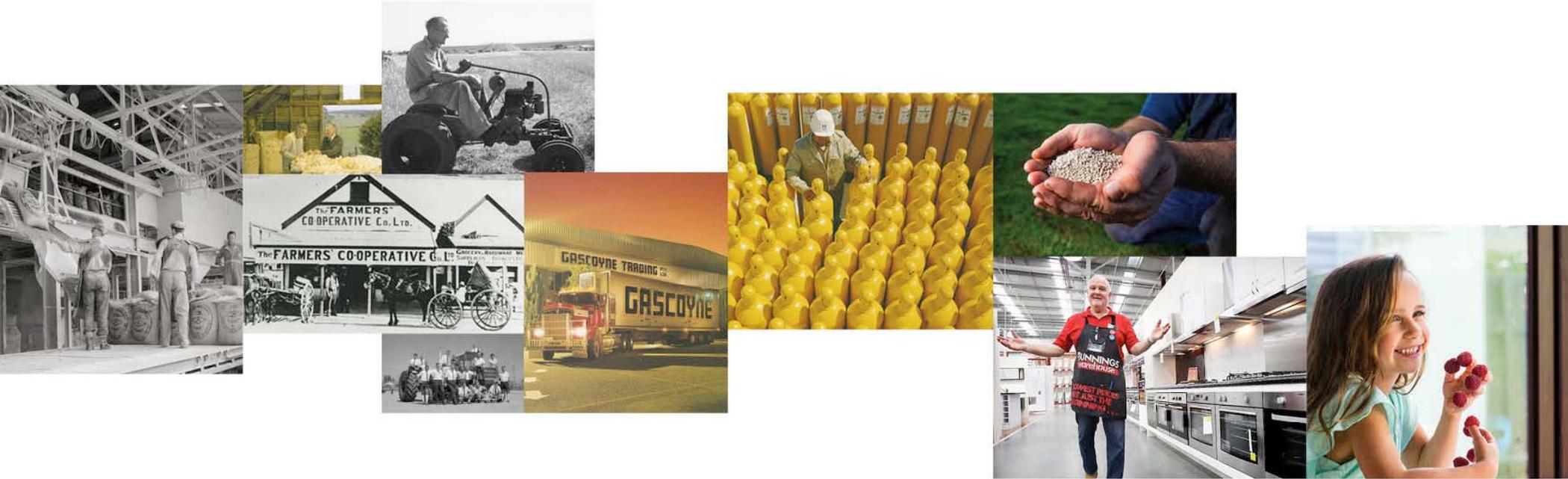


2014 Full-Year Results Supplementary Information

20 August 2014

(To be read in conjunction with the 2014 Full-Year Results Briefing presentation)



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Presentation outline

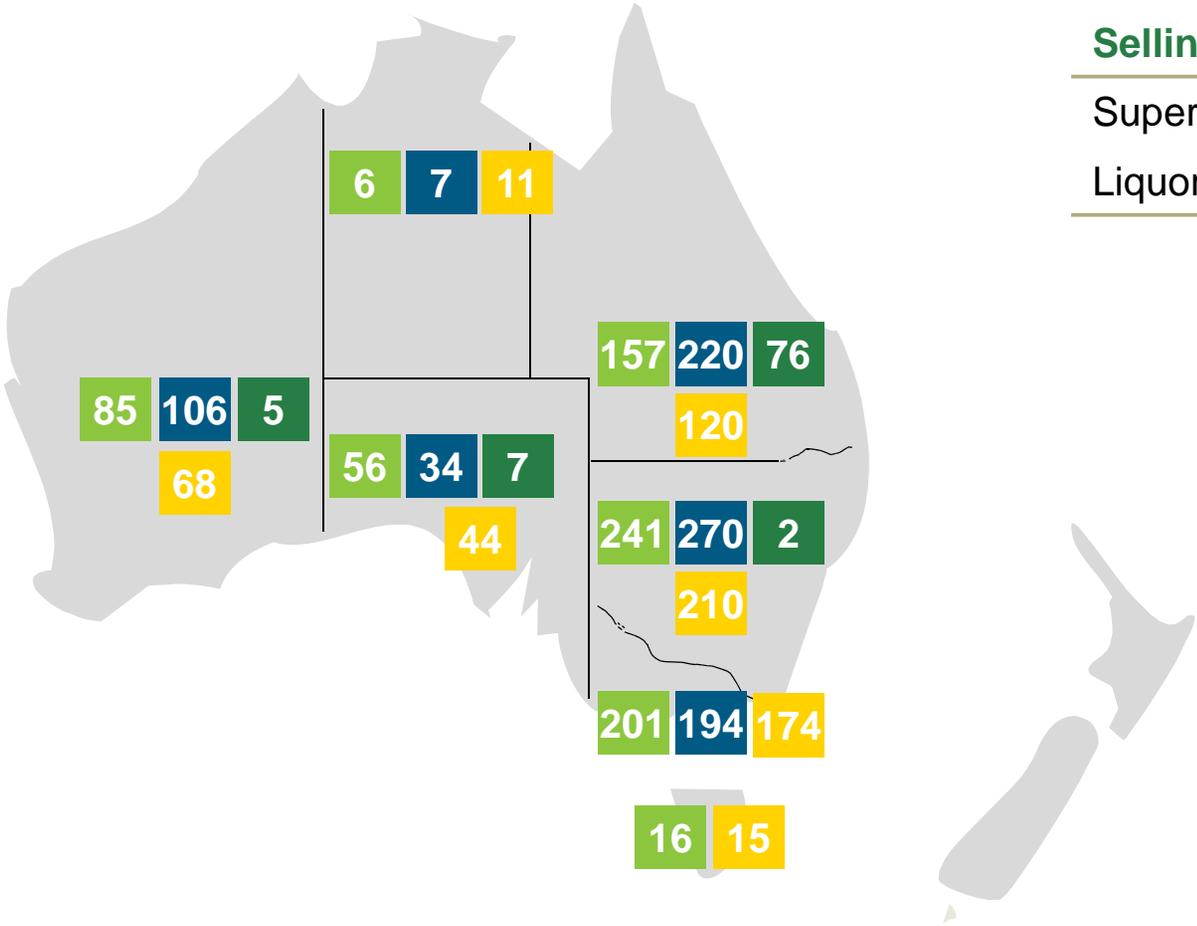


Item	Page
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Chemicals, Energy & Fertilisers	22
Resources	28
Industrial & Safety	39
Insurance	42
Balance Sheet & Cash Flow	47



Coles network

As at 30 June 2014



Selling Area

Supermarkets (sqm)	1,692,642
Liquor (sqm) – ex hotels	205,179

- 762 Supermarkets
- 831 Liquor stores
- 90 Hotels
- 642 Convenience

Store network movements



	Open at 30 June 2013	Opened	Closed	Re- branded	Open at 30 June 2014
Supermarkets					
Coles	722	19	(9)	13	745
Bi-Lo	34	-	(4)	(13)	17
Total Supermarkets	756	19	(13)	-	762
Liquor					
1 st Choice	92	8	(2)	-	98
Vintage Cellars	79	-	(2)	-	77
Liquorland	639	33	(16)	-	656
Hotels	92	-	(2)	-	90
Total Liquor	902	41	(22)	-	921
Convenience	636	11	(5)	-	642

Revenue reconciliation



Year ended 30 June (\$m)	2014			2013		
	Food & Liquor ¹	Convenience	Total	Food & Liquor ¹	Convenience	Total
Segment revenue (Gregorian)¹	29,220	8,171	37,391	27,933	7,847	35,780
<i>Less: Other revenue</i>	(252)	(12)	(264)	(236)	(13)	(249)
Headline sales (Gregorian)	28,968	8,159	37,127	27,697	7,834	35,531
<i>Plus/(less): Gregorian adjustment²</i>	(72)	(22)	(94)	428	116	544
Headline sales revenue (Retail³)	28,896	8,137	37,033	28,125	7,950	36,075
<i>Less: Additional retail week</i>	-	-	-	(532)	(130)	(662)
Headline sales revenue (Retail⁴)	28,896	8,137	37,033	27,593	7,820	35,413

¹ Segment revenue for Food & Liquor includes property revenue for 2014 of \$26 million & for 2013 of \$28 million.

² Adjustment to headline sales revenue to reflect 30 June financial year end.

³ Retail period relates to the 52 week period 1 July 2013 to 29 June 2014 for 2014 & to the 53 week period 25 June 2012 to 30 June 2013 for 2013.

⁴ Retail period relates to the 52 week period 1 July 2013 to 29 June 2014 for 2014 & to the 52 week period 2 July 2012 to 30 June 2013 for 2013.

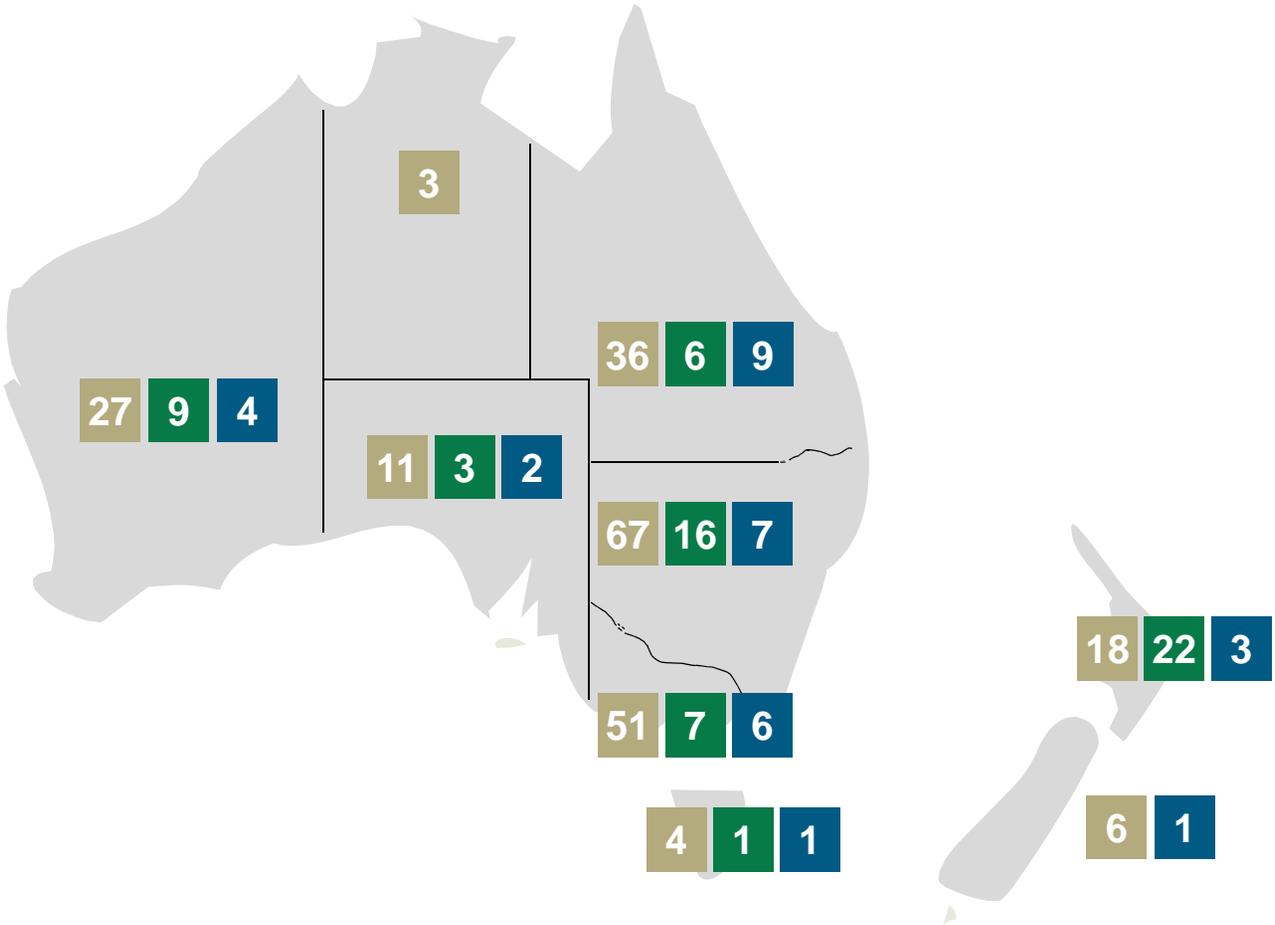
Home Improvement & Office Supplies

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Bunnings network

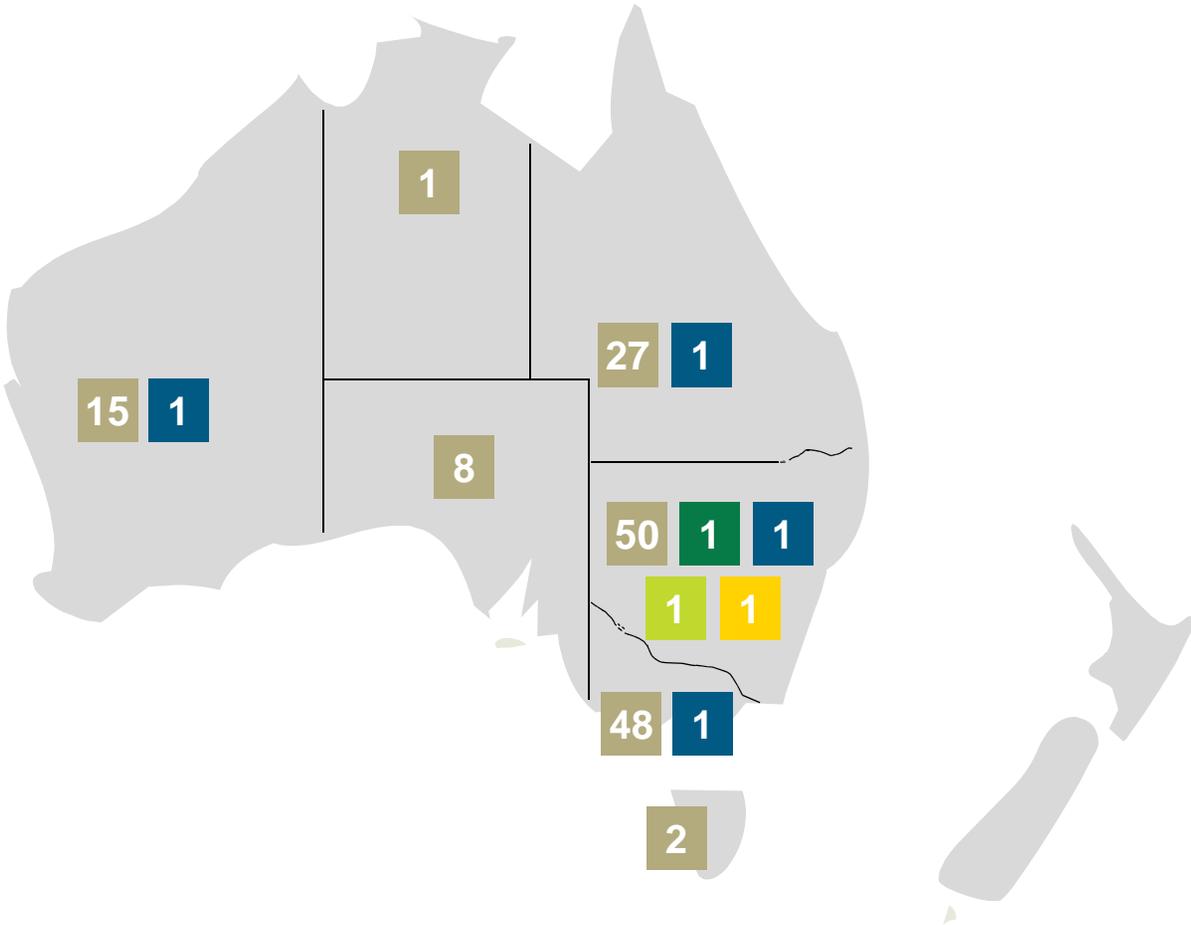
As at 30 June 2014



- 223 Warehouse stores
- 64 Smaller format stores
- 33 Trade Centres

Officeworks network

As at 30 June 2014



Retail Stores

- 151 Officeworks
- 1 Harris Technology

Business

- 4 Fulfilment Centres
- 1 Service Centre
- 1 Print Hub

Store network movements



	Open at 30 June 2013	Opened	Closed	Open at 30 June 2014	Under construction 30 June 2014
Home Improvement					
Bunnings Warehouse	210	20	(7)	223	16
Bunnings smaller formats	67	4	(7)	64	2
Bunnings Trade Centres	36	1	(4)	33	1
Office Supplies					
Officeworks	149	6 ¹	(4) ¹	151	3
Harris Technology	1	-	-	1	-

¹ Includes two store relocations.

Home Improvement performance summary



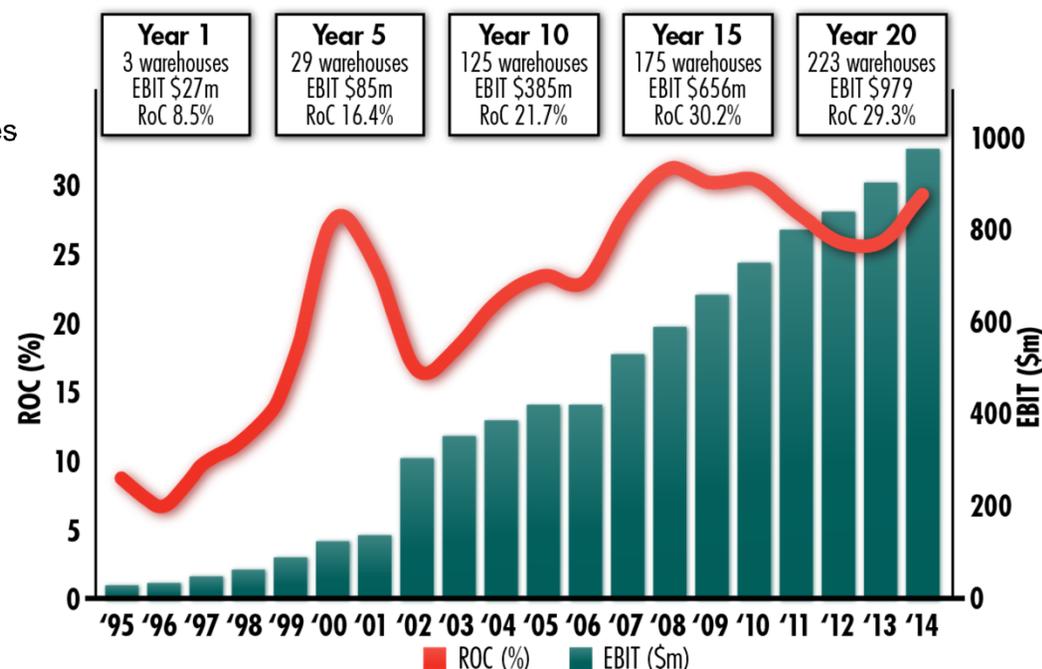
Year ended 30 June (\$m)	2014	2013	↑↓ %
Revenue	8,546	7,661	11.6
EBITDA	1,106	1,028	7.6
Depreciation & amortisation	(127)	(124)	(2.4)
EBIT	979	904	8.3
EBIT margin (%)	11.5	11.8	
Less: Net property contribution ¹	13	8	62.5
Trading EBIT	966	896	7.8
Trading EBIT margin (%)	11.3	11.7	

¹ Net property contribution includes external property income & expenses & gain or losses on disposals of freehold property.

20 years of Bunnings Warehouse growth



- **August 1994: first Bunnings Warehouse commences trading**
 - 4th Australian business to invest in large-scale hardware format
 - Competing against significantly larger BBC & Mitre10 businesses
 - Leveraged hardware sector know-how
 - By June 1995, 3 Bunnings Warehouses open; all profitable
- **By 1999, 29 Bunnings Warehouses trading**
 - Customer offer strengthened & business model enhanced
 - FY99: EBIT \$85 million & ROC 16.4%
- **20 year highlights**
 - Relentless improvements to customer offer & business model
 - Innovated to develop a total market capability
 - » Consumer & commercial (light & heavy)
 - » Physical & digital
 - Ongoing Innovation growing the market & growing market share
 - » “Hardware” to “Home Improvement & Outdoor Living”
 - Compound EBIT growth of 20.8% per annum
 - Median ROC of 23.7% for 20 years



Australia's most trusted retail brand for 9 consecutive years



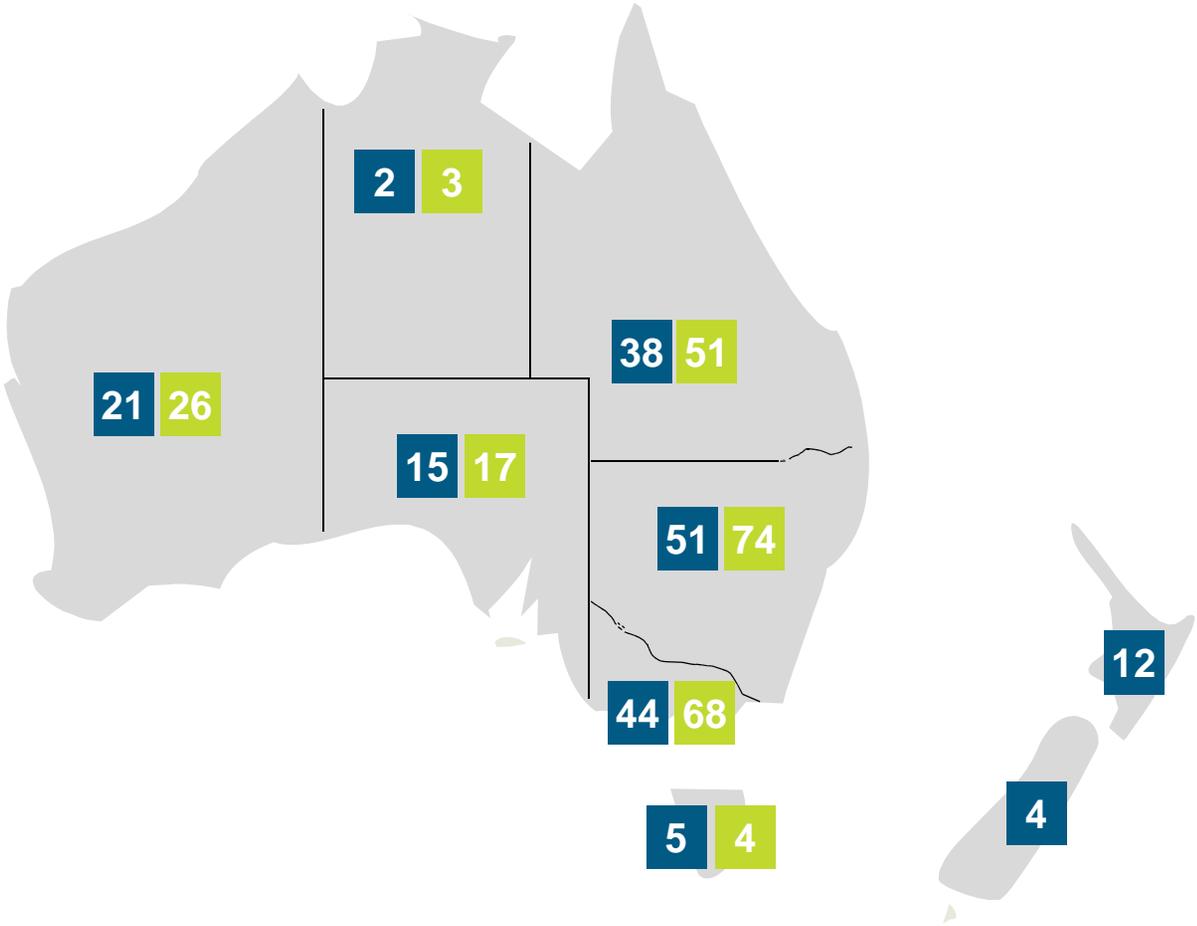
Kmart

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Kmart network

As at 30 June 2014



- 192 Kmart stores
- 243 KTAS centres

Store network movements

	Open at 30 June 2013	Opened	Closed	Open at 30 June 2014
Kmart	190	5	(3)	192
Kmart Tyre & Auto	263	3	(23)	243

Revenue reconciliation

Year ended 30 June (\$m)	2014	2013
Segment revenue (Gregorian)	4,209	4,167
<i>Less: Non sales revenue</i>	(5)	(3)
Headline sales (Gregorian)	4,204	4,164
<i>Add: Gregorian adjustment¹</i>	(10)	73
<i>Less: Additional retail week</i>	-	(81)
Headline sales revenue (Retail²)	4,194	4,156

¹ Adjustment to headline sales revenue to reflect 30 June financial year end.

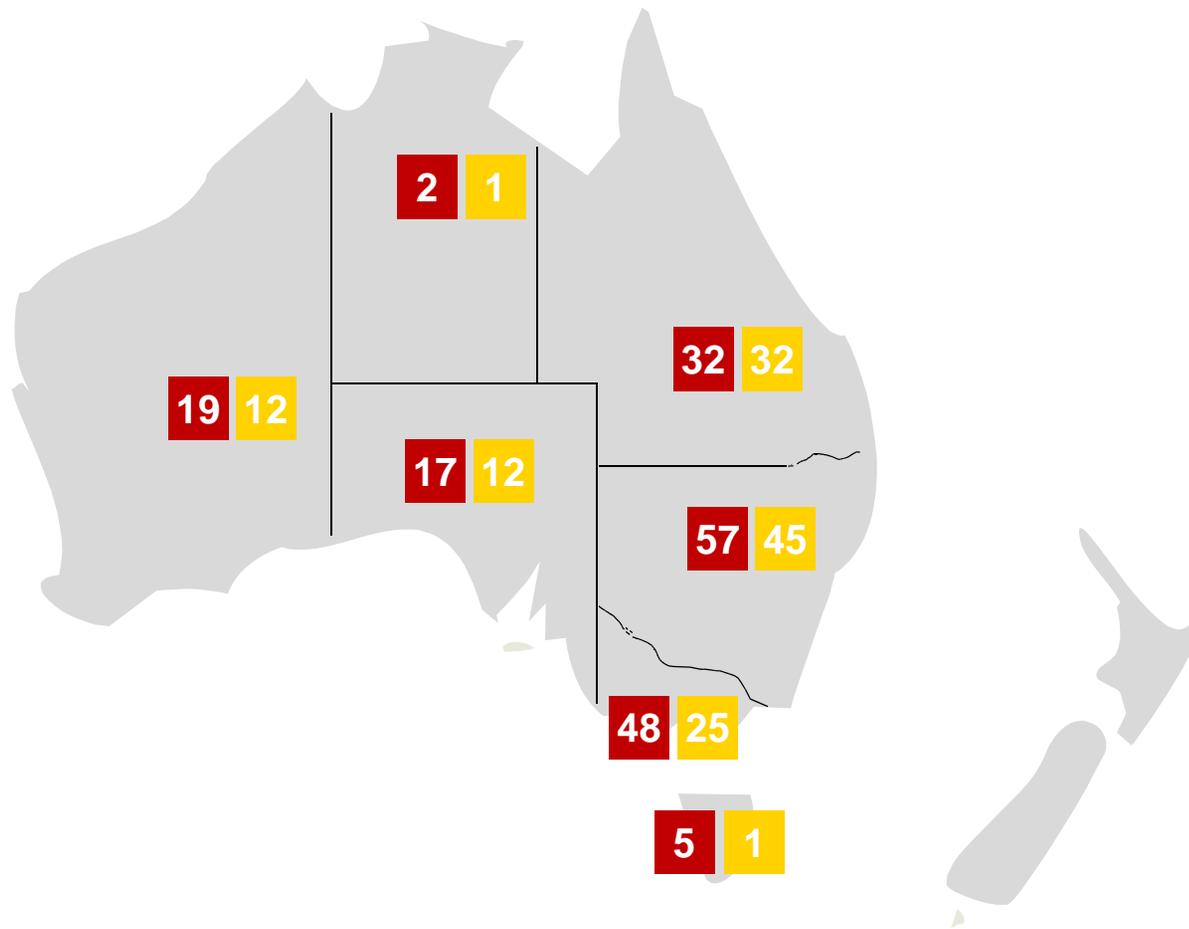
² Retail period relates to the 52 week period 1 July 2013 to 29 June 2014 for 2014 & to the 52 week period 2 July 2012 to 30 June 2013 for 2013.

Target



Target network

As at 30 June 2014



■ 180 Large
■ 128 Small

Store network movements

	Open at 30 June 2013	Opened	Closed	Open at 30 June 2014	Under construction at 30 June 2014
Large¹	178	6	(4)	180	3
Small²	130	5	(7)	128	-
Total	308	11	(11)	308	3

¹ 30 June 2014 includes one outlet store. Large store numbers include two replacement stores.

² 30 June 2014 includes one outlet store. Small store numbers include one replacement store.

Revenue reconciliation



Year ended 30 June (\$m)	2014	2013
Segment revenue (Gregorian)	3,501	3,658
<i>Less: Non sales revenue</i>	-	-
Headline sales (Gregorian)	3,501	3,658
<i>Add: Gregorian adjustment¹</i>	(5)	61
<i>Less: Additional retail week</i>	-	(71)
Headline sales revenue (Retail²)	3,496	3,648

¹ Adjustment to headline sales revenue to reflect 30 June financial year end.

² 2014 retail period relates to the 52 week period 30 June 2013 to 28 June 2014 for 2014 & to the 52 week period 1 July 2012 to 29 June 2013 for 2013.

Target transformation plan

Fixing the basics (FY14-15)

Growth & efficiency (FY16-17)

The Target difference (FY18)

	Fixing the basics (FY14-15)	Growth & efficiency (FY16-17)	The Target difference (FY18)
Outstanding customer experience	<ul style="list-style-type: none"> Improve availability Enhance online functionality Improve service & refresh stores 	<ul style="list-style-type: none"> Maximise SKUs on replenishment Roll-out renewal program 	<ul style="list-style-type: none"> Integrated 'bricks & clicks' Differentiated store format Outstanding customer service
Right product choices	<ul style="list-style-type: none"> Reduce SKUs 	<ul style="list-style-type: none"> Right range in the right store 	<ul style="list-style-type: none"> Edited ranges
Fashion & style backed by good quality	<ul style="list-style-type: none"> Refresh in-house design & trend capability 	<ul style="list-style-type: none"> Shorter lead times Consistent fit & quality 	<ul style="list-style-type: none"> On-trend & known for fashion & style backed by good quality
Low prices	<ul style="list-style-type: none"> Restructure sourcing team & consolidate supplier base 	<ul style="list-style-type: none"> Reinvest sourcing benefits in price 	<ul style="list-style-type: none"> Amazing low prices for the fashion & quality provided
Better, simpler, cheaper	<ul style="list-style-type: none"> Simplify store rostering model Rationalise supply chain network Optimise support structure 	<ul style="list-style-type: none"> Realise benefits of investment in systems & processes 	<ul style="list-style-type: none"> Lean, flexible & sustainable operations
Team with personality & pride	<ul style="list-style-type: none"> Top team & structure for transformation in place Embed new values & performance management 	<ul style="list-style-type: none"> Recruitment, development & performance aligned to values 	<ul style="list-style-type: none"> Our values are embedded, driving a high performance culture that has transformed our business

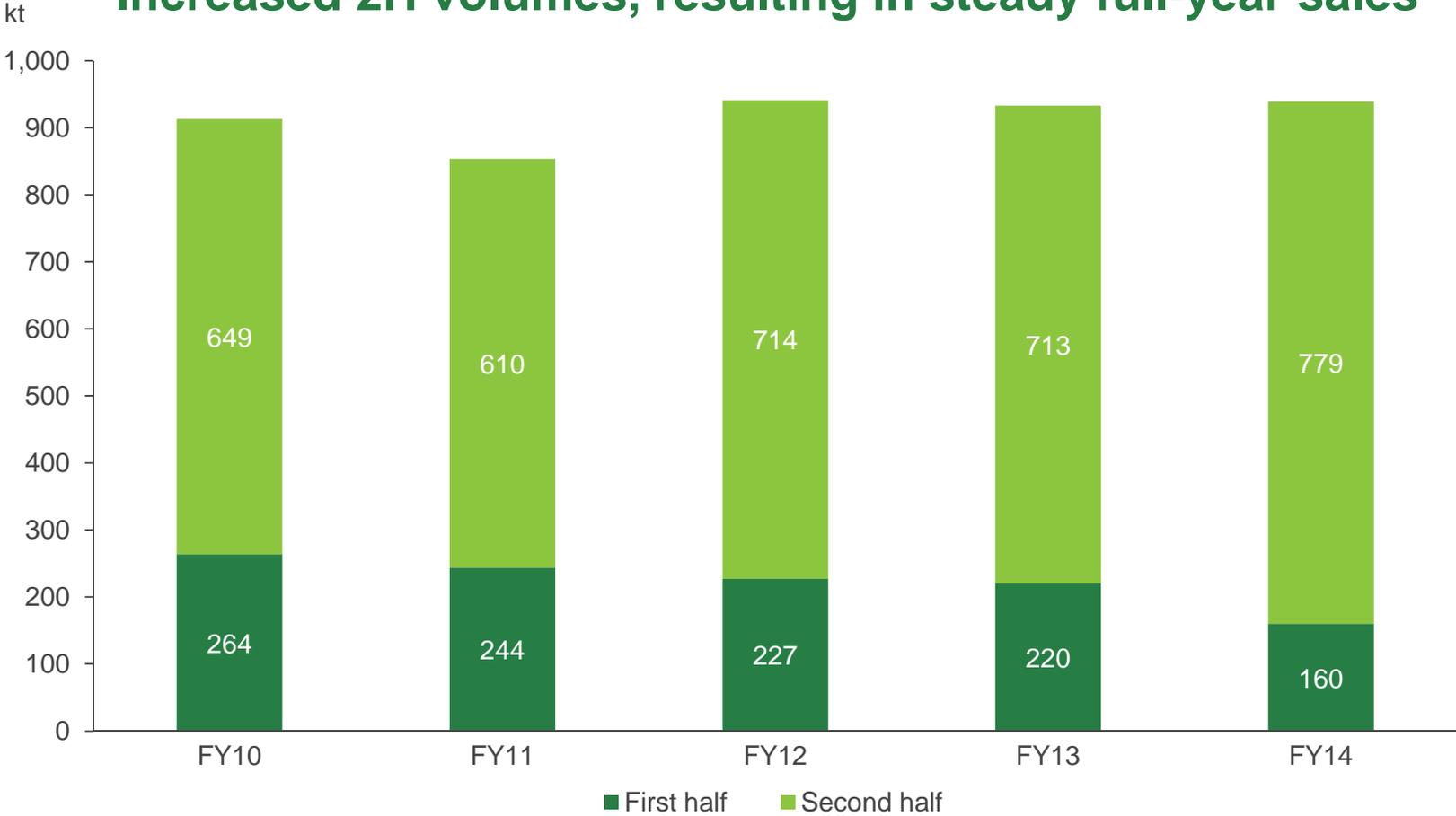
A clear plan for FY15 & beyond

Chemicals, Energy & Fertilisers

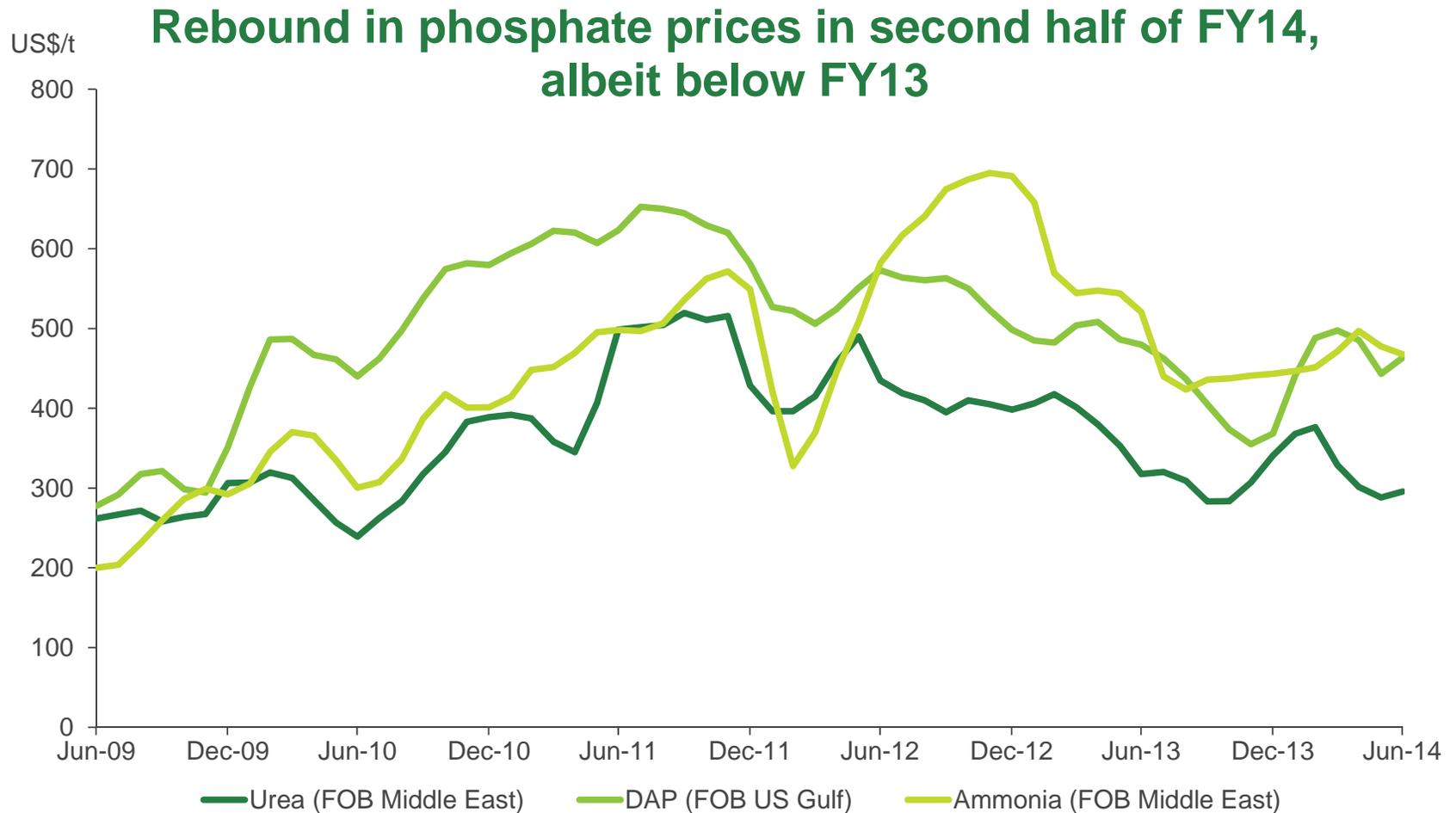


Fertiliser sales

Increased 2H volumes, resulting in steady full-year sales



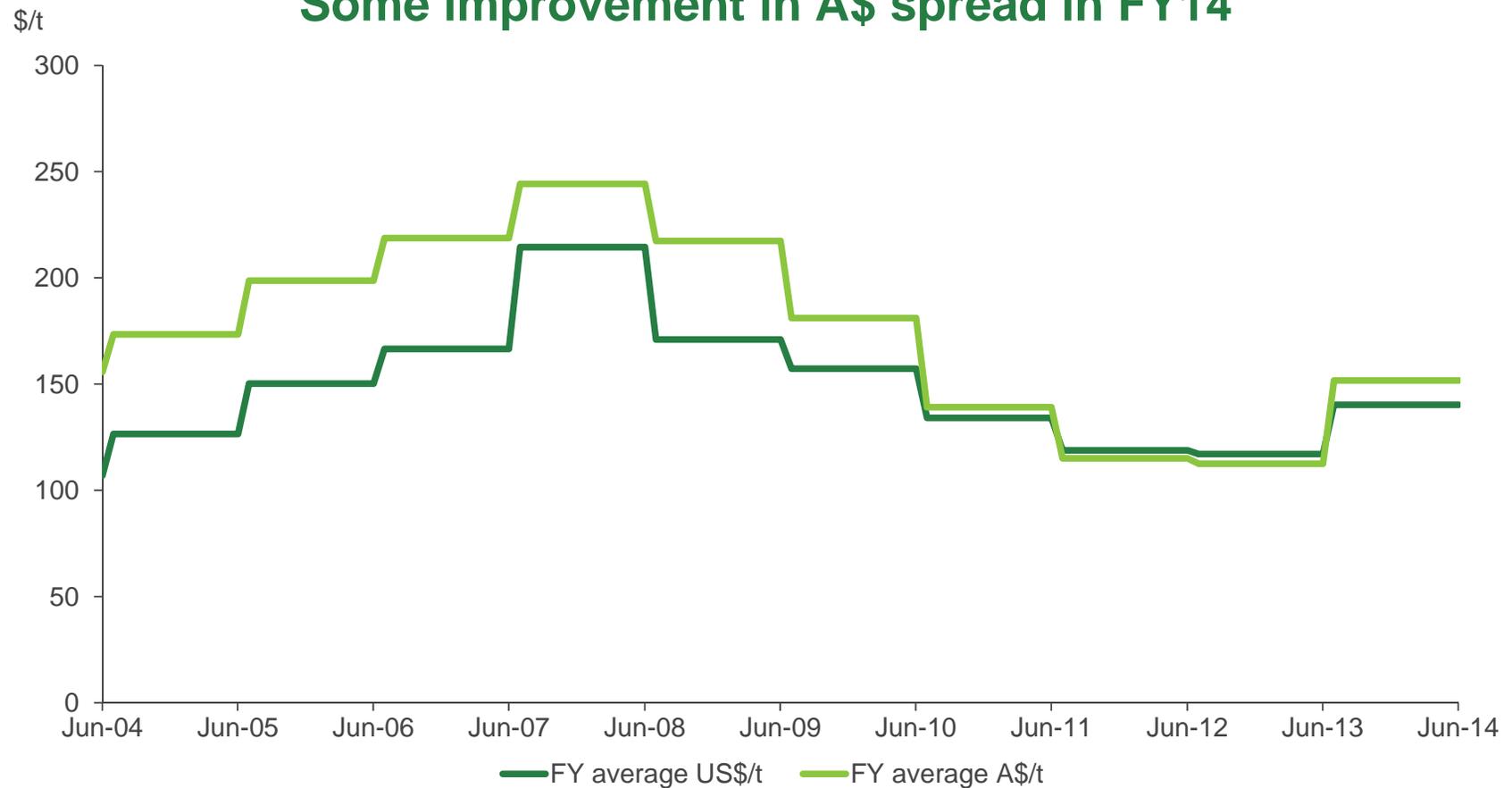
Global fertiliser & ammonia pricing



PVC-VCM spread

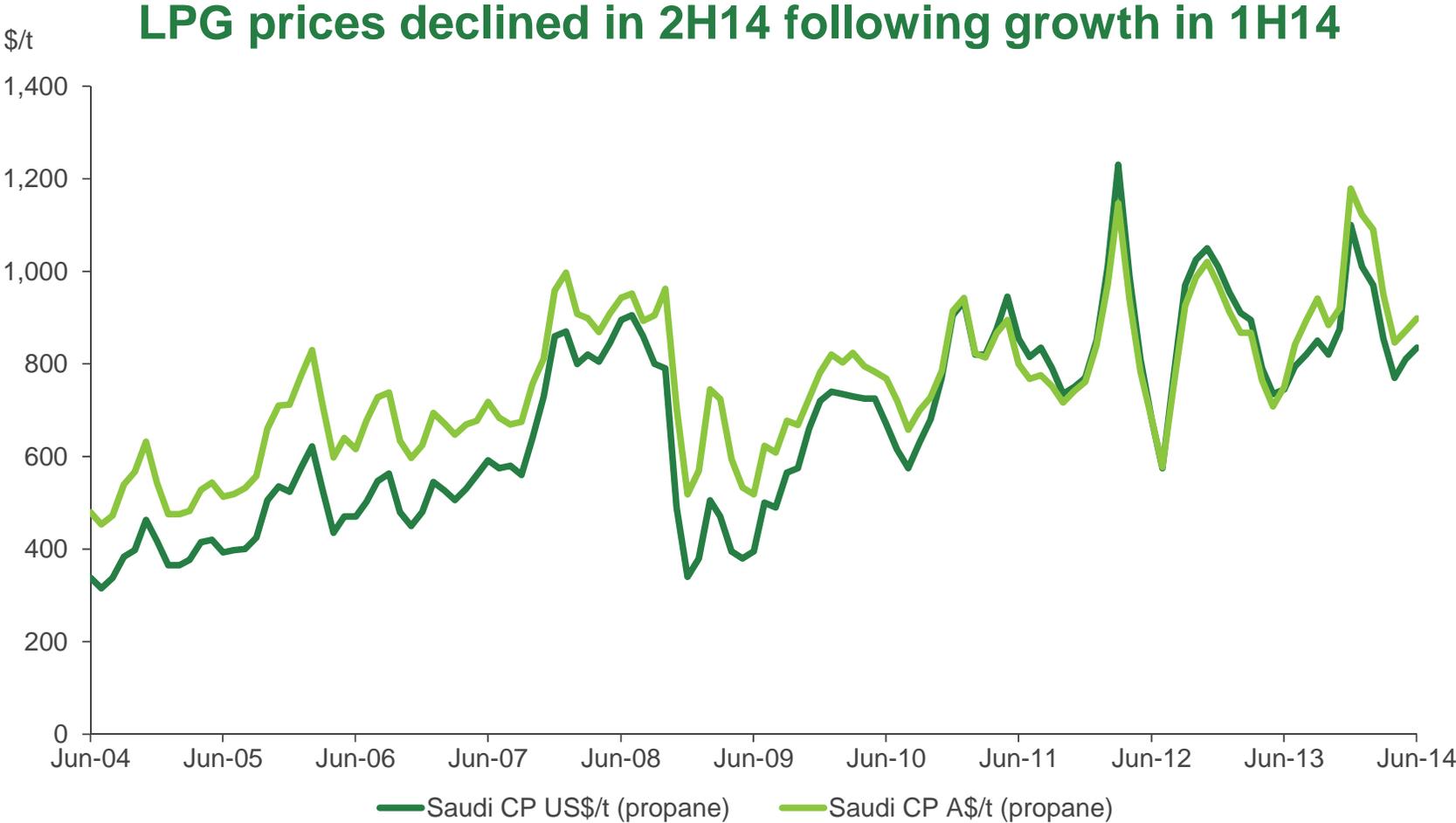
- The 'PVC – VCM Spread' refers to the difference between the Asian PVC selling price & VCM input cost

Some improvement in A\$ spread in FY14



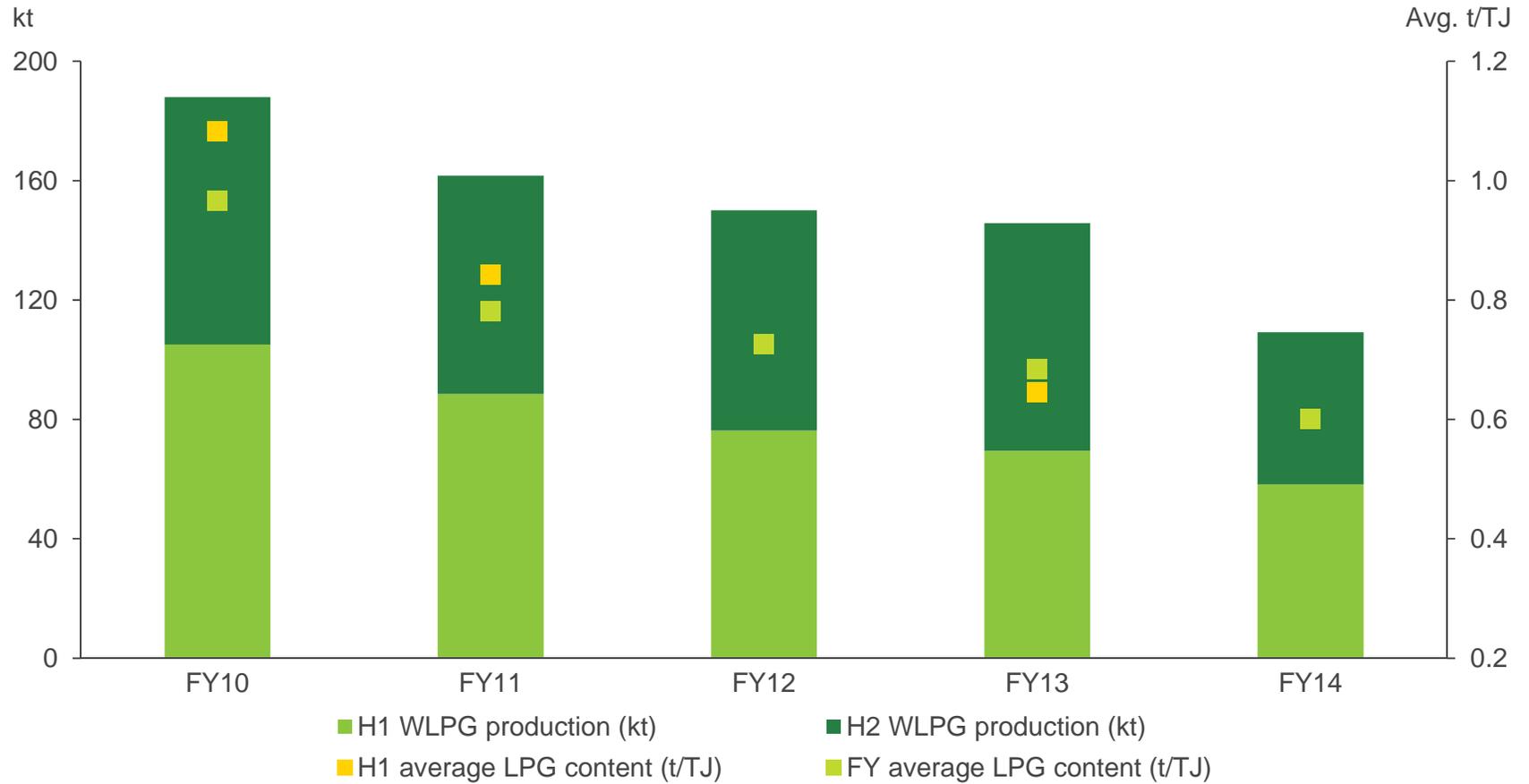
Source: Harriman Front Page Asian mid points

World LPG prices – Saudi CP



LPG production

Continued long-term trend of content decline



Resources



Business environment

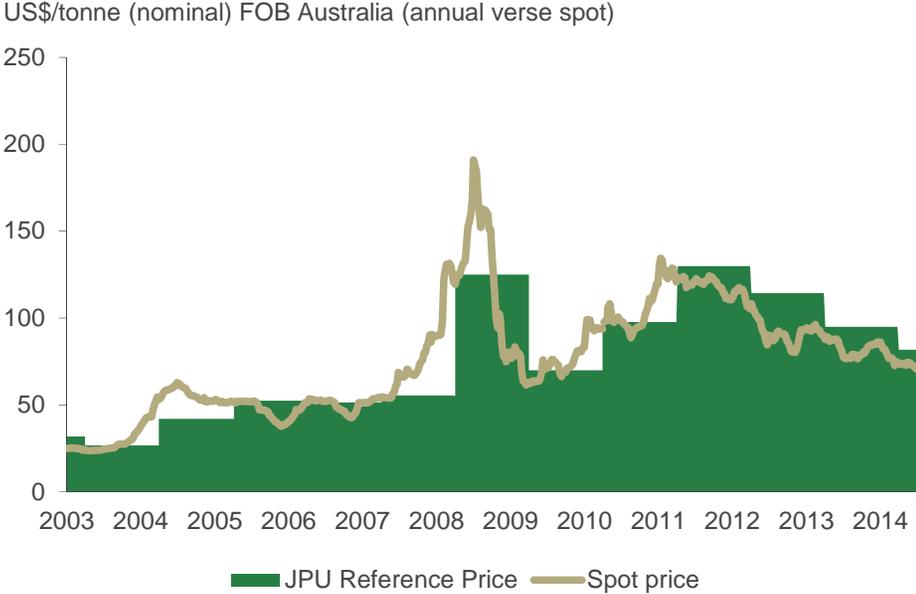


- Continued challenging global trading conditions for export markets
- Metallurgical coal supplies continue to exceed steel production demand
 - Supply-side responses have commenced in both Australia & globally
 - Demand-side variability (Japan strong, Eurozone weaker, China & India growth moderating)
- Curragh's July to September 2014 quarter pricing settlement remain unchanged from the previous quarter
- Continued trend from steel makers towards lower quality coals to reduce costs
- A\$:US\$ exchange rate remains high
- Long-term metallurgical coal outlook fundamentals remain sound
 - Driven by demand growth in India & China

Australian coal market prices

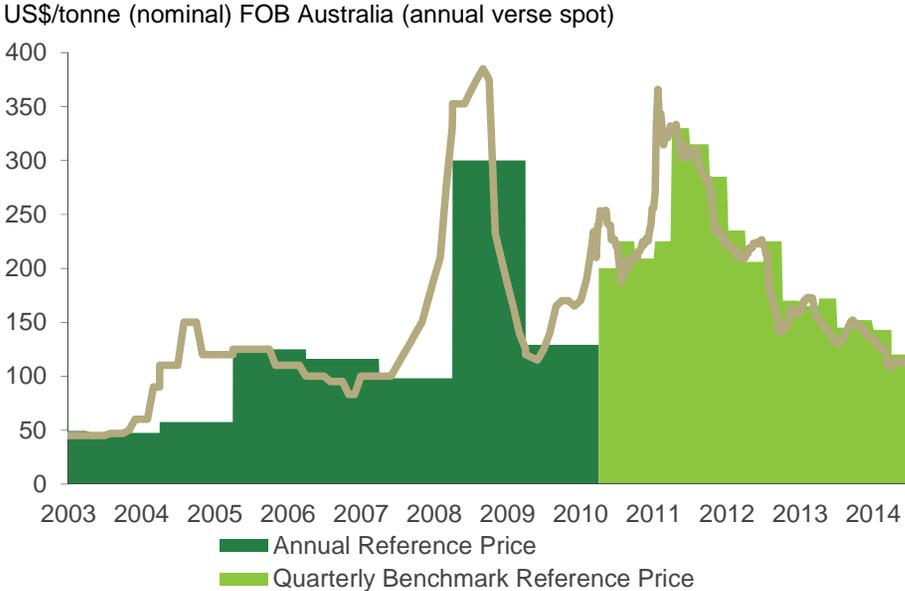


Australian steaming coal prices



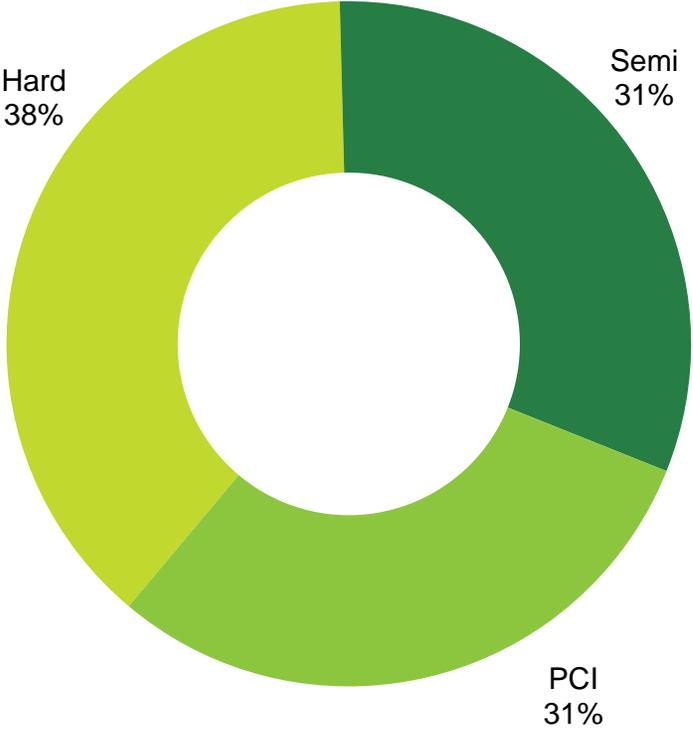
Source: Energy Publishing, Tex Report, Macquarie Research, CRU

Australian hard coking coal prices

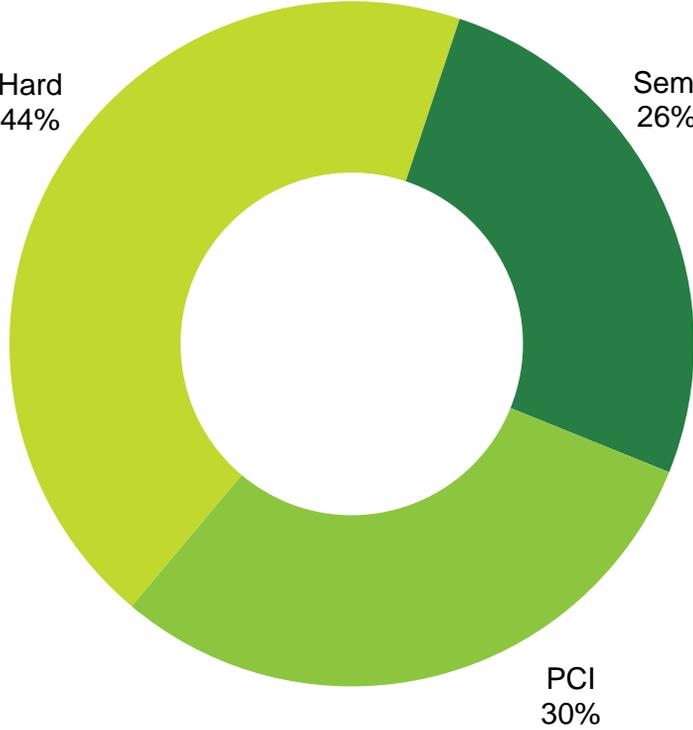


Curragh export metallurgical sales product mix

2014 Actual
8.8 million tonnes



2015 Forecast
7.5 – 8.5 million tonnes



Coal – production volumes

Mine	Ownership	Coal Type	Year Ended (‘000 tonnes)	
			Jun 2014	Jun 2013
Curragh, QLD	100%	Metallurgical	8,810	7,380
		Steaming	3,498	3,254
Bengalla, NSW ¹	40%	Steaming	3,451	3,096
Total¹			15,759	13,730

¹ Wesfarmers attributable production.

Coal – sales volume

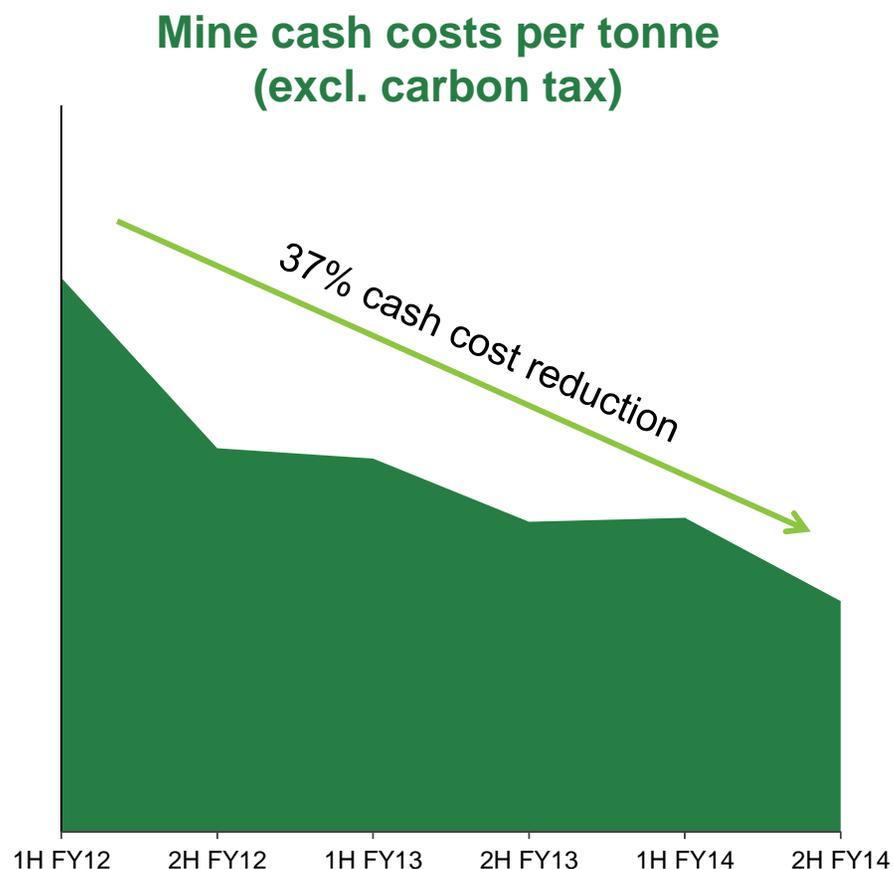
Mine	Ownership	Coal Type	Year Ended (’000 tonnes)	
			Jun 2014	Jun 2013
Curragh, QLD ¹	100%	Metallurgical	8,779	7,212
		Steaming	3,570	3,166
Bengalla, NSW ²	40%	Steaming	3,446	3,028
Total²			15,795	13,406

¹ Curragh metallurgical coal sales excludes traded coal.

² Wesfarmers attributable sales.

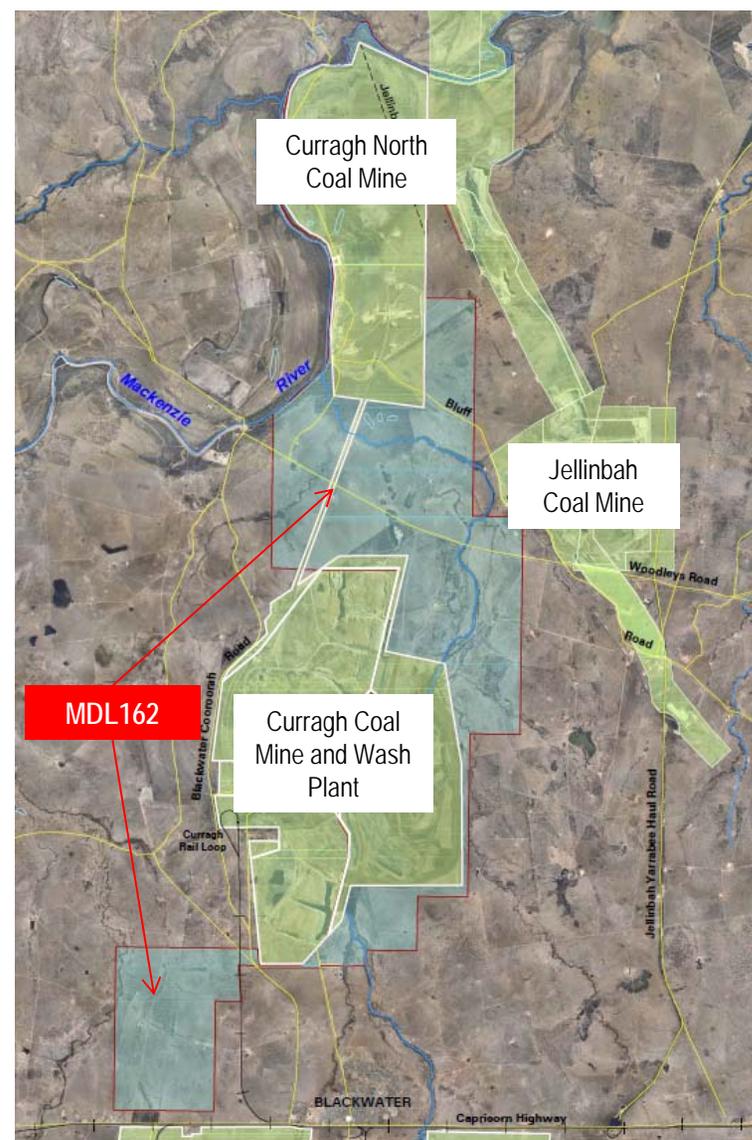
Curragh ongoing cost control focus

- Continued focus on cost control & productivity improvements
- Unit cash costs in 2H FY2014 ~37% below 1H FY2012 peak
 - Favourable geological conditions supported cost performance in 2H FY14
- Cost performance sustained also by:
 - Reduced contractor activity
 - Optimised mine design
 - Engagement with all mine suppliers
 - Mine productivity improvements



Acquisition – MDL 162

- Acquisition of MDL 162 adjacent to Curragh mine from Peabody Energy Australia for \$70 million
- Opportunity to utilise existing Curragh infrastructure including CHPP, rail loop & mining equipment
- Expected to extend Curragh mine life & provide options to further optimise mine operations
 - Feasibility study underway
- Coal produced is not subject to Stanwell Rebate
- Further work required for conversion to mining lease



Mine expansion

Bengalla 'capital light' expansion – Stage 2

- Stage One: 9.3mtpa ROM completed in Q2 CY12
- Stage Two expansion to 10.7mtpa ROM tonnes approved in July 2014
 - Low capital cost expansion to 10.7mtpa ROM tonnes
 - Additional rail & port capacity secured
 - Feasibility study completed
 - Low incremental capital cost
 - Expanded production expected from FY16



FX hedging profile: 30 June 2014



Curragh			Bengalla		
Year end 30 Jun	Current US\$ sold forward (US\$m)	Average A\$ / US\$ hedge rate	Year end 30 Jun	Current US\$ sold forward (US\$m)	Average A\$ / US\$ hedge rate
2015	592	0.87	2015	161	0.88
2016	430	0.88	2016	154	0.89
2017	258	0.86	2017	81	0.86
2018	108	0.81	2018	40	0.81

Note: Incremental hedging activity is continuing in line with market conditions.

Resources financial summary



Year ended 30 June	2014	2013	Commentary
Production tonnes – ('000 tonnes)			
Curragh & Bengalla ¹	15,759	13,730	Record production achieved at both mines - productivity focus
Revenue (\$m)			
Produced	1,526	1,518	
Traded	18	21	
Total	1,544	1,539	Lower export prices, offset by higher sales volumes
Government royalties (\$m)			
Stanwell rebate	(102)	(154)	Lower Stanwell rebate paid due to lower export prices & a lower rate of rebate applied for export sales volumes above 7 mtpa
Other	(119)	(108)	Lower export prices, offset by higher sales volumes
Total	(221)	(262)	
Mining & other costs (\$m)			
Total traded cost	(17)	(19)	
Mining & other costs ²	(1,016)	(959)	Higher production but strong unit production cost control
Total	(1,033)	(978)	
Depreciation & amortisation (\$m)	(160)	(151)	Higher production
EBIT (\$m)	130	148	

¹ Bengalla reported at 40% share.

² Simple unit cost averages will be impacted by tonnage & cost structure variances between mines.

Industrial & Safety

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Our business portfolio

Generalists

Your trusted supplier for all your workplace needs & service solutions. A smarter way to work.



Safety Specialists

Ensuring every person is safe, every day, by using our innovative services, products & solutions.



Industrial Specialists

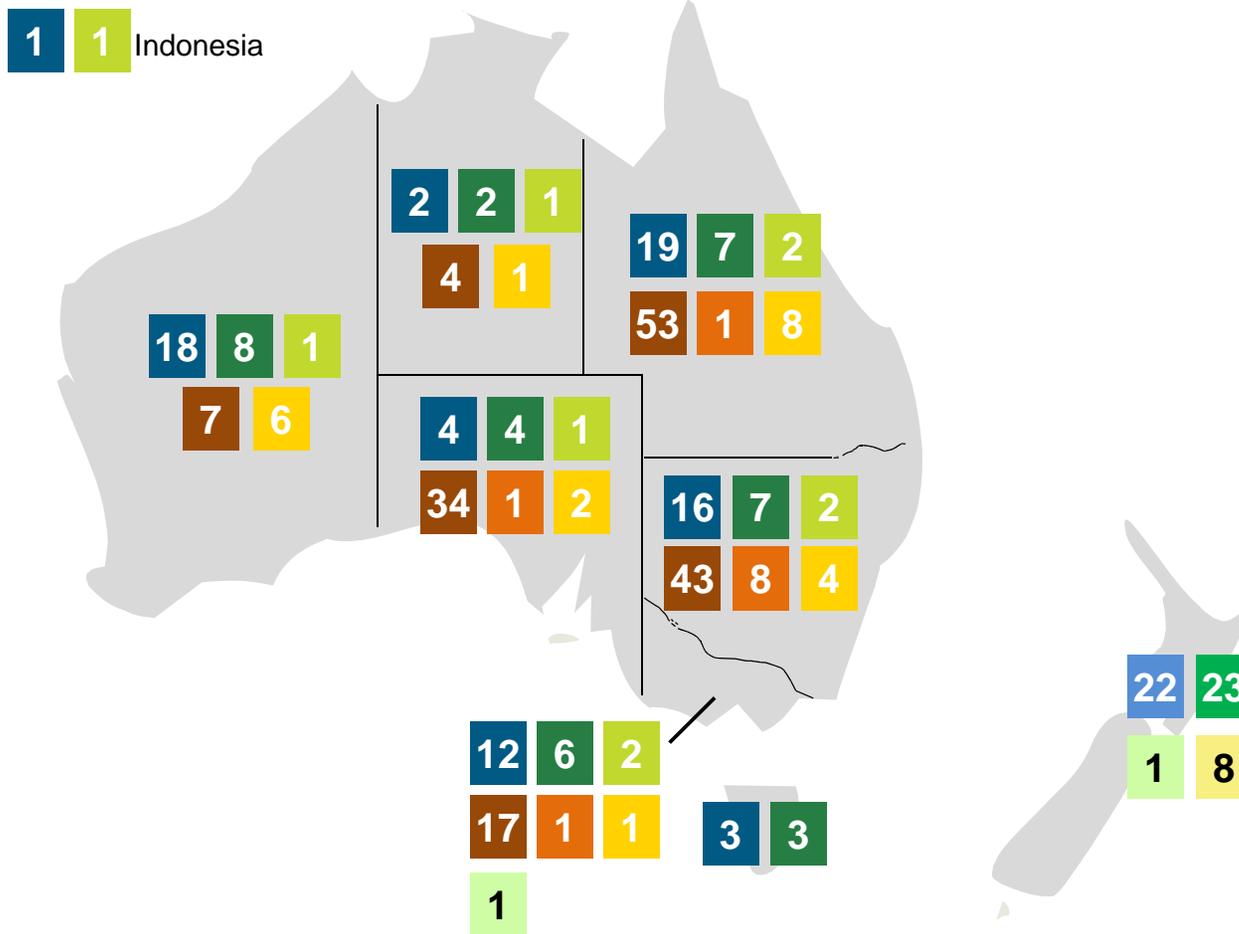
Depth of expertise in technical fields critical to customer operations.



Distribution network

As at 30 June 2014

210 owned branches & 158 additional gas distribution points



Generalists 97

- 75 Blackwoods
- 22 Blackwoods Protector

Safety Specialists 72

- 37 Protector Alsafe
- 23 NZ Safety
- 10 Greencap
- 2 Safety Source

Industry Specialists 41 (+158)

- 11 Coregas + 158
- 22 Bullivants
- 8 Packaging House

Note: Blackwoods includes Bakers, Total Fasteners branches, Migomag & Blacksmith Jacks; Coregas: ■ owned branches & ■ gas distribution points

Insurance



Underwriting performance summary



Year ended 30 June (\$m)	2014	2013	↑ %
Gross Written Premium	1,758	1,644	6.9
Net earned premium	1,545	1,391	11.1
Net claims	(976)	(922)	(5.9)
Net commission & expenses	(466)	(404)	(15.3)
Underwriting result	103	65	58.5
Insurance margin	147	109	34.9
EBITA	168	136	23.5
EBIT	168	136	23.5
EBIT (excluding EQ2) ¹	213	136	56.6
Investment income (\$m)	65	71	
Net earned loss ratio (%) (excluding EQ2) ¹	60.3	66.3	
Combined operating ratio (%) (excluding EQ2) ¹	90.4	95.3	
Insurance margin (%) (excluding EQ2) ¹	12.4	7.9	

¹ Excludes \$45 million impact on underwriting earnings from reserve increases in relation to the 22 February 2011 Christchurch earthquake (EQ2).

Underwriting KPIs



Year ended 30 June	2014	2013	% pt
Gross earned loss ratio (%)	64.8	67.3	(2.5)
Gross earned loss ratio (%) (excluding EQ2) ¹	62.2	67.3	(5.1)
Net earned loss ratio (%)	63.2	66.3	(3.1)
Net earned loss ratio (%) (excluding EQ2) ¹	60.3	66.3	(6.0)
Reinsurance expenses (% GEP)	10.8	12.5	(1.7)
Commission expense (% GWP)	13.0	12.2	0.8
Total earned expenses (% GEP)	27.4	26.1	1.3
Combined operating ratio (% NEP)	93.3	95.3	(2.0)
Combined operating ratio (% NEP) (excluding EQ2) ¹	90.4	95.3	(4.9)
Insurance margin (% NEP)	9.5	7.9	1.6
Insurance margin (% NEP) (excluding EQ2) ¹	12.4	7.9	4.5

¹ Excludes \$45 million impact on underwriting earnings from reserve increases in relation to EQ2.

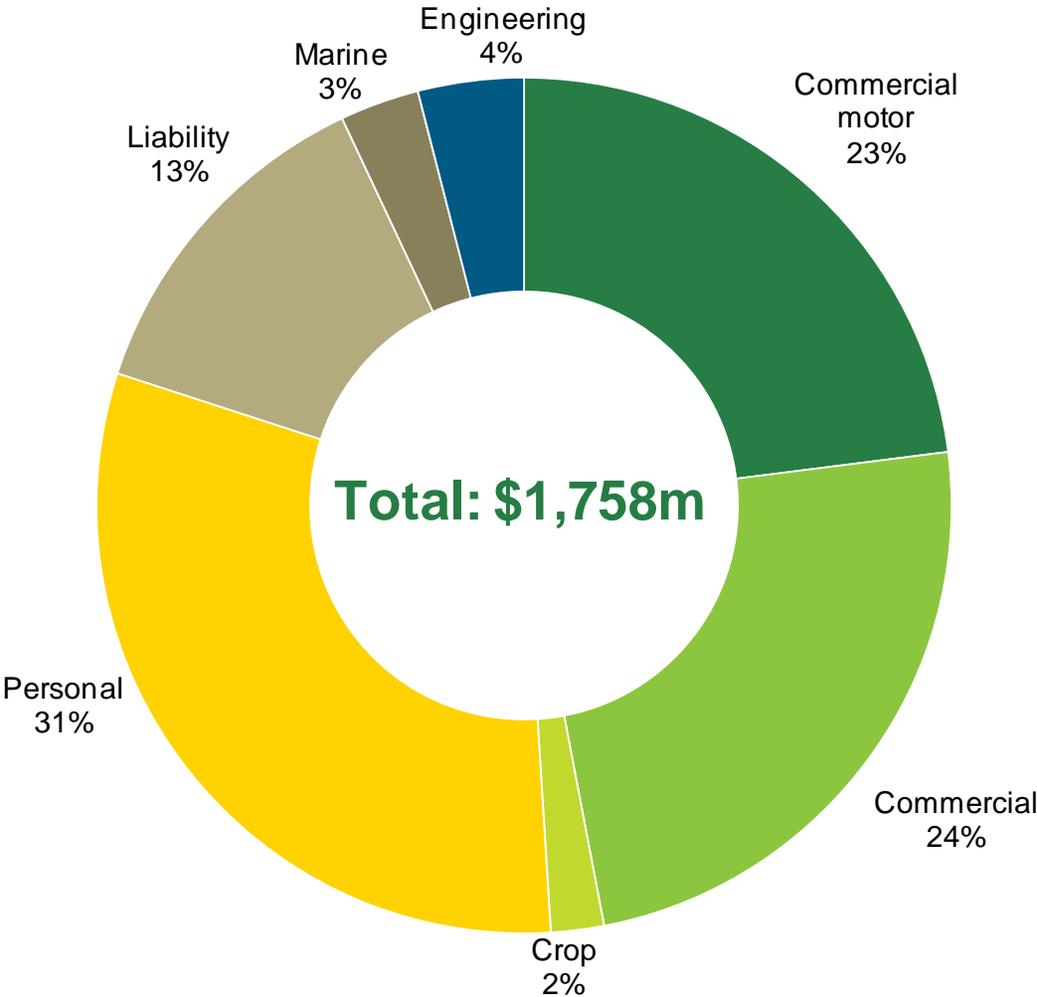
Broking performance summary



Year ended 30 June (\$m)	2014 ¹	2013	↑ %
Commission & fee income	245	258	(5.0)
Other income	33	35	(5.7)
Total income	278	293	(5.1)
Expenses	(213)	(207)	(2.9)
EBITA	65	86	(24.4)
EBIT	52	73	(28.8)
EBITA Margin (%)	23.3	29.3	

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

Gross written premium (underwriting)



Balance Sheet & Cash Flow

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Overview of the Group balance sheet



Year ended 30 June (\$m) ¹	2014	2013 Restated ²	Commentary
Inventories	5,336	5,047	} Detailed working capital discussion provided on slide 49
Receivables & prepayments	1,805	1,505	
Trade & other payables	(5,424)	(5,369)	
Other	403	614	
Net working capital	2,120	1,797	
Property, plant & equipment	9,952	10,070	Lower due to depreciation & amortisation & property disposals offsetting capital expenditure
Intangibles	18,956	19,559	Lower due to Target goodwill impairment
Other assets	721	705	
Net insurance liabilities	-	1	
Provisions & other liabilities	(2,884)	(2,688)	Higher due to Liquor restructuring provision, increased loyalty points & self-insurance, partially offset by Coles meat contract unwind
Total capital employed	28,865	29,444	
Net financial debt ³	(3,050)	(5,166)	Lower due to proceeds from asset sales, partially offset by November 2013 capital return
Net tax balances	172	80	
Total net assets	25,987	24,358	

¹ The above balances reflect the management balance sheet, which is based on different classification & groupings than the balance sheet in the Appendix 4E.

² 2013 restated for the removal of Insurance assets & liabilities (discontinued operations).

³ Net debt, net of interest rate swap liabilities.

Balance sheet – working capital



Year ended 30 June (\$m) ¹	2014	2013 Restated ²	Commentary
Inventories	5,336	5,047	<ul style="list-style-type: none"> • Coles & HIOS: Higher inventory following store network growth • Target: Higher inventory driven by Toy Sale event timing
Receivables & prepayments	1,805	1,505	<ul style="list-style-type: none"> • HIOS: Higher receivables due to increased commercial credit sales • Other: Balance of receivables relating to property/asset divestments
Trade & other payables	(5,424)	(5,369)	<ul style="list-style-type: none"> • Coles: Higher sales offset by lower payables associated with an additional creditor payment due to year-end timing differences • HI: Higher payables due to higher sales & store network growth • Target: Higher payables driven by Toy Sale event timing
Other	403	614	
Net working capital	2,120	1,797	<ul style="list-style-type: none"> • Net increase in working capital of \$323m (FY14 v FY13)

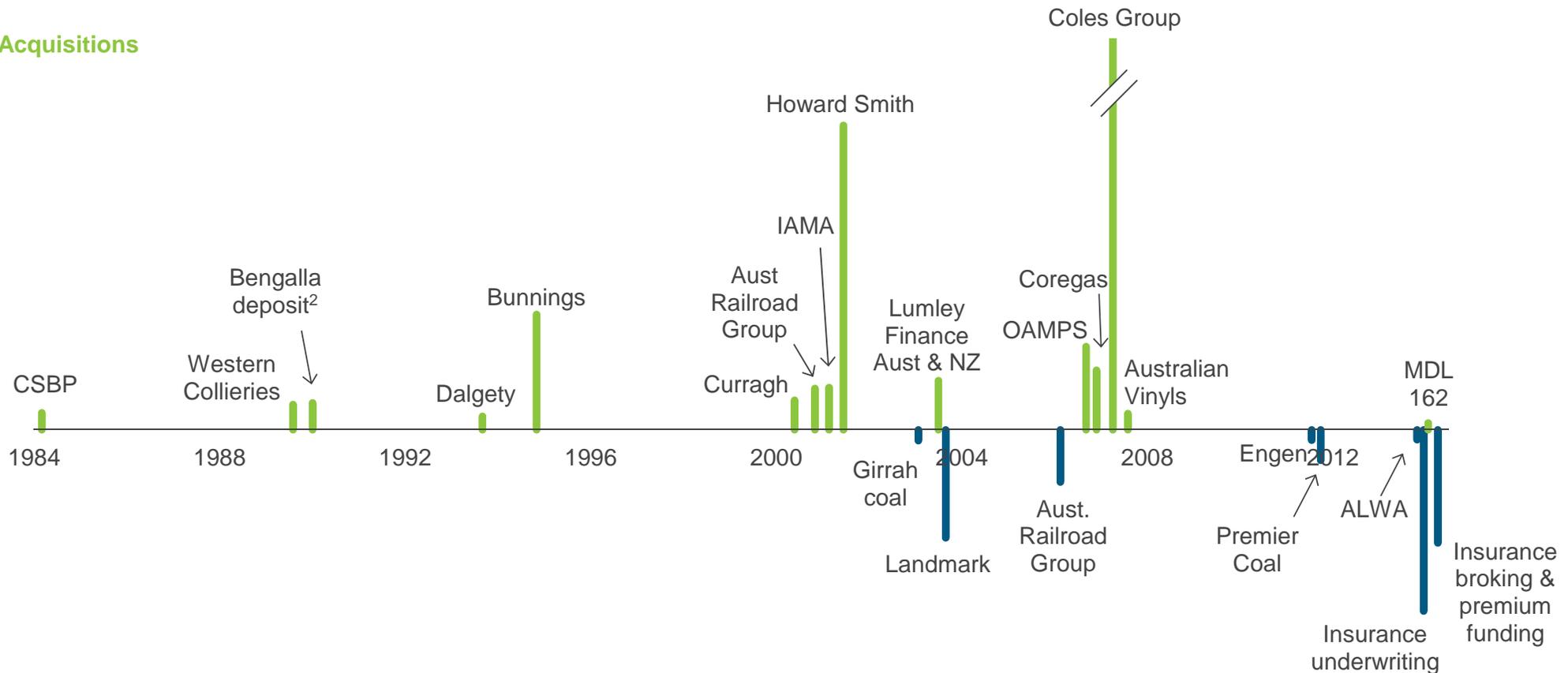
¹ The above table refers to balance sheet movements only. Working capital movements as shown on slide 59 of the presentation exclude non-cash movements which are included in the table above.

² 2013 restated for the removal of Insurance assets & liabilities (discontinued operations).

History of disciplined portfolio management

Major acquisitions & divestments¹

Acquisitions



Divestments

¹ Bar size represents relative CPI-adjusted transaction value.

² Includes capital investment on mine development & exercise of pre-emptive rights.



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Wesfarmers

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