2015 Half-year Results
Shareholder Quick Guide

Wesfarmers

We are pleased to provide shareholders with a summary of Wesfarmers Limited's results for the half-year ended 31 December 2014. The Group delivered a pleasing increase in underlying earnings, demonstrating the benefits of its conglomerate structure. For more detail and context, we encourage you to read the half-year announcements lodged with the ASX on 19 February 2015.

Bob Every AO
Chairman

Richard Goyder AO
Managing Director

Performance overview

- **Net profit after tax (NPAT) from continuing operations[1] of $1,376 million, an increase of 8.3 per cent**
- **Earnings per share from continuing operations of $1.21, an increase of 9.6 per cent**
- **Return on equity (R12) from continuing operations and excluding non-trading items (NTIs)[2] increased 77 basis points to 9.7 per cent**
- **Reported NPAT, including the results from discontinued operations[1], decreased 3.7 per cent**
- **Interim dividend (fully-franked) of $0.89 per share declared, up 4.7 per cent**

Despite variability in the domestic economy and volatility in global markets, the Group delivered a pleasing increase in underlying earnings, demonstrating the benefits of its conglomerate structure.

Continued strong performances in our retail portfolio supported good growth in underlying earnings. Increased earnings contributions from Coles, Bunnings, Kmart and Officeworks were partially offset by lower earnings from the industrial businesses, where lower commodity prices resulted in challenging trading conditions.

Coles' performance was driven by another good result from supermarkets. Ongoing productivity improvements and efficiencies funded greater investment in lower prices. Further improvement in fresh food quality and availability supported growth in transactions, basket size and sales density.

Bunnings' sales and earnings growth accelerated, reflecting ongoing improvements in price, range and service, while active property recycling contributed to a strong improvement in return on capital. At Officeworks, positive trading momentum continued, with higher sales and margins supported by category expansion, improved store layouts and business-to-business growth.

Kmart's strong result reflected its continued focus on investing business efficiencies in lower prices and improving product range, and a higher contribution from new stores and refurbishments. Target's earnings were in line with the prior year and its transformation plan gathered pace during the half.

The three industrial divisions recorded earnings below the prior corresponding half. Lower commodity prices resulted in generally challenging trading conditions, partially offset by a strong focus on cost reduction and contributions from plant capacity expansions.

The increase in interim dividend reflects the underlying earnings growth and continued strong cash generation of our businesses.

The Group will continue to actively develop and manage its portfolio of businesses, retaining a strong balance sheet to take advantage of opportunities, should they arise, which support the delivery of satisfactory long-term shareholder returns.

1 The Insurance division (classified as a discontinued operation) contributed $99 million and $63 million of pre-tax and post-tax earnings respectively in the first half of the 2014 financial year, and $121 million and $82 million of pre-tax and post-tax earnings respectively in the second half of the 2014 financial year. Discontinued operations for the 2014 half-year also includes the $95 million gain (pre and post-tax) on disposal of WesCEF's interest in Air Liquide WA (ALWA).

2 NTIs for the 12 month period to 31 December 2014 include $196m of post-tax earnings (which include a $939 million gain on disposal of the Insurance division, a $677 million non-cash impairment of Target's goodwill and a $66 million Coles Liquor restructuring provision).

Cash flow

Free cash flows were $1,269 million, $253 million above the prior corresponding period, with higher operating cash flows more than offsetting higher net capital expenditure. Operating cash flows of $2,281 million were $524 million or 29.8 per cent up, largely as a result of increased working capital cash flows.

Dividends and capital management

The directors have declared a fully-franked interim dividend of 89 cents per share, compared to 85 cents for the 2014 half-year.

This follows a return of $1.1 billion to shareholders in December 2014 following approval of the capital management distribution of $1.00 per share post the sale of the Group's Insurance division.

Outlook

The Group is generally optimistic in its outlook. Our portfolio of retail businesses is positioned well in an environment where consumers continue to manage household budgets carefully, notwithstanding low interest rates and recent declines in fuel prices.

The retail businesses are expected to grow as they continue to improve customer offers by innovating merchandise offers and providing better service. Focus will remain on reinvesting productivity gains, supply chain efficiencies and cost savings into lower prices. Customer reach is expected to further improve through continued growth and optimisation of store networks and advancement of online offers.

The industrial businesses will continue their strong focus on productivity to maintain and, where possible, lower costs. At current commodity prices the external trading environment is expected to remain challenging but our low cost operations provide earnings leverage should market conditions improve.

Earnings before interest and tax breakdown

Coles	**42%**
Home Improvement and Office Supplies (HIOS)	**32%**
Bunnings	30%
Officeworks	2%
Department store retailing	**17%**
Kmart	14%
Target	3%
Industrial	**9%**
Chemicals, Energy and Fertilisers	5%
Resources	2%
Industrial and Safety	2%

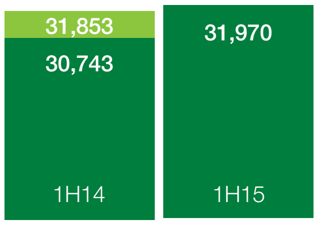
2015 Half-year Group performance summary

Wesfarmers

It was pleasing to record a solid increase in profit from continuing operations for the first half. Our strong focus on delivery of long-term satisfactory returns to shareholders continued.

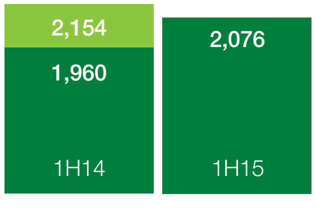
Revenue

$31,970m up 4.0% (reported up 0.4%)



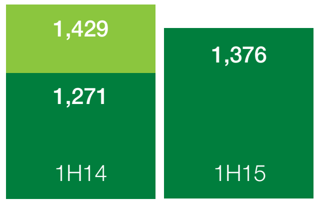
Earnings before interest and tax

$2,076m up 5.9% (reported down 3.6%)



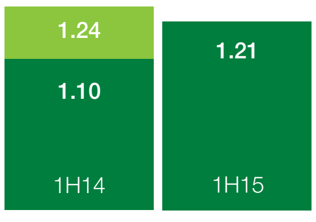
Net profit after tax

$1,376m up 8.3% (reported down 3.7%)



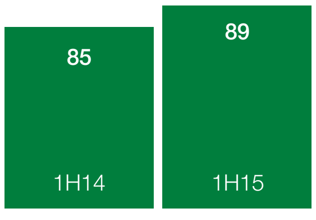
Earnings per share

$1.21 up 9.6% (reported down 2.6%)



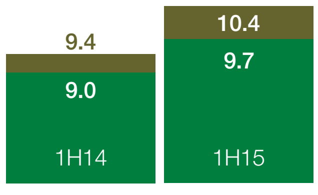
Interim dividend per share

89 cents up 4.7%



Return on equity (R12)

9.7% up 77bps (reported up 100bps)



Continuing operations

Including discontinued operations

Including discontinued operations and NTIs

2015 Half-year divisional performance summary

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Coles

Financial performance

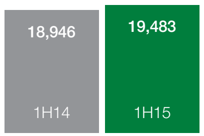
- Another good result from supermarkets
- Ongoing productivity improvements and efficiencies funded greater investment in lower prices, driving increased transactions, basket size and sales density
- Comparable food and liquor sales up 4.2%
- Initiatives in fresh food lifted productivity, availability and quality, contributing to higher sales, volumes and participation
- Challenging half for Coles Liquor as long-term transformation plans commenced
- Convenience earnings declined on lower fuel volumes

Outlook

- Customers expected to seek more value in an increasingly competitive landscape
- Growth to come from further improvements in the fresh food offer and greater value and quality
- Ongoing investment in value will continue to be funded by efficiency and cost savings
- Continued strong focus on transforming Coles Liquor
- Coles Express to drive growth through further improvements in its fuel and shop offer and a more convenient network

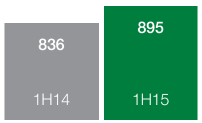
Revenue

$19,483m
up 2.8%



Earnings before interest and tax

$895m
up 7.1%



Return on capital

10.0% 10.6%

Home Improvement and Office Supplies

Bunnings

Financial performance

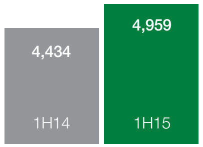
- Strong result building on prior momentum
- Store-on-store sales up 9.1%, with strong sales growth in consumer and commercial areas, across all categories within all regions
- Earnings growth from positive trading performance, productivity improvements and cost discipline
- Strong earnings growth, disciplined capital management and good project management led to a strong uplift in return on capital

Outlook

- Well placed to continue to grow sales
- Continue to build a strong team, flow stock better, lift productivity and deepen community involvement
- Significant opportunity in expansion of digital ecosystem and physical network
- 20 new Bunnings Warehouse stores expected in each of FY15 and FY16
- Continued focus on efficient capital management to maintain return on capital levels

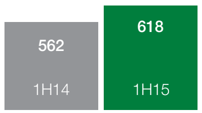
Revenue

$4,959m
up 11.8%



Earnings before interest and tax

$618m
up 10.0%



Return on capital

27.6% 31.6%

Officeworks

Financial performance

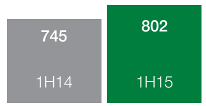
- Customers continued to respond to ‘every channel’ strategy
- Strong uplift in sales and margins supported by new categories and upgraded store layouts

Outlook

- Continue to drive growth and productivity by providing customers with a unique, consistent experience in ‘every channel’ – anywhere, anyhow, anytime
- Focus areas include continued merchandise expansion and innovation, enhanced physical and online store experience and team investment

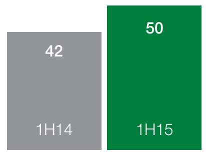
Revenue

$802m
up 7.7%



Earnings before interest and tax

$50m
up 19.0%



Return on capital

8.7% 10.5%

2015 Half-year divisional performance summary

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Department store retailing

Kmart

Financial performance

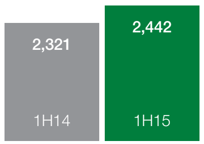
- Earnings growth driven by improved ranges, strong inventory management and cost control
- Sales growth driven by store refurbishments, new stores and strong performance in apparel seasonal outerwear, toys and home categories

Outlook

- Continued commitment to being the lowest price in the market
- Three new stores and 16 refurbishments expected to be completed in second half

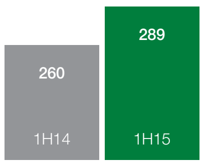
Revenue

$2,442m
up 5.2%



Earnings before interest and tax

$289m
up 11.2%



Return on capital

26.8% 29.0%

Target

Financial performance

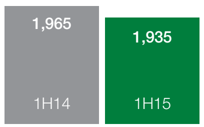
- Sales momentum improved through the half
- Earnings reflected a challenging first quarter with markdowns to clear excess winter inventory; second quarter earnings up year-on-year
- Early progress on transformation plan

Outlook

- Continue transformation plan with focus on fixing the basics
- Execution of 'Great Quality. Lower Prices. Every Day.' strategy expected to support ongoing improvements in customer numbers and volumes

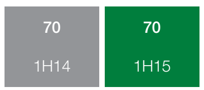
Revenue

$1,935m
down 1.5%



Earnings before interest and tax

$70m



Return on capital

1.9% 3.2%

Industrial

Chemicals, Energy and Fertilisers

Financial performance

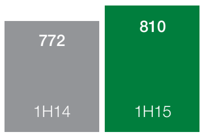
- Strong fertilisers result more than offset by a decline at Kleenheat Gas due to lower LPG prices and LPG content in the Dampier to Bunbury pipeline
- Chemicals earnings affected by new higher priced gas supply arrangements and loss of carbon abatement income, offsetting improved AN contribution

Outlook

- Headwinds to Chemicals earnings are expected to offset increased AN contribution in second half
- Challenging short-term outlook for Kleenheat Gas
- Fertilisers earnings dependent on seasonal break but good 2014 harvest and returns support a positive outlook

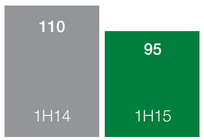
Revenue

$810m
up 4.9%



Earnings before interest and tax

$95m
down
13.6%



Return on capital

17.1% 13.4%

Resources

Financial performance

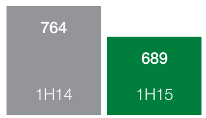
- Significantly lower US$ export coal prices more than offset strong sales volumes, lower A$ and continued cost control
- Curragh's unit mine cash costs (excluding carbon tax) 5.6% lower than prior corresponding period

Outlook

- Metallurgical coal sales forecast to be 8.0 to 9.0 million tonnes in FY15
- Continued strong focus on productivity and cost control

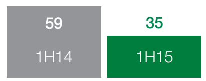
Revenue

$689m
down 9.8%



Earnings before interest and tax

$35m
down
40.7%



Return on capital

7.8% 7.3%

Industrial and Safety

Financial performance

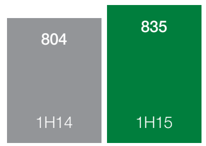
- Earnings affected by reduced industrial sector activity, highly competitive market and investment in value
- Acquisition of Pacific Brands Workwear completed in December 2014

Outlook

- Subdued trading environment and strong margin pressure expected to continue
- Continued focus on retaining and growing market share, reinvestment in value and new growth platforms
- Continue to drive business efficiencies and long-term productivity improvements

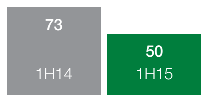
Revenue

$835m
up 3.9%



Earnings before interest and tax

$50m
down
31.5%



Return on capital

13.5% 9.3%

Shareholder information

Wesfarmers

2015 Financial calendar

2015 half-year results announcement and briefing	19 February 2015
Ex-dividend date (2015 interim dividend)	24 February 2015
Record date (2015 interim dividend)	26 February 2015
Payment date (2015 interim dividend)	2 April 2015
***2015 third quarter retail sales update**	29 April 2015
***Strategy briefing day**	20 May 2015
***2015 full-year results announcement and briefing**	20 August 2015
***2016 first quarter retail sales update**	22 October 2015
***Annual General Meeting**	12 November 2015

*Dates are subject to change should circumstances require. All changes will be advised to the ASX.

Share registry

Shareholders seeking information about their shareholdings or who wish to manage their shareholdings should contact our share registry, Computershare Investor Services Pty Limited. The registry can assist with queries such as share transfers, dividend payments, the Dividend Investment Plan, and changes of name, address or bank details.

Computershare Investor Services Pty Limited

Shareholder information line: 1300 558 062 (in Australia) or (+61 3) 9415 4631.

www.investorcentre.com/wes

Dividend Investment Plan (DIP)

The DIP provides a convenient way for shareholders to invest their dividends in new fully paid shares in Wesfarmers, without paying brokerage or other costs. At each dividend payment date, dividends on shares nominated to be subject of the Plan are automatically invested in Wesfarmers ordinary shares.

Sustainability report

Wesfarmers was a pioneer of formal sustainability reporting in Australia and our latest report, released in November 2014, breaks further new ground as a dedicated online and interactive publication, including 11 video case studies. We encourage you to take a look at the work being done on the issues rated most material to the sustainability of the Group's businesses.

Wesfarmers Investor Centre

The Investor Centre is a dedicated online resource for keeping shareholders informed about our performance. For information such as current and historical share prices, company announcements, reports and presentations, dividend and capital management information and key financial dates, visit http://www.wesfarmers.com.au/investors/investor-centre-home.html. You can also link to our share registry where you can manage your shareholding.

Go electronic!

Shareholders are encouraged to elect to receive electronic communications. It's quicker, it reduces costs and it's better for the environment.

Notifications of dividends and payments, Notices of Meetings, Annual Reports, Shareholder Reviews and/or ASX announcements can all be delivered instantly to your email inbox. To receive some or all shareholder communications electronically, contact our share registry, Computershare Investor Services Pty Limited.

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