

27 November 2007

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir,

PRESENTATION TO BE GIVEN AT INVESTOR BRIEFING - SYDNEY

Following is a presentation that is to be given at an investor briefing on 27 November 2007.

Yours faithfully,



L J KENYON
COMPANY SECRETARY

Enc

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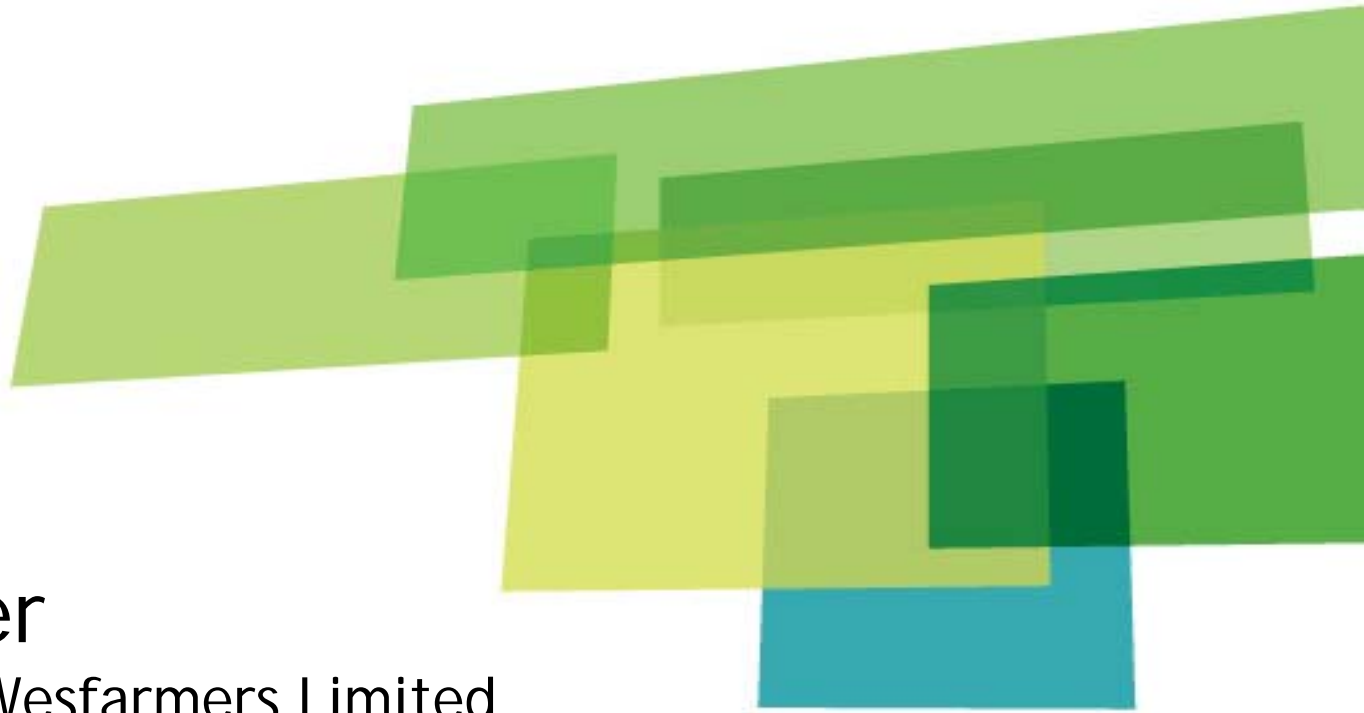
Investor Briefing

27 November 2007

InterContinental Hotel, Sydney



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Richard Goyder
Managing Director, Wesfarmers Limited



Agenda

8:30 Coles Update

9:30 Home Improvement & Office Supplies

10:10 Morning Tea

10:30 Insurance

11:00 Chemicals & Fertilisers

11:25 Coal

11:55 Lunch

12:30 Industrial & Safety

12:55 Energy

1:20 Q&A

1:50 Other Business / Capital Management

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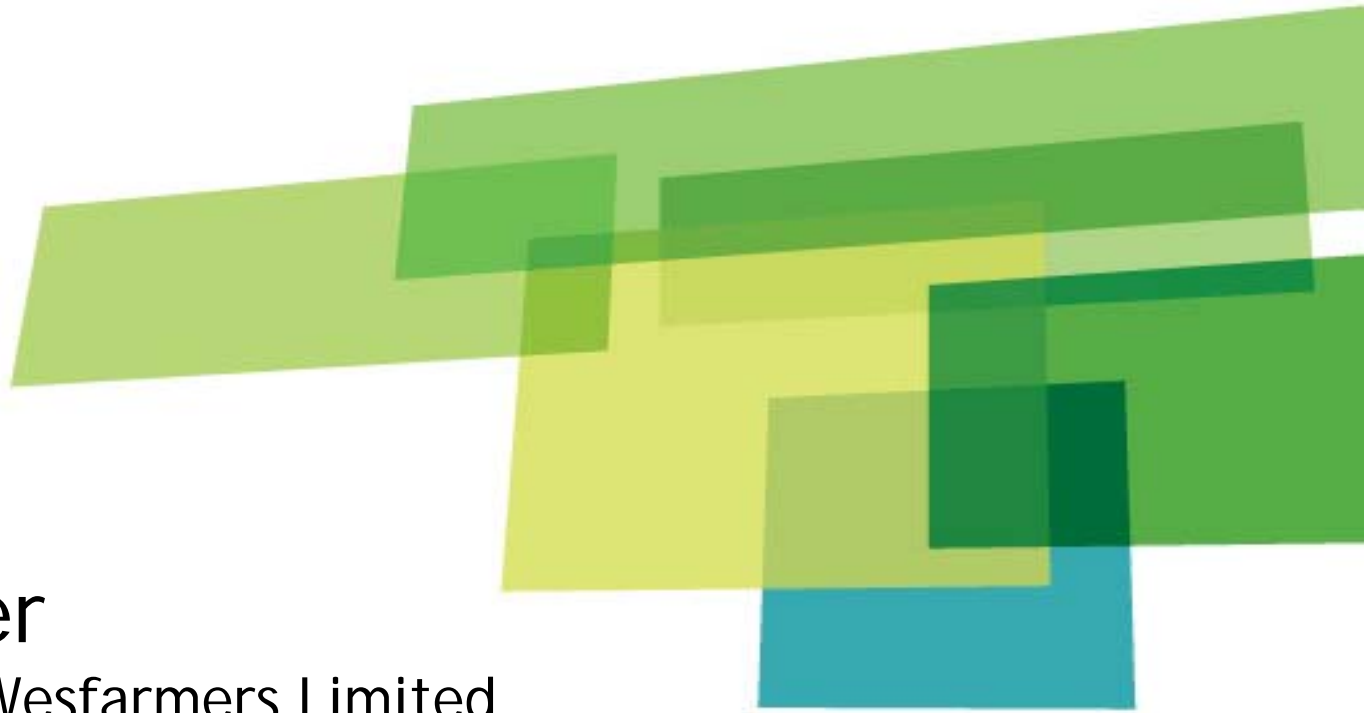
Management Team



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Managing Director & CEO	Richard Goyder
Finance Director	Gene Tilbrook
Business Integration Director	Keith Gordon
Divisional Managing Directors	
Home Improvement & Office Supplies	John Gillam
Insurance	Rob Scott
Chemicals & Fertilisers	Ian Hansen
Coal	Stewart Butel
Industrial & Safety	Terry Bowen/Olivier Chretien
Energy	Tim Bult
Food, Liquor & Convenience	TBA
Target	Launa Inman
Kmart	Larry Davis

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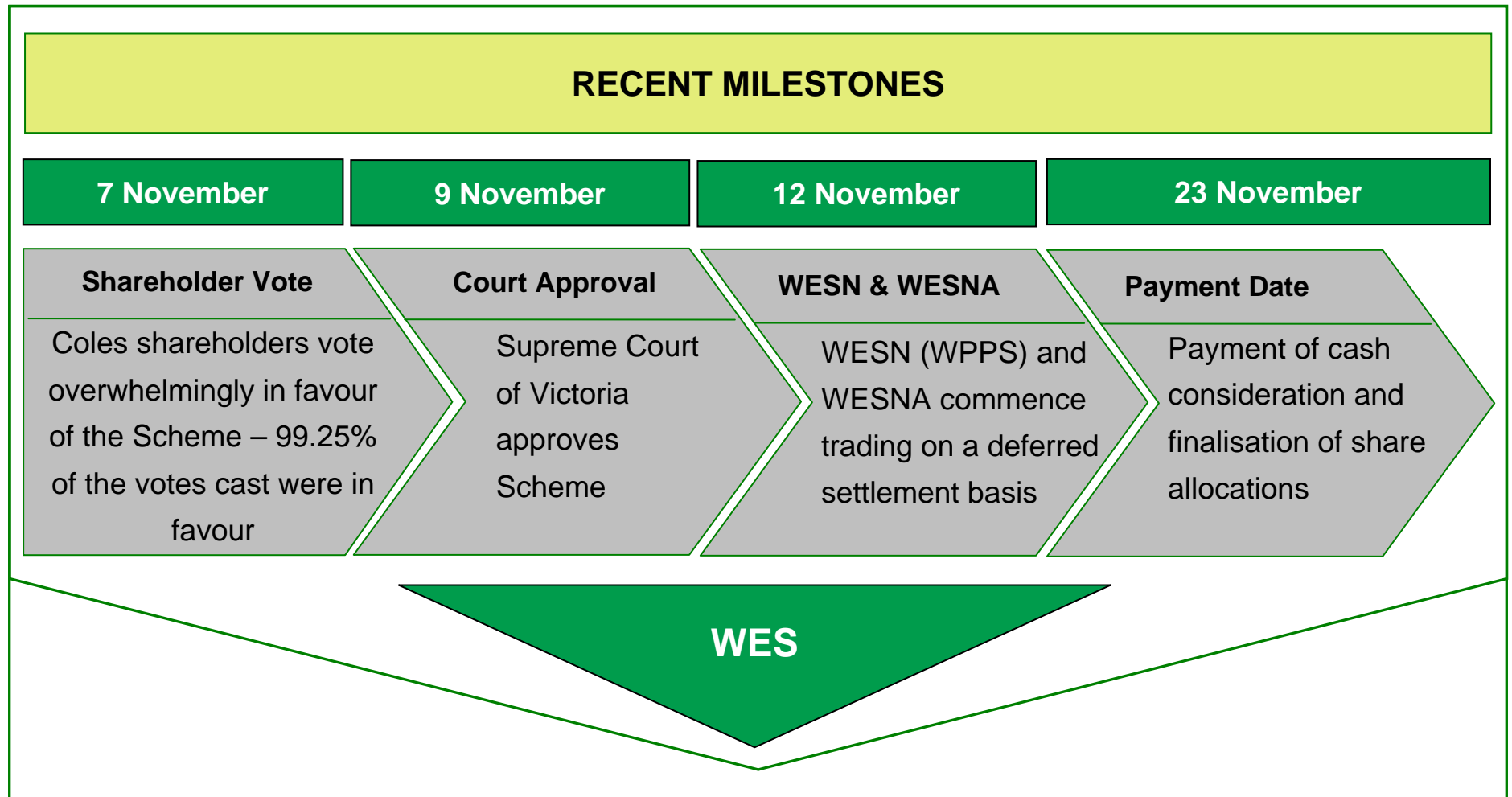
Richard Goyder

Managing Director, Wesfarmers Limited



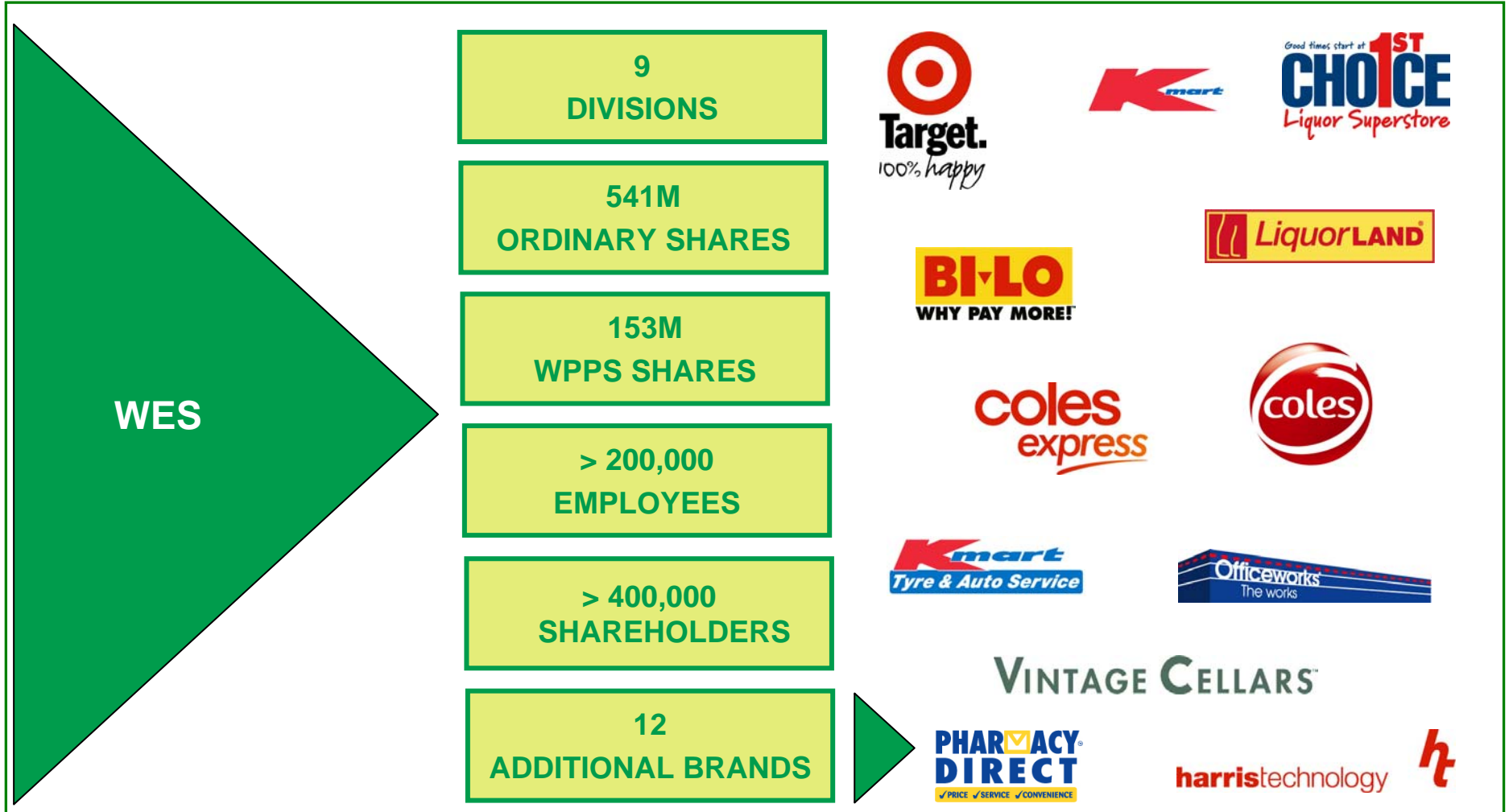
The Coles Transaction - Recent Milestones

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The Coles Transaction - Outcomes

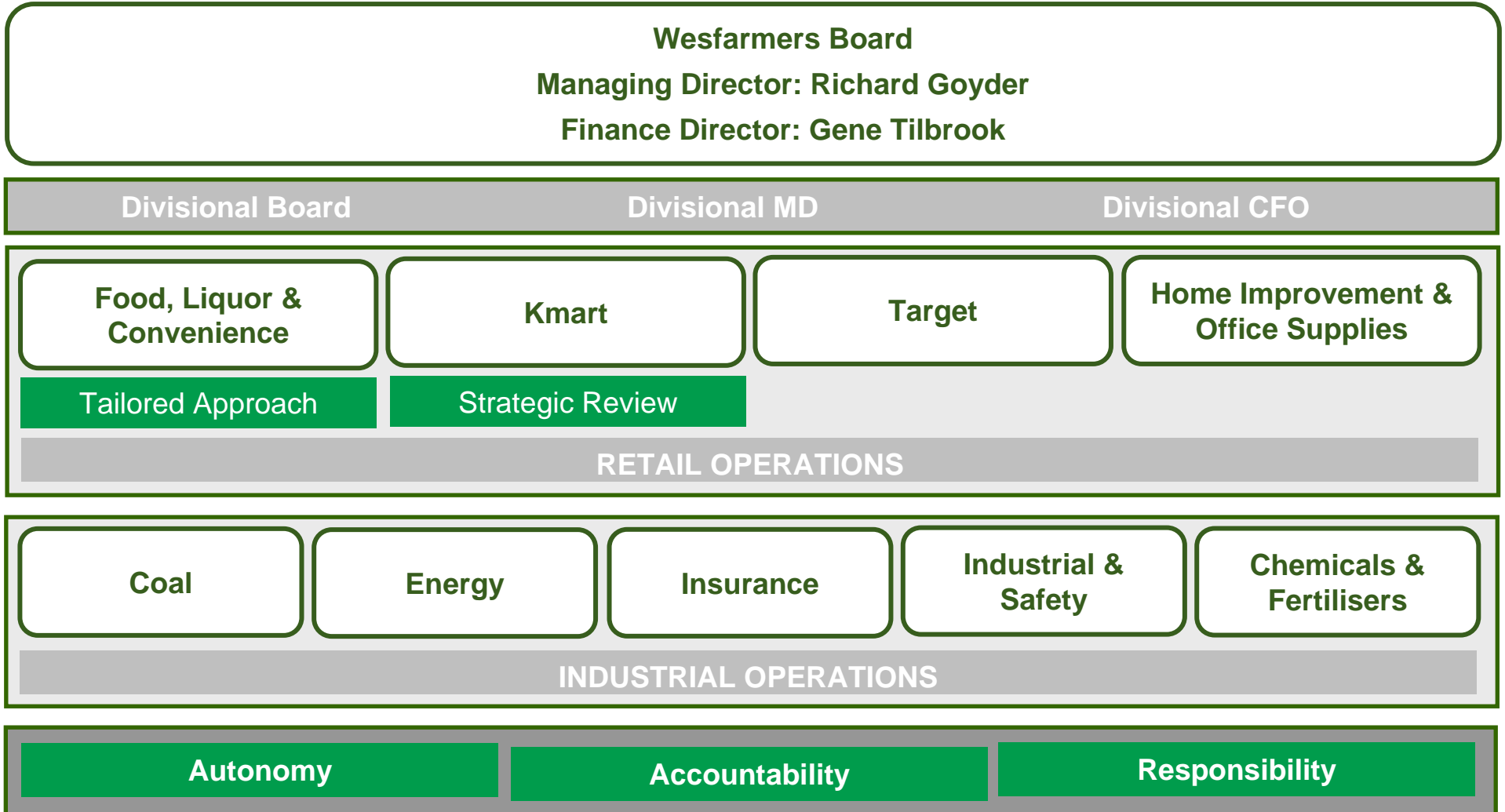
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Business Restructure



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Implementation of Management Plan

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- Terry Bowen appointed as CFO; Mick McMahon will continue as COO
- Announcement regarding MD expected soon
- Divisional Board will include executives with international retail experience
- The Officeworks and Bunnings businesses will report as one division under the leadership of John Gillam
- Mark Ward appointed MD of Officeworks
- Target is performing strongly under the existing management team led by Launa Inman
- Planned addition of a senior Wesfarmers commercial executive
- Larry Davis will continue as MD
- Strategic review is to be conducted, preferred option is to retain and strengthen operations



Overview and Culture

- Change of ownership creates an environment for management to realise the full potential of the Coles businesses

Implementation of Cultural Change

- Removal of external distractions - focus management on operational divisions
- Engender positive culture and attitudes to drive positive customer experiences
- Wesfarmers acquisition is viewed positively by Coles staff
- Dedicated integration function led by senior Wesfarmers executives
- Drive responsibility and accountability

Specific Plans for Management

- Streamline head and divisional offices
- Introduce real accountability and direction by moving to divisional autonomy
- Strengthen existing team with specialist local and international retailers
- Senior Wesfarmers commercial executives will join the leadership teams of all divisions

Focus on long-term value creation



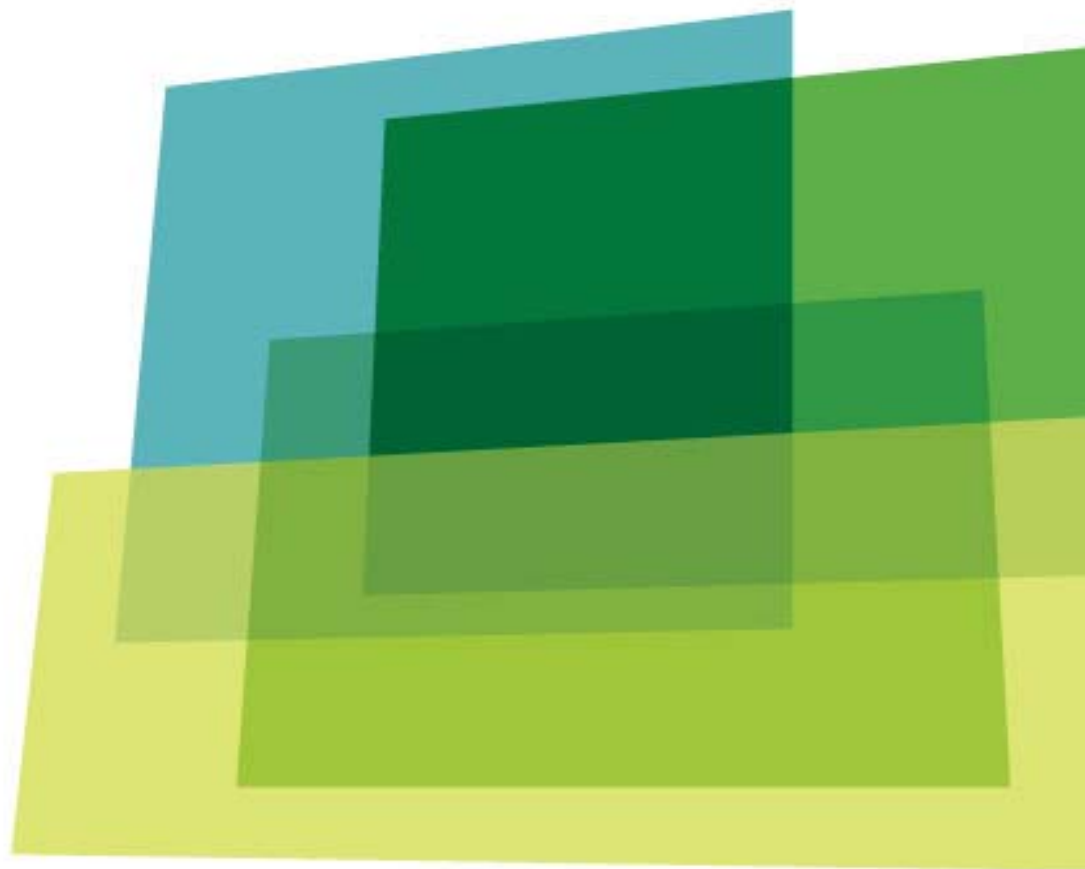
Reporting

- Financial year end will remain 30 June
- Bi-annual briefing days in April and October
 - Focus on strategies update and outlook within each division
 - Retail operations to provide sales growth update including like-for-like
- Non-food retail operations likely to report in a manner consistent with the Home Improvement division's current reporting
 - Focus on key growth and return measures; sales, EBIT, ROC, network expansion, refurbishments
- Return on Capital reported by division





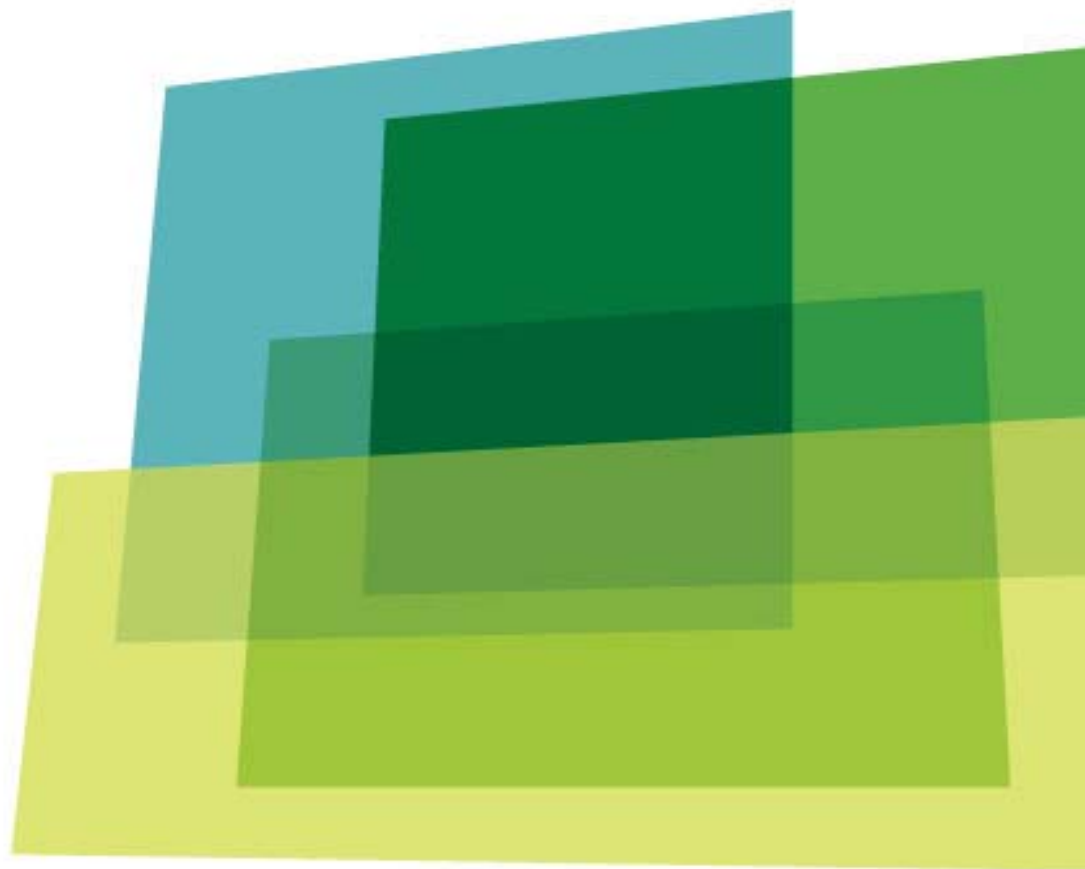
Archie Norman



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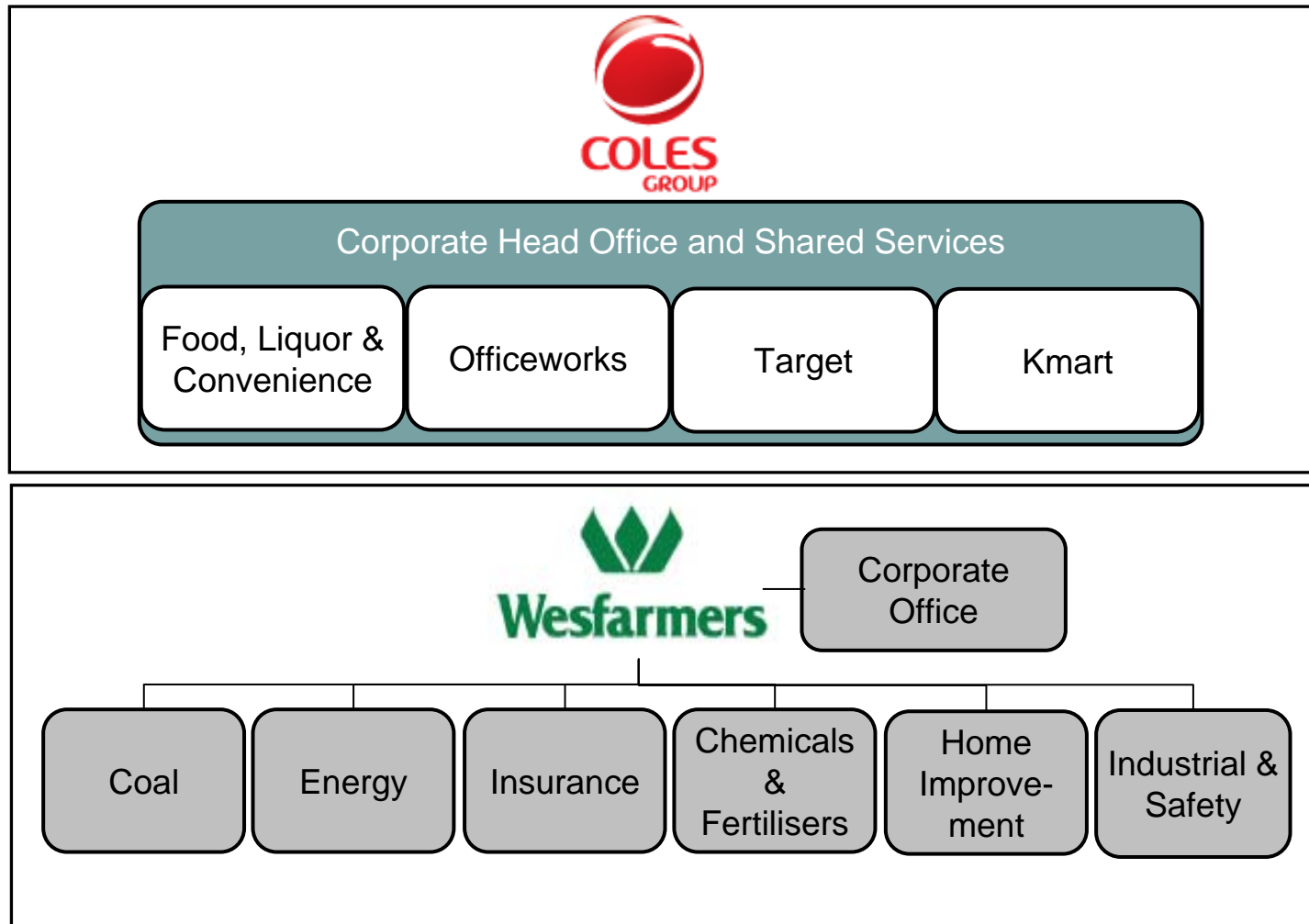


Keith Gordon
Business Integration Director



Integration programme overview

Support the integration and transformation of Coles Group into the Wesfarmers business model to ensure that full value for the transaction is captured



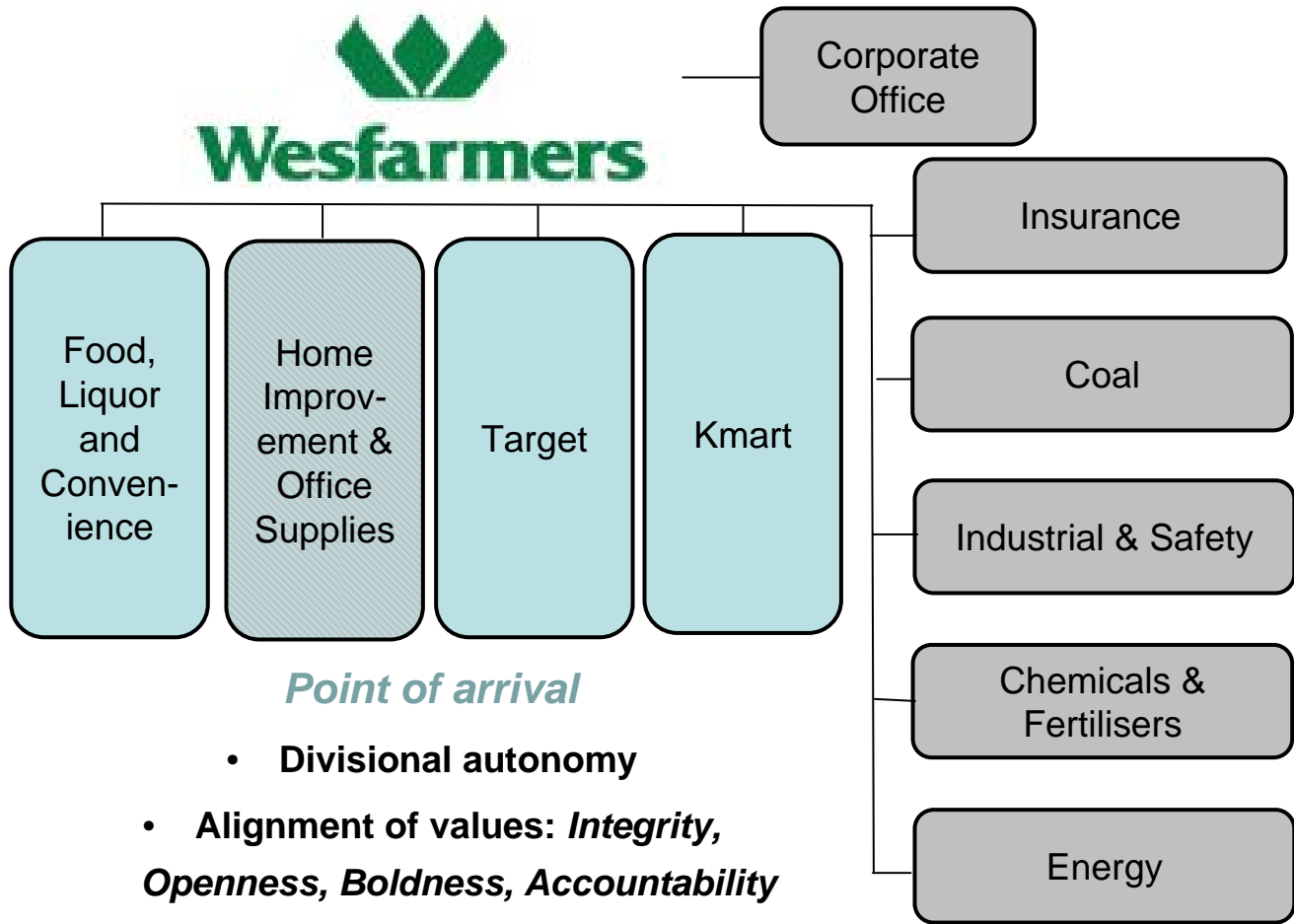


Integration programme overview

Support the integration and transformation of Coles Group into the Wesfarmers business model to ensure that full value for the transaction is captured

During the journey

- **Respect for individuals**
- **Open and direct communication**
- **Sense of urgency**
- **Rapid, data-driven decision making**

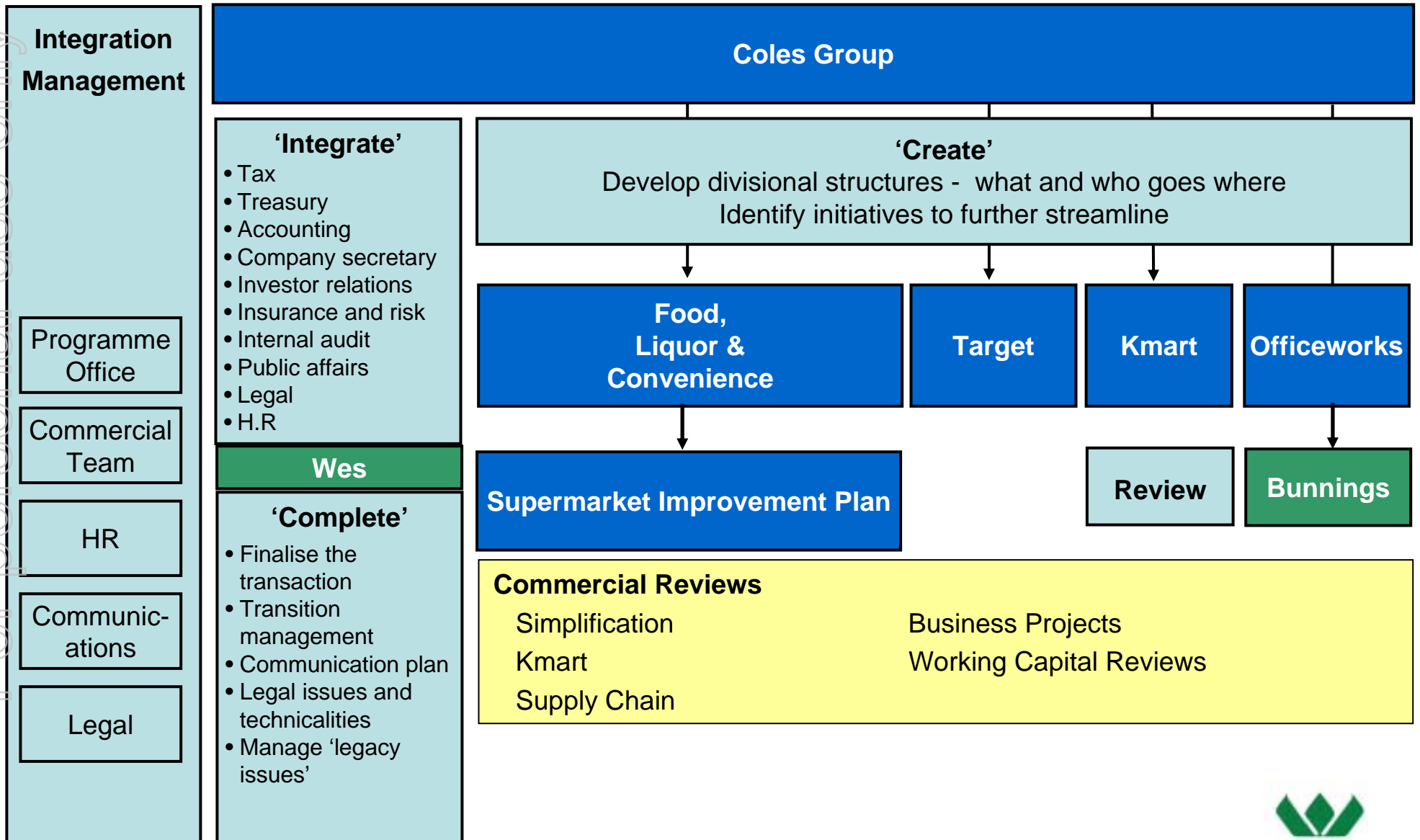


Point of arrival

- **Divisional autonomy**
- **Alignment of values: Integrity, Openness, Boldness, Accountability**
- **Adoption of WES group systems**



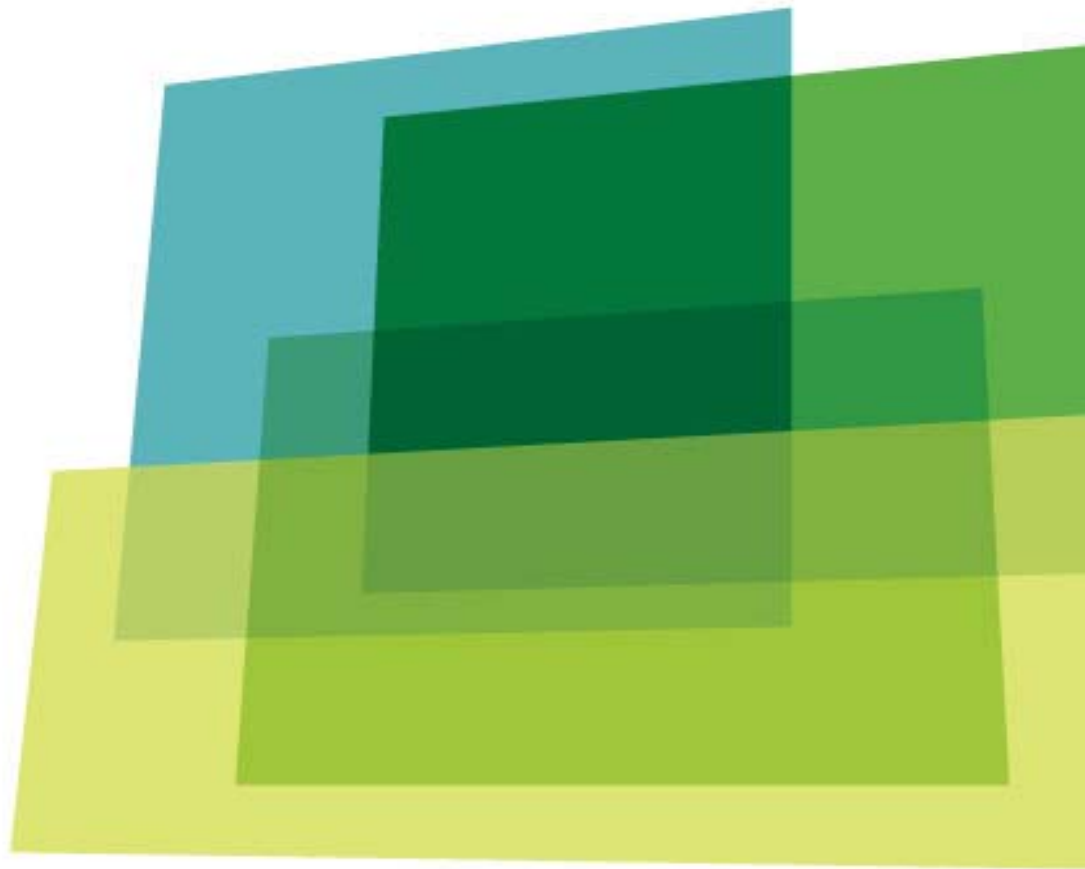
Overall integration approach





Home Improvement

John Gillam



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Agenda



- Bunnings
 - Background
 - Trading Update
 - Strategies
 - Outlook
- Officeworks Integration

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Background




WIDEST RANGE
LOWEST PRICES
BEST SERVICE

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Background

1886




Arthur & Robert arrived in Perth, WA from London and soon won a government building contract and founded what was to become a group of companies known as Bunnings Bros Pty Ltd.

1897




In 1897 the brothers purchased their first sawmill in the south west of Western Australia.

1952



Bunnings became a public company and expanded into retail to take advantage of strong building activity. The company grew and purchased several competitors in WA.

1993



The Victorian operations of James McEwans Ltd was purchased by Bunnings...

1994



The first Bunnings Warehouse store opens in Sunshine in Victoria.

1994



The same year, Wesfarmers Limited, one of Australia's largest public companies acquired Bunnings.

1994



...And then there were more...

2001



The Howard Smith group was purchased by Wesfarmers – the vast BBC Hardware network also included Hardwarehouse stores and Benchmark stores in New Zealand. This allowed the first Bunnings Warehouse stores to be introduced into New Zealand.

Today

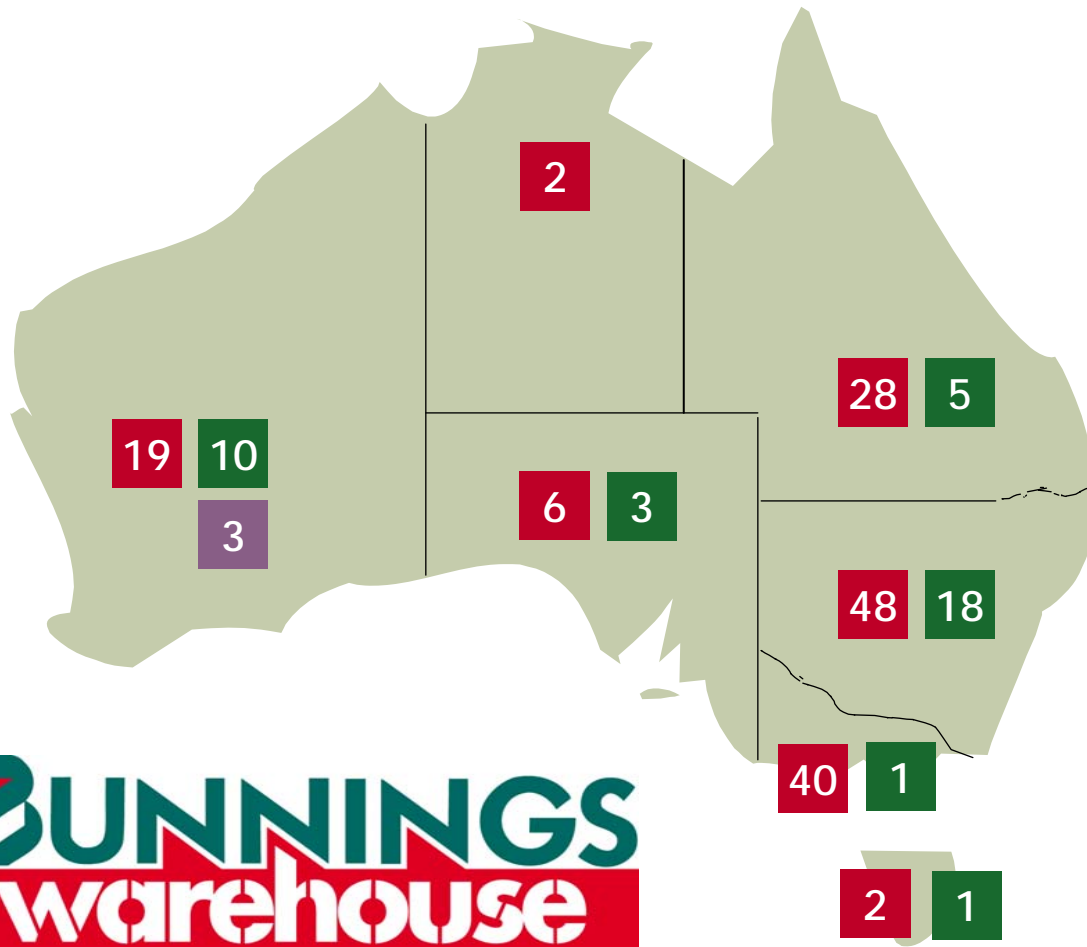


Bunnings continues to expand. More Bunnings Warehouse stores to be opened throughout Australia and New Zealand for many years to come.



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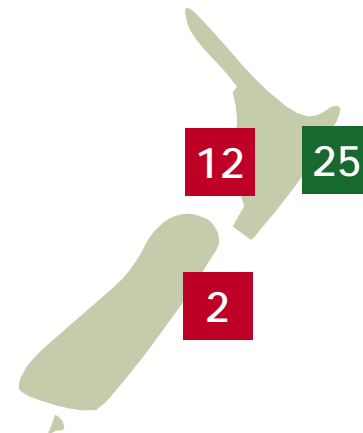
Store Network at October 2007



- 159 warehouse stores
- 63 small format stores
- 3 HouseWorks stores



Excludes Trade Operational Sites



Store Network Movements



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	June 2007	Opened	Closed	Oct 2007	Under construction
Bunnings Stores					
Warehouse format	155	5	1	159	9
Smaller format	65	-	2	63	1
Bunnings trade operations					
Distribution Centres	8	-	-	8	3
Trade focused stores	3	1	-	4	-
Frame & Truss plants	8	-	-	8	-
HouseWorks Stores	3	-	-	3	-



Home Improvement Performance Summary

Year ended 30 June (\$m)	2007	2006	↑↓ %
Revenue	4,938.9	4,275.5	15.5%
EBIT	528.4	420.5	25.7%
ROC (R12 %)	28.1	22.9	5.2 pt
Safety (R12 LTIFR)	14.5	12.4	16.9%
Trading Revenue* (\$m)	4,689.8	4,193.0	11.8%
Net property contribution (\$m)	53.7	5.3	907.1%
Trading EBIT*	485.3	417.9	16.1%
Trading EBIT / Trading Revenue (%)	10.3	10.0	0.3 pt

* Excludes property, WA Salvage, and other non-trading items





Trading Update

4 months to October

- Cash store-on-store sales growth over 11%
 - Growth strongest within existing store network
 - Uplift across all merchandising categories
 - Good in-store disciplines leveraging +ve external factors
- Trade markets remain tight
 - Modest growth being achieved
 - Tough conditions in most housing construction markets
 - Continued tightness expected into 2008





Strategies

1. Profitable sales growth
2. Improving customer service
3. Innovation & improvement of the offer
4. Team member performance
5. Business improvements to lower costs

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Strategies

1. Profitable Sales Growth

- Strong focus on “driving the basics”
 - Range
 - Format and innovation driving **WIDEST RANGE**
 - Expanding market size
 - Price
 - Strong cost focus delivering **LOWEST PRICES**
 - Productivity loop
 - Service
 - Best people and services providing **BEST SERVICE**





Strategies

1. Profitable Sales Growth

- Two pronged store network investment
 - Existing stores and new stores
- Investment in existing stores
 - Rollout of new concepts: lighting, kitchen & flooring
 - Upgrade and refresh around 30 stores this year
 - Continued rollout of “cleaner, lighter, brighter” program
- Outcome: 2/3^{rds} of network now “under” 5 years old
- Benchmark NZ now re-branded as Bunnings

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Strategies

1. Profitable Sales Growth

- Network expansion continues
 - 10 to 14 new warehouse stores to open per year in Aust & NZ
 - Opportunistic openings of small format stores
 - Adapting warehouse format for inner urban areas
- Good progress in 2007/08 warehouse rollout programme
 - 5 opened year to date
 - 9 under construction

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Strategies

1. Profitable Sales Growth

- Trade strategy delivering positive outcomes
- 2 distinct trade market segments
 - store network servicing pick-up “tradie” business
 - DC’s servicing large volume delivered-to-site “builder” business
- 12 trade specific sites now open, supported by 8 frame & truss sites
 - expect to open at least 4 more trade DC’s in 2007/08





Strategies

2. Improving Customer Service

- Major focus within business
- Lifting investment in Team Member know-how
- Redeploying reduced admin hours to customer service
 - Ongoing focus on lifting effectiveness of in-store processes
- New labour scheduling system implemented in Aust warehouse stores
- Strong drive to improve the customer experience
 - Making stores easier to shop with rollback of new signage packages
 - Lifting standards for the “basics” like trolleys and baskets

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Strategies

3. Innovating and Improving Our Offer

- Driving new product ranges
- Strong merchandising disciplines lifting existing ranges
- Widening special orders through display & brochure programmes
- Refreshing & expanding “services”
 - Developing installation service for specific product categories
- Website enhancements



flooring



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Innovate & improve our offer

lighting

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DIY LED LIGHTING

- LED replacement globe can be fitted into existing halogen garden lights
- Mix & match 12V halogen & 12V LED lighting
- Long lasting & durable technology - can last up to 100,000hrs
- Energy efficient - economical to run
- Reduced heat output - safe to touch
- Reduced power consumption



D.I.Y. kitchens



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advertising

You'll be proud that you built your own kitchen



Lighting that will make you want to spend the evenings in.



Brilliant Elite Spotlight
Brushed chrome.
194385-478
\$25⁷⁹

FAIRWAY 12V Fixed Downlight Kit
Includes 60VA transformer & 12V globe - white.
194390-032
\$10⁹⁰

www.bunnings.com.au
Not all products featured are available in all stores, but may be ordered. Products and prices available in Australia only.
Bunnings Group Limited ABN 008 672 179

BUNNINGS
warehouse

LOWEST PRICES ARE JUST THE BEGINNING . . .



Home Kitchen
Series, tapware & appliances sold separately. 194385-478
\$2567



Straight Line Kitchen
Series, tapware & appliances sold separately. 194385-478
\$1716

BUNNINGS
warehouse


LOWEST PRICES ARE JUST THE BEGINNING . . .



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website

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BUNNINGS
warehouse


LOWEST PRICES ARE JUST THE BEGINNING . . .

BUNNINGS HOME | DISCOVER OUR STORES | OUR RANGE | LEARN HOW TO D.I.Y. | GIFTS GUIDE | OUR SERVICES | CONTACT & ABOUT US


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SEARCH BUNNINGS


POOL DOCTOR
WATER BALANCING TOOL




CAFE BISTRO BLINDS



GARDEN LIGHTING
VIEW RANGE






BALANCE YOUR POOL WATER
USE OUR POOL DOCTOR

Over 45,000 products available across our network & an even bigger range through Special Orders. See in store for selection.

- » [New Product Releases](#)
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- » [Garden](#)
- » [Watering Products](#)
- » [Lighting and Electrical](#)
- » [Outdoor Living](#)
- » [Paint](#)
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BUNNINGS TRADE

Find all of your trade solutions from the supplier you trust




JOIN OUR TEAM

If you enjoy shopping with us, you'll love working with us...



Have Your Say

Please tell us how you felt shopping at Bunnings.



YOUR NEAREST STORE

Your Nearest Store is: **Kent Town**
Your current location is: **Adelaide**

Change your location

[Find another store](#)

[Terms of Use](#) | [Privacy Policy](#) | [Refunds](#) | [Join Our Team](#) | [Supplier Accreditation](#) | [Bunnings New Zealand](#) | [Trade](#) | [Contact Us](#) | [Site Map](#)



Innovate & improve our offer

Strategies

4. Team Member Performance

- Significant investment in training to lift service levels
- Supporting improved performance
 - Product and technical knowledge; “expert advice”
 - Ongoing in-store i-learning investment
 - Core management skills
- Continuing strong safety program; results still unsatisfactory
- Diversity/ employment branding strategies in place
- Tight labour market, particularly in WA & QLD

Strategies

5. Business Improvements to Lower Costs

- Major systems upgrade project progressing well
 - Phase 1 completed successfully across 2006/07
 - Phase 2 underway
 - New store labour scheduling system (*well advanced*)
 - New on-line recruiting system (*well advanced*)
 - Range management enhancements (*well advanced*)
 - Revised procure to pay / store inventory
 - Trade business stream
 - Oracle financials in NZ

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Strategies

5. Business Improvements to Lower Costs

- Continued supply chain enhancements
- Better business disciplines
 - Ongoing stock management improvements
 - Shrinkage continuing to reduce
- Achieving a lower cost of doing business
 - Supports core pricing objective for customers
 - Stronger internal cost conscious focus

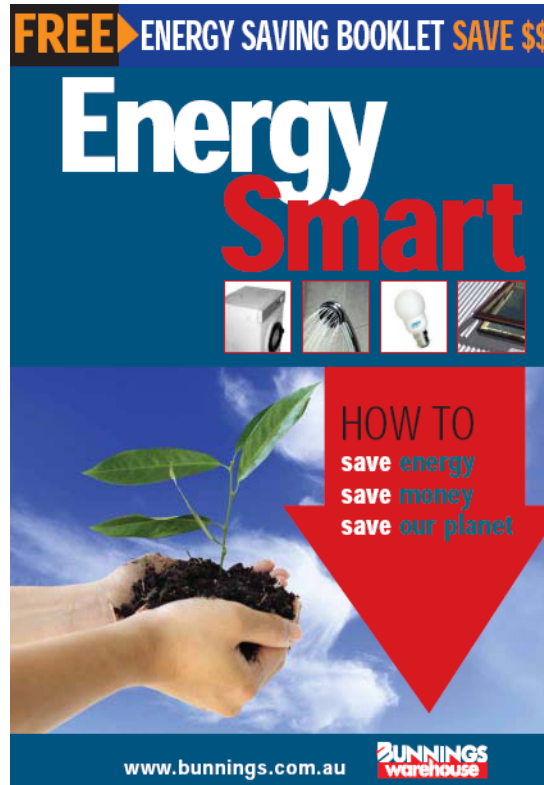
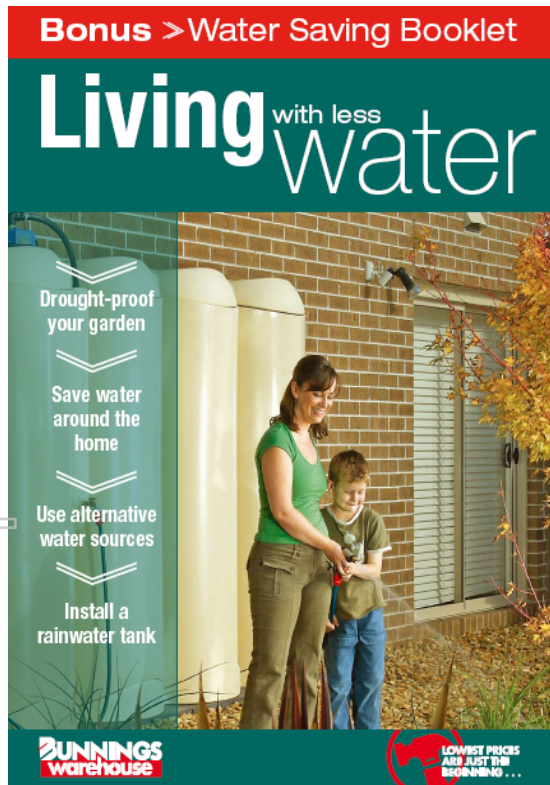


Strategies

5. Business Improvements to Lower Costs

- Positioning business for climate change

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Helping to make Sustainability easier and more affordable.





Bunnings Outlook

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- Continued cash sales growth
 - Positive retail conditions, some concerns on the horizon
- Improving trade performance
- Ongoing network development
- Maintaining strong focus on core retail drivers
 - Improving customer service
 - Reducing the cost of doing business



Officeworks



- Now part of expanded “Home Improvement & Office Supplies” Division
- Integration work proceeding to plan
 - 2 businesses, 2 executive teams
- New OW executive team settled
 - blend of OW & Bunnings expertise
 - Mark Ward appointed Managing Director
- Immediate operational focus on Dec & Jan opportunities
- Strategy re-set work will follow in new year
 - objective is stronger growth across consumer and B2B markets



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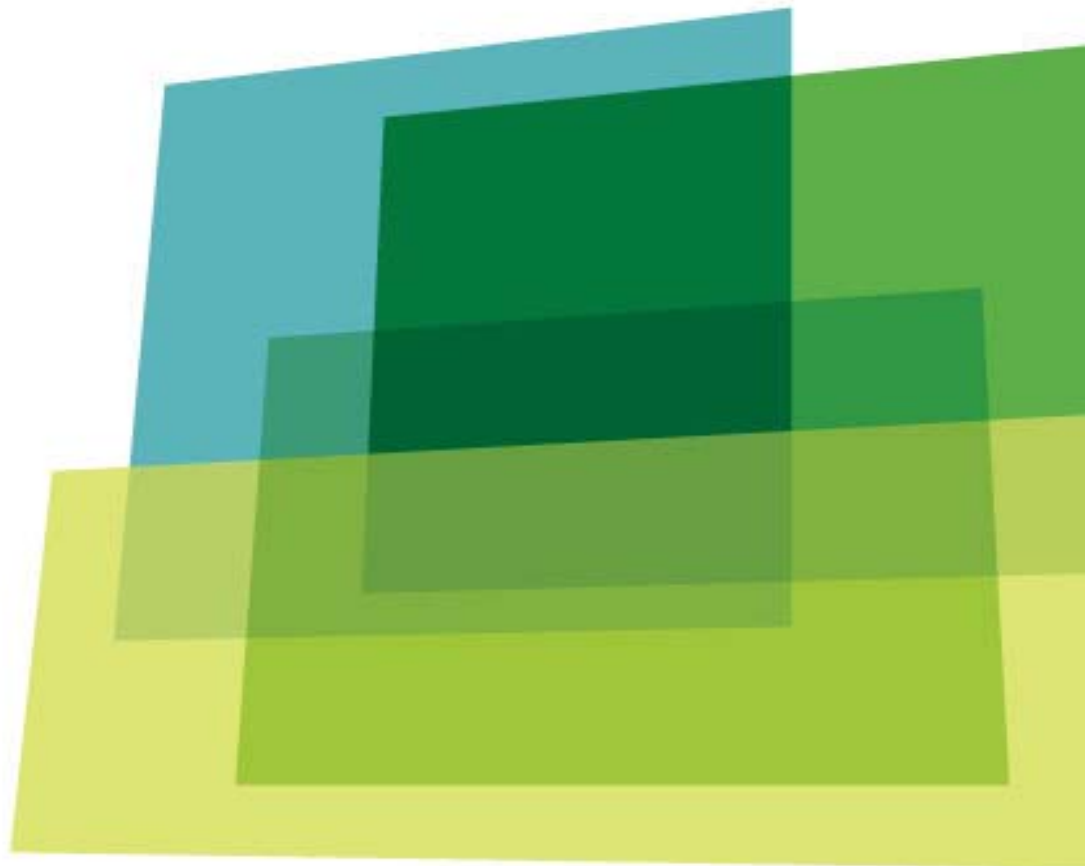


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Questions










Insurance

Rob Scott

WID participation across the general insurance value chain



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	Advice & Placement	Policy & Claims Administration	Assessing & Accepting Risk	Carrying Risk
				
 WESFARMERS FEDERATION INSURANCE LIMITED				
				
 CROMBIE  LOCKWOOD <small>New Zealand's Insurance Brokers</small>				



Overview - Underwriting



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Company			
Country	Australia	New Zealand	Australia
Business Type	General Insurance Underwriter	General Insurance Underwriter	General Insurance Underwriter
Source of Distribution	Intermediated: brokers; agencies; affinity groups; alliance partners	Intermediated: brokers; agencies; affinity groups; alliance partners	Direct: Including referral agreements
Locations	10	10	85
Business Areas / Products Offered	Commercial Motor, Property, Engineering, Marine, Liability, Retail, Premium Funding, Other	Commercial Motor, Property, Personal, Retail, Marine, Liability, Premium Funding, Other	Rural and Small Business insurance



Overview - Distribution



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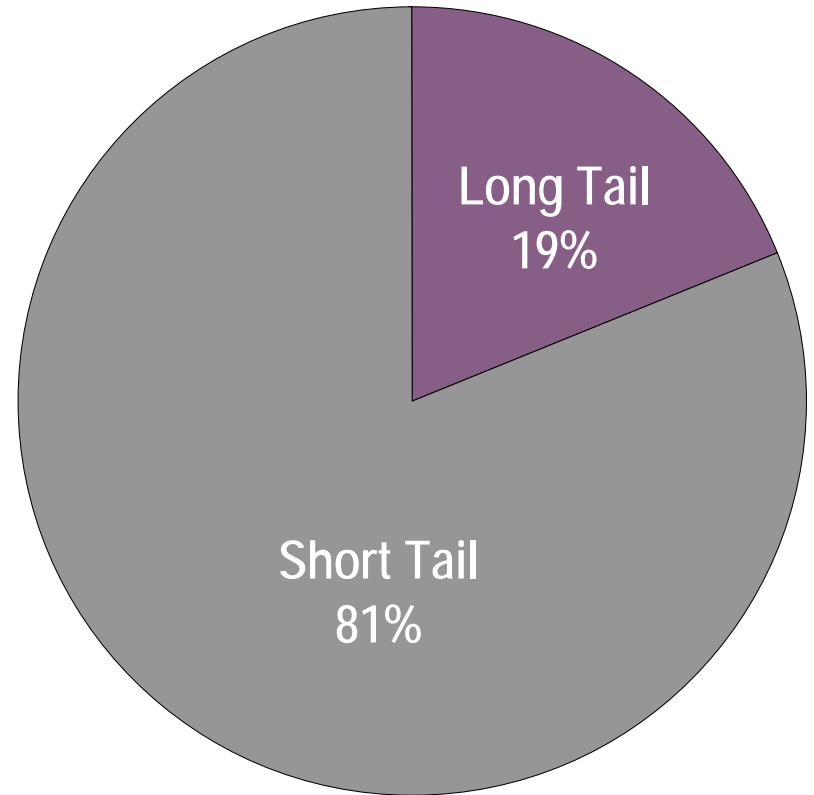
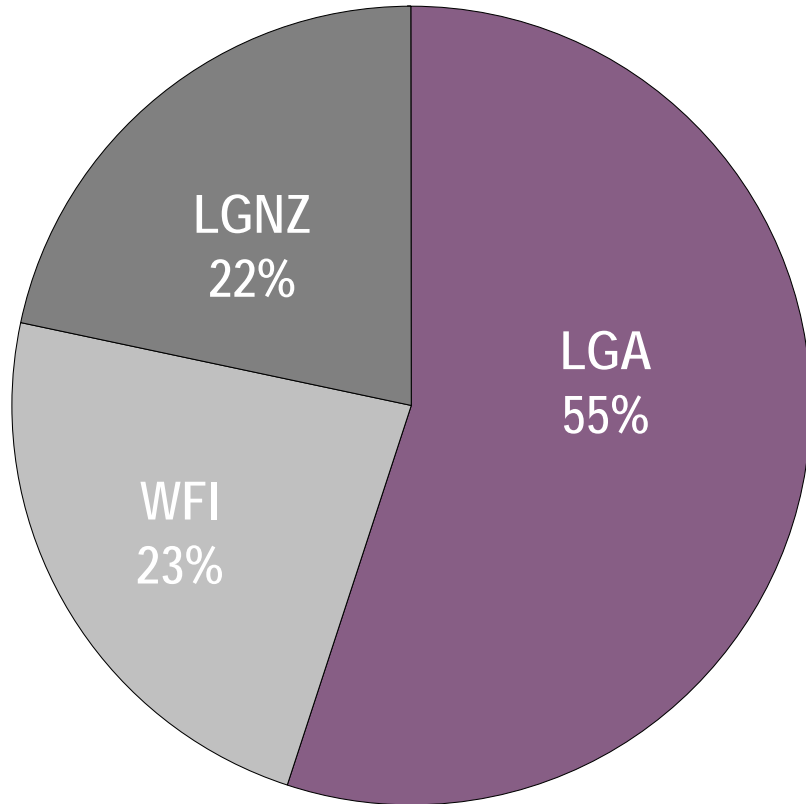
Company			CROMBIE  LOCKWOOD <small>New Zealand's Insurance Brokers</small>
Country	Australia	United Kingdom	New Zealand
Business Type	General Insurance Broking	General Insurance Broking	General Insurance Broking
Customers	SME and Corporate	SME and Corporate	Predominantly SME
Locations	24	4	13
Key Business Areas / Services Offered	Business insurance, Personal lines, Schemes for industry associations, Financial Management, Worker's compensation, Risk management, Life insurance, Income protection, Superannuation	Business insurance, petrochemical, Transport, Personal lines, Specialist industry schemes, Lloyd's broker, Environmental management and protection services	Business insurance, Superannuation, Personal lines, Life, disability & health insurance, Schemes for national and regional associations, Claims management, Premium financing



Underwriting GWP (GWP FY07)



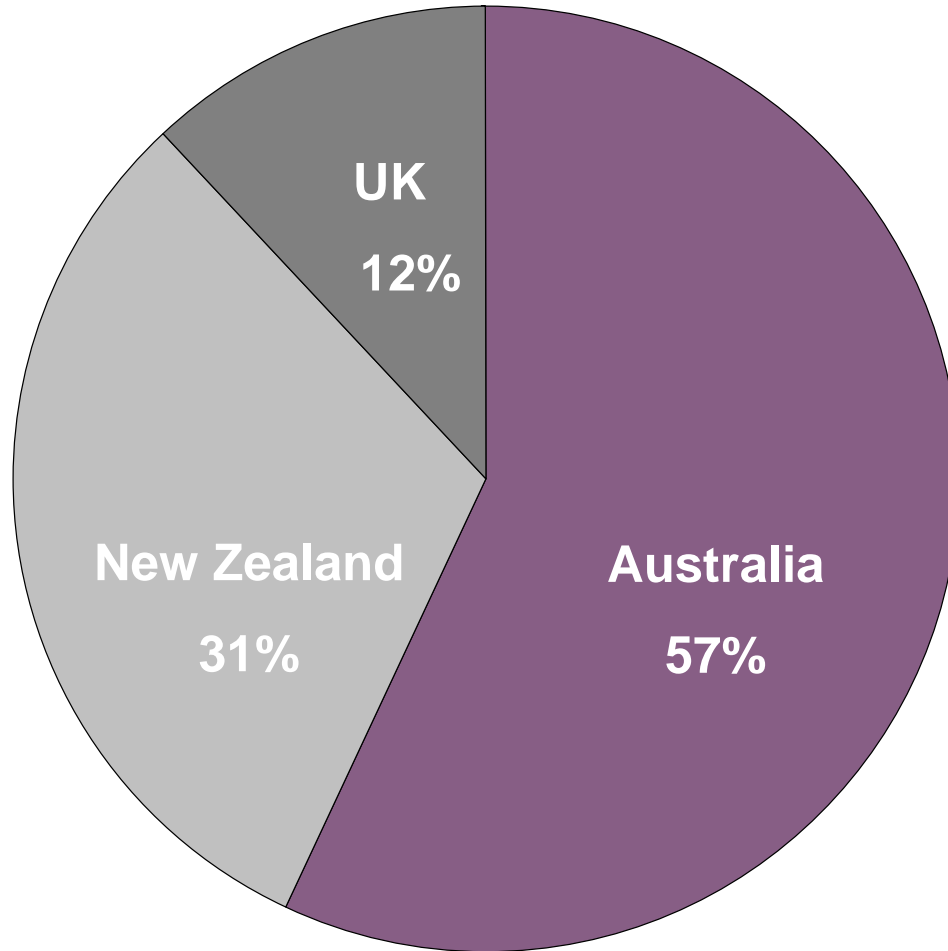
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Long Tail: product and public liability / workers compensation / builders warranty



Broking Revenue (annualised estimate)



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Key Business Drivers



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Internal / Operational

External / Market

Building the best team

Labour market and competitor activity

Customer service

Insurance Rates

Risk management

Claims experience and reinsurance

Operational excellence

Insurer and Broker consolidation



Market Conditions

Business Environment

Details

Varied results across class in Australia

Personal lines profitability improving

Commercial lines margins under pressure

Releases from CTP and long tail supporting industry results

Signs of rate improvement in New Zealand

Extreme weather conditions in July/August

Some rate increases starting to stick

Competition from new entrants

Claims experience worsening

Adverse weather events

Wetter weather increasing motor claims

Skill shortage increasing engineering claims

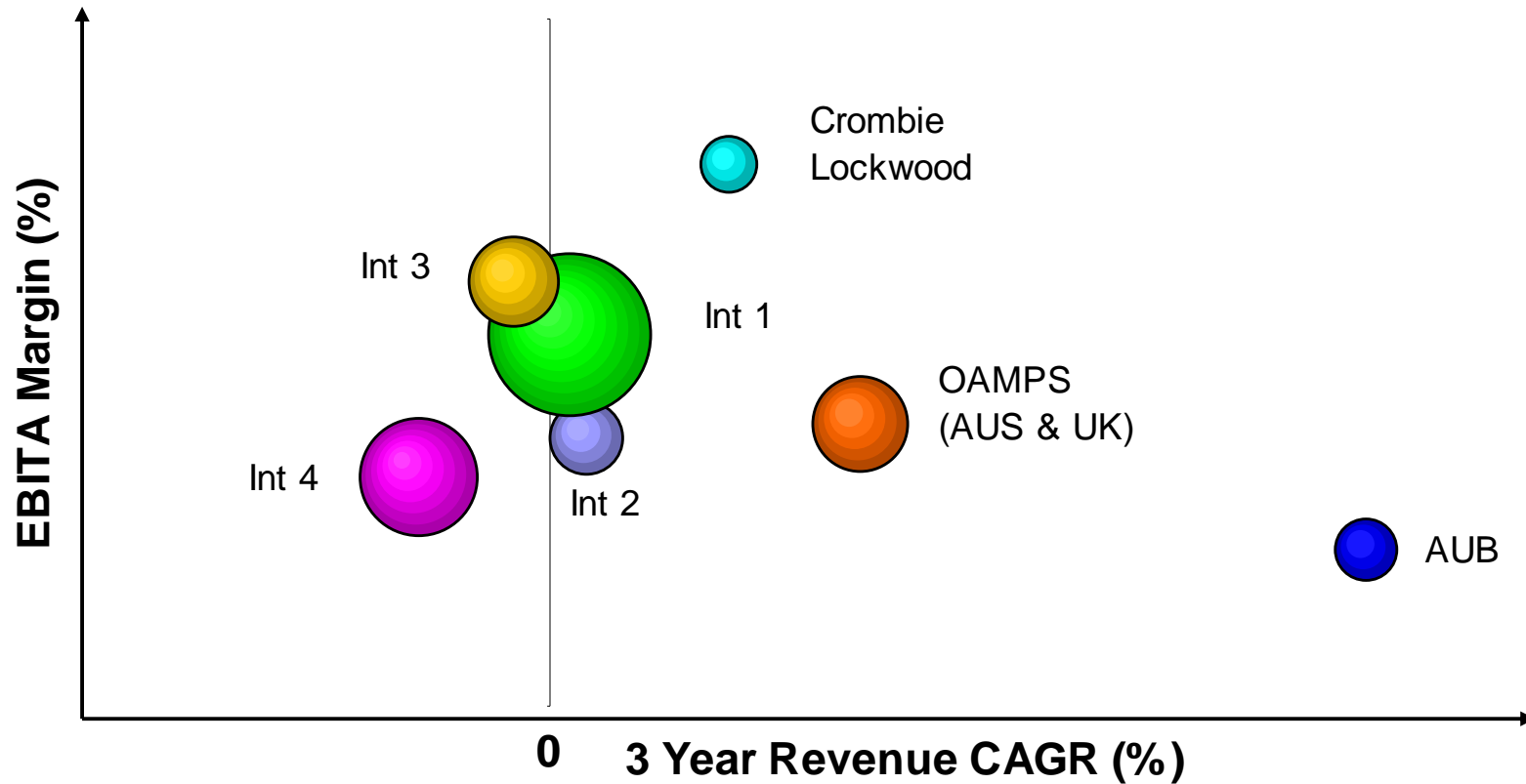
Consolidation of brokers

Ageing brokers seeking exit

Alternative ownership models emerging

Scale efficiencies for larger groups

Broker Benchmarking



Int. = International brokers (Aust & NZ)

Size of bubble = Revenue

Source: Annual Financial Statements (Year ending December 06/June 07)





Underwriting... targeting profitable growth and improving efficiencies

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Key strategies	Details
Target Profitable growth	Maintain underwriting disciplines
	Maintain key alliances and relationships
	LGA online initiative
	WFI expansion via “Yourinsurancegroup”
Integration of AILL with LGA	Expansion of fee-based and value added services
	Portfolio transfer by 31/12/07 – integration largely complete
LGNZ Business Improvement	New management structure – customer focused
	Price increases agreed in Lumley Business Solutions
Maintain A- credit rating	Initiatives to improve expense ratio
	A- rating for insurance businesses affirmed by S&P
	Retain rather than release capital from AILL transfer
Building the best team	New Marketing/Development Manager for LGA
	New CIO joining Jan 2008
	Appointments to enhance reinsurance/actuarial skills

Distribution...new growth platforms



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Key strategies	Details
Integration of OAMPS and Crombie Lockwood	Integration largely complete
Building the best team	New regional management structure for OAMPS Leadership development program Training and mentoring
Improve customer service	Expansion of products and services Strengthen specialist teams Value added services (OHES, Safety Assist)
Business improvement	Adopting best practice across three businesses Increase management autonomy and accountability
Bolt-on acquisitions	Recent acquisitions Keith Johnson (UK) Metropolitan Insurance Brokers (Australia) Mahony Trendall & Jack (NZ) Good pipeline of opportunities

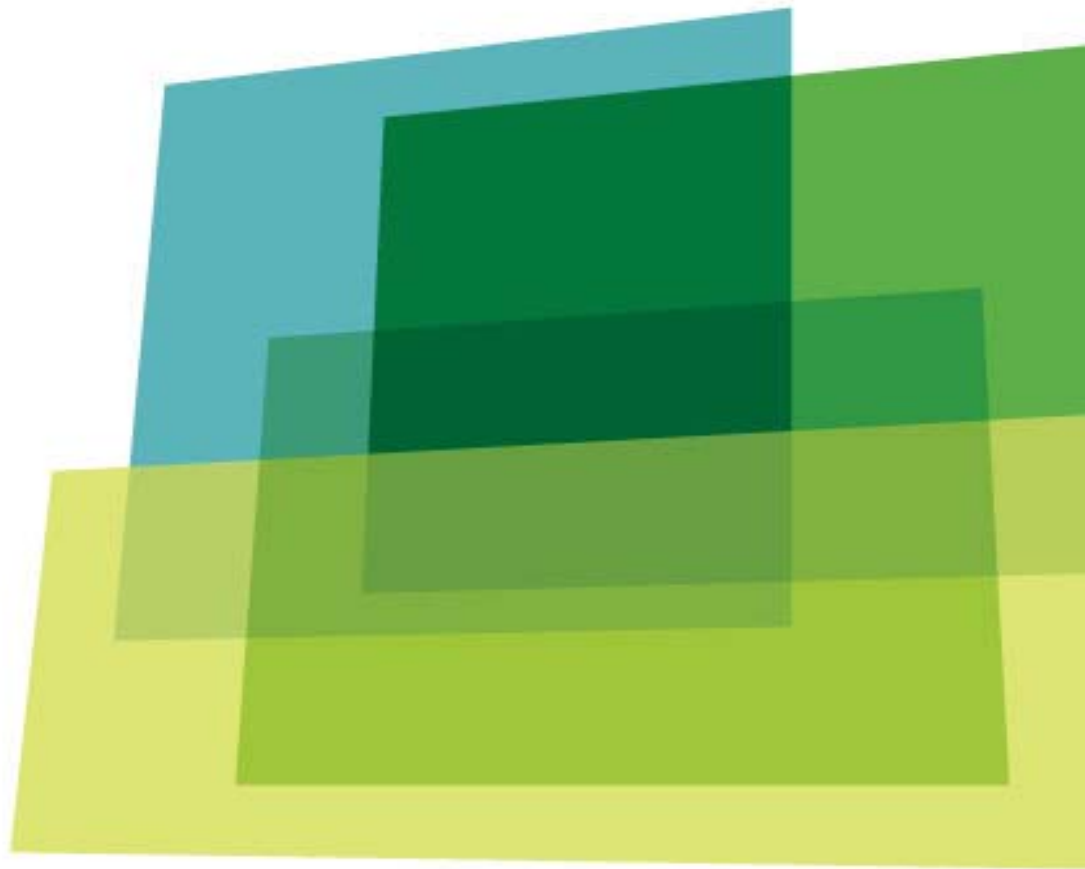
Outlook

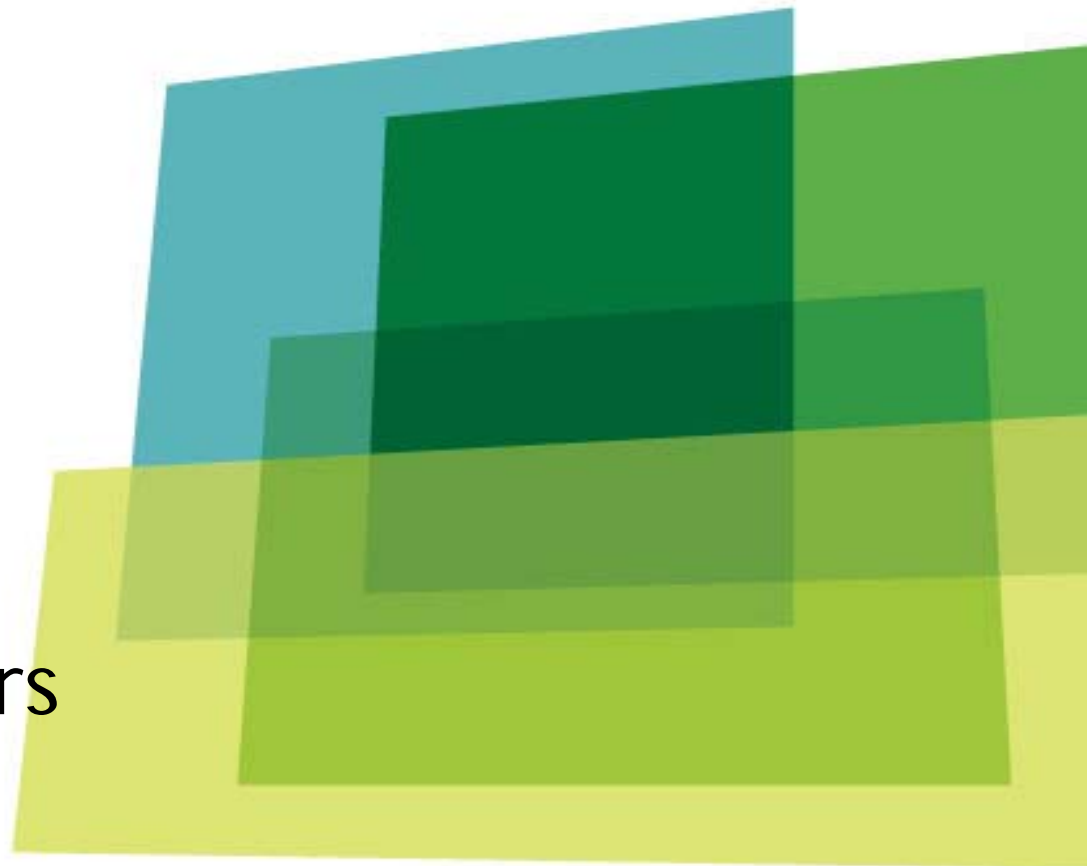
- Intense competition in commercial lines likely to constrain rates firming
- Modest price increases in some underperforming classes
- Loss ratio affected by weather events
- Efficiency improvements from LGNZ initiatives
- Consolidation of insurance brokers to continue
- Competition for talent remains key industry issue





Questions











Chemicals & Fertilisers

Ian Hansen

Chemicals & Fertilisers - Overview

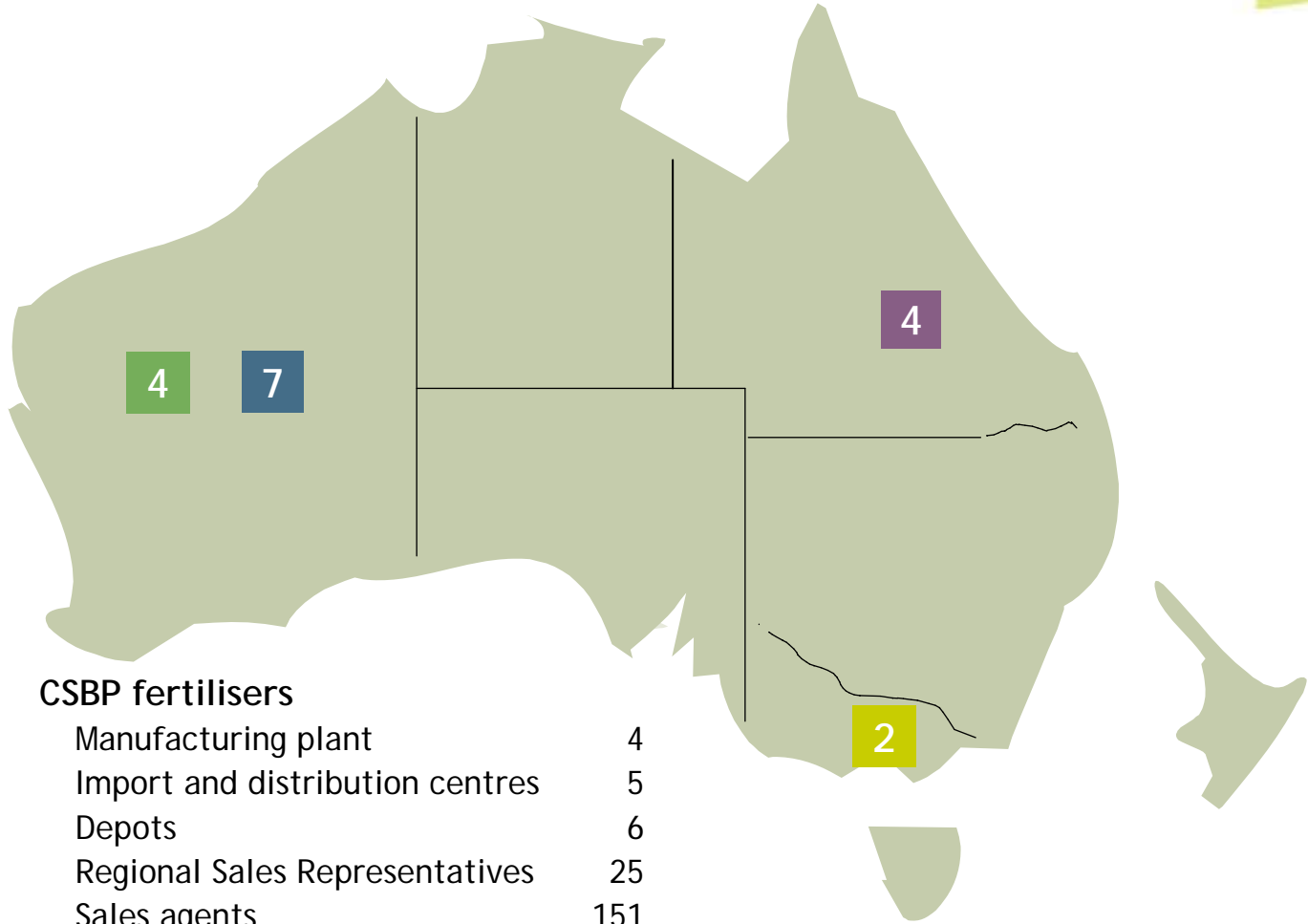
	Business	Geography	Sector	Key Customers
	Ammonia	WA	Nickel	BHP, Minara
	Ammonium Nitrate	WA	Iron Ore	Orica, Dyno Nobel, Rio Tinto
	Ammonium Nitrate	Qld	Coal	BMA, AngloCoal, Rio Tinto
	Sodium Cyanide	WA/Global	Gold	Newmont, Barrick, AngloGold
	PVC Resin / Specialty Chemicals	Vic/Aust	Construction	Iplex, Vinidex
	Fertilisers	WA	Agricultural	AWB Landmark, Elders

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Chemicals & Fertilisers - Locations

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■	CSBP fertilisers	
	Manufacturing plant	4
	Import and distribution centres	5
	Depots	6
	Regional Sales Representatives	25
	Sales agents	151
■	CSBP chemicals	
	Manufacturing plants	7
■	AV Manufacturing plants	2
■	QNP (50%)	
	Manufacturing plants	4

EBIT CONTRIBUTION (FY07)

7%

730 employees

300 chemical customers

2 major fertiliser distributors servicing over 5,000 farmers

17 operational manufacturing plants



Value proposition

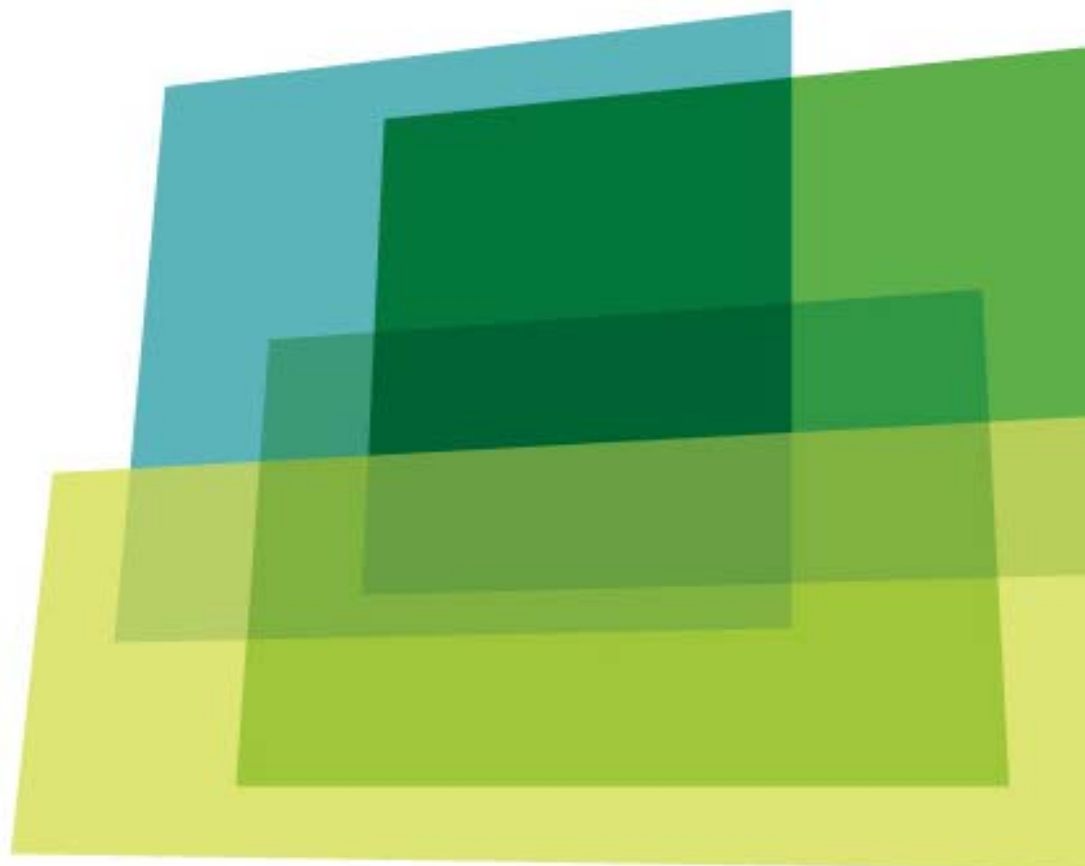
- Reliable, competitive local supplier of quality products and services (All)
- Reputable, responsible manufacturer and distributor (Chemicals)
- Product development and technical service provider (Fertilisers, AV)

Competitive position

- No 1 or strong No 2 in geographic market
- Cost competitive
- Essential inputs to customer's activities (difficult to substitute)
- Leverage manufacturing, distribution and B2B strengths



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Chemicals



Ammonium Nitrate (WA)

- Growing demand – explosives (iron ore) and liquid fertilisers
- Current capacity 235,000 tpa (explosives)
- Expansion of 235,000 tpa (duplicate NA+AN)
 - commissioning commenced
- Replacement prill plant 350,000 tpa
 - commissioning due Feb/Mar 2008
- Capex circa \$350 million
 - component delays
 - labour availability and productivity





QNP - 50%

- Strong demand for AN from Bowen Basin coalfields
- Integrated ammonia/NA/AN/prill plant – 180,000 tpa capacity
- Upgrade to 200,000 tpa planned for major shutdown in Sept 2008
 - capex ~ \$20 million
 - subject to customer and supplier contracts

Ammonia (WA)

- Strong demand
- 260,000 tpa capacity
- Q1 FY08 – 8 days planned, 30 days unplanned offline time
- Gas curtailments – around 5,800t production loss in FY07 and 1,500t YTD FY08





AGR

- Strong demand driven by gold price
 - export earnings constrained by high exchange rate
- Solution capacity ~ 57,000 tpa; solid capacity ~30,000 tpa (export)
 - consistent plant performance since July
- 6,000 tpa solution expansion due Nov 2008 to supply Boddington Gold Mine
 - capex ~ \$15 million

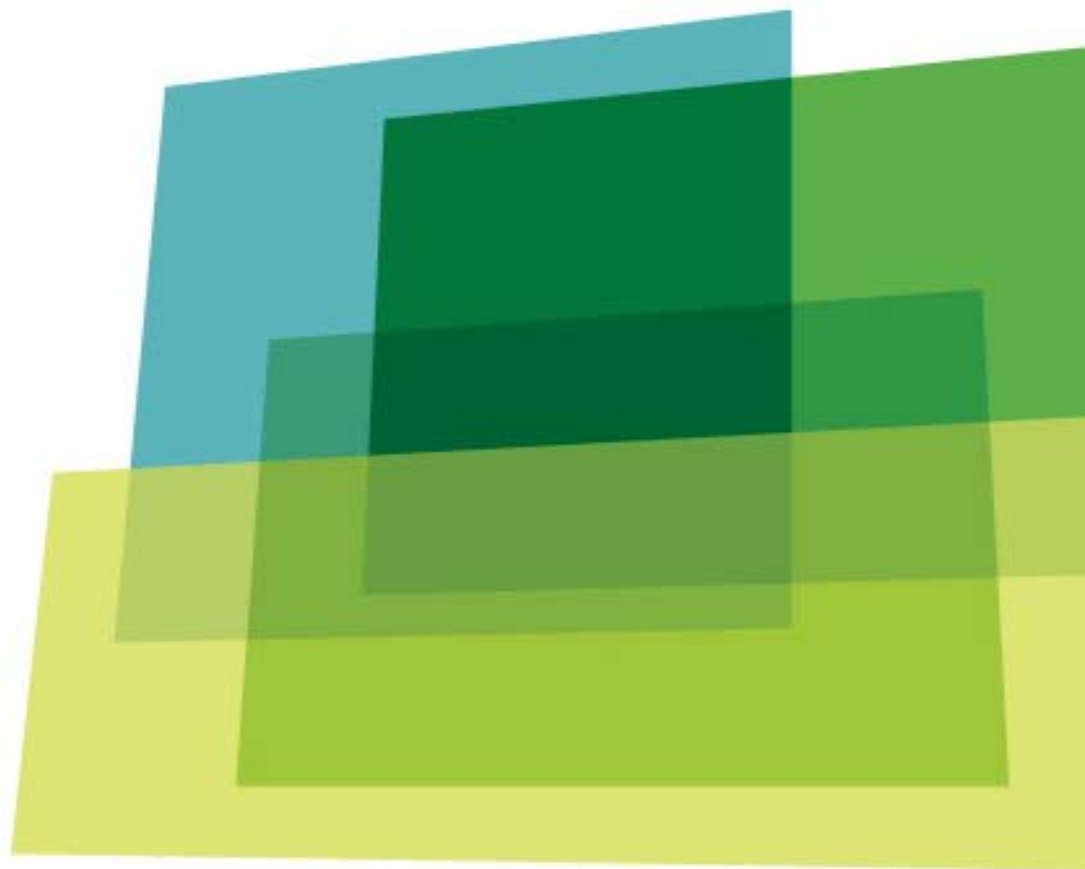
Australian Vinyls

- Positive outlook for PVC
- 140,000 tpa PVC resin capacity
- Solid performance since acquisition (3 September 2007)
- Positive culture, good fit, Eastern Australia exposure





Fertilisers



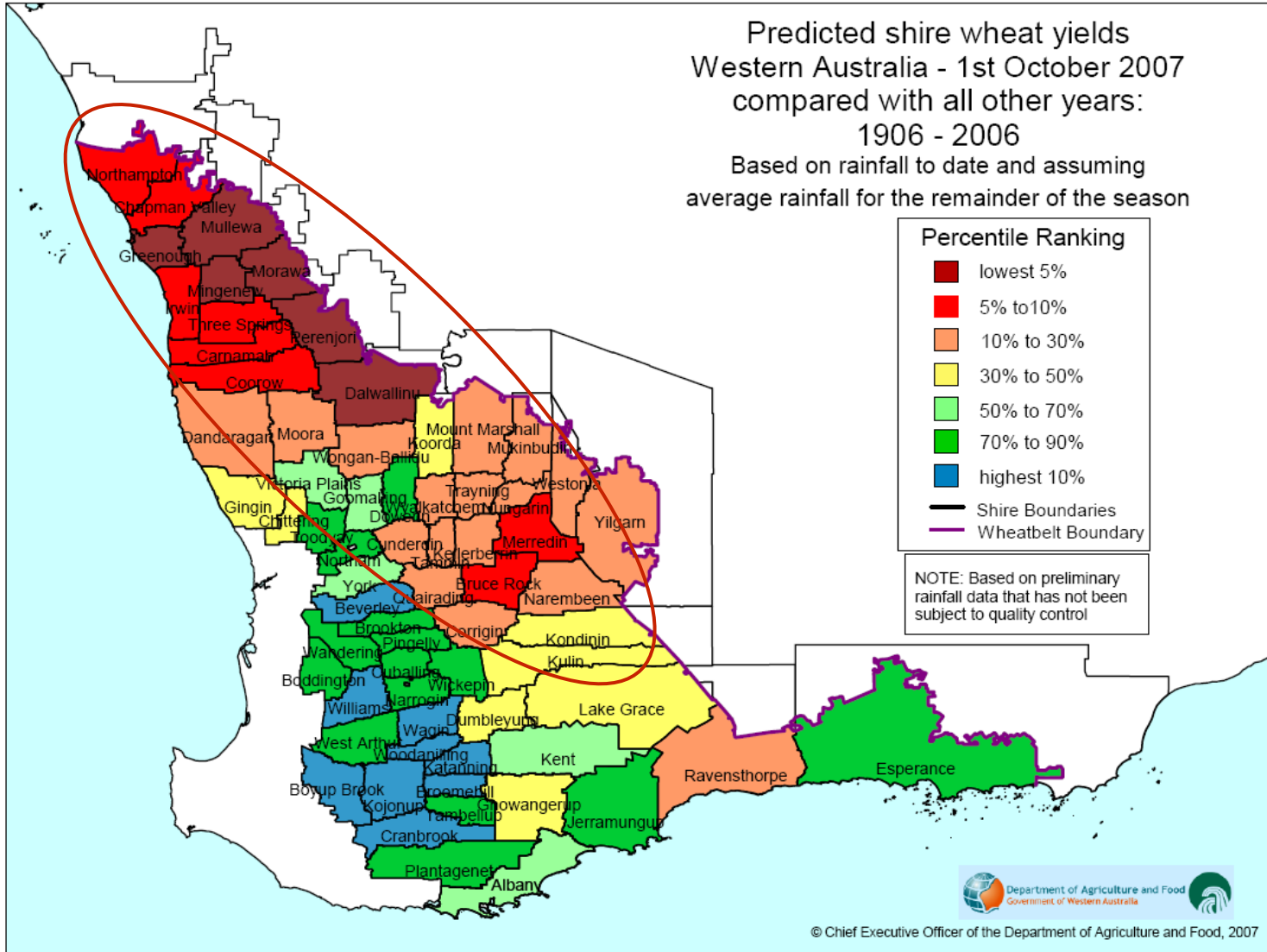
Fertilisers

- Difficult seasonal conditions – 2 successive years
 - Market share maintenance
 - Increasing wheat prices
- 70% of sales in second half FY
- Dependent on opening and ongoing winter rainfall
- Continued liquid fertiliser growth strategy (displace imports with AN expansion)
- Variable vs fixed cost focus



Predicted WA wheat yields

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Progress on strategies - Chemicals

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Strategic initiatives		Comment
Maintain and grow AN business	✓ WIP	<ul style="list-style-type: none">• Kwinana duplication (+235,000 tpa)• Upgrade of QNP (+20,000 tpa)
Improve performance of sodium cyanide business and identify growth opportunities	✓ ✓ WIP	<ul style="list-style-type: none">• Focus on plant performance achieving better output• \$15 million expansion underway• Investigating further growth opportunities



Progress on strategies - Fertilisers

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Strategic initiatives		Comment
Continue to develop liquid fertilisers	<ul style="list-style-type: none"> ✓ ✓ ✓ ✓ 	<ul style="list-style-type: none"> • Ongoing product development • Local manufacture from 2007/08 • Expanded regional manufacturing capability • Continued strong marketing
Optimise cost and capital	<ul style="list-style-type: none"> ✓ WIP ✓ 	<ul style="list-style-type: none"> • Improved inventory management – 9% reduction in capital employed • Shift fixed cost to variable • Expense management - 10% reduction
More tailored market approach	<ul style="list-style-type: none"> WIP WIP WIP 	<ul style="list-style-type: none"> • Upgrade of business (IT) systems • Improved market analysis • Ongoing product development

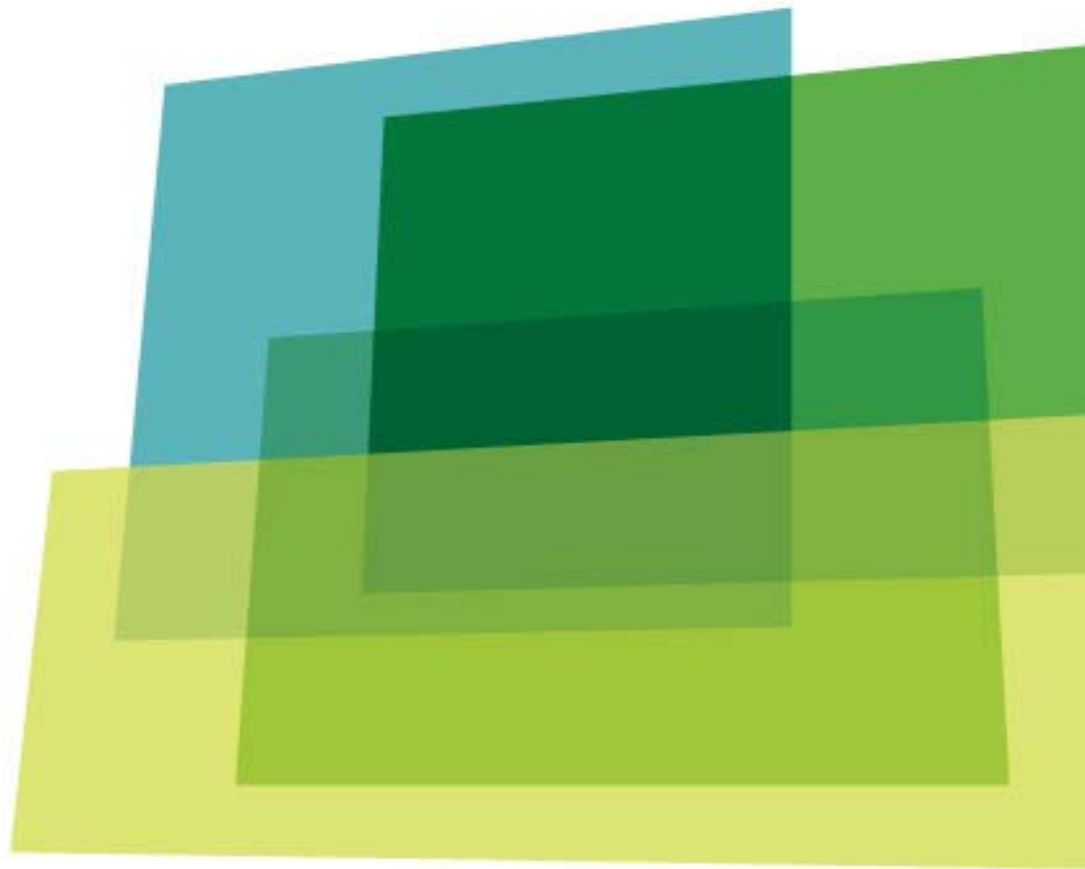


Progress on strategies - General

Strategic initiatives		Comment
Identify and evaluate growth opportunities	WIP ✓ ✓	<ul style="list-style-type: none"> • Sectors undergoing significant change • AV acquisition • Dedicated Business Development team
Improved capabilities and people development	WIP ✓ ✓ WIP	<ul style="list-style-type: none"> • Upgrade business systems • Improved training and safety focus • Compliance & Reliability departments • Cultural development & diversity programme
Sustainability	WIP WIP ✓	<ul style="list-style-type: none"> • Finalise sustainability framework • Management of legacy issues • Recognition through two awards <ul style="list-style-type: none"> - NAB Agribusiness Enviro & Energy Award - Manufacturing Monthly Endeavour Award

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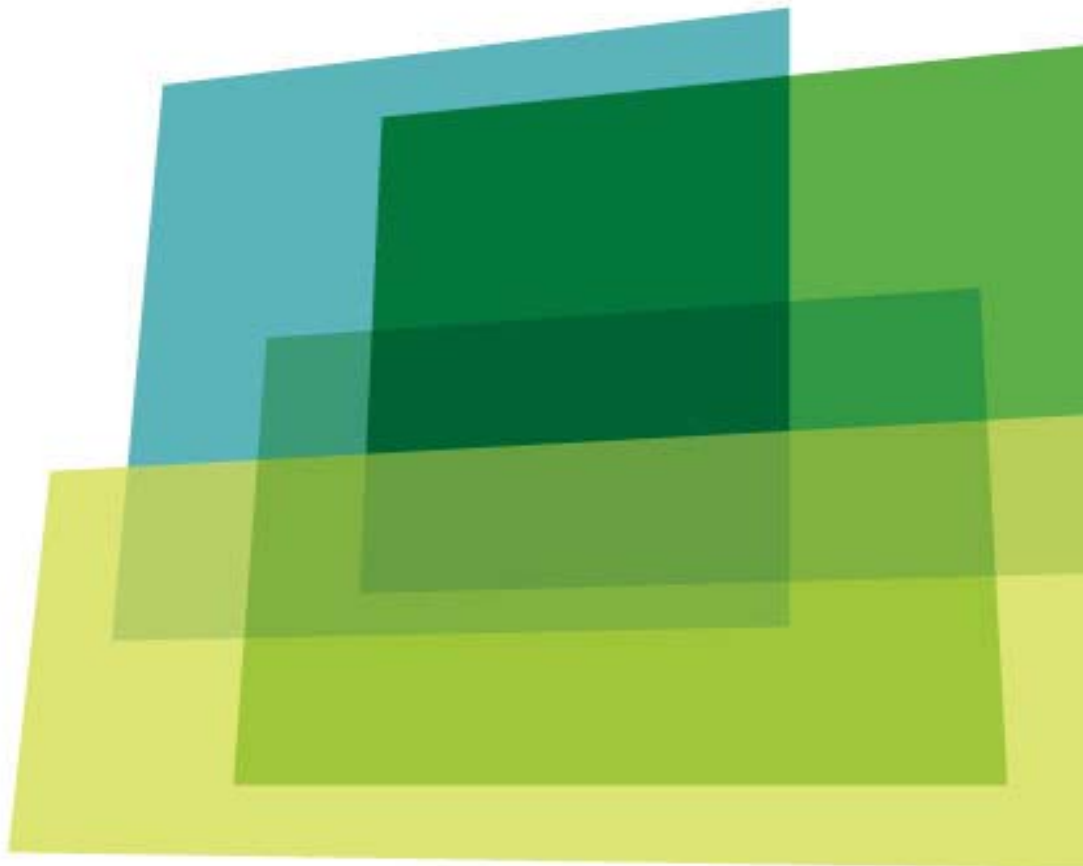




Questions



Coal
Stewart Butel





Wesfarmers Coal



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Export metallurgical and domestic steaming coal



Domestic steaming coal



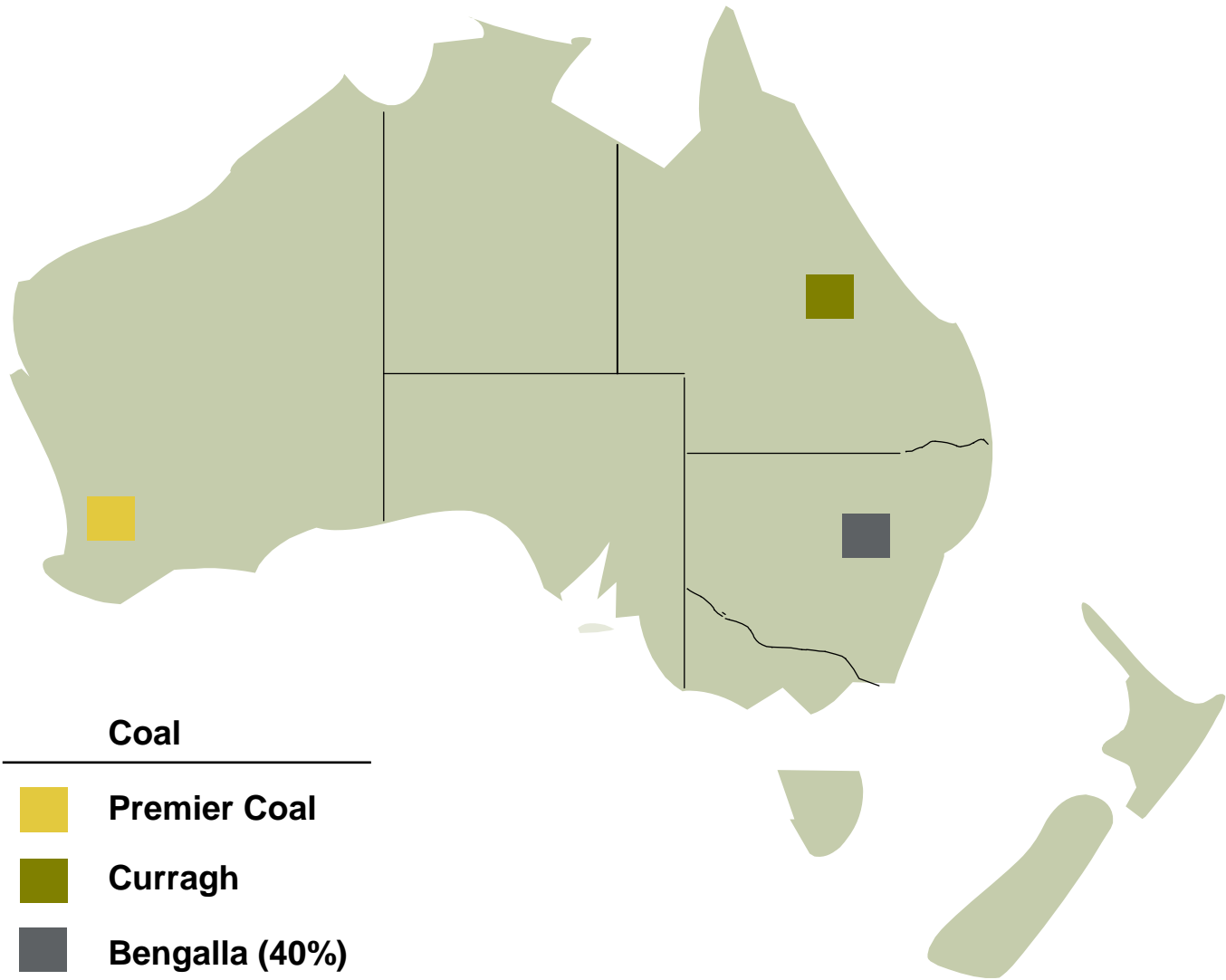
Export and domestic steaming coal








Wesfarmers Coal - locations

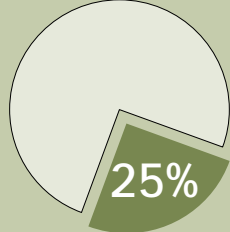
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Coal

-  Premier Coal
-  Curragh
-  Bengalla (40%)

EBIT CONTRIBUTION (FY07)



25%

660 employees
3 coal mines
24 coal customers



Coal production

Mine	Beneficial Interest	Coal Type	YTD ended ('000 tonnes)	
			Sep 2007	Sep 2006
Curragh, QLD	100%	Metallurgical	1,558	1,591
		Steaming	722	523
Premier, WA	100%	Steaming	763	917
Bengalla*, NSW	40%	Steaming	558	647
Total			3,601	3,678

* Wesfarmers attributable production

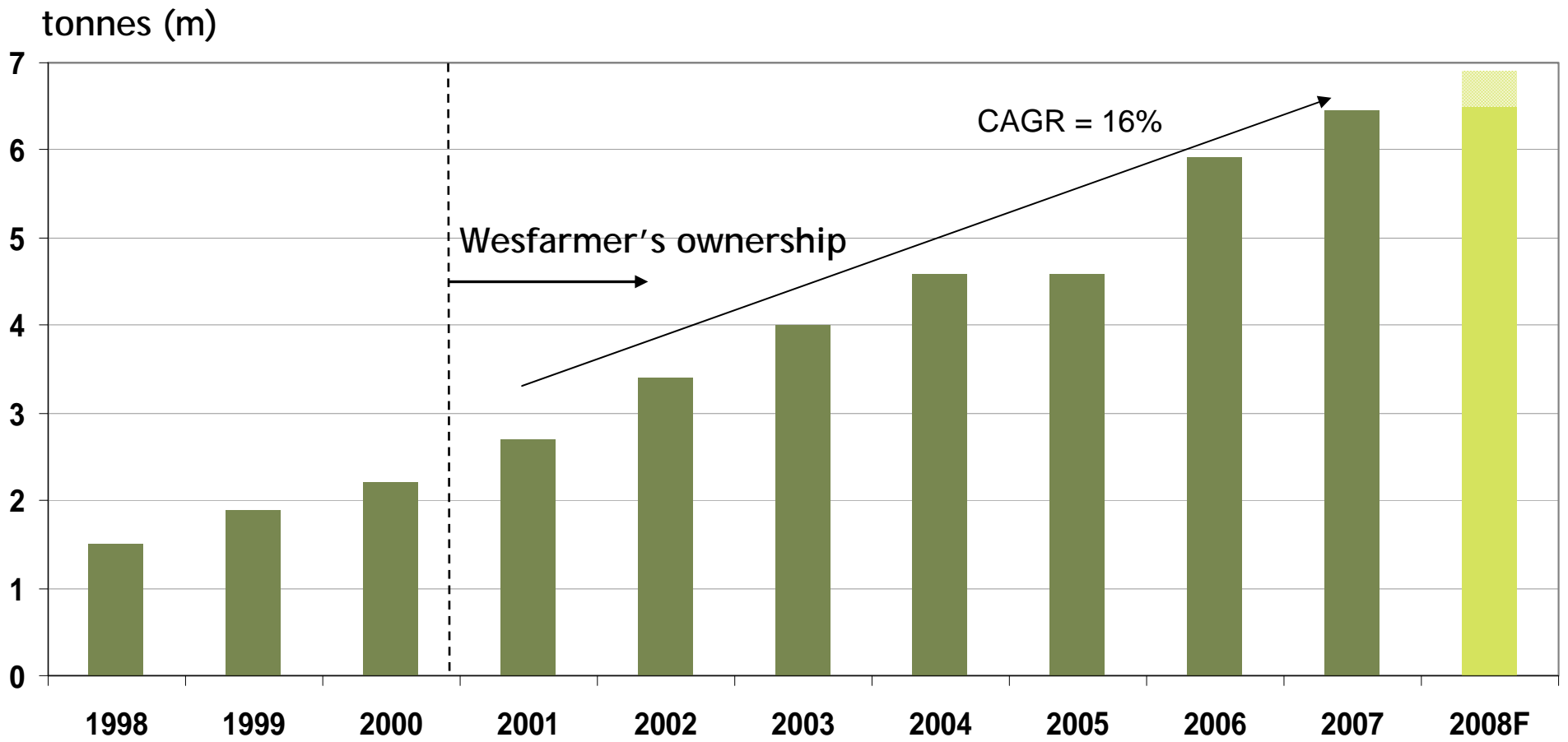


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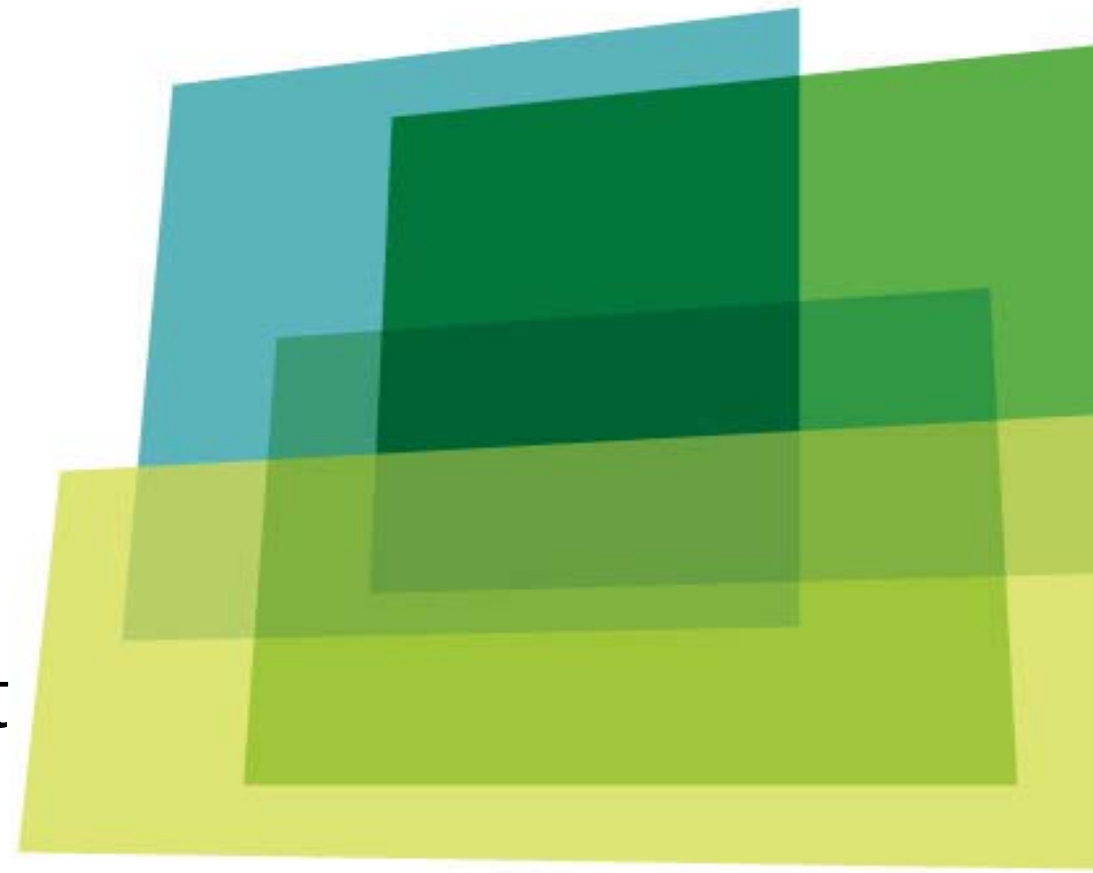
Curragh metallurgical sales growth

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Business environment





Industry facing challenges...

- Constrained export coal chain
- Cost increases (opex and capex)
- Appreciating Australian dollar
- Industry consolidation
- Climate change

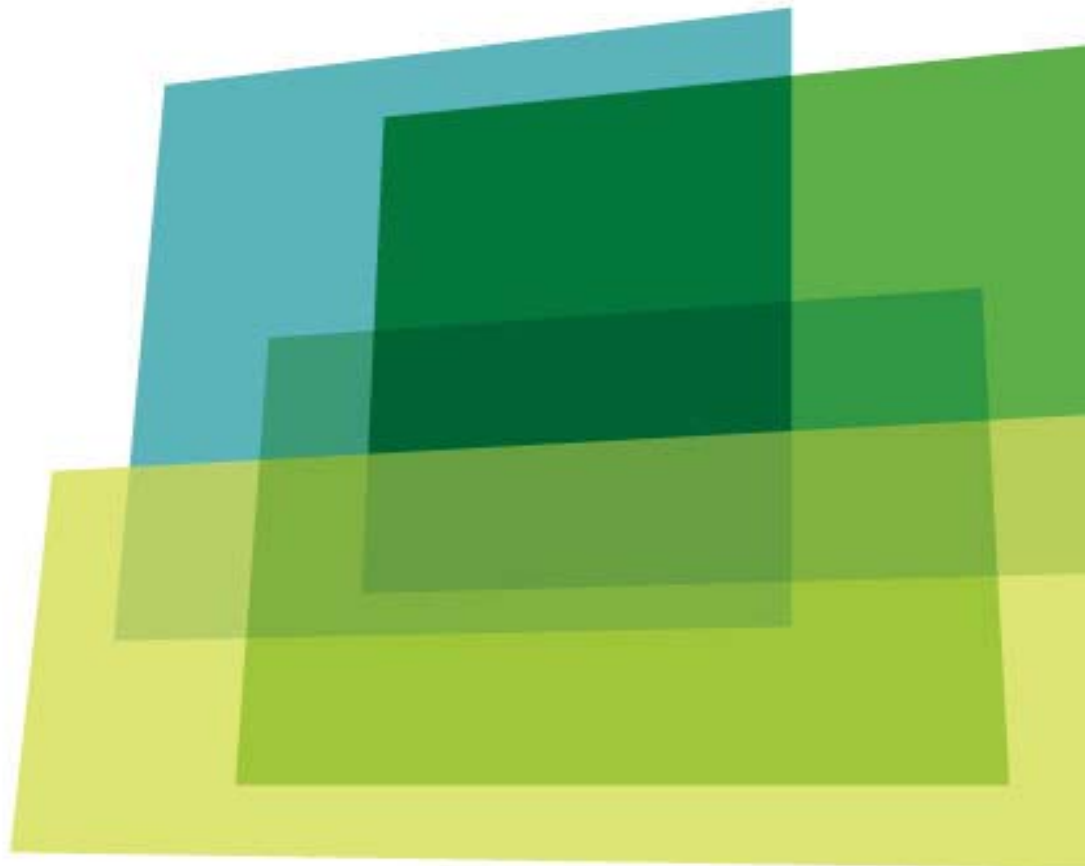
But....

- Strong market fundamentals and customer demand
- Spot coal prices increasing
- Feasibility studies to expand Curragh and Bengalla
- Positioned to capitalise as infrastructure constraints lift





Strategies





Coal strategies

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Opportunities / Challenges	2007/08 Strategic initiatives
Strong export customer demand	Maximise export sales Long-term export contracts in place Optimise sales mix Maintain export price relativity
Cost pressures	Curragh North conveyor Dragline upgrades Business improvement projects
Infrastructure constraints	Closely monitor and capture opportunities to export as soon as capacity becomes available
Increase coal production	Curragh feasibility study Bengalla expansion
Extend product and market reach	Evaluate acquisitions that offer economies of scale or downstream benefits
Sustainability	Coal21 Safety and environmental performance





Seaborne metallurgical coal market



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CONSTRAINED SUPPLY

Australia rail & port issues

Canada production issues

Polish production problems

Russian rail car shortages

China trend to reduce coal

Seaborne Metallurgical Coal Market
Low coal stocks
Increasing spot prices

STRONG DEMAND

New importer growth
Brazil, India

High levels of steel production
Robust steel price

Strong coke demand
Price rise to US\$350 per tonne
Indian coke makers resume production

Strong thermal coal price
Price floor for metallurgical coal

Source: McCloskey, AME, Barlow Jonker, Tex Report, IISI



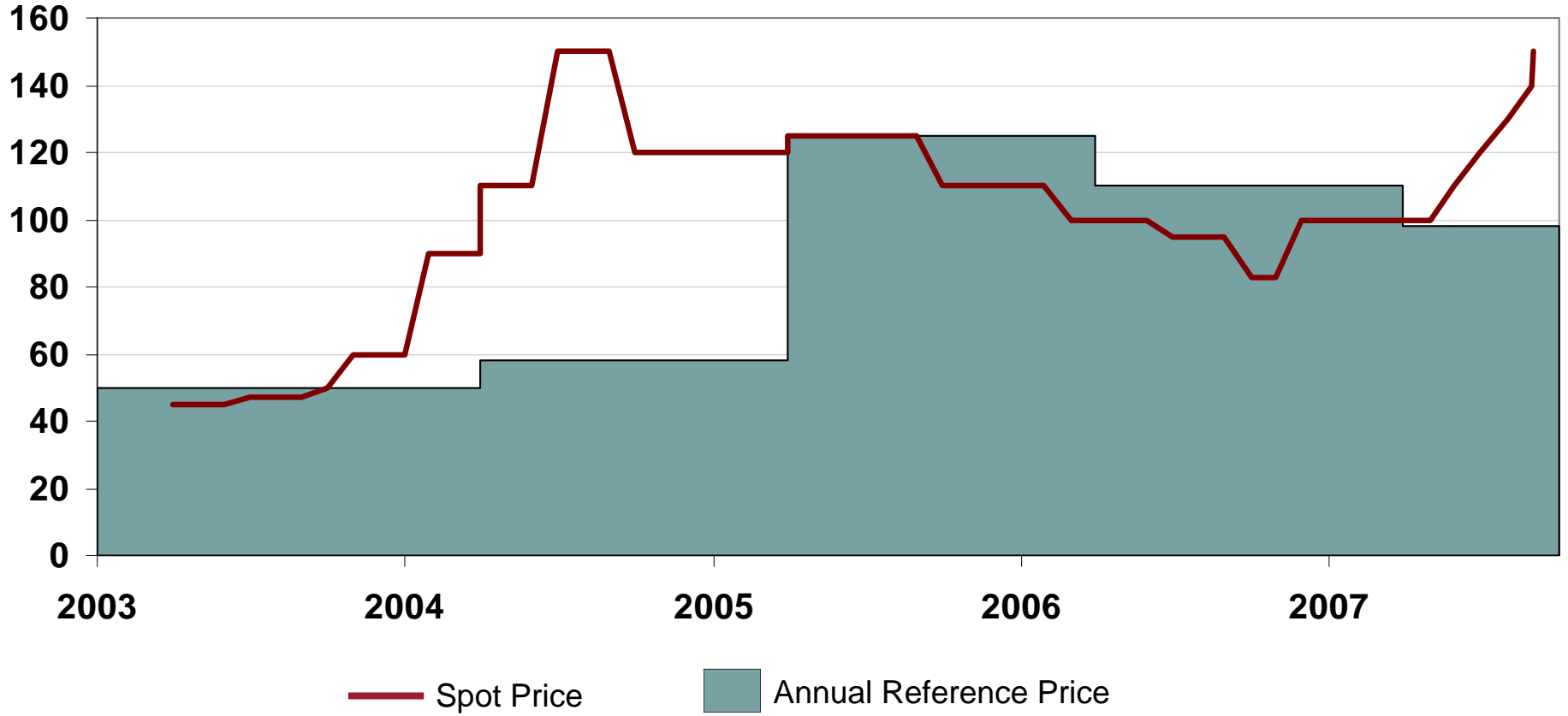


Australian hard coking coal prices



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US\$/Tonne (Nominal) FOB Australia (annual verse spot)



Source: Barlow Jonker, Tex Report

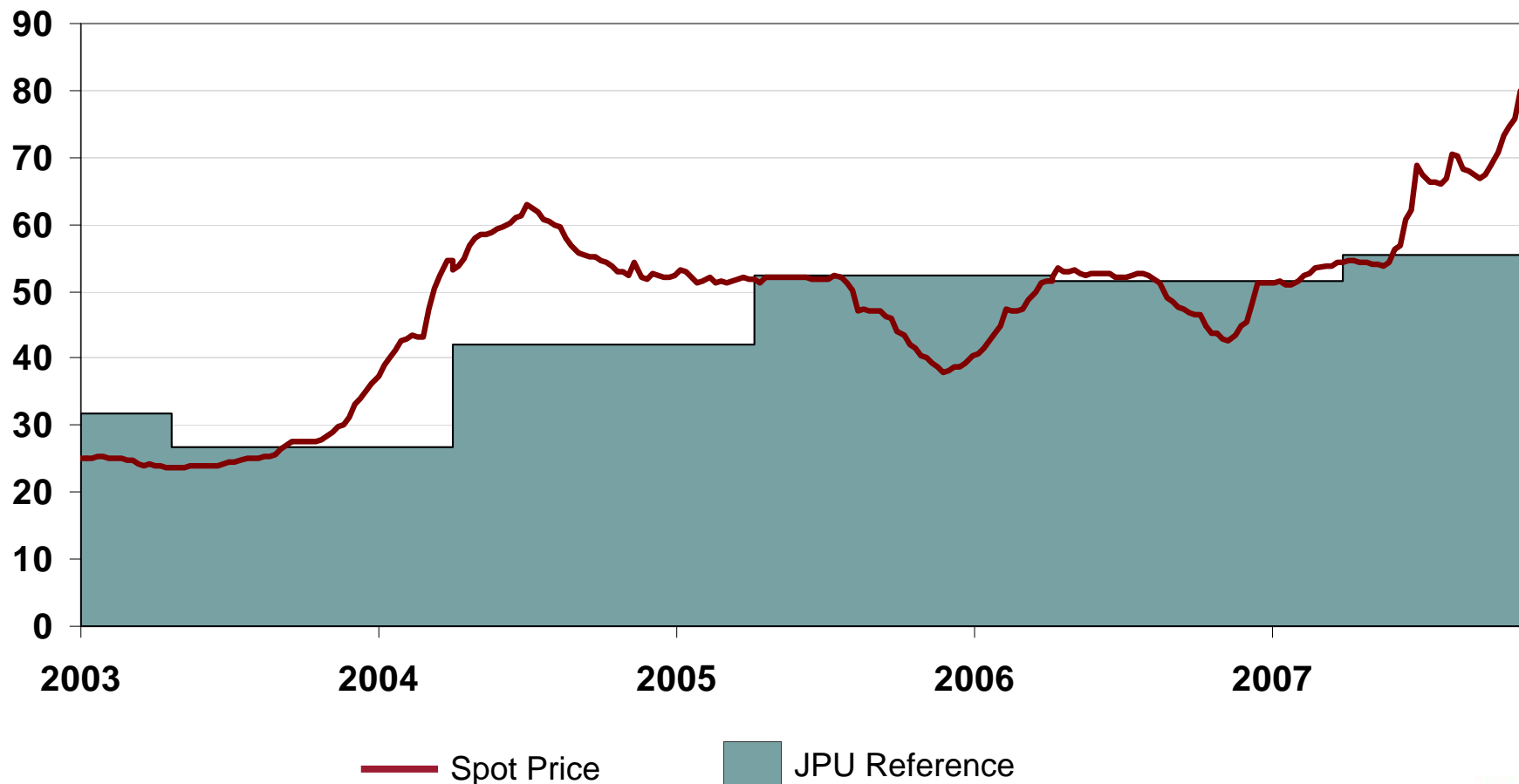




Australian steaming coal prices

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US\$/Tonne (Nominal) FOB Australia (annual verse spot)



Source: Barlow Jonker





Wesfarmers Curragh hedging profile

Year end 30 September	Current proportion of USD revenue hedged	Average AUD/USD hedge rate
2008	91%	0.75
2009	77%	0.77
2010	50%	0.75
2011	26%	0.73
2012	10%	0.73

* Calculated using existing contracts and conservative long run pricing and volume assumptions





Curragh production costs

Year ending September 2007 vs year ending September 2006

- Continued pressure on costs
- Curragh maintains position in lowest quartile of industry cost curve

	Increase
Total cash production cost *	6%
Total production volume	(1)%
Cash production cost per product tonne *	7%

- By comparison, costs industry-wide increased some 20 per cent in 2006 over 2005

* Excludes Stanwell rebate





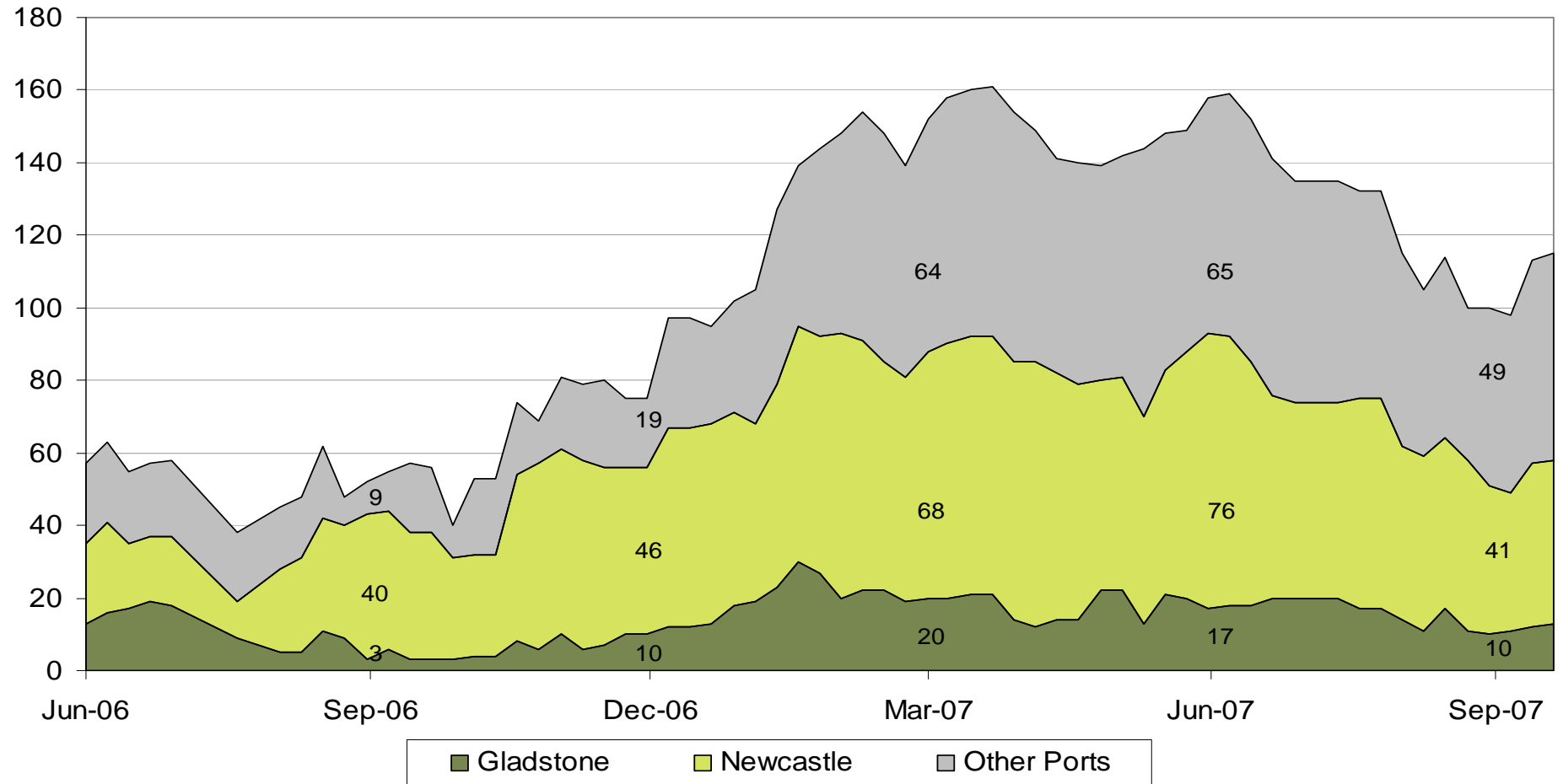
Coal port congestion

East Coast Australia as at 2 November 2007



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No. of ships at anchor



Source: McCloskey Fax





Gladstone Coal Delivery System

Performance update

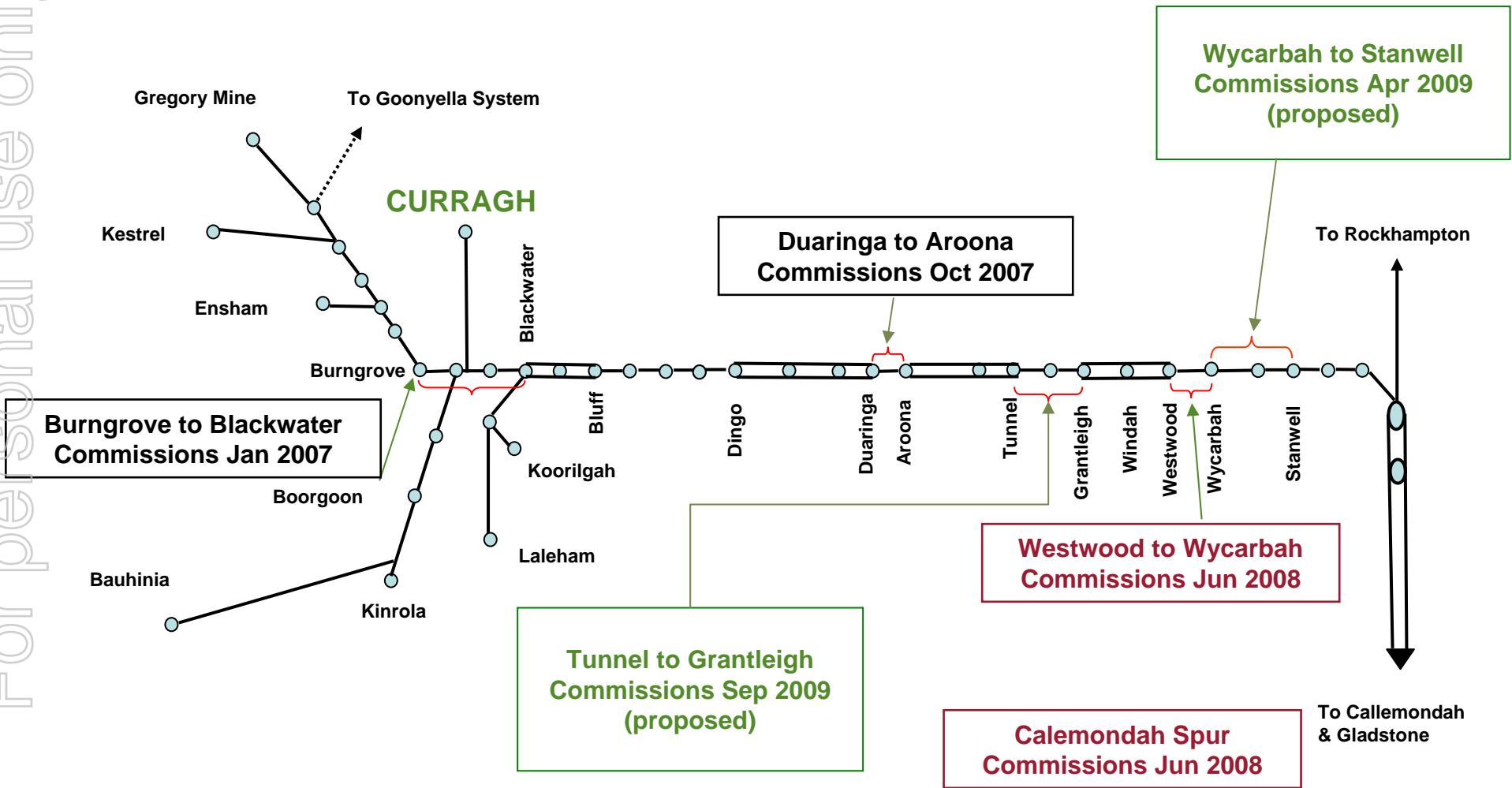
- Port capital works now completed
- Wiggins Island Terminal proposed 2012
- Restricted rail capacity in 2007/08
 - Capacity de-rated to about 88 per cent of contract
- Forecast ongoing rail constraints into 2008/09
 - Additional below track duplication works
 - Capacity de-rated to about 90 per cent of contract
- Curragh metallurgical sales 6.5 – 6.9mt in 2007/08
 - Contracted GCDS capacity of 7.5mtpa

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Blackwater track duplication

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Newcastle Coal Delivery System

Performance update

- Restricted system capacity ongoing
 - Large vessel queues and demurrage expense
- Capacity balancing system expires 31 December 2007
 - Shippers de-rated for 2007 to about 80 per cent
 - Further 2.2mt capacity reduction October to December 2007
- Application pending for Vessel Queue Management System for 2008
 - Nominated export capacity 95mt
 - Demand will exceed this capacity
- Announced port expansions to increase capacity from 2010
 - PWCS 113mtpa
 - NCIG 33mtpa

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Curragh expansion study

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- Feasibility study to expand exports to 8.0mtpa to 8.5mtpa
- Target study completion mid 2008
- Additional export volume in second half 2009





Curragh expansion study

- Upgrade of CHPP to 2,200tph
- Additional overburden removal capacity required
 - Truck and shovel or inpit conveying options
- Blackwater Creek diversion
 - Additional coal reserve
- 8.5mtpa rail and port capacity in place
- Market development proceeding
- Expansion decision mid 2008

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Bengalla expansion

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- Development consent approval granted
- Potential expansion from 8.7mtpa to 10.7mtpa ROM
- Expansion timing dependent on infrastructure constraints





Coal strategies

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Opportunities / Challenges	2007/08 Strategic initiatives
Strong export customer demand	Maximise export sales Long-term export contracts in place Optimise sales mix Export price relativity
Cost pressures	Curragh North conveyor Dragline upgrades Business improvement projects
Infrastructure constraints	Closely monitor and capture opportunities to export as soon as capacity becomes available
Increase coal production	Curragh feasibility study Bengalla expansion
Extend product and market reach	Evaluate acquisitions that offer economies of scale or downstream benefits
Sustainability	Coal21 Safety and environmental performance





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COAL21

- Initiated by the Australian Coal Industry
- Collaborative partnership between industry, governments and the research community

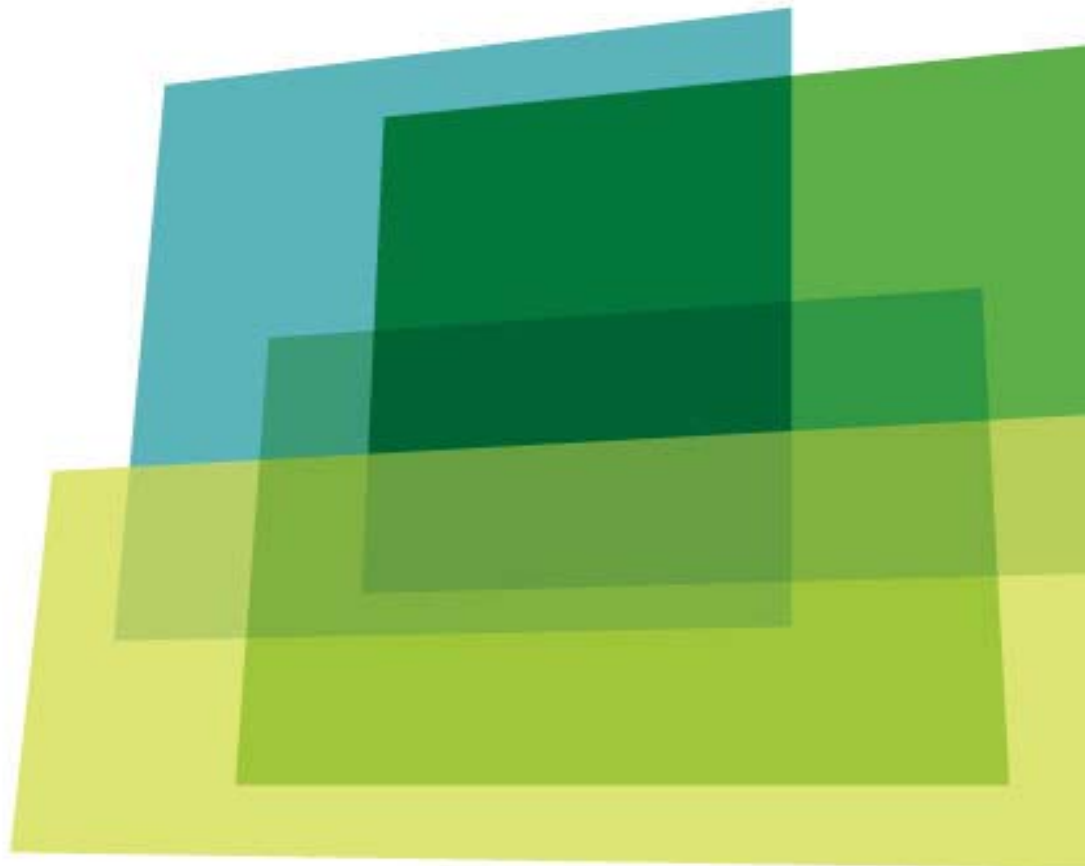
COAL21 Fund

- \$1 billion plus fund contributed from Australian coal industry
- Supports low and zero emissions research, development and demonstration programs
- Wesfarmers is contributing to the fund





Outlook





Coal outlook

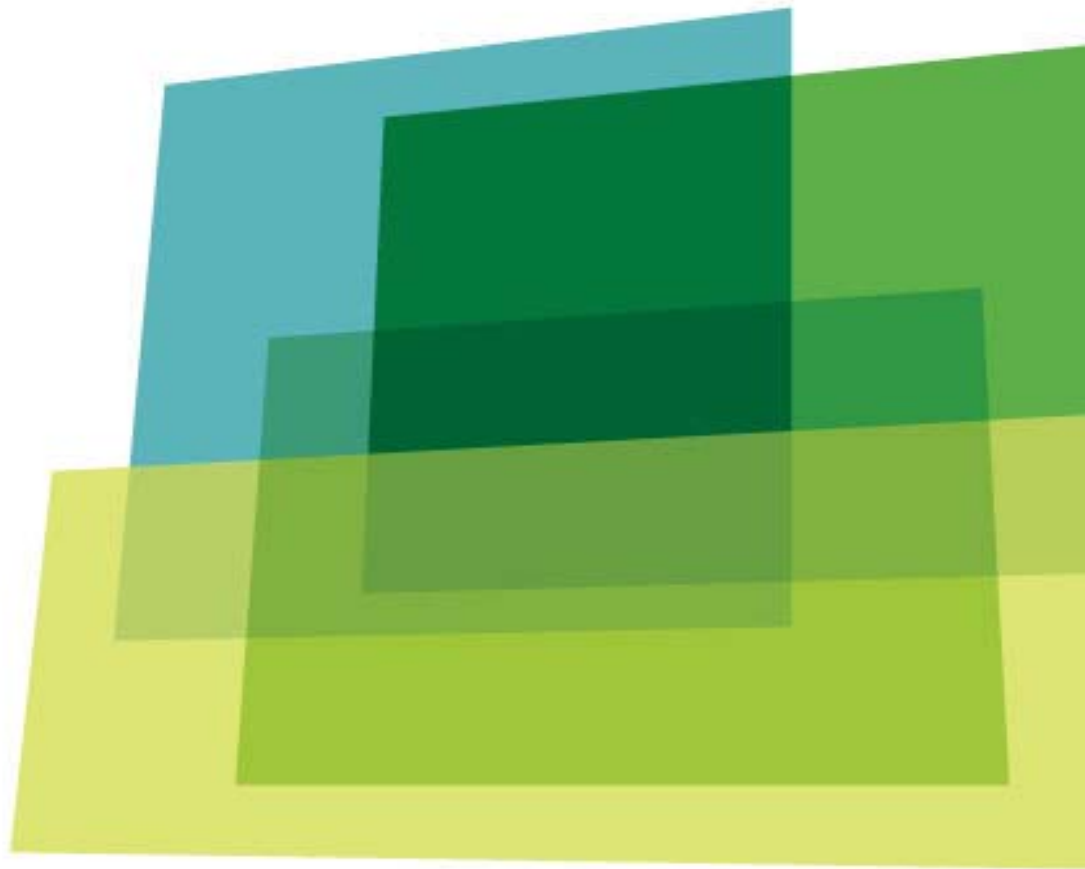
- Strong market outlook for 2008/09
- Constrained export coal chains
- Spot coal prices increasing
- Appreciating Australian dollar
- Curragh coal price negotiations to commence soon
- Significant Curragh carryover tonnage impact in Q4 2007/08
- Curragh metallurgical sales 6.5 – 6.9mt in 2007/08
- Lower Stanwell Rebate - estimate A\$60 – 65 million for 2007/08
- Feasibility studies to expand Curragh and Bengalla

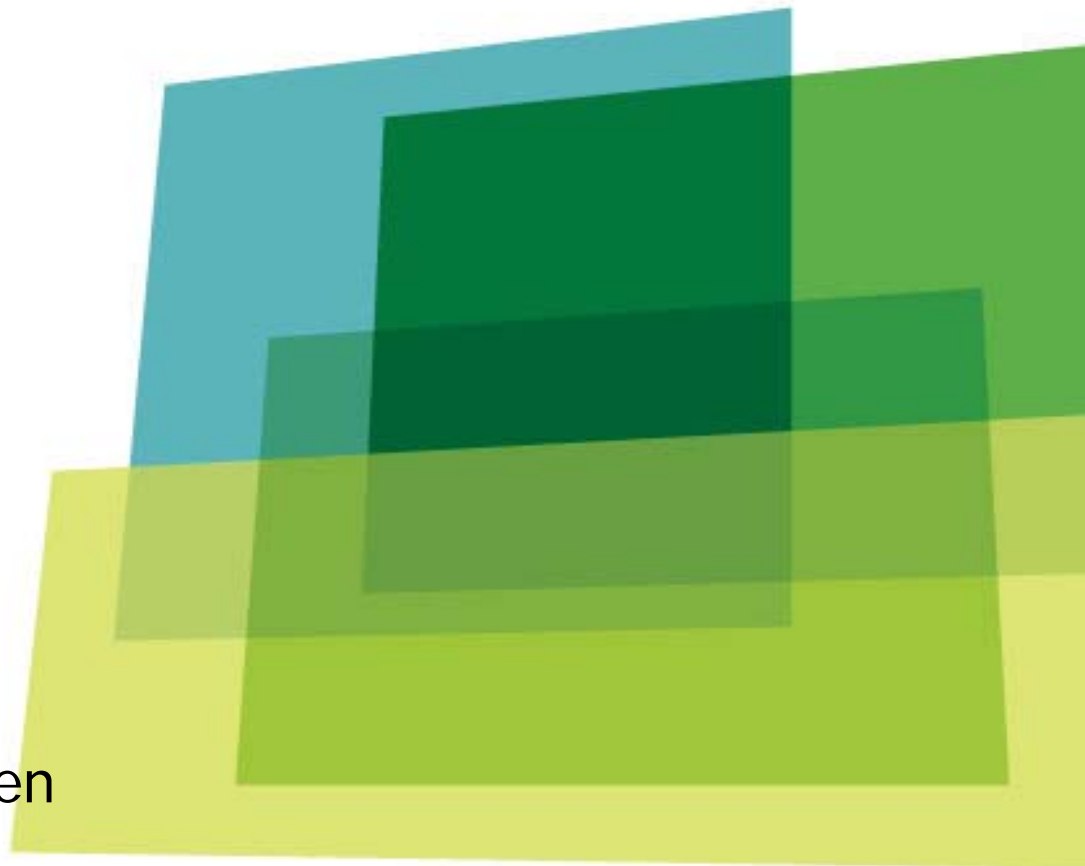
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Questions





Industrial & Safety

Terry Bowen and Olivier Chretien

Our business portfolio

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Australia



MRO "All your workplace needs"



Safety



Materials Handling, Lifting, Rigging



Fasteners



Engineering

MRO: Maintenance, Repair and Operating

New Zealand



MRO, Hose & Conveyor



Safety

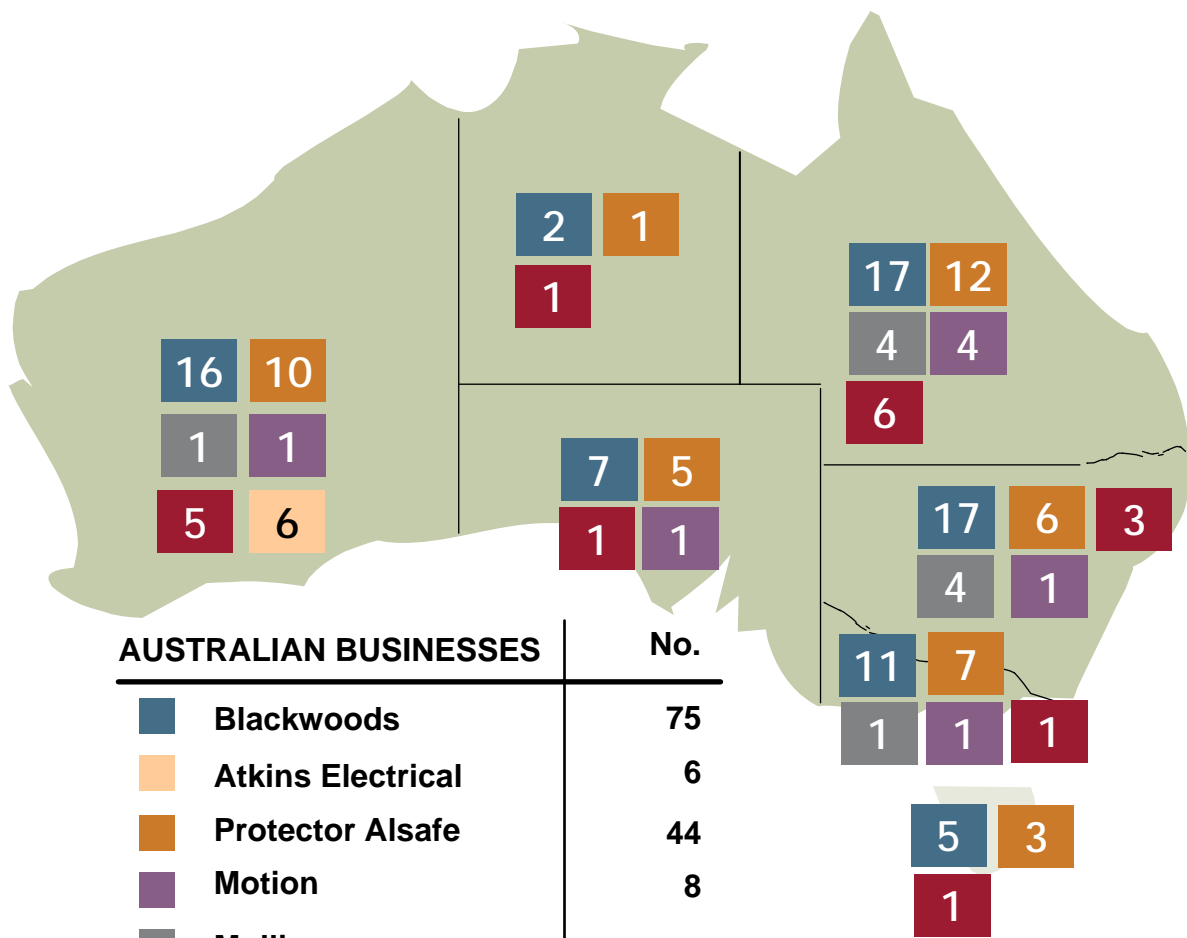


Packaging & Hygiene



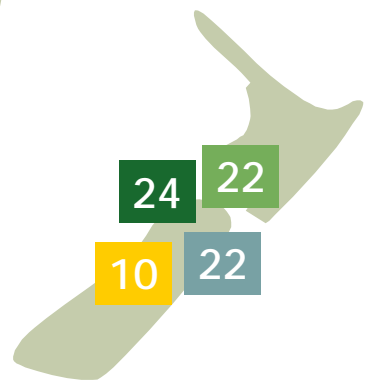
A total of 239 branch locations 161 in Australia, 78 in New Zealand

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AUSTRALIAN BUSINESSES	No.
Blackwoods	75
Atkins Electrical	6
Protector Alsafe	44
Motion	8
Mullings	10
Bullivants (included from 2007)	18

NEW ZEALAND BUSINESSES	No.
NZ Safety	24
Protector Safety	22
Blackwoods Paykels (NZ)	22
Packaging House	10



As at 1 October 2007



Bullivants transitioned smoothly

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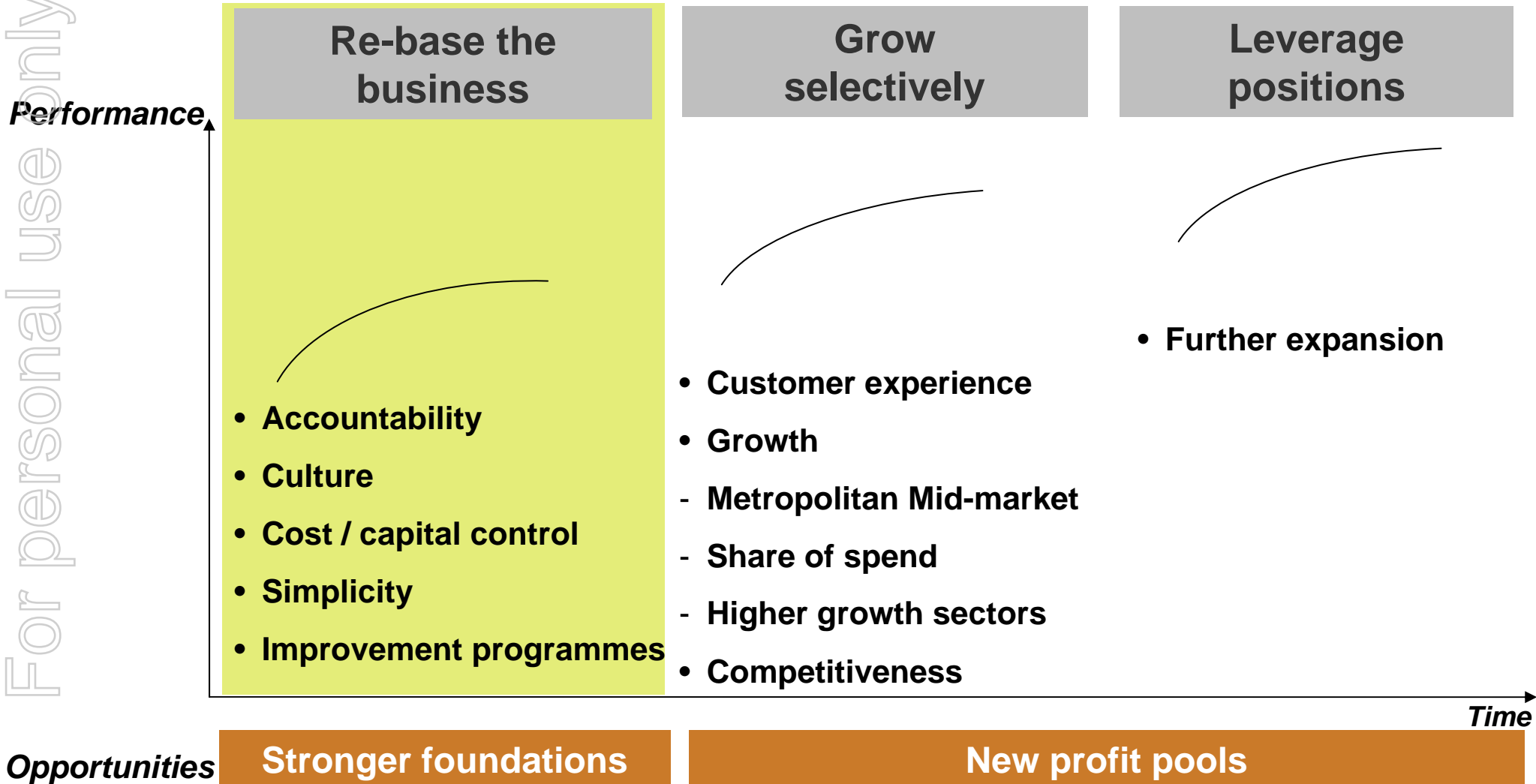


- Acquired December 2006
- #1 Materials Handling, Lifting & Rigging Specialist in Australia
- 18 branches, 310 staff
- Smooth integration into WIS portfolio
- Results ahead of plan
 - product and service growth
 - integrated supply with Blackwoods
 - sourcing and support services synergies



WIS Businesses leverage stronger platforms built over the past 18 months

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Stronger Platforms Built



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Strategic Initiatives	Progress	Achievements
Reposition businesses	<p style="text-align: center;">✓</p> <p style="text-align: center;">WIP</p>	<p><i>Accountability for results</i> National business units, supported by stronger Group Support Services</p> <p><i>Culture</i> Safety programme and investments: Lost Time Injuries YTD 15% lower Enhanced Performance Management system: KPIs / reporting / rewards Staff retention improved</p>
Rapidly reduce the capital base	<p style="text-align: center;">✓</p> <p style="text-align: center;">(ongoing)</p>	<p><i>Cost and capital control</i> Further efficiency savings, 38 small under-performing locations closed 23% capital reduction (excl. goodwill and Bullivants)</p>
Redesign the logistics model	<p style="text-align: center;">✓</p> <p style="text-align: center;">(ongoing)</p> <p style="text-align: center;">WIP</p>	<p><i>Simplification (category management)</i> 50% range depth rationalisation, focus on preferred suppliers Started to expand selected specialist ranges</p> <p><i>Supply Chain efficiency</i> Continued Distribution Centres and branch upgrade programme Delivery In Full On Time (DIFOT) improved by 8% over past 6 months</p>



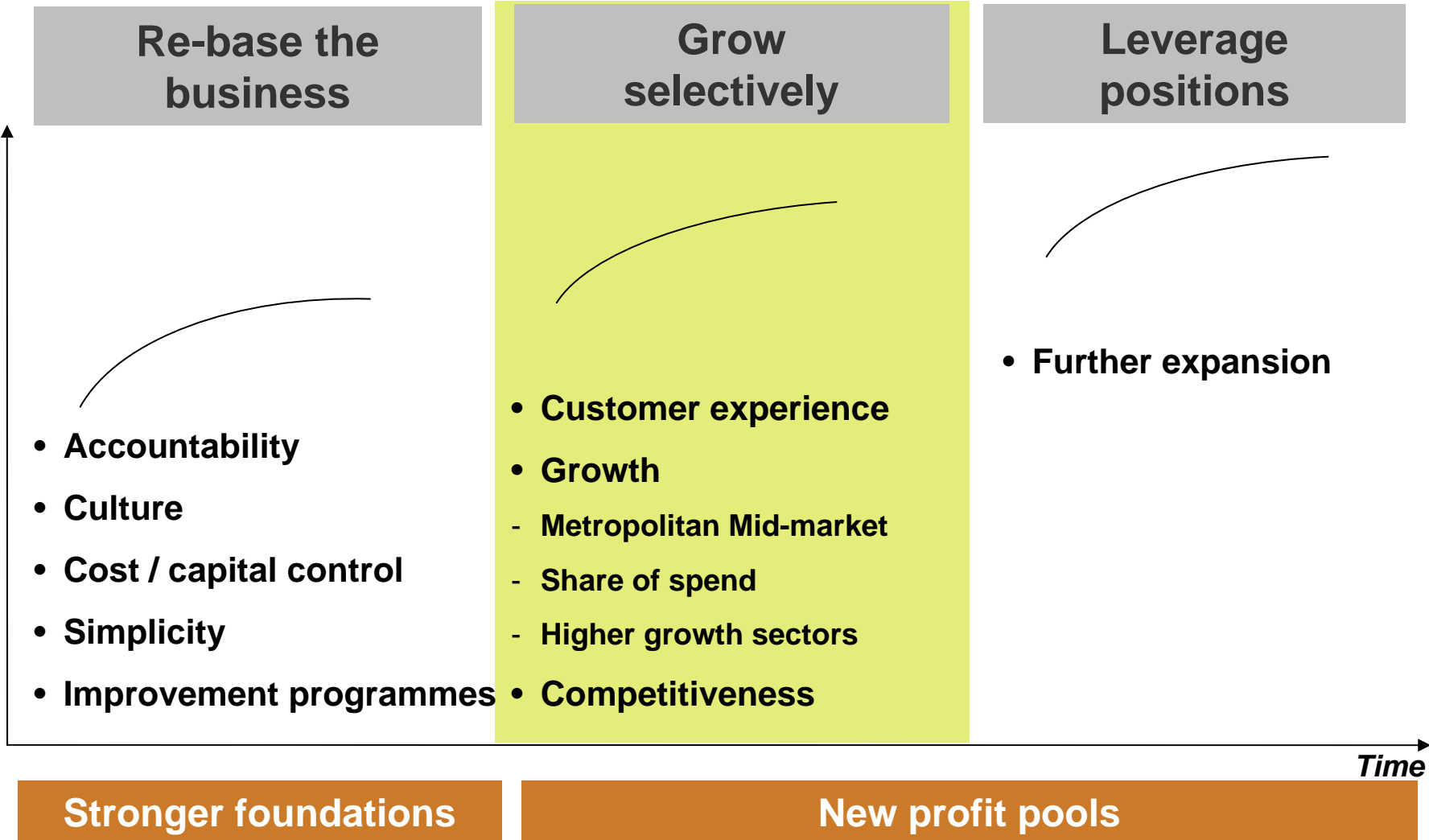
Supply chain effectiveness lifted

- Objectives
 - Deliver consistent service across our networks
 - Drive efficient door to door outcome from supplier to customer
- Information transparency, quality processes and systems
- Strong capital management focus
- Partnerships with quality suppliers and logistics providers
- Global sourcing office with full quality system and multiple overseas consolidation facilities including value add services such as intelligent packaging
- Commenced upgrade of DC footprint to provide the most efficient pick, pack and despatch for product, and the safest most accurate environment (barcodes, automation)



Enhanced focus on growth

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Growth strategy #1

Improve metropolitan sales performance

Strategic Initiatives	Progress	Achievements
Improve metropolitan sales performance	✓ (ongoing)	Small customer targeting <ul style="list-style-type: none">• 30 additional sales resources over past 6 months• Blackwoods sales force reorganised by market• More attractive incentive schemes• Sales training enhanced
	WIP	Introducing telesales to develop new small customer base
	✓ (ongoing)	Marketing and brand support <ul style="list-style-type: none">• competitive pricing and promotions• website upgrades, greater brand visibility

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Promotions and online channels

Regular promotions

Blackwoods ON SALE 12/10/07 to 12/11/07

PRICE BUSTER

Get a Mitchell Johnson Signed One Day Cricket Ball from Blackwoods

BONUS SIGNING WHITE ONE DAY CRICKET BALL WITH ALL PURCHASES OVER \$200.00 (W.E. OFFER USE)

145 Pce Boltset with Bonus Ramo Vodafone Race Cap \$134.00

AromasterPro Helmet \$285.00

Hand Pallet Truck \$469.00

Single Point Harness \$75.00

JIS Anti-Spiller Spray \$6.25

Galvanised Tool Box \$87.00

Fire Extinguisher \$29.50

Drill Set - Imperial \$114.25

blackwoods.com.au

New websites with enhanced functionalities

Blackwoods All Your Workplace Needs

Blackwoods Online Customers

- Expanded search and better filters
- Quick product navigation
- Check for alternate product data
- Free local warehouse near you (08) 9422 9999

CHOICE OF BEST BRANDS

QUICK VIEW TO REQUEST A COPY

Specials

Protector Aisafe

SPECIALS

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Growth strategy #2

Increase sales to existing customers



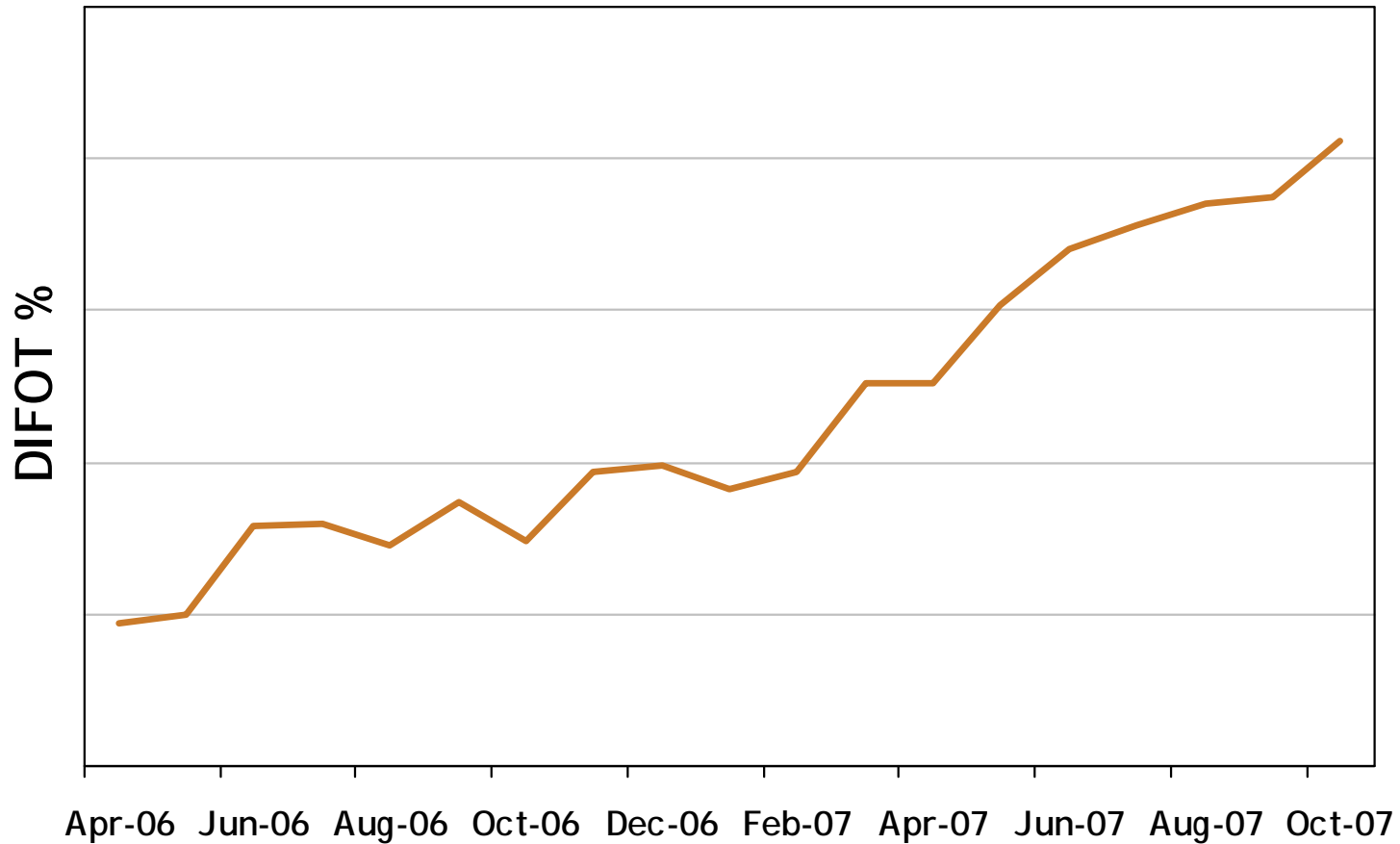
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Strategic Initiatives	Progress	Achievements
Increase sales to existing customers	<p>✓ (ongoing)</p>	<p>Continuously improving customer service</p> <ul style="list-style-type: none">• New user-friendly contract platform• Technical and industry expertise• Supply chain efficiency• Delivery performance
	<p>✓ (ongoing)</p>	<p>Better value propositions</p> <ul style="list-style-type: none">• e-Business processes and resources• Pricing consistency• Market and customer specific catalogues



Delivery performance continues to rise

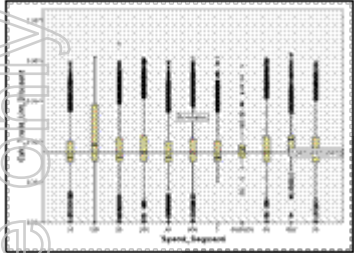
Ongoing focus on a better customer experience



Recognised by the 2007 Best Industrial Supply Chain Management Award in Australia (IBIS World / Logistics Magazine)



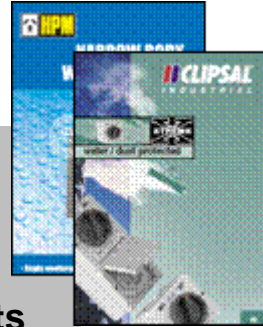
Robust pricing infrastructure in place



Historic Trading Prices

Vendor Price Lists

- Relative positioning of products



Competitor Web + Catalogue Price Scraping

- in-house web scraping tool
- Manual data entry in India



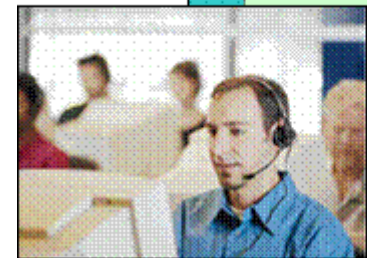
Pricing Engine

Competitor Price Audit

Product	Price	Competitor	Margin
...
...
...

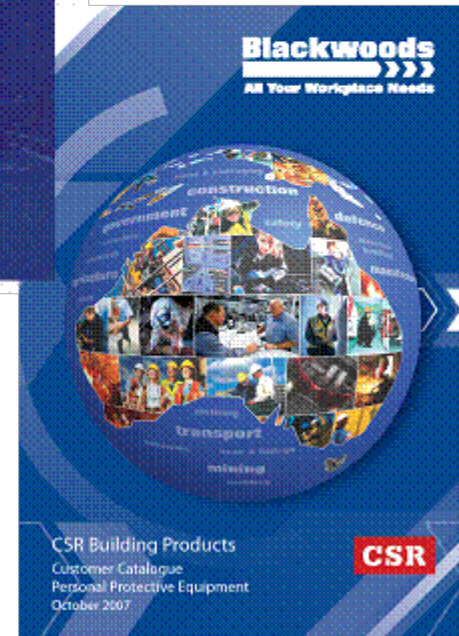
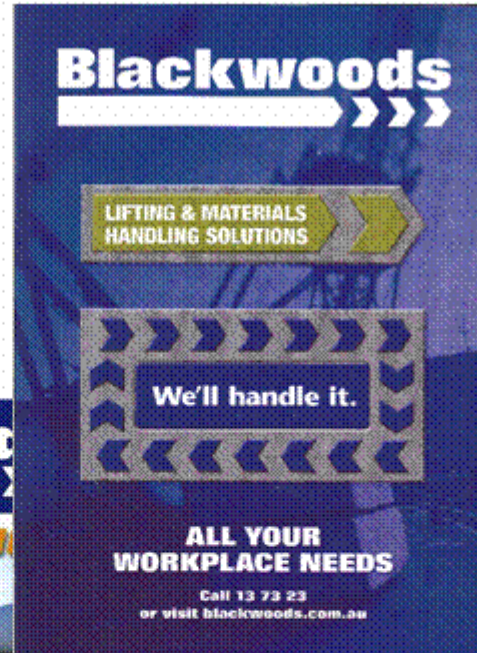
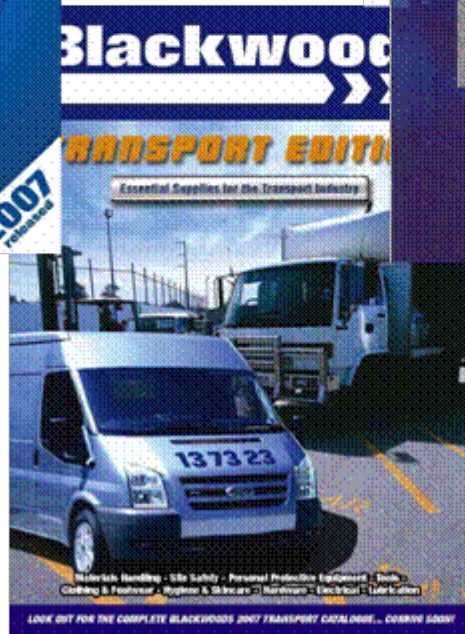
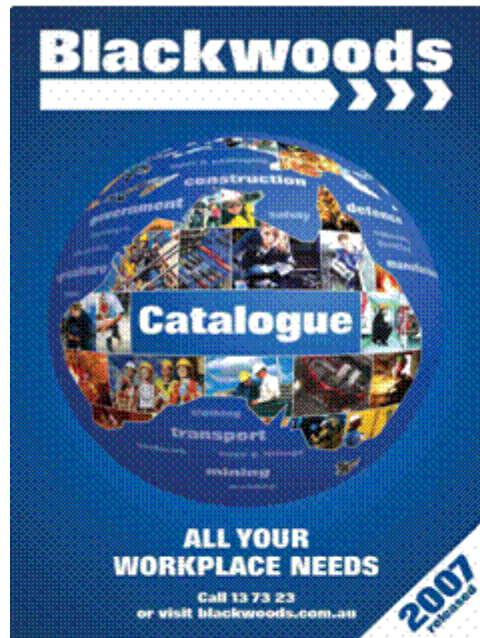
Purchasing Costs

- Price floor + margin impact assessment



General catalogues supplemented by market, product and customer-specific catalogues

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Growth strategy #3

Target higher growth sectors

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Strategic Initiatives	Progress	Achievements
Target higher growth sectors	WIP  (ongoing)	Develop range of products and services <ul style="list-style-type: none">• Protector Alsafe OH&S training services• Blackwoods On-Site Services (BOSS) Networks expansion and acquisitions complementing organic growth <ul style="list-style-type: none">• 4 acquisitions completed over the past 12 months



Developing national services



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Protector Alsafe Accredited Training services



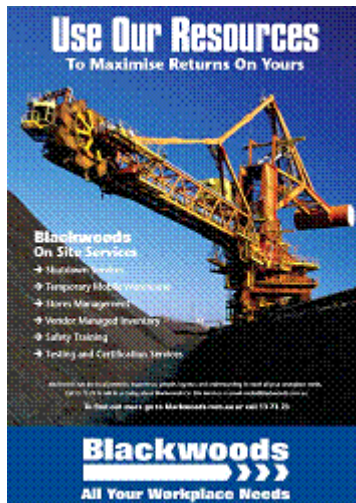
National standard of competency based training

- Rolling-out in each capital city onsite and/or training facility

Developing training offer

- Height safety, confined space, use of correct PPE, fire fighting...

Blackwoods On-Site Services



Customer configured mobile warehouses

- RF and back to base capabilities
- Five level of reporting
- Ongoing stock take / inventory maintenance

Suite of other on-site services

- Including testing, training...



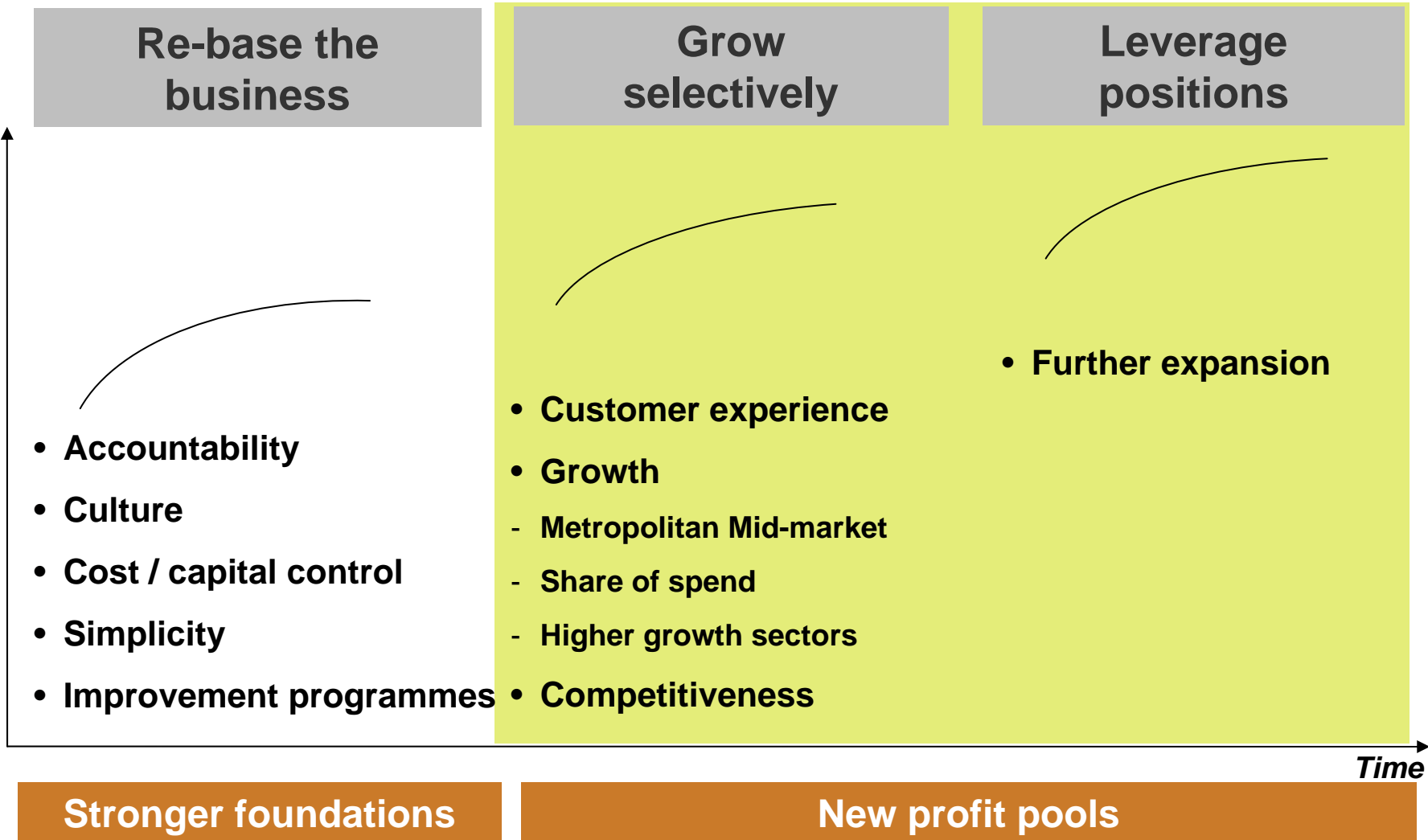
WIS is in a stronger position going forward

- Leading supplier of engineering , industrial consumables and safety products to industry and government across Australia and New Zealand
 - “All your workplace needs” Blackwoods offering
 - Complemented by leading specialists
- Logistic backbone with integrated IT system
 - Leading supply chain, extensive distribution and branch network
- Broad product range
 - Leading supplier brands completed by quality home brands
- Value-add services including strong eBusiness platforms
- Knowledgeable & passionate teams, with a total of 3,200 employees
 - From account management, customer service, technical support to support services



Going forward

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Outlook

- **Market conditions remain mixed**
 - Continued demand from resources and infrastructure in QLD and WA
 - Manufacturing conditions remain subdued in Australia and New Zealand
- **Ongoing strong competition and commoditisation pressures**
- **Scarcity of skilled labour**
- **However satisfactory growth is expected**
 - Leveraging simpler, leaner and more competitive foundations
 - Continued growth in Blackwoods and improved position of Specialists
 - all businesses ahead of last year
 - Ongoing review of acquisition opportunities

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2007/08 Priorities



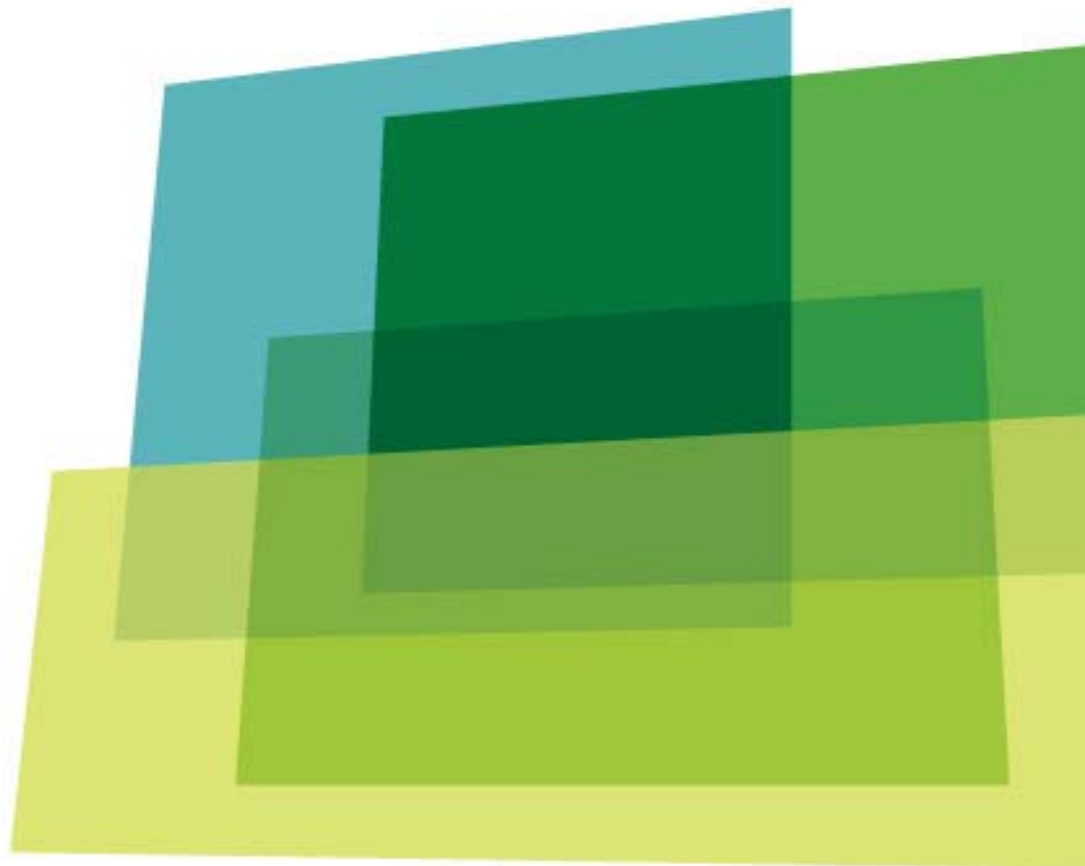
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- **Customer experience**
 - Delivery performance
 - Preferred suppliers complemented by quality home brands
 - Clear, competitive and consistent pricing
 - Technical support
 - Expanded service offering to further improve value proposition
- **Continued business simplification, cost and capital discipline**
- **Positive culture**
 - Safety, customer service and performance
- **Focus on profitable growth**
 - Organic and inorganic





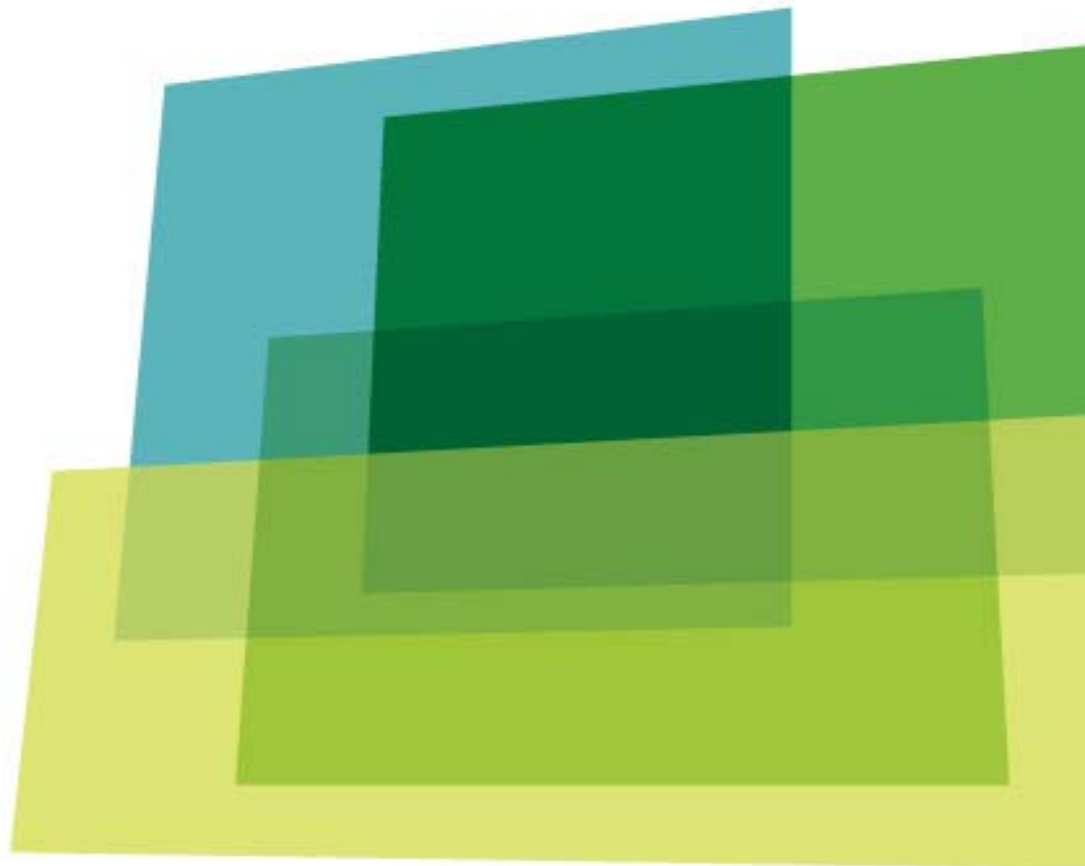
Questions





Energy

Tim Bult



Wesfarmers Energy

Delivering long term sustainable growth

Industrial and medical gases



Production, distribution and marketing of LPG and LNG



WESFARMERS LPG



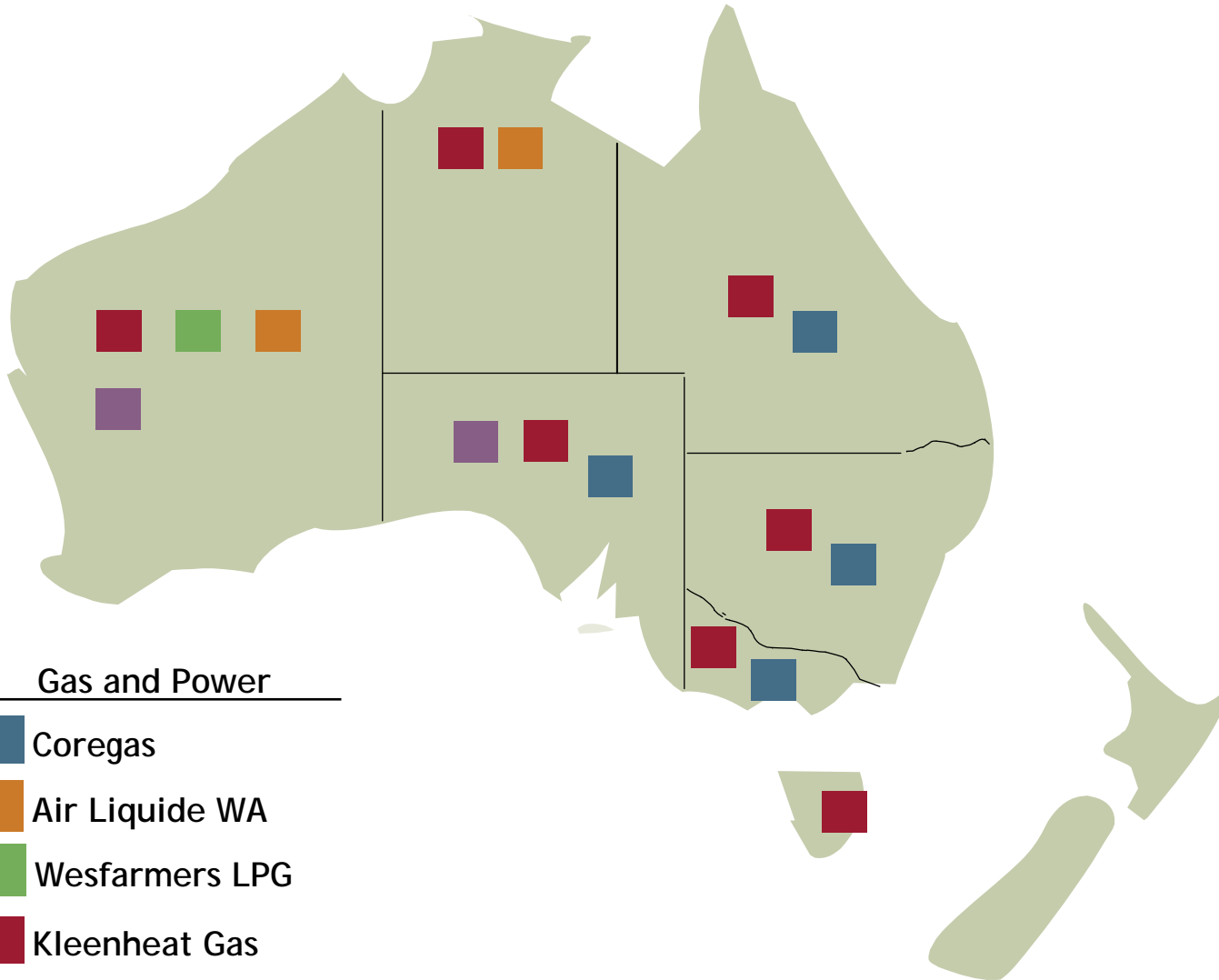
Power generation



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Wesfarmers Energy

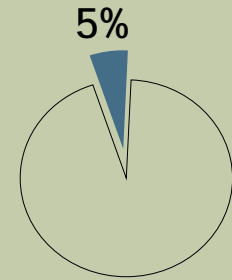
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Gas and Power

- Coregas
- Air Liquide WA
- Wesfarmers LPG
- Kleenheat Gas
- enGen

EBIT CONTRIBUTION (FY 07)



- 950 employees
- 279,500 gas customers
- 23 remote power stations
- 3 air separation units
- 1 LPG extraction plant
- 1 hydrogen plant





Highlights - YTD 08

- Divisional performance broadly in line with expectations
- Coregas integration now complete
- WA LNG project implementation remains:
 - on budget and
 - on schedule
- Record high energy prices
- Agreement to sell UNIGAS interest

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Current market conditions

- Experiencing subdued market activity for industrial gases in NSW
- Record USD Saudi CP
 - continuing pressure on Kleenheat Gas
 - improving WLPG sale prices
- LPG content in DBP remains uncertain
- LPG export volumes lower

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World LPG Prices - Saudi CP



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USD/tonne

Propane

800

600

400

200

0

Nov-91 Nov-93 Nov-95 Nov-97 Nov-99 Nov-01 Nov-03 Nov-05 Nov-07

Average
Jul 07 - Nov 07
USD 617

Average
Jul 06 - Nov 06
USD 508

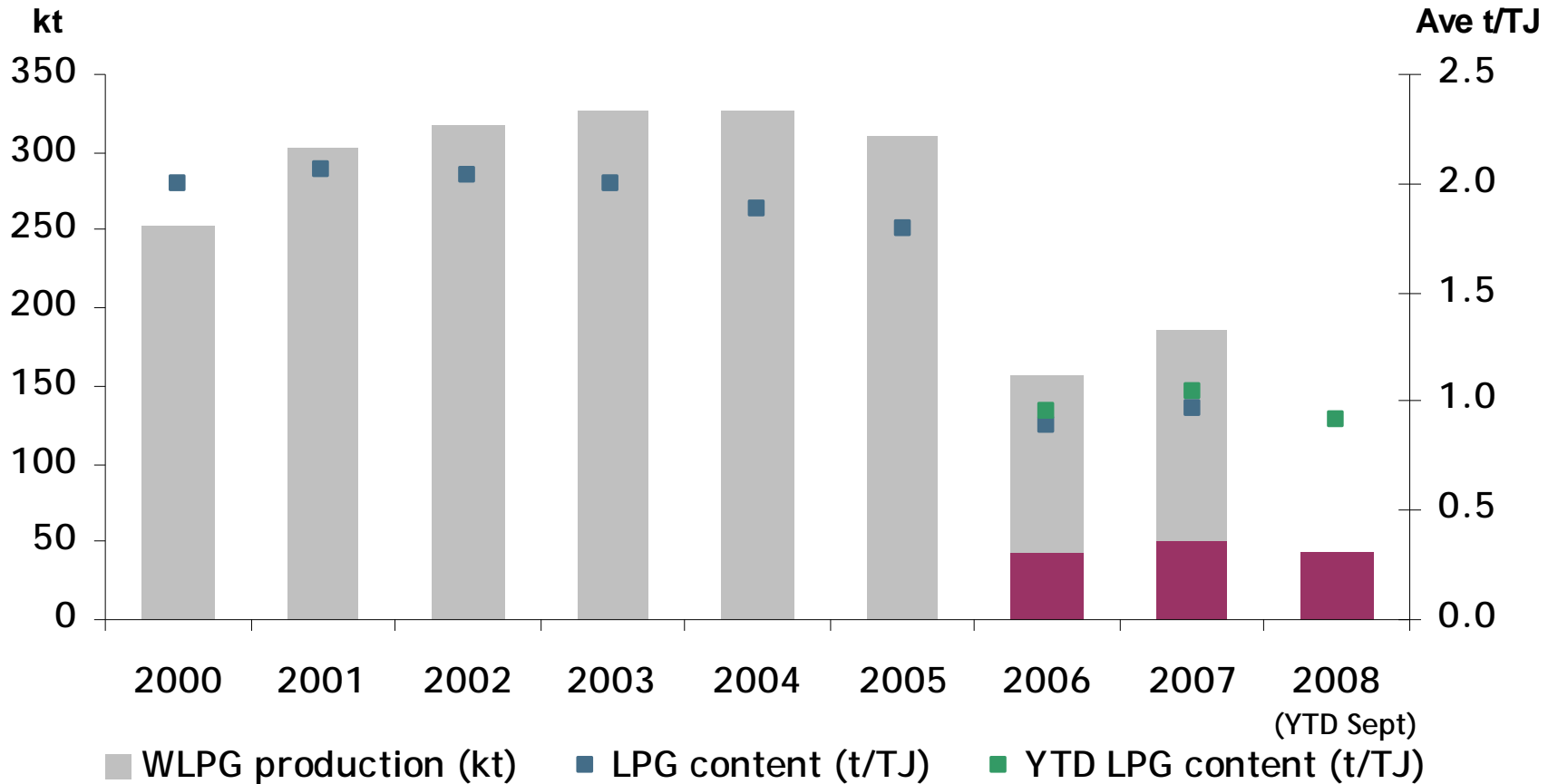


Continued cost pressure on Kleenheat Gas



W LPG Production

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Year to date W LPG production 14% below previous year



Strategies



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Strategies	Sector	Status
Improve – Existing Businesses	Industrial gas growth in: <ul style="list-style-type: none"> • eastern states sales; and • oil and gas sector 	Underway
	Maximise LPG production LPG distribution: <ul style="list-style-type: none"> • customer focus; and • controllable costs 	Exploring options Ongoing
	Pursue new power generation projects	Ongoing
Expand – Deliver Projects	Industrial gas – supply projects	Progressing well
	LNG – WA Project: <ul style="list-style-type: none"> • Plant / Distribution • HDV market development • Power stations 	On track
Evaluate – New Opportunities	LNG projects – east coast	WIP
	Other alternative fuels and renewables	WIP

Improve - existing businesses: Industrial & medical gases

Coregas

- Integration now complete
- Increased emphasis on safety
- Business improvement programme

Air Liquide WA (40%)

- Supply chain optimisation
- Enhanced sales focus



Matthew Peacock - Coregas

Improve - existing businesses:

LPG - production

- Exploring options to:
 - improve certainty
 - maintain or increase content
- Optimise exports
- Manage inventory
- Plant performance:
 - availability
 - LPG recovery



Improve - existing businesses: LPG - distribution

- Customer focus
 - continuing technology enhancement
 - ‘Territory Model’ benefits being realised
- Controllable costs
 - rationalisation/upgrade of facilities
 - streamlining processes



Kleenheat Gas' Bob Carey

Improve - existing businesses: Power generation

- Remote Aboriginal Communities
 - four power stations complete
 - last to be completed December
- Assessing opportunities:
 - build, own, operate (BOO)
 - design and construct (D&C)
 - operations & maintenance (O&M)



Warmun Aboriginal Remote Community Power Station opening

Expand - deliver projects: Industrial & medical gas

Coregas

- Liquid nitrogen plant at commissioning
- Acetylene plant construction underway

Air Liquide WA (40%)

- North west oil and gas opportunities
- Upgrade of ASU



Air Liquide (WA)'s ASU

Expand - deliver projects: LNG - WA Project - plant

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Expand - deliver projects: LNG - WA Project - distribution

- LNG road tanker construction on track
- First refueller installed with other installations progressing
- Vessels installed at mine-sites



60 kl refueller at Peak Truck stop, Kewdale



Expand - deliver projects: LNG - WA Project - customers

- Power stations
 - all generation sets received
 - construction at Darlot well advanced
 - Sunrise Dam construction underway

- Heavy duty vehicle (HDV)
 - customer conversions ramping up



Darlot power station under construction



A converted LNG tanker





Evaluate - new opportunities

- LNG - east coast opportunities
- LPG - Kwik-Gas cylinder exchange
- Power generation - solar and other renewable energy
- Assessing other gas and power opportunities





Outlook



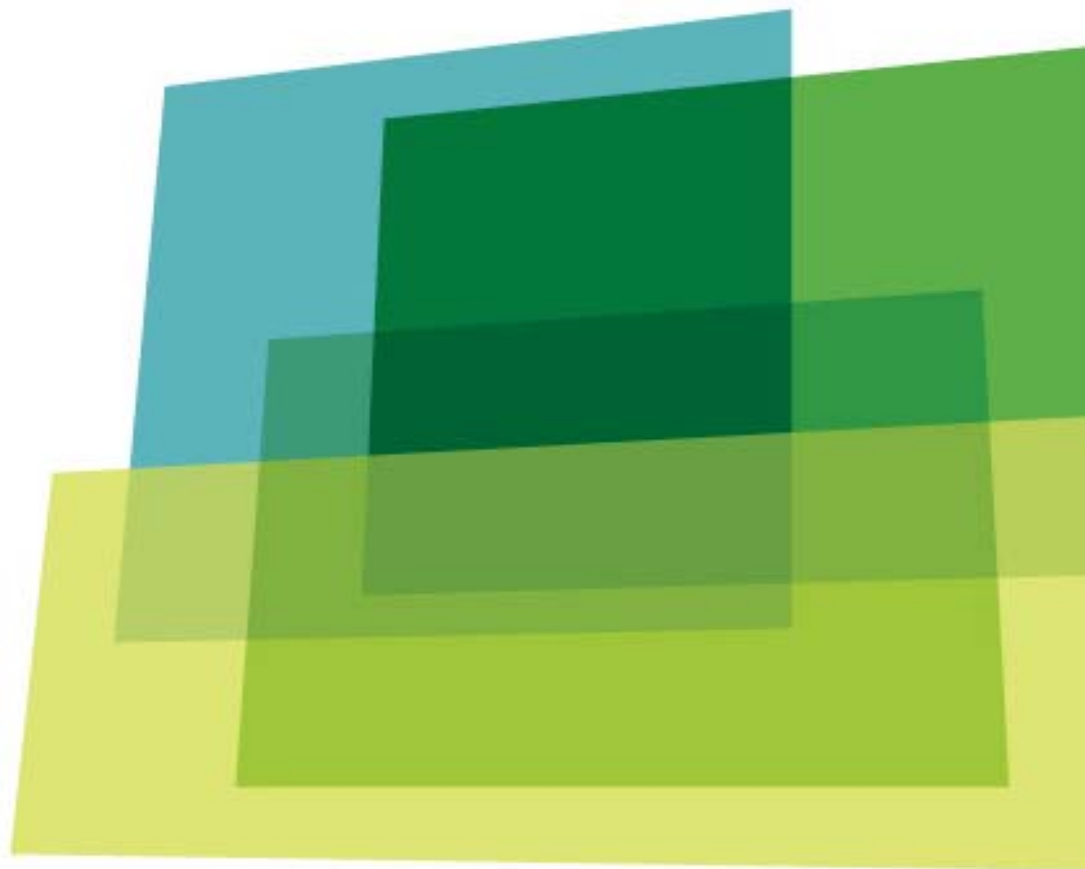
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- Dependent on Saudi CP and LPG content in DBP
- Lower LPG export volumes vs 2007
- Completion of industrial gas supply projects
- WA LNG Project
 - commissioning of Kwinana plant, distribution assets and power stations
 - contribution from 2009
- Increasing R12 capital employed
 - full year of Coregas
 - new project CAPEX
- Investments for long term growth





Questions



Q & A

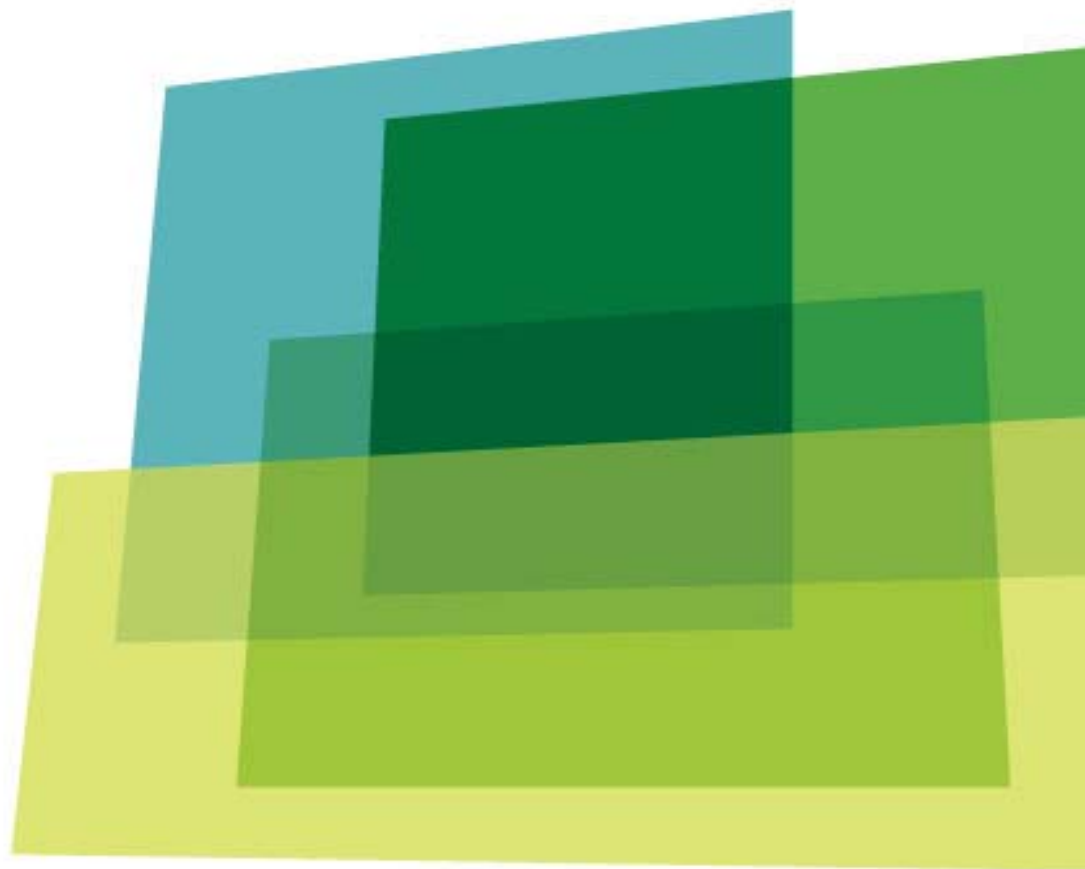
Richard Goyder
Managing Director, Wesfarmers Limited

Gene Tilbrook
Finance Director, Wesfarmers Limited



Other Businesses

Gene Tilbrook



Wespine (50% owned)

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Strategic Issues	Strategies and Achievements
Long term, consistent supplies	<ul style="list-style-type: none">• Planning for supply post 2012
Regional competitiveness	<ul style="list-style-type: none">• Increased sawmill capacity by 15% to 430,000 m³ pa; now operating• Evaluating opportunities to utilise resources better
Safe, stable workforce	<ul style="list-style-type: none">• Continuing recruiting and training programmes



Gresham Private Equity

Fund 1

- Norcros divested, with some deferred consideration
- Current investment \$31.4m
- Exit of Riviera expected over next several years
- Gross cash realised IRR 30+%

CURRENT INVESTMENT PORTFOLIO

Riviera

Ocean Cruisers





Gresham Private Equity

Fund 2

- Wesfarmers' current commitment \$180m; Capital invested \$141m
- New Investments:
 - Barmenco
 - Experiential Group
- Revaluations are to Wesfarmers' earnings

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Gresham Private Equity

Fund 2

CURRENT INVESTMENT PORTFOLIO

Noel Leeming

*electrical retailer
(New Zealand)*



Witchery

women's fashion apparel

WITCHERY

Australian Pacific Paper Products

*manufacturer & distributor
of disposable nappies (Australia)*



Barminco

contract mining services



GEON (Pacific Print Group)

*leading commercial printing
business (NZ + Aust)*



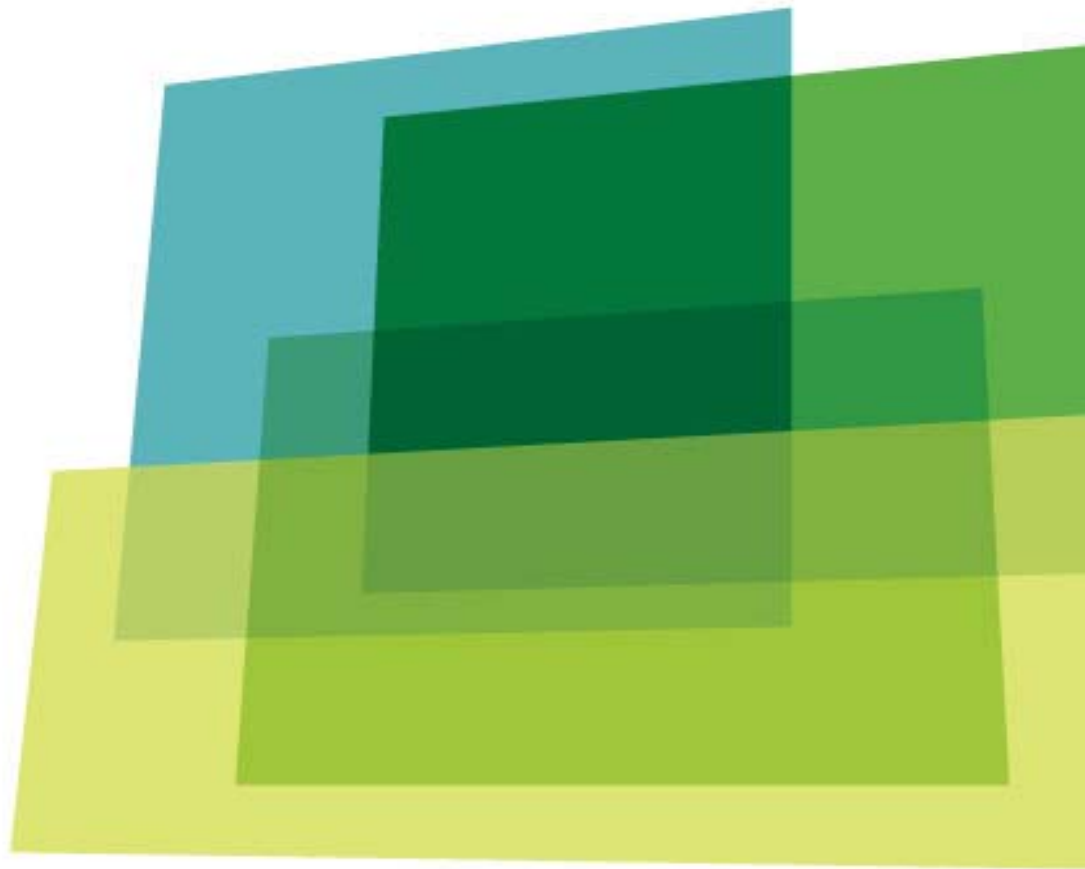
Experiential Group

Leisure travel services





Capital Management



Capital Structure



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Equity	
Number of Ordinary Shares	541 million
Number of WPPs	153 million
Average Debt	
Syndicated Bank Debt	\$9.5 billion (of \$10b facility)
Other Debt (Bank, Bonds, CP & MTNs)	\$2.0 billion



Wesfarmers Price Protected Shares ("WESN")



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Summary of WPPS Terms

Form	<ul style="list-style-type: none">• Class A Wesfarmers ordinary shares, ranking alongside ordinary shares
Dividends	<ul style="list-style-type: none">• Dividends equal to those on ordinary shares (including franking)
Conversion*	<ul style="list-style-type: none">• At maturity, WPPS convert into Wesfarmers ordinary shares and may be entitled to receive bonus shares• WPPS may convert prior to maturity: upon a holder election; or if the WES VWAP exceeds \$45 for 20 consecutive days; or at Wesfarmers' election• WPPS converts to between 1.0 and 1.25 WES ordinary shares
Maturity	<ul style="list-style-type: none">• 4 year initial term• Extendable for up to 4 additional 1 year periods if the ASX-200 Industrials Index is below 6,500 points

* Details in Annexure A of Scheme Book





Debt Funding

- Committed corporate debt facilities in place to fund cash portion of offer
- S&P and Moody's ratings BBB+ and Baa1 respectively
- Insurance underwriting activities will be ring-fenced to retain A- rating
- Maintains Wesfarmers' flexibility in funding capex and potential acquisitions

Post Acquisition Debt	\$bn
Cash component of bid	4.3
Coles net debt ¹	1.3
Refinanced bridge facility	2.1
Transaction costs	0.4
Total acquisition debt	8.1
WES net debt at 30 June 2007 ²	2.9
Average working capital	0.5
WES indicative net debt	11.5

1. Estimate based on consensus net debt, adjusted for payment of 25c dividend.
2. WES reported net debt of \$5.0b less refinanced bridge facility of \$2.1b (drawn to finance Wesfarmers' 10.6% shareholding in CGJ).



Ratings Considerations

- WES becomes more heavily weighted to the more stable food-retailing sector
- WES has a strong track record of integrating acquired assets
- S&P BBB+; Moody's Baa1
- Financial metric focus:
 - FFO to total debt
 - Total debt to EBITDA
 - EBITDA interest cover



Syndicated Facility Details



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Borrower	Wesfarmers Limited
Mandated Lead Arrangers	Australia and New Zealand Banking Group BNP Paribas nabCapital
Security	Unsecured, senior ranking with all unsecured loan obligations of the Borrower All material subsidiaries guarantee provided
Facility Amount	AUD 10,000 million
Tranches & Maturity Dates	Facility A – AUD 4,000 million Bridge Facility; 364 days Facility B – AUD 5,000 million Term Loan Facility; 3 years Facility C – AUD 1,000 million Revolving Loan Facility; 364 days



Indicative Refinancing Options



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Funding Type	Currency	Tenors Available	Indicative Capacity [^]	Potential Refinancing
Syndicated Bank Facility	AUD	5 Years	1,500	1,000
Commercial Paper #	AUD	< 1 Year	1,000	Nil
Domestic MTNs	AUD	5 Years	1,000	500
Offshore MTNs - USPP (Reg D)	USD	5-12 Years	750	\$1.5bn to \$2.0bn to be raised in a combination of these markets
Offshore MTNs - US 144A	USD	5-30 Years	1,000	
Offshore MTNs - Reg S	USD	5-10 Years	400	
Euro MTN	GBP/EUR	7-10 Years	2,000	
Domestic Hybrids	AUD	5 Years	750	
Offshore Hybrids	GBP/EUR	10 Years	750	500
Total			9,150	4,000

[^] Subject to the markets at time of refinancing

Subject to improvements in CP market



Pro-forma Balance Sheet

Wesfarmers Merged Group Unaudited Pro-forma Balance Sheet – FY07

	Wesfarmers Pro-forma ¹	Coles Group	Pro-forma Adjustments	Pro-forma
Cash	218.5	546.1	-	764.6
Receivables & Inventories	2,860.0	3,416.5	-	6,276.5
Property, plant and equipment	2,715.9	3,467.6	-	6,183.5
Intangibles and goodwill	2,698.1	1,670.2	15,027.6	19,395.9
Other assets	1,541.0	620.7	-	2,161.7
Total Assets	10,033.5	9,721.1	15,027.6	34,782.2
Payables	1,254.2	3,057.9	-	4,312.1
Interest-bearing loans	3,045.5	1,485.9	6,725.0	11,256.4
Other liabilities	2,196.3	1,270.5	-	3,466.8
Total Liabilities	6,496.0	5,814.3	6,725.0	19,053.3
Net Assets	3,537.5	3,906.8	8,302.6	15,747.0

1. Excludes balances related to Wesfarmers initial 10.6 per cent holding in Coles Group.

Source: Scheme Book restated for \$40 WES and WESN share price and final shares issued



Free Cash Flow

- Pro-forma combined cash flow is presented on an illustrative basis and is not necessarily representative of Merged Group statutory accounts

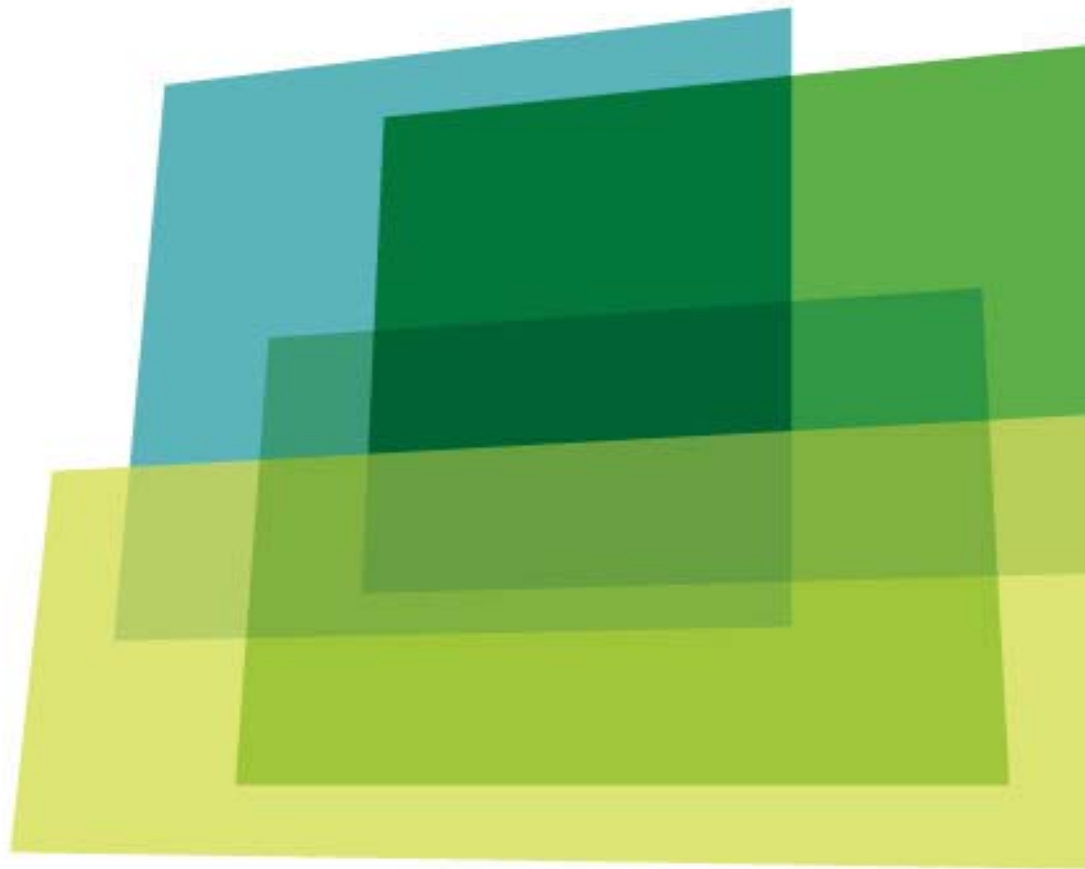
Wesfarmers & Coles Combined Schedule of Free Cash Flow – FY07

	Wesfarmers ¹ Pro-forma	Coles Group ²	Combined ³
EBITDA	1,650.0	1,707.1	3,357.1
Operating cash flows	1,323.9	942.5	2,266.4
Investing cash flows	(778.0)	(857.0)	(1635.0)
Free cash flow	545.9	85.5	631.4

Source: Scheme Booklet

- Excludes balances related to initial 10.6 per cent holding in Coles Group. Investing cash flows exclude \$1.3b for acquisitions.
- Coles Group financial information includes ownership review costs.
- The combined cash flows exclude any impact from cash flows that will result from the acquisition.





Questions



Wesfarmers

For all the latest news visit

www.wesfarmers.com.au

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