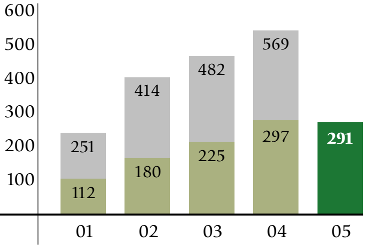
HALF YEARLY REPORT

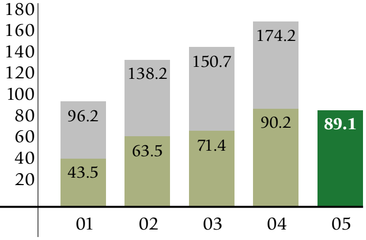
Six months to 31 December 2004

FINANCIAL OVERVIEW

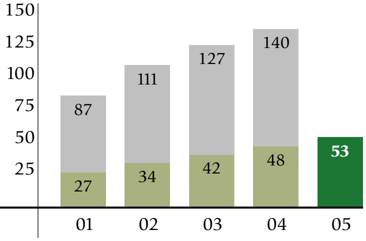
NET PROFIT*
after tax
($m)



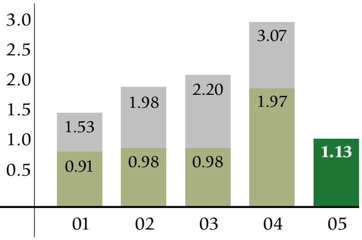
EARNINGS PER SHARE*
before goodwill amortisation
(cents)



INTERIM DIVIDEND
per share
(cents)



CASH FLOW
per share
($)

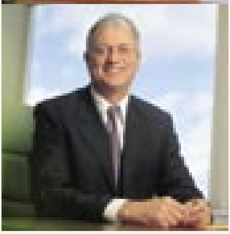


First Half
Full-year to 30 June

* *excludes the effect of the sale of the Girrah coal deposit in 2003 and the sale of the rural services business in 2004*

Report to shareholders

TREVOR EASTWOOD AM
Chairman



MICHAEL CHANEY AO
Managing Director

The directors of Wesfarmers Limited are pleased to present this interim report to shareholders covering the consolidated results of the company and its controlled entities for the six months ended 31 December 2004. The report also contains a brief overview of group business activities for the half-year.

Wesfarmers reported a profit of $291.2 million for the half-year ended 31 December 2004. The result was slightly below the net profit of $296.7 million (excluding the profit on the sale of the rural services business, Landmark) earned in the corresponding six months last year which included post-tax earnings of $45.1 million from the company's investment in the Gresham Private Equity Fund 1.

Increased earnings were recorded by all major divisions with the exception of the industrial and safety products distribution business which performed slightly below last year's result.

Divisional earnings

before interest and tax (before goodwill amortisation)

Half-Year ended 31 December ($m)	2004	2003	% change
Hardware	**230.4**	208.7	10.4 ^
Energy	**126.7**	115.1	10.1 ^
Insurance	**69.1**	35.8	93.0 ^
Industrial and safety	**51.4**	53.0	3.0 v
Chemicals and fertilisers	**29.1**	20.6	41.3 ^
Rural services	-	8.4	-
Other	**35.5**	87.4**	59.4 v
Total	**542.2**	529.0*	2.5 ^

* Excludes earnings from sale of Landmark

** Includes earnings from Gresham Private Equity Fund 1

Operating revenue (not including revenue from the sale of Landmark) rose from $3.8 billion to $4.1 billion for the half-year.

The 31 December 2004 half-year result included profit after tax of $2.4 million on the sale of non-current assets compared with $4.3 million (excluding the sale of Landmark), in the same period last year.

Earnings per share (before goodwill amortisation) for the six months were 89.1 cents compared with 90.2 cents (excluding the profit from the sale of Landmark) for the corresponding period last year. Cash flow per share of $1.13 was below the $1.97 reported last year, as a result of the sale of Landmark in the previous corresponding period.

FINANCE

The group's net debt to equity ratio as at 31 December 2004 was 47.9 per cent, up from 45.5 per cent at 30 June 2004.

The rolling 12-month cash interest cover was 12 times, well above the group's minimum benchmark of four times.

On 14 December 2004, the directors announced their intention to pay a capital return of $1.00 per fully-paid ordinary share, to return a total of approximately $378 million to shareholders, as part of the company's capital management strategy to bring Wesfarmers' net debt to equity ratio in line with target levels.

At a general meeting held on 18 February 2005, shareholders approved the capital return which was paid on 2 March 2005.

The directors have decided to continue the share buy-back for a further 12 month period during which time the company may repurchase the balance of up to five per cent of its issued capital.

Preparations for the adoption, from 1 July 2005, of the Australian equivalents to the International Financial Reporting Standards are underway and progressing well.

INTERIM DIVIDEND

A fully franked interim dividend of 53 cents per share (last year 48 cents per share) has been declared by the directors, and paid on 2 March 2005.

The directors have resolved to continue the suspension of the company's dividend investment plan as a balance sheet management measure.

OUTLOOK

The directors continue to forecast that group revenue and profit on a normalised basis for the full 2004/05 year will exceed the results achieved last year.

SOCIAL RESPONSIBILITY REPORT

In November 2004, Wesfarmers published its seventh report detailing the company's performance with respect to environmental, health and safety issues. The report also provides information on the way in which the company engages with the community.

The Social Responsibility Report is available electronically from the company's website or by contacting the Public Affairs Department on (+61 8) 9327 4251.

ELECTRONIC COMMUNICATIONS

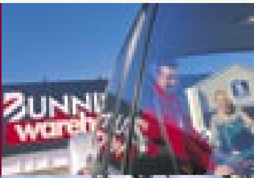
Wesfarmers now has a service which allows shareholders to register their email addresses with our share registry to automatically receive electronic notification of all significant announcements, reports and notices of meetings. This service can be accessed on the Wesfarmers website or through our share registry.

TREVOR EASTWOOD AM
Chairman

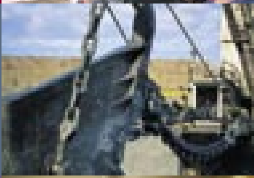
MICHAEL CHANEY AO
Managing Director

Review of operations

Hardware

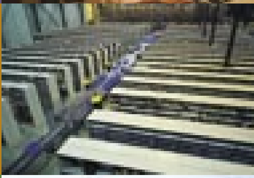


Energy



Insurance

Industrial and safety



Chemicals and fertilisers

Other activities

HARDWARE

Bunnings is Australia's leading retailer of home and garden improvement products and building materials.

Operating revenue of the Bunnings hardware merchandising business increased by seven per cent to $2.1 billion in the first half. Earnings before interest and tax (before goodwill amortisation) of $230.4 million were 11 per cent higher than the $208.7 million earned in the corresponding period last year. Trading earnings before interest and tax (before goodwill amortisation) also increased by 11 per cent.

Cash sales growth of 11 per cent was achieved, with underlying store-on-store cash sales growth (for the six month period) of around seven per cent. Good results were recorded in Queensland, New South Wales, Western Australia and New Zealand. As previously noted, trading was slower in the first two months of the period before picking up well during September and October, helped in part by good seasonal conditions in these months. Trading in November was weaker, but improved in December. Sales were strongest, relative to the previous corresponding period, in the outdoor and garden product categories.

Trade sales were one per cent lower than in the comparative period last year due to the competitive trading environment and a declining residential building market, particularly in the eastern states.

Store network development activities were ongoing in the period with the opening of four new Bunnings warehouses and the upgrade and refurbishment of a further nine stores. It is expected that another six to eight warehouses will be opened in the second half of the financial year with most of these openings likely to occur in the fourth quarter. The upgrade and refurbishment programme within existing stores is also ongoing, with work at a further four stores scheduled for completion in the second half.

The outlook for hardware is for continued solid retail sales growth and a subdued trade performance.

ENERGY

Wesfarmers Energy is involved in coal mining; LPG extraction and distribution; and power generation.

Operating revenue of $520.2 million from the group's energy businesses was above the $478.6 million recorded in the corresponding period last year. Earnings before interest and tax (before goodwill amortisation) of $126.7 million were 10 per cent above the $115.1 million earned in the comparative period last year.

Coal

Export sales volumes from the Curragh mine in Queensland for the period were 23 per cent below those in the comparative six month period last year due to an extended shutdown of the coal handling and preparation plant for an upgrade as a part of the Curragh North development. The extended shutdown and lower than planned production during the recommissioning period resulted in production being approximately 300,000 tonnes below expectations for the six months to 31 December 2004. Domestic sales were in line with last year. Earnings were $2.4 million lower than last year's as a result of the lower export sales and higher operating costs, offset partially by favourable inventory movements.

Sales volumes from the Premier Coal mine in Western Australia were above those recorded in the comparative period last year due to higher offtake requirements of Western Power. Earnings were lower than in the comparative period last year due mainly to higher fuel and maintenance costs, adverse inventory movements and higher market development costs.

The Bengalla coal mine in New South Wales, in which Wesfarmers has a 40 per cent interest, produced sales volumes in line with those in the corresponding period last year. Earnings were significantly above last year's result due primarily to higher export sales prices.

Highlights during the six month period included continued progress on the development of the Curragh North project which is on schedule to commence mining in March 2005. Higher than expected outcomes from export coking coal price negotiations were achieved in early 2005. Wesfarmers has agreed commercial terms for the majority of the annually priced coking coal contracts from the Curragh mine. The FOB ($US) prices for Curragh coking coals (excluding PCI coal) have increased by an average of approximately 130 per cent. PCI coal prices are expected to be settled within the next month.

The Curragh coal handling and preparation plant is now performing in line with expectations, but logistics constraints including a lack of available capacity on the rail network will make it difficult to achieve the previously estimated five million tonnes of export sales for the 2004/05 year. Increases in coking coal prices and export tonnage give a positive outlook for coal, particularly in the 2005/06 year when exports are expected to reach seven million tonnes. As previously disclosed, the benefit from the increased tonnages will be offset partially by an export related price rebate payable under Curragh's domestic coal sales arrangements. Under these arrangements, Curragh's domestic customer will be entitled to a rebate on its domestic coal purchases when Curragh's export semi-soft coking coal price exceeds approximately A$60 a tonne. This rebate will be equal to 25 per cent of the incremental price, multiplied by Curragh's total export tonnage. Payments for the year ending 30 June 2005 are expected to be less than $5 million; and for the year ending 30 June 2006 between $80 million and $100 million.

Gas and power

Kleenheat Gas' sales volumes and earnings for the half-year were slightly below those in the comparative period last year as a result of lower sales to distributors and margin erosion due to higher LPG prices.

Wesfarmers LPG's export volumes were slightly above those of the corresponding period last year. Earnings were significantly above last year's result due primarily to higher international LPG prices.

Earnings from StateWest Power and from the 40 per cent owned Air Liquide W.A. were higher than those recorded in the comparative period last year.

Highlights for the half-year included satisfactory progress on the construction of the HIsmelt project; purchase by Kleenheat Gas of the Mobil LPG business in Tasmania; and commissioning of the Coober Pedy Power Station by StateWest Power.

The outlook for the group's gas activities for 2004/05 remains largely dependent on international LPG price movements.

INSURANCE

The insurance division consists of three separate businesses providing insurance products to select market segments in Australia and New Zealand under the WFI and Lumley brands.

The insurance division achieved a strong result for the half-year with earned premium revenue of $514.3 million and earnings before interest and tax (before goodwill amortisation) of $69.1 million.

The divisional insurance margin was 18.5 per cent and the divisional combined operating ratio ("COR") was 85.1 per cent. This compares with the previous corresponding period where the divisional insurance margin was 18.2 per cent and the divisional COR was 85.3 per cent.

Lumley General (Australia) delivered a solid result, notwithstanding a fall in the insurance margin to 19.4 per cent from 22.7 per cent in the previous corresponding period, as a result of higher claims and more competitive premium rates. Similarly the COR increased from 81.2 per cent to 84.6 per cent. Gross written premium ("GWP") for the period increased by 4.6 per cent over the previous corresponding period.

Lumley General (New Zealand) reported a record result despite signs of increasing competition. The COR improved from 87.1 per cent to 86.0 per cent and the insurance margin strengthened to 15.7 per cent from 15.0 per cent in the previous corresponding period. An increase in GWP of one per cent over the prior comparative period was achieved.

Wesfarmers Federation Insurance reported a record result despite higher than anticipated crop claims. Overall, claims were below expectations, particularly in the liability segment. Results improved significantly compared to the corresponding period, with the insurance margin improving from 13.6 per cent to 19.0 per cent, and the COR improved from 90.0 per cent to 85.2 per cent. GWP increased slightly by 2.4 per cent despite increased competitive conditions and lower than expected crop premium due to seasonal factors.

The immediate outlook for the insurance division is stable. All businesses are performing well notwithstanding the increasingly competitive environment. While claims experience has been favourable over the last 18 months, it is expected that there will be a gradual return to normal long term claim patterns.

INDUSTRIAL AND SAFETY

The industrial and safety businesses are Australasia's leader in the supply of maintenance, repair and operating products and safety products.

The industrial and safety business experienced sales growth in the first half with operating revenue of $587.5 million, 2.2 per cent above the $574.9 million recorded in the corresponding period last year. Good sales growth was seen in the Australian industrial products business, the New Zealand safety businesses and Packaging House in New Zealand, which were partially offset by Protector Alsafe and the New Zealand industrial products business, Blackwoods Paykels.

While the Protector Alsafe business is showing positive signs of improvement, sales were around 3.4 per cent below last year's due to the loss of several significant sales contracts during 2003.

Blackwoods Paykels has been the focus of a concerted business improvement effort over the last six months and the benefits of this effort should become evident in the second half of calendar year 2005.

Earnings before interest and tax (before goodwill amortisation) were $51.4 million, 3.2 per cent lower than the $53.0 million recorded in the corresponding period last year. This was a disappointing result given the increased sales and reflects the competitive trading conditions currently being experienced and pressure on profit margins due to rising fuel and material prices, particularly steel.

The second half of the financial year is expected to see continued growth in sales, with initiatives undertaken during the first half anticipated to result in improved profit margins.

CHEMICALS AND FERTILISERS

CSBP is a major manufacturer and supplier of chemicals, fertilisers and related services.

Operating revenue of $217.9 million from CSBP's chemicals and fertiliser businesses for the six month period was 27 per cent higher than for the comparative period last year. Above budget earnings before interest and tax (before goodwill amortisation) of $29.1 million were recorded, an increase of 41 per cent compared with last year's $20.6 million.

Sales volumes from CSBP's ammonium nitrate and sodium cyanide activities were higher than in the corresponding period last year. Ammonia volumes were lower than in the corresponding period last year, due to an export shipment that occurred in October 2003. The sodium cyanide market remains highly competitive although CSBP's return on capital improved as a result of higher production and sales volumes. Overall production performance from the chemicals operations was steady with an upgrade of the sodium cyanide solids plant being completed.

CSBP's returns from its investment in the Queensland Nitrates joint venture were above budget although lower than last year's.

Total earnings from CSBP's chemicals activities exceeded those of the comparative period last year reflecting the strong demand from the mining industry.

The feasibility study into the duplication of CSBP's nitric acid and ammonium nitrate facilities at Kwinana, Western Australia, is on track to be completed by mid-2005.

Fertiliser sales tonnages and revenues were significantly higher than in the corresponding period last year due to a number of factors. These included early completion of harvest, forward deliveries of liquid fertilisers, a superphosphate offer which brought forward sales budgeted in the second half and a continued focus on improving delivery to distributors and farmers.

The earnings contribution from the fertiliser business was above the comparative period last year. The Western Australian grain harvest in the 2004/05 season was the fifth largest recorded, albeit below the record harvest last year. Assuming normal autumn weather patterns, this should provide the stimulus for full-year fertiliser sales to be in line with expectations.

A major shutdown of the Kwinana nitric acid and ammonium nitrate plants has been scheduled for February 2005 to complete statutory maintenance. While this shutdown will impact earnings in the second half, the outlook for CSBP for the 2004/05 year is for an improved performance over last year's result.

OTHER ACTIVITIES

The Australian Railroad Group (ARG), of which Wesfarmers owns 50 per cent, has achieved strong revenue growth due to grain haulage levels and full period contributions from new contracts. Earnings have increased with revenue, but are below expectations due largely to high fuel and labour costs over the period. These fuel costs are now being passed on under contractual arrangements.

Grain tonnages for the next six months will be down relative to last year's.

Rationalisation of the forest products business continued, with the sale of the jarrah processing business in August 2004.

The group's remaining forest products business is a 50 per cent interest in Wespine Industries, which achieved higher revenue and earnings compared to the previous corresponding period due to strong demand and the achievement of operating efficiencies.

Gresham Partners, the company's partly owned investment house associate, achieved earnings above the previous year's due to successful advisory assignments.

The Gresham Private Equity Fund 1 made a contribution post-tax of $1.1 million. Earnings were significantly down from the previous corresponding period when the disposal of the Repco business generated post-tax earnings of some $44.2 million.

The portfolio of investments in Fund 1 continues to perform in line with plan, with divestments expected over the next several years. Fund 2 has made one investment to date.

CONDENSED STATEMENT OF FINANCIAL PERFORMANCE

for the half-year ended 31 December 2004 - Wesfarmers Limited and its controlled entities

	CONSOLIDATED DEC 2004 $000	CONSOLIDATED DEC 2003 $000
Revenues from ordinary activities	**4,064,760**	4,487,853
Expenses from ordinary activities	**(3,615,677)**	(3,711,259)
Borrowing expenses	**(50,398)**	(28,991)
Share of net profits of associates	**23,257**	83,014
Profit from ordinary activities before income tax expense	**421,942**	830,617
Income tax expense relating to ordinary activities	**(129,699)**	(231,406)
Profit from ordinary activities after income tax expense	**292,243**	599,211
Net (profit)/loss attributable to outside equity interests	**(1,059)**	1,835
Net profit attributable to members of the parent entity	**291,184**	601,046
Net increase in asset revaluation reserve relating to associate	**811**	756
Net exchange difference on translation of financial report of foreign controlled entities	**11**	(290)
Total changes in equity other than those resulting from transactions with owners as owners	**292,006**	601,512
Net profit attributable to members of the parent entity consists of:		
Net profit before goodwill amortisation	**335,428**	642,741
Goodwill amortisation	**(44,244)**	(41,695)
Net profit after goodwill amortisation	**291,184**	601,046
Net profit attributable to members of the parent entity includes a significant item – net profit on sale of the rural services business	**-**	304,278
Basic and diluted earnings per share (cents per share)	**77.3¢**	160.2¢
- after goodwill amortisation and before significant item	**77.3¢**	79.1¢
- before goodwill amortisation	**89.1¢**	171.3¢
- before goodwill amortisation and significant item	**89.1¢**	90.2¢
Weighted average number of shares used in the basic and diluted earnings per share calculation	**376,620,000**	375,107,000

CONDENSED STATEMENT OF FINANCIAL POSITION

as at 31 December 2004 - Wesfarmers Limited and its controlled entities

	CONSOLIDATED		
	DEC 2004 $000	JUN 2004 $000	DEC 2003 $000
CURRENT ASSETS			
Cash assets	**134,036**	103,374	124,739
Receivables	**1,196,263**	1,306,186	1,073,147
Inventories	**1,421,328**	1,260,096	1,344,941
Other insurance assets	**643,673**	721,028	513,332
Total current assets	**3,395,300**	3,390,684	3,056,159
NON-CURRENT ASSETS			
Receivables	**329,053**	330,843	414,313
Investments accounted for using the equity method	**416,975**	395,375	395,895
Other financial assets	**17,099**	16,602	4,771
Property, plant and equipment	**1,696,911**	1,600,052	1,644,180
Deferred tax assets	**59,014**	65,118	61,001
Intangible assets	**1,427,698**	1,472,724	1,484,917
Other	**-**	2	233
Total non-current assets	**3,946,750**	3,880,716	4,005,310
Total assets	**7,342,050**	7,271,400	7,061,469
CURRENT LIABILITIES			
Interest bearing liabilities	**575,022**	309,822	617,197
Payables	**827,887**	840,681	885,563
Current tax liabilities	**53,853**	121,838	86,133
Provisions	**162,618**	154,894	180,209
Insurance liabilities	**808,857**	806,417	805,912
Total current liabilities	**2,428,237**	2,233,652	2,575,014
NON-CURRENT LIABILITIES			
Interest bearing liabilities	**1,155,357**	1,302,096	932,663
Payables	**10,430**	17,612	6,627
Deferred tax liabilities	**108,979**	109,912	107,940
Provisions	**104,399**	111,058	124,403
Insurance liabilities	**192,964**	166,545	85,508
Total non-current liabilities	**1,572,129**	1,707,223	1,257,141
Total liabilities	**4,000,366**	3,940,875	3,832,155
Net assets	**3,341,684**	3,330,525	3,229,314
SHAREHOLDERS' EQUITY			
Contributed equity	**2,410,066**	2,345,633	2,345,633
Reserves	**56,022**	55,200	40,075
Retained earnings	**876,717**	931,779	840,360
Shareholders' equity attributable to members of Wesfarmers Limited	**3,342,805**	3,332,612	3,226,068
Outside equity interests in controlled entities	**(1,121)**	(2,087)	3,246
Total shareholders' equity	**3,341,684**	3,330,525	3,229,314

CONDENSED STATEMENT OF CASH FLOWS

for the half-year ended 31 December 2004 - Wesfarmers Limited and its controlled entities

	CONSOLIDATED DEC 2004 $000	CONSOLIDATED DEC 2003 $000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	**4,471,867**	3,966,051
Payments to suppliers and employees	**(3,937,164)**	(3,580,458)
Dividends and distributions received from associates	**11,047**	71,364
Dividends received from others	**428**	679
Interest received	**20,552**	4,198
Borrowing costs	**(51,440)**	(31,037)
Income tax paid	**(195,346)**	(152,936)
Net cash provided by operating activities	**319,944**	277,861
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	**(226,589)**	(134,613)
Acquisition of goodwill	**(4,809)**	-
Proceeds from sale of non-current assets	**20,669**	20,434
Disposal of controlled entities	**-**	720,214
Acquisition of controlled entities	**7,802**	(311,066)
Redemption of insurance deposits	**80,350**	7,371
Acquisition of associated entities	**(17,056)**	(13,688)
Repayment of loans from associated entities	**7,700**	-
Return of capital from associated entities	**2,000**	-
Net cash (used in)/provided by investing activities	**(129,933)**	288,652
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	**166,113**	657,370
Repayment of borrowings	**-**	(99,213)
Repayment of employee share plan loans	**56,174**	21,620
Payment of return of capital	**-**	(821,168)
Payment for share buy-back	**-**	(78,891)
Dividends paid to ordinary shareholders	**(333,985)**	(306,478)
Net cash used in financing activities	**(111,698)**	(626,760)
Net increase (decrease) in cash held	**78,313**	(60,247)
Cash at the beginning of the half-year	**55,723**	170,247
Cash at the end of the half-year	**134,036**	110,000
RECONCILIATION OF CASH		
Cash on hand and at bank	**93,287**	49,806
Cash on deposit	**40,749**	74,933
Bank overdraft	**-**	(14,739)
	134,036	110,000

Registered office

11th Floor, Wesfarmers House
40 The Esplanade, Perth, Western Australia 6000

Telephone: (+61 8) 9327 4211
Facsimile: (+61 8) 9327 4216

Share Registry

Computershare Investor Services Pty Limited
Level 2, Reserve Bank Building
45 St George's Terrace
Perth, Western Australia 6000

Investor inquiries:
Within Australia: 1300 557 010
Outside Australia: (+61 3) 9415 4000

Facsimile:
Within Australia: (08) 9323 2033
Outside Australia: (+61 8) 9323 2033
Website: www.computershare.com.au

When communicating with the share registry, it will assist if you can quote your current address together with your Security Reference Number (SRN) or Holder Identification Number (HIN) as shown on your Issuer Sponsored/CHESS statements.

Wesfarmers website

Information about Wesfarmers is available on our website, www.wesfarmers.com.au

Shareholder Calendar *(dates subject to change)*

Full-year results and final dividend announcement	August 2005
Final dividend payment	August/September 2005
Annual report mailed to shareholders	October 2005
Annual general meeting	November 2005

Wesfarmers

www.mindfield.net.au
WESF-8232