2011 Full-Year Results Teleconference

18 August 2011

Wesfarmers

Presentation outline

Wesfarmers

Group Performance Highlights

Richard Goyder
Managing Director, Wesfarmers Limited

Wesfarmers

Group performance highlights

- Operating revenue of $54.9 billion, up 5.9%
- Earnings before interest & tax of $3,232 million, up 12.7%
- Finance costs of $526 million, down 19.6%
- Net profit after tax of $1,922 million, up 22.8%
- Earnings per share of $1.67, up 22.8%
- Operating cash flows of $2,917 million, cash realisation ratio of 102.5%
- Capital investment of $2,062 million, up 24.5%
- Strong liquidity position; fixed charges cover of 2.7 times, up from 2.4 times
- Fully franked final dividend of $0.85 declared, up 21.4%, taking full-year dividend to $1.50

Group performance highlights (cont)

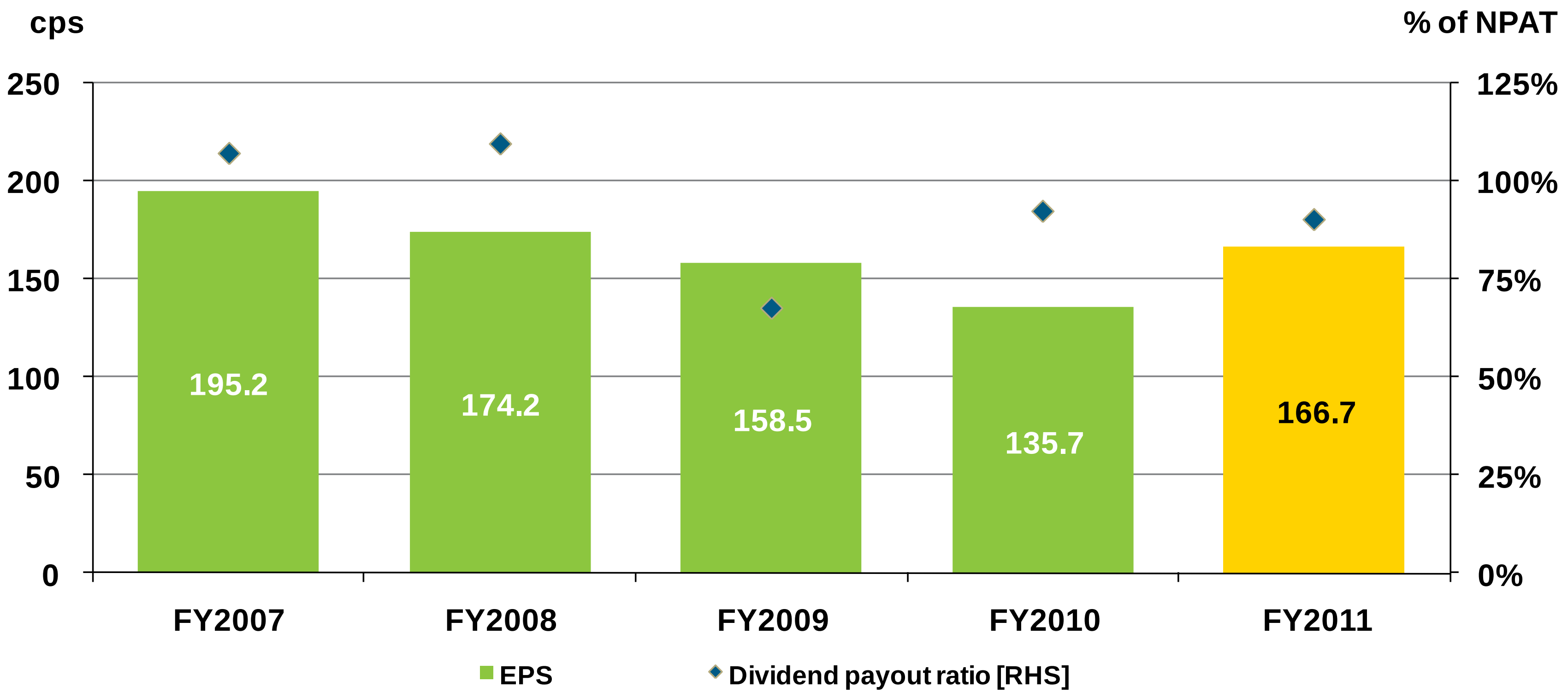
- Coles continued to deliver strong earnings growth, ahead of sales growth, reflecting solid sales momentum supported by operational efficiencies
- Bunnings recorded another good result underpinned by good merchandising execution & cost focus; 27 new locations opened during the year
- Kmart & Officeworks recorded improved earnings & strong uplift in transactions & unit growth as they continued to reposition their offers
- Target’s earnings affected by price deflation & clearance activity to manage seasonal inventory; solid transaction growth
- Insurance earnings lower due to unprecedented number of catastrophe events in Australia & New Zealand & higher reinsurance costs
- Improvement in Resources earnings due to higher coal prices, albeit record rainfall & groundwater inflow affected production & costs
- WES CEF & WIS benefited from demand for chemical & industrial inputs from the resources sector & strong operational performance

Group performance summary

Year ended 30 June ($m)	2011	2010	↕%
Revenue	**54,875**	51,827	*5.9*
EBITDA	**4,155**	3,786	*9.7*
EBIT	**3,232**	2,869	*12.7*
Finance costs	**(526)**	(654)	*19.6*
Tax expense	**(784)**	(650)	*(20.6)*
Net profit after tax (pre significant items)	**1,922**	1,702	*12.9*
Net profit after tax (post significant items)	**1,922**	1,565	*22.8*
Operating cash flows	**2,917**	3,327	*(12.3)*
Earnings per share (ex. employee res. shares) (Au. cps)	**166.7**	135.7	*22.8*
Earnings per share (inc. employee res. shares) (Au. cps)	**166.1**	135.3	*22.8*
Operating cash flow per share (inc. employee res. shares) (Au. cps)	**252.1**	287.5	*(12.3)*
Dividends per share (Au. cps)	**150.0**	125.0	*20.0*
Return on shareholders' funds (R12 %)	**7.7**	6.4	*20.3*

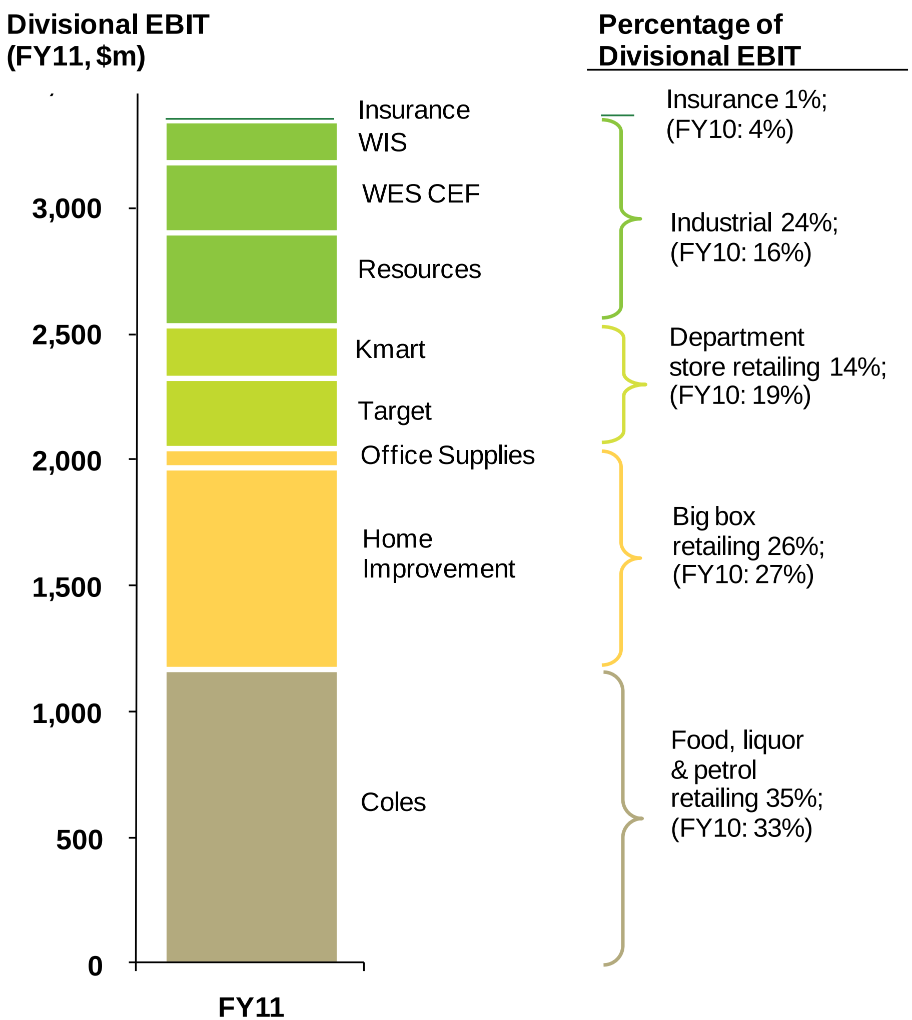
Return to growth in earnings per share

- 22.8% growth in earnings per share
- Dividend payout ratio strong at 90.0%



FY2007 - FY2009: EPS adjusted for equity raisings in 2008 & 2009; Dividend payout ratio based on unadjusted EPS

Strength through diversified earnings



Year ended 30 June EBIT ($m)	2011	2010	↕ %
Coles	**1,166**	962	*21.2*
Home Improvement	**802**	728	*10.2*
Office Supplies	**80**	74	*8.1*
Target	**280**	381	*(26.5)*
Kmart	**204**	196	*4.1*
Total Retail[1]	**2,532**	2,341	*8.2*
Insurance	**20**	122	*(83.6)*
Resources	**369**	165	*123.6*
Chemicals, Energy & Fertilisers[2,3]	**283**	196	*44.4*
Industrial & Safety[2]	**166**	138	*20.3*
Divisional EBIT	**3,370**	2,962	*13.8*
Other	**(36)**	3	*n.m.*
Corporate overheads	**(102)**	(96)	*(6.3)*
Group EBIT	**3,232**	2,869	*12.7*

[1] 2011 retail earnings include a combined impact of property damage & business interruption estimated at ~ $100m, partially offset by ~$60m in insurance recoveries recognised

[2] 2010 restated to reflect revised divisional structure

[3] 2011 includes $42m in insurance proceeds (2010: $5m) relating to the 2009 Varanus Island gas disruption claim

ROC focused businesses

- Focus on return on capital through earnings growth & capital efficiency improvements

Year ended 30 June	2011 EBIT $m	2011 R12 Capital Employed $m	2011 ROC %	2010 ROC %
Coles	1,166	14,973	7.8	6.5
Home Improvement	802	2,863	28.0	30.4
Office Supplies	80	1,195	6.7	6.3
Target	280	3,359	8.3	11.7
Kmart	204	856	23.8	22.5
Insurance	20	1,260	1.6	9.1
Resources	369	1,293	28.5	14.4
Chemicals, Energy & Fertilisers[1]	283	1,298	21.8	14.3
Industrial & Safety[1]	166	1,272	13.1	10.5

[1] 2010 restated to reflect current divisional structure

Progress on key strategic initiatives

Retail

- Coles: turnaround remains on track to meet internal expectations
  - Delivering solid sales momentum through better value, quality & service; supported by operational efficiency programs
- HIOS: ongoing progress with ‘range reset’ work, improving the customer experience, strong productivity focus & network expansion
- Kmart: continuing focus on product sourcing improvements & reducing costs of doing business to deliver lowest prices for families on everyday items
- Target: development of alternative offerings, in-house designs & productivity improvements to support established formats & deliver better value to customers

Insurance

- Improving underwriting disciplines & strong customer response to premium growth initiatives; ongoing growth in broking

Progress on key strategic initiatives (cont)

Industrials

- Resources: major expansion projects at Curragh & Bengalla (expected completion Q1 CY2012), continued focus on productivity improvements
- WES CEF: focus on expansion opportunities (including AN3[1]) & improving plant performance
- WIS: ongoing progress made in diversification of customer base & increasing share of existing customers spend

Group

- Ongoing portfolio management
- Continuing improvements to balance sheet efficiency & funding diversity

[1] Ammonium Nitrate expansion feasibility study. Expansion to 780,000tpa announced November 2009; expected for Board consideration in 1H FY2012

Coles
Ian McLeod
Managing Director

coles

BI-LO

coles express

1ST CHOICE LIQUOR SUPERSTORE

LIQUORLAND

VINTAGE CELLARS
AUSTRALIA'S FINE WINE SPECIALIST

Wesfarmers

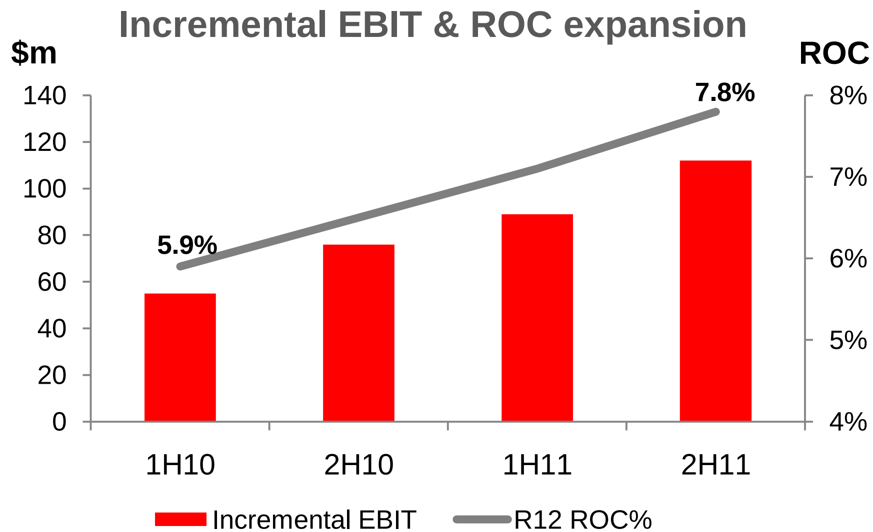
Coles performance summary

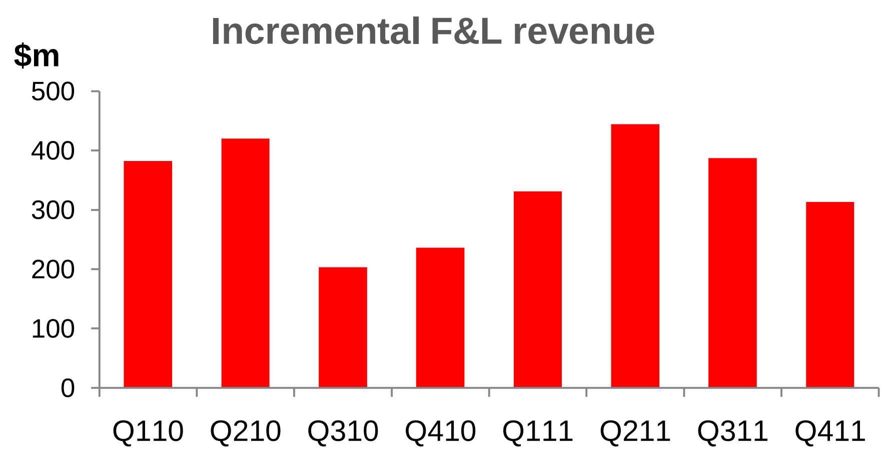
Year ended 30 June ($m)		2011	2010	↕ %
Revenue[1]		**32,073**	30,002	*6.9*
EBIT[1,2]		**1,166**	962	*21.2*
ROC %		**7.8**	6.5	
Safety (R12 LTIFR)		**15.9**	12.8	
Food & Liquor	Revenue	**25,236**	23,731	*6.3*
	Total store sales growth %[3,4]	**6.3**	5.6	
	Comp store sales growth %[3,4]	**6.3**	5.0	
	Trading EBIT	**1,066**	867	*23.0*
	EBIT Margin %	**4.2**	3.7	
Convenience	Revenue	**6,791**	6,247	*8.7*
	Total store sales growth %[3,5]	**2.0**	5.5	
	Comp fuel volume growth%[3]	**2.3**	0.7	
	Trading EBIT	**95**	77	*23.4*

[1] Includes property; [2] 2011 Coles property includes $18m (2010: $1m) surplus lease provision; [3] 2011 for the 52 weeks 28 June 2010 to 26 June 2011, 2010 for the 52 weeks 29 June 2009 to 27 June 2010; [4] Includes hotels, excludes gaming revenue & property; [5] Excludes fuel

Turnaround fundamental & far reaching

- Divisional EBIT growing three times faster than sales
  - 40 bps EBIT margin expansion in FY2011
- Increasing divisional ROC at an accelerating pace
  - Strong cash flow & returns focus
  - 130 bps ROC expansion in FY2011
- $1.5 billion incremental Food & Liquor revenue in FY2011
  - 9th consecutive quarter of industry outperformance





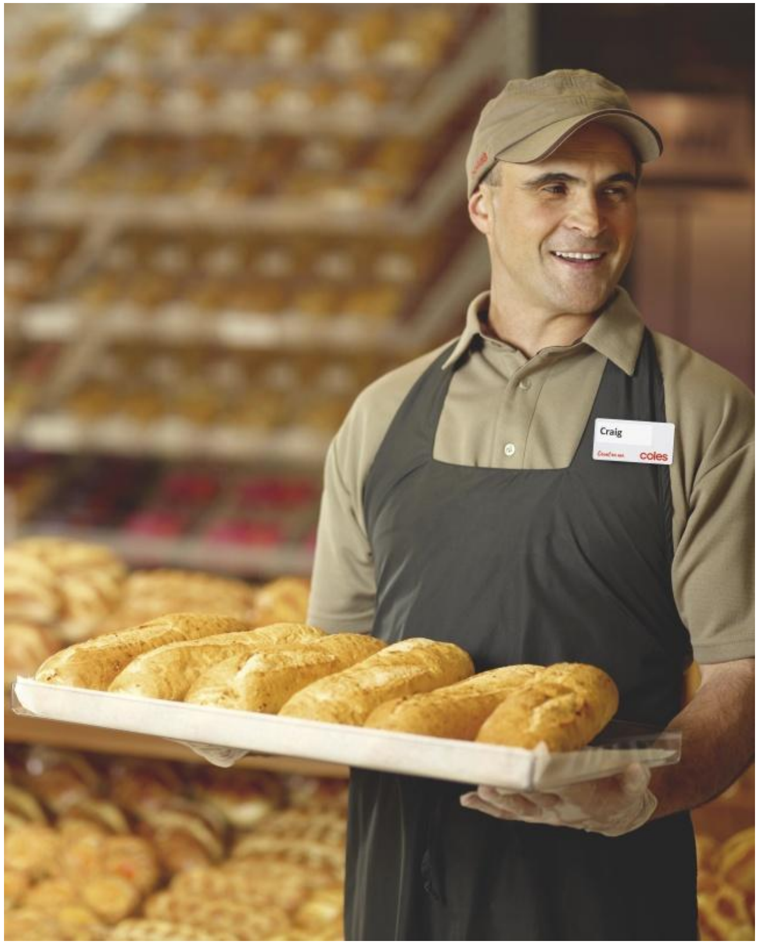
Truly better value

Truly better value

- $800 million+ savings for Australians in FY2011
  - 6,000+ prices reduced in the last 12 months
- Coles brand sales growth at double branded rate
  - 1,000+ new Coles brand products launched in FY2011
  - Strong growth in transactions
  - Basket penetration at record levels
- 'Down Down' TV commercial drives record customer recall & cut-through

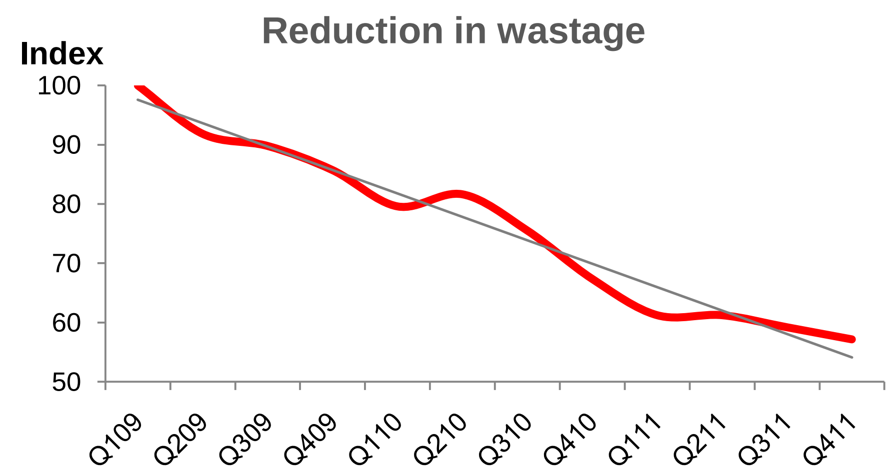
Improving quality fresh food

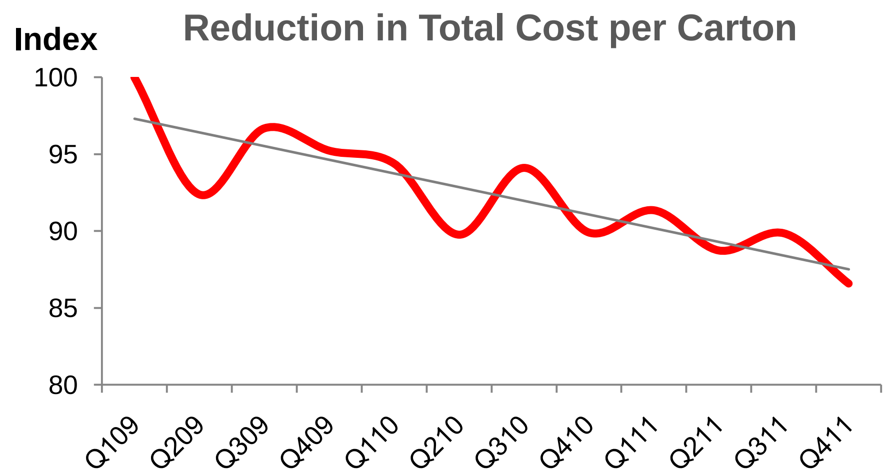
- $600 million more Fresh sales in FY2011
- ‘Australia First’ sourcing policy
  - Increased velocity throughout the supply chain
  - Focus on quality consistency
- Increasing importance of ethical sourcing & animal welfare
  - Hormone growth promotant free beef
  - Sow stall-free pork by 2014
  - Lower prices on free range eggs
  - RSPCA approved free range chicken
  - World Wildlife Fund approved sustainable seafood
- 600+ stores baking fresh bread everyday



Efficiency improvements

- $100 million+ wastage reduction in FY2011
  - Better promotional planning to reduce overstock & markdowns
  - Removal of duplication in ranges
  - Demand led ordering
- Consistent improvement in supply chain efficiency
  - Easy Ordering grocery & dairy roll-out 100% complete
  - Easy Warehousing on track for 1H FY2012 completion
  - Further structural changes to transportation & DC network to come



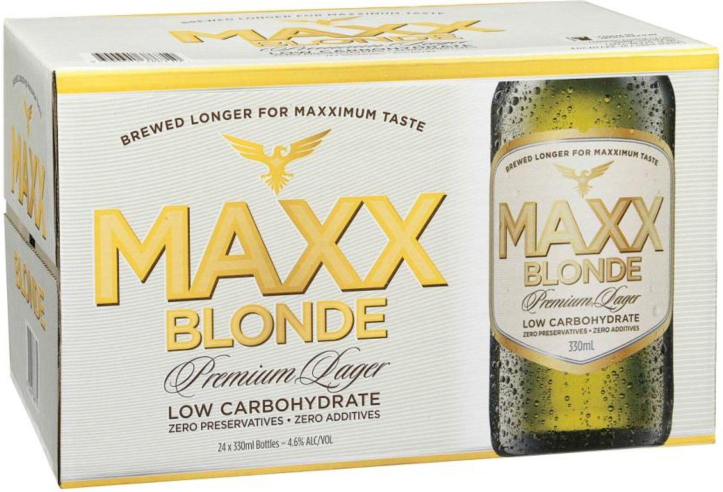


A better customer experience

- A consistently better customer experience
  - 94 renewal stores landed in FY2011
  - ~100 renewal stores planned for FY2012
  - Majority of renewal stores with double digit sales growth
- Better choice, broader range, more engagement
  - Continued strong performance of first larger store in Berwick
  - More larger format stores planned for FY2012
- Investment in Team Member training

Liquor

- Shift to bigger & better stores to meet consumer demand
  - Encouraging growth in bigger 1st Choice stores throughout FY2011
  - Challenging environment for smaller freestanding stores
  - Work-in-progress to rebalance the fleet
- Increasing penetration of clean skin wine, exclusive brands & private label

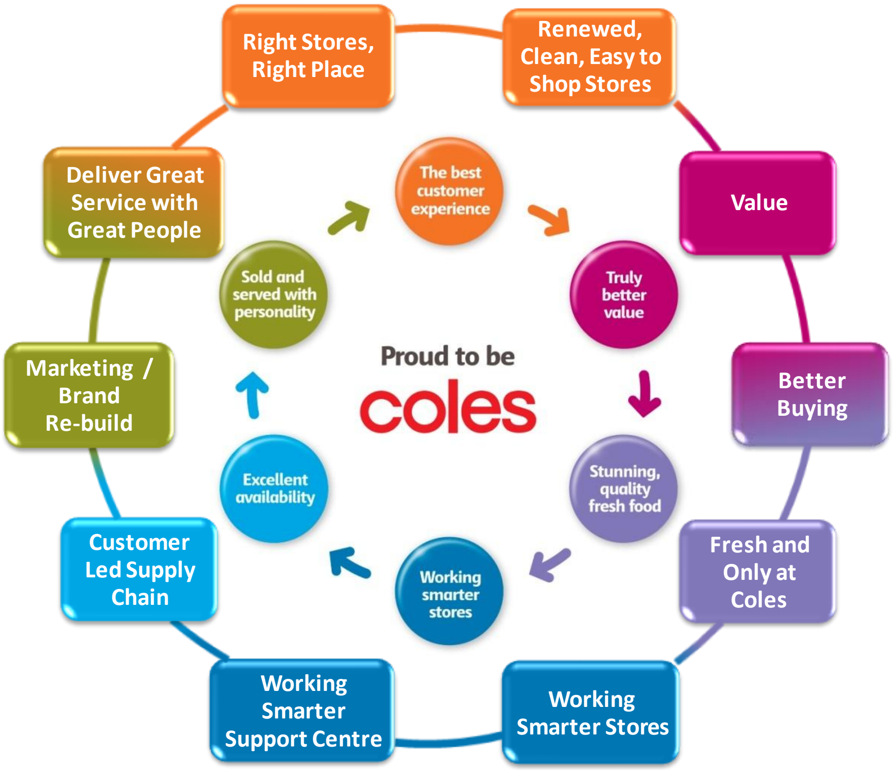


Convenience

- Continued strength in compelling customer offer
- Strong fuel volume growth
  - Double fuel discount; good customer response & continuing volume lift
  - Strong growth in diesel & V Power coupled with increasing pump capacity
- Capital efficient refurbishment of 450 sites completed during FY2011
- Improving site selection capability

Turnaround momentum maintained … but more to do

- Continued investment in value
- Focus on fresh food quality
- Further category innovation
- Efficiency in stores, support centre & throughout the supply chain
- Accelerating property plans
- Confident in the turnaround… but more to do



Home Improvement & Office Supplies

John Gillam
Managing Director

HIOS performance summary

Year ended 30 June ($m)		2011	2010	↕ %
Revenue	Home Improvement	**6,780**	6,413	5.7
	Office Supplies	**1,471**	1,409	4.4
		8,251	7,822	5.5
EBIT	Home Improvement	**802**	728	10.2
	Office Supplies	**80**	74	8.1
		882	802	10.0

Home Improvement
Performance summary

Year ended 30 June ($m)	2011	2010	↕ %
Revenue	**6,780**	6,413	*5.7*
Trading Revenue (excl. property rental income & non-trading items)	**6,773**	6,410	*5.7*
EBIT	**802**	728	*10.2*
Trading EBIT / Trading Revenue (%)	**11.8**	11.4	
Net property contribution	**6.0**	0.0	
ROC (R12 %)	**28.0**	30.4	
Safety (R12 AIFR)	**36.4**	35.9	

Home Improvement highlights

- Trading revenue growth 5.7%
  - 5.8% consumer sales growth
  - 5.6% total store sales growth (Store-on-store growth of 3.0%)
  - 5.1% lift in commercial sales
- Strong focus on customer improvements, expansion, ‘range reset’ work & better stock flow
- Opened 27 trading locations
  - 11 new warehouse stores
  - Eight smaller format stores
  - Eight trade centres
- Ongoing investment in property pipeline & existing stores
- Total capital investment of $595 million

Home Improvement outlook

- Continued growth
  - Positive contributions from consumer & commercial
  - Enhanced offer
- Maintain strategic focus on five growth drivers
  - Service
  - Category expansion & customer experience
  - Network expansion & reinvestment
  - Commercial market presence
  - Investing productivity gains in lower prices to drive value
- Increased capital investment planned

Office Supplies
Performance summary

Year ended 30 June ($m)	2011	2010	↕ %
Revenue	**1,471**	1,409	4.4
EBIT	**80**	74	8.1
EBIT / Revenue (%)	**5.4**	5.3	
ROC (R12 %)	**6.7**	6.3	
Safety (R12 LTIFR)	**12.2**	12.1	

Office Supplies highlights

- Pleasing sales growth
  - Retail store sales up 5.2%
  - Strong transaction growth maintained
  - B2B growing with strategies gaining traction
- Solid earnings growth in challenging market conditions
- Investment & improvement focus delivering results
  - 10 new stores, six full store upgrades
  - c. 40% of stores now trading with the new format
- Good progress on actions to improve customer offer
  - Website enhancements, range expansion, service investment

Office Supplies outlook

- Moderate sales growth
  - Competitive pressure on sales & margin remains strong
- Focus on execution of strategic agenda
  - Drive sales
  - Improve customer offer & service
  - Expand & upgrade store network
  - Reduce complexity & cost of doing business
  - Develop & engage the team
  - Grow the B2B offer

Target
Launa Inman
Managing Director

Target performance summary

Year ended 30 June ($m)	2011	2010	↕ %
Revenue	**3,782**	3,825	(1.1)
EBIT	**280**	381	(26.5)
EBIT margin (%)	**7.4**	10.0	
ROC (R12 %)	**8.3**	11.7	
Safety (R12 LTIFR)	**7.0**	8.0	
Total sales growth[1] (%)	**(1.2)**	0.9	
Comparative store sales growth[1](%)	**(1.2)**	(0.9)	

[1] 2011 for the 52 weeks 27 June 2010 to 25 June 2011, 2010 for the 52 weeks 28 June 2009 to 26 June 2010

Target highlights

- Solid EBIT margin in a challenging trading period
- Sustained increase in customer transactions & sales volumes
  - 2H FY2011 comparable store sales growth of 1.7%
  - Delivery of in-house designs in homewares & childrenswear
- Sales assisted by a positive customer response to improvements in intimate apparel & homewares
- Disciplined working capital focus
- Continued investment in the store portfolio with 65 refurbishments completed
- On-line store commenced in the second half, with encouraging customer response

Target outlook

- A challenging & competitive trading environment expected to continue into FY2012
  - Customers shopping for value, requiring incentive to spend
  - Ongoing focus on expense & capital management
- Continuing focus on
  - Improving customer service
  - Broadening customer offerings: increased use of digital technology (on-line & use of social media); launch of first Urban by Target
  - Refinement of product presentation in-store
  - Enhancing delivery of product to market
- Investment in the store portfolio with c.10 new stores & 25 to 30 refurbishments planned for FY2012

Kmart

Guy Russo
Managing Director

Tyre & Auto Service

Wesfarmers

Kmart performance summary

Year ended 30 June ($m)	2011	2010	↕ %
Revenue	**4,036**	4,019	0.4
EBIT[1]	**201**	190	5.8
EBIT margin (%)	**5.0**	4.7	
ROC (R12 %)[1]	**23.5**	21.8	
Safety (R12 LTIFR)	**6.8**	9.1	
Total sales growth[2] (%)	**0.4**	0.4	
Comparative store sales growth[2] (%)	**0.3**	(0.1)	

[1] 2011 excludes $3m earnings relating to Coles Group Asia overseas sourcing operations utilised by both Kmart & Target (2010: $6m)

[2] 2011 for the 52 weeks 28 June 2010 to 26 June 2011, 2010 for the 52 weeks 29 June 2009 to 27 June 2010

Kmart highlights

- Solid earnings growth through product sourcing improvements & reductions in cost of doing business
- Strong continued growth in volumes & customer transactions
- Subdued comparable store sales growth in challenging retail environment
- Fully operating under everyday low price model during FY2011
- Floors & fitting room replacement program largely complete, together with a further five refits completed during the year
- Solid sales growth from KTAS

Kmart outlook

- Connect more customers with the ‘new Kmart’
  - Continued focus on product offer to deliver everyday items for families across *all* categories
  - Communicate price & value to customers through increased marketing & media engagement activity
- Improve operating model efficiency
  - Better product flow efficiency
  - Improved in-store execution
- Ongoing focus on lowest cost sourcing
- Continued strengthening of property pipeline
- ‘New Kmart’ positioned to offer value to families in challenging trading environment

Insurance

Rob Scott
Managing Director

Wesfarmers Insurance

Wesfarmers

Insurance performance summary

Year ended 30 June ($m)	2011	2010	↕ %
Total Revenue	**1,739**	1,698	*2.4*
Gross Written Premium Underwritten	**1,426**	1,347	*5.9*
EBITA Underwriting	**(29)**	75	*n.m.*
EBITA Broking	**62**	59	*5.1*
EBITA Other	**(3)**	(3)	-
EBITA Insurance Division	**30**	131	*(77.1)*
EBIT Insurance Division	**20**	122	*(83.6)*
EBIT Margin (Insurance Division) (%)	**1.2**	7.2	
ROC (R12%)	**1.6**	9.1	
Safety (R12 LTIFR)	**0.8**	0.9	
Combined Operating Ratio (%)	**109.3**	97.9	
EBITA Margin (Broking) (%)	**27.5**	27.8	

Insurance highlights

- Unprecedented number of catastrophe events in Australia & NZ
- Net retention on CAT program exceeded six times with event claims & reinsurance reinstatements $110 million over allowances
- Liability Adequacy Test adjustment of $32 million arising from:
  - Higher reinsurance costs in FY2012
  - Change in reinsurance program structure
- Continued improvement in underlying underwriting performance
- New growth initiatives gaining traction (my.place, Coles Insurance)
- Revenue growth in broking operations ahead of prior year
- Acquisition of FMR; Crombie Lockwood now the leading broker in NZ
- Strong growth from premium funding
- Higher investment income from an increase in interest yields

Insurance outlook

- Continued focus on disciplined underwriting & pricing
- Capitalise on strong customer response to new initiatives
  - Retail personal lines
  - Corporate Solutions
  - Broker EDI solution (my.place)
- Significant increase in reinsurance costs & higher retentions from 1 July 2011 will put pressure on insurance margin
- Broking earnings will benefit from:
  - Full year contribution from FMR
  - Targeted recruitment of specialist brokers
  - Focus on premium funding via in-house vehicle
- Bolt-on acquisitions continue to be assessed

Resources

Stewart Butel
Managing Director

CURRAGH BENGALLA Premier Coal

Wesfarmers

Resources performance summary

Year ended 30 June ($m)	2011	2010	↕ %
Revenue[1]	**1,778**	1,416	*25.6*
EBITDA	**488**	285	*71.2*
Depreciation & amortisation	**(119)**	(120)	*0.8*
EBIT[2]	**369**	165	*123.6*
ROC (R12%)	**28.5**	14.4	
Coal Production (‘000 tonnes)	**13,599**	14,107	
Safety (R12 LTIFR)[3]	**1.3**	2.1	

[1] 2011 includes traded coal revenue of $79m (2010: $59m) & no locked-in exchange rate losses (2010: $85m)
[2] 2011 includes royalty expense of $229m (2010: $252m)
[3] Curragh & Premier only

Resources highlights: Curragh

- Ongoing production recovery at Curragh from significant weather-related events:
  - Record rainfall for the year
  - Major flooding in December – January
  - Groundwater inflow into mining areas
  - Associated significant increase in mine cash costs ($/t increase of 46%)
- Export market
  - Record export prices for metallurgical & steaming coal
  - High A$/US$ exchange rates
  - Strong global demand for coal
- Continued progress with Curragh expansion to 8.0 – 8.5mtpa export metallurgical coal capacity; completion expected Q1 CY2012

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Resources highlights: Bengalla & Premier

Bengalla

- 14.2% increase in sales volumes on strong export demand
- Continued progress of the stage one expansion to 7.5mtpa (9.3mtpa Run of Mine); completion expected Q1 CY2012

Premier

- 37.2% increase in sales volumes, reflecting increased demand from Verve Energy
- Strategic review initiated to consider a range of options
- Structured sale process commenced in March 2011 is ongoing

Resources outlook

- Q1 FY2012 pricing negotiations completed
  - 10% decrease on Q4 FY2011 for the weighted average Curragh metallurgical coal price
- Strong shipping performance from our traditional customers
- Tight labour market & industry cost pressures
  - Cost control programs continue
- Forecast Curragh metallurgical sales of 6.8 – 7.2 million tonnes in FY2012
  - Estimated sales mix (Hard 46%; Semi-Hard 22%; PCI 32%)
  - Stanwell royalty estimate A$195 - $210 million for FY2012 assuming A$:US$ of $1.05
- Next stage expansion studies continuing (Curragh to 10mtpa exports, Bengalla to 8.5mtpa or 10.7mtpa Run of Mine)

Chemicals, Energy & Fertilisers

Tom O'Leary
Managing Director

Wesfarmers Chemicals, Energy & Fertilisers

Wesfarmers

Chemicals, Energy & Fertilisers
Performance summary

Year ended 30 June ($m)		2011	2010[1]	↕ %
Revenue	Chemicals	**647**	606	*6.8*
	Energy[2]	**541**	510	*6.1*
	Fertilisers	**453**	454	*(0.2)*
		1,641	1,570	*4.5*
EBITDA[3]		**379**	293	*29.4*
Depreciation & amortisation		**(96)**	(97)	*1.0*
EBIT[3]		**283**	196	*44.4*
EBIT (excl insurance proceeds)		**241**	191	*26.2*
Sales volume ('000t):	Chemicals	**806**	778	
	Fertilisers	**854**	913	
	LPG	**301**	311	
ROC (R12 %)[3]		**21.8**	14.3	
Safety (R12 LTIFR)		**4.6**	3.9	

[1] Restated to exclude Coregas following the merger of Chemicals & Fertilisers & Energy from 1 July 2010
[2] Includes Kleenheat Gas, enGen & ALWA
[3] Includes insurance proceeds of $42m in 2011 (2010: $5m)

Chemicals, Energy & Fertilisers
Highlights

- Chemicals earnings (excl. insurance) in line with last year with solid production & demand partially offset by:
  - Increased gas input costs & higher A$ (sodium cyanide)
  - AV performance affected by low PVC – VCM spread[1] & higher A$
- Approval for ordering of long-lead items for the proposed ammonium nitrate (AN) expansion & further detailed engineering
- Kleenheat earnings (excl. insurance) in line with last year despite lower LPG production & sales, & higher gas input costs
  - Encouraging results from APG[2] LNG engine trials
- Fertiliser earnings recovered from previous year which included a $25 million inventory writedown & impact of highly priced inventory
- Agreement to sell enGen announced in July 2011 for $101 million

[1] The 'PVC-VCM Spread' refers to the PVC selling price relative to VCM input costs & is priced in US$
[2] American Power Group

Chemicals, Energy & Fertilisers

Outlook

- Continuing strong demand for ammonia, AN & sodium cyanide expected offset by:
  - Major 35-day ammonia plant planned shutdown to be completed in 1H FY2012 (~$15 million earnings impact)
  - Adverse impact of high A$ on sodium cyanide & AV
- Board consideration of proposed AN expansion in 1H FY2012
- Kleenheat earnings subject to international LPG prices & to be affected by higher gas prices & gas transport costs & lower LPG content
  - Expected adverse earnings impact of ~$25-30 million in FY2012
- Solid year-to-date fertiliser sales volumes
  - Full-year earnings remain dependent upon a good seasonal break in 2H FY2012 & farmers' terms of trade

Industrial & Safety

Olivier Chretien
Managing Director

Wesfarmers
Industrial and Safety

Wesfarmers

Industrial & Safety
Performance summary

Year ended 30 June ($m)	2011	2010[1]	% ↕
Revenue	**1,557**	1,412	*10.3*
EBITDA	**192**	168	*14.3*
Depreciation & amortisation	**(26)**	(30)	*13.3*
EBIT	**166**	138	*20.3*
EBIT margin (%)	**10.7**	9.8	
ROC (R12 %)	**13.1**	10.5	
Safety (R12 LTIFR)	**2.3**	1.6	

[1] Restated to include Coregas following the divisional restructure on 1 July 2010

Industrial & Safety highlights

- Strong results supported by market conditions & competitive position
  - Double digit sales & earnings growth
- Better performing business portfolio
  - Sales & earnings growth in all business segments including Coregas
  - Divested Motion, merged Blackwoods Paykels & Protector Safety[1]
- Solid sales momentum supported by strong service levels
  - Resurgence in the resource sector
  - Improving major project activity
  - Significant increase in eBusiness & services growth
  - Invested in international supply chain (Shenzhen distribution centre)
- Operational & capital management contributing to improved returns
- Ongoing commitment to safety, sustainability & employee development

[1] Leading to a reduction of 14 branch locations

Industrial & Safety outlook

- Positive albeit uncertain non-resource sector outlook
  - Continued growth in activity from major mining & oil & gas projects
  - Ongoing margin pressure & increasing labour retention challenges
  - Uncertain outlook for manufacturing sector & New Zealand
- Future growth driven by:
  - Resources & infrastructure projects
  - Growing share of customers’ product & service spend
  - Continued diversification of customer base
  - Ongoing investment in organisational effectiveness
  - Acquisition opportunities

Other Business & Capital Management

Terry Bowen
Finance Director, Wesfarmers Limited

Other business performance summary

Year ended 30 June ($m)	Holding %	2011	2010	↕ %
Share of profit/(loss) of associates:				
Gresham Private Equity Funds[1]	*Various*	**(60)**	43	*n.m.*
Gresham Partners	*50*	**1**	1	-
Wespine	*50*	**7**	6	*16.7*
BWP Trust	*23*	**19**	27	*(29.6)*
Sub-total		**(33)**	77	*n.m.*
Interest revenue[2]		**38**	65	*(41.5)*
Non-trading items [3]		**-**	(112)	*n.m.*
Other		**(41)**	(27)	*(51.9)*
Other business sub-total		**(36)**	3	*n.m.*
Corporate overheads		**(102)**	(96)	*(6.3)*
Total Other		**(138)**	(93)	*(48.4)*

[1] 2011 reflects non-cash downward revaluations to mark investment to market as required under accounting standards

[2] 2011 reflects lower interest received on lower average cash at bank & on deposit

[3] 2010 NTI's primarily related to Coregas & Coles property impairments & Kmart restructuring provisions

Working capital & other cash flows

- Inventory
  - HI: Network expansion & increased sales
  - Coles: Safety stock for supply system change, further centralised delivery & sales growth
  - Kmart: Increased direct sourcing
- Payables
  - Improved supplier terms & higher retail inventory partially offset by increased direct sourcing
- Receivables
  - Coles: Change in Switch settlement terms
  - HI: Increased sales
  - Insurance: Growth in premium funding

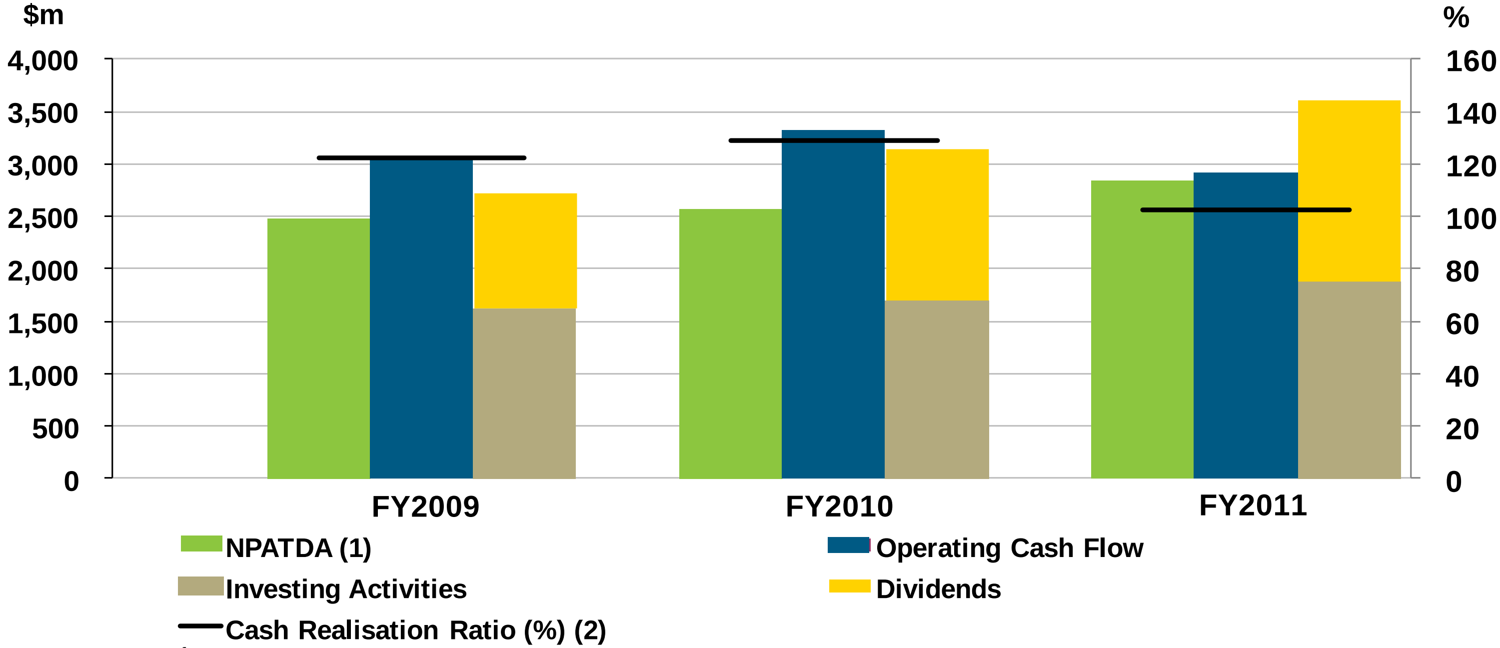
Cash Movement ($m) Inflow/(Outflow)	Year ended 30 June 2011	2010
Inventory	(347)	2
Payables	396	596
Receivables[1]	(312)	(171)
Net working capital	(263)	427
Net insurance[2]	114	1
Total	**(149)**	**428**
Net working capital consits of:		
Retail	(281)	367
Other	18	60
Net working capital	**(263)**	**427**

[1] Includes trade & other receivables & prepayments. 2010 restated for reclassification of reinsurance & other recoveries to net insurance

[2] Reflects the movement of reinsurance & other recoveries, net of insurance liabilities (including outstanding insurance claims & unearned premiums)

Portfolio of strong cash generating assets

- Cash realisation above 100% despite working capital investment
- Through the cycle operating cash flows fund dividends & investing activities
- Strong phase of growth capital investment underway



[1] FY2009 – FY2010 adjusted for significant non-cash, non-trading items
[2] Operating Cash Flow as a percentage of NPATDA

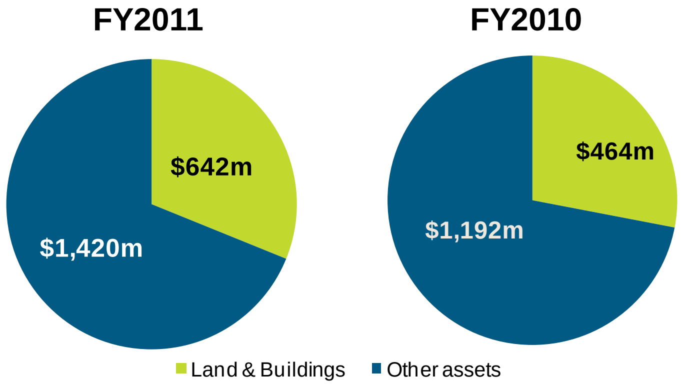
Wesfarmers

Strong capital investment phase underway

Year ended 30 June ($m)[1]	2011	2010	↕ %
Coles	**761**	719	5.8
Home Improvement & Office Supplies	**613**	445	37.8
Target	**87**	88	(1.1)
Kmart	**105**	73	43.8
Insurance	**24**	26	(7.7)
Resources	**372**	228	63.2
Chemicals, Energy & Fertilisers[2]	**63**	45	40.0
Industrial & Safety[2]	**32**	30	6.7
Other	**5**	2	150.0
Total Gross Capex	**2,062**	1,656	24.5
Capex/D&A (%)	**223%**	181%	n.m.

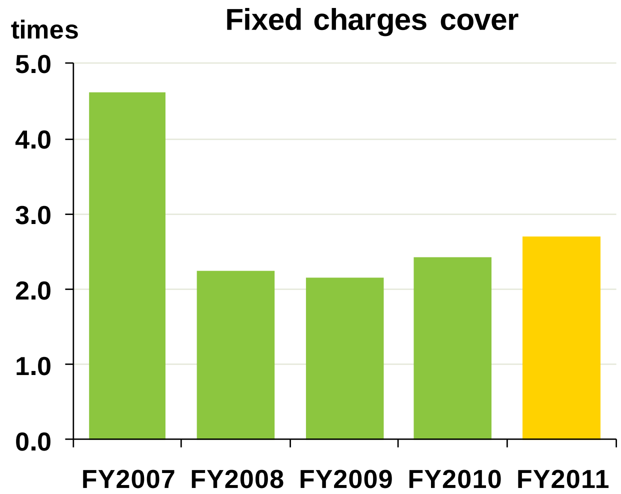
[1] Capital investment provided on a cash basis
[2] 2010 restated to reflect current divisional structure

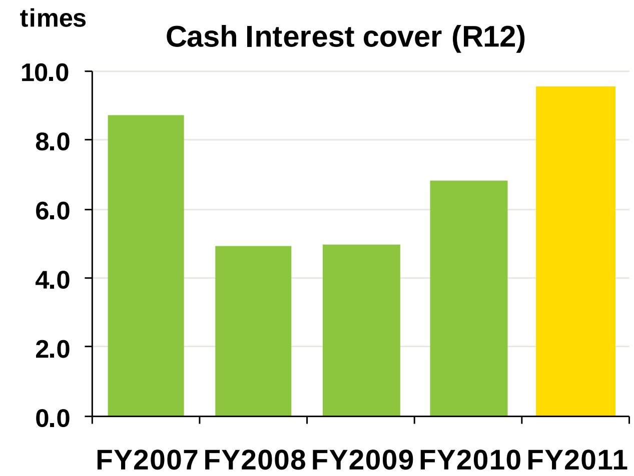
- Continued investment in land & buildings
- Increased refurbishments to strengthen retail networks
- Resources investment to expand production capacity
- Investment partially offset by increased proceeds from sale of PPE of $216 million
- FY2012 estimate $2.8 to $3.2 billion, subject to property investment



Continued strengthening of balance sheet

- Strong balance sheet
  - Fixed charges cover (R12) 2.7 times
  - Cash interest cover (R12) 9.5 times
  - Net debt to EBITDA of 1.0 times
- Improved credit ratings
  - Standard & Poor's A- (stable)
  - Moody's Baa1 (positive)
- Final dividend $0.85 per share; full-year dividend $1.50 per share
  - Fully-franked dividend
  - Dividend investment plan; no underwrite; shares purchased on market

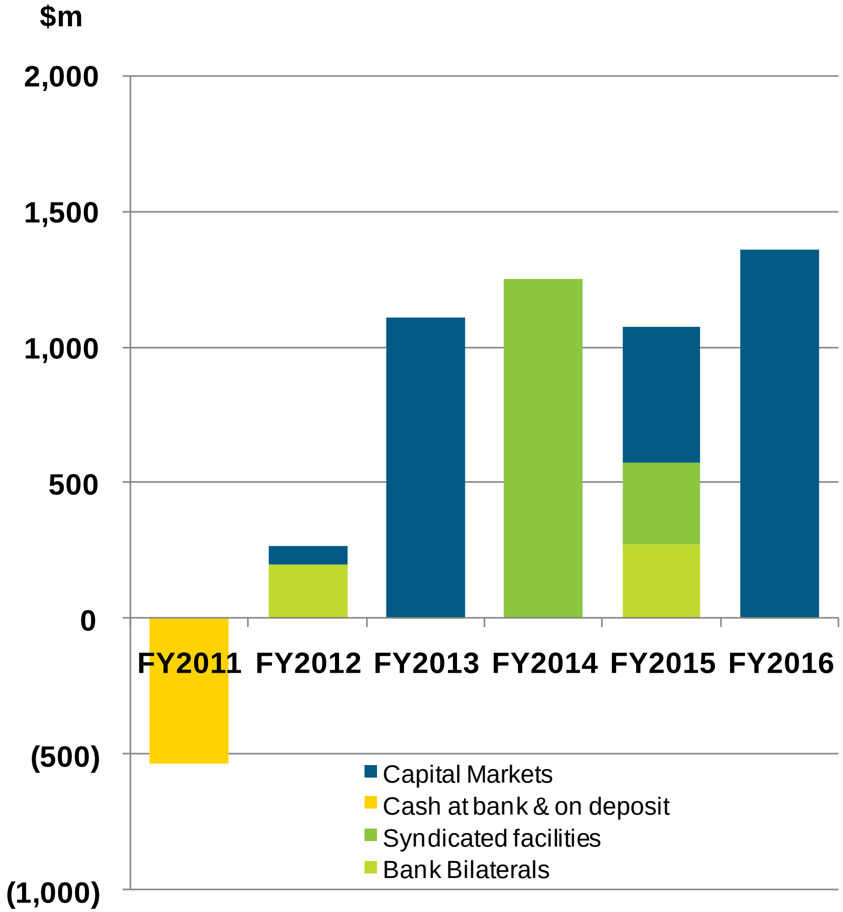


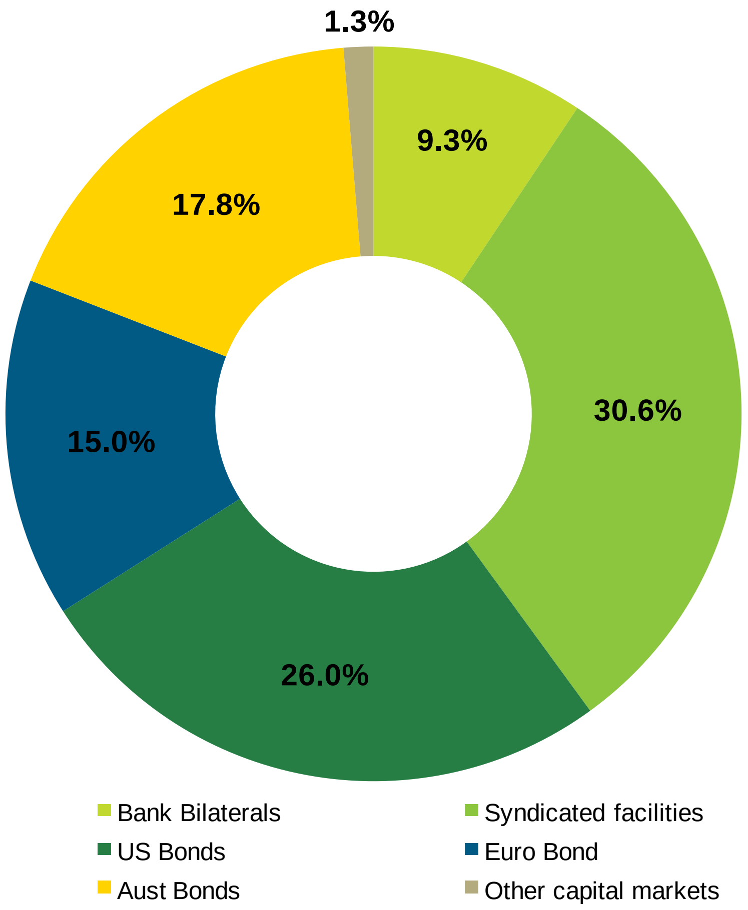


Debt financing

- Gross debt of $4.9 billion, net debt of $4.3 billion
- Liquidity supported by $2.0 billion of committed undrawn facilities
- Continued diversification & lengthening of Group's debt profile
  - Issued US$650 million five-year US Bond
  - Established $2.5 billion revolving syndicated facility with equal maturities in December 2013 & December 2014
  - Repaid $2.5 billion of syndicated debt facility maturing in December 2011 ($1.7 billion) & December 2012 ($0.8 billion)
- Weighted average cost of debt for FY2011 of 8.8%
- Forecast cost of debt for FY2012 of 8.0% to 8.2%
  - 59% hedged to June 2012

Average debt tenor of 3.0 years across diversified sources of debt





Note: Amounts shown & average tenor based on the drawn amount at balance date of 30 June 2011, with bonds shown at face value

Partially Protected Shares (WESN)

- WESN classified as ordinary shares & confer the same rights in all respects as WES, except for price protection
- Lapse date 23 November 2011, four years from issue date
- Extension of lapse date for a further 12 months if:
  - Average of ASX S&P 200 Industrials Index (XNJ) at the close of trading for each trading day during two month period before lapse date is less than 6,500
  - Extension of lapse date up to four times to 23 November 2015
- Cap price $43.11; Floor price $34.49
- XNJ as at close on 17 August 2011: 3,437

Wesfarmers

Outlook

Richard Goyder
Managing Director, Wesfarmers Limited

Outlook

- The Group retains a positive outlook, given solid operating fundamentals & recovery from one-off impacts affecting FY2011
  - Subject to any adverse shocks from a fragile global economy
- Strong phase of capital investment underway is expected to strengthen financial performance

Retail

- Given declines in consumer confidence, retail brands are well-placed due to staples & value-based positioning
- Optimistic about the Group's retail businesses
  - Continued opportunity to enhance turnaround businesses of Coles, Kmart & Officeworks over the longer-term
  - Bunnings & Target expected to benefit from improvements to customer offer & investment in store networks

Outlook

Insurance

- Insurance earnings expected to improve in the absence of numerous catastrophe events; higher reinsurance costs to place pressure on margins

Industrials

- Strong outlook for industrial divisions, supported by expansion projects & continuing solid demand for chemical & industrial inputs from the resource sector
  - Subject to a non-repeat of record wet weather experienced in FY2011 & commodity price volatility

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