The company said that it expects earnings per share in the current quarter to be in the range of $1.13 per share to $1.18 per share. Analysts had expected $1.16 per share.

NEW YORK (AP) -- Wal-Mart Stores Inc. reported a 10.1 percent increase in first-quarter profit that beat Wall Street estimates as its re-emphasis on low prices drove bargain-hungry U.S. shoppers into its stores. The world's largest retailer also offered an upbeat profit outlook for the current quarter.

The results signal a turnaround for Wal-Mart, which had suffered during the economic downturn as the core low-income customers at its namesake U.S. business were hit hard by joblessness and other challenges. Adding to that, the business, which accounts for 62 percent of Wal-Mart's total net sales, had made some mistakes in veering away from its "everyday low prices" strategy and getting rid of popular merchandise.

But results for the retailer's namesake U.S. business, which turned in the best performance in three years, show that Wal-Mart's strategy of re-focusing on low prices and restocking thousands of products on shelves continues to attract shoppers. Revenue at stores opened at least a year - considered a measure of a retailer's health - rose 2.6 percent at in the division. That's above the 1.4 percent estimate from Wall Street and the third consecutive quarterly gain.

Overall, Wal-Mart, based in Bentonville, Ark., earned $3.74 billion, or $1.09 per share, in the

quarter ended April 30. That compares with $3.39 billion, or 97 cents per share, in the year-ago period. Net sales excluding membership fees from Sam's Club rose 8.6 percent to $112.2 billion. Analysts had expected $1.04 per share on net sales of $110.5 billion.

"Our overall performance reflects the success of Walmart's business model," said Mike Duke, Wal-Mart's president and CEO in a statement. "We believe that the momentum throughout our business positions us very well for the rest of the year."

The company said that it expects earnings per share in the current quarter to be in the range of $1.13 per share to $1.18 per share. Analysts had expected $1.16 per share.

On the news, Wal-Mart shares rose 3 percent, or $1.81, to $61 in pre-market trading..