

Half yearly report

Name of entity

WESFARMERS LIMITED

ABN

28 008 984 049

Half year ended

31 DECEMBER 2000

Equity accounted results for announcement to the market

				\$A'000
Sales (or equivalent operating) revenue (item 1.1)	up	20.6%	to	1,877,033
Operating profit (loss) after tax (before amortisation of goodwill) attributable to members (item 1.26)	up	11.4%	to	115,828
Operating profit (loss) after tax attributable to members (item 1.10) *	up	11.7%	to	111,821
Extraordinary items after tax attributable to members (item 1.13)				
Operating profit (loss) and extraordinary items after tax attributable to members (item 1.16)	up	11.7%	to	111,821
Dividends (distribution)				
		Amount per security		Franked amount per security at 34% tax
Interim dividend (item 15.6)		27¢		27¢
Previous corresponding period (item 15.7)		25¢		25¢
Record date for determining entitlements to the dividend (see item 15.2)				4 April 2001
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 goodwill amortisation	up	11.3%	to	115,368
Goodwill amortisation				3,547
Profit after goodwill amortisation	up	11.7%	to	<u>111,821</u>
(Note: The profit for the half year ended 31 December 1999 included a \$10.3 million abnormal gain arising from the change in income tax rates. In the absence of that gain, the underlying profit increase for the year ended 31 December 2000 would have been 24.5%.)				

Consolidated profit and loss account

	Current half-year \$A'000	Previous corresponding half-year \$A'000
1.1 Sales (or equivalent operating) revenue	1,877,033	1,556,527
1.3 Other revenue	73,863	54,767
Total revenue	1,950,896	1,611,294
1.4 Operating profit (loss) before abnormal items and tax	168,309	134,408
1.5 Abnormal items before tax (detail in item 2.4)	-	-
1.6 Operating profit (loss) before tax (items 1.4 + 1.5)	168,309	134,408
1.7 Less tax	56,028	33,963
1.8 Operating profit (loss) after tax but before outside equity interests	112,281	100,445
1.9 Less outside equity interests	460	366
1.10 Operating profit (loss) after tax attributable to members*	111,821	100,079
1.11 Extraordinary items after tax (detail in item 2.6)	-	-
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)	112,281	100,445
1.15 Operating profit (loss) and extraordinary items after tax attributable to outside equity interests (items 1.9 + 1.12)	460	366
1.16 Operating profit (loss) and extraordinary items after tax attributable to members (item 1.10 + 1.13)	111,821	100,079
1.17 Retained profits (accumulated losses) at beginning of financial period	225,121	211,426
1.18 Adjustment on introduction of new accounting standard	-	-
1.19 Aggregate of amounts transferred from reserves	302	-
1.20 Total available for appropriation	337,244	311,505
1.21 Dividends provided for or paid	73,466	67,725
1.22 Aggregate of amount transferred to reserves	-	1,231
1.23 Retained profits (accumulated losses) at end of financial period	263,778	242,549
* Consists of:		
Profit before goodwill amortisation	115,368	103,609
Goodwill amortisation	3,547	3,530
Profit after goodwill amortisation	111,821	100,079

Profit restated to exclude amortisation of goodwill

	Current half-year \$A'000	Previous corresponding half-year \$A'000
1.24 Operating profit (loss) after tax before outside equity interests (item 1.8) and amortisation of goodwill	115,828	103,975
1.25 Less (plus) outside equity interests relating to goodwill	-	-
1.26 Operating profit (loss) after tax (before amortisation of goodwill) attributable to members	115,828	103,975

Intangible, abnormal and extraordinary items

	Consolidated – current half-year			
	Before tax \$A'000	Related tax \$A'000	Related outside equity interests \$A'000	Amount (after tax) attributable to members \$A'000
2.1 Amortisation of goodwill	3,547	-	-	3,547
2.2 Amortisation of other intangibles	-	-	-	-
2.3 Total amortisation of intangibles	3,547	Nil	Nil	3,547
2.4 Abnormal items	-	-	-	-
Gain due to change in income tax rates	-	-	-	-
2.5 Total abnormal items	Nil	Nil	Nil	Nil
2.6 Extraordinary items	-	-	-	-
2.7 Total extraordinary items	Nil	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	63,203	57,999	44,893
4.2 Receivables	485,590	558,181	398,967
4.3 Investments	-	-	-
4.4 Inventories	653,789	544,580	564,122
4.5 Other (provide details if material)	-	-	-
4.6 Total current assets	1,202,582	1,160,760	1,007,982
Non-current assets			
4.7 Receivables	114,157	138,733	89,901
4.8 Investments in associates	236,008	112,285	66,083
4.9 Other investments	103,135	90,070	71,083
4.10 Inventories	-	-	-
4.11 Exploration and evaluation expenditure capitalised	-	-	-
4.12 Development properties (mining entities)	772	772	772
4.13 Other property, plant and equipment (net)	1,479,852	1,504,766	1,296,613
4.14 Intangibles (net)	132,655	135,488	139,060
4.15 Other (provide details if material)	37,009	25,886	19,511
4.16 Total non-current assets	2,103,588	2,008,000	1,683,023
4.17 Total assets	3,306,170	3,168,760	2,691,005
Current liabilities			
4.18 Accounts payable	398,144	560,399	354,035
4.19 Borrowings	303,698	401,104	244,722
4.20 Provisions	169,134	184,224	156,488
4.21 Other (insurance provisions)	139,418	128,832	124,356
4.22 Total current liabilities	1,010,394	1,274,559	879,601
Non-current liabilities			
4.23 Accounts payable	2,165	2,249	2,324
4.24 Borrowings	830,404	483,905	439,283
4.25 Provisions	164,004	151,424	115,181
4.26 Other (insurance provisions)	25,167	25,167	28,317
4.27 Total non-current liabilities	1,021,740	662,745	585,105
4.28 Total liabilities	2,032,134	1,937,304	1,464,706
4.29 Net assets	1,274,036	1,231,456	1,226,299
Equity			
4.30 Capital	945,951	892,192	935,502
4.31 Reserves	62,714	107,886	45,536
4.32 Retained profits (accumulated losses)	263,778	225,121	242,549
4.33 Equity attributable to members of the parent entity	1,272,443	1,225,199	1,223,587
4.34 Outside equity interests in controlled entities	1,593	6,257	2,712
4.35 Total equity	1,274,036	1,231,456	1,226,299
4.36 Preference capital and related premium included as part of 4.33	Nil	Nil	Nil

Exploration and evaluation expenditure capitalised

Not applicable

Development properties

	Current half-year \$A'000	Previous corresponding half-year \$A'000
6.1 Opening balance	772	772
6.2 Expenditure incurred during current period	-	-
6.3 Expenditure transferred from exploration and evaluation	-	-
6.4 Expenditure written off during current period	-	-
6.5 Acquisitions, disposals, revaluation increments, etc.	-	-
6.6 Expenditure transferred to mine properties	-	-
6.7 Closing balance as shown in the consolidation balance sheet (item 4.12)	772	772

Consolidated statement of cash flows

	Current half-year \$A'000	Previous corresponding half-year \$A'000
Cash flow related to operating activities		
7.1 Receipts from customers	2,050,988	1,541,645
7.2 Payments to suppliers and employees	(1,852,218)	(1,487,507)
7.3 Dividends received from associates	5,009	5,409
7.4 Other dividends received	426	13
7.5 Interest and other items of similar nature received	4,766	2,778
7.6 Interest and other costs of finance paid	(29,322)	(9,826)
7.7 Income taxes paid	(59,738)	(45,120)
7.8 GST payments (net)	(45,493)	-
7.9 Net operating cash flows	74,418	7,392
Cash flows related to investing activities		
7.10 Payment for purchases of property, plant and equipment	(137,356)	(93,720)
7.11 Proceeds from sale of property, plant and equipment	73,687	18,981
7.12 Payment for purchases of equity investments	(156,766)	(24,652)
7.13 Proceeds from sale of equity investments	-	18,248
7.14 Loans to other entities	-	(19,578)
7.15 Loans repaid by other entities	-	4,213
7.16 Other	(3,648)	(759)
7.17 Net investing cash flows	(224,083)	(97,267)
Cash flows related to financing activities		
7.18 Proceeds from issues of securities (shares, options, etc.)	-	-
7.19 Proceeds from borrowings	195,687	191,416
7.20 Repayment of borrowings	-	-
7.21 Dividends paid	(66,808)	(108,392)
7.22 Other		
- Repayment of employee share plan loans	25,990	9,686
- Share buyback	-	(14,900)
- Other		592
7.23 Net financing cash flows	154,869	78,402
7.24 Net increase (decrease) in cash held	5,204	(11,473)
7.25 Cash at beginning of year (see Reconciliation of cash)	57,999	56,366
7.26 Exchange rate adjustments to item 7.25	-	-
7.27 Cash at end of period (see Reconciliation of cash)	63,203	44,893

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.

	Current half-year \$000	Previous corresponding half-year \$000
Share capital issues:		
Dividend investment plan	53,752	-
Employee share plan	-	-
	53,752	-
Dividends:		
Employee share plan repayments	6,637	4,970
Capital return:		
Employee share plan	-	-

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	36,622	23,983
8.2 Deposits at call	26,581	20,910
8.3 Bank overdraft	-	-
8.4 Other (provide details)	-	-
8.5 Total cash at end of period (item 7.27)	63,203	44,893

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)	9.0%	8.6%
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 4.33)		
(a) Before goodwill amortisation	9.1%	8.5%
(b) After goodwill amortisation	8.8%	8.2%

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		
(i) Before goodwill amortisation	43.5¢	38.7¢
(ii) After goodwill amortisation	42.2¢	37.4¢
Weighted average number of ordinary shares outstanding during the period used in the calculation of the basic EPS	265,110,702	267,714,054

NTA backing

	Current half-year	Previous corresponding half-year
11.1 Net tangible asset backing per ordinary security	\$4.26	\$4.07

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 dividing by the weighted average number of ordinary shares on issue during the year.

Current half-year	Previous corresponding half-year
71.6¢	60.0¢

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	4,905	3,144
12.2 Interest revenue included in item 12.1 but not received (if material)	177	1,647
12.3 Interest expense included in item 1.4 (include all forms of interest, lease, finance charges, etc.)	30,652	11,624
12.4 Interest costs excluded from item 12.3 and capitalised in asset values (if material)	-	4,162
12.5 Outlays (except those arising from the acquisition of an existing business) capitalised in intangibles (if material)	-	-
12.6 Depreciation and amortisation (excluding amortisation of intangibles)	74,536	57,128

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	
	2000 \$A'000	1999 \$A'000	2000 \$A'000	1999 \$A'000	2000 \$A'000	1999 \$A'000
Rural operations and insurance	424,687	373,705	545,068	475,323	26,006	14,656
Fertiliser and chemicals	160,249	125,155	588,828	556,206	7,514	4,141
Energy	470,346	281,932	1,003,360	644,479	92,450	52,178
Hardware and forest products	819,907	739,282	805,434	846,292	85,953	73,234
Other	80,158	94,221	501,388	287,218	7,984	18,549
	1,955,347	1,614,295	3,444,078	2,809,518	219,907	162,758
Consolidation adjustments	(4,451)	(3,001)	(137,908)	(118,513)	(4,372)	(2,953)
Interest paid and corporate overheads					(47,226)	(25,397)
Operating profit before income tax					168,309	134,408
Income tax expense					(56,028)	(33,963)
	1,950,896	1,611,294	3,306,170	2,691,005	112,281	100,445

Dividends

15.1 Date the dividend is payable

20 April 2001

15.2 Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received by 5.00pm if securities are not CHESSE approved, or security holding balances established by 5.00pm or such later time permitted by SCH Business Rules if securities are CHESSE approved)

4 April 2001

Amount per security

			Amount per security	Franked amount per security at 34% tax
15.6	Interim dividend	Current year	27¢	27¢
15.7		Previous year	25¢	25¢

Interim dividend on all securities

	Current half-year \$A'000	Previous corresponding half-year \$A'000
15.10 Ordinary securities	73,466	67,725
15.11 Preference securities	-	-
15.12 Total	73,466	67,725

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 distributions plans

4 April 2001

Any other disclosures in relation to dividends (distributions)

The directors' have maintained a discount rate of 2.5 per cent for new Wesfarmers Limited shares issued through the company's Dividend Investment Plan. The discount rate applied to the 2000 final dividend paid in October 2000 was also 2.5 per cent.

Details of aggregate share of profits (losses) of associates

Entity's share of associates	Current half-year \$A'000	Previous corresponding half-year \$A'000
16.1 Operating profit (loss) before income tax	9,904	11,520
16.2 Income tax expense	3,224	3,682
16.3 Operating profit (loss) after income tax	6,680	7,838
16.4 Extraordinary items net of tax	-	-
16.5 Net profit (loss)	6,680	7,838
16.6 Outside equity interests	-	-
16.7 Net profit (loss) attributable to members	6,680	7,838

Material interests in entities which are not controlled entities

No material interest

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	Total number	Number quoted	Issue price per security (see note 15) (cents)	Amount paid up per security (see note 15) (cents)
18.1 Preference *securities	Nil			
18.2 Changes during current period				
(a) increases through issues	Nil			
(b) decreases through returns of capital, buybacks, redemptions	Nil			
18.3 * Ordinary securities	267,596,309	267,596,309	-	-
18.4 Changes during current period				
(a) increases through issues	3,908,989		-	-
(b) decreases through returns of capital, buybacks	-	-	-	-
18.5 * Convertible debt securities	Nil	-	-	-
18.6 Changes during current period				
(a) increases through issues	Nil			
(b) decreases through securities matured, converted	Nil			
18.7 Options			Exercise price	Expiry date
	Nil	-	-	-
18.8 Issued during current period	Nil			
18.9 Exercised during current period	Nil			
18.10 Expired during current period	Nil			
18.11 Debentures	Nil			
18.12 Unsecured notes	Nil			

Comments by directors

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

Refer to the media release dated 5 February 2001 accompanying this statement.

Comments by directors (continued)

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 effect quantified (if possible).

Since the end of the current period the company has issued 4,154,580 shares to employees under the Wesfarmers Employee Share Plan for a total consideration of \$74.45 million.

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 ending 30 June 2001 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 report has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This report and the financial statements under the Corporations Law (if separate), use the same accounting policies.
- 3 This report gives a true and fair view of the matters disclosed.
- 4 This report is based on financial statements which have been subject to review by a registered auditor.
- 5 The independent audit review is attached.
- 6 The entity has a formally constituted audit committee.



Sign here:
(Company Secretary)

Date: 5 February 2001

Print name: P J JOHNSTON