus supplement. The prospectus supplement may also update or change information contained in this prospectus.

THIS PROSPECTUS MAY NOT BE USED TO SELL SECURITIES UNLESS ACCOMPANIED BY A PROSPECTUS SUPPLEMENT.

You should read carefully both this prospectus and any prospectus supplement together with the additional information described under the heading "Where You Can Find More Information" before making your investment decision.

Edgar Filing: WAL MART STORES INC - Form S-3

We maintain our principal executive offices at:
702 S.W. 8/th/ Street, Mail Stop 0290
Bentonville, Arkansas 72716
Telephone: (501) 273-4000.

Neither the Securities and Exchange Commission nor any state securities commission or other regulatory body has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this Prospectus is July __, 2001.

TABLE OF CONTENTS

Where You Can Find More Information.....	
Special Note Regarding Forward-Looking Statements.....	
Wal-Mart Stores, Inc.....	
Ratio of Earnings to Fixed Charges.....	
Use of Proceeds.....	
Description of the Debt Securities.....	
Description of the Guarantees.....	
Tax Consequences to Holders.....	
Plan of Distribution.....	
Legal Matters.....	
Experts.....	

You should rely only on the information contained or incorporated by reference in this prospectus and in any accompanying prospectus supplement. We have not authorized anyone to provide you with different information.

We are not offering the debt securities in any jurisdiction in which the offer is not permitted.

WHERE YOU CAN FIND MORE INFORMATION

Wal-Mart files annual, quarterly and special reports, proxy statements and other information with the SEC. Instead of repeating the information that Wal-Mart has already filed with the SEC, the SEC allows us to "incorporate by reference" in this prospectus information contained in documents that Wal-Mart has filed with the SEC. Those documents form an important part of this prospectus. Any documents that Wal-Mart files with the SEC in the future will also be considered to be part of this prospectus and will automatically update and supersede the information contained in this prospectus.

We incorporate by reference in this prospectus the documents listed below and any future filings Wal-Mart makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we complete or terminate the offering of debt securities by this prospectus.

- . Wal-Mart's Annual Report on Form 10-K for its fiscal year ended January 31, 2001, as amended.
- . Wal-Mart's Quarterly Report on Form 10-Q for its fiscal quarter ended April 30, 2001; and
- . Wal-Mart's Current Report on Form 8-K dated May 9, 2001.

Edgar Filing: WAL MART STORES INC - Form S-3

As allowed by the SEC's rules, we have not included in this prospectus all of the information that is included in the registration statement. At your request, Wal-Mart will provide you, free of charge, with a copy of the registration statement, any of the exhibits to the registration statement or a copy of any other information we incorporated by reference in the registration statement. If you want more information, write in care of or call:

Allison D. Garrett, Esq.
Vice President and Assistant General Counsel
Wal-Mart Stores, Inc.
Corporate Offices
702 S.W. 8/th/ Street, Mail Stop 0290
Bentonville, Arkansas 72716
Telephone: (501) 273-4505

You may also obtain a copy of any filing Wal-Mart has made with the SEC directly from the SEC. You may either:

2

- . read and copy any materials Wal-Mart has filed with the SEC at the SEC's public reference rooms at 450 Fifth Street, N.W., Washington, D.C. 20549 and at its offices in New York, New York at 7 World Trade Center, Suite 1300, New York, New York 10048, and Chicago, Illinois at Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511; or
- . visit the SEC's Internet site at <http://www.sec.gov>, which contains reports, proxy and information statements and other information regarding issuers that file electronically.

You can obtain more information about the SEC's public reference room by calling the SEC at 1-800-SEC-0330.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus includes and incorporates by reference certain statements that may be deemed to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be included, for example, under "Wal-Mart Stores, Inc." and "Use of Proceeds," and in certain portions of Wal-Mart's reports and other information incorporated in this prospectus by reference. These forward-looking statements may include statements that address activities, events or developments that Wal-Mart expects or anticipates will or may occur in the future, including:

- . future capital expenditures, including the amount and nature of those expenditures;
- . future expansion and other development trends of industry segments in which Wal-Mart and its subsidiaries are active;
- . Wal-Mart's business strategy;
- . Wal-Mart's financing strategy;
- . future expansion and growth of Wal-Mart's business; and
- . future operations and other similar matters.

Edgar Filing: WAL MART STORES INC - Form S-3

Although we and Wal-Mart believe the expectations expressed in the forward-looking statements are based on reasonable assumptions within the bounds of Wal-Mart's knowledge of its business, a number of factors could cause actual results to differ materially from those expressed in any forward-looking statements, whether oral or written, made by us or Wal-Mart or on our or its behalf. Many of these factors have previously been identified in filings or statements made by Wal-Mart or on its behalf.

Wal-Mart's business operations are subject to factors outside its control. Any one, or a combination, of these factors could materially affect Wal-Mart's financial performance. These factors include:

- . the costs of goods;
- . the cost of electricity and other energy requirements;
- . competitive pressures;
- . inflation;
- . consumer debt levels;
- . currency exchange fluctuations;
- . trade restrictions;
- . changes in tariff and freight rates;
- . unemployment levels;
- . interest rate fluctuations; and
- . other capital market and economic conditions.

3

Forward-looking statements that we or Wal-Mart make or that are made by others on our or Wal-Mart's behalf are based on a knowledge of Wal-Mart's business and the environment in which it operates, but because of the factors listed above, actual results may differ from those in the forward-looking statements. Consequently, all of the forward-looking statements made are qualified by these cautionary statements. Neither Wal-Mart nor we can assure you that the actual results or developments anticipated by Wal-Mart will be realized or, even if substantially realized, that they will have the expected consequences to or effects on Wal-Mart or on its business or operations. Prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. Neither Wal-Mart nor we assume any obligation to update any of the forward-looking statements.

WAL-MART STORES, INC.

Wal-Mart is the world's largest retailer as measured by total net sales for fiscal 2001. Its total net sales exceeded \$191 billion in fiscal 2001, over 83% of which was generated in the United States. Wal-Mart operates mass merchandising stores that serve its customers primarily through the operation of three segments:

- . Wal-Mart stores, which include its discount stores, Supercenters and Neighborhood Markets in the United States;
- . SAM'S Clubs, which include its warehouse membership clubs in the United

Edgar Filing: WAL MART STORES INC - Form S-3

- States; and
- . the international segment of its business.

Wal-Mart currently operates in all 50 states of the United States, Argentina, Brazil, Canada, Germany, Korea, Mexico, Puerto Rico, and the United Kingdom, and in China under joint venture agreements. In addition, through its subsidiary, McLane Company, Inc., Wal-Mart provides products and distribution services to retail industry and institutional food service customers. As of April 30, 2001, Wal-Mart operated in the United States:

- . 1,702 Wal-Mart stores;
- . 952 Supercenters;
- . 20 Neighborhood Markets; and
- . 479 SAM'S Clubs.

As of April 30, 2001, Wal-Mart also operated 176 Canadian Wal-Mart stores, 11 units in Argentina, 20 units in Brazil, 11 units in China, 94 units in Germany, six units in Korea, 509 units in Mexico, 17 units in Puerto Rico and 244 units in the United Kingdom. The units operated by Wal-Mart's International Division represent a variety of retail formats. As of April 30, 2001, Wal-Mart employed more than 962,000 associates in the United States and 282,000 associates internationally.

Wal-Mart Stores, Inc. is the parent company of a group of subsidiary companies, including McLane Company, Inc., Wal-Mart.com, Inc., Wal-Mart de Mexico, S.A. de C.V., Asda Group Limited, Sam's West, Inc., Sam's East, Inc., Wal-Mart Stores East, Inc., Sam's Property Co., Wal-Mart Property Co., Wal-Mart Real Estate Business Trust, Sam's Real Estate Business Trust, Wares Delaware Corporation and the finance subsidiaries. The information presented above relates to our operations and our subsidiaries on a consolidated basis.

Wal-Mart Stores, Inc. was incorporated in the State of Delaware on October 31, 1969.

THE FINANCE SUBSIDIARIES

Wal-Mart formed each of the finance subsidiaries, all of which are wholly-owned direct subsidiaries, for the purpose of providing financing to foreign operating subsidiaries of Wal-Mart. Providing that financing will be each finance subsidiary's principal business activity. The finance subsidiaries do not, and will not, file periodic reports with the SEC.

None of the finance subsidiaries has had any operations or revenues as of the date of this prospectus. The finance subsidiaries expect that the repayment of loans or the distributions made with respect to other investments in operating subsidiaries of Wal-Mart will be their sole source of revenue.

4

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth the ratio of earnings to fixed charges for Wal-Mart, for the periods indicated:

Year Ended January 31,					Three Mon April
----- 1997 -----	----- 1998 -----	----- 1999 -----	----- 2000 -----	----- 2001 -----	----- 2000 -----

Edgar Filing: WAL MART STORES INC - Form S-3

4.59x

5.33x

6.24x

6.76x

5.54x

5.47x

For the purpose of computing Wal-Mart's ratios of earnings to fixed charges, we have defined "earnings" to mean Wal-Mart's earnings before income taxes and fixed charges, excluding capitalized interest and earnings attributable to minority interests owned by others in Wal-Mart's subsidiaries.

- . We have also defined "fixed charges" to mean:
- . the interest that Wal-Mart pays; plus
- . the capitalized interest that Wal-Mart shows on its accounting records; plus
- . the portion of the rental expense for real and personal property that Wal-Mart believes represents the interest factor in those rentals.

We have not disclosed Wal-Mart's ratios of earnings to fixed charges and preferred stock dividends because Wal-Mart does not have any shares of preferred stock outstanding.

USE OF PROCEEDS

Except as we otherwise specifically describe in an applicable prospectus supplement, we will use the net proceeds from the sale of the debt securities to finance the operations and expansion activities of foreign operating subsidiaries of Wal-Mart. Before we apply the net proceeds to one or more of these uses, we may invest those net proceeds in short-term marketable securities.

We may also incur from time to time additional debt other than through the offering of debt securities under this prospectus.

DESCRIPTION OF THE DEBT SECURITIES

We will issue the debt securities in one or more series under an indenture, dated as of July 5, 2001, among Wal-Mart Stores, Inc., the finance subsidiaries and Bank One Trust Company, NA, as the indenture trustee.

The indenture is a contract between Wal-Mart, the trustee and each of the finance subsidiaries. The trustee has two main roles. First, the trustee can enforce your rights against us if an "event of default," as that term is described below, occurs under the indenture in relation to debt securities we have issued and against Wal-Mart pursuant to the guarantee if it fails to perform its obligations under the guarantees of the debt securities. Second, the trustee performs certain administrative duties for Wal-Mart and us.

We have summarized below material provisions of the debt securities that we will offer and sell pursuant to this prospectus and material provisions of the indenture. However, you should understand that this is only a summary, and we have not described all of the provisions of the indenture. Wal-Mart and we have filed the indenture with the SEC, and we suggest that you read the indenture. We are incorporating by reference the provisions of the indenture referred to in the following summary, whether by reference to articles, sections or defined terms. The summary is qualified in its entirety by those provisions of the indenture.

We will describe the particular terms and conditions of any series of debt

Edgar Filing: WAL MART STORES INC - Form S-3

securities offered in the applicable prospectus supplement. The prospectus supplement, which we will file with the SEC, may or may not modify the general terms found in this prospectus. For a complete description of any series of debt securities, you should read both this prospectus and the prospectus supplement relating to that series of debt securities.

5

General

As a holder of debt securities issued under the indenture, you will be one of our unsecured creditors and will have a right to payment equal to that of our other unsecured creditors.

The debt securities offered by this prospectus, when aggregated with the debt securities offered by Wal-Mart through the separate prospectus filed under the registration statement of which this prospectus is a part, will be limited to a total of \$6,000,000,000, or the equivalent amount in any non-U.S. currency. The indenture, however, does not limit the amount of debt securities that may be issued under it and provides that debt securities may be issued under it from time to time in one or more series.

With respect to each particular series of debt securities offered by this prospectus, a prospectus supplement will describe the following terms of that series of debt securities:

- . the title of the series;
- . the maximum aggregate principal amount, if any, established for debt securities of the series;
- . the maximum aggregate initial public offering price, if any, established for the debt securities of the series;
- . the date or dates on which the principal will be paid;
- . the conditions pursuant to which, and the times at which, any premium on the debt securities of the series will be paid;
- . the annual rate or rates, if any, at which the debt securities of the series shall bear interest, or the method or methods by which the rate or rates, if any, at which the debt securities of the series shall bear interest may be determined;
- . the date or dates from which interest, if any, shall accrue;
- . the dates on which any accrued interest shall be payable and the record dates for the interest payment dates;
- . the percentage of the principal amount at which the debt securities of the series will be issued, and if less than face amount, the portion of the principal amount that will be payable upon acceleration of those debt securities' maturity or at the time of any prepayment of those debt securities or the method for determining that amount;
- . whether we may prepay the debt securities of the series in whole or part and, if so, the time or times at which any such prepayment may be made, whether the prepayment may be made in whole or may be made in part from time to time and the terms and

Edgar Filing: WAL MART STORES INC - Form S-3

conditions on which such prepayment may be made, including the obligation to pay any premium or any other make-whole amount in connection with any prepayment;

- . the office or offices or agency where the debt securities of the series may be presented for registration of transfer or exchange;
- . the place or places where the principal of, premium, if any, and interest, if any, on debt securities of the series will be paid;
- . whether we will have the right to redeem or repurchase the debt securities of the series, in whole or in part, at our option, when those redemptions or repurchases may be made, the redemption or repurchase price or the method or methods for determining the redemption or repurchase price, and any other terms and conditions relating to any such redemption or repurchase by us;

6

- . whether, when, on what terms and at whose option we will be obligated to redeem or repurchase the debt securities of the series in whole or part at any time pursuant to any sinking fund or analogous provisions or without the benefit of any sinking fund or analogous provisions, and any redemption or repurchase price or the method for determining any redemption or repurchase price;
- . if other than denominations of \$1,000 and any integral multiple thereof, the denominations in which we will issue debt securities of the series;
- . the currency in which we will pay principal, any premium, interest or other amounts owing with respect to the debt securities of the series, which may be United States dollars, a foreign currency or a composite currency;
- . any index, formula or other method that we must use to determine the amount of any payment of principal, any premium or interest on the debt securities of the series;
- . whether, and under what conditions, we will be required to pay any additional amounts;
- . whether the debt securities of the series will be issued in certificated or book-entry form;
- . any addition to or change in the events of default with respect to, or covenants relating to, the debt securities in the series;
- . whether the debt securities of the series will be subject to defeasance as provided in the indenture; and
- . any other specific terms and conditions of the series of debt securities.

If we sell any series of debt securities for, that we may pay in, or that are denominated in, one or more foreign currencies, currency units or composite currencies, we will disclose any material applicable restrictions, elections, tax consequences, specific terms and other information with respect to that series of debt securities and the relevant currencies, currency units or

Edgar Filing: WAL MART STORES INC - Form S-3

composite currencies in the prospectus supplement relating to the offer of that series.

We may also offer and sell a series of the debt securities as original issue discount securities, bearing no interest or interest at a rate that at the time of issuance is below market rates, or at a substantial discount below their stated principal amount. We will describe the tax consequences and other special considerations applicable to any original issue discount securities of that kind described in the prospectus supplement relating to that series.

7

Events of Default and Waiver

An event of default with respect to debt securities of a series issued will occur if:

- . we fail to pay interest on any outstanding debt securities when it is due and payable and that failure continues for 30 days;
- . we fail to pay principal on any outstanding debt securities when it is due and payable;
- . we fail to perform or we breach any covenant or warranty in the indenture with respect to any debt securities outstanding or we fail to perform or breach any covenant or warranty particular to a series of debt securities and that failure continues for 90 days after we receive written notice of that default; and
- . certain events of bankruptcy, insolvency or reorganization occur with respect to us.

If an event of default with respect to any series of outstanding debt securities occurs and is continuing, the trustee or the holders of not less than 25% in aggregate principal amount of that series of outstanding debt securities may declare the principal amount of the outstanding debt securities of that series to be immediately due and payable. The holders of a majority in aggregate principal amount of the outstanding debt securities of a series may waive an event of default resulting in acceleration of the debt securities of that series, but only if all other events of default with respect to the debt securities of that series have been remedied or waived and all payments due with respect to that series of debt securities, other than those due as a result of acceleration, have been made. If an event of default occurs and is continuing with respect to the debt securities of a series, the trustee may, in its discretion, and at the written request of holders of not less than a majority in aggregate principal amount of the outstanding debt securities of that series and upon reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request and subject to certain other conditions set forth in the indenture shall, proceed to protect the rights of the holders of the debt securities of that series. Prior to any acceleration of the maturity of the debt securities of a series, the holders of a majority in aggregate principal amount of the debt securities of that series may waive any past default under the indenture except a default in the payment of principal of, or interest on, those debt securities.

The indenture provides that upon the occurrence of an event of default described in the first two bullet points in the first paragraph under "Events of Default and Waiver" with respect to a series of debt securities, we will, upon the trustee's demand, pay to the trustee for the benefit of the holders of the outstanding debt securities of that series, the whole amount then due and payable on the debt securities of that series for principal and interest. The

Edgar Filing: WAL MART STORES INC - Form S-3

indenture also provides that if we fail to pay such amount forthwith upon such demand, the trustee may, among other things, institute a judicial proceeding for the collection of those amounts.

The indenture provides that, notwithstanding any other provision of the indenture, the holder of any debt securities of a series shall have the right to institute suit for the enforcement of any payment of principal of, and interest on, the debt securities of that series when due and that such right shall not be impaired without the consent of that holder.

The trustee is required, within 90 days after the occurrence of a default with respect to the debt securities of a series, to give to the holders of the debt securities of that series notice of all uncured defaults known to it. However, except in the case of default in the payment of principal or interest on any of the debt securities of that series, the trustee will be protected in withholding that notice if the trustee in good faith determines that the withholding of that notice is in the interest of the holders of the debt securities of that series. The term "default," for the purpose of this provision only, means the occurrence of any of the events of default specified above excluding any grace periods.

We are required to file annually with the applicable trustee a written statement as to the existence or non-existence of defaults under the indenture or any series of debt securities.

Legal Defeasance and Covenant Defeasance

We, the other finance subsidiaries and Wal-Mart may, at our collective option and at any time, elect to have all of the obligations discharged with respect to the outstanding debt securities and any guarantee of those debt securities, except for:

- . the rights of holders of debt securities to receive payments of principal and interest from the trust referred to below when those payments are due;
- . our obligations respecting the debt securities concerning issuing temporary notes, registration of transfers of debt securities, mutilated, destroyed, lost or stolen debt securities, the maintenance of an office or agency for payment and money for debt security payments being held in trust;
- . the rights, powers, trusts, duties and immunities of the trustee and our obligations in connection therewith; and

8

- . the provisions of the indenture relating to such a discharge of obligations.

We refer to such a discharge as "defeasance."

In addition, other than our covenant to pay the amounts due and owing with respect to a series of debt securities, we may elect to have our obligations as the issuer of a series of debt securities released with respect to covenants relating to that series of debt securities. Thereafter, any failure to comply with those obligations will not constitute a default or event of default with respect to the debt securities of that series. If such a release of our covenants occurs, our failure to perform or our breach of the covenants or warranties defeased will no longer constitute an event of default with respect to those debt securities.

Edgar Filing: WAL MART STORES INC - Form S-3

To exercise either of the rights we describe above, certain conditions must be met, including:

- . the issuer of the affected debt securities must irrevocably deposit with the trustee, in trust for the debt security holders' benefit, cash in U.S. dollars, certain United States government securities, or a combination thereof, in amounts sufficient to pay the principal of and interest on all of the then outstanding debt securities to be affected by the defeasance at their stated maturity;
- . the trustee must receive an opinion of counsel confirming that the holders of the outstanding debt securities will not recognize income, gain or loss for federal income tax purposes as a result of that defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if that defeasance had not occurred, which opinion, in the case of the type of defeasance first described above only, will be based on a ruling of the Internal Revenue Service or a change in federal income tax law to that effect occurring after the date of the indenture;
- . no default or event of default exists on the date of such deposit, subject to certain exceptions; and
- . the trustee must receive an opinion of counsel to the effect that, after the 91st day following the deposit, the trust funds will not be part of any "estate" formed by the bankruptcy or reorganization of the party depositing those funds with the trustee or subject to the "automatic stay" under the United States Bankruptcy Code or, in the case of covenant defeasance, will be subject to a first priority lien in favor of the trustee for the benefit of the holders.

Satisfaction and Discharge

If we, Wal-Mart and the other finance subsidiaries so request, the indenture will cease to be of further effect, other than as to certain rights of registration of transfer or exchange of any debt securities, as provided for in the indenture, and the trustee, at the joint expense of Wal-Mart and the finance subsidiaries, will execute proper instruments acknowledging satisfaction and discharge of the indenture, the debt securities and the related guarantees when:

- . either all the debt securities previously authenticated and delivered under the indenture, other than destroyed, lost or stolen securities that have been replaced or paid and debt securities that have been subject to defeasance, have been delivered to the trustee for cancellation; or
- . all of the securities issued under the indenture not previously delivered to the trustee for cancellation have become due and payable, will become due and payable at their stated maturity within 60 days or will become due and payable at redemption within 60 days under arrangements satisfactory to the trustee for the giving of notice of redemption by the trustee in our name and expense; and
- . in each of the foregoing cases, each issuer of the affected debt securities pursuant to the indenture have irrevocably deposited or caused to be deposited with the trustee cash in U.S. dollars, certain United States government securities, or a combination thereof, in trust for the purpose and in an amount sufficient to pay and discharge the entire indebtedness arising under the debt securities issued by them pursuant to the indenture and not previously delivered to the

Edgar Filing: WAL MART STORES INC - Form S-3

trustee for cancellation, for principal, and premium, if any, on and interest on these securities to the date of such deposit (in the case of notes that have become due and payable) or to the stated maturity of these securities or redemption date, as the case may be;

- . Wal-Mart and those of the finance subsidiaries with any debt securities outstanding under the indenture have paid or caused to be paid all sums payable under the indenture by them; and

9

- . each of Wal-Mart and the finance subsidiaries have delivered to the trustee an officers' certificate and an opinion of counsel, each stating that all conditions precedent provided in the indenture relating to the satisfaction and discharge of the indenture, the securities issued under the indenture have been complied with.

Modification of the Indenture

The indenture provides that, with the consent of the holders of not less than a majority in aggregate principal amount of the outstanding debt securities of each affected series, modifications and alterations of such indenture may be made which affect the rights of the holders of such debt securities. However, no such modification or alteration may be made without the consent of the holder of each debt security if the modification or alteration would, among other things:

- . change the maturity of the principal of, or of any installment of interest on, any debt security, or reduce the principal amount of any debt security, or change the method of calculation of interest or the currency of payment of principal or interest on, or reduce the minimum rate of interest thereon, or impair the right to institute suit for the enforcement of any such payment on or with respect to any such debt security; or
- . reduce the above-stated percentage in principal amount of outstanding debt securities required to modify or alter such indenture.

The trustee, Wal-Mart and the finance subsidiaries, without the consent of the holders of the debt securities, may execute an indenture or supplemental indentures to:

- . evidence the succession of another corporation to Wal-Mart or any of the finance subsidiaries and the successor's assumption to pertinent party's respective agreements and obligations with respect to the debt securities and the indenture;
- . add to covenants further restrictions or conditions that the board of directors of the issuer of particular debt securities and the trustee consider to be for the protection of holders of all or any of that series of the debt securities and to make the occurrence of a default in any of those additional covenants, restrictions or conditions a default or an event of default under the indenture subject to certain limitations;
- . cure ambiguities or correct or supplement any provision contained in the indenture or any supplemental indenture that may be defective or inconsistent with another provision;
- . provide for the issuance of debt securities whether or not then outstanding under the indenture in coupon form and to provide for

Edgar Filing: WAL MART STORES INC - Form S-3

exchangeability of the coupon form securities with other debt securities issued under the indenture in fully registered form;

- . establish new series of debt securities and the form or terms of such series of debt securities and to provide for the issuance of securities of any series so established; and
- . evidence and provide for the acceptance of appointment of a successor trustee and to change the indenture as necessary to have more than one trustee under the indenture.

10

Amalgamation, Consolidation, Merger or Sale of Assets

The indenture provides that Wal-Mart or we may, without the consent of the holders of any of the outstanding debt securities, amalgamate, consolidate with, merge into or transfer our assets substantially as an entirety to any person, provided that:

- . any successor to us assumes our obligations on the debt securities and under the indenture or any successor to Wal-Mart assumes Wal-Mart's obligations under the guarantees and the indenture;
- . any successor to us must be an entity incorporated or organized under the laws of the United States or the jurisdiction in which it is organized immediately prior to the event, and that any successor to Wal-Mart must be incorporated under the laws of the United States;
- . after giving effect thereto, no event of default, as defined in the indenture, shall have occurred and be continuing; and
- . certain other conditions under the indenture are met. Any such amalgamation, consolidation, merger or transfer of assets substantially as an entirety that meets the conditions described above would not create any event of default or default which would entitle holders of the debt securities or the trustee, on their behalf, to take any of the actions described above under "Events of Default and Waiver."

Debt and Lien Incurrence

The indenture and the debt securities do not contain any provision that would limit our right to incur other indebtedness, enter into any sale and leaseback transaction or grant liens on our assets.

The Indenture Trustee

Bank One Trust Company, NA is the trustee under the indenture governing the debt securities and will also be the registrar and paying agent. The trustee is a national banking association with its principal offices in Chicago, Illinois.

The trustee has two main roles under the indenture. First, the trustee can enforce your rights against us or Wal-Mart if any of the actions described above under "Events of Default and Waiver" occur. Second, the trustee performs certain administrative duties for us. The trustee is entitled, subject to the duty of the trustee during a default to act with the required standard of care, to be indemnified by the holders of the debt securities before proceeding to exercise any right or power under the indenture at the request of those holders. The indenture provides that the holders of a majority in principal amount of the

Edgar Filing: WAL MART STORES INC - Form S-3

debt securities may direct, with regard to that series, the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the debt securities, although the trustee may decline to act if that direction is contrary to law or if the trustee determines in good faith that the proceeding so directed would be illegal or would result in personal liability to it.

Bank One Trust Company, NA also serves as trustee under an indenture, dated as of April 1, 1991, between it and Wal-Mart. As of May 31, 2001, Wal-Mart had issued a total of \$17.46 billion of its senior unsecured securities under that indenture as supplemented through the date of this offering memorandum. Bank One Trust Company, NA also serves as trustee under an indenture, dated as of December 1, 1986, covering secured bonds issued in the aggregate principal amount of \$137,082,000 by the owner trustees of approximately 24 SAM'S Clubs store properties that are leased to a subsidiary of Wal-Mart. Bank One Leasing Corporation, an affiliate of Bank One Trust Company, NA established a business trust that purchased 15 Wal-Mart discount stores for \$53,661,785 and leased the stores back to Wal-Mart for an initial term of 20 years in a transaction consummated on December 22, 1992. On November 10, 1994, a second business trust of which Bank One Leasing Corporation is a beneficiary purchased an additional 23 Wal-Mart discount stores for \$128,842,500 and leased the stores back to Wal-Mart for an initial term of 20 years. Bank One Trust Company, NA also serves as trustee under an indenture, dated as of April 27, 2001 between it, Wal-Mart, as guarantor, and Wal-Mart Canada Venture Corp., one of Wal-Mart's subsidiaries, On April 27, 2001, Wal-Mart Canada Venture Corp. issued a total of \$325 million of its senior unsecured debt securities under that indenture that are guaranteed by Wal-Mart.

Wal-Mart expects to maintain banking relationships in the ordinary course of business with Bank One, NA, an affiliate of Bank One Trust Company, NA. One or more of the Finance Subsidiaries may maintain banking relationships in the ordinary course of business with Bank One, NA.

11

DESCRIPTION OF THE GUARANTEES

The following discussion contains a description of the material provisions of the guarantee and is subject to, and is qualified in its entirety by reference to, the guarantee agreement and to the Trust Indenture Act. We urge you to read the form of guarantee agreement that is filed as an exhibit to the registration statement of which this prospectus forms a part. Wal-Mart will unconditionally and irrevocably guarantee the payment of all principal and interest on the debt securities. The guarantees will constitute general unsecured, unsubordinated obligations of Wal-Mart, which will be equal in right of payment with the existing and future senior, unsecured, unsubordinated debt of Wal-Mart. In general, the guarantee provides that if we fail to pay any interest payment or the principal when it is due and payable, Wal-Mart will, without action by the trustee or any holder of the debt securities, pay the amount of the interest payment or the principal then due. The guarantee will not require the holders of the debt securities to take any action or institute any proceeding against us in order to demand or receive payments under the terms of the guarantee. Although upon making any such payment, Wal-Mart will be subrogated to the rights of the holders of the debt securities against us for any payment of interest or principal we fail to make, Wal-Mart will not be entitled to make a claim against us with respect to those rights until the debt securities have been paid in full.

TAX CONSEQUENCES TO HOLDERS

A prospectus supplement may describe the principal income tax

Edgar Filing: WAL MART STORES INC - Form S-3

consequences of acquiring, owning and disposing of debt securities of some series in the following circumstances:

- . payment of the principal, interest and any premium in a currency other than the U. S. dollar;
- . the issuance of any debt securities with "original issue discount," as defined for U. S. federal income tax purposes;
- . the issuance of any debt securities with an associated "bond premium," as defined for U.S federal income tax purposes; and
- . the inclusion of any special terms in debt securities that may have a material effect for U. S. federal income tax purposes.

In addition, if the tax laws of foreign countries are material to a particular series of debt securities, a prospectus supplement may describe the principal income tax consequences of acquiring, owning and disposing of debt securities of some series under similar circumstances.

PLAN OF DISTRIBUTION

General

We may sell the debt securities being offered hereby:

- . directly to purchasers;
- . through agents;
- . through dealers;
- . through underwriters; or
- . through a combination of any of those methods of sale.

We may effect the distribution of the debt securities from time to time in one or more transactions either:

- . at a fixed price or prices which may be changed;
- . at market prices prevailing at the time of sale; or

12

- . at prices related to the prevailing market prices; or
- . at negotiated prices.

We may directly solicit offers to purchase the debt securities. Offers to purchase debt securities may also be solicited by agents designated by us from time to time. Any of those agents, who may be deemed to be an "underwriter," as that term is defined in the Securities Act of 1933, involved in the offer or sale of the debt securities in respect of which this prospectus is delivered will be named, and any commissions payable by us to that agent will be set forth in the prospectus supplement.

If a dealer is utilized in the sale of the debt securities in respect of which this prospectus is delivered, we will sell those debt securities to the

Edgar Filing: WAL MART STORES INC - Form S-3

dealer, as principal. The dealer, who may be deemed to be an "underwriter," as that term is defined in the Securities Act of 1933, may then resell those debt securities to the public at varying prices to be determined by that dealer at the time of resale.

If we use an underwriter or underwriters in the sales, we and Wal-Mart will execute an underwriting agreement with those underwriters at the time of sale of the debt securities and the name of the underwriters will be set forth in the prospectus supplement, which will be used by the underwriters to make resales of the debt securities in respect of which this prospectus is delivered to the public. The compensation of any underwriters will also be set forth in the prospectus supplement.

Underwriters, dealers, agents and other persons may be entitled, under agreements that may be entered into with us, to indemnification by us against certain civil liabilities, including liabilities under the Securities Act of 1933, or to our contributing to payments those underwriters, dealers, agents and other persons are required to make.

Underwriters, dealers and agents may engage in transactions with, or perform services for, us or any of our subsidiaries in the ordinary course of business.

LEGAL MATTERS

The validity of the debt securities offered by this prospectus and any prospectus supplement will be passed upon for us by Hughes & Luce, L.L.P., our counsel.

EXPERTS

The consolidated financial statements of Wal-Mart Stores, Inc. and its subsidiaries incorporated by reference in Wal-Mart Stores, Inc.'s Annual Report on Form 10-K, as amended, for its fiscal year ended January 31, 2001, have been audited by Ernst & Young LLP, independent auditors, as set forth in their report thereon incorporated by reference therein and incorporated herein by reference. Such financial statements are, and audited financial statements to be included in subsequently filed documents will be, incorporated herein in reliance on the reports of Ernst & Young LLP pertaining to such financial statements, to the extent covered by consents filed with the Securities and Exchange Commission, given on the authority of such firm as experts in accounting and auditing.

13

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

Securities and Exchange Commission registration fee	\$1,500,000
Printing and engraving	20,000*
Legal fees and charges	50,000*
Trustees' fees and expenses	10,000*
Blue Sky fees and expenses	3,000*
Accounting fees and expenses	20,000*
Rating agency fees	--
Miscellaneous	\$ --

	\$1,603,000

* Estimated.

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS

WAL-MART STORES, INC.

Wal-Mart Stores, Inc.'s By-Laws provide that each person who was or is made a party to, or is involved in, any action, suit or proceeding by reason of the fact that he or she was a director or officer of the Wal-Mart Stores, Inc. (or was serving at the request of the Wal-Mart Stores, Inc. as a director, officer, employee or agent for another entity) will be indemnified and held harmless by the Wal-Mart Stores, Inc., to the full extent authorized by the Delaware General Corporation Law (the "DGCL").

DGCL Section 145 provides, among other things, that the Wal-Mart Stores, Inc. may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding (other than an action by or in the right of the Wal-Mart Stores, Inc.) by reason of the fact that the person is or was a director, officer, agent, or employee of the Wal-Mart Stores, Inc. or is or was serving at the Wal-Mart Stores, Inc.'s request as a director, officer, agent, or employee of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit, or proceeding. The power to indemnify applies only if such person acted in good faith and in a manner he reasonably believed to be in the best interest, or not opposed to the best interest, of the Wal-Mart Stores, Inc., and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

The power to indemnify applies to actions brought by or in the right of the Wal-Mart Stores, Inc. as well, but only to the extent of defense expenses (including attorneys' fees but excluding amounts paid in settlement) actually and reasonably incurred and not to any satisfaction of a judgment or settlement of the claim itself, and with the further limitation that in such actions no indemnification shall be made in the event of any adjudication of liability to the Wal-Mart Stores, Inc., unless the court believes that in light of all the circumstances indemnification should apply.

To the extent a present or former director or officer of the Wal-Mart Stores, Inc. is successful on the merits or otherwise in defense of any action, suit, or proceeding described in the preceding two paragraphs, such person is entitled, pursuant to DGCL Section 145, to indemnification against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

The Wal-Mart Stores, Inc.'s Certificate of Incorporation provides that to the fullest extent permitted by Delaware General Corporation Law as the same exists or may hereafter be amended, a director of the Wal-Mart Stores, Inc. shall not be liable to the Wal-Mart Stores, Inc. or its stockholders for monetary damages for breach of fiduciary duty as a director. The Delaware General Corporation Law permits Delaware corporations to include in

II-1

their certificates of incorporation a provision eliminating or limiting director liability for monetary damages arising from breaches of their fiduciary duty. The only limitations imposed under the statute are that the provision may not eliminate or limit a director's liability (i) for breaches of the director's

Edgar Filing: WAL MART STORES INC - Form S-3

duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or involving intentional misconduct or known violations of law, (iii) for the payment of unlawful dividends or unlawful stock purchases or redemptions, or (iv) for transactions in which the director received an improper personal benefit.

The Wal-Mart Stores, Inc. is insured against liabilities that it may incur by reason of its indemnification of officers and directors in accordance with its By-Laws. In addition, directors and officers are insured, at the Wal-Mart Stores, Inc.'s expense, against certain liabilities that might arise out of their employment and are not subject to indemnification under the By-Laws.

The foregoing summaries are necessarily subject to the complete text of the statute, Certificate of Incorporation, By-Laws and agreements referred to above and are qualified in their entirety by reference thereto.

WAL-MART CAYMAN (EURO) FINANCE CO.

The Company Law of the Cayman Islands does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors.

The articles of association for Wal-Mart Cayman (Euro) Finance Co., provide that every director, secretary, assistant secretary, and other officer of the company and their personal representatives will be indemnified and held harmless out of the assets and funds of the company against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by them in or about the conduct of the company's business or affairs or in the execution or discharge of their duties, powers, authorities or discretions, including, any costs, expenses, losses or liabilities incurred by them in defending any civil proceedings concerning the company or its affairs in any court whether in the Cayman Islands or elsewhere. It also provides that such persons will not be liable (a) for the acts, receipts, neglects, defaults or omissions of any other director or officer or agent of the company or (b) for any loss on account of defect of title to any property of the company or (c) on account of the insufficiency of any security in or upon which any money of the company shall be invested or (d) for any loss incurred through any bank, broker or other similar person or (e) for any loss occasioned by any negligence, default, breach of duty, breach of trust, error of judgment or oversight on their part or (f) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of their office or in relation to their office, unless the damage occurs due to their own dishonesty.

Wal-Mart Cayman (Euro) Finance Co. is insured against liabilities that it may incur by reason of its indemnification of officers and directors in accordance with its By-Laws. In addition, the company's directors and officers are insured, at the Wal-Mart Stores, Inc.'s expense, against certain liabilities that might arise out of their employment and are not subject to indemnification under the By-Laws.

WAL-MART CAYMAN (CANADIAN) FINANCE CO.

The Company Law of the Cayman Islands does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors.

The articles of association for Wal-Mart Cayman (Canadian) Finance Co., provide that every director, secretary, assistant secretary, or other officer of the company and their personal representatives will be indemnified and held harmless out of the assets and funds of the company against all

Edgar Filing: WAL MART STORES INC - Form S-3

actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by them in or about the conduct of the company's business or affairs or in the execution or discharge of their duties, powers, authorities or discretions, including, any costs, expenses, losses or liabilities incurred by them in defending any civil proceedings concerning the company or its affairs in any court whether in the Cayman Islands or elsewhere. It also provides that such persons will not be liable (a) for the acts, receipts, neglects, defaults or omissions of any other director or officer or agent of the company or (b) for any loss on account of defect of title to any property of the company or (c) on account of the insufficiency of any security in or upon which any money of the company shall be invested or (d) for any loss incurred through any bank, broker or other similar person or (e) for any loss occasioned by any negligence, default,

II-2

breach of duty, breach of trust, error of judgment or oversight on their part or (f) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of their office or in relation to their office, unless the damage occurs due to their own dishonesty.

Wal-Mart Cayman (Canadian) Finance Co. is insured against liabilities that it may incur by reason of its indemnification of officers and directors in accordance with its By-Laws. In addition, the company's directors and officers are insured, at the Wal-Mart Stores, Inc.'s expense, against certain liabilities that might arise out of their employment and are not subject to indemnification under the By-Laws.

WAL-MART CAYMAN (STERLING) FINANCE CO.

The Company Law of the Cayman Islands does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors.

The articles of association for Wal-Mart Cayman (Sterling) Finance Co., provide that every director, secretary, assistant secretary, and other officer of the company and their personal representatives will be indemnified and held harmless out of the assets and funds of the company against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by them in or about the conduct of the company's business or affairs or in the execution or discharge of their duties, powers, authorities or discretions, including, any costs, expenses, losses or liabilities incurred by them in defending any civil proceedings concerning the company or its affairs in any court whether in the Cayman Islands or elsewhere. It also provides that such persons will not be liable (a) for the acts, receipts, neglects, defaults or omissions of any other director or officer or agent of the company or (b) for any loss on account of defect of title to any property of the company or (c) on account of the insufficiency of any security in or upon which any money of the company shall be invested or (d) for any loss incurred through any bank, broker or other similar person or (e) for any loss occasioned by any negligence, default, breach of duty, breach of trust, error of judgment or oversight on their part or (f) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of their office or in relation to their office, unless the damage occurs due to their own dishonesty.

Wal-Mart Cayman (Sterling) Finance Co. is insured against liabilities that it may incur by reason of its indemnification of officers and directors in accordance with its By-Laws. In addition, the company's directors and officers are insured, at the Wal-Mart Stores, Inc.'s expense, against certain liabilities

Edgar Filing: WAL MART STORES INC - Form S-3

that might arise out of their employment and are not subject to indemnification under the By-Laws.

ITEM 16. EXHIBITS

EXHIBIT NUMBER -----	DESCRIPTION OF DOCUMENT -----
4.1	Indenture dated as of July 5, 2001 between the Registrant and Bank Company.
4.2	Form of Debt Securities Guarantee Agreement
*5	Opinion of Hughes & Luce, L.L.P. with respect to the legality of the registered
12	Statement regarding computation of ratios
23.1	Consent of Ernst & Young
*23.2	Consent of Hughes & Luce, L.L.P. (included in Exhibit 5)
24	Power of Attorney, included in signature pages hereto
25	Statement of Eligibility of Trustee on Form T-1

II-3

99.1	Memorandum of Association of Wal-Mart Cayman (Euro) Finance Co.
99.2	Articles of Association of Wal-Mart Cayman (Euro) Finance Co.
99.3	Memorandum of Association of Wal-Mart Cayman (Canadian) Finance Co.
99.4	Articles of Association of Wal-Mart Cayman (Canadian) Finance Co.
99.5	Memorandum of Association of Wal-Mart Cayman (Sterling) Finance Co.
99.6	Articles of Association of Wal-Mart Cayman (Sterling) Finance Co.

 * To be filed by amendment or as an exhibit to a document to be incorporated by reference herein in connection with any underwritten offering of a debt security.

ITEM 17. UNDERTAKINGS

(a) Each undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration statement:

Edgar Filing: WAL MART STORES INC - Form S-3

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the Prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar amount of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated offering range may be reflected in the form of a prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at the time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) Each undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of Wal-Mart's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

II-4

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel in the

Edgar Filing: WAL MART STORES INC - Form S-3

matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

(d) Each undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b) (1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at the time shall be deemed to be the initial bona fide offering thereof.

II-5

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints H. Lee Scott, Jr., Thomas M. Schoewe and James A. Walker, Jr. and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any or all amendments to this Registration Statement and additional Registration Statements relating to the same offering, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Bentonville, State of Arkansas, on July 6, 2001.

WAL-MART STORES, INC.

By: /s/ H. Lee Scott, Jr.

H. Lee Scott, Jr.
President and Chief
Executive Officer

Edgar Filing: WAL MART STORES INC - Form S-3

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

DATE: July 6, 2001 /s/ S. Robson Walton

S. Robson Walton
Chairman of the Board and
Director

DATE: July 6, 2001 /s/ H. Lee Scott, Jr.

H. Lee Scott, Jr.
President, Chief Executive
Officer and Director
(Principal Executive
Officer)

DATE: July 6, 2001 /s/ Thomas M. Schoewe

Thomas M. Schoewe
Executive Vice President
and Chief Financial Officer
(Principal Financial
Officer)

II-6

DATE: July 6, 2001 /s/ James A. Walker, Jr.

James A. Walker, Jr.
Senior Vice President and Controller
(Principal Accounting Officer)

DATE: July __, 2001

John T. Chambers
Director

DATE: July 6, 2001 /s/ Stephen Friedman

Stephen Friedman
Director

DATE: July 6, 2001 /s/ Stanley C. Gault

Stanley C. Gault
Director

Edgar Filing: WAL MART STORES INC - Form S-3

DATE: July 6, 2001 /s/ David D. Glass

David D. Glass
Director

DATE: July 6, 2001 /s/ Ronald A. Hernandez

Ronald A. Hernandez
Director

DATE: July 6, 2001 /s/ J. Paul Reason

J. Paul Reason
Director

DATE: July __, 2001

Elizabeth A. Sanders
Director

DATE: July 6, 2001 /s/ Jack C. Shewmaker

Jack C. Shewmaker
Director

II-7

DATE: July 6, 2001 /s/ Donald G. Soderquist

Donald G. Soderquist
Director

DATE: July 6, 2001 /s/ Jose H. Villarreal

Jose H. Villarreal
Director

DATE: July __, 2001

John T. Walton
Director

II-8

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all

Edgar Filing: WAL MART STORES INC - Form S-3

of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Bentonville, State of Arkansas, on July 6, 2001.

WAL-MART CAYMAN (EURO) FINANCE CO.

By: /s/ H. Lee Scott, Jr.

H. Lee Scott, Jr.
President and Chief Executive
Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

DATE: July 6, 2001

/s/ H. Lee Scott, Jr.

H. Lee Scott, Jr.
President and Chief Executive
Officer
(Principal Executive Officer)

DATE: July 6, 2001

/s/ Thomas M. Schoewe

Thomas M. Schoewe
Director and Chief Financial
Officer
(Principal Financial Officer)

DATE: July 6, 2001

/s/ James A. Walker, Jr.

James A. Walker, Jr.
Controller
(Principal Accounting Officer)

DATE: July 6, 2001

/s/ J.J. Fitzsimmons

J.J. Fitzsimmons
Director and Treasurer

DATE: July 6, 2001

/s/ Rick W. Brazile

Rick W. Brazile
Director

Edgar Filing: WAL MART STORES INC - Form S-3

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Bentonville, State of Arkansas, on July 6, 2001.

WAL-MART CAYMAN (CANADIAN) FINANCE CO.

By: /s/ H. Lee Scott, Jr.

H. Lee Scott, Jr.
President and Chief Executive
Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

DATE: July 6, 2001 /s/ H. Lee Scott, Jr.

H. Lee Scott, Jr.
President and Chief Executive
Officer
(Principal Executive Officer)

DATE: July 6, 2001 /s/ Thomas M. Schoewe

Thomas M. Schoewe
Director and Chief Financial
Officer
(Principal Financial Officer)

DATE: July 6, 2001 /s/ James A. Walker, Jr.

James A. Walker, Jr.
Controller
(Principal Accounting Officer)

DATE: July 6, 2001 /s/ J.J. Fitzsimmons

J.J. Fitzsimmons
Director and Treasurer

DATE: July 6, 2001 /s/ Rick W. Brazile

Rick W. Brazile
Director

Edgar Filing: WAL MART STORES INC - Form S-3

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Bentonville, State of Arkansas, on July 6, 2001.

WAL-MART CAYMAN (STERLING) FINANCE CO.

By: /s/ H. Lee Scott, Jr.

H. Lee Scott, Jr.
President and Chief Executive
Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

DATE: July 6, 2001 /s/ H. Lee Scott, Jr.

H. Lee Scott, Jr.
President and Chief Executive
Officer
(Principal Executive Officer)

DATE: July 6, 2001 /s/ Thomas M. Schoewe

Thomas M. Schoewe
Director and Chief Financial
Officer
(Principal Financial Officer)

DATE: July 6, 2001 /s/ James A. Walker, Jr.

James A. Walker, Jr.
Controller
(Principal Accounting Officer)

DATE: July 6, 2001 /s/ J. J. Fitzsimmons

J.J. Fitzsimmons
Director and Treasurer

DATE: July 6, 2001 /s/ Rick W. Brazile

Rick W. Brazile
Director

