

FIVE-YEAR HISTORY – FINANCIAL PERFORMANCE AND KEY METRICS

GROUP FINANCIAL PERFORMANCE

Year ended 30 June (\$m) ¹	2018	2017	2016	2015	2014
Summarised income statement²					
Revenue	66,883	64,913	65,981	62,447	62,348
EBITDA	5,259	5,352	2,642	4,978	5,273
Depreciation and amortisation	(1,198)	(1,175)	(1,296)	(1,219)	(1,123)
EBIT	4,061	4,177	1,346	3,759	4,150
Finance costs	(211)	(248)	(308)	(315)	(363)
Income tax expense	(1,246)	(1,169)	(631)	(1,004)	(1,098)
Profit after tax from discontinued operations	(1,407)	113	-	-	1,179
NPAT	1,197	2,873	407	2,440	2,689
Summarised balance sheet					
Total assets	36,933	40,115	40,783	40,402	39,727
Total liabilities	14,179	16,174	17,834	15,621	13,740
Net assets	22,754	23,941	22,949	24,781	25,987
Net debt	3,933	4,809	7,103	6,209	3,401
Summarised cash flow statement					
Operating cash flows	4,080	4,226	3,365	3,791	3,226
Add/(less): Net capital expenditure	(1,209)	(1,028)	(1,336)	(1,552)	(1,216)
Add/(less): Other investing cash flows	551	975	(796)	(346)	2,168
Add/(less): Total investing cash flows	(658)	(53)	(2,132)	(1,898)	952
Free cash flow	3,422	4,173	1,233	1,893	4,178
Add/(less): Financing cash flows	(3,752)	(3,771)	(1,333)	(3,249)	(3,444)
Net increase/(decrease) in cash	(330)	402	(100)	(1,356)	734
Distributions to shareholders (cents per share)					
Interim ordinary dividend	103	103	91	89	85
Final ordinary dividend	120	120	95	111	105
Full-year ordinary dividend	223	223	186	200	190
Special dividend	-	-	-	-	10
Capital management (paid)	-	-	-	100	50
Key performance metrics					
Earnings per share (cents per share)	105.8	254.7	36.2	216.1	234.6
Earnings per share from continuing operations ² excl. significant items ³ (cents per share)	256.8	244.7	209.5	216.1	196.6
Operating cash flow per share ⁴ (cents per share)	360.1	374.1	299.2	335.1	281.0
Cash realisation ratio ⁵ (%)	101	102	95	104	92
Return on equity (R12, %)	5.2	12.4	1.7	9.8	10.5
Return on equity (R12, %) (excl. significant items ³)	11.7	12.4	9.6	9.8	9.4
Net tangible asset backing per share (\$ per share)	4.33	4.44	3.45	4.85	6.14
Interest cover (cash basis) ⁶ (R12, times)	30.4	25.0	16.8	20.5	15.9
Fixed charges cover ⁶ (R12, times)	3.0	3.1	2.7	3.0	3.2

¹ All figures are presented as last reported.

² 2018 and 2017 income statement balances have been restated for the classification of BUKI and Curragh as discontinued operations. 2014 income statement balances have been restated for the classification of the Insurance division as a discontinued operation.

³ 2018 significant items include impairments of \$1,323 million relating to BUKI and Target, as well as the \$378 million loss on sale of BUKI and \$125 million gain on sale of Curragh. 2016 significant items and NTIs include non-cash impairments of \$1,844 million relating to Target and Curragh and \$102 million of restructuring costs and provisions to reset Target. NTIs equal \$291 million in 2014.

⁴ For the purposes of this calculation reserved shares have been included.

⁵ Operating cash flows as a percentage of net profit after tax, before depreciation and amortisation and NTIs.

⁶ 2018 includes the following pre-tax amounts: \$931 million of BUKI impairments, write-offs and accruals; a \$375 million loss on disposal of BUKI and \$306 million of Target impairments, partially offset by a \$120 million gain on sale of Curragh.

DIVISIONAL KEY PERFORMANCE METRICS

Year ended 30 June (\$m) ¹	2018	2017	2016	2015	2014
BUNNINGS AUSTRALIA AND NEW ZEALAND					
Revenue	12,544	11,514	10,575	9,534	8,546
EBITDA ²	1,683	1,505	1,369	1,228	1,106
Depreciation and amortisation	(179)	(171)	(156)	(140)	(127)
EBIT ²	1,504	1,334	1,213	1,088	979
EBIT margin ² (%)	12.0	11.6	11.5	11.4	11.5
ROC (R12, %)	49.4	41.8	36.6	33.5	29.3
Total sales growth (%)	8.8	8.9	11.0	11.5	11.6
Total store sales growth ³ (%)	8.9	8.9	11.1	11.4	11.7
Store-on-store sales growth ³ (%)	7.8	7.3	8.1	8.8	8.4
COLES					
Divisional performance					
Revenue	39,388	39,217	39,242	38,201	37,391
EBITDA ⁴	2,151	2,256	2,475	2,347	2,157
Depreciation and amortisation	(651)	(647)	(615)	(564)	(485)
EBIT ⁴	1,500	1,609	1,860	1,783	1,672
EBIT margin ⁴ (%)	3.8	4.1	4.7	4.7	4.5
ROC (R12, %)	9.2	9.7	11.2	11.0	10.3
Capital expenditure (cash basis)	715	805	797	941	1,016
Food & Liquor					
Revenue ⁵	33,627	33,084	32,564	30,784	29,220
Headline sales growth ^{6,7} (%)	2.1	2.0	5.1	5.3	4.7
Comparable sales growth ^{6,7} (%)	1.1	1.0	4.1	3.9	3.7
Convenience					
Revenue	5,761	6,133	6,678	7,417	8,171
Total sales growth ^{6,8} (%)	(6.4)	(7.8)	(10.2)	(9.2)	4.1
Total fuel volume growth ⁶ (%)	(16.8)	(13.6)	(4.4)	(1.3)	(3.5)
Comparable fuel volume growth ⁶ (%)	(17.8)	(16.0)	(7.9)	(3.7)	(3.9)
Total convenience store sales growth ⁶ (%)	1.6	4.6	11.1	9.8	6.0
Comparable convenience store sales growth ⁶ (%)	1.6	1.7	6.9	6.8	5.5

¹ All figures are presented as last reported.

² Includes net property contribution for 2018 of \$33 million; 2017 of \$43 million; 2016 of \$46 million; 2015 of \$40 million; 2014 of \$13 million.

³ Excludes sales related to Trade Centres and 'Frame and Truss'.

⁴ 2017 includes earnings of \$39 million related to the sale of Coles' interest in a number of joint venture properties to ISPT. 2014 excludes a \$94 million provision relating to restructuring activities within the Coles Liquor business (reported as a significant item).

⁵ Includes property.

⁶ Based on retail periods (rather than Gregorian reporting). Refer to Appendix One for applicable retail periods.

⁷ Includes hotels, excludes gaming revenue and property.

⁸ Includes fuel sales.

DIVISIONAL KEY PERFORMANCE METRICS (CONTINUED)

Full-year ended 30 June (\$m) ¹	2018	2017	2016	2015	2014
DEPARTMENT STORES DIVISION					
Divisional performance					
Revenue	8,837	8,528	8,646	7,991	7,710
EBITDA ²	862	739	466	697	615
Depreciation and amortisation	(202)	(196)	(191)	(175)	(163)
EBIT ²	660	543	275	522	452
EBIT margin ² (%)	7.5	6.4	3.2	6.5	5.9
ROC (R12, %)	32.8	24.1	7.6	13.8	10.4
Capital expenditure (cash basis)	293	225	292	296	240
Kmart					
- Total sales growth ³ (%)	8.0	7.9	13.5	8.2	0.9
- Comparable sales growth ³ (%)	5.4	4.2	10.5	4.6	0.5
Target					
- Total sales growth ³ (%)	(4.7)	(14.5)	0.2	(1.8)	(4.2)
- Comparable sales growth ³ (%)	(5.1)	(14.9)	(0.4)	(1.0)	(5.3)
OFFICEWORKS					
Revenue	2,142	1,964	1,851	1,714	1,575
EBITDA	181	168	156	139	124
Depreciation and amortisation	(25)	(24)	(22)	(21)	(21)
EBIT	156	144	134	118	103
EBIT margin (%)	7.3	7.3	7.2	6.9	6.5
ROC (R12, %)	16.6	14.7	13.5	11.4	9.4
Total sales growth (%)	9.1	6.1	8.1	8.8	4.7

¹ All figures are presented as last reported.

² 2018 excludes \$306 million of pre-tax non-cash impairment in Target;

2017 includes \$13 million of restructuring costs associated with the planned relocation of Target's store support office;

2016 includes \$145 million of restructuring costs and provisions for Target, and excludes a \$1,266 million pre-tax non-cash impairment of Target;

2014 excludes \$677 million impairment of Target's goodwill (reported as an a significant item).

³ Based on retail periods (rather than Gregorian reporting). Refer to Appendix One for applicable retail periods.

DIVISIONAL KEY PERFORMANCE METRICS (CONTINUED)

Full-year ended 30 June (\$m) ¹	2018	2017	2016	2015	2014
INDUSTRIALS					
Divisional performance					
Revenue	5,269	5,161	4,672	4,985	4,977
EBITDA	1,044	1,095	341	668	765
Depreciation and amortisation	(177)	(180)	(294)	(315)	(283)
EBIT	867	915	47	353	482
Capital expenditure (cash basis)	168	169	228	250	386
Chemicals, Energy and Fertilisers					
Chemicals revenue	932	813	910	840	730
Energy revenue ^{2,3}	423	368	325	435	592
Fertilisers revenue	475	458	585	564	490
Total revenue	1,830	1,639	1,820	1,839	1,812
EBITDA ^{3,4}	469	472	400	345	314
Depreciation and amortisation	(79)	(77)	(106)	(112)	(93)
EBIT ^{3,4}	390	395	294	233	221
ROC (R12, %)	27.7	27.4	18.9	15.2	14.4
Capital expenditure (cash basis)	60	44	60	56	172
<i>External sales volumes ('000 tonnes)</i>					
Chemicals	1,056	979	1,021	912	807
LPG ³	145	103	120	185	243
Fertilisers	988	956	1,080	1,036	939
Industrial and Safety					
Revenue	1,750	1,776	1,844	1,772	1,621
EBITDA ⁵	159	158	105	108	161
Depreciation and amortisation	(41)	(43)	(42)	(38)	(30)
EBIT ⁵	118	115	63	70	131
EBIT margin ⁵ (%)	6.7	6.5	3.4	4.0	8.1
ROC (R12, %)	8.4	8.4	4.7	5.5	11.6
Capital expenditure (cash basis)	50	34	52	57	51

¹ All figures are presented as last reported.

² Includes interest revenue from Quadrant Energy loan notes and excludes intra-division sales.

³ Includes Kleenheat (including east coast LPG operations prior to sale in February 2015) and ALWA prior to December 2013 divestment.

⁴ 2017 includes a profit on sale of land of \$22 million and \$33 million relating to WesCEF's share of revaluation gains in Quadrant Energy; 2016 includes \$32 million of one-off restructuring costs associated with the decision to cease PVC manufacturing; 2015 includes net \$10 million gain from one-off restructuring, comprising a gain on sale of Kleenheat's east coast LPG distribution business and asset writedowns, as well as insurance proceeds; 2014 includes ALWA earnings prior to December 2013 divestment (excludes \$95 million gain on sale).

⁵ 2016 includes \$35 million of restructuring costs associated with the 'Fit for Growth' transformation; 2015 includes \$20 million of restructuring costs.

DIVISIONAL KEY PERFORMANCE METRICS (CONTINUED)

Full-year ended 30 June (\$m)¹	2018	2017	2016	2015	2014
Resources²					
Revenue	1,689	1,746	1,008	1,374	1,544
Royalties ³	(331)	(262)	(143)	(167)	(221)
Mining and other costs	(942)	(1,019)	(1,029)	(992)	(1,033)
EBITDA ⁴	416	465	(164)	215	290
Depreciation and amortisation	(57)	(60)	(146)	(165)	(160)
EBIT ⁴	359	405	(310)	50	130
Capital expenditure (cash basis)	57	91	116	137	163

¹ All figures are presented as last reported.

² 2018 includes contribution from Curragh for the period 1 July 2017 to 29 March 2018.

³ Includes Stanwell rebate expense for 2018 of \$179 million; 2017 of \$98 million; 2016 of \$65 million; 2015 of \$67 million; and 2014 of \$102 million.

⁴ Excludes \$850 million pre-tax non-cash impairment of Curragh in 2016.