Investment Conference
Philosophy, Performance and Direction

Citigroup, London – 9 & 10 March

Goldman Sachs JBWere, New York – 12 & 13 March

JPMorgan, Singapore and Hong Kong – 16 & 17 March

March 2009

Wesfarmers

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Philosophy Based On A Single Focus

Satisfactory Returns To Shareholders

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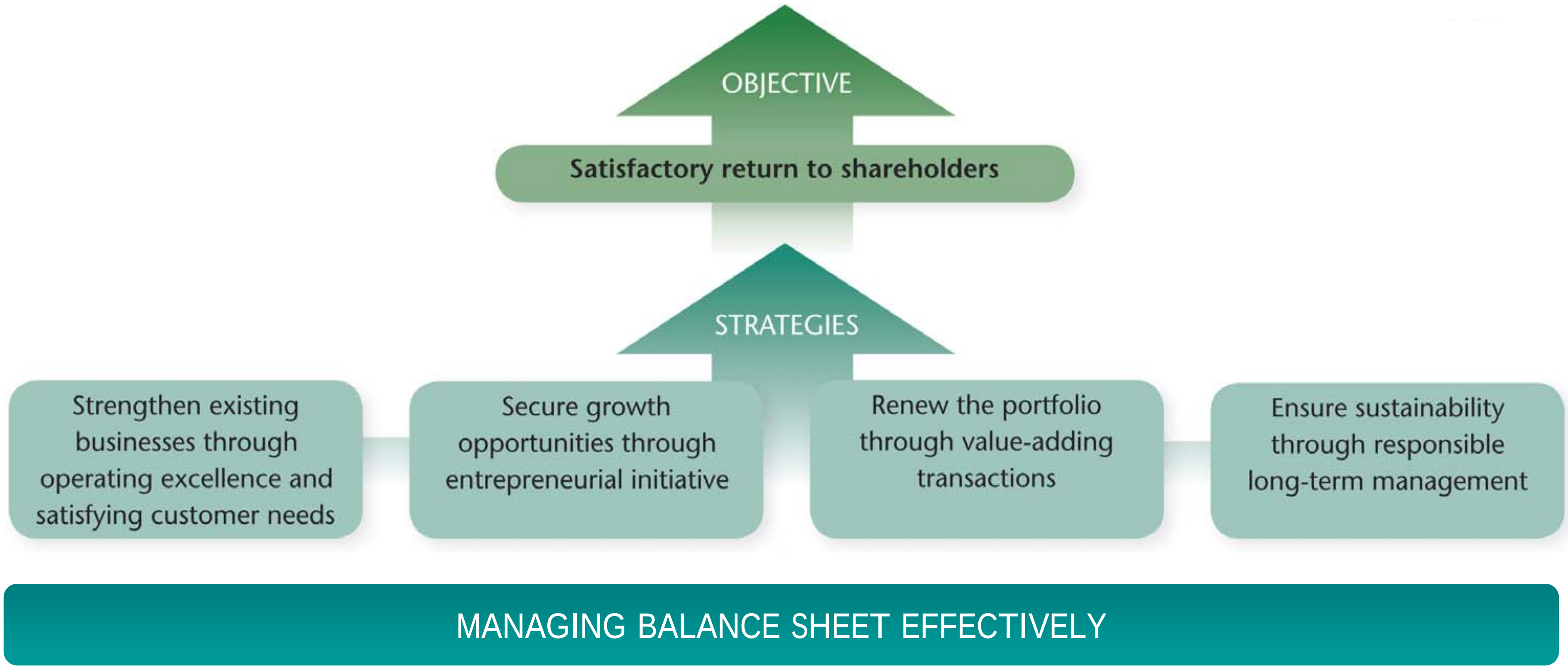
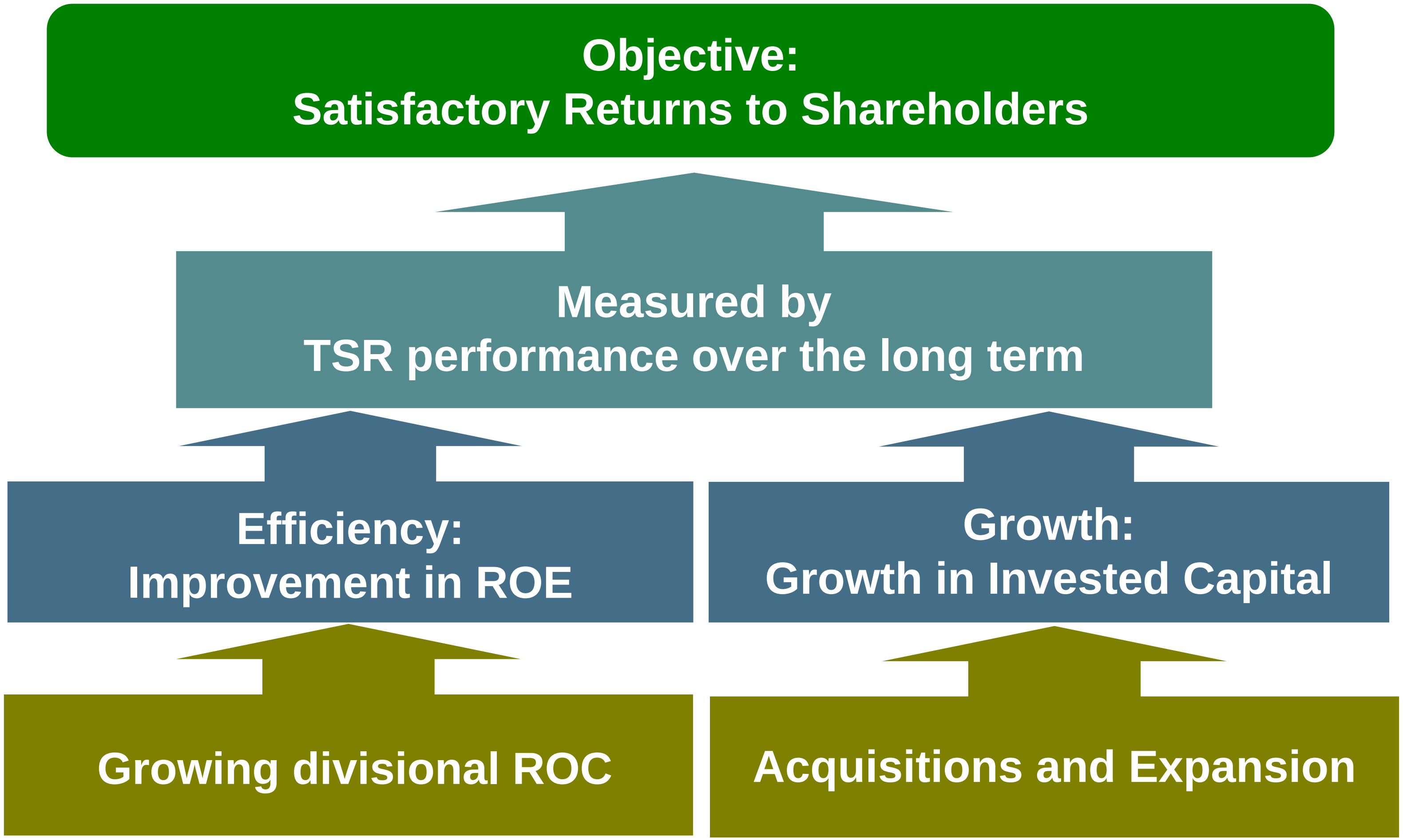
Long-term, consistent strategies



Returns focus



Portfolio of leading brands

Retail Businesses

- Coles express
- Target. 100% happy
- Kmart where good times start
- Coles
- Good times start at 1ST CHOICE Liquor Superstore
- Officeworks
- Bunnings warehouse
- Kmart Tyre & Auto Service
- LiquorLand
- coles online
- BI-LO WHY PAY MORE!
- Vintage Cellars Australia's Fine Wine Specialist
- Hotels

Insurance

- Crombie Lockwood New Zealand's Insurance Brokers
- Lumley
- OAMPS
- Wesfarmers Federation Insurance Limited

Industrial Businesses

- NZ Safety Specialists in Safety & Protection
- AGA
- Total Fasteners
- Protector Alsafe
- Modwood
- Motion Industries
- Packaging House Building partnerships, delivering solutions
- enGen energy generation
- Australian Vinyls
- Bengalla
- Bullivants Handling Safety
- QNP
- Blackwoods Paykels
- Wesfarmers LPG
- Air Liquide Western Australia
- Blackwoods
- Kleenheat Gas
- Premier Coal
- protector safety
- Gresham Investment House
- coregas
- Atkins Electrical Supplies
- Wespine Industries Pty Ltd
- Curragh
- CSBP

Management Team

Managing Director		Richard Goyder
Finance Director		Gene Tilbrook*
	Divisional Managing Directors	
	Home Improvement & Office Supplies	John Gillam
	Coles	Ian McLeod
	Target	Launa Inman
	Kmart	Guy Russo
	Insurance	Rob Scott
	Chemicals & Fertilisers	Ian Hansen
	Coal	Stewart Butel
	Industrial & Safety	Olivier Chretien
	Energy	Tim Bult

* Retires first half CY09, Terry Bowen to replace Gene Tilbrook as Finance Director

Group Results

Group Performance Highlights

- Significant increases in revenue and earnings
  - Inclusion of full period of Coles, Target, Kmart and Officeworks
- Operating revenue of $26.4 billion
- Group profit after tax of $879 million, up 46.3%
  - After inclusion of $125 million of writedowns and provisions
- Operating cash flow of $1.8 billion, up 42.6%
- Earnings per share of 106.4 cents, down 16.4%
  - reflecting increased shares on issue
- Interim dividend of 50 cents per share (fully franked)

Group Performance Summary

Half Year ended 31 December ($m)	2008	2007*	%
Operating revenue	**26,363**	9,808	*168.8*
EBITDA	**2,236**	1,266	*76.6*
EBIT	**1,759**	1,046	*68.2*
Net profit after tax	**879**	601	*46.3*
Operating cash flow	**1,770**	1,241	*42.6*
Earnings per share (excl. employee res. shares)	**106.4**	127.3	*(16.4)*
Earnings per share (incl. employee res. shares)	**105.8**	125.7	*(15.8)*
Cash flow per share (incl. employee res. shares)	**219.7**	274.9	*(20.1)*
Dividends per share	**50**	65	*(23.1)*

*Coles, Officeworks, Target, Kmart included for period of 23 Nov to 31 Dec 2007

Divisional EBIT

Half Year ended 31 December ($m)	2008	2007*	↕ %
Home Improvement & Office Supplies	**395**	332	*19.0*
Coles	**431**	130	*n.m.*
Target	**215**	118	*n.m.*
Kmart	**75**	101	*n.m.*
Resources	**686**	112	*512.5*
Insurance	**67**	64	*4.7*
Industrial & Safety	**68**	61	*11.5*
Chemicals & Fertilisers	**4**	48	*(91.7)*
Energy	**30**	48	*(37.5)*
Other^	**(138)**	72	*(291.7)*
Divisional EBIT	**1,833**	1,086	*68.8*
Corporate overheads	**(74)**	(40)	*(85.0)*
Group EBIT	**1,759**	1,046	*68.2*

* Coles, Officeworks, Target, Kmart included for period of 23 Nov to 31 Dec 2007

^Includes $149m (pre tax) of provisions and write-downs in investments in 2008

Provisions and write-downs

Period ended 31 December ($m)	2008	Comment
Coles	**(65)**	Coles Property writedown
Kmart	**(14)**	DC Closure and restructure costs
Non-trading items	**(79)**	
Self Insurance	**(48)**	Increase in provisions
Investments	**(21)**	Mark-to-market of investments
One-off trading items	**(69)**	
Total Significant Items (pre-tax)	**(148)**	$125m post tax

Note: these provisions and investment write-downs are non-cash

Operating Divisions

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Coles

- Intensive period of change led by new management
- Encouraging signs in early phase of recovery programme
- Meaningful and sustainable change will take time

Strategies	1. Building a solid foundation 2. Delivering consistently well 3. Driving the Coles difference
1H09 Trading Update	• Food & Liquor comp sales growth of 2.6% (3.8% in 2Q09) • Improving Fresh and sales growth trend • "Spring Clean" refurbs complete • "Renewal" store pilots encouraging • Liquor renewal intensified
Outlook	• Growing customer focus on value • Strategic programmes being driven at pace • Store Renewal development programme expected in new financial year

Coles – Strategy
5 years – 3 phases of recovery

Performance

Building a Solid Foundation (Year 1 - 2)
- Create a strong top team
- Cultural change
- Availability & store standards
- Value and customer trust
- Renewal store development
- IT & supply chain infrastructure
- Liquor renewal
- Efficient use of capital

Delivering Consistently Well (Year 2 - 4)
- Embed the new culture
- Team member development
- Improved customer service
- Improved efficiency
- Appealing Fresh food offer
- Stronger delivery of value
- Scale rollout of new format
- Auto replenishment completed

Driving the Coles Difference (Year 4 - 5+)
- Culture of continuous improvement
- Strong customer trust and loyalty
- Strong operational efficiency
- Innovative & Improved offer
- New stores, new categories

Coles – Strategy
Phase 1 Progress

Create a strong top team	100% of leadership team new to Coles/role with over 125 years of retailing experience. 45% of top 200 managers new to Coles/role.
Cultural change	1,500+ non-store positions removed. Store manager authority improved. Store and store manager communications significantly increased.
Availability & store standards	50% improvement in on-shelf availability. "Capital light" refurbishment programme completed. Improving rostering and reduced queues.
Value and customer trust	Housebrand review complete; sales growth currently 3x branded products. Reinvestment in prices. Promotional programme overhauled.
Renewal store development	Pilot stores showing encouraging early results. FY10 rollout.
IT & supply chain infrastructure	Supply chain rationalisation on track; DCs down to 25. "Multi-save" fully implemented and auto-stock replenishment pilots performing well
Liquor renewal	Top team strengthened and restructured including appointment of Tony Leon. Prices reduced on 1,000+ products. Improving range to better meet local demand.
Efficient use of capital	Inventory overstocks 65% lower than at acquisition. Early improvement in trading terms. Disciplined approach to capital expenditure introduced.

Home Improvement and Office Supplies

Bunnings

- Bunnings continuing to perform strongly
- Focus on delivering on strategic agenda

Strategies	1. Profitable sales growth 2. Building a stronger team 3. Lifting effectiveness and efficiency 4. Sustainability focus
1H09 Trading Update	• 10.3% cash sales growth with store-on-store growth of 7.7% • 1.6% lift in trade sales • Continued investment in existing network • Opened 6 new warehouses
Outlook	• Cash sales growth but possibly at lower rate given volatile economic conditions • Strong customer and business improvement focus

Home Improvement and Office Supplies
Officeworks

- Substantial work to address strategic impediments
- Difficult trading conditions for remainder of year

Strategy Develop-ment

1. Improving the customer offer
2. Lifting service
3. Team development & engagement
4. Reducing complexity & cost of doing business
5. Growing sales & profitability

1H09 Trading Update

- Officeworks retail store sales growth of 3.9%; strong transaction growth
- Range authority being re-established
- Customer-facing channel conflict eliminated

Outlook

- Focused on gaining traction with reset strategic agenda
- Moderate sales growth with pressure on sales and margin

Target

- Continuing to perform well
- Well positioned for slow down in retail spending and to benefit from Govt. stimulus package

Strategies

1. Focus on fundamentals
2. Brand relaunch
3. Differentiation
4. Store network development
5. Customer service
6. Team member performance
7. Business improvements

1H09 Trading Update

- Comp sales growth of 4.0% (4.8% in 2Q09)
- EBIT margin strength maintained at 10.3%
- Costs well controlled
- Inventory fresh and well controlled
- 11 new stores & 19 refurbs

Outlook

- 5 new stores & 15 refurbs in 2H09
- Margins on direct imports supported by hedging in near term
- Electrical will continue to drive sales

Kmart

- Guy Russo, Managing Director, recently appointed
- Senior management changes complete

Strategies	1. Fix the customer experience 2. Significantly reduce the cost base 3. Rebuild customer trust 4. Make every site a success 5. Right people and accountability
1H09 Trading Update	• Comp sales growth of 0.4% (1.0% in 2Q09) • Inventory levels below last year • 1 new store and 11 refits completed
Outlook	• Anticipate trading performance to remain soft in 2H09 • 2 new stores and 3 refits in 2H09

Resources

- Resources benefiting from record export coal prices
- Forecast Curragh metallurgical sales of 6.5 – 6.9mt in FY09
- Timing of expansions projects subject to market conditions

CURRAGH

Premier Coal

BENGALLA

Strategies	1. Maximise export sales and optimise sales mix 2. Cost reduction programmes 3. Expansion opportunities 4. Extend product and market reach 5. Sustainability
1H09 Trading Update	• Record production and sales • Record prices for export coal • Significant increase in earnings
Outlook	• Global steel production uncertain • 2009/10 price negotiations underway • Signs mining costs pressures are easing • Near-term impact of FX close-out costs

Insurance

- Rate increases being achieved
- Continuing consolidation of brokers/distribution

Strategies	Underwriting 1. Single licensed entity for Aust. 2. LGNZ margin improvement 3. Build technical capabilities Broking 1. Leverage combined capabilities 2. Build the best team 3. Continue bolt-on acquisitions
1H09 Trading Update	• Turnaround of Lumley NZ • Rate increases in motor portfolios • Higher than expected crop claims in WFI • Improved broking earnings and revenue (on a like-for-like basis)
Outlook	• Retained losses from Victorian bushfires of $13m • Conditions support underwriting margin improvement • Stronger broking contributions in 2H09

Chemical & Fertilisers

- Demand for mining chemicals remains strong although growth softening
- Fertiliser earnings dependent on seasonal break

CSBP

Australian Vinyls

QNP

AGR

Strategies	1. Growth through expansions 2. Optimise cost and capital 3. Sustainability 4. Improve capabilities and people development
1H09 Trading Update	• 6 months of successful operation of AN expansion • QNP debottleneck complete • ~$50m EBIT lost from Varanus Island gas disruption & $14m inventory writedown
Outlook	• Full gas supply expected from 1 June 09 • Commissioning of $15m sodium cyanide expansion in 2H09

Industrial & Safety

- Continuing to build stronger business foundations
- Enhanced focus on growth

Strategies	1. Increase sales to existing customers 2. Improve metropolitan sale performance 3. Target higher growth sectors 4. Improve competitiveness
1H09 Trading Update	• Revenue growth of 7.0% • EBIT growth of 11.5% • Continuing improvement in ROC, up to 17.1% • Further improved competitiveness
Outlook	• Market conditions more challenging • Pressure on margins expected but strong competitive foundations and tight expense and capital management

Energy

- WA LNG project operational
- Impacted by Varanus Island gas disruption

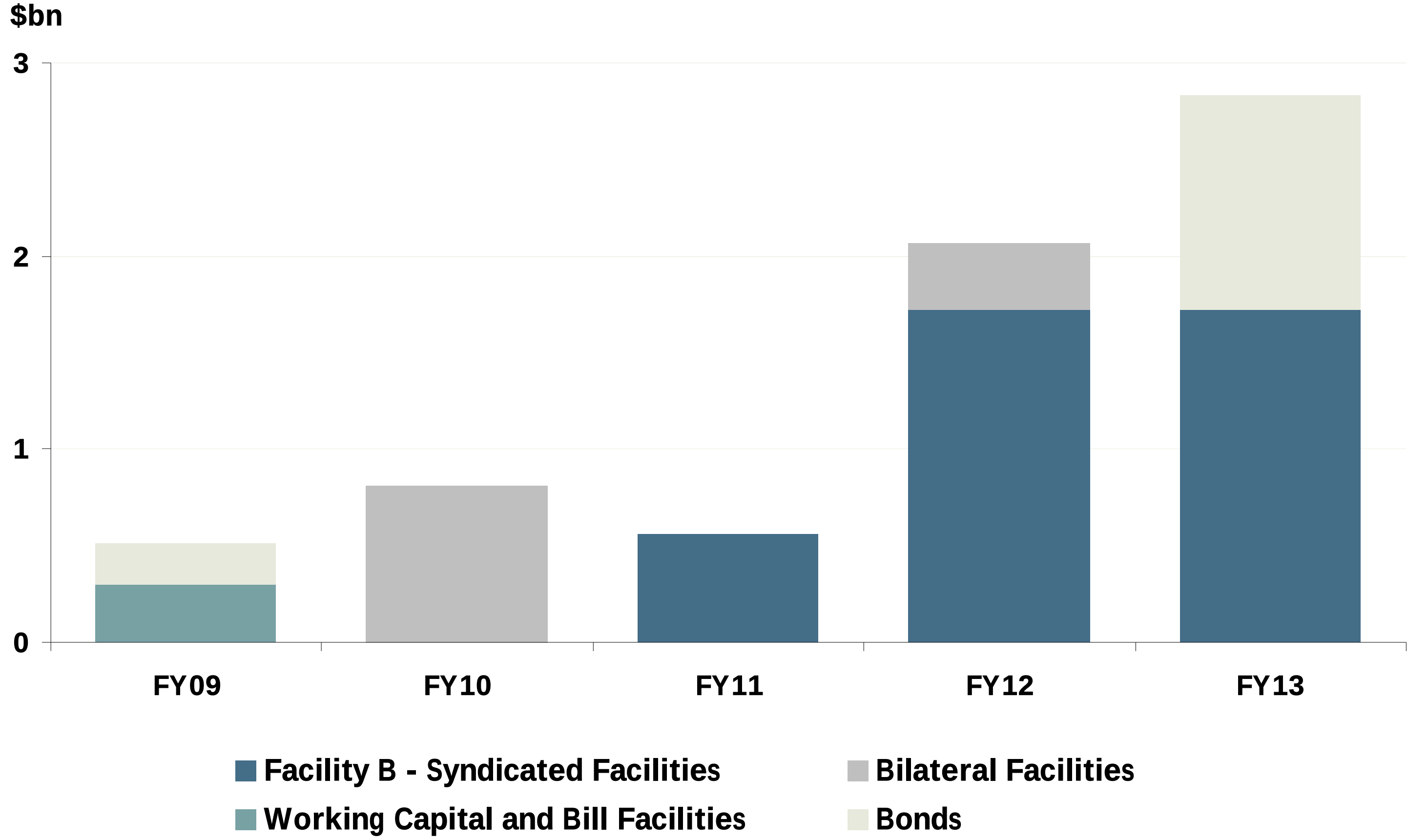
Strategies	1. Improve – existing businesses 2. Expand – deliver projects 3. Evaluate - new opportunities
1H09 Trading Update	• Growth in industrial gas sales • Gas disruption reduced earnings by ~$15m but maintained LPG supply • $9m inventory writedown
Outlook	• LPG earnings dependant on international prices and content • Volume growth in LNG sales

Capital Management

Equity Raising

- 3 for 7 entitlement offer plus $900m placement
- Institutional Entitlement raised $2.0bn
- Retail Entitlement raised $1.7bn
- Strengthens balance sheet and provides increased flexibility
- Extension and refinancing of maturing debt facilities

Maturity Profile Analysis



Note: $4.6bn equity raised however graph above reflects current repayments of $2.9bn. Remaining proceeds to be used to make further repayments in due course and to provide additional liquidity.

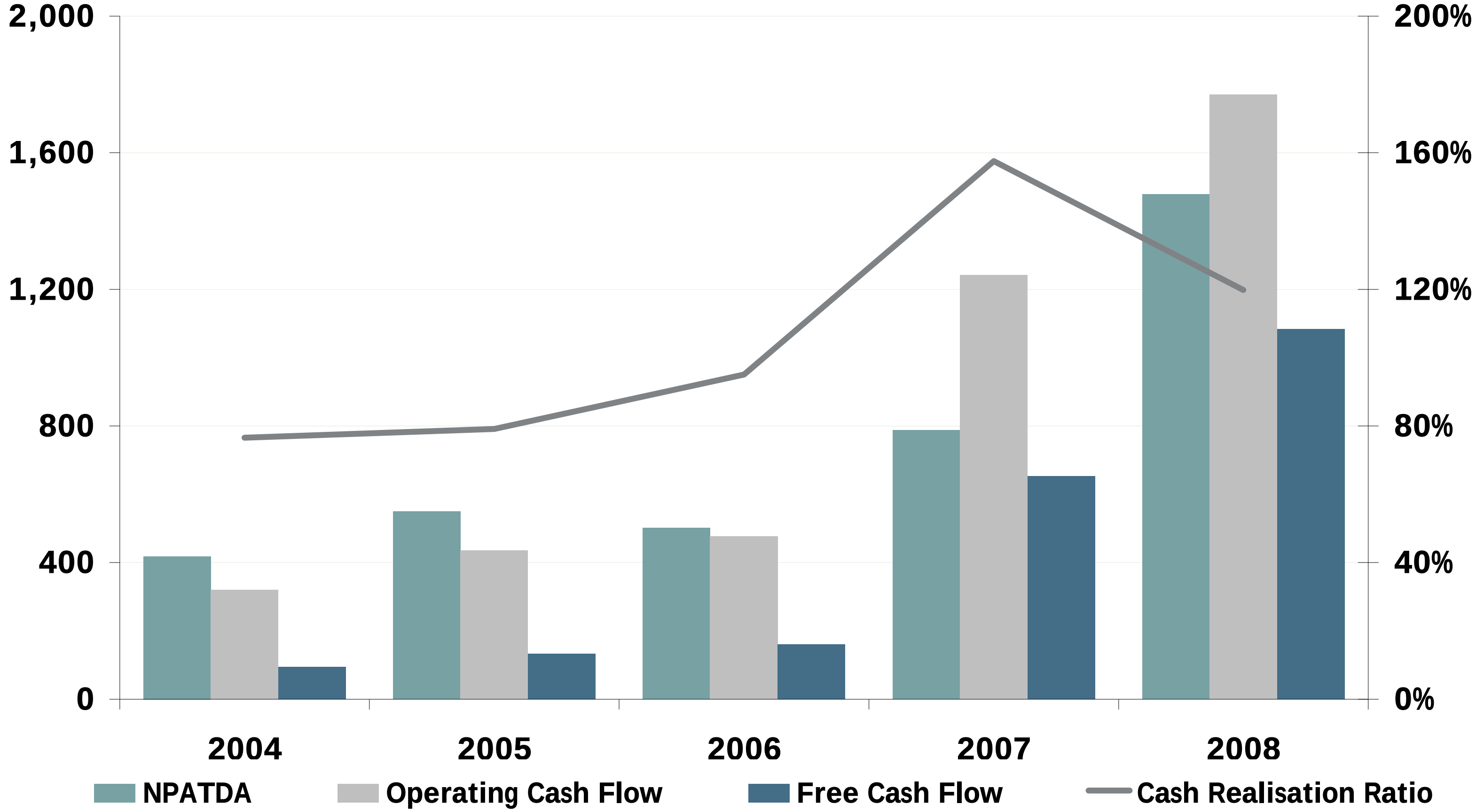
Capital Management

- Net Debt to Equity of 49% at 31 December 2008 (20% on a pro-forma basis*)
- Cash Interest Cover Ratio of 5.2 times (rolling 12 month basis)
- Well within all debt covenants (pre equity raising)
- S&P rating BBB+ (stable), Moody's Baa1 (stable)
- Weighted average cost of debt including hedges 8 - 8.5% for next 3 years
- Retain dividend investment plan with no underwrite expected for FY09 dividends

Note: based on $4.6bn equity raised in Jan/Feb 2009

Cashflow
(Half Year to 31 Dec)

- Focus on working capital management
- Strong free cash flows



*adjusted for Stanwell and significant non-cash asset writedowns and provisions

Capital Expenditure

- Continued focus on prudent capital expenditure
- Coles capital expenditure weighted towards 2H09
- Completion of Ammonia Nitrate expansion and LNG Plant in FY08
- Forecast capital expenditure for FY09 <$1.8bn

Half Year ended 31 December (A$m)	2008	2007
Home Improvement & Office Supplies	**214**	173
Coles	**204**	93
Target	**51**	-
Kmart	**41**	-
Resources	**109**	95
Insurance	**6**	6
Industrial & Safety	**10**	14
Chemicals & Fertiliser	**22**	127
Energy	**21**	78
Other	**9**	3
Total	**687**	589

Outlook

- Challenging global economic environment
- Expect turnaround in Coles to gather pace over next 12 months
- Lower export coal prices from April 2009
- Lower borrowing costs from reduced debt levels

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