

# Half yearly report

Name of entity

WESFARMERS LIMITED

ACN

008 984 049

Half year ended

31 DECEMBER 1999

## Equity accounted results for announcement to the market

				\$A'000
Sales (or equivalent operating) revenue (item 1.1)	up	17.6%	to	1,556,527
Abnormal items after tax attributable to members (item 2.5)				10,294
Operating profit (loss) after tax (before amortisation of goodwill) attributable to members (item 1.26)	down	2.7%	to	103,975
Operating profit (loss) after tax attributable to members (item 1.10) *	down	2.7%	to	100,079
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)	down	2.7%	to	100,079
<b>Dividends (distribution)</b>				
				Amount per security
				Franked amount per security at 36% tax
Interim dividend (item 15.6)				25¢
Previous corresponding period (item 15.7)				25¢
Record date for determining entitlements to the dividend (see item 15.2)				24 March 2000
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	8.9%	to	93,315
Goodwill amortisation				3,530
Profit before abnormal items	up	9.4%	to	89,785
Abnormal items				10,294
	down	2.7%	to	100,079

## Consolidated profit and loss account

	Current half-year \$A'000	Previous corresponding half-year \$A'000
1.1 Sales (or equivalent operating) revenue	1,556,527	1,323,999
1.2 Share of associates' "net profit (loss) attributable to members" (equal to item 16.7)	7,838	6,715
1.3 Other revenue	54,767	221,253
<b>Total revenue</b>	<b>1,619,132</b>	<b>1,551,967</b>
1.4 <b>Operating profit (loss) before abnormal items and tax</b>	<b>134,408</b>	<b>122,347</b>
1.5 Abnormal items before tax (detail in item 2.4)	-	30,851
1.6 Operating profit (loss) before tax (items 1.4 + 1.5)	134,408	153,198
1.7 Less tax	33,963	49,913
1.8 Operating profit (loss) after tax but before outside equity interests	100,445	103,285
1.9 Less outside equity interests	366	390
1.10 <b>Operating profit (loss) after tax attributable to members*</b>	<b>100,079</b>	<b>102,895</b>
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 <b>Total operating profit (loss) and extraordinary items after tax (items 1.8 + 1.11)</b>	<b>100,445</b>	<b>103,285</b>
1.15 Operating profit (loss) and extraordinary items after tax attributable to outside equity interests (items 1.9 + 1.12)	366	390
1.16 Operating profit (loss) and extraordinary items after tax attributable to members (item 1.10 + 1.13)	100,079	102,895
1.17 Retained profits (accumulated losses) at beginning of financial period	211,426	209,794
1.18 Adjustment on introduction of new accounting standard	-	-
1.19 Aggregate of amounts transferred from reserves	-	-
1.20 Total available for appropriation	311,505	312,689
1.21 Dividends provided for or paid	67,725	65,060
1.22 Aggregate of amount transferred to reserves	1,231	-
1.23 <b>Retained profits (accumulated losses) at end of financial period</b>	<b>242,549</b>	<b>247,629</b>
* Consists of:		
Profit before abnormal items and goodwill amortisation	93,315	85,672
Goodwill amortisation	3,530	3,592
Profit before abnormal items	89,785	82,080
Abnormal items	10,294	20,815
	100,079	102,895

## 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 (item 1.8) and amortisation of goodwill	103,975	106,877
1.25 Less (plus) outside equity interests relating to goodwill	-	-
1.26 Operating profit (loss) after tax (before amortisation of goodwill) attributable to members	103,975	106,877

## Intangible, abnormal and extraordinary items

	Consolidated – current half-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	3,530	-	-	3,530
2.2 Amortisation of other intangibles	-	-	-	-
2.3 <b>Total amortisation of intangibles</b>	3,530	-	-	3,530
2.4 Abnormal items				
Gain due to change in income tax rates	-	(10,294)	-	10,294
2.5 <b>Total abnormal items</b>	Nil	(10,294)	Nil	10,294
2.6 Extraordinary items	-	-	-	-
2.7 <b>Total extraordinary items</b>	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
<b>Current assets</b>			
4.1 Cash	44,893	56,366	39,038
4.2 Receivables	398,967	394,702	350,624
4.3 Investments	-	-	-
4.4 Inventories	564,122	485,532	489,888
4.5 Other (provide details if material)	-	-	-
4.6 <b>Total current assets</b>	1,007,982	936,600	879,550
<b>Non-current assets</b>			
4.7 Receivables	89,901	100,854	117,866
4.8 Investments in associates	66,083	69,425	71,239
4.9 Other investments	71,083	26,916	26,394
4.10 Inventories	-	-	-
4.11 Exploration and evaluation expenditure capitalised	-	-	-
4.12 Development properties (mining entities)	772	772	147,093
4.13 Other property, plant and equipment (net)	1,296,613	1,278,861	1,144,924
4.14 Intangibles (net)	139,060	141,997	145,359
4.15 Other (provide details if material)	19,511	20,804	17,382
4.16 <b>Total non-current assets</b>	1,683,023	1,639,629	1,670,257
4.17 <b>Total assets</b>	2,691,005	2,576,229	2,549,807
<b>Current liabilities</b>			
4.18 Accounts payable	354,035	398,265	297,108
4.19 Borrowings	244,722	231,558	250,789
4.20 Provisions	156,488	213,523	149,668
4.21 Other (insurance provisions)	124,356	117,533	116,374
4.22 <b>Total current liabilities</b>	879,601	960,879	813,939
<b>Non-current liabilities</b>			
4.23 Accounts payable	2,324	2,411	2,693
4.24 Borrowings	439,283	261,827	432,513
4.25 Provisions	115,181	118,148	107,897
4.26 Other (insurance provisions)	28,317	25,506	22,719
4.27 <b>Total non-current liabilities</b>	585,105	407,892	565,822
4.28 <b>Total liabilities</b>	1,464,706	1,368,771	1,379,761
4.29 <b>Net assets</b>	1,226,299	1,207,458	1,170,046
<b>Equity</b>			
4.30 Capital	935,502	950,402	845,489
4.31 Reserves	45,536	44,301	74,428
4.32 Retained profits (accumulated losses)	242,549	211,426	247,629
4.33 Equity attributable to members of the parent entity	1,223,587	1,206,129	1,167,546
4.34 Outside equity interests in controlled entities	2,712	1,329	2,500
4.35 <b>Total equity</b>	1,226,299	1,207,458	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 half-year \$A'000	Previous corresponding half-year \$A'000
6.1 Opening balance	772	88,252
6.2 Expenditure incurred during current period	-	58,841
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	-	-
<b>6.7 Closing balance as shown in the consolidation balance sheet (item 4.12)</b>	<b>772</b>	<b>147,093</b>

## Consolidated statement of cash flows

	Current half-year \$A'000	Previous corresponding half-year \$A'000
<b>Cash flow related to operating activities</b>		
7.1 Receipts from customers	1,541,645	1,360,410
7.2 Payments to suppliers and employees	(1,487,507)	(1,373,061)
7.3 Dividends received from associates	5,409	2,137
7.4 Other dividends received	13	784
7.5 Interest and other items of similar nature received	2,778	3,792
7.6 Interest and other costs of finance paid	(9,826)	(9,698)
7.7 Income taxes paid	(45,120)	(33,905)
7.8 Other (provide details if material)	-	-
<b>7.9 Net operating cash flows</b>	<b>7,392</b>	<b>(49,541)</b>
<b>Cash flows related to investing activities</b>		
7.10 Payment for purchases of property, plant and equipment	(93,720)	(239,408)
7.11 Proceeds from sale of property, plant and equipment	18,981	177,638
7.12 Payment for purchases of equity investments	(24,652)	(83,166)
7.13 Proceeds from sale of equity investments	18,248	64,959
7.14 Loans to other entities	(19,578)	(3,381)
7.15 Loans repaid by other entities	4,213	-
7.16 Other	(759)	(475)
<b>7.17 Net investing cash flows</b>	<b>(97,267)</b>	<b>(83,833)</b>
<b>Cash flows related to financing activities</b>		
7.18 Proceeds from issues of securities (shares, options, etc.)	-	6,318
7.19 Proceeds from borrowings	191,416	266,805
7.20 Repayment of borrowings	-	-
7.21 Dividends paid	(108,392)	(53,779)
7.22 Other		
- Repayment of employee share plan loans	9,686	6,008
- Share buyback	(14,900)	-
- Payment of capital return	-	(119,818)
- Other	592	-
<b>7.23 Net financing cash flows</b>	<b>78,402</b>	<b>105,534</b>
<b>7.24 Net increase (decrease) in cash held</b>	<b>(11,473)</b>	<b>(27,840)</b>
7.25 Cash at beginning of year (see Reconciliation of cash)	56,366	66,878
7.26 Exchange rate adjustments to item 7.25	-	-
<b>7.27 Cash at end of period (see Reconciliation of cash)</b>	<b>44,893</b>	<b>39,038</b>

## 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 half-year \$000	Previous corresponding half-year \$000
Share capital issues:		
Dividend investment plan	-	50,120
Employee share plan	-	54,457
	-	104,577
Dividends:		
Employee share plan repayments	4,970	4,637
Capital return:		
Employee share plan	-	5,731

## 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	23,983	8,476
8.2 Deposits at call	20,910	30,562
8.3 Bank overdraft	-	-
8.4 Other (provide details)	-	-
8.5 <b>Total cash at end of period (item 7.26)</b>	44,893	39,038

## Ratios

	Current half-year	Previous corresponding half-year
<b>Profit before abnormals and tax/sales</b>		
9.1 Consolidated operating profit (loss) before abnormal items and tax (item 1.4) as a percentage of sales revenue (item 1.1)	8.6%	9.2%
<b>Profit after tax/equity interests</b>		
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	7.6%	7.3%
(b) Before abnormal items	7.3%	7.0%
(c) After abnormal items	8.2%	8.8%

## 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		
(i) Before abnormals and goodwill amortisation	34.9¢	33.8¢
(ii) Before abnormal items	33.5¢	32.4¢
(iii) After abnormal items	37.4¢	40.7¢
Weighted average number of ordinary shares outstanding during the period used in the calculation of the basic EPS	267,714,054	253,109,986

## NTA backing

	Current half-year	Previous corresponding half-year
11.1 Net tangible asset backing per ordinary security	\$4.07	\$3.93

## 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
	56.2¢	54.8¢

## 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	3,144	2,767
12.2 Interest revenue included in item 12.1 but not received (if material)	1,647	1,633
12.3 Interest expense included in item 1.4 (include all forms of interest, lease, finance charges, etc.)	11,624	11,153
12.4 Interest costs excluded from item 12.3 and capitalised in asset values (if material)	4,162	5,986
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)	57,128	52,932

## 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	376,542	342,011	475,323	432,222	14,656	13,853
Fertiliser and chemicals	125,346	139,996	556,206	537,516	4,141	14,096
Energy	281,969	236,300	644,479	593,744	52,178	49,885
Hardware and forest products	742,985	610,607	846,292	805,953	73,234	58,096
Other	95,291	82,804	287,218	289,448	18,549	12,109
	1,622,133	1,411,718	2,809,518	2,658,883	162,758	148,039
Consolidation adjustments	(3,001)	(2,935)	(118,513)	(109,076)	(2,953)	(2,880)
Abnormal items						
Hardware and forest products segment	-	78,675			-	16,756
Other segment	-	64,509			-	14,095
Interest paid and corporate overheads					(25,397)	(22,812)
Operating profit before income tax					134,408	153,198
Income tax expense					(33,963)	(49,913)
	1,619,132	1,551,967	2,691,005	2,549,807	100,445	103,285

## Dividends

15.1 Date the dividend is payable

17 April 2000

15.2 Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received by 5.00pm if securities are not CHESS approved, or security holding balances established by 5.00pm or such later time permitted by SCH Business Rules if securities are CHESS approved)

24 March 2000

## Amount per security

		Amount per security	Franked amount per security at 36% tax
15.6	Interim dividend	Current year	25¢
15.7		Previous year	25¢

## Interim dividend on all securities

	Current half-year \$A'000	Previous corresponding half-year \$A'000
15.10 Ordinary securities	67,725	65,060
15.11 Preference securities	-	-
15.12 Total	67,725	65,060

The dividend or distribution plans shown below are in operation.

The company's Dividend Investment Plan has been suspended.

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

n/a

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	11,520	10,185
16.2 Income tax expense	3,682	3,470
16.3 Operating profit (loss) after income tax	7,838	6,715
16.4 Extraordinary items net of tax	-	-
16.5 Net profit (loss)	7,838	6,715
16.6 Outside equity interests	-	-
16.7 Net profit (loss) attributable to members	7,838	6,715

## 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 <b>*Ordinary securities</b>	267,302,443	267,302,443	-	-
18.4 Changes during current period				
(a) increases through issues	6,169,602	6,169,602	\$12.00	-
(b) decreases through returns of capital, buybacks	1,246,622	-	-	\$11.95
18.5 <b>*Convertible debt securities</b>	Nil			
18.6 Changes during current period				
(a) increases through issues	Nil			
(b) decreases through securities matured, converted	Nil			
18.7 Options	Nil		Exercise price	Expiry date
18.8 Issued during current period	Nil			
18.9 Exercised during current period	Nil			
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 15 February 2000 accompanying this statement.

## Comments by directors (continued)

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.

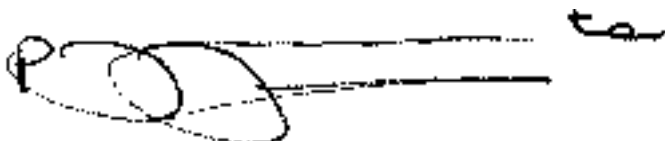
Nil

## Additional disclosure for trusts

Not applicable

## 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 is attached.
- 6 The entity has a formally constituted audit committee.



Sign here: .....  
(Company Secretary)

Date: 15 February 2000

Print name: P J JOHNSTON