

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

### GROUP FINANCIAL PERFORMANCE

Year ended 30 June (\$m) <sup>1</sup>	2019	2018	2017	2016	2015
<b>Summarised income statement</b>					
Revenue	44,684	69,878	68,444	65,981	62,447
EBITDA	7,627	4,079	5,668	2,642	4,978
Depreciation and amortisation	(809)	(1,283)	(1,266)	(1,296)	(1,219)
EBIT	6,818	2,796	4,402	1,346	3,759
Finance costs	(175)	(221)	(264)	(308)	(315)
Income tax expense	(1,133)	(1,378)	(1,265)	(631)	(1,004)
NPAT	5,510	1,197	2,873	407	2,440
<b>Summarised balance sheet</b>					
Total assets	18,333	36,933	40,115	40,783	40,402
Total liabilities	8,362	14,179	16,174	17,834	15,621
Net assets	9,971	22,754	23,941	22,949	24,781
Net debt	2,500	3,933	4,809	7,103	6,209
<b>Summarised cash flow statement</b>					
Operating cash flows	2,718	4,080	4,226	3,365	3,791
Add/(less): Net capital expenditure	(827)	(1,209)	(1,028)	(1,336)	(1,552)
Add/(less): Other investing cash flows	1,072	551	975	(796)	(346)
Add/(less): Total investing cash flows	245	(658)	(53)	(2,132)	(1,898)
Free cash flow	2,963	3,422	4,173	1,233	1,893
Add/(less): Financing cash flows	(2,851)	(3,752)	(3,771)	(1,333)	(3,249)
Net increase/(decrease) in cash	112	(330)	402	(100)	(1,356)
<b>Distributions to shareholders (cents per share)</b>					
Interim ordinary dividend	100	103	103	91	89
Final ordinary dividend	78	120	120	95	111
Full-year ordinary dividend	178	223	223	186	200
Special dividend	100	-	-	-	-
Capital management (paid)	-	-	-	-	100
<b>Key performance metrics</b>					
Earnings per share (cents per share)	487.2	105.8	254.7	36.2	216.1
Earnings per share from continuing operations <sup>2</sup> excl. significant items <sup>3</sup> (cents per share)	171.5	256.8	244.7	209.5	216.1
Operating cash flow per share <sup>4</sup> (cents per share)	240.3	360.1	374.1	299.2	335.1
Cash realisation ratio <sup>5</sup> (%)	86	101	102	95	104
Return on equity (R12, %)	38.7	5.2	12.4	1.7	9.8
Return on equity (R12, %) (excl. significant items <sup>3</sup> )	19.2	11.7	12.4	9.6	9.8
Net tangible asset backing per share (\$ per share)	5.21	4.33	4.44	3.45	4.85
Interest cover (cash basis) <sup>6</sup> (R12, times)	30.6	30.4	25.0	16.8	20.5
Fixed charges cover <sup>6</sup> (R12, times)	3.2	3.0	3.1	2.7	3.0

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

<sup>2</sup> 2019 discontinued operations comprise Coles, KTAS, Quadrant Energy and Bengalla. 2018 discontinued operations comprise Curragh and BUKI.

<sup>3</sup> 2019 significant items include pre-tax (post-tax) items comprising \$2,319 million (\$2,264 million) gain on demerger of Coles, \$679 million (\$645 million) gain on sale of Bengalla, \$267 million (\$244 million) gain on sale of KTAS, \$138 million (\$120 million) gain on sale of Quadrant Energy, partially offset by a \$146 million (\$102 million) provision for supply chain automation in Coles. 2018 significant items include impairments of \$1,237 million (\$1,323 million) relating to BUKI and Target, as well as the \$375 million (\$375 million) loss on sale of BUKI and \$120 million (\$123 million) gain on sale of Curragh. 2016 significant items and NTIs include non-cash impairments of \$2,116 million (\$1,844 million) relating to Target and Curragh and \$145 million (\$102 million) of restructuring costs and provisions to reset Target.

<sup>4</sup> For the purposes of this calculation reserved shares have been included.

<sup>5</sup> Operating cash flows as a percentage of net profit after tax, before depreciation and amortisation and significant items.

<sup>6</sup> Excludes significant items set out in footnote 3.

## DIVISIONAL KEY PERFORMANCE METRICS

Year ended 30 June (\$m) <sup>1</sup>	2019	2018	2017	2016	2015
<b>BUNNINGS AUSTRALIA AND NEW ZEALAND</b>					
Revenue	13,166	12,544	11,514	10,575	9,534
EBITDA <sup>2</sup>	1,818	1,683	1,505	1,369	1,228
Depreciation and amortisation	(192)	(179)	(171)	(156)	(140)
EBIT <sup>2</sup>	1,626	1,504	1,334	1,213	1,088
EBIT margin <sup>2</sup> (%)	12.3	12.0	11.6	11.5	11.4
ROC (R12, %)	50.5	49.4	41.8	36.6	33.5
Total sales growth (%)	5.1	8.8	8.9	11.0	11.5
Total store sales growth <sup>3</sup> (%)	5.2	8.9	8.9	11.1	11.4
Store-on-store sales growth <sup>3</sup> (%)	3.9	7.8	7.3	8.1	8.8
<b>KMART GROUP (includes KTAS)</b>					
Revenue	8,713	8,837	8,528	8,646	7,991
EBITDA <sup>4</sup>	745	862	739	466	697
Depreciation and amortisation	(195)	(202)	(196)	(191)	(175)
EBIT <sup>4</sup>	550	660	543	275	522
EBIT margin <sup>4</sup> (%)	6.3	7.5	6.4	3.2	6.5
ROC <sup>4,5</sup> (R12, %)	29.4	32.8	24.1	7.6	13.8
Capital expenditure (cash basis)	207	293	225	292	296
<b>Kmart (excludes KTAS in FY19)</b>					
- Total sales growth <sup>6</sup> (%)	1.5	8.0	7.9	13.5	8.2
- Comparable sales growth <sup>6</sup> (%)	0.0	5.4	4.2	10.5	4.6
<b>Target</b>					
- Total sales growth <sup>6</sup> (%)	(1.5)	(4.7)	(14.5)	0.2	(1.8)
- Comparable sales growth <sup>6</sup> (%)	(0.8)	(5.1)	(14.9)	(0.4)	(1.0)
<b>OFFICEWORKS</b>					
Revenue	2,314	2,142	1,964	1,851	1,714
EBITDA	195	181	168	156	139
Depreciation and amortisation	(28)	(25)	(24)	(22)	(21)
EBIT	167	156	144	134	118
EBIT margin (%)	7.2	7.3	7.3	7.2	6.9
ROC (R12, %)	17.0	16.6	14.7	13.5	11.4
Total sales growth (%)	7.6	9.1	6.1	8.1	8.8

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

<sup>2</sup> Includes net property contribution for 2019 of \$85 million; 2018 of \$33 million; 2017 of \$43 million; 2016 of \$46 million; 2015 of \$40 million.

<sup>3</sup> Excludes sales related to Trade Centres and 'Frame and Truss'.

<sup>4</sup> 2018 excludes a \$306 million pre-tax non-cash impairment in Target;

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 for Target, and excludes a \$1,266 million pre-tax non-cash impairment of Target.

<sup>5</sup> In addition to higher earnings, the increase in ROC in 2018 also reflects lower capital employed as a result of non-cash impairments in Target in June 2016 and December 2017.

<sup>6</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>	2019	2018	2017	2016	2015
<b>INDUSTRIALS</b>					
<b>Divisional performance</b>					
Revenue <sup>2,3</sup>	3,830	3,580	3,415	3,664	3,611
EBITDA <sup>3,4</sup>	642	628	630	505	453
Depreciation and amortisation	(118)	(120)	(120)	(148)	(150)
EBIT <sup>3,4</sup>	524	508	510	357	303
Capital expenditure (cash basis)	141	110	78	112	113
<b>Chemicals, Energy and Fertilisers</b>					
Chemicals revenue	1,000	932	813	910	840
Energy revenue <sup>2,3</sup>	468	423	368	325	435
Fertilisers revenue	610	475	458	585	564
Total revenue	2,078	1,830	1,639	1,820	1,839
EBITDA <sup>3,4</sup>	518	469	472	400	345
Depreciation and amortisation	(80)	(79)	(77)	(106)	(112)
EBIT <sup>3,4</sup>	438	390	395	294	233
ROC (R12, %)	32.6	27.7	27.4	18.9	15.2
Capital expenditure (cash basis)	58	60	44	60	56
<i>External sales volumes ('000 tonnes)</i>					
Chemicals	1,098	1,056	979	1,021	912
LPG <sup>5</sup>	171	145	103	120	185
Fertilisers	1,125	988	956	1,080	1,036
<b>Industrial and Safety</b>					
Revenue	1,752	1,750	1,776	1,844	1,772
EBITDA <sup>6</sup>	124	159	158	105	108
Depreciation and amortisation	(38)	(41)	(43)	(42)	(38)
EBIT <sup>6</sup>	86	118	115	63	70
EBIT margin <sup>6</sup> (%)	4.9	6.7	6.5	3.4	4.0
ROC (R12, %)	5.8	8.4	8.4	4.7	5.5
Capital expenditure (cash basis)	83	50	34	52	57

<sup>1</sup> All figures are presented as last reported except Industrials divisional total, which has been restated to exclude Resources.

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

<sup>3</sup> Includes Quadrant Energy, Kleenheat (including east coast LPG operations prior to sale in February 2015).

<sup>4</sup> 2019 includes \$30 million of insurance proceeds and a \$19 million provision for the removal of redundant equipment.

2017 includes a profit on sale of land of \$22 million and \$33 million relating to WesCEF's share of revaluation gains in Quadrant Energy;

2016 includes \$32 million of one-off restructuring costs associated with the decision to cease PVC manufacturing;

2015 includes 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.

<sup>5</sup> Includes Kleenheat (including east coast LPG operations prior to sale in February 2015).

<sup>6</sup> 2016 includes \$35 million of restructuring costs associated with the 'Fit for Growth' transformation;

2015 includes \$20 million of restructuring costs.