2017 Full-year Results Briefing Presentation

Thursday, 17 August 2017

Wesfarmers

Presentation outline

Group Performance Overview

Richard Goyder

Managing Director, Wesfarmers Limited

Financial overview

Year ended 30 June ($m)	Reported	Variance to pcp (exc. significant items)[1]
Operating revenue	$68.4b	*3.7%*
Earnings before interest & tax	$4,402m	*22.0%*
Net profit after tax	$2,873m	*22.1%*
Earnings per share (cps)	254.7	*21.6%*
Operating cash flow per share (wanos, incl. res shares) (cps)	374.1	*25.0%*
Return on equity (R12)	12.4%	*2.8 ppts*
Dividend per share (cps)	223	19.9%

1. 2016 excludes the following pre-tax (post-tax) amounts: $1,266m ($1,249m) non-cash impairment of Target; $850m ($595m) non-cash impairment of Curragh; & $145m ($102m) of restructuring costs & provisions to reset Target.

- Record level of earnings & strong increase in return on equity, demonstrating the strength of the Group's conglomerate structure & focus on cash generation & capital efficiency
  - Significantly higher earnings from Industrials, primarily driven by Resources
  - Retail earnings above the prior year supported by continued strong momentum in BANZ, Kmart & Officeworks
- Final dividend of $1.20 (fully-franked); full-year ordinary dividend of $2.23 per share, 19.9% above prior year

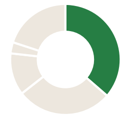
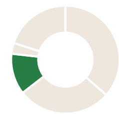
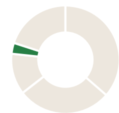
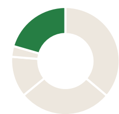
Group performance summary

Year ended 30 June ($m)	2017	2016	Var %
Revenue	68,444	65,981	*3.7*
EBITDA	5,668	2,642	*114.5*
EBIT	4,402	1,346	*227.0*
EBIT (exc. significant items)[1]	4,402	3,607	*22.0*
Net profit after tax	**2,873**	**407**	***n.m.***
Net profit after tax (exc. significant items)[1]	**2,873**	**2,353**	***22.1***
Operating cash flow	4,226	3,365	*25.6*
Net capital expenditure	1,028	1,336	*(23.1)*
Free cash flow	4,173	1,233	*238.4*
Cash realisation ratio[2]	102.1	94.9	*7.2 ppts*
Earnings per share (cps)	254.7	36.2	*n.m.*
Earnings per share (exc. significant items)[1] (cps)	254.7	209.5	*21.6*
Operating cash flow per share (wanos, incl. res shares) (cps)	374.1	299.2	*25.0*
Full-year ordinary dividend (cps)	223	186	*19.9*
Net financial debt[3]	4,321	6,537	*(33.9)*
Return on equity (exc. significant items)[1] (R12 %)	12.4	9.6	*2.8 ppts*

n.m. – not meaningful

1. 2016 excludes the following pre-tax (post-tax) amounts: $1,266m ($1,249m) non-cash impairment of Target; $850m ($595m) non-cash impairment of Curragh; & $145m ($102m) of restructuring costs & provisions to reset Target.
2. Operating cash flows as a percentage of net profit after tax, before depreciation & amortisation & non-trading items. 2016 excludes post-tax non-cash impairments of $1,249m relating to Target & $595m relating to Curragh.
3. Interest bearing liabilities less cash at bank & on deposit, net of cross-currency interest rate swaps & interest rate swap contracts.

Divisional earnings summary

EBIT ($m) Year ended 30 June	2017	2016	Var %	Var $m	% of EBIT
Coles[1]	**1,609**	**1,860**	***(13.5)***	***(251)***	
Home Improvement[2]	**1,245**	**1,214**	***2.6***	***31***	
Bunnings Australia & NZ	1,334	1,213	*10.0*	*121*	
Bunnings UK & Ireland[2]	(89)	1	*n.m.*	*(90)*	
Department Stores[3]	**543**	**275**	***97.5***	***268***	
Target[3]	(10)	(195)	*n.m.*	*185*	
Kmart	553	470	*17.7*	*83*	
Officeworks	**144**	**134**	***7.5***	***10***	
Industrials[4,5]	**915**	**47**	***n.m.***	***868***	
WesCEF[4]	395	294	*34.4*	*101*	
Industrial & Safety[5]	115	63	*82.5*	*52*	
Resources	405	(310)	*n.m.*	*715*	

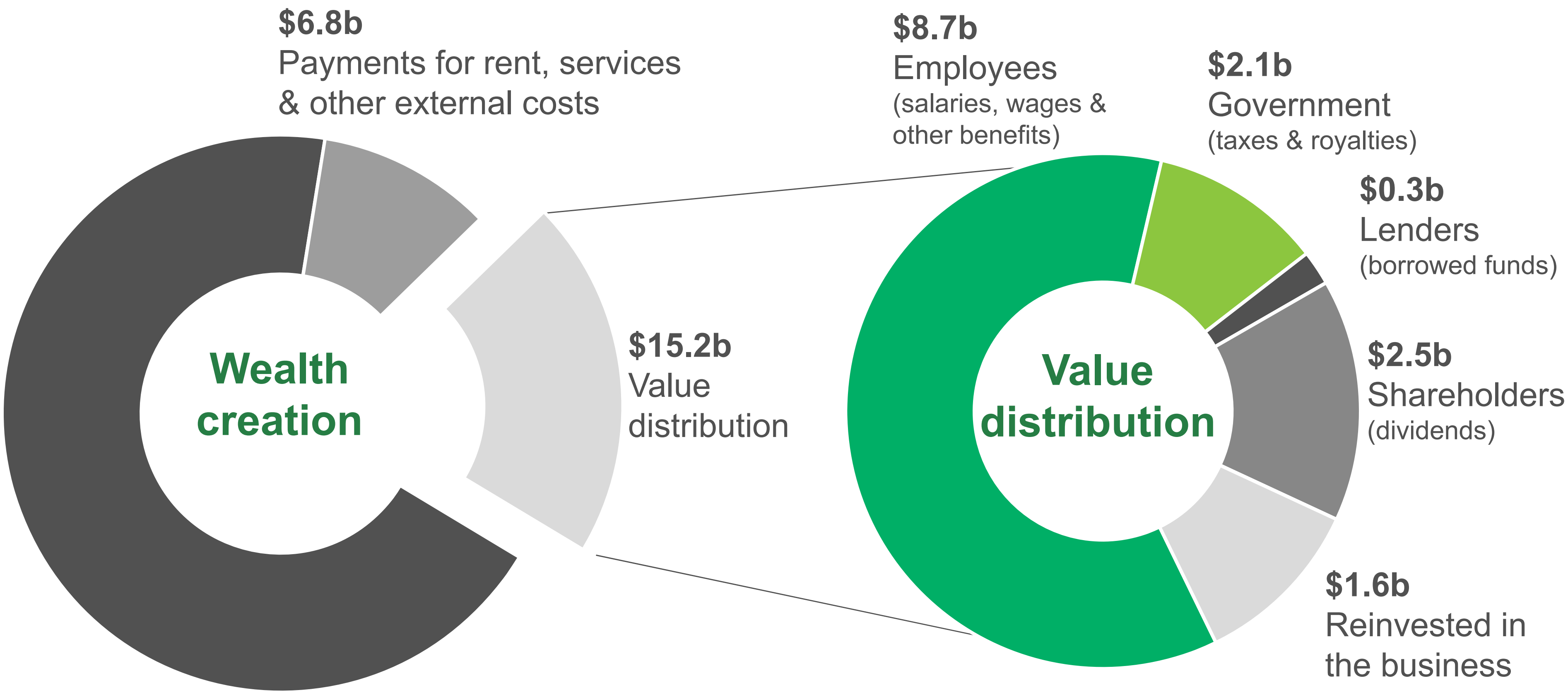
n.m. – not meaningful
1. 2017 includes $39m profit on sale of Coles' interest in a number of joint venture properties to ISPT.
2. 2016 includes trading for Homebase from acquisition on 28 February 2016.
3. 2017 includes $13m of restructuring costs associated with the planned relocation of Target's store support office. 2016 includes $145m of restructuring costs & provisions to reset Target.
4. 2017 includes a profit on sale of land of $22m & $33m relating to WesCEF's share of revaluation gains in Quadrant Energy. 2016 includes $32m of costs relating to ceasing PVC manufacturing.
5. 2016 includes $35m in restructuring costs.

Divisional return on capital

Rolling 12 months to 30 June	2017			2016	
	EBIT ($m)	Cap Emp ($m)	RoC (%)	RoC (%)	Var (ppt)
Coles[1]	**1,609**	**16,586**	**9.7**	**11.2**	***(1.5)***
Home Improvement[2]	**1,245**	**4,110**	**30.3**	**33.7**	***(3.4)***
Bunnings Australia & NZ	1,334	3,192	41.8	36.6	*5.2*
Bunnings UK & Ireland[2]	(89)	918	(9.7)	n.a.	*n.a.*
Department Stores[3]	**543**	**2,253**	**24.1**	**7.6**	***16.5***
Target[3]	(10)	987	(1.0)	(8.2)	*7.2*
Kmart	553	1,266	43.7	37.7	*6.0*
Officeworks	**144**	**980**	**14.7**	**13.5**	***1.2***
Industrials[4,5]	**915**	**3,393**	**27.0**	**1.1**	***25.9***
WesCEF[4]	395	1,443	27.4	18.9	*8.5*
Industrial & Safety[5]	115	1,363	8.4	4.7	*3.7*
Resources	405	587	69.0	(22.9)	*91.9*

1. 2017 includes earnings of $39m related to the sale of Coles' interest in a number of joint venture properties to ISPT.
2. 2016 includes trading for Homebase from acquisition on 28 February 2016.
3. 2017 includes $13m of restructuring costs associated with the planned relocation of Target's store support office. 2016 includes $145m of restructuring costs & provisions to reset Target.
4. 2017 includes a profit on sale of land of $22m & $33m relating to WesCEF's share of revaluation gains in Quadrant Energy. 2016 includes $32m in costs relating to ceasing PVC manufacturing.
5. 2016 includes $35m in restructuring costs.

Strong value creation



• Significant direct employer	~223,000[1]
• Significant indirect employer (supplier payments)	$46.4b
• Strong business reinvestment (gross capital expenditure)	$1.7b
• Direct & indirect community contributions	$130m
• Australian shareholders	~80%

1. As at 30 June 2017.

Sustainability

Safety

- Total Recordable Injury Frequency Rate reduced 16% to 28.3

Ethical Sourcing

- Improved transparency of supply chain – more than 5,455 factories audited

Diversity

- More than 4,000 Indigenous employees
- Increased representation of women in management roles

Community contributions

- More than $130m in direct & indirect contributions

Climate change resilience

- Decreased emissions intensity by 15% over the last five years

Supplier relationships

- 14 day payment terms for Coles' small suppliers

Group Balance Sheet & Cash Flow

Terry Bowen
Finance Director, Wesfarmers Limited

Other business performance summary

Year ended 30 June ($m)	Holding %	2017	2016	Var %
Share of profit of associates				
BWP Trust	*25*	55	77	*(28.6)*
Other	*Various*	31	4	*n.m.*
Sub-total share of profit of associates		**86**	**81**	***6.2***
Interest revenue[1]		8	5	*60.0*
Other		(23)	(30)	*23.3*
Corporate overheads		(125)	(124)	*(0.8)*
Total Other (excluding NTIs)		**(54)**	**(68)**	***20.6***
Non-trading items (NTIs)[2]		-	(2,116)	*100.0*
Total Other (including NTIs)		**(54)**	**(2,184)**	***n.m.***

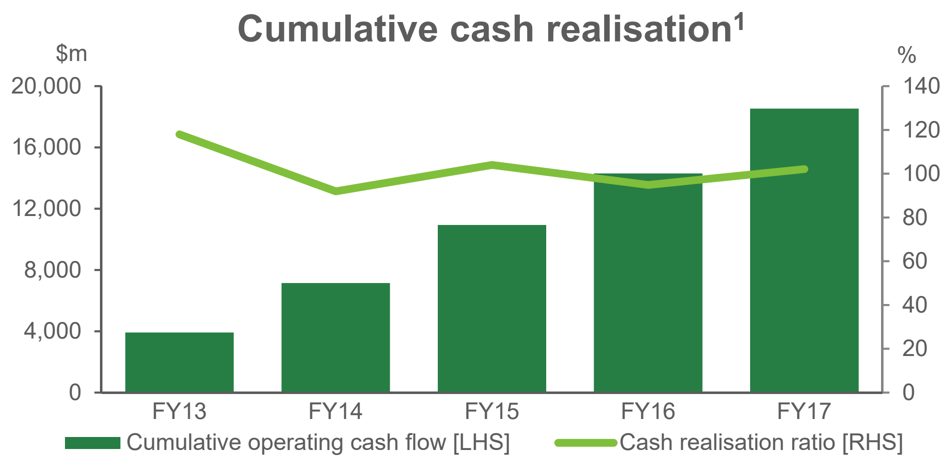
n.m. – not meaningful

1. Excludes interest revenue from Coles Financial Services & Quadrant Energy loan.
2. Includes pre-tax non-cash impairments of $2,116m relating to Target ($1,266m) & Curragh ($850m).

Operating cash flows

- Operating cash flows increased by $861m to $4,226m
  - Strong earnings growth & improvement in cash realisation ratio to 102.1%[1]
  - Highly cash generative portfolio
- Lower working capital outflow during the year driven by improved inventory management in Retail
- Unfavourable Industrials movement driven by:
  - WesCEF: higher fertilisers inventory & one-off benefit in prior year from the move to a PVC import model
  - Resources: higher receivables due to higher coal prices & higher sales volumes

Year ended 30 June ($m)	2017	2016
Cash movement inflow/(outflow)		
Receivables & prepayments	58	(51)
Inventory	(296)	(444)
Payables	165	259
Total	**(73)**	**(236)**
Working capital cash movement		
Retail	(11)	(390)
Industrials & Other	(62)	154
Total	**(73)**	**(236)**



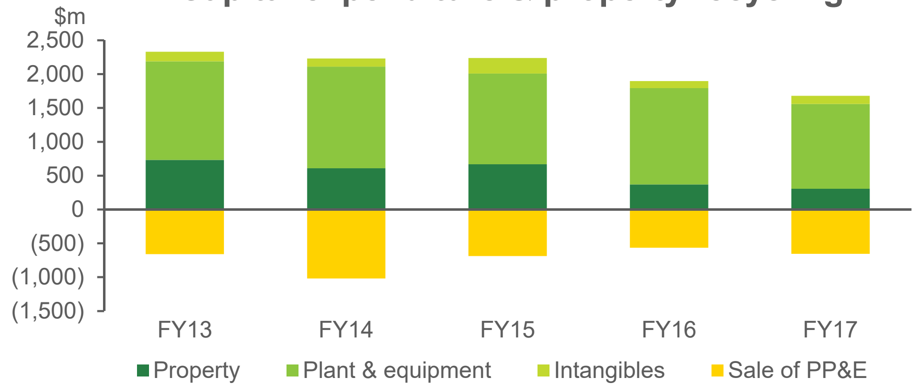
1. Adjusted for significant one-offs, discontinued operations & non-trading items.

Disciplined capital expenditure

- Gross capital expenditure decreased $218m to $1,681m
  - Fewer store openings in BANZ
  - Reduced refurbishment activity in Target
  - Lower capital expenditure across Industrials
- Proceeds from property disposals increased $90m to $653m
  - Sale of Coles' interest in a number of joint venture properties to ISPT
  - Sale of land by WesCEF
- Net capital expenditure reduced 23.1% to $1,028m
- FY18 net capital expenditure of $1.5b to $1.9b expected, subject to net property investment

Year ended 30 June ($m)[1]	2017	2016	Var %
Coles	805	797	*1.0*
Home Improvement	445	538	*(17.3)*
Kmart	154	163	*(5.5)*
Target	71	129	*(45.0)*
Officeworks	36	40	*(10.0)*
WesCEF	44	60	*(26.7)*
Industrial & Safety	34	52	*(34.6)*
Resources	91	116	*(21.6)*
Other	1	4	*(75.0)*
Gross capital expenditure	**1,681**	**1,899**	***(11.5)***
Sale of PP&E	(653)	(563)	*16.0*
Net capital expenditure	**1,028**	**1,336**	***(23.1)***

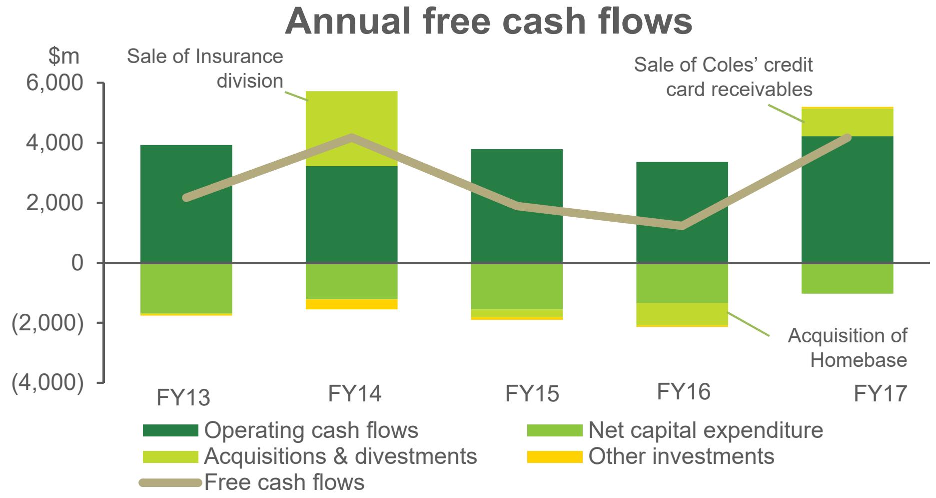
Capital expenditure & property recycling



1. Capital investment provided on a cash basis.

Strong cash flow generation

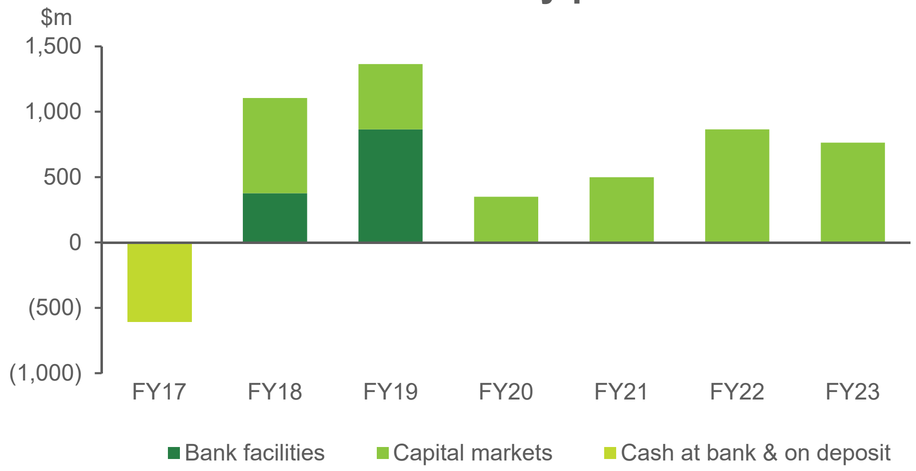
- FY17 free cash flows of $4,173m, $2,940m higher than last year
  - Higher operating cash flows & lower net capital expenditure
  - Sale of Coles' credit card receivables in February 2017 with net proceeds of $947m
  - Last year included $665m acquisition of Homebase



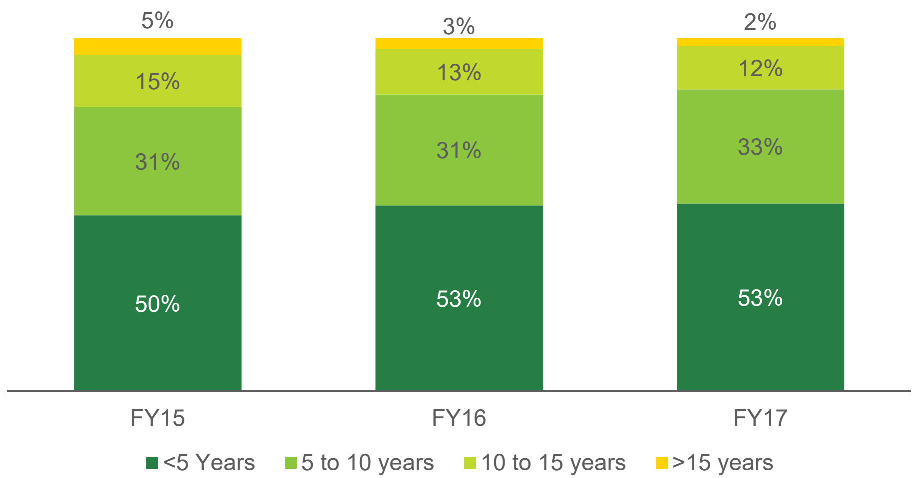
Strong balance sheet & debt management

- Net financial debt[1] of $4.3b as at 30 June 2017, down from $6.5b at 30 June 2016
  - – $500m of domestic medium term notes repaid November 2016 using existing cash balances & bank facilities
  - – More than $900m debt repaid following sale of Coles' credit card receivables in February 2017
- Disciplined management of off-balance sheet leases
  - – Lease commitments over 10 years reduced by 6.0 percentage points since FY15

Debt maturity profile[2]



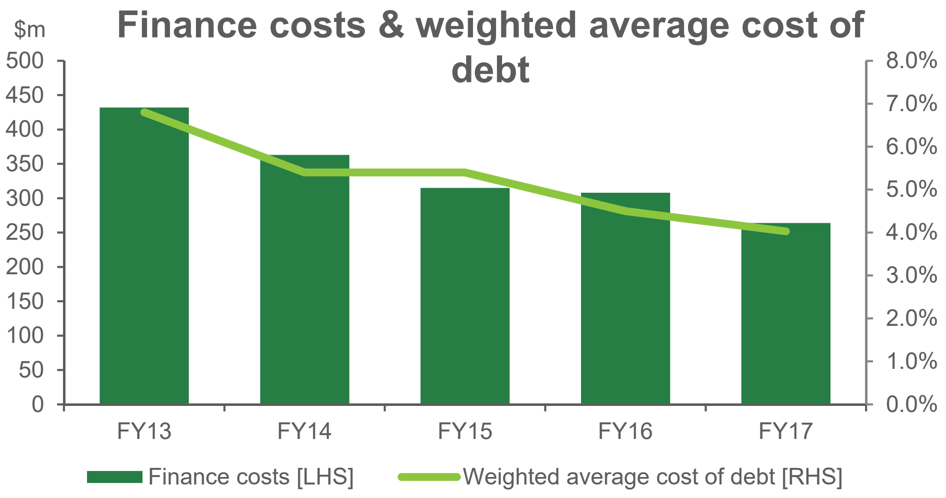
Weighted average lease terms

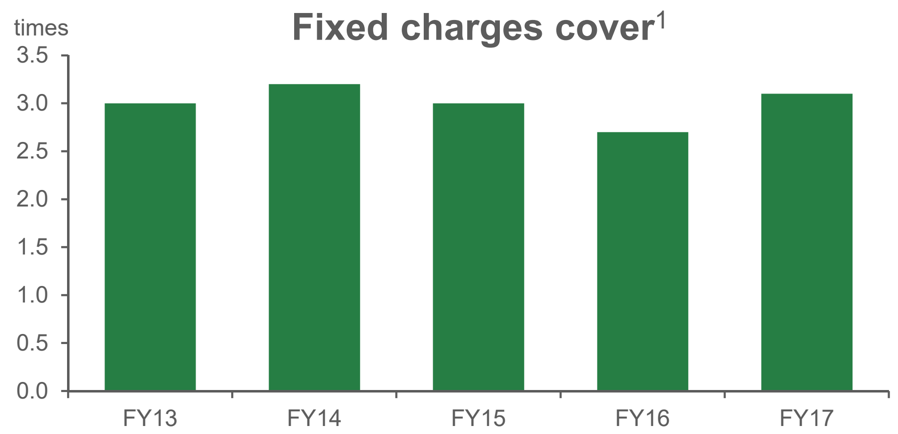


1. Interest bearing liabilities less cash at bank & on deposit, net of cross currency swaps & interest rate swap contracts.
2. As at 30 June 2017.

Finance costs & credit metrics

- All-in effective borrowing cost further reduced from 4.50% in FY16 to 4.04% in FY17
  - – Reflects active management of debt sources
- Solid credit metrics
  - – Cash interest cover at 25.0 times
  - – Fixed charges cover at 3.1 times
- Strong & stable credit ratings
  - – Moody's A3 (stable outlook)
  - – Standard & Poor's A- (negative outlook)

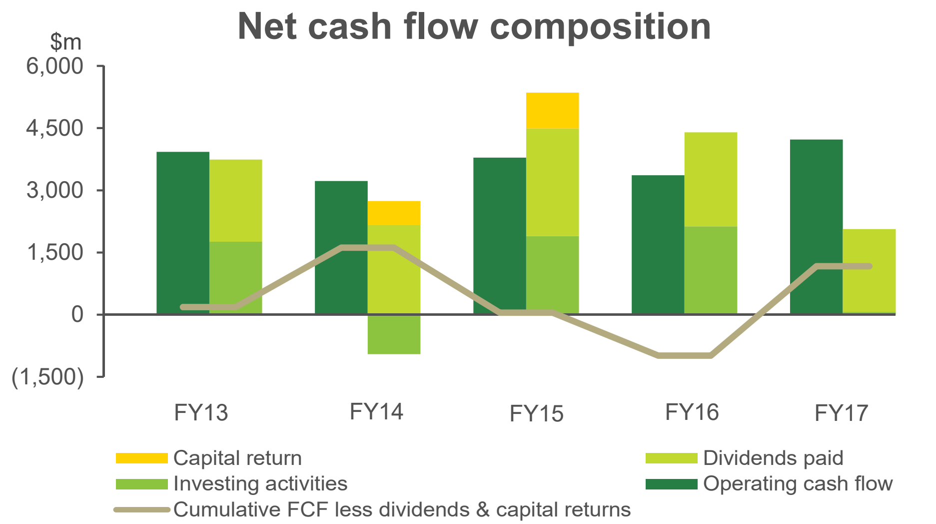


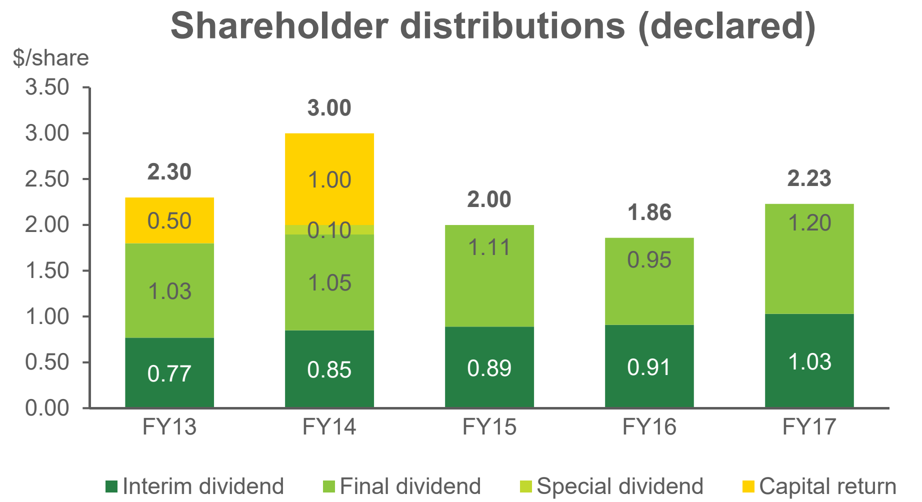


1. 2016 excludes pre-tax non-cash impairments of $2,116m relating to Target ($1,266m) & Curragh ($850m).

Dividends

- Cumulative dividend payments & capital management distributions of $12.5b since FY13
  - Funded by free cash flows
- Record earnings & strong cash flow performance for the year supporting full-year dividend of $2.23 per share fully-franked, up 19.9%
  - Final dividend of $1.20 per share declared
  - Dividend record date 23 August 2017; final dividend payable 28 September 2017
- New Zealand franking credit of 10 cents per share, in addition to Australian franking credit
- Dividend investment plan: not underwritten; last day for application 24 August 2017
  - Given strong cash flow performance & strong credit metrics, shares likely to be purchased on market





1. Investing activities total $53m (net) in 2017: includes $947m received from sale of Coles credit card receivables to Citi.

Coles

John Durkan
Managing Director, Coles

coles | coles.com.au | coles express | Vintage Cellars | first choice liquor | BI-LO | Liquorland | spirit hotels | coles Financial Services

Coles performance summary

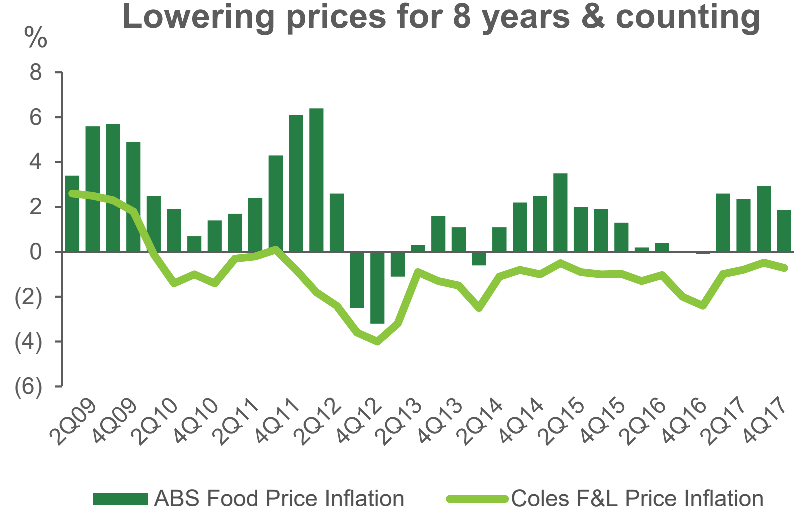
Year ended 30 June ($m)		2017	2016	Var %
Coles	**Revenue[1]**	**39,217**	**39,242**	***(0.1)***
	EBITDA[2]	2,256	2,475	*(8.8)*
	Depreciation & amortisation	(647)	(615)	*(5.2)*
	EBIT[2]	**1,609**	**1,860**	***(13.5)***
	EBIT margin[2] (%)	4.1	4.7	
	RoC (R12, %)	9.7	11.2	
	Safety (R12, LTIFR)	8.8	8.4	
Food & Liquor	**Revenue[1]**	**33,084**	**32,564**	***1.6***
	Headline sales growth[3,4] (%)	2.0	5.1	
	Comparable sales growth[3,4] (%)	1.0	4.1	
	Inflation/(deflation)[4]	(0.8)	(1.7)	
Convenience	**Revenue**	**6,133**	**6,678**	***(8.2)***
	Total store sales growth[4] (%)	4.6	11.1	
	Comp. fuel volume growth[4] (%)	(16.0)	(7.9)	

1. Includes property revenue for 2017 of $16m & for 2016 of $25m.
2. Includes property EBIT for 2017 of $57m & for 2016 of $17m.
3. Includes hotels, excludes gaming revenue & property.
4. 2017 growth reflects the period 27 June 2016 to 25 June 2017 & the 29 June 2015 to 26 June 2016. 2016 growth reflects the period 29 June 2015 to 26 June 2016 & the period 30 June 2014 to 28 June 2015.

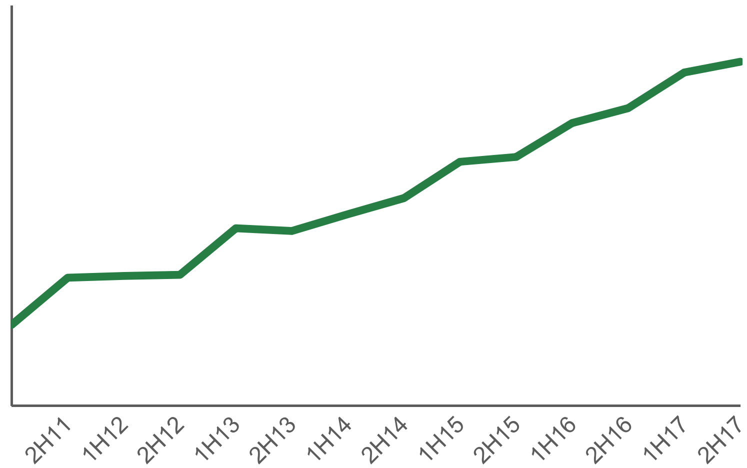
Food & Liquor overview

- FY17 EBIT of $1,609m
  - Accelerated proactive investment in customer offer
  - Positive comp sales growth & strong cash flow generation achieved in a low growth environment
  - Includes $39m profit on sale of Coles' interest in JV properties, partially offset by lower Financial Services earnings following the sale of Coles' credit card receivables
- Accelerated investment has led to improvements in the customer offer:
  - 8.2% cumulative deflation from FY09
  - More than 6,000 training courses completed to upskill Fresh Team Members
  - Significant incremental labour hours invested during the year
  - Best availability metrics in five years
  - Continued increase in Fresh contribution

Lowering prices for 8 years & counting



Fresh contribution to sales



Food & Liquor overview: Investing in the customer offer

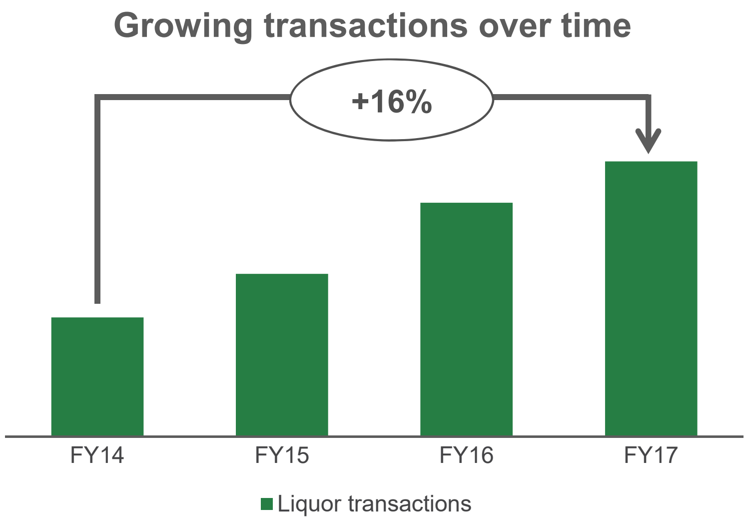
- FY17 characterised by accelerated investment in the customer offer
- Strategic focus on improving each element of the customer offer to ensure Coles retains a strong market position as competition increases
- Investment in Food has been balanced across:
  - Price: a consistent commitment to trusted value
  - Range: providing a better customer offer
  - Service: investment in hours & team members
  - Quality: market-leading fresh quality
  - Availability: the right products, available always
  - Online: accelerating growth through a better offer
- Investment intended to provide sustainable benefits for both customers & shareholders

Food & Liquor overview:
Boldly extending into new services & channels

- Delivering convenience with Coles Online
  - Double digit sales growth
  - Increased fulfilment rates & delivery efficiency
  - Second 'dark store' to launch in Sydney in early FY18
- Leveraging flybuys to deliver better value
  - Partnership with Virgin Velocity offering more redemption options
  - Growing number of active flybuys customers
  - Double digit growth in points redeemed compared to FY16
- Credit Card distribution agreement with Citi providing solid platform for ongoing growth

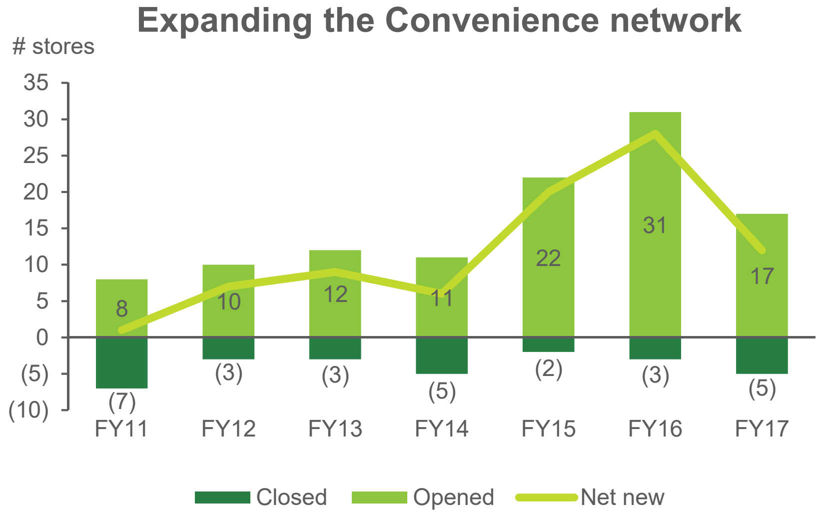
Food & Liquor overview: Liquor transformation

- Positive comparable sales growth achieved through FY17
  - Seven quarters of positive comp sales growth
  - More than 20% growth in Liquor Online
- Acceleration of network optimisation
  - 200 Liquorlands renewed in FY17
  - Four Liquor Market trial stores launched
- Transformation progressing as planned
  - Strong transaction growth achieved
  - Improved price competitiveness & range
  - Improved quality of store network



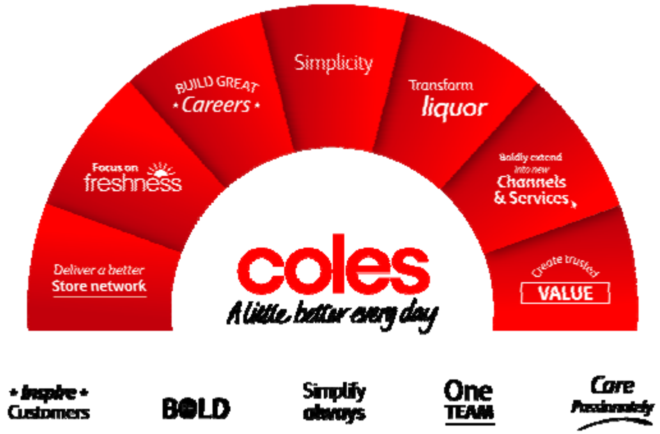
Convenience overview: Fuelling Convenience

- Convenience shop sales growth remained positive
  - 3.6% transaction growth driven by a compelling customer offering
  - Launch of 'Big Yum at Little Coles'
  - Compelling value through 'Every Day' & Coles Brand drove eleventh consecutive quarter of price deflation (excl. Tobacco)
- Continued to improve the site network
  - 17 new sites opened in FY17
  - 132 sites now upgraded with bold branding
- Fuel volumes declined
  - FY17 headline volumes declined 13.6%, comparable volumes declined 16.0%
  - Commercial negotiations with alliance partner ongoing



Coles outlook

- Operating environment expected to remain highly competitive
- FY18 earnings are expected to be affected by the annualisation of 2H17 investment in the customer offer, lower property earnings & lower Financial Services earnings following the sale of Coles' credit card receivables
- Focus on quality, availability & service in Fresh
- Simplicity benefits expected to be available to fund investment over time
- Progress Liquor transformation plan & focus on market-leading convenience offer
- Coles' investment in its customer-led strategy is expected to provide a platform for long-term sustainable growth
- Continue to remain disciplined & returns-focused in capital deployment



Home Improvement

Michael Schneider
Managing Director, Bunnings Group
Managing Director, Bunnings Australia & New Zealand

Bunnings warehouse Bunnings Bunnings Trade Homebase

Home Improvement performance summary

Year ended 30 June ($m)	2017	2016	Var %
Revenue[1]	**13,586**	**11,571**	***17.4***
EBITDA[1,2,3]	1,463	1,383	*5.8*
Depreciation & amortisation[1]	(218)	(169)	*(29.0)*
EBIT[1,2,3]	**1,245**	**1,214**	***2.6***
EBIT margin[1,2,3] (%)	9.2	10.5	
RoC[1] (R12%)	30.3	33.7	
Bunnings Australia & NZ			
- RoC (R12%)	41.8	36.6	
- Safety (R12 AIFR)	18.8	22.6	
- Total store sales growth[4] (%)	8.9	11.1	
- Store-on-store sales growth[4] (%)	7.3	8.1	

1. 2016 includes trading for Homebase from acquisition on 28 February 2016.
2. Includes net property contribution for 2017 of $43m & 2016 of $46m.
3. Includes one-off transition & restructuring costs related to Homebase of £19m ($33m) in 2017 & £13m ($25m) in 2016.
4. 2017 growth reflects the period 1 July 2016 to 30 June 2017 & the period 1 July 2015 to 30 June 2016. 2016 growth reflects the period 1 July 2015 to 30 June 2016 & the period 1 July 2014 to 30 June 2015.

Home Improvement performance summary (continued)

Year ended 30 June ($m)	2017	2016	Var %
Revenue[1]	**13,586**	**11,571**	***17.4***
Bunnings Australia & NZ	11,514	10,575	*8.9*
Bunnings UK & Ireland ($)[1]	2,072	996	*n.m.*
Bunnings UK & Ireland (£)[1]	1,229	517	*n.m.*
EBIT[1,2,3]	**1,245**	**1,214**	***2.6***
Bunnings Australia & NZ[2]	1,334	1,213	*10.0*
Bunnings UK & Ireland ($)[1,3]	(89)	1	*n.m.*
Bunnings UK & Ireland (£)[1,3]	(54)	0.5	*n.m.*

n.m. – not meaningful

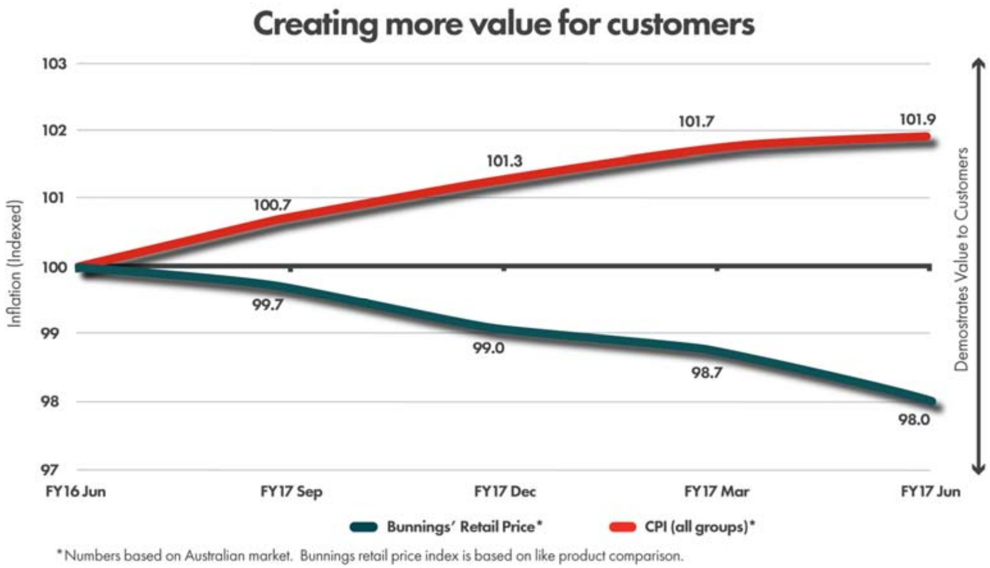
1. 2016 includes trading for Homebase from acquisition on 28 February 2016.
2. Includes net property contribution for 2017 of $43m & 2016 of $46m.
3. Includes one-off transition & restructuring costs related to Homebase of £19m ($33m) in 2017 & £13m ($25m) in 2016.

Bunnings Australia & New Zealand

Michael Schneider
Managing Director, Bunnings Group
Managing Director, Bunnings Australia & New Zealand

Bunnings Australia & New Zealand overview

- Pleasing & consistent sales growth
  - Total store sales growth of 8.9%; store-on-store growth of 7.3%
  - Positive trading performance across all major regions; consumer & commercial
  - Solid growth across all categories
- EBIT increase of 10.0%
  - Continued value creation & lower prices
  - Productivity gains & disciplined cost control
  - Further positive property divestment outcomes
- Strong capital management discipline
  - Property recycling program
  - Reduced building & fit-out costs embedded
  - Ongoing investment in network refresh
- Expenses recognised for:
  - Store closure provisions due to agreement with Home Consortium for new sites
  - Additional writedowns related to future network changes & in-store display assets



Caringbah, NSW store demolition & proposed new store

Bunnings Australia & New Zealand overview (continued)

Strong progress on strategic agenda:

<u>Creating better experiences</u>

- More team member training
- More in-store activities
- Engaging with customers

<u>Strengthening the core</u>

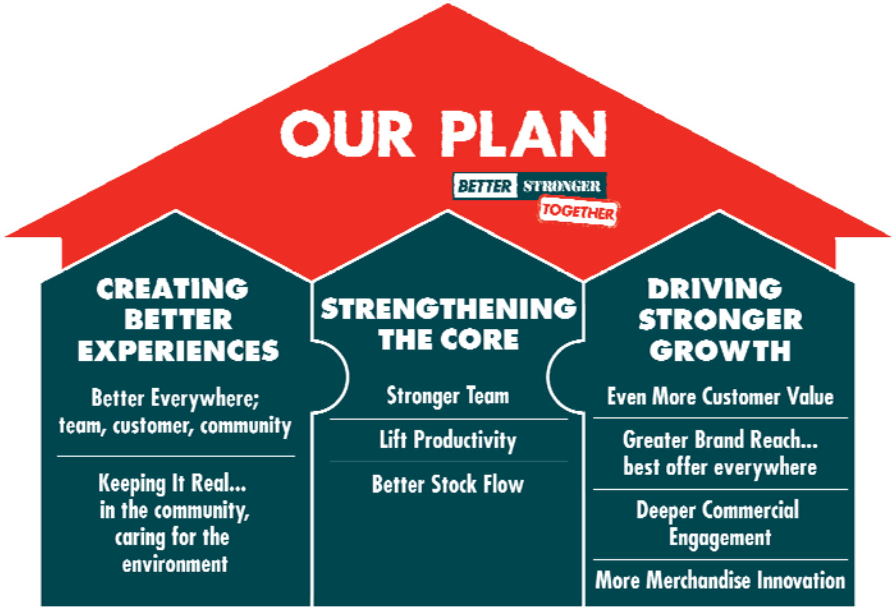
- Continued safety focus, reduced injury frequency
- Better in-stock, fewer gaps
- Simplicity & productivity
- Less waste

<u>Driving stronger growth</u>

- Ongoing range innovation
- 18 new trading locations opened
- Further investments in customer value
- Wider commercial market penetration
- Increased digital content

Bunnings Australia & New Zealand outlook

- Dynamic competitive landscape
- Strong focus on long-term value creation
- Continued network reinvestment & expansion
- Ongoing investments in lower prices, range innovation & customer service
- Accelerate digital activities
- Access to majority of former Masters sites dependent on joint venture valuation outcome
  - Agreements reached with two landlords; store conversions in progress



Bunnings United Kingdom & Ireland

Michael Schneider
Managing Director, Bunnings Group
Managing Director, Bunnings Australia & New Zealand

Bunnings United Kingdom & Ireland overview

- Revenue of £1.2b ($2.1b), loss before interest & tax of £54m ($89m)
  - £19m ($33m) transition & restructure costs; includes concession exits & pilot store program
  - 4Q17 sales decreased 6.8% in local currency terms
  - Significant disruption impacting performance as Homebase repositioning continues
  - Kitchen & bathroom in transition

Core home improvement & garden, 'Always Low Prices'

- Higher stock weights & wider assortments
- Inconsistent store execution
- Increased participation in core categories

Bunnings United Kingdom & Ireland overview (continued)

Transition & separation

- Exited non-core products
- Standalone services, concession exits

Building trust

- Team development & engagement
  - Building high-performance culture
- Ceased install & in-home service

Four Bunnings Warehouse pilots

- Strong supplier support
- Widest range of trusted brands
- Positive customer feedback
- Pleasing community engagement

Bunnings United Kingdom & Ireland outlook

Continuing to build strong foundations

- Strengthen leadership team
- Realign organisational structures
- Relaunch & rollout kitchen & bathroom offers

Pilot store development & proof of concept

- 15 to 20 pilot stores expected by 31 December 2017, subject to approvals
- Further investment predicated on successful pilots

Trading outlook

- Business remains in the very early stages of formation
- Trading challenging as customers continue to adjust to the new offer in Homebase
- Disproportionate impact of non-operating costs & disruptions associated with new store openings until the Bunnings roll-out achieves sufficient scale

Department Stores

Guy Russo
Chief Executive Officer, Department Stores
Managing Director, Target

Department Stores performance overview

Year ended 30 June ($m)		2017	2016	Var %
Revenue	Target	2,950	3,456	*(14.6)*
	Kmart	5,578	5,190	*7.5*
	Total	**8,528**	**8,646**	***(1.4)***
EBITDA	Target[1]	74	(105)	*n.m.*
	Kmart	665	571	*16.5*
	Total	**739**	**466**	***58.6***
EBIT	Target[1]	(10)	(195)	*n.m.*
	Kmart	553	470	*17.7*
	Total	**543**	**275**	***97.5***

n.m. – not meaningful

1. 2017 includes $13m of restructuring costs associated with the planned relocation of Target's store support office. 2016 excludes pre-tax non-cash impairments of $1,266m & includes $145m of restructuring costs & provisions.

Target

Guy Russo
Chief Executive Officer, Department Stores
Managing Director, Target

Target performance overview

Year ended 30 June ($m)	2017	2016	Var %
Revenue	**2,950**	**3,456**	***(14.6)***
EBITDA[1]	74	(105)	*n.m.*
Depreciation & amortisation	(84)	(90)	*6.7*
EBIT[1]	**(10)**	**(195)**	***n.m.***
EBIT excluding significant items[1,2]	**3**	**(50)**	***n.m.***
EBIT margin excluding significant items[1,2] (%)	0.1	(1.4)	
RoC (R12%)	(1.0)	(8.2)	
Safety (R12 LTIFR)	2.9	4.5	
Total sales growth[3] (%)	(14.5)	0.2	
Comparable sales growth[3] (%)	(14.9)	(0.4)	

n.m. – not meaningful

1. 2016 excludes a pre-tax non-cash impairment of $1,266m.
2. 2017 excludes $13m of restructuring costs associated with the planned relocation of Target's store support office. 2016 excludes $145m of restructuring costs & provisions.
3. 2017 growth reflects the period 26 June 2016 to 24 June 2017 & the period 28 June 2015 to 25 June 2016. 2016 growth reflects the period 28 June 2015 to 25 June 2016 & the period 29 June 2014 to 27 June 2015.

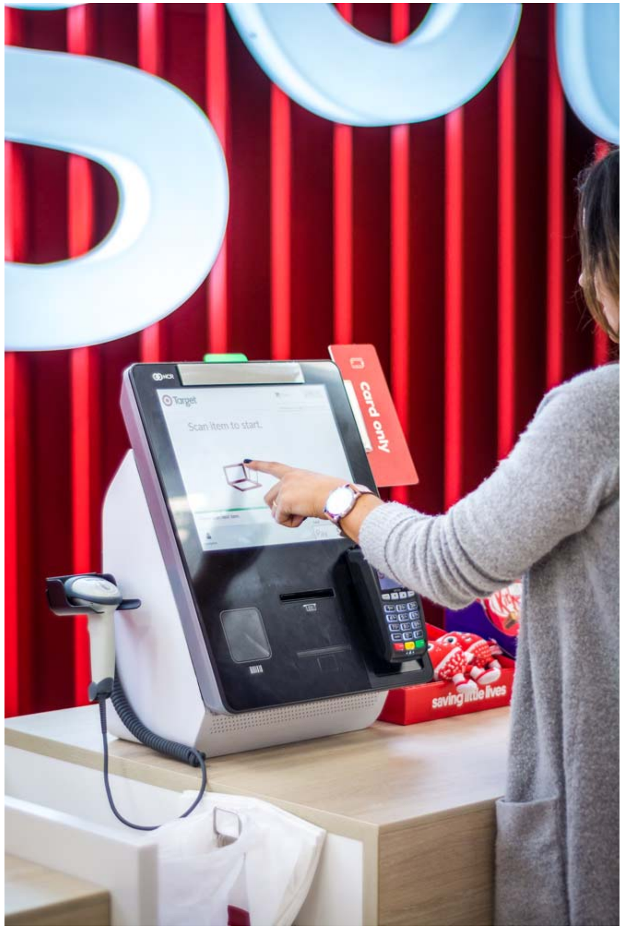
Target overview

- EBIT, excluding restructuring costs[1], up $53m
  - Improved margins through better quality of sales
  - Cost base reduction well progressed across stores, supply chain & store support office
- Sales affected by decisive actions taken to transform the business:
  - Removal of loss making products & unprofitable events affected Toys & General Merchandise
  - Prices lowered & levels of promotional activity reduced
  - Reset of merchandise disciplines affected levels of summer stock & fashionability
- Higher cash flows supported by lower levels of working capital & moderated capital expenditure
- Opened one new store & closed four stores (including two Kmart conversions)

1. 2017 excludes $13m of restructuring costs associated with the planned relocation of Target's store support office. 2016 excludes $145m of restructuring costs & provisions.

Target outlook

- FY18 to continue to reflect the significant transition underway, focused on:
  - Improving fashionability & quality of sales
  - Reducing end-to-end costs
  - Progressing renewal & space & range trials
  - Relocating store support office
- Ongoing focus on working capital improvement & cash generation
- Plans to open five new stores



Kmart

Ian Bailey
Managing Director, Kmart

Kmart performance overview

Year ended 30 June ($m)	2017	2016	Var %
Revenue	**5,578**	**5,190**	***7.5***
EBITDA	665	571	*16.5*
Depreciation & amortisation	(112)	(101)	*(10.9)*
EBIT	**553**	**470**	***17.7***
EBIT margin (%)	9.9	9.1	
RoC (R12%)	43.7	37.7	
Safety (R12 LTIFR)	6.0	6.7	
Total sales growth[1] (%)	7.9	13.5	
Comparable sales growth[1] (%)	4.2	10.5	

1. 2017 growth reflects the period 27 June 2016 to 25 June 2017 & the period 29 June 2015 to 26 June 2016. 2016 growth reflects the period 29 June 2015 to 26 June 2016 & the period 30 June 2014 to 28 June 2015.

Kmart overview

- Continued strong performance
  - Revenue growth of 7.5% to $5.6 billion
  - EBIT up 17.7% to $553m
  - ROC of 43.7%, up 596 bps
- Revenue growth underpinned by increased customer transactions & units sold
  - Strong growth of everyday product ranges
  - Ongoing price investment continuing to resonate with customers
- Earnings benefit from improved margin management & enhanced productivity in stores & supply chain
- Continued investment in the store network:
  - Opened 11 new Kmart stores
  - Completed 33 major Kmart store refurbishments
  - Opened seven new Kmart Tyre & Auto Service centres

Kmart outlook

- Continue to drive sustainable growth through:
  - A great place to shop that is simple to run
  - Better products at even lower prices
- Increased focus on enhancing the customer shopping experience in-store & online
- Focus on operational efficiencies to facilitate volume growth
- Ongoing investment in price
- Plans to open 10 new stores & complete 35 store refurbishments in FY18

Officeworks

Mark Ward
Managing Director, Officeworks

Officeworks

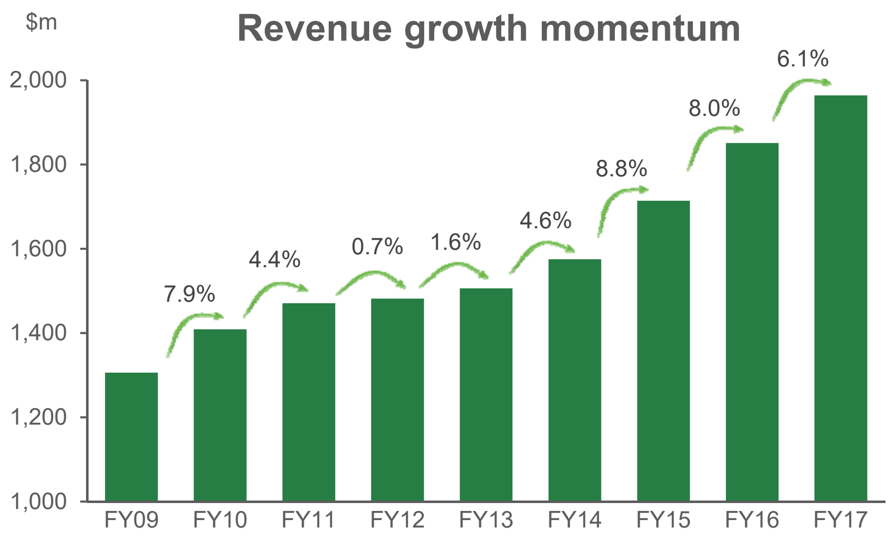
Officeworks performance summary

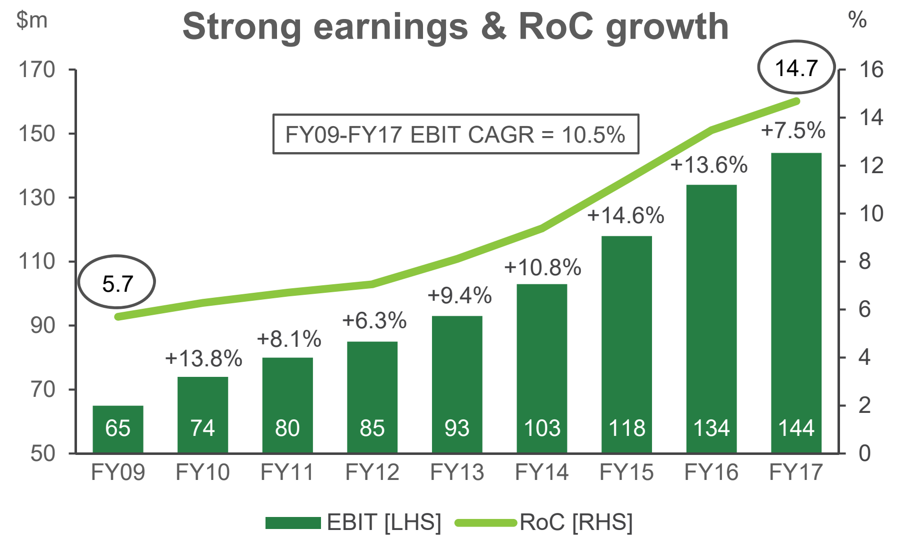
Year ended 30 June ($m)	2017	2016	Var %
Revenue	**1,964**	**1,851**	***6.1***
EBITDA	168	156	*7.7*
Depreciation & amortisation	(24)	(22)	*(9.1)*
EBIT	**144**	**134**	***7.5***
EBIT margin (%)	7.3	7.2	
RoC (R12%)	14.7	13.5	
Safety (R12 AIFR)	12.0	15.9	
Sales growth[1]	6.1	8.1	

1. 2017 growth reflects the period 1 July 2016 to 30 June 2017 & the period 1 July 2015 to 30 June 2016. 2016 growth reflects the period 1 July 2015 to 30 June 2016 & the period 1 July 2014 to 30 June 2015.

Officeworks overview

- **Pleasing headline results**
  - Revenue growth of 6.1%
  - EBIT growth of 7.5%
  - RoC (R12) up 121 bps to 14.7%
- **Strong focus on customer offer**
  - New & expanded product ranges
  - Merchandise layout & store design changes
  - Relentless focus on providing great service
- **Continued investment in extending reach**
  - Six new stores
  - Ongoing enhancements to the online offer
  - Strong momentum in B2B segment
- **Effective cost control & disciplined inventory management**





Officeworks outlook

- Continued focus on disciplined execution of strategic agenda
  - Strengthen & expand the customer offer
  - Extend ‘every channel’ reach
  - Enhance productivity & efficiency
  - Invest in talent, diversity & safety
  - Make a positive difference in the community
- Variable trading conditions to continue
  - Consumer & business confidence expected to remain subdued
  - Competitive pressure expected to remain strong

Industrials

Rob Scott
Managing Director, Industrials
Deputy Chief Executive Officer, Wesfarmers Limited

Industrials performance summary

Year ended 30 June ($m)		2017	2016	Var %
Revenue	Chemicals, Energy & Fertilisers[1]	1,639	1,820	*(9.9)*
	Industrial & Safety	1,776	1,844	*(3.7)*
	Resources	1,746	1,008	*73.2*
	Total	**5,161**	**4,672**	***10.5***
EBITDA	Chemicals, Energy & Fertilisers[2]	472	400	*18.0*
	Industrial & Safety[3]	158	105	*50.5*
	Resources[4]	465	(164)	*n.m.*
	Total	**1,095**	**341**	***n.m.***
EBIT	Chemicals, Energy & Fertilisers[2]	395	294	*34.4*
	Industrial & Safety[3]	115	63	*82.5*
	Resources[4]	405	(310)	*n.m.*
	Total	**915**	**47**	***n.m.***

n.m. – not meaningful

1. Includes interest revenue from Quadrant Energy loan notes & excludes intra-division sales.
2. 2017 includes a profit on sale of land of $22m & $33m relating to WesCEF's share of revaluation gains in Quadrant Energy. 2016 includes $32m of costs relating to ceasing PVC manufacturing.
3. 2016 includes $35m of restructuring costs associated with the 'Fit for Growth' transformation.
4. 2016 excludes $850m pre-tax non-cash impairment of Curragh assets.

Chemicals, Energy & Fertilisers performance summary

Year ended 30 June ($m)		2017	2016	Var %
Revenue	Chemicals	813	910	*(10.7)*
	Energy[1]	368	325	*13.2*
	Fertilisers	458	585	*(21.7)*
	Total	**1,639**	**1,820**	***(9.9)***
EBITDA		**472**	**400**	***18.0***
Depreciation & amortisation		(77)	(106)	*27.4*
EBIT		**395**	**294**	***34.4***
EBIT excluding significant items[2]		**340**	**326**	***4.3***
External sales volume[3] ('000 tonnes)	Chemicals	979	1,021	*(4.1)*
	LPG	103	120	*(14.2)*
	Fertilisers	956	1,080	*(11.5)*
RoC (R12 %)		27.4	18.9	
Safety (R12 LTIFR)		0.7	3.2	

1. Includes interest revenue from Quadrant Energy loan notes & excludes intra-division sales.
2. 2017 excludes a profit on sale of land of $22m & $33m relating to WesCEF's share of revaluation gains in Quadrant Energy. 2016 excludes $32m of costs relating to ceasing PVC manufacturing.
3. External sales exclude AN volumes transferred between chemicals & fertilisers business segments.

Chemicals, Energy & Fertilisers overview

- Revenue affected by lower PVC & fertiliser volumes as well as lower fertiliser & ammonia commodity prices, partially offset by higher natural gas & electricity revenue
- EBIT & RoC increased despite lower revenue
  - Higher Chemicals earnings, driven by lower ammonia input pricing in 1H17 & cessation of PVC manufacturing
  - Higher Kleenheat earnings across all segments, with strong growth in natural gas retail
  - Lower Fertiliser earnings relative to the above-average season in 2016
  - One-off profit of $22m from sale of land & $33m relating to WesCEF's share of revaluation gains in Quadrant Energy
- Key achievements included:
  - Construction of AN emulsion plant commenced, underpinned by a long-term offtake agreement
  - Secured a new explosive-grade AN contract, partially offsetting the expiry of a key contract in July 2017

Industrial & Safety performance summary

Year ended 30 June ($m)	2017	2016	Var %
Revenue	**1,776**	**1,844**	***(3.7)***
EBITDA	158	105	*50.5*
Depreciation & amortisation	(43)	(42)	*(2.4)*
EBIT	**115**	**63**	***82.5***
EBIT excluding restructuring costs[1]	**115**	**98**	***17.3***
EBIT margin excluding restructuring costs[1] (%)	6.5	5.3	
RoC (R12 %)	8.4	4.7	
Safety (R12 LTIFR)	1.4	1.5	

1. 2016 excludes $35m of restructuring costs associated with the ‘Fit for Growth’ transformation.

Industrial & Safety overview

- Revenue down 3.7%
  - Blackwoods’ revenue showing signs of stabilising following a prolonged period of decline
  - Workwear Group affected by lower sales in industrial wear & FX translation of UK sales
  - Growth in Coregas through ‘Trade N Go’ & NZ expansion (Supagas acquisition)
- Underlying EBIT up 17.3%, with higher earnings across all businesses
  - Improved category management in Blackwoods
  - Lower operating costs in Workwear Group
  - Coregas expansion into NZ, higher bulk sales & further ‘Trade N Go’ rollout
- Transformations of Blackwoods & Workwear Group continued
  - ‘Go-to-market channels’ realigned to better meet customer needs & target growth opportunities
  - Service Improvement Program enhancing communication & delivery to customers
  - Merchandising & pricing strategies delivering margin benefits
  - Investment in frontline staff training to increase technical expertise to better serve customers

Resources performance summary

Year ended 30 June ($m)	2017	2016	Var %
Revenue	**1,746**	**1,008**	***73.2***
Royalties[1]	(262)	(143)	*(83.2)*
Mining & other costs[2]	(1,019)	(1,029)	*1.0*
EBITDA[2]	**465**	**(164)**	***n.m.***
Depreciation & amortisation	(60)	(146)	*58.9*
EBIT[2]	**405**	**(310)**	***n.m.***
RoC (R12 %)	69.0	(22.9)	
Coal production ('000 tonnes)	15,465	13,963	*10.8*
Safety (R12 LTIFR)[3]	1.4	0.0	

n.m. – not meaningful
1. Includes Stanwell export rebate of $98m for 2017 & $65m for 2016.
2. 2016 excludes a pre-tax non-cash impairment of $850m in Curragh.
3. Excludes Bengalla.

Resources overview

- Strong production & earnings recovery, with EBIT increasing $715m
- 73.2% increase in revenue
  - Significant increases in metallurgical & thermal coal prices during FY17
  - FY17 sales mix: Hard 42%; Semi 23%; PCI 35%
  - Lower hedge book losses of $92m ($147m in FY16)
- 12.5% increase in metallurgical coal production despite impact of weather disruptions in 1Q FY17 & Cyclone Debbie in 4Q FY17 (which disrupted the Blackwater rail system used by Curragh)
  - Continued implementation of productivity initiatives & revised mine plan
- Improvements in underlying mine cash costs offset by wet weather disruptions & the opportunistic use of truck & shovel fleet to maximise production
- Depreciation & amortisation $86m lower
  - Non-cash impairment charge in carrying value of Curragh recognised in FY16
- Obligations to Stanwell reduced FY17 EBIT by $186m
- Settlement of Stanwell litigation during 1H17 resulting in a one-off provision adjustment of $35m

Industrials outlook

Chemicals, Energy & Fertilisers

- Continued focus on strong operational performance & innovation
- Chemicals earnings will be affected by an anticipated oversupply in the WA EGAN market; partially offset by new contracts including AN emulsion offtake
- Increased competition in the natural gas retailing market
- Farmers' sentiment less positive than previous year due to dry conditions in WA
- International commodity prices, exchange rates, seasonal & competitive factors will continue to influence earnings

Industrial & Safety

- Blackwoods & Workwear Group will continue to focus on:
  - Growing revenue through increasing spend per customer & broadening the customer base
  - Improving systems & processes to enhance supply chain efficiency & customer service
  - Optimising category strategy, pricing & sourcing to improve efficiency & customer offer
- Coregas to grow through innovation, leveraging distribution channels & extending into new markets

Industrials outlook (continued)

Resources

- Continue strong focus on operational productivity, cost control & capital discipline
- Earnings dependent on export coal pricing & exchange rates
  - Export market conditions expected to remain volatile in near term
  - Implementation of index-linked quarterly price mechanism for HCC
- Expectations for FY18:
  - Curragh's metallurgical coal sales volume to be 8.5mt to 9.0mt (subject to mine operating performance, weather & key infrastructure availability)
  - Metallurgical sales mix of Hard 46%; Semi 12%; PCI 42%
  - Locked-in hedge losses of $34m
  - Stanwell export rebate obligations of $175m to $195m (due to lag effect of higher export prices in FY17)
- Previously announced strategic review is ongoing

Group Outlook

Richard Goyder
Managing Director, Wesfarmers Limited

Outlook

Group

- Given diverse business operations & strong balance sheet, the Group remains generally optimistic in its outlook
- Cash generative portfolio, capital disciplines & strong balance sheet position the Group well to take advantage of growth opportunities where satisfactory returns to shareholders can be delivered
- Continue to evaluate opportunities to create shareholder value through proactive portfolio management
  - Progressing strategic review of Resources
- Ensure sustainability through responsible long-term management

Outlook (continued)

Retail

- Coles to focus on further improvements in fresh quality, merchandising & availability, while continuing to drive operational efficiencies to support investments in value & service; sales & margin pressures expected to persist in a very competitive environment
- Positive outlook for BANZ given current trading momentum & established market position; trading anticipated to remain challenging in Homebase & Bunnings pilot store program will be progressed
- Kmart to continue to drive growth by delivering better products at lower prices & investing in stores; Target transformation progressing to deliver further improvements in performance
- Officeworks to continue to implement its ‘every channel’ strategy to drive growth across both stores & online

Industrials

- WesCEF’s earnings expected to be affected by an anticipated oversupply in the WA EGAN market although good work undertaken to secure new contracts; solid sales momentum expected in Energy
- Industrial & Safety well-positioned following strategic reset to drive growth & operational efficiencies
- Resources to remain focused on strong operational productivity & cost control; earnings expected to be affected by higher Stanwell rebate, with coal prices expected to remain volatile

Questions

Wesfarmers