24 August 2016

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir,

APPENDIX 4E – PRELIMINARY FINAL REPORT AND 2016 FULL-YEAR RESULTS

In accordance with ASX Listing Rule 4.3A, the following documents are attached for release to the market:

- Appendix 4E – Preliminary Final Report; and
- 2016 Full-year Results Announcement (including fourth quarter retail sales results).

An analyst briefing will be held at 10:00am (AWST) / 12:00pm (AEST) following the release of the announcements. The briefing will be webcast and accessible via our website at www.wesfarmers.com.au.

Yours sincerely,

L J KENYON
COMPANY SECRETARY

Enc.

Wesfarmers Limited
ABN 28 008 984 049

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APPENDIX 4E
FOR THE YEAR ENDED 30 JUNE 2016
WESFARMERS LIMITED AND ITS CONTROLLED ENTITIES
ABN 28 008 984 049

RESULTS FOR ANNOUNCEMENT TO THE MARKET	2016 $m	2015 $m	%
Revenue from ordinary activities	**65,981**	62,447	5.7%
Profit after tax attributable to members:			
Excluding Target and Curragh impairment	**2,251**	2,440	(7.7%)
Impairment of Target and Curragh net of tax[1]	**(1,844)**	-	
Profit after tax from ordinary activities attributable to members	**407**	2,440	(83.3%)
Net profit for the full-year attributable to members	**407**	2,440	(83.3%)

DIVIDENDS	Amount per security	Franked amount per security
Interim dividend	91 cents	91 cents
Final dividend	95 cents	95 cents
Total FY2016 dividend	**186 cents**	**186 cents**
Previous corresponding period:		
Interim dividend	89 cents	89 cents
Final dividend	111 cents	111 cents
Total FY2015 dividend	**200 cents**	**200 cents**
Record date for determining entitlements to the dividend	5:00pm (WST) on 30 August 2016	
Last date for receipt of election notice for Dividend Investment Plan	5:00pm (WST) on 31 August 2016	
Date the final dividend is payable	5 October 2016	

1. During the financial year an impairment was recognised against Target's goodwill and non-current assets of $1,266 million ($1,249 million after-tax) and Curragh's non-current assets of $850 million ($595 million after-tax).

DIVIDEND INVESTMENT PLAN

The Company operates a Dividend Investment Plan (the Plan) which allows eligible shareholders to elect to invest dividends in ordinary shares which rank equally with Wesfarmers ordinary shares. The allocation price for shares under the Plan will be calculated as the average of the daily volume weighted average price of Wesfarmers ordinary shares on each of the 15 consecutive trading days from and including the third trading day after the record date of 30 August 2016 for participation in the Plan, being 2 September 2016 to 22 September 2016.

The last date for receipt of applications to participate in or to cease or vary participation in the Plan is by 5:00pm (WST) on 31 August 2016. The Directors have determined that no discount shall apply to the allocation price and the Plan will not be underwritten. Shares to be allocated under the Plan will be transferred to participants on 5 October 2016.

NET TANGIBLE ASSET BACKING

Net tangible asset backing per ordinary share (excluding reserved shares): $3.45 (2015: $4.85).

OPERATING CASH FLOW PER SHARE

Operating cash flow per share: $2.99 (2015: $3.35). This has been calculated by dividing the net cash flow from operating activities by the weighted average number of ordinary shares (including reserved shares) on issue during the year.

AUDIT

This report is based on accounts which are in the process of being audited.

PREVIOUS CORRESPONDING PERIOD

The previous corresponding period is the year ended 30 June 2015.

COMMENTARY ON RESULTS FOR THE YEAR

Commentary on the results for the year is contained in the press release dated 24 August 2016 accompanying this statement.

PRELIMINARY FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016

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INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	CONSOLIDATED 2016 $m	2015 $m
Revenue	2	**65,981**	62,447
Expenses			
Raw materials and inventory		**(45,525)**	(43,045)
Employee benefits expense	2	**(8,847)**	(8,198)
Freight and other related expenses		**(1,078)**	(1,019)
Occupancy-related expenses	2	**(2,959)**	(2,637)
Depreciation and amortisation	2	**(1,296)**	(1,219)
Impairment expenses	2	**(2,172)**	(41)
Other expenses	2	**(3,107)**	(2,941)
Total expenses		**(64,984)**	(59,100)
Other income	2	**235**	330
Share of net profits of associates and joint ventures	10	**114**	82
		349	412
Earnings before interest and income tax expense (EBIT)		**1,346**	3,759
Finance costs	2	**(308)**	(315)
Profit before income tax		**1,038**	3,444
Income tax expense	3	**(631)**	(1,004)
Profit attributable to members of the parent		**407**	2,440
Earnings per share attributable to ordinary equity holders of the parent	7		
Basic earnings per share		**36.2**	216.1
Diluted earnings per share		**36.2**	215.7

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2016

	Note	CONSOLIDATED 2016 $m	2015 $m
Profit attributable to members of the parent		**407**	2,440
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Foreign currency translation reserve			
Exchange differences on translation of foreign operations		**15**	(11)
Cash flow hedge reserve	9		
Offset to revaluation of foreign currency denominated debt		**-**	(177)
Unrealised (losses)/gains on cash flow hedges		**(34)**	128
Realised losses transferred to net profit		**147**	40
Realised gains transferred to non-financial assets		**(257)**	(246)
Share of associates and joint venture reserves		**8**	(13)
Tax effect		**46**	86
Items that will not be reclassified to profit or loss:			
Retained earnings			
Remeasurement (loss)/gain on defined benefit plan		**(5)**	2
Tax effect		**2**	(1)
Other comprehensive loss for the year, net of tax		**(78)**	(192)
Total comprehensive income for the year, net of tax, attributable to members of the parent		**329**	2,248

BALANCE SHEET
AS AT 30 JUNE 2016

	Note	CONSOLIDATED 2016 $m	2015 $m
Assets			
Current assets			
Cash and cash equivalents	4	**611**	711
Receivables - Trade and other		**1,628**	1,463
Receivables - Finance advances and loans		**835**	806
Inventories		**6,260**	5,497
Derivatives		**54**	428
Other		**296**	188
Total current assets		**9,684**	9,093
Non-current assets			
Investments in associates and joint ventures		**605**	562
Deferred tax assets		**1,042**	558
Property		**2,396**	2,475
Plant and equipment		**7,216**	7,730
Goodwill		**14,448**	14,708
Intangible assets		**4,625**	4,601
Derivatives		**565**	494
Other		**202**	181
Total non-current assets		**31,099**	31,309
Total assets		**40,783**	40,402
Liabilities			
Current liabilities			
Trade and other payables		**6,491**	5,761
Interest-bearing loans and borrowings	5	**1,632**	1,913
Income tax payable		**29**	64
Provisions		**1,861**	1,605
Derivatives		**160**	142
Other		**251**	241
Total current liabilities		**10,424**	9,726
Non-current liabilities			
Interest-bearing loans and borrowings	5	**5,671**	4,615
Provisions		**1,554**	1,081
Derivatives		**81**	84
Other		**104**	115
Total non-current liabilities		**7,410**	5,895
Total liabilities		**17,834**	15,621
Net assets		**22,949**	24,781
Equity			
Equity attributable to equity holders of the parent			
Issued capital	6	**21,937**	21,844
Reserved shares	6	**(28)**	(31)
Retained earnings		**874**	2,742
Reserves		**166**	226
Total equity		**22,949**	24,781

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2016

	Note	CONSOLIDATED 2016 $m	2015 $m
Cash flows from operating activities			
Receipts from customers		**71,157**	67,484
Payments to suppliers and employees		**(66,671)**	(62,369)
Dividends and distributions received from associates		**74**	42
Net movement in finance advances and loans		**(29)**	(8)
Interest received		**131**	27
Borrowing costs		**(288)**	(283)
Income tax paid		**(1,009)**	(1,102)
Net cash flows from operating activities	4	**3,365**	3,791
Cash flows from investing activities			
Payments for property, plant and equipment and intangibles		**(1,899)**	(2,239)
Proceeds from sale of property, plant and equipment and intangibles		**563**	687
Net proceeds from sale of controlled entities and associates		**1**	124
Net investments in associates and joint arrangements		**(2)**	(44)
Acquisition of subsidiaries, net of cash acquired		**(748)**	(339)
Net investment in loan notes		**(47)**	(87)
Net cash flows used in investing activities		**(2,132)**	(1,898)
Cash flows from financing activities			
Proceeds from borrowings		**2,360**	930
Repayment of borrowings		**(1,424)**	(722)
Proceeds from exercise of in-substance options under the employee share plan		**1**	4
Equity dividends paid		**(2,270)**	(2,597)
Capital return paid		**-**	(864)
Net cash flows used in financing activities		**(1,333)**	(3,249)
Net decrease in cash and cash equivalents		**(100)**	(1,356)
Cash and cash equivalents at beginning of year		**711**	2,067
Cash and cash equivalents at end of year	4	**611**	711

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

		Attributable to equity holders of the parent					
		Issued capital	Reserved shares	Retained earnings	Hedging reserve	Other reserves	Total equity
CONSOLIDATED	Note	$m	$m	$m	$m	$m	$m
Balance at 1 July 2014		22,708	(30)	2,901	167	241	25,987
Net profit for the year		-	-	2,440	-	-	2,440
Other comprehensive income							
Exchange differences on translation of foreign operations		-	-	-	-	(11)	(11)
Changes in the fair value of cash flow hedges, net of tax	9	-	-	-	(182)	-	(182)
Remeasurement gain on defined benefit plan, net of tax		-	-	1	-	-	1
Total other comprehensive income for the year, net of tax		-	-	1	(182)	(11)	(192)
Total comprehensive income for the year, net of tax		-	-	2,441	(182)	(11)	2,248
Share-based payment transactions		-	-	-	-	11	11
Capital return and share consolidation	6	(864)	-	-	-	-	(864)
Own shares acquired	6	-	(8)	-	-	-	(8)
Proceeds from exercise of in-substance options	6	-	4	-	-	-	4
Equity dividends	6,8	-	3	(2,600)	-	-	(2,597)
		(864)	(1)	(2,600)	-	11	(3,454)
Balance at 30 June 2015 and 1 July 2015		**21,844**	**(31)**	**2,742**	**(15)**	**241**	**24,781**
Net profit for the year		**-**	**-**	**407**	**-**	**-**	**407**
Other comprehensive income							
Exchange differences on translation of foreign operations		**-**	**-**	**-**	**-**	**15**	**15**
Changes in the fair value of cash flow hedges, net of tax	9	**-**	**-**	**-**	**(90)**	**-**	**(90)**
Remeasurement loss on defined benefit plan, net of tax		**-**	**-**	**(3)**	**-**	**-**	**(3)**
Total other comprehensive income for the year, net of tax		**-**	**-**	**(3)**	**(90)**	**15**	**(78)**
Total comprehensive income for the year, net of tax		**-**	**-**	**404**	**(90)**	**15**	**329**
Share-based payment transactions		**-**	**-**	**-**	**-**	**15**	**15**
Issue of shares	6	**93**	**-**	**-**	**-**	**-**	**93**
Proceeds from exercise of in-substance options	6	**-**	**1**	**-**	**-**	**-**	**1**
Equity dividends	6,8	**-**	**2**	**(2,272)**	**-**	**-**	**(2,270)**
		93	**3**	**(2,272)**	**-**	**15**	**(2,161)**
Balance at 30 June 2016		**21,937**	**(28)**	**874**	**(105)**	**271**	**22,949**

NOTES TO THE FINANCIAL STATEMENTS: SEGMENT INFORMATION
FOR THE YEAR ENDED 30 JUNE 2016

1. Segment information

The operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and operates in different industries and markets. The Board and executive management team (the chief operating decision makers) monitor the operating results of business units separately for the purpose of making decisions about resource allocation and performance assessment.

					DEPARTMENT STORES						INDUSTRIALS									
	COLES		HOME IMPROVEMENT[1,2]		KMART		TARGET[3]		OFFICEWORKS[2]		RESOURCES[4]		WIS		WesCEF		OTHER		CONSOLIDATED	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015
	$m	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m
Segment revenue	39,242	38,201	11,571	9,534	5,190	4,553	3,456	3,438	1,851	1,714	1,008	1,374	1,844	1,772	1,820	1,839	(1)	22	**65,981**	62,447
Adjusted EBITDA[5]	2,475	2,347	1,383	1,228	571	521	(105)	176	156	139	(164)	215	105	108	400	345	(63)	(101)	**4,758**	4,978
Depreciation and amortisation	(615)	(564)	(169)	(140)	(101)	(89)	(90)	(86)	(22)	(21)	(146)	(165)	(42)	(38)	(106)	(112)	(5)	(4)	**(1,296)**	(1,219)
Segment Result	**1,860**	1,783	**1,214**	1,088	**470**	432	**(195)**	90	**134**	118	**(310)**	50	**63**	70	**294**	233	**(68)**	(105)	**3,462**	3,759
Items not included in segment result[6]	-	-	-	-	-	-	(1,266)	-	-	-	(850)	-	-	-	-	-	-	-	**(2,116)**	-
EBIT																			**1,346**	3,759
Finance costs																			**(308)**	(315)
Profit before income tax expense																			**1,038**	3,444
Income tax expense																			**(631)**	(1,004)
Profit attributable to members of the parent																			**407**	2,440
Other segment information																				
Segment assets	22,122	21,533	6,620	4,610	2,324	2,182	1,646	3,021	1,379	1,349	1,004	1,892	1,663	1,626	1,553	1,732	825	1,337	**39,136**	39,282
Investments in associates and joint ventures	17	17	17	17	-	-	-	-	-	-	-	-	-	-	150	143	421	385	**605**	562
Tax assets																	1,042	558	**1,042**	558
Total assets																			**40,783**	40,402
Segment liabilities	(4,273)	(3,913)	(2,186)	(1,115)	(857)	(849)	(479)	(515)	(416)	(361)	(498)	(362)	(420)	(391)	(303)	(341)	(1,070)	(1,182)	**(10,502)**	(9,029)
Tax liabilities																	(29)	(64)	**(29)**	(64)
Interest bearing liabilities																	(7,303)	(6,528)	**(7,303)**	(6,528)
Total liabilities																			**(17,834)**	(15,621)
Other net assets[7]	(1,426)	(1,436)	(4,237)	(3,384)	168	464	(488)	(447)	31	(4)	(1,202)	(1,410)	(581)	(586)	(869)	(1,049)	8,604	7,852	**-**	-
Net assets	16,440	16,201	214	128	1,635	1,797	679	2,059	994	984	(696)	120	662	649	531	485	2,490	2,358	**22,949**	24,781
Capital expenditure[8]	763	937	538	711	165	173	128	122	41	39	116	137	44	65	60	56	2	3	**1,857**	2,243
Share of net profit or loss of associates included in EBIT	-	3	-	-	-	-	-	-	-	-	-	-	-	-	33	18	78	62	**111**	83

1 The Home Improvement result includes the UK operation acquired on 27 February 2016. Refer to note 11 Business combinations for further information.

2 The Group reported Home Improvement and Officeworks under one segment (HIOS) in 2015. The two businesses are now managed and reported more distinctively. The information in this note reflects the two segments separately in current and comparative periods.

3 The Target result includes $145 million of restructuring costs and provisions incurred to reset Target during the year.

4 The Resources result includes Government royalties and Stanwell rebates of $143 million (2015: $167 million) and hedge losses of $147 million (2015: $42 million loss).

5 Adjusted EBITDA represents earnings before interest, tax, depreciation, amortisation and other items not included in the segment results outlined in footnote 6.

6 The 2016 segment result excludes $1,266 million impairment of Target's goodwill and non-current assets, and $850 million impairment of Curragh's assets.

7 Other net assets relate predominantly to inter-company financing arrangements and segment tax balances.

8 Capital expenditure includes accruals to represent costs incurred during the year. The amount excluding movement in accruals is $1,899 million (2015: $2,239 million).

NOTES TO THE FINANCIAL STATEMENTS: KEY NUMBERS
FOR THE YEAR ENDED 30 JUNE 2016

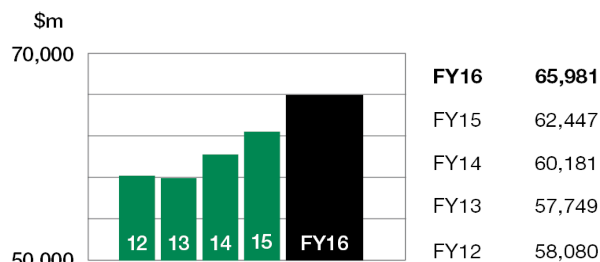
2. Revenue and expenses

	CONSOLIDATED 2016 $m	2015 $m
Sale of goods	**65,500**	62,089
Rendering of services	**12**	13
Interest revenue	**131**	27
Other	**338**	318
Revenue	**65,981**	62,447
Gains on disposal of property, plant and equipment	**61**	54
Gains on disposal of controlled entities	**-**	7
Other	**174**	269
Other income	**235**	330
Remuneration, bonuses and on-costs	**8,120**	7,520
Superannuation expense	**624**	584
Share-based payments expense	**103**	94
Employee benefits expense	**8,847**	8,198
Minimum lease payments	**2,330**	2,068
Contingent rental payments	**91**	83
Other	**538**	486
Occupancy-related expenses	**2,959**	2,637
Depreciation	**981**	934
Amortisation of intangibles	**134**	118
Amortisation other	**181**	167
Depreciation and amortisation	**1,296**	1,219
Impairment of plant, equipment and other assets	**954**	19
Impairment of freehold property	**10**	22
Impairment of goodwill	**1,208**	-
Impairment expenses	**2,172**	41
Mining royalties (incl. Stanwell rebate)	**143**	167
Repairs and maintenance	**405**	379
Utilities and office expenses	**1,044**	1,020
Insurance expenses	**179**	192
Other	**1,336**	1,183
Other expenses	**3,107**	2,941
Interest expense	**261**	266
Discount rate adjustment	**26**	25
Amortisation of debt establishment costs	**5**	5
Other finance related costs	**16**	19
Finance costs	**308**	315

3. Tax expense

Tax reconciliation	CONSOLIDATED 2016 $m	2015 $m
A reconciliation between tax expense and the product of accounting profit before tax multiplied by the Group's applicable income tax rate is as follows:		
Profit before tax	**1,038**	3,444
Income tax at the statutory rate of 30%	**311**	1,033
Adjustments relating to prior years	**(11)**	(12)
Non-deductible items	**362**	12
Share of results of associates and joint venture	**(22)**	(22)
Other	**(9)**	(7)
Income tax on profit before tax	**631**	1,004

Total revenue



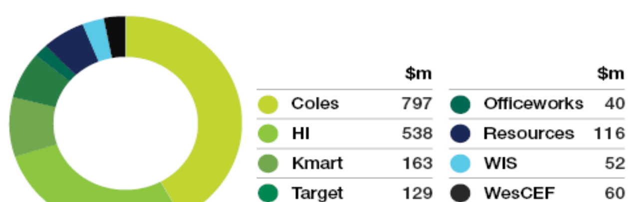
4. Cash and cash equivalents

	CONSOLIDATED	
	2016	2015
	$m	$m
For the purposes of the cash flow statement, cash and cash equivalents comprise the following:		
Cash on hand and in transit	**411**	392
Cash at bank and on deposit	**200**	319
	611	711
Reconciliation of net profit after tax to net cash flows from operations		
Net profit	**407**	2,440
Non-cash items		
Depreciation and amortisation	**1,296**	1,219
Impairment and writedowns of assets	**2,172**	41
Gain on disposal of controlled entities	**-**	(7)
Net gain on disposal of non-current assets	**(22)**	(20)
Share of profits of associates and joint ventures	**(114)**	(82)
Dividends and distributions received from associates	**74**	42
Discount adjustment in borrowing costs	**26**	25
Other	**43**	12
(Increase)/decrease in assets		
Receivables - Trade and other	**17**	9
Receivables - Finance advances and loans	**(29)**	8
Inventories	**(444)**	(128)
Prepayments	**(39)**	30
Deferred tax assets	**(347)**	6
Other assets	**(5)**	3
Increase/(decrease) in liabilities		
Trade and other payables	**259**	219
Current tax payable	**(31)**	(106)
Provisions	**101**	64
Other liabilities	**1**	16
Net cash flows from operating activities	**3,365**	3,791

4. Cash and cash equivalents (continued)

	CONSOLIDATED	
	2016	2015
	$m	$m
Net capital expenditure		
Capital expenditure		
Payment for property	**372**	671
Payment for plant and equipment	**1,422**	1,339
Payment for intangibles	**105**	229
	1,899	2,239
Less: Proceeds from sale of property, plant, equipment and intangibles	**563**	687
Net capital expenditure	**1,336**	1,552

Cash capital expenditure by segment for FY2016



* Other cash capital expenditure: $4 million

NOTES TO THE FINANCIAL STATEMENTS: CAPITAL

FOR THE YEAR ENDED 30 JUNE 2016

5. Borrowings

	CONSOLIDATED	
	2016	2015
	$m	$m
Current		
Unsecured		
Corporate bonds	**500**	1,584
Other bank loans	**1,132**	329
	1,632	1,913
Non-current		
Unsecured		
Corporate bonds	**4,221**	4,615
Other bank loans	**1,450**	-
	5,671	4,615
Total interest-bearing loans and borrowings	**7,303**	6,528

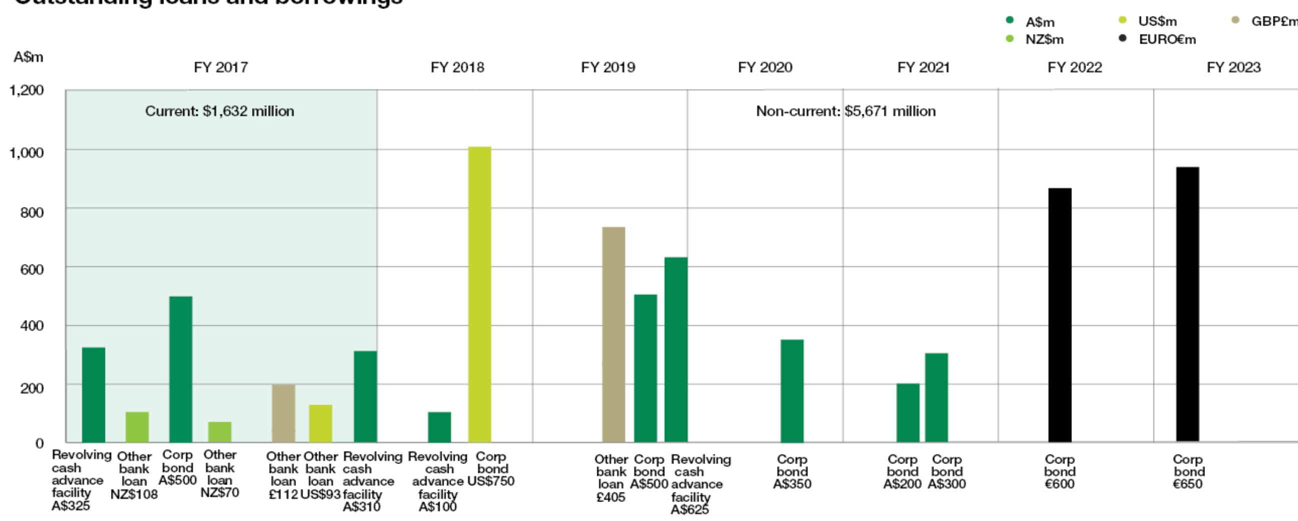
Funding Activities

During February 2016, Wesfarmers established three-year bank facilities totalling £515 million and £115 million of one-year facilities (totalling £630 million or A$1,135 million) to fund the acquisition and provide working capital to Homebase Limited. In June 2016, Wesfarmers established A$500 million of new three-year bank facilities. Other bank facilities held that matured during the financial year were renewed and extended for periods ranging from one to three years, in line with original facility tenors.

In July 2015, EURO medium term notes totalling €500 million (A$756 million) matured. In May 2016 US 144A bonds totalling US$650 million (A$604 million) matured. These were repaid using existing facilities and cash balances.

The illustration below provides details, including the principal repayment obligations, of all loans and borrowings on issue at 30 June 2016:

Outstanding loans and borrowings



6. Equity and reserves

Movement in shares on issue	ORDINARY SHARES Thousands	ORDINARY SHARES $m	RESERVED SHARES Thousands	RESERVED SHARES $m
At 1 July 2014	1,143,275	22,708	(2,787)	(30)
Own shares acquired	-	-	(191)	(8)
Exercise of in-substance options	-	-	463	4
Dividends applied	-	-	-	3
Capital return and share consolidation	(19,522)	(864)	-	-
At 30 June 2015 and 1 July 2015	**1,123,753**	**21,844**	**(2,515)**	**(31)**
Exercise of in-substance options	**-**	**-**	**221**	**1**
Dividends applied	**-**	**-**	**-**	**2**
Issue of ordinary shares under the Wesfarmers Employee Share Acquisition Plan	**2,378**	**93**	**-**	**-**
At 30 June 2016	**1,126,131**	**21,937**	**(2,294)**	**(28)**

7. Earnings per share

	CONSOLIDATED	
	2016	2015
Profit attributable to ordinary equity holders of the parent ($m)	**407**	2,440
WANOS[1] used in the calculation of basic EPS (shares, million)[2]	**1,123**	1,129
WANOS[1] used in the calculation of diluted EPS (shares, million)[2]	**1,125**	1,131
Basic EPS (cents per share)	**36.2**	216.1
Diluted EPS (cents per share)	**36.2**	215.7

1. Weighted average number of ordinary shares.
2. The variance in the WANOS used in the calculation of the basic EPS and the diluted EPS is attributable to in-substance options.

There have been no transactions involving ordinary shares between the reporting date and the date of completion of these financial statements, apart from the normal conversion of employee reserved shares (treated as in-substance options) to unrestricted ordinary shares.

Calculation of earnings per share

Basic earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share

Diluted earnings per share amounts are calculated per basic earnings per share with an adjustment for the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares. Dilution arises as a result of the employee reserved shares issued under the employee share plan being accounted for as in-substance options.

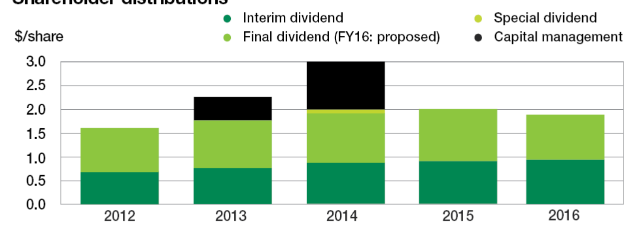
8. Dividends and distributions

	CONSOLIDATED	
	2016	2015
	$m	$m
Declared and paid during the year (fully-franked at 30 per cent)		
Interim dividend for 2016: $0.91 (2015: $0.89)	**1,025**	999
Final dividend for 2015: $1.11 (2014: $1.05)	**1,247**	1,200
Special dividend for 2015: nil (2014: $0.10)	**-**	114
Capital management:		
Fully-franked dividend component: nil (2015: $0.25)	**-**	287
Capital return: nil (2015: $0.75)	**-**	864
	2,272	3,464
Proposed and unrecognised as a liability (fully-franked at 30 per cent)		
Final dividend for 2016: $0.95 (2015: $1.11)	**1,070**	1,247

Capital management

On 16 December 2014, Wesfarmers paid a distribution of 100 cents per fully-paid ordinary share, comprising both a capital return of 75 cents ($864 million) and a fully-franked dividend component of 25 cents ($287 million). The distribution was accompanied by a proportionate share consolidation relating to the capital component at a rate of one for 0.9827.

Shareholder distributions



9. Cash flow hedge reserve

The change in cash flow hedge reserve for the year ended 30 June 2016 includes the after-tax net movement in market value of cash flow hedges from 30 June 2015 and comprised: $(3) million (2015: $(117) million) of interest rate swaps, $(99) million (2015: $(61) million) of foreign exchange rate contracts and a $12 million (2015: $(4) million) movement in associates and joint ventures reserve.

10. Associates and joint arrangements

	CONSOLIDATED	
	2016	2015
	$m	$m
Net profits from operations of associates	**111**	83
Other comprehensive income of associates	**15**	-
Profit/(loss) from operations of joint venture	**3**	(1)
Other comprehensive income of joint venture	**(7)**	(13)
Total comprehensive income	**122**	69

Interests in joint arrangements

The Group recognises its share of the assets, liabilities, expenses and income from the use and output of its joint operations. The Group's investment in joint ventures is accounted for using the equity method of accounting.

Investments in associates

The Group's investments in its associates are accounted for using the equity method of accounting. The associates are entities in which the Group has significant influence and which are neither subsidiaries nor joint arrangements.

Interests in associates and joint arrangements

		Ownership	
		2016	2015
Associates	*Principal activity*	**%**	%
Australian Energy Consortium Pty Ltd[1]	Oil and gas	**27.4**	27.4
Bengalla Agricultural Company Pty Limited	Agriculture	**-**	40.0
Bengalla Coal Sales Company Pty Limited	Sales agent	**40.0**	40.0
Bengalla Mining Company Pty Limited	Management company	**40.0**	40.0
BWP Trust	Property investment	**24.8**	24.8
Gresham Partners Group Limited	Investment banking	**50.0**	50.0
Gresham Private Equity Funds	Private equity fund	**(a)**	(a)
iCiX International, Inc.	Information technology	**20.0**	20.0
Queensland Nitrates Management Pty Ltd	Chemical manufacture	**50.0**	50.0
Queensland Nitrates Pty Ltd	Chemical manufacture	**50.0**	50.0
Wespine Industries Pty Ltd	Pine sawmillers	**50.0**	50.0
Joint Operations	*Principal activity*		
Sodium Cyanide	Sodium cyanide manufacture	**75.0**	75.0
Bengalla	Coal mining	**40.0**	40.0
ISPT	Property ownership	**25.0**	25.0
Joint Ventures	*Principal activity*		
BPI NO 1 Pty Ltd	Property management	**(b)**	(b)

1. Australian Energy Consortium Pty Ltd has a 50.0 per cent interest in Quadrant Energy Holdings Pty Ltd.

(a) Gresham Private Equity Funds: Whilst the Group's interest in the unitholders' funds of Gresham Private Equity Fund No. 2 amounts to greater than 50.0 per cent, it is not a controlled entity as the Group does not have the practical ability to direct their relevant activities. Such control requires a unitholders' resolution of 75.0 per cent of votes pursuant to the Funds' trust deeds.

(b) BPI NO 1 Pty Ltd: Whilst the Group owns the only equity share in BPI NO 1 Pty Ltd, the Group's effective interest approximates 50.0 per cent and joint control is effected through contractual arrangements with the joint venture partner.

11. Business combinations

On 27 February 2016, Wesfarmers Limited acquired 100 per cent of Home Retail Group plc's holding in Homebase for £340 million (A$665 million). Homebase is based in the United Kingdom (UK) and operates a home improvement and garden retail business in the UK and Republic of Ireland. The acquisition of Homebase delivers an established and scalable platform with stores that are the right size for the UK market and supports warehouse merchandising and a low cost operating model, providing an opportunity for Wesfarmers to expand its Bunnings business into the UK market.

At 30 June 2016, the acquisition accounting balances recognised are provisional due to ongoing work finalising valuations and tax related matters which may impact acquisition accounting entries. The provisional fair value of the identifiable assets acquired and liabilities assumed at the date of acquisition are:

	£m	$m
Assets		
Cash and cash equivalents	25	48
Trade and other receivables	52	102
Inventories	171	332
Prepayments	25	49
Property, plant and equipment	124	241
Intangible assets	28	54
Deferred tax assets	47	92
Total assets	472	918
Liabilities		
Trade and other payables	322	625
Provisions	236	459
Other liabilities	30	56
Total liabilities	588	1,140
Provisional fair value of identifiable net liabilities	(116)	(222)
Goodwill arising on acquisition	481	935
Purchase consideration paid	365	713
Cashflow on acquisition		
Purchase consideration paid	365	713
Less: net cash acquired	(25)	(48)
Net cash outflow	340	665

From the date of acquisition, the contribution from Homebase to the net profit after-tax of the Group was insignificant.

If the combination had taken place at the beginning of the period, the revenue from continuing operations for the Group would have been approximately $1,865 million higher. It is not practicable to determine the profit of the Group had the combination taken place at 1 July 2015, as the fair value of the identifiable assets and liabilities is not known at that date. Assuming that the same fair values detailed above applied at 1 July 2015, the profit for the Group would not have been materially different from that reported.

Direct costs relating to the acquisition totalling $19 million have been recognised in other expenses in the income statement for the year ended 30 June 2016.

The provisional goodwill of $935 million is attributable to various factors including value of growth and synergy opportunities, store network and inseparable intangible assets.

12. Impairment

Impairment recognised

During the year the carrying value of both the Target CGU and Curragh CGU exceeded their respective recoverable amounts and a pre-tax impairment of $2,116 million ($1,844 million post-tax) was recognised in 'impairment expenses'.

The decrease in the recoverable amount of the Target CGU largely reflects its current trading performance, short-term outlook and changes in its strategic plan. The impairment was predominantly recognised against Target's goodwill.

The decrease in the recoverable amount of Curragh was the result of the continued deterioration in export coal price forecasts and long-term exchange rate assumptions. The impairment of Curragh was predominantly recognised against its plant, mineral lease and development assets.

13. Contingent liabilities

Certain companies within the Group are party to various legal actions that have arisen in the normal course of business. It is expected that any liabilities arising from such legal action would not have a material effect on the Group's financial performance.

A claim has been lodged with the Supreme Court of Queensland by Stanwell Corporation Limited (Stanwell) for additional sums due in respect of the price rebate payable by Wesfarmers Curragh Pty Ltd (Curragh) to Stanwell, a subsidiary of the Queensland Government. The claim relates to the interpretation of the reference coal price under a Coal Supply Agreement in determining the price rebate payable on export coal produced and sold. Curragh is defending the claim and has issued a counter claim for overpayment of price rebates under the implied terms of the Coal Supply Agreement. The amount claimed by Stanwell and the costs of defence are not expected to be material to the Group.

14. Events after the reporting period

Dividends

A fully-franked ordinary dividend of 95 cents per share resulting in a dividend of $1,070 million was declared for a payment date of 5 October 2016. The dividend has not been provided for in the 30 June 2016 full-year financial statements.

News Release

2016 Full-year Results

24 August 2016

Financial highlights

Full-year ended 30 June 2016	Reported	Excluding significant items[a]	Variance to pcp (excl. significant items)
Operating revenue	$66.0b	$66.0b	*5.7%*
Earnings before interest and tax	$1,346m	$3,607m	*(4.0%)*
Net profit after tax	$407m	$2,353m	*(3.6%)*
Earnings per share	$0.36	$2.09	*(3.1%)*
Dividends per share	$1.86	$1.86	*(7.0%)*

[a] 2016 excludes the following pre-tax (post-tax) amounts: $1,266 million ($1,249 million) non-cash impairment of Target; $850 million ($595 million) non-cash impairment of Curragh; and $145 million ($102 million) of restructuring costs and provisions to reset Target.

Wesfarmers Limited has reported a net profit after tax (NPAT) of $407 million for the full-year ended 30 June 2016. This result includes non-cash impairments of Target and Curragh totalling $2,116 million before tax, as well as $145 million (pre-tax) of restructuring costs and provisions to reset Target. Excluding these significant items, NPAT for the full-year decreased 3.6 per cent to $2,353 million.

Managing Director Richard Goyder said strong performances across a majority of the Group's businesses were offset by challenging trading conditions and restructuring activities in Target, and the impact of low commodity prices in the Resources business.

"In a competitive environment, the Group's retail businesses continued to invest in customer value, service, stores and online, as well as improved merchandise ranges to deliver long-term growth and improved returns," Mr Goyder said. "Excluding Target, the retail portfolio delivered growth in earnings before interest and tax (earnings or EBIT) of 7.5 per cent. This growth was offset by weak underlying performance in Target, as well as the cost of restructuring activities following the creation of the Department Stores division in February 2016 to provide a stronger platform for future growth.

"A highlight for the year was the Group's acquisition of Homebase, the second largest home improvement and garden retailer in the United Kingdom and Ireland, which provides a platform for long-term value creation.

"The performance of the Industrials division during the year was significantly affected by depressed conditions across the resources sector. Underlying earnings for the division were $306 million lower than the prior year, primarily driven by an operating loss of $310 million from the Resources business. The Chemicals, Energy and Fertilisers (WesCEF) business had a strong year, with earnings growth achieved across all three business units, while Industrial and Safety made good progress to simplify its operations and reduce costs.

"The Group's balance sheet remained strong during the year, with active management of debt sources supporting further reductions in funding costs.

"In line with the Group's dividend policy, which considers earnings, cash flows and franking credits, a final ordinary dividend of $0.95 per share has been declared, bringing the full-year ordinary dividend to $1.86 per share."

Group results summary

Full-year ended 30 June ($m)	2016	2015	Variance %
Key financials			
Revenue	65,981	62,447	*5.7*
EBITDA	2,642	4,978	*(46.9)*
EBITDA (excluding significant items)[a]	4,903	4,978	*(1.5)*
EBIT	1,346	3,759	*(64.2)*
EBIT (excluding significant items)[a]	3,607	3,759	*(4.0)*
NPAT	407	2,440	*(83.3)*
NPAT (excluding significant items)[a]	2,353	2,440	*(3.6)*
Return on equity (excluding significant items)[a] (R12, %)	9.6	9.8	
Cash flow			
Operating cash flow	3,365	3,791	*(11.2)*
Net capital expenditure	1,336	1,552	*(13.9)*
Free cash flow	1,233	1,893	*(34.9)*
Share data (cents per share)			
Earnings per share	36.2	216.1	*(83.2)*
Earnings per share (excluding significant items)[a]	209.5	216.1	*(3.1)*
Operating cash flow per share (wanos, incl. res shares)	299.2	335.1	*(10.7)*
Full-year ordinary dividend	186	200	*(7.0)*
Capital management distribution (paid)	-	100	*(100.0)*
Balance sheet and gearing			
Net financial debt[b]	6,537	5,515	*18.5*
Interest cover (cash basis)[c] (R12, times)	16.8	20.5	*(18.0)*
Fixed charges cover[c] (R12, times)	2.7	3.0	*(10.0)*

[a] 2016 excludes the following pre-tax (post-tax) amounts: $1,266 million ($1,249 million) non-cash impairment of Target; $850 million ($595 million) non-cash impairment of Curragh; and $145 million ($102 million) of restructuring costs and provisions to reset Target.

[b] Interest bearing liabilities less cash at bank and on deposit, net of cross currency interest rate swaps and interest rate swap contracts.

[c] 2016 excludes pre-tax non-cash impairments of $2,116 million relating to Target ($1,266 million) and Curragh ($850 million).

Divisional earnings summary

Full-year ended 30 June ($m)	2016	2015	Variance %
EBIT			
Coles	1,860	1,783	*4.3*
Home Improvement	1,214	1,088	*11.6*
Department Stores[a]	275	522	*(47.3)*
Officeworks	134	118	*13.6*
Industrials[b]	47	353	*(86.7)*
Divisional EBIT	**3,530**	**3,864**	***(8.6)***
Other	(68)	(105)	*35.2*
Non-trading items (NTIs)[c]	(2,116)	-	*n.m.*
Reported EBIT	**1,346**	**3,759**	***(64.2)***

[a] 2016 includes $145 million of restructuring costs and provisions to reset Target.

[b] 2016 includes $35 million of restructuring costs for Industrial and Safety and $32 million of costs associated with the decision to cease PVC manufacturing in WesCEF. 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, and $20 million of restructuring costs for Industrial and Safety.

[c] Includes pre-tax non-cash impairments of $2,116 million relating to Target ($1,266 million) and Curragh ($850 million).

Performance overview - Divisional

Coles

Coles' earnings increased 4.3 per cent to $1,860 million for the full-year, with revenue growth of 2.7 per cent. Food and liquor recorded sales growth of 5.1 per cent, with comparable sales growth of 4.1 per cent.

"The continued momentum in Coles' Food and Liquor business was a good result given a competitive market and accelerating deflation during the year," Mr Goyder said. "Food and liquor revenue grew $1,780 million, driven by improvements in value, quality and service. The ongoing simplification of end-to-end processes across the business has supported continued investment in these areas, while further improvements in Coles' fresh offer resulted in increased transaction volumes and basket size.

"The Coles Liquor transformation achieved an important milestone, with positive comparable sales growth reported for the year, reflecting investments made in price, range and the store network. The Convenience business produced a solid result, despite lower fuel volumes, which included stronger growth in store sales than the prior year."

Home Improvement

Bunnings' earnings increased 11.6 per cent to $1,214 million on revenue growth of 21.4 per cent. This result included the contribution of Homebase from 28 February 2016.

"Bunnings Australia and New Zealand produced another very strong result, with total store sales growth of 11.1 per cent and store-on-store sales growth of 8.1 per cent for the year, reflecting the solid execution of its strategic agenda," Mr Goyder said. "Sales growth was achieved across all areas of the business following the delivery of greater digital and physical brand reach, continued commercial expansion and increased customer value.

"Since the acquisition of Homebase, good progress has been made to reshape the business, with results in line with the acquisition plans. The Group is confident that the acquisition will deliver long-term value for shareholders," Mr Goyder said.

Department Stores

While Target's revenue was in line with last year, the business reported an operating loss of $195 million, including $145 million of restructuring costs and provisions to reset the business. The underlying loss of $50 million was primarily driven by high levels of seasonal clearance and the impact of a lower Australian dollar on margins.

"Following the creation of the Department Stores structure in February 2016, decisive steps were taken to reduce Target's cost base and reset inventory in line with a revised strategic plan," Mr Goyder said. "While good progress has been made to reduce inventory and rationalise ranges, there remains further work to do in these areas."

Kmart's earnings grew 8.8 per cent to $470 million on revenue growth of 14.0 per cent.

"Kmart delivered a significant increase in earnings and return on capital through improvements in range and productivity, as well as a strong focus on providing the lowest prices on everyday items," Mr Goyder said. "Sales growth was achieved across all categories, supported by continued investment in new stores and refurbishments."

Officeworks

Officeworks' earnings of $134 million were 13.6 per cent higher than the prior year, with revenue growth of 8.0 per cent.

"Officeworks delivered another year of strong growth in earnings and return on capital," Mr Goyder said. "Continued investments in price, service, the in-store environment and the online offer, as well as expanded merchandise ranges, contributed to growth across every channel."

Industrials

“The Group’s Industrials businesses operated in a challenging environment during the year as a result of lower commodity prices and depressed mining investment and industrial business activity,” Mr Goyder said.

Earnings for the Chemicals, Energy and Fertilisers business of $294 million were up 26.2 per cent.

“WesCEF achieved strong results during the year, with earnings growth reported across all three business units,” Mr Goyder said. “Good plant performances in Chemicals, improved terms for gas feedstock and growth in natural gas retailing in Kleenheat, as well as strong demand for fertilisers, contributed to the growth in earnings.”

The Industrial and Safety business recorded earnings of $63 million, $7 million or 10.0 per cent lower than the prior year.

“Industrial and Safety made good progress to reduce costs and simplify its operations during the year, with depressed conditions across the resources sector placing downward pressure on sales and margins,” Mr Goyder said. “Significant restructuring initiatives were completed during the period, aimed at establishing a stronger platform for future growth while supporting ongoing investment in improving capabilities.”

The Resources business recorded an operating loss of $310 million compared to earnings of $50 million reported in the prior year.

“The performance of the Resources business reflected lower export coal prices, lower metallurgical coal sales volumes due to significant wet weather events, and currency hedges offsetting the benefits of a lower Australian dollar,” Mr Goyder said. “Despite these challenges, the business continued to reduce costs and maintained its strong safety performance.”

Performance overview – Group

Other businesses and corporate overheads reported a net expense of $68 million for the year, compared to an expense of $105 million in the prior year. Within this result, corporate overheads of $124 million were in line with last year.

Non-trading items of $2,116 million were recorded in the 2016 financial year, comprising pre-tax non-cash impairments in the carrying value of Target of $1,266 million, of which $1,208 million related to goodwill, and $850 million of pre-tax non-cash impairments in Curragh’s assets.

Free cash flows of $1,233 million were $660 million lower than last year, primarily reflecting the acquisition of Homebase.

Operating cash flows of $3,365 million were $426 million lower than last year, driven by lower earnings and a working capital outflow, mainly due to investments made to improve stock availability in Homebase, investments to support sales growth across the retail businesses, and the impact of a lower Australian dollar. These outflows were partially offset by lower coal production, the timing of fertiliser and ammonia shipments, and the conversion from PVC manufacturing to an import model in WesCEF.

Gross capital expenditure of $1,899 million was $340 million lower than the prior year, mainly due to fewer Bunnings and Coles store openings. Proceeds from disposals were $124 million lower due to fewer retail property sales and the sale of Kleenheat’s east coast LPG assets in the prior year. Net capital expenditure of $1,336 million was $216 million below the prior year.

Outlook

Competition in the retail sector is expected to remain robust, with value continuing to be important to customers. Within this environment, the Group's retail businesses are well-positioned to continue to deliver growth through strategies that are focused on achieving further improvements in value, service and range. These strategies will be supported by ongoing productivity savings and strong cost disciplines. Ongoing merchandise innovations, digital strategies and store network improvements and expansions, are expected to contribute to growth. Bunnings will continue to progress the establishment of its United Kingdom and Ireland business, with a focus on driving a stronger operating performance in Homebase while establishing pilot Bunnings Warehouse stores and infrastructure in line with a low-cost and high-capability operating model. The 2017 financial year will be a transitional year for Target, with the business focusing on embedding its revised strategy.

The outlook for the Group's Industrials division remains challenging in the short-term. The Resources business will continue to focus on improving operational efficiency. While its earnings will be largely dependent on export coal prices and exchange rates, the business will report lower depreciation and lower hedge losses in the 2017 financial year. The Group continues to evaluate all strategic options for this business. The outlook for WesCEF is subject to international commodity pricing, exchange rates, competitive factors and seasonal conditions. Industrial and Safety will continue to invest in capability and performance improvements across the business, supported by transformation savings, to mitigate ongoing sales and margin pressures.

The Group will continue to prioritise cash flow generation, capital discipline and balance sheet strength, while managing its business portfolio with a long-term view. Wesfarmers is strongly focused on delivering organic growth opportunities in each of its businesses, where satisfactory returns can be achieved, while being well-positioned to take advantage of any other opportunities that deliver value to shareholders.

For further information:

More detailed information regarding Wesfarmers' 2016 full-year results can be found in Wesfarmers' Appendix 4E – Preliminary Final Report for the year ended 30 June 2016.

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DIVISIONAL PERFORMANCE REVIEW AND OUTLOOK

CASH FLOW, FINANCING AND DIVIDENDS

APPENDICES

1. 2016 fourth quarter and full-year retail sales results – headline retail sales results
2. 2016 fourth quarter and full-year retail sales results – key metrics
3. Retail operations – store network
4. Five-year history – financial performance and key metrics

DIVISIONAL PERFORMANCE REVIEW AND OUTLOOK

Coles

Full-year ended 30 June ($m)		2016	2015	Variance %
Revenue[a]		**39,242**	**38,201**	***2.7***
EBITDA[b]		2,475	2,347	*5.5*
Depreciation and amortisation		(615)	(564)	*(9.0)*
EBIT[b]		**1,860**	**1,783**	***4.3***
EBIT margin[b] (%)		4.7	4.7	
RoC (R12, %)		11.2	11.0	
Safety (R12, LTIFR)		8.4	8.0	
Food & Liquor	Revenue[a]	**32,564**	**30,784**	***5.8***
	Headline sales growth[c,d] (%)	5.1	5.3	
	Comparable sales growth[c,d] (%)	4.1	3.9	
	Inflation/(deflation)[d]	(1.7)	(0.8)	
Convenience	Revenue	**6,678**	**7,417**	***(10.0)***
	Total convenience store sales growth[d] (%)	11.1	9.8	
	Comparable fuel volume growth[d] (%)	(7.9)	(3.7)	

[a] Includes property revenue for 2016 of $25 million and for 2015 of $29 million.
[b] Includes property EBIT for 2016 of $17 million and for 2015 of $14 million.
[c] Includes hotels, excludes gaming revenue and property.
[d] See footnotes within Appendix One for relevant retail calendars.

Performance review

Coles' operating revenue for the year increased by $1,041 million to $39.2 billion, with EBIT increasing 4.3 per cent to $1,860 million. Return on capital increased to 11.2 per cent from 11.0 per cent in the prior year.

Food and Liquor

Food and liquor reported revenue of $32.6 billion, an increase of $1,780 million on the prior year. In a competitive market, Coles' strategy of continued investment in the customer offer delivered improvements in transaction volumes, basket size and sales density during the year.

Headline food and liquor sales for the year[1] were 5.1 per cent above the prior year. Comparable food and liquor store sales increased 4.1 per cent, with comparable food store sales increasing 4.3 per cent.

For the fourth quarter[1], headline food and liquor sales increased 3.5 per cent to $7.8 billion. Comparable food and liquor store sales increased 2.8 per cent, with comparable food store sales growth of 2.9 per cent. Adjusting for the earlier timing of Easter in the 2016 financial year, comparable food and liquor store sales grew 3.3 per cent for the quarter[1], with comparable food store sales increasing 3.2 per cent.

Food and liquor price deflation was 1.7 per cent for the year[1] and 2.4 per cent for the fourth quarter[1]. Fourth quarter deflation was affected by lower produce prices resulting from seasonal factors and a continued easing of meat inflation. Coles' strategy to invest in lowering the cost of the weekly shop remained consistent during the fourth quarter, led by continued investment in Every Day value, with more than 3,100 items on Every Day pricing at year-end. The 2016 financial year marks the seventh consecutive year of Coles lowering prices for customers, with cumulative deflation of 7.5 per cent recorded since the 2009 financial year.

In addition to providing better value to customers through lower prices, Coles continued to enhance the customer offer through better quality, availability and service. These improvements were made through the simplification of end-to-end processes across the business and through continued investment in people to deliver a market-leading customer experience.

[1] See footnotes within Appendix One for relevant retail calendars.

During the year, Coles continued to build long-term strategic partnerships with Australian producers and to further simplify its supply chain. In April 2016, a new three-year contract was announced with Annex Foods, a recipient of the Coles Nurture Fund, to exclusively supply Coles with locally grown and processed white quinoa. This agreement is a first for a major Australian supermarket and reflects Coles' continued support of locally grown products and Australian small business innovation, which will deliver improved quality and availability for customers.

Coles Online achieved strong performance in the 2016 financial year, delivering over 25 per cent growth in transactions. The first stand-alone online store was launched in April 2016 and reflects the ongoing investment by the business to improve fulfilment for customers. Coles Financial Services continued to grow with over one million customer accounts as at the end of the financial year. Flybuys continues to deliver value to customers through personalised offers while providing more choice to customers with the launch of flybuys travel in April 2016.

Coles continued to grow and improve its supermarket network, with 20 supermarkets opened, nine closed and 53 renewals completed during the year.

Positive comparable sales growth in Liquor was achieved for the year, marking an important milestone in the second year of a five-year turnaround plan. Liquorland performance has led the improvement in sales trends, with considerable work completed to improve price competitiveness, range and the quality of the store network, including more than 180 renewals completed through the transformation.

At 30 June 2016, Coles had a total of 787 supermarkets, 865 liquor stores and 89 hotels.

Convenience

Coles Express reported revenue of $6.7 billion for the year, 10.0 per cent lower than the previous year due to lower fuel volumes and lower fuel prices.

Total convenience store sales increased 11.1 per cent for the year[2], or 6.9 per cent on a comparable store basis. For the fourth quarter[2], convenience store sales increased 8.5 per cent, with comparable store sales increasing 3.8 per cent. Growth in convenience store sales continued to be driven by improvements in the food-to-go offer, the growth of Coles Brand and the extension of Every Day pricing offering compelling value.

Total fuel volumes for the year[2] declined 4.4 per cent, with comparable volumes declining 7.9 per cent. Total fuel volumes decreased 10.3 per cent during the fourth quarter[2], with comparable volumes down 14.2 per cent on the prior corresponding period. Fuel volumes declined due to the impact of regulatory and environmental compliance works, the impact of competitor site upgrades and a lower number of site openings compared to competitors, despite a record 31 sites being opened during the year.

As at 30 June 2016, there were 690 Coles Express sites.

Outlook

Competition in the food and grocery industry is robust. In this environment, Coles will focus on improving the customer offer to deliver long-term growth.

Value remains important to customers and Coles will continue to invest in lowering the cost of the weekly shop through trusted Every Day pricing, compelling specials, innovation and quality in Coles Brand, and personalised flybuys offers.

In addition to providing better value, Coles will enhance the customer offer by delivering a better store network, providing market-leading fresh food quality and availability, offering world-class service and extending the customer proposition across new channels and services. These investments will be funded through a continued focus on end-to-end simplicity across the business.

The Liquor business will progress its transformation, with the next phase of the turnaround focused on sustaining the improved sales trends established through the 2016 financial year while improving profitability.

Coles Express remains committed to network growth with its alliance partner and will continue to grow shop sales through a compelling and unique offer, while providing a competitive fuel offering.

[2] See footnotes within Appendix One for relevant retail calendars.

Home Improvement

Full-year ended 30 June ($m)	2016	2015	Variance %
Revenue[a]	**11,571**	**9,534**	***21.4***
EBITDA[a]	1,383	1,228	*12.6*
Depreciation and amortisation[a]	(169)	(140)	*(20.7)*
EBIT[a]	**1,214**	**1,088**	***11.6***
EBIT margin[a] (%)	10.5	11.4	
RoC[a] (R12, %)	33.7	33.5	
Bunnings Australia and New Zealand			
- Safety (R12, AIFR)	22.2	25.0	
- Total store sales growth[b] (%)	11.1	11.4	
- Store-on-store sales growth[b] (%)	8.1	8.8	

[a] Includes Homebase from 28 February 2016.
[b] See footnotes within Appendix One for relevant retail calendars.

Performance review

Revenue for the Home Improvement division increased by 21.4 per cent to $11.6 billion, including trading results for Homebase from 28 February 2016. Earnings for the division of $1,214 million were 11.6 per cent higher than the prior corresponding period.

Bunnings Australia and New Zealand (BANZ)

Operating revenue from BANZ increased 10.9 per cent to $10.6 billion. Total store sales growth of 11.1 per cent was achieved during the year[3], underpinned by an increase of 8.1 per cent in store-on-store sales. BANZ recorded EBIT of $1,213 million, which was 11.5 per cent higher than the prior corresponding period.

Sales growth was achieved across all areas of the business: in consumer and commercial; in every merchandise category; and in every major trading region. Continued increases in customer numbers reflected ongoing actions to improve each of the key offer elements: price, range and service.

Consistent growth was achieved throughout the year, reflecting strong underlying business momentum. Total sales in the fourth quarter[3] increased 11.1 per cent and total store sales were up 11.2 per cent. Store-on-store sales increased 8.3 per cent in the fourth quarter[3].

The good trading results were a direct outcome of an effective strategic agenda that targets long-term value creation. The delivery of greater digital and physical brand reach, continued commercial expansion and increased customer value were highlights. Earnings increased as a result of good trading, productivity gains and operating cost disciplines, which offset higher network development costs and the impact of creating more value for customers.

Ongoing work within a disciplined capital expenditure program supported more expansion and upgrade projects across the store network, together with the renewal of business infrastructure. Well managed property divestment activity took advantage of favourable market conditions. The strong earnings growth and capital management resulted in an increase in return on capital within BANZ of 310 basis points.

The leadership changes linked to the expansion of Bunnings via the acquisition of Homebase have been implemented smoothly and the new teams are operating well. The talent depth within the BANZ team has supported the needs of the acquisition and created new and well-earned opportunities for team members inside the business.

During the period, 22 trading locations were opened, including 14 new Bunnings Warehouse stores, seven smaller format stores and one trade centre. At the end of the year, there were 244 warehouses, 70 smaller format stores and 33 trade centres in the BANZ network.

[3] See footnotes within Appendix One for relevant retail calendars.

Bunnings United Kingdom and Ireland (BUKI / Homebase)

Sales for the four months of ownership were £512 million ($986 million) and earnings (after restructuring and one-off repositioning costs) were £0.5 million ($1 million). These results were in line with acquisition plans.

Trading across the early months of ownership has been steady, a good result given disruption from a number of essential change and repositioning activities associated with starting to reshape the Homebase business and extracting it from the linkages to its former owner.

Good progress is being made on rapidly implementing new trading strategies. The core ranges on offer at Homebase are being quickly reshaped to focus solely on the home improvement and garden market. Wider product choices and deeper stock holdings are being established, with assistance via existing Bunnings relationships with the world's leading suppliers and by leveraging direct sourcing capabilities. Over £60 million ($115 million) in inventory investment has been made to support this work.

New marketing, pricing and operational strategies have also been implemented as part of this work. Good store team engagement has supported the initiatives associated with the new ownership approach. Pleasingly, on a like-for-like trading basis for the period from completion to the end of June, customer participation (as measured by transactions) has increased by 7.5 per cent.

Transition, separation and integration activity has been well advanced. A major restructure of the support team has been completed and a rebuild of the core business model replicating and leveraging the BANZ business model has commenced. Restructuring and one-off repositioning costs of £13 million ($25 million) have been expensed in this financial period.

The new leadership team is now well established and they are supported by a specific BUKI Advisory Board that has been established to provide additional strategic guidance and essential UK market insights. A program to invest in the development of the Homebase senior team has also commenced.

Outlook

In Australia and New Zealand, Bunnings' focus is on driving growth, creating better experiences both for customers and the wider community along with strengthening the core of the business. Achieving greater brand reach, both digitally and physically, is a core work area and this includes further expansion of Bunnings' digital ecosystem, opening new stores and reinvesting in the existing network. Changes in the competitive environment may result in short-term volatility of trading margins.

In the UK and Ireland, work continues in line with the first phase of the previously announced acquisition plans. All work is prioritised around building strong business foundations. This includes driving a stronger operating performance from the repositioned Homebase business, implementing plans for the establishment of four to six pilot Bunnings Warehouse stores in the 2017 financial year and continuing to restructure the underlying business infrastructure to provide support for low-cost, high-capability operations. The original financial guidance for the Homebase acquisition provided in January 2016 is affirmed.

Department Stores

Target

Full-year ended 30 June ($m)	2016	2015	Variance %
Revenue	**3,456**	**3,438**	***0.5***
EBITDA[a]	(105)	176	*n.m.*
Depreciation and amortisation	(90)	(86)	*(4.7)*
EBIT[a]	(195)	90	*n.m.*
EBIT excluding significant items[a,b]	**(50)**	**90**	***n.m.***
EBIT margin excluding significant items[a,b] (%)	(1.4)	2.6	
RoC (R12, %)	(8.2)	3.6	
Safety (R12, LTIFR)	4.3	4.7	
Total store sales growth[c] (%)	0.2	(1.8)	
Comparable store sales growth[c] (%)	(0.4)	(1.0)	

[a] 2016 excludes a pre-tax non-cash impairment of $1,266 million.
[b] 2016 excludes $145 million of restructuring costs and provisions.
[c] See footnotes within Appendix One for relevant retail calendars.

Performance review

Target's revenue increased 0.5 per cent to $3.5 billion for the year, with an operating loss of $195 million reported. This result included restructuring costs and provisions of $145 million incurred in the second half of the 2016 financial year to significantly reset the business, including initiatives to restructure and relocate the store support centre, streamline the supply chain and reduce inventory. On an underlying basis, the business recorded a loss of $50 million due to high levels of stock clearance and the effect of a lower Australian dollar.

A pre-tax non-cash impairment of $1,266 million was recorded in the carrying value of Target, with $1,208 million recorded as a writedown of Target's share of goodwill arising on the acquisition of the Coles Group. The impairment charge reflected the short-term outlook for the business as well as changes in its strategic plans.

Target's total store sales increased 0.2 per cent for the year[4], with comparable sales declining 0.4 per cent. For the fourth quarter[4], total store sales decreased 4.9 per cent, with comparable sales declining 6.3 per cent. Fourth quarter performance was driven by clearance of slow-moving and deleted products, the impact of a warmer start to winter across much of Australia, and underlying trading weakness across home and entertainment categories. Adjusting for the earlier timing of Easter in the 2016 financial year, comparable sales decreased 5.1 per cent for the quarter[4].

Following the creation of the Department Stores division in February 2016, decisive steps were taken to reduce Target's cost base and reset inventory in line with a revised strategic plan. Restructuring activity included 257 largely voluntary redundancies and exit from a further eight surplus multi-offsite facilities. Planning is also underway to relocate Target's store support centre to a modern and more suitable facility. Good progress was made in reducing inventory through accelerated range rationalisation, with a 32 per cent reduction in the number of SKUs in the fourth quarter, and a reduction in inventory cover to approximately 15 weeks from approximately 20 weeks in March 2016, although more work remains to be done.

Target opened six stores during the year, including two replacement stores, and closed five stores. There were 306 Target stores at the end of the year.

Outlook

The 2017 financial year will be a transitional year for Target, with a focus on embedding the revised strategy, accelerating the conversion to EDLP, exiting unprofitable ranges, removing the Toy Sale, prioritising volume/everyday lines, further reducing inventory levels and improving the quality of ranges. These priorities will be supported by increased levels of direct sourcing, improved merchandise disciplines and planning systems, and operational simplification. A strong focus on capital efficiency is expected to moderate capital expenditure, including a reset of the renewal format, and improve working capital management to support increased cash flow generation. In addition, two Target stores will be rebadged to Kmart during the first half of the 2017 financial year.

[4] See footnotes within Appendix One for relevant retail calendars.

Kmart

Full-year ended 30 June ($m)	2016	2015	Variance %
Revenue	**5,190**	**4,553**	***14.0***
EBITDA	571	521	*9.6*
Depreciation and amortisation	(101)	(89)	*(13.5)*
EBIT	**470**	**432**	***8.8***
EBIT margin (%)	9.1	9.5	
RoC (R12, %)	37.7	32.9	
Safety (R12, LTIFR)	6.7	7.0	
Total store sales growth[a] (%)	13.5	8.2	
Comparable store sales growth[a] (%)	10.5	4.6	

[a] See footnotes within Appendix One for relevant retail calendars.

Performance review

Kmart delivered revenue of $5.2 billion for the year, up 14.0 per cent on the prior year, with EBIT growing 8.8 per cent to $470 million.

Total store sales increased 13.5 per cent for the year[5], with comparable store sales increasing 10.5 per cent. Sales growth was delivered through growth in customer transactions and units sold, driven by a continued focus on providing Australian and New Zealand families with the lowest prices on everyday items. All categories achieved sales growth, driven by core ranges in home, apparel and kids general merchandise.

In the fourth quarter[5], sales increased 12.3 per cent to $1.3 billion, with comparable store sales increasing 9.6 per cent. These results were supported by continued growth of everyday items and winter clearance sales. Adjusting for the earlier timing of Easter in financial year 2016, comparable stores sales increased 11.8 per cent for the quarter[5].

Kmart delivered another year of solid growth in earnings through ongoing enhancements of its range architecture, as well as end-to-end productivity improvements to reduce costs of doing business. The growth in earnings, combined with a continued focus on working capital management, resulted in an improvement of 479 basis points in return on capital to 37.7 per cent.

Kmart continued to invest in its store network, opening six new stores and completing 37 store refurbishments during the year. There were 209 Kmart stores as at 30 June 2016.

Kmart Tyre & Auto Service ended the financial year with 248 service centres, after opening four new centres and closing two.

Outlook

Kmart will continue to focus on delivering the lowest prices on everyday items for Australian and New Zealand families. The business remains committed to improving its range architecture, driving end-to-end productivity and maintaining a high performance culture.

Kmart will continue to invest in its store network, with plans to open 11 new stores, including a rebadge of two existing Target stores to Kmart, and complete 33 store refurbishments, in the 2017 financial year.

[5] See footnotes within Appendix One for relevant retail calendars.

Officeworks

Full-year ended 30 June ($m)	2016	2015	Variance %
Revenue	**1,851**	**1,714**	***8.0***
EBITDA	156	139	*12.2*
Depreciation and amortisation	(22)	(21)	*(4.8)*
EBIT	**134**	**118**	***13.6***
EBIT margin (%)	7.2	6.9	
RoC (R12, %)	13.5	11.4	
Safety (R12, AIFR)	15.9	19.2	
Total sales growth[a] (%)	8.1	8.8	

[a] See footnotes within Appendix One for relevant retail calendars.

Performance review

Officeworks' revenue increased 8.0 per cent to $1,851 million. Earnings of $134 million were 13.6 per cent higher than the prior corresponding period.

Customers continued to respond favourably to Officeworks' 'every channel' strategy, with sales growth achieved across stores and online. Strong sales momentum continued during the fourth quarter[6], with sales increasing 8.9 per cent on the prior corresponding period, resulting in sales growth of 8.1 per cent for the full-year[6].

Growth in sales and earnings was driven by new and expanded merchandise categories, ongoing price investments to strengthen the value proposition, and improved service levels, both in stores and online.

Store layout and design changes, along with ongoing enhancements to the online offer, supported an improved customer experience. Strong momentum in the business-to-business segment was also maintained.

Strong sales growth, effective cost control and disciplined capital management delivered an increase in return on capital of 207 basis points to 13.5 per cent.

Ongoing investment in stores and online to support the future growth of the business was further reflected in a strong capital expenditure program during the year, which represented Officeworks' largest capital deployment since the 2009 financial year.

Six new stores were opened during the year, and at the end of June 2016 there were 159 stores operating across Australia.

Outlook

Officeworks will continue to drive growth and productivity by executing its strategic agenda, the central focus of which is to provide customers with a unique one-stop shop experience in 'every channel' – anywhere, anyhow, anytime.

Key focus areas in the 2017 financial year will include strengthening and expanding the customer offer, enhancing the physical and digital offers, delivering great customer service through an engaged team, and providing the best value. The market is expected to remain competitive, requiring a continued focus on cost and margin management.

[6] See footnotes within Appendix One for relevant retail calendars.

Industrials

Chemicals, Energy and Fertilisers

Full-year ended 30 June ($m)	2016	2015	Variance %
Revenue			
Chemicals	910	840	*8.3*
Energy [a,b]	325	435	*(25.3)*
Fertilisers	585	564	*3.7*
Total	**1,820**	**1,839**	***(1.0)***
EBITDA	400	345	*15.9*
Depreciation and amortisation	(106)	(112)	*5.4*
EBIT	**294**	**233**	***26.2***
EBIT excluding restructuring costs [c,d]	**326**	**223**	***46.2***
External sales volume [e] ('000 tonnes)			
Chemicals	1,021	912	*12.0*
LPG	120	185	*(35.1)*
Fertilisers	1,080	1,036	*4.2*
RoC (R12, %)	18.9	15.2	
Safety (R12, LTIFR)	2.6	1.6	

[a] Includes interest revenue from Quadrant Energy loan notes and excludes intra-division sales.
[b] 2015 includes revenue from Kleenheat east coast LPG operations prior to sale on 20 February 2015.
[c] 2016 excludes $32 million of one-off restructuring costs associated with the decision to cease PVC manufacturing.
[d] 2015 excludes 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.
[e] External sales exclude AN volumes transferred between chemicals and fertilisers business segments.

Performance review

Revenue of $1.8 billion was one per cent below last year, with higher volumes in fertilisers and chemicals offset by lower sales in the LPG business following the sale of its east coast LPG operations in financial year 2015, and a significant decline in international benchmark pricing for LPG.

Earnings of $294 million were 26.2 per cent higher than last year, including $32 million in closure costs associated with the cessation of PVC manufacturing during the period. Excluding these costs, as well as one-off items from the prior year, earnings on an underlying basis increased 46.2 per cent to $326 million, with earnings growth achieved across all businesses. Earnings for the year included a contribution from Wesfarmers' 13.7 per cent interest in Quadrant Energy from 1 July 2015.

Disappointingly, safety performance declined during the year, with an increase in lost time and total recordable injury frequency rates. Focus remained on reducing risk throughout the operations and ongoing safety improvements.

Chemicals

The ammonium nitrate business recorded a strong increase in earnings during the year, with all three plants operating at full capacity. The business also benefited from lower ammonia input pricing which is largely passed through to customers with a time lag. Sales volumes into the Western Australian resources market, the export market and the fertiliser market all increased.

Earnings from the ammonia business increased slightly, despite a planned major shutdown in the second half of the 2016 financial year. QNP and sodium cyanide earnings also increased, with the latter being due to higher sales volumes and Australian dollar pricing, as well as lower raw material costs.

Australian Vinyls' earnings, excluding one-off closure costs of $32 million, increased largely due to the cessation of PVC manufacturing during the second half of the financial year.

Energy

Kleenheat's earnings increased significantly as a result of improved terms for gas feedstock and growth in natural gas retailing. This was despite a decline in the Saudi CP, the international benchmark pricing indicator for LPG. LPG sales volumes were lower than the previous year, largely due to the sale of the east coast LPG operations, which was partially offset by an increase in exports. Kleenheat's natural gas retailing business continued to build its market position in Western Australia and had grown its customer base to 90,000 residential customers and 1,700 business customers at financial year-end.

Fertilisers

Fertiliser earnings were strong, benefitting from another above-average harvest and good rainfall for the opening of the new season across most of the grain-growing regions in Western Australia.

Outlook

Chemicals, Energy and Fertilisers will continue to focus on maintaining strong operational performance. Earnings remain subject to international commodity pricing, exchange rates, competitive factors and seasonal outcomes. In particular, prevailing global ammonia and Saudi CP prices are lower (in Australian dollar terms) than they were at this time last year.

Earnings in Chemicals will be largely supported by contracted volumes and pricing, and a continuation of current production in the ammonium nitrate, ammonia, sodium cyanide and QNP businesses.

Kleenheat's earnings remain dependent upon international LPG prices and LPG content in the Dampier to Bunbury natural gas pipeline.

Fertiliser earnings can be volatile and the business will be cycling very strong earnings delivered in the 2016 financial year due to favourable seasonal conditions.

Industrial and Safety

Full-year ended 30 June ($m)	2016	2015	Variance %
Revenue	**1,844**	**1,772**	***4.1***
EBITDA	105	108	*(2.8)*
Depreciation and amortisation	(42)	(38)	*(10.5)*
EBIT	**63**	**70**	***(10.0)***
EBIT excluding restructuring costs[a]	**98**	**90**	***8.9***
EBIT margin excluding restructuring costs[a] (%)	5.3	5.1	
RoC (R12, %)	4.7	5.5	
Safety (R12, LTIFR)	1.5	2.2	

[a] 2016 excludes $35 million of restructuring costs associated with the 'Fit for Growth' transformation. 2015 excludes $20 million of restructuring costs.

Performance review

Revenue increased 4.1 per cent to $1.8 billion largely due to the full-year contribution from Workwear Group, which was acquired in December 2014. Reported EBIT of $63 million included $35 million of one-off restructuring costs and represented a 10.0 per cent decline on last year. Excluding restructuring costs, underlying EBIT increased 8.9 per cent to $98 million.

Challenging market conditions continued in the resources sector, negatively affecting sales and gross margins during the year, particularly in Blackwoods and Workwear Group's industrial wear business. These impacts were partially offset by growth in Workwear Group's corporate wear business and Coregas. Growth in Coregas was driven by the development of new distribution channels, including through the Blackwoods platform, and the roll-out of the 'Trade n Go' offering.

The 'Fit for Growth' program was introduced in the 2016 financial year to simplify the business and reduce costs. This program is largely complete, with the appointment of new senior leadership teams in Blackwoods and Workwear Group, and the merger of 17 branches and four distribution centres in Australia, and seven branches in New Zealand. Regional sales and merchandising functions were consolidated to create national capabilities, and the number of full-time equivalent employees was reduced by more than 700.

The 'Fit for Growth' program has delivered annualised cost savings of approximately $35 million, with approximately $20 million realised in the 2016 financial year. Cost savings will be partially reinvested in building capabilities in the 2017 financial year.

Outlook

Market conditions in the mining and resources sector are expected to remain challenging in the near-term. The cost savings and simplifications achieved through the 'Fit for Growth' program will mitigate these competitive pressures and provide a platform for growth across different market sectors.

Industrial and Safety will continue to implement the new Blackwoods platform in both Australia and New Zealand, and reinvest in capability and performance improvements across sales and service, merchandising, digital and supply chain.

The focus in the Workwear Group will shift from integration to turnaround, and Coregas will continue to grow through further development of its new distribution channels.

Resources

Full-year ended 30 June ($m)	2016	2015	Variance %
Revenue	**1,008**	**1,374**	***(26.6)***
Royalties[a]	(143)	(167)	*14.4*
Mining and other costs	(1,029)	(992)	*(3.7)*
EBITDA[b]	(164)	215	*n.m.*
Depreciation and amortisation	(146)	(165)	*11.5*
EBIT[b]	**(310)**	**50**	***n.m.***
RoC (R12, %)	(22.9)	3.4	
Coal production ('000 tonnes)	13,963	15,557	*(10.2)*
Safety[c] (R12, LTIFR)	0.0	0.3	

[a] Includes Stanwell rebate expense for 2016 of $65 million and for 2015 of $67 million.
[b] 2016 excludes a pre-tax non-cash impairment of $850 million in Curragh.
[c] Excluding Bengalla.

Performance review

Revenue of $1.0 billion was 26.6 per cent below the prior year, primarily due to a continued decline in export metallurgical and steaming coal prices, with the benefits of a lower Australian dollar more than offset by currency hedging losses, and a 13.0 per cent decline in metallurgical export coal sales volumes.

The business reported an operating loss of $310 million, compared to earnings of $50 million in the prior year, primarily due to significantly lower export sales revenue and realised currency hedge losses of $147 million. During the period, the business recorded a non-cash impairment charge of $850 million (pre-tax) in the carrying value of Curragh.

Curragh (Queensland)

In the current challenging market environment, Curragh continues to be negatively affected by its obligations to the Stanwell Corporation. For the 2016 financial year, this represented a cost of $148 million, comprising $65 million of export rebates and $83 million related to contracted domestic coal that is supplied at below cost prices.

Metallurgical coal production of 7.3 million tonnes was 19.3 per cent below last year, as a result of significant wet weather events that disrupted operations in the second half of the financial year. Steaming coal production of 3.3 million tonnes was 2.4 per cent higher than the prior year. Despite the lower production, unit mine cash costs were 3.4 per cent lower than the prior year. Cost control continued to be a major focus and an expert panel review was commissioned in the third quarter of the 2016 financial year. The review identified a number of opportunities which are expected to deliver savings from the second half of the 2017 financial year.

Metallurgical coal sales volumes of 7.5 million tonnes were 13.0 per cent below the prior corresponding period due to lower production volumes. Steaming coal sales volumes of 3.4 million tonnes were 5.7 per cent up due to higher contracted deliveries to the Stanwell Power Station.

Good progress was made to extend Curragh's mine life through the development of the MDL162 area, adjacent to the existing Curragh and Curragh North mining leases, with mining leases granted during the year. The process to gain Commonwealth approval is ongoing.

Bengalla (New South Wales)

Sales volumes from the Bengalla mine, in which Wesfarmers holds a 40 per cent interest, were up 0.9 per cent on the prior corresponding period with production volumes up 2.4 per cent. Unit mine cash costs increased 5.4 per cent from the prior year, primarily due to mine sequencing.

Outlook

With seaborne metallurgical coal markets remaining in oversupply, conditions are expected to remain challenging for the 2017 financial year, with earnings dependent upon export coal prices and exchange rates. The focus will remain on improving operational productivity, cost control and capital discipline.

Curragh's metallurgical coal sales volume is forecast to be in the range of approximately 8.0 to 8.5 million tonnes for the 2017 financial year, subject to mine operating performance, weather and key infrastructure availability.

Following the decision to cease foreign exchange hedging, hedge losses of $92 million have been locked in for the 2017 financial year. The obligations to Stanwell Corporation will continue to adversely impact earnings through export rebates of $45 million to $55 million. Wesfarmers will continue to review strategic options for the Resources business.

Other

Full-year ended 30 June ($m)	Holding %	2016	2015	Variance %
Share of profit of associates				
BWP Trust	25	77	52	*48.1*
Other	Various	5	13	*(61.5)*
Sub-total share of profit of associates		**82**	**65**	***26.2***
Interest revenue[a]		5	27	*(81.5)*
Other		(31)	(73)	*57.5*
Corporate overheads		(124)	(124)	-
Total Other (excluding NTIs)		**(68)**	**(105)**	***35.2***
NTIs[b]		(2,116)	-	*n.m.*
Total Other (including NTIs)		**(2,184)**	**(105)**	***n.m.***

[a] Excludes interest revenue from Coles Financial Services and Quadrant Energy loan.

[b] Includes pre-tax non-cash impairments of $2,116 million relating to Target ($1,266 million) and Curragh ($850 million).

Performance review

Other businesses and corporate overheads, excluding NTIs, reported an expense of $68 million, compared to an expense of $105 million in the previous corresponding period.

Earnings from the Group's share of profit from associates were $82 million, compared to $65 million in the prior year. The growth in earnings was driven by property revaluations in BWP Trust, primarily as a result of lower average capitalisation rates.

Interest revenue decreased to $5 million from $27 million last year, due to a lower average cash balance, with the prior year benefitting from the proceeds from the sale of the Insurance division prior to the capital management undertaken by the Group. Corporate overheads of $124 million were in line with the prior year.

NTIs of $2,116 million were recorded in the 2016 financial year, comprising a non-cash impairment in the carrying value of Target of $1,266 million, of which $1,208 million related to goodwill, and $850 million of non-cash asset impairments in Curragh, mainly reflecting continued deterioration in export coal price forecasts and long-term exchange rates.

CASH FLOW, FINANCING AND DIVIDENDS

Full-year ended 30 June ($m)	2016	2015	Variance %
Cash flow			
Operating cash flows	3,365	3,791	*(11.2)*
Gross capital expenditure	1,899	2,239	*(15.2)*
Net capital expenditure	1,336	1,552	*(13.9)*
Free cash flow	1,233	1,893	*(34.9)*
Cash realisation ratio[a] (%)	94.9	103.6	
Balance sheet and credit metrics			
Net financial debt[b]	6,537	5,515	*18.5*
Finance costs	308	315	*(2.2)*
Effective cost of debt (%)	4.50	5.45	
Interest cover[a] (cash basis) (R12, times)	16.8	20.5	*(18.0)*
Fixed charges cover[a] (R12, times)	2.7	3.0	*(10.0)*
Net debt to equity (%)	30.9	25.1	
Dividends per share (cents per share)			
Full-year ordinary dividend	186	200	*(7.0)*
Capital management distribution paid	-	100	*(100.0)*

[a] 2016 excludes the following pre-tax (post-tax) amounts: $1,266 million ($1,249 million) non-cash impairment of Target and $850 million ($595 million) non-cash impairment of Curragh.

[b] Interest bearing liabilities less cash at bank and on deposit, net of cross currency interest rate swaps and interest rate swap contracts.

Cash flow

Operating cash flows of $3,365 million were $426 million or 11.2 per cent below the prior year. Lower operating cash flows mainly reflected higher working capital investments across the retail portfolio, including previously announced initiatives to improve stock availability in Homebase and investments made to support sales growth across the retail businesses, as well as the impact of a lower Australian dollar. In the Industrials division, inventory drawdowns due to lower coal production in Resources, as well as the timing of ammonia and fertiliser shipments and the conversion from manufacturing to a PVC import model in WesCEF, contributed to cash inflows.

Gross capital expenditure of $1,899 million was $340 million or 15.2 per cent lower than last year, as a result lower expenditure on new store openings in Bunnings and Coles. Strict capital disciplines were maintained during the year, with growth and refurbishment of retail store networks a key driver of capital expenditure. Coles and Bunnings combined accounted for 70 per cent of total expenditure, with these businesses delivering a return on capital, excluding goodwill, of 30.0 per cent and 48.6 per cent respectively for the year.

Net capital expenditure of $1,336 million was $216 million or 13.9 per cent lower than the prior year. Proceeds from disposals of $563 million were $124 million below last year due to fewer retail property sales, and the sale of Kleenheat's east coast LPG assets in the prior year.

Free cash flows of $1,233 million were $660 million or 34.9 per cent below last year, largely reflecting the $665 million acquisition of Homebase. Cash realisation (excluding NTIs) of 94.9 per cent was lower than last year due to investments made in working capital. Excluding inventory investments made in Homebase, cash realisation was 99.7 per cent for the year.

Financing

Net financial debt at the end of the period, comprising interest bearing liabilities net of cross currency interest rate swaps and cash at bank and on deposit, was $6,537 million, $1,022 million above the net financial debt position at 30 June 2015. The Group's debt levels increased during the year, largely due to the acquisition of Homebase and investments made in retail working capital.

In February 2016, the Group established £515 million of three-year bank facilities and £115 million of one-year bank facilities (totalling $1,135 million) to fund the Homebase acquisition and provide working capital to the business.

In July 2015, the Group repaid €500 million ($756 million) of Euro medium term notes, and in May 2016 repaid US 144A bonds totalling US$650 million ($604 million), utilising existing facilities and cash balances. These were partially replaced through the establishment of $500 million of new three-year bank facilities. The Group maintains its strategy to diversify sources of debt, pre-fund upcoming maturities and maintain a presence in key markets.

Finance costs decreased 2.2 per cent to $308 million, driven by a 95 basis points reduction in the Group's 'all-in' effective borrowing cost to 4.5 per cent, as a result of active management of debt sources and the benefit of a lower bank bill swap rate.

The Group maintained strong credit ratings during the year. Moody's Investors Services' rating remained unchanged at A3 (stable). Standard and Poor's revised the Group's outlook from 'stable' to 'negative', while retaining the A- rating, due to the short-term impact of the Homebase acquisition on the Group's credit metrics.

Dividends

The Board today declared a fully-franked final ordinary dividend of 95 cents per share, taking the full-year ordinary dividend to 186 cents per share, representing a decline of 7.0 per cent on the 2015 financial year full-year ordinary dividend of 200 cents per share. The reduction is in line with the Group's dividend policy, which considers earnings, cash flows and franking credits. The final dividend will be paid on 5 October 2016 to shareholders on the company's register on 30 August 2016, the record date for the final dividend.

Given the preference of many shareholders to receive dividends in the form of equity, the directors have decided to continue the operation of the Dividend Investment Plan (the 'Plan'). The allocation price for shares issued under the Plan will be calculated as the average of the daily volume weighted average price of Wesfarmers shares on each of the 15 consecutive trading days from and including the third trading day after the record date, being 2 September 2016 to 22 September 2016.

The last date for receipt of applications to participate in, or to cease or vary participation in the Plan, is 31 August 2016. No discount will apply to the allocation price and the Plan will not be underwritten. Shares to be allocated under the Plan will be transferred to participants on 5 October 2016.

APPENDIX ONE

2016 FOURTH QUARTER AND FULL-YEAR RETAIL SALES RESULTS

HEADLINE RETAIL SALES RESULTS

Full-year Sales ($m)	**2016**	**2015**	**Variance %**
Food & Liquor[1,2]	31,978	30,430	*5.1*
Convenience[1,3]	6,631	7,386	*(10.2)*
Total Coles	**38,609**	**37,816**	***2.1***
Bunnings Australia & New Zealand	10,568	9,523	*11.0*
Bunnings UK & Ireland[4]	986	-	*n.m.*
Home Improvement[5,6,7]	**11,554**	**9,523**	***21.3***
Target[8]	3,439	3,432	*0.2*
Kmart[1]	5,154	4,540	*13.5*
Total Department Stores	**8,593**	**7,972**	***7.8***
Officeworks[5]	**1,850**	**1,712**	***8.1***

Fourth Quarter Sales ($m)	**2016**	**2015**	**Variance %**
Food & Liquor[2,9]	7,803	7,536	*3.5*
Convenience[3,9]	1,517	1,797	*(15.6)*
Total Coles	**9,320**	**9,333**	***(0.1)***
Bunnings Australia & New Zealand	2,478	2,230	*11.1*
Bunnings UK & Ireland[4]	747	-	*n.m.*
Home Improvement[6,10]	**3,225**	**2,230**	***44.6***
Target[11]	753	792	*(4.9)*
Kmart[9]	1,250	1,113	*12.3*
Total Department Stores	**2,003**	**1,905**	***5.1***
Officeworks[10]	**463**	**425**	***8.9***

[1] Financial Year 2016 for the 52 week period 29 June 2015 to 26 June 2016 and Financial Year 2015 for the 52 week period 30 June 2014 to 28 June 2015.

[2] Includes hotels, excludes gaming revenue and property.

[3] Includes fuel sales.

[4] £512 million for period 28 February 2016 to 30 June 2016 and £386 million for the three month period 1 April 2016 to 30 June 2016.

[5] Financial Year 2016 and Financial Year 2015 for the 12 month period 1 July to 30 June.

[6] Includes cash and trade sales, excludes property income.

[7] Includes Homebase from 28 February 2016.

[8] Financial Year 2016 for the 52 week period 28 June 2015 to 25 June 2016 and Financial Year 2015 for the 52 week period 29 June 2014 to 27 June 2015.

[9] Financial Year 2016 for the 13 week period 28 March 2016 to 26 June 2016 and Financial Year 2015 for the 13 week period 30 March 2015 to 28 June 2015.

[10] Financial Year 2016 and Financial Year 2015 for the three month period 1 April to 30 June.

[11] Financial Year 2016 for the 13 week period 27 March 2016 to 25 June 2016 and Financial Year 2015 for the 13 week period 29 March 2015 to 27 June 2015.

APPENDIX TWO

2016 FOURTH QUARTER AND FULL-YEAR RETAIL SALES RESULTS

KEY METRICS

Key Metrics (%)	Fourth Quarter 2016[1]	Full-year 2016[2]
COLES		
Food & Liquor[3]		
Comparable store sales growth (Food)[4]	2.9	4.3
Comparable store sales growth (Food & Liquor)[4]	2.8	4.1
Price inflation/(deflation)	(2.4)	(1.7)
Convenience		
Total fuel volume growth	(10.3)	(4.4)
Comparable fuel volume growth	(14.2)	(7.9)
Total convenience store sales growth (excl. fuel sales)	8.5	11.1
Comparable convenience store sales growth (excl. fuel sales)	3.8	6.9
HOME IMPROVEMENT[5]		
Total store sales growth	11.2	11.1
Store-on-store sales growth	8.3	8.1
DEPARTMENT STORES		
Target		
Comparable store sales growth[6,7]	(6.3)	(0.4)
Kmart		
Comparable store sales growth[6,7]	9.6	10.5
OFFICEWORKS		
Total sales growth	8.9	8.1

[1] 2016 growth for Coles and Kmart reflects the 13 week period 28 March 2016 to 26 June 2016 and the 13 week period 30 March 2015 to 28 June 2015; for Home Improvement and Officeworks represents the three month period 1 April 2016 to 30 June 2016 and 1 April 2015 to 30 June 2015; and for Target represents the 13 week period 27 March 2016 to 25 June 2016 and the 13 week period 29 March 2015 to 27 June 2015.

[2] 2016 growth for Coles and Kmart reflects the 52 week period 29 June 2015 to 26 June 2016 and the 52 week period 30 June 2014 to 28 June 2015; for Home Improvement and Officeworks represents the 12 month period 1 July 2015 to 30 June 2016 and 1 July 2014 to 30 June 2015; and for Target represents the 52 week period 28 June 2015 to 25 June 2016 and the 52 week period 29 June 2014 to 27 June 2015.

[3] Includes hotels, excludes gaming revenue and property.

[4] After adjusting for the earlier timing of Easter in the 2016 financial year, comparable food and liquor store sales and comparable food store sales for the fourth quarter 2016 increased 3.3 per cent and 3.2 per cent respectively.

[5] Includes cash and trade sales, excludes property income. Includes Bunnings Australia and New Zealand only.

[6] Comparable store sales include lay-by sales. Lay-by sales are excluded from total sales under Australian Accounting Standards.

[7] After adjusting for the earlier timing of Easter in the 2016 financial year, comparable store sales for the fourth quarter 2016 decreased 5.1 per cent at Target and increased 11.8 per cent at Kmart.

APPENDIX THREE

RETAIL OPERATIONS – STORE NETWORK

	Open at 1 Jul 2015	Opened	Closed	Re-branded	Open at 30 Jun 2016
COLES					
Supermarkets					
Coles	771	15	(5)	5	786
Bi-Lo	5	-	(4)	-	1
Total Supermarkets	776	15	(9)	5	787
Liquor					
1st Choice	100	2	(5)	-	97
Vintage Cellars	79	3	(1)	-	81
Liquorland	679	32	(24)	-	687
Hotels	90	-	(1)	-	89
Total Liquor	948	37	(31)	-	954
Convenience	662	31	(3)	-	690
Selling Area (m^2)					
Supermarkets	1,749,840	n.a.	n.a.	n.a.	1,789,290
Liquor (excluding hotels)	209,490	n.a.	n.a.	n.a.	208,233
HOME IMPROVEMENT					
Bunnings Warehouse	236	14	(6)	-	244
Bunnings smaller formats	65	7	(2)	-	70
Bunnings Trade Centres	33	1	(1)	-	33
Bunnings UK & Ireland	n.a.	-	(5)	-	260
DEPARTMENT STORES					
Target					
Large	183	6	(3)	-	186
Small	122	-	(2)	-	120
Kmart					
Kmart	203	6	-	-	209
Kmart Tyre & Auto	246	4	(2)	-	248
OFFICEWORKS					
Officeworks	156	6	(3)	-	159

APPENDIX FOUR

FIVE-YEAR HISTORY – FINANCIAL PERFORMANCE AND KEY METRICS

GROUP FINANCIAL PERFORMANCE

Full-year ended 30 June ($m)[1]	2016	2015	2014	2013	2012
Summarised income statement					
Revenue	65,981	62,447	62,348	59,832	58,080
EBITDA	2,642	4,978	5,273	4,729	4,544
Depreciation and amortisation	(1,296)	(1,219)	(1,123)	(1,071)	(995)
EBIT	1,346	3,759	4,150	3,658	3,549
Finance costs	(308)	(315)	(363)	(432)	(505)
Income tax expense	(631)	(1,004)	(1,098)	(965)	(918)
NPAT	407	2,440	2,689	2,261	2,126
Profit from continuing operations[2] excl. NTIs[3]	2,251	2,440	2,253	2,128	n.a.
Profit/(losses) from discontinued ops.[2] and NTIs[3]	(1,844)	-	436	133	n.a.
Summarised balance sheet					
Total assets	40,783	40,402	39,727	43,155	42,312
Total liabilities	17,834	15,621	13,740	17,133	16,685
Net assets	22,949	24,781	25,987	26,022	25,627
Net debt	7,103	6,209	3,401	5,259	4,904
Summarised cash flow statement					
Operating cash flows	3,365	3,791	3,226	3,931	3,641
Add/(less): Net capital expenditure	(1,336)	(1,552)	(1,216)	(1,672)	(2,351)
Add/(less): Other investing cash flows	(796)	(346)	2,168	(88)	182
Add/(less): Total investing cash flows	(2,132)	(1,898)	952	(1,760)	(2,169)
Free cash flow	1,233	1,893	4,178	2,171	1,472
Add/(less): Financing cash flows	(1,333)	(3,249)	(3,444)	(1,965)	(1,242)
Net increase/(decrease) in cash	(100)	(1,356)	734	206	230
Distributions to shareholders (cents per share)					
Interim ordinary dividend	91	89	85	77	70
Final ordinary dividend	95	111	105	103	95
Full-year ordinary dividend	186	200	190	180	165
Special dividend	-	-	10	-	-
Capital management (paid)	-	100	50	-	-
Key performance metrics					
Earnings per share (cents per share)	36.2	216.1	234.6	195.9	184.2
Earnings per share from continuing operations[2] excl. significant items and NTIs[4] (cents per share)	209.5	216.1	196.6	195.9	n.a.
Operating cash flow per share[5] (cents per share)	299.2	335.1	281.0	339.7	314.6
Cash realisation ratio[6] (%)	95	104	92	118	117
Return on equity (R12, %)	1.7	9.8	10.5	8.9	8.4
Return on equity (R12, %) (continuing ops.[2] excl. significant items and NTIs[4])	9.6	9.8	9.4	8.2	n.a.
Net tangible asset backing per share ($ per share)	3.45	4.85	6.14	4.69	4.45
Interest cover (cash basis)[7] (R12, times)	16.8	20.5	15.9	12.2	10.8
Fixed charges cover[7] (R12, times)	2.7	3.0	3.2	3.0	2.9

[1] All figures are presented as last reported.

[2] 2014 and 2013 income statement balances have been restated for the classification of the Insurance division as a discontinued operation.

[3] 2016 NTIs include non-cash impairments of $1,844 million relating to Target and Curragh. 2014 NTIs include the impairment of Target's goodwill, Coles Liquor restructuring provision and the gains on the sales of the Insurance division and ALWA totalling $291 million.

[4] 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.

[5] For the purposes of this calculation, reserved shares have been included in the weighted average number of ordinary shares.

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

[7] 2016 excludes pre-tax non-cash impairments of $2,116 million relating to Target and Curragh.

DIVISIONAL KEY PERFORMANCE METRICS

Full-year ended 30 June ($m)[1]	2016	2015	2014	2013	2012
COLES					
Divisional performance					
Revenue	39,242	38,201	37,391	35,780	34,117
EBITDA[2]	2,475	2,347	2,157	1,987	1,785
Depreciation and amortisation	(615)	(564)	(485)	(454)	(429)
EBIT[2]	1,860	1,783	1,672	1,533	1,356
EBIT margin[2] (%)	4.7	4.7	4.5	4.3	4.0
ROC (R12, %)	11.2	11.0	10.3	9.5	8.7
Capital expenditure (cash basis)	797	941	1,016	1,187	1,193
Food & Liquor					
Revenue[3]	32,564	30,784	29,220	27,933	26,561
Headline sales growth[4,5] (%)	5.1	5.3	4.7	5.5	4.6
Comparable store sales growth[4,5] (%)	4.1	3.9	3.7	4.3	3.7
Convenience					
Revenue	6,678	7,417	8,171	7,847	7,556
Total sales growth[4,6] (%)	(10.2)	(9.2)	4.1	4.0	11.5
Total fuel volume growth[4] (%)	(4.4)	(1.3)	(3.5)	5.4	3.5
Comparable fuel volume growth[4] (%)	(7.9)	(3.7)	(3.9)	2.3	2.8
Total convenience store sales growth[4] (%)	11.1	9.8	6.0	1.5	0.2
Comparable convenience store sales growth[4] (%)	6.9	6.8	5.5	(0.8)	(1.5)
HOME IMPROVEMENT					
Revenue[7]	11,571	9,534	8,546	7,661	7,162
EBITDA[7,8]	1,383	1,228	1,106	1,028	957
Depreciation and amortisation[7]	(169)	(140)	(127)	(124)	(116)
EBIT[7,8]	1,214	1,088	979	904	841
EBIT margin[7,8] (%)	10.5	11.4	11.5	11.8	11.7
ROC[7] (R12, %)	33.7	33.5	29.3	25.9	25.9
Total sales growth[9] (%)	11.0	11.5	11.6	7.0	5.6
Total store sales growth[9] (%)	11.1	11.4	11.7	7.2	5.9
Store-on-store sales growth[9] (%)	8.1	8.8	8.4	4.4	3.9

[1] All figures are presented as last reported.

[2] 2014 excludes $94 million provision relating to restructuring activities within the Coles Liquor business (reported as a NTI).

[3] Includes property.

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

[5] Includes hotels, excludes gaming revenue and property.

[6] Includes fuel sales.

[7] 2016 includes Homebase from 28 February 2016.

[8] Includes net property contribution for 2016 of $46 million; 2015 of $40 million; 2014 of $13 million; 2013 of $8 million; 2012 of $9 million.

[9] Includes Bunnings Australia and New Zealand only.

DIVISIONAL KEY PERFORMANCE METRICS (CONTINUED)

Full-year ended 30 June ($m)[1]	2016	2015	2014	2013	2012
DEPARTMENT STORES DIVISION					
Divisional performance					
Revenue	8,646	7,991	7,710	7,825	7,793
EBITDA[2]	466	697	615	631	649
Depreciation and amortisation	(191)	(175)	(163)	(151)	(137)
EBIT[2]	275	522	452	480	512
Capital expenditure (cash basis)	292	296	240	176	199
Target					
Revenue	3,456	3,438	3,501	3,658	3,738
EBITDA[2]	(105)	176	167	216	317
Depreciation and amortisation	(90)	(86)	(81)	(80)	(73)
EBIT[2]	(195)	90	86	136	244
EBIT margin[2] (%)	(5.6)	2.6	2.5	3.7	6.5
ROC (R12, %)	(8.2)	3.6	2.9	4.6	8.4
Capital expenditure (cash basis)	129	127	78	81	65
Total store sales growth[3] (%)	0.2	(1.8)	(4.2)	(1.7)	(1.8)
Comparable store sales growth[3] (%)	(0.4)	(1.0)	(5.3)	(3.3)	(2.1)
Kmart					
Revenue	5,190	4,553	4,209	4,167	4,055
EBITDA	571	521	448	415	332
Depreciation and amortisation	(101)	(89)	(82)	(71)	(64)
EBIT	470	432	366	344	268
EBIT margin (%)	9.1	9.5	8.7	8.3	6.6
ROC (R12, %)	37.7	32.9	26.9	25.9	18.9
Capital expenditure (cash basis)	163	169	162	95	134
Total store sales growth[3] (%)	13.5	8.2	0.9	2.7	0.0
Comparable store sales growth[3] (%)	10.5	4.6	0.5	2.1	0.0
OFFICEWORKS					
Revenue	1,851	1,714	1,575	1,506	1,482
EBITDA	156	139	124	117	108
Depreciation and amortisation	(22)	(21)	(21)	(24)	(23)
EBIT	134	118	103	93	85
EBIT margin (%)	7.2	6.9	6.5	6.2	5.7
ROC (R12, %)	13.5	11.4	9.4	8.1	7.1
Total sales growth (%)	8.1	8.8	4.7	1.6	0.7

[1] All figures are presented as last reported.

[2] Includes $145 million of restructuring costs and provisions, and excludes $1,266 million pre-tax non-cash impairment relating to Target in 2016; excludes $677 million impairment of Target's goodwill (reported as a NTI) in 2014; and includes $40 million restructuring provision in 2012.

[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]	2016	2015	2014	2013	2012
INDUSTRIALS					
Divisional performance					
Revenue	4,672	4,985	4,977	4,991	5,608
EBITDA	341	668	765	839	1,154
Depreciation and amortisation	(294)	(315)	(283)	(277)	(267)
EBIT	47	353	482	562	887
Capital expenditure (cash basis)	228	250	386	391	608
Chemicals, Energy and Fertilisers					
Chemicals revenue	910	840	730	731	698
Energy revenue[2,3]	325	435	592	577	561
Fertilisers revenue	585	564	490	497	527
Total revenue	1,820	1,839	1,812	1,805	1,786
EBITDA[3,4]	400	345	314	348	348
Depreciation and amortisation	(106)	(112)	(93)	(99)	(90)
EBIT[3,4]	294	233	221	249	258
ROC (R12, %)	18.9	15.2	14.4	17.8	20.1
Capital expenditure (cash basis)	60	56	172	262	167
Sales volumes ('000 tonnes)					
Chemicals	1,021	912	807	819	843
LPG[3]	120	185	243	265	283
Fertilisers	1,080	1,036	939	933	941

[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); ALWA prior to December 2013 divestment; and Bangladesh LPG joint venture prior to January 2012 divestment.

[4] Includes $32 million of one-off restructuring costs associated with the decision to cease PVC manufacturing in 2016; 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 in 2015; ALWA earnings prior to December 2013 divestment (excludes $95 million gain on sale, reported as a NTI); and $9 million earnings from HIsmelt air separation unit agreement termination payment in 2012.

DIVISIONAL KEY PERFORMANCE METRICS (CONTINUED)

Full-year ended 30 June ($m)[1]	2016	2015	2014	2013	2012
Industrial and Safety					
Revenue	1,844	1,772	1,621	1,647	1,690
EBITDA[2]	105	108	161	192	217
Depreciation and amortisation	(42)	(38)	(30)	(27)	(27)
EBIT[2]	63	70	131	165	190
EBIT margin[2] (%)	3.4	4.0	8.1	10.0	11.2
ROC (R12, %)	4.7	5.5	11.6	14.7	16.0
Capital expenditure (cash basis)	52	57	51	50	49
Resources					
Revenue	1,008	1,374	1,544	1,539	2,132
Royalties[3]	(143)	(167)	(221)	(262)	(368)
Mining and other costs[4]	(1,029)	(992)	(1,033)	(978)	(1,175)
EBITDA[5]	(164)	215	290	299	589
Depreciation and amortisation	(146)	(165)	(160)	(151)	(150)
EBIT[5]	(310)	50	130	148	439
ROC (R12, %)	(22.9)	3.4	8.9	10.0	29.5
Capital expenditure (cash basis)	116	137	163	79	392
Curragh export metallurgical sales mix (%)					
Hard	34	40	38	40	38
Semi	30	35	31	31	22
PCI	36	25	31	29	40
Mine performance – Curragh (QLD) ('000 tonnes)					
Metallurgical coal production volumes	7,316	9,066	8,810	7,380	7,217
Steaming coal production volumes	3,263	3,187	3,498	3,254	2,884
Metallurgical coal sales volumes[6]	7,488	8,604	8,779	7,212	7,151
Steaming coal sales volumes	3,386	3,202	3,570	3,166	2,946
Mine performance – Bengalla (NSW) ('000 tonnes)					
Steaming coal production volumes[7]	3,384	3,304	3,451	3,096	2,335
Steaming coal sales volumes[7]	3,382	3,351	3,446	3,028	2,356

[1] All figures are presented as last reported.
[2] Includes $35 million of restructuring costs associated with the 'Fit for Growth' transformation in 2016; and $20 million of restructuring costs in 2015.
[3] Includes Stanwell rebate expense for 2016 of $65 million; 2015 of $67 million; 2014 of $102 million; 2013 of $154 million; and 2012 of $219 million.
[4] Includes one-off costs at Curragh of $55 million associated with final flood recovery and mine ramp-up ahead of expansion in 2012.
[5] Excludes $850 million pre-tax non-cash impairment of Curragh in 2016.
[6] Excludes traded coal.
[7] Wesfarmers' attributable volumes.

RETAIL OPERATIONS – STORE NETWORK

Open at 30 June	2016	2015	2014	2013	2012
COLES					
Supermarkets					
Coles	786	771	745	722	710
Bi-Lo	1	5	17	34	39
Total Supermarkets	787	776	762	756	749
Liquor					
1st Choice	97	100	98	92	84
Vintage Cellars	81	79	77	79	80
Liquorland	687	679	656	639	628
Hotels	89	90	90	92	92
Total Liquor	954	948	921	902	884
Convenience	690	662	642	636	627
Selling Area (m^2)					
Supermarkets	1,789,290	1,749,840	1,692,642	1,656,520	1,630,168
Liquor (excluding hotels)	208,233	209,490	205,179	199,178	190,247
HOME IMPROVEMENT					
Bunnings Warehouse	244	236	223	210	206
Bunnings smaller formats	70	65	64	67	58
Bunnings Trade Centres	33	33	33	36	36
Bunnings UK & Ireland	260	-	-	-	-
KMART					
Kmart	209	203	192	190	185
Kmart Tyre & Auto	248	246	243	263	260
TARGET					
Large	186	183	180	178	179
Small	120	122	128	130	122
OFFICEWORKS					
Officeworks	159	156	151	149	139
Harris Technology	-	-	1	1	2