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WAL-MART INCOME, EXPENSE AND IMPACT ESTIMATES¹
SUMMARY INCOME AND EXPENSE DATA, COMPANY-WIDE AND NEVADA LOCATIONS
 (FIGURES EXPRESSED IN \$1,000s)

	Company-wide		Nevada Locations (2)	
	Wal-Mart	% of Gross Revenue	Wal-Mart	% of Gross Revenue
Statements of Operation (Summary)				
Gross Revenue	\$ 219,812,000	100.0%	\$ 1,612,313	100.0%
Cost of Goods Sold	171,562,000	78.0%	1,258,401	78.0%
Gross Profit	48,250,000	22.0%	353,912	22.0%
Operating, Selling, General and Administrative Expense	36,173,000	16.5%	265,328	16.5%
Other Operating Costs	-	0.0%	-	0.0%
Earnings Before Interest, Taxes, Depreciation & Amortization	12,077,000	5.5%	88,584	5.5%
Depreciation & Amortization	-	0.0%	-	0.0%
Interest Expense (Income)	1,326,000	0.6%	9,726	0.6%
Pre-Tax Income (Loss)	10,751,000	4.9%	78,858	4.9%
Other Non-Operating Income (Expenses)	183,000	0.1%	1,342	0.1%
Income Taxes	3,897,000	1.8%	28,584	1.8%
Net Income (Loss) After Tax	6,671,000	3.0%	48,932	3.0%
Number of Employees	n/a		8,000	
Tax Liability Comparison				
Status Quo: Business Activity Tax (@ \$100 Per Employee)			800	
Alternative: Uniform Business Tax:				
Business Activity Tax (@ \$140 Per Employee)			1,120	
Revenue-based Tax (@ 0.25% \$450K Standard Deduction, 1% Gross Profit Cap) ³			3,539	
Total Uniform Business Tax Liability			\$ 4,659	

Notes:

¹ Data from Wal-Mart's 2002 Annual Report. Nevada employment provided by Jennifer Web of Wal-Mart Investor relations. Note this information is collected and reported for financial purposes; accounting for tax purposes may differ.

² Estimates for Nevada operations are based on the number of employees and outlets Wal-Mart reports in Nevada. Analysis assumes that the all line items remain at similar shares of gross revenue.

³ Wal-marts revenue based tax liability is capped at one percent of gross margin. Without this cap, the retail would have an estimated tax liability of just over \$4 million dollars.

This is a draft document. It is intended for discussion purposes only.

Version: 5/21/2003

**ANALYSIS OF INCOME, EXPENSE AND LIABILITY
SUMMARY DATA FOR SELECTED MULTISTATE BUSINESSES
(ALL FIGURES EXPRESSED IN \$1,000s)**

	Lowes	% of Gross Revenue	Home Depot	% of Gross Revenue
Statements of Operation - Company-wide Summary (In thousands except operations and employee data)				
Gross Revenue	26,491,000	100.0%	53,553,000	100.0%
Cost of Goods Sold	18,465,000	69.7%	37,406,000	69.8%
Gross Profit	8,026,000	30.3%	16,147,000	30.2%
Operating, Selling, General and Administrative Expense	4,730,000	17.9%	11,098,000	20.7%
Other Operating Costs	129,000	0.5%	117,000	0.2%
Earnings Before Interest, Taxes, Depreciation & Amortization	3,167,000	12.0%	4,932,000	9.2%
Depreciation & Amortization	626,000	2.4%	0	0.0%
Interest Expense (Income)	182,000	0.7%	28,000	0.1%
Pre-Tax Income (Loss)	2,359,000	8.9%	4,904,000	9.2%
Other Non-Operating Income (Expenses)	0	0.0%	53,000	0.1%
Income Taxes	888,000	3.4%	1,913,000	3.6%
Net Income (Loss) After Tax	1,471,000	5.6%	3,044,000	5.7%
Allocation of Nevada Operations				
Number of Nevada Locations/Outlets	10		11	
Number of Company-wide Locations/Outlets	979		1,333	
% of Operations in Nevada	1.0%		0.8%	
Number of Employees Company-wide	122,000		250,000	
Tax Plan Alternatives				
Status Quo: Existing BLT (@ \$100 per employee)	12,200		25,000	
Alternative #1: Gross Receipt Tax/ BLT at \$140				
BLT Liability (@ \$140 per employee)	17,080		35,000	
GR Liability (@ 0.25%, \$450K deduction)	66,226		133,881	
Total Liability	83,306		168,881	
Alternative #2: Uniform Business Tax				
BLT Liability (@ \$140 per employee)	17,080		35,000	
GR/GP Liability (@ 0.25% of GR, \$450K deduction, up to 1% of GP)	66,226		133,881	
Total Liability	83,306		168,881	

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**ANALYSIS OF INCOME, EXPENSE AND LIABILITY
SUMMARY DATA FOR SELECTED MULTISTATE BUSINESSES
(ALL FIGURES EXPRESSED IN \$1,000s)**

	Pulte Homes	% of Gross Revenue	DR Horton	% of Gross Revenue
Statements of Operation - Company-wide Summary (In thousands except operations and employee data)				
Gross Revenue	7,484,237	100.0%	6,754,938	100.0%
Cost of Goods Sold	5,869,827	78.4%	5,364,428	79.4%
Gross Profit	1,614,410	21.6%	1,390,510	20.6%
Operating, Selling, General and Administrative Expense	767,741	10.3%	714,540	10.6%
Other Operating Costs	22,981	0.3%	16,946	0.3%
Earnings Before Interest, Taxes, Depreciation & Amortization	823,688	11.0%	659,024	9.8%
Depreciation & Amortization	0	0.0%	0	0.0%
Interest Expense (Income)	94,866	1.3%	11,517	0.2%
Pre-Tax Income (Loss)	728,822	9.7%	647,507	9.6%
Other Non-Operating Income (Expenses)	0	0.0%	0	0.0%
Income Taxes	284,221	3.8%	242,815	3.6%
Net Income (Loss) After Tax	444,601	5.9%	404,692	6.0%
Allocation of Nevada Operations				
Number of Nevada Locations/Outlets	2,119		1,307	
Number of Company-wide Locations/Outlets	28,903		31,491	
% of Operations in Nevada	7.3%		4.2%	
Number of Employees Company-wide	9,000		5,701	
Tax Plan Alternatives				
<u>Status Quo:</u> Existing BLT (@ \$100 per employee)	900		570	
<u>Alternative #1:</u> Gross Receipt Tax/ BLT at \$140				
BLT Liability (@ \$140 per employee)	1,260		798	
GR Liability (@ 0.25%, \$450K deduction)	18,709		16,886	
Total Liability	19,969		17,684	
<u>Alternative #2:</u> Uniform Business Tax				
BLT Liability (@ \$140 per employee)	1,260		798	
GR/GP Liability (@ 0.25% of GR, \$450K deduction, up to 1% of GP)	16,144		13,905	
Total Liability	17,404		14,703	

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