

Half Yearly Report

Name of Entity

WESFARMERS LIMITED

ACN

008 984 049

Half year ended

31 DECEMBER 1997

Equity accounted results for announcement to the market

				\$A'000
Sales (or equivalent operating) revenue (item 1.1)	up	7.4%	to	1,287,122
Abnormal items after tax attributable to members (item 2.5)				Nil
Operating profit (loss) after tax (before amortisation of goodwill)attributable to members(item 1.26)	up	23.3%	to	75,490
Operating profit (loss) after tax attributable to members (item 1.10))	up	24.3%	to	71,560
Extraordinary items after tax attributable to members (item 1.13)				Nil
Operating profit (loss) and extraordinary items after tax attributable to members (item 1.16)	up	24.3%	to	71,560
Dividends(distribution)		Amount per security		Franking amount per security at 36% tax
Interim dividend (item 15.6)		23¢		23¢
Previous corresponding period (item 15.7)		20¢		20¢
Record date for determining entitlements to the dividend (see item 15.2)		27 March 1998		
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market: Nil				
* Consists of				
Profit before abnormal items and goodwill amortisation	up	23.1%	to	75,118
Goodwill amortisation				3,558
Profit before abnormal items	up	24.3%	to	71,560
Abnormal items				-
				71,560

Consolidated profit and loss account

	Current Half Year \$A'000	Previous Corresponding Half Year \$A'000
1.1 Sales (or equivalent operating) revenue	1,287,122	1,198,296
1.2 Share of associates "net profit (loss) attributable to members" (equal to item 16.7)	3,092	-
1.3 Other revenue	31,650	72,659
Total Revenue	1,321,864	1,270,955
1.4 Operating profit (loss) before abnormal items and tax	113,840	90,337
1.5 Abnormal items before tax (detail in item 2.4)	-	-
1.6 Operating profit (loss) before tax (items 1.4 + 1.5)	113,840	90,337
1.7 Less tax	41,908	32,609
1.8 Operating profit (loss) after tax but before outside equity interests	71,932	57,728
1.9 Less outside equity interests	372	180
1.10 Operating profit(loss) after tax attributable to members *	71,560	57,548
1.11 Extraordinary items after tax (detail in item 2.6)	-	-
1.12 Less outside equity interests	-	-
1.13 Extraordinary items after tax attributable to members	-	-
1.14 Total operating profit (loss) and extraordinary items after tax (items 1.8 + 1.11)	71,932	57,728
1.15 Operating profit (loss) and extraordinary items after tax attributable to outside equity interests (items 1.9 + 1.12)	372	180
1.16 Operating profit (loss) and extraordinary items after tax attributable to members (items 1.10 + 1.13)	71,560	57,548
1.17 Retained profits (accumulated losses) at beginning of financial period	205,921	204,651
1.18 Adjustment on introduction of new accounting standard	2,246	-
1.19 Aggregate of amounts transferred from reserves	-	-
1.20 Total Available for appropriation	279,727	262,199
1.21 Dividends provided for or paid	57,068	47,384
1.22 Aggregate of amount transferred to reserves	-	-
1.23 Retained profits (accumulated losses) at end of financial period	222,659	214,815
* Consists of:		
Profit before abnormal items and goodwill amortisation	75,118	61,042
Goodwill amortisation	3,558	3,494
Profit before abnormal items	71,560	57,548
Abnormal items	-	-
	71,560	57,548

Profit restated to exclude amortisation of goodwill

	Current Half Year \$A'000	Previous Corresponding Half Year \$A'000
1.24 Operating profit (loss) after tax before outside equity interests (items 1.8) and amortisation of goodwill (item 2.1)	75,490	61,222
1.25 Less(plus) outside equity interests relating to goodwill	-	-
1.26 Operating profit(loss) after tax (before amortisation of goodwill attributable to members)	75,490	61,222

Intangible, abnormal and extraordinary items

		Consolidated - current half year			
		Before tax \$A'000	Related Tax \$A'000	Related outside equity interests \$A000	Amount (after tax) attributable to members \$A000
2.1	Amortisation of goodwill	3,558	-	-	3,558
2.2	Amortisation of other intangibles	-	-	-	-
2.3	Total amortisation of intangibles	3,558	-	-	3,558
2.4	Abnormal items				
2.5	Total abnormal items	Nil	Nil	Nil	Nil
2.6	Extraordinary items				
2.7	Total extraordinary items	Nil	Nil	Nil	Nil

Consolidated balance sheet

	At end of Current Half Year \$A'000	As shown in last Annual Report \$A'000	As shown in last Corresponding Half Yearly Report \$A'000	
Current assets				
4.1	Cash	43,445	30,672	49,854
4.2	Receivables	292,354	362,695	298,670
4.3	Investments	-	-	-
4.4	Inventories	440,769	368,051	387,910
4.5	Other (provide details if material)	-	-	-
4.6	Total current assets	776,568	761,418	736,434
Non-current assets				
4.7	Receivables	91,537	64,842	76,907
4.8	Investments in associates	23,301	20,843	22,071
4.9	Other Investments	33,986	36,681	33,086
4.10	Inventories	-	-	-
4.11	Exploration and evaluation expend. capitalised	-	-	-
4.12	Development properties (mining entities)	52,232	31,686	21,613
4.13	Other property, plant and equipment (net)	1,062,151	976,957	950,563
4.14	Intangibles (net)	153,263	152,241	156,023
4.15	Other (provide details if material)	14,866	13,142	14,173
4.16	Total non-current assets	1,431,336	1,296,392	1,274,436
4.17	Total assets	2,207,904	2,057,810	2,010,870
Current liabilities				
4.18	Accounts payable	286,111	386,288	276,645
4.19	Borrowings	234,395	161,846	245,895
4.20	Provisions	135,666	170,618	124,003
4.21	Other (insurance provisions)	105,862	103,119	102,316
4.22	Total current liabilities	762,034	821,871	748,859
Non-current liabilities				
4.23	Accounts payable	2,587	2,591	2,367
4.24	Borrowings	208,718	112,456	177,933
4.25	Provisions	97,309	89,908	90,712
4.26	Other (insurance provisions)	18,989	18,989	17,268
4.27	Total non-current liabilities	327,603	223,944	288,280
4.28	Total liabilities	1,089,637	1,045,815	1,037,139
4.29	Net assets	1,118,267	1,011,995	973,731
Equity				
4.30	Capital	124,060	119,826	118,460
4.31	Reserves	769,477	685,111	639,628
4.32	Retained profits (accumulated losses)	222,659	205,921	214,815
4.33	Equity attributable to members of the parent entity	1,116,196	1,010,858	972,903
4.34	Outside equity interests in controlled entities	2,071	1,137	828
4.35	Total Equity	1,118,267	1,011,995	973,731
4.36	Preference capital and related premium included as part of 4.32	Nil	Nil	Nil

Exploration and evaluation expenditure capitalised

Not Applicable

Development properties

	Current Half Year \$A'000	Previous Corresponding Half Year \$A'000
6.1 Opening balance	31,686	14,874
6.2 Expenditure incurred during current period	20,546	6,739
6.3 Expenditure transferred from exploration and evaluation	-	-
6.4 Expenditure written off during current period	-	-
6.5 Acquisitions, disposals, revaluation increments, etc.	-	-
6.6 Expenditure transferred to mine properties	-	-
6.7 Closing balance as shown in the consolidation balance sheet (item 4.12)	52,232	21,613

Consolidated statement of cash flows

	Current Half Year \$A'000	Previous Corresponding Half Year \$A'000
Cash flows related to operating activities		
7.1 Receipts from customers	1,350,896	1,255,976
7.2 Payments to suppliers and employees	(1,271,473)	(1,156,972)
7.3 Dividends received from associates	2,509	-
7.4 Other dividends received	501	1,915
7.5 Interest and other items of similar nature received	6,107	5,935
7.6 Interest and other costs of finance paid	(7,902)	(15,286)
7.7 Income taxes paid	(56,958)	(45,490)
7.8 Other (provide details if material)	-	-
7.9 Net operating cash flows	23,680	46,078
Cash flows related to investing activities		
7.10 Payment for purchases of property, plant and equipment	(169,478)	(84,948)
7.11 Proceeds from sale of property, plant and equipment	5,849	9,839
7.12 Payment for purchases of equity investments	(4,433)	(153)
7.13 Proceeds from sale of equity investments	8,559	41,594
7.14 Loans to other entities	(573)	-
7.15 Loans repaid by other entities	20	8,400
7.16 Other - acquisitions of entities	(4,580)	-
- repayment of employee share plan loans	9,035	3,367
7.17 Net investing cash flows	(155,601)	(21,901)
Cash flows related to financing activities		
7.18 Proceeds from issues of securities (shares, options, etc.)	53	-
7.19 Proceeds from borrowings	169,434	-
7.20 Repayment of borrowings	-	(6,594)
7.21 Dividends paid	(24,172)	(21,959)
7.22 Other (provide details if material)	-	-
7.23 Net financing cash flows	145,315	(28,553)
Net increase (decrease) in cash held		
7.24 Cash at beginning of the period (see Reconciliation of cash)	30,051	54,230
7.25 Exchange rate adjustments to item 7.24	-	-
7.26 Cash at end of period (see Reconciliation of cash)	43,445	49,854

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

	Current Half Year \$000	Previous Corresponding Half Year \$000
Share capital issues:		
Dividend investment plan	63,508	22,411
Employee share plan	41,709	45,512
	105,217	67,923
Dividends:		
Employee share plan repayments	3,771	1,463

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current Half Year \$A'000	Previous Corresponding Half Year \$A'000
8.1 Cash on hand and at bank	17,732	18,521
8.2 Deposits at call	25,713	31,333
8.3 Bank overdraft	-	-
8.4 Other (provide details)	-	-
8.4 Total cash at end of period (item 7.26)	43,445	49,854

Ratios

	Current Half Year	Previous Corresponding Half Year
Profit before abnormals and tax/sales		
9.1 Consolidated operating profit (loss) before abnormal items and tax (item 1.4) as a percentage of sales revenue (item 1.1)	8.8%	7.5%
Profit after tax/equity interests		
9.2 Consolidated operating profit (loss) after tax attributable to members (item 1.10) as a percentage of equity (similarly attributable) at the end of the period (item 4.33)		
(a) Before goodwill amortisation	6.7%	6.3%
(b) After goodwill amortisation	6.4%	5.9%

Earnings per security (EPS)

	Current Half Year	Previous Corresponding Half Year
10.1 Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share		
Basic and diluted		
(a) Before goodwill amortisation	31.1¢	26.5¢
(b) After goodwill amortisation	29.6¢	25.0¢

NTA backing

	Current Half Year	Previous Corresponding Half Year
11.1 Net tangible asset backing per ordinary security	\$3.88	\$3.45

Supplementary information - "cashflow per share"

In accordance with general principles used by financial analysts, "cashflow per share" has been calculated by adding all forms of depreciation and amortisation to operating profit after tax and before abnormal items and dividing by the weighted average number of ordinary shares on issue during the year.

Current Half Year	Previous Corresponding Half Year
51.1¢	47.9¢

Details of specific receipts/outlays, revenues/expenses

	Current Half Year \$A'000	Previous Corresponding Half Year \$A'000
12.1 Interest revenue included in determining item 1.4	2,916	6,057
12.2 Interest revenue included in item 12.1 but not yet received (if material)	1,302	999
12.3 Interest expense included in item 1.4 (include all forms of interest, lease finance charges, etc.)	9,033	14,429
12.4 Interest costs excluded from item 12.3 and capitalised in asset values (if material)	1,776	720
12.5 Outlays (except those arising from the acquisition of an existing business) capitalised in intangibles (if material)	-	-
12.6 Depreciation and amortisation (excluding amortisation of intangibles)	48,279	49,035

Control gained over entities having material effect

Not Applicable

Loss of control of entities having material effect

Not Applicable

Reports for industry and geographical segments

	Operating Revenue		Segment Assets		Earnings	
	1997 \$A'000	1996 \$A'000	1997 \$A'000	1996 \$A'000	1997 \$A'000	1996 \$A'000
Rural operations and insurance	346,480	310,751	409,189	405,676	14,886	8,730
Fertiliser and chemicals	135,547	201,427	419,672	375,411	16,417	21,431
Energy	241,797	226,799	473,477	381,961	56,016	48,097
Hardware and forest products	459,411	403,084	743,546	676,454	37,462	31,366
Other	141,336	132,314	264,193	264,889	10,209	6,922
	1,324,571	1,274,375	2,310,077	2,104,391	134,990	116,546
Consolidation adjustments	(2,707)	(3,420)	(102,173)	(93,521)	(2,658)	(3,365)
Interest paid and corporate overheads					(18,492)	(22,844)
Operating profit before income tax					113,840	90,337
Income tax expense					(41,908)	(32,609)
	1,321,864	1,270,955	2,207,904	2,010,870	71,932	57,728

Dividends (in the case of a trust, distributions)

15.1 Date the dividend (distribution) is payable

20 April 1998

15.2 Record date to determine entitlements to the dividend (distribution) (ie, on the basis of registrable transfers received up to 5.00pm if paper based, or by "End of Day" if a proper SCH transfer)

27 March 1998

Amount per security

		Amount per security	Franked amount per security at 36% tax
15.6	Interim dividend: Current year	23c	23c
15.7	Previous year	20c	20c

Total dividend (distribution)

	Current Half Year \$A000	Previous Corresponding Half Year \$A000
15.10 Ordinary securities	57,068	47,384
15.11 Preference securities	-	-
15.12 Total	57,068	47,384

The dividend or distribution plans shown below are in operation.

Wesfarmers Limited Shareholders' Investment Plan - Dividend Investment Plan

The last date(s) for receipt of election notices for the dividend or distribution plans

27 March 1998

Any other disclosures in relation to dividends (distributions)

Nil

Details of aggregate share of profits (losses) of associates

Entity's share of associates'	Current Half Year \$A,000	Previous Corresponding Half Year \$A,000
16.1 Operating profit (loss) before income tax	5,173	-
16.2 Income tax expense	2,081	-
16.3 Operating profit (loss) after income tax	3,092	-
16.4 Extraordinary items net of tax	-	-
16.5 Net profit (loss)	3,092	-
16.6 Outside equity interests	-	-
16.7 Net profit (loss) attributable to members	3,092	-

Material interests in entities which are not controlled entities

No material interest

Issued and quoted securities at end of current period

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of securities		Number issued	Number quoted	Par value (cents)	Paid-up value (cents)
18.1	Preferences securities	Nil			
18.2	Issued during current period	Nil			
18.3	Ordinary securities	248,119,719	248,119,719	50	50
18.4	Issued during current period	8,467,699	8,467,699	50	50
18.5	Convertible debt securities	Nil			
18.6	Issued during current period	Nil			
18.7	Options	6,771,008	6,771,008	Exercise price	Expiry date
				\$12.50	30/06/99
18.8	Issued during current period	Nil			
18.9	Exercised during current period	4,246	4,246	\$12.50	
18.10	Expired during current period	Nil			
18.11	Debentures	Nil			
18.12	Unsecured notes	Nil			

Comments by directors

Material factors affecting the revenues and expenses of the economic entity for the current period.

Refer to the press release dated 10 February 1998 accompanying this statement.

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial quantified. (if possible)

Nil

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

It is anticipated that dividends paid or declared for the year ended 30 June 1998 will be fully franked.

Changes in accounting policies since the last annual report are disclosed as follows.

Adoption of equity accounting.

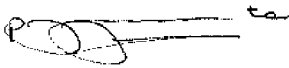
Additional disclosure for trusts

Not Applicable

Compliance statement

- 1 This report has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This report, and the financial statements under the Corporations Law (if separate), use the same accounting policies.
- 3 This report gives a true and fair view of the matters disclosed.
- 4 This report is based on financial statements which have been subject to review by a registered auditor.
- 5 The independent audit review report is attached.
- 6 The entity has a formally constituted audit committee.

Sign here:


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(Company Secretary)

Date: 10 February 1998

Print name:

P J JOHNSTON