



# Investor Briefing

10 May 2005

Westin Hotel, Sydney



**Michael Chaney**  
Managing Director, Wesfarmers Limited



# Wesfarmers Industrial and Safety

Bob Denby  
Managing Director



# Business environment

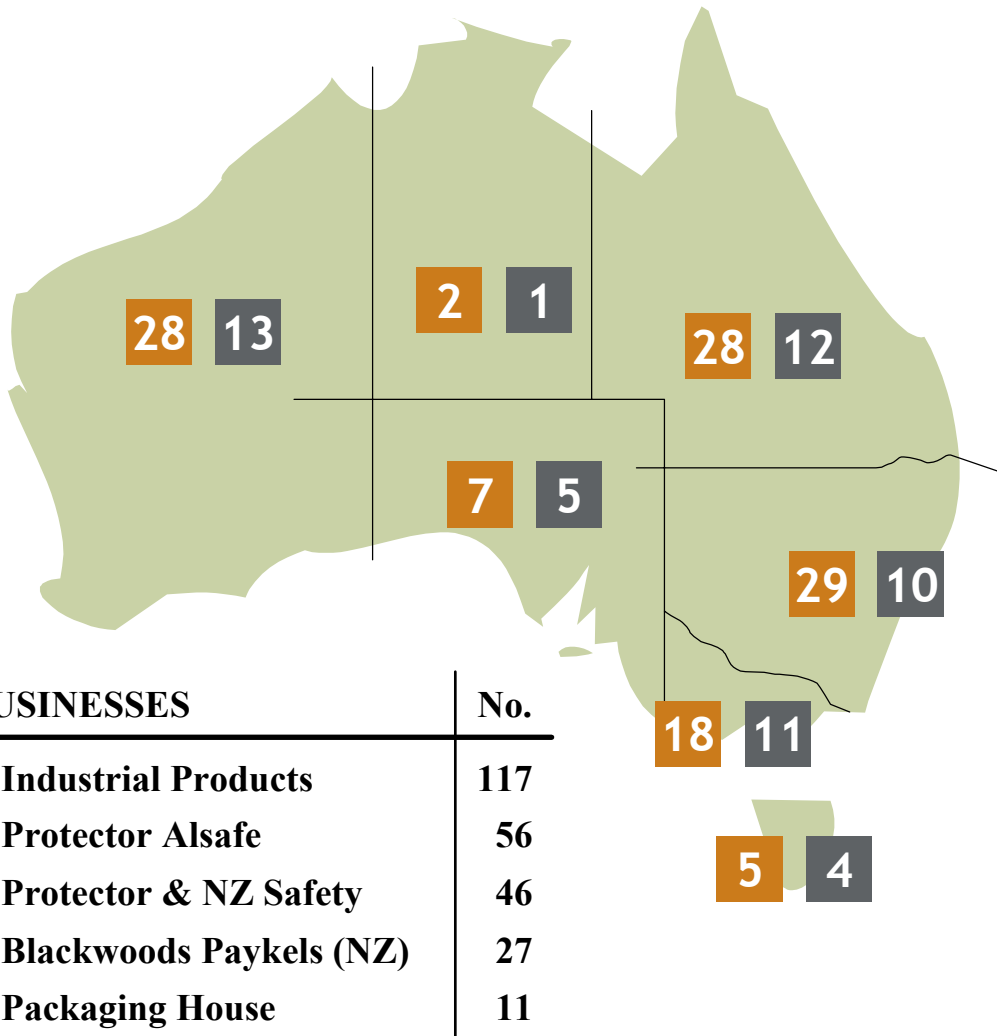


- Two market segments:
  - Industrial Products - Maintenance Repair & Operating (MRO)
  - Safety Products
- Wesfarmers Industrial and Safety is the market leader in a highly fragmented market

## Estimated Market Shares

	Industrial Products	Safety Products
Australia	8%	17%
New Zealand	9%	37%

# Distribution network



## Quick Facts

100,000 customers  
 6,500,000 orders pa  
 15,000,000 order lines pa  
 12,000 vendors  
 3,300 employees  
 257 locations

BUSINESSES	No.
Industrial Products	117
Protector Alsafe	56
Protector & NZ Safety	46
Blackwoods Paykels (NZ)	27
Packaging House	11

# Organisation



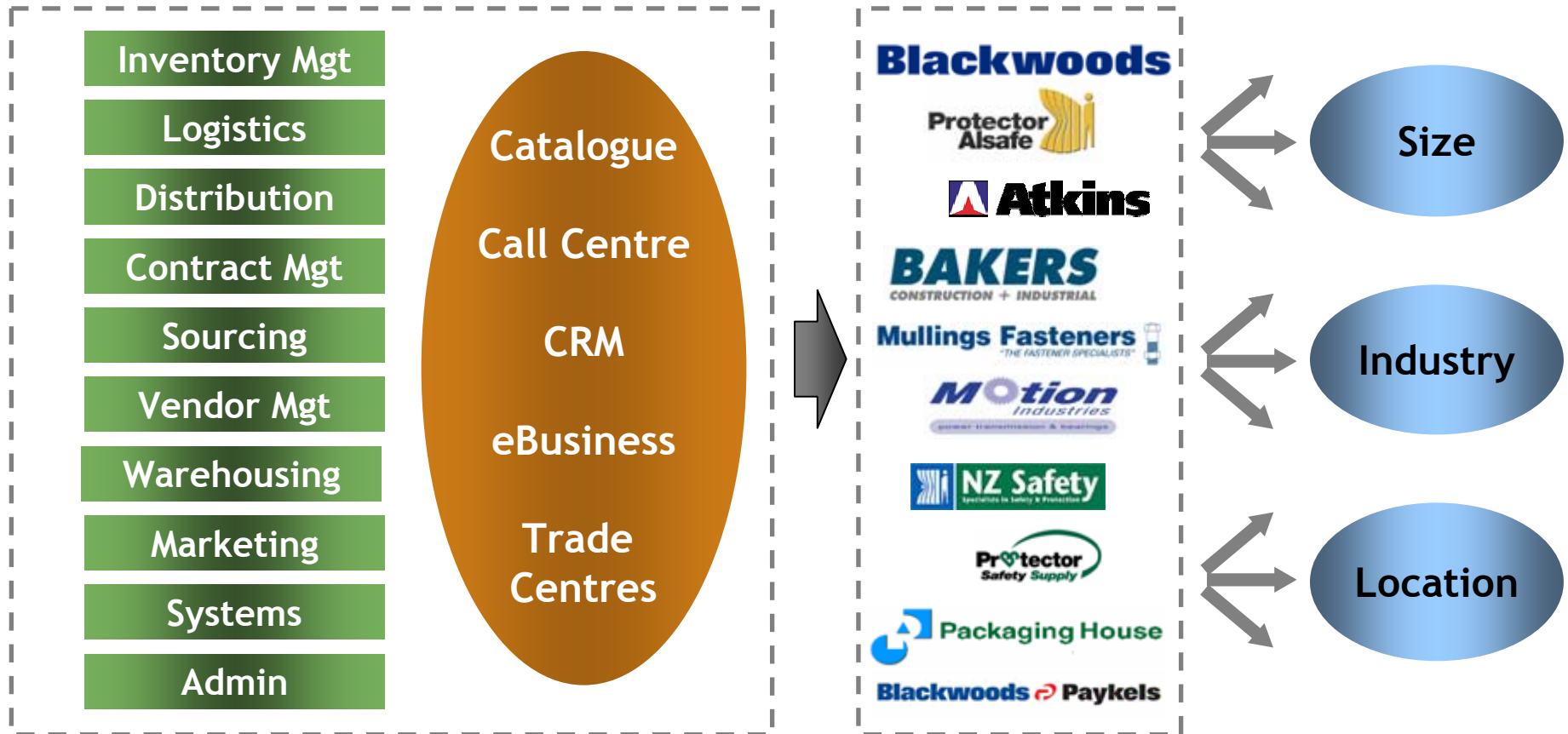
## Fulfillment / Support Services

## Selling Methods

## Trading Streams

## Diverse Customers

Common / Shared Infrastructure



# Catalogues



## Blackwoods Catalogue

80,000+ products

1,500+ pages

280+ vendors

One of Australia's largest print runs

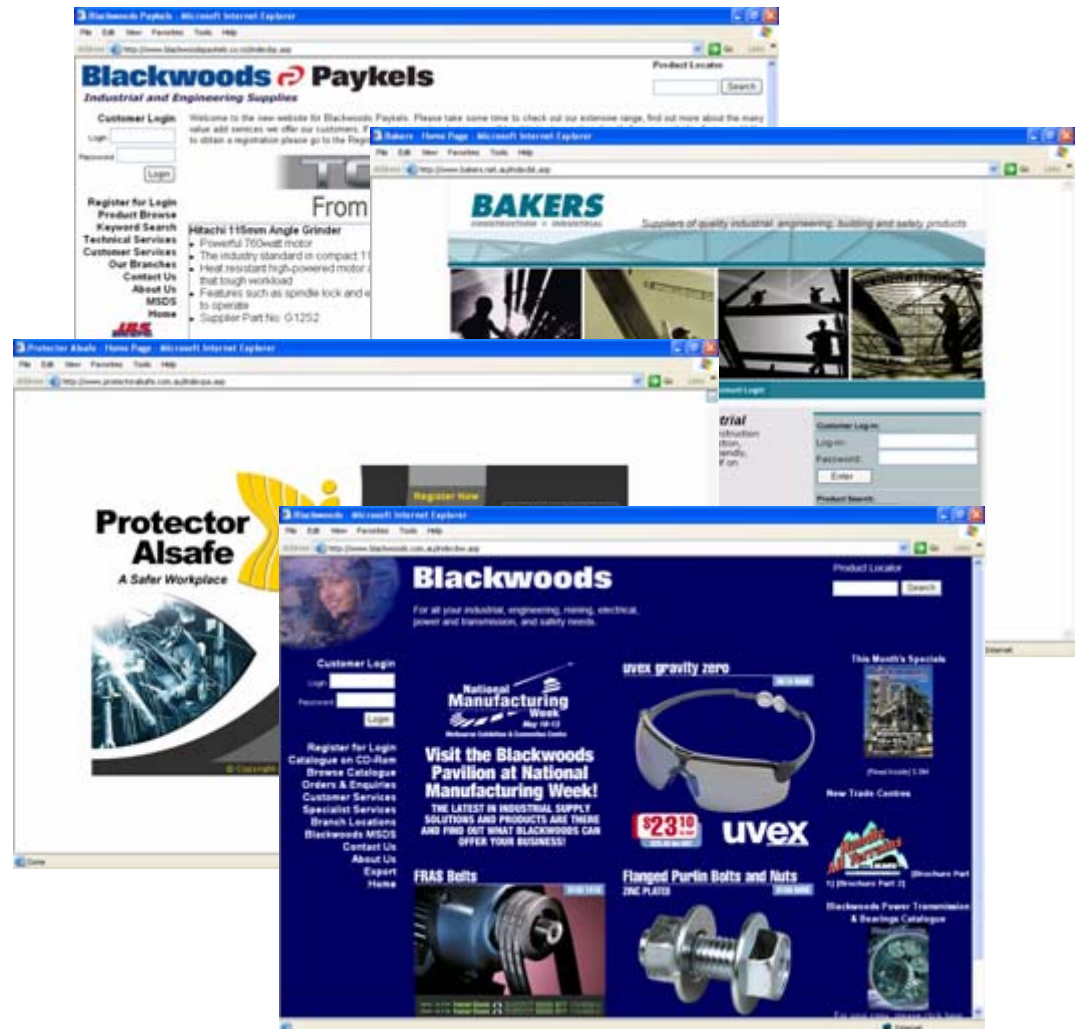
## Other Catalogues

Protector Alsafe, Bakers, Mullings  
Fasteners, Motion Industries, NZ  
Safety, Protector Safety Supplies,  
Blackwoods Paykel, Packaging  
House

# eBusiness capabilities



- MRO market leaders in eBusiness
- eBusiness - steady growth as a proportion of sales
- Leading eBusiness implementation partner - customers /vendors





# Distribution centre upgrades



- Complete - Scoresby Vic (IP), Altona Vic (PA), Canning Vale WA (IP), Wiri NZ (Safety), Smithfield NSW (PA & Import), Derrimut Vic (IP), Welshpool WA (PA)
- In progress - Regency Park SA (IP), Wiri NZ (IP), Virginia Qld (PA), Wiri NZ (Packaging House)
- Planned - Wacol Qld (IP), Smithfield (NSW), Blacktown NSW (IP), Christchurch NZ (IP)

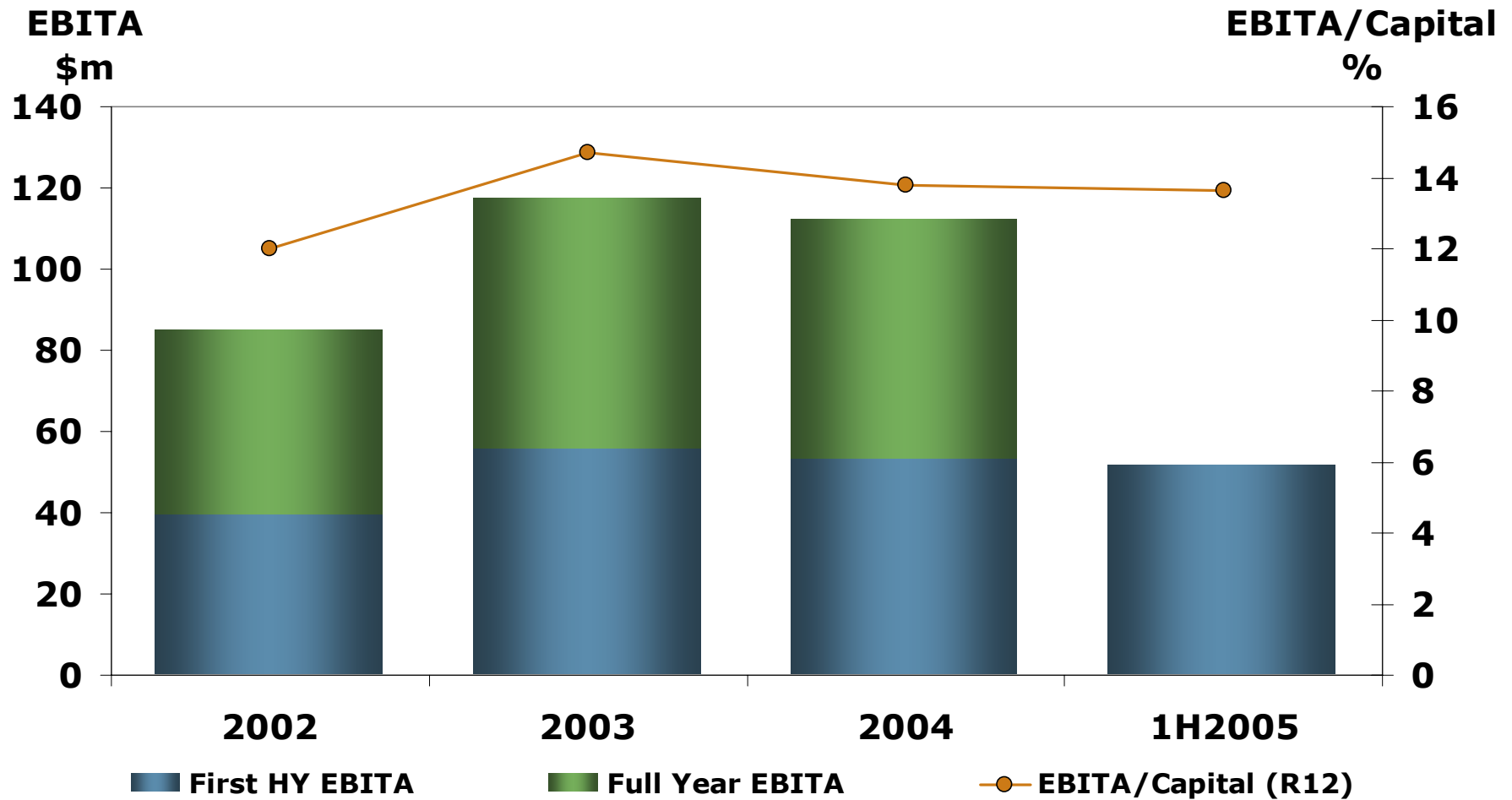


# Business environment



- Increased sales revenue; EBITA is expected to be similar to last year
- Industrial Products experienced continued strong sales growth in Qld and WA but tight market conditions in NSW and Vic
- Improvements at Protector Alsafe - daily sales average higher than March and April last year
- Solid trading conditions in New Zealand businesses; Blackwood Paykels remains below expectations
- Pressure continues on trading margins

# Financial performance



# Strategies



- Grow market share in selected product categories
- Reduce expense to sales ratio - business improvement program
- Reduce working capital - inventory
- Reduce LTIFR and improve employee retention

## Strategies (cont.)



- Port Jackson Partners performing a strategic review - diagnostic completed
- Initial findings (broadly support WIS' strategies):
  - Wholesale MRO (Industrial Products) good business, with the opportunity to grow market share
  - Further enhance common/shared fulfillment activities (inventory management, logistics, distribution, sourcing, warehousing etc)
  - Opportunity to leverage current infrastructure and expand network - especially in regional areas
  - Continue the development of the import program

# Business outlook



- **Australia**

- Solid market conditions - strong growth in mining, Qld and WA performing well
- Improving results from Protector Alsafe
- Continuing pressure on trading margins

- **New Zealand**

- Moderate growth
- Improvement plan on track at Blackwoods Paykels (NZ)

# Questions



# Chemicals and Fertilisers

Keith Gordon  
Managing Director



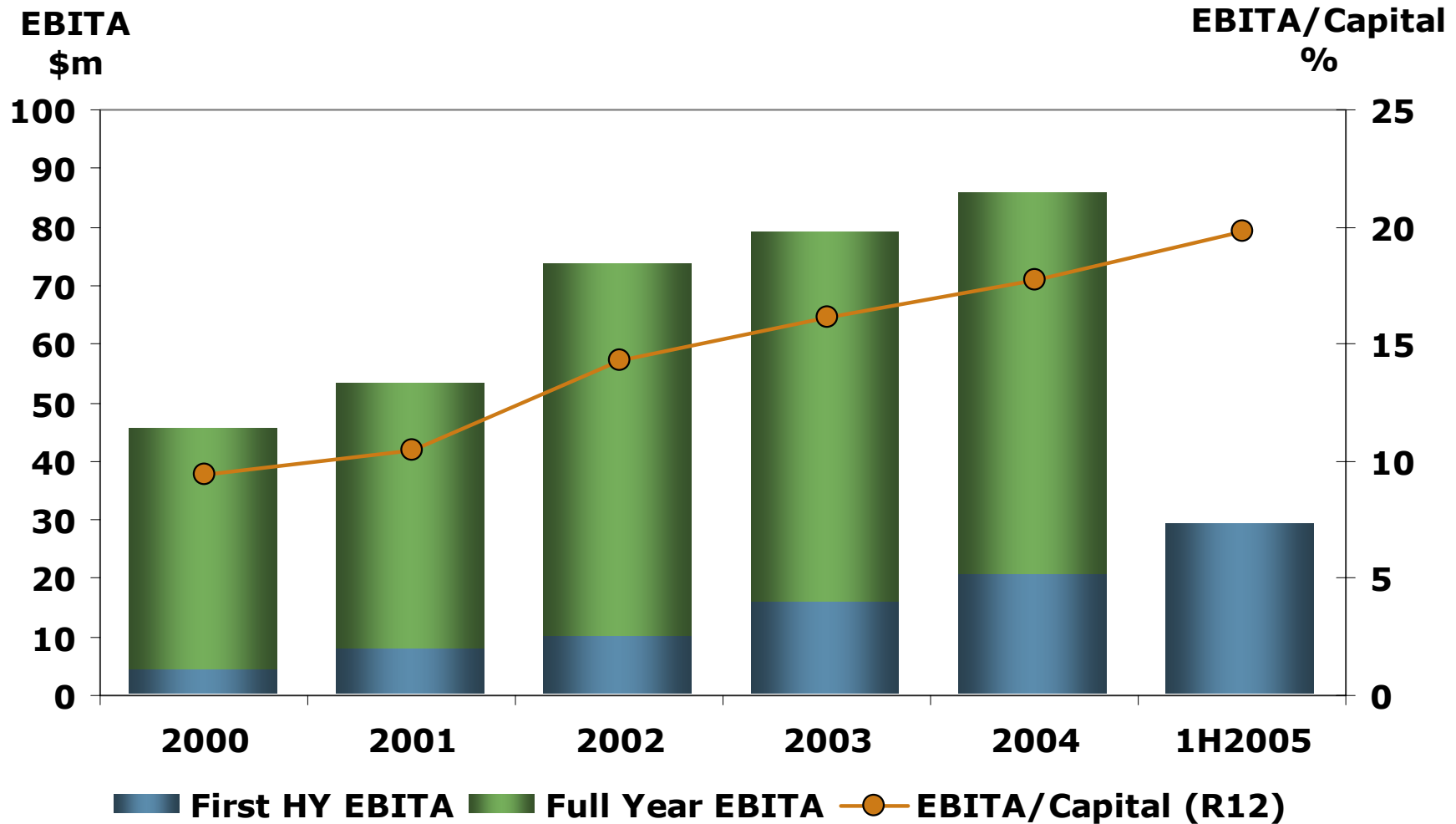


# Chemicals and fertilisers overview



- Manufacturer of mining & processing chemicals
  - ammonia, ammonium nitrate, sodium cyanide, chlorine
- Manufacturer and importer of fertilisers
  - phosphate, nitrogen, potassium and compounds
- Manufacturing operations at:
  - Kwinana, Albany and Esperance (WA), Moura (Qld)
- 570 employees
- Post 1999, around 60% of EBITA generated from chemicals activities

# EBITA and EBITA/Capital 5 year trend



# Safety



## Injuries

## R12 LTIFR



# Update on initiatives



Investor Briefing - May 2005

# Chemicals



- Sodium cyanide
  - solids plant
  - solution plant
  - solids packaging
- Ammonia plant
- QNP
- Kwinana ammonium nitrate feasibility study

# Fertilisers



- 3 year contract
- Liquid fertiliser infrastructure
- Interstate sales
- Export sales
- Demand forecasting

# General



- Ammonium nitrate shutdown
- Water management
- Kwinana infrastructure
- Legacy waste management program
- Developing our people

# Strategies



Investor Briefing - May 2005



# Ammonium nitrate



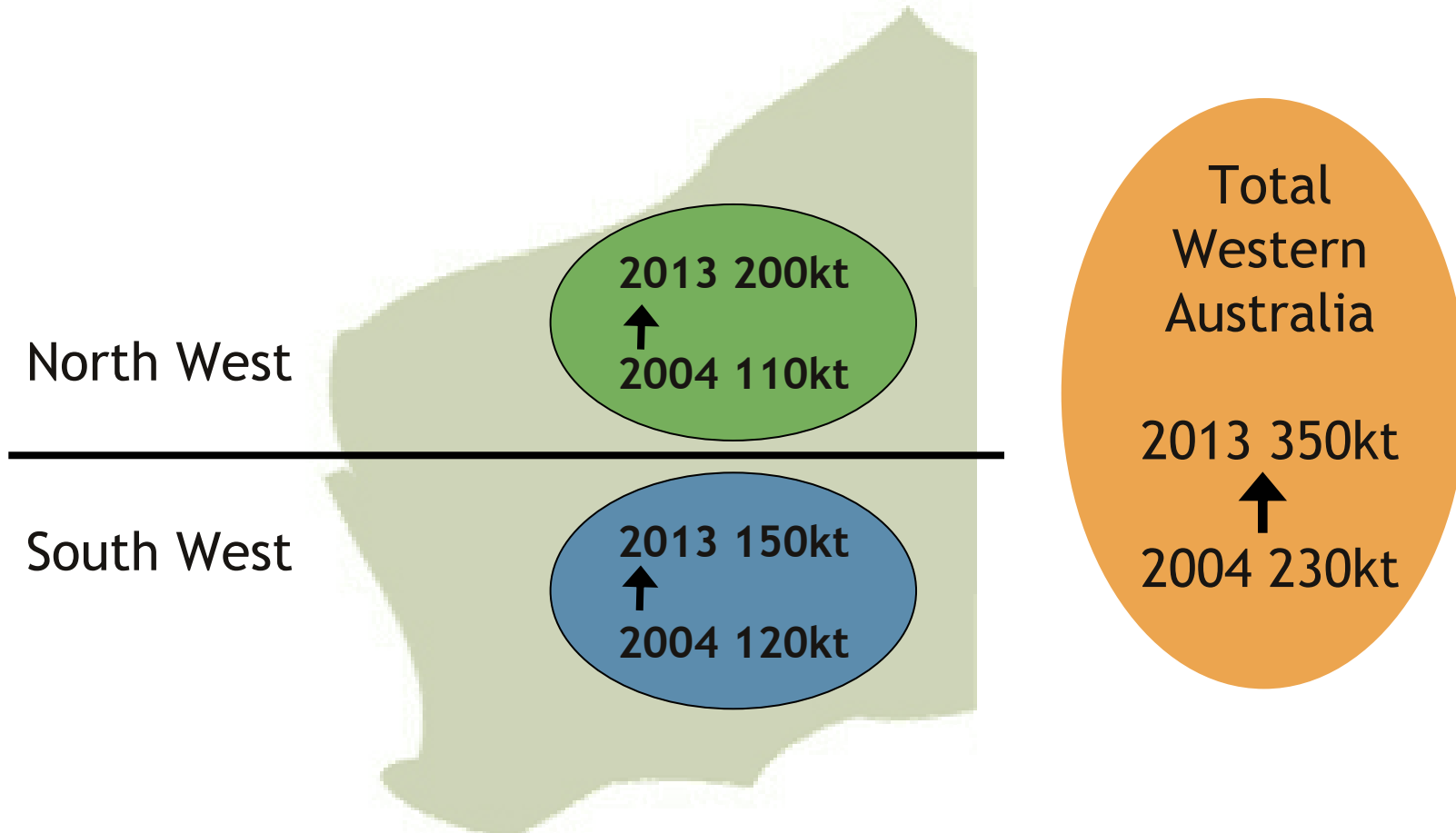
## Maintain and grow CSBP's position in AN

- Increased demand for AN
  - WA iron ore industry
  - QLD/NSW coal industries
  - Liquid fertilisers
- Duplication of AN capacity at Kwinana to 470,000 tpa
  - If approved, expect completion June 2007
- Expansion or duplication of QNP being investigated
- Evaluation of other opportunities

# Ammonium nitrate (cont.)



Maintain and grow CSBP's position in AN



# Ammonium nitrate (cont.)



## Feasibility Study

- Environmental approvals
- Capital expenditure
- Commissioning expected in 2007
- Market opportunities
- Timing on track

# Liquid fertilisers



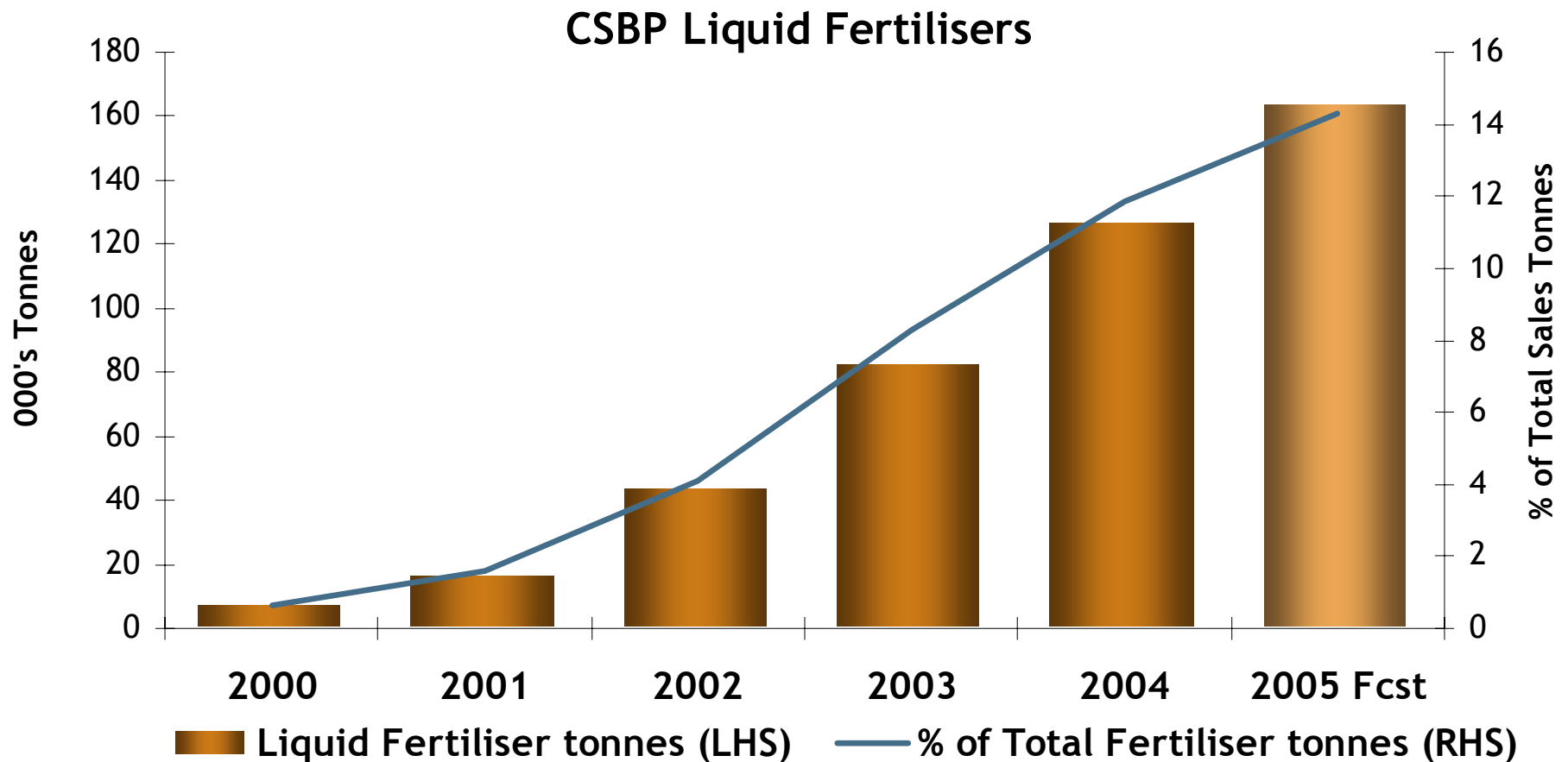
## Develop and capture growth in liquid fertilisers

- Success story since introduction 5 years ago
- Increasing penetration of existing products
- Development of new products
- Infrastructure and logistics
  - Storage capacity at Kwinana and “on-farm”
  - Transport capacity
- Impact of AN duplication

# Liquid fertilisers (cont.)



## Develop and capture growth in liquid fertilisers



## Other strategies



- Identify and evaluate growth opportunities
- Develop improved capabilities
- Optimal cost and capital structure
- Maintain “Licence to Operate”

# Outlook



Investor Briefing - May 2005

# Chemicals outlook



- Generally strong resource sector conditions
  - Iron ore expansion in Pilbara
  - Coal expansion in Bowen Basin
  - Opportunities available in gold sector
  - Nickel volumes driving ammonia sales
  - Outlook underpins additional investment in chemical manufacturing



# Fertilisers outlook



- Encouraging rainfall in March / early April
- Commodity prices
- Continued focus on range and service
  - growth in liquid fertiliser
- May and June sales critical to full year result

# Questions



# Wesfarmers Insurance Division

**Bob Buckley**  
Chief Executive Officer



# Agenda



- Current performance
- Competitor benchmarking
- Reinsurance programme
- Koukia
- Insurance outlook

# Current performance



- Strong underwriting results from all businesses
- Claims returning to long term averages
- Top line growth is under pressure
- Commercial portfolios experiencing competition
- Integration complete

# Competitor benchmarking



Period ended 31 December 2004	QBE Full Year	Promina Full Year	IAG Half Year	WID Half Year
Gross Earned Loss Ratio	60.0%	60.1%	70.9%	56.0%
Net Earned Loss Ratio	58.5%	62.1%	66.5%	59.9%
Total Expenses inc. Ex Comm. (% GWP)	25.3%	30.4%	24.3%	16.6%
Combined Operating Ratio	91.2%	95.9%	91.8%	85.7%
Insurance Margin (% NEP)	13.4%	10.1%	16.7%	17.5%

# Competitor benchmarking



## Impact of investment income

Period ended 31 December 2004	QBE	Promina	IAG	WID
\$A million	Full Year	Full Year	Half Year	Half Year
Underwriting Result	594	111	255	49
Income on Technical Reserves	314	163	263	11
Income on Shareholders' Funds	194	154	287	6
EBITA (Insurance activities)	1,102	428	805	66
Income on Shareholders' Funds as a % of EBITA	18%	36%	36%	9%

# Reinsurance programme



- Review of Lumley programme continuing
- Complete review by May 2005
- Implement changes for 2005/06 programme



# Koukia



- Insurance software specialist
- 68% Wesfarmers owned
- Koukia platform to be used by WFI and LGNZ
- External contract signed with Australian Unity
- Interest from insurance industry

# Insurance outlook



- Top line growth difficult
- Competitive environment
- Premium rates are moderating
- Gradual return to long term claim patterns

# Questions



# ARG / Gresham Private Equity / Business Development

Gene Tilbrook  
Executive Director, Business Development



# ARG

## 50% Interest with Genesee and Wyoming



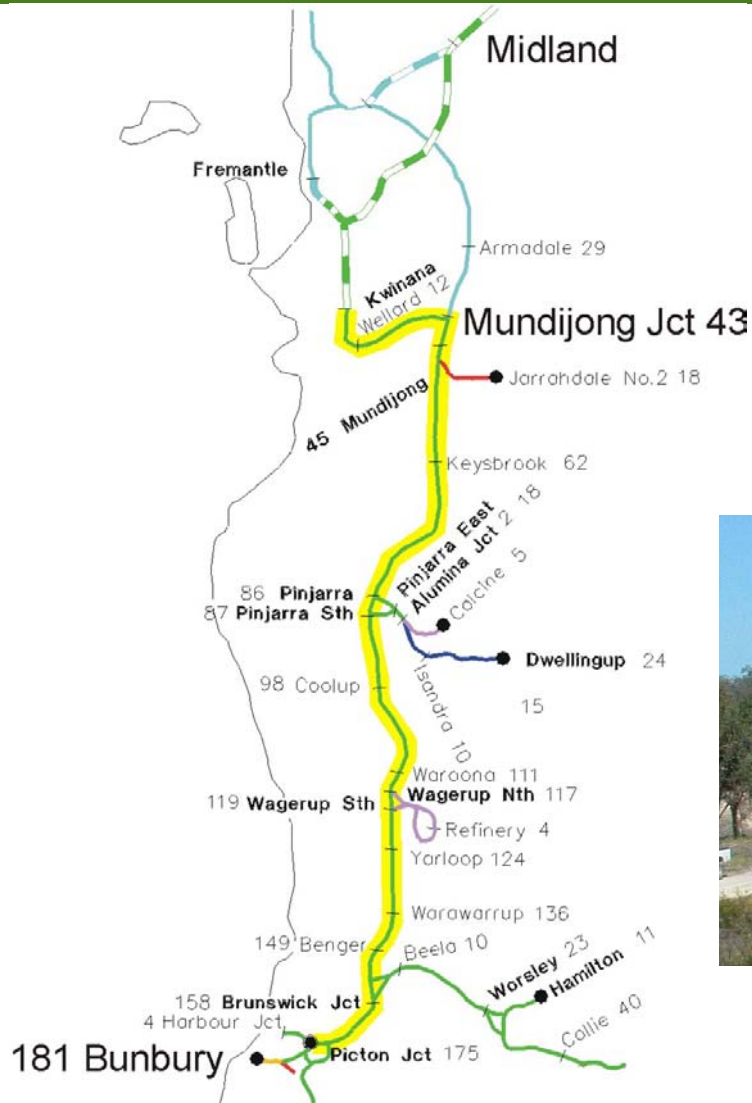
# ARG Overview



- Minerals tonnages continuing to grow
- Grain lower in the second half than previous year, but strong contributor over the year
- Cost pressures continue
- Derailment costs



# ARG Capital Expenditure



- \$60m for calendar year
- Total capex higher than normal





- Continuing exposure to fuel costs (subject to resets) and other cost pressures
- Refurbishment of track and rolling stock to raise efficiency
- Expansion at Onesteel and Portman
- Regulatory reviews - no changes anticipated
- Encouraging start to grain season



# Gresham Private Equity



# Gresham Private Equity - Fund 1

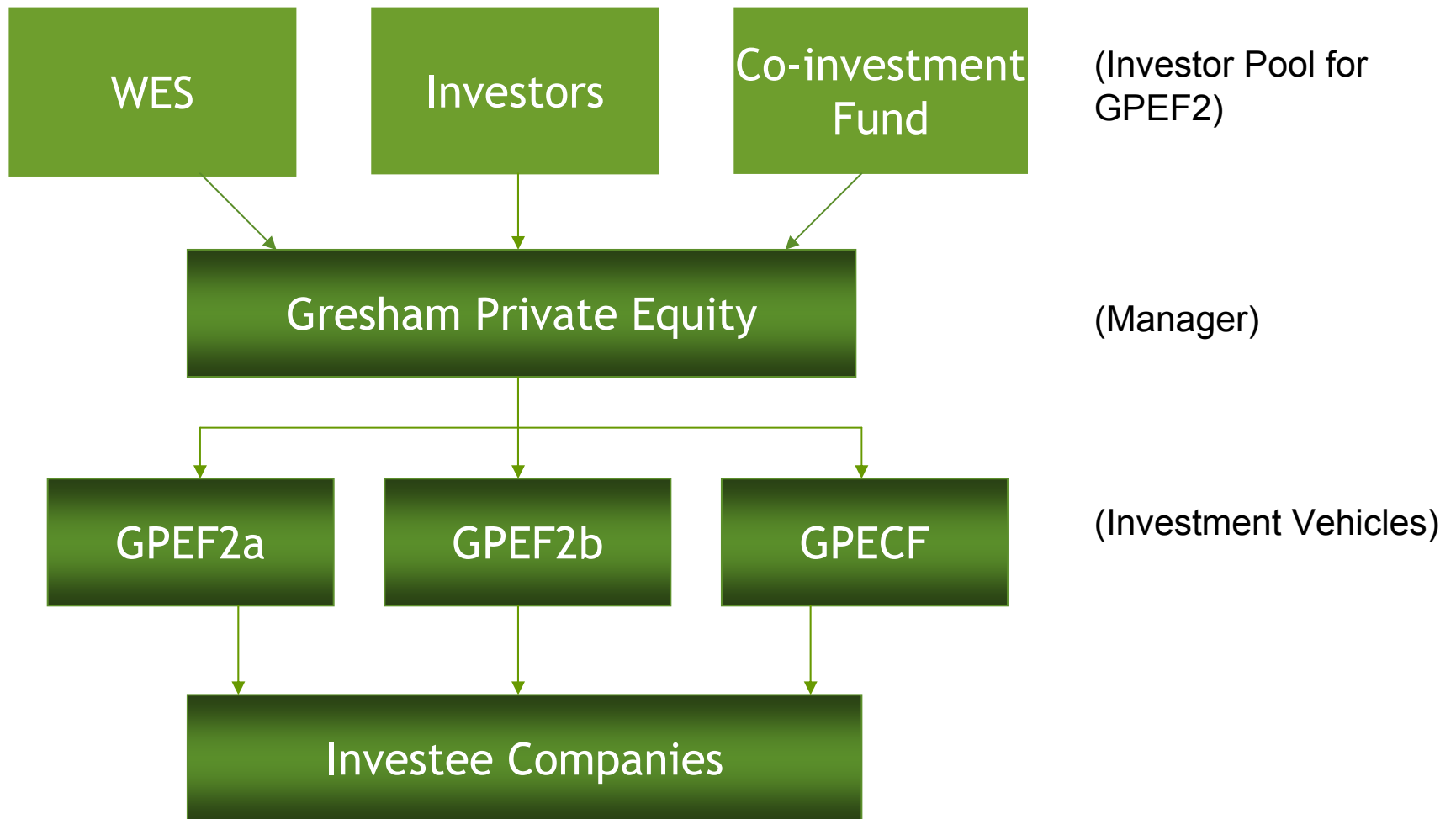


- Net investment of \$40m by Wesfarmers
- Divestments expected over the next several years

## CURRENT INVESTMENT PORTFOLIO

<b><i>EROC</i></b>	<i>mining / infrastructure contractor</i>
<b><i>Norcros</i></b>	<i>UK based building materials, coatings</i>
<b><i>Riviera</i></b>	<i>ocean cruisers</i>
<b><i>Virgin Active</i></b>	<i>health clubs in Europe and South Africa</i>
<b><i>Raywood</i></b>	<i>vehicle control systems</i>

# Gresham Private Equity - Fund 2 Structure



# Gresham Private Equity - Fund 2



- Current commitment \$317m (Wesfarmers \$150m)
- Good deal “pipeline”

## CURRENT INVESTMENT PORTFOLIO

*Noel Leeming*

*Electrical Retailer (New Zealand)*

# Business Development



# Questions



# Wesfarmers Energy

David Robb  
Managing Director





**WESFARMERS LPG**





# Premier Coal



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## Production volume (MT)

2003/04 Actual	3.4
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## Sales volume (MT)

2003/04 Actual	3.4
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## Customers

	2
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## Recent Achievements

- Iluka tonnage increase
  - Char project initiation
  - National Banksia & State environmental awards
-

# Curragh



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<b>Production volume (MT)</b>	
2003/04 Actual	7.1

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<b>Sales volume (MT)</b>	
2003/04 Actual	
Export	4.6
Domestic	2.3

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<b>Customers</b>	14
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## Recent Achievements

- Curragh North commencement
  - CHPP upgrade
  - 2005 price outcomes
-

# Bengalla



## Production volume (MT)

2003/04 Actual 5.7

## Sales volume (MT)

2003/04 Actual

Export 4.3

Domestic 1.6

Customers 9

## Recent Achievements

- Continued operational improvement
- Updated mine plans

# Kleenheat Gas



## Sales volume (kT)

2003/04 Actual	225
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## Sites

Depots	36
--------	----

Branches	19
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Commission agents	24
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Dealers	578
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Customers	235,000
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## Recent Achievements

- Piloted vehicle tracking system - vTrack
- Acquisition of Peters Gas (Vic/SA)
- Acquisition of Mobil LPG (Tas) assets



# Wesfarmers LPG



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## Production volume (kT)

2003/04 Actual	327
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## Sales volume (kT)

2003/04 Actual	
----------------	--

Export	221
--------	-----

Domestic	117
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## Customers

2
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## Recent Achievements

- Two years LTI free February 2005
  - 100<sup>th</sup> export shipment
  - Post 2005 negotiations
-



## Operations

### Air Separation Plants:

Kwinana: Capacity 285 TPD Oxygen

Hismelt: Capacity 880 TPD Oxygen

### Carbon Dioxide Plants:

WMC: Capacity 12 TPD

CSBP: Capacity 120 TPD

Cylinder Filling Operations: 2

Branches 3 in WA

1 in NT

Agents 85

Customers 8,000

## Recent Achievements

- 13 years LTI free
- Hismelt Plant Commissioning in March 2005



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<b>MW installed</b>	<b>90</b>
<b>GWh generated p.a.</b>	<b>422</b>
<b>Power stations</b>	<b>14</b>
<b>Customers</b>	<b>7</b>

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## Recent Achievements

- No LTI's
  - Coober Pedy Power Station
  - Sunrise Dam Stage 4 and Remote Towns Project
-

# Energy strategy summary



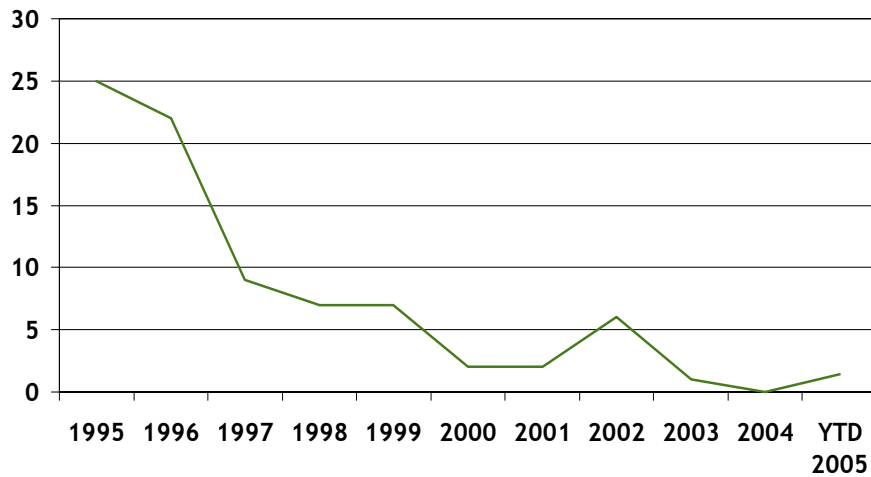
- Premier - renew contracts, new markets, unit costs
- Curragh - deliver and optimise Curragh North
- Bengalla - new mine plan, improve sales mix
- KHG - improve efficiency and workforce performance
- WLPG - implement new LPG supply arrangements
- ALWA - deliver new projects



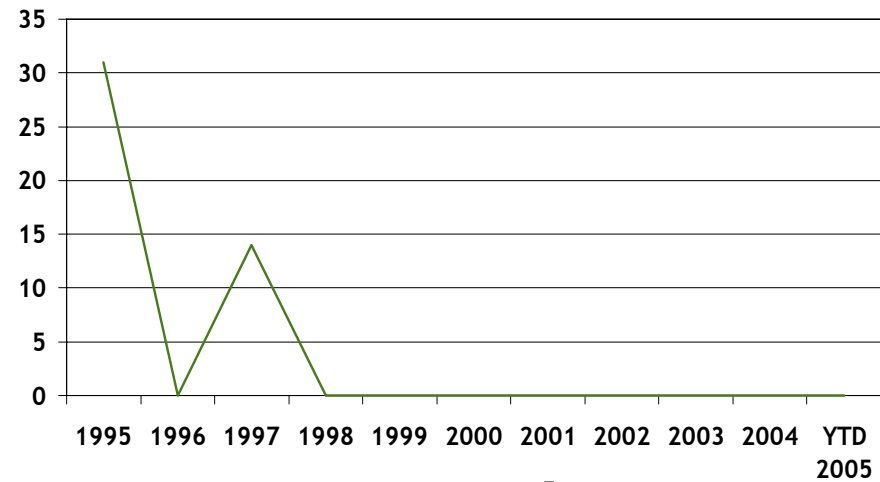
# Safety LTIFR



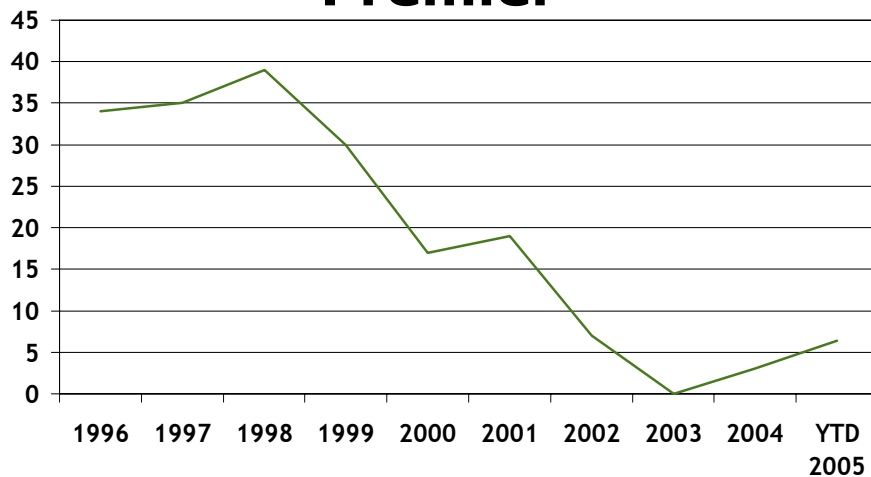
## Kleenheat Gas



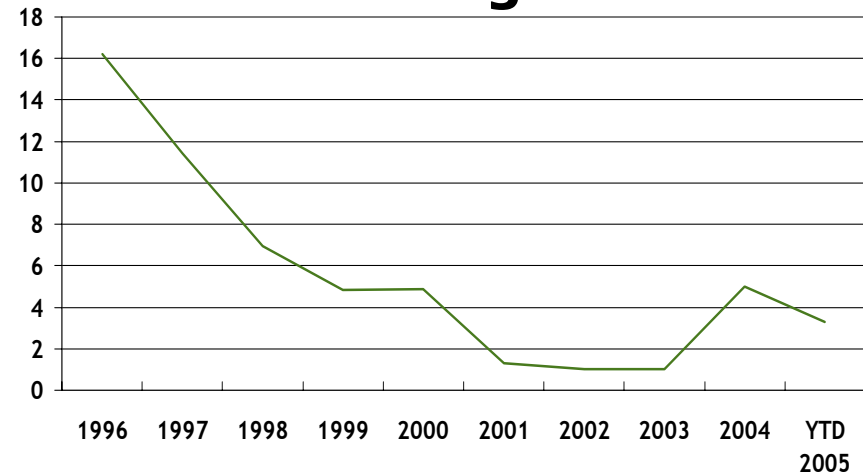
## WLPG



## Premier



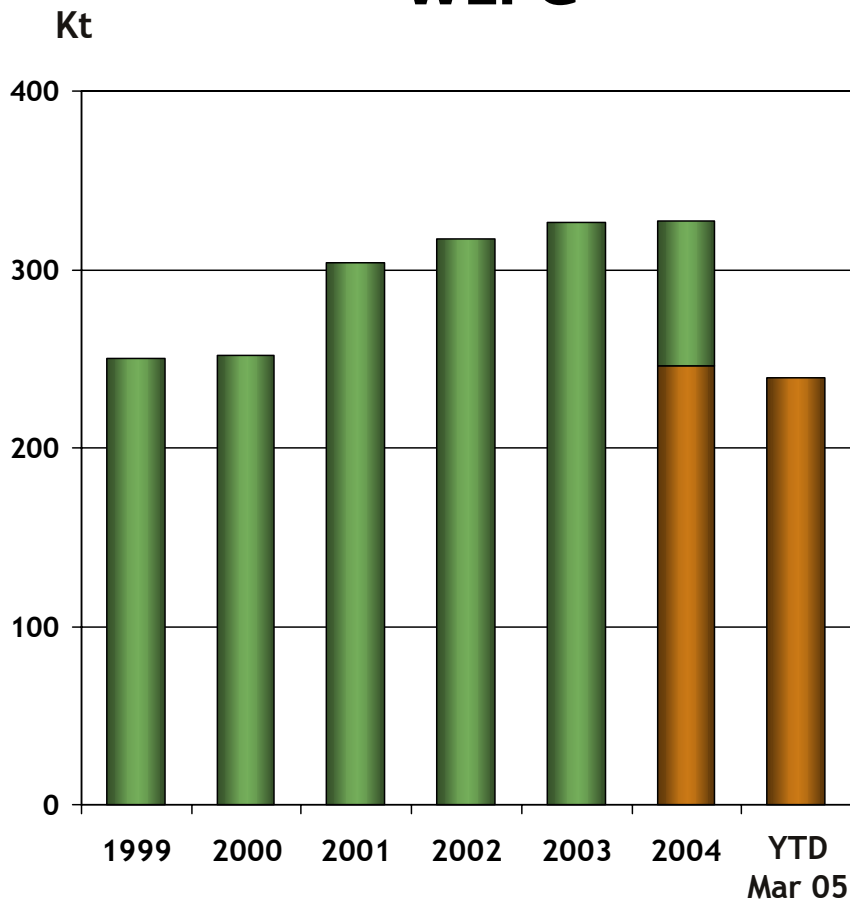
## Curragh



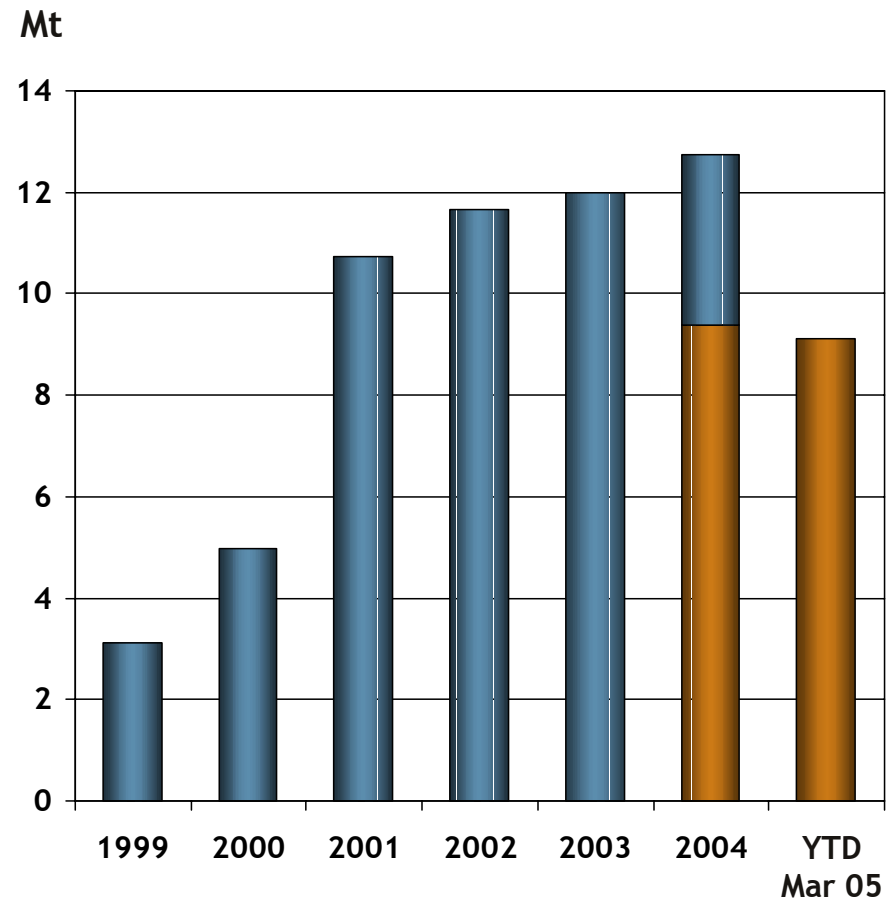
# Production



## W LPG



## Coal



# Saleable coal production



Mine	Beneficial Interest %	Coal Type	9 Months	
			Mar-04	Mar-05
			('000 tonnes)	
Premier	100	Steam	2,478	2,550
Curragh	100	Coking	3,412	3,198
		Steam	1,808	1,695
Bengalla	40	Steam	1,682	1,656

# Energy 2004/05 outlook



## Coal

- Record high export sales prices - but 4Q “carryover”
- Infrastructure performance critical
- Cost pressures, industrial relations impacts

## Gas and Power

- High CP to continue
- 7 LPG shipments only
- Strong power demand

# Energy 2004/05 outlook

## Curragh hedging profile at 10 May 2005



Period end 30 June	Current proportion of USD revenue hedged *	Average AUD/USD hedge rate
<b>2005<sup>#</sup></b>	<b>99%</b>	<b>0.6961</b>
<b>2006</b>	<b>88%</b>	<b>0.7011</b>
<b>2007</b>	<b>63%</b>	<b>0.6539</b>
<b>2008</b>	<b>46%</b>	<b>0.6893</b>
<b>2009</b>	<b>25%</b>	<b>0.7184</b>

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

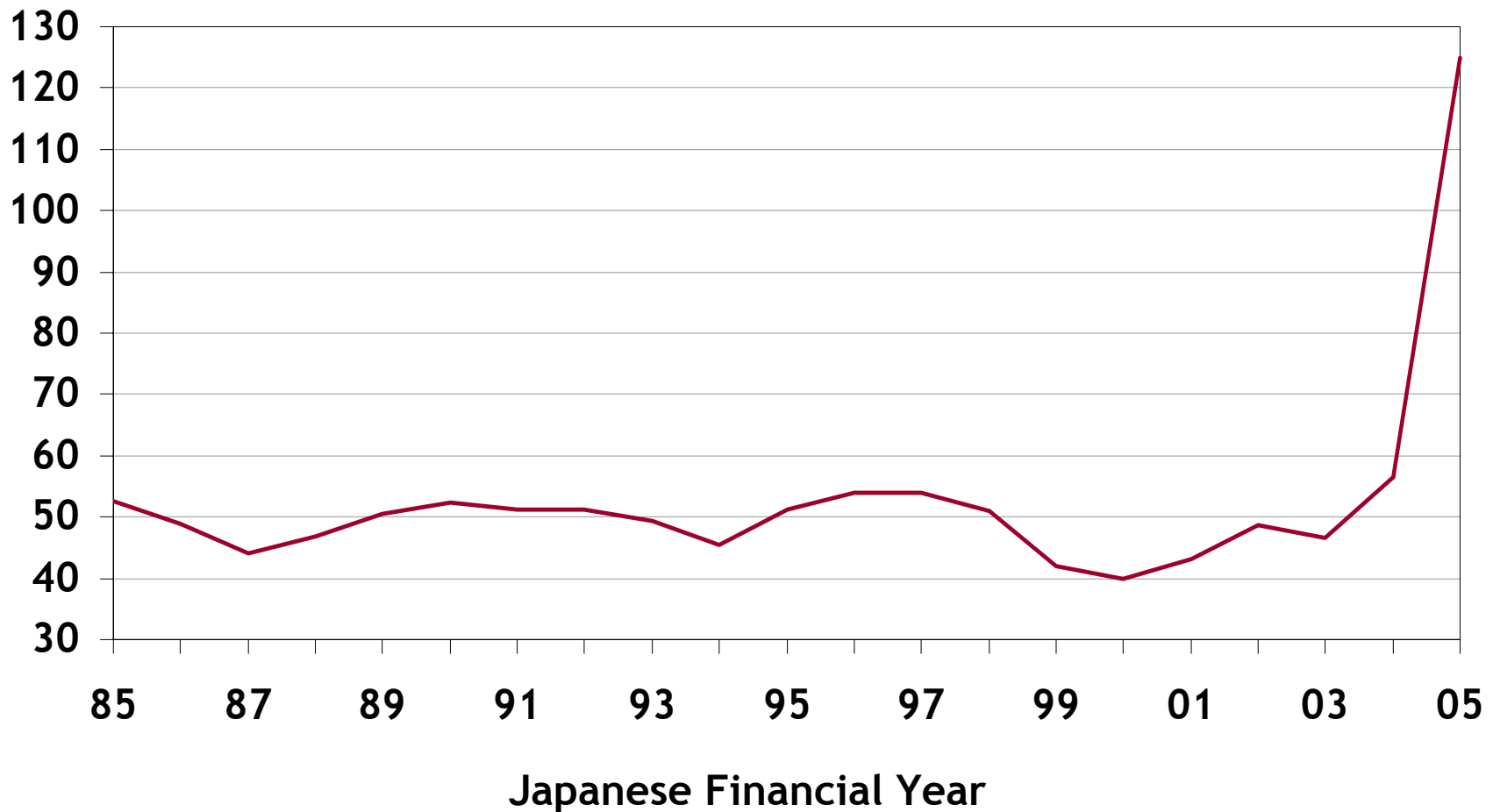
# 2 months

# Energy 2004/05 outlook

## Coking coal prices



JRP US\$/Tonne FOB nominal

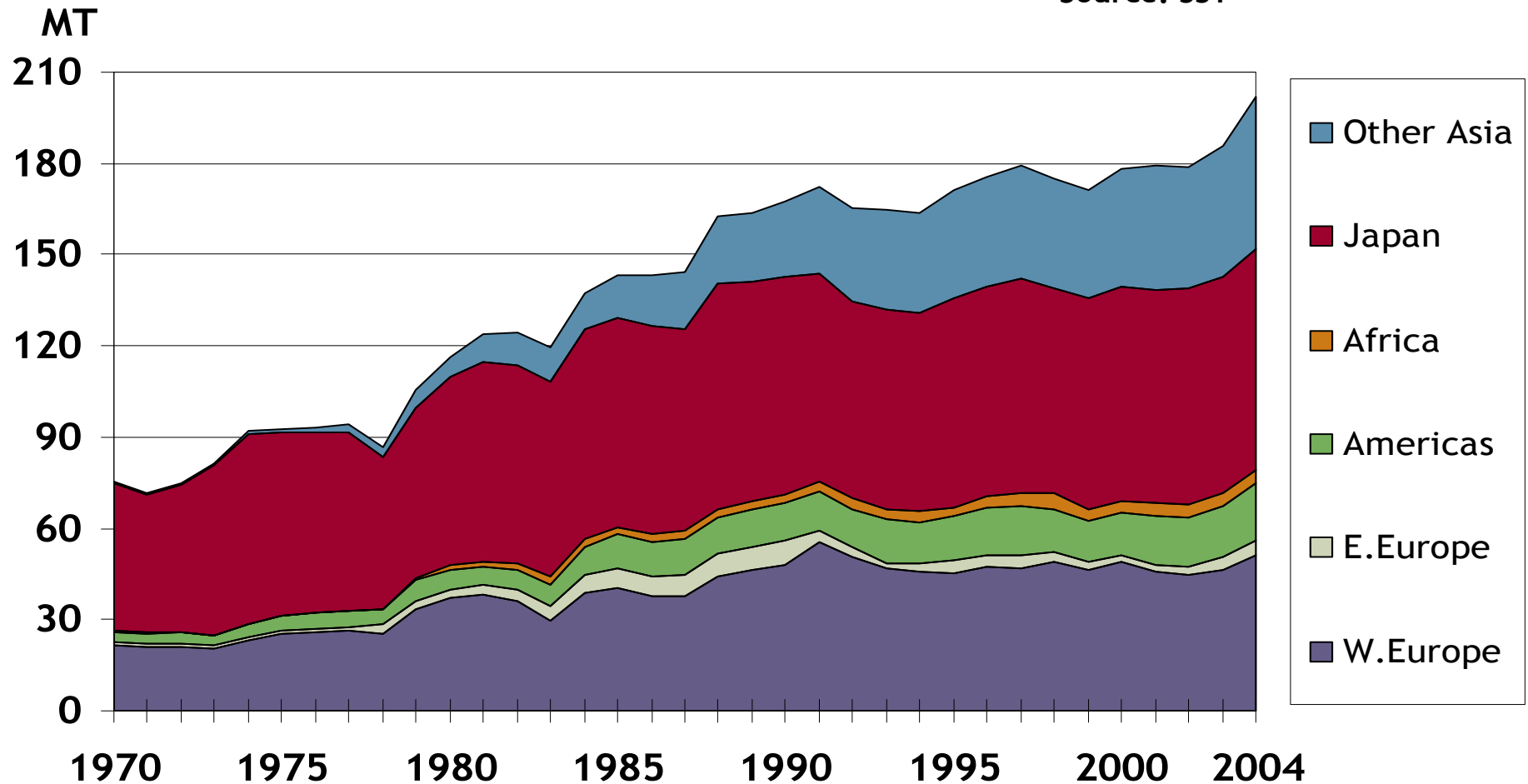


# Seaborne metallurgical coal

## Demand and markets

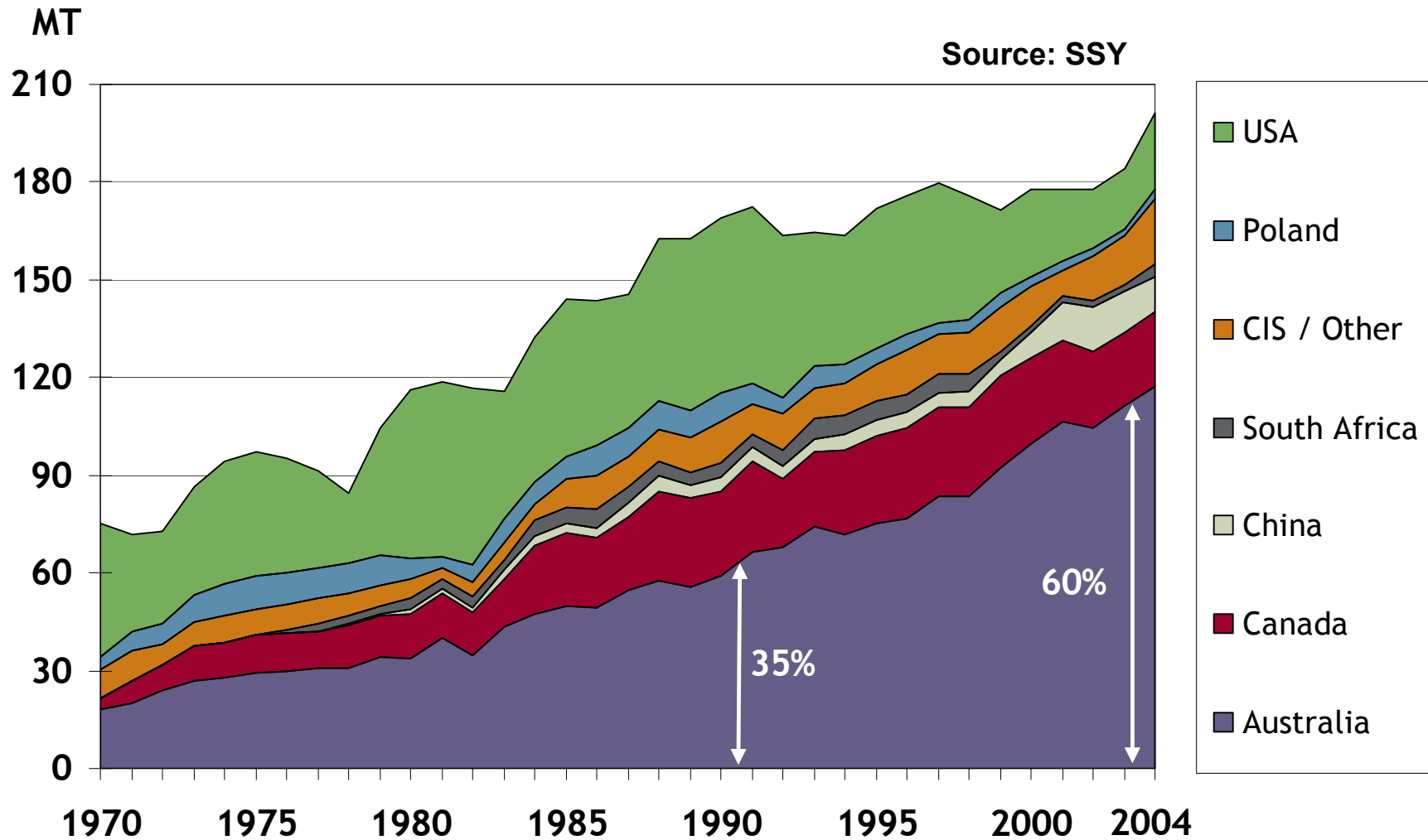


Source: SSY



# Seaborne metallurgical coal

## Supply and competitors





# Energy 2004/05 outlook

## Thermal coal prices



US\$/Tonne FOB nominal



# Energy 2004/05 outlook

## Coal sales



Mine (million tonnes)	Domestic Steam	Export Steam	Export Coking	Total
Premier, WA	3.4			3.4
Bengalla*, NSW	0.5	1.7		2.2
Curragh, QLD	2.4		4.7	7.1
<b>Total</b>	<b>6.3</b>	<b>1.7</b>	<b>4.7</b>	<b>12.7</b>

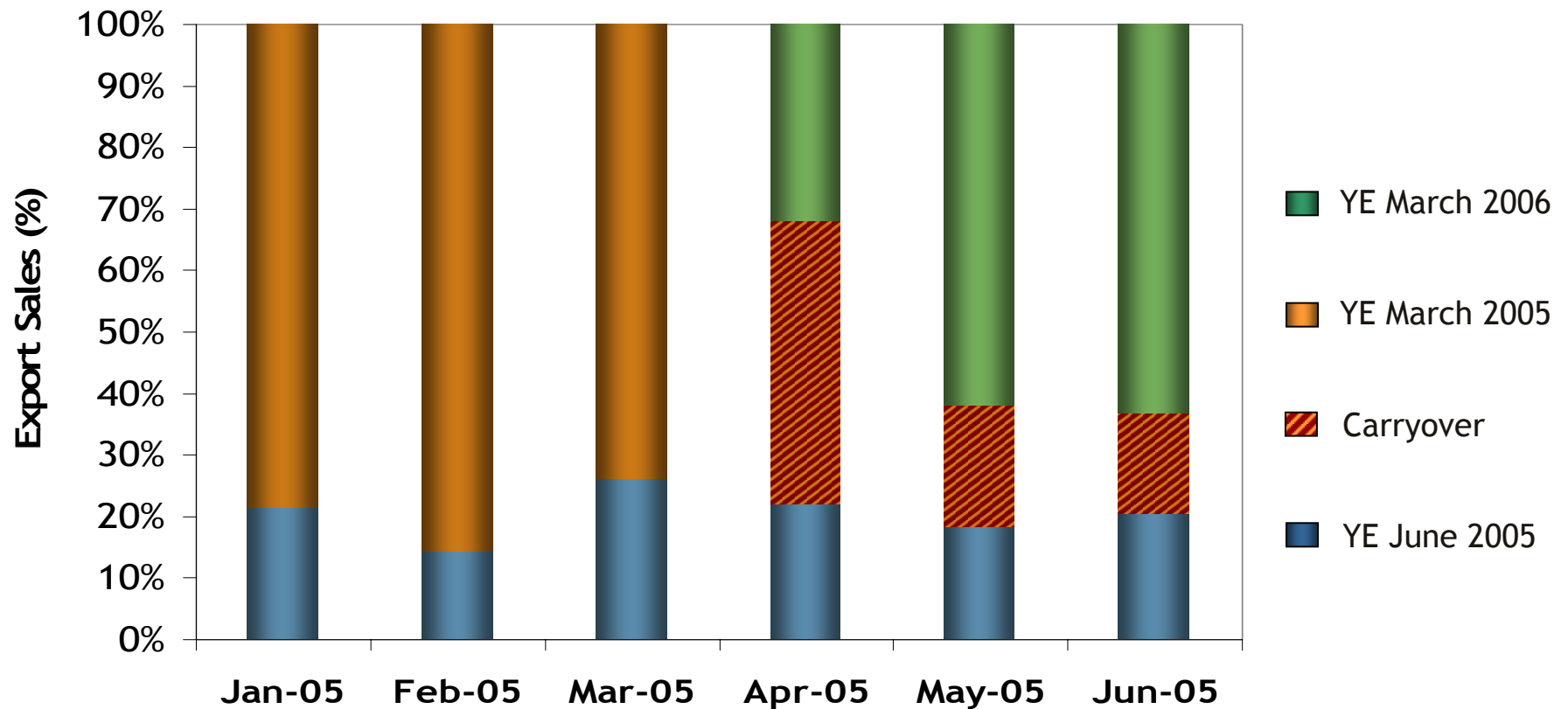
\*Wesfarmers 40% share

# Energy 2004/05 outlook

## “Carryover” volumes - Curragh



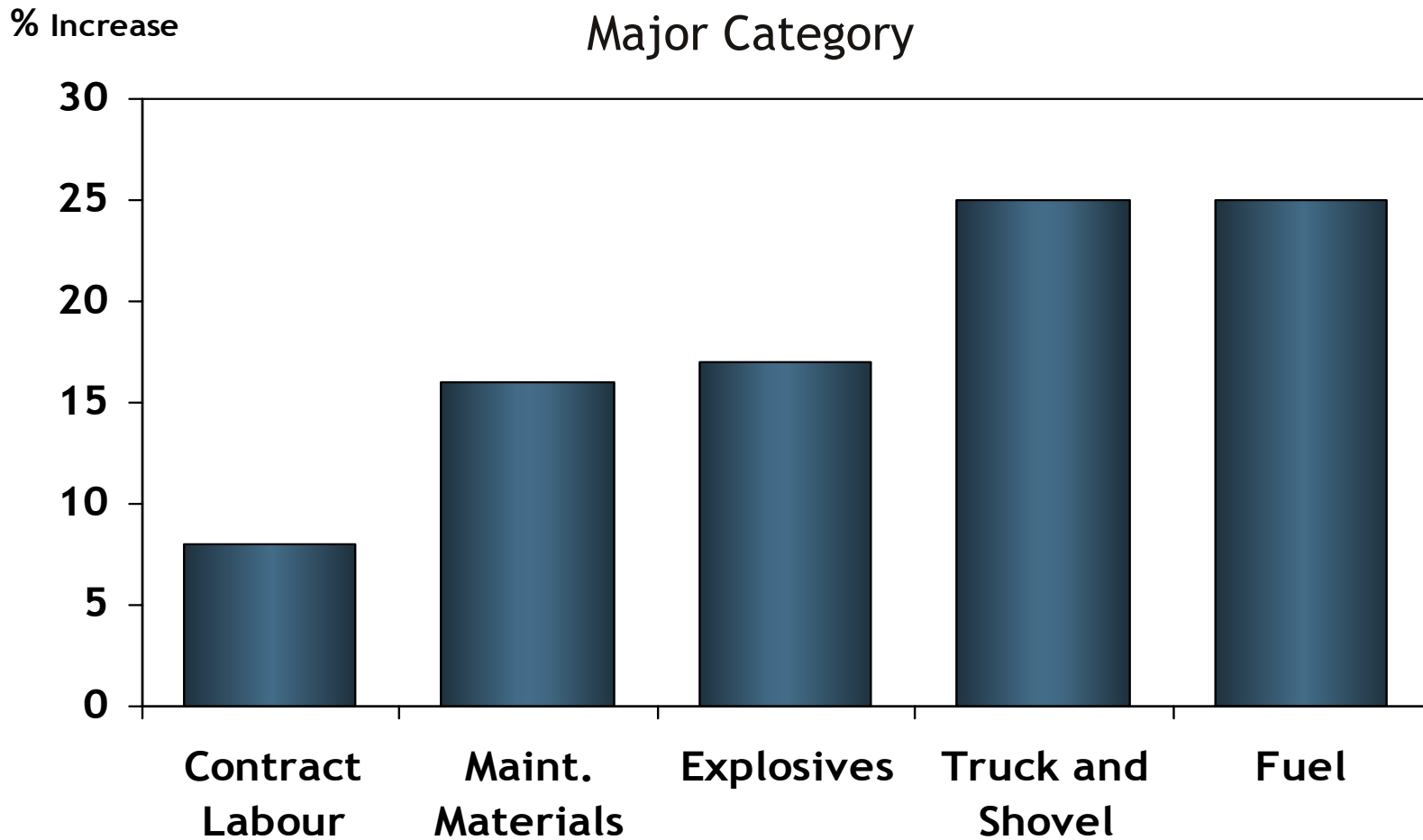
**Curragh Export Coal Sales Contract Pricing**



**Carryover 450kt**

# Energy 2004/05 outlook

## Rising unit cost impact - Curragh



Overall increase in cash costs YTD= 9%

# Energy 2004/05 outlook

## Industrial disputes - Premier

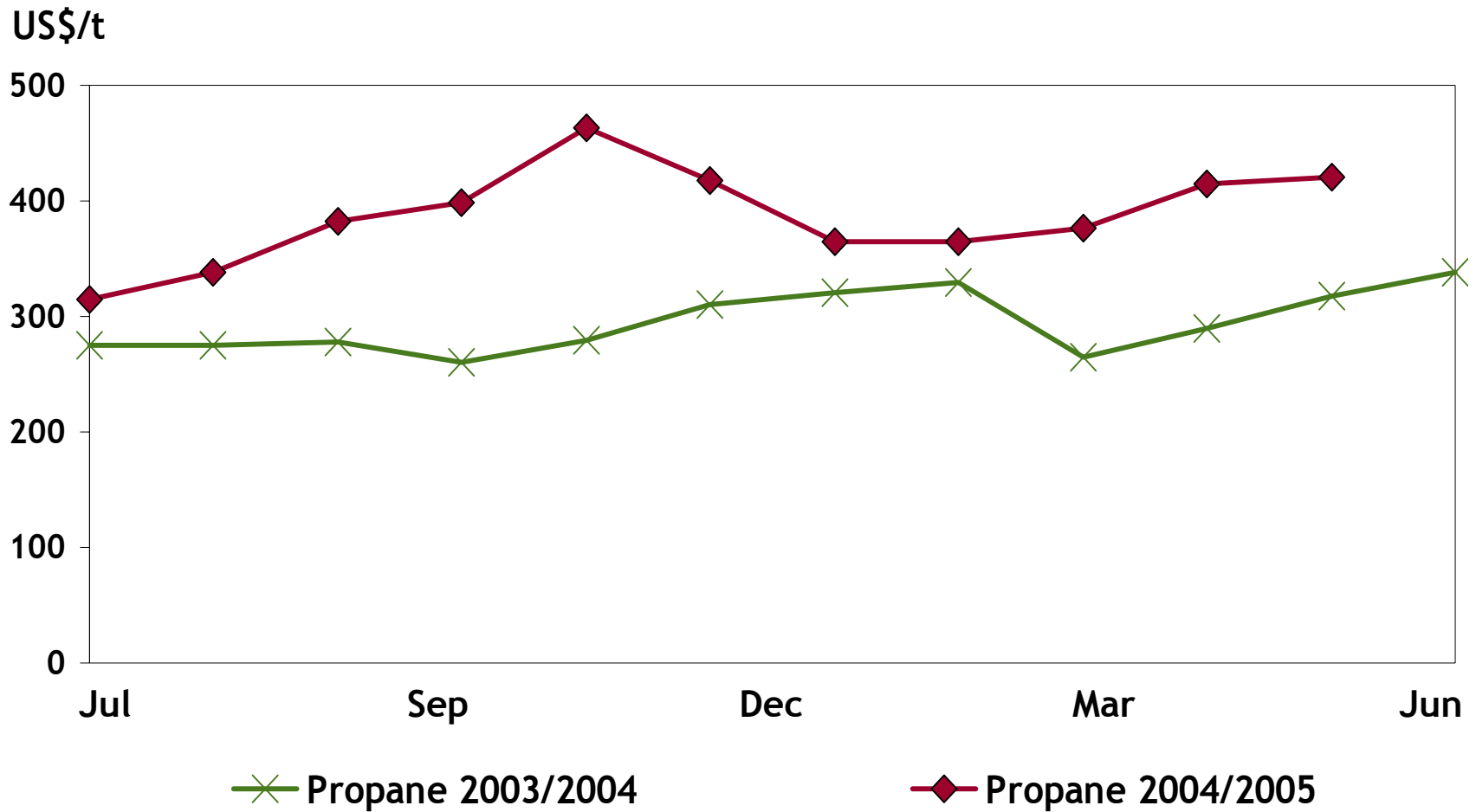


### Estimated Impact 2004/05

- Employees involved                      Miners 161                      Trades 62
- Days of strike action                      Miners 20 days                      Trades 79 days
- Overburden shortfall                      2.7M BCM
- Coal sales lost                              340KT
- EBITA Impact                              \$15M

# Energy 2004/05 outlook

## Saudi Contract Price



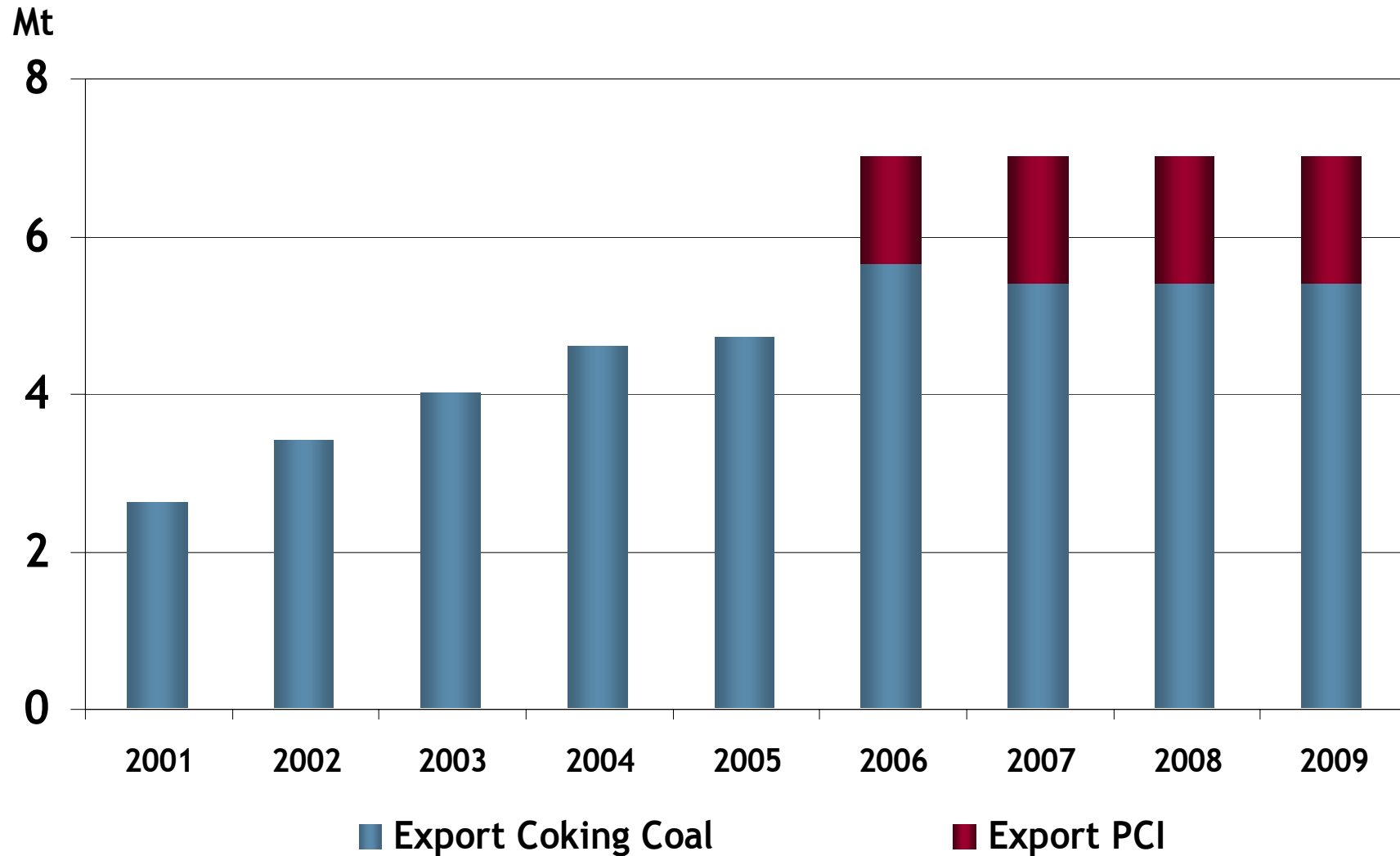
# Progress on Curragh North



Curragh North March 2005

- Ahead of schedule
- 350kt coal exposed
- 180kt coal mined
- Conveyor cost up
- CN Project capex +24%

# Export volume - Curragh





# Questions



# Bunnings

John Gillam,  
Managing Director



The logo for Bunnings Warehouse is set against a dark teal background. The word "BUNNINGS" is written in a large, white, bold, sans-serif font. The letter "B" is stylized with an orange diagonal stripe. Below "BUNNINGS", the word "warehouse" is written in a white, lowercase, sans-serif font, positioned within a solid orange horizontal bar.

**BUNNINGS**  
warehouse

# Agenda

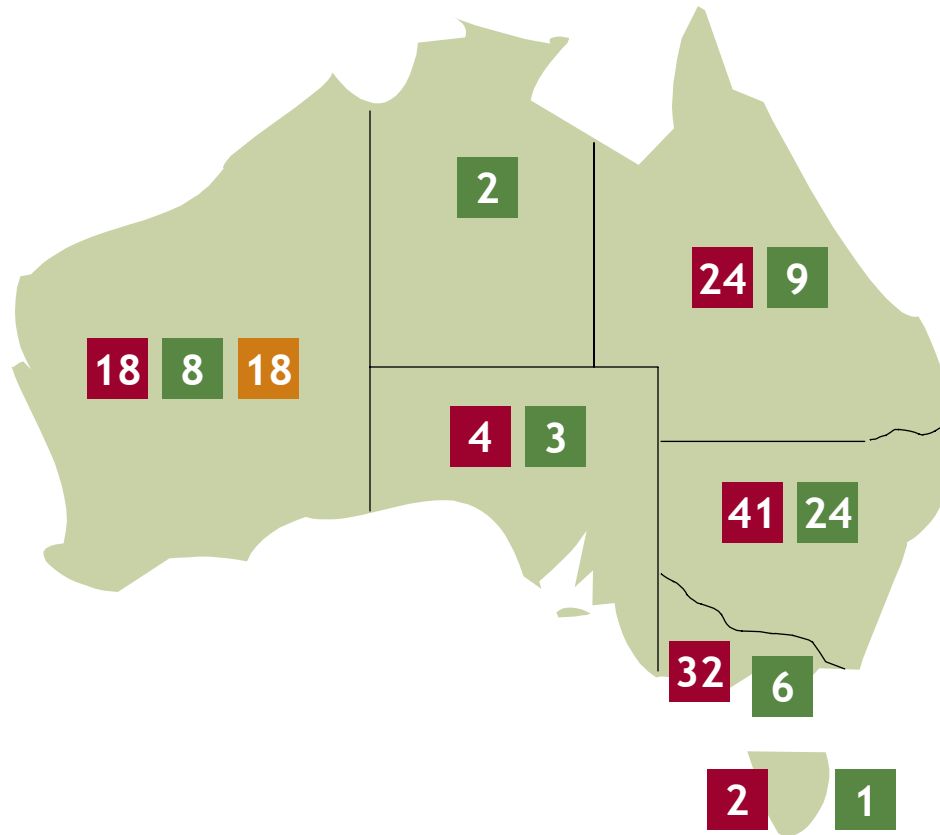


1. Background
2. Trading results
3. Strategies
4. Outlook



**WIDEST RANGE**  
**LOWEST PRICES**  
**BEST SERVICE**

# Current store network



STORE NETWORK	No.
Warehouse stores	131
Small format stores	80
WA Salvage stores	18

as at end of May 2005  
excludes DC's and Frame and Truss sites

# Trading results



## Segment Result

	2002/03	2003/04	First half 2004/05
Revenue (\$m)	3,474.5	3,845.7	2,135.5
EBITA (\$m)	349.0	392.1	230.4
Amortisation (\$m)	50.1	50.1	24.9
EBIT (\$m)	298.9	342.0	205.5
<i>EBITA/Sales Ratio</i>	<i>10.0%</i>	<i>10.2%</i>	<i>10.8%</i>
<i>LTIFR</i>	<i>18.3</i>	<i>14.5</i>	<i>13.4</i>

# First half highlights



## As per February 2005 announcement

- 11% cash sales growth
  - Cash store on store growth around 7%
- Flat trade sales in tight market conditions
- Four new warehouses stores opened
- Solid progress on major strategies



# Strategies



1. Focus on retail drivers
2. Store network development
3. Trade business
4. Team members
5. Business systems
6. Business improvement
7. Other news



## 1. Focus on core retail drivers

- Range
  - innovation driving **WIDEST RANGE**
  - expanding market size
- Price
  - strong cost focus delivering **LOWEST PRICES**
  - productivity loop
- Service
  - best people delivering **BEST SERVICE**



## 2. Store network development

- Continue 10 to 14 new warehouse store openings
- Format and development adaptability
- Relocate low performing sites
- Store upgrades, refits and offer consistency



## 2. Store network development (cont.)

- Likely 10 or 11 warehouse store openings in 2004/05
- Store upgrades, refits and offer consistency
  - Accelerated program over next 12 months
  - 30 upgrades / refurbishments (NSW 11)
  - Sales disruption and one-off costs



## 3. Trade business

- Increased resources
- Establishing customer fulfilment centres
  - servicing delivered to site business
  - four TFC's operating by June 2005
  - allows stores to better serve pick-up business
- Targeting profitable market share growth



## 4. Team members

- Enhanced internal programs
  - attract, develop and engage quality people
- Lift team member performance
  - programmes to increase customer service levels
- Continuing strong safety focus



## 5. Business systems

- Major systems upgrade commenced
- 3 year phased programme, \$55m total cost
- Phase 1 deliverables on-line in 2006
  - new inventory management system
  - new distribution centre system
- Depreciation impact approx. \$10m p.a.



## 6. Business improvement

- Warehouse Administration Review (W.A.R.) project
  - in-store process enhancements
- Supply chain improvements
- Positive business disciplines
  - stock management
  - shrinkage





## 7. Other news

- Repositioning WA Salvage business
- Phase out existing brand over 2006/07
- Piloting new store concept (Joondalup, WA)
  - value conscious, “finishing the home” offer



## 2<sup>nd</sup> half progress



- 9% cash sales growth across January to April
  - store on store cash growth 5.5% in same period
- Continued tight Australian trade market
- 8 new warehouse stores opened year to date
  - a further 3 store openings in QLD by early July
  - 6 stores already under construction for 05/06
- Good progress on strategies

# Outlook



- Consumer confidence less robust
  - Competing retail demands
- Housing approvals still falling (-14.6% YTD Feb)



## Summary

- Strong focus on key retail strategic platforms
  - Range, price and service
- Driving costs down through business improvements
- Store network development activity increasing
- Trade business reinvigorated



# Questions



# Q&A

**Michael Chaney**  
Managing Director, Wesfarmers Limited

**Richard Goyder**  
Deputy Managing Director, Wesfarmers Limited



# Impact of International Financial Reporting Standards

David Moroney  
General Manager, Group Business Services





# Presentation outline



- Overview
- Background
- Impact analysis
- Transitional adjustments
- Ongoing adjustments
- Proforma A-IFRS December 2004 Results

# Overview



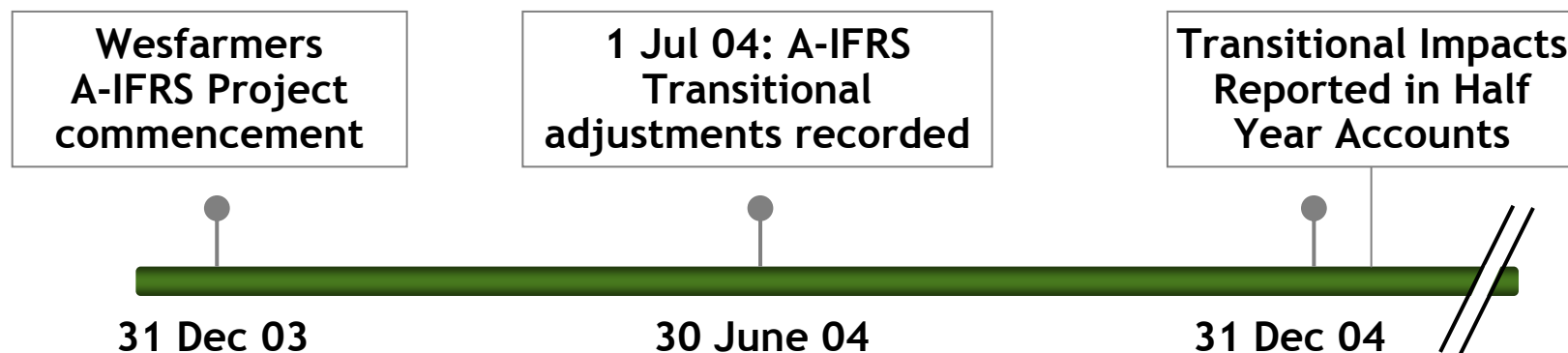
- Mandatory adoption of A-IFRS from 1 July 2005
- Project on schedule to meet implementation milestones
- Impact is accounting and reporting only - no change to cash flows
- A-IFRS will not affect Wesfarmers' borrowing or dividend paying capacity

A-IFRS will not change Wesfarmers' focus of providing satisfactory returns to shareholders

# Background



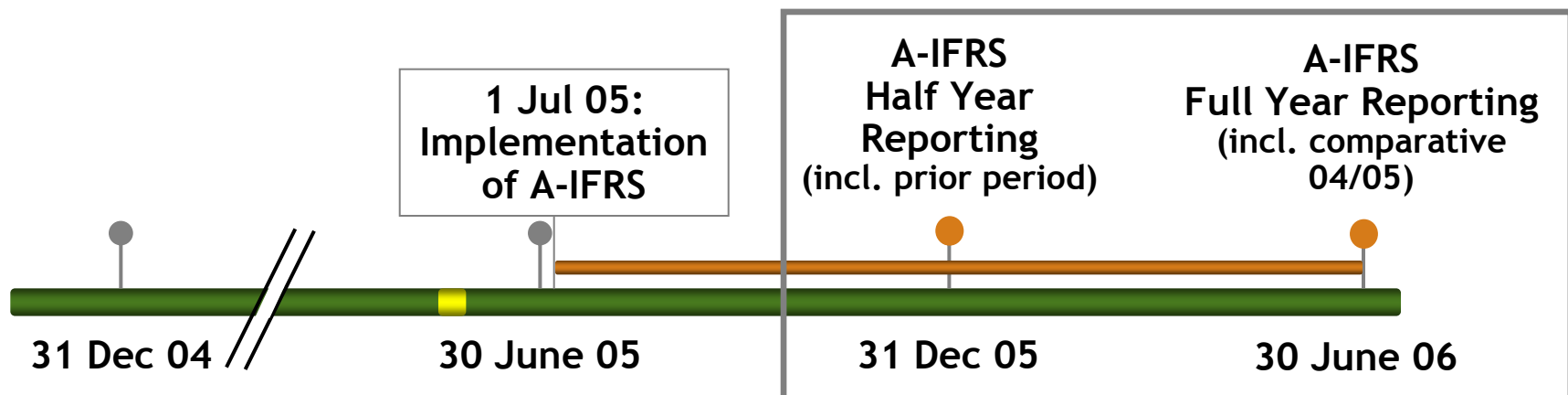
- Wesfarmers A-IFRS Project commenced in December 2003
- Transitional adjustments recorded effective from 1 July 2004
- Impacts reported in Half Year Results in February 2005



## Background (cont.)



- A-IFRS to be implemented 1 July 2005
- First A-IFRS financial statements:
  - Half-year ending 31 December 2005 (issued February 2006)
  - Full year ending 30 June 2006 (issued August 2006)



# Impact analysis

High Impact

Medium Impact



## AASB1 - First-time Adoption of A-IFRS

## AASB2 - Share-based Payment

## AASB3 - Business Combinations

AASB4 - Insurance Contracts

AASB5 - Non-current Assets Held for Sale

AASB6 - Exploration for and Evaluation of Mineral Resources

AASB101 - Presentation of Financial Statements

AASB102 - Inventories

AASB107 - Cash Flow Statements

AASB108 - Accounting Policies, Changes in Accounting Estimates

AASB110 - Events after the Balance Sheet Date

AASB111 - Construction Contracts

## AASB112 - Income Taxes

AASB114 - Segment Reporting

## AASB116 - Property, Plant and Equipment

AASB117 - Leases

AASB118 - Revenue

AASB119 - Employee Benefits

AASB120 - Accounting for Government Grants

AASB121 - The Effects of Changes in Foreign Exchange Rates

AASB123 - Borrowing Costs

AASB124 - Related Party Disclosures

AASB127 - Consolidated and Separate Financial Statements

AASB128 - Investments in Associates

AASB129 - Financial Reporting in Hyperinflationary Economies

AASB130 - Disclosures in the Financial Statements of Banks

AASB131 - Interests in Joint Ventures

## AASB132 - Financial Instruments: Disclosure

AASB133 - Earnings per Share

AASB134 - Interim Financial Reporting

## AASB136 - Impairment of Assets

## AASB137 - Provisions

## AASB138 - Intangible Assets

## AASB139 - Financial Instruments

AASB140 - Investment Property

AASB141 - Agriculture

AASB1004 - Contributions

AASB1023 - General Insurance Contracts

AASB1031 - Materiality

AASB1038 - Life Insurance Contracts

AASB1048 - Interpretation and Application of Standards

# Impact analysis



- Impact is accounting and reporting only - no change to cash flows
- Wesfarmers' impacts not as significant as many other companies'
- Final implementation subject to international interpretation on share plan, treatment of Stanwell rebates and final audit sign-off - numbers may change

Bottom line - likely to be greater volatility in earnings and greater volatility in balance sheet values



- Two components to adoption of A-IFRS:
  1. Transitional adjustments
    - Initial adjustment of AGAAP numbers to A-IFRS
    - Reflected in the opening balance of Equity at 1 July 2004
    - Transition date for some standards is 1 July 2005
  2. Ongoing adjustments
    - Impact on operating profit and movements in balance sheet values in each period following adoption of A-IFRS from 1 July 2005, including comparatives for 2004/05

# Transitional adjustments - July 2004



Reduction in  
Opening Equity  
1 July 2004  
\$ million

De-recognition of Employee Share Plan Loans	281
Impairment of Assets:	
- Goodwill writedown	7
- Plant and equipment writedown	8
Recognition of deferred tax liability on associate earnings	23
Increased Mine Rehabilitation provisions	49
De-recognition of deferred pre-opening store costs	10

*Note: Only significant transitional adjustments have been shown*



# Ongoing adjustments



Impact  
Six months  
31 Dec 2004  
\$ million

No goodwill amortisation	+ 44
Value of employee share plan benefits to be expensed	Nil
Tax expense recognised on untaxed undistributed associates' earnings	- 4
Impairment testing of goodwill annually and other non-current assets when impairment triggers exist	Nil
Rehabilitation obligations recognised up-front as an asset and liability	+ 1

## Ongoing adjustments (cont.)



Impact  
Six months  
31 Dec 2004  
\$ million

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Pre-opening store costs (Bunnings) expensed as incurred	- 4
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Restructuring costs not recognised on acquisition against goodwill, but expensed as incurred after acquisition	Nil
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Hedge receivables and payable recognised in the balance sheet against equity	Nil
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Portfolio investments, including GPE, carried at fair value in balance sheet via equity, but recognised through P&L on realisation	Nil
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# Proforma profit and loss



	Six months to 31 December 2004		
	AGAAP	A-IFRS	Increase/ (decrease)
	\$ million	\$ million	\$ million
Revenue	4,065	4,049	(16)
Expenses	3,457	3,442	(15)
EBITDA	608	607	(1)
Depreciation and amortisation	136	92	(44)
EBIT	472	515	43
Interest expense	50	51	1
Tax expense and minorities	131	130	(1)
NPAT	291	334	43
<i>Earnings per share</i>	<i>77.3¢</i>	<i>88.7¢</i>	<i>11.4¢</i>

# Proforma balance sheet



	As at 31 December 2004		Increase/ (decrease) \$ million
	AGAAP	A-IFRS	
	\$ million	\$ million	
Total assets *	7,342	7,142	(200)
Total liabilities *	4,000	4,113	113
Shareholders' Equity *	3,342	3,029	(313)
Net Debt	1,596	1,596	Nil
<i>Net Debt/Equity</i>	<i>47.9%</i>	<i>52.9%</i>	<i>5.0%</i>

\* Excludes hedge values and fair values of portfolio investments as transition date is 1 July 2005

# Questions



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