

2015 Full-Year Results Briefing Presentation

Thursday, 20 August 2015



Wesfarmers

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Financial highlights

Year ended 30 June 2015

Variance to prior corresponding period

<i>Reported</i>		<i>Continuing operations¹ excluding NTIs²</i>
Operating revenue of \$62.4b	0.2%	3.8%
EBIT of \$3,759m	(9.4%)	5.4%
NPAT of \$2,440m	(9.3%)	8.3%
Earnings per share of \$2.16	(7.9%)	9.9%
Return on equity (R12) of 9.8%	(70bps)	40bps
Final dividend (fully-franked) per share of \$1.11	5.7% ³	
Full-year dividend (fully-franked) per share of \$2.00	5.3% ³	

- Solid increase in underlying profit
 - Strong earnings growth in the Group's retail portfolio through improved merchandise offers & delivery of better value to customers
 - Reduced earnings from the Industrials division where, despite good cost control & operational productivity, lower commodity prices & reduced customer project activity resulted in a challenging sales environment
- Good cash generation supported by working capital improvement & capital expenditure discipline
- Strong balance sheet maintained
- Final dividend of \$1.11 (fully-franked); Full-year ordinary dividend of \$2.00 per share, up 5.3% on last year³

¹ See slide 44 of the Supplementary Information for detail relating to discontinued operations.

² See slide 44 of the Supplementary Information for detail relating to non-trading items (NTIs).

³ Growth excludes last year's 10 cents per share special 'Centenary' dividend.

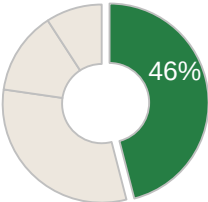
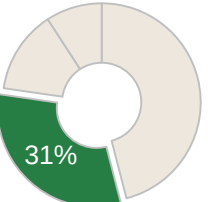
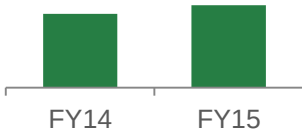
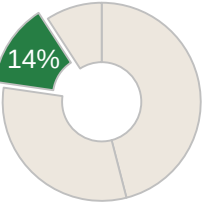
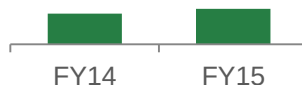
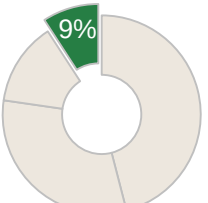
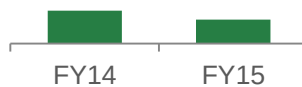
Group performance summary

Year ended 30 June (\$m)	2015	2014	↑ %
Revenue	62,447	62,348	0.2
EBITDA	4,978	5,273	(5.6)
EBIT	3,759	4,150	(9.4)
EBIT (from continuing operations ¹ excluding NTIs ²)	3,759	3,566	5.4
Finance costs	(315)	(363)	13.2
Tax expense	(1,004)	(1,098)	8.7
Net profit after tax	2,440	2,689	(9.3)
Net profit after tax (from continuing operations¹ excluding NTIs²)	2,440	2,253	8.3
Operating cash flow	3,791	3,226	17.5
Earnings per share (cps)	216.1	234.6	(7.9)
Earnings per share (from continuing ops. ¹ excl. NTIs ²) (cps)	216.1	196.6	9.9
Operating cash flow per share (wanos, incl. res. shares) (cps)	335.1	281.0	19.3
Full-year ordinary dividend per share (cps)	200	190	5.3
Special dividend (cps)	-	10	<i>n.c.</i>
Capital management paid per share (cps)	100	50	100.0
Return on equity (R12) (%)	9.8	10.5	(70 bps)
Return on equity (R12) (%) (from continuing operations¹ excl. NTIs²)	9.8	9.4	40 bps

¹ Refer slide 44 of Supplementary Information; Discontinued operations for 2014 were \$1,355 million (pre-tax) & \$1,179 million (post-tax).

² Refer slide 44 of Supplementary Information; NTIs for 2014 were (\$771) million (pre-tax) & (\$743) million (post-tax).

Strength through diversified earnings

EBIT (\$m) Year ended 30 June	2015	2014	↑↓ %	Percentage of divisional EBIT FY15	EBIT growth
Food, liquor & petrol retailing	1,783	1,672	6.6		+\$111m
Coles	1,783	1,672	6.6		
Home Improvement & Office Supplies	1,206	1,082	11.5		+\$124m
Home Improvement	1,088	979	11.1		
Office Supplies	118	103	14.6		
Department store retailing	522	452	15.5		+\$70m
Kmart	432	366	18.0		
Target	90	86	4.7		
Industrials	353	482	(26.8)		(\$129m)
WesCEF	233	221	5.4		
Resources	50	130	(61.5)		
Industrial & Safety	70	131	(46.6)		

Return on capital

Rolling 12 months to 30 June	2015			2014
	EBIT (\$m)	Cap Emp (\$m)	ROC (%)	ROC (%)
Food, liquor & petrol retailing	1,783	16,276	11.0	10.3
Home Improvement & Office Supplies	1,206	4,278	28.2	24.4
Department store retailing	522	3,778	13.8	10.4
Industrials	353	4,245	8.3	11.7

- Continued focus on return on capital (ROC) to deliver satisfactory shareholder returns
- ROC improvements achieved across all retail businesses
- Robust business cases governing capital investment decisions
 - Hurdle rates set reflective of risk
 - Targeting high return projects
 - Capital expenditure weighted to retail portfolio

Divisional performance highlights

Coles

- Improved sales momentum
- Operating efficiencies supported further investment in lower prices
- Growth in customer transactions, average basket size & sales density
- Encouraging customer responses to early Liquor transformation work

Bunnings

- Pleasing performance reflects strong strategy execution
- Focus on merchandise innovation, increased value for customers & higher investment in brand reach
- Higher earnings & significant improvement in ROC

Officeworks

- Best performance under Wesfarmers' ownership
- Merchandise category expansion & focus on delivery of improved offer in all channels to market
- Strong growth in earnings & ROC

Kmart

- Continued positive customer response to offer including merchandise innovation & increasing quality perception
- Strong sales & earnings growth reflected work to reinvest sourcing benefits & process efficiencies into lower prices
- Expansion & refurbishment of store network

Divisional performance highlights (cont'd)

Target

- Transformation plan progressed well
- Sales momentum improved as customers responded positively to range improvements & increased everyday value
- Benefits of higher 'first price, right price' sales, improved sourcing & cost control offset investments in supply chain & lower prices

WesCEF

- Higher earnings from AN & sodium cyanide following plant capacity expansions
- Lower ammonia & Australian Vinyls' earnings
- Good seasonal conditions supported strong earnings growth in fertilisers
- Kleenheat earnings down due to lower LPG pricing & reduced LPG content

Resources

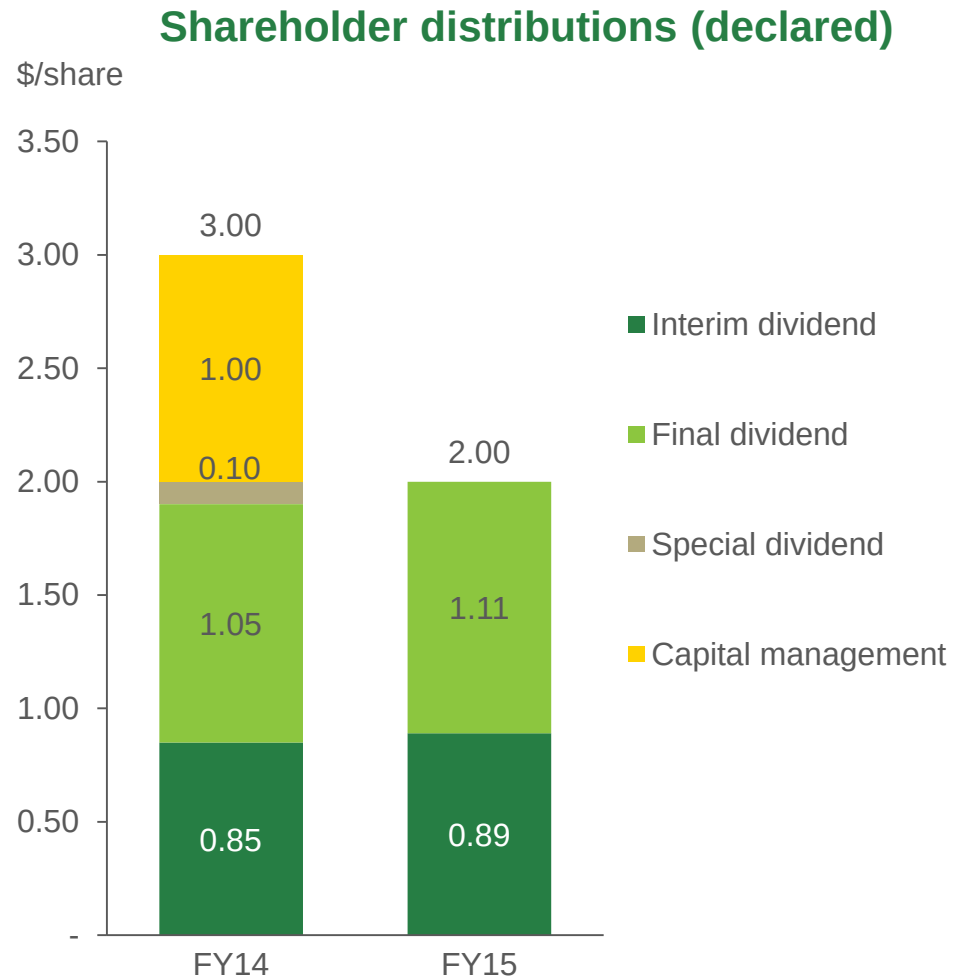
- Significant decline in export coal prices adversely affected earnings
- Good results in productivity improvements & cost control despite higher overburden removal

Industrial & Safety

- Significantly weaker trading conditions, following reduced project activity & focus by major customers on lowering costs, which adversely affected earnings
- Steps taken to reduce cost base, incurring \$20 million of one-off restructuring costs
- Good progress in commencing integration of Pacific Brands' Workwear business (acquired December 2014)

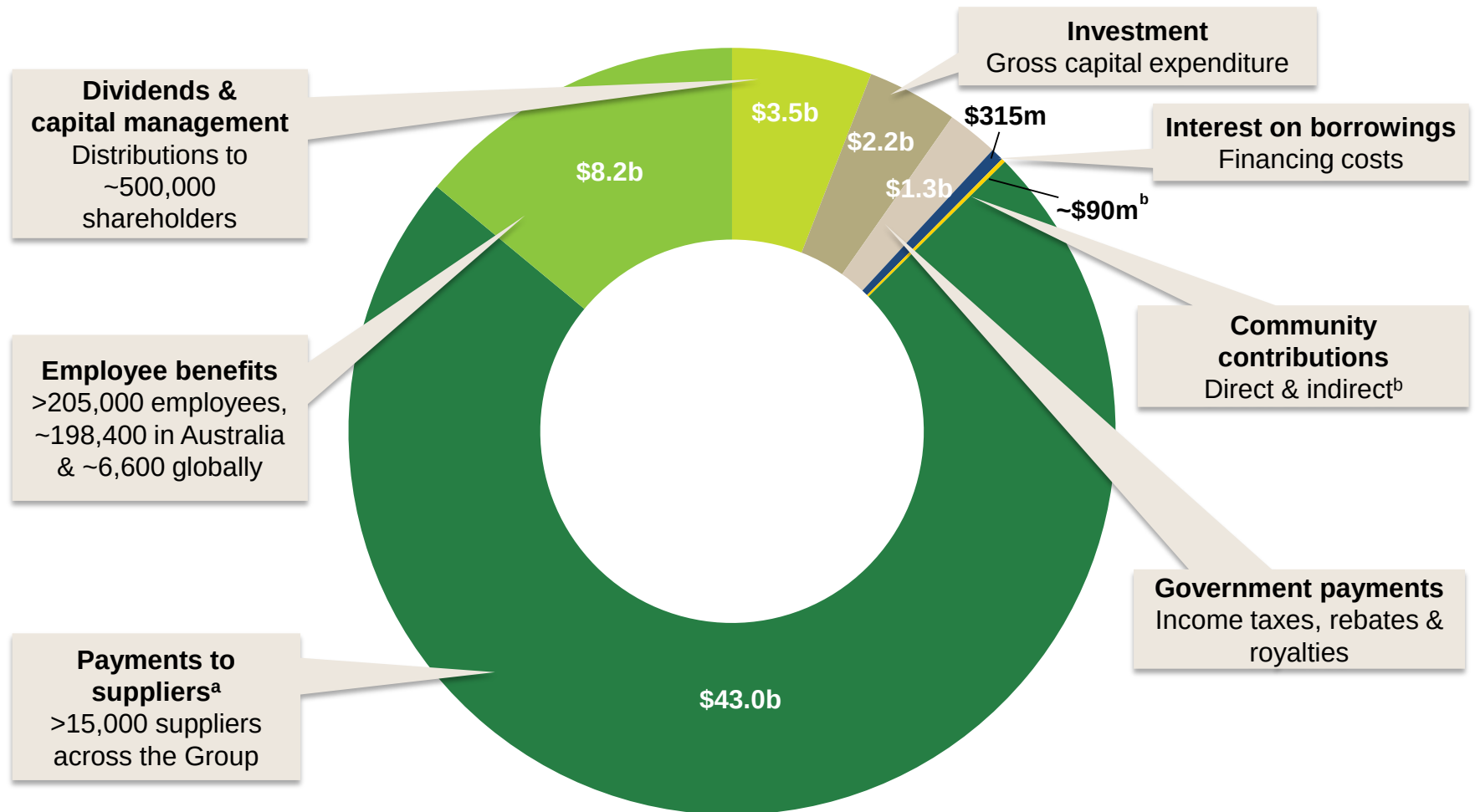
Focus on shareholder returns

- Dividend & capital management distributions supporting long-term shareholder returns
- Underlying earnings growth, balance sheet strength & good cash generation supported an increase in ordinary dividends
- Increase in final dividend declared
 - Final ordinary dividend (fully-franked) of \$1.11 per share declared taking full-year ordinary dividend to \$2.00 per share, an increase of 5.3%¹
- Capital management distribution completed
 - Distribution of \$1.00 per share paid in December 2014 with accompanying share consolidation of capital component
- Special 'Centenary' dividend of \$0.10 per share (fully-franked) paid in October 2014



¹ Growth excludes last year's 10 cents per share special 'Centenary' dividend.

Broad & significant economic contribution



^a Represents raw materials & inventory expense.

^b Audit not yet complete for 2015 financial year.

Coles

John Durkan

Managing Director



coles

coles.com.au

coles
express

VINTAGE CELLARS

first CHOICE liquor

BI-LO

LIQUORLAND

spirit
MORTARS

coles Financial Services

Coles performance summary

Year ended 30 June (\$m)		2015	2014	↑%
Coles Division	Revenue	38,201	37,391	2.2
	EBITDA ¹	2,347	2,157	8.8
	EBIT ¹	1,783	1,672	6.6
	EBIT margin (%)	4.7	4.5	
	ROC (R12%)	11.0	10.3	
	Safety (R12 LTIFR)	8.0	8.4	
Food & Liquor	Revenue ²	30,784	29,220	5.4
	Headline sales growth (%) ^{3,4}	5.3	4.7	
	Comparative sales growth (%) ^{3,4}	3.9	3.7	
Convenience	Revenue	7,417	8,171	(9.2)
	Total store sales growth (%) ³	9.8	6.0	
	Comp. fuel volume growth (%) ³	(3.7)	(3.9)	

¹ 2014 excludes a \$94 million provision relating to restructuring activities within the Coles Liquor business (reported as a NTI). Includes property EBIT for 2015 of \$14 million & for 2014 of \$20 million.

² Includes property revenue for 2015 of \$29 million & for 2014 of \$26 million.

³ 2015 growth reflects the 52 week period 30 June 2014 to 28 June 2015 & the 52 week period 1 July 2013 to 29 June 2014. 2014 growth reflects the 52 week period 1 July 2013 to 29 June 2014 & the 52 week period 2 July 2012 to 30 June 2013.

⁴ Includes hotels, excludes gaming revenue & property.

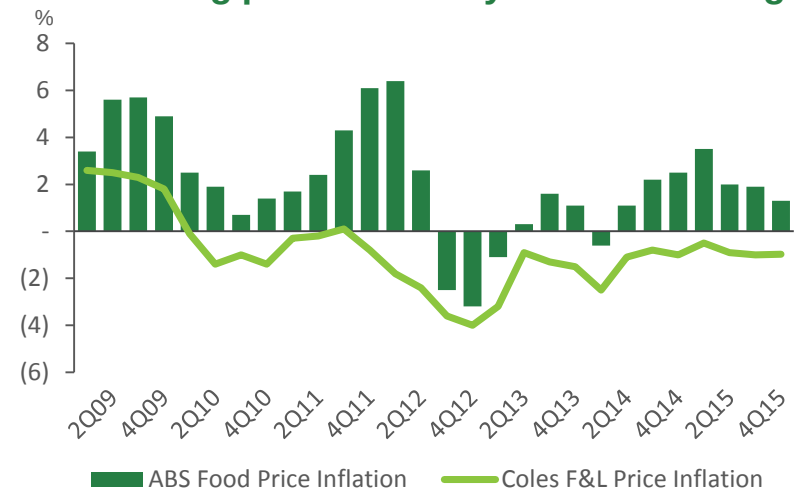
Food & Liquor highlights

Delivering fresh-led trusted value

- Focused on growing fresh
 - Double digit fresh produce sales & volume growth
 - Improving fresh quality & availability
 - Investing in team member craft skills & in-store service
- Delivering trusted value
 - More than 2,000 products at trusted “Every Day” prices
 - Coles Brand delivering innovation, quality & exceptional value
 - More compelling promotions
 - Personalised value through tailored flybuys offers
 - 5.9% cumulative deflation from FY09
- Sales density growth has continued
 - 29% sales density growth since FY09
- 513 stores in renewal format, representing 66% of fleet



Lowering prices for six years & counting



Food & Liquor highlights

Greater simplicity delivering productivity savings

Suppliers



- **Greater collaboration with suppliers**
 - Implemented Coles Supplier Charter & Grocery Code
 - Developing longer-term partnerships
 - Simplified range reviews
 - Developing longer-term partnerships
 - Launched \$50m Nurture Fund in April 2015 & Coles Supplier Awards in July 2015

Supply Chain



- **Improved freshness with flow through efficiency**
 - More products on stockless distribution, including short-life meat & deli, Coles Brand milk & ready meals
- **Enhanced DC productivity**
 - Improved labour efficiency & pick path planning
- **Driving transport efficiency**
 - Fewer & fuller deliveries to stores
 - Increasing same-day deliveries

Store



- **Investing in simpler & smarter stores**
 - Simplified processes & introduced new tools to optimise store productivity
 - OneTeam rostering tool in pilot, to improve service levels
 - Trialling OneShop, a world-class Point of Sale system to improve in-store productivity

Food & Liquor highlights

Boldly extending into new services & channel

- Extended Coles' financial services offering
 - More than 880,000 insurance & credit card customers
 - Competitive new products introduced: mobile wallet, low rate MasterCard & prepaid credit card, new home & landlord insurance
- Combined convenience & innovation through Coles Online
 - Strong new customer growth
 - Over 120 convenient locations (stores & lockers) all with Click & Collect
 - In-store picking efficiency up 12% in FY15
- Increased flybuys membership
 - 11% increase in membership in FY15 with 5.5 million active households
 - 1 million personalised weekly emails focusing on fresh value



Personalised fresh emails



Hi **Kuming**, these in-store specials from the Coles Fresh teams can help you save every day!

YOUR SPECIALS



Coles Bananas
\$1.80 per kg

Coles Carisma Washed Potatoes
Prepacked 2kg
\$4.00 per ea

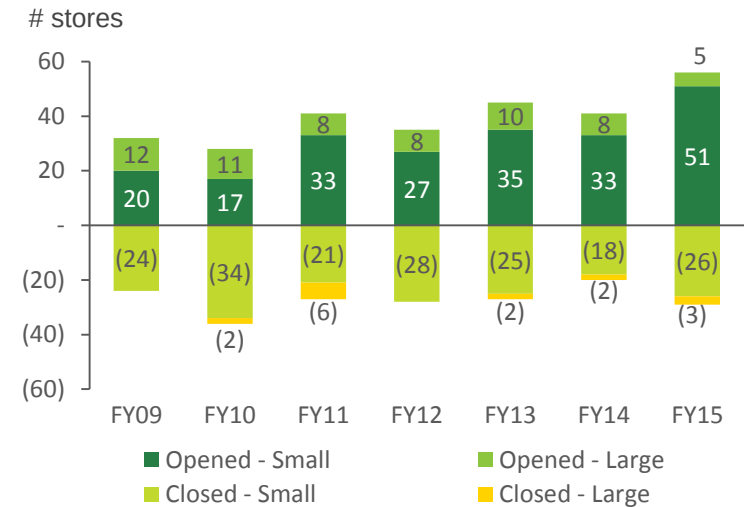


Food & Liquor highlights

Progressing the liquor transformation

- Liquor remains challenging, with transformation progressing as planned
- Significant investment in value
- Simplified Liquorland range in 163 stores
- New team in place to grow exclusive & private labels
- Optimising store networks
 - 29 underperforming stores closed
 - 56 new stores opened, 43 co-located with supermarkets
 - New space growth slowed to 2.1% in FY15
- Growing Liquor Direct business to drive sales & improve customer experience

Optimising the liquor network



Range simplification

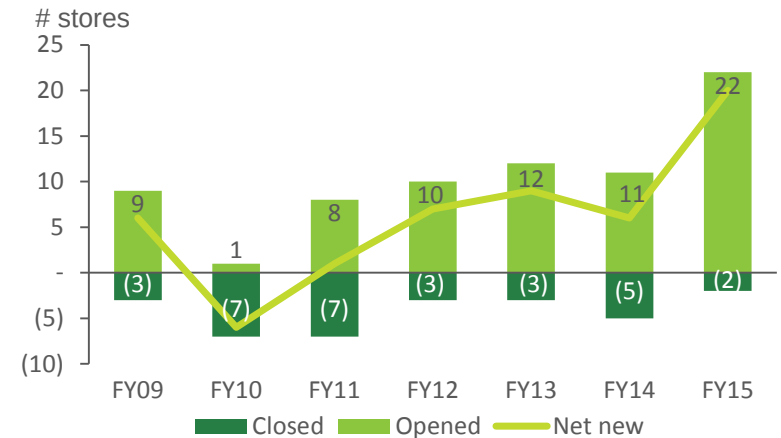


Convenience highlights

Accelerating growth in convenience

- Strong network growth
 - 22 new sites opened & two closed in FY15
 - Bigger stores planned
- Better convenience store offer
 - Strong convenience store sales growth in FY15
 - Increased value with more Coles Brand products, \$2 value range & 'Every Day' prices
 - 'Espresso-to-Go' coffee roll-out now complete, with frozen range in trial
 - Opportunities to expand exclusive range & Food-to-Go
- Focusing on the right fuel offer
 - Delivering more value through flybuys & partnerships
 - Improving forecourt layouts

Expanding the convenience network



Coles Outlook

- Absolute focus on end-to-end simplicity to reduce cost base to fund further investments in trusted value, fresh & customer service
- Maintain disciplined & returns-focused capital management
- Grow new channels & services to drive long-term growth
- Progress liquor transformation
- Drive convenience growth



Home Improvement & Office Supplies

John Gillam
Managing Director



HIOS performance summary

Year ended 30 June (\$m)		2015	2014	↑%
Revenue	Home Improvement	9,534	8,546	11.6
	Office Supplies	1,714	1,575	8.8
	Total	11,248	10,121	11.1
EBITDA	Home Improvement	1,228	1,106	11.0
	Office Supplies	139	124	12.1
	Total	1,367	1,230	11.1
EBIT	Home Improvement	1,088	979	11.1
	Office Supplies	118	103	14.6
	Total	1,206	1,082	11.5

Home Improvement performance summary

Year ended 30 June (\$m)	2015	2014	↑↓%
Revenue	9,534	8,546	11.6
EBITDA	1,228	1,106	11.0
Depreciation & amortisation	(140)	(127)	(10.2)
EBIT	1,088	979	11.1
EBIT margin (%)	11.4	11.5	
ROC (R12 %)	33.5	29.3	
Safety (R12 AIFR)	24.8	29.1	
Total store sales growth (%) ¹	11.4	11.7	
Store-on-store sales growth (%) ¹	8.8	8.4	

¹ 2015 growth for Home Improvement represents the 12 month period 1 July 2014 to 30 June 2015 & 1 July 2013 to 30 June 2014. 2014 growth for Home Improvement represents the 12 month period 1 July 2013 to 30 June 2014 & 1 July 2012 to 30 June 2013.

Home Improvement highlights

- Strong sales growth...increased by \$1 billion
 - Total store sales growth of 11.4%
 - » Store-on-store growth 8.8%
 - Positive across Australia (all regions) & New Zealand
 - Good momentum in consumer & commercial
 - Pleasing growth across all categories
- Good increase in EBIT...11.1% growth
 - Favourable trading conditions
 - Gains from growth agenda & productivity work
 - » Absorbing value creation & development impacts

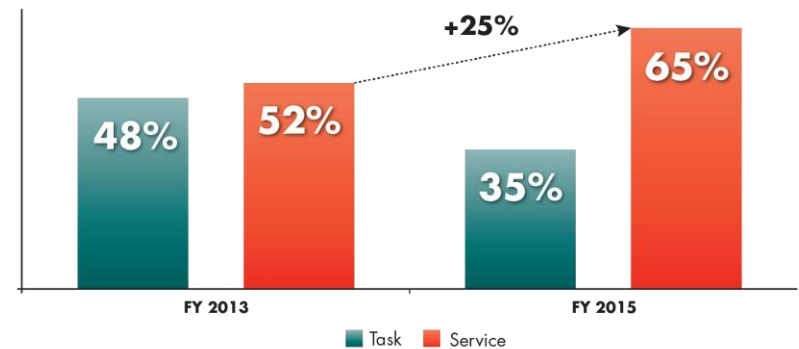


Home Improvement highlights

- Customer engagement enhanced
 - More value, wider range & better experiences
 - Service uplifts from in-store tech
- Deeper brand reach
 - Digital offering widened with richer content
 - 29 new trading locations opened
- Continued team investment
 - Wonderful community involvement
- Business strength enhanced
 - Expanded supply chain capabilities
 - Major IT refresh

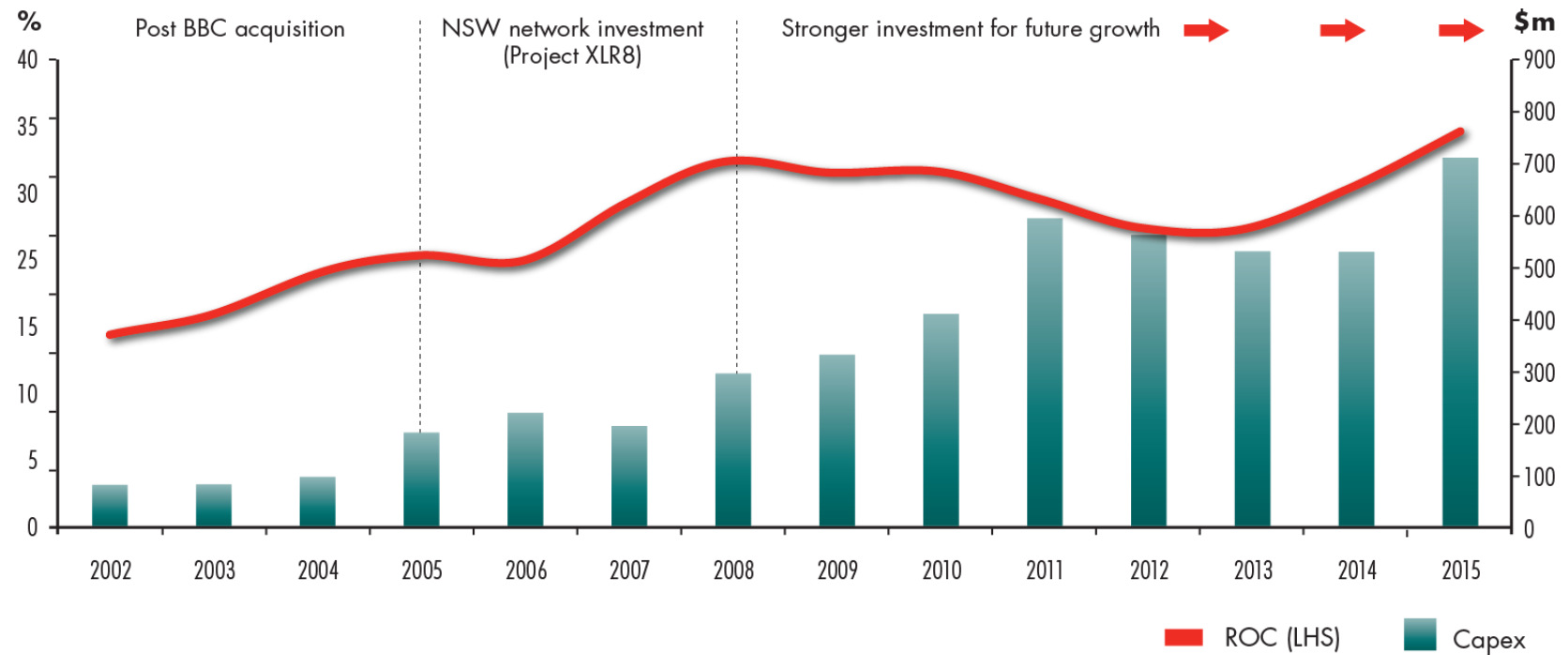


Productivity gains enhancing customer experiences



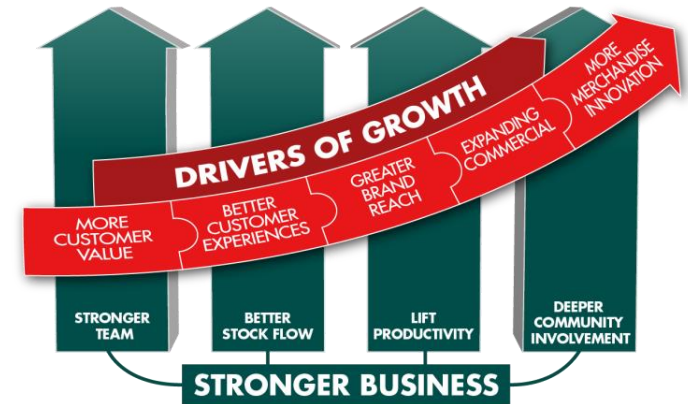
Home Improvement highlights

- Strong investment program focused on growth & core business capabilities
- Good capital management disciplines
- Market leading ROC of 33.5%...increased by 425 basis points



Home Improvement outlook

- Good momentum from strategic agenda
- Multiple growth drivers
 - Good long-term prospects
 - More value, better experiences, greater brand reach, expanding commercial & merchandising innovation
 - Network reinvestment & expansion continues
- Investing for a stronger business model
 - Team, stock flow, productivity & community involvement



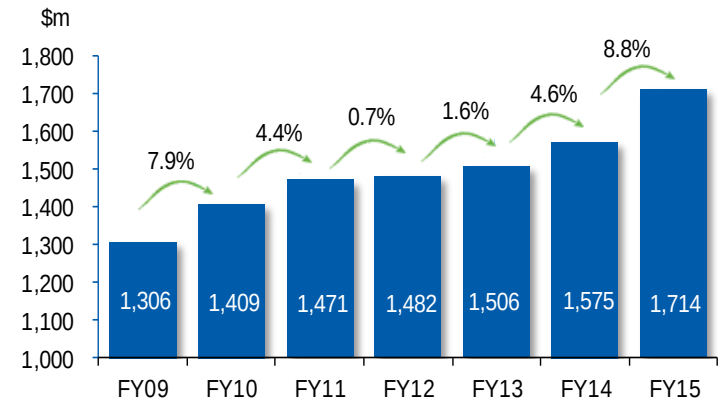
Office Supplies performance summary

Year ended 30 June (\$m)	2015	2014	↑%
Revenue	1,714	1,575	8.8
EBITDA	139	124	12.1
Depreciation & amortisation	(21)	(21)	-
EBIT	118	103	14.6
Trading EBIT margin (%)	6.9	6.5	
ROC (R12 %)	11.4	9.4	
Safety (R12 AIFR)	19.2	21.9	

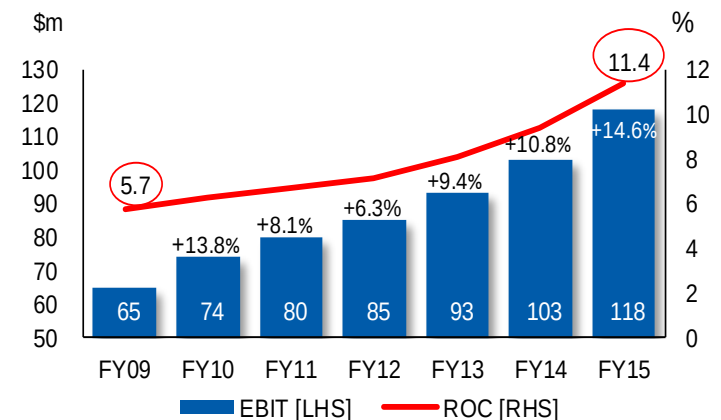
Office Supplies highlights

- Strong headline results
 - Revenue growth of 8.8% to \$1.7 billion
 - EBIT growth of 14.6%, six year CAGR of 10.4%
 - ROC up 202 basis points to 11.4%
- ‘Every channel’ strategic agenda driving growth
 - Focused on delivering a one-stop shop for customers
 - Store & online investment
 - Ongoing focus on business model productivity
 - Disciplined capital & inventory management

Revenue growth momentum

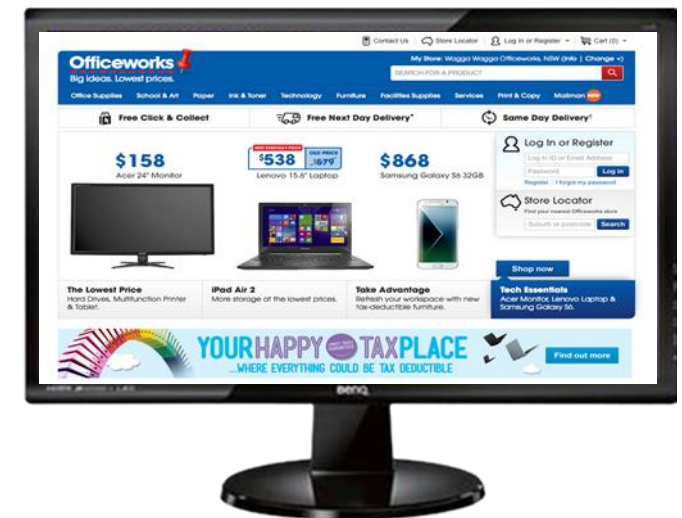


Strong earnings & ROC growth



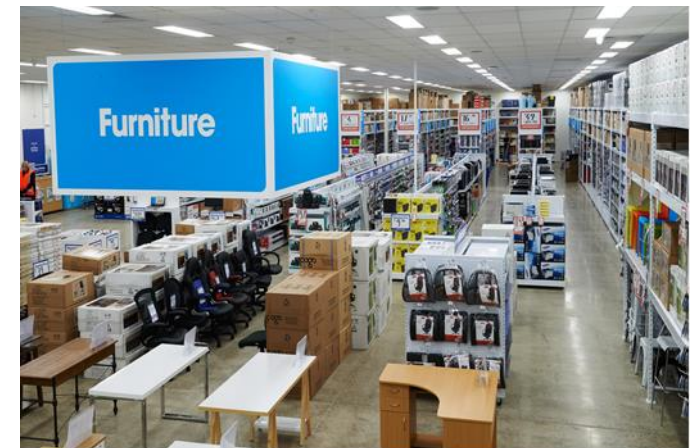
Office Supplies highlights

- Continued investment in the 'every channel' strategy
 - New & expanded categories
 - Improved store layout & design changes
 - Online enhancements received favourably by customers
 - Ongoing investment in physical & digital service
 - Seven new stores opened
 - Positive results in B2B market
- Increase in ROC driven by
 - Earnings growth & productivity improvements
 - Continued focus on reducing cost & complexity



Office Supplies outlook

- Continue driving 'every channel' strategic agenda
 - Reach & engage more customers
 - » Anywhere, Anyhow, Anytime
 - Provide compelling value to customers
 - Lift productivity, further cost & complexity reduction
 - Ensure Officeworks remains a great place to work
- Continued growth in customer participation
- Market expected to remain competitive
 - Ongoing focus on cost & margin management



Kmart

Guy Russo

Managing Director



Kmart performance summary

Year ended 30 June (\$m)	2015	2014	↑%
Revenue	4,553	4,209	8.2
EBITDA	521	448	16.3
Depreciation & amortisation	(89)	(82)	(8.5)
EBIT	432	366	18.0
EBIT margin (%)	9.5	8.7	
ROC (R12 %)	32.9	26.9	
Safety (R12 LTIFR)	7.0	7.0	
Total sales growth (%) ¹	8.2	0.9	
Comparable store sales growth (%) ¹	4.6	0.5	

¹ 2015 growth reflects the 52 week period 30 June 2014 to 28 June 2015 & the 52 week period 1 July 2013 to 29 June 2014. 2014 growth reflects the 52 week period 1 July 2013 to 29 June 2014 & the 52 week period 2 July 2012 to 30 June 2013.

Kmart highlights

- Revenue growth underpinned by increased customer transactions & units sold
 - Growth across all key categories
- Strong growth in EBIT & ROC
 - Improvement in range architecture
 - Greater value across price tiers
 - Increased operational efficiencies
 - Strong working capital management
- Continued investment in the store network
 - Opened 11 new Kmart stores
 - Completed 29 major Kmart store refurbishments
 - Opened six new Kmart Tyre & Auto Service centres

Kmart outlook

- Remain focused on the growth strategies:
 - Volume retailer
 - Operational excellence
 - Adaptable stores
 - High performance culture
- Relentless focus on price leadership
- Continue to improve range architecture
- Close management of cost of doing business
- Management of foreign currency
- Develop & enhance the digital strategy
- Continue to expand & improve the store network
- Safety & ethical sourcing remain high priorities

Target

Stuart Machin
Managing Director



Target performance summary

Year ended 30 June (\$m)	2015	2014	↕%
Revenue	3,438	3,501	(1.8)
EBITDA ¹	176	167	5.4
Depreciation & amortisation	(86)	(81)	(6.2)
EBIT¹	90	86	4.7
EBIT margin (%)	2.6	2.5	
ROC (R12 %)	3.6	2.9	
Safety (R12 LTIFR)	4.7	5.7	
Total sales growth (%) ²	(1.8)	(4.2)	
Comparable store sales growth (%) ²	(1.0)	(5.3)	

¹ 2014 excludes a \$677 million impairment of Target's goodwill (reported as an NTI).

² 2015 growth reflects the 52 week period 29 June 2014 to 27 June 2015 & the 52 week period 30 June 2013 to 28 June 2014. 2014 growth reflects the 52 week period 30 June 2013 to 28 June 2014 & the 52 week period 1 July 2012 to 29 June 2013.

Target highlights

- Improving revenue trend
 - Volume growth increasingly offsetting lower prices
 - 4Q15 Easter adjusted comparable sales flat
 - Online year-on-year sales growth of 51%
- EBIT stabilised
 - Difficult first quarter due to high levels of winter clearance
 - Improved margin performance
 - 70% of sales ‘first price, right price’
 - Investment made in supply chain operations
 - Cost of doing business reduced by 11%
- Improved cash flow generation
- Significant improvement in safety



Target transformation plan

Transitioning from 'Fixing the Basics' to 'Growth & Efficiency'

- Drive sourcing & supply chain efficiencies
- Improve stock availability
- Accelerate store renewal program
- Continue to grow profitable online sales
- Reduce SKUs to improve fashion, style & quality
- Embed every day 'first price, right price'
- Manage foreign currency
- Realise benefits of system investments



Chemicals, Energy & Fertilisers

Tom O'Leary
Managing Director




Wesfarmers Chemicals,
Energy & Fertilisers




Australian Vinyls

AGA

QNP

EVOL
LNG

Kleenheat

MODWOOD

Quadrant
Energy

Chemicals, Energy & Fertilisers performance summary

Year ended 30 June (\$m)		2015	2014	↑%
Revenue	Chemicals	840	730	15.1
	Energy ¹	435	592	(26.5)
	Fertilisers	564	490	15.1
	Total	1,839	1,812	1.5
EBITDA ²		345	314	9.9
Depreciation & amortisation		(112)	(93)	(20.4)
EBIT ²		233	221	5.4
External ³ sales volume ('000 tonnes)	Chemicals	912	807	13.0
	LPG	185	243	(23.9)
	Fertilisers	1,036	939	10.3
ROC (R12 %) ²		15.2	14.4	
Safety (R12 LTIFR)		1.6	3.1	

¹ Includes Kleenheat (including east coast LPG operations prior to sale on 20 Feb 2015).

² 2015: includes earnings from Kleenheat east coast LPG operations for the period prior to sale on 20 Feb 2015 (includes \$14 million gain on sale) & \$21 million of insurance proceeds related to the unscheduled shutdown of nitric acid/ammonium nitrate number two plant that occurred in FY14. 2014: includes ALWA earnings for the period prior to sale in Dec 2013 (also excludes a \$95 million gain on sale of 40% interest in ALWA, reported as a NTI).

³ External sales exclude AN volumes transferred between chemicals & fertilisers business segments.

Chemicals, Energy & Fertilisers highlights

- Earnings included a net \$10 million gain from one-offs
 - Insurance proceeds & gain on sale of Kleenheat east coast LPG distribution business partially offset by asset writedowns
- In chemicals, significantly higher contribution (excluding insurance proceeds) from ammonium nitrate (AN) following recent capacity expansion, but more than offset by
 - Increased gas input costs in ammonia business & loss of carbon abatement income in AN (collectively ~\$50 million)
 - Two ammonia plant maintenance shutdowns
 - Ongoing challenging economic conditions for Australian Vinyls (AV)
- Significantly lower Kleenheat earnings reflecting a marked decline in Saudi CP (the international benchmark pricing indicator for LPG) & asset writedowns
 - LPG production broadly in line with prior year
 - Sales tonnes reduced due to successful completion of sale of east coast LPG distribution business
- Over 1 million tonnes of fertiliser sales generated increased earnings

Chemicals, Energy & Fertilisers outlook

- Overall outlook remains subject to international commodity prices & exchange rates
- Positive Chemicals outlook, excluding AV
 - Increased AN demand expected to drive continued growth in AN earnings
 - Sodium cyanide sales covering total expanded capacity in place for FY16

However:

- Ammonia earnings expected to be negatively impacted by lower international benchmark pricing & planned major shutdown in second half of FY16
 - Strategic review of AV's PVC business to continue
- Status of Kleenheat's negotiations on terms for gas feedstock for its LPG production is positive
 - Earnings remain dependent upon LPG production economics & international LPG prices
- Two strong back-to-back seasons support a positive Fertilisers outlook
 - Earnings remain dependent upon seasonal break & farmers' terms of trade
- Earnings from interest in Quadrant Energy to be included in results from FY16

Resources

Stewart Butel
Managing Director



Resources performance summary

Year ended 30 June (\$m)	2015	2014	↑%
Revenue	1,374	1,544	(11.0)
Royalties ¹	(167)	(221)	24.4
Mining & other costs	(992)	(1,033)	4.0
EBITDA	215	290	(25.9)
Depreciation & amortisation	(165)	(160)	(3.1)
EBIT	50	130	(61.5)
ROC (R12%)	3.4	8.9	
Coal production ('000 tonnes)	15,557	15,759	(1.3)
Safety (R12 LTIFR)	0.3	0.6	

¹ Includes Stanwell rebate expense for 2015 of \$67 million and for 2014 of \$102 million.

Resources highlights

Safety

- Significant improvement in safety performance with 50% reduction in LTIFR

Production

- Record metallurgical coal & run-of-mine coal production at Curragh during FY15

Costs

- Continued focus on cost control & productivity improvement at Curragh
 - Achieved unit mine cash costs in 2H FY15 ~30% below 1H FY12 peak
 - FY15 unit mine cash costs in-line with FY14 despite increased overburden removal activities, up 10.6%, & less favourable geological conditions

Market

- Lower export prices resulted in a further decline in export revenue, partly offset by strong metallurgical coal sales volumes & lower exchange rate

Development

- Mining lease application for development of MDL162 tenement adjacent to Curragh is underway
- Low capital cost expansion of Bengalla to 10.7mtpa ROM tonnes completed
- Development Consent granted in March 2015 to extend Bengalla mine operations to 2039

Resources outlook

Export markets

- Global metallurgical coal market remains in near-term over supply
- Continued low export metallurgical & steaming coal prices anticipated in 1H FY16

Financial year 2016

- Continued variability expected with low export coal pricing; 1Q FY16 Curragh hard coking coal benchmark pricing (US\$) 15% below 4Q FY15
- Forecast Curragh metallurgical coal sales of 8.0mt – 9.0mt
- Estimated full year sales mix: Hard 40%; Semi 34%; PCI 26%
- Stanwell royalty estimate of A\$65 – \$75 million assuming A\$:US\$ of 0.74
- Curragh defending claim by Stanwell for additional rebate payments with Curragh issuing counter claim
- Continuing focus on cost minimisation & productivity improvement
- Curragh targeting a further 15% cash cost reduction in FY16
- Quarterly coal price negotiation announcement to cease, with updates provided in the half-year & full-year presentation materials

Concurrent longer-term focus & preparedness for market recovery

- Long remaining mine lives for both Curragh & Bengalla
- Strong capital efficiency

Industrial & Safety

Oliver Chretien Managing Director



Industrial & Safety performance summary

Year ended 30 June (\$m)	2015	2014	↑↓%
Revenue	1,772	1,621	9.3
EBITDA	108	161	(32.9)
Depreciation & amortisation	(38)	(30)	(26.7)
EBIT	70	131	(46.6)
EBIT – excluding one-off restructuring costs¹	90	131	(31.3)
EBIT margin (%)	4.0	8.1	
ROC (R12 %)	5.5	11.6	
Safety (R12 TRIFR)	9.2	11.6	

¹ One-off restructuring costs of \$20 million related to branch closures, business consolidation & organisational redesign.

Industrial & Safety highlights

- Earnings impacted by volume & margin pressure & restructuring activity
 - Reduced customer & project activity
 - Margin compression from lower Australian dollar & customers' cost focus
 - \$20 million of one-off restructuring costs
- Good progress made on resetting cost & capital base & investing in customer value
 - Closed 19 branches¹, restructured most specialist businesses & reduced FTEs² by 5.7%³
 - Implemented partnership program with key suppliers & expanded own brand penetration
 - Implemented Sales & Operations Planning & Blackwoods Greystanes automated DC operational
 - Upgraded ERPs⁴ for NZ, Coregas & Bullivants with design complete for Blackwoods/Protector Alsafe
 - Maintained strong service levels & invested in value to retain/grow share
 - New revenue streams getting traction, e.g. Blackwoods & Coregas SMB⁵ channels & integrator services
- Workwear Group integration well underway
 - Restructured team, re-engaged workforce & merged operations in China & NZ with WIS
 - Stabilised operational & business performance; corporate wear & footwear performing well
- Further improved safety performance

¹ 49 new locations opened, mostly via Workwear Group acquisition; ² Full Time Employees; ³ Excluding acquisitions with 12.4% reduction in two years to 30 June 2015;

⁴ Enterprise Resource Planning; ⁵ Small & Medium Businesses

Industrial & Safety outlook

- Weak customer activity & margin pressure expected to continue in FY16
 - Business is well positioned for market share gain & growth in new areas
- Continued focus on cost of doing business
 - Supply chain, customer service & sales force effectiveness & technology investments
 - Process redesign with new ERP (Blackwoods/ Protector Alsafe) moving to development phase
- Leverage market leading position in Workwear for growth
 - Focus on core brands: range, pricing, channel strategy & innovation
 - Sourcing, supply chain & customer service improvement
- Accelerating investment in new growth platforms
 - SMB penetration including online
 - Industry diversification
 - Range expansion through strategic suppliers & home brands growth
 - New service offerings including integrated supply, training & risk management

Balance Sheet & Cash Flow

Terry Bowen
Finance Director,
Wesfarmers Limited



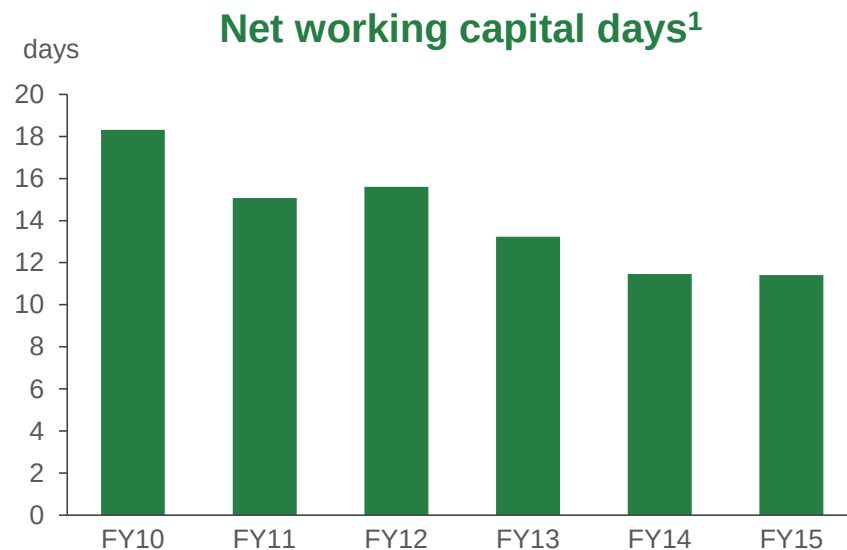
Other business performance summary

Year ended 30 June (\$m)	Holding %	2015	2014	↑% ↓%
Share of profit of associates:				
BWP Trust	25	52	37	40.5
Other	Various	13	8	62.5
Sub-total share of profit of associates		65	45	44.4
Interest revenue		27	10	170.0
Other		(73)	(64)	(14.1)
Corporate overheads		(124)	(113)	(9.7)
Total Other (continuing ops. excl. NTIs)		(105)	(122)	13.9
Discontinued operations ¹		-	1,355	n.c.
Non-trading items ¹		-	(771)	n.c.
Discontinued operations & NTIs¹		-	584	n.c.
Total Other		(105)	462	n.c.

¹ Refer slide 44 of Supplementary Information for further detail.

Working capital management

- Strong focus on working capital efficiencies
- Cash inflows from working capital movements
 - Improved overall inventory management
 - Year-end timing differences resulting in additional creditor payment at Coles in FY14



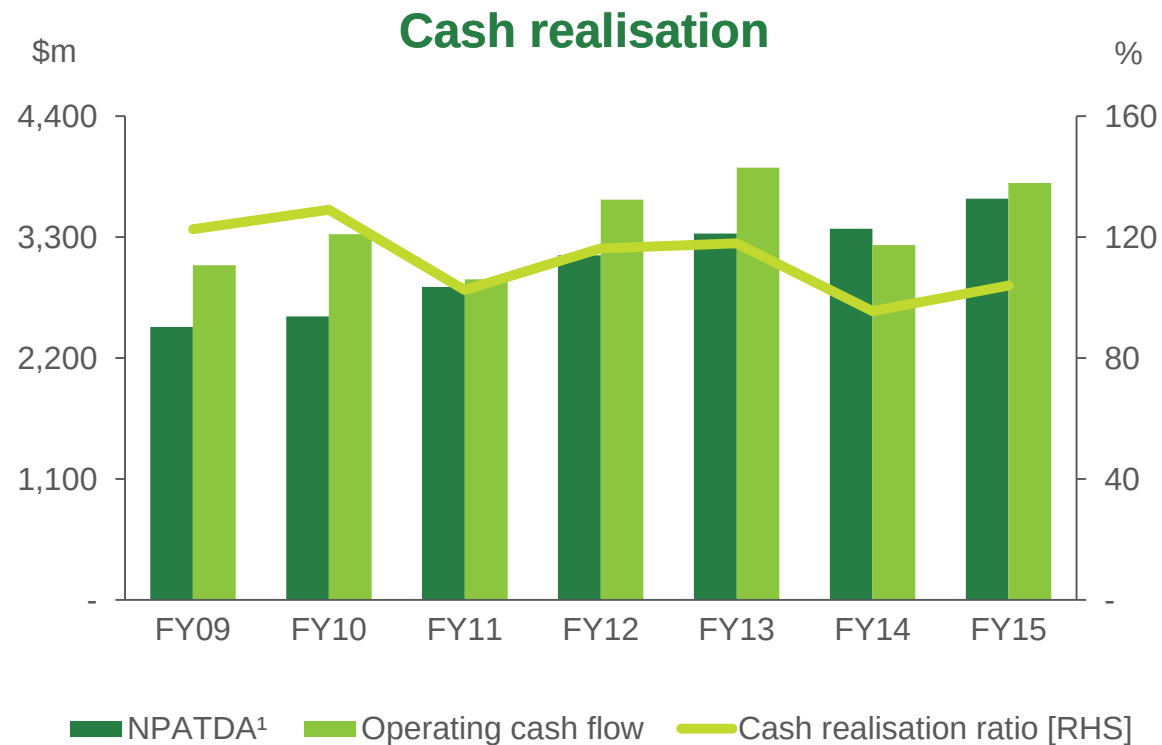
Year ended 30 June (\$m)	2015	2014
Cash movement inflow/(outflow):²		
Receivables & prepayments	47	26
Inventory	(128)	(266)
Payables	219	(91)
Total	138	(331)
Working capital cash movement:		
Retail	255	(323)
Other	(117)	(8)
Total	138	(331)

¹ Calculated as average net working capital balance divided by R12 revenue multiplied by 365.

² Cash movement relating to inventories, trade & other receivables, prepayments & trade & other payables.

Solid operating cash flow generation

- Cash realisation of 104%
- Higher cash realisation in FY15 driven by working capital cash inflows from retail portfolio

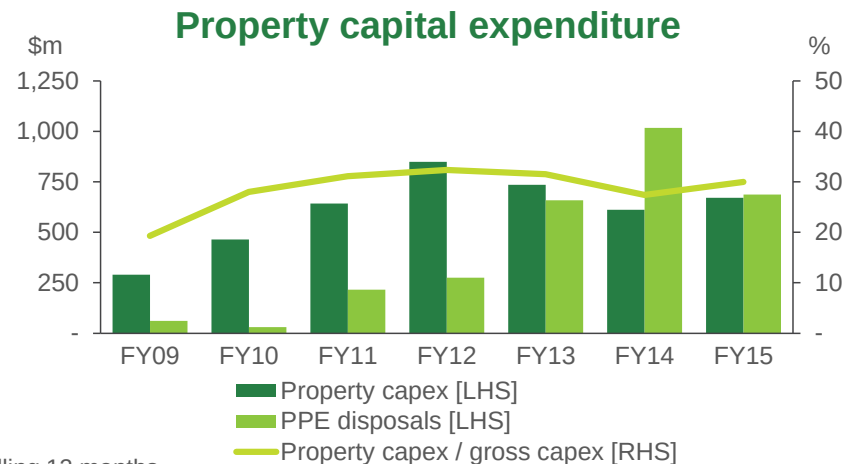


¹ Adjusted for discontinued operations & non-trading items.

Capital investment & property recycling

- Effective capital deployment to high return opportunities
 - Coles & HIOS comprised 76% of capital expenditure (up from 70% in FY14)
 - Coles FY15 ROC³ of 29.7% (excluding goodwill)
 - Home Improvement FY15 ROC³ of 45.8% (excluding goodwill)
 - Kmart FY15 ROC³ of 78.1% (excluding goodwill)
- Reduced capital expenditure in industrial businesses
 - Completion of AN3 in FY14
- Continued proactive management of retail property, albeit sale proceeds below prior year
- FY16 net capital expenditure of \$1.5 to \$1.9 billion expected, subject to net property investment

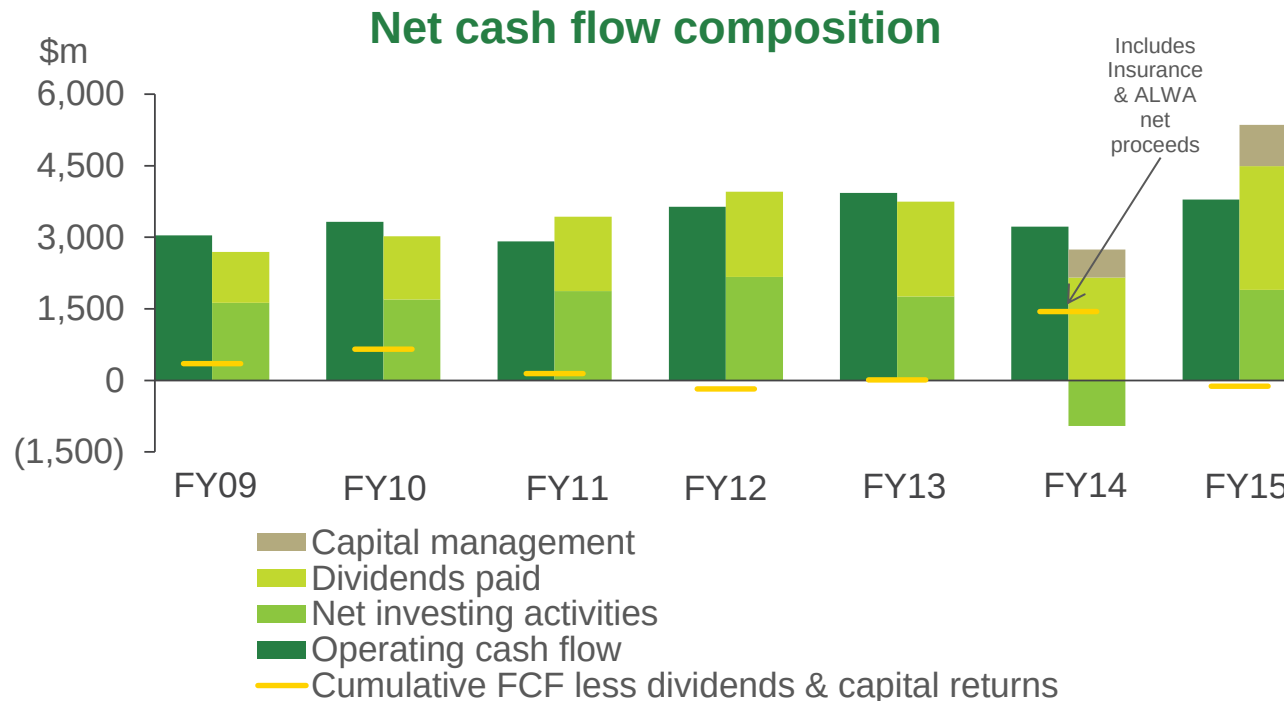
Year ended 30 June (\$m) ¹	2015	2014	↕ %
Coles	941	1,016	(7.4)
HIOS	750	557	34.6
Kmart	169	162	4.3
Target	127	78	62.8
WesCEF	56	172	(67.4)
Resources	137	163	(16.0)
Industrial & Safety	57	51	11.8
Other ²	2	34	(94.1)
Total capital expenditure	2,239	2,233	0.3
Sale of PP&E	(687)	(1,017)	32.4
Net capital expenditure	1,552	1,216	27.6



¹ Capital investment provided on a cash basis. ² 2014 includes discontinued operations. ³ Rolling 12 months.

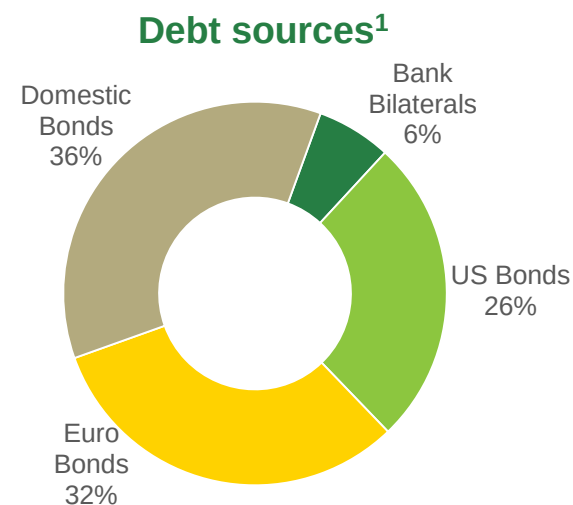
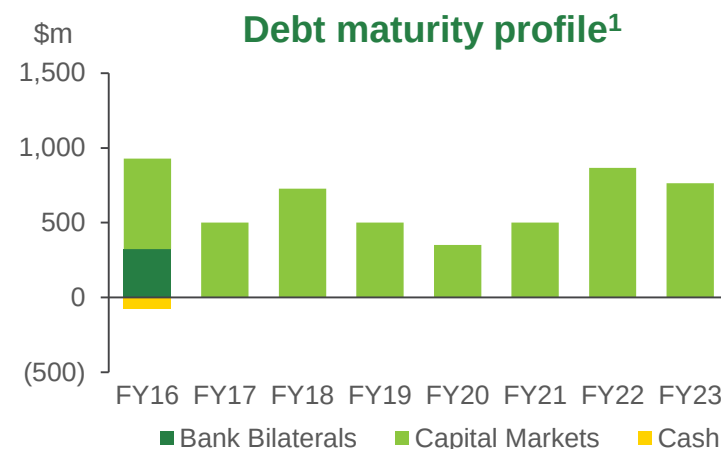
Cash flows supported investment phase & shareholder distributions

- Free cash flows above the prior year, when adjusting for the proceeds from disposal of the Insurance division
 - Higher operating cash flows partially offset by increased acquisition activity (Workwear Group & Quadrant Energy) & lower property disposals
- Cumulative free cash flows have funded strong investment activity, dividend growth & capital management



Diversity of funding sources & risk management of debt maturities

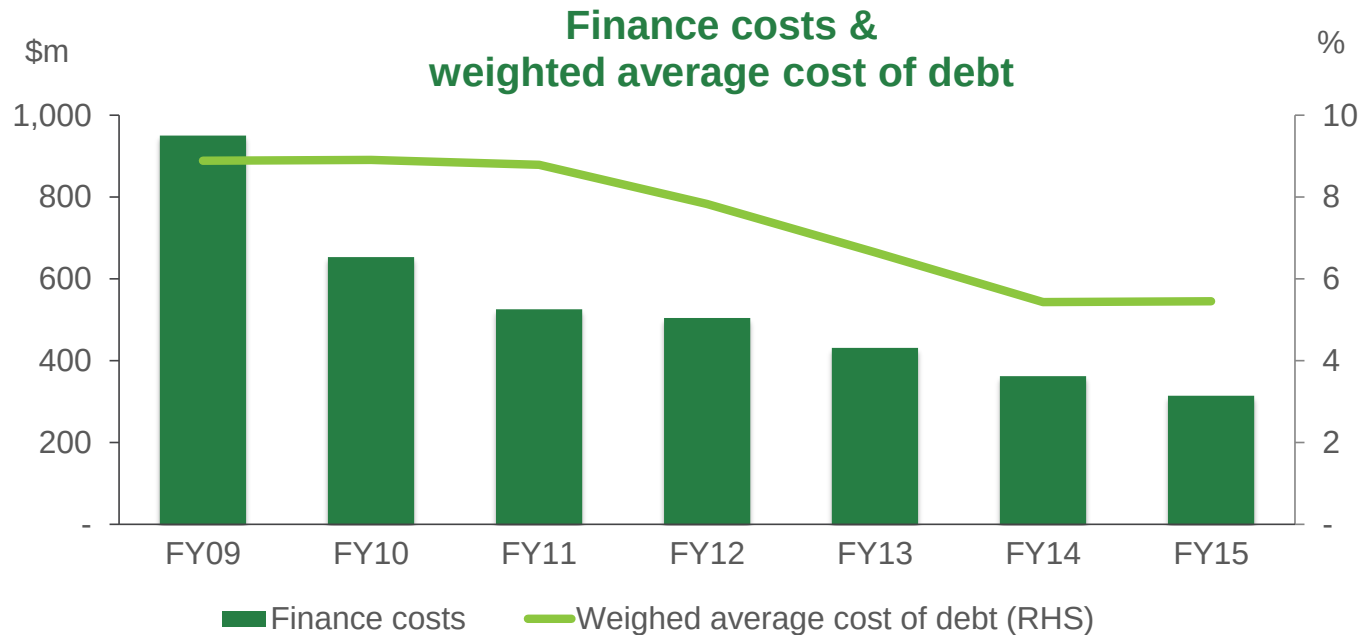
- Debt strategy to diversify sourcing, pre-fund debt maturities, maintain access to diverse debt capital markets & ensure a good maturity spread profile
- FY15 debt activity:
 - A\$500 million medium term notes issued (May 2015)
 - €600 million 7-year bond issued (October 2014)
 - Repayment of A\$500 million medium term notes (September 2014)
 - Cancellation of A\$1.25 billion of committed but undrawn syndicated facilities (September 2014)
- FY16 debt activity:
 - Repayment of €500 million (A\$756 million) bond (July 2015)
 - Repayment of US\$650 million bond (due May 2016)
- Group's debt levels above prior year due to December 2014 capital management distribution, acquisitions of Workwear Group & 13.7% interest in Quadrant Energy & financing of Coles' credit card book



¹ As at 31 July 2015.

Optimised funding costs

- “All-in” weighted average cost of debt maintained at 5.4% (FY15); FY16F c. 5.0%
- Benefits from lower finance costs expected to moderate in FY16
 - High average debt balance to offset reduced cost of debt



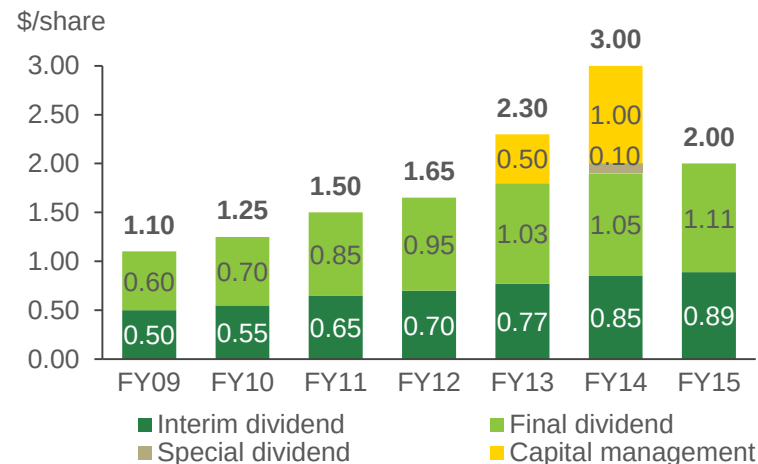
Credit metrics & ratings

- Solid credit metrics
 - Cash interest cover (R12) improved to 20.5 times (from 15.9 times in FY14)
 - Fixed charges cover (R12) of 3.0 times (from 3.2 times in FY14)
- Stable credit ratings
 - Standard & Poor's A- (stable) & Moody's A3 (stable)

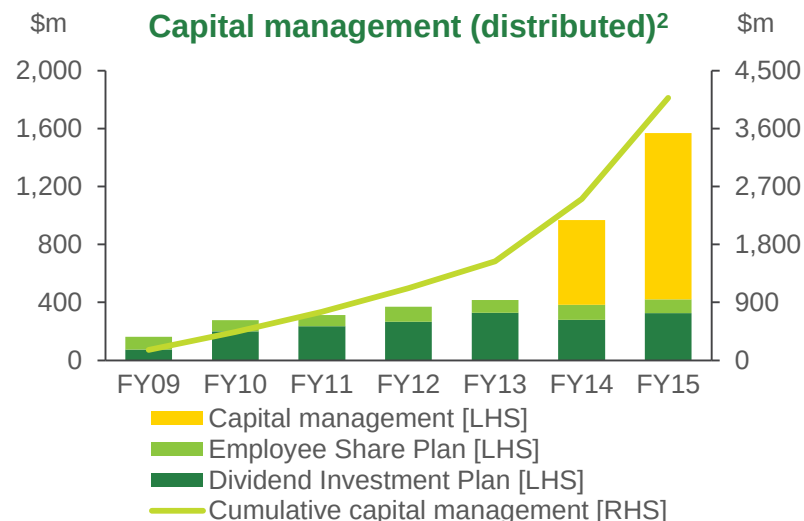
Dividends & capital management

- Full-year ordinary dividend of \$2.00 per share fully-franked, up 5.3%¹
 - Final dividend of \$1.11 per share
 - Record date 27 August 2015 with final dividend payable 30 September 2015
 - Dividend investment plan; no underwrite; shares purchased on market; last date for application 28 August 2015
- Capital management distribution of \$1.00 per share in December 2014
 - Returned \$1,148 million to shareholders
 - Included a proportionate share consolidation of the capital component (75 cents per share)
- Special 'Centenary' dividend of 10 cents per share (fully-franked) paid in October 2014

Shareholder distributions (declared)



Capital management (distributed)²



¹ Growth excludes last year's 10 cents per share special 'Centenary' dividend.

² Represents aggregate capital management undertaken within respective financial periods; each financial period includes all forms of capital management (e.g. DIP, ESP & capital return).

Outlook

Richard Goyder
Managing Director,
Wesfarmers Limited



Outlook

Retail

- With customers remaining focused on value, Group's retail portfolio is expected to benefit from strategies to drive further value for customers & improvement in merchandise offers
- Create increased value through investment of sourcing & supply chain efficiencies
- Customer offer improvements with increased merchandise innovation & channel reach extension through investments in store networks & digital offers

Industrials

- Challenging near-term outlook
- Seeking to further reduce cost structures & optimise plant & mine performance

Outlook (continued)

Group

- Well placed to strengthen & build upon existing businesses with a focus on seeking to deliver improved shareholder returns
- Retain a strong balance sheet to secure growth opportunities, should they arise
- Optimise the portfolio, where practical
- Ensure sustainability through responsible long-term management
- Leverage & build human resource capability

Questions



Wesfarmers