

## FIVE-YEAR HISTORY – FINANCIAL PERFORMANCE AND KEY METRICS

### GROUP FINANCIAL PERFORMANCE

Full-year ended 30 June (\$m) <sup>1</sup>	2017	2016	2015	2014	2013
<b>Summarised income statement</b>					
Revenue	68,444	65,981	62,447	62,348	59,832
EBITDA	5,668	2,642	4,978	5,273	4,729
Depreciation and amortisation	(1,266)	(1,296)	(1,219)	(1,123)	(1,071)
EBIT	4,402	1,346	3,759	4,150	3,658
Finance costs	(264)	(308)	(315)	(363)	(432)
Income tax expense	(1,265)	(631)	(1,004)	(1,098)	(965)
NPAT	2,873	407	2,440	2,689	2,261
Profit from continuing operations <sup>2</sup> excl. NTIs <sup>3</sup>	2,873	2,251	2,440	2,253	2,128
Profit/(losses) from discontinued ops. <sup>2</sup> and NTIs <sup>3</sup>	-	(1,844)	-	436	133
<b>Summarised balance sheet</b>					
Total assets	40,115	40,783	40,402	39,727	43,155
Total liabilities	16,174	17,834	15,621	13,740	17,133
Net assets	23,941	22,949	24,781	25,987	26,022
Net debt	4,809	7,103	6,209	3,401	5,259
<b>Summarised cash flow statement</b>					
Operating cash flows	4,226	3,365	3,791	3,226	3,931
Add/(less): Net capital expenditure	(1,028)	(1,336)	(1,552)	(1,216)	(1,672)
Add/(less): Other investing cash flows	975	(796)	(346)	2,168	(88)
Add/(less): Total investing cash flows	(53)	(2,132)	(1,898)	952	(1,760)
Free cash flow	4,173	1,233	1,893	4,178	2,171
Add/(less): Financing cash flows	(3,771)	(1,333)	(3,249)	(3,444)	(1,965)
Net increase/(decrease) in cash	402	(100)	(1,356)	734	206
<b>Distributions to shareholders (cents per share)</b>					
Interim ordinary dividend	103	91	89	85	77
Final ordinary dividend	120	95	111	105	103
Full-year ordinary dividend	223	186	200	190	180
Special dividend	-	-	-	10	-
Capital management (paid)	-	-	100	50	-
<b>Key performance metrics</b>					
Earnings per share (cents per share)	254.7	36.2	216.1	234.6	195.9
Earnings per share from continuing operations <sup>2</sup> excl. significant items and NTIs <sup>4</sup> (cents per share)	254.7	209.5	216.1	196.6	195.9
Operating cash flow per share <sup>5</sup> (cents per share)	374.1	299.2	335.1	281.0	339.7
Cash realisation ratio <sup>6</sup> (%)	102	95	104	92	118
Return on equity (R12, %)	12.4	1.7	9.8	10.5	8.9
Return on equity (R12, %) (continuing ops. <sup>2</sup> excl. significant items and NTIs <sup>4</sup> )	12.4	9.6	9.8	9.4	8.2
Net tangible asset backing per share (\$ per share)	4.44	3.45	4.85	6.14	4.69
Interest cover (cash basis) <sup>7</sup> (R12, times)	25.0	16.8	20.5	15.9	12.2
Fixed charges cover <sup>7</sup> (R12, times)	3.1	2.7	3.0	3.2	3.0

<sup>1</sup> All figures are presented as last reported.

<sup>2</sup> 2014 and 2013 income statement balances have been restated for the classification of the Insurance division as a discontinued operation.

<sup>3</sup> 2016 NTIs include non-cash impairments of \$1,844 million relating to Target and Curragh. 2014 NTIs include the impairment of Target's goodwill, Coles Liquor restructuring provision and the gains on the sales of the Insurance division and ALWA totaling \$291 million.

<sup>4</sup> 2016 significant items and NTIs include non-cash impairments of \$1,844 million relating to Target and Curragh and \$102 million of restructuring costs and provisions to reset Target. NTIs equal \$291 million in 2014.

<sup>5</sup> For the purposes of this calculation, reserved shares have been included in the weighted average number of ordinary shares.

<sup>6</sup> Operating cash flows as a percentage of net profit after tax, before depreciation and amortisation and NTIs.

<sup>7</sup> 2016 excludes pre-tax non-cash impairments of \$2,116 million relating to Target and Curragh.

## DIVISIONAL KEY PERFORMANCE METRICS

Full-year ended 30 June (\$m) <sup>1</sup>	2017	2016	2015	2014	2013
<b>COLES</b>					
<b>Divisional performance</b>					
Revenue	39,217	39,242	38,201	37,391	35,780
EBITDA <sup>2</sup>	2,256	2,475	2,347	2,157	1,987
Depreciation and amortisation	(647)	(615)	(564)	(485)	(454)
EBIT <sup>2</sup>	1,609	1,860	1,783	1,672	1,533
EBIT margin <sup>2</sup> (%)	4.1	4.7	4.7	4.5	4.3
ROC (R12, %)	9.7	11.2	11.0	10.3	9.5
Capital expenditure (cash basis)	805	797	941	1,016	1,187
<b>Food &amp; Liquor</b>					
Revenue <sup>3</sup>	33,084	32,564	30,784	29,220	27,933
Headline sales growth <sup>4,5</sup> (%)	2.0	5.1	5.3	4.7	5.5
Comparable sales growth <sup>4,5</sup> (%)	1.0	4.1	3.9	3.7	4.3
<b>Convenience</b>					
Revenue	6,133	6,678	7,417	8,171	7,847
Total sales growth <sup>4,6</sup> (%)	(7.8)	(10.2)	(9.2)	4.1	4.0
Total fuel volume growth <sup>4</sup> (%)	(13.6)	(4.4)	(1.3)	(3.5)	5.4
Comparable fuel volume growth <sup>4</sup> (%)	(16.0)	(7.9)	(3.7)	(3.9)	2.3
Total convenience store sales growth <sup>4</sup> (%)	4.6	11.1	9.8	6.0	1.5
Comparable convenience store sales growth <sup>4</sup> (%)	1.7	6.9	6.8	5.5	(0.8)
<b>HOME IMPROVEMENT</b>					
Revenue <sup>7</sup>	13,586	11,571	9,534	8,546	7,661
EBITDA <sup>7,8</sup>	1,463	1,383	1,228	1,106	1,028
Depreciation and amortisation <sup>7</sup>	(218)	(169)	(140)	(127)	(124)
EBIT <sup>7,8</sup>	1,245	1,214	1,088	979	904
EBIT margin <sup>7,8</sup> (%)	9.2	10.5	11.4	11.5	11.8
ROC <sup>7</sup> (R12, %)	30.3	33.7	33.5	29.3	25.9
Total sales growth <sup>9</sup> (%)	8.9	11.0	11.5	11.6	7.0
Total store sales growth <sup>9,10</sup> (%)	8.9	11.1	11.4	11.7	7.2
Store-on-store sales growth <sup>9,10</sup> (%)	7.3	8.1	8.8	8.4	4.4

<sup>1</sup> All figures are presented as last reported.

<sup>2</sup> 2017 includes earnings of \$39 million related to the sale of Coles' interest in a number of joint venture properties to ISPT. 2014 excludes \$94 million provision relating to restructuring activities within the Coles Liquor business (reported as an NTI).

<sup>3</sup> Includes property.

<sup>4</sup> Based on retail periods (rather than Gregorian reporting). Refer to Appendix One for applicable retail periods.

<sup>5</sup> Includes hotels, excludes gaming revenue and property.

<sup>6</sup> Includes fuel sales.

<sup>7</sup> 2016 includes trading for Homebase from acquisition on 28 February 2016.

<sup>8</sup> Includes net property contribution for 2017 of \$43 million; 2016 of \$46 million; 2015 of \$40 million; 2014 of \$13 million; 2013 of \$8 million.

<sup>9</sup> Includes Bunnings Australia and New Zealand only.

<sup>10</sup> Excludes sales related to Trade Centres and 'Frame and Truss'.

**DIVISIONAL KEY PERFORMANCE METRICS (CONTINUED)**

Full-year ended 30 June (\$m) <sup>1</sup>	2017	2016	2015	2014	2013
<b>DEPARTMENT STORES DIVISION</b>					
<b>Divisional performance</b>					
Revenue	8,528	8,646	7,991	7,710	7,825
EBITDA <sup>2</sup>	739	466	697	615	631
Depreciation and amortisation	(196)	(191)	(175)	(163)	(151)
EBIT <sup>2</sup>	543	275	522	452	480
Capital expenditure (cash basis)	225	292	296	240	176
<b>Target</b>					
Revenue	2,950	3,456	3,438	3,501	3,658
EBITDA <sup>2</sup>	74	(105)	176	167	216
Depreciation and amortisation	(84)	(90)	(86)	(81)	(80)
EBIT <sup>2</sup>	(10)	(195)	90	86	136
EBIT margin <sup>2</sup> (%)	(0.3)	(5.6)	2.6	2.5	3.7
ROC (R12, %)	(1.0)	(8.2)	3.6	2.9	4.6
Capital expenditure (cash basis)	71	129	127	78	81
Total sales growth <sup>3</sup> (%)	(14.5)	0.2	(1.8)	(4.2)	(1.7)
Comparable sales growth <sup>3</sup> (%)	(14.9)	(0.4)	(1.0)	(5.3)	(3.3)
<b>Kmart</b>					
Revenue	5,578	5,190	4,553	4,209	4,167
EBITDA	665	571	521	448	415
Depreciation and amortisation	(112)	(101)	(89)	(82)	(71)
EBIT	553	470	432	366	344
EBIT margin (%)	9.9	9.1	9.5	8.7	8.3
ROC (R12, %)	43.7	37.7	32.9	26.9	25.9
Capital expenditure (cash basis)	154	163	169	162	95
Total sales growth <sup>3</sup> (%)	7.9	13.5	8.2	0.9	2.7
Comparable sales growth <sup>3</sup> (%)	4.2	10.5	4.6	0.5	2.1
<b>OFFICEWORKS</b>					
Revenue	1,964	1,851	1,714	1,575	1,506
EBITDA	168	156	139	124	117
Depreciation and amortisation	(24)	(22)	(21)	(21)	(24)
EBIT	144	134	118	103	93
EBIT margin (%)	7.3	7.2	6.9	6.5	6.2
ROC (R12, %)	14.7	13.5	11.4	9.4	8.1
Total sales growth (%)	6.1	8.1	8.8	4.7	1.6

<sup>1</sup> All figures are presented as last reported.

<sup>2</sup> 2017 includes \$13 million of restructuring costs associated with the planned relocation of Target's store support office. 2016 includes \$145 million of restructuring costs and provisions, and excludes \$1,266 million pre-tax non-cash impairment; 2014 excludes \$677 million impairment of Target's goodwill (reported as a NTI).

<sup>3</sup> Based on retail periods (rather than Gregorian reporting). Refer to Appendix One for applicable retail periods.

## DIVISIONAL KEY PERFORMANCE METRICS (CONTINUED)

Full-year ended 30 June (\$m) <sup>1</sup>	2017	2016	2015	2014	2013
<b>INDUSTRIALS</b>					
<b>Divisional performance</b>					
Revenue	5,161	4,672	4,985	4,977	4,991
EBITDA	1,095	341	668	765	839
Depreciation and amortisation	(180)	(294)	(315)	(283)	(277)
EBIT	915	47	353	482	562
Capital expenditure (cash basis)	169	228	250	386	391
<b>Chemicals, Energy and Fertilisers</b>					
Chemicals revenue	813	910	840	730	731
Energy revenue <sup>2,3</sup>	368	325	435	592	577
Fertilisers revenue	458	585	564	490	497
Total revenue	1,639	1,820	1,839	1,812	1,805
EBITDA <sup>3,4</sup>	472	400	345	314	348
Depreciation and amortisation	(77)	(106)	(112)	(93)	(99)
EBIT <sup>3,4</sup>	395	294	233	221	249
ROC (R12, %)	27.4	18.9	15.2	14.4	17.8
Capital expenditure (cash basis)	44	60	56	172	262
<i>External sales volumes ('000 tonnes)</i>					
Chemicals	979	1,021	912	807	819
LPG <sup>3</sup>	103	120	185	243	265
Fertilisers	956	1,080	1,036	939	933

<sup>1</sup> All figures are presented as last reported.

<sup>2</sup> Includes interest revenue from Quadrant Energy loan notes and excludes intra-division sales.

<sup>3</sup> Includes Kleenheat (including east coast LPG operations prior to sale in February 2015) and ALWA prior to December 2013 divestment.

<sup>4</sup> Includes a profit on sale of land of \$22 million and \$33 million relating to WesCEF's share of revaluation gains in Quadrant Energy in 2017. Includes \$32 million of one-off restructuring costs associated with the decision to cease PVC manufacturing in 2016; net \$10 million gain from one-off restructuring, comprising a gain on sale of Kleenheat's east coast LPG distribution business and asset writedowns, as well as insurance proceeds in 2015; ALWA earnings prior to December 2013 divestment (excludes \$95 million gain on sale, reported as an NTI).

## DIVISIONAL KEY PERFORMANCE METRICS (CONTINUED)

Full-year ended 30 June (\$m) <sup>1</sup>	2017	2016	2015	2014	2013
<b>Industrial and Safety</b>					
Revenue	1,776	1,844	1,772	1,621	1,647
EBITDA <sup>2</sup>	158	105	108	161	192
Depreciation and amortisation	(43)	(42)	(38)	(30)	(27)
EBIT <sup>2</sup>	115	63	70	131	165
EBIT margin <sup>2</sup> (%)	6.5	3.4	4.0	8.1	10.0
ROC (R12, %)	8.4	4.7	5.5	11.6	14.7
Capital expenditure (cash basis)	34	52	57	51	50
<b>Resources</b>					
Revenue	1,746	1,008	1,374	1,544	1,539
Royalties <sup>3</sup>	(262)	(143)	(167)	(221)	(262)
Mining and other costs	(1,019)	(1,029)	(992)	(1,033)	(978)
EBITDA <sup>4</sup>	465	(164)	215	290	299
Depreciation and amortisation	(60)	(146)	(165)	(160)	(151)
EBIT <sup>4</sup>	405	(310)	50	130	148
ROC (R12, %)	69.0	(22.9)	3.4	8.9	10.0
Capital expenditure (cash basis)	91	116	137	163	79
<i>Curragh export metallurgical sales mix (%)</i>					
Hard	42	34	40	38	40
Semi	23	30	35	31	31
PCI	35	36	25	31	29
<i>Mine performance – Curragh (QLD) ('000 tonnes)</i>					
Metallurgical coal production volumes	8,227	7,316	9,066	8,810	7,380
Steaming coal production volumes	3,801	3,263	3,187	3,498	3,254
Metallurgical coal sales volumes <sup>5</sup>	8,162	7,488	8,604	8,779	7,212
Steaming coal sales volumes	3,684	3,386	3,202	3,570	3,166
<i>Mine performance – Bengalla (NSW) ('000 tonnes)</i>					
Steaming coal production volumes <sup>6</sup>	3,437	3,384	3,304	3,451	3,096
Steaming coal sales volumes <sup>6</sup>	3,408	3,382	3,351	3,446	3,028

<sup>1</sup> All figures are presented as last reported.

<sup>2</sup> Includes \$35 million of restructuring costs associated with the 'Fit for Growth' transformation in 2016; and \$20 million of restructuring costs in 2015.

<sup>3</sup> Includes Stanwell rebate expense for 2017 of \$98 million; 2016 of \$65 million; 2015 of \$67 million; 2014 of \$102 million; and 2013 of \$154 million.

<sup>4</sup> Excludes \$850 million pre-tax non-cash impairment of Curragh in 2016.

<sup>5</sup> Excludes traded coal.

<sup>6</sup> Wesfarmers' attributable volumes.