

Preliminary Final Report

Name of entity

WESFARMERS LIMITED

ACN

008 984 049

Financial year ended

30 JUNE 1999

Equity accounted results for announcement to the market

				\$A'000
Sales (or equivalent operating) revenue (item 1.1)	up	2.9%	to	2,817,799
Abnormal items after tax attributable to members (item 2.5)				1,915
Operating profit (loss) and extraordinary items after tax (before amortisation of goodwill) attributable to members (item 1.26)	up	7.7%	to	187,402
Operating profit (loss) after tax attributable to members (item 1.10) *	up	8.1%	to	179,441
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	8.1%	to	179,441
Dividends (distribution)				
		Amount per security		Franked amount per security at 36% tax
Final dividend (item 15.4)		42¢		42¢
Previous corresponding period (item 15.5)		43¢		43¢
Record date for determining entitlements to the dividend (see item 15.2)				1 October 1999
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	6.6%	to	184,827
Goodwill amortisation				(7,301)
Profit before abnormal items	up	6.9%	to	177,526
Abnormal items				1,915
				<u>179,441</u>

Consolidated profit and loss account

	Current year \$A'000	Previous year \$A'000
1.1 Sales (or equivalent operating) revenue	2,817,799	2,738,176
1.2 Share of associates' "net profit (loss) attributable to members" (equal to item 16.7)	13,067	6,690
1.3 Other revenue	288,595	77,908
Total operating revenue	3,119,461	2,822,774
1.4 Operating profit (loss) before abnormal items and tax	251,250	258,983
1.5 Abnormal items before tax (detail in item 2.4)	1,285	-
1.6 Operating profit (loss) before tax (items 1.4 + 1.5)	252,535	258,983
1.7 Less tax	72,434	92,312
1.8 Operating profit (loss) after tax but before outside equity interests	180,101	166,671
1.9 Less outside equity interests	660	601
1.10 Operating profit (loss) after tax attributable to members*	179,441	166,070
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)	180,101	166,671
1.15 Operating profit (loss) and extraordinary items after tax attributable to outside equity interests (items 1.9 + 1.12)	660	601
1.16 Operating profit (loss) and extraordinary items after tax attributable to members (item 1.10 + 1.13)	179,441	166,070
1.17 Retained profits (accumulated losses) at beginning of financial period	209,794	205,921
1.18 Adjustment on introduction of new accounting standard – equity accounting	-	1,597
1.19 Aggregate of amounts transferred from reserves	42	1,246
1.20 Total available for appropriation	389,277	374,834
1.21 Dividends provided for or paid	177,851	165,040
1.22 Aggregate of amount transferred to reserves	-	-
1.23 Retained profits (accumulated losses) at end of financial period	211,426	209,794
* Consists of:		
Profit before abnormal items and goodwill amortisation	184,827	173,425
Goodwill amortisation	(7,301)	(7,355)
Profit before abnormal items	177,526	166,070
Abnormal items	1,915	-
	179,441	166,070

Profit restated to exclude amortisation of goodwill

	Current year \$A'000	Previous year \$A'000
1.24 Operating profit (loss) after tax before outside equity interests (item 1.8) and amortisation of goodwill (item 2.1)	187,402	174,026
1.25 Less (plus) outside equity interests relating to goodwill	-	-
1.26 Operating profit (loss) after tax (before amortisation of goodwill) attributable to members	187,402	174,026

Intangible, abnormal and extraordinary items

		Consolidated – current year			
		Before tax \$A'000	Related tax \$A'000	Related outside equity interests \$A'000	Amount (after tax) attributable to members \$A'000
2.1	Amortisation of goodwill	7,301	-	-	-
2.2	Amortisation of other intangibles	-	-	-	-
2.3	Total amortisation of intangibles	7,301	-	-	-
2.4	Abnormal items				
	Profit on sale of Bunnings Warehouses	17,505	5,209	-	12,296
	Profit on sale of SGIO Insurance Limited shares	14,091	5,073	-	9,018
	Write down of Forest Products property, plant and equipment	(30,311)	(10,912)	-	(19,399)
2.5	Total abnormal items	1,285	(630)	-	1,915
2.6	Extraordinary items				
2.7	Total extraordinary items	Nil	Nil	Nil	Nil

Comparison of half year profits

	Current year \$A'000	Previous year \$A'000
3.1 Consolidated operating profit (loss) after tax attributable to members reported for the first half year (item 1.10 in the half yearly report)	102,895	71,560
3.2 Consolidated operating profit (loss) after tax attributable to members for the second half year	76,546	94,510

Consolidated balance sheet

	At end of current year \$A'000	As shown in last Annual Report \$A'000	As shown in last Half Yearly Report \$A'000
Current assets			
4.1 Cash	56,366	66,878	39,038
4.2 Receivables	394,702	367,613	350,624
4.3 Investments	-	-	-
4.4 Inventories	485,532	379,444	489,888
4.5 Other (provide details if material)	-	-	-
4.6 Total current assets	936,600	813,935	879,550
Non-current assets			
4.7 Receivables	100,854	80,901	117,866
4.8 Investments in associates	69,425	40,166	71,239
4.9 Other investments	26,916	26,519	26,394
4.10 Inventories	-	-	-
4.11 Exploration and evaluation expenditure capitalised	-	-	-
4.12 Development properties (mining entities)	772	88,252	147,093
4.13 Other property, plant and equipment (net)	1,278,861	1,161,675	1,144,924
4.14 Intangibles (net)	141,997	148,883	145,359
4.15 Other (provide details if material)	20,804	13,314	17,382
4.16 Total non-current assets	1,639,629	1,559,710	1,670,257
4.17 Total assets	2,576,229	2,373,645	2,549,807
Current liabilities			
4.18 Accounts payable	398,265	389,436	297,108
4.19 Borrowings	231,558	195,776	250,789
4.20 Provisions	213,523	160,386	149,668
4.21 Other (insurance provisions)	117,533	111,875	116,374
4.22 Total current liabilities	960,879	857,473	813,939
Non-current liabilities			
4.23 Accounts payable	2,411	2,521	2,693
4.24 Borrowings	261,827	220,192	432,513
4.25 Provisions	118,148	101,202	107,897
4.26 Other (insurance provisions)	25,506	22,719	22,719
4.27 Total non-current liabilities	407,892	346,634	565,822
4.28 Total liabilities	1,368,771	1,204,107	1,379,761
4.29 Net assets	1,207,458	1,169,538	1,170,046
Equity			
4.30 Capital	950,402	125,549	845,489
4.31 Reserves	44,301	832,355	74,428
4.32 Retained profits (accumulated losses)	211,426	209,794	247,629
4.33 Equity attributable to members of the parent entity	1,206,129	1,167,698	1,167,546
4.34 Outside equity interests in controlled entities	1,329	1,840	2,500
4.35 Total equity	1,207,458	1,169,538	1,170,046
4.36 Preference capital and related premium included as part of 4.33	Nil	Nil	Nil

Exploration and evaluation expenditure capitalised

Not applicable

Development properties

	Current year \$A'000	Previous year \$A'000
6.1 Opening balance	88,252	31,686
6.2 Expenditure incurred during current period	73,969	56,566
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	(161,449)	-
6.7 Closing balance as shown in the consolidation balance sheet (item 4.12)	772	88,252

Consolidated statement of cash flows

	Current year \$A'000	Previous year \$A'000
Cash flow related to operating activities		
7.1 Receipts from customers	2,797,024	2,735,745
7.2 Payments to suppliers and employees	(2,561,824)	(2,377,848)
7.3 Dividends received from associates	9,666	5,528
7.4 Other dividends received	1,113	808
7.5 Interest and other items of similar nature received	7,249	7,521
7.6 Interest and other costs of finance paid	(22,519)	(17,310)
7.7 Income taxes paid	(64,953)	(95,089)
7.8 Other (provide details if material)	-	-
7.9 Net operating cash flows	165,756	259,355
Cash flows related to investing activities		
7.10 Payment for purchases of property, plant and equipment	(351,928)	(374,504)
7.11 Proceeds from sale of property, plant and equipment	231,069	17,093
7.12 Payment for purchases of equity investments	(84,565)	(9,984)
7.13 Proceeds from sale of equity investments	64,968	8,920
7.14 Loans to other entities	(4,744)	(3,794)
7.15 Loans repaid by other entities	-	-
7.16 Acquisitions of goodwill	-	(4,575)
Proceeds from sale of business	-	30,053
Other	(2,220)	(671)
7.17 Net investing cash flows	(147,420)	(337,462)
Cash flows related to financing activities		
7.18 Proceeds from issues of securities (shares, options, etc.)	80,351	352
7.19 Proceeds from borrowings	76,206	136,699
7.20 Repayment of borrowings	-	-
7.21 Dividends paid	(84,015)	(40,425)
7.22 Repayment of employee share plan loans	18,406	18,308
7.23 Payment of capital return	(119,796)	-
7.24 Net financing cash flows	(28,848)	114,934
Net increase (decrease) in cash held		
7.25 Cash at beginning of year (see Reconciliation of cash)	66,878	30,051
7.26 Exchange rate adjustments to item 7.25	-	-
7.27 Cash at end of period (see Reconciliation of cash)	56,366	66,878

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.

	Current year \$000	Previous year \$000
Share capital issues:		
Dividend investment plan	81,403	101,950
Employee share plan	54,457	41,709
	135,860	143,659
Dividends:		
Employee share plan repayments	8,126	6,555
Capital return:		
Employee share plan repayments	5,753	-

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 year \$A'000	Previous year \$A'000
8.1 Cash on hand and at bank	34,575	45,996
8.2 Deposits at call	21,791	20,882
8.3 Bank overdraft	-	-
8.4 Other (provide details)	-	-
8.5 Total cash at end of period (item 7.27)	56,366	66,878

Ratios

	Current year \$A'000	Previous year \$A'000
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)	8.9%	9.5%
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 abnormal items and goodwill amortisation	15.3%	14.9%
(b) Before abnormal items	14.7%	14.2%
(c) After abnormal items	14.9%	14.2%

Earnings per security (EPS)

	Current year	Previous year
10.1 Calculation of basic and fully diluted, EPS in accordance with AASB 1027: Earnings per share		
(a) & (b) Basic and diluted		
(i) Before abnormals and goodwill amortisation	71.9¢	70.6¢
(ii) Before abnormal items	69.1¢	67.6¢
(iii) After abnormal items	69.8¢	67.6¢
(c) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Basic EPS	257,073,060	245,496,307

NTA backing

	Current year	Previous year
11.1 Net tangible asset backing per ordinary security	\$3.96	\$4.06

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 year	Previous year
	\$1.16	\$1.12

Income tax

The amount provided for income tax differs by more than 15% from the prima facie income tax payable mainly due to capital profits of \$9.9M and development allowances of \$5.1M which both reduce the income tax payable.

Details of specific receipts/outlays, revenues/expenses

	Current year \$A'000	Previous year \$A'000
12.1 Interest revenue included in determining item 1.4	5,965	5,686
12.2 Interest revenue included in item 12.1 but not received (if material)	1,256	2,658
12.3 Interest expense included in item 1.4 (include all forms of interest, lease, finance charges, etc.)	22,932	17,717
12.4 Interest costs excluded from item 12.3 and capitalised in asset values (if material)	12,458	5,513
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)	112,834	101,483

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	
	1999 \$A'000	1998 \$A'000	1999 \$A'000	1998 \$A'000	1999 \$A'000	1998 \$A'000
Rural operations and insurance	755,511	739,441	506,255	466,970	23,318	27,881
Fertiliser and chemicals	419,504	467,592	485,321	406,684	61,361	78,693
Energy	471,736	455,133	631,495	526,299	97,861	99,762
Hardware and forest products	1,170,004	892,415	781,203	796,431	99,141	70,108
Other - Investments and services	159,364	273,772	287,211	285,844	23,869	26,293
	2,976,119	2,828,353	2,691,485	2,482,228	305,550	302,737
Consolidation adjustments	(5,692)	(5,579)	(115,256)	(108,583)	(5,604)	(5,486)
Abnormal items						
- Hardware and forest products segment	84,525	-			(12,806)	-
- Other segment	64,509	-			14,091	-
Interest paid and corporate overheads					(48,696)	(38,268)
Operating profit before income tax					252,535	258,983
Income tax expense					72,434	92,312
	3,119,461	2,822,774	2,576,229	2,373,645	180,101	166,671

Dividends (in the case of a trust, distributions)

15.1 Date the dividend (distribution) is payable

27 October 1999

15.2 Record the 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)

1 October 1999

15.3 If it is a final dividend, has it been declared

Yes

Amount per security

			Amount per security	Franked amount per security at 36% tax
15.4	Final dividend	Current year	42c	42c
15.5		Previous year	43c	43c
15.6	Interim dividend	Current year	25c	25c
15.7		Previous year	23c	23c

Total annual dividend (distribution) per security

- 15.8 Ordinary securities
15.9 Preference securities

Current year	Previous year
67¢	66¢
Nil	Nil

Total dividend (distribution) on all securities

- 15.10 Ordinary securities
15.11 Preference securities
15.12 Total

Current year \$A'000	Previous year \$A'000
177,851	165,040
-	-
177,851	165,040

The dividend or distribution plans shown below are in operation.

The company's Dividends Investment Plan has been suspended – refer press release dated 3 August 1999 accompanying this statement.

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

1 October 1999

Any other disclosures in relation to dividends (distributions)

Nil

Details of aggregate share of profits (losses) of associates

Entity's share of associates

- 16.1 Operating profit (loss) before income tax
16.2 Income tax expense
16.3 Operating profit (loss) after income tax
16.4 Extraordinary items net of tax
16.5 Net profit (loss)
16.6 Outside equity interests
16.7 Net profit (loss) attributable to members

Current year \$A'000	Previous year \$A'000
19,649	11,233
6,582	4,543
13,067	6,690
-	-
13,067	6,690
-	-
13,067	6,690

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	Total number	Number quoted	Issue price per security (see note 15) (cents)	Amount paid up per security (see note 15) (cents)
18.1 Preference securities	Nil			
18.2 Changes during current period				
(a) increases through issues	Nil			
(b) decreases through returns of capital, buybacks, redemptions	Nil			
18.3 Ordinary securities *	262,379,463	262,379,463	50	50
18.4 Changes during current period				
(a) increases through issues	11,281,025			
(b) decreases through returns of capital, buybacks	Nil			
18.5 +Convertible debt securities	Nil			
18.6 Changes during current period				
(a) increases through issues	Nil			
(b) decreases through securities matured, converted	Nil			
18.7 Options	Nil	Nil	Exercise price	Expiry date
18.8 Issued during current period	Nil			
18.9 Exercised during current period	6,695,912	6,695,912	\$12.00	30 June 1999
18.10 Expired during current period	51,164			
18.11 Debentures	Nil			
18.12 Unsecured notes	Nil			

* 6,169,602 options exercised at 30 June 1999 were allotted on 21 July 1999 and not included in this total.

Comments by directors

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

Refer to the press release dated 3 August 1999 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 effect 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 2000 will be fully franked.

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

Nil

Additional disclosure for trusts

Not applicable

Annual meeting

The annual meeting will be held as follows:

Place

Hyatt Regency Perth, Western Australia

Date

1 November 1999

Time

2.00pm

Approximate date the annual report will be available

29 September 1999

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 are in the process of being audited.
- 5 As the accounts are being audited and the audit report is not attached, details of any qualifications will follow immediately they are available.
- 6 The entity has a formally constituted audit committee.

Sign here:
(Company Secretary)

Date: 3 August 1999

Print name: P J JOHNSTON