

Half Yearly Report

Name of Entity

WESFARMERS LIMITED

ACN

008 984 049

Half year ended

31 December 1996

For announcement to the market

					\$A'000	
Sales (or equivalent operating) revenue (item 1.1)	up	4.8%	to		1,198,296	
Operating profit (loss) before abnormal items and tax (item 1.4)	up	47.8%	to		90,337	
Abnormal items before tax (item 1.5)					Nil	
Operating profit (loss) after tax but before outside equity interests (item 1.8)	up	49.3%	to		57,728	
Extraordinary items after tax attributable to members (item 1.13)					Nil	
Operating profit (loss) and extraordinary items after tax attributable to members (item 1.16)	up	50.5%	to		* 57,548	
Exploration and evaluation expenditure incurred (item 5.2)					N/A	
Exploration and evaluation expenditure written off (item 5.3)					N/A	
Interim Dividend	Franking rate applicable			39%	36%	33%
Current period	20c			20c		
Previous corresponding period	17c			17c		
Record date for determining entitlements to the dividend, (in the case of a trust distribution) (see item 15.2)				27 March 1997		
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market: Nil						
* Consists of						
Profit before abnormal items and goodwill amortisation	up	53.7%	to		61,042	
Goodwill amortisation					3,494	
Profit before abnormal items	up	50.5%	to		57,548	
(Loss)/profit on abnormal items					-	
					<u>57,548</u>	

Consolidated profit and loss account

(The figures shown are not equity accounted)

	Current Half Year \$A'000	Previous Corresponding Half Year \$A'000
1.1 Sales (or equivalent operating) revenue	1,198,296	1,143,263
1.2 Other revenue	72,659	34,336
1.3 Total Revenue	1,270,955	1,177,599
1.4 Operating profit (loss) before abnormal items and tax	90,337	61,134
1.5 Abnormal items before tax (detail in item 2.1)	-	-
1.6 Operating profit (loss) before tax (items 1.4 + 1.5)	90,337	61,134
1.7 Less tax	32,609	22,470
1.8 Operating profit (loss) after tax but before outside equity interests	57,728	38,664
1.9 Less outside equity interests	180	418
1.10 Operating profit(loss) after tax attributable to members	57,548	38,246
1.11 Extraordinary items after tax (detail in item 2.3)	-	-
1.12 Less outside equity interests	-	-
1.13 Extraordinary items after tax attributable to members	-	-
1.14 Total operating profit (loss) and extraordinary items after tax (items 1.8 + 1.11)	57,728	38,664
1.15 Operating profit (loss) and extraordinary items after tax attributable to outside equity interests (items 1.9 + 1.12)	180	418
1.16 Operating profit (loss) and extraordinary items after tax attributable to members (items 1.10 + 1.13)	57,548	38,246
1.17 Retained profits (accumulated losses) at beginning of financial period	204,651	195,949
1.18 Aggregate of amounts transferred from reserves	-	20
1.19 Total Available for appropriation	262,199	234,215
1.20 Dividends provided for or paid	47,384	38,439
1.21 Aggregate of amount transferred to reserves	-	-
1.22 Retained profits (accumulated losses) at end of financial period	214,815	195,776
* Consists of:		
Profit before abnormal items and goodwill amortisation	61,042	39,721
Goodwill amortisation	3,494	1,475
Profit before abnormal items	57,548	38,246
(Loss)/profit on abnormal items	-	-
	57,548	38,246

Abnormal and extraordinary items

		Consolidated - current half year		
		Before tax \$A'000	Related Tax \$A'000	After Tax \$A'000
2.1	Abnormal items Nil	Nil	Nil	Nil
2.2	Total abnormal items	Nil	Nil	Nil
2.3	Extraordinary items Nil	Nil	Nil	Nil
2.4	Total extraordinary items	Nil	Nil	Nil

Consolidated balance sheet

	At end of Current Half Year \$A'000	As shown in last Annual Report \$A'000	As shown in last Corresponding Half Yearly Report \$A'000	
Current assets				
4.1	Cash	49,854	54,831	51,833
4.2	Receivables	298,670	364,410	345,846
4.3	Investments	-	-	-
4.4	Inventories	387,910	332,641	389,908
4.4	Other (provide details if material)	-	-	-
4.5	Total current assets	736,434	751,882	787,587
Non-current assets				
4.6	Receivables	76,907	36,369	45,012
4.7	Investments	55,157	101,754	103,060
4.8	Inventories	-	-	-
4.9	Exploration and evaluation expend. capitalised	-	-	-
4.10	Development properties (mining entities)	-	-	-
4.11	Other property, plant and equipment (net)	972,176	941,193	923,427
4.12	Intangibles (net)	156,023	159,548	164,026
4.13	Other (provide details if material)	14,173	13,831	13,161
4.14	Total non-current assets	1,274,436	1,252,695	1,248,686
4.15	Total assets	2,010,870	2,004,577	2,036,273
Current liabilities				
4.16	Accounts payable	276,645	342,732	278,509
4.17	Borrowings	245,895	199,772	233,833
4.18	Provisions	124,003	141,274	117,335
4.19	Other (insurance provisions)	102,316	96,287	113,238
4.20	Total current liabilities	748,859	780,065	742,915
Non-current liabilities				
4.21	Accounts payable	2,367	2,270	2,155
4.22	Borrowings	177,933	230,623	328,393
4.23	Provisions	90,712	80,467	80,346
4.24	Other (insurance provisions)	17,268	17,268	15,248
4.25	Total non-current liabilities	288,280	330,628	426,142
4.26	Total liabilities	1,037,139	1,110,693	1,169,057
4.27	Net assets	973,731	893,884	867,216
Equity				
4.28	Capital	118,460	114,251	113,052
4.29	Reserves	639,628	574,202	552,978
4.30	Retained profits (accumulated losses)	214,815	204,651	195,776
4.31	Equity attributable to members of the parent entity	972,903	893,104	861,806
4.32	Outside equity interests in controlled entities	828	780	5,410
4.33	Total Equity	973,731	893,884	867,216
4.34	Preference capital and related premium included as part of 4.31	Nil	Nil	Nil

Exploration and evaluation expenditure capitalised

Not Applicable

Development properties

Not Applicable

Consolidated statement of cash flows

	Current Half Year \$A'000	Previous Corresponding Half Year \$A'000
Cash flows related to operating activities		
7.1 Receipts from customers	1,259,343	1,207,617
7.2 Payments to suppliers and employees	(1,156,972)	(1,141,141)
7.3 Dividends received	1,915	2,681
7.4 Interest and other items of similar nature received	5,935	7,681
7.5 Interest and other costs of finance paid	(15,286)	(20,380)
7.6 Income taxes paid	(45,490)	(42,220)
7.7 Other (provide details if material)	-	-
7.8 Net operating cash flows	49,445	14,238
Cash flows related to investing activities		
7.9 Payment for purchases of property, plant and equipment	(84,948)	(142,850)
7.10 Proceeds from sale of property, plant and equipment	9,839	8,464
7.11 Payment for purchases of equity investments	(153)	(7,823)
7.12 Proceeds from sale of equity investments	41,594	2,708
7.13 Loans to other entities	-	(5,000)
7.14 Loans repaid by other entities	8,400	-
7.15 Other (sale of entities)	-	21,769
7.16 Net investing cash flows	(25,268)	(122,732)
Cash flows related to financing activities		
7.17 Proceeds from issues of securities (shares, options, etc.)	-	-
7.18 Proceeds from borrowings	-	132,306
7.19 Repayment of borrowings	(6,594)	-
7.20 Dividends paid	(21,959)	(29,770)
7.21 Other (provide details if material)	-	-
7.22 Net financing cash flows	(28,553)	102,536
Net increase (decrease) in cash held	(4,376)	(5,958)
7.23 Cash at beginning of half year (see Reconciliation of cash)	54,230	57,198
7.24 Exchange rate adjustments to item 7.23	-	-
7.25 Cash at end of period (see Reconciliation of cash)	49,854	51,240

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

	Current Half Year \$000	Previous Corresponding Half Year \$000
Share capital issues:		
Dividend investment plan	22,411	30,112
Employee share plan	45,512	14,408
	67,923	44,520
Dividends:		
Employee share plan repayments	1,463	1,995

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current Half Year \$A'000	Previous Corresponding Half Year \$A'000
8.1	Cash on hand and at bank	18,521	23,532
8.2	Deposits at call	31,333	28,301
8.3	Bank overdraft	-	(593)
8.4	Other (provide details)	-	-
8.4	Total cash at end of period (item 7.25)	49,854	51,240

Ratios

	Current Half Year	Previous Corresponding Half Year
Profit before abnormals and tax/sales		
9.1 Consolidated operating profit (loss) before abnormal items and tax (item 1.4) as a percentage of sales revenue (item 1.1)	7.5%	5.3%
Profit after tax/equity interests		
9.2 Consolidated operating profit (loss) after tax attributable to members (item 1.10) as a percentage of equity (similarly attributable) at the end of the period (item 4.31)		
(a) Before goodwill amortisation	6.3%	4.6%
(b) After goodwill amortisation	5.9%	4.4%

Earnings per security (EPS)

	Current Half Year	Previous Corresponding Half Year
10.1 Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share		
Basic and diluted		
(a) Before goodwill amortisation	26.5¢	17.9¢
(c) After goodwill amortisation	25.0¢	17.2¢

NTA backing

	Current Half Year	Previous Corresponding Half Year
11.1 Net tangible asset backing per ordinary security	\$3.45	\$3.09

Supplementary information - "cashflow per share"

In accordance with general principles used by financial analysts, "cashflow per share" has been calculated by adding all forms of depreciation and amortisation to operating profit after tax and before abnormal items and dividing by the weighted average number of ordinary shares on issue during the year.

GROUP	
Current Half Year	Previous Corresponding Half Year
47.9¢	38.0¢

Details of specific receipts/outlays, revenues/expenses

	Current Half Year \$A'000	Previous Corresponding Half Year \$A'000
12.1 Interest revenue included in determining item 1.4	6,057	8,381
12.2 Interest revenue included in item 1.2 but not yet received (if material)	999	833
12.3 Interest expense included in item 1.4 (include all forms of interest, lease finance charges, etc.)	14,429	17,214
12.4 Interest costs excluded from item 12.3 and capitalised in asset values (if material)	720	2,059
12.5 Outlays (except those arising from the acquisition of an existing business) capitalised in intangibles (if material)	-	-
12.6 Depreciation (excluding amortisation of intangibles)	49,035	44,582
12.7 Amortisation of intangibles	3,494	1,475

Control gained over entities having material effect

Not Applicable

Loss of control of entities having material effect

Not Applicable

Reports for industry and geographical segments

	Operating Revenue		Segment Assets		Earnings	
	1996 \$A'000	1995 \$A'000	1996 \$A'000	1995 \$A'000	1996 \$A'000	1995 \$A'000
Rural operations and insurance	310,751	325,680	405,676	458,579	8,730	(308)
Fertiliser and chemicals	201,427	121,809	375,411	413,058	21,431	7,291
Energy	226,799	206,384	381,961	376,280	48,097	44,011
Building and forest products	403,084	396,219	676,454	660,501	31,366	29,311
Other	132,314	130,801	264,889	211,277	6,922	9,726
	1,274,375	1,180,893	2,104,391	2,119,695	116,546	90,031
Consolidation adjustments	(3,420)	(3,294)	(93,521)	(83,422)	(3,365)	(3,247)
Interest paid and corporate overheads					(22,844)	(25,650)
Operating profit before income tax					90,337	61,134
Income tax expense					(32,609)	(22,470)
	1,270,955	1,177,599	2,010,870	2,036,273	57,728	38,664

Dividends (in the case of a trust, distributions)

15.1 Date the dividend (distribution) is payable

21 April 1997

15.2 Record date to determine entitlements to the dividend (distribution) (ie, on the basis of registrable transfers received up to 5.00pm if paper based, or by "End of Day" if a proper SCH transfer)

27 March 1997

Amount per security

		Franking rate applicable	39%	36%	33%
15.3	Interim dividend: Current year	20c	-	20c	-
15.4	Previous year	17c	-	17c	-

Total dividend (distribution)

	Current Half Year \$A000	Previous Corresponding Half Year \$A000
15.10 Ordinary securities	47,384	38,439
15.11 Preference securities	-	-
15.12 Total	47,384	38,439

The dividend or distribution plans shown below are in operation.

Wesfarmers Limited Shareholders' Investment Plan - Dividend Investment Plan

The last date(s) for receipt of election notices for the dividend or distribution plans

27 March 1997

Any other disclosures in relation to dividends (distributions)

Nil

Equity accounted associated entities and other material interests

Not Applicable

Material interests in entities which are not controlled entities

Not Applicable

Issued and quoted securities at end of current period

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of securities		Number issued	Number quoted	Par value (cents)	Paid-up value (cents)
18.1	Preferences securities	Nil	Nil		
18.2	Issued during current period	Nil	Nil		
18.3	Ordinary securities	236,919,166	236,919,166	50	50
18.4	Issued during current period	8,417,779	8,417,779	50	50
18.5	Convertible debt securities	Nil	Nil		
18.6	Issued during current period	Nil	Nil		
18.7	Options	6,776,354	6,776,354	Exercise price	Expiry date
				\$12.50	30/6/99
18.8	Issued during current period	Nil	Nil		
18.9	Exercised during current period	Nil	Nil		
18.10	Expired during current period	Nil	Nil		
18.11	Debentures	Nil	Nil		
18.12	Unsecured notes	Nil	Nil		

Comments by directors

Material factors affecting the revenues and expenses of the economic entity for the current period.

Refer to the press release dated 10 February 1997 accompanying this statement.

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial quantified. (if possible)

Nil

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

It is anticipated that dividends paid or declared for the year ended 30 June 1997 will be fully franked.

Changes in accounting policies since the last annual report are disclosed as follows.


Nil

Additional disclosure for trusts

Not Applicable

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This statement, and the financial statements under the Corporations Law (if separate), use the same accounting policies.
- 3 This statement gives a true and fair view of the matters disclosed.
- 4 This statement is based on financial statements which have been subject to review by a registered auditor.
- 5 The audit report is attached.
- 6 The entity has a formally constituted audit committee.



Sign here:
(Company Secretary)

Date: 10 February 1997

Print name: P J JOHNSTON