2014 Full-Year Results Briefing

20 August 2014

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Wesfarmers

Presentation outline

Group Performance Highlights

Richard Goyder
Managing Director, Wesfarmers Limited

Financial highlights

Year ended 30 June 2014	Reported			Excluding NTIs		
Operating revenue	$62.3bn	▲	*4.2%*	$62.3bn	▲	*4.2%*
EBIT	$4,150m	▲	*13.4%*	$3,786m	▲	*3.5%*
NPAT	$2,689m	▲	*18.9%*	$2,398m	▲	*6.1%*
Earnings per share	$2.35	▲	*19.8%*	$2.09	▲	*6.8%*
Return on equity (R12)	10.5%	▲	*160 bps*	9.4%	▲	*50 bps*

- Solid increase in underlying profit
- Non-trading items (NTIs)[1] contributed $291 million of after-tax profit for the year
- Underlying earnings growth largely driven by:
  - Stronger performances in Coles & Bunnings
  - Lower financing costs
- Strong focus on disciplined capital deployment & portfolio management demonstrated
  - Divestment of Insurance division & 40% interest in Air Liquide WA (ALWA)
- Maintained strong balance sheet & access to capital
- Continued to leverage & build human resource capability

[1] 2014 includes $291 million of post- tax NTIs (including a $939 million gain on disposal of the Insurance division, a $95 million gain on disposal of the 40% interest in ALWA, a $677 million impairment of Target's goodwill & a $66 million Coles Liquor restructuring provision).

Group performance summary

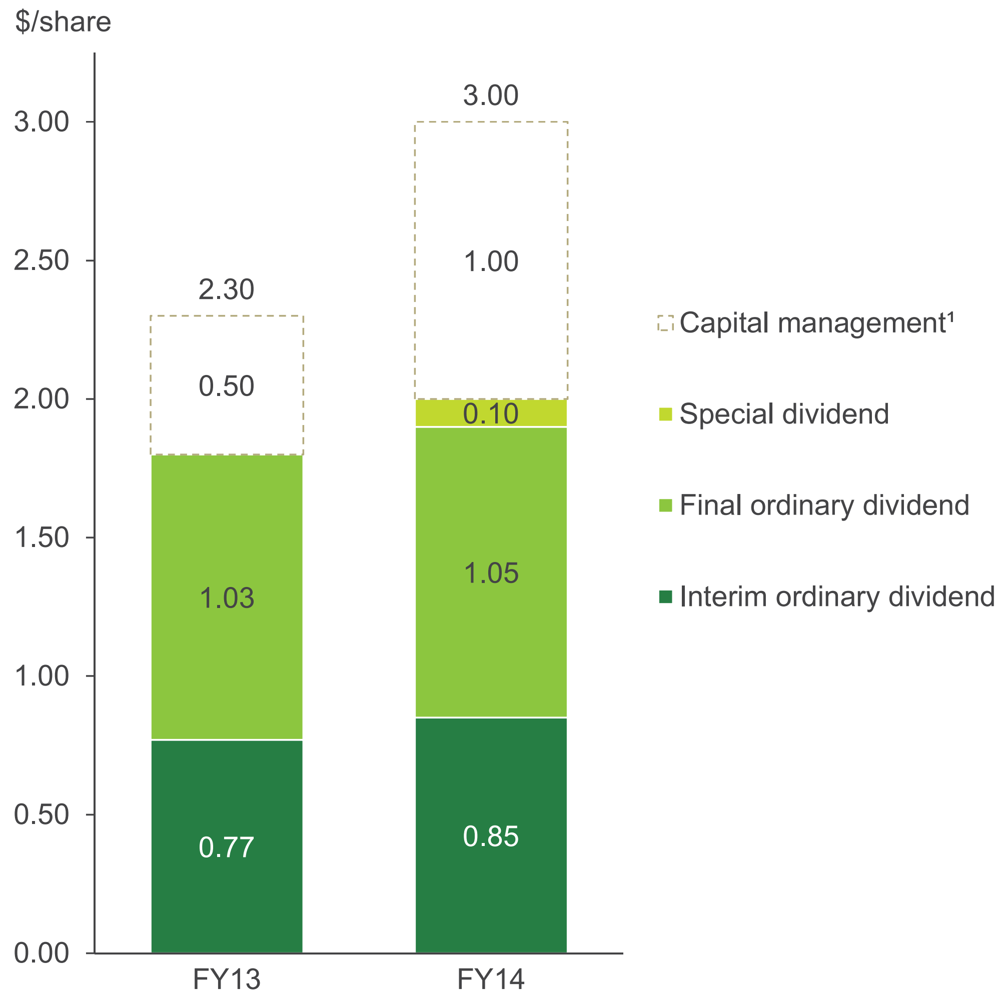
Year ended 30 June ($m)	2014	2013	%
Revenue	62,348	59,832	*4.2*
EBITDA	5,273	4,729	*11.5*
EBIT	4,150	3,658	*13.4*
EBIT (excluding NTIs)[1]	3,786	3,658	*3.5*
EBIT from continuing operations (excluding NTIs)[1]	3,566	3,453	*3.3*
Finance costs	(363)	(432)	*16.0*
Tax expense	(1,098)	(965)	*(13.8)*
Net profit after tax	2,689	2,261	*18.9*
Net profit after tax (excluding NTIs)[1]	2,398	2,261	*6.1*
Operating cash flow	3,226	3,931	*(17.9)*
Earnings per share (cps)	234.6	195.9	*19.8*
Earnings per share (excluding NTIs)[1] (cps)	209.2	195.9	*6.8*
Operating cash flow per share (wanos, incl. res. shares) (cps)	281.0	339.7	*(17.3)*
Full-year ordinary dividend per share (cps)	190	180	*5.6*
Special 'Centenary' dividend per share (cps)	10	-	*n.m.*
Capital return paid per share (cps)	50	-	*n.m.*
Return on equity (R12) (%)	10.5	8.9	*18.0*

[1] Refer slide 58; 2014 includes $364 million of pre-tax NTIs ($291 million on a post-tax basis).

Focus on shareholder returns

- Earnings growth, balance sheet strength, robust credit metrics & good cash flow generation have supported increased distributions to shareholders
- Dividends declared
  - Final ordinary dividend (fully-franked) of $1.05 declared taking full-year ordinary dividend to $1.90, up 5.6%
  - Special 'Centenary' dividend (fully-franked) of $0.10 declared taking full-year total dividend to $2.00
- Capital management announced
  - Distribution of $1.00 per share
  - Subject to final ruling by ATO & shareholder approval at AGM

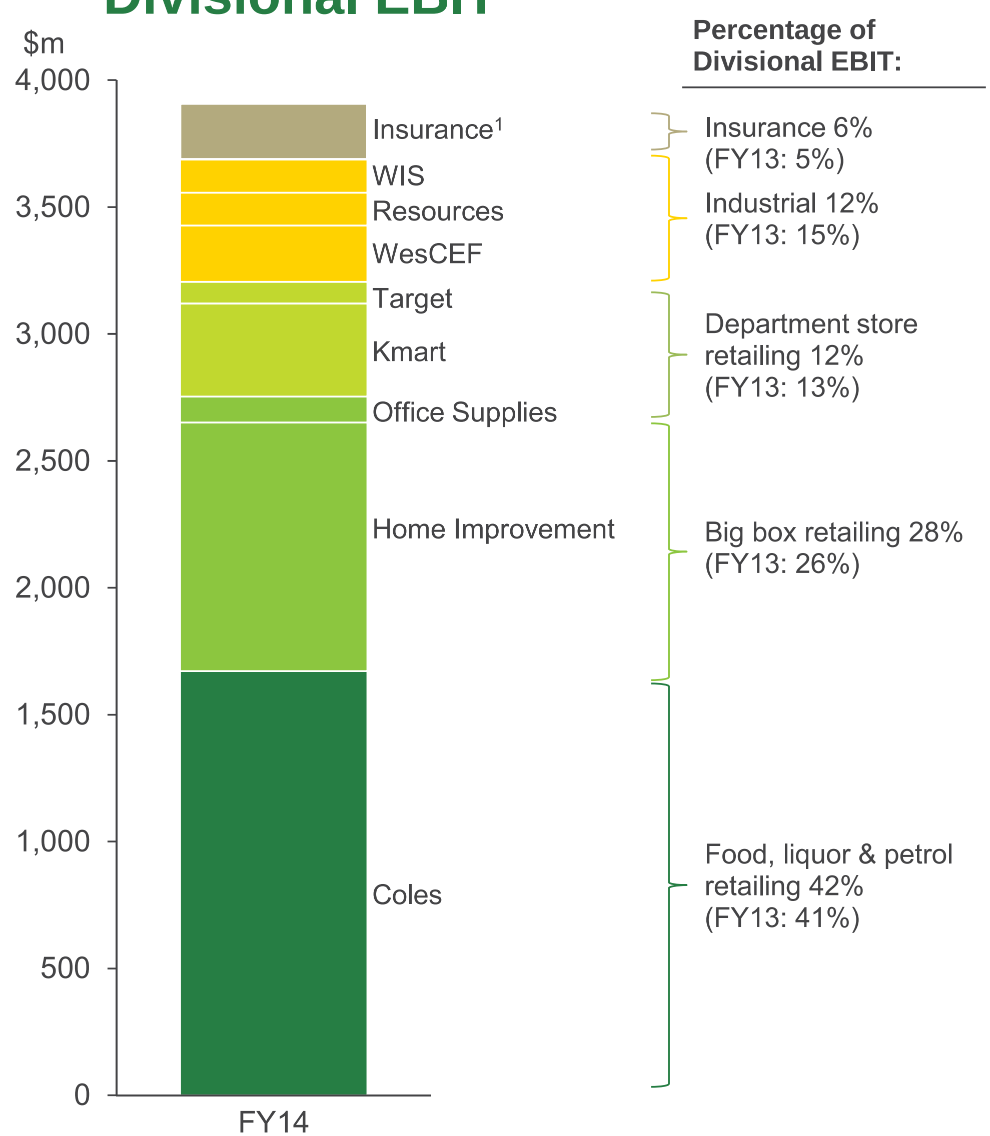
Distributions to shareholders



[1] 2013 includes capital return of 50 cents per share paid in November 2013 & 2014 includes capital management of $1.00 per share to be paid, subject to approvals, in December 2014.

Strength through diversified earnings

Divisional EBIT



Year ended 30 June ($m)	2014	2013	%
Coles	1,672	1,533	*9.1*
Home Improvement	979	904	*8.3*
Office Supplies	103	93	*10.8*
Kmart	366	344	*6.4*
Target	86	136	*(36.8)*
WesCEF	221	249	*(11.2)*
Resources	130	148	*(12.2)*
Industrial & Safety	131	165	*(20.6)*
Insurance[1]	220	205	*7.3*
Divisional EBIT	3,908	3,777	*3.5*
Other (excluding NTIs)	(122)	(119)	*(2.5)*
Non-trading items	364	-	*n.m.*
Group EBIT	4,150	3,658	*13.4*

[1] 2014 includes an increase in reserve estimates for the 22 February 2011 Christchurch earthquake (EQ2) of $45 million.

Return on capital

- Focus on return on capital to deliver satisfactory shareholder returns

	2014			2013
Rolling 12 months to 30 June	EBIT ($m)	Cap Emp ($m)	ROC (%)	ROC (%)
Coles	1,672	16,272	10.3	9.5
Home Improvement	979	3,343	29.3	25.9
Office Supplies	103	1,097	9.4	8.1
Kmart	366	1,361	26.9	25.9
Target	86	2,979	2.9	4.6
Chemicals, Energy & Fertilisers	221	1,539	14.4	17.8
Resources	130	1,459	8.9	10.0
Industrial & Safety	131	1,127	11.6	14.7
Insurance	220	1,497	14.7	14.7

Divisional performance highlights

Coles

- Earnings growth driven by improvements in customer value, increased fresh sales, a better store experience & lower costs of doing business
- Increased customer transactions, basket size & fresh participation
- Continued investment of operational efficiencies into lower prices
- Liquor underperformance
- Lower fuel volumes, affected by capping of fuel discounts & higher fuel prices, reduced Convenience earnings

Bunnings

- Earnings increased strongly with improved sales momentum & growth in all regions & customer segments
- Effective property recycling supported return on capital uplift

Officeworks

- Sound execution of the 'every channel' strategy
- Category innovation & working capital improvements
- Strong improvements in earnings & return on capital

Divisional performance highlights (cont'd)

Kmart

- Earnings growth driven by further improvements in merchandising & store productivity
- Further growth in customer transactions & units sold
- Accelerated renewal activity

Target

- Lower margins from price deflation in a strongly competitive market
- Activity to turnaround business included many changes to processes & operations

WesCEF

- AN3 capacity expansion construction completed within time & to budget
- Chemicals earnings affected by planned & unplanned plant shutdowns
- Kleenheat Gas earnings affected by continued deterioration in LPG production economics
- Fertiliser earnings recovery

Divisional performance highlights (cont'd)

Resources

- Lower export coal prices affected revenue
- Strong focus on cost control
- Improved production & sales volume performance

Industrial & Safety

- Challenging industrial supply market conditions
- Focused on increasing market share of existing customers through product & category expansion
- Strong focus on cost control & network optimisation

Insurance

- Good result given divestment transaction activities for majority of year
- Growth in Coles personal lines, improved loss ratios & favourable claims experiences in Australian underwriting contributed to earnings growth
- Lower broking earnings due to an 11 month contribution

Coles

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John Durkan
Managing Director

coles | coles.com.au | coles express | VINTAGE CELLARS | first CHOICE liquor | BI-LO | LIQUORLAND

Coles performance summary

Year ended 30 June ($m)		2014	2013	↕ %
Coles Division	Revenue	37,391	35,780	*4.5*
	EBIT[1]	1,672	1,533	*9.1*
	ROC (R12 %)	10.3	9.5	
	Safety (R12 LTIFR)	8.0	9.5	
Food & Liquor	Revenue[2]	29,220	27,933	*4.6*
	Headline sales growth (%)[3,4]	4.7	5.5	
	Comparative sales growth (%)[3,4]	3.7	4.3	
	Trading EBIT[1,5]	1,536	1,368	*12.3*
	EBIT margin (%)	5.3	4.9	
Convenience	Revenue	8,171	7,847	*4.1*
	Total store sales growth (%)[3]	6.0	1.5	
	Comp fuel volume growth (%)[3]	(3.9)	2.3	
	Trading EBIT	136	165	*(17.6)*

[1] 2014 excludes a $94 million provision relating to restructuring activities within the Coles Liquor business (reported as a NTI).

[2] Includes property revenue for 2014 of $26 million & for 2013 of $28 million.

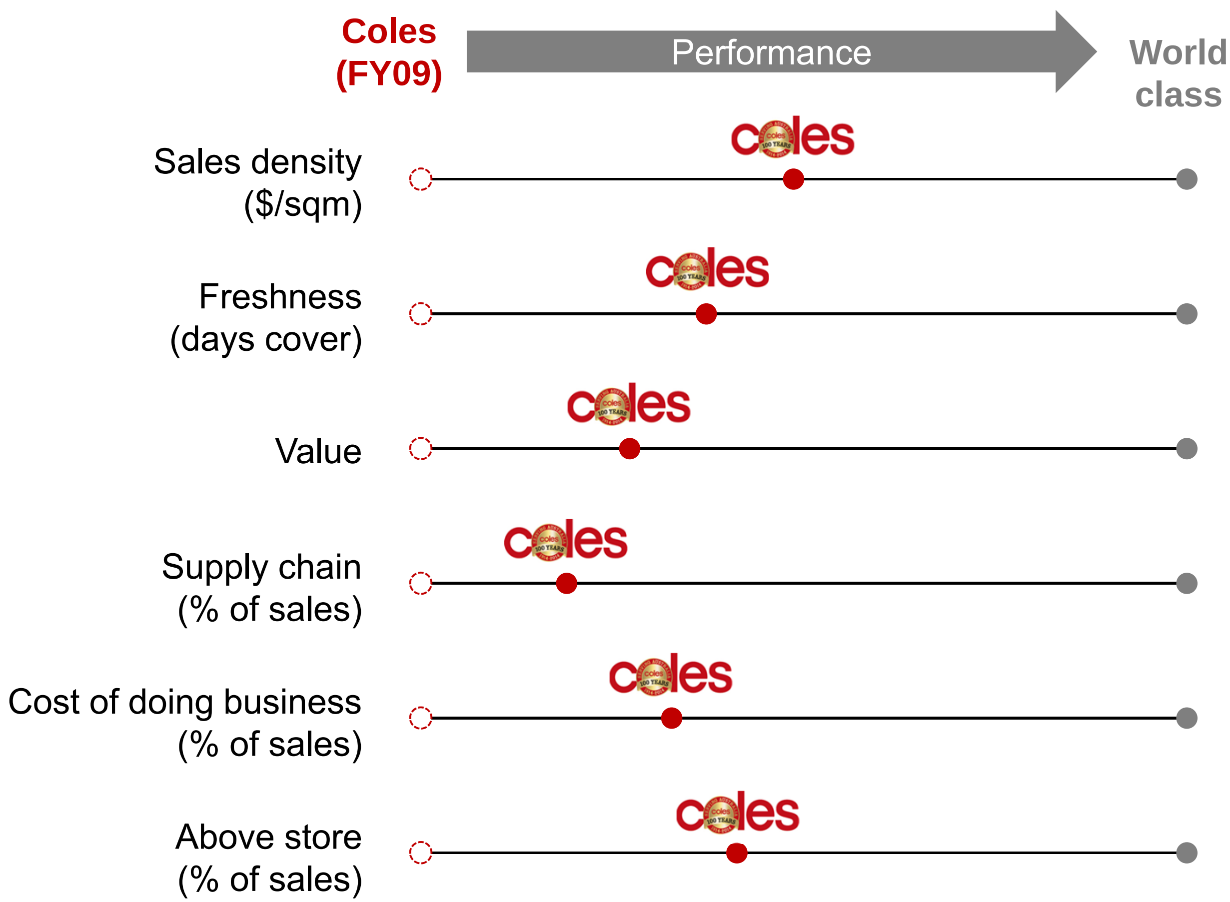
[3] 2014 growth reflects the 52 week period 1 July 2013 to 29 June 2014 & the 52 week period 2 July 2012 to 30 June 2013. 2013 growth reflects the 53 week period 25 June 2012 to 30 June 2013 & the 53 week period 27 June 2011 to 1 July 2012.

[4] Includes hotels, excludes gaming revenue & property.

[5] Includes property EBIT for 2014 of $20 million & for 2013 of $16 million.

Investing for future growth

Coles vs. global best practice



Note: Illustrative only & not to scale.

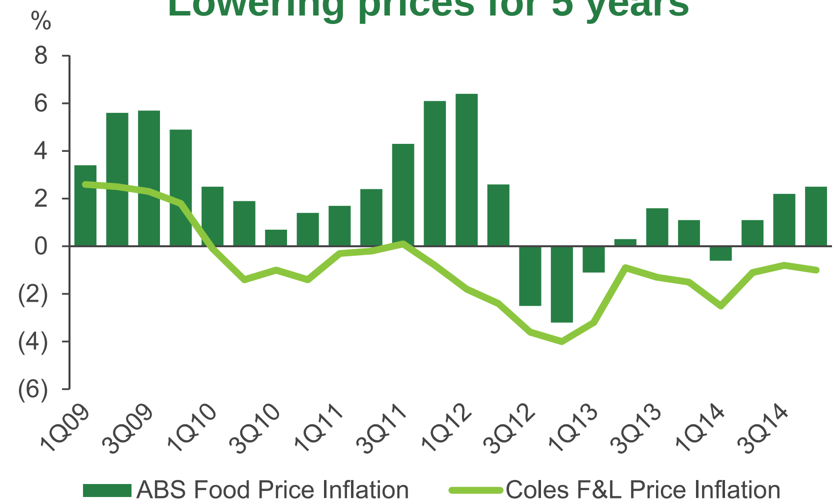
Today's retail environment

- Costs of living continue to grow for Australian households
- Increasingly competitive market conditions
- Customers remain cautious & value conscious
- Coles is facing increasing cost pressures

Food & Liquor highlights
Focus on value, freshness & innovation

- Continued value leadership
  - ‘Celebrate Specials’, ‘Deeper Down Down’
  - Targeted value offers with ‘spend get cash’, ‘spend get points’ & ‘choose your offer’
  - Greater investment in trusted pricing going forward
- Further investment in fresh food & innovation
  - Supporting Australian suppliers with longer term, more collaborative relationships
  - New 10 year contract with Murray Goulburn to supply Coles brand milk to over 400 stores
  - Trialling new formats & displays e.g. scoop & weigh, open bread displays

Lowering prices for 5 years

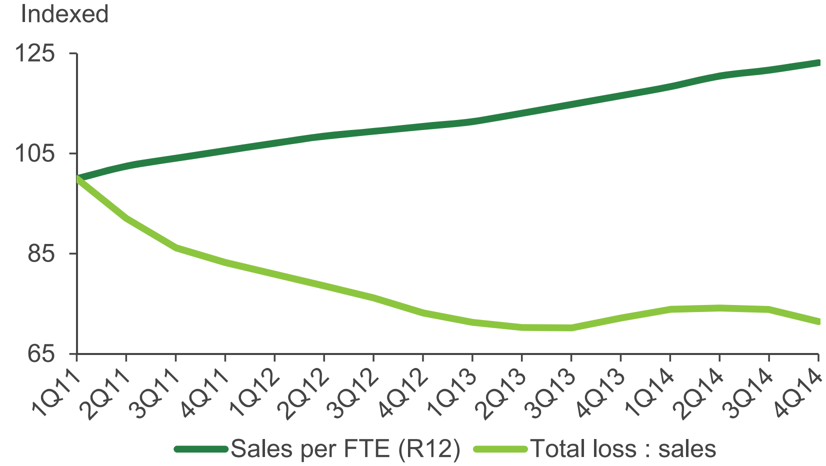



Open bread displays

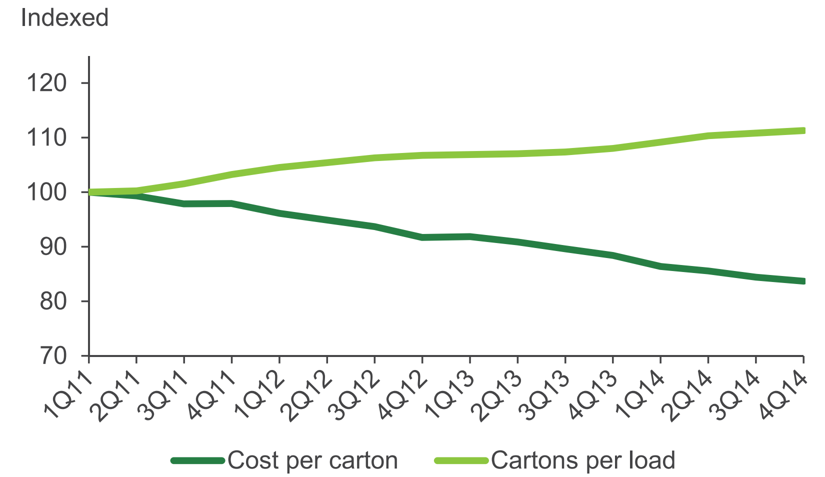
Food & Liquor highlights
Simplify supply chain & operations

- Simplified in-store operations
  - 430+ stores with ‘Easy Ordering’ for meat & bakery
  - Roll-out fresh produce ‘Assisted Ordering’
  - Reduced queue time with more than 5,000 assisted check-outs across 633 stores
  - Lowered total loss with ‘Sell More, Lose Less’
- More productive end-to-end supply chain
  - Continued to right-size the DC network
  - Ongoing improvements in DC productivity
  - Further optimisation of transport with better planning, greater utilisation & investing in more Coles owned trailers
- Investment for future efficiencies
  - Ongoing investment in new point-of-sale & workforce management systems

Continuing towards simpler store operations



Ongoing gains in supply chain efficiency



Bold extension into new channels & services

- Expansion of financial services
  - Agreement to form a financial services joint venture with GE Capital Australia (August 2014)
  - Multiple new products launched e.g. ‘no fee’ credit card, life insurance, Coles Mobile Wallet
  - Expansion of $10 off groceries for financial services customers via flybuys redemption
- Deeper data analytics through flybuys to deliver greater value to customers
  - Two new flybuys partners driving more ways to earn
  - More than two million unique ‘My Weekly Specials’ emails a week
- Strong growth in Coles Online following relaunch
  - New customers up 48% & traffic up more than 70% in FY14

Coles Mobile Wallet

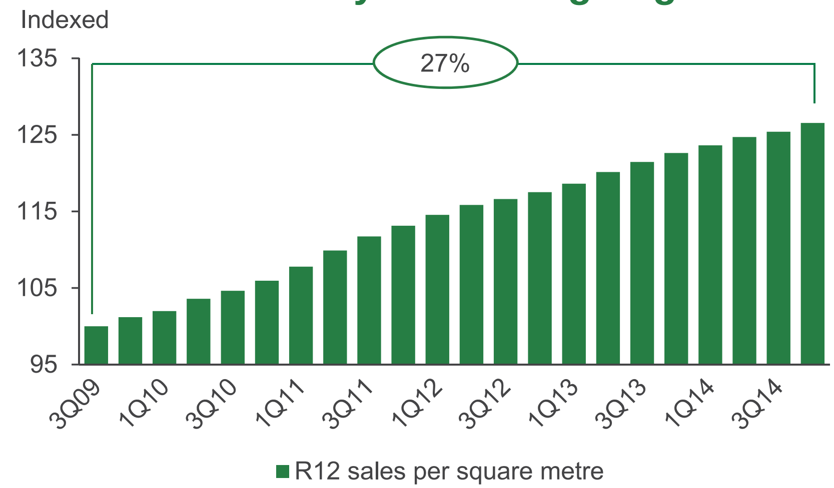
‘My Weekly Specials’ emails

Food & Liquor highlights

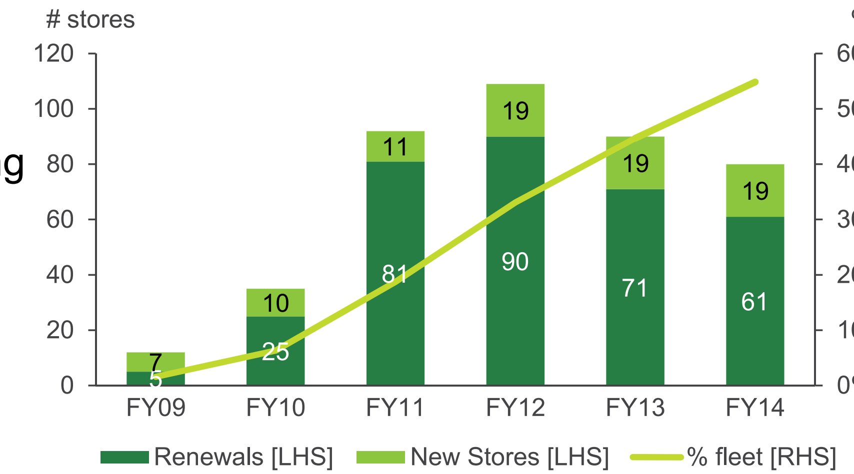
Delivery of a better supermarket store network

- Continued sales density growth
  - Rebalancing ‘macro space’ layouts to optimise sales
- Stronger pipeline supporting increased space growth
  - Net space growth of 2.2% in FY14
  - Continued focus on priority network gaps
- Journey towards a fully renewed fleet
  - 418 stores in renewal format, representing 55% of the fleet
  - Launched eight food service superstores
- Continued to recycle capital
  - 23 properties sold during the financial year, generating $230 million
  - ISPT JV now with 23 properties & growing

Sales density continuing to grow



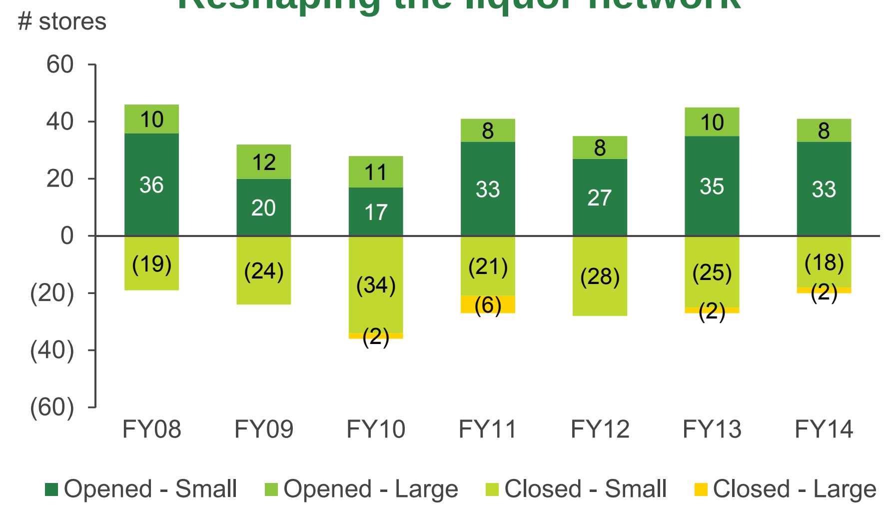
Journey towards a fully renewed fleet



Food & Liquor highlights
Liquor transformation

- Continued liquor underperformance
- Beginning the liquor transformation
  - Detailed review to guide development of action plans
  - Commenced closure of underperforming stores
  - Progressing range rationalisation through clearing inactive stock
  - More work required to improve the customer offer & experience

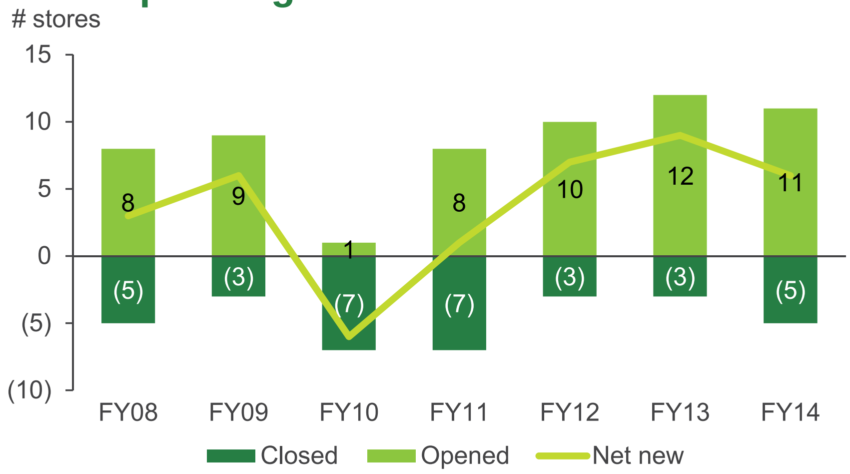
Reshaping the liquor network



Convenience highlights
Growth in Coles Express

- Lower fuel volumes following reduced fuel docket discounts & higher fuel prices
- Improved shop sales with better customer offer
  - New 'Expresso to Go' & frozen carbonated beverages performed strongly
- Continued focus on convenience offer growth
  - Continued trend towards premium fuels & diesel
  - Quality network expansion with new partner Vitol
- Continued quality network expansion
  - Opened 11 new sites & closed five sites
  - Focus on both co-located & alliance sites

Expanding the convenience network



Coles outlook

- Stronger focus on customers
- Continue to invest in value & fresh to drive sales
- Focus on simplifying & reducing costs
- Maintain disciplined & returns-focused capital management
- Invest in new channels & services to drive long-term growth
- Progress liquor transformation

Home Improvement & Office Supplies

John Gillam
Managing Director

HIOS performance summary

Year ended 30 June ($m)		2014	2013	↕%
Revenue	Home Improvement	**8,546**	7,661	*11.6*
	Office Supplies	**1,575**	1,506	*4.6*
	Total	**10,121**	9,167	*10.4*
EBIT	Home Improvement	**979**	904	*8.3*
	Office Supplies	**103**	93	*10.8*
	Total	**1,082**	997	*8.5*

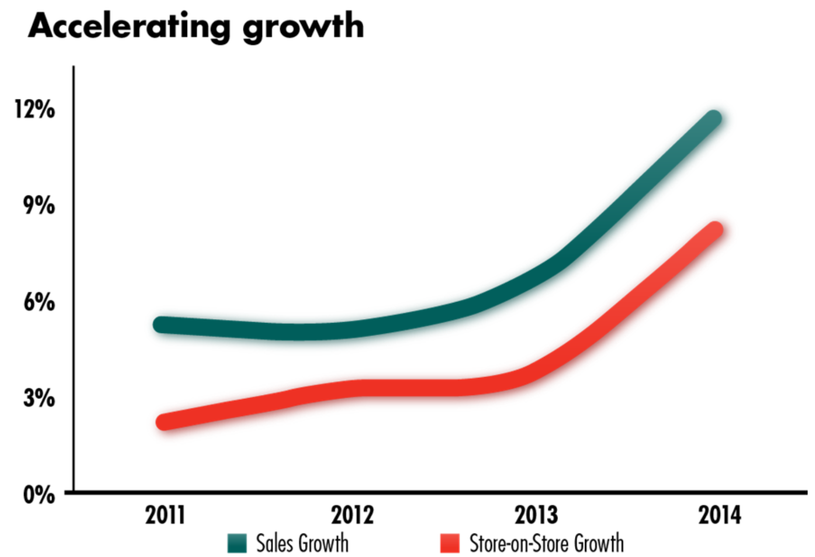
Home Improvement performance summary

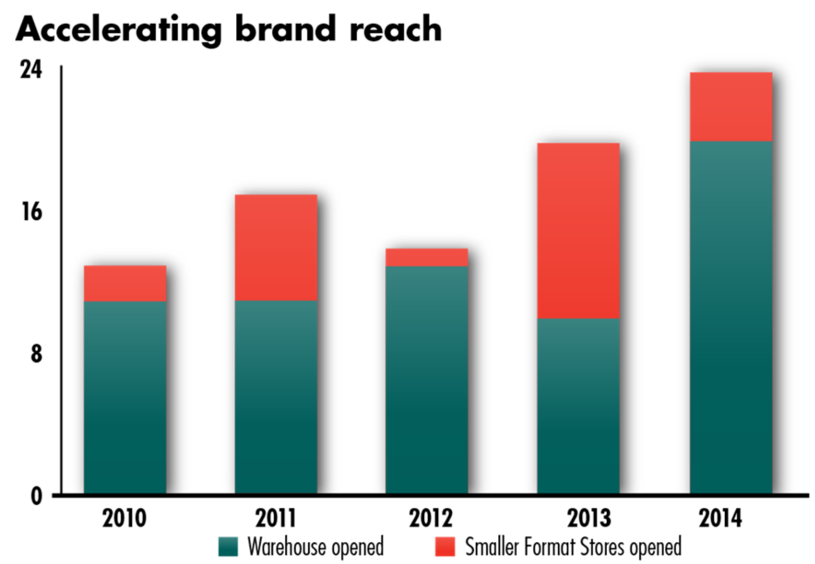
Year ended 30 June ($m)	2014	2013	↕ %
Revenue	**8,546**	7,661	*11.6*
EBIT	**979**	904	*8.3*
EBIT margin (%)	**11.5**	11.8	
ROC (R12 %)	**29.3**	25.9	
Safety (R12 AIFR)	**28.8**	31.7	

Home Improvement & Office Supplies

Home Improvement highlights

- Good sales growth
  - Total store sales growth of 11.7%
  - Good momentum in consumer & commercial
  - Store-on-store growth of 8.4%
- Strong uplifts across core business activities
  - Improving customer outcomes
    - » More value, wider range & better experiences
  - Deeper brand reach
    - » Opened record number of new Warehouses
  - Enhanced stock flow & productivity
- Continued team investments
  - Product knowledge, development & safety
  - Record engagement & retention levels



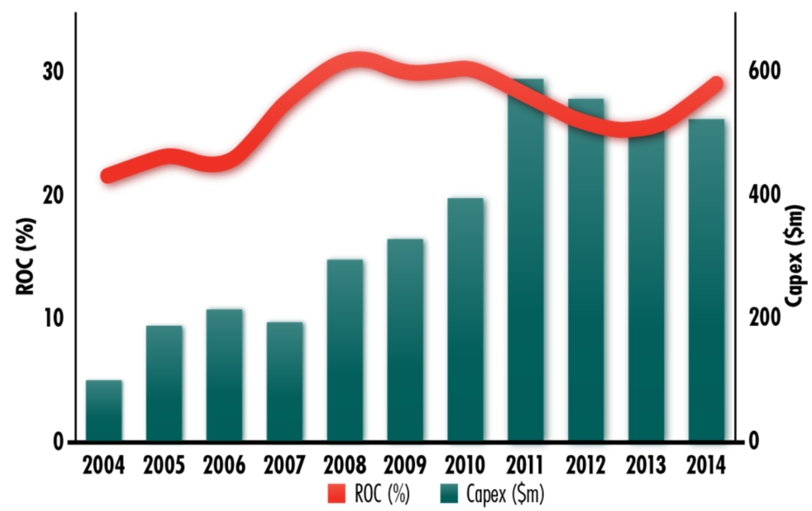


Home Improvement highlights

- Pleasing uplift in earnings
  - Gains from growth agenda & productivity work
  - Absorbing impacts
    - » Accelerated network development
    - » Creating more customer value
- ROC trending as planned
  - Growth investment delivering return uplift
  - Strong & innovative capital management

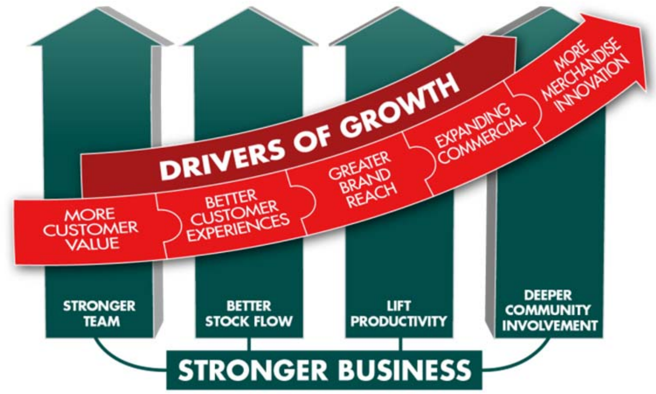
Investing to deliver the best offer everywhere

Investing for growth & delivering returns



Home Improvement outlook

- Strategic agenda focused on driving growth & strengthening core business
- Multiple growth drivers
  - More customer value
  - Better customer experiences
  - Greater brand reach
  - Expanding commercial
  - More merchandise innovation
- Investing for a stronger business
  - Team, stock flow, productivity & community involvement
- High rate of network expansion continuing
  - Expected to open at least 20 warehouse stores in FY15



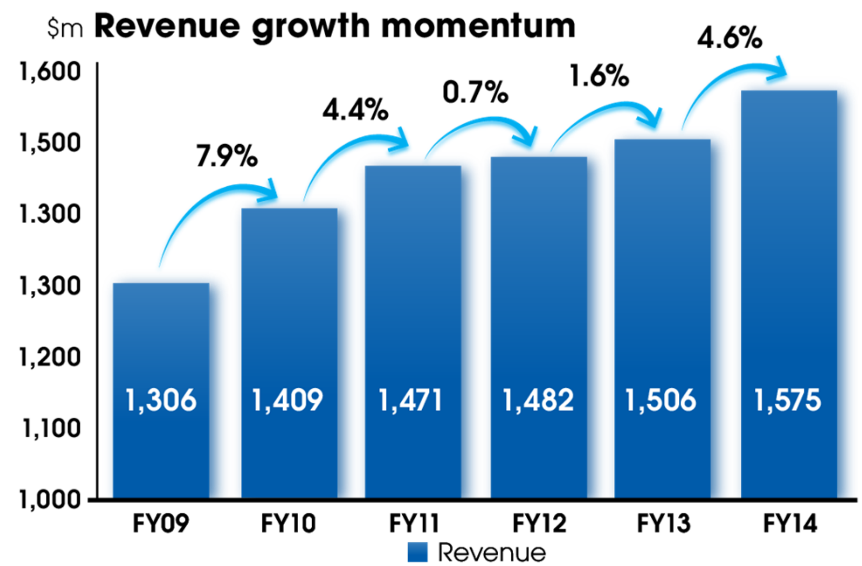
Office Supplies performance summary

Year ended 30 June ($m)	2014	2013	↕ %
Revenue	**1,575**	1,506	*4.6*
EBITDA	**124**	117	*6.0*
Depreciation & amortisation	**(21)**	(24)	*12.5*
EBIT	**103**	93	*10.8*
EBIT margin (%)	**6.5**	6.2	
ROC (R12 %)	**9.4**	8.1	
Safety (R12 AIFR)	**21.9**	33.9	

Office Supplies highlights

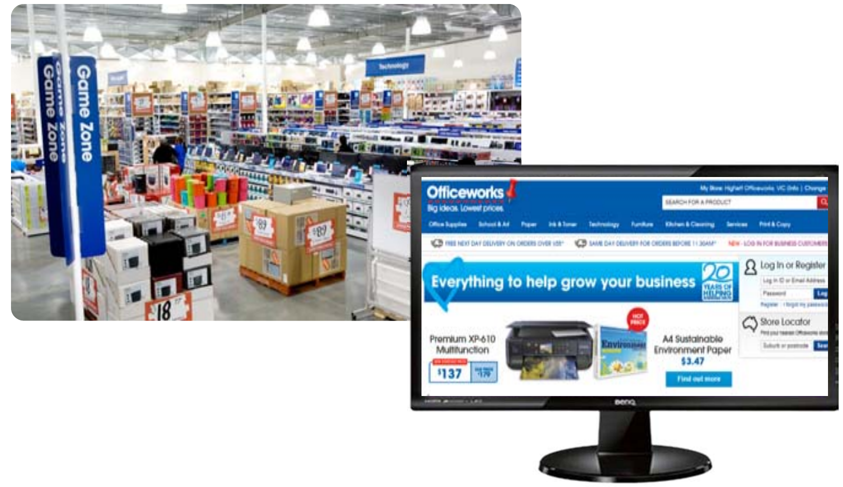
- Pleasing revenue growth of 4.6%
  - Six years of continued store transaction growth
    - » 30 million store transactions achieved in FY14
  - Good outcomes from new ranges & layouts
  - Continued growth in online volumes
    - » Annualised online sales c.$190m

- Strong earnings growth of 10.8%
  - Achieved +$100m EBIT for first time
  - Five year EBIT CAGR of 9.6%
  - Ongoing focus on:
    - » Reducing CODB
    - » Driving productivity

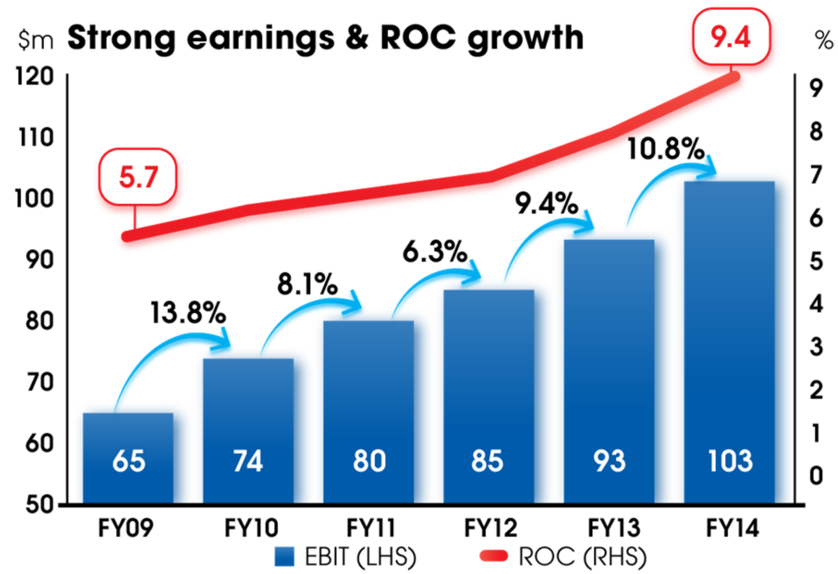


Office Supplies highlights

- ‘Every Channel’ strategy continued to gain traction
  - Enhanced online platform launched
  - Six new stores opened
  - Strong gains in B2B market



- Strong growth in ROC of 15.8% driven by
  - Earnings growth
  - Business model productivity
  - Disciplined capital management



Office Supplies outlook

- Continued volume growth
  - Unpredictable market conditions
    - » Highly competitive
    - » Ongoing cost & margin pressure

- Deliver on strategic agenda
  - Growth & productivity
  - Great customer experience in 'every channel'
  - Reach & engage with more customers
  - Meet customer needs & wants at the lowest prices
  - Ensure Officeworks remains a great place to work

Every Channel Strategy

Kmart

Guy Russo
Managing Director

Kmart performance summary

Year ended 30 June ($m)	2014	2013	↕%
Revenue	**4,209**	4,167	*1.0*
EBIT	**366**	344	*6.4*
EBIT margin (%)	**8.7**	8.3	
ROC (R12 %)	**26.9**	25.9	
Safety (R12 LTIFR)	**7.0**	9.2	
Total sales growth[1] (%)	**0.9**	2.7	
Comparable store sales growth[1] (%)	**0.5**	2.1	

[1] 2014 growth reflects the 52 week period 1 July 2013 to 29 June 2014 & the 52 week period 2 July 2012 to 30 June 2013. 2013 growth reflects the 53 week period 25 June 2012 to 30 June 2013 & the 53 week period 27 June 2011 to 1 July 2012.

Kmart highlights

- Kmart's strategy continues to resonate with customers
  - 18 consecutive quarters of growth in transactions & units sold
  - Price leadership driving volume
- Growth in revenue, EBIT & return on capital
  - Enhanced range architecture
  - Improved productivity through end-to-end process engineering
  - Sourcing, pricing, inventory management & costs of doing business gains offset depreciation of A$
- Continued investment in store network
  - Opened five new Kmart stores & three new Kmart Tyre & Auto Service centres
  - Completed 16 major Kmart store refurbishments

Kmart outlook

- Continued focus on growth
  - Volume retailer
  - Operational excellence
  - Adaptable stores
  - High performance culture
- Accelerate store refurbishment program
- Expansion of growth categories
- End-to-end efficiency across the business
- Continue to prioritise safety of team members, customers & suppliers
- Further strengthen ethical sourcing

Target

Stuart Machin
Managing Director

Target

Target performance summary

Year ended 30 June ($m)	2014	2013	↕%
Revenue	**3,501**	3,658	*(4.3)*
EBIT[1]	**86**	136	*(36.8)*
EBIT margin (%)	**2.5**	3.7	
ROC (R12 %)	**2.9**	4.6	
Safety (R12 LTIFR)	**5.7**	8.4	
Total sales growth[2] (%)	**(4.2)**	(1.7)	
Comparative store sales growth[2] (%)	**(5.3)**	(3.3)	

[1] 2014 excludes a $677 million impairment of Target's goodwill (reported as a NTI).

[2] 2014 growth reflects the 52 week period 30 June 2013 to 28 June 2014 & the 52 week period 1 July 2012 to 29 June 2013. 2013 growth reflects the 53 week period 24 June 2012 to 29 June 2013 & the 53 week period 26 June 2011 to 30 June 2012.

Target highlights

- A challenging year with earnings affected by progressive introduction of a 'first price, right price' strategy resulting in price deflation ahead of sourcing benefits
- Implementation of many changes to fix the basics; adverse earnings impact offset by a number of benefits which are not to be repeated
  - High levels of clearance of aged & seasonal stock (affected launch of spring/summer 2014 range) [-]
  - Non-repeat of heavy promotional activity of prior year (mixed customer reaction to reduced levels of promotional activity) [-]
  - Changes to inventory processes & return of stock loss performance to historical levels [+]
  - Lower costs of doing business mainly due to reduced consulting costs [+]
- Transformation plan progressed despite challenging trading:
  - New leadership team in place
  - Clear purpose & strategy in place with a focus on delivery
  - Where product is right, sales have improved
  - Customer transactions have stabilised

Target transformation plan

	Fixing the basics (FY14-15)	
Outstanding customer experience	• Improve availability • Enhance online functionality • Improve service & refresh stores	• Some improvement in availability, but lots more to do • $10m invested to deliver a stable & scalable online platform • Format upgraded in nine stores to improve customer experience
Right product choices	• Reduce SKUs	• 22% reduction in active SKUs • Edited ranges developed for spring/summer 2015
Fashion & style backed by good quality	• Refresh in-house design & trend capability	• New fabric & fit standards developed
Low prices	• Restructure sourcing team & consolidate supplier base	• 12% reduction in average selling prices • Increased direct sourcing & reduced number of suppliers • New essentials range launched
Better, simpler, cheaper	• Simplify store rostering model • Rationalise supply chain network • Optimise support structure	• Store productivity review completed & rostering system being implemented • Supply chain restructure & systems investment underway
Team with personality & pride	• Top team & structure for transformation in place • Embed new values & performance management	• New leadership team in place • Focus on 'right people in right roles'

Target outlook

- Continued significant changes in the 2015 financial year
  - Focus to remain on fixing the basics
- Winter clearance activity in 1H FY15 earnings
- Improved ranges for spring/summer 2015 supported by better sourcing & continued SKU rationalisation
- Further improvements in customer experience
  - Improved stock availability
  - Development of new store formats
- Continued focus on cost control

Chemicals, Energy & Fertilisers

100 years Thousands of stories

Wesfarmers

Tom O'Leary
Managing Director

Wesfarmers Chemicals, Energy & Fertilisers | CSBP | Australian Vinyls | AGA | QNP | EVOL LNG | KleenheatGas | MODWOOD

Chemicals, Energy & Fertilisers
Performance summary

Year ended 30 June ($m)		2014	2013	↕ %
Revenue	Chemicals	**730**	731	*(0.1)*
	Energy[1]	**592**	577	*2.6*
	Fertilisers	**490**	497	*(1.4)*
	Total	**1,812**	1,805	*0.4*
EBITDA[2]		**314**	348	*(9.8)*
Depreciation & amortisation		**(93)**	(99)	*6.1*
EBIT[2]		**221**	249	*(11.2)*
Sales volume ('000t):	Chemicals	**807**	819	*(1.5)*
	LPG	**243**	265	*(8.3)*
	Fertilisers	**939**	933	*0.6*
ROC (R12 %)[2]		**14.4**	17.8	
Safety (R12 LTIFR)		**3.1**	5.1	

[1] Includes Kleenheat Gas & ALWA (prior to the sale of the 40% interest in ALWA in December 2013).

[2] Includes ALWA earnings for the period prior to divestment in December 2013 (excludes a $95 million gain on sale of 40% interest in ALWA, reported as a NTI).

Chemicals, Energy & Fertilisers highlights

- $95 million gain on sale of 40% interest in ALWA & agreement to sell Kleenheat Gas east coast LPG distribution business (subject to ACCC clearance)
- Expansion of ammonium nitrate production capacity from 520ktpa to 780ktpa completed within budgeted time & cost
- Lower second-half chemicals earnings than prior year, as previously foreshadowed
  - Repair costs & reduced production from NA/AN2 plant unscheduled outage
  - Ammonia earnings slightly below last year, with strong plant performance largely offset by new gas supply arrangements
  - Sodium cyanide continued to be challenged by less favourable market conditions due to lower gold prices
  - Australian Vinyls performance significantly improved on recent years, although production economics remain challenging
- Kleenheat Gas earnings below prior year reflecting further expected declines in LPG content in Dampier to Bunbury Natural Gas pipeline
- Record harvest & strong grain pricing benefited the financial position for the majority of WA growers, leading to improved fertiliser earnings in the second half

Chemicals, Energy & Fertilisers outlook

- Full-year earnings contribution from expanded ammonium nitrate production capacity
- Ammonia earnings expected to be negatively impacted by higher gas input costs (~$30 million in FY15) & planned shutdown in first half
- Loss of carbon abatement income expected to impact chemicals earnings (~$20 million in FY15)
- Kleenheat Gas earnings remain dependent on LPG production economics & global prices; strong growth potential in natural gas retailing
- Sale of Kleenheat Gas east coast LPG distribution business expected to complete, subject to ACCC clearance
- Fertilisers earnings remain dependent on seasonal break & farmers' terms of trade
  - Strong 2013 harvest supports a positive outlook

Resources

Stewart Butel
Managing Director

Resources performance summary

Year ended 30 June ($m)	2014	2013	↕%
Revenue	**1,544**	1,539	*0.3*
Royalties[1]	**(221)**	(262)	*15.6*
Mining & other costs	**(1,033)**	(978)	*(5.6)*
EBITDA	**290**	299	*(3.0)*
Depreciation & amortisation	**(160)**	(151)	*(6.0)*
EBIT	**130**	148	*(12.2)*
ROC (R12%)	**8.9**	10.0	
Coal production (‘000 tonnes)	**15,759**	13,730	*14.8*
Safety (R12 LTIFR)	**0.6**	1.9	

[1] Includes Stanwell rebate expense for 2014 of $102 million & for 2013 of $154 million.

Resources highlights

- Continued improvement in safety performance
  - 12 months lost time injury free (March 2013 to February 2014)
  - Strong safety performance with good reduction in LTIFR
- Record production & sales of metallurgical coal during FY14
- Continued focus on cost control & productivity improvement at Curragh
  - Achieved unit mine cash costs in 2H FY14 37% below 1H FY12 peak
  - Unit mine cash costs (excluding carbon tax) 11.1% lower than the previous year; favourable geological conditions supported cost performance in 2H FY14
- Lower export prices resulted in further decline in export revenue, partly offset by higher sales volumes in FY14
- Acquisition of MDL162 adjacent to Curragh for $70 million completed in January 2014
- Low capital cost expansion of Bengalla to 10.7mtpa ROM tonnes approved
  - Expanded production expected from FY16

Resources outlook

- Export markets
  - Global metallurgical coal market remains in near-term over supply
  - Continued low export metallurgical & steaming coal prices anticipated in 1H FY15
- Financial year 2015
  - Continued variability expected with low export coal pricing; 1QFY15 Curragh hard coking coal benchmark pricing (US$) 21% below 1QFY14
  - Forecast Curragh metallurgical coal sales of 7.5mt – 8.5mt
  - Estimated full year sales mix: Hard 44%; Semi 26%; PCI 30%
  - Stanwell royalty estimate of A$60 – $80 million assuming A$:US$ of 0.90
  - Continuing focus on cost control & productivity improvement; less favourable geological conditions expected

Industrial & Safety

Olivier Chretien
Managing Director

Industrial & Safety performance summary

Year ended 30 June ($m)	2014	2013	↕%
Revenue	**1,621**	1,647	*(1.6)*
EBITDA	**161**	192	*(16.1)*
Depreciation & amortisation	**(30)**	(27)	*(11.1)*
EBIT	**131**	165	*(20.6)*
EBIT margin (%)	**8.1**	10.0	
ROC (R12 %)	**11.6**	14.7	
Safety (R12 TRIFR)	**11.6**	14.3	

Industrial & Safety highlights

- Sustained market pressures
  - Reduced activity levels & strong cost focus from industrial customers
  - Good momentum in New Zealand & Coregas
- Good progress on realignment of cost base
  - Network rationalised through closure of 25 branches & 7.1% reduction in headcount[1]
  - Investment in state of the art facilities with increased process automation
- Improved alignment to customer needs through unique Business Stream value propositions
- Execution of new growth platforms
  - New home brands gaining strong traction in market
  - Safety services capability enhanced through Greencap acquisition
  - Step change in gas distribution capabilities through Blackwoods / Bunnings channels
  - Developed integrated offers for large customers
- Continued focus on safety behaviours, with improved outcomes (TRIFR) achieved

[1] Excluding Greencap.

Industrial & Safety outlook

- Subdued economic environment & margin pressures expected to remain
  - Division well placed to respond to market recovery
  - Continue lowering cost to serve through technology & operational excellence
- New Zealand market expected to remain favourable on the back of construction growth
- Strong focus on further improving customer service while reducing cost to serve
  - Leveraging employee development, range & supply chain
- Multiple new growth platforms to continue to grow market share
  - New own brands
  - Continued industry diversification
  - Increasing SME penetration & digital channel expansion
  - Coregas distribution channels
  - Leveraging leading position in integrated risk management & compliance services
  - New business models
- Continue to evaluate acquisition opportunities to complement organic growth

Insurance

Anthony Gianotti
Managing Director

Wesfarmers Insurance wfi Lumley OAMPS crombie lockwood New Zealand's Insurance Brokers

Insurance performance summary

Year ended 30 June ($m)	2014	2013	↕%
Revenue	**2,167**	2,083	*4.0*
EBITA Underwriting	**168**	136	*23.5*
EBITA Broking[1]	**65**	86	*(24.4)*
EBITA Other	**-**	(4)	*n.m.*
EBITA Insurance Division	**233**	218	*6.9*
EBITA Insurance Division (excluding EQ2)[2]	**278**	218	*27.5*
EBIT Insurance Division	**220**	205	*7.3*
ROC (R12%)[3]	**14.7**	14.7	
Safety (R12 LTIFR)	**1.7**	2.0	
Combined operating ratio (%) (excluding EQ2)[2]	**90.4**	95.3	
EBITA margin (Broking) (%)[1]	**23.3**	29.3	

[1] Reflects earnings for 11 months ending 31 May 2014 prior to the sale of the broking & premium funding businesses.

[2] Excludes $45 million impact on underwriting earnings from reserve increases in relation to EQ2.

[3] ROC would be 17.7% excluding EQ2 reserve increases.

Insurance highlights

- Underwriting
  - Completion of sale of business to Insurance Australia Group on 30 June 2014
  - Continued improvement in loss ratios through disciplined underwriting practices & favourable claims experience across most portfolios
  - Solid growth in gross written premium despite softening in premium rates across commercial classes
  - Strong growth in Coles Insurance personal lines portfolio with policies in force now >350,000
  - Claims from natural perils below internal expectations
  - EQ2 reserves remained stable in the second half, but $45 million higher than 30 June 2013
- Broking
  - Completion of sale of business to Arthur J Gallagher on 16 June 2014 – result reflects 11 months of trading to 31 May 2014
  - Revenue higher & earnings above prior year on a like for like basis
  - Strong revenue & earnings growth in NZ
  - Challenging SME trading conditions & softening premium rates constrained growth in Australia
- Strong contribution from premium funding

Balance Sheet & Cash Flow

Terry Bowen
Finance Director, Wesfarmers Limited

Other business performance summary

Year ended 30 June ($m)	Holding %	2014	2013	%
Share of profit/(loss) of associates:				
Gresham	*Various*	1	(10)	*n.m.*
Wespine	*50*	7	5	*40.0*
BWP Trust	*24*	37	27	*37.0*
Sub-total		45	22	*104.5*
Interest revenue		10	13	*(23.1)*
Other		(64)	(46)	*(39.1)*
Corporate overheads		(113)	(108)	*(4.6)*
Total Other (excluding NTIs)		(122)	(119)	*(2.5)*
Non-trading items		364	-	*n.m.*
Total Other (including NTIs)		242	(119)	*n.m.*

[1] Refer slide 58 for further detail.

Non-trading items summary

Year ended 30 June 2014 ($m)	Pre-tax	Tax Impact	Post-tax
Gain on sale of Insurance division	1,040	(101)	939
Gain on sale of 40% interest in ALWA	95	-	95
Target goodwill impairment	(677)	-	(677)
Liquor restructuring provision	(94)	28	(66)
Total non-trading items	364	(73)	291

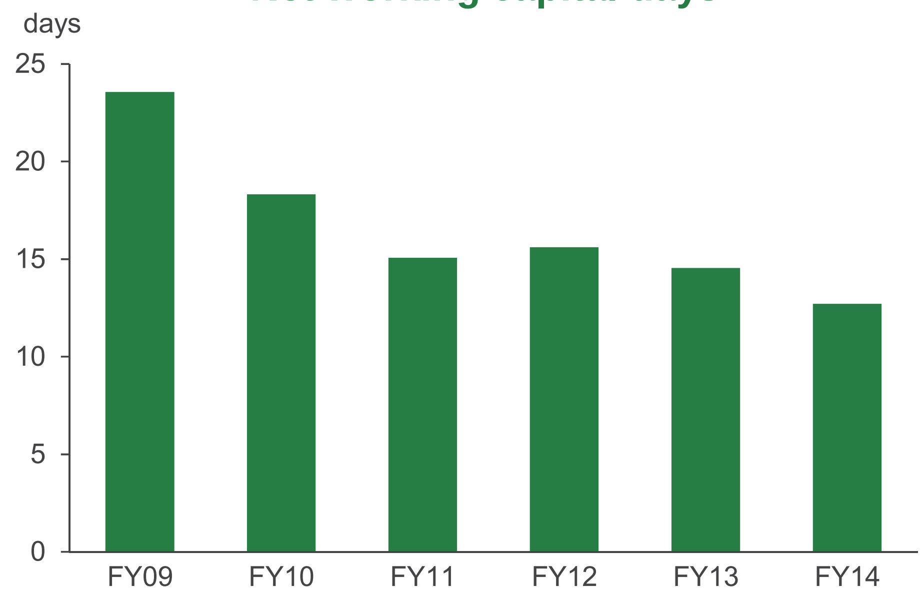
- Gain on sale of Insurance underwriting & broking & premium funding operations ($1,040 million pre-tax) & 40% interest in ALWA ($95 million pre-tax)
- Non-cash impairment charge to Target's goodwill ($677 million pre-tax)
  - Accounting standards do not allow recognition of value creation across other Group divisions; overall significant value created from acquired Coles Group businesses
- Liquor provision for future restructuring activities ($94 million pre-tax)

Working capital management

- Further reduction in net working capital days supported by business growth (1.8 days or 12.5% reduction in FY14; 10.8 days reduction since FY09)
- Reduced working capital cash flows in FY14
  - Year-end timing differences resulting in additional creditor payment run for Coles
  - Strong retail network growth driving increased inventory
  - Non-repeat of working capital turnaround in Kmart

Year ended 30 June ($m)	2014	2013
Cash movement inflow/(outflow)[1]:		
Receivables & prepayments	26	7
Inventory	(266)	(17)
Payables	(91)	552
Total	(331)	542
Working capital cash movement:		
Retail	(323)	577
Other	(8)	(35)
Total	(331)	542

Net working capital days[2]

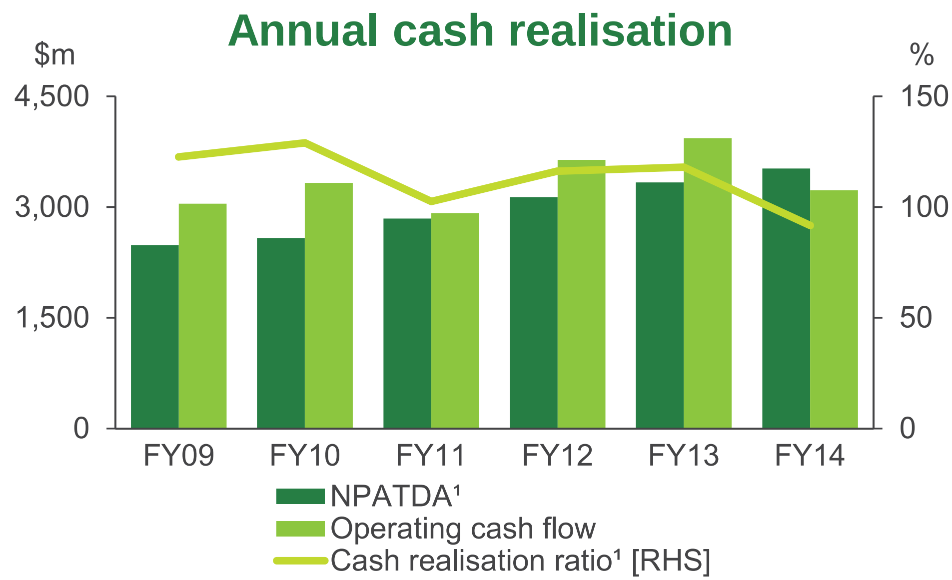


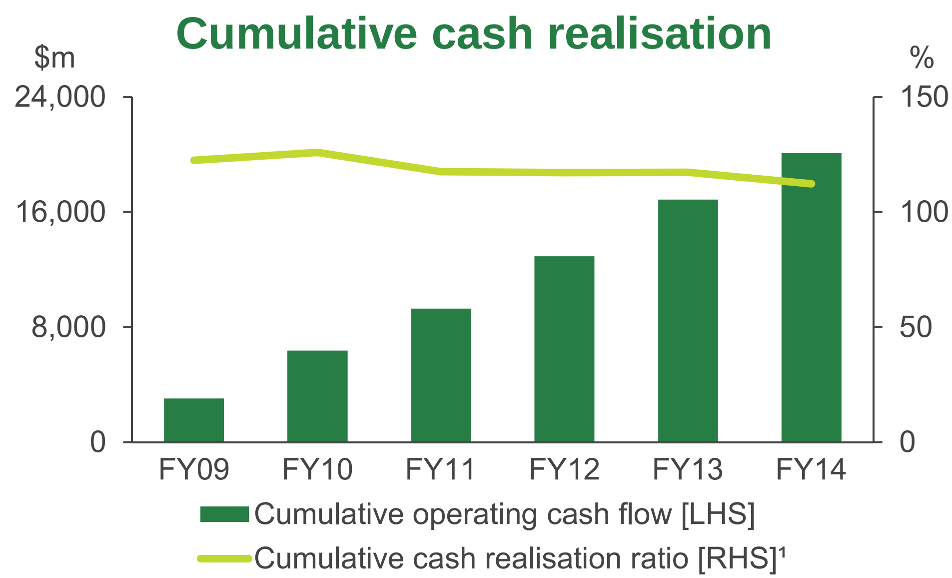
[1] Cash movement relating to inventories, trade & other receivables, prepayments & trade & other payables.

[2] Calculated as average net working capital balance divided by R12 revenue multiplied by 365.

Solid operating cash flow generation

- NPATDA growth (excluding NTIs) 5.7% & cash realisation of 92%[1] (101% adjusted for year-end timing differences affecting creditors at Coles)
- Lower cash realisation in FY14 driven by lower working capital cash flows from retail portfolio
- Group remains highly cash generative, albeit historic cash realisation levels expected to moderate
  - Post working capital turnarounds of acquired Coles Group businesses





[1] Adjusted for significant & non-trading items.

Disciplined capital investment

- Effective deployment of capital to capture highest growth & returns opportunities
  - Coles & HIOS comprise 70% of FY14 capex
- Continued investment in store networks of Coles & Bunnings & accelerated Kmart store refurbishment activity
- AN3 & sodium cyanide debottlenecking construction completed
- Proactive management of property portfolio driving accelerated disposal activity
  - Proceeds from sale of PPE of $1,017 million up $358 million
- FY15 net capex estimate of $1.5 to $1.9 billion
  - Subject to net property investment

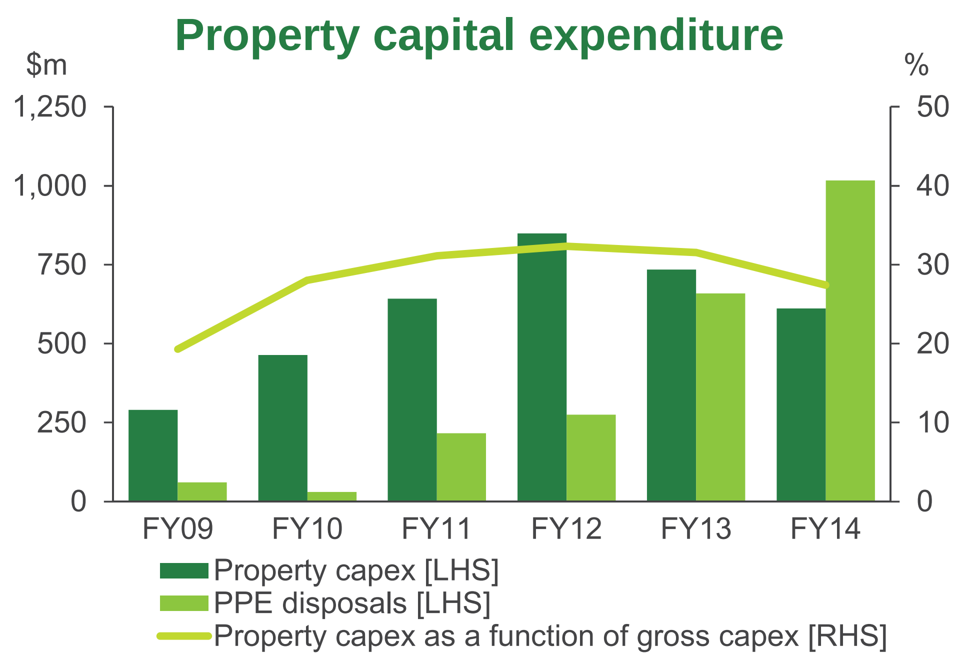
Year ended 30 June ($m)[1]	2014	2013	%
Coles	1,016	1,187	*(14.4)*
HI & OS	557	549	*1.5*
Kmart	162	95	*70.5*
Target	78	81	*(3.7)*
WesCEF	172	262	*(34.4)*
Resources[2]	163	79	*106.3*
Industrial & Safety	51	50	*2.0*
Insurance	31	25	*24.0*
Other	3	3	-
Total capital expenditure	2,233	2,331	*(4.2)*
Sale of PP&E	(1,017)	(659)	*54.3*
Net capital expenditure	1,216	1,672	*(27.3)*

[1] Capital investment provided on a cash basis.

[2] 2014 includes the acquisition of MDL 162 for $70 million.

Property disposals increased

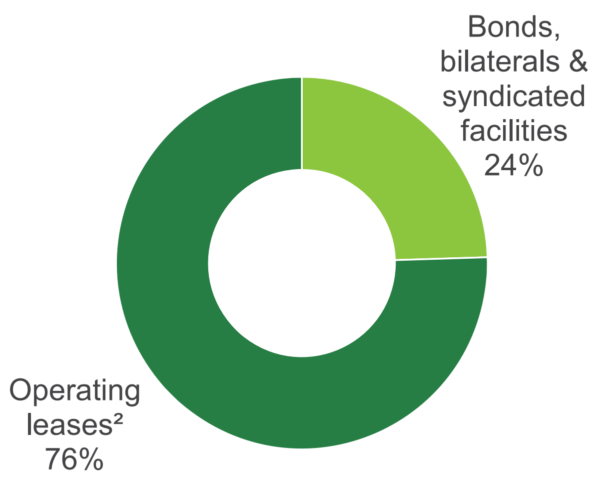
- Reduced net property capex driven by increased disposals
- Recent transactions
  - Sale & leaseback of 12 Bunnings stores to BWP Trust in FY14 realising $282 million
  - Sale & leaseback of 15 Bunnings warehouse properties via securitised lease transaction in August 2013 realising $309 million
  - Continued use of ISPT JV for Coles disposals (23 sites in JV)



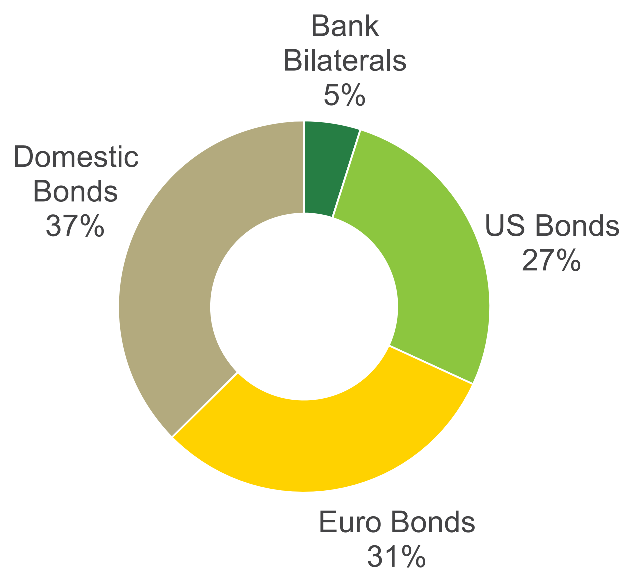
Composition of committed financial obligations & diversity of funding sources

- Strategy to diversify sourcing, pre-fund debt maturities & maintain access to diverse debt capital markets

Fixed financial obligations[1]



Debt sources[1]



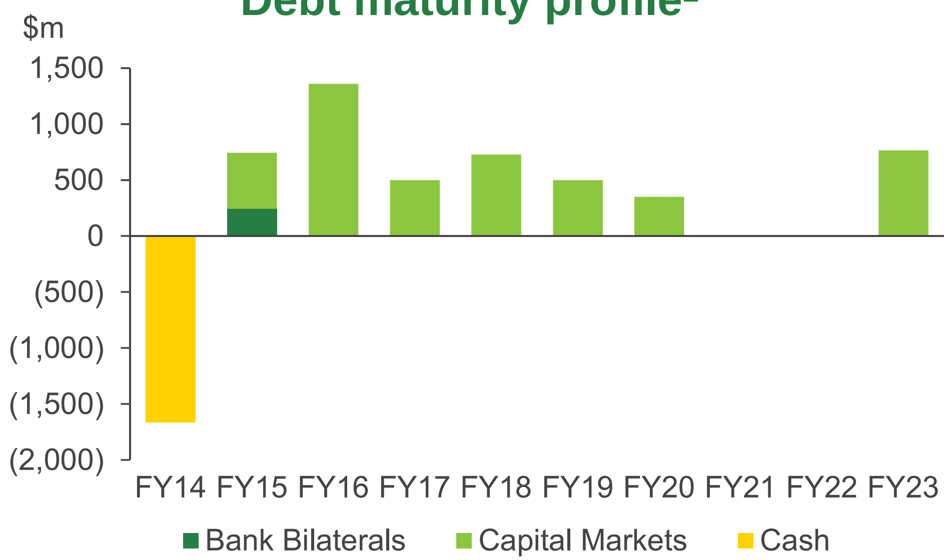
[1] As at 30 June 2014.

[2] Represents future undiscounted minimum rentals payable under non-cancellable operating leases.

Risk management of debt maturities

- Debt strategy to ensure a good maturity spread profile without significant refinancing in any one year
- Receipt of Insurance proceeds resulted in increased cash position, lower bank bilateral balance & repayment of debt drawn under syndicated facility at 30 June 2014
- Lease strategy to ensure security of tenure with options to extend

Debt maturity profile[1]



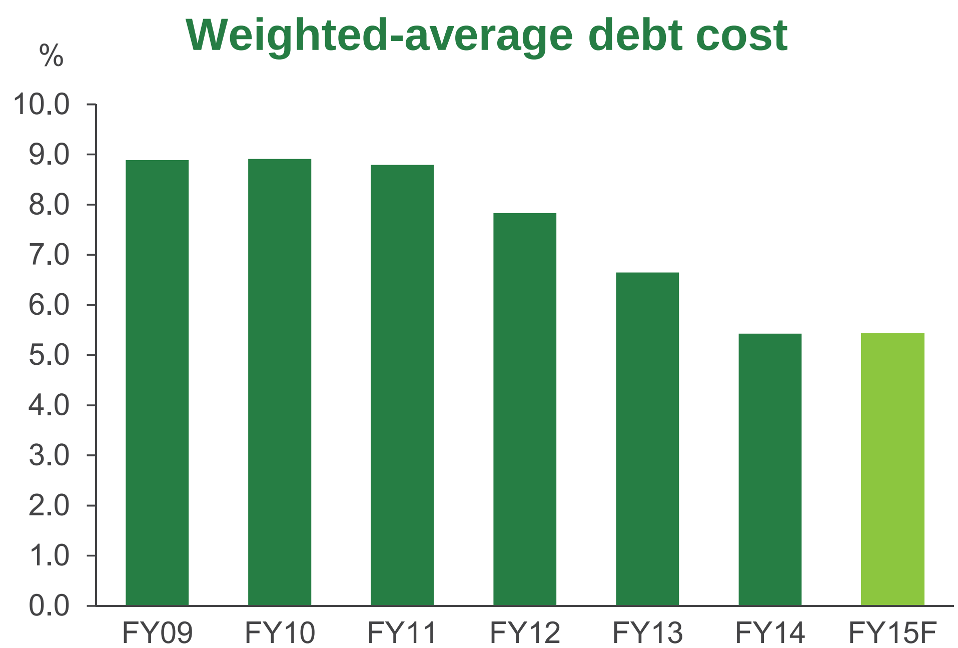
Operating lease maturity profile[2]

[1] As at 30 June 2014.

[2] As at 30 June 2014. Represents future undiscounted minimum rentals payable under non-cancellable operating leases.

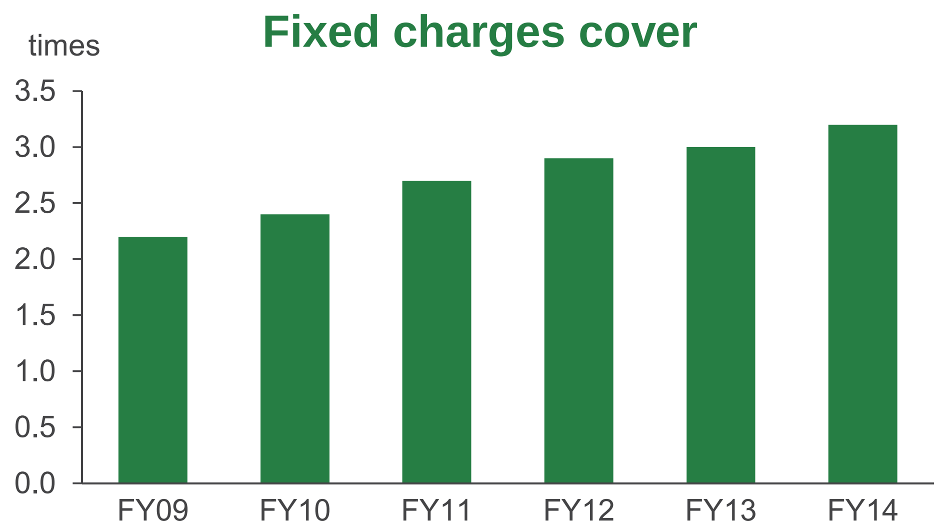
Further decline in funding costs

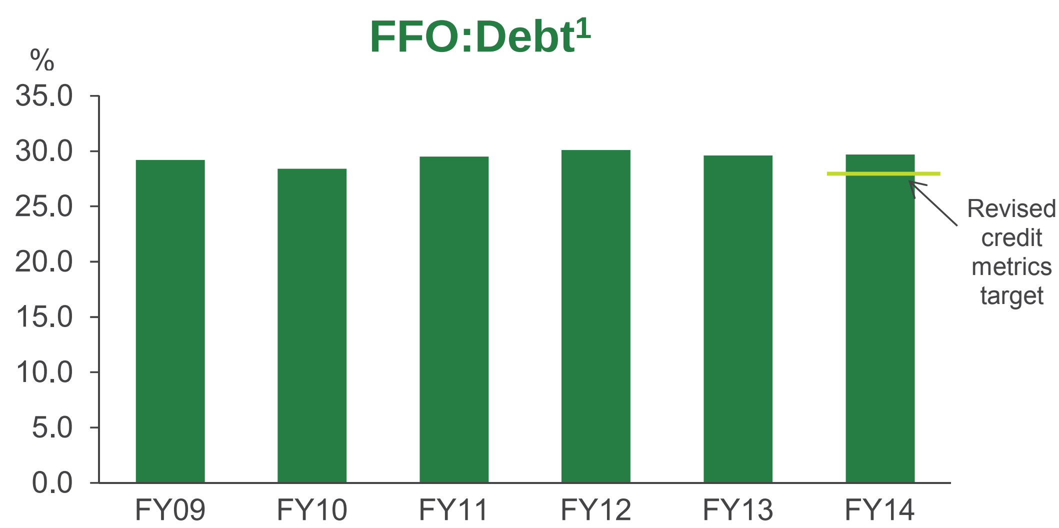
- Effective cost of debt reduced in FY14 to 5.4%; FY15F c. 5.4%
- Interest cost savings expected to moderate in FY15
  - Due to debt mix (lower ratio of short-term drawn debt)



Maintaining strong credit metrics

- Solid credit metrics
  - Cash interest cover (R12) improved to 15.9 times (from 12.2 times in FY13)
  - Fixed charges cover (R12) improved to 3.2 times (from 3.0 times in FY13)
- Strong credit ratings
  - Standard & Poor's A- (stable) & Moody's A3 (stable)
- Recent increase in funding headroom
  - Positive revision of credit metric targets by ratings agencies



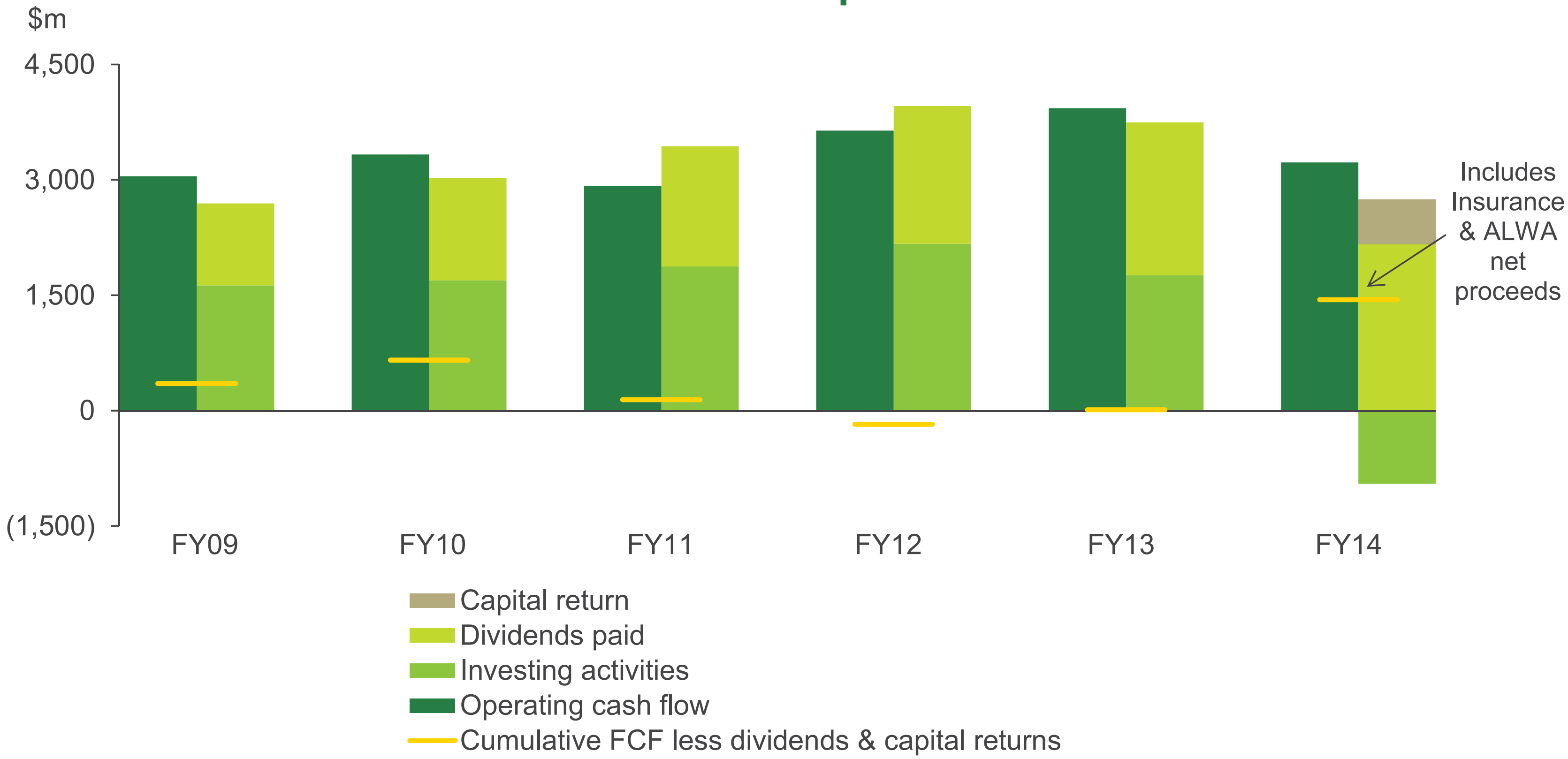


[1] FY09 to FY13 sourced from S&P (FY09 not restated for revised S&P methodology) & FY14 based on internal Wesfarmers estimates applying methodology used by credit agencies. FFO:Debt (S&P) = (NPATDA + Depreciation adjustment for capitalisation of non-cancellable operating lease) / (Net Debt + Present value of future operating lease commitments).

Cash flows have supported strong investment phase & dividend growth

- Cumulative free cash flows have funded significant investment activity, strong dividend distributions & capital management

Net cash flow composition



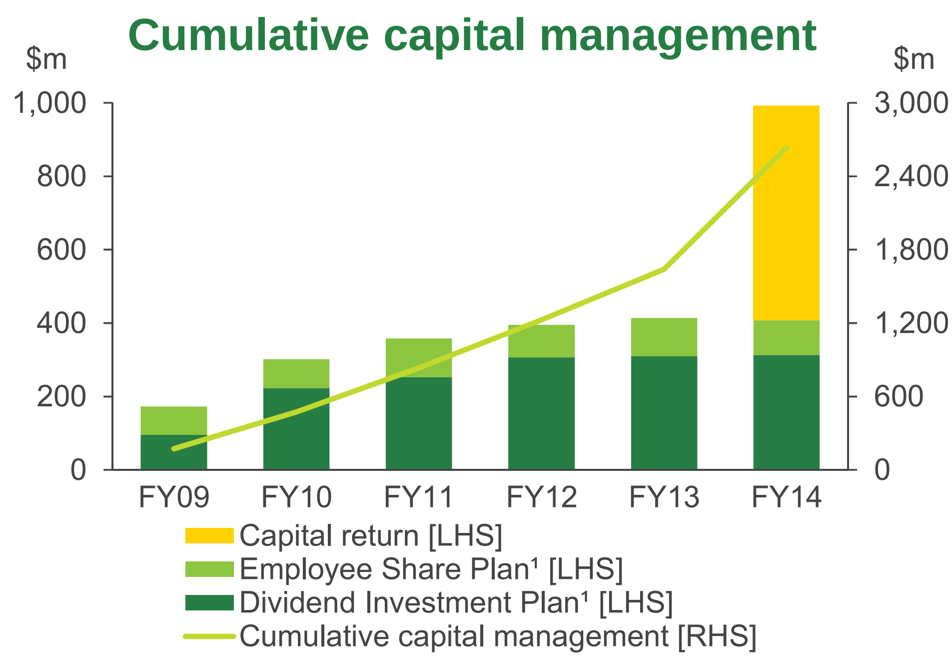
Dividends

Year ended 30 June 2014		$/share
Ordinary	Interim	$0.85
	Final	$1.05
	Full-year	$1.90
Special		$0.10
Total		$2.00

- Final ordinary dividend of $1.05 per share (fully-franked); full-year dividend of $1.90 per share (fully-franked)
- Special 'Centenary' dividend of 10 cents per share (fully-franked) reflects part cash & franking credit distribution to shareholders post recent divestments
- Dividend Investment Plan; no underwrite; shares purchased on market

Capital management – completed

- Capital management of approx. $2.6 billion since FY09
  - Capital return of 50 cents per share in November 2013, including a proportionate share consolidation, returning $579 million to shareholders
  - Full neutralisation of Dividend Investment Plan
  - Shares purchased for Employee Share Plan



[1] FY14 Employee Share Plan & Dividend Investment Plan not paid as at 30 June 2014 (based on estimated Employee Share Plan relating to the 2014 financial year & declared 2014 final ordinary & special dividends).

Capital management – announced

- Capital management of $1.00 per fully-paid ordinary share
  - Distribution to shareholders of approximately $1.1 billion
  - Returns portion of Group's surplus capital equitably to shareholders while maintaining balance sheet flexibility
  - Expected to comprise a capital component representing 65 - 75% of the distribution; fully-franked dividend component to represent the balance
  - Dividend Investment Plan intended to apply to dividend component
  - Equal & proportionate share consolidation to apply to capital component
- Subject to:
  - ATO ruling on taxation treatment
  - Approval by shareholders at AGM (20 November 2014)
- Payment expected in early December 2014, subject to approvals

Outlook

Richard Goyder
Managing Director, Wesfarmers Limited

Outlook

Retail

- Growth to be supported by continued improvements to service & customer propositions, investments in value, merchandise innovation & expanded channel reach through optimised store networks & digital platforms
- Focus to continue on increased operational productivity & supply chain efficiency
- Target to continue to undergo significant change as it progresses its transformation plan

Industrial

- Good market positions support a positive long-term outlook
- WesCEF: full-year contribution from expanded ammonium nitrate capacity; planned shutdown, higher gas costs & loss of carbon abatement income expected to adversely affect chemicals earnings; strong recent grain harvest affords a positive outlook for fertilisers, subject to seasonal conditions
- Resources & Industrial & Safety: challenging near-term conditions to continue; ongoing cost reduction focus; well placed to respond to market recovery

Outlook (cont'd)

Group

- Strengthen existing businesses through operating excellence & satisfying customer needs
- Secure growth opportunities through entrepreneurial initiative
- Renew the portfolio through value-adding transactions
- Ensure sustainability through responsible long-term management
- Leverage & build human resource capability
- Continue safety improvement focus

Questions

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