Wesfarmers

Investor Discussion Pack

October 2005

Group Overview

Corporate Objective

Our Objective:

to provide a satisfactory return to shareholders

Our Strategies:

1. Improve performance of existing businesses
2. Expand existing businesses – "logical incrementalism"
3. Portfolio management
4. Ensure the company's sustainability

Corporate Objective

Our aim to provide a satisfactory return to shareholders by:

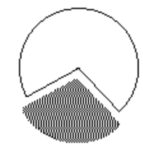
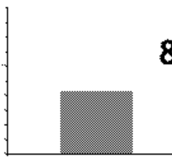
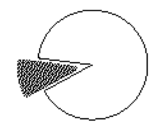
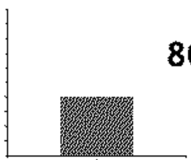
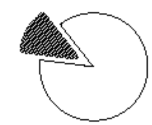
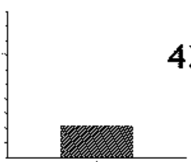
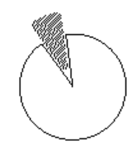
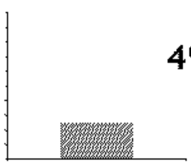
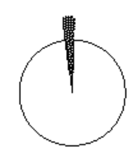
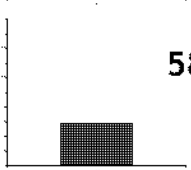
- satisfying the needs of customers through the provision of goods and services on a competitive and professional basis;
- providing a safe and fulfilling working environment for employees, rewarding good performance and providing opportunities for advancement;
- contributing to the growth and prosperity of the countries in which the company operates by conducting existing operations in an efficient manner and by seeking out opportunities for expansion;
- responding to the attitudes and expectations of the communities in which the company operates;
- placing a strong emphasis on protection of the environment; and
- acting with integrity and honesty in dealings both inside and outside the company

Financial Summary

		2004	2005	% Change	
Operating Results					
Operating revenue *	$m	7,706	8,190	6.3	↑
Net profit before interest and tax *	$m	882	949	7.6	↑
Net profit after tax before goodwill amortisation*	$m	655	709	8.2	↑
Net profit after tax and goodwill amortisation *	$m	569	618	8.6	↑
Dividends	$m	527	680	29.0	↑
Financial Position					
Total assets	$m	7,271	7,314	0.6	↑
Net borrowings	$m	1,514	1,720	13.6	↑
Shareholders' equity	$m	3,331	3,081	7.5	↓
Capital expenditure on property, plant and equipment	$m	258	465	80.2	↑
Depreciation and amortisation	$m	279	278	0.4	↓
Financial Performance					
Earnings per share before goodwill amortisation *	cents	174.2	187.8	7.8	↑
Dividends per share	cents	140	180	28.6	↑
Net tangible assets per share	$	4.94	4.51	8.7	↓
Cash flow per share	$	3.07	2.37	22.8	↓
Return on average shareholders' equity (after goodwill amortisation)	%	24.6	19.3	21.5	↓
Gearing (net debt to equity)	%	45.5	55.8	22.6	↑
Net interest cover (cash basis)	times	30.9	17.8	42.4	↓

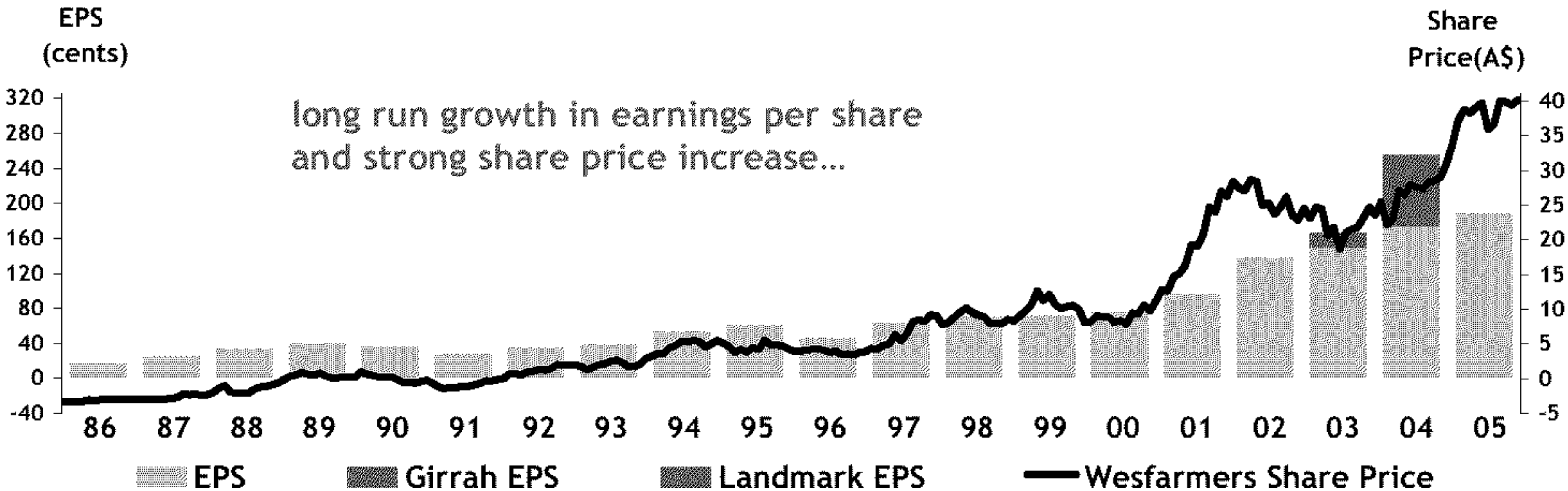
** excluding the sale of Landmark in 2004*

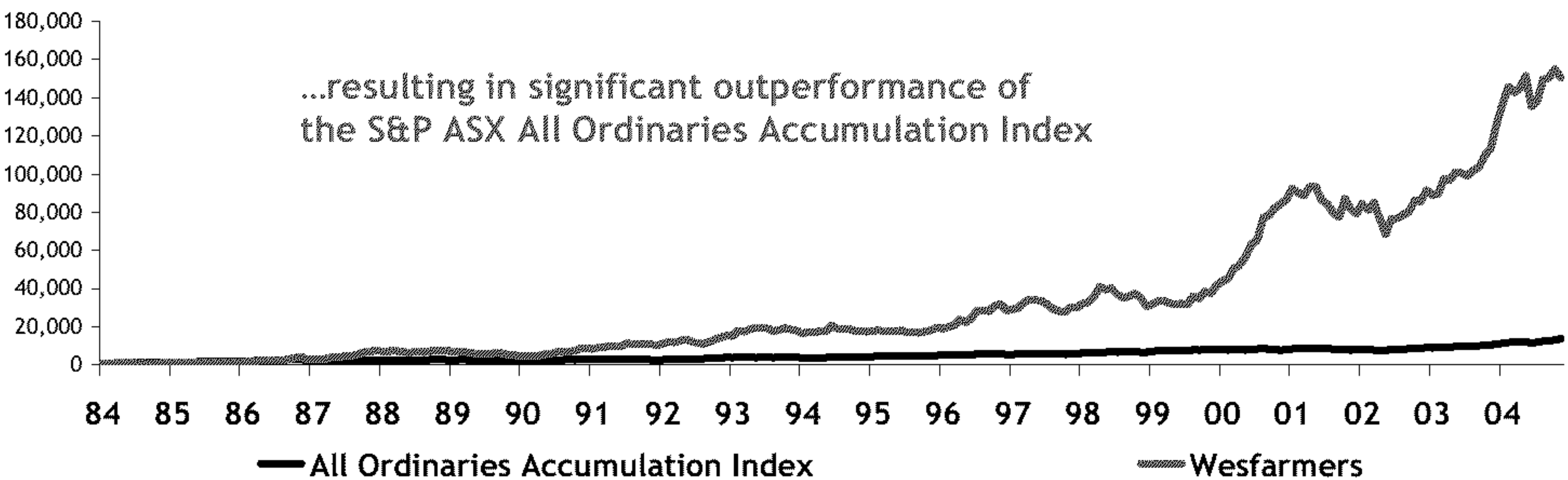
Portfolio of Diversified Businesses

	Activities	FY2005 Revenue (A$m)	FY2005 EBITA (A$m)	EBITA Contribution	Capital Employed (A$m)
Hardware	Retailing of building materials and home and garden improvement products	4,068	418		 1,792
Energy	Mining of thermal and coking coal; production, marketing and distribution of LPG; manufacture and marketing of industrial gasses; and power generation	1,187	319		 851
Industrial & Safety	Supplier and distributor of maintenance repair and operating (MRO) products and industrial safety products and services	1,172	110		 801
Insurance	Provider of general and specialist insurance products in Australia and New Zealand	1,127	139		 430
Chemicals & Fertilisers	Manufacture and marketing of industrial chemicals and fertilisers	589	89		 494
Other Businesses	50% interest in Australian Rail Group; 50% interest in Gresham Partners and private equity investments through Gresham Private Equity	47 *	25*		 585

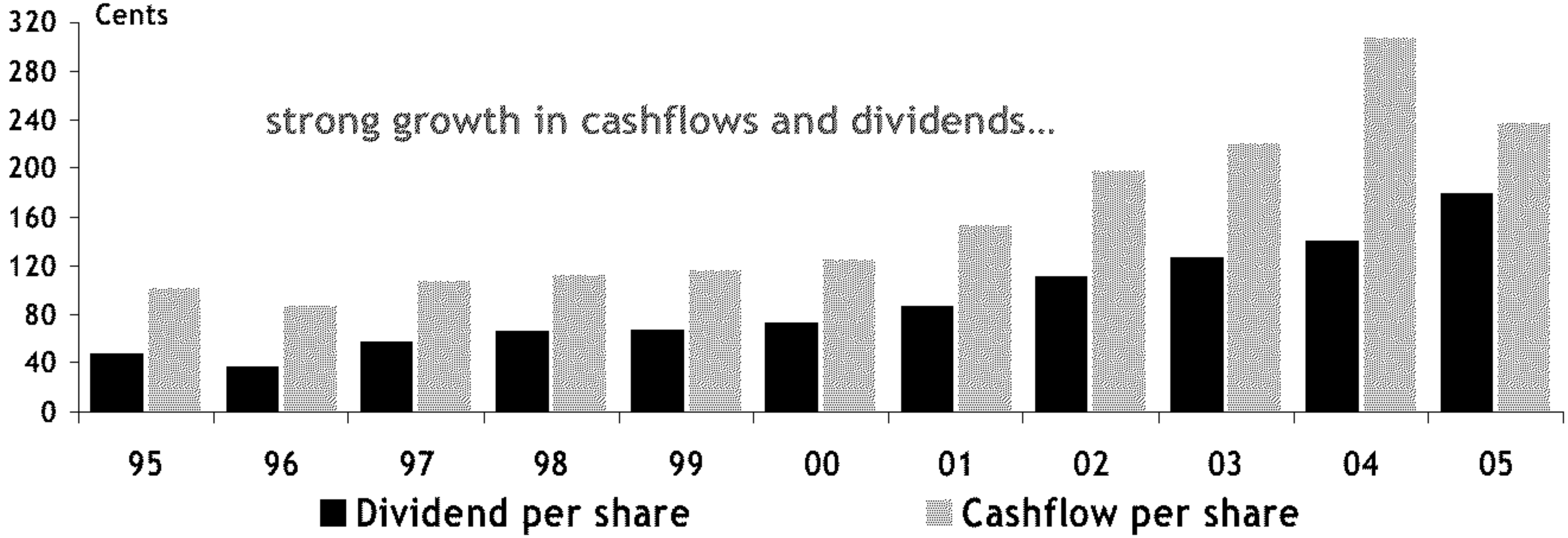
** Excludes investment and sundry income of A$20.5 million and corporate overheads of A$47.7 million*

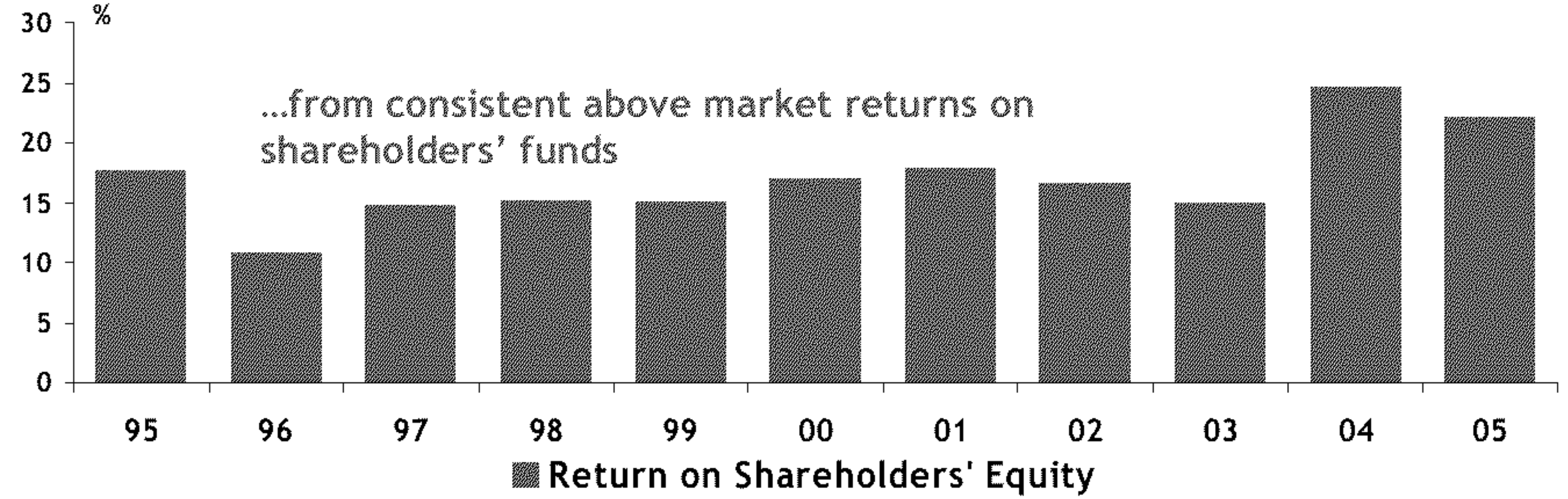
Earnings Per Share and Share Price





Cashflow and Dividends per share





Note: 2004 figures include Landmark divestments

Corporate Strategies

1 **Improve performance of existing businesses**

to run our businesses according to "best practice" principles

2 **Expand existing businesses - "logical incrementalism"**

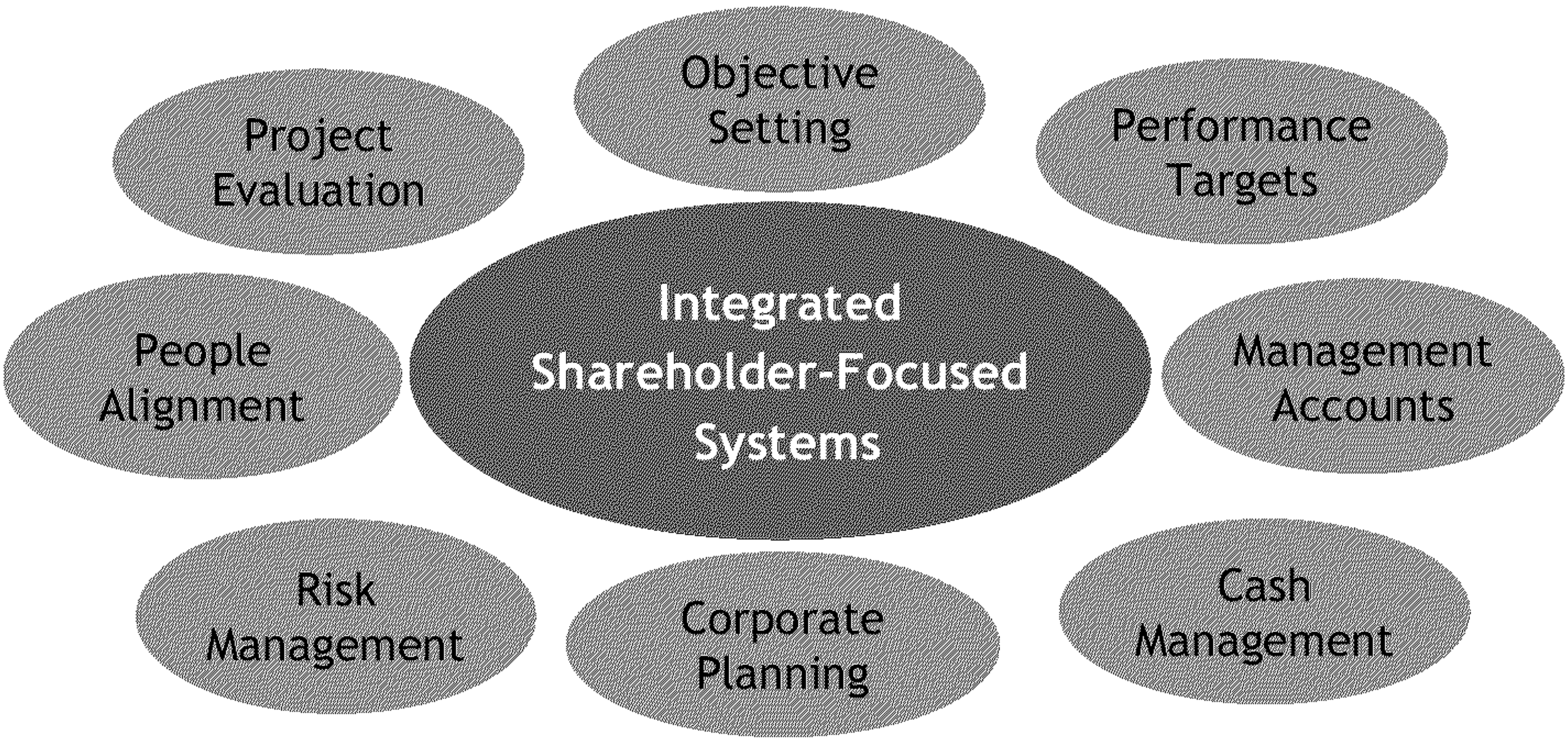
to expand existing businesses as opportunities allow

3 **Portfolio management**

to manage our portfolio and balance sheet actively in order to enhance shareholder value

4 **Ensure the company's sustainability**

Achievement of Wesfarmers objective of a **satisfactory return to shareholders** is supported by an integrated shareholder-focussed systems



Performance Targets

Performance Targets

Group Performance	ROE_A	Top quintile of ASX 100 = $22\%_{2006}$
Divisional Performance	EBITA/Capital (ROC_A)	20%
Project Evaluation	IRR	10% after tax

Group Performance Target - ROE_A

GROUP PERFORMANCE

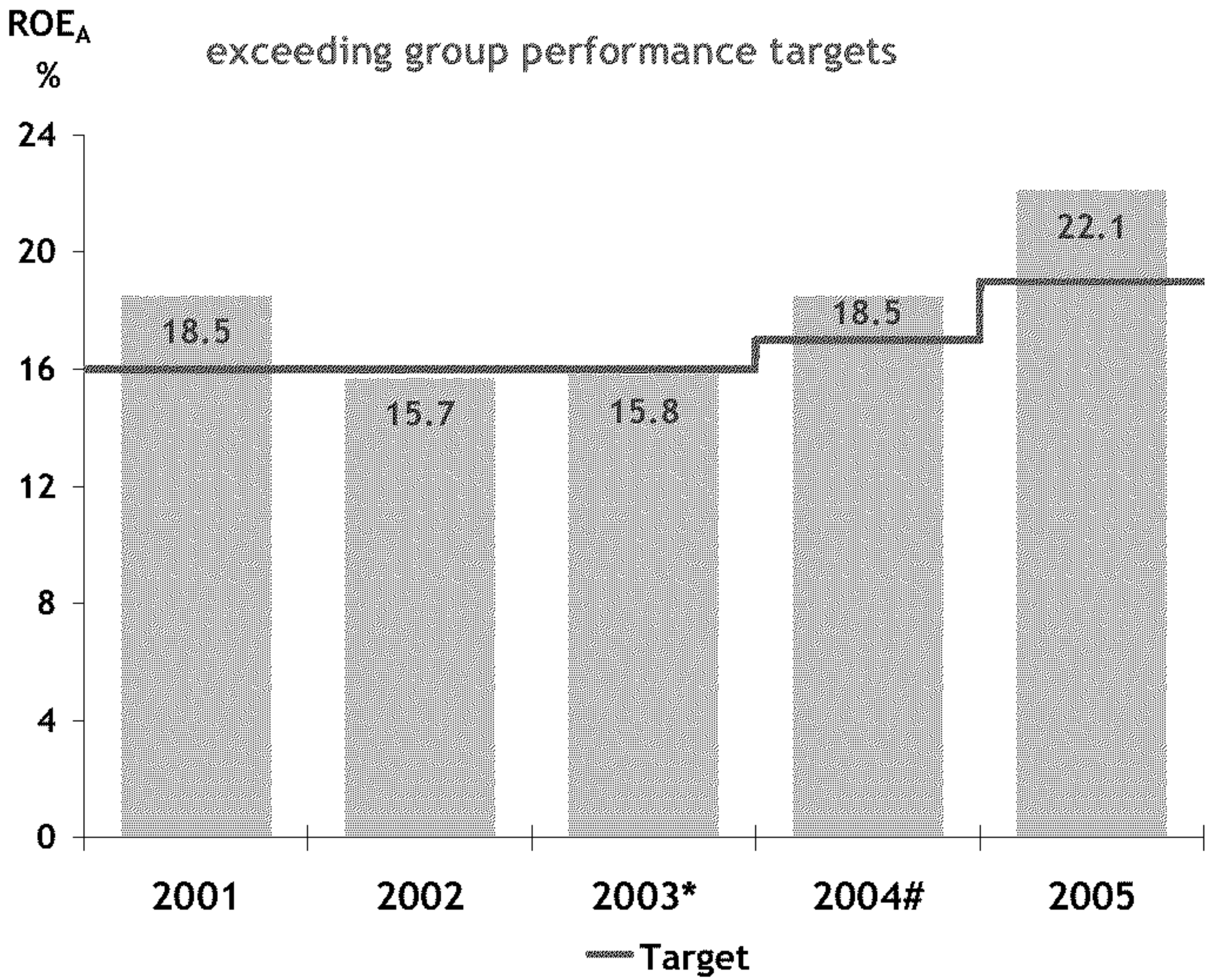
Return on Shareholders' Equity

ROE_A

=

2006 Target:

22%



* Excluding Girrah # Excluding Landmark

Divisional Performance Targets - ROC_A

DIVISIONAL PERFORMANCE

Return on Capital Employed

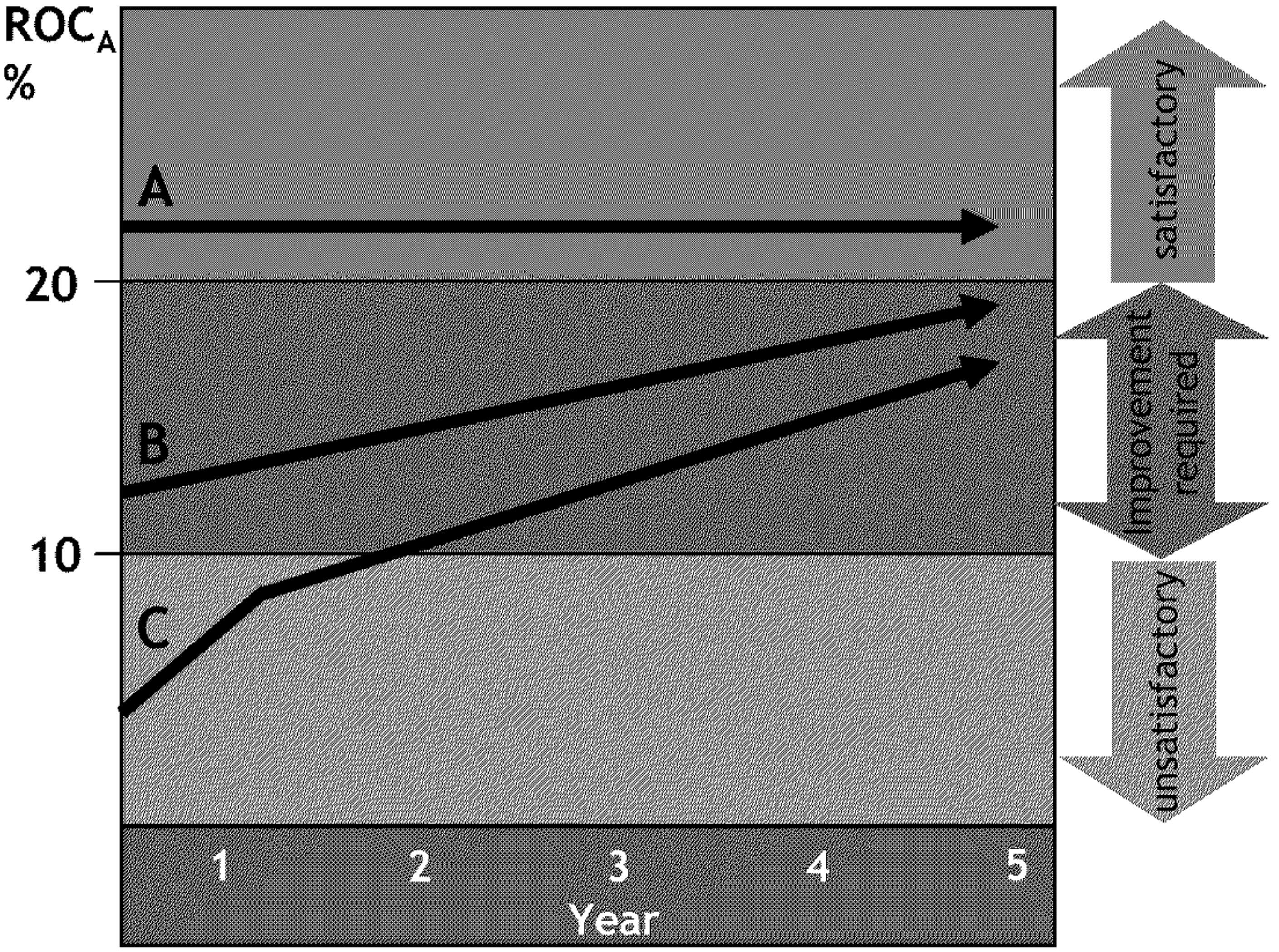
ROC_A

=

2006 Targets:

$ROC_{A\ Min} = 10\%$

$ROC_{A\ Sat} = 20\%$



Divisional Performance - ROC_A

DIVISIONAL PERFORMANCE

Return on Capital Employed

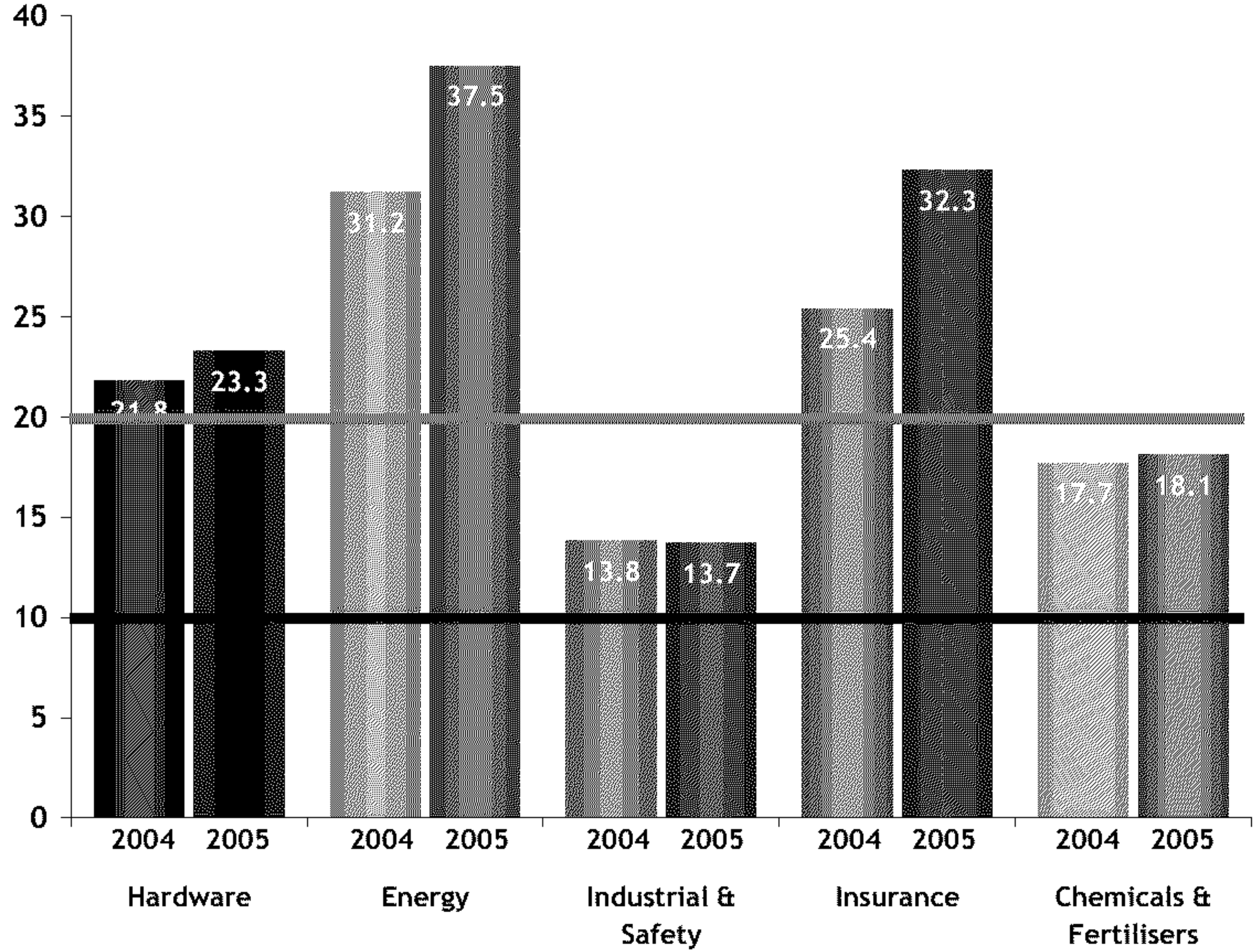
ROC_A

=

2006 Targets:

$ROC_{A\ Min}$ = 10%

$ROC_{A\ Sat}$ = 20%

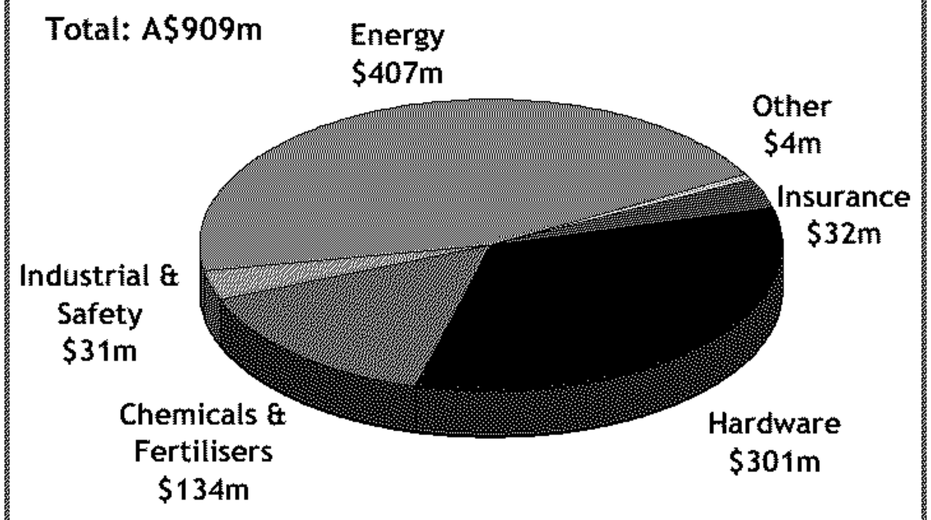


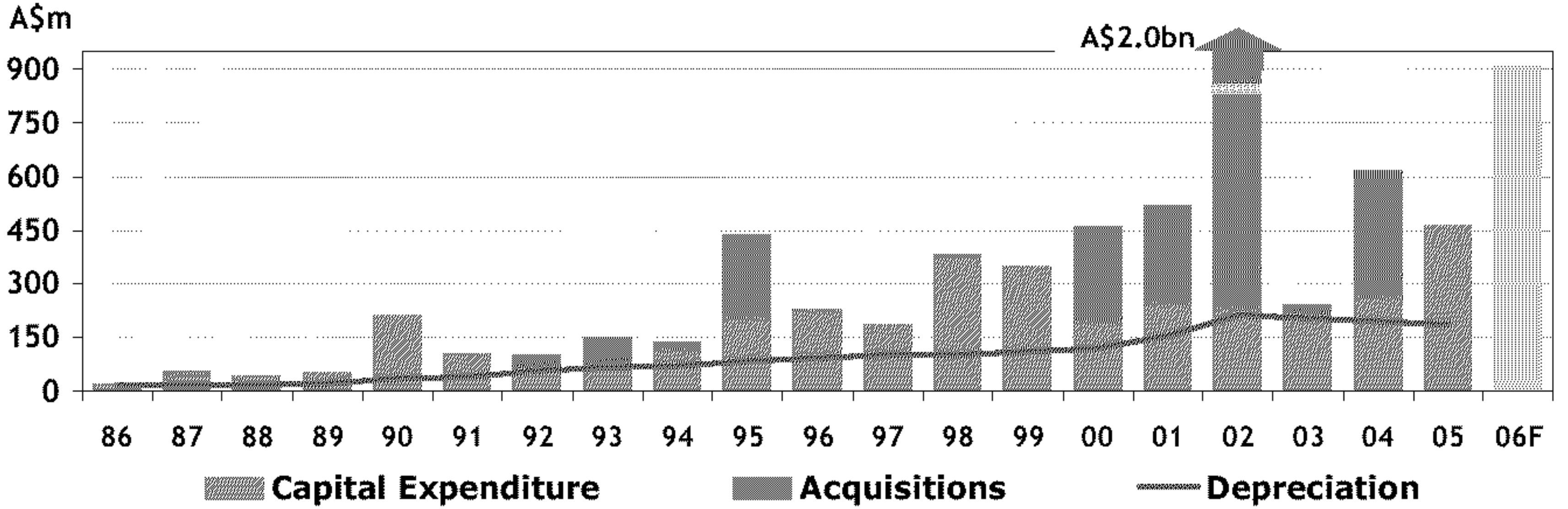
Expand Existing Businesses

Wesfarmers has a strong record of growth through capital expenditure and value enhancing acquisitions….

…through the concept of "logical incrementalism" the company has successfully pursued profitable growth

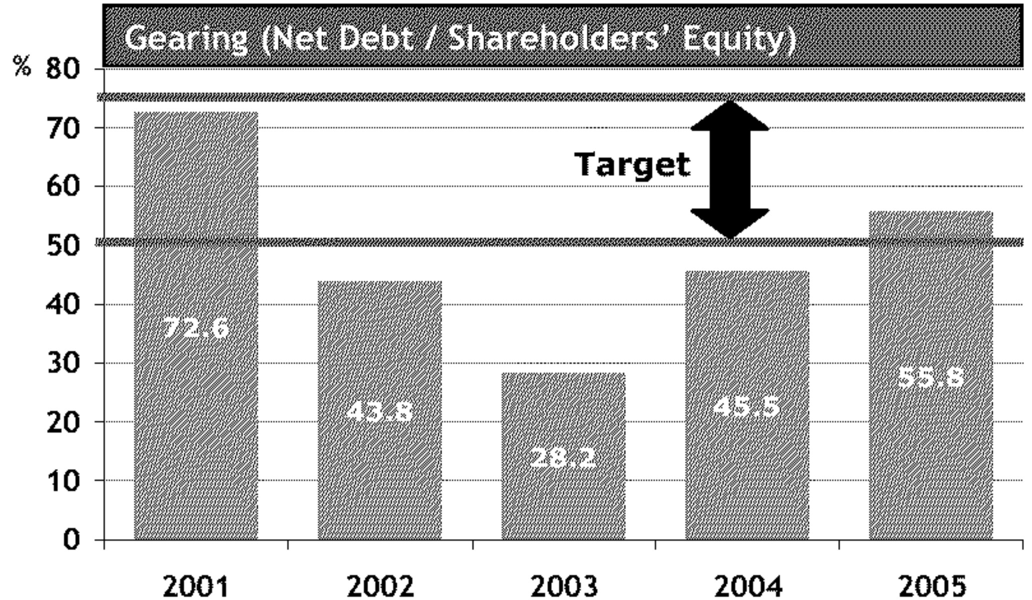
2006 Capital Expenditure Budget

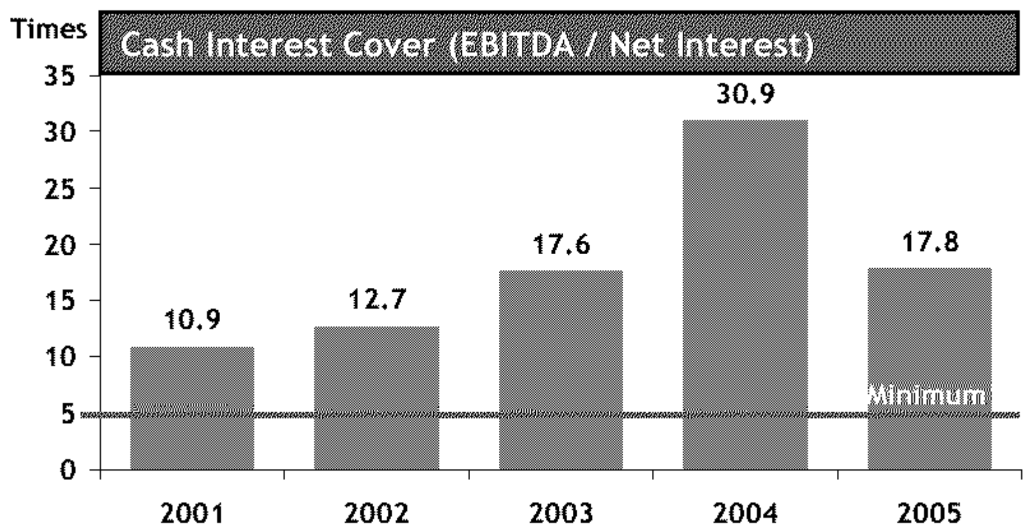




Portfolio Management

- Target gearing (Net Debt to Equity) levels of 50% to 75% and minimum cash interest cover of 4 times
- Active management of capital through capital returns, share buy back program, dividend investment plan and corporate treasury operations
- Wesfarmers has provided Capital Returns to investors amounting to A$3.50 per share over the past 2 years
- A- Standard & Poors rating





Sustainability

Financial performance

- All our actions are directed towards satisfying our corporate objective of providing a satisfactory return to shareholders. To be sustainable, Wesfarmers must continue to achieve high standards of financial performance thereby allowing us to make the most meaningful contribution possible to the community through wealth generation and employment creation

Safe and rewarding workplaces

- Attraction and retention of skilled and committed employees is one of our key priorities. We have an obligation to provide safe workplaces, to treat our people with decency and respect and provide them with opportunities for interesting and rewarding career paths. Each business unit is set a target of reducing its lost time injury frequency rate by 50 per cent a year on the path to zero. Senior staff remuneration is linked to achievement of safety targets

Good value products and services

- Central to our business success is to maintain a reputation for quality and value across the range of our diversified suite of operations. We seek to apply the same principles and standards to delivering export coal as we would to dealing with clients in the insurance businesses and catering to the needs of our retail hardware customers

Respect for customers and suppliers

- Retention of high levels of satisfaction in both these groups is essential if we are to continue to succeed. Extensive customer feedback systems are maintained in the retail operations with procedures in place to handle feedback of a positive or negative nature

Sustainability

Environmental responsibility

- Our diverse range of businesses expose us to a number of challenging or potentially challenging environmental issues, including waste disposal, contamination and greenhouse gas emissions. We set legal compliance as a minimum and seek to exceed that wherever possible. Since 1998, we have provided comprehensive public reporting on environmental, health and safety issues through an annual document now known as the "Social Responsibility Report"

Ethical dealings

- Respect for the letter and the spirit of the law is paramount. There are codes of ethics and conduct in place at both Group and business unit level, as well as for the Board of Directors. Every year hundreds of our employees participate in detailed seminars covering obligations under the Trade Practices Act in Australia and consumer protection legislation in New Zealand

Wesfarmers is a member of the Dow Jones Sustainability World Indexes for 2006, rating it in the top 10 per cent of companies assessed worldwide against economic, environmental and social criteria

Community contribution

- We believe the company benefits from having a reputation as a good corporate citizen. We have a significant programme of support for community-focused organisations and causes which the Board contributes up to 0.25 per cent of before tax profits each year. In 2004/2005 this amounted to A$2.3 million with a further $2.7 million in direct assistance from the business units and further $1million attributable to fundraising activities of our Bunnings hardware division

Key Strengths

1. Financial Focus
2. Strict Disciplines
3. Building Growth-Enabling Competencies
4. Culture

Summary of 2005 Results

2005 Annual Results Performance Highlights

Group Performance Highlights

- Operating revenue up 6.3%*
- Net profit up 8.6%*
- Increased earnings from all divisions except Industrial and Safety:
  - Energy up 32.9%
  - Insurance up 44.9%
  - Hardware up 8.6%
  - Chemicals & Fertilisers up 4.3%
  - Industrial & Safety down 1.8%
- ROE_A of 22.1%, up from 18.5%* in 2003/04
- Final dividend of $1.27 per share, up 38% on pcp

* Excluding revenue and profit on sale of Landmark (2004)

Year Ended 30 June ($m)	2004	2005	%
Operating Revenue*	7,706.6	8,190.4	6.3
Net Profit after tax (before goodwill amortisation)*	654.7	708.7	8.2
Goodwill amortisation	(85.5)	(90.4)	5.7
Net Profit after tax (after goodwill amortisation)*	569.2	618.3	8.6
Net Profit on Sale of Landmark	304.0	-	nm
Reported Net Profit after tax (after goodwill)	873.1	618.3	(29.2)
Earnings Per Share (before goodwill amortisation)*	174.2	187.8	7.8
Earnings Per Share (before goodwill amortisation)	255.1	187.8	(26.4)
Dividends Per Share	140.0	180.0	28.6
Cashflow Per Share*	200.0	237.0	18.5

* Excluding revenue and profit on sale of Landmark (2004)

Divisional EBITA ($m)	2004*	2005	%
Hardware	384.8	417.9	8.6
Energy	240.2	319.3	32.9
Insurance	95.8 #	138.8	44.9
Industrial and Safety	112.0	110.0	(1.8)
Chemicals and Fertilisers	85.6	89.3	4.3
Other	79.1	(1.7)	(102.1)
Total	997.5	1,073.6	7.6

*Excludes earnings from sale of Landmark

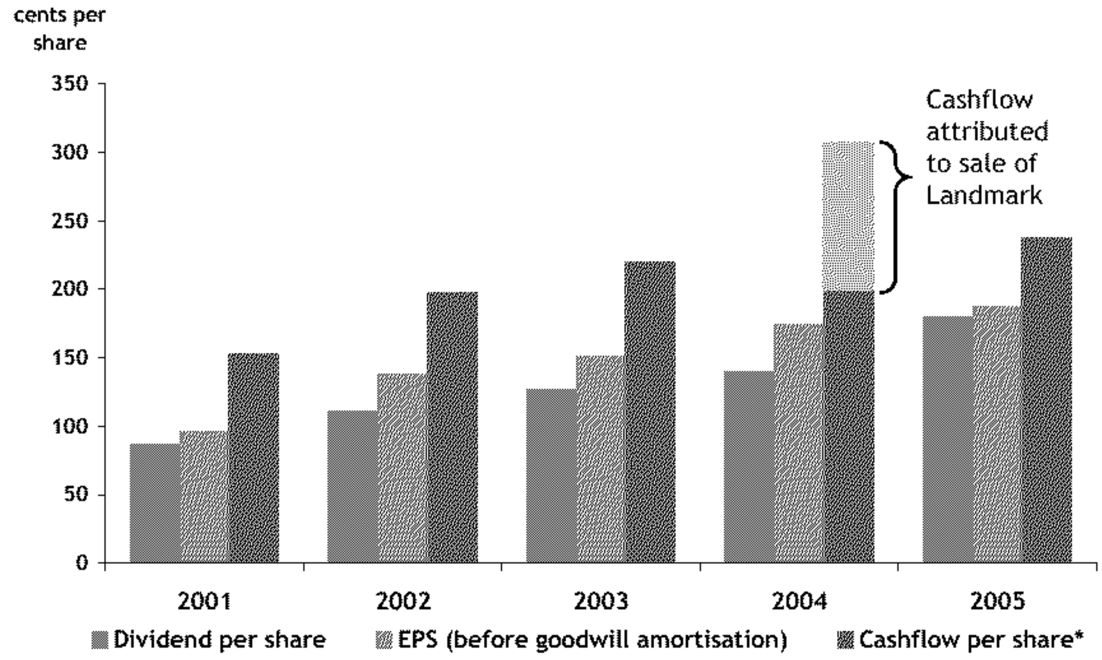
Lumley included since date of acquisition of 14 October 2003

2005 Annual Results Performance Highlights

Group Performance Highlights

- Operating cashflow* per share up 19% to $2.37
- Earnings per share* up 7.7%
- Full year dividend of $1.80 per share, up 28.6%

* Excluding revenue and profit on sale of Landmark (2004)



* Excluding sale of Girrah (2003) and sale of Landmark (2004)

Hardware - FY2005 Performance

Highlights

- 9.1% cash sales growth
  - cash store on store growth 5.6%
  - first half 6.6%
  - second half 4.4%
- 1.9% decline in trade sales
- 10 new store openings and 16 store upgrades
- Good progress on major strategies
  - merchandising, stock, shrinkage, supply chain, systems

Outlook

- Continued expansion of store network (10 - 14 pa)
- Accelerated refurbishment program over next 12 mths
- Trade strategy - targeting profitable market share growth
- Business and systems improvements
  - Supply chain and in-store process enhancements
  - Major systems upgrade - 3 year phased programme
- Development of new store concepts

Financial Performance

($m)	2004	2005	↕ %
Revenue	3,845.7	4,067.5	*5.8*
EBITDA	436.1	464.7	*6.6*
Depreciation	(51.3)	(46.8)	*(8.8)*
EBITA	**384.8**	**417.9**	***8.6***
Amortisation	(50.1)	(52.3)	*4.4*
EBIT	334.7	365.6	*9.2*
ROC_A (%)	*21.8*	*23.3*	*6.9*
Safety (R12 LTIFR)	*14.5*	*11.4*	

Energy - FY2005 Performance

Highlights

- Higher export coal prices
- Curragh North development
- Higher international LPG prices
- New WLPG gas supply arrangements
- LNG market development activities
- Power station opportunities

Outlook

- Curragh North development continues
- Coking Coal price negotiations
- Increased Coking Coal exports
- Mine and infrastructure performance critical
- Premier tender outcomes
- LPG content uncertainty

Financial Performance

($m)		2004	2005	↕ %
Revenue		1,008.6	1,186.7	17.7
EBITDA		319.0	395.2	*23.9*
Depreciation		(78.8)	(75.9)	*(3.7)*
EBITA		**240.2**	**319.3**	***32.9***
Amortisation		(0.8)	(1.1)	*37.5*
EBIT		239.4	318.2	*32.9*
Gas & Power	*Revenue ($m)*	*380.8*	*421.2*	*10.6*
	EBITA ($m)	*54.5*	*65.6*	*20.4*
Coal	*Revenue ($m)*	*627.8*	*765.5*	*21.9*
	EBITA ($m)	*185.7*	*253.7*	*36.6*
ROC$_A$ (%)		*31.2*	*37.5*	*20.2*

Curragh Hedging Profile - at 30 September 2005

Period end 30-Jun	Current proportion of USD revenue hedged *	Average AUD/USD hedge rate
2006	87%	0.7020
2007	71%	0.6539
2008	50%	0.6893
2009	30%	0.7184
2010	10%	0.7161

* *Calculated using known contract outcomes, long run pricing assumptions, and after adjusting for USD capital and operational expenditure and USD royalty payments*

Industrial & Safety - FY2005 Performance

Highlights

- Industrial Products:
  - solid growth in Qld and WA
  - market conditions more subdued in NSW, Vic & SA
- Protector Alsafe:
  - modest sales growth in the 2nd half of the year and compared with same period last year
- Blackwoods Paykels (NZ):
  - sales below expectations; improvement initiatives underway
- Other NZ businesses continued to perform well and experience good sales growth

Outlook

- Moderate sales and profit growth in 2005/06
- Continued strong performance from the resources sector
- Further earnings improvement from Protector Alsafe
- Completion of business improvement initiatives at Blackwoods Paykels; improved earnings during the first half of 2005/06
- Focus on existing and new business improvement initiatives

Financial Performance

($m)	2004	2005	%
Revenue	1,150.6	1,171.5	*1.8*
EBITDA	124.4	125.0	*0.5*
Depreciation	(12.4)	(15.0)	*21.0*
EBITA	**112.0**	**110.0**	*(1.8)*
Amortisation	(25.2)	(26.1)	*3.6*
EBIT	86.8	83.9	*(3.3)*
EBITA/Revenue Ratio (%)	*9.7*	*9.4*	*(3.1)*
ROC $_A$ (%)	*13.8*	*13.7*	*(0.7)*
Safety (R12 LTIFR)	*5.3*	*4.1*	

Insurance - FY2005 Performance

Highlights

- Completion of Lumley integration
- Record results for all insurance businesses
- Creditable performance for premium funding businesses
- Koukia made its first external sale

Outlook

- Challenging outlook
- All business units experiencing increased competition
- Rates are stabilising with some moderate reductions
- NEP growth to continue - reduced reinsurance impact
- Margins to decline
- Continuation of compliance burden

Financial Performance

($m)	2004*	2005	↕ %
Gross Written Premium	787.3	1,019.9	29.5
Net Earned Premium	508.1	700.4	*37.8*
Net Claims	(295.8)	(412.1)	*39.3*
Net Commission and Expenses	(142.5)	(189.6)	*33.1*
Underwriting Result	**69.8**	**98.7**	***41.4***
Investment Income on TR	15.4	23.1	*50.0*
Insurance Margin	85.2	121.8	*43.0*
Investment Income on SHF	10.4	11.9	*14.4*
Non-Insurance Activities	0.2	5.2	*nm*
EBITA	**95.8**	**138.9**	***45.0***

Chemicals & Fertilisers - FY2005 Performance

Highlights

- Higher sales in both chemicals and fertilisers activities
- Ammonium nitrate feasibility study
- Expansion of sodium cyanide capacity
- Completion of ammonium nitrate shutdown
- Strong demand for liquid fertiliser products
- Improved safety performance

Outlook

- Continued strong demand for core chemical products
- Ammonium nitrate expansion
- QNP shutdown October 2005
- Good start to 2005 growing season and a positive outlook for this years harvest
- Expansion of liquid fertiliser capacity to meet increasing demand

Financial Performance

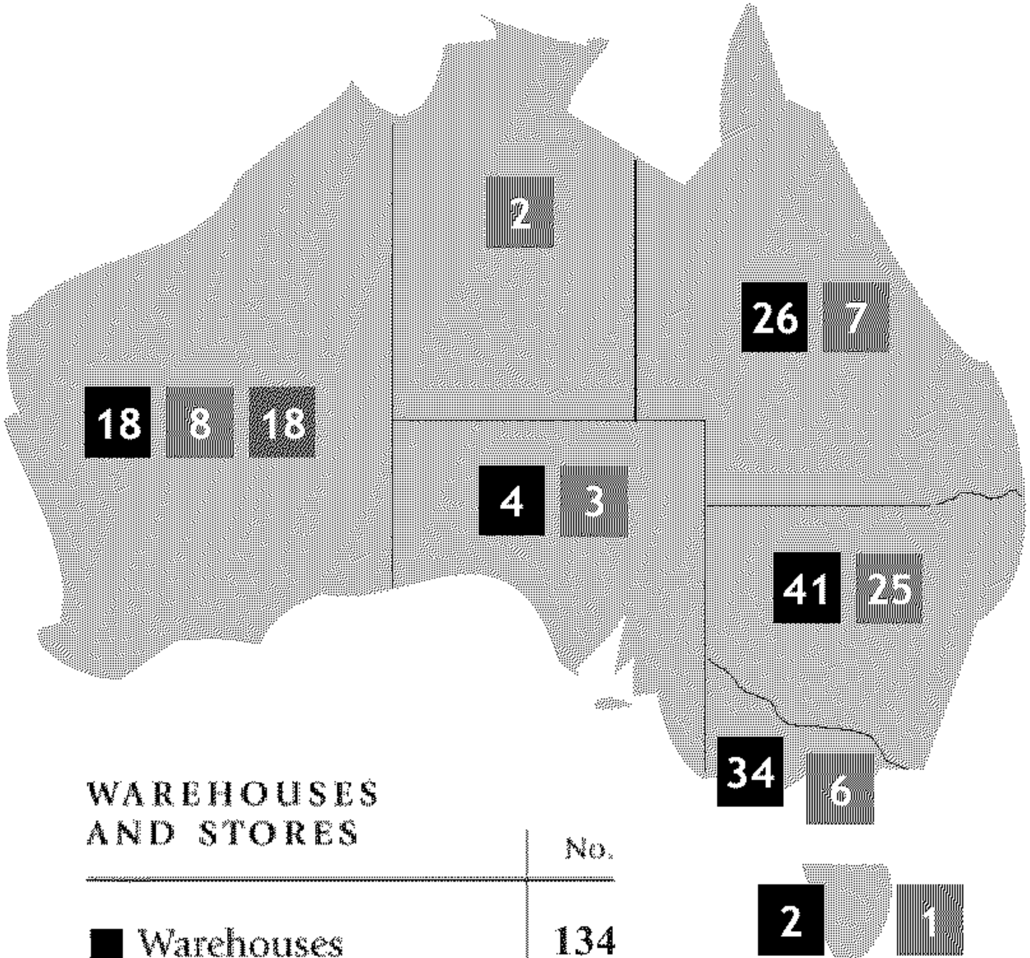
($m)		2004	2005	↕ %
Revenue:	Chemicals	191.7	210.6	9.9
	Fertilisers	326.8	378.1	15.7
		518.5	588.7	13.5
EBITDA		123.3	128.0	3.8
Depreciation		(37.7)	(38.7)	2.7
EBITA		**85.6**	**89.3**	**4.3**
Amortisation		(0.2)	(0.2)	-
EBIT		85.4	89.1	4.3
Sales Volume: ('000t)	Chemicals	442	456	3.2
	Fertilisers	1,062	1,120	5.5
ROC (%)		17.7	18.1	2.3
Safety (R12 LTIFR)		2.4	2.0	

Operating Divisions

BUNNINGS warehouse

WIDEST RANGE
LOWEST PRICES
BEST SERVICE

Hardware - Store Network

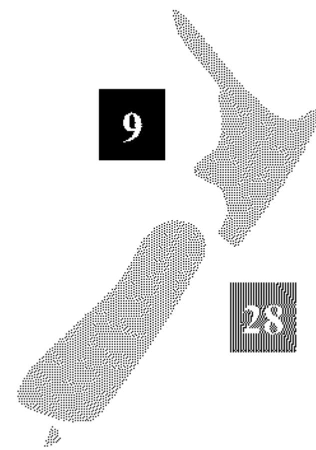


QUICK FACTS

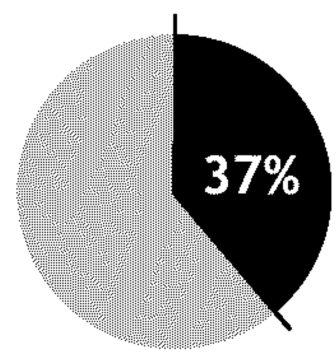
134 warehouse stores
80 traditional stores
45,000 product lines
22,000 employees

WAREHOUSES AND STORES

	No.
Warehouses	134
Traditional stores	80
WA Salvage stores	18



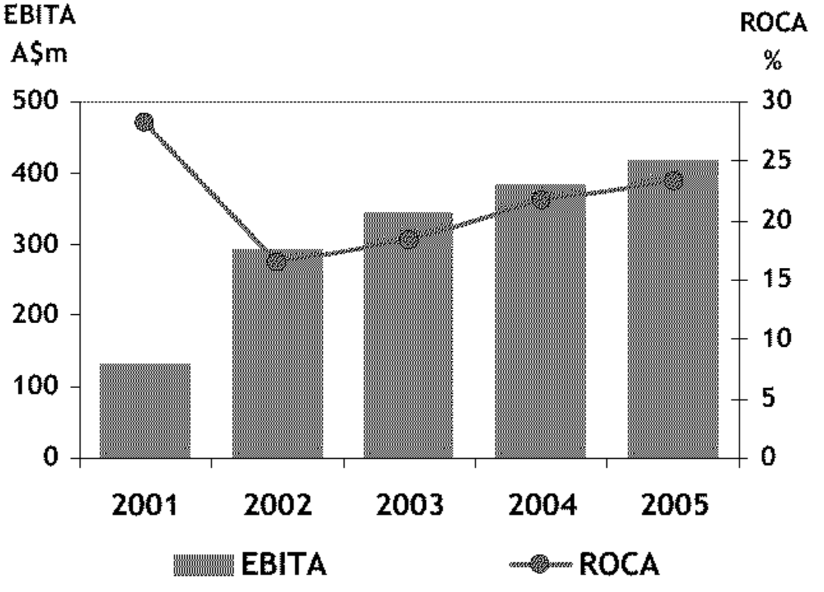
CONTRIBUTION TO GROUP EBITA



Hardware - Financial Performance

Outlook

- Continued expansion of store network (10 – 14 pa)
- Accelerated refurbishment program over next 12 mths
- Trade strategy – targeting profitable market share growth
- Business and systems improvements
  - Supply chain and in-store process enhancements
  - Major systems upgrade – 3 year phased programme
- Development of new store concepts



(A$m)	2001	2002	2003	2004	2005	CAGR
Revenue	1,541.7	3,066.3	3,474.5	3,845.7	4,067.5	*27.4%*
EBITA	132.0	291.8	342.8	384.8	417.9	*33.4%*
Amortisation	-	(46.6)	(50.1)	(50.1)	(52.3)	*nm*
EBIT	132.0	245.2	292.7	334.7	365.6	*29.0%*
EBITA/Revenue Ratio	*8.6%*	*9.5%*	*9.9%*	*10.0%*	*10.3%*	

Kleenheat Gas

CURRAGH

WESFARMERS LPG

AIR LIQUIDE

WESTERN AUSTRALIA

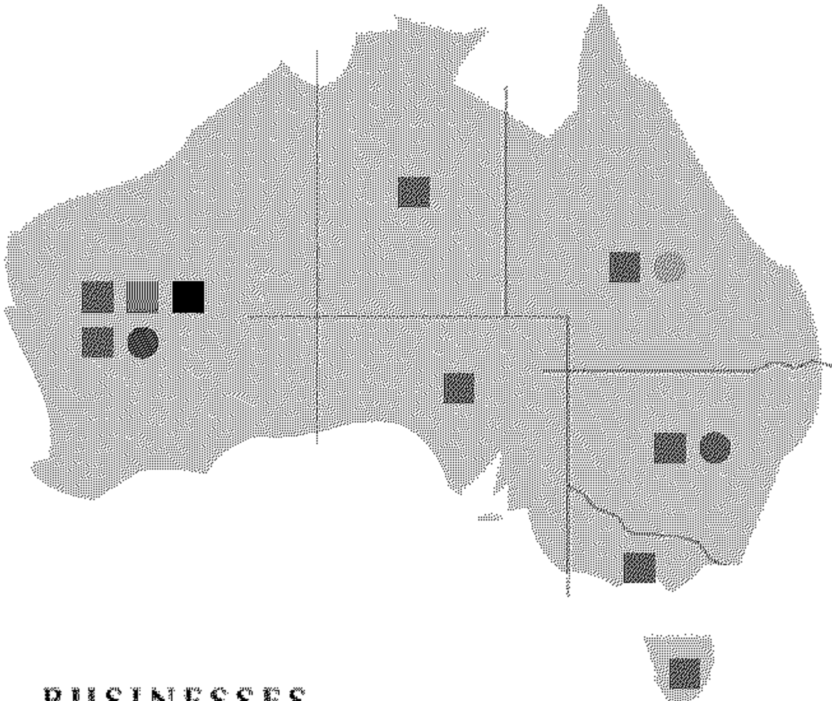
BENGALLA

enGen

energy generation

Premier Coal

Wesfarmers Energy - Locations



BUSINESSES

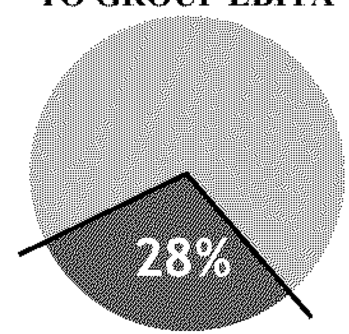
Gas and power	*Coal*
Kleenheat Gas	Premier Coal
Wesfarmers LPG	Curragh
Air Liquide	Bengalla
StateWest Power	

QUICK FACTS

Coal	*Gas and Power*
3 coal mines	750 gas locations
12.5mtpa production	264,000 gas customers
20 customers	14 remote power stations
634 employees*	415 Gwh generation
	721 employees

* excluding Bengalla

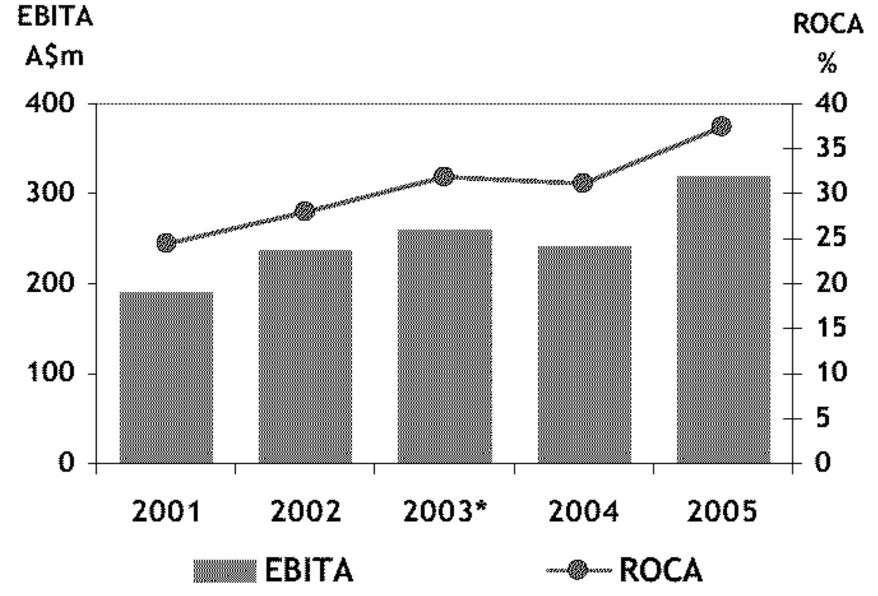
CONTRIBUTION TO GROUP EBITA



Wesfarmers Energy - Financial Performance

Outlook

- Increased revenue and earnings from coal in FY2006 as a result of record high coking coal prices and increased tonnages from Curragh North
- Extension of thermal contract at Premier to 2030



* Excludes Girrah A$80.5m in 2003

(A$m)	2001	2002	2003	2004	2005	CAGR
Revenue	978.1	963.5	1,083.8	1,008.6	1,186.7	*5.0%*
EBITA	190.4	236.9	340.3	240.2	319.3	*13.8%*
Amortisation	(0.3)	(0.4)	(0.7)	(0.8)	(1.1)	*nm*
EBIT	190.1	236.5	339.6	239.4	318.2	*13.7%*
EBITA/Revenue Ratio	*19.5%*	*24.6%*	*31.4%*	*23.8%*	*26.9%*	

Wesfarmers Energy - Coal

Coal

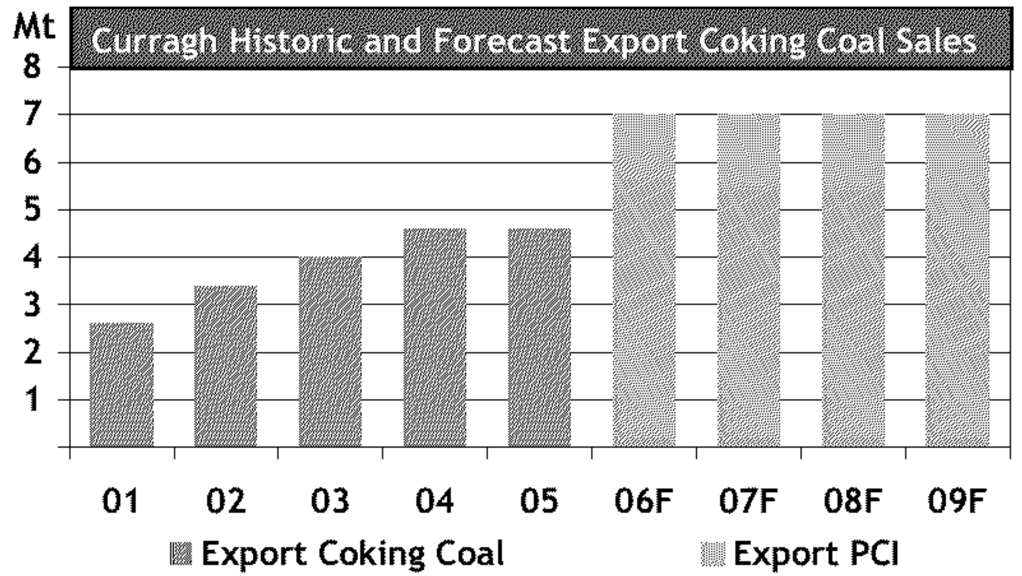
- Curragh
  - Curragh North expansion
  - increased export tonnage to ~ 7mtpa by 2005/06
  - Historically high coking coal prices negotiated for JFY05/06
- Premier
  - successful extension of coal contracts to Western Power to 2030
  - improve unit cost performance
- Bengalla (40%)
  - new mine plan
  - improve sales mix

Coal			
(A$m)	2004	2005	%
Revenue	627.8	765.5	21.9%
EBITA	185.7	253.7	36.6%
EBITA/Revenue (%)	*29.6%*	*33.1%*	

Coal Sales Volumes by Mine (2005)

Mine (mtpa)	Domestic Steaming	Export Steaming	Export Coking	Total
Curragh, QLD	2.5		4.6	**7.1**
Premier, WA	3.3			**3.3**
Bengalla*, NSW	0.4	1.8		**2.2**
Total	**6.3**	**1.7**	**4.7**	**12.7**

*Wesfarmers 40% share



Wesfarmers Energy - Gas & Power

Gas & Power

- Kleenheat Gas
  - improve efficiency and workforce performance
  - development of new markets for LNG
- Wesfarmers LPG
  - implement new LPG supply arrangements post July 2005
- Air Liquide WA (40%)
  - deliver new projects

Gas & Power			
(A$m)	2004	2005	%
Revenue	380.8	421.2	10.6%
EBITA	54.5	65.6	20.4%
EBITA/Revenue (%)	*14.3%*	*15.6%*	

Kleenheat Gas

Activities

distributor and marketer of liquefied petroleum gas (LPG) and gas appliances to a broad range of domestic, commercial, autogas and industrial customers

Sales Volumes

2004/05 Actual:	219kT

Sites

Depots	39
Branches	15
Commission agents	30
Dealers	619
Customers	**229,000**

Wesfarmers LPG

Activities

owns and operates a liquified petroleum gas (LPG) extraction facility in Western Australia supplying Kleenheat Gas domestically and export markets

Production Volume

2004/05 Actual:	310kT

Sales Volumes

2004/05 Actual	
Export:	199kT
Domestic:	110kT
Customers	**2**

AIR LIQUIDE

Activities

Air Liquide WA is a joint venture between Wesfarmers (40%) and Air Liquide Australia manufacturing and supplying a range of industrial and medical gases

Operations

Air Separation Plants:	
Kwinana:	Capacity 285 TPD Oxygen
Hismelt:	Capacity 880 TPD Oxygen
Carbon Dioxide Plants:	
WMC:	Capacity 12 TPD
CSBP:	Capacity 120 TPD
Cylinder Filling Operations:	2
Branches:	3 in Western Australia 1 in Northern Territory
Agents:	77
Customers:	5,000

enGen

Activities

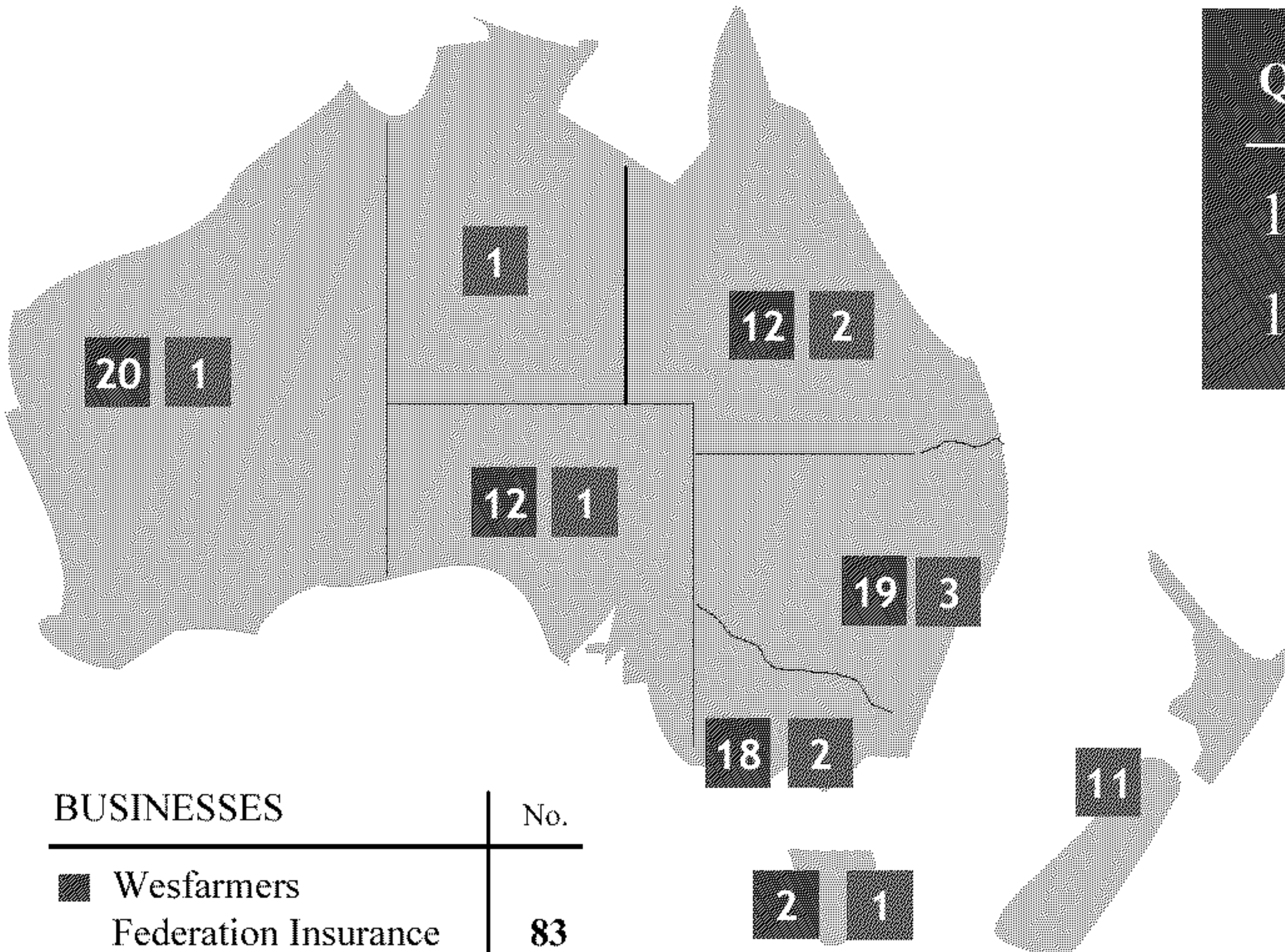
design, construction, operatation and maintenance of both company-owned and customer-owned power supply infrastructure

Operations

MW installed:	94
GWh generated per annum:	415
Power stations:	14
Customers:	7


Lumley

Insurance - Locations



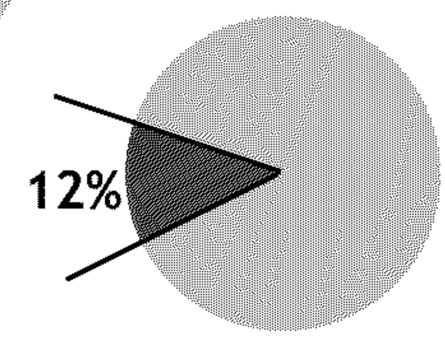
QUICK FACTS

1,463 employees

105 branches

BUSINESSES	No.
Wesfarmers Federation Insurance	**83**
Lumley	**22**

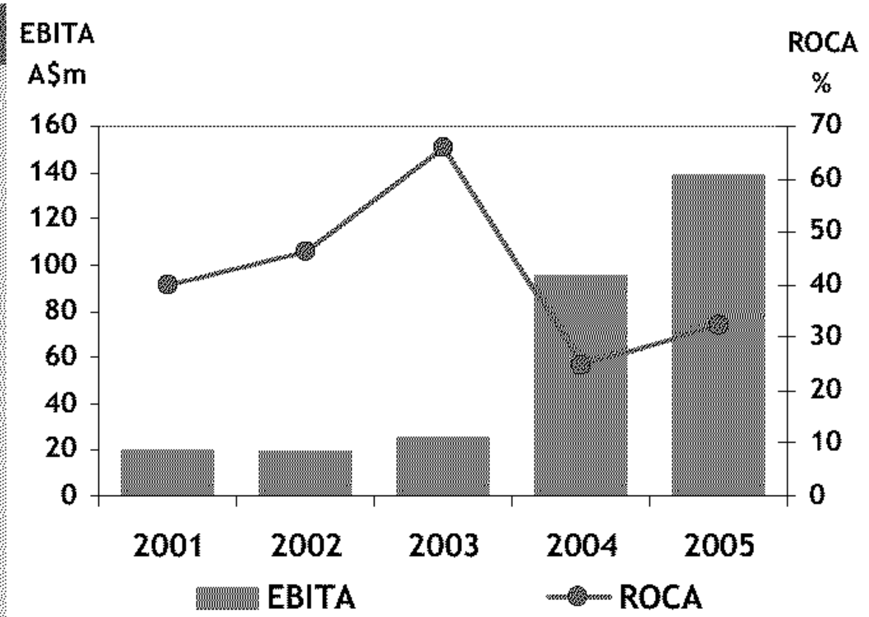
CONTRIBUTION TO GROUP EBITA



Insurance - Financial Performance

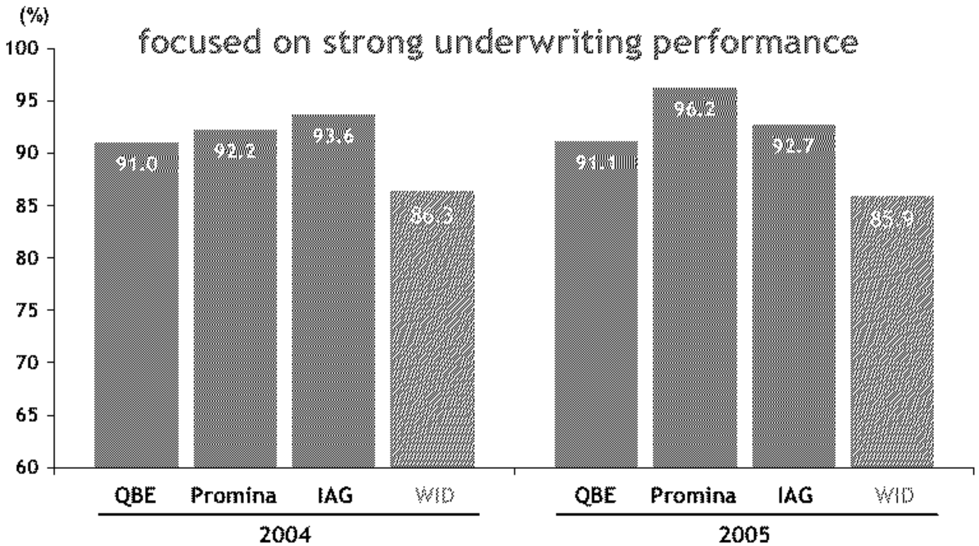
Outlook

- Implement optimised reinsurance programme for 2005/06
- Target new segments for profitable growth
- Bolt-on acquisition opportunities



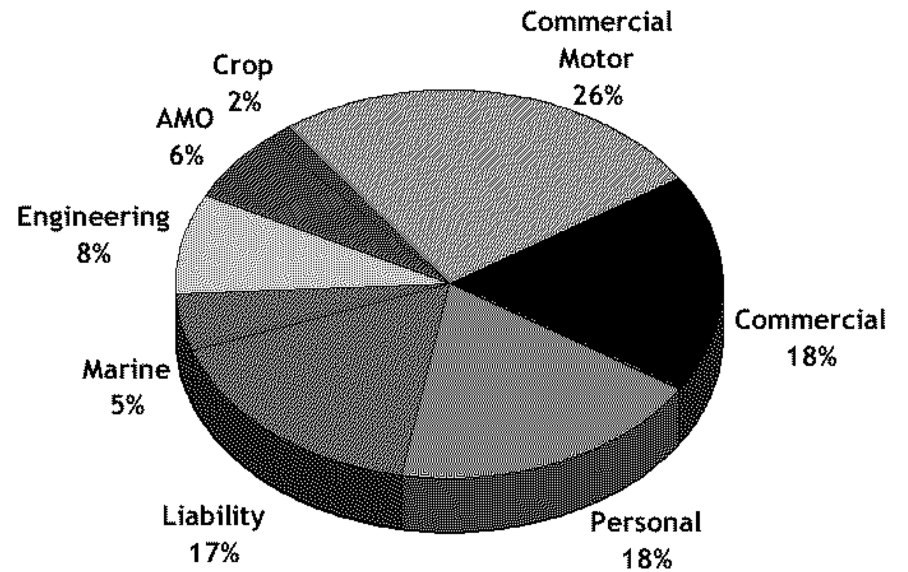
(A$m)	2001	2002	2003	2004	2005	CAGR
Gross Written Premium	170.3	200.6	217.7	787.3	1,019.9	*56.4%*
Net Earned Premium	138.3	156.8	175.0	508.1	700.4	*50.0%*
Underwriting Result	10.8	12.7	16.2	69.8	98.7	*73.9%*
EBITA	20.4	19.5	25.2	95.8	138.8	*61.5%*
Amortisation	-	-	-	(7.5)	(10.6)	*nm*
EBIT	20.4	19.5	25.2	88.3	128.2	*58.3%*
Combined Operating Ratio	*92.2%*	*91.9%*	*90.7%*	*86.3%*	*85.9%*	

Combined Operating Ratio: WID versus peers, 2004-05



12 months ending 30 June. QBE and Promina adjusted for December year end.

2005 Gross Written Premium by Class of Business



Key Performance Indicators: 2003 - 2005

	Lumley						WFI			Wesfarmers Insurance Division		
	Australia			New Zealand								
(%)	2003	2004	2005	2003	2004	2005	2003	2004	2005	2003	2004	2005
Net Earned Loss Ratio	60.7	56.6	58.4	62.9	58.5	61.2	62.4	60.2	57.9	61.6	58.1	58.8
Combined Operating Ratio	83.6	85.1	83.2	89.0	86.9	88.0	90.8	88.1	86.2	87.9	86.3	85.9
Insurance Margin	19.7	18.7	20.7	12.7	14.9	14.1	13.3	16.0	18.0	15.4	16.8	17.4

Atkins

BAKERS
CONSTRUCTION + INDUSTRIAL

Blackwoods

Packaging House

Protector Alsafe

PAYKELS
for your engineering supplies

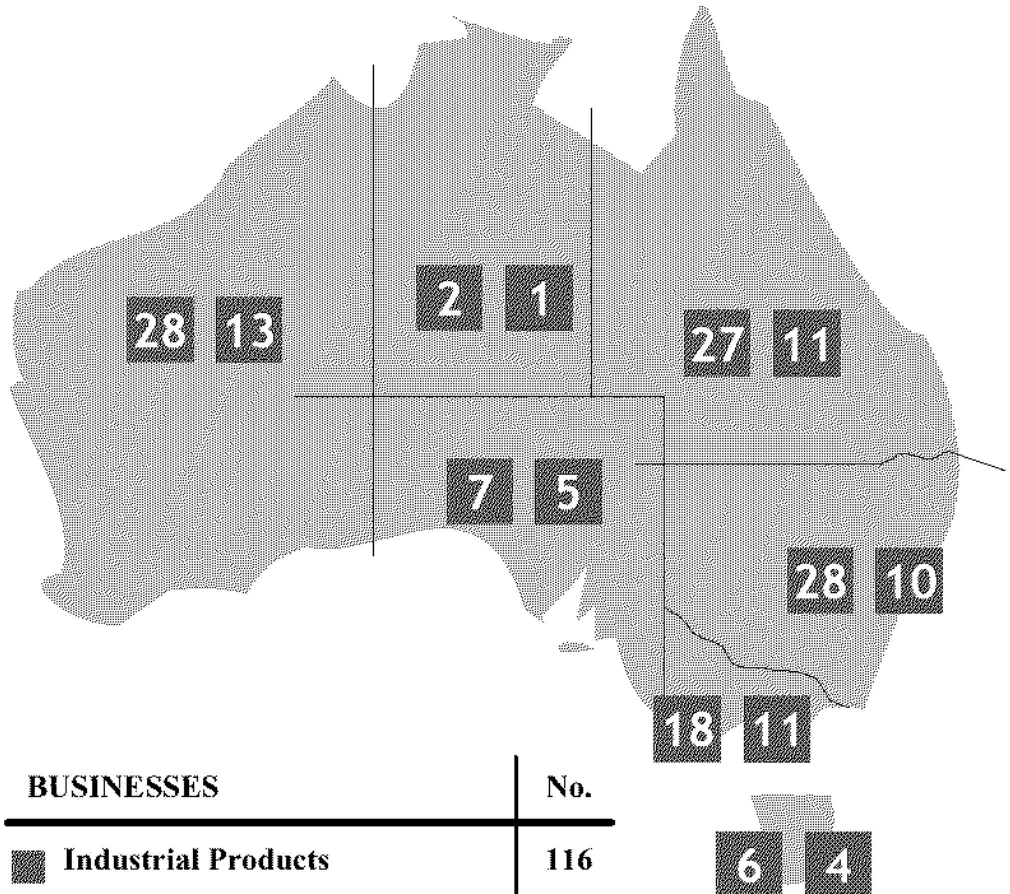
Motion industries

Protector Safety Supply

Mullings Fasteners
"THE FASTENER SPECIALISTS"

NZ Safety
Specialists in Safety & Protection

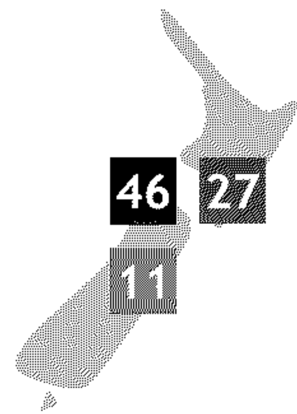
Industrial & Safety - Network



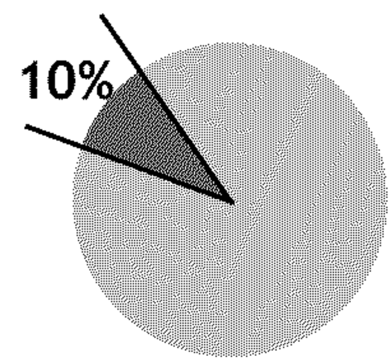
BUSINESSES	No.
Industrial Products	116
Protector Alsafe	55
Protector & NZ Safety	46
Blackwoods Paykels (NZ)	27
Packaging House	11

QUICK FACTS

100,000 customers
400,000 product lines
12,000 vendors
3,300 employees
255 locations



CONTRIBUTION TO GROUP EBITA



Industrial & Safety - Operations

Fulfillment Engine

- Distribution Centres
- Logistics
- Inventory Mgt
- Procurement

Trading Streams

- Blackwoods
- Protector Alsafe
- BAKERS Construction + Industrial
- Mullings Fasteners
- Atkins
- Motion Fasteners
- Protector Safety Supply
- NZ Safety
- Packaging House
- Blackwoods & Paykels

Channels / Communication

- Catalogue
- Call Centres
- Cust Rel'ship Mgt
- E-Business
- Trade Centres

Diverse Customers

- Size
- Industry
- Location

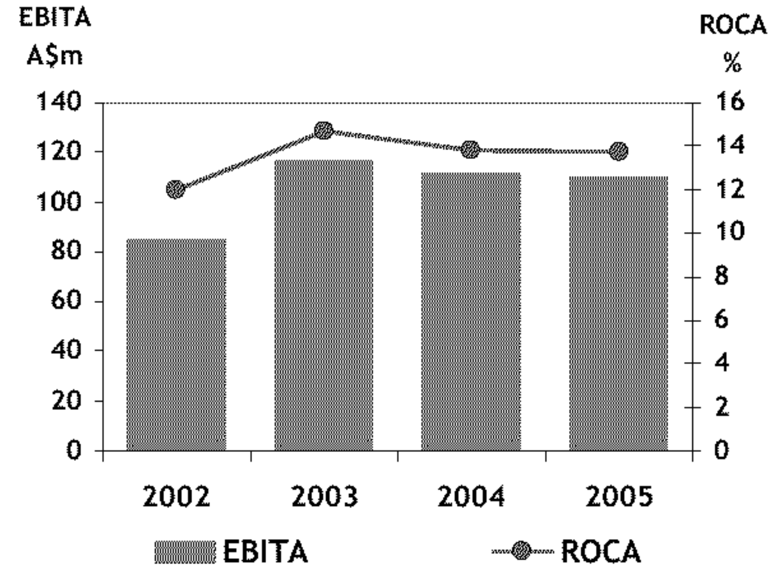
Support Services

Marketing	Vendor Management	Contract Management	E-Business
OHS&E	IT	HR	
Sourcing	Learning & Development	Finance	Admin

Industrial & Safety - Financial Performance

Outlook

- Network expansion and consolidation
- Growth in market share in selected product categories
- Implementation of business improvement initiatives
- Benefits from continued spending in mining and infrastructure

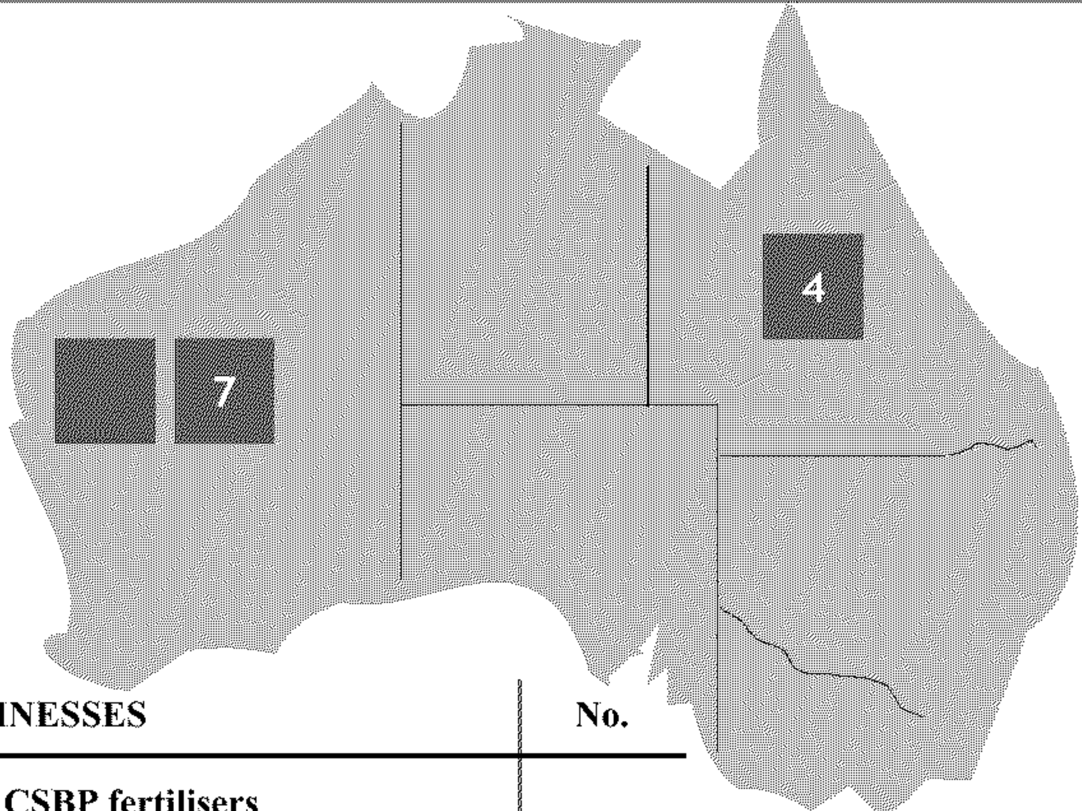


(A$m)	2002*	2003	2004	2005	CAGR
Revenue	1,055.4	1,112.0	1,150.6	1,171.5	*3.5%*
EBITA	84.8	117.2	112.0	110.0	*9.1%*
Amortisation	(23.0)	(25.3)	(25.3)	(26.1)	*nm*
EBIT	61.7	91.9	86.8	83.9	*10.8%*
EBITA/Revenue Ratio	*8.0%*	*10.5%*	*9.7%*	*9.4%*	

** represents 11 months of trading (since date of acquisition)*


AGR
CSBP
Chemicals
QNP
CSBP
Fertilisers

Chemicals & Fertilisers - Locations

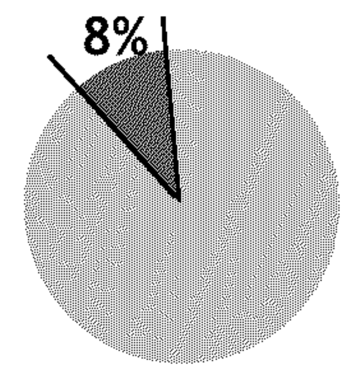


QUICK FACTS

- **570** employees
- **360** chemical customers
- **2** major fertiliser distributors servicing over 5,000 farmers
- **16** operational manufacturing plants

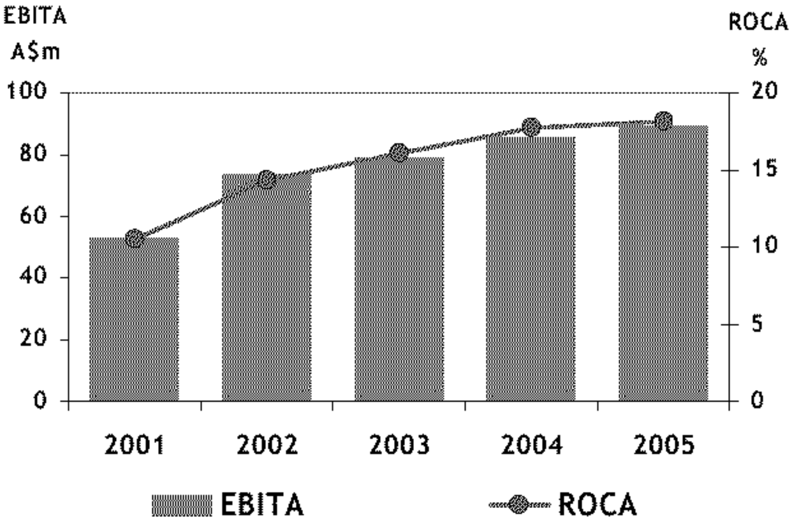
BUSINESSES	**No.**
CSBP fertilisers	
Manufacturing plant	*5*
Import and distribution centres	*5*
Depots	*6*
Regional Sales Representatives	*25*
Sales agents	*145*
CSBP chemicals	
Manufacturing plants	*11*

CONTRIBUTION TO GROUP EBITA



Outlook

- Ammonium nitrate expansion
  - duplication of AN capacity at Kwinana, WA
  - possible expansion or duplication at QNP(50%) at Moura, Qld
- Capacity expansion through debottlenecking
- Liquid fertilisers - development of new products
- Development of export markets for sodium cyanide



(A$m)	2001	2002	2003	2004	2005	CAGR
Revenue	438.1	463.9	473.6	518.5	588.7	*7.7%*
EBITA	52.9	73.5	78.9	85.6	89.3	*14.0%*
Amortisation	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	*nm*
EBIT	52.6	73.3	78.6	85.4	89.1	*14.1%*
EBITA/Revenue Ratio	*12.1%*	*15.8%*	*16.7%*	*16.5%*	*15.2%*	

Australian Railroad Group (50%):

50:50 joint venture between Wesfarmers and international rail operator Genesee & Wyoming Inc (GWI) of the United States. ARG comprises two operating businesses; Rail Operations providing haulage and logistics rail services in Western Australia, South Australia, New South Wales and the Northern Territory and WestNet Rail providing track maintenance and access services to customers in Western Australia.

($m)	2004	2005
Profit before tax	19.0	16.1

Gresham:

50% interest in Gresham Partners, an independent investment bank focused on financial advisory services, private equity investment and property investment funds. Wesfarmers also holds significant investments in Gresham's Private Equity Funds.

($m)	2004	2005
Profit before tax:		
Gresham Partners	4.3	4.7
Gresham Private Equity	73.4	2.5

Wespine (50%):

50:50 joint venture between Wesfarmers and Fletcher Building Limited. Wespine is a softwood sawmiller, specialising in the production of premium quality plantation timber for use in housing construction and furniture manufacturing.

($m)	2004	2005
Profit before tax	9.2	9.9

Gresham Private Equity - Fund 1

- Net investment of A$40m by Wesfarmers
- Divestments expected over the next several years

Current Investment Portfolio

EROC
mining / infrastructure contractor

Norcros
UK based building materials, coatings

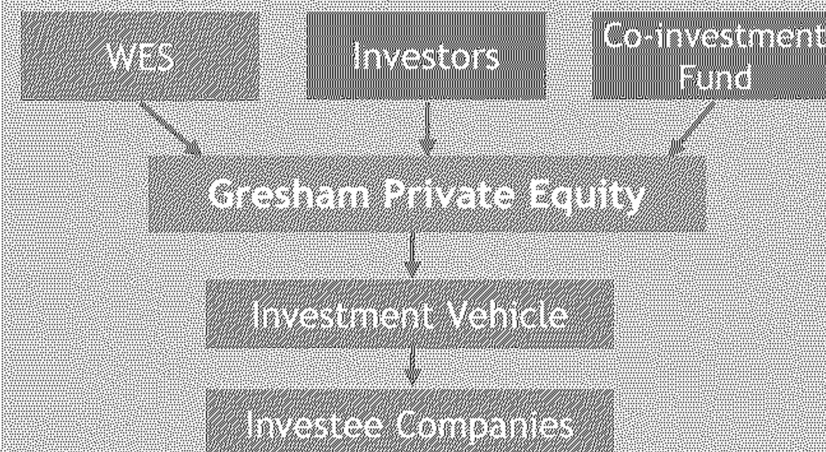
Riviera
ocean cruisers

Virgin Active
health clubs in Europe and South Africa

Raywood
vehicle control systems

Gresham Private Equity - Fund 2

- Current commitment A$317m (Wesfarmers A$150m)
- Good deal "pipeline"



Current Investment Portfolio

Noel Leeming
electrical retailer (New Zealand)

www.noelleeming.co.nz

Australian Pacific Paper Products
manufacturer and distributor of disposable nappies (Australia)

International Financial Reporting Standards ("IFRS")

A-IFRS: Impact on NPAT and Shareholders' Equity

- A-IFRS adoption from 1 July 2005
- Key changes and impact identified and reported
  - Reduction in shareholders' equity 30 June 2005 of $260m
  - key impact on net profit; no goodwill amortisation
- Employee share plan expense from 2005/06
- A-IFRS is likely to result in greater volatility in reported earnings and balance sheet values
- A-IFRS will not affect Wesfarmer's borrowing or dividend paying capacity

Impact on Shareholders' Equity - 1 July 2005

($m)	2005
AGAAP Shareholders' Equity	3,081.0
Derecognition of Employee Share Loan	(215.3)
Impairment of assets including goodwill	(17.3)
Write-back of goodwill amortisation	90.4
Tax effect of earnings from associates	(31.6)
Tax effect of fair value adjustments on acquisition	(17.4)
Recognition of mine and plant rehabilitation costs	(55.6)
Derecognition of store pre-opening costs	(12.4)
Other adjustments	(0.8)
A-IFRS Shareholders' Equity	**2,821.0**
Net change	(260.0)

Pro-forma Impact on Net Profit after tax - 2005

($m)	2005
AGAAP Net profit after tax (before OEI)	618.9
Amortisation of goodwill	90.4
Adjustment for pre-opening store expenses	(3.8)
Adjustment for impairment losses	(1.1)
Adjustment for mine and plant rehabilitation expenses	(0.1)
Other adjustments	(0.6)
Tax effect of above adjustments	1.8
Adjustment for revaluation of investment properties: BWPT	8.9
Tax effect of untaxed undistributed earnings of associates	(8.9)
A-IFRS Net profit after tax	**705.5**
Net change	86.6

Investor Relations Contacts

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For further information on Wesfarmers including:

- Annual reports
- Financial results announcements
- Presentations and webcasts
- Corporate policies

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