Wesfarmers
Shareholder Review 2011

Wesfarmers

Contents

ABOUT WESFARMERS

Strength through diversity. From its origins in 1914 as a Western Australian farmers' cooperative, Wesfarmers has grown into one of Australia's largest listed companies. Headquartered in Western Australia, its diverse business operations cover: supermarkets; department stores; home improvement and office supplies; coal mining; insurance; chemicals, energy and fertilisers; and industrial and safety products. Wesfarmers is one of Australia's largest employers and has a shareholder base of approximately 500,000.

Our objective

Wesfarmers remains committed to providing a satisfactory return to shareholders.

Proud history, strong future

Steeped in a foundation of distribution and retailing since its formation, today Wesfarmers is one of Australia's leading retailers and diversified industrial companies.

Stock exchange listing

Wesfarmers is a company limited by shares that is incorporated and domiciled in Australia. Australian Securities Exchange (ASX) listing codes:

- Wesfarmers (WES)
- Wesfarmers Partially Protected Shares (WESN)

WESFARMERS LIMITED
ABN 28 008 984 049

Strength through diversity.

The combination of a diverse range of successful businesses and the strong commitment of the Wesfarmers team ensures that we create long-term value – and provide satisfactory returns for our shareholders.

Highlights summary

The Group's result reflected a strong performance during a year affected by natural disasters and a subdued retail trading environment.

Results summary

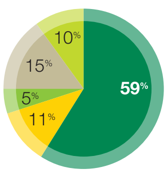
KEY FINANCIAL DATA Year ended 30 June		**2011**	2010
Revenue	$m	**54,875**	51,827
Earnings before interest and tax	$m	**3,232**	2,869
Net profit after tax	$m	**1,922**	1,565
Dividends	$m	**1,735**	1,446
Total assets	$m	**40,814**	39,236
Net debt	$m	**4,343**	4,035
Shareholders' equity	$m	**25,329**	24,694
Capital expenditure	$m	**2,062**	1,656
Depreciation and amortisation	$m	**923**	917
KEY SHARE DATA			
Earnings per share	cents	**166.7**	135.7
Dividends per share	cents	**150.0**	125.0
Net tangible assets per share	cents	**411.8**	360.9
Operating cash flow per share	cents	**252.1**	287.5
KEY RATIOS			
Return on average shareholders' equity (R12)[1]	%	**7.7**	6.4
Fixed charges cover (R12)[1]	times	**2.7**	2.4
Interest cover (R12)[1] (cash basis)	times	**9.5**	6.8

1 Rolling 12 months.

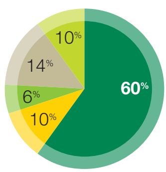
WEALTH CREATED BY WESFARMERS

- Employees – salaries, wages and other benefits
- Government – tax and royalties
- Lenders – borrowed funds
- Shareholders – dividends on their investment
- Reinvested in the business

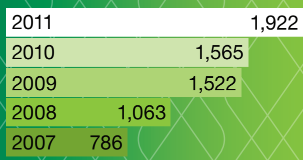
2011: $11,449m



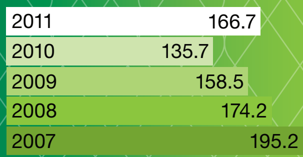
2010: $10,799m



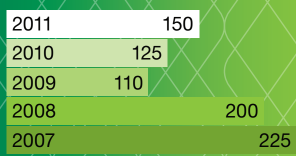
Net profit after tax ($m)
$1,922



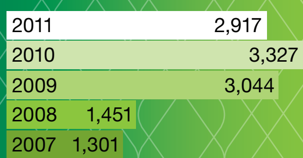
Earnings per share (cents)
166.7



Dividends per share (cents)
150



Operating cash flow ($m)
$2,917



Financial highlights

- Operating revenue of $54.9 billion, up 5.9 per cent
- Earnings before interest and tax (EBIT) of $3,232 million, up 12.7 per cent
- Finance costs of $526 million, down 19.6 per cent
- Net profit after tax of $1,922 million, up 22.8 per cent
- Earnings per share of $1.67, up 22.8 per cent
- Operating cash flows of $2,917 million, cash realisation ratio[2] of 102.5 per cent
- Capital investment of $2,062 million, up 24.5 per cent
- Strong liquidity position; fixed charges cover of 2.7 times, up from 2.4 times
- Fully-franked full-year dividend of $1.50 declared, up 20.0 per cent

Operational highlights

COLES continued to deliver strong earnings growth, up 21.2 per cent for the year, considerably ahead of sales growth. The result illustrates progress made to date in the turnaround program, which has built solid sales momentum through significant price investment, an enhanced fresh food offer, operational efficiencies and the progressive renewal of the store network.

BUNNINGS recorded another good result, with earnings up 10.2 per cent, underpinned by good merchandising execution and cost focus. Network expansion resulted in 27 new locations opening during the year.

KMART and **OFFICEWORKS** recorded earnings improvements of 4.1 per cent and 8.1 per cent respectively. Both businesses reported strong uplift in customer transactions and volume growth as they continued to make good progress in repositioning their offers.

TARGET recorded earnings of $280 million, which were down on last year, as tight management of expenses and solid transaction growth were insufficient to offset the effects of significant price deflation and clearance activity to manage seasonal inventory.

INSURANCE recorded earnings of $20 million, which were significantly down on last year, driven by event claims and reinsurance reinstatement expenses associated with an unprecedented number of catastrophe events in Australia and New Zealand.

RESOURCES earnings increased by 123.6 per cent due to higher coal prices, albeit record rainfall and groundwater inflow affected production and increased mining costs. Pleasingly, good progress was made during the year to expand production capacity at the Curragh and Bengalla mines.

CHEMICALS, ENERGY AND FERTILISERS increased earnings by 26.2 per cent, excluding insurance proceeds of $42 million associated with the 2009 Varanus Island gas disruption claim, as strong demand from the resource sector and higher fertiliser margins offset increased gas costs.

INDUSTRIAL AND SAFETY delivered a strong result with earnings up 20.3 per cent for the year, benefiting from resource sector demand, major project activity and continuing improvements in business operations.

2 Cash realisation ratio: operating cash flows as a percentage of net profit after tax, before depreciation and amortisation and significant non-cash non-trading items.

Chairman's message

We've grown from a small farmers' cooperative to one of Australia's 10 largest companies, and we've done it with a series of outstanding leaders, good people, financial discipline and a preparedness to undertake, from time to time, bold growth initiatives.

It gives me great pleasure to present the 2011 Wesfarmers annual report after what has been a year of strong performance by our business divisions in the face of declining consumer confidence and some extremely adverse natural events. This year's result clearly demonstrates the strength of the Group's diversified conglomerate portfolio and long-term investment strategy.

The result also demonstrates how we truly reflect a cross-section of the Australian economy. Our resource-oriented businesses performed very well, despite adverse weather events, while retailers at the staples and value end of the market performed better than those relying on more discretionary spending. Natural disasters badly hit our Insurance division.

I would like to place on the record the admiration and appreciation the Board has for the way our Wesfarmers team members across Australia and New Zealand responded to those disasters – floods, cyclones, earthquakes – we've had the lot. Their efforts in helping individuals, families and communities get back on their feet were highly commendable.

BUSINESS PERFORMANCE

Last year I reported that Wesfarmers had emerged in good shape from one of the most volatile and challenging times in our company's history. Economic circumstances remain volatile and challenging but, against that background, the company's performance over the past 12 months gives us very good reason to be confident about the future. Our balance sheet is strong and we are well positioned to take advantage of growth opportunities in the future.

With 2011 financial year revenue of nearly $55 billion, we reported a net profit after tax of $1.9 billion, up almost 23 per cent on last year. We have a very strong liquidity position and reported capital investment of $2.1 billion for the year, much of which was expenditure for growth.

At year-end we announced a fully-franked final dividend of 85 cents per share, which gave a full-year dividend of 150 cents per share. This represents an increase of 25 cents, or 20.0 per cent over the prior period.

I believe we are seeing the benefits of Wesfarmers' tradition of a long-term investment strategy, most recently exemplified by our Coles acquisition, but also evident in heavy investment in growth for our other businesses. I also believe we can look forward to further benefits accruing from that strategy for many years to come.

We have in place a very strong portfolio of businesses and performance-focused management teams, both within each of those businesses and at corporate level.

PEOPLE ARE OUR STRENGTH

The ability to recruit talented people has been the single most important factor in Wesfarmers' success for nearly 100 years.

We've grown from a small farmers' cooperative to one of Australia's 10 largest companies, and we've done it with a series of outstanding leaders, good people, financial discipline and a preparedness to undertake, from time to time, bold growth initiatives.

Today, as a diverse conglomerate with more than 200,000 staff, the task is more complex than ever. With a more mobile and adventurous workforce in an increasingly accessible and diverse global economy, the biggest challenge confronting Wesfarmers as we contemplate the future is our capacity to attract, develop and retain quality people across all the many disciplines relevant to our businesses.

Significantly, under Richard Goyder's passionate leadership on the issue, we have set about providing far greater employment opportunities for indigenous Australians. Not only do we believe our employee profile should better reflect the broader community in which we operate, but we have already seen significant

Our balance sheet is strong and we are well positioned to take advantage of growth opportunities in the future.

reciprocal benefit through success in this effort. We are focused on increasing opportunities for women at all levels of our organisation.

SUSTAINABILITY

As a company, we recognised a long time ago that sustainability had to be a central part of our approach to doing business.

We now operate in nearly every major community across Australia. As a company, we have clear responsibilities to the 200,000 people we employ, to our customers, to the communities in which we operate, to those who supply our divisions with goods and services and, importantly, to our greatly expanded shareholder base.

We recognise we have to be part of, and reflective of, the communities in which we operate.

If we are to be successful as a business, we have to play our part in ensuring that our communities are healthy and thriving, hence our proactive community partnership agenda and our contributions to the arts, education, medical research and indigenous programs.

Of critical importance is the profound responsibility we have to provide a safe working environment for all our employees.

THE BOARD

I would like to thank my Board colleagues for their hard work and support throughout the year.

We had one departure from the Board during the 2011 financial year. Long-serving member, David White, a director since May 1990, announced his retirement from the Board at last year's Annual General Meeting.

I would like to record the appreciation of the entire Board, past and present, for the great service David gave to Wesfarmers over two decades. We thank him and wish him well.

THE FUTURE

The Group remains positive in its outlook, subject to any adverse shocks from a fragile global economy, given the solid operating fundamentals in place across the divisions and an expected recovery from one-off impacts associated with natural disasters experienced during the last year.

Finally, on behalf of the Board, I would like to thank the Wesfarmers executive team led by our Managing Director, Richard Goyder, for the tremendous work it has done over the past 12 months to ensure that this company's future remains bright. Their combined efforts have been outstanding. My thanks go also to you, the shareholders, the owners of the business. With your continued support and with the continued dedication of our team members, we know we can not only maintain, but enhance, Wesfarmers' position as a great Australian company.

Bob Every Chairman

Managing Director's review

Wesfarmers has an excellent portfolio of assets, from the value end of retail to direct and indirect exposure to the resource sector, and our insurance activities, so we are confident that our businesses have the capacity to perform well under most circumstances.

Your company has enjoyed another successful year on many fronts, despite the extremely challenging external environment which threw up floods, earthquakes and ongoing economic uncertainty.

In that context, to achieve a 22.8 per cent increase in net profit after tax, a 22.8 per cent increase in earnings per share, and a 20.0 per cent increase in dividends for the full year was very satisfying.

What is particularly gratifying to see is the dedication to work and commitment of our many employees who have been caught up in the natural disasters which have so severely affected Australia and New Zealand during the year.

Whether it is our insurance people dealing with devastated customers, our employees at the Curragh coal mine doing everything possible to mitigate the impact of impending floodwaters, or the many thousands of other employees from all of our divisions who helped put in place actions to assist the Queensland and Christchurch communities, we should all be very proud of them.

The Wesfarmers Board responded quickly to both disasters, committing $5 million to the Queensland Premier's Flood Relief Appeal and $1 million to the Christchurch Earthquake Appeal. We felt that it was important to demonstrate our serious commitment to these communities in which we operate businesses and employ many people.

BUSINESS DIVISIONS

The Group's retail businesses recorded solid combined earnings growth for the year, up 8.2 per cent to $2,532 million, including strong performances from both Coles and Bunnings, in what was a challenging trading period for retailers.

Retail conditions during the year were affected by declining consumer confidence and an increased propensity for households to save. Within this environment, all of the Group's retail businesses have experienced price deflation as they invested in lowering prices for their customers.

The Coles division continued to deliver strong earnings growth, up 21.2 per cent for the year, considerably ahead of sales growth. The result illustrates the progress made to date in the turnaround program, which has built solid sales momentum through significant price investment, an enhanced fresh food offer, operational efficiencies and the progressive renewal of the store network.

Bunnings recorded another good result, with earnings up 10.2 per cent, despite the deflationary impacts of the range reset work underway. Earnings growth was underpinned by good merchandising execution and a strong focus on cost management. Network expansion resulted in 27 new locations being opened during the year.

Kmart and Officeworks both recorded earnings improvements and strong uplift in customer transactions and unit growth, as they continued to make good progress in repositioning their offers.

Target's earnings of $280 million were down on last year, as tight management of expenses and solid transaction growth were insufficient to offset the effects of significant price deflation and clearance activity to manage seasonal inventory.

The combined retail results include a one-off impact associated with asset writedowns and business interruption costs following severe flood and storm events, including Cyclone Yasi, and earthquakes in Christchurch.

Total costs quantifiable at year-end of approximately $100 million were partially offset by insurance recoveries recognised of approximately $60 million, reducing the net earnings impact with the balance largely arising in Coles and Bunnings.

The Insurance division recorded earnings before interest and tax of $20 million, driven by event claims and reinsurance reinstatement expenses associated with an unprecedented number of catastrophe events in Australia and New Zealand.

We are fortunate to have terrific employees, a great portfolio of assets and a very strong balance sheet.

Earnings from the Resources division, while up 123.6 per cent on last year, were adversely affected by interruptions to production caused by record wet weather and flooding events. Pleasingly, higher export coal pricing, compared to the 2010 financial year, more than offset the reduction in sales volumes and increased mining costs.

The Chemicals, Energy and Fertilisers division increased earnings by 26.2 per cent, excluding insurance proceeds of $42 million received during the period that were associated with the 2009 Varanus Island gas disruption claim, as strong demand from the resource sector and higher fertiliser margins offset increased gas costs.

The Industrial and Safety division delivered a strong result, with earnings up 20.3 per cent for the year, benefiting from resource sector demand, major project activity and continuing improvements in business operations.

Other businesses' earnings were $45 million lower than last year, having been negatively affected by reduced earnings from associate businesses and reduced interest revenue. This was offset by a $128 million reduction in financing costs as the Group continued to proactively diversify its funding sources and extend its debt maturity profile.

ECONOMIC ENVIRONMENT

At the time of writing, we are witnessing significant volatility in markets, mostly due to concerns about economic growth in the USA and Europe and the level of indebtedness of some countries. These uncertainties feed into consumer confidence, which in turn affects discretionary expenditure. The relatively high Australian dollar is also making our exports more expensive, affecting a number of export-oriented industries.

Fortunately for Australia, China and some other growth economies such as India continue to have a high demand for our raw materials, which is providing a degree of protection for the Australian economy.

Wesfarmers has an excellent portfolio of assets, from the value end of retail to direct and indirect exposure to the resource sector, and our insurance activities, so we are confident that our businesses have the capacity to perform well under most circumstances.

INVESTMENTS

During the 2011 financial year, we had capital expenditure of $2,062 million for a combination of replacement and growth initiatives.

Managing Director's review

(continued)

In the next financial year, we anticipate that this amount will increase to between $2.8 and $3.2 billion, the majority of which will be to fund growth initiatives in our existing businesses.

These growth initiatives include:

- the expansion of the Curragh coal mine
- the expansion of the Bengalla coal mine
- preliminary work on a proposed further ammonium nitrate expansion at Kwinana, and
- numerous investments in our retail property pipeline.

We are very confident that these investments will deliver satisfactory returns to our shareholders, because as always, they are subject to rigorous analysis and evaluation before proceeding.

MANAGEMENT CHANGE

In September 2011 Launa Inman announced her intention to leave the Group, after almost seven years as Managing Director of Target. Launa agreed to remain in the role until a successor was in place.

THE CHALLENGE AHEAD

We are fortunate to have terrific employees, a great portfolio of assets and a very strong balance sheet. Coupled with a performance-focused culture and a growth orientation, Wesfarmers is well placed to continue the growth it has enjoyed since establishing as a farmers' cooperative in 1914 and listing as a public company in 1984.

A volatile external environment means that we will maintain a strong balance sheet and look for investment opportunities which can create value for our stakeholders, while continuing to invest in our businesses and people.

The leadership team is fortunate to have the oversight and governance provided by the Wesfarmers Board led by Bob Every and we are very appreciative of that.

Richard Goyder
Managing Director

Finance Director's review

The balance sheet was further strengthened during the year as evidenced by an upgrade in the Group's credit rating by Standard & Poor's to A- (stable outlook).

RESULTS OVERVIEW

Net profit after tax for the Group in the 2011 financial year of $1,922 million was 22.8 per cent ahead of last year. This was achieved despite difficult operating conditions experienced in a number of the Group's divisions as a result of the large number of natural disasters in Australia and New Zealand and declining consumer confidence.

Earnings per share of 166.7 cents were up 22.8 per cent on last year, reflecting the strong profit growth achieved. Similarly, average return on equity increased to 7.7 per cent from 6.4 per cent in the previous year.

CASH FLOW

Cash flows from operations for the year were $2,917 million. The Group's cash realisation ratio was solid at 102.5 per cent, but down on last year's result, which benefited from significant business restructuring in Kmart and Coles.

The Group continued to invest strongly in capital expenditure, well ahead of depreciation, in order to drive future growth. Capital investment of $2,062 million was up 24.5 per cent on last year following significant retail network expansion and improvement, and works associated with capacity increases at the Curragh and Bengalla coal mines.

It is expected that the current phase of strong capital investment will continue in the 2011 financial year as we drive strong growth and improvement in our retail networks; complete the current expansion works in the Resources division; and, subject to Wesfarmers Board approval, further expand ammonium nitrate production capacity at Kwinana.

Free cash flows for the year were $1,041 million, compared to $1,631 million in the previous year, given higher working capital and increased capital investment.

Cash dividends paid increased to $1,557 million from $1,325 million in the previous year.

BALANCE SHEET

The balance sheet was further strengthened during the year, as evidenced by stronger key liquidity ratios and an upgrade in the Group's credit rating by Standard & Poor's to A- (stable outlook).

Total debt at 30 June 2011 reduced to $4,879 million (from $5,353 million 12 months earlier) as funds held in cash and on deposit were progressively used to repay debt following refinancing of the Group's syndicated loan facilities. This activity assisted in finance costs for the Group declining by 19.6 per cent to $526 million for the year.

Net debt increased from $4,035 million to $4,343 million as at 30 June 2011.

Finance Director's review

(continued)

The value of property, plant and equipment increased over the year, from $7,542 million to $8,302 million as at 30 June 2011, as capital investment exceeded depreciation and amortisation.

Working capital balances at 30 June 2011 increased by $316 million compared to the prior year, primarily in the Group's retail businesses due to strong network expansion and sales growth, as well as increased direct sourcing and higher inventory levels in Coles ahead of supply system changes.

Detailed impairment testing of non-current assets, including goodwill and other intangible assets recognised on business acquisitions, was carried out during the year. External experts were engaged to provide support on model inputs including discount rates and long-term growth rates. Non-cash impairment charges totalling $27 million were made during the year, compared to $81 million in the prior year.

The current year impairment charge largely related to retail property holdings. In all other cases, recoverable amounts determined for impairment testing exceeded the carrying values of non-current assets. Future impairment testing of non-current assets remains sensitive to changes in general trading conditions and outlook, as well as discount rates.

DEBT MANAGEMENT

The Group aims to maintain a strong investment-grade rating through prudent balance sheet management. During the year, the Group continued to proactively diversify its funding sources and extend its debt maturity profile, and in March 2011, Standard & Poor's upgraded the Group's long-term credit rating to A- (stable outlook) from BBB+ (positive outlook). Moody's has placed the Group on a Baa1 positive outlook, from stable previously.

Refinancing activity comprised the establishment in December 2010 of a $2.5 billion revolving syndicated debt facility with an average term to maturity of 3.5 years and, in May 2011, the issuance of a US$650 million five-year US bond. The proceeds of both issuances were used to repay shorter-term debt, which resulted in a lengthening of the Group's average tenor to 3.0 years across its diversified sources of debt.

As at 30 June 2011, the Group had available to it $536 million in cash at bank and on deposit and $2,006 million in committed but undrawn bank facilities. Over the year, the Group's fixed charges cover increased to 2.7 times, up from 2.4 times a year ago, and cash interest cover improved to 9.5 times from 6.8 times. The weighted average cost of debt for the year was 8.8 per cent compared to 8.9 per cent last year.

EQUITY MANAGEMENT

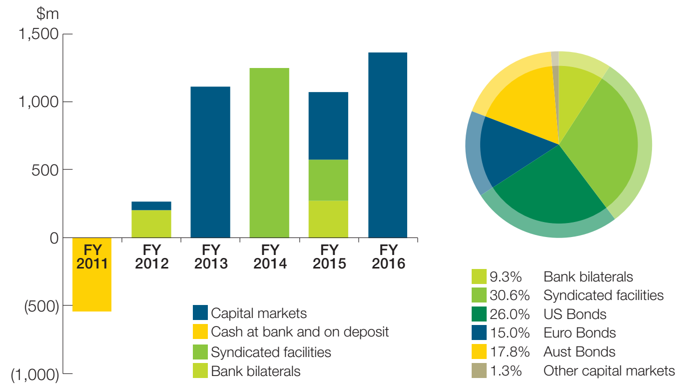
Over the year, shares on issue were stable, with 1,157 million shares on issue at 30 June 2011, made up of 1,006 million ordinary shares and 151 million partially protected ordinary shares.

DIVIDEND POLICY

Wesfarmers' dividend policy seeks to deliver growing dividends over time, with the declared amount reflective of the Group's current and projected cash position, profit generation and available franking credits. Consistent with this policy, a fully-franked full-year dividend of 150 cents per share was declared, an increase of 20.0 per cent on last year. The final dividend, to be paid on 30 September 2011, is not provided for in the accounts. Given a preference by many shareholders to receive dividends in the form of shares, the directors decided to continue the operation of the Dividend Investment Plan (the Plan). No discount applied to shares allocated under the Plan. In recognition of our capital structure and strong balance sheet, all shares issued under the Plan were acquired on-market by a broker and transferred to participants.

Wesfarmers seeks to deliver growing dividends over time.

Average debt tenor of three years across diversified sources of debt



Note: Reflects 30 June 2011 position.

RISK MANAGEMENT

The Group maintains and adheres to clearly defined policies covering areas such as liquidity risk, market risk (including foreign exchange, interest rate and commodity price risk) and credit risk. It is, and has been throughout the year, the Group's policy that no speculative trading in financial instruments be undertaken.

The main sources of foreign exchange risk include: the sale of export coal, denominated in US dollars; purchases in foreign currency, mainly retail inventory in US dollars; and current US dollar and Euro denominated debt.

Businesses exposed to foreign exchange risk use forward contracts to minimise currency exposure. US dollar and Euro denominated debt and associated interest costs are fully hedged at the time the debt is drawn down. The Group uses interest rate and cross currency interest rate swaps to manage interest rate risk. Interest rate swaps covering $2.5 billion of debt are currently in place for the 2012 financial year. Our annual corporate planning process includes an established framework for assessing broad business risk as well as considering risk mitigation.

INTERNAL CONTROL AND ASSURANCE

The Group maintains an internal audit function with a Group-wide mandate that is fully independent of the business operations to monitor and provide assurance to the Wesfarmers Board's Audit Committee and ultimately the Board as to the effectiveness of risk management and internal control systems.

The annual internal audit plan is developed within a combined assurance framework and applies a risk-based methodology to ensure that the Group's key risks are appropriately and regularly reviewed. The internal audit plan is approved by the Board. The internal audit function delivers the approved internal audit plan by engaging a single outsource audit provider. As part of the annual operating cycle, we also require each business to review and report on: legal liabilities; financial controls; information systems; environment, health and safety planning; and risk assessment and mitigation.

Terry Bowen Finance Director

Coles

The Coles turnaround plan produced strong trading results in 2011 by improving quality, service and value. The business is now over halfway through the turnaround plan, in which it is focused on 'Delivering Consistently Well'.

ACTIVITIES

- National full service supermarket retailer operating 741 stores
- Liquor retailer operating three brands through 785 liquor outlets, as well as 93 hotels
- National fuel and convenience operator managing 620 sites
- Approximately 18 million customer transactions each week
- Employing more than 102,000 team members

YEAR IN BRIEF

- Full-year revenue of $32.1 billion
- EBIT of $1,166 million
- Food and liquor store sales growth up 6.3 per cent[1], with comparable store sales growth of 6.3 per cent[1]
- Nine consecutive quarters of industry out-performance
- Continued focus on quality, service and value
- 94 new format supermarket stores delivered during the year, for a total of 144 since the Coles acquisition
- Double digit growth in fresh food sales
- Easy Ordering (an automated stock ordering system) grocery and dairy rollout complete
- More effective value promotion campaigns
- Responsible sourcing initiatives launched

1 For the 52 week period 28 June 2010 to 26 June 2011.

Contribution to operating divisional EBIT

35%

Revenue ($m) $32,073

2011	32,073
2010	30,002
2009	28,799
2008*	16,876

EBIT ($m) $1,166

2011	1,166
2010	962
2009	831
2008*	475

FUTURE DIRECTIONS

- Enter third phase of turnaround program
- Continue to create a culture of continuous improvement
- Continue to build strong customer trust and loyalty
- Deliver operational efficiency
- Innovate and improve offer
- Deliver new stores and new categories
- Embed culture change and enhance team member development
- Build long-term relationships with our food and grocery suppliers
- Continue to support the local communities in which we operate

* For the ownership period from 23 November 2007 to 30 June 2008.

Home Improvement and Office Supplies

Bunnings and Officeworks are the leading retailers in home improvement and office supplies products in Australia.

ACTIVITIES

- **Bunnings:** Retailing home improvement and outdoor living products and servicing project builders, commercial tradespeople and the housing industry across Australia and New Zealand
- **Officeworks:** Retailer and supplier of office products and solutions for home, business and education across Australia

YEAR IN BRIEF

Bunnings

- 5.7 per cent increase in Bunnings' revenue
- 10.2 per cent increase in Bunnings' EBIT
- Growth across all regions and product ranges
- 11 new Bunnings Warehouse stores opened
- Eight new Bunnings smaller format stores opened
- Eight new Bunnings trade centres opened

Office Supplies

- 5.2 per cent increase in retail store sales
- 8.1 per cent increase in EBIT
- Ongoing expansion of the merchandise offer
- Ten new Officeworks stores opened (including two relocations), six full upgrades
- Good progress on actions to improve the customer offer

Contribution to operating divisional EBIT

Revenue ($m) $8,251

2011	**8,251**
2010	7,822
2009	7,151
2008*	6,160
2007	4,939

EBIT ($m) $882

2011	**882**
2010	802
2009	724
2008*	625
2007	528

FUTURE DIRECTIONS

Bunnings: Growth to be achieved through better service, category expansion and range reset work, network expansion and reinvestment, ongoing work in light and heavy commercial markets, and through investment of productivity gains in lower prices to drive volume

Officeworks: Driving the business forward by improving the customer offer and expanding and upgrading the network. Growing the business-to-business offer will remain an area of focus and an ongoing investment in the Officeworks team will underpin all strategic initiatives

* Officeworks' contribution for the ownership period from 23 November 2007 to 30 June 2008.

Target

Target posted a solid EBIT margin in a challenging trading period, with increased units sold compared to the prior year combined with tight management of expenses.

Contribution to operating divisional EBIT

Revenue ($m) $3,782

2011	3,782
2010	3,825
2009	3,788
2008*	2,198

EBIT ($m) $280

2011	280
2010	381
2009	357
2008*	221

ACTIVITIES

- Retailer of fashion clothing and homewares with broad customer appeal
- Extensive network of 291 stores in two formats (Target and Target Country) conveniently located throughout metropolitan and regional Australia
- Customer destination for ladieswear, childrenswear/nursery, intimate apparel and homewares, predominantly Target-branded

YEAR IN BRIEF

- Full-year revenue of $3.8 billion
- $280 million in EBIT, with EBIT margin of 7.4 per cent
- Comparable store sales decrease of 1.2 per cent[1], with first half performance partially offset by an improved second half result
- One new store and two replacement stores opened
- 65 stores upgraded or refurbished
- Target online retailing commenced in the second half of the year, with the customer response encouraging

FUTURE DIRECTIONS

- Continue store network investment (new and refurbished), with the trial of a new format (Urban by Target)
- Improving customer service
- Continue to embed product design and development capabilities into everyday practice
- Ongoing refinement of product presentation in stores and delivery of product to market
- Continue to explore alternative ways of communicating to customers, including expanded online offering and increased use of social media

1 For the 52 week period 27 June 2010 to 25 June 2011.

* For the ownership period from 23 November 2007 to 30 June 2008.

Kmart

Following three years of change, Kmart is now offering all products at consistently low prices across the store, every day.

ACTIVITIES

- Kmart is a retailer where families come first for the lowest prices on everyday items, with a network of 187 stores across Australia and New Zealand
- Categories include menswear, womenswear, childrenswear, beauty, footwear, toys and sporting, events and food, entertainment, newsagency and home
- Kmart Tyre & Auto Service is one of Australia's largest retail automotive service, repair and tyre businesses with 251 centres

YEAR IN BRIEF

- Full-year revenue of $4.0 billion
- EBIT of $204 million[1]
- The 'Expect Change' campaign, inviting customers back into store was well received by customers
- Comparable store sales 0.3 per cent[2]
- The business is now operating on an everyday low priced model
- Strong continued growth in volumes and customer transactions
- One new Kmart store opened during the year

1 Includes $3 million earnings related to Coles Group Asia overseas sourcing operations.

2 For the 52 week period 28 June 2010 to 26 June 2011.

Contribution to operating divisional EBIT

6%

Revenue ($m) $4,036

2011	4,036
2010	4,019
2009	3,998
2008*	2,454

EBIT ($m) $204

2011Δ	204
2010Δ	196
2009	109
2008*	111

FUTURE DIRECTIONS

- Customer engagement will remain a key focus including educating customers about the 'new Kmart'
- Refining the product offer and investing in low prices by growing own brand products
- Continue to expand the store network
- Continue to source at lowest cost and to look for further cost reductions across the businesses
- Further improvement of the in-store environment

* For the ownership period from 23 November 2007 to 30 June 2008.

Δ 2011 includes $3 million earnings related to Coles Group Asia overseas sourcing operations (2010: $6 million).

Insurance

Wesfarmers Insurance provides insurance and risk management solutions to corporates, small-to-medium sized businesses, not-for-profit organisations and individuals across Australia, New Zealand and the United Kingdom.

ACTIVITIES

- Key brands: Lumley, WFI, OAMPS and Crombie Lockwood
- Provision of general insurance products
- Insurance broking, risk management and financial services distribution
- Operations in Australia, New Zealand and the United Kingdom

YEAR IN BRIEF

- 2.4 per cent increase in revenue to $1.7 billion
- EBIT decreased by 83.6 per cent to $20 million
- Impact of unprecedented level of natural disasters to claims and reinsurance costs
- Net retention exceeded six times with event claims and reinsurance restatements $110 million over allowances
- Broking operations generated growth in revenue and earnings
- Underlying underwriting performance improved on prior year
- Distribution of home and motor insurance through Coles with strong customer interest
- Premium funding delivered strong performance
- Acquisition of FMR Risk in New Zealand and other bolt-on broker acquisitions

Contribution to operating divisional EBIT

Revenue ($m) $1,739

2011	1,739
2010	1,698
2009	1,720
2008	1,649
2007	1,410

EBIT ($m) $20

2011	20
2010	122
2009	91
2008	122
2007	120

FUTURE DIRECTIONS

- Continue improvements in underwriting performance through disciplined claims and underwriting performance
- Continue to grow broking revenues and improve performance
- Expand capabilities in personal lines
- Strive to consistently deliver exceptional client service across all businesses
- Leveraging divisional scale and capability to improve profitability
- Invest in the development of our team
- Further bolt-on acquisitions to enhance distribution platform

Resources

Stronger export coal prices saw earnings increase 123.6 per cent on the previous year, notwithstanding the impact on production at the Curragh mine from major flooding in central Queensland. Export capacity expansions are proceeding at both the Curragh and Bengalla mines.

Contribution to operating divisional EBIT

11%

Revenue ($m) $1,778

2011	**1,778**
2010	1,416
2009	2,411
2008	1,311
2007	1,134

EBIT ($m) $369

2011	**369**
2010	165
2009	885
2008	423
2007	338

ACTIVITIES

- Significant Australian open-cut miner with investments in coal mines in Queensland (Curragh), New South Wales (Bengalla 40 per cent) and Western Australia (Premier Coal)
- Mine operation and development
- Supplier of metallurgical coal to export markets and steaming coal to both domestic and export markets

YEAR IN BRIEF

- 25.6 per cent increase in revenue to $1.8 billion
- EBIT up 123.6 per cent to $369 million
- Strong export coal prices, but with high Australian dollar
- Production and sales constrained at Curragh due to flood events and groundwater inflows into mining areas
- 46 per cent increase in mine cash costs per tonne at Curragh (largely due to floods and groundwater inflows to mining areas) – expected to reduce with return to more normal operating conditions
- Curragh metallurgical coal sales down 19.6 per cent to 5.3 million tonnes
- Strong growth in sales volumes from Bengalla and Premier
- Continued progress with expansion of Curragh and Bengalla production capacity
- Structured sale process commenced for Premier Coal

FUTURE DIRECTIONS

- Strong business sustainability commitment
- Strong export market fundamentals and customer demand
- Maximise exports, addressing infrastructure constraints
- Feasibility study commenced to expand Curragh to 10 million tonnes annual exports
- Stage Two feasibility study commenced to expand Bengalla to 10.7 million tonnes annual Run of Mine capacity
- Focus on future growth

Chemicals, Energy and Fertilisers

The division performed well throughout the year and made good progress with the proposed expansion of its ammonium nitrate capacity in Western Australia.

Contribution to operating divisional EBIT

Revenue ($m) $1,641

2011	1,641
2010[2]	1,570
2009[3]	1,760
2008[3]	1,562
2007[3]	1,055

EBIT ($m) $283

2011	283
2010[2]	196
2009[3]	127
2008[3]	214
2007[3]	176

ACTIVITIES

- Manufacture and marketing of chemicals for mining, minerals processing and industrial sectors
- Production, marketing and distribution of liquefied petroleum gas (LPG) and liquefied natural gas (LNG)
- Manufacture and marketing of broadacre and horticultural fertilisers
- Manufacture, marketing and distribution of industrial, medical and specialty gases
- Power generation for remote towns and mines[1]

YEAR IN BRIEF

- 4.5 per cent increase in revenue to $1.6 billion
- 44.4 per cent increase in EBIT to $283 million, including $42 million in insurance proceeds from the 2009 Varanus Island gas disruption claims
- Excluding insurance proceeds, earnings from the chemicals and Kleenheat Gas businesses were in line with the previous year
- Approval received for further detailed engineering and ordering of long-lead items for the proposed ammonium nitrate expansion
- Fertiliser earnings recovered from the previous year, which included a $25 million inventory writedown and the impact of highly priced inventory

1 On 31 August 2011, Wesfarmers completed the sale of enGen for $101 million.

FUTURE DIRECTIONS

- Board consideration of the proposed 260,000 tonne per annum expansion of ammonium nitrate production at Kwinana
- Continuing strong demand for chemicals
- Seek to grow sales of LPG and manage the impact of increased gas costs and lower LPG content
- Continue development of the LNG business
- Enhance fertiliser sales volumes through a market-focused customer offer

1 On 31 August 2011, Wesfarmers completed the sale of enGen for $101 million.

2 On July 2010, the Energy, and Chemicals and Fertilisers divisions merged to form WesCEF, and Coregas (formerly part of the Energy division) was transferred to the Industrial and Safety division. The 2010 figures have been restated to reflect WesCEF's post-merger operating structure.

3 2007 to 2009 combines the results of the Energy (which included Coregas) and the Chemicals and Fertilisers divisions.

Industrial and Safety

Strong sales momentum in contracts, projects, services and eBusiness was supported by strong delivery performance and customer service.

ACTIVITIES

- Leading provider of industrial and safety products and services in Australia and New Zealand to a wide range of customers
- Strong focus on security of supply to customers of broadest product range
- Cost efficiency to customers through local and global procurement, supply chain and eBusiness solutions

YEAR IN BRIEF

- 10.3 per cent increase in revenue to $1.6 billion
- EBIT increased by 20.3 per cent, with improvements in all businesses
- Strongest results in Blackwoods, Protector Alsafe and Bullivants
- Restructured Coregas, strengthening sales team and sales momentum
- Divested Motion, merged Blackwoods Paykels with Protector Safety
- Strong contract, projects, services and eBusiness growth
- Increased industry diversification
- Operational and capital management contributing to improved returns
- Opened multi-country distribution centre in Shenzhen, China

Contribution to operating divisional EBIT

Revenue ($m) $1,557

2011	**1,557**
2010[1]	1,412
2009[2]	1,294
2008[2]	1,309
2007[2]	1,208

EBIT ($m) $166

2011	**166**
2010[1]	138
2009[2]	114
2008[2]	130
2007[2]	115

FUTURE DIRECTIONS

- Growing share of customers' product and service spend
- Capture resources and infrastructure projects momentum
- Ongoing diversification of customer base
- Continued Coregas improvements
- Growth through acquisitions
- Continued operational improvements, including safety, sustainability and employee development

1 Restated to reflect the current divisional structure.

2 2007 to 2009 excludes the results of Coregas (formerly part of the Energy division).

Other activities

Wesfarmers is also a major investor in Gresham Partners, Wespine Industries and BWP Trust.

GRESHAM PARTNERS

Wesfarmers has a 50 per cent shareholding in Gresham Partners Group Limited, the holding company for the Gresham Partners investment banking operations. Gresham is a leading independent investment house focused primarily on the provision of financial advisory services, structured finance, and property and private equity funds management.

In addition, Wesfarmers is a participant in the Gresham Private Equity wholesale investment funds with underlying investments in mining services, retail, logistics and other specialist sectors.

During the 2011 financial year, Gresham Private Equity Funds recorded a loss of $60 million due to downward non-cash revaluations following a difficult year for some of the funds' trading businesses and generally lower industry valuation multiples.

Gresham participated in a number of significant corporate advisory transactions during the year, including mergers and acquisitions, corporate restructurings and refinancings on behalf of a range of domestic and international clients.

Its property funds management business, which is the manager of three established funds with total capital commitments of more than $325 million, continued to support a range of projects primarily in New South Wales, Victoria and Queensland.

WESPINE INDUSTRIES

The 50 per cent-owned Wespine Industries, which operates a plantation softwood sawmill in Dardanup in Western Australia, contributed earnings of $7 million after tax, a 16.7 per cent increase on last year. Despite a weakening housing market and competitive pressure on prices, Wespine achieved record sales into the Western Australian market and improved profitability by focusing on customer service, product rationalisation and stock management combined with cost control.

After a good safety performance in recent years, with no Lost Time Injuries (LTIs) recorded during the period September 2008 to September 2010, three LTIs were incurred in the year to June 2011.

Wespine is targeting a reduction in total recordable injuries in an endeavour to improve overall safety performance.

The weak local housing market, combined with continued import competition driven by the strong Australian dollar and subdued housing construction in overseas markets, is expected to put downward pressure on sales and earnings in the coming months.

BWP TRUST (FORMERLY BUNNINGS WAREHOUSE PROPERTY TRUST)

Wesfarmers' investment in BWP Trust contributed earnings of $19 million, compared to $27 million recorded last year.

The Trust was established in 1998 with a focus on warehouse retailing properties and, in particular, Bunnings Warehouses leased to Bunnings Group Limited. BWP Management Limited, the responsible entity for the Trust, is a wholly-owned subsidiary of Wesfarmers Limited.

Units in the Trust are listed on the Australian Securities Exchange and Wesfarmers holds, through a wholly-owned subsidiary, 23.3 per cent of the total units issued by the Trust.

In March 2011, the Trust conducted a $242 million acquisition of a portfolio of 13 Bunnings Warehouse properties and development sites from Bunnings Group Limited. In conjunction with this acquisition, the Trust also changed its name from 'Bunnings Warehouse Property Trust' to 'BWP Trust', in recognition of having established its own position as a premium commercial real estate investment product.

The Trust's current portfolio consists of a total of 70 properties: 60 established Bunnings Warehouses; two Bunnings Warehouse with other showrooms; one Bunnings distribution centre; three development sites for Bunnings Warehouses; three office/warehouse industrial properties; and one retail/bulky goods showrooms complex.

Sustainability summary

Wesfarmers is committed to operating its businesses in a sustainable way, and continually strives for improvement to benefit all of its stakeholders.

WESFARMERS' SUSTAINABILITY PRIORITIES

With businesses spanning a wide range of industries – from retail operations to coal mining – Wesfarmers is acutely aware of its obligations to the communities in which it operates. Wesfarmers has long recognised the value of social, environmental and financial outcomes, understanding that these are all required to meet our objective of delivering satisfactory returns to our shareholders. Each year, Wesfarmers publishes a comprehensive sustainability report, which details a full account of the company's sustainability policies, practices and performance. This year's report will be available in November, and is the fourteenth such document.

As part of our commitment to a sustainable future, we have identified five key areas of focus which each of the Group's businesses – while providing different goods and services and making their own particular economic and social contributions – has oriented their sustainability efforts around:

- the importance of people
- carbon emissions reduction and energy management
- community partnerships and investment
- a reduced overall environmental footprint
- a strong economic contribution.

THE IMPORTANCE OF PEOPLE

Wesfarmers is committed to continually improving our people-related policies and procedures and our talent management systems. Our employees are crucial to our success, and while each of our businesses is ultimately responsible for the management and development of its people, there are a number of overarching principles and practices across the Group. Ongoing investment in the development of all of our people is also critical in enabling individuals to achieve their potential and for our businesses to deliver sound results. In the 2011 financial year, more than 2.2 million hours was invested on training and development across the Group.

Our commitment to safety for our employees, customers and visitors is absolute and we have a number of systems in place to focus on, and drive, safety performance in our businesses. The Group's LTIFR was 12.8 compared to 11.0 in the previous year, indicating that there is a lot more to be done, and we will continue to prioritise this across all of our businesses.

A diverse workforce is of significant social and commercial value and Wesfarmers recognises the importance of being an inclusive employer. Gender diversity has been and continues to be a priority for the Group. As at 30 June 2011, approximately 57 per cent of our employees are female.

Sustainability summary

(continued)

Sustainability performance

Greenhouse gas emissions
(tonnes carbon dioxide equivalent)

2011	**6,193,319**
2010*#	6,132,809
2009#	6,546,026
2008∆#	6,318,650

* The reduction in FY10 is primarily due to more accurate measurement of refrigerant gas emissions in Coles, and nitrous oxide emissions in WesCEF.

∆ Includes the former Coles group except Officeworks.

Energy use
(million gigajoules)

2011	**33.4**
2010*#	32.4
2009#	29.8
2008∆	31.1

* The increase in full-year 2010 is primarily due to the full-year availability of gas supplies to our Western Australian industrial businesses.

∆ Includes the former Coles group except Officeworks.

Water use
(megalitres)

2011	**11.6**
2010*	12.2
2009	9.7
2008#	10.0

* Increase due to improved reporting.

Lost time injury frequency rate
(LTIFR)

2011	**12.8**
2010	11.0
2009#	13.1
2008∆	9.9

∆ Excludes Coles and Officeworks.

Community contributions
($m)

	Direct, in-kind and product.	Community raised contributions supported by Wesfarmers.	
2011	**34.3**	**43.4**	77.7
2010#	19.6	26.2	45.8
2009	25.8	31.8	57.6

Data have been re-stated from those reported previously as a result of external assurance audits that happen after the annual report is published. This data was published in the 2010 Sustainability Report.

Two of our eight non-executive directors (25 per cent), 22 per cent of Wesfarmers' senior executives (general manager level or above), and 26 per cent of all management and professional employees across the Group are female.

In 2009 Wesfarmers prepared and committed to its first Reconciliation Action Plan (RAP), which as its central tenet had a focus on ensuring that Aboriginal people have access to employment opportunities in our businesses. The Group has a long-term objective to have a workforce that reflects the representation of Aboriginal people in the broader community. Each division now has its own plan and programs to ensure that Aboriginal people feel welcomed in our businesses as customers, team members and citizens.

CARBON EMISSIONS REDUCTION AND ENERGY MANAGEMENT

Wesfarmers remains committed to reducing our environmental footprint and enhancing our energy efficiency. In as much as this is increasingly becoming an environmental imperative, it also generates commercial benefits. As we invest in new technologies and systems that contribute to the transition to a lower carbon economy, our businesses are improving their environmental outcomes with a commercial focus. Many energy efficiency initiatives throughout the Group are starting to become evident in reducing our base carbon footprint.

In 2010/11 our direct (Scope 1) and indirect (Scope 2) emissions reduced by 1.4 per cent to 5,530,508 tonnes carbon dioxide equivalent compared to last year. This reduction was largely the result of energy efficiency actions in our businesses, offset to an extent by business growth, although it also reflects the business disruption caused by the floods in Queensland in early 2011.

Wesfarmers submitted its third report under the *Energy Efficiency Opportunities Act 2006* (EEO) in December 2010.

We continue to develop systems for monitoring and recording energy use and greenhouse gas emissions to comply with the *National Greenhouse and Energy Reporting Act 2007* (the NGER Act). These systems contribute to the effective planning and managing of a wide range of energy efficiency and conservation initiatives across the Group, which will assist us when the pending constraints on carbon emissions are introduced. In October 2010 we submitted our second report under the NGER Act, and this report and the EEO report are available at www.wesfarmers.com.au

COMMUNITY PARTNERSHIPS AND INVESTMENT

Our businesses interact with millions of people every day, and making a positive contribution to the communities in which we work underpins our licence to operate. One aspect of contributing positively is through community partnerships and investments.

Wesfarmers focuses its key partnerships on the arts, indigenous development, medical research and education in Australia and New Zealand. However, Wesfarmers also responded to several significant natural disasters over the past year affecting local communities.

In particular, the floods in Queensland devastated nearly three-quarters of that state, with a large loss of life and damage to homes, properties and businesses.

Many of our employees were affected, either directly or indirectly. Wesfarmers donated $5 million to the Queensland Premier's Disaster Relief Appeal, and our businesses made significant contributions of their own. The earthquakes in Christchurch were also devastating to the people of New Zealand, and in the immediate aftermath Wesfarmers donated NZ$1 million to assist in the re-building effort.

Wesfarmers supports a number of Australia's leading arts companies through the Wesfarmers Arts sponsorship program. Our commitment to the arts stems from a belief that a vibrant cultural sector makes a positive contribution to the life of a community.

In an initiative that is the first of its kind in Australia, in July 2010 we launched the Wesfarmers Arts National Indigenous Fellowships at the National Gallery of Australia. This annual program sees 12 young and emerging indigenous curators from across Australia awarded scholarships to work intensively with the curators and collections of the National Gallery, in a long-term professional development mentoring program (see photograph on page 21). In September 2011 the program was recognised by an Australian Business Arts Foundation Award for innovation.

In 2010/11 through our existing sustainability report external assurance and using the London Benchmark Group verification process, Wesfarmers assessed its direct community support (including cash, in-kind and product support) to be $34.3 million. At a grass-roots level, our individual businesses all run their own programs and partnerships, contributing a further $43.4 million in indirect community investment.

A REDUCED OVERALL ENVIRONMENTAL FOOTPRINT

Reducing our environmental footprint is a key focus of our individual businesses. In addition to Wesfarmers' carbon and energy focus, the planning and management of issues such as water usage; packaging; emissions to air; solid and liquid waste; and land rehabilitation are directed at reducing the company's overall environmental footprint. Across the Group there were many energy efficiency initiatives introduced in 2010/11. Some of the key initiatives during the year included significant progress made by Bunnings towards procuring timber from only accredited sources for its stores; enhanced recycling systems in several of our retail operations; and continuing a program to install night blinds on upright freezers in Coles supermarkets.

A STRONG ECONOMIC CONTRIBUTION

Wesfarmers seeks to maximise its contribution to the economy through long-term growth that increases overall economic activity and its capacity to generate additional direct and indirect employment. In 2010/11, Wesfarmers paid $6,790 million in salaries, wages and other benefits to employees. By providing dividends and other investment returns to the company's owners – its shareholders – Wesfarmers contributes to individual wealth generation and to a more prosperous general community.

WESFARMERS SUSTAINABILITY REPORT

Our 2011 Sustainability Report, to be published in November, contains much more detail – and specific data – on all of the above priorities.

Board of Directors

BOB EVERY, AGE 66

Chairman

Status and term: Appointed in 2006 as a non-executive director (independent) and appointed Chairman in November 2008. Chairman of the Remuneration and Nomination committees and member of the Audit Committee.

Skills and experience: Bachelor of Science degree, Doctorate of Philosophy (Metallurgy) from the University of New South Wales and is a Fellow of the Australian Academy of Technological Sciences and Engineering. Bob was the Chairman of the New Zealand-based listed company Steel and Tube Holdings Limited and a director of OneSteel Limited. Other executive positions previously held include Managing Director of Tubemakers of Australia Limited, President of BHP Steel, and Managing Director and Chief Executive Officer of OneSteel Limited, a position from which he retired in May 2005. Bob's considerable experience as both an executive officer and a director of major Australian companies has given him a good insight into, and understanding of, the roles and responsibilities of both senior management and directors.

RICHARD GOYDER, AGE 51

Managing Director

Status and term: Appointed in 2002 as an executive director (non-independent). Attends committee meetings by invitation.

Skills and experience: Bachelor of Commerce degree from the University of Western Australia. Completed the Advanced Management Programme at the Harvard Business School in 1998. Richard joined Wesfarmers in 1993 after working in various commercial roles at Tubemakers of Australia Limited. He has held a number of commercial positions in Wesfarmers' Business Development Department including General Manager. In 1999 Richard was Managing Director of Wesfarmers Dalgety Limited, which subsequently became Wesfarmers Landmark Limited, a position he retained until his appointment as Finance Director of Wesfarmers Limited in 2002. He was appointed Deputy Managing Director and Chief Financial Officer of Wesfarmers Limited in 2004 and assumed the role of Managing Director and Chief Executive Officer in July 2005.

TERRY BOWEN, AGE 44

Finance Director

Status and term: Appointed in 2009 as an executive director (non-independent). Attends committee meetings by invitation.

Skills and experience: Bachelor of Accountancy degree and Fellow of CPA Australia. Terry has held a number of finance positions with Tubemakers of Australia Limited, culminating in his appointment as General Manager Finance. Terry joined Wesfarmers in 1996 and undertook various roles with Wesfarmers Landmark Limited, where he was appointed Chief Financial Officer, until its acquisition by AWB Limited in 2003. He was then appointed the inaugural Chief Financial Officer for Jetstar Airways, prior to rejoining Wesfarmers as Managing Director, Wesfarmers Industrial and Safety in November 2005. Terry became Finance Director, Coles in 2007 and is currently the Wesfarmers Finance Director, a position he has held since May 2009.

COLIN CARTER OAM, AGE 68

Status and term: Appointed in 2002 as a non-executive director (independent). Member of the Remuneration and Nomination committees.

Skills and experience: Bachelor of Commerce degree from Melbourne University and a Master of Business Administration from Harvard Business School. Colin has had extensive experience advising on corporate strategy and corporate governance and his consultancy career has included major projects in Australia and overseas.

JAMES GRAHAM AM, AGE 63

Status and term: Appointed in 1998 as a non-executive director (non-independent). Member of the Remuneration and Nomination committees.

Skills and experience: Bachelor of Engineering in Chemical Engineering with Honours from the University of Sydney, a Master of Business Administration from the University of New South Wales and a Fellow of the Australian Academy of Technological Sciences and Engineering. James has had an active involvement in the growth of Wesfarmers since 1976 in his roles as Managing Director of Gresham Partners Limited since 1985 and previously as Managing Director of Rothschild Australia Limited and a director of Hill Samuel Australia Limited.

Front: Vanessa Wallace, Richard Goyder, Bob Every, Terry Bowen and Tony Howarth
Back: Wayne Osborn, Charles Macek, Colin Carter, Diane Smith-Gander and James Graham

TONY HOWARTH AO, AGE 59

Status and term: Appointed in 2007 as a non-executive director (independent). Chairman of the Audit Committee and member of the Nomination Committee.

Skills and experience: Senior Fellow of the Financial Services Institute of Australia. Tony has more than 30 years experience in the banking and finance industry. He has held several senior management positions during his career, including Managing Director of Challenge Bank Limited and Chief Executive Officer of Hartleys Limited. Tony is also Adjunct Professor (Financial Management) at the University of Western Australia Business School.

CHARLES MACEK, AGE 64

Status and term: Appointed in 2001 as a non-executive director (independent). Member of the Audit, Nomination and Remuneration committees.

Skills and experience: Bachelor of Economics degree and a Master of Administration from Monash University. Charles is the Chairman of the Sustainable Investment Research Institute Pty Limited, Racing Information Services Australia Pty Limited, and the Vice-Chairman of the (IFRS) Advisory Council (formerly the Standards Advisory Council of the International Accounting Standards Board). He is also a member of the investment committee of Unisuper Limited, the AICD Corporate Governance Committee, and the (ASIC) External Advisory Panel. With a long career in financial services, working at a senior executive level, Charles brings extensive experience in formulating strategy and advising on off-shore and on-shore investment opportunities.

WAYNE OSBORN, AGE 60

Status and term: Appointed in 2010 as a non-executive director (independent). Member of the Remuneration and Nomination committees.

Skills and experience: Diploma of Engineering (Electrical) from the Gordon Institute of Technology, a Master of Business Administration from Deakin University and is a Member of the Institution of Engineers, Australia. Wayne started his career in telecommunications and moved to the iron ore industry in the mid-1970s. He joined Alcoa in 1979 and worked in a variety of roles and locations across the Australian business, including accountability for Alcoa's Asia Pacific operations, prior to being appointed Managing Director in 2001. Wayne was appointed Chairman of the Australian Institute of Marine Science in 2010. He has an interest in whale conservation and wildlife photography and was elected an International Fellow of the New York-based Explorers Club in 2004. His work in support of the arts through the Australian Business Arts Foundation was recognised with the 2007 WA Business Leader Award.

DIANE SMITH-GANDER, AGE 53

Status and term: Appointed in 2009 as a non-executive director (independent). Member of the Audit and Nomination committees.

Skills and experience: Bachelor of Economics degree from the University of Western Australia and a Master of Business Administration from the University of Sydney.

Diane has over 11 years experience as a banking executive, which culminated in her appointment as the head of Westpac Banking Corporation's Business and Technology Solutions and Services Division. Before rejoining Westpac, she was a Partner with McKinsey & Company in the USA, where she led major transformation projects and had exposure to a wide variety of businesses in areas such as financial services, pharmaceuticals and retail.

VANESSA WALLACE, AGE 48

Status and term: Appointed in 2010 as a non-executive director (independent). Member of the Audit and Nomination committees.

Skills and experience: Bachelor of Commerce degree from the University of New South Wales and a Master of Business Administration from the IMD Switzerland. Vanessa currently leads Booz & Company's financial services practice in Australia, New Zealand and South East Asia and previously led the strategy practice. She has held multiple governance roles at the highest level within Booz's global partnership. She is an experienced management consultant who has been with Booz & Company for over 20 years. She is actively involved in the firm's customer, channels and markets activities which focus on areas such as customer experience, offer design and channels to market across a number of industries. She has had hands on experience in mergers and acquisitions and post merger integration.

Corporate governance summary

The Board of Wesfarmers Limited is committed to providing a satisfactory return to its shareholders and fulfilling its corporate governance obligations and responsibilities in the best interests of the company and its stakeholders.

INTRODUCTION

The corporate governance framework of Wesfarmers operates according to a series of governance charters and policies which have been adopted by the Board. The Board recognises that corporate governance is not a static concept, and it regularly reviews and updates the company's governance charters and policies by reference to corporate governance developments and best practice in Australia and overseas.

Compliance with Australian corporate governance standards

In recognition of the revisions made to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations ('ASX Principles') in 2010, the Board approved a Group Diversity Policy during the year. Wesfarmers is implementing strategies to achieve the objectives set under that policy and, over the course of the 2012 financial year, will measure the progress in achieving them.

In accordance with the disclosure requirements of the ASX Listing Rules, the Board believes that the governance policies and practices adopted by Wesfarmers during the reporting period for the year ended 30 June 2011 follow the recommendations contained in the ASX Principles.

ROLE AND RESPONSIBILITIES OF THE BOARD AND MANAGEMENT

Functions of the Board

The role of the Board is to oversee and guide the management of Wesfarmers and its businesses with the aim of protecting and enhancing the interests of its shareholders and taking into account the interests of other stakeholders, including employees, customers, suppliers and the wider community.

The Board has a Charter which clearly establishes the relationship between the Board and management and describes their separate functions and responsibilities. The key responsibilities of the Board are set out in the diagram opposite.

Functions of Management

The Wesfarmers Managing Director has responsibility for the day-to-day management of Wesfarmers and its businesses, and is supported in this function by the Wesfarmers leadership team (which comprises the direct reports to the Wesfarmers Managing Director, divisional managing directors and the Executive General Manager, Business Development). The Board maintains ultimate responsibility for strategy and control of Wesfarmers and its businesses.

STRUCTURE AND COMPOSITION OF THE BOARD

The Board is currently comprised of 10 directors, with eight non-executive directors.

The Board is of the view that its current directors possess an appropriate mix of skills, experience, expertise and diversity to enable the Board to discharge its responsibilities and deliver the company's corporate objectives.

Mr Archie Norman, who has significant retail experience, was appointed in 2009 as an adviser to the Board on retail issues. In this role, Mr Norman attends Board meetings on a regular basis, as well as the Board's annual planning session. Mr Norman has had a major role in helping guide the turnaround of the former Coles group businesses.

Director independence

Directors are expected to bring views and judgement to the Board's deliberations that are independent of management and free of any business or other relationship or circumstance that could materially interfere with the exercise of objective, unfettered or independent judgement.

The Board regularly reviews the independence of each non-executive director in light of the relevant information disclosed to the Board.

The Board assesses the independence of new directors upon appointment and reviews their independence, and the independence of the other directors, annually and as appropriate.

The test of whether a relationship could, or could be perceived to, materially interfere with the independent exercise of a director's judgement is based on the nature of the relationship and the circumstances of that director. Materiality is considered from the perspective of the company, the director, and the person or entity with which the director has a relationship.

The Board has reviewed the position and associations of all directors in office as at the date of this report and considers that:

- seven of the eight non-executive directors are independent; and
- Mr Graham is deemed not to be independent by virtue of his position as Managing Director of Gresham Partners Limited, which acts as an investment adviser to the company.

Conflicts of interest

Directors are required to avoid conflicts of interest and immediately inform the Board should a conflict of interest arise. Directors are also required to advise of any relevant interest that may result in a conflict.

The Board has adopted the use of formal standing notices in which directors disclose any material personal interests and the relationship of these interests to the affairs of Wesfarmers. A director is required to notify the company of any new material personal interest or if there is any change in the nature or extent of a previously disclosed interest.

OPERATION OF THE BOARD

Committees of the Board

The Board has established an Audit Committee, a Nomination Committee, a Remuneration Committee and a Gresham Mandate Review Committee as standing committees to assist the Board in the discharge of its responsibilities. All directors have a standing invitation to attend committee meetings.

Performance evaluation

The Nomination Committee is responsible for scheduling at least annually a performance review of individual directors and formal performance reviews of the Board and its committees at least every two years. The Board then undertakes an evaluation process to review performance. A Board committee performance review was conducted in December 2010 and a Board performance review was conducted in July 2011, both of which were facilitated by an external consultant.

A comprehensive process for the evaluation of the performance of senior executives, comprising members of the Wesfarmers leadership team is conducted by the Wesfarmers Managing Director on an annual basis (and, in the case of the Wesfarmers Managing Director, by the Board). The results of this review are used by the Remuneration Committee in determining remuneration outcomes. The performance of all executive directors and senior executives was reviewed during the reporting period in accordance with this process.

GOVERNANCE POLICIES

Board Code of Conduct

The Board has adopted a Board Code of Conduct to guide the directors and promote high ethical and professional standards and responsible decision-making. This code embraces the values of honesty, integrity, enterprise, excellence, accountability, fairness, independence and equality of shareholder opportunity.

Code of Ethics and Conduct

In addition, Wesfarmers has adopted a Code of Ethics and Conduct for all employees (including directors). This code details policies, procedures and guidelines aimed at ensuring that the highest ethical standards, corporate behaviour and accountability are maintained across Wesfarmers.

Whistleblower protection

The Whistleblower Policy of Wesfarmers has been adopted to promote and support a culture of honest and ethical behaviour, corporate compliance and good corporate governance.

This policy encourages employees and contractors to raise any concerns and report instances of unethical, illegal, fraudulent or undesirable conduct either internally with management within his or her division or with a Protected Disclosure Officer, or externally via a telephone helpline managed by an independent third party.

Corporate governance summary

(continued)

Wesfarmers is committed to absolute confidentiality and fairness in all matters raised and will support and protect those who report violations in good faith. The Audit Committee is responsible for overseeing compliance with this policy.

Diversity Policy

Wesfarmers recognises the social and commercial value of diversity and strives to create a work environment which is inclusive of all people regardless of gender, age, race, disability, sexual orientation, cultural background, religion, family responsibilities or any other area of potential difference.

While Wesfarmers is committed to fostering diversity at all levels, gender diversity has been and continues to be a priority for the Group. The Board approved a Diversity Policy during the year, which has particular focus on improving gender balance in the workplace and increasing the representation of women in management roles.

Share Trading Policy

The Share Trading Policy of Wesfarmers states that all employees and directors of the Group are expressly prohibited from trading in Wesfarmers' securities, or securities in other entities in which Wesfarmers has an interest, if they are in possession of 'inside information'.

Directors and senior executives are generally prohibited from trading in the company's securities during 'black out' periods (which are the periods from the close of books to the announcement of the full-year or half-year results). Trading during these periods may only be permitted with prior approval of the Chairman in exceptional circumstances (such as severe financial hardship), subject at all times to the general prohibition on insider trading.

Market Disclosure Policy

Wesfarmers understands and respects that timely disclosure of price sensitive information is central to the efficient operation of the securities market and has adopted a comprehensive Market Disclosure Policy.

The Market Disclosure Policy, and the associated training and education program, are reviewed and monitored by the Audit Committee. Compliance with the policy is also monitored by the Board.

Shareholder Communications Policy

The Communications Policy of Wesfarmers promotes the communication of information to shareholders through the distribution of an annual report and announcements through the ASX and the media regarding changes in its businesses, and the Chairman's address at the annual general meeting.

INTEGRITY IN FINANCIAL REPORTING

Role of the Audit Committee

The Audit Committee monitors internal control policies and procedures designed to safeguard company assets and to maintain the integrity of financial reporting.

The Finance Director, the Group General Counsel, the Executive General Manager Group Accounting, Assurance and Risk, the General Manager Group Assurance, the Company Secretary, the external auditor (Ernst & Young), and any other persons considered appropriate, attend meetings of the Audit Committee by invitation.

Role of the external auditor

The company's external auditor is Ernst & Young. The effectiveness, performance and independence of the external auditor is reviewed annually by the Audit Committee.

Ernst & Young has provided the required independence declaration to the Board for the financial year ended 30 June 2011.

RISK MANAGEMENT

Risk is an accepted part of doing business and Wesfarmers is committed to the identification, monitoring and management of material business risks associated with its business activities across the Group to create long-term shareholder value.

Risk management oversight and responsibility

The division of the key risk management functions is set out in the diagram opposite.

BOARD

- Approving the Group's risk management framework and accountability systems
- Reviewing, ratifying and monitoring the Group's systems of risk management and internal control at least annually

WESFARMERS MANAGING DIRECTOR AND FINANCE DIRECTOR

- Providing a declaration to the Board regarding the financial reports
- Assessing and providing assurance to the Board that the Group's risk management and internal control systems are operating effectively in all material respects

AUDIT COMMITTEE

- Assisting the Board in oversight of the Group's risk management systems
- Approving the internal audit charter and annual internal audit plan
- Ensuring the adequacy of the internal control environment and reviewing internal audit reports prepared by Group Assurance
- Reviewing the Group Risk Compliance Report prepared by management

MANAGEMENT

- Implementing and maintaining risk management and internal control systems
- Preparing divisional Risk Compliance Reports (approved by each divisional board)
- Preparing consolidated Group Risk Compliance Report setting out key risks and the controls and processes implemented to mitigate these risks (approved by the Wesfarmers leadership team)
- Reporting to the Board on the adequacy of the systems and processes in place to manage material business risks

GROUP RISK AND ASSURANCE

- Monitoring the effectiveness of risk management systems through a single outsourced audit provider
- Preparing internal audit reports and reporting to the Audit Committee on the adequacy of risk management and the internal control environment
- Facilitating the annual risk compliance reporting and preparing the Group Risk Compliance report for review by the Audit Committee

The complete corporate governance statement is included on pages 58 to 65 of the 2011 annual report.

Remuneration summary

This summary provides an overview of Wesfarmers' executive remuneration framework and key changes for the 2011 financial year.

The Wesfarmers Limited Board is committed to an executive remuneration framework that is focused on driving a performance culture by rewarding executive performance for the achievement of the Company's short-term and long-term strategy and business objectives and, ultimately, generating satisfactory returns for shareholders. The remuneration report, which can be found on pages 72 to 87 of the 2011 annual report, explains how Wesfarmers' performance for the 2011 financial year has driven remuneration outcomes for senior executives.

KEY CHANGES

A summary of the key changes to remuneration-related matters approved for the 2011 financial year is set out below:

- following a freeze in the 2010 financial year, fees for non-executive directors increased effective 1 January 2011 and fixed remuneration levels for senior executives increased effective 1 October 2010 based on business and individual performance and aligned to market remuneration levels;
- a comprehensive review of the Wesfarmers Long Term Incentive plan (WLTIP) was undertaken, with the Board approving various enhancements for the 2011 allocation to be undertaken later this year, including:
  - introducing relative Total Shareholder Return (TSR) as a second performance metric,
  - extending the performance period to four years, and
  - increasing the level of performance required for full vesting in relation to both performance hurdles to the 75th percentile of the comparator group;
- shareholder approval will be sought at the 2011 Annual General Meeting for the 2011 WLTIP allocations proposed to be made to the Group Managing Director and the Finance Director;
- the Board, through the Remuneration Committee, has reviewed and further developed a number of executive remuneration guiding principles and reaffirmed Wesfarmers' procedures and protocols (at both Board and management level) regarding the engagement of external remuneration consultants.

LINK TO 2011 FINANCIAL PERFORMANCE

Wesfarmers' 2011 financial year performance saw earnings improvements across most divisions. The financial performance for the Coles, Home Improvement and Office Supplies, Industrial and Safety, and Chemicals, Energy and Fertilisers divisions met or exceeded financial targets set by the Board for 2011.

This resulted in the annual incentive plan delivering at or above target bonuses for the executive directors and for senior executives in those divisions. The financial performance for the Target, Kmart, Insurance and Resources divisions were below target levels, which was reflected in the annual incentives for senior executives in those divisions. Overall, the Wesfarmers Group minimum performance level was achieved.

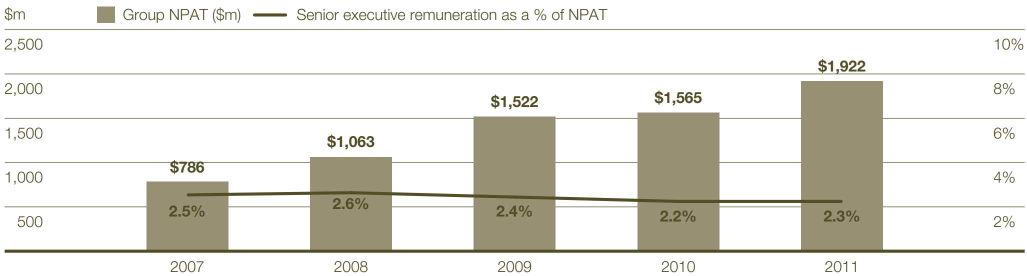
A number of senior executives also received an allocation of shares this year under the WLTIP, linking a part of their at risk remuneration to achieving strong relative growth in return on equity for our shareholders.

The graph on the following page shows the link between company performance and reward, and measures Group Net Profit After Tax (NPAT) against senior executive total remuneration, as reported in the 2007 to 2011 annual reports.

REMUNERATION POLICY AND PRINCIPLES

The Board considers it essential to have a remuneration framework which reflects the diversified nature of the Wesfarmers business and is structured to reward executives for performance at a Group level and, for divisional executives, also at a divisional level.

Group NPAT against senior executive total remuneration



During the 2011 financial year, the Remuneration Committee further developed the guiding principles which assist with the determination of executive remuneration. These principles are used as a reference when considering remuneration plans and policies that apply to senior executives. The overriding objective is to provide satisfactory returns to shareholders and the remuneration principles are focused on driving the leadership performance and behaviours consistent with achieving this objective.

Wesfarmers' remuneration policy for senior executives is guided by the following key principles:

- **ownership aligned** – remuneration arrangements generally encourage Wesfarmers' senior executives to behave like long-term 'owners' through performance-based equity plans to increase shareholdings. The mix of remuneration components and the measures used in the performance incentive plans were chosen to ensure there is a strong link between remuneration earned and the achievement of sustainable performance that leads to satisfactory returns for shareholders;
- **performance focused** – generally remuneration arrangements reward strategic, operational and financial performance of the business. A significant proportion of each executive's remuneration is dependent upon Wesfarmers' success and individual performance;
- **core consistency and market competitiveness** – a core common set of remuneration practices will generally apply to all senior executive roles. However, differential management will be applied by the Remuneration Committee to meet specific needs. Wesfarmers positions fixed remuneration and incentives to be competitive with executives in ASX 25 companies, with an opportunity for highly competitive total remuneration for superior performance; and
- **open and fit for purpose** – remuneration arrangements can be innovative to respond to business and operational needs. However, all remuneration arrangements for our key management personnel will be communicated to our stakeholders in an open and transparent manner.

Remuneration summary

(continued)

COMPONENTS OF EXECUTIVE REMUNERATION

The executive remuneration framework consists of the following components:

- base salary (called Fixed Annual Remuneration or 'FAR') – in setting FAR, reference is made to the median of salaries for executives in ASX 25 companies, with further consideration given to business and individual performance as well as the ability to retain key talent. Additional sector or industry-specific data is also taken into consideration in benchmarking the senior executives where appropriate; and
- incentive or 'at risk' components are set at levels competitive with ASX 25 companies 'at target' and provide for highly competitive at risk remuneration for superior performance. These include:

(1) **annual incentives** – an incentive based on the achievement of annual performance conditions, heavily weighted to return and earnings-based measures and also including non-financial goals which seek to achieve our corporate objectives. This incentive comprises both a cash component, which is paid following the end of the applicable financial year, and a restricted share component, which is subject to forfeiture in the 12 months following grant and which is restricted for a minimum of three years; and

(2) **long-term incentives** – a share grant plan with a future performance hurdle. In relation to grants to be made in the 2012 financial year, the four year performance hurdles will comprise growth in return on equity and relative TSR, in order to ensure a strong link with the creation of shareholder value. Wesfarmers also operates a specific plan, linked to the turnaround of the Coles division, for select Coles executives.

TOTAL TARGET ANNUAL REMUNERATION

Wesfarmers' mix of fixed and at risk components for each of the executives disclosed in the remuneration report, as a percentage of total target annual remuneration for the 2011 financial year, is as follows:

	Fixed remuneration %	Incentive or 'at risk' %
Group MD[1]	33	67
Managing Director, Coles division[2]	15	85
Other senior executives	40	60

1 As the Group MD did not receive a long-term incentive grant in the 2011 financial year, the total target remuneration shown is that for the 2012 financial year, being FAR plus annual incentive and long-term incentive at target of 100 per cent of FAR.

2 The long-term incentive target for the Managing Director Coles reflects the actual CLTIP award contribution for the 2011 financial year.

OVERVIEW OF REMUNERATION COMPONENTS

		Participants			
Remuneration component		Non-executive directors	Group Managing Director	Finance Director/ senior executives	Coles executives
Fixed	Fixed Annual Remuneration		✓(page 77)	✓(page 77)	✓(page 77)
	Fees	✓(page 74)			
Annual incentive			✓(page 77)	✓(page 77)	✓(page 77)
Long-term incentive			✓(legacy grant under GMD Rights Plan – page 84)	✓(WLTIP – page 78)	✓(CLTIP – page 80)
Post-employment arrangements	Superannuation	✓(page 74)	✓(page 85)	✓(page 85)	✓(page 85)

Further details of the remuneration framework and actual outcomes for the 2011 financial year are set out in the remuneration report, which can be found on pages 72 to 87 of the 2011 annual report.

Five year financial history

Wesfarmers Limited and its controlled entities

All figures in $m unless shown otherwise	**2011**	2010	2009	2008	2007
SUMMARISED INCOME STATEMENT					
Sales revenue	**54,513**	51,485	50,641	33,301	9,667
Other operating revenue	**362**	342	341	283	87
Operating revenue	**54,875**	51,827	50,982	33,584	9,754
Operating profit before depreciation and amortisation, finance costs and income tax	**4,155**	3,786	3,803	2,889	1,650
Depreciation and amortisation	**(923)**	(917)	(856)	(660)	(345)
Finance costs	**(526)**	(654)	(951)	(800)	(200)
Income tax expense	**(784)**	(650)	(474)	(366)	(319)
Operating profit after income tax attributable to members of Wesfarmers Limited	**1,922**	1,565	1,522	1,063	786
CAPITAL AND DIVIDENDS					
Ordinary shares on issue (number) 000's as at 30 June	**1,157,072**	1,157,072	1,157,072	799,438	388,069
Paid up ordinary capital as at 30 June	**23,286**	23,286	23,286	18,173	2,256
Fully-franked dividend per ordinary share (cents)	**150**	125	110	200	225
FINANCIAL PERFORMANCE					
Earnings per share (weighted average) (cents)	**166.7**	135.7	158.5	174.2	195.2
Earnings per share growth	**22.8%**	(14.4%)	(9.0%)	(10.8%)	(10.7%)
Return on average ordinary shareholders' funds	**7.7%**	6.4%	7.3%	8.6%	25.1%
Net interest cover – cash basis (times)	**9.5**	6.8	5.0	4.9	8.7
FINANCIAL POSITION AS AT 30 JUNE					
Total assets	**40,814**	39,236	39,062	37,178	12,076
Total liabilities	**15,485**	14,542	14,814	17,580	8,573
Net assets	**25,329**	24,694	24,248	19,598	3,503
Net tangible asset backing per ordinary share	**$4.12**	$3.61	$3.13	($1.36)	$2.11
Net debt to equity	**17.1%**	16.3%	18.3%	47.3%	143.6%
Total liabilities/total assets	**37.9%**	37.1%	37.9%	47.3%	71.0%
Stock market capitalisation as at 30 June	**36,913**	33,171	26,337	29,819	17,746

Group structure

Wesfarmers

RETAIL

Coles
- COLES/BILO
- COLES EXPRESS
- LIQUORLAND
- VINTAGE CELLARS
- 1ST CHOICE LIQUOR
- COLES ONLINE
- HOTELS

Home Improvement and Office Supplies
- BUNNINGS (AUST/NZ)
- OFFICEWORKS
- HARRIS TECHNOLOGY

Target
- TARGET
- TARGET COUNTRY
- URBAN BY TARGET

Kmart
- KMART (AUST/NZ)
- KMART TYRE & AUTO SERVICE

INDUSTRIAL AND OTHER BUSINESSES

Insurance
- **AUSTRALIA**
  - LUMLEY INSURANCE
  - WFI
  - OAMPS
- **NEW ZEALAND**
  - LUMLEY
  - CROMBIE LOCKWOOD
- OAMPS UK

Resources
- CURRAGH
- PREMIER COAL
- PREMIER POWER SALES
- BENGALLA (40%)

Chemicals, Energy and Fertilisers
- CSBP
- AUSTRALIAN GOLD REAGENTS (75%)
- QUEENSLAND NITRATES (50%)
- AUSTRALIAN VINYLS
- AIR LIQUIDE WA (40%)
- KLEENHEAT GAS
- ENGEN*

Industrial and Safety
- **AUSTRALIA**
  - BLACKWOODS
  - BULLIVANTS
  - COREGAS
  - TOTAL FASTENERS
  - PROTECTOR ALSAFE
- **NEW ZEALAND**
  - BLACKWOODS PAYKELS
  - PROTECTOR
  - NZ SAFETY
  - PACKAGING HOUSE
  - SAFETY SOURCE

Other activities
- GRESHAM PARTNERS (50%)
- WESPINE INDUSTRIES (50%)
- BWP TRUST (23%)

* On 31 August 2011, Wesfarmers completed the sale of enGen for $101 million.

Wesfarmers brands

Wesfarmers owns some of the best-known businesses in Australia and New Zealand.

COLES

coles · coles.com.au · BI-LO · Liquorland · coles express · 1st Choice Liquor Superstore · Vintage Cellars Australia's Fine Wine Specialist · spirit hotels

HOME IMPROVEMENT AND OFFICE SUPPLIES

Bunnings · Bunnings Warehouse · Bunnings Trade · Officeworks

TARGET

Target. · Target. Country · URBAN BY Target

KMART

Kmart · Kmart Tyre & Auto Service

INSURANCE

Wesfarmers Insurance · wfi · Lumley · OAMPS · CROMBIE LOCKWOOD New Zealand's Insurance Brokers

RESOURCES

Wesfarmers Resources · CURRAGH · Premier Coal · BENGALLA · Premier Power Sales

CHEMICALS, ENERGY AND FERTILISERS

Wesfarmers Chemicals, Energy & Fertilisers · CSBP · AGR Australian Gold Reagents Pty Ltd · QNP · enGen · AIR LIQUIDE Western Australia · KleenheatGas · Australian Vinyls · EVOL LNG · MODWOOD

INDUSTRIAL AND SAFETY

Wesfarmers Industrial and Safety · SAFETY SOURCE · Blackwoods · Bullivants Handling Safety · Protector Alsafe

Total Fasteners · Blackwoods Paykels · protectorsafety · Packaging House Building partnerships, delivering solutions · NZ Safety · coregas

OTHER ACTIVITIES

bwp TRUST · GRESHAM · WESPINE INDUSTRIES PTY LTD

Corporate directory

Wesfarmers Limited ABN 28 008 984 049

Registered office

Level 11, Wesfarmers House
40 The Esplanade, Perth,
Western Australia 6000

Telephone: (+61 8) 9327 4211
Facsimile: (+61 8) 9327 4216
Website: www.wesfarmers.com.au
Email: info@wesfarmers.com.au

Executive directors

Richard Goyder
Managing Director and Chief Executive Officer

Terry Bowen
Finance Director

Non-executive directors

Bob Every, Chairman
Colin Carter OAM
James Graham AM
Tony Howarth AO
Charles Macek
Wayne Osborn
Diane Smith-Gander
Vanessa Wallace

Company Secretary

Linda Kenyon

Share registry

Computershare Investor Services Pty Limited
Level 2, 45 St Georges Terrace,
Perth, Western Australia 6000

Telephone
Australia: 1300 558 062
International: (+61 3) 9415 4631

Facsimile
Australia: (03) 9473 2500
International: (+61 3) 9473 2500
www.investorcentre.com/contact

Financial calendar+

29 August 2011
Record date for final dividend

30 September 2011
Final dividend paid

9 November 2011
Annual General Meeting

31 December 2011
Half-year end

February 2012
Half-year profit announcement

Record date for interim dividend

March 2012
Interim dividend payable

30 June 2012
Year-end

+ Timing of events is subject to change.

Annual General Meeting

The 30th Annual General Meeting of Wesfarmers Limited will be held at the Perth Convention and Exhibition Centre, Mounts Bay Road, Perth, Western Australia on Wednesday, 9 November 2011 at 1.00 pm (Perth time).

Website

To view the 2011 annual report, shareholder and company information, news announcements, background information on Wesfarmers' businesses and historical information, visit Wesfarmers' website at www.wesfarmers.com.au

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Wesfarmers