14 August 2018

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

2018 FULL-YEAR RESULTS

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

- Appendix 4E; and
- 2018 Full-year Results Announcement (including fourth quarter retail sales results).

The following will also be released in conjunction with today's results release:

- Notification of Dividend/Distribution;
- 2018 Full-year Results Briefing Presentation; and
- 2018 Full-year Results Shareholder Quick Guide.

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 faithfully,

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 2018
Wesfarmers Limited and its controlled entities
ABN 28 008 984 049

Results for announcement to the market	**2018 $m**	RESTATED 2017 $m	%
Revenue from continuing operations	**66,883**	64,913	3.0%
Revenue from discontinued operations[1]	**2,995**	3,531	(15.2%)
Profit after tax attributable to members:			
From continuing operations excluding significant items	**2,904**	2,760	5.2%
Significant items[2]	**(300)**	-	
From continuing operations	**2,604**	2,760	(5.7%)
From discontinued operations[3]	**(1,407)**	113	
Net profit for the full-year attributable to members	**1,197**	2,873	(58.3%)

Dividends	Amount per security	Franked amount per security
Interim dividend	103 cents	103 cents
Final dividend	120 cents	120 cents
Total FY2018 dividend	**223 cents**	**223 cents**
Previous corresponding period:		
Interim dividend	103 cents	103 cents
Final dividend	120 cents	120 cents
Total FY2017 dividend	**223 cents**	**223 cents**
Record date for determining entitlements to the dividend	5:00pm (WST) on 21 August 2018	
Last date for receipt of election notice for Dividend Investment Plan	5:00pm (WST) on 22 August 2018	
Date the final dividend is payable	27 September 2018	

1 Discontinued operations relate to Wesfarmers Curragh Pty Ltd (Curragh coal mine) and Bunnings UK and Ireland (BUKI) which were disposed of during the financial year.

2 Significant items for continuing operations for 2018 relate to Target's non-cash impairment of $300 million after tax.

3 The loss from discontinued operations for 2018 includes the trading result for the Curragh coal mine and BUKI, the $375 million (£210 million) post-tax loss on disposal of BUKI, $123 million post-tax gain on disposal of the Curragh coal mine and $1,023 million (£584 million) in impairments, write-offs and store closure provisions for BUKI.

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 21 August 2018 for participation in the Plan, being 24 August 2018 to 13 September 2018.

The last date for receipt of applications to participate in or to cease or vary participation in the Plan is by 5:00pm (AWST) on 22 August 2018. 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 27 September 2018. A broker will be engaged to assist in this process.

Net tangible asset backing

Net tangible asset backing per ordinary share (excluding reserved shares): $4.33 (2017: $4.44).

Operating cash flow per share

Operating cash flow per share: $3.60 (2017: $3.74). 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 2017.

Commentary on results for the year

Commentary on the results for the year is contained in the press release dated 14 August 2018 accompanying this statement.

PRELIMINARY FINANCIAL STATEMENTS

For the year ended 30 June 2018

Contents

INCOME STATEMENT

For the year ended 30 June 2018

	Note	Consolidated 2018 $m	RESTATED 2017 $m
Continuing operations			
Revenue	2	**66,883**	64,913
Expenses			
Raw materials and inventory		**(45,718)**	(44,633)
Employee benefits expense	2	**(9,375)**	(8,746)
Freight and other related expenses		**(757)**	(857)
Occupancy-related expenses	2	**(2,976)**	(2,882)
Depreciation and amortisation	2	**(1,198)**	(1,175)
Impairment expenses	2	**(421)**	(44)
Other expenses	2	**(2,757)**	(2,832)
Total expenses		**(63,202)**	(61,169)
Other income	2	**283**	286
Share of net profits of associates and joint venture	10	**97**	147
		380	433
Earnings before interest and income tax expense (EBIT)		**4,061**	4,177
Finance costs	2	**(211)**	(248)
Profit before income tax		**3,850**	3,929
Income tax expense	3	**(1,246)**	(1,169)
Profit from continuing operations		**2,604**	2,760
Discontinued operations			
Loss after tax for the year for Bunnings UK and Ireland	12	**(1,657)**	(101)
Profit after tax for the year for Wesfarmers Curragh Pty Ltd	12	**250**	214
(Loss)/profit after tax for the year from discontinued operations		**(1,407)**	113
Profit attributable to members of the parent		**1,197**	2,873
Earnings per share attributable to ordinary equity holders of the parent from continuing operations		**cents**	cents
Basic earnings per share		**230.2**	244.7
Diluted earnings per share		**229.8**	244.2
Earnings per share attributable to ordinary equity holders of the parent	7		
Basic earnings per share		**105.8**	254.7
Diluted earnings per share		**105.6**	254.2

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2018

	Note	Consolidated 2018 $m	Consolidated RESTATED 2017 $m
Profit attributable to members of the parent		**1,197**	2,873
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Foreign currency translation reserve			
Exchange differences on translation of foreign operations		**(7)**	(2)
Exchange differences recognised in the income statement on disposal of foreign operations		**(2)**	-
Cash flow hedge reserve	9		
Unrealised gains/(losses) on cash flow hedges		**96**	(136)
Realised losses transferred to net profit		**29**	92
Realised losses transferred to non-financial assets		**114**	84
Share of associates and joint venture reserves		**(7)**	-
Tax effect		**(72)**	(17)
Items that will not be reclassified to profit or loss:			
Retained earnings			
Remeasurement loss on defined benefit plan		**(1)**	(5)
Tax effect		**-**	2
Other comprehensive income for the year, net of tax		**150**	18
Total comprehensive income for the year, net of tax, attributable to members of the parent arising from:			
Continuing operations		**2,754**	2,784
Discontinued operations		**(1,407)**	107
		1,347	2,891

BALANCE SHEET

As at 30 June 2018

	Note	Consolidated 2018 $m	2017 $m
Assets			
Current assets			
Cash and cash equivalents	4	**683**	1,013
Receivables - Trade and other		**1,657**	1,633
Inventories		**6,011**	6,530
Derivatives		**126**	247
Other		**229**	244
Total current assets		**8,706**	9,667
Non-current assets			
Investments in associates and joint venture		**748**	703
Deferred tax assets		**692**	971
Property		**1,920**	2,195
Plant and equipment		**6,488**	7,245
Goodwill		**13,491**	14,360
Intangible assets		**4,369**	4,576
Derivatives		**391**	246
Other		**128**	152
Total non-current assets		**28,227**	30,448
Total assets		**36,933**	40,115
Liabilities			
Current liabilities			
Trade and other payables		**6,541**	6,615
Interest-bearing loans and borrowings	5	**1,159**	1,347
Income tax payable		**299**	292
Provisions		**1,726**	1,743
Derivatives		**16**	154
Other		**284**	266
Total current liabilities		**10,025**	10,417
Non-current liabilities			
Interest-bearing loans and borrowings	5	**2,965**	4,066
Provisions		**1,033**	1,511
Derivatives		**-**	24
Other		**156**	156
Total non-current liabilities		**4,154**	5,757
Total liabilities		**14,179**	16,174
Net assets		**22,754**	23,941
Equity			
Equity attributable to equity holders of the parent			
Issued capital	6	**22,277**	22,268
Reserved shares	6	**(43)**	(26)
Retained earnings		**176**	1,509
Reserves		**344**	190
Total equity		**22,754**	23,941

CASH FLOW STATEMENT

For the year ended 30 June 2018

	Note	Consolidated 2018 $m	2017 $m
Cash flows from operating activities			
Receipts from customers		**75,354**	74,042
Payments to suppliers and employees		**(69,836)**	(68,713)
Net movement in finance advances and loans		**-**	(47)
Dividends and distributions received from associates		**50**	46
Interest received		**15**	83
Borrowing costs		**(195)**	(234)
Income tax paid		**(1,308)**	(951)
Net cash flows from operating activities	4	**4,080**	4,226
Cash flows from investing activities			
Payments for property, plant and equipment and intangibles	4	**(1,815)**	(1,681)
Proceeds from sale of property, plant and equipment and intangibles	4	**606**	653
Net proceeds from sale of businesses and associates		**534**	947
Net investments in associates and joint arrangements		**-**	(2)
Acquisition of subsidiaries, net of cash acquired		**-**	(24)
Net redemption of loan notes		**17**	54
Net cash flows used in investing activities		**(658)**	(53)
Cash flows from financing activities			
Proceeds from borrowings		**688**	220
Repayment of borrowings		**(1,905)**	(1,994)
Proceeds from exercise of in-substance options under the employee share plan		**-**	1
Equity dividends paid		**(2,528)**	(1,998)
Demerger transaction costs		**(7)**	-
Net cash flows used in financing activities		**(3,752)**	(3,771)
Net (decrease)/increase in cash and cash equivalents		**(330)**	402
Cash and cash equivalents at beginning of year		**1,013**	611
Cash and cash equivalents at end of year	4	**683**	1,013

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2018

		Attributable to equity holders of the parent					
Consolidated	Note	**Issued capital $m**	**Reserved shares $m**	**Retained earnings $m**	**Hedging reserve $m**	**Other reserves $m**	**Total equity $m**
Balance at 1 July 2016		21,937	(28)	874	(105)	271	22,949
Net profit for the year		-	-	2,873	-	-	2,873
Other comprehensive income							
Exchange differences on translation of foreign operations		-	-	-	-	(2)	(2)
Changes in the fair value of cash flow hedges, net of tax	9	-	-	-	23	-	23
Remeasurement loss on defined benefit plan, net of tax		-	-	(3)	-	-	(3)
Total other comprehensive income for the year, net of tax		-	-	(3)	23	(2)	18
Total comprehensive income for the year, net of tax		-	-	2,870	23	(2)	2,891
Share-based payment transactions	6	3	-	-	-	3	6
Issue of shares	6	328	-	-	-	-	328
Proceeds from exercise of in-substance options	6	-	1	-	-	-	1
Equity dividends	8	-	1	(2,235)	-	-	(2,234)
		331	2	(2,235)	-	3	(1,899)
Balance at 30 June 2017 and 1 July 2017		**22,268**	**(26)**	**1,509**	**(82)**	**272**	**23,941**
Net profit for the year		**-**	**-**	**1,197**	**-**	**-**	**1,197**
Other comprehensive income							
Exchange differences on translation of foreign operations		**-**	**-**	**-**	**-**	**(7)**	**(7)**
Exchange differences recognised in the income statement on disposal of foreign operations		**-**	**-**	**-**	**-**	**(2)**	**(2)**
Changes in the fair value of cash flow hedges, net of tax	9	**-**	**-**	**-**	**160**	**-**	**160**
Remeasurement loss on defined benefit plan, net of tax		**-**	**-**	**(1)**	**-**	**-**	**(1)**
Total other comprehensive income for the year, net of tax		**-**	**-**	**(1)**	**160**	**(9)**	**150**
Total comprehensive income for the year, net of tax		**-**	**-**	**1,196**	**160**	**(9)**	**1,347**
Share-based payment transactions	6	**9**	**-**	**-**	**-**	**3**	**12**
Acquisition of shares on-market for Key Executive Equity Performance Plan (KEEPP)	6	**-**	**(17)**	**-**	**-**	**-**	**(17)**
Equity dividends	8	**-**	**-**	**(2,529)**	**-**	**-**	**(2,529)**
		9	**(17)**	**(2,529)**	**-**	**3**	**(2,534)**
Balance at 30 June 2018		**22,277**	**(43)**	**176**	**78**	**266**	**22,754**

NOTES TO THE FINANCIAL STATEMENTS: SEGMENT INFORMATION

For the year ended 30 June 2018

1. Segment information

The Group's operating segments are organised and managed separately according to the nature of the products and services provided. Each segment represents 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.

	CONTINUING OPERATIONS																				DISCONTINUED OPERATIONS[4]	
									INDUSTRIALS													
	BUNNINGS		COLES		DEPARTMENT STORES[1]		OFFICEWORKS		WIS		WesCEF[2]		RESOURCES[3]		OTHER		CONSOLIDATED					
	2018	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017			**2018**	2017
	$m	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m			**$m**	$m
Segment revenue	12,544	11,514	39,388	39,217	8,837	8,528	2,142	1,964	1,750	1,776	1,830	1,639	400	287	(8)	(12)	**66,883**	64,913			2,995	3,531
Adjusted EBITDA[5]	1,683	1,505	2,151	2,256	862	739	181	168	159	158	469	472	190	107	(130)	(53)	**5,565**	5,352			6	316
Depreciation and amortisation	(179)	(171)	(651)	(647)	(202)	(196)	(25)	(24)	(41)	(43)	(79)	(77)	(18)	(16)	(3)	(1)	**(1,198)**	(1,175)			(85)	(91)
Segment result	**1,504**	1,334	**1,500**	1,609	**660**	543	**156**	144	**118**	115	**390**	395	**172**	91	**(133)**	(54)	**4,367**	4,177			(79)	225
Items not included in segment result[6]	-	-	-	-	(306)	-	-	-	-	-	-	-	-	-	-	-	**(306)**	-			(1,186)	-
EBIT																	**4,061**	4,177			(1,265)	225
Finance costs																	**(211)**	(248)			(10)	(16)
Profit before income tax expense																	**3,850**	3,929			(1,275)	209
Income tax expense																	**(1,246)**	(1,169)			(132)	(96)
Profit attributable to members of the parent																	**2,604**	2,760			(1,407)	113
Other segment information																						
Segment assets	5,025	4,846	21,180	21,140	3,617	3,928	1,452	1,401	1,698	1,661	1,539	1,484	263	260	719	1,121	**35,493**	35,841			-	2,600
Investments in associates and joint venture	17	17	-	-	-	-	-	-	-	-	202	183	-	-	529	503	**748**	703			-	-
Tax assets															692	971	**692**	971			-	-
Total assets																	**36,933**	37,515			-	2,600
Segment liabilities	(1,875)	(1,785)	(4,561)	(4,245)	(1,482)	(1,423)	(532)	(488)	(335)	(385)	(355)	(270)	(68)	(63)	(548)	(684)	**(9,756)**	(9,343)			-	(1,126)
Tax liabilities															(299)	(292)	**(299)**	(292)			-	-
Interest bearing liabilities															(4,124)	(5,413)	**(4,124)**	(5,413)			-	-
Total liabilities																	**(14,179)**	(15,048)			-	(1,126)
Other net assets[7]	(3,098)	(2,825)	(10)	(209)	(47)	(142)	8	(25)	(631)	(585)	(745)	(793)	(191)	(91)	4,714	6,681	**-**	2,011			-	(2,011)
Net assets	69	253	16,609	16,686	2,088	2,363	928	888	732	691	641	604	4	106	1,683	2,887	**22,754**	24,478			-	(537)
Capital expenditure[8]	497	367	762	811	293	222	45	36	50	34	60	44	14	13	2	-	**1,723**	1,527			139	156
Share of net profit or loss of associates and joint venture included in EBIT	-	-	-	-	-	-	-	-	-	-	41	61	-	-	56	86	**97**	147			-	-

1. As a result of the changes to internal reporting the Kmart and Target segments have been reported collectively as Department Stores for the current and comparative periods.
2. The 2017 WesCEF result includes profit on sale of land of $22 million (before tax), and $33 million relating to WesCEF's share of revaluation gains recognised by its associate, Australian Energy Consortium Pty Ltd.
3. The Resources segment represents the Group's interest in the Bengalla joint arrangement, as the Curragh coal mine has been classified as a discontinued operation for the current and comparative periods.
4. Discontinued operations relate to the Curragh coal mine and BUKI which were disposed of during the financial year. Refer to note 12 for further information on discontinued operations.
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 2018 segment result excludes Target's pre-tax impairment of $306 million and $1,186 million relating to discontinued operations which includes BUKI's pre-tax writedown of $861 million (£491 million), store closure provision of $70 million (£40 million), $375 million (£210 million) pre-tax loss on disposal relating to BUKI and $120 million pre-tax gain on disposal of the Curragh coal mine. Refer to note 11 for further information on the Target impairment and BUKI writedown and note 12 for discontinued operations.
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 $1,815 million (2017: $1,681 million).

NOTES TO THE FINANCIAL STATEMENTS: KEY NUMBERS

For the year ended 30 June 2018

2. Revenue and expenses

	Consolidated 2018 $m	2017 $m
Sale of goods	**66,582**	64,488
Rendering of services	**12**	12
Interest revenue	**14**	83
Other	**275**	330
Revenue	**66,883**	64,913
Gains on disposal of property, plant and equipment	**62**	122
Other	**221**	164
Other income	**283**	286
Remuneration, bonuses and on-costs	**8,616**	8,018
Superannuation expense	**654**	625
Share-based payments expense	**105**	103
Employee benefits expense	**9,375**	8,746
Minimum lease payments	**2,281**	2,184
Contingent rental payments	**191**	215
Other	**504**	483
Occupancy-related expenses	**2,976**	2,882
Depreciation	**913**	905
Amortisation of intangibles	**153**	145
Amortisation other	**132**	125
Depreciation and amortisation	**1,198**	1,175
Impairment of plant, equipment and other assets	**306**	22
Impairment of freehold property	**68**	22
Impairment of goodwill	**47**	-
Impairment expenses	**421**	44
Mining royalties	**33**	24
Repairs and maintenance	**405**	400
Utilities and office expenses	**1,039**	983
Insurance expenses	**190**	150
Other	**1,090**	1,275
Other expenses	**2,757**	2,832
Interest expense	**181**	213
Discount rate adjustment	**12**	11
Amortisation of debt establishment costs	**5**	6
Other finance related costs	**13**	18
Finance costs	**211**	248

3. Tax expense

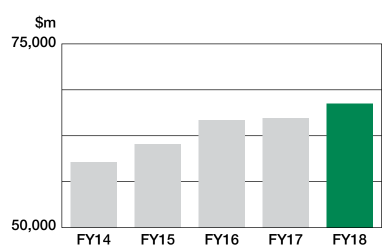
Tax reconciliation	Consolidated 2018 $m	2017 $m
A reconciliation between tax expense and the product of accounting profit before tax multiplied by the Group's applicable income tax rate is as follows:		
Profit before tax (from continuing operations)	**3,850**	3,929
Income tax at the statutory rate of 30%	**1,155**	1,179
Adjustments relating to prior years	**(8)**	(11)
Non-deductible items	**111**	9
Share of results of associates and joint venture	**(12)**	(18)
Other	**-**	10
Income tax on profit before tax	**1,246**	1,169

Total revenue

From continuing operations

$66,883

▲ 3.0%



	$m
FY18	**66,883**
FY17[1]	64,913
FY16[1]	64,649
FY15[1]	61,320
FY14[1]	58,924

[1] FY14 to FY17 have been restated to exclude discontinued operations

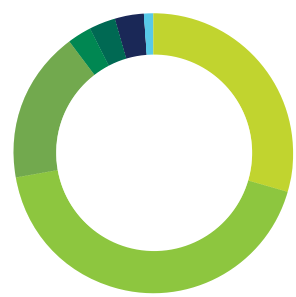
4. Cash and cash equivalents

	Consolidated 2018 $m	2017 $m
For the purposes of the cash flow statement, cash and cash equivalents comprise the following:		
Cash on hand and in transit	**492**	409
Cash at bank and on deposit	**191**	604
	683	1,013
Reconciliation of net profit after tax to net cash flows from operations		
Net profit	**1,197**	2,873
Non-cash items		
Depreciation and amortisation	**1,283**	1,266
Impairment and writedowns of assets	**1,216**	49
Loss on disposal of businesses	**254**	-
Net gain on disposal of non-current assets	**(9)**	(83)
Share of profits of associates and joint venture	**(97)**	(147)
Dividends and distributions received from associates	**50**	46
Discount adjustment in borrowing costs	**22**	27
Other	**3**	29
(Increase)/decrease in assets		
Receivables - Trade and other	**(215)**	87
Receivables - Finance advances and loans	**-**	(47)
Inventories	**(54)**	(296)
Prepayments	**(10)**	18
Deferred tax assets	**61**	39
Other assets	**(2)**	5
Increase/(decrease) in liabilities		
Trade and other payables	**279**	165
Current tax payable	**8**	275
Provisions	**42**	(146)
Other liabilities	**52**	66
Net cash flows from operating activities	**4,080**	4,226

4. Cash and cash equivalents (continued)

	Consolidated 2018 $m	2017 $m
Net cash capital expenditure		
Cash capital expenditure		
Payment for property	**411**	308
Payment for plant and equipment	**1,171**	1,251
Payment for intangibles	**233**	122
	1,815	1,681
Less: Proceeds from sale of property, plant, equipment and intangibles	**606**	653
Net cash capital expenditure	**1,209**	1,028

Cash capital expenditure by segment for FY2018
From continuing operations



	$m
Bunnings	497
Coles	715
Department Stores	293
Officeworks	45
WIS	50
WesCEF	60
Resources	14

*Other cash capital expenditure: $2 million

5. Borrowings

Funding activities

Following the divestment of BUKI in June 2018, £705 million (A$1,240 million) of bank facilities were cancelled. During the year, NZ$50 million (A$46 million) of bank facilities were also considered surplus to requirements and were cancelled. The remaining bank facilities that matured during the financial year were renewed and extended, all for durations of approximately one year.

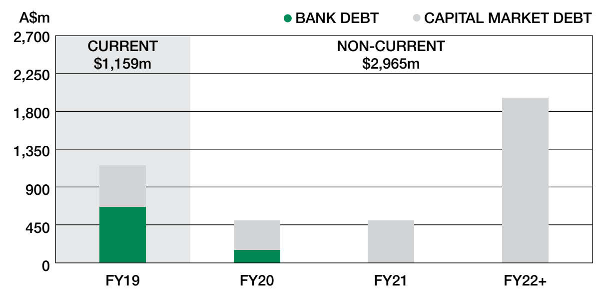
In March 2018, a US144A bond totalling US$750 million (A$728 million) matured. Combined with associated cross-currency interest rate swaps, the net amount to repay the bond was funded from existing bank facilities and available cash balances.

	Consolidated	
	2018 $m	2017 $m
Current		
Unsecured		
Bank debt	**660**	378
Capital market debt	**499**	969
	1,159	1,347
Non-current		
Unsecured		
Bank debt	**150**	863
Capital market debt	**2,815**	3,203
	2,965	4,066
Total interest-bearing loans and borrowings	**4,124**	5,413

5. Borrowings (continued)

The illustration below provides details, including the principal repayment obligations, of all loans and borrowings on issue at 30 June 2018:

Outstanding loans and borrowings



6. Equity and reserves

Movement in shares on issue	Ordinary Shares '000	Ordinary Shares $m	Reserved Shares '000	Reserved Shares $m
At 1 July 2016	1,126,131	21,937	(2,294)	(28)
Exercise of in-substance options	-	-	206	1
Dividends applied	-	-	-	1
Issue of ordinary shares under the Wesfarmers Dividend Investment Plan	5,471	236	-	-
Issue of ordinary shares under the Wesfarmers Employee Share Acquisition Plan	2,238	92	-	-
Transfer from other reserves	-	3	-	-
At 30 June 2017 and 1 July 2017	1,133,840	22,268	(2,088)	(26)
Acquisition of shares on-market for Key Executive Equity Performance Plan (KEEPP)	**-**	**-**	**(418)**	**(17)**
Exercise of in-substance options	**-**	**-**	**164**	**-**
Transfer from other reserves	**-**	**9**	**-**	**-**
At 30 June 2018	**1,133,840**	**22,277**	**(2,342)**	**(43)**

7. Earnings per share

	Consolidated 2018	2017
Profit attributable to ordinary equity holders of the parent ($m)	**1,197**	2,873
WANOS[1] used in the calculation of basic EPS (shares, million)[2]	**1,131**	1,128
WANOS used in the calculation of diluted EPS (shares, million)[2]	**1,133**	1,130
- Basic EPS (cents per share)	**105.8**	254.7
- Diluted EPS (cents per share)	**105.6**	254.2

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.

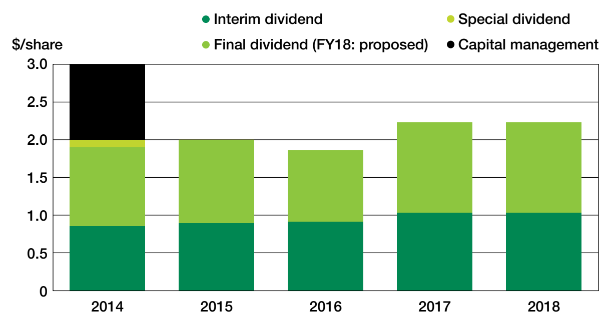
Diluted earnings per share

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 2018 $m	2017 $m
Declared and paid during the year (fully-franked at 30 per cent)		
Interim dividend for 2018: $1.03 (2017: $1.03)	**1,168**	1,165
Final dividend for 2017: $1.20 (2016: $0.95)	**1,361**	1,070
	2,529	2,235
Proposed and unrecognised as a liability (fully-franked at 30 per cent)		
Final dividend for 2018: $1.20 (2017: $1.20)	**1,361**	1,361

Shareholder distributions



9. Cash flow hedge reserve

The change in cash flow hedge reserve for the year ended 30 June 2018 includes the after-tax net movement in the market value of cash flow hedges from 30 June 2017 and comprised: $(2) million (2017: $(16) million) of interest rate swaps, $153 million (2017: $44 million) of foreign exchange rate contracts, $17 million (2017: nil) of commodity swaps and a $(8) million (2017: $(5) million) movement in associates and joint venture reserves.

10. Associates and joint arrangements

	Consolidated 2018 $m	2017 $m
Net profits from operations of associates	**92**	117
Other comprehensive loss of associates	**(8)**	(7)
Profit from operations of joint venture	**5**	30
Other comprehensive income of joint venture	**1**	7
Total comprehensive income	**90**	147

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 its joint venture is accounted for using the equity method of accounting.

Investments in associates

The Group's investments in its associates, being entities in which the Group has significant influence and are neither subsidiaries nor jointly controlled assets, are accounted for using the equity method.

Interests in associates and joint arrangements		Ownership 2018	2017
Associates	*Principal activity*	**%**	%
Australian Energy Consortium Pty Ltd[1]	Oil and gas	**27.4**	27.4
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)
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 Venture	*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 unit holders' 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 unit holders' 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. Impairment

Recognised impairment

During the year, the carrying values of both the Target and BUKI cash generating units (CGUs) exceeded their respective recoverable amounts and a pre-tax impairment of $1,167 million ($1,253 million post-tax) was recognised in 'impairment expenses'.

The decrease in the recoverable amount of the Target CGU largely reflected the difficult trading conditions in an increasingly competitive market and a moderated outlook for the business. The impairment was recognised in respect of Target's goodwill ($47 million), brand name ($238 million) and other fixed assets ($21 million).

The decrease in the recoverable amount of the BUKI CGU was the result of a continued deterioration in the financial performance of the Homebase stores and a moderated long-term outlook for the broader business. The impairment was recognised in respect of BUKI's brand ($18 million) and goodwill ($777 million), both recognised in impairment expenses, a $92 million write-off of its deferred tax asset and a $66 million writedown of stock.

Target's recoverable value as at 30 June 2018 continues to approximate its carrying value, whilst BUKI has been disposed of in the 2018 financial year (refer to note 12).

Reversal of impairment

There were no material reversals of impairment during the 2018 financial year.

12. Discontinued operations

Sale of Wesfarmers Curragh Pty Ltd

On 22 December 2017, Wesfarmers entered into an agreement to sell its Curragh coal mine in Queensland to Coronado Coal Group for $700 million. The agreement also included a value share mechanism linked to future metallurgical coal prices.

Under the value share mechanism, Wesfarmers will receive 25 per cent of Curragh's export coal revenue generated above a realised metallurgical coal price of US$145 per tonne, paid quarterly over the next two years.

The transaction was completed on 29 March 2018 and represents the disposal of the Curragh coal mine business. The business was not considered a discontinued operation or classified as held-for-sale as at 30 June 2017 and the comparative consolidated income statement and the statement of comprehensive income have been restated to show the discontinued operation separately from continuing operations.

12. Discontinued operations (continued)

	Consolidated	
	2018 $m	2017 $m
Results of discontinued operation		
Revenue	**1,289**	1,459
Expenses	**(1,107)**	(1,151)
Profit before tax	**182**	308
Income tax expense	**(55)**	(94)
Gain on disposal after income tax	**123**	-
Profit after tax from discontinued operations	**250**	214
Assets and liabilities of controlled entities at date of disposal		
Assets		
Cash and cash equivalents	**-**	8
Trade and other receivables	**176**	151
Inventories	**113**	115
Property, plant and equipment	**547**	545
Other assets	**151**	166
Total assets disposed	**987**	985
Liabilities		
Trade payables	**155**	143
Other liabilities	**277**	264
Total liabilities disposed	**432**	407
Net assets disposed	**555**	578
Cash flows of discontinued operation		
Net cash from operating activities	**182**	356
Net cash used in investing activities	**(43)**	(76)
Net cash used in financing activities	**-**	-
Net cash flows for the year	**139**	280
Gain on disposal		
Total consideration received	**700**	-
Carrying amount of net assets disposed	**(555)**	-
Transaction costs and other items	**(25)**	-
Gain on disposal before income tax	**120**	-
Income tax benefit	**3**	-
Gain on disposal after income tax	**123**	-
Earnings per share - discontinued operation	**cents**	cents
Basic earnings per share	**0.22**	0.19
Diluted earnings per share	**0.22**	0.19

12. Discontinued operations (continued)

Sale of Bunnings UK and Ireland

On 25 May 2018, Wesfarmers entered into an agreement to divest the assets of the BUKI business to a company associated with Hilco Capital for a nominal amount.

The agreement included a value share mechanism whereby Wesfarmers will receive 20 per cent of any equity distributions from the business. This value share mechanism is not limited by time, allowing Wesfarmers to participate in any profitable divestment of the business in the long-term. No value for this has been recognised as at 30 June 2018.

The transaction was completed on 11 June 2018 and represents the disposal of the BUKI business. The business was not considered a discontinued operation or classified as held-for-sale as at 30 June 2017 and the comparative consolidated income statement and the statement of comprehensive income have been restated to show the discontinued operation separately from continuing operations.

	Consolidated	
	2018 $m	2017 $m
Results of discontinued operation		
Revenue	**1,706**	2,072
Expenses	**(2,908)**	(2,171)
Loss before tax	**(1,202)**	(99)
Income tax expense	**(80)**	(2)
Loss on disposal after income tax	**(375)**	-
Loss after tax from discontinued operations	**(1,657)**	(101)
Assets and liabilities of controlled entities at date of disposal		
Assets		
Cash and cash equivalents	**133**	36
Trade and other receivables	**22**	27
Inventories	**479**	551
Property, plant and equipment	**269**	235
Goodwill and intangibles	**94**	874
Other assets	**25**	128
Total assets disposed	**1,022**	1,851
Liabilities		
Trade payables	**354**	388
Other liabilities	**384**	331
Total liabilities disposed	**738**	719
Net assets disposed	**284**	1,132

12. Discontinued operations (continued)

	Consolidated	
	2018 $m	2017 $m
Cash flows of discontinued operation		
Net cash used in operating activities	**(230)**	(291)
Net cash used in investing activities	**(68)**	(96)
Net cash from financing activities	**395**	382
Net cash flows for the year	**97**	(5)
Loss on disposal		
Total consideration received	**-**	-
Carrying amount of net assets disposed	**(284)**	-
Transaction costs and other items	**(91)**	-
Loss on disposal before income tax	**(375)**	-
Income tax expense	**-**	-
Loss on disposal after income tax	**(375)**	-
Earnings per share - discontinued operation	**cents**	cents
Basic earnings per share	**(1.46)**	(0.09)
Diluted earnings per share	**(1.46)**	(0.09)

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.

14. Events after the reporting period

Dividends

A fully-franked ordinary dividend of 120 cents per share resulting in a dividend of $1,361 million was declared for a payment date of 27 September 2018. The dividend has not been provided for in the 30 June 2018 full-year financial statements.

Sale of interest in Bengalla

On 7 August 2018 Wesfarmers announced that it had entered into an agreement with New Hope Corporation to sell its 40 per cent interest in Bengalla for $860 million subject to certain conditions including regulatory approval. On successful completion of the transaction, Wesfarmers expects to record a pre-tax profit on sale of between $670 and $680 million, subject to completion adjustments.

The Group's 40 per cent interest in Bengalla has not been classified as held-for-sale in these financial statements as the transaction did not meet the conditions for such classification at 30 June 2018.

Sale of Kmart Tyre and Auto Service (KTAS)

On 13 August 2018 Wesfarmers announced that it had entered into an agreement with Continental A.G. to sell its KTAS business for $350 million subject to certain conditions including regulatory approval. On successful completion of the transaction, Wesfarmers expects to record a pre-tax profit on sale of between $270 and $275 million, subject to completion adjustments.

News Release

2018 Full-year Results

14 August 2018

Financial highlights

Year ended 30 June 2018	Reported	Excluding significant items[b]	Variance to pcp (exc. sig. items[b])
Results from continuing operations[a]			
Earnings before interest and tax	$4,061m	$4,367m	*4.5*
Net profit after tax	$2,604m	$2,904m	*5.2*
Basic earnings per share (cps)	230.2	256.8	*4.9*
Results including discontinued operations[a]			
Net profit after tax	$1,197m	$2,772m	*(3.5)*
Basic earnings per share (cps)	105.8	245.1	*(3.8)*
Full-year dividend (fully-franked) per share	223	223	-

[a] Discontinued operations relate to Curragh and Bunnings United Kingdom and Ireland (BUKI) which were disposed of during the financial year.
[b] 2018 excludes the following pre-tax (post-tax) amounts: $931 million ($1,023 million) of impairments, write-offs and store closure provisions in BUKI; a $375 million ($375 million) loss on disposal of BUKI; $306 million ($300 million) of non-cash impairments in Target; and a $120 million ($123 million) gain on disposal of Curragh.

Wesfarmers Limited has reported a net profit after tax (NPAT) of $1,197 million for the full-year ended 30 June 2018. The reported profit includes a loss from discontinued operations of $1,407 million, which reflects the trading results and significant items for Bunnings United Kingdom and Ireland (BUKI) and Curragh, which were divested during the financial year. NPAT from continuing operations, excluding a $300 million non-cash impairment in Target, increased 5.2 per cent to $2,904 million.

Managing Director Rob Scott said the 2018 financial year was one of significant change for Wesfarmers, with decisive actions taken to reposition the Group's portfolio to deliver sustainable growth in earnings and improved shareholder returns.

"The three key priorities for the year were to address areas of underperformance, reposition the portfolio and drive opportunities for growth, with good progress made against each of these," Mr Scott said. "The proposed demerger of Coles, and the divestments of Curragh and BUKI during the year, demonstrate a disciplined approach to capital allocation and portfolio management, and will reposition Wesfarmers for the next decade.

"Retail earnings (from continuing operations and excluding significant items) increased 5.2 per cent during the year, with Bunnings Australia and New Zealand (BANZ), Department Stores and Officeworks achieving very strong results. Industrial earnings from continuing operations were also higher, supported by strong contributions from Chemicals, Energy and Fertilisers (WesCEF) and Bengalla.

"Cash generation remained strong and strict capital disciplines were maintained, further strengthening the Group's balance sheet, with net financial debt reducing to $3,580 million from $4,321 million in the prior year.

"The directors today declared a fully-franked final ordinary dividend of $1.20 per share, bringing the full-year ordinary dividend to $2.23 per share, in line with the prior year and consistent with Wesfarmers' policy of distributing franking credits to shareholders."

Group results summary

Year ended 30 June ($m)	2018	2017	Variance %
Key financials			
Results from continuing operations [a]			
Revenue	66,883	64,913	*3.0*
EBITDA	5,259	5,352	*(1.7)*
EBITDA (excluding significant items) [b]	5,565	5,352	*4.0*
EBIT	4,061	4,177	*(2.8)*
EBIT (excluding significant items) [b]	4,367	4,177	*4.5*
NPAT	2,604	2,760	*(5.7)*
NPAT (excluding significant items) [b]	2,904	2,760	*5.2*
Earnings per share	230.2	244.7	*(5.9)*
Earnings per share (excluding significant items) [b]	256.8	244.7	*4.9*
Results including discontinued operations [a]			
EBIT	2,796	4,402	*(36.5)*
EBIT (excluding significant items) [c]	4,288	4,402	*(2.6)*
NPAT	1,197	2,873	*(58.3)*
NPAT (excluding significant items) [c]	2,772	2,873	*(3.5)*
Earnings per share	105.8	254.7	*(58.5)*
Earnings per share (excluding significant items) [c]	245.1	254.7	*(3.8)*
Return on equity (excluding significant items) [c] (R12, %)	11.7	12.4	*(0.7 ppt)*
Cash flow and dividends (including discontinued operations)			
Operating cash flow	4,080	4,226	*(3.5)*
Net capital expenditure	1,209	1,028	*17.6*
Free cash flow	3,422	4,173	*(18.0)*
Cash realisation ratio [d] (%)	100.6	102.1	*(1.5 ppt)*
Operating cash flow per share (wanos, incl. res shares)	360.1	374.1	*(3.7)*
Full-year ordinary dividend	223	223	-
Balance sheet and gearing			
Net financial debt [e]	3,580	4,321	*(17.1)*
Interest cover (cash basis) [c] (R12, times)	30.4	25.0	*5.4x*
Fixed charges cover [c] (R12, times)	3.0	3.1	*(0.1x)*

[a] Discontinued operations relate to Curragh and BUKI which were disposed of during the year.

[b] 2018 excludes Target's non-cash impairment of $306 million pre-tax ($300 million post-tax).

[c] 2018 excludes the following pre-tax (post-tax) amounts: $931 million ($1,023 million) of impairments, write-offs and store closure provisions in BUKI; a $375 million ($375 million) loss on disposal of BUKI; $306 million ($300 million) of non-cash impairments in Target and a $120 million ($123 million) gain on disposal of Curragh.

[d] Operating cash flows as a percentage of net profit after tax, before depreciation and amortisation and significant items.

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

Divisional earnings summary

Year ended 30 June ($m)	2018	2017	Variance %
EBIT			
Bunnings Australia and New Zealand	1,504	1,334	*12.7*
Coles[a]	1,500	1,609	*(6.8)*
Department Stores[b]	660	543	*21.5*
Officeworks	156	144	*8.3*
Industrials – *continuing operations*[c]	680	601	*13.1*
Divisional EBIT	**4,500**	**4,231**	***6.4***
Discontinued operations[d]	(79)	225	*n.m.*
Other	(133)	(54)	*n.m.*
Significant items[e]	(1,492)	-	*n.m.*
Group EBIT	**2,796**	**4,402**	***(36.5)***

n.m. - not meaningful

[a] 2017 includes a $39 million profit on sale of Coles' interest in a number of joint venture properties to ISPT.

[b] 2018 excludes a pre-tax impairment of $306 million. 2017 includes $13 million of restructuring costs associated with the planned relocation of Target's store support office.

[c] 2018 excludes operating EBIT contribution from Curragh for the period 1 July 2017 to 29 March 2018 of $187 million. 2017 includes $55 million of one-off gains in WesCEF; 2017 also excludes Curragh.

[d] Discontinued operations relate to Curragh and BUKI which were disposed of during the year.

[e] 2018 includes the following pre-tax amounts: $931 million of impairments, write-offs and store closure provisions in BUKI; a $375 million loss on disposal of BUKI; $306 million of non-cash impairments in Target and a $120 million gain on disposal of Curragh.

Performance overview – Divisional

BANZ

Earnings for BANZ increased 12.7 per cent to $1,504 million, with revenue growth of 8.9 per cent. Total store sales increased 8.9 per cent, driven by store-on-store sales growth of 7.8 per cent.

"BANZ achieved another very strong result, underpinned by sustained sales momentum across all of its market segments, ongoing productivity initiatives and disciplined capital management," Mr Scott said. "Further investments in customer value, the introduction of online transactional capability for special orders, deeper commercial engagement and continued merchandise innovation were highlights during the year."

Coles

Coles' earnings decreased 6.8 per cent to $1,500 million, with revenue broadly in line with the prior year. Food and liquor recorded sales growth of 2.1 per cent, with comparable sales growth of 1.1 per cent for the year and 1.8 per cent for the fourth quarter.

"Sales momentum in supermarkets steadily improved during the year, driven by growth in customer transactions, units sold and average basket size," Mr Scott said. "Continued improvements in the customer offer delivered earnings growth of 3.0 per cent in the second half of the financial year, although full-year earnings were below the prior year due to the annualisation of customer investments and the impact of one-off items in the first half.

"The Coles Liquor transformation was progressed with the business achieving its third consecutive year of positive sales growth. Revenue and earnings for the Convenience business were lower than the prior year due to lower fuel volumes while store sales continued to grow."

Department Stores

Earnings for the Department Stores division increased 21.5 per cent to $660 million, representing record earnings under Wesfarmers' ownership, with both Kmart and Target achieving growth on the prior year. Revenue increased 3.6 per cent, with continued strong growth in Kmart partially offset by lower revenue from Target.

"Kmart invested significantly in the customer offer during the year, delivering greater value and enhanced product ranges," Mr Scott said. "Continued strong execution resulted in double-digit growth in customer transactions and units sold, with earnings growth also driven by ongoing productivity initiatives and investments in the store network."

"Target made good progress during the year, delivering positive earnings and strong cash generation through disciplined inventory management," Mr Scott said. "While the ongoing reset of merchandise ranges was reflected in lower sales for the year, the online, menswear and homewares categories delivered sales growth, with overall sales momentum increasing through the second half of the year."

During the year, a pre-tax, non-cash impairment of $306 million was recorded in Target, reflecting difficult trading conditions and a moderated outlook for the business.

Officeworks

Officeworks' earnings of $156 million were 8.3 per cent higher than the prior year, with revenue growth of 9.1 per cent.

"Officeworks' strong performance continued during the year despite the ongoing competitive environment, as it continued to invest in price and merchandise ranges, and enhancements to the store environment and online," Mr Scott said. "Return on capital improved 1.9 percentage points to 16.6 per cent for the year, representing a 7.2 percentage point improvement since the 2014 financial year."

Industrials

Industrial earnings from continuing operations increased 13.1 per cent to $680 million.

Reported earnings for WesCEF were 1.3 per cent lower than the prior year which included one-off gains of $55 million. Excluding these one-off gains, underlying earnings increased 14.7 per cent to $390 million.

"Chemicals earnings were higher as the business benefited from unplanned disruptions at the competing Burrup plant, and sales of emulsion as well as new contracts partially mitigated the expiry of a key offtake contract," Mr Scott said. "Energy earnings increased due to higher pricing and continued growth in natural gas retailing, while Fertilisers earnings were lower due to lower margins in a competitive environment."

The Industrial and Safety business recorded earnings of $118 million, 2.6 per cent above the prior year.

"Ongoing productivity initiatives and improved pricing and sourcing disciplines delivered higher earnings, despite a decline in revenue," Mr Scott said. "The business continued to invest in service, supply chain and digital to further improve the customer experience and establish a platform for future growth."

"Bengalla had a strong year, delivering earnings of $172 million, supported by higher thermal coal prices and export sales volumes," Mr Scott said.

Performance overview – Group

During the year, Wesfarmers divested the Curragh mine as well as BUKI. These discontinued operations contributed a trading loss of $79 million (before significant items) including earnings before interest and tax (EBIT) of $187 million from Curragh and a loss before interest and tax of $266 million in BUKI.

"The sale of Curragh was a positive outcome for shareholders which crystallised an after-tax internal rate of return of approximately 49 per cent per annum over the 16 years of Wesfarmers' investment in the mine," Mr Scott said. "While it is clear that the BUKI investment as a whole has been disappointing, the terms of the divestment represented a compelling financial outcome relative to the alternative of retained ownership."

On 7 August 2018, Wesfarmers announced the sale of its 40 per cent interest in the Bengalla joint venture for $860 million. The sale is expected to be completed in the second quarter of the 2019 financial year and a pre-tax gain on sale of between $670 million to $680 million will be recognised in the 2019 financial year.

"Bengalla has generated strong returns for Wesfarmers shareholders since the initial interest was acquired in 1991," Mr Scott said. "It is pleasing that the extensive, disciplined and patient review of the coal businesses has resulted in outcomes which reflect the value of these world-class assets."

On 13 August 2018, Wesfarmers announced the sale of Kmart Tyre & Auto (KTAS) to Continental AG. The sale is expected to complete in the first quarter of the 2019 financial year and a pre-tax gain on sale between $270 million and $275 million, subject to completion adjustments, will be recognised in the 2019 financial year.

"The agreement to sell KTAS realised value for shareholders from the business turnaround since it was acquired as part of the Coles Group in 2007," Mr Scott said.

Other businesses and corporate overheads reported a net expense of $133 million for the year, compared to an expense of $54 million in the prior year. This increase is primarily due to lower earnings from associates, higher insurance claims and provisions, as well as an increase in corporate overheads following the creation of the Advanced Analytics Centre.

During the 2018 financial year, pre-tax significant items of $1,492 million were recorded, including $931 million of impairments, write-offs and store closure provisions in BUKI, a $375 million loss on disposal of BUKI, $306 million of non-cash impairments in Target, partially offset by a $120 million gain on disposal of Curragh.

Operating cash flows of $4,080 million were 3.5 per cent below the prior year, primarily due to higher tax payments during the 2018 financial year. The Group maintained a strong focus on working capital management resulting in a cash realisation ratio of 100.6 per cent.

Gross capital expenditure of $1,815 million was $134 million higher than last year, reflecting increased investment in new stores in BANZ and the acquisition of the Kmart brand name in Australia and New Zealand. Proceeds from disposals of $606 million were $47 million below last year, which included one-off transactions in Coles and WesCEF. The resulting net capital expenditure of $1,209 million was $181 million or 17.6 per cent higher than the prior year.

Stable operating cash flows, increased net capital expenditure and lower proceeds from divestments relative to the previous year resulted in free cash flows of $3,422 million.

Outlook

Following decisive actions taken to address underperformance and reposition the Group's portfolio in the 2018 financial year, Wesfarmers is well placed to deliver sustainable growth in earnings and improved shareholder returns.

Significant progress has been made on the demerger of Coles, which is expected to be completed in November 2018. The post-demerger capital structure, announced in July 2018, is expected to set Coles up for success and provide the business with significant operational and strategic flexibility. Coles' balance sheet will have substantial headroom and allow it to make additional investments in new stores, the next evolution of store renewals, online capability, supply chain and deliver on its 'Fresh Tomorrow' strategic initiatives.

Following the demerger, Wesfarmers will have a portfolio of cash-generative businesses with good momentum and leading positions in growing markets. Continued earnings growth is expected across the Group's retail businesses. Growing addressable markets will remain a focus, along with ongoing improvements in merchandising and service, further enhancements to the customer experience both in-store and online, and investments in value supported by operational efficiencies.

The Group's Industrial businesses will continue to focus on operational efficiencies, cost control and capital discipline. Industrial earnings will continue to be influenced by international commodity prices, exchange rates, competitive factors and seasonal outcomes. Earnings for the Chemicals business in the 2019 financial year are expected to be affected by an oversupply of explosive grade ammonium nitrate in the Western Australian market, subject to competitive factors.

In the coming year, Wesfarmers will continue to focus on leveraging its data and digital capabilities, developing great talent and teams, and driving entrepreneurial initiative. The Group remains generally optimistic and its strong balance sheet position, cash flow generation and capital discipline will continue to be prioritised to take advantage of growth opportunities, if and when they arise, to create value for shareholders over the long-term.

For further information:
More detailed information regarding Wesfarmers' 2018 full-year results can be found in Wesfarmers' Appendix 4E – Preliminary Final Report for the year ended 30 June 2018.

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DIVISIONAL PERFORMANCE REVIEW AND OUTLOOK

CASH FLOW, FINANCING AND DIVIDENDS

APPENDICES

1. 2018 full-year and fourth quarter retail sales results – headline retail sales results
2. 2018 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

Bunnings Australia and New Zealand (BANZ)

Year ended 30 June ($m)	2018	2017	Variance %
Revenue	**12,544**	**11,514**	***8.9***
EBITDA[a]	1,683	1,505	*11.8*
Depreciation and amortisation	(179)	(171)	*(4.7)*
EBIT[a]	**1,504**	**1,334**	***12.7***
EBIT margin[a] (%)	12.0	11.6	
RoC (R12, %)	49.4	41.8	
Safety (R12, AIFR)	14.3	18.9	
Total store sales growth[b] (%)	8.9	8.9	
Store-on-store sales growth[b] (%)	7.8	7.3	

[a] Includes net property contribution for 2018 of $33 million and for 2017 of $43 million.

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

Performance review

Operating revenue for BANZ increased 8.9 per cent to $12,544 million. Total store sales growth of 8.9 per cent was achieved during the year[1], underpinned by an increase of 7.8 per cent in store-on-store sales. BANZ recorded EBIT of $1,504 million, an increase of 12.7 per cent on the prior corresponding period.

Sales growth was achieved in both consumer and commercial markets, across all trading regions and product categories. Continued growth in customer numbers reflected ongoing actions to improve the core drivers of the consumer and commercial offers, being price, range and service.

Total sales in the fourth quarter[1] increased 6.3 per cent and store sales were up 6.2 per cent. Same store sales grew 4.9 per cent in the quarter[1], a solid result which built on the very strong growth of 10.4 per cent achieved in the prior corresponding period.

The good trading performance achieved during the year is a direct outcome of solid execution against BANZ's strategic agenda which focused on multiple growth drivers and ongoing improvements to the underlying strength of the business. Further investments in customer value, the introduction of online transactional capability for special orders, deeper commercial engagement and continued merchandise innovation were highlights.

An ongoing focus on productivity led to further operating cost leverage, and favourable property market conditions resulted in continued positive outcomes on property divestments. Earnings growth was assisted by a higher level of one-off costs relating to store closure provisioning and asset writedowns in the prior corresponding period.

Further investment into new stores and store refurbishments was largely funded by the long-established property recycling program. The combination of strong earnings growth and disciplined capital management delivered an increase in return on capital to 49.4 per cent from 41.8 per cent.

During the period, there were 10 net new trading locations. At the end of the year, there were 259 warehouses, 78 smaller format stores and 32 trade centres in the Bunnings network and 13 stores under construction.

Outlook

The business is well-positioned for continued growth in the 2019 financial year. Sales growth in the first half of the year will be moderated by the strong trading performance in the previous corresponding period which benefited from volume growth as a result of changes in the competitive environment as well as favourable seasonal conditions.

Bunnings will continue to focus on creating even better experiences for customers and leveraging further efficiencies through the business. Offering a wide range of products and services, further development of the digital platform, driving deeper and wider engagement in the commercial market and delivering even more customer value are key objectives for the year ahead.

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

Coles

Year ended 30 June ($m)		2018	2017	Variance %
Revenue[a]		**39,388**	**39,217**	***0.4***
EBITDA[b]		2,151	2,256	*(4.7)*
Depreciation and amortisation		(651)	(647)	*(0.6)*
EBIT[b]		**1,500**	**1,609**	***(6.8)***
EBIT margin[b] (%)		3.8	4.1	
RoC (R12, %)		9.2	9.7	
Safety (R12, TRIFR)		33.3	38.8	
Food & Liquor	Revenue[a]	**33,627**	**33,084**	***1.6***
	Headline sales growth[c,d] (%)	2.1	2.0	
	Comparable sales growth[c,d] (%)	1.1	1.0	
	Price inflation/(deflation)[d]	(1.2)	(0.8)	
Convenience	Revenue	**5,761**	**6,133**	***(6.1)***
	Total convenience store sales growth[d] (%)	1.6	4.6	
	Comparable fuel volume growth[d] (%)	(17.8)	(16.0)	

[a] Includes property revenue for 2018 of $13 million and for 2017 of $16 million.
[b] Includes property EBIT for 2018 of $24 million and for 2017 of $57 million.
[c] Includes hotels, excludes gaming revenue and property.
[d] See footnotes within Appendix One for relevant retail calendars.

Performance review

Revenue of $39,388 million for the year was broadly in line with the prior corresponding period, with higher Food and Liquor revenue offset by Convenience. Earnings of $1,500 million were 6.8 per cent lower than the prior year, primarily due to the annualisation of investments made in the customer offer in the prior year, lower Convenience earnings and a one-off profit on the sale of properties to ISPT of $39 million in the previous year. Lower Financial Services earnings, following the sale of Coles' credit card receivables in February 2017, and increased team member costs following the implementation of a new enterprise bargaining agreement (EBA) also affected earnings growth during the year. Total Coles earnings in the second half of the financial year were 3.0 per cent higher than the prior corresponding period despite lower Convenience earnings.

Food and Liquor

Food and Liquor reported revenue of $33,627 million, 1.6 per cent above the prior year.

Headline food and liquor sales for the year[2] were 2.1 per cent above the prior year. Comparable food and liquor sales increased 1.1 per cent for the year[2], with comparable food sales also increasing 1.1 per cent.

For the fourth quarter[2], headline food and liquor sales increased 2.6 per cent to $8,186 million. Comparable food and liquor sales increased 1.8 per cent, with comparable food sales growth of 1.8 per cent. On an Easter-adjusted basis, comparable food and liquor sales increased 1.9 per cent for the period.

Sales momentum in Supermarkets steadily improved during the year. Comparable sales growth accelerated in the fourth quarter[2] with growth in customer transactions, units sold and average basket size contributing to the improved sales trend.

Food and liquor price deflation was 1.2 per cent for the year[2] and 0.6 per cent for the fourth quarter[2], compared to 0.7 per cent in the third quarter. Lower fresh produce prices were a key contributor to deflation during the year driven by seasonal factors, with an acceleration in the fourth quarter[2] as Cyclone Debbie impacts were cycled from the prior year. This was offset by supply-driven inflation, primarily in the dairy and meat categories.

Coles' focus during the year to deliver a better customer experience continued to be reflected in improvements in customer satisfaction scores to the highest levels in two years, particularly in the areas of quality, range and availability. This has been achieved through continued investment in service, value, product innovation and improving convenience for customers.

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

Fresh remains a significant growth opportunity and the business made significant progress during the year in improving the quality and range of its fresh products, especially in the produce, meat and bakery categories. This increased Coles' overall fresh market share and fresh sales contribution for the year.

Coles Online achieved double digit sales growth for the year[3], with growth accelerating in the second half as further investments were made to provide innovative home delivery and pick-up solutions. Coles remains focused on enhancing the customer experience through improving fulfilment capabilities, reducing delivery times and lowering prices, which has included a move to align online and in-store pricing in the latter part of the fourth quarter. As at 30 June 2018, there were 992 Click & Collect locations rolled out across the network.

During the year, Coles continued to optimise and improve its supermarket network, with 20 supermarkets opened, 12 closed and 51 renewals completed.

Liquor achieved positive comparable sales growth for the year[3] and fourth quarter[3]. The transformation program continues to build on an improved and more consistent customer offering as pricing, range and renewal of the store network is further refined. Significant opportunities remain for the business to create a point of difference through improving the Exclusive Brand portfolio and Liquor Direct channel.

At 30 June 2018, Coles had a total of 809 supermarkets, 899 liquor stores and 88 hotels.

Convenience

Coles Express reported revenue of $5,761 million for the year, 6.1 per cent lower than the previous year due to lower fuel volumes. The ongoing impact from changes in the commercial terms with our Alliance partner and lower fuel volumes resulted in lower earnings for the year.

Total convenience store sales increased 1.6 per cent for the year[3], and 1.6 per cent on a comparable store basis. For the fourth quarter[3], total convenience store sales increased 3.7 per cent, with comparable store sales increasing 4.6 per cent. Shop transaction growth saw an improved trend in the fourth quarter[3] with the food-to-go category continuing to be a key growth driver.

Total fuel volumes for the year[3] declined 16.8 per cent, with comparable volumes declining 17.8 per cent. For the fourth quarter[3] total fuel volumes were 14.6 per cent lower, while comparable volumes were down 15.8 per cent.

During the year, Coles Express continued to focus on providing a competitive fuel offer and leading shop offer through tailored ranging, Every Day Value pricing, and the roll-out of Click & Collect locations across the network. Coles Express continues to drive innovation as it develops its fresh food offering and trials new non-fuel formats.

At 30 June 2018, there were 711 Coles Express sites.

Outlook

Coles' 'Fresh Tomorrow' strategy will build on its customer-led approach with an increasing focus on driving greater convenience and innovation for customers. Coles aims to differentiate its offer in a dynamic retail landscape to deliver long-term growth in earnings and returns.

Sales momentum has continued to build into the first quarter of the 2019 financial year, driven by a successful Little Shop campaign, other promotional initiatives implemented during the quarter, and improved store execution.

The underlying supermarkets business is expected to continue to improve, but earnings will be impacted by the annualisation of additional team member costs following the implementation of a new EBA in the second half of the 2018 financial year. These additional costs are expected to be largely offset by cost efficiency benefits.

The Liquor business will continue to execute on its transformation plan with a focus on delivering trusted value and better choice to customers, and embarking on the next evolution of store investment. Productivity efficiencies will be further realised as store and supply chain processes are simplified.

Coles Express remains committed to growth through a differentiated, market-leading shop offer underpinned by value pricing and food-to-go offers, as well as providing a competitive fuel offer.

Coles will continue to remain disciplined in its capital deployment. Net capital expenditure in the 2019 financial year is expected to increase to $600 million to $800 million, subject to net property investment, driven by investments in strategic growth initiatives, including stores and supply chain.

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

Department Stores

Year ended 30 June ($m)	2018	2017	Variance %
Revenue	**8,837**	**8,528**	***3.6***
EBITDA[a]	862	739	*16.6*
Depreciation and amortisation	(202)	(196)	*(3.1)*
EBIT[a]	**660**	**543**	***21.5***
EBIT margin[a] (%)	7.5	6.4	
RoC (R12, %)	32.8	24.1	
Safety (R12, LTIFR)	4.2	5.1	
Kmart			
- Total sales growth[b] (%)	8.0	7.9	
- Comparable sales growth[b] (%)	5.4	4.2	
Target			
- Total sales growth[b] (%)	(4.7)	(14.5)	
- Comparable sales growth[b] (%)	(5.1)	(14.9)	

[a] 2018 excludes a pre-tax non-cash impairment of $306 million recognised against Target's brand name ($238 million), goodwill ($47 million), and other fixed assets ($21 million). 2017 includes $13 million of restructuring costs associated with the planned relocation of Target's store support office.

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

Performance review

Department Stores delivered revenue of $8,837 million for the year, 3.6 per cent above the prior corresponding period, with continued strong growth in Kmart partially offset by lower revenue in Target. Earnings increased 21.5 per cent to $660 million, representing record earnings under Wesfarmers' ownership, with both brands achieving growth on the prior corresponding period. During the year, a pre-tax non-cash impairment of $306 million was recorded in Target, reflecting a moderated outlook for the business.

Kmart

Kmart's total sales increased 8.0 per cent during the year[4], with comparable sales increasing 5.4 per cent. The increase in sales was driven by double digit growth in customer transactions and units sold, as well as growth in items per basket. All categories achieved good growth, with particularly strong performance in home and kids general merchandise.

During the fourth quarter[4], Kmart's sales increased 5.0 per cent to $1,440 million, with comparable sales increasing 3.3 per cent. Adjusting for the earlier timing of Easter in the 2018 financial year, comparable sales increased 4.1 per cent for the quarter[4].

Kmart delivered another year of solid growth in earnings driven by sales growth as customers responded positively to enhanced product ranges and price investments. Improved inventory management and end-to-end productivity improvements also contributed to the strong results for the year.

Kmart continued to invest in its store network, opening 10 new stores, including one Target store conversion, closing two stores, and completing 20 store refurbishments during the year. There were 228 Kmart stores as at 30 June 2018.

Kmart Tyre & Auto Service (KTAS) ended the financial year with 256 service centres, after opening six new centres and closing one centre.

Target

The 2018 financial year saw the continued transition of Target to deliver fashion that excites and quality that endures. Total sales decreased 4.7 per cent during the year[4], with comparable sales declining 5.1 per cent. For the fourth quarter[4], total sales decreased 3.4 per cent, with comparable sales declining 3.7 per cent. Adjusting for the earlier timing of Easter in 2018, comparable sales decreased 3.0 per cent for the fourth quarter[4].

Although revenue was lower than the prior year, the quality of the sales mix improved and growth was achieved in online, menswear and homewares. Target's online proposition was further advanced via expanded ranges and

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

improved customer convenience through increased levels of store fulfilment and reduced delivery times. These initiatives supported increased rates of conversion and improved sales growth.

Growth in underlying earnings, excluding the non-cash impairment, was achieved through improved trading margins reflecting increased levels of direct sourcing, lower markdowns and an improved sales mix, reduced shrinkage, and productivity improvements across stores and the supply chain.

Target opened six previously committed new stores during the year and closed six stores, including one conversion to Kmart. There were 303 Target stores as at 30 June 2018.

Outlook

The Department Stores division is well positioned for the future.

In a highly competitive market, Kmart will continue to focus on delivering the lowest prices on everyday items for Australian and New Zealand families. Kmart aims to deliver profitable growth through increased volumes and improvements in its product offering, as well as through the expansion of its digital strategies. The business is well positioned for the 2019 financial year, with a continued focus on category growth opportunities and the delivery of ongoing operating efficiencies in stores and the supply chain.

Kmart will continue to invest in its store network, with plans to open five new stores and complete 33 store refurbishments in the 2019 financial year.

Target will continue to advance its business transformation, focusing on further improving profitability and cash generation which are expected to be supported by improved sales momentum. The business will continue to advance the fashionability and quality of its products, accelerate improvements in its online proposition and optimise its store network while focusing on end-to-end cost reduction and further improving working capital management.

On 13 August 2018, Wesfarmers announced the sale of Kmart Tyre & Auto (KTAS) to Continental AG. The sale is expected to complete in the first quarter of the 2019 financial year and a pre-tax gain on sale between $270 million and $275 million, subject to completion adjustments, will be recognised in the 2019 financial year.

Officeworks

Year ended 30 June ($m)	2018	2017	Variance %
Revenue	**2,142**	**1,964**	***9.1***
EBITDA	181	168	*7.7*
Depreciation and amortisation	(25)	(24)	*(4.2)*
EBIT	**156**	**144**	***8.3***
EBIT margin (%)	7.3	7.3	
RoC (R12, %)	16.6	14.7	
Safety (R12, AIFR)[a]	10.2	11.9	
Total sales growth[b] (%)	9.1	6.1	

[a] 2017 has been restated due to maturation of data.

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

Performance review

Officeworks delivered revenue of $2,142 million for the year, an increase of 9.1 per cent on the prior corresponding period. Earnings increased 8.3 per cent to $156 million.

Customers continued to respond favourably to Officeworks' 'every channel' strategy, with sales growth achieved across stores and online. Sales growth of 9.1 per cent was delivered for the year[5]. In the fourth quarter[5], sales increased 10.0 per cent, with the results positively impacted by the earlier timing of Easter compared to the prior corresponding period.

Providing a compelling customer offer remained a strong focus throughout the year. The growth in sales and earnings was underpinned by new and expanded product ranges, merchandise layout and store design changes, online enhancements, and a relentless focus on price, range and great customer service across all channels to market.

Strong momentum in the business-to-business segment was maintained as Officeworks' 'every channel' offer continued to resonate with an increasing number of micro, small and medium-sized business customers.

Strong sales growth, effective management of gross margin and cost of doing business together with disciplined capital management delivered an increase in return on capital of 1.9 percentage points to 16.6 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, representing the largest capital deployment by Officeworks since the 2009 financial year.

During the year, six new stores were opened and five stores were closed. At 30 June 2018 there were 165 stores operating across Australia.

Outlook

Officeworks will continue to drive growth and productivity by executing its strategic agenda. Key focus areas in the 2019 financial year will include continuing to strengthen and expand the customer offer, extending its 'every channel' reach both physically and digitally, enhancing productivity and efficiency, investing in the talent, diversity and safety of the team, and making a positive difference in the community.

Competitive intensity is expected to remain high but Officeworks remains well placed to drive growth in this environment.

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

Industrials

Chemicals, Energy and Fertilisers

Year ended 30 June ($m)	2018	2017	Variance %
Revenue			
Chemicals	932	813	*14.6*
Energy[a]	423	368	*14.9*
Fertilisers	475	458	*3.7*
Total	**1,830**	**1,639**	***11.7***
EBITDA	469	472	*(0.6)*
Depreciation and amortisation	(79)	(77)	*(2.6)*
EBIT	**390**	**395**	***(1.3)***
EBIT excluding significant items[b]	**390**	**340**	***14.7***
External sales volume[c] ('000 tonnes)			
Chemicals	1,056	979	*7.9*
LPG	145	103	*40.8*
Fertilisers	988	956	*3.3*
RoC (R12, %)	27.7	27.4	
Safety (R12, LTIFR)	1.4	0.7	

[a] Includes interest revenue from Quadrant Energy loan notes and excludes intra-division sales.
[b] 2017 excludes a profit on sale of land of $22 million and $33 million relating to WesCEF's share of revaluation gains in Quadrant Energy.
[c] External sales exclude ammonium nitrate volumes transferred between chemicals and fertilisers business segments.

Performance review

Revenue of $1,830 million was 11.7 per cent above last year, with Chemicals, Energy and Fertilisers all contributing to revenue growth.

Excluding one-off gains of $55 million in the prior year, EBIT increased 14.7 per cent to $390 million. On a reported basis, EBIT was 1.3 per cent lower than the prior year.

An ongoing focus on safety, particularly high potential incidents, has seen the lost time injury frequency rate (LTIFR) maintained at historically low levels with LTIFR at 1.4 compared to 0.7 last year.

Chemicals

The ammonium nitrate (AN) business continued to perform well during the year. Strong customer demand due to unplanned disruptions at the competing Burrup AN plant drove opportunistic explosive grade ammonium nitrate (EGAN) sales and supported strong revenue growth.

The business successfully commenced production and sales of AN emulsion during the year, which combined with new contracts for EGAN, partially mitigated the impact of the expiry of a key offtake contract at the beginning of the financial year.

In the ammonia business, earnings increased due to lower input costs resulting from the commencement of a new natural gas supply agreement during the year, which offset the impact of lower production due to an unplanned shutdown.

The sodium cyanide business benefited from strong demand during the year, particularly from the domestic market, and increased production. Australian Vinyls benefited from increased PVC demand while QNP earnings were in line with the prior year.

Energy

Kleenheat earnings increased due to a higher Saudi CP (the international benchmark indicator for LPG), improved LPG plant performance and continued growth in natural gas retailing, with approximately 198,000 residential natural gas customers at the end of the year.

Fertilisers

Despite 3.3 per cent growth in sales volumes on the prior year, earnings in the Fertilisers business decreased due to lower margins in a competitive environment. The Decipher agricultural technology business, which allows growers and their advisers to visualise farm data and make more informed nutritional decisions, was successfully launched during the year.

Outlook

Production and demand for products is expected to remain robust. Earnings for the Chemicals business in the 2019 financial year are expected to be affected by an oversupply of EGAN in the Western Australian market, subject to competitive factors. The AN business remains focused on securing commitments for future uncontracted volumes.

Kleenheat’s earnings will be dependent upon international LPG prices and LPG content in the Dampier to Bunbury natural gas pipeline. Natural gas retailing is expected to continue to grow, although at a lower rate due to increased competition in the Western Australian market.

Fertiliser earnings will remain dependent upon a good seasonal break in the second half of the financial year when the majority of sales occur. Farmer sentiment in Western Australia is generally positive, with average terms of trade and reasonable rains at the start of the current season.

Overall earnings for Chemicals, Energy and Fertilisers will continue to be impacted by international commodity prices, exchange rates, competitive factors and seasonal outcomes.

Industrial and Safety

Year ended 30 June ($m)	2018	2017	Variance %
Revenue	**1,750**	**1,776**	***(1.5)***
EBITDA	159	158	*0.6*
Depreciation and amortisation	(41)	(43)	*4.7*
EBIT	**118**	**115**	***2.6***
EBIT margin (%)	6.7	6.5	
RoC (R12, %)	8.4	8.4	
Safety (R12, LTIFR)	1.5	1.4	

Performance review

Revenue of $1,750 million was 1.5 per cent lower than the prior year. Blackwoods' revenue was marginally below prior year, as strong demand from the mining segment was offset by lower sales in government, manufacturing and utilities. Workwear Group revenue declined as strong demand in the Australian industrial work wear market was offset by weaker demand in New Zealand and the United Kingdom, and was impacted by a fire at a major distribution centre. Coregas' revenue increased due to growth in the tonnage, bulk and New Zealand sales channels.

Reported EBIT of $118 million was 2.6 per cent higher than the prior year. Blackwoods' earnings were impacted by the continued investment in the transformation of customer service, the supply chain and digital platforms. Workwear Group earnings increased due to improved margins from sourcing initiatives, partially offset by restructuring costs in the supply chain and remediation costs at the fire-affected distribution centre. Coregas' earnings were lower than the prior year, despite stronger sales due to margins being impacted by higher energy costs and increased competition.

Safety and injury management remains a core focus, with LTIFR remaining at a low level, and the total number of reportable incidents declining during the year.

Outlook

Market conditions and demand are expected to remain generally stable. The transformation of Blackwoods continues with ongoing investment to create a leading customer experience and building a scalable platform for growth focused on sales, supply chain and digital. The turnaround of Workwear is nearing completion with the focus on enhancing the product offer and growing revenue in key channels. Coregas is expected to continue to experience margin pressure due to competition and rising input costs, but this is expected to be offset by growth in healthcare and 'Trade N Go'.

Resources

Year ended 30 June ($m)	2018[a]	2017	Variance %
Revenue	**1,689**	**1,746**	***(3.3)***
Royalties[b]	(331)	(262)	*(26.3)*
Mining and other costs	(942)	(1,019)	*7.6*
EBITDA[c]	416	465	*(10.5)*
Depreciation and amortisation	(57)	(60)	*5.0*
EBIT[c]	**359**	**405**	***(11.4)***
RoC (R12, %)	74.9	69.0	
Coal production ('000 tonnes)	12,523	15,465	*(19.0)*
Safety[d] (R12, LTIFR)	1.9	1.4	

[a] 2018 includes contribution from Curragh for the period 1 July 2017 to 29 March 2018.
[b] Includes Stanwell export rebate expense for 2018 of $179 million and for 2017 of $98 million.
[c] 2018 excludes profit on sale from the divestment of Curragh.
[d] Excludes Bengalla. Includes Curragh LTIFR to 29 March 2019.

Performance review

The results for Resources include nine months contribution from Curragh which was divested on 29 March 2018.

Despite continued strength in export coal prices, revenue of $1,689 million was 3.3 per cent lower than the prior year due to the divestment of Curragh, completed on 29 March 2018, which also resulted in a decline in EBIT of 11.4 per cent to $359 million. Within this result, royalties increased $69 million to $331 million, including an increase in the Stanwell rebate expense of $81 million to $179 million.

Earnings from Wesfarmers' 40 per cent interest in the Bengalla mine were $172 million, representing a strong result driven by strong thermal coal prices and higher export sales volume.

Bengalla's total sales volumes were up 8.3 per cent and production volumes were up 6.9 per cent to take advantage of the higher export thermal coal prices.

Outlook

On 7 August 2018, Wesfarmers announced the sale of its 40 per cent interest in the Bengalla joint venture for $860 million. The sale is expected to be completed in the fourth quarter of 2018 and a pre-tax gain on sale of approximately $670 million to $680 million will be recognised in the 2019 financial year.

The sale of Wesfarmers' interest in Bengalla concludes the strategic review of Resources.

Other

Year ended 30 June ($m)	Holding %	2018	2017	Variance %
Share of profit of associates				
BWP Trust	25%	45	55	*(18.2)*
Other	Various	11	31	*(64.5)*
Sub-total share of profit of associates		**56**	**86**	***(34.9)***
Interest revenue[a]		12	8	*50.0*
Other		(66)	(23)	*n.m.*
Corporate overheads		(135)	(125)	*(8.0)*
Total Other (excluding significant items)		**(133)**	**(54)**	***n.m.***
Significant items[b]		(1,492)	-	*n.m.*
Total Other (including significant items)		**(1,625)**	**(54)**	***n.m.***

n.m. - not meaningful

[a] Excludes interest revenue from the Quadrant Energy loan and Coles Financial Services in 2017.

[b] 2018 includes the following pre-tax amounts: $931 million of BUKI impairments, write-offs and accruals; a $375 million loss on disposal of BUKI and $306 million of Target impairments, partially offset by a $120 million gain on sale of Curragh.

Performance review

Other businesses and corporate overheads reported an expense of $133 million, excluding significant items, compared to an expense of $54 million in the previous corresponding period.

Earnings from the Group's share of profit from associates were $56 million, compared to $86 million in the prior year, primarily due to lower property revaluations, both in the BWP Trust as well as in the Group's interest in Bunnings properties held in a special purpose securitised investment vehicle.

Other business costs of $66 million included provisions for claims associated with fires at properties self-insured by the Group as well as claims associated with the 2011 New Zealand earthquakes, which are expected to be greater than was anticipated, and provided for, at the time of the sale of the Insurance underwriting business. Lower inter-company interest revenue following the sale of Coles' credit card receivables in February 2017 also contributed to the movement in other business costs. Corporate overheads of $135 million were higher than the previous year primarily due to the Group's previously announced investment in an Advanced Analytics Centre.

Significant items of $1,492 million (pre-tax) were recorded, comprising impairments, writedowns and provisions in BUKI of $931 million, a loss on disposal of BUKI of $375 million (£210 million) and impairments in Target of $306 million. These were partially offset by a $120 million gain on disposal of Curragh.

CASH FLOW, FINANCING AND DIVIDENDS

Full-year ended 30 June ($m)	2018	2017	Variance %
Cash flow			
Operating cash flows	4,080	4,226	*(3.5)*
Gross capital expenditure	1,815	1,681	*8.0*
Net capital expenditure	1,209	1,028	*17.6*
Free cash flow	3,422	4,173	*(18.0)*
Cash realisation ratio[a] (%)	100.6	102.1	*(1.5)*
Balance sheet and credit metrics			
Net financial debt[b]	3,580	4,321	*(17.1)*
Finance costs[c]	221	264	*(16.3)*
Effective cost of debt (%)	4.18	4.04	*0.14 ppt*
Interest cover[d] (cash basis) (R12, times)	30.4	25.0	*5.4x*
Fixed charges cover[d] (R12, times)	3.0	3.1	*(0.1x)*
Net debt to equity (%)	17.3	20.1	*(2.8 ppt)*
Dividends per share (cents per share)			
Full-year ordinary dividend	223	223	-

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

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

[c] Includes finance costs relating to BUKI which are reported as part of discontinued operations.

[d] 2018 excludes the following pre-tax amounts: $931 million of BUKI impairments, write-offs and accruals, a $375 million loss on sale of BUKI and $306 million of Target impairments, partially offset by a $120 million gain on sale of Curragh.

Cash flow

Operating cash flows of $4,080 million were 3.5 per cent below the prior year, primarily due to higher tax payments during the financial year, relating to tax payable for earnings from Resources in the prior year and paid in the 2018 financial year. The Group maintained a strong focus on working capital management resulting in a cash realisation ratio of 100.6 per cent. The neutral working capital result primarily reflected increased net working capital investment in BANZ to support the growth in the store network, offset by improved working capital management in Target as well as inventory clearance in BUKI prior to divestment.

Strict capital disciplines were maintained while investment in organic growth opportunities continued. Gross capital expenditure of $1,815 million was $134 million higher than last year, reflecting an increase in BANZ store openings relative to the prior year and the acquisition of the Kmart brand name in Australia and New Zealand for $100 million, partially offset by lower capital spend in Coles.

Proceeds from disposals of $606 million were $47 million below last year which included the divestment of Coles' interest in a number of joint venture properties to ISPT, and the sale of land by WesCEF. The resulting net capital expenditure of $1,209 million was $181 million or 17.6 per cent higher than the prior year.

Other investing cash flows were $551 million which included proceeds from the disposal of Curragh, partially offset by cash within BUKI that was retained by the business on divestment to support working capital requirements and other financial obligations. This result was $424 million lower than last year which included the proceeds on disposal of Coles' credit card receivables of $947 million.

Stable operating cash flows, higher net capital expenditure and lower proceeds from divestments resulted in free cash flows of $3,422 million.

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 $3,580 million, $741 million below the net financial debt position at 30 June 2017. In addition to a reduction in net financial debt, the Group's balance sheet was also significantly strengthened by a reduction in off-balance sheet lease liabilities as a result of the disposal of BUKI.

In March 2018, US$750 million ($728 million, including associated cross currency interest rate swaps) of bonds were repaid using existing cash balances and bank facilities. In addition, more than £705 million ($1,145 million) of bank facilities were cancelled as part of the divestment of BUKI in June 2018.

Finance costs decreased 16.3 per cent to $221 million as a result of a lower average net debt balance. The Group's 'all-in' effective borrowing cost increased 14 basis points to 4.18 per cent due to the repayment of lower cost bank debt as the Group's net debt balance declined throughout the year. Lower finance costs contributed to strong liquidity metrics, with cash interest cover increasing to 30.4 times and fixed charges cover relatively stable at 3.0 times.

The Group maintained strong and stable credit ratings during the year. Moody's Investors Services' rating remained unchanged at A3 (stable) and Standard and Poor's revised its outlook for Wesfarmers' A- rating from negative to stable.

Dividends

The Group's dividend policy considers available franking credits, current earnings and cash flows, future cash flow requirements and targeted credit metrics. The Board today declared a fully-franked final ordinary dividend of 120 cents per share. This takes the full-year ordinary dividend to 223 cents per share, in line with the prior year. The final dividend will be paid on 27 September 2018 to shareholders on the company's register on 21 August 2018, 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 24 August 2018 to 13 September 2018.

The last date for receipt of applications to participate in, or to cease or vary participation in the Plan, is 22 August 2018. 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 27 September 2018. Given the Group's strong credit metrics and stable cash flow performance for the year, any shares to be issued under the Plan will be acquired on-market and transferred to participants.

APPENDIX ONE

2018 FULL-YEAR AND FOURTH QUARTER RETAIL SALES RESULTS

HEADLINE RETAIL SALES RESULTS

Full-year Sales ($m)	**2018**	**2017**	**Variance %**
Bunnings Australia and New Zealand[1,2]	**12,524**	**11,508**	***8.8***
Food & Liquor[3,4]	33,285	32,612	*2.1*
Convenience[3,5]	5,724	6,113	*(6.4)*
Total Coles	**39,009**	**38,725**	***0.7***
Kmart[3]	6,005	5,560	*8.0*
Target[6]	2,802	2,941	*(4.7)*
Total Department Stores	**8,807**	**8,501**	***3.6***
Officeworks[1]	**2,142**	**1,963**	***9.1***

Fourth Quarter Sales ($m)	**2018**	**2017**	**Variance %**
Bunnings Australia and New Zealand[7]	**2,935**	**2,761**	***6.3***
Food & Liquor[4,8]	8,186	7,982	*2.6*
Convenience[5,8]	1,436	1,451	*(1.0)*
Total Coles	**9,622**	**9,433**	***2.0***
Kmart[8]	1,440	1,372	*5.0*
Target[9]	703	728	*(3.4)*
Total Department Stores	**2,143**	**2,100**	***2.0***
Officeworks[7]	**527**	**479**	***10.0***

[1] Financial Year 2018 and Financial Year 2017 for the 12 month period 1 July to 30 June.

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

[3] Financial Year 2018 for the 52 week period 26 June 2017 to 24 June 2018 and Financial Year 2017 for the 52 week period 27 June 2016 to 25 June 2017.

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

[5] Includes fuel sales.

[6] Financial Year 2018 for the 52 week period 25 June 2017 to 23 June 2018 and Financial Year 2017 for the 52 week period 26 June 2016 to 24 June 2017.

[7] Financial Year 2018 and Financial Year 2017 for the three month period 1 April to 30 June.

[8] Financial Year 2018 for the 13 week period 26 March 2018 to 24 June 2018 and Financial Year 2017 for the 13 week period 27 March 2017 to 25 June 2017.

[9] Financial Year 2018 for the 13 week period 25 March 2018 to 23 June 2018 and Financial Year 2017 for the 13 week period 26 March 2017 to 24 June 2017.

APPENDIX TWO

2018 FOURTH QUARTER AND FULL-YEAR RETAIL SALES RESULTS

KEY METRICS

Key Metrics (%)	Fourth Quarter 2018[1]	Full-year 2018[2]
BUNNINGS AUSTRALIA AND NEW ZEALAND[3]		
Total store sales growth	6.2	8.9
Store-on-store sales growth	4.9	7.8
COLES		
Food & Liquor[4]		
Comparable sales growth (Food)[5]	1.8	1.1
Comparable sales growth (Food & Liquor)[5]	1.8	1.1
Price inflation/(deflation)	(0.6)	(1.2)
Convenience		
Total fuel volume growth	(14.6)	(16.8)
Comparable fuel volume growth	(15.8)	(17.8)
Total convenience store sales growth (excl. fuel sales)	3.7	1.6
Comparable convenience store sales growth (excl. fuel sales)	4.6	1.6
DEPARTMENT STORES		
Kmart		
Total sales growth	5.0	8.0
Comparable sales growth[6,7]	3.3	5.4
Target		
Total sales growth	(3.4)	(4.7)
Comparable sales growth[6,7]	(3.7)	(5.1)
OFFICEWORKS		
Total sales growth	10.0	9.1

[1] 2018 growth for Coles and Kmart reflects the 13 week period 26 March 2018 to 24 June 2018 and the 13 week period 27 March 2017 to 25 June 2017; for Bunnings and Officeworks represents the three month period 1 April 2018 to 30 June 2018 and 1 April 2017 to 30 June 2017; and for Target represents the 13 week period 25 March 2018 to 23 June 2018 and the 13 week period 26 March 2017 to 24 June 2017.

[2] 2018 growth for Coles and Kmart reflects the 52 week period 26 June 2017 to 24 June 2018 and the 52 week period 27 June 2016 to 25 June 2017; for Bunnings and Officeworks represents the 12 month period 1 July 2017 to 30 June 2018 and 1 July 2016 to 30 June 2017; and for Target represents the 52 week period 25 June 2017 to 23 June 2018 and the 52 week period 26 June 2016 to 24 June 2017.

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

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

[5] After adjusting for the earlier timing of Easter in the 2018 financial year, comparable food and liquor store sales and comparable food store sales for the fourth quarter 2018 increased 1.9 per cent and 1.8 per cent respectively.

[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 2018 financial year, comparable store sales for the fourth quarter 2018 decreased 3.0 per cent at Target and increased 4.1 per cent at Kmart.

APPENDIX THREE

RETAIL OPERATIONS – STORE NETWORK

	Open at 1 Jul 2017	Opened	Closed	Re-branded	Open at 30 Jun 2018
BUNNINGS AUSTRALIA AND NEW ZEALAND					
Bunnings Warehouse	249	19	(9)	-	259
Bunnings smaller formats	77	4	(3)	-	78
Bunnings Trade Centres	33	2	(3)	-	32
Total Bunnings	**359**	**25**	**(15)**	**-**	**369**
COLES					
Supermarkets					
Coles	800	20	(11)	-	809
Bi-Lo	1	-	(1)	-	-
Total Supermarkets	**801**	**20**	**(12)**	**-**	**809**
Liquor					
1st Choice	99	-	(1)	-	98
Vintage Cellars	82	2	-	-	84
Liquorland	702	29	(14)	-	717
Hotels	89	-	(1)	-	88
Total Liquor	**972**	**31**	**(16)**	**-**	**987**
Convenience	702	17	(8)	-	711
Selling Area (m^2)					
Supermarkets	1,835,743	n.a	n.a	n.a	1,865,983
Liquor (excluding hotels)	211,373	n.a	n.a	n.a	213,511
DEPARTMENT STORES					
Kmart					
Kmart	220	9	(2)	1[1]	228
Kmart Tyre & Auto	251	6	(1)	-	256
Total Kmart	**471**	**15**	**(3)**	**1**	**484**
Target					
Large	184	5	(1)	(1)[1]	187
Small	119	1	(4)	-	116
Total Target	**303**	**6**	**(5)**	**(1)**	**303**
OFFICEWORKS					
Officeworks	164	6	(5)	-	165

n.a. – not available

[1] Includes one Target store converted to Kmart during the period.

APPENDIX FOUR

FIVE-YEAR HISTORY – FINANCIAL PERFORMANCE AND KEY METRICS

GROUP FINANCIAL PERFORMANCE

Year ended 30 June ($m)[1]	2018	2017	2016	2015	2014
Summarised income statement[2]					
Revenue	66,883	64,913	65,981	62,447	62,348
EBITDA	5,259	5,352	2,642	4,978	5,273
Depreciation and amortisation	(1,198)	(1,175)	(1,296)	(1,219)	(1,123)
EBIT	4,061	4,177	1,346	3,759	4,150
Finance costs	(211)	(248)	(308)	(315)	(363)
Income tax expense	(1,246)	(1,169)	(631)	(1,004)	(1,098)
Profit after tax from discontinued operations	(1,407)	113	-	-	1,179
NPAT	1,197	2,873	407	2,440	2,689
Summarised balance sheet					
Total assets	36,933	40,115	40,783	40,402	39,727
Total liabilities	14,179	16,174	17,834	15,621	13,740
Net assets	22,754	23,941	22,949	24,781	25,987
Net debt	3,933	4,809	7,103	6,209	3,401
Summarised cash flow statement					
Operating cash flows	4,080	4,226	3,365	3,791	3,226
Add/(less): Net capital expenditure	(1,209)	(1,028)	(1,336)	(1,552)	(1,216)
Add/(less): Other investing cash flows	551	975	(796)	(346)	2,168
Add/(less): Total investing cash flows	(658)	(53)	(2,132)	(1,898)	952
Free cash flow	3,422	4,173	1,233	1,893	4,178
Add/(less): Financing cash flows	(3,752)	(3,771)	(1,333)	(3,249)	(3,444)
Net increase/(decrease) in cash	(330)	402	(100)	(1,356)	734
Distributions to shareholders (cents per share)					
Interim ordinary dividend	103	103	91	89	85
Final ordinary dividend	120	120	95	111	105
Full-year ordinary dividend	223	223	186	200	190
Special dividend	-	-	-	-	10
Capital management (paid)	-	-	-	100	50
Key performance metrics					
Earnings per share (cents per share)	105.8	254.7	36.2	216.1	234.6
Earnings per share from continuing operations[2] excl. significant items[3] (cents per share)	256.8	244.7	209.5	216.1	196.6
Operating cash flow per share[4] (cents per share)	360.1	374.1	299.2	335.1	281.0
Cash realisation ratio[5] (%)	101	102	95	104	92
Return on equity (R12, %)	5.2	12.4	1.7	9.8	10.5
Return on equity (R12, %) (excl. significant items[3])	11.7	12.4	9.6	9.8	9.4
Net tangible asset backing per share ($ per share)	4.33	4.44	3.45	4.85	6.14
Interest cover (cash basis)[6] (R12, times)	30.4	25.0	16.8	20.5	15.9
Fixed charges cover[6] (R12, times)	3.0	3.1	2.7	3.0	3.2

[1] All figures are presented as last reported.

[2] 2018 and 2017 income statement balances have been restated for the classification of BUKI and Curragh as discontinued operations. 2014 income statement balances have been restated for the classification of the Insurance division as a discontinued operation.

[3] 2018 significant items include impairments of $1,323 million relating to BUKI and Target, as well as the $378 million loss on sale of BUKI and $125 million gain on sale of Curragh. 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.

[4] For the purposes of this calculation reserved shares have been included.

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

[6] 2018 includes the following pre-tax amounts: $931 million of BUKI impairments, write-offs and accruals; a $375 million loss on disposal of BUKI and $306 million of Target impairments, partially offset by a $120 million gain on sale of Curragh.

DIVISIONAL KEY PERFORMANCE METRICS

Year ended 30 June ($m)[1]	2018	2017	2016	2015	2014
BUNNINGS AUSTRALIA AND NEW ZEALAND					
Revenue	12,544	11,514	10,575	9,534	8,546
EBITDA[2]	1,683	1,505	1,369	1,228	1,106
Depreciation and amortisation	(179)	(171)	(156)	(140)	(127)
EBIT[2]	1,504	1,334	1,213	1,088	979
EBIT margin[2] (%)	12.0	11.6	11.5	11.4	11.5
ROC (R12, %)	49.4	41.8	36.6	33.5	29.3
Total sales growth (%)	8.8	8.9	11.0	11.5	11.6
Total store sales growth[3] (%)	8.9	8.9	11.1	11.4	11.7
Store-on-store sales growth[3] (%)	7.8	7.3	8.1	8.8	8.4
COLES					
Divisional performance					
Revenue	39,388	39,217	39,242	38,201	37,391
EBITDA[4]	2,151	2,256	2,475	2,347	2,157
Depreciation and amortisation	(651)	(647)	(615)	(564)	(485)
EBIT[4]	1,500	1,609	1,860	1,783	1,672
EBIT margin[4] (%)	3.8	4.1	4.7	4.7	4.5
ROC (R12, %)	9.2	9.7	11.2	11.0	10.3
Capital expenditure (cash basis)	715	805	797	941	1,016
Food & Liquor					
Revenue[5]	33,627	33,084	32,564	30,784	29,220
Headline sales growth[6,7] (%)	2.1	2.0	5.1	5.3	4.7
Comparable sales growth[6,7] (%)	1.1	1.0	4.1	3.9	3.7
Convenience					
Revenue	5,761	6,133	6,678	7,417	8,171
Total sales growth[6,8] (%)	(6.4)	(7.8)	(10.2)	(9.2)	4.1
Total fuel volume growth[6] (%)	(16.8)	(13.6)	(4.4)	(1.3)	(3.5)
Comparable fuel volume growth[6] (%)	(17.8)	(16.0)	(7.9)	(3.7)	(3.9)
Total convenience store sales growth[6] (%)	1.6	4.6	11.1	9.8	6.0
Comparable convenience store sales growth[6] (%)	1.6	1.7	6.9	6.8	5.5

[1] All figures are presented as last reported.

[2] Includes net property contribution for 2018 of $33 million; 2017 of $43 million; 2016 of $46 million; 2015 of $40 million; 2014 of $13 million.

[3] Excludes sales related to Trade Centres and 'Frame and Truss'.

[4] 2017 includes earnings of $39 million related to the sale of Coles' interest in a number of joint venture properties to ISPT. 2014 excludes a $94 million provision relating to restructuring activities within the Coles Liquor business (reported as a significant item).

[5] Includes property.

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

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

[8] Includes fuel sales.

DIVISIONAL KEY PERFORMANCE METRICS (CONTINUED)

Full-year ended 30 June ($m)[1]	2018	2017	2016	2015	2014
DEPARTMENT STORES DIVISION					
Divisional performance					
Revenue	8,837	8,528	8,646	7,991	7,710
EBITDA[2]	862	739	466	697	615
Depreciation and amortisation	(202)	(196)	(191)	(175)	(163)
EBIT[2]	660	543	275	522	452
EBIT margin[2] (%)	7.5	6.4	3.2	6.5	5.9
ROC (R12, %)	32.8	24.1	7.6	13.8	10.4
Capital expenditure (cash basis)	293	225	292	296	240
Kmart					
- Total sales growth[3] (%)	8.0	7.9	13.5	8.2	0.9
- Comparable sales growth[3] (%)	5.4	4.2	10.5	4.6	0.5
Target					
- Total sales growth[3] (%)	(4.7)	(14.5)	0.2	(1.8)	(4.2)
- Comparable sales growth[3] (%)	(5.1)	(14.9)	(0.4)	(1.0)	(5.3)
OFFICEWORKS					
Revenue	2,142	1,964	1,851	1,714	1,575
EBITDA	181	168	156	139	124
Depreciation and amortisation	(25)	(24)	(22)	(21)	(21)
EBIT	156	144	134	118	103
EBIT margin (%)	7.3	7.3	7.2	6.9	6.5
ROC (R12, %)	16.6	14.7	13.5	11.4	9.4
Total sales growth (%)	9.1	6.1	8.1	8.8	4.7

[1] All figures are presented as last reported.

[2] 2018 excludes $306 million of pre-tax non-cash impairment in Target;
2017 includes $13 million of restructuring costs associated with the planned relocation of Target's store support office;
2016 includes $145 million of restructuring costs and provisions for Target, and excludes a $1,266 million pre-tax non-cash impairment of Target;
2014 excludes $677 million impairment of Target's goodwill (reported as an a significant item).

[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]	2018	2017	2016	2015	2014
INDUSTRIALS					
Divisional performance					
Revenue	5,269	5,161	4,672	4,985	4,977
EBITDA	1,044	1,095	341	668	765
Depreciation and amortisation	(177)	(180)	(294)	(315)	(283)
EBIT	867	915	47	353	482
Capital expenditure (cash basis)	168	169	228	250	386
Chemicals, Energy and Fertilisers					
Chemicals revenue	932	813	910	840	730
Energy revenue[2,3]	423	368	325	435	592
Fertilisers revenue	475	458	585	564	490
Total revenue	1,830	1,639	1,820	1,839	1,812
EBITDA[3,4]	469	472	400	345	314
Depreciation and amortisation	(79)	(77)	(106)	(112)	(93)
EBIT[3,4]	390	395	294	233	221
ROC (R12, %)	27.7	27.4	18.9	15.2	14.4
Capital expenditure (cash basis)	60	44	60	56	172
External sales volumes ('000 tonnes)					
Chemicals	1,056	979	1,021	912	807
LPG[3]	145	103	120	185	243
Fertilisers	988	956	1,080	1,036	939
Industrial and Safety					
Revenue	1,750	1,776	1,844	1,772	1,621
EBITDA[5]	159	158	105	108	161
Depreciation and amortisation	(41)	(43)	(42)	(38)	(30)
EBIT[5]	118	115	63	70	131
EBIT margin[5] (%)	6.7	6.5	3.4	4.0	8.1
ROC (R12, %)	8.4	8.4	4.7	5.5	11.6
Capital expenditure (cash basis)	50	34	52	57	51

[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) and ALWA prior to December 2013 divestment.

[4] 2017 includes a profit on sale of land of $22 million and $33 million relating to WesCEF's share of revaluation gains in Quadrant Energy;
2016 includes $32 million of one-off restructuring costs associated with the decision to cease PVC manufacturing;
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;
2014 includes ALWA earnings prior to December 2013 divestment (excludes $95 million gain on sale).

[5] 2016 includes $35 million of restructuring costs associated with the 'Fit for Growth' transformation;
2015 includes $20 million of restructuring costs.

DIVISIONAL KEY PERFORMANCE METRICS (CONTINUED)

Full-year ended 30 June ($m)[1]	2018	2017	2016	2015	2014
Resources[2]					
Revenue	1,689	1,746	1,008	1,374	1,544
Royalties[3]	(331)	(262)	(143)	(167)	(221)
Mining and other costs	(942)	(1,019)	(1,029)	(992)	(1,033)
EBITDA[4]	416	465	(164)	215	290
Depreciation and amortisation	(57)	(60)	(146)	(165)	(160)
EBIT[4]	359	405	(310)	50	130
Capital expenditure (cash basis)	57	91	116	137	163

[1] All figures are presented as last reported.

[2] 2018 includes contribution from Curragh for the period 1 July 2017 to 29 March 2018.

[3] Includes Stanwell rebate expense for 2018 of $179 million; 2017 of $98 million; 2016 of $65 million; 2015 of $67 million; and 2014 of $102 million.

[4] Excludes $850 million pre-tax non-cash impairment of Curragh in 2016.

RETAIL OPERATIONS – STORE NETWORK

Open at 30 June	2018	2017	2016	2015	2014
BUNNINGS					
Bunnings Warehouse	259	249	244	236	223
Bunnings smaller formats	78	77	70	65	64
Bunnings Trade Centres	32	33	33	33	33
Total Bunnings	**369**	**359**	**347**	**334**	**320**
COLES					
Supermarkets					
Coles	809	800	786	771	745
Bi-Lo	-	1	1	5	17
Total Supermarkets	**809**	**801**	**787**	**776**	**762**
Liquor					
1st Choice	98	99	97	100	98
Vintage Cellars	84	82	81	79	77
Liquorland	717	702	687	679	656
Hotels	88	89	89	90	90
Total Liquor	**987**	**972**	**954**	**948**	**921**
Convenience	711	702	690	662	642
Selling Area (m^2)					
Supermarkets	1,865,983	1,835,743	1,789,290	1,749,840	1,692,642
Liquor (excluding hotels)	213,511	211,373	208,233	209,490	205,179
KMART					
Kmart	228	220	209	203	192
Kmart Tyre & Auto	256	251	248	246	243
Total Kmart	**484**	**471**	**457**	**449**	**435**
TARGET					
Large	187	184	186	183	180
Small	116	119	120	122	128
Total Target	**303**	**303**	**306**	**305**	**308**
OFFICEWORKS					
Officeworks	165	164	159	156	151
Harris Technology	-	-	-	-	1