Half Year Results Presentation

10 February 2004

Wesfarmers

Presentation Outline

Opening Comments	**Michael Chaney**
Group Performance	Richard Goyder
Divisional Comments	Peter Davis
	Bob Buckley
	Bob Denby
	David Robb
	John Gillam
	Gene Tilbrook
Outlook	Michael Chaney

Richard Goyder

Finance Director, Wesfarmers Limited

Wesfarmers

Performance Summary

Half Year Ended 31 December ($m)	2002	2003	⬆ %
Operating Revenue (ex. sale of Landmark)	3,728.1	3,786.2	1.6
Net Profit (before g/will ex. sale of Landmark)	267.6	338.5	26.5
Goodwill Amortisation	(42.7)	(41.7)	(2.3)
Net Profit (after g/will ex. sale of Landmark)	224.9	296.8	32.0
Net Profit on sale of Landmark	0.0	304.3	n/a
Net Profit (after goodwill)	224.9	601.0	167.2
Earnings Per Share (before g/will ex. Landmark) (cents)	71.4	90.2	26.3

Half Year Performance Highlights

- Strong performance from operating units
- Lumley purchase
- Sale of Landmark
- GPEF divestment (Repco) - $44.2m net profit
- Capital return of $934m in December 2003

Profit on Sale of Non-Current Assets

After Tax ($m)	2002	2003*
Hardware	(0.1)	0.0
Energy	1.2	0.5
Rural Operations	0.4	0.2
Insurance	0.0	0.0
Industrial & Safety	0.4	0.4
Chemicals & Fertilisers	0.3	0.0
Other	0.0	3.2
Total	2.2	4.3

* Excludes sale of Landmark

Divisional EBITA

Half Year Ended 31 December ($m)	2002	2003*
Hardware	196.1	211.9
Energy	123.6	115.1
Rural Operations	21.5	8.4
Insurance	12.4	35.8
Industrial & Safety	55.5	53.0
Chemicals & Fertilisers	15.7	20.6
Other	16.7	84.1
Total	441.5	528.9

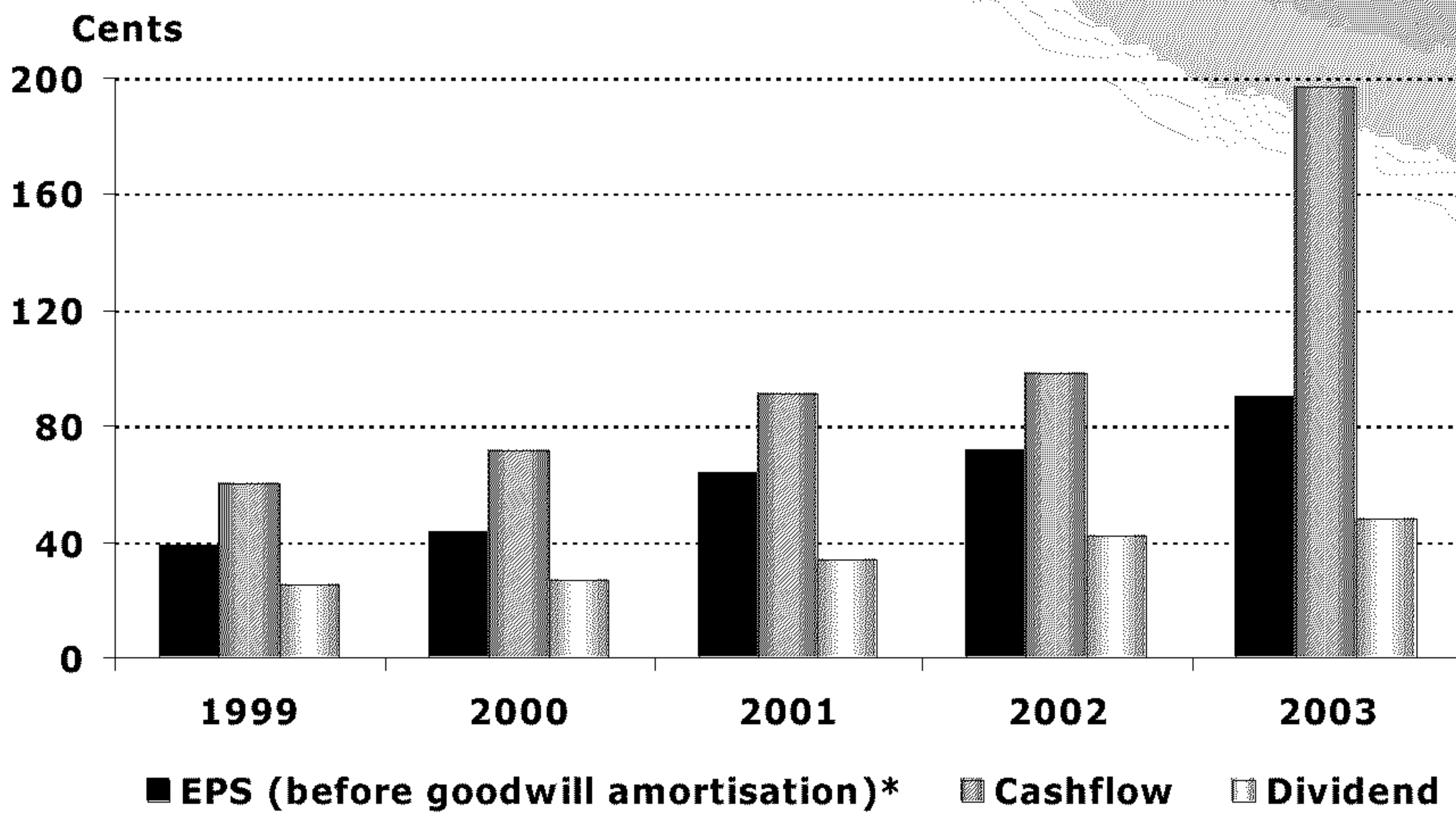
*Excludes earnings from sale of Landmark

Divisional ROC & Capital Employed
(before goodwill amortisation)

Rolling 12 months to 31 December	2003			
	EBITA $m	Capital Employed $m	ROC %	2002 ROC %
Hardware	364.9	1,928.9	18.9	17.8
Energy	251.3	778.8	32.3	30.2
Insurance	48.6	421.6	32.0*	58.6
Industrial & Safety	114.7	829.2	13.8	12.9
Chemicals & Fertilisers	83.8	475.5	17.6	15.8

*2003 Insurance ROC has been adjusted to take into account that Lumley was owned for 2.5 months

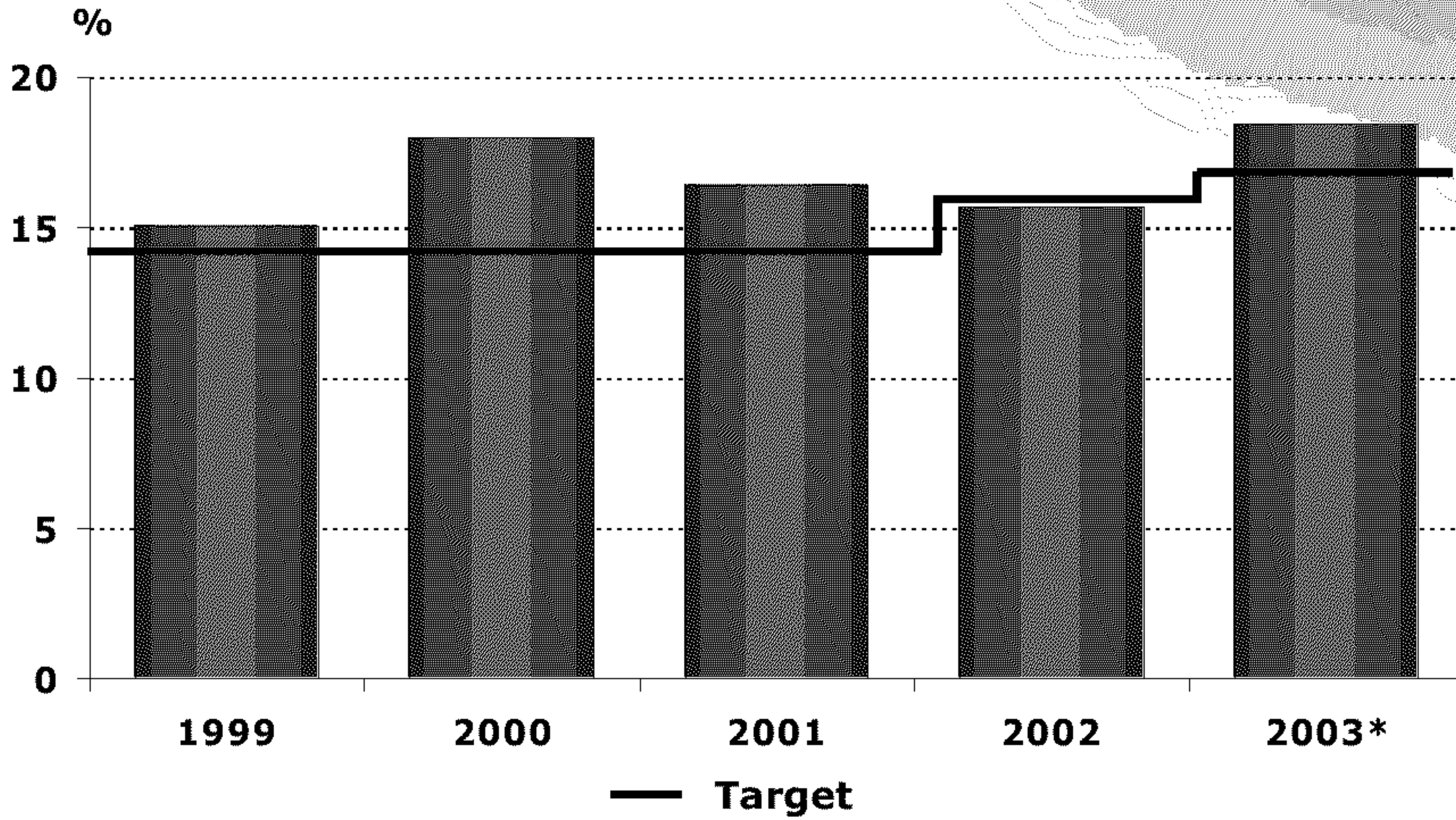
Cashflow & Dividend (Half Year)
(earnings, cashflow and dividend per share)



* Excludes sale of Landmark

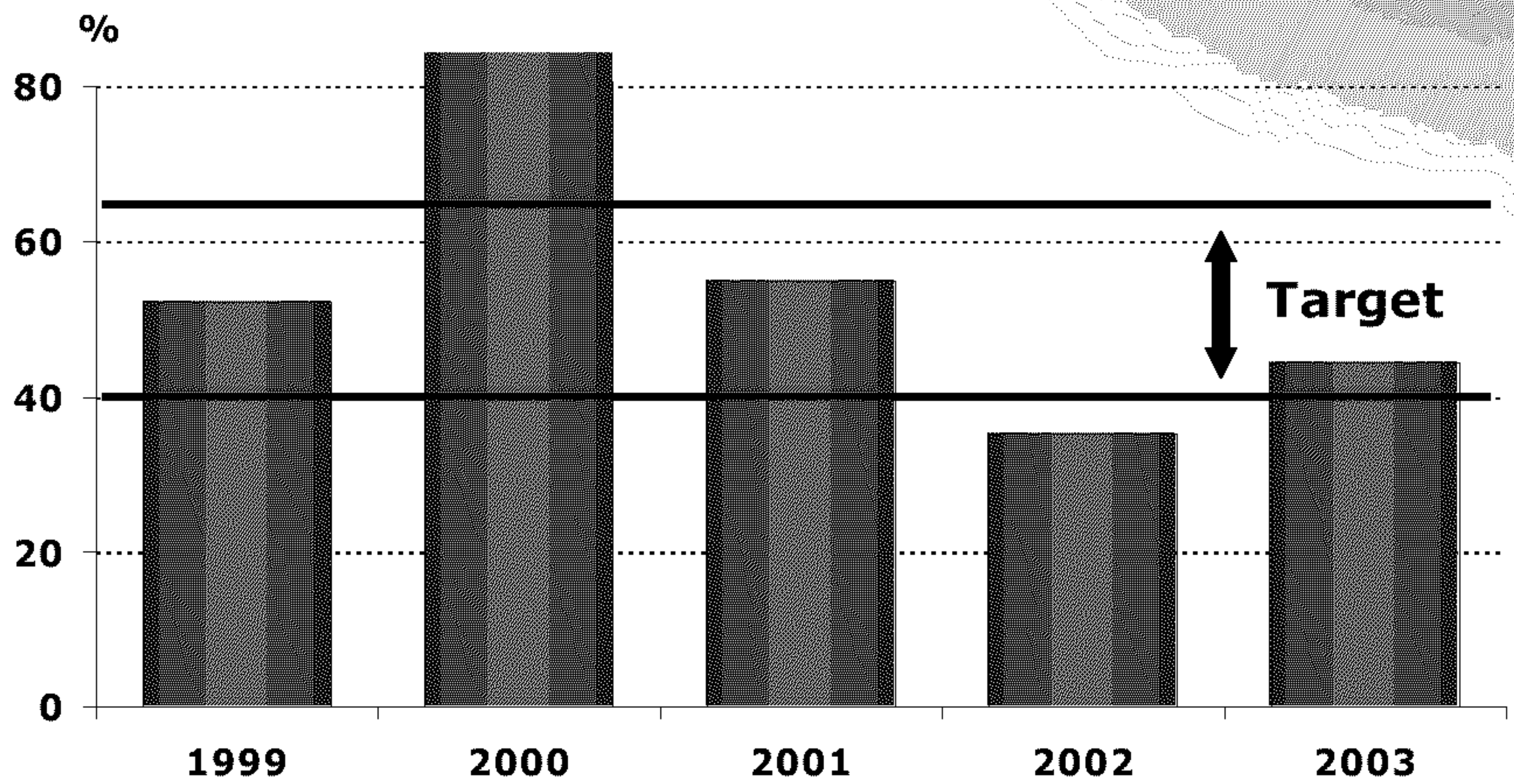
Return on Shareholders' Funds

(pre goodwill) – rolling 12 months to 31 December

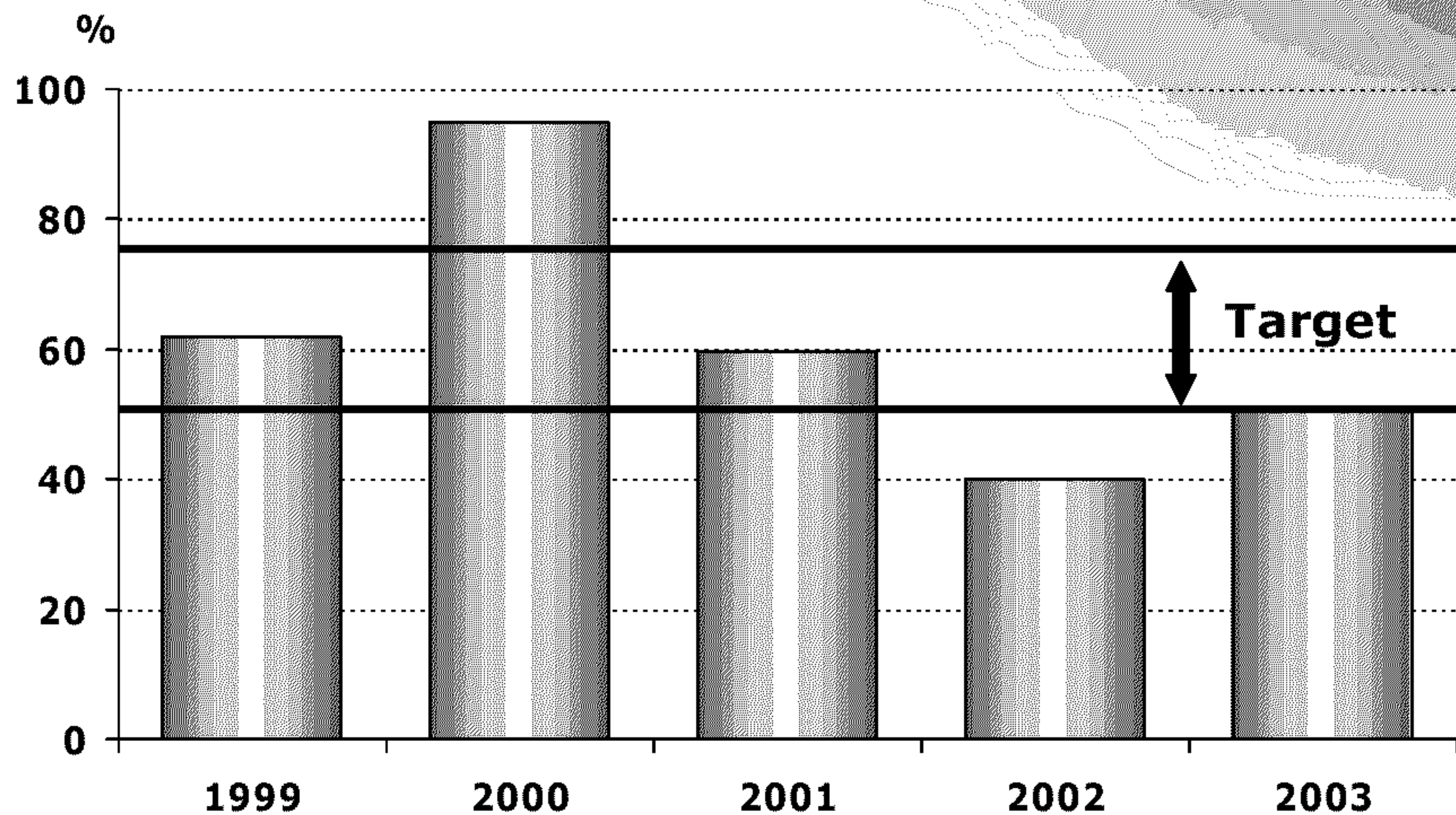


* Excludes sale of Landmark

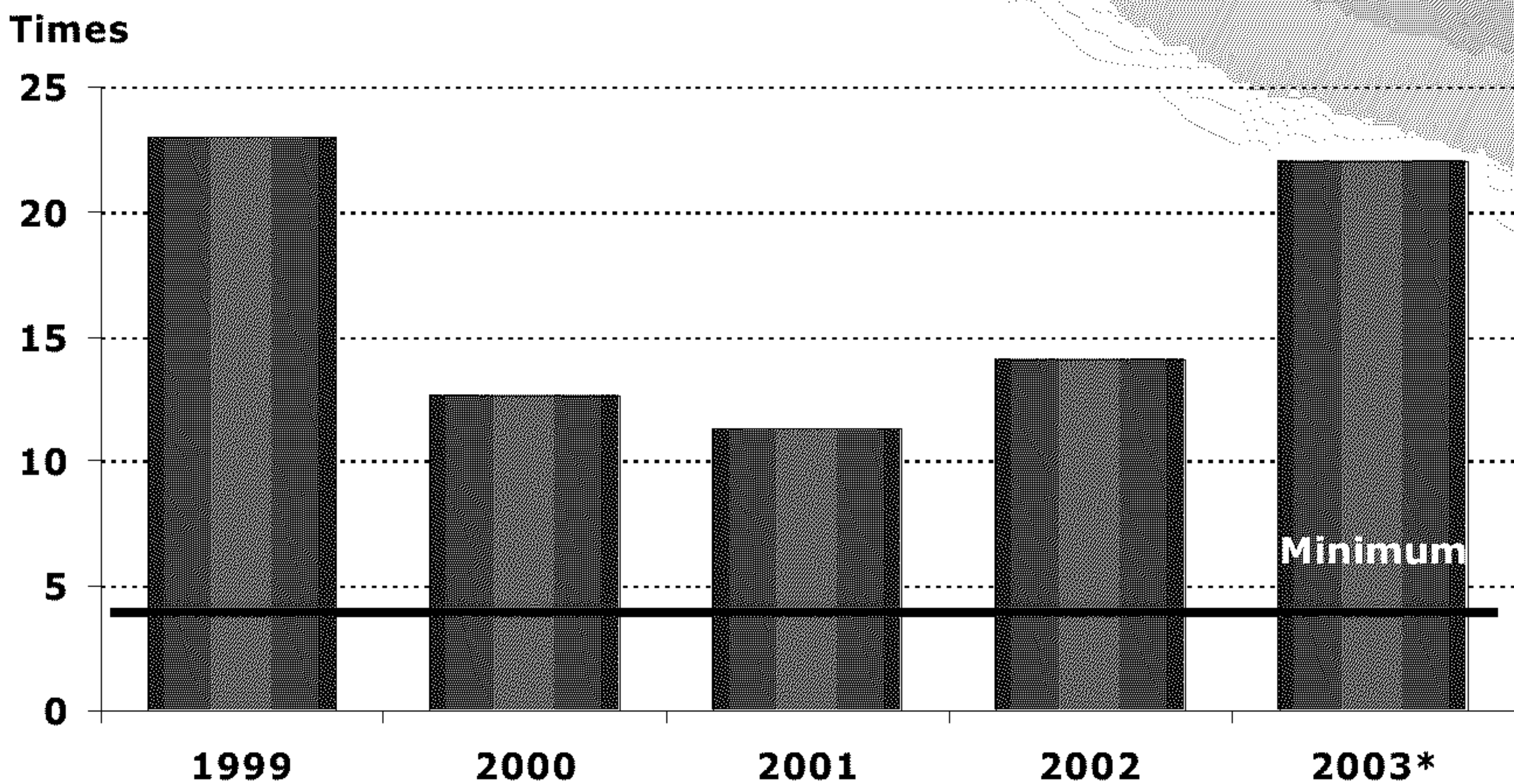
Net Debt/Equity (as at 31 December)



Net Debt/Equity (as at 31 December)
(assuming no upstreaming of Insurance funds)



Interest Cover Ratio
(Rolling 12 months to 31 December)



*Excludes the sale of Landmark

Capital Management

- Capital return of $934m in December
- On-market buy-back of up to 5% of Wesfarmers shares
  - At 31 December 2003, approximately 6.98m shares repurchased at an average price of $25.43

Peter Davis

Managing Director, Bunnings

LOWEST PRICES
WIDEST RANGE
BEST SERVICE

Half Year Result

Segment Result

($m)	2002	2003	Change
Revenue*	1,781.6	1,993.1	11.9%
EBITA*	196.1	211.9	8.1%
Amortisation	25.1	25.0	-0.2%
EBIT	171.0	186.9	9.3%
EBITA/Sales Ratio	11.0%	10.6%	-0.4%

*Includes Revenue and EBITA from property and other

Half Year Result

Trading Result

($m)	2002	2003	Change
Revenue*	1,755.7	1,965.0	11.9%
EBITA*	185.9	205.8	10.7%
Amortisation	25.1	25.0	-0.2%
EBIT	160.8	180.8	12.4%
EBITA/Sales Ratio	10.6%	10.5%	-0.1%

*Excludes Revenue and EBITA from property and other

Half Year Result

- Cash store on store growth 13%
  - Strong result – Queensland, Western Australia, New South Wales & New Zealand
- Water restrictions
  - NSW Stage 1, Vic Stage 2, ACT Stage 3
  - Sales impact $5m/month

Half Year Result

- Trade credit sales decreased by 5% (Australia)
  - Account rationalisation & store closures
  - Slowing housing construction market
  - Strong competition (margin)
- Inventory Management
  - Information systems
  - Supplier scorecard
  - Logistics

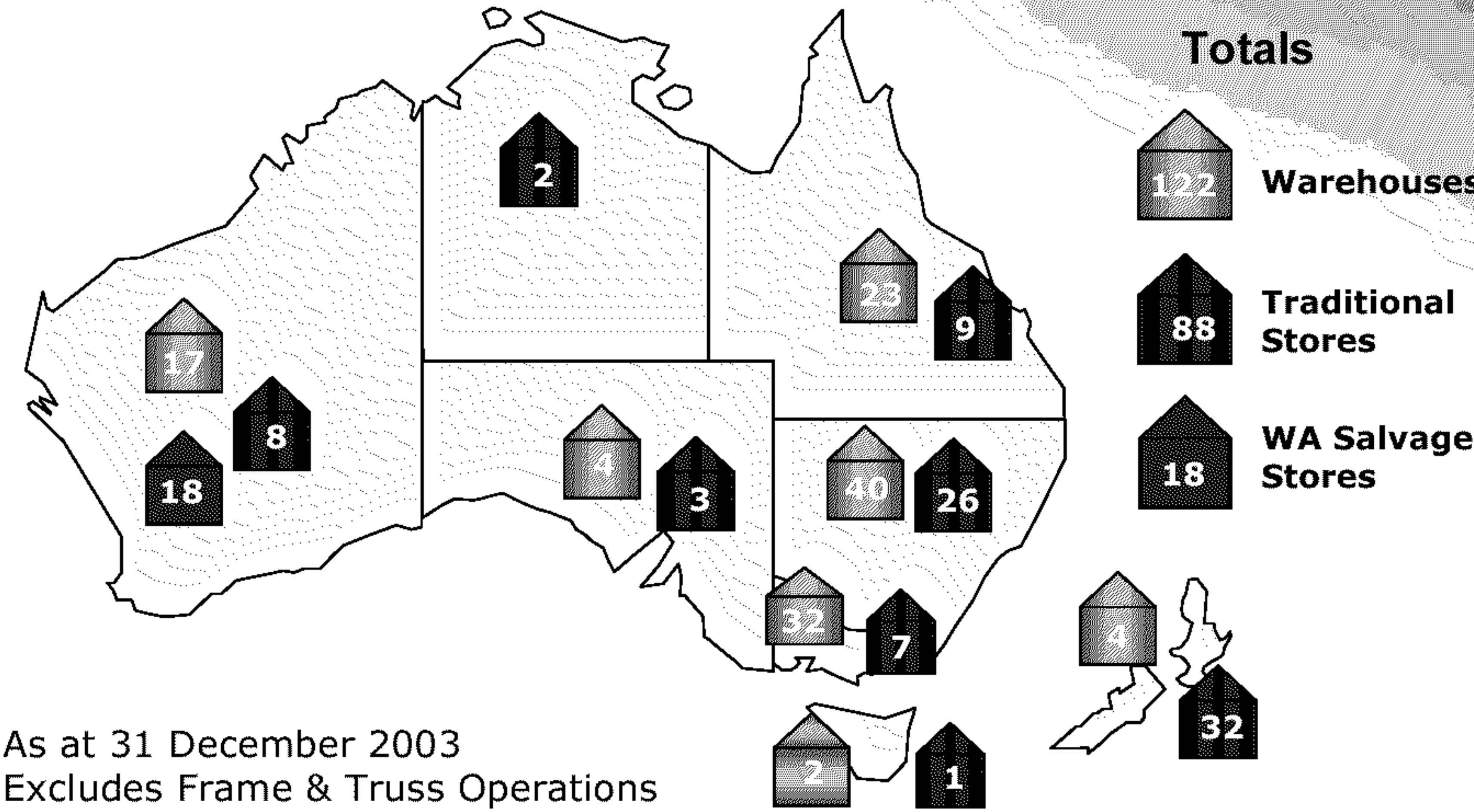
1st Half Highlights

- Store Network Development
  - Warehouses
    - 8 new (NB: Christchurch NZ)
    - 2 closed (former Hardwarehouse)
  - Traditional stores
    - 6 closed (ex-BBC trade and small regional)

1st Half Highlights

- Store Network Development
  - Bunnings Warehouse upgrades
    - 5 completed
  - Former Hardwarehouse refits
    - 4 completed
  - Traditional store upgrades
    - 2 completed

Store Network Update



As at 31 December 2003
Excludes Frame & Truss Operations

Outlook

- Continued growth in DIY and renovation markets
- Rising interest rates affecting new housing
- Store development pipeline
- Store network upgrades and conversions
- Continuous improvement


BUNNINGS
warehouse

Bob Buckley

Chief Executive, Wesfarmers Insurance

WESFARMERS FEDERATION INSURANCE

WFI

Lumley

Agenda

- Financial highlights for 1st half
- Claims performance
- Sale of Lumley Life
- Integration
- Outlook

Financial Highlights and Outlook

- Includes 2.5 month contribution from Lumley group
- Excludes Lumley Life
- Operating revenue of $300.7m
- EBITA of $35.8m (not pro-ratable)

Claims Performance

- Lower than budget
- Division not adversely affected by Melbourne storms - LGA protected by reinsurance
- LGNZ claims lower than budget
- WFI recorded higher than normal crop claims

Sale of Lumley Life

- Lumley Life sale completed on 30/12/2003
- $4.4m overall reduction in Wesfarmers' purchase price

Integration

- Business focus and momentum uninterrupted
- Modest savings expected from merged reinsurance programs
- Higher retentions in Lumley from 2005 onwards
- Restructure of Lumley Technology continues satisfactorily
- Gennetic@ development restricted to current clients

Outlook

- Competition re-emerging in a number of classes
- Claims trending lower than budget
- Environment remains positive

Bob Denby

Managing Director, Wesfarmers Industrial and Safety

Wesfarmers

Financial Highlights

- Operating Revenue down 0.6% to $575m
- EBITA down 4.5% to $53m
- EBITA up 5.1% for 2nd Quarter on last year
- EBITA/Op. Rev. Margin down from 9.6% to 9.2%
- EBITA/Capital up from 12.9% to 13.8%

Business Activity Highlights

- Blackwoods
  - Northern & Western regions strong growth
  - Central & Southern regions flat sales
- Protector Alsafe
  - New management & business improvement now in place
- New Zealand
  - Significant sales increase, margin & EBITA growth contributed by the Paykels acquisition

Highlights for Half Year 2004

- Blackwoods Trade Fair
- Integration of Blackwoods & Paykels
- Rationalisation of distribution centres
- Implementation of ERP system
  - Acc Payable & Gen Ledger live 1/10/03
  - Payroll live 15/10/03
  - Acc Receivable live 1/12/03

Outlook for Second Half 2004

- Australia
  - Generally positive
  - Easing of drought
  - Continued spending in mining and transport infrastructure (cautious outlook due to AUD)
- New Zealand
  - Steady
  - EBITA improvement through integration of Paykels

David Robb

Managing Director, Wesfarmers Energy

Energy 2003/04 H1 Environment

Gas

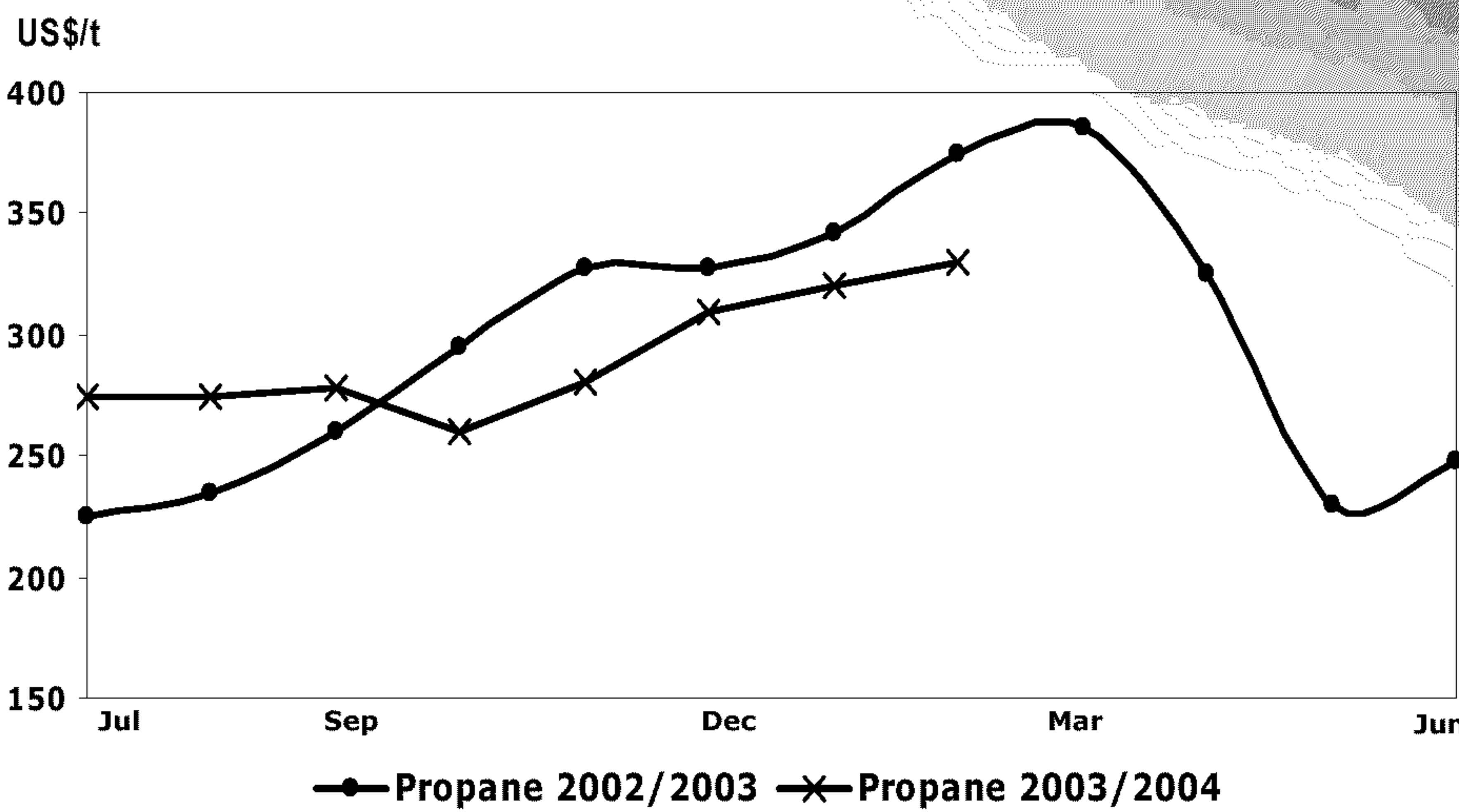
- International prices similar to pcp
- Excise uncertainty

Coal

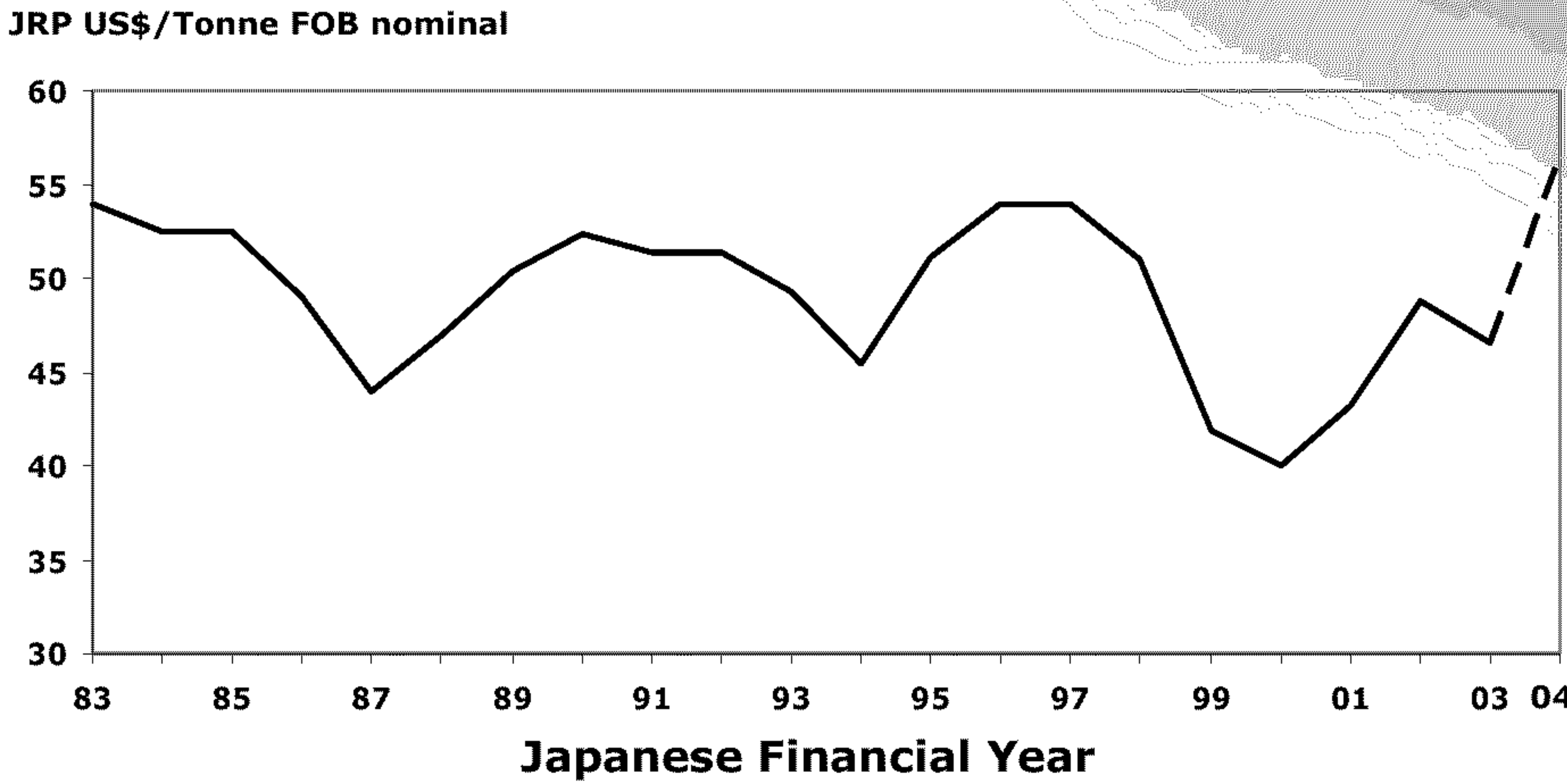
- Demand firm, logistics bottlenecks
- Coking coal prices lower, steam improving
- Western Power deliveries down
- Adverse exchange rate movement

Energy 2003/04 H1 Environment

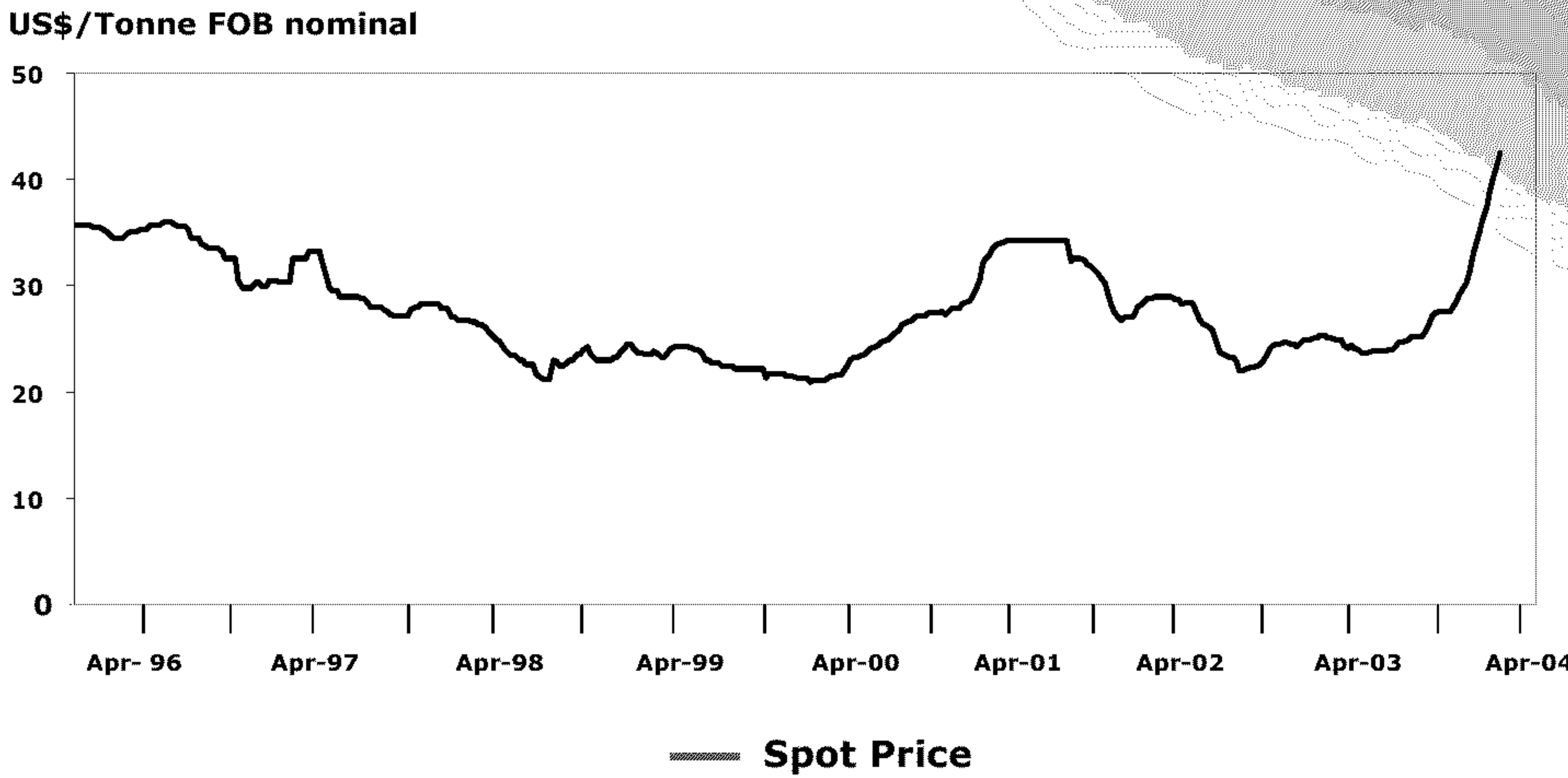
Saudi Contract Price



Energy 2003/04 H1 Environment
Hard Coking Coal Prices

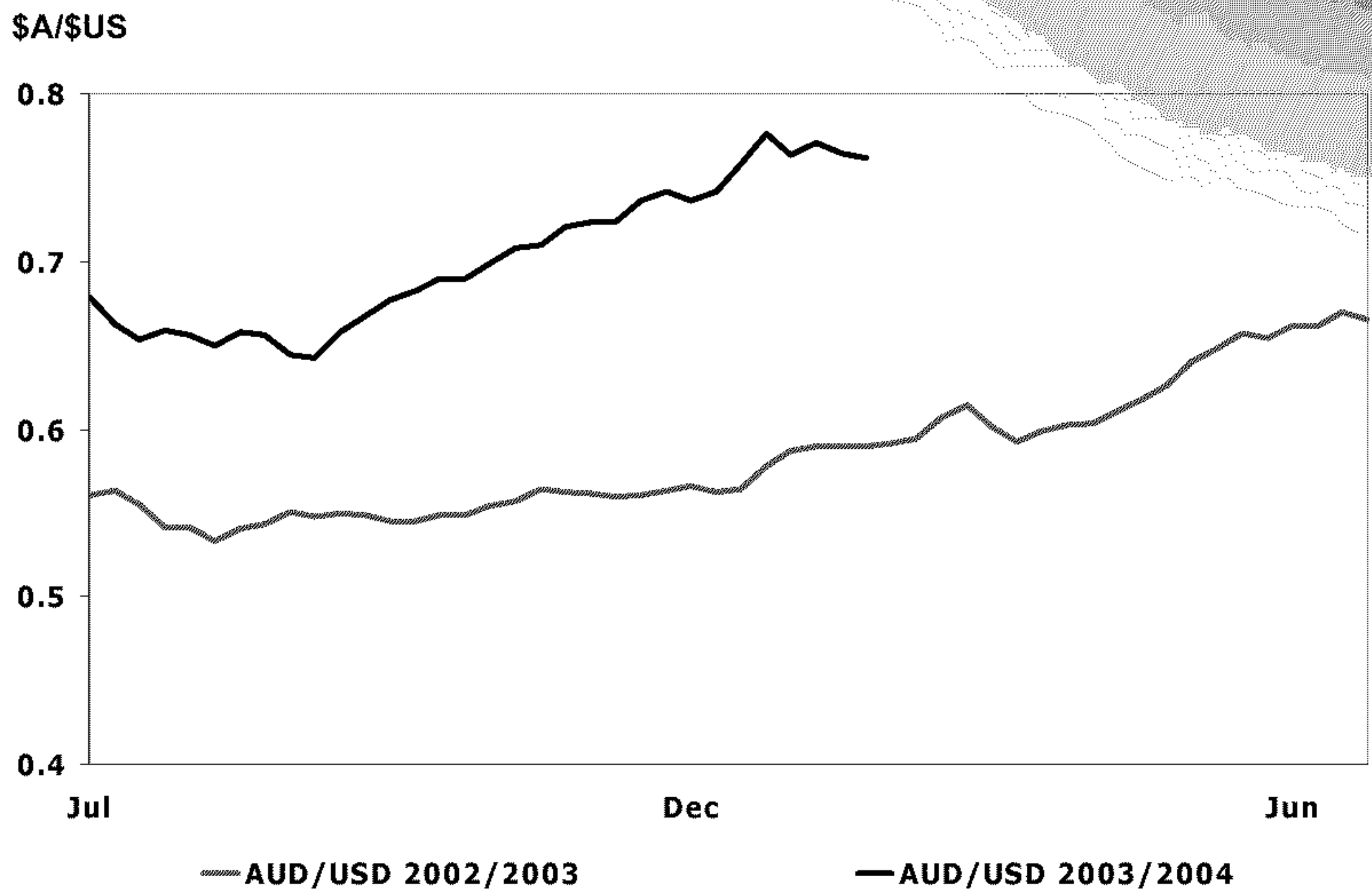


Energy 2003/04 H1 Environment
Thermal Coal Prices



Source: Barlow Jonker

Energy 2003/04 H1 Environment
Exchange Rates

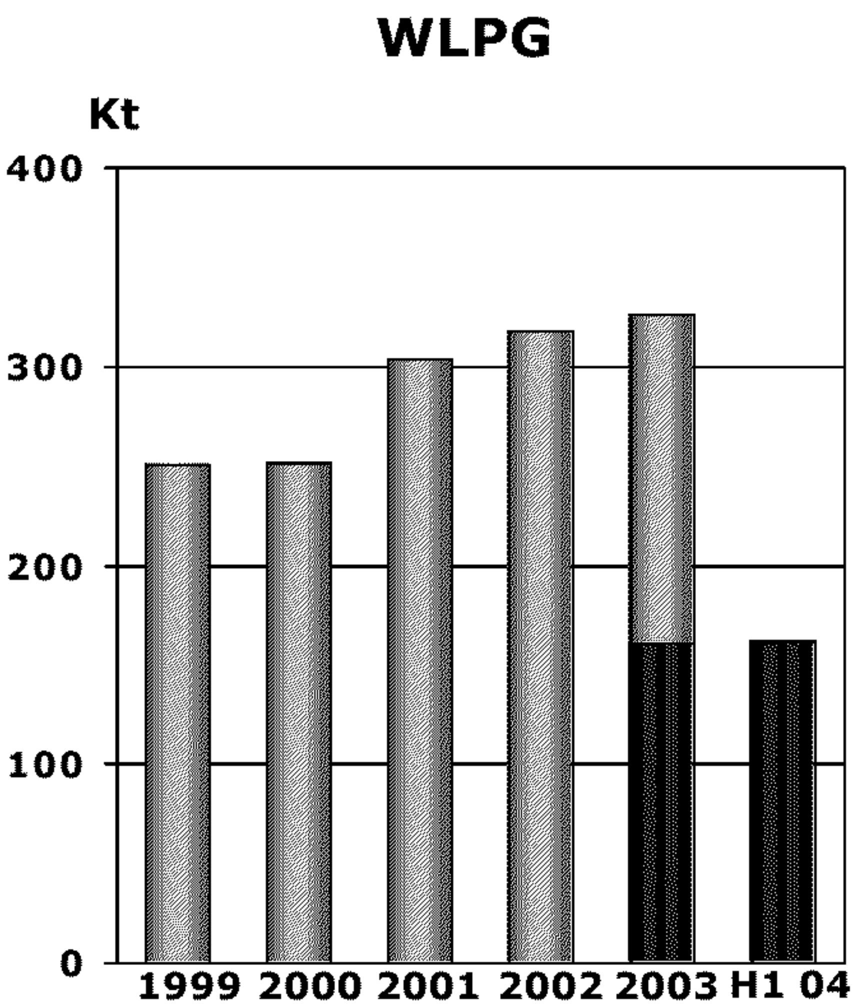


Wesfarmers Curragh Hedging Profile
at 31 December 2003

	Proportion of USD revenue hedged * %	Average AUD/USD hedge rate ($)
2003/4	100	0.6109
2004/5	77	0.6349
2005/6	58	0.6347
2006/7	41	0.6540
2007/8	18	0.7023

*Calculated after adjusting for Curragh North, USD capital and operational expenditure and USD royalty payments.

Production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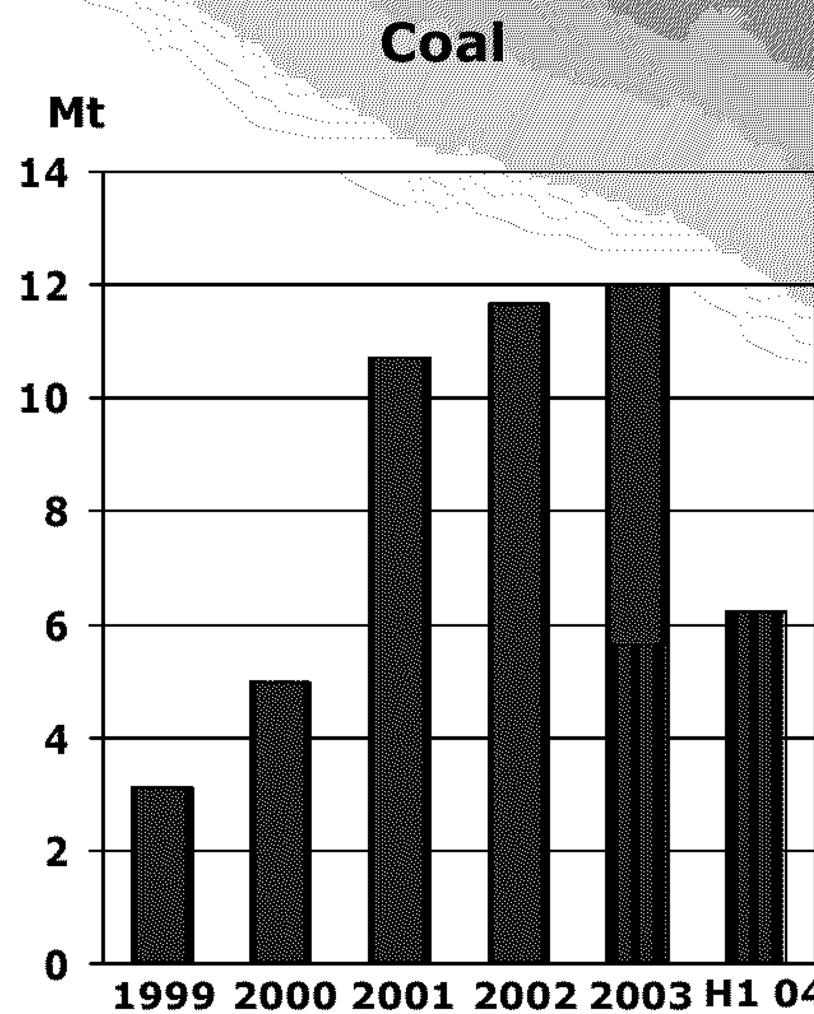
2001
2002
2003
H1 04


Coal
Mt
14
12
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1999
2000
2001
2002
2003
H1 04

Production

Mine	Beneficial Interest %	Coal Type	Half ended Dec-02 ('000 tonnes)	Half ended Dec-03 ('000 tonnes)
Premier	100	Steam	1,711	1,593
Curragh	100	Coking	1,836	2,213
		Steam	990	1,149
Bengalla	40	Steam	1,098	1,252

Logistics Bottlenecks

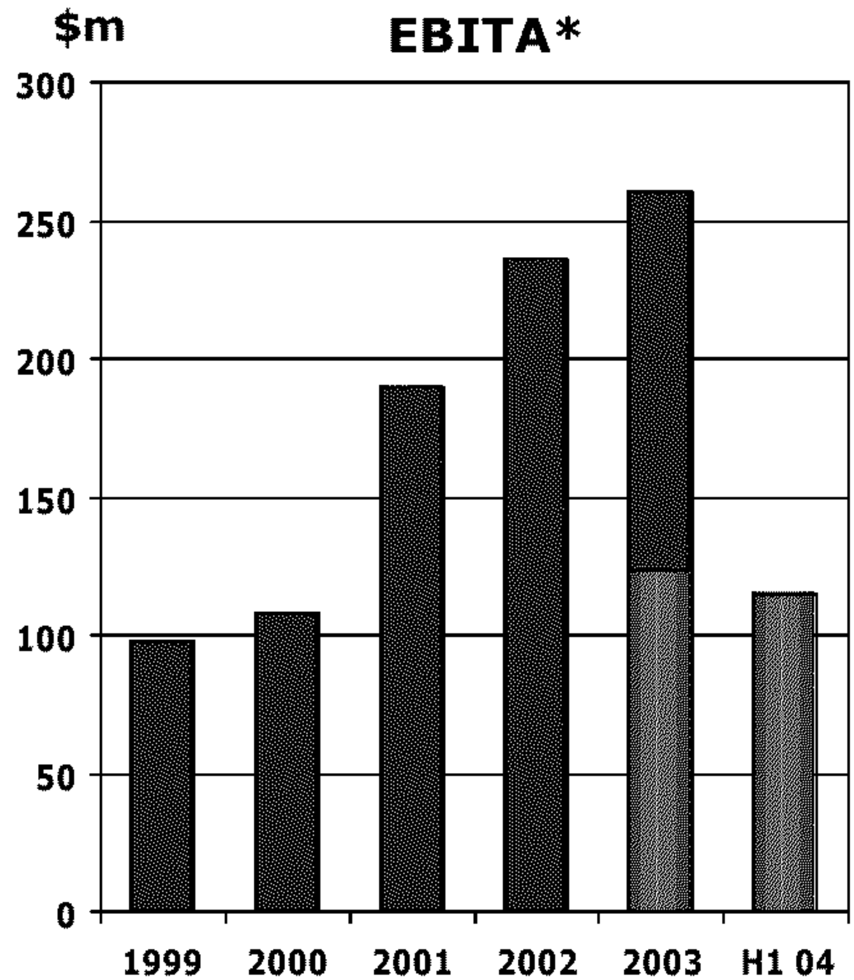
Demurrage	Half ended Dec-02	Half ended Dec-03
Gladstone	$0.04m	$2.0m
Newcastle	$0.4m	$1.2m

Sales Volumes
1H2004 versus 1H2003

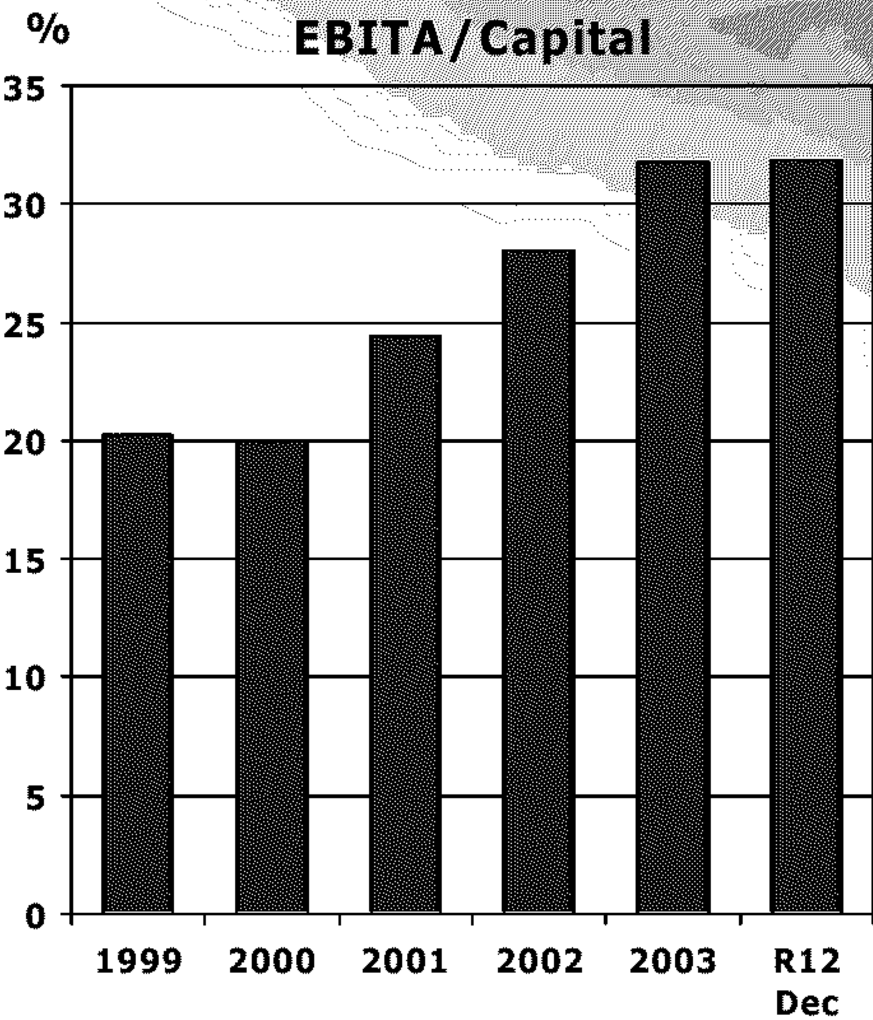
Kleenheat Gas	+2%
Wesfarmers LPG	0%
Air Liquide*	+3%
Premier	-6%
Curragh	+31%
Bengalla	0%

*Pipeline Sales

Profitable Growth – Energy Division
Financial Performance



* Excludes Girrah $80.5m in 2003



Energy Highlights

- LPG excise outcome
- ALWA HIsmelt construction progress
- Mid West power project commissioning
- Curragh North development
- Premier's mineral sands sales progress
- Successful Oracle system implementation

Energy Issues Second Half

- LPG prices and demand
  - Lower summer peak
  - Excise decision impact
  - Supermarket success
- Coal volumes, prices, costs
  - Export sales prices increase
  - Production performance (dragline shutdown)
  - Inventory effects
- Exchange rates
  - Hedge program

John Gillam

Managing Director, CSBP

Wesfarmers

CSBP

AGR

CSBP
Chemicals

QNP

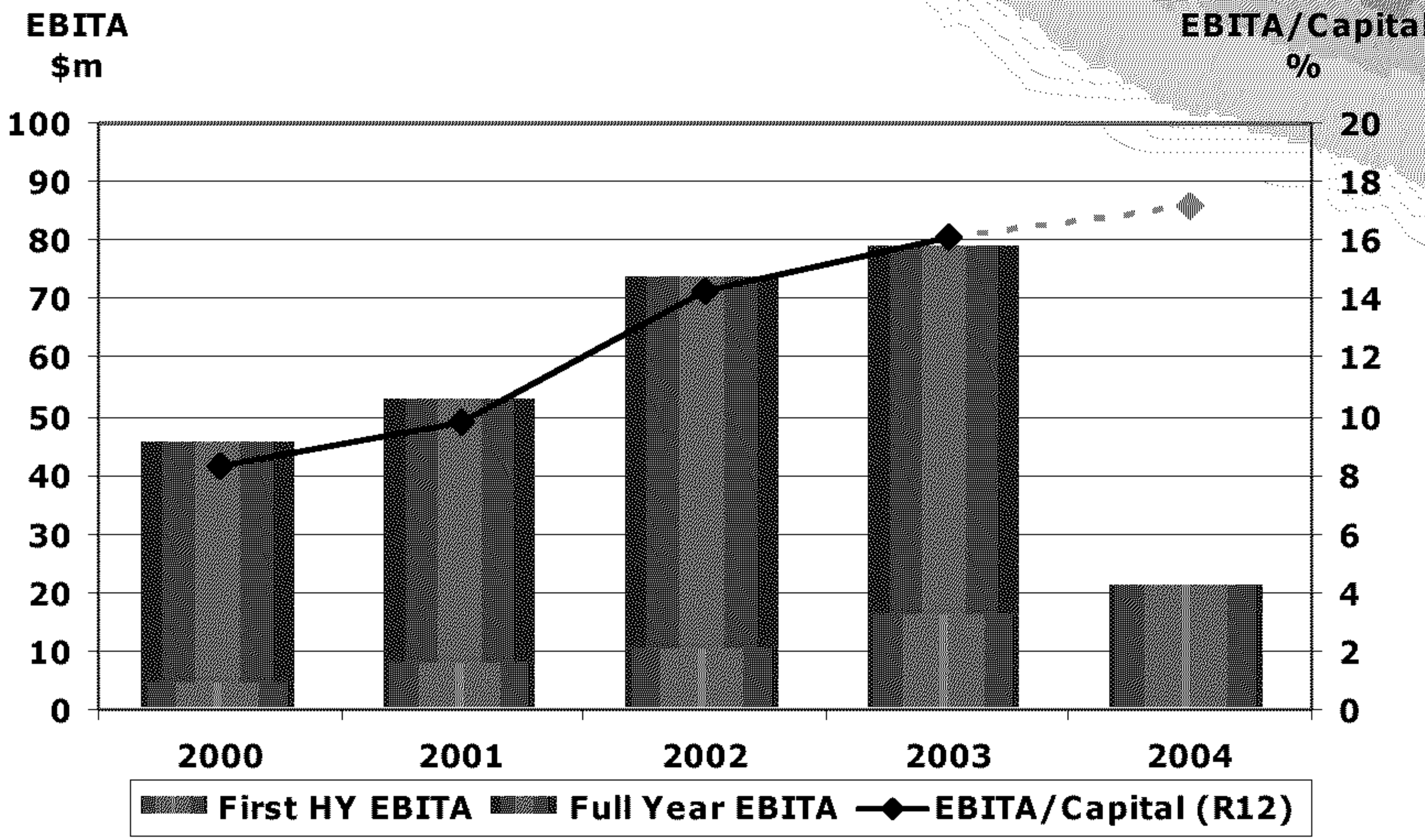
CSBP
Fertilisers

Performance Summary
Year to Date

		Actual HY03	Actual FY03	Actual HY04	Δ
Chemicals					
Total Sales	('000t)	196	413	223	+27
Revenue	($m)	84	174	94	+10
Fertilisers					
Total Sales	('000t)	241	988	249	+8
Revenue	($m)	74	297	77	+3
Company					
Safety	(R12 LTIFR)	6.9	5.4	4.8	-2.1
EBITA	($m)	15.7	78.9	20.6	+4.9

EBITA and EBITA/Capital

5 Year Trend



Chemicals
Key Influences Year to Date

- Favourable resource sector conditions
  - Lift in AN volumes
  - Contracted ammonia customer difficulties
  - Competitive sodium cyanide markets
- Steady production performance
- Queensland Nitrates performing to expectations
  - Joint venture structure simplified

Chemicals
Outcomes Year to Date

- Higher Ammonia and AN contribution
  - Ammonia export shipment in October 2003
- Queensland Nitrates positive contribution
  - Equity accounted earnings from July 2003
- Sodium cyanide margin pressures
- Earnings contribution 19% higher than pcp

Chemicals
Outlook

- Continued strength in resource sector demand
- Short term earnings softness
  - Major ammonia plant shutdown May 2004
  - Below budget sodium cyanide earnings
- Evaluating growth opportunities

Fertilisers
Key Influences Year to Date

- Good seasonal conditions
  - Record 2003 harvest
- Solid first half sales programme
  - Good distributor support
  - Competitive pricing
- Cost base and supply chain improvements

Fertilisers
Outcomes Year to Date

- Higher sales volumes
- Growth driven by liquid fertilisers
    - storage and handling investment support
- Cost base and supply chain benefits
- Improved overall contribution

Fertilisers
Outlook 2004

- Positive outlook for 2004 harvest
- Focus on strong market offer
  - Product range leadership
  - Increased sales and service presence
- Cost base and supply chain improvements
- Pricing pressure from import based competitors
- Developing new markets for proprietary fertilisers

Gene Tilbrook

Executive Director, Business Development

Wesfarmers Limited

Wesfarmers

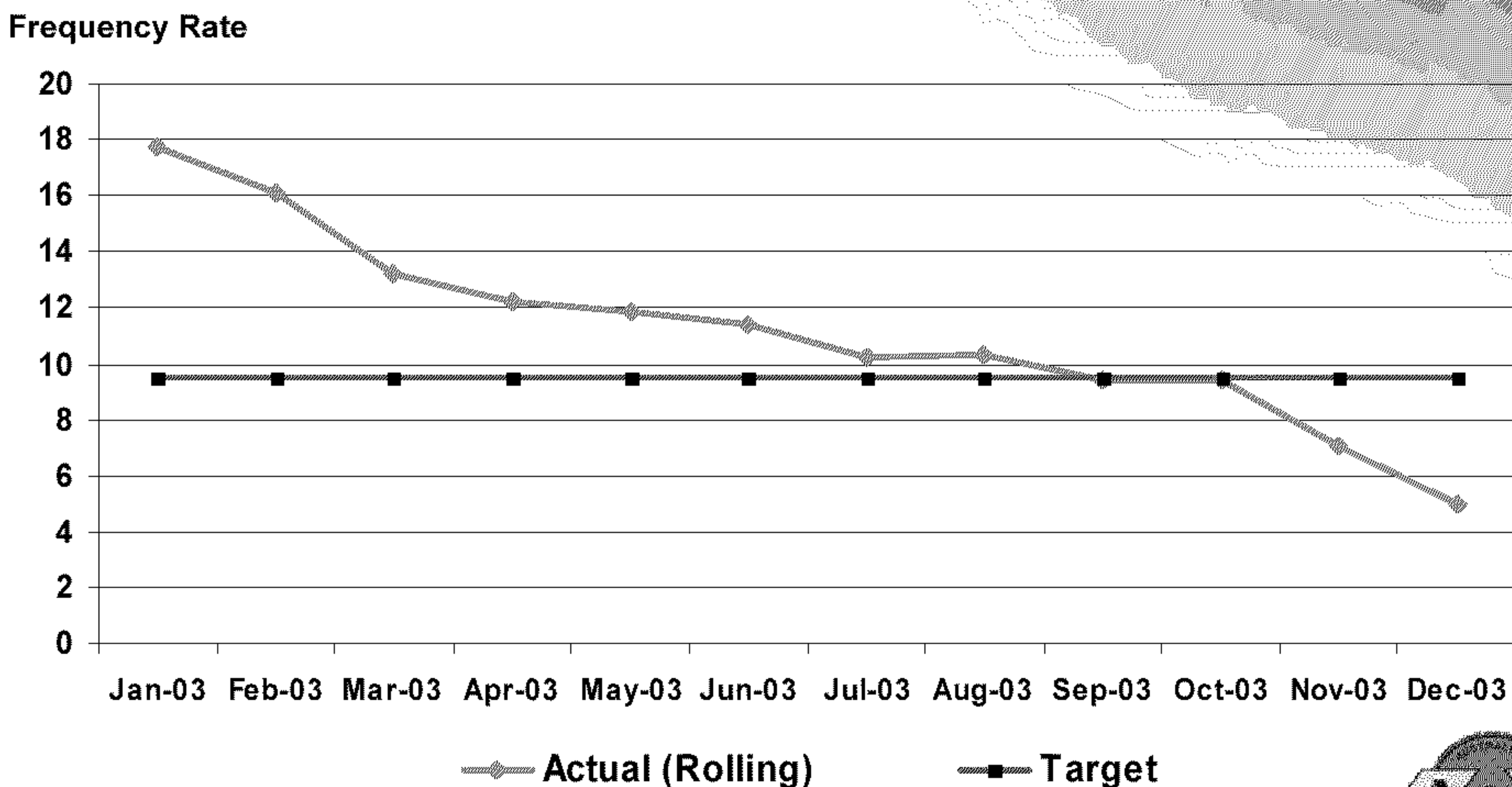
OUTLINE

- Australian Railroad Group
- Gresham Private Equity
- Business Development

ARG
50% Interest with Genesee & Wyoming

- Improved performance, although still below expectations
  - Large grain harvest
  - New business gained
  - Improved safety / reduced incidents

ARG
Rolling LTIFR



ARG

50% Interest with Genesee & Wyoming

- Actual performance improved, although still below expectations
  - Large grain harvest
  - New business gained
  - Improved safety / reduced incidents
  - Refinancing

ARG
50% Interest with Genesee & Wyoming

- Outlook for improvement
  - Grain season
  - New business contributions
  - Operational initiatives
  - Mineral tonnages

Gresham Private Equity Fund 1
50% interest

- Repco IPO
  - $64m EBIT contribution
  - 5+ times money back
- Other divestments being considered
- Wesfarmers has some $52m invested in Fund 1, representing half the fund

GRESHAM INVESTMENT HOUSE

Gresham Private Equity Fund 1
Remaining Investments

- Cashcard - ATMs + financial transaction processing
- EROC - mining / infrastructure contractor
- Norcros - building materials, coatings
- Riviera - cruisers
- Virgin Active - health clubs
- Raywood - vehicle control systems

GRESHAM
INVESTMENT HOUSE

Gresham Private Equity Fund 2

- Wesfarmers has committed up to $100m (of 1st close $110m)
- Potential commitment: $150m of $300-350m target
- Investments over 4 – 5 years
- Life of up to 10 years; realisations 6 – 8 years

GRESHAM INVESTMENT HOUSE

Gresham Private Equity Fund 2

- Wesfarmers' involvement:
  - Investment Committee; and
  - secondee

GRESHAM
INVESTMENT HOUSE


Business Development
Wesfarmers

Projects to December 2003

- Lumley Insurance completion
- Koukia acquisition
- Landmark sale
- Lumley Life sale

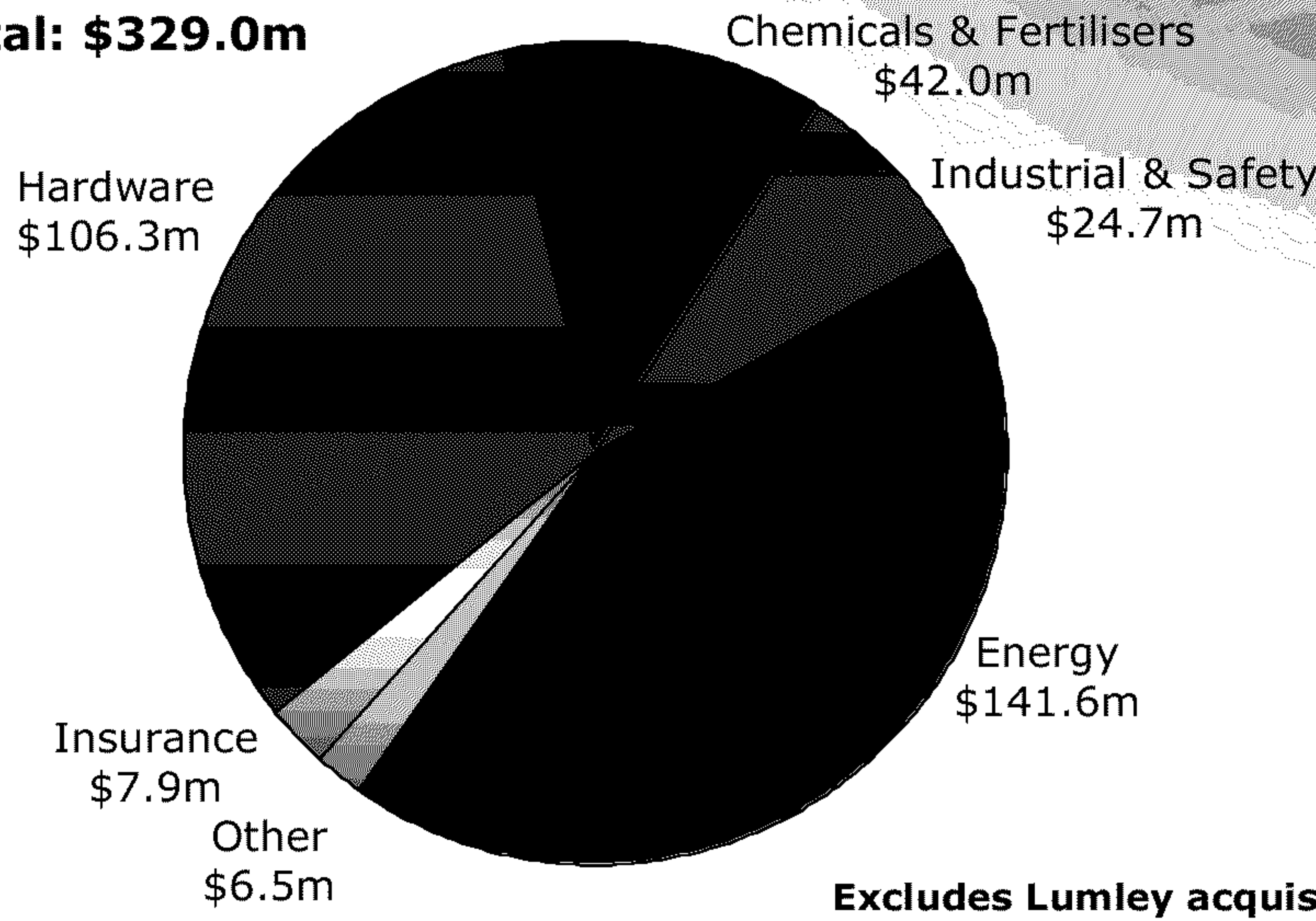
Michael Chaney

Chief Executive Officer, Wesfarmers Limited

Wesfarmers

Capital Expenditure Programme
2004 Estimate

Total: $329.0m



Excludes Lumley acquisition

Outlook

- Hardware – solid retail sales growth
  – subdued trade sales performance
- Favourable outlook for Industrial and Safety
- Improved earnings from CSBP
- Lower short term earnings outlook for Coal, medium term positive
- LPG outlook dependent on international LPG prices

Outlook (cont)

- Positive outlook for Insurance
- Australian Railroad Group – improving performance
- Continued wind down of Sotico operations
- Further profitable divestments likely for GPEF


Questions
Wesfarmers