26 August 2019

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Manager,

2019 FULL-YEAR RESULTS

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

- Appendix 4E; and
- 2019 Full-year Results Announcement (including second half retail sales results).

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

- Notification of Dividend/Distribution;
- 2019 Full-year Results Briefing Presentation; and
- 2019 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,

A Spaseska
Executive General Manager Company Secretariat and Group Risk
Enc.

Wesfarmers Limited
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APPENDIX 4E

For the year ended 30 June 2019
Wesfarmers Limited and its controlled entities
ABN 28 008 984 049

Results for announcement to the market	2019 $m	RESTATED 2018 $m	%
Revenue from continuing operations	**27,920**	26,763	4.3%
Revenue from discontinued operations[1]	**16,764**	43,115	(61.1%)
Profit after tax attributable to members:			
From continuing operations excluding significant items	**1,940**	1,709	13.5%
Significant items[2]	**-**	(300)	
From continuing operations	**1,940**	1,409	37.7%
From discontinued operations[1,3]	**3,570**	(212)	
Net profit for the full-year attributable to members	**5,510**	1,197	360.3%

Dividends	Amount per security	Franked amount per security
Interim dividend	100 cents	100 cents
Special dividend	100 cents	100 cents
Final dividend	78 cents	78 cents
Total FY2019 dividend	**278 cents**	**278 cents**
Previous corresponding period:		
Interim dividend	103 cents	103 cents
Final dividend	120 cents	120 cents
Total FY2018 dividend	**223 cents**	**223 cents**
Record date for determining entitlements to the dividend	5:00pm (WST) on 2 September 2019	
Last date for receipt of election notice for Dividend Investment Plan	5:00pm (WST) on 3 September 2019	
Date the final dividend is payable	9 October 2019	

1 Discontinued operations relate to Wesfarmers' interest in the Bengalla Coal Mine (Bengalla), Tyre and Auto Pty Ltd (KTAS) and Wesfarmers' indirect interest in Quadrant Energy Holdings Pty Ltd (Quadrant Energy) which were disposed of during the 2019 financial year, Bunnings UK and Ireland (BUKI) and Wesfarmers Curragh Pty Ltd (Curragh Coal Mine) which were disposed of during the 2018 financial year, as well as Coles Group Limited (Coles) which was demerged in November 2018.

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

3 Discontinued operations for 2019 comprises the $297 million post-tax trading results for Coles, Bengalla, KTAS and Quadrant Energy, including a $102 million post-tax provision for supply chain automation in Coles, and the $2,264 million post-tax gain on demerger of Coles, the $645 million post-tax gain on disposal of Bengalla, the $244 million post-tax gain on disposal of KTAS and the $120 million (US$85 million) post-tax gain on disposal of Quadrant Energy.

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 2 September 2019 for participation in the Plan, being 5 September 2019 to 25 September 2019.

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 3 September 2019. 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 9 October 2019. A broker will be engaged to assist with this process.

Net tangible asset backing

Net tangible asset backing per ordinary share (excluding reserved shares): $5.21 (2018: $4.33).

Operating cash flow per share

Operating cash flow per share: $2.40 (2018: $3.60). 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 2018.

Commentary on results for the year

Commentary on the results for the year is contained in the press release dated 26 August 2019 accompanying this statement.

PRELIMINARY FINANCIAL STATEMENTS

For the year ended 30 June 2019

CONTENTS

INCOME STATEMENT

For the year ended 30 June 2019

	Note	Consolidated 2019 $m	Consolidated RESTATED 2018 $m
Continuing operations			
Revenue	2	**27,920**	26,763
Expenses			
Raw materials and inventory		**(17,240)**	(16,344)
Employee benefits expense	2	**(4,525)**	(4,290)
Freight and other related expenses		**(381)**	(326)
Occupancy-related expenses	2	**(1,533)**	(1,474)
Depreciation and amortisation	2	**(537)**	(521)
Impairment expenses	2	**-**	(373)
Other expenses	2	**(1,198)**	(1,264)
Total expenses		**(25,414)**	(24,592)
Other income	2	**239**	99
Share of net profits/(losses) of associates and joint ventures	10	**229**	74
		468	173
Earnings before interest and income tax expense (EBIT)		**2,974**	2,344
Finance costs	2	**(175)**	(210)
Profit before income tax		**2,799**	2,134
Income tax expense	3	**(859)**	(725)
Profit after tax from continuing operations		**1,940**	1,409
Discontinued operations			
Profit after tax for Coles	12	**2,483**	1,037
Profit after tax for Bengalla	12	**710**	119
Profit after tax for KTAS	12	**253**	25
Profit after tax for Quadrant Energy	12	**124**	14
Loss after tax for BUKI		**-**	(1,657)
Profit after tax for Curragh Coal Mine		**-**	250
Profit/(loss) after tax from discontinued operations		**3,570**	(212)
Profit attributable to members of the parent		**5,510**	1,197
Earnings per share attributable to ordinary equity holders of the parent from continuing operations		**cents**	cents
Basic earnings per share		**171.5**	124.6
Diluted earnings per share		**171.4**	124.4
Earnings per share attributable to ordinary equity holders of the parent	7		
Basic earnings per share		**487.2**	105.8
Diluted earnings per share		**486.7**	105.6

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2019

		Consolidated	
			RESTATED
		2019	2018
	Note	**$m**	$m
Profit attributable to members of the parent		**5,510**	1,197
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Foreign currency translation reserve			
Exchange differences on translation of foreign operations		**14**	(7)
Exchange differences recognised in the income statement on disposal of foreign operations		**-**	(2)
Cash flow hedge reserve	9		
Unrealised gains on cash flow hedges		**151**	96
Realised losses transferred to net profit		**2**	29
Realised (gains)/losses transferred to non-financial assets		**(204)**	114
Transfer of hedges to Coles on demerger		**(22)**	-
Share of associates and joint ventures reserves		**(2)**	(7)
Tax effect		**24**	(72)
Items that will not be reclassified to profit or loss:			
Retained earnings			
Remeasurement loss on defined benefit plan		**(1)**	(1)
Tax effect		**-**	-
Other comprehensive (loss)/income for the year, net of tax		**(38)**	150
Total comprehensive income/(loss) for the year, net of tax, attributable to members of the parent arising from:			
Continuing operations		**1,903**	1,568
Discontinued operations		**3,569**	(221)
		5,472	1,347

BALANCE SHEET

As at 30 June 2019

	Note	Consolidated 2019 $m	2018 $m
Assets			
Current assets			
Cash and cash equivalents	4	**795**	683
Receivables - trade and other		**1,027**	1,657
Inventories		**4,246**	6,011
Derivatives		**101**	126
Other		**181**	229
Total current assets		**6,350**	8,706
Non-current assets			
Investments in associates and joint ventures	10	**3,393**	748
Deferred tax assets		**194**	692
Property		**819**	1,920
Plant and equipment		**3,059**	6,488
Goodwill		**3,090**	13,491
Intangible assets		**986**	4,369
Derivatives		**393**	391
Other		**49**	128
Total non-current assets		**11,983**	28,227
Total assets		**18,333**	36,933
Liabilities			
Current liabilities			
Trade and other payables		**3,620**	6,541
Interest-bearing loans and borrowings	5	**356**	1,159
Income tax payable		**222**	299
Provisions		**851**	1,726
Derivatives		**7**	16
Other		**160**	284
Total current liabilities		**5,216**	10,025
Non-current liabilities			
Interest-bearing loans and borrowings	5	**2,673**	2,965
Provisions		**381**	1,033
Derivatives		**1**	-
Other		**91**	156
Total non-current liabilities		**3,146**	4,154
Total liabilities		**8,362**	14,179
Net assets		**9,971**	22,754
Equity			
Equity attributable to equity holders of the parent			
Issued capital	6	**15,809**	22,277
Reserved shares	6	**(81)**	(43)
(Accumulated losses)/retained earnings		**(208)**	176
Reserves		**(5,549)**	344
Total equity		**9,971**	22,754

CASH FLOW STATEMENT

For the year ended 30 June 2019

	Note	Consolidated 2019 $m	2018 $m
Cash flows from operating activities			
Receipts from customers		**48,770**	75,354
Payments to suppliers and employees		**(44,892)**	(69,836)
Dividends and distributions received from associates		**65**	50
Interest received		**27**	15
Borrowing costs		**(170)**	(195)
Income tax paid		**(1,082)**	(1,308)
Net cash flows from operating activities	4	**2,718**	4,080
Cash flows from investing activities			
Payments for property, plant and equipment and intangibles	4	**(1,356)**	(1,815)
Proceeds from sale of property, plant and equipment and intangibles	4	**529**	606
Net proceeds from demerger and sale of businesses		**858**	534
Net proceeds from sale of associate		**231**	-
Acquisition of subsidiaries, net of cash acquired		**(17)**	-
Net redemption of loan notes		**-**	17
Net cash flows from/(used in) investing activities		**245**	(658)
Cash flows from financing activities			
Proceeds from borrowings		**2,000**	688
Repayment of borrowings		**(1,164)**	(1,905)
Equity dividends paid		**(3,628)**	(2,528)
Demerger transaction costs recognised directly in equity		**(59)**	(7)
Net cash flows used in financing activities		**(2,851)**	(3,752)
Net increase/(decrease) in cash and cash equivalents		**112**	(330)
Cash and cash equivalents at beginning of year		**683**	1,013
Cash and cash equivalents at end of year	4	**795**	683

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2019

		Attributable to equity holders of the parent						
		Issued capital	Reserved shares	Retained earnings	Hedging reserve	Demerger reserve	Other reserves	Total equity
Consolidated	Note	$m	$m	$m	$m	$m	$m	$m
Balance at 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 and 1 July 2018		**22,277**	**(43)**	**176**	**78**	**-**	**266**	**22,754**
Net profit for the year		-	-	5,510	-	-	-	5,510
Other comprehensive income								
Exchange differences on translation of foreign operations		-	-	-	-	-	14	14
Changes in the fair value of cash flow hedges, net of tax	9	-	-	-	(51)	-	-	(51)
Remeasurement loss on defined benefit plan, net of tax		-	-	(1)	-	-	-	(1)
Total other comprehensive income for the year, net of tax		-	-	(1)	(51)	-	14	(38)
Total comprehensive income for the year, net of tax		-	-	5,509	(51)	-	14	5,472
Share-based payment transactions	6	14	-	-	-	-	4	18
Capital distribution and demerger dividend	6,8,12	(6,482)	-	-	-	(8,124)	-	(14,606)
Transfer of gain on demerger	12	-	-	(2,264)	-	2,264	-	-
Acquisition of shares on-market for Wesfarmers Long Term Incentive Plan (WLTIP)	6	-	(5)	-	-	-	-	(5)
Acquisition of shares on-market for Key Executive Equity Performance Plan (KEEPP)	6	-	(33)	-	-	-	-	(33)
Equity dividends	8	-	-	(3,629)	-	-	-	(3,629)
		(6,468)	(38)	(5,893)	-	(5,860)	4	(18,255)
Balance at 30 June 2019		15,809	(81)	(208)	27	(5,860)	284	9,971

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS: SEGMENT INFORMATION

For the year ended 30 June 2019

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.

Comparatives have been restated to reflect the continuing operations of the Group.

	CONTINUING OPERATIONS														DISCONTINUED OPERATIONS[4,5]	
					INDUSTRIALS											
	BUNNINGS		KMART GROUP[1,2]		WesCEF[2]		WIS		OFFICEWORKS		OTHER[3]		CONSOLIDATED			
	2019 $m	2018 $m	**2019 $m**	2018 $m	**2019 $m**	2018 $m	**2019 $m**	2018 $m	**2019 $m**	2018 $m	**2019 $m**	2018 $m	**2019 $m**	2018 $m	**2019 $m**	2018 $m
Segment revenue	13,166	12,544	8,598	8,505	2,078	1,830	1,752	1,750	2,314	2,142	12	(8)	**27,920**	26,763	**16,764**	43,115
Adjusted EBITDA[7]	1,818	1,683	733	820	513	458	124	159	195	181	128	(130)	**3,511**	3,171	**859**	2,400
Depreciation and amortisation	(192)	(179)	(193)	(194)	(80)	(79)	(38)	(41)	(28)	(25)	(6)	(3)	**(537)**	(521)	**(272)**	(762)
Segment result	**1,626**	1,504	**540**	626	**433**	379	**86**	118	**167**	156	**122**	(133)	**2,974**	2,650	**587**	1,638
Items not included in segment result[5,6]	-	-	-	(306)	-	-	-	-	-	-	-	-	**-**	(306)	**3,257**	(1,186)
EBIT													**2,974**	2,344	**3,844**	452
Finance costs													**(175)**	(210)	**-**	(11)
Profit before income tax expense													**2,799**	2,134	**3,844**	441
Income tax expense													**(859)**	(725)	**(274)**	(653)
Profit attributable to members of the parent													**1,940**	1,409	**3,570**	(212)
Other segment information																
Segment assets	5,118	5,025	3,755	3,559	1,563	1,539	1,752	1,698	1,531	1,452	1,027	721	**14,746**	13,994	**-**	21,499
Investments in associates and joint ventures	17	17	-	-	89	92	-	-	-	-	3,287	529	**3,393**	638	**-**	110
Tax assets											194	692	**194**	692	**-**	-
Total assets													**18,333**	15,324	**-**	21,609
Segment liabilities	(1,983)	(1,875)	(1,476)	(1,426)	(392)	(343)	(348)	(335)	(559)	(532)	(353)	(553)	**(5,111)**	(5,064)	**-**	(4,692)
Tax liabilities											(222)	(299)	**(222)**	(299)	**-**	-
Interest-bearing loans and borrowings											(3,029)	(4,124)	**(3,029)**	(4,124)	**-**	-
Total liabilities													**(8,362)**	(9,487)	**-**	(4,692)
Other net assets[8]	(2,599)	(3,098)	(488)	(45)	(768)	(709)	(1,008)	(631)	40	8	4,823	4,662	**-**	187	**-**	(187)
Net assets	553	69	1,791	2,088	492	579	396	732	1,012	928	5,727	1,628	**9,971**	6,024	**-**	16,730
Capital expenditure[9]	470	497	199	286	58	60	83	50	42	45	-	2	**852**	940	**426**	922
Share of net profit or loss of associates and joint ventures included in EBIT	-	-	-	-	14	18	-	-	-	-	215	56	**229**	74	**4**	23

1 The Department Stores Division has been renamed Kmart Group.
2 The Kmart Group result excludes KTAS and the WesCEF result excludes Quadrant Energy as they are discontinued operations.
3 The 2019 Other result includes the gain on disposal of Wesfarmers' direct and indirect interest in Barminco and subsequent increase in the fair value of Wesfarmers' indirect interest in Ausdrill shares $61 million and share of profits from Wesfarmers' 15 per cent interest in Coles.
4 Discontinued operations relate to Bengalla, KTAS and Quadrant Energy which were disposed of during the 2019 financial year, BUKI and the Curragh Coal Mine which were disposed of during the 2018 financial year, as well as Coles which was demerged in November 2018.
5 The 2019 segment result excludes the $2,319 million pre-tax gain on demerger of Coles, the $679 million pre-tax gain on disposal of Bengalla, the $267 million pre-tax gain on disposal of KTAS, the $138 million (US$98 million) pre-tax gain on disposal of Quadrant Energy and $146 million pre-tax provision for Coles supply chain automation.
6 The 2018 segment result from continuing operations excludes Target's pre-tax impairment of $306 million. The 2018 segment result from discontinued operations excludes 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.
7 Adjusted EBITDA represents earnings before interest, tax, depreciation, amortisation and other items not included in the segment results outlined in footnote 5 and 6.
8 Other net assets relate predominantly to intercompany financing arrangements and segment tax balances.
9 Capital expenditure includes accruals to represent costs incurred during the year. The amount excluding the movement in accruals from continuing and discontinued operations is $1,356 million (2018: $1,815 million).

NOTES TO THE FINANCIAL STATEMENTS: KEY NUMBERS

For the year ended 30 June 2019

2. Revenue and expenses from continuing operations

	Consolidated	
	2019	2018
	$m	$m
Revenue from contracts with customers[1]	**27,818**	26,720
Interest revenue	**26**	8
Other	**76**	35
Revenue	**27,920**	26,763
Gains on disposal of property, plant and equipment and other assets	**124**	25
Other	**115**	74
Other income	**239**	99
Remuneration, bonuses and on-costs	**4,140**	3,918
Superannuation expense	**303**	288
Share-based payments expense	**82**	84
Employee benefits expense	**4,525**	4,290
Minimum lease payments	**1,176**	1,095
Contingent rental payments	**76**	83
Other	**281**	296
Occupancy-related expenses	**1,533**	1,474
Depreciation	**424**	416
Amortisation of intangibles	**47**	42
Amortisation other	**66**	63
Depreciation and amortisation	**537**	521
Impairment of plant, equipment and other assets	**-**	303
Impairment of freehold property	**-**	23
Impairment of goodwill	**-**	47
Impairment expenses	**-**	373
Repairs and maintenance	**219**	172
Utilities and office expenses	**440**	426
Insurance expenses	**113**	169
Other	**426**	497
Other expenses	**1,198**	1,264
Interest expense	**153**	181
Discount rate adjustment	**7**	11
Amortisation of debt establishment costs	**3**	5
Other finance related costs	**12**	13
Finance costs	**175**	210

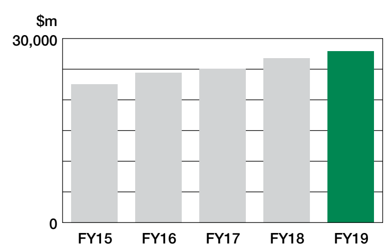
1 The Group initially applied AASB 15 *Revenue from Contracts with Customers* using the modified retrospective approach at the date of initial application, being 1 July 2018. Under this method, comparative information has not been restated.

3. Tax expense from continuing operations

	Consolidated	
	2019	2018
	$m	$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	**2,799**	2,134
Income tax at the statutory rate of 30%	**840**	640
Adjustments relating to prior years	**10**	(8)
Non-deductible items	**12**	99
Share of results of associates and joint ventures	**(14)**	(4)
Other	**11**	(2)
Income tax on profit before tax	**859**	725

Total revenue from continuing operations

$27,920 ▲ **4.3%**



	$m
FY19	**27,920**
FY18	26,763
FY17	25,083
FY16	24,419
FY15	22,577

Revenue by segment for FY2019[2] from continuing operations

	$m	**%**
Bunnings	13,166	47.2
Kmart Group	8,598	30.8
WesCEF	2,078	7.4
WIS	1,752	6.3
Officeworks	2,314	8.3

*Other: $12 million

2 Revenue from contracts with customers disaggregated by segment is materially consistent with the disclosure above.

NOTES TO THE FINANCIAL STATEMENTS: KEY NUMBERS

For the year ended 30 June 2019

4. Cash and cash equivalents

	Consolidated 2019 $m	2018 $m
For the purposes of the cash flow statement, cash and cash equivalents comprise the following:		
Cash on hand and in transit	**266**	492
Cash at bank and on deposit	**529**	191
	795	683
Reconciliation of net profit after tax to net cash flows from operations		
Net profit	**5,510**	1,197
Non-cash items		
Depreciation and amortisation	**810**	1,283
Impairment and writedowns of assets	**23**	1,216
(Gain)/loss on disposal/demerger of businesses	**(3,266)**	254
Net gain on disposal of non-current assets including investments and associates	**(249)**	(9)
Share of (profits)/losses of associates and joint ventures	**(233)**	(97)
Dividends and distributions received from associates	**65**	50
Discount adjustment in borrowing costs	**7**	22
Other	**(39)**	3
(Increase)/decrease in assets		
Receivables - trade and other	**109**	(215)
Inventories	**(557)**	(54)
Prepayments	**(83)**	(10)
Deferred tax assets	**130**	61
Other assets	**(3)**	(2)
Increase/(decrease) in liabilities		
Trade and other payables	**473**	279
Current tax payable	**(78)**	8
Provisions	**129**	42
Other liabilities	**(30)**	52
Net cash flows from operating activities	**2,718**	4,080

4. Cash and cash equivalents (continued)

	Consolidated 2019 $m	2018 $m
Net cash capital expenditure		
Cash capital expenditure		
Payment for property	**323**	411
Payment for plant and equipment	**975**	1,171
Payment for intangibles	**58**	233
	1,356	1,815
Less: Proceeds from sale of property, plant, equipment and intangibles	**529**	606
Net cash capital expenditure	**827**	1,209

Capital expenditure by segment for FY2019 from continuing operations

	$m	%
Bunnings	470	55.2
Kmart Group	199	23.4
WesCEF	58	6.8
WIS	83	9.7
Officeworks	42	4.9

NOTES TO THE FINANCIAL STATEMENTS: CAPITAL

For the year ended 30 June 2019

5. Interest-bearing loans and borrowings

Funding activities

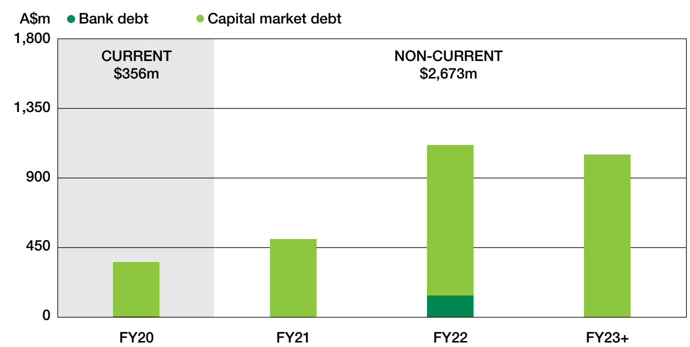
The Group continues its strategy of maintaining diversity of funding sources, pre-funding upcoming maturities (if required) and maintaining a presence in key markets. In March 2019, a $500 million domestic bond matured, and was repaid from available cash balances. No new bond issuance occurred during the year. During the year, all bank facilities were renegotiated and extended for a duration of three years.

	Consolidated	
	2019 $m	2018 $m
Current		
Unsecured		
Bank debt	**6**	660
Capital market debt	**350**	499
	356	1,159
Non-current		
Unsecured		
Bank debt	**142**	150
Capital market debt	**2,531**	2,815
	2,673	2,965
Total interest-bearing loans and borrowings	**3,029**	4,124

5. Interest-bearing loans and borrowings (continued)

The illustration below provides details, including the principal repayment obligations, of all loans and borrowings on issue at 30 June 2019:

Outstanding loans and borrowings



6. Equity

Movement in shares on issue	Ordinary Shares '000	Ordinary Shares $m	Reserved Shares '000	Reserved Shares $m
At 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 and 1 July 2018	**1,133,840**	**22,277**	**(2,342)**	**(43)**
Exercise of in-substance options		**-**	**119**	**-**
Acquisition of shares on-market for Wesfarmers Long Term Incentive Plan (WLTIP)	**-**	**-**	**(174)**	**(5)**
Acquisition of shares on-market for Key Executive Equity Performance Plan (KEEPP)	**-**	**-**	**(1,056)**	**(33)**
KEEPP and WLTIP vested during the year	**-**	**-**	**744**	**-**
Demerger capital distribution[1]	**-**	**(6,441)**	**-**	**-**
Demerger transaction costs, net of tax	**-**	**(41)**	**-**	**-**
Transfer from other reserves	**-**	**14**	**-**	**-**
At 30 June 2019	**1,133,840**	**15,809**	**(2,709)**	**(81)**

[1] The capital distribution is the allocation of the Coles demerger distribution to share capital and has been calculated by reference to the market value of Coles' shares and the market value of Wesfarmers' shares post demerger. Refer to note 12 for further details.

7. Earnings per share

	Consolidated	
	2019	2018
Profit attributable to ordinary equity holders of the parent ($m)	**5,510**	1,197
WANOS[1] used in the calculation of basic EPS (shares, million)[2]	**1,131**	1,131
WANOS[1] used in the calculation of diluted EPS (shares, million)[2]	**1,132**	1,133
– Basic EPS (cents per share)	**487.2**	105.8
– Diluted EPS (cents per share)	**486.7**	105.6

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 the dilutive effect of in-substance options and restricted shares.

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

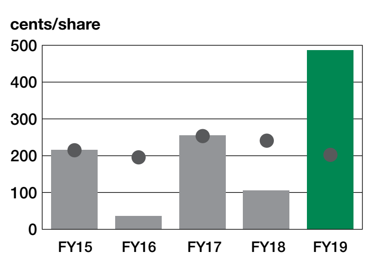
Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

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 and unvested restricted shares.

Basic earnings per share

487.2 cents



FY19[1]	**487.2**
FY18[2]	105.8
FY17	254.7
FY16[3]	36.2
FY15	216.1

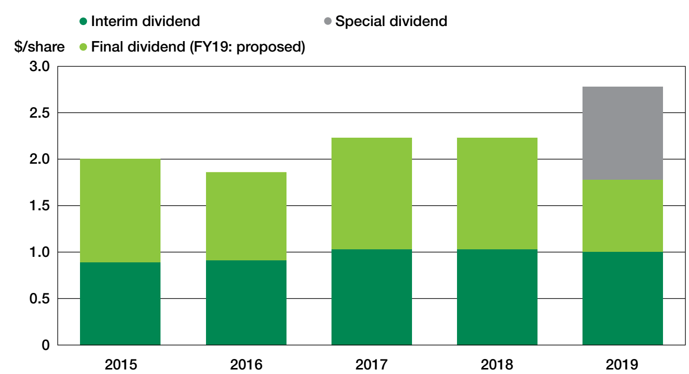
1 FY2019 EPS of 487.2 cents per share includes significant items relating to the gains on disposal of Bengalla, KTAS and Quadrant Energy, the gain on demerger of Coles and the provision for Coles' supply chain automation. Excluding these items, basic EPS is 206.8 cents per share.
2 FY2018 EPS of 105.8 cents per share includes significant items relating to non-cash impairments and write-offs and store closure provisions at BUKI, loss on disposal of BUKI and Target's non-cash impairment, offset by the gain disposal of the Curragh Coal Mine. Excluding these items, basic EPS is 245.1 cents per share.
3 FY2016 EPS of 36.2 cents per share includes non-cash impairments at Target and Curragh Coal Mine. Excluding these items, basic EPS is 200.4 cents per share.

8. Dividends and distributions

	Consolidated	
	2019 $m	2018 $m
Declared and paid during the year (fully-franked at 30 per cent)		
Interim dividend for 2019: $1.00 (2018: $1.03)	**1,134**	1,168
Final dividend for 2018: $1.20 (2017: $1.20)	**1,361**	1,361
Special dividend for 2019: $1.00[1]	**1,134**	-
Capital distribution and demerger dividend[2]	**14,565**	-
	18,194	2,529
Proposed and unrecognised as a liability (fully-franked at 30 per cent)		
Final dividend for 2019: $0.78 (2018: $1.20)	**884**	1,361

1 A fully-franked special dividend of 100 cents per share was paid on 10 April 2019.
2 The capital distribution and demerger dividend represents the fair value of the Coles distribution to shareholders. Refer to note 12 for further details.

Shareholder distributions



9. Cash flow hedge reserve

The change in cash flow hedge reserve for the year ended 30 June 2019 includes the after-tax net movement in market value of cash flow hedges from 30 June 2018 and comprised: $(22) million (2018: $(2) million) of interest rate swaps, $(21) million (2018: $153 million) of foreign exchange rate contracts, $(7) million (2018: $17 million) of commodity swaps and a $(1) million (2018: $(8) million) movement in associates and joint ventures reserve.

10. Associates and joint arrangements

	Consolidated	
	2019 $m	2018 $m
Investments in associates	**3,359**	731
Interests in joint ventures	**34**	17
	3,393	748
From continuing operations		
Share of net profits from associates	**227**	69
Other comprehensive (loss)/income of associates	**(1)**	1
Share of profits from joint ventures	**2**	5
Other comprehensive income of joint ventures	**-**	1
Total comprehensive income for the year	**228**	76

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 investments in joint ventures is accounted for using the equity method.

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	
Associates	***Principal activity***	**2019 %**	2018 %
Australian Energy Consortium Pty Ltd[1,2]	Oil and gas	**-**	27.4
Bengalla Coal Sales Company Pty Limited[2]	Sales agent	**-**	40.0
Bengalla Mining Company Pty Limited[2]	Management company	**-**	40.0
BWP Trust	Property investment	**24.8**	24.8
Coles Group Limited[3]	Food and staples retailing	**15.0**	(a)
Gresham Partners Group Limited	Investment banking	**50.0**	50.0
Gresham Private Equity Funds	Private equity fund	**(b)**	(b)
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***		
Bengalla[2]	Coal mining	**-**	40.0
ISPT[4]	Property ownership	**-**	25.0
Sodium Cyanide	Sodium cyanide manufacture	**75.0**	75.0
Joint ventures	***Principal activity***		
BPI NO 1 Pty Ltd	Property management	**(c)**	(c)
Loyalty Pacific Pty Ltd[5]	Loyalty programs	**50.0**	(a)

1 Australian Energy Consortium Pty Ltd (AEC) held a 50.0 per cent interest in Quadrant Energy.
2 Wesfarmers disposed of its interest in Bengalla and its indirect interest in Quadrant Energy during the year. Refer to note 12 for further details.
3 A wholly owned subsidiary, Wesfarmers' Retail Holdings Pty Ltd has a 15.0 per cent interest in Coles. As at 30 June 2019, the carrying value of the investment in Coles was $2,699 million. Refer to note 12 for further details.
4 ISPT was disposed of as part of the Coles demerger.
5 A wholly owned subsidiary, Wesfarmers Loyalty Management Pty Ltd, has a 50.0 per cent interest in Loyalty Pacific Pty Ltd (flybuys).

(a) As at 30 June 2018, Coles Group Limited and Loyalty Pacific Pty Ltd were wholly owned subsidiaries.
(b) Gresham Private Equity Funds: Whilst the Group's interest in the unitholders' 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 its relevant activities. Such control requires a unitholders' resolution of 75.0 per cent of votes pursuant to the Funds' trust deeds.
(c) 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 of non-financial assets

Recognised impairment

There was no material impairment of non-financial assets recognised during the 2019 financial year.

Previously recognised impairment

During the 2018 financial year, the carrying value of both the Target and BUKI CGU's exceeded their respective recoverable amounts and a pre-tax impairment of $1,167 million ($1,253 million post-tax) was recognised in 'impairment expenses' for Target and as part of discontinued operations for BUKI.

The decrease in the recoverable amount of the Target CGU largely reflected the difficult trading conditions in an increasingly competitive market and 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 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 as part of the discontinued operations, a $92 million write-off of its deferred tax asset and $66 million writedown of stock.

Reversal of impairment

There were no material reversals of impairment during the 2019 financial year.

12. Discontinued operations

The businesses demerged or disposed of during the year, being Coles, Bengalla, KTAS and Quadrant Energy, were not considered discontinued operations or classified as held-for-sale as at 30 June 2018 and therefore the comparative consolidated income statement, the statement of comprehensive income and certain applicable notes have been restated to show discontinued operations separately from continuing operations. Where applicable, the amounts disclosed below have been updated from those reported at 31 December 2018 as a result of the finalisation of costs and other items.

Demerger of Coles

On 16 March 2018, Wesfarmers announced its intention to demerge Coles and its subsidiaries. The demerger was completed on 28 November 2018. Coles was previously treated as a separate reportable segment. Wesfarmers has retained a 15 per cent minority ownership in Coles, which is classified as an investment in associate and accounted for using the equity method. The remaining 85 per cent interest in Coles reflects a demerger distribution.

The fair value of Coles at the date of settlement, being $17,136 million, was calculated using the volume weighted average price (VWAP) of Coles' shares as traded on the ASX over the first five trading days after the demerger date ($12.8459) multiplied by the number of Coles' shares on initial listing (1,333,929,696 ordinary shares). The 15 per cent investment retained by Wesfarmers was initially valued at $2,571 million applying the same methodology.

The demerger distribution is accounted for as a reduction in equity, split between share capital of $6,441 million and demerger reserve of $8,124 million. The amount treated as a reduction in share capital has been calculated by reference to the market value of Coles' shares and the market value of Wesfarmers' shares post demerger. The difference between the fair value of the distribution and the capital reduction amount is the demerger dividend.

12. Discontinued operations (continued)

Demerger of Coles (continued)

	Consolidated	
	2019	2018
Coles	**$m**	$m
Results of discontinued operation		
Revenue	**16,453**	39,388
Expenses	**(16,121)**	(37,888)
Profit before tax[1]	**332**	1,500
Income tax expense	**(113)**	(463)
Gain on demerger after income tax	**2,264**	-
Profit after tax from discontinued operation	**2,483**	1,037
Assets and liabilities of controlled entities at date of demerger		
Assets		
Cash and cash equivalents	**322**	
Trade and other receivables	**829**	
Inventories	**2,313**	
Property, plant and equipment	**4,387**	
Intangibles and goodwill	**13,700**	
Other assets	**629**	
Total assets demerged	**22,180**	
Liabilities		
Trade payables	**3,633**	
Interest bearing loans and borrowings	**2,000**	
Other liabilities	**1,803**	
Total liabilities demerged	**7,436**	
Net assets demerged	**14,744**	
Cash flows of discontinued operation		
Net cash from operating activities	**690**	1,814
Net cash used in investing activities	**(450)**	(503)
Net cash from financing activities	**2,000**	-
Net cash flows for the year	**2,240**	1,311
Allocation of deemed fair value of Coles at demerger		
Capital distribution	**6,441**	
Demerger dividend	**8,124**	
Fair value of Wesfarmers' retained investment in Coles	**2,571**	
Fair value at date of distribution	**17,136**	
Gain on demerger		
Fair value of Coles at demerger	**17,136**	
Carrying amount of net assets	**(14,744)**	
Transaction costs[2]	**(73)**	
Net profit on demerger before income tax	**2,319**	
Income tax expense[3]	**(55)**	
Gain on demerger after income tax	**2,264**	
Earnings per share - discontinued operation	**cents**	cents
Basic earnings per share	**219.5**	91.7
Diluted earnings per share	**219.3**	91.5

1 Includes $146 million pre-tax ($102 million post-tax) provision for supply chain automation.
2 Excludes $59 million pre-tax ($41 million post-tax) of transaction costs recognised directly in equity.
3 Represents tax benefit on transaction costs and deferred tax liability on investment in associate.

12. Discontinued operations (continued)

Sale of indirect interest in Quadrant Energy

On 22 August 2018, Wesfarmers announced that it had agreed to sell its interest in AEC, which holds a 13.2 per cent interest in Quadrant Energy, to Santos Limited for US$170 million (A$232 million). The transaction was completed on 27 November 2018 with Wesfarmers recognising a pre-tax gain on sale of $138 million (post-tax $120 million). Wesfarmers' share of profits from its indirect interest in Quadrant Energy recognised for the period to disposal was $4 million (2018: $23 million).

Sale of 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. The transaction was completed on 3 December 2018. Bengalla was previously reported in the Resources segment.

	Consolidated	
Bengalla	**2019 $m**	**2018 $m**
Results of discontinued operation		
Revenue	**197**	401
Expenses	**(104)**	(230)
Profit after tax	**93**	171
Income tax expense	**(28)**	(52)
Gain on disposal after income tax	**645**	-
Profit after tax from discontinued operation	**710**	119
Assets and liabilities of controlled entities at date of disposal		
Assets		
Cash and cash equivalents	**5**	
Trade and trade receivables	**19**	
Inventories	**14**	
Property, plant and equipment	**216**	
Other assets	**13**	
Total assets disposed	**267**	
Liabilities		
Trade payables	**18**	
Other liabilities	**77**	
Total liabilities disposed	**95**	
Net assets disposed	**172**	
Cash flows of discontinued operation		
Net cash from operating activities	**61**	158
Net cash used in investing activities	**(14)**	(14)
Net cash used in financing activities	**-**	-
Net cash flows for the year	**47**	144
Gain on disposal		
Total consideration received	**860**	
Carrying amount of net assets disposed	**(172)**	
Transaction costs and other items	**(9)**	
Gain on disposal before income tax	**679**	
Income tax expense	**(34)**	
Gain on disposal after income tax	**645**	
Earnings per share - discontinued operation	**cents**	cents
Basic earnings per share	**62.8**	10.6
Diluted earnings per share	**62.7**	10.6

12. Discontinued operations (continued)

Sale of 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. The transaction was completed on 1 November 2018.

	Consolidated	
KTAS	**2019 $m**	**2018 $m**
Results of discontinued operation		
Revenue	**115**	333
Expenses	**(103)**	(299)
Profit before tax	**12**	34
Income tax expense	**(3)**	(9)
Gain on disposal after income tax	**244**	-
Profit after tax from discontinued operation	**253**	25
Assets and liabilities of controlled entities at date of disposal		
Assets		
Cash and cash equivalents	**1**	
Trade and other receivables	**15**	
Inventories	**10**	
Property, plant and equipment	**35**	
Goodwill and intangibles	**60**	
Other assets	**13**	
Total assets disposed	**134**	
Liabilities		
Trade payables	**33**	
Other liabilities	**16**	
Total liabilities disposed	**49**	
Net assets disposed	**85**	
Cash flows of discontinued operation		
Net cash (used in)/from operating activities	**(8)**	28
Net cash used in investing activities	**(2)**	(7)
Net cash used in financing activities	**-**	-
Net cash flows for the year	**(10)**	21
Gain on disposal		
Total consideration received	**350**	
Carrying amount of net assets disposed	**(85)**	
Transaction costs and other items	**2**	
Gain on disposal before income tax	**267**	
Income tax expense	**(23)**	
Gain on disposal after income tax	**244**	
Earnings per share - discontinued operation	**cents**	cents
Basic earnings per share	**22.3**	2.2
Diluted earnings per share	**22.3**	2.2

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 78 cents per share resulting in a dividend of $884 million was declared for a payment date of 9 October 2019. The dividend has not been provided for in the 30 June 2019 full-year financial statements.

Acquisition of Kidman Resources Limited

On 23 May 2019, Wesfarmers announced that it had entered into a Scheme Implementation Deed with Kidman Resources Limited (Kidman) under which it is proposed that Wesfarmers will acquire 100 per cent of the outstanding shares in Kidman for $1.90 per share by way of Scheme of Arrangement.

The acquisition remains subject to shareholder approval and subsequent court approval. In the event these approvals are received, it is expected that the transaction will complete in September 2019.

Acquisition of Catch Group Holdings Limited

On 12 June 2019, Wesfarmers announced that it had entered into an agreement to acquire Catch Group Holdings Limited for cash consideration of $230 million. The transaction was completed on 12 August 2019.

Due to the timing of the acquisition and the access to books and records, the accounting for the business combination has not yet been determined and it is impracticable to provide further information in relation to this acquisition.

15. Transition to AASB 16

AASB 16 *Leases* (AASB 16) introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Wesfarmers, as a lessee, will be required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments. Wesfarmers will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Wesfarmers will also be required to remeasure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). Wesfarmers will recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under AASB 16 is substantially unchanged from the accounting under AASB 117 *Leases*. The Group, as a lessor, will not be materially impacted by the adoption of AASB 16.

Transition impact assessment

Wesfarmers will be applying AASB 16 from 1 July 2019, using the modified retrospective transition method whereby there is an option on a lease-by-lease basis to calculate the right-of-use asset as either:

- its carrying amount as if AASB 16 had been applied since the lease commencement date, but discounted using the lessee's incremental borrowing rate at the date of initial application; or
- an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

Under this method, there is no requirement to restate comparatives.

15. Transition to AASB 16 (continued)

When applying the modified retrospective approach to leases previously classified as operating leases under AASB 117, the Group can elect, on a lease-by-lease basis, whether to apply a number of practical expedients on transition. Wesfarmers expects to apply a number of the practical expedients including:

- the application of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- utilising previous assessments of onerous leases; and
- the use of hindsight in determining the lease term.

Wesfarmers will not elect to apply the available practical expedient to combine lease and non-lease components for its property leases. As such, the calculated lease liability will exclude an estimate of the gross lease payments allocated to non-lease components.

Wesfarmers has performed an impact assessment of the adoption of AASB 16 as at 1 July 2019. In summary, the estimated impact of the adoption of AASB 16 on the Balance Sheet as at 1 July 2019, includes an increase in assets (right-of-use asset) of approximately $6.7 billion and an increase in liabilities (lease liability) of approximately $7.5 billion. The net impact of initially applying AASB 16 will be recognised as an adjustment to equity.

Had AASB 16 been adopted from 1 July 2018, and had the Group's lease portfolio and associated key assumptions at that date and throughout the year been the same as those existing at 1 July 2019, the estimated impact on profit from continuing operations for the year ended 30 June 2019 would have been an increase in depreciation expense of approximately $1.0 billion, an increase in finance costs of approximately $0.2 billion and a decrease in operating lease expenses of approximately $1.2 billion.

A key assumption in determining these estimates is the lease term. Wesfarmers considers an option to extend a lease to be reasonably certain when the extension date is within twelve months and no decision has been made to terminate, when a decision has been made to exercise the option or when there is a clear economic incentive for extension, such as:

- favourable contractual terms and conditions in the option period compared to market rates;
- leasehold improvements have recently been undertaken and are likely to have significant residual value at the end of the current lease period;
- significant termination costs exist; or
- the underlying asset is important to the Group's operations.

After lease commencement, the lease term is reassessed upon the occurrence of a significant event or change in circumstance.

Other key assumptions and estimates include discount rates (the rates applied on the estimates above were between 1.6 and 3.1 per cent) and the determination of the stand-alone prices of the lease and non-lease components.

These estimates are based on our current interpretation of the new standard. We understand that certain aspects of the standard are subject to global debate and that a consensus view is yet to be achieved. As accounting positions are clarified and confirmed, the final transition adjustments may differ from these estimates.

NEWS RELEASE

Wesfarmers

2019 FULL-YEAR RESULTS

26 August 2019

FINANCIAL HIGHLIGHTS

Year ended 30 June 2019	Reported	Excluding significant items[a]	Variance to pcp (% exc. sig. items[a])
Results from continuing operations[b,c]			
Earnings before interest and tax	$2,974m	$2,974m	*12.2*
Net profit after tax	$1,940m	$1,940m	*13.5*
Basic earnings per share (cps)	171.5	171.5	*13.5*
Results including discontinued operations[b]			
Net profit after tax	$5,510m	$2,339m	*(15.6)*
Basic earnings per share (cps)	487.2	206.8	*(15.6)*
Full-year dividend (fully-franked) (cps)	178	178	*(20.2)*
Special dividend (fully-franked) (cps)	100	100	*n.m.*

n.m. = not meaningful

[a] A breakdown of the significant items is set out on page 14.

[b] 2019 discontinued operations relate to Coles Group Limited (Coles) which was demerged in November 2018, Wesfarmers' interest in the Bengalla Coal Mine (Bengalla), Tyre and Auto Pty Ltd (KTAS) and Wesfarmers' indirect interest in Quadrant Energy Holdings Pty Ltd (Quadrant Energy), which were disposed of during the year.
2018 discontinued operations relate to the disposals of Curragh and Bunnings United Kingdom and Ireland (BUKI).

[c] Variance includes the benefit in 2019 of the $128 million contribution from the Group's 15 per cent investment in Coles.

Wesfarmers Limited has reported a net profit after tax (NPAT) of $5,510 million for the full-year ended 30 June 2019. The reported profit includes post-tax significant items of $3,171 million relating to discontinued operations including gains on the demerger of Coles and disposals of Bengalla, Kmart Tyre and Auto Service (KTAS) and Quadrant Energy, which were completed during the first half of the financial year. NPAT from continuing operations increased 13.5 per cent (excluding significant items in the prior year) to $1,940 million.

Managing Director Rob Scott said that it was pleasing to have recorded strong results and improved shareholder returns during a year of portfolio renewal.

"The successful repositioning of our portfolio for sustainable growth has strengthened our balance sheet while also distributing a special dividend to our shareholders," Mr Scott said. "Importantly, during this period of change, our operating divisions have also continued to generate solid returns while remaining focused on long-term value creation.

"After adjusting for the $128 million contribution from the Group's 15 per cent investment in Coles, earnings before interest and tax from the Group's continuing operations increased 7.4 per cent during the year, benefiting from continued growth in Bunnings Australia and New Zealand, Officeworks and Chemicals, Energy and Fertilisers (WesCEF).

"The Group's balance sheet remains strong, with net financial debt reducing to $2,116 million from $3,580 million in the prior year as a result of portfolio activity and strong cash generation in the Group's operating businesses.

"The directors today declared a fully-franked final ordinary dividend of 78 cents per share, reflecting Wesfarmers' earnings from continuing operations and Wesfarmers' dividend policy, which takes into account available franking credits, current earnings and cash flows, future cash flow requirements and targeted credit metrics. This brings the full-year ordinary dividend to $1.78 per share and total dividends to shareholders this year of $2.78, including the fully-franked special dividend of $1.00 per share paid in April 2019."

GROUP RESULTS SUMMARY

Year ended 30 June ($m)	2019	2018	Variance %
Key financials			
Results from continuing operations[a]			
Revenue	27,920	26,763	*4.3*
EBITDA	3,511	2,865	*22.5*
EBITDA (excluding significant items)[b]	3,511	3,171	*10.7*
EBIT	2,974	2,344	*26.9*
EBIT (excluding significant items)[b]	2,974	2,650	*12.2*
NPAT	1,940	1,409	*37.7*
NPAT (excluding significant items)[b]	1,940	1,709	*13.5*
Earnings per share	171.5	124.6	*37.7*
Earnings per share (excluding significant items)[b]	171.5	151.1	*13.5*
Results including discontinued operations[a]			
Revenue	44,684	69,878	*(36.1)*
EBITDA	7,627	4,079	*87.0*
EBITDA (excluding significant items)[b]	4,370	5,571	*(21.6)*
EBIT	6,818	2,796	*n.m.*
EBIT (excluding significant items)[b]	3,561	4,288	*(17.0)*
NPAT	5,510	1,197	*n.m.*
NPAT (excluding significant items)[b]	2,339	2,772	*(15.6)*
Earnings per share	487.2	105.8	*n.m.*
Earnings per share (excluding significant items)[b]	206.8	245.1	*(15.6)*
Return on equity (excluding significant items)[b] (R12, %)	19.2	11.7	*7.5 ppts*
Cash flow and dividends (including discontinued operations)			
Operating cash flow	2,718	4,080	*(33.4)*
Net capital expenditure	827	1,209	*(31.6)*
Free cash flow	2,963	3,422	*(13.4)*
Operating cash flow per share (wanos, incl. res shares) (cps)	240.3	360.1	*(33.3)*
Full-year ordinary dividend (cps)	178	223	*(20.2)*
Special dividend (cps)	100	-	*n.m.*
Balance sheet and gearing			
Net financial debt[c]	2,116	3,580	*(40.9)*
Interest cover (cash basis, excluding significant items)[b] (R12, times)	30.6	30.4	*0.2x*
Fixed charges cover (excluding significant items)[b] (R12, times)	3.2	3.0	*0.2x*

n.m. = not meaningful

[a] 2019 discontinued operations comprise Coles, KTAS, Quadrant Energy and Bengalla.
2018 discontinued operations comprise Curragh and BUKI.

[b] A breakdown of the significant items is set out on page 14.

[c] 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)	2019	2018	Variance %
EBIT			
Bunnings Australia and New Zealand	1,626	1,504	*8.1*
Kmart Group – *continuing operations*[a]	540	626	*(13.7)*
Industrials – *continuing operations*	519	497	*4.4*
Officeworks	167	156	*7.1*
Divisional EBIT	**2,852**	**2,783**	***2.5***
Other	122	(133)	*n.m.*
Group EBIT – continuing operations excluding significant items[b]	**2,974**	**2,650**	***12.2***
Discontinued operations[c]	587	1,638	*(64.2)*
Significant items[b]	3,257	(1,492)	*n.m.*
Group EBIT	**6,818**	**2,796**	***n.m.***

n.m. = not meaningful

[a] 2018 excludes a pre-tax impairment of $306 million relating to Target.
[b] A breakdown of the significant items is set out on page 14.
[c] 2019 discontinued operations comprise Coles, KTAS, Quadrant Energy and Bengalla. 2018 discontinued operations comprise Curragh and BUKI.

PERFORMANCE OVERVIEW – DIVISIONAL

Bunnings Australia and New Zealand (BANZ)

Revenue for BANZ increased 5.0 per cent to $13,166 million, while earnings increased 8.1 per cent to $1,626 million. Excluding the net contribution from property, earnings increased 4.8 per cent on the prior year to $1,541 million.

“Bunnings generated a solid result that demonstrated the diversity of its customer base and resilience of its product offering,” Mr Scott said. “The significant progress in expanding the Bunnings digital offer as well as continued innovation in merchandise, services and deeper commercial engagement were highlights for the year.”

Kmart Group

Kmart Group revenue increased 1.1 per cent to $8,598 million, while earnings excluding KTAS and excluding significant items decreased by 13.7 per cent.

“Trading conditions moderated during the year and the performance of the Kmart Group was below expectations,” Mr Scott said. “Despite this moderation, Kmart has continued to invest in its customer offer and price leadership position that has delivered strong returns over the long term, while also making good progress in improving its digital offer. Although key elements of the Target range continue to grow, its trading results highlight that Target’s customer offer requires ongoing repositioning.”

Industrials

Industrial earnings from continuing operations increased 4.4 per cent to $519 million.

WesCEF revenue increased by 13.6 per cent to $2,078 million and earnings from continuing operations increased by 14.2 per cent.

“Continued earnings growth in each of our Chemicals, Energy and Fertilisers businesses reflects the continued strong demand from key customers as well as the disciplined capital investments made in each of these businesses over time to improve capacity, productivity and the products offered to our customers,” Mr Scott said.

Industrial and Safety revenue was in line with the prior year at $1,752 million, while earnings decreased by 27.1 per cent to $86 million.

“The performance of the Industrial and Safety business was disappointing, reflecting the impact on Blackwoods’ earnings from ongoing investment in customer service and the enterprise resource planning (ERP) system,” Mr Scott said. “While the Blackwoods customer experience has improved, successful delivery of the ERP system is required to deliver sustainable earnings growth.”

Officeworks

Revenue for Officeworks increased by 8.0 per cent to $2,314 million, with earnings growing by 7.1 per cent to $167 million.

“Officeworks achieved another strong year of sales and earnings growth while reinforcing its price leadership position,” Mr Scott said. “New and expanded product ranges and enhancements to the online offer continued to improve its seamless customer offer in stores and online, which resulted in continued improvement in customer satisfaction levels.”

PERFORMANCE OVERVIEW – GROUP

During the year, Wesfarmers divested its interests in Bengalla, KTAS and Quadrant Energy and completed the demerger of Coles. Earnings from these discontinued operations during the period of ownership were $587 million, and pre-tax significant items of $3,257 million were recorded relating to gains on asset disposals and the gain on demerger of Coles.

“During the year, we successfully completed the repositioning of the Group’s portfolio, with a highlight being the successful listing of Coles as a standalone company. Importantly, we were able to distribute to Wesfarmers shareholders the profits realised from these actions,” Mr Scott said. “The Group continued its disciplined approach to capital allocation with operating divisions increasing their focus on digital investments and investing in their respective customer offers.”

Other businesses and corporate overheads reported earnings of $122 million, compared to a loss of $133 million in the prior year. Earnings from this segment now include the Group’s 15 per cent share of Coles’ NPAT. Excluding Coles, earnings from this segment increased $127 million, primarily reflecting a $61 million gain relating to the Group’s investment in Barminco following its purchase by Ausdrill and the subsequent revaluation of the Ausdrill shares received, receipt of $34 million from the value sharing arrangement entered into as part of the divestment of the Curragh coal mine, higher interest revenue due to higher average cash balances and a reduction in corporate overheads.

Operating cash flows of $2,718 million were 33.4 per cent below the prior year, primarily due to the demerger of Coles and disposals of Bengalla, KTAS and Quadrant Energy. Divisional cash generation from continuing operations remained strong at 97 per cent, in line with the previous year. The Group’s cash realisation ratio declined to 86 per cent, driven by the timing of the Coles demerger, increased non-cash earnings from the Group’s investments in associates, the one-off non-cash gain on the Group’s investment in Barminco and the gain on property disposals in Bunnings. In particular, the Group’s 15 per cent share of Coles’ NPAT of $128 million impacted the Group’s cash realisation ratio as Coles did not pay a dividend during the period.

Gross capital expenditure was $459 million lower than the prior year, primarily due to lower capital expenditure in discontinued operations. Proceeds from property disposals of $529 million were $77 million below the prior year, with the increase in property disposals at Bunnings offset by lower property disposals following the demerger of Coles. The resulting net capital expenditure of $827 million was $382 million or 31.6 per cent below the prior year.

Free cash flows of $2,963 million were 13.4 per cent below the prior year, primarily reflecting the reduction in operating cash flows following the portfolio activity completed during the year.

OUTLOOK

Actions taken during the year to reposition the portfolio have significantly strengthened the balance sheet and enabled the delivery of improved shareholder returns. Given the diversity and resilience of the Group's portfolio, it remains well-placed for a range of economic conditions.

The Group's retail divisions are well-positioned within their respective markets and will continue to invest in their offer to customers to deliver even greater value, quality and convenience. This includes further developing the digital offer to meet the changing needs of customers and to create a platform for expanding addressable markets, while improving operating efficiencies. Bunnings, Kmart Group and Officeworks will remain steadfast in their focus on customers and on managing the businesses for long-term success and value creation.

The performance of the Group's industrial businesses will continue to be subject to international commodity prices, exchange rates, competitive factors and seasonal outcomes. The short-term outlook for the WesCEF business is generally positive, but earnings beyond this are expected to be adversely affected by an oversupply of explosive grade ammonium nitrate (EGAN) in the Western Australian market.

Wesfarmers will continue to build on its unique capabilities and platforms to take advantage of growth opportunities within its existing businesses, recently acquired investments and other value-accretive transactions. The Group will maintain its disciplined approach to capital allocation and will only pursue growth opportunities that deliver value to shareholders over the long term.

For further information:
More detailed information regarding Wesfarmers' 2019 full-year results can be found in Wesfarmers' Appendix 4E – Preliminary Final Report for the year ended 30 June 2019.

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BUNNINGS AUSTRALIA AND NEW ZEALAND (BANZ)

Year ended 30 June ($m)	2019	2018	Variance %
Revenue	**13,166**	**12,544**	***5.0***
EBITDA[a]	1,818	1,683	*8.0*
Depreciation and amortisation	(192)	(179)	*(7.3)*
EBIT[a]	**1,626**	**1,504**	***8.1***
EBIT margin[a] (%)	12.3	12.0	
EBIT margin excluding property	11.7	11.7	
RoC (R12, %)	50.5	49.4	
Safety (R12, TRIFR)	11.2	14.3	
Total store sales growth[b] (%)	5.2	8.9	
Store-on-store sales growth[b] (%)	3.9	7.8	

[a] Includes net property contribution for 2019 of $85 million and for 2018 of $33 million.
[b] See footnotes within Appendix One for relevant retail calendars.

Performance review

Operating revenue for Bunnings increased 5.0 per cent to $13,166 million. Total store sales growth of 5.2 per cent was achieved during the year[1], underpinned by an increase of 3.9 per cent in store-on-store sales. Bunnings recorded earnings of $1,626 million, an increase of 8.1 per cent on the prior corresponding period. Excluding the net contribution from property, earnings increased 4.8 per cent on the prior year.

Total sales in the second half[1] increased 4.7 per cent, with store sales growth of 4.9 per cent. Same store sales grew 3.8 per cent in the second half[1]. Sales growth was achieved in consumer and commercial markets across all product categories and in all major trading regions, reflecting the diversity of Bunnings' customer base and resilience of its product offering, despite further softening in residential housing conditions.

The solid trading performance and earnings growth was supported by good execution of Bunnings' strategic agenda including driving growth, creating better experiences for customers and the wider community and delivering long-term customer value. Following a single store trial in Victoria, the click and collect offer was successfully implemented across all Tasmanian stores in May and June. Continued merchandise innovation, expansion of supply and install offers and deeper commercial engagement were further highlights for the year.

Continued favourable commercial property market conditions resulted in higher than usual property divestment contributions in the 2019 financial year. While Bunnings will continue to maximise opportunities for property recycling, the 2020 financial year net property contribution is expected to be significantly lower than 2019, driven by lower activity and a change in the accounting treatment of sale and leaseback transactions in line with the implementation of the new leasing standard.

Disciplined cost control continued to support earnings growth despite a moderation in sales growth. Operating costs of approximately $10 million associated with the development of the digital offer were incurred in the second half and a total of approximately $20 million is expected to be incurred in the 2020 financial year as the offer is enhanced and rolled out across the business. Solid earnings growth and disciplined capital management delivered return on capital of 50.5 per cent.

Bunnings opened 17 new trading locations, including 10 replacement stores during the year. At the end of the year, there were 267 warehouses, 75 smaller format stores and 32 trade centres in the Bunnings network and a further 13 stores under construction.

Outlook

While moderated trading conditions are expected to continue, Bunnings remains well-positioned for continued growth in the 2020 financial year. Ongoing development of broader digital capabilities will remain a focus as will the staged rollout of a full online transactional offer for Australia and New Zealand. Creating better experiences in store will also continue to be a priority, through increased customer convenience and more expert advice.

Bunnings' focus on broadening commercial markets, ongoing investment in price, increased use of data analytics, category expansions, product innovation and continued growth in the store network will support long-term value creation.

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

KMART GROUP

Year ended 30 June[a] ($m)	2019	2018	Variance %
Revenue[b]	**8,598**	**8,505**	***1.1***
EBITDA[c]	733	820	*(10.6)*
Depreciation and amortisation	(193)	(194)	*0.5*
EBIT[c]	**540**	**626**	***(13.7)***
EBIT (including KTAS trading EBIT)[c,d]	**550**	**660**	***(16.7)***
EBIT margin[c] (%)	6.3	7.4	
RoC[e] (R12, %)	29.1	32.2	
Safety (R12, TRIFR)	19.4	19.8	
Kmart (excluding KTAS)			
- Total sales growth[f] (%)	1.5	8.3	
- Comparable sales growth[f] (%)	0.0	5.6	
Target			
- Total sales growth[f] (%)	(1.5)	(4.7)	
- Comparable sales growth[f] (%)	(0.8)	(5.1)	

[a] Excludes KTAS trading performance unless otherwise stated.
[b] 2019 revenue reflects changes in the new revenue recognition accounting standard (AASB15) and includes $31 million previously attributed to 'other income'. 2018 has not been restated.
[c] 2019 excludes gain on disposal of KTAS.
2018 excludes pre-tax non-cash impairment of $306 million in Target.
[d] 2019 includes KTAS trading performance until 1 November 2018.
[e] RoC includes impact of lower capital employed as a result of the non-cash impairment in Target in December 2017.
[f] See footnotes within Appendix One for relevant retail calendars.

Performance review

The performance of the Kmart Group in the 2019 financial year was below expectations. Kmart Group delivered revenue of $8,598 million for the year, 1.1 per cent above the prior corresponding period. Earnings from continuing operations (excluding KTAS) declined 13.7 per cent to $540 million. Including earnings from KTAS for the period of ownership until 1 November 2018, divisional earnings were $550 million for the year.

Kmart

Kmart's total sales increased 1.5 per cent during the year[2], with flat comparable sales. In the second half[2], total sales increased by 2.1 per cent with comparable sales increasing by 0.6 per cent.

Comparable sales growth for the year was affected by lower sales growth in apparel, particularly in womenswear, lower growth in non-seasonal products and the planned exit from the DVD category that previously accounted for approximately one per cent of sales, offset by modest growth in the home and kids general merchandise categories.

Following several years of strong volume growth, Kmart implemented a number of initiatives to optimise product flow and store processes to support future growth. Some of these changes resulted in a temporary reduction in on-shelf availability which was largely resolved by the end of the financial year, resulting in an improvement in sales momentum.

Continued improvements to the online offer through the expansion of the click and collect service supported an enhanced customer experience, enabling Kmart to significantly grow its online sales during the year.

Earnings for the year were impacted by the moderation in sales momentum. Despite continued strong cost control, higher operational costs were incurred from the implementation of a number of supply chain efficiency initiatives and an increase in stock loss.

Kmart continued to invest in its store network, opening four new stores (including one replacement store), closing one store, and completing 23 store refurbishments during the year. There were 231 Kmart stores as at 30 June 2019.

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

Target

Total sales declined by 1.5 per cent during the year[3] reflecting ongoing rationalisation of the store network, with comparable sales declining 0.8 per cent. In the second half[3], total sales decreased 3.5 per cent, with comparable sales declining 2.2 per cent. These trading results highlight that Target's offer requires ongoing repositioning.

While sales in Target's 'Best' ranges have continued to grow, particularly in the womenswear, menswear and homewares categories, this growth was more than offset by lower sales in the lifestyle, entertainment and beauty categories.

Earnings for the year remained positive but decreased following the decline in sales. Costs remained well-controlled and inventory health continued to be tightly managed.

Target continued to invest in its online offer during the year, driving increased website visitation and customer conversion, which resulted in strong growth in online sales. The expansion of online continues to be a priority for Target, with a particular focus on enhancing the click and collect experience, improved website content and personalisation.

During the year, Target opened one previously committed new store and closed 15 stores. There were 289 Target stores as at 30 June 2019.

Outlook

The Kmart Group remains well-positioned for the future. The focus will remain on delivering strong returns over the long term and leveraging the group structure to improve operational performance and reduce operating costs. These ongoing initiatives are expected to partially address the near-term headwinds from foreign exchange rates and the cost of delivering higher team member wages.

Kmart will remain focused on its strategy of creating a great place to shop that is simple to run and delivering better products at even lower prices. Maintaining price leadership in the market, continued enhancement in product range, relentless pursuit of lowest cost and the expansion of digital and data capabilities will remain key priorities for the business. Investment in the store network will continue with nine new stores and the expected completion of 23 store refurbishments in the 2020 financial year.

Target will accelerate its plans for a repositioned and more focused customer proposition, which aims to inspire customers to live better by providing great style and quality at an affordable price. Target will continue to invest in its online capabilities and in creating an easy customer shopping experience. The business will also focus on end-to-end cost reduction and further improving working capital management. During the 2020 financial year, Target will continue to rationalise its store network with further store closures planned.

The previously announced acquisition of Australian retailer Catch Group Holdings Limited (Catch) for $230 million was successfully completed on 12 August 2019. Catch is an exciting development for Wesfarmers and the Kmart Group and provides a platform to meet evolving customer needs and enhance future growth.

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

INDUSTRIALS
CHEMICALS, ENERGY AND FERTILISERS

Year ended 30 June[a] ($m)	2019	2018	Variance %
Revenue[b]			
Chemicals	1,000	932	*7.3*
Energy	468	423	*10.6*
Fertilisers	610	475	*28.4*
Total	**2,078**	**1,830**	***13.6***
EBITDA[c]	513	458	*12.0*
Depreciation and amortisation	(80)	(79)	*(1.3)*
EBIT[c]	**433**	**379**	***14.2***
EBIT[c,d] (including Quadrant Energy)	**438**	**390**	***12.3***
External sales volumes[e] ('000 tonnes)			
Chemicals	1,098	1,056	*4.0*
LPG	171	145	*17.9*
Fertilisers	1,125	988	*13.9*
RoC (R12, %)	32.6	29.2	
Safety (R12, TRIFR)	4.2	5.4	

[a] Excludes Quadrant Energy unless otherwise stated.
[b] Excludes intra-division sales.
[c] 2019 includes $30 million of insurance proceeds related to the five month ammonia plant production disruption that commenced in February 2018 and a $19 million provision for the removal of redundant equipment.
[d] 2019 includes a five month contribution from Quadrant Energy, which was divested in November 2018.
[e] External sales exclude ammonium nitrate volumes transferred between Chemicals and Fertilisers business segments.

Performance review

Revenue of $2,078 million was 13.6 per cent above last year, with Chemicals, Energy and Fertilisers all contributing to revenue growth.

Earnings from continuing operations (excluding Quadrant Energy) increased 14.2 per cent to $433 million. Excluding insurance proceeds of $30 million and a one-off provision of $19 million for removal of redundant equipment in the current year, earnings increased 11.3 per cent to $422 million.

An ongoing focus on safety, particularly high potential incidents, has seen the total recordable injury frequency rate (TRIFR) decrease to 4.2 compared to 5.4 last year.

Chemicals

The ammonium nitrate (AN) business continued to benefit from the ongoing disruption at the competing Burrup AN plant, which supported growth in sales volumes of explosive grade ammonium nitrate (EGAN) but earnings decreased due to the transition to lower margin contracts and higher operational costs.

In the ammonia business, earnings increased as a result of higher production following an unplanned shutdown during the second half of the prior financial year and lower input costs due to the full-year impact of a new natural gas supply agreement, which commenced in December 2017.

Earnings increased in the sodium cyanide business driven by record production and higher pricing into export markets. QNP earnings were lower due to decreased production resulting from a planned major maintenance shutdown. Australian Vinyls earnings were broadly comparable to the prior year.

Energy

Kleenheat delivered a strong operational performance and benefited from favourable market conditions. Earnings increased due to higher LPG production levels, LPG sales, Saudi CP (the international benchmark indicator for the LPG price), LNG sales and natural gas retail sales volumes compared to the prior period. Earnings for all businesses were also supported by lower natural gas unit costs.

Fertilisers

Earnings increased in the Fertilisers business despite a late seasonal break, driven by growth in sales volumes following a strong 2018 harvest for Western Australian growers.

Outlook

Production and demand for chemical products is expected to remain robust. The Chemicals business will continue to benefit from the ongoing disruption at the competing Burrup plant but beyond this, earnings are expected to be affected by an oversupply of EGAN in Western Australia. Margins in the AN business will be further impacted in the new financial year as some customers roll onto new pricing under long-term contracts.

Market conditions are expected to be less favourable for Kleenheat. The natural gas retailing business will continue to reinforce its customer value proposition in the Western Australian market.

Due to the late seasonal break in June 2019, the short-term outlook for the Fertilisers business is positive as some sales volumes have been delayed into the first quarter of the 2020 financial year. Full-year earnings, however, will remain dependent upon the timing and extent of the seasonal break in the second half, when the majority of sales occur. Grower sentiment in Western Australia is generally positive on the back of a strong 2018 harvest 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 (in particular, ammonia and Saudi CP), exchange rates, competitive factors and seasonal outcomes.

INDUSTRIALS

INDUSTRIAL AND SAFETY

Year ended 30 June ($m)	2019	2018	Variance %
Revenue	**1,752**	**1,750**	***0.1***
EBITDA	124	159	*(22.0)*
Depreciation and amortisation	(38)	(41)	*7.3*
EBIT	**86**	**118**	***(27.1)***
EBIT margin (%)	4.9	6.7	
RoC (R12, %)	5.8	8.4	
Safety (R12, TRIFR)	6.9	6.6	

Performance review

The performance of the Industrial and Safety business in the 2019 financial year was below expectations due to a disappointing performance in Blackwoods.

Revenue of $1,752 million was broadly in line with the prior year. Blackwoods' revenue declined, with increased demand in mining offset by lower sales in construction and the small and medium enterprise market. Blackwoods' customer service metrics have improved and remain strong, with average DIFOT (delivered in full on-time) above 95 per cent for Blackwood's largest customers and customer backlog reduced by 75 per cent from June 2017 levels.

Workwear Group's revenue was broadly in line with the prior year, with higher uniform sales offset by impacts from the retail store divestment program. Coregas' revenue increased due to demand in bulk sales channels and the successful launch of its new healthcare offering in December 2018.

Earnings of $86 million were 27.1 per cent below the prior year. Blackwoods' earnings decreased due to a lower gross margin and the impact of ongoing investment in customer service, the enterprise resource planning (ERP) system, supply chain automation and improving the digital offer. Workwear Group's earnings improved while Coregas' earnings were marginally higher with higher sales offset by margin pressure from higher input costs.

Safety and injury management remains a core focus, and while TRIFR increased slightly from 6.6 to 6.9, all lead indicators improved.

Outlook

Market conditions and demand in Australia are expected to remain relatively stable but weakness in New Zealand is expected to persist into the 2020 financial year. Coregas will benefit from growth and annualisation of its healthcare offering, but this is expected to be moderated by ongoing margin pressure.

Improvement activities continue in Blackwoods and Workwear Group and are now expected to continue for at least 12 to 18 months, with the successful implementation of the ERP, supply chain and digital investments representing key future milestones for the Blackwoods business. Leadership changes have been made to drive a more customer-centric focus through the realignment of customer facing teams to a regional structure to allow improved end-to-end customer experience and local ownership.

OFFICEWORKS

Year ended 30 June ($m)	2019	2018	Variance %
Revenue[a]	**2,314**	**2,142**	***8.0***
EBITDA	195	181	*7.7*
Depreciation and amortisation	(28)	(25)	*(12.0)*
EBIT	**167**	**156**	***7.1***
EBIT margin (%)	7.2	7.3	
RoC (R12, %)	17.0	16.6	
Safety (R12, TRIFR)	8.5	10.2	
Total sales growth[b] (%)	7.6	9.1	

[a] 2019 revenue reflects changes in the new revenue recognition accounting standard (AASB15) and includes $8 million previously attributed to 'other income'. 2018 has not been restated.

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

Performance review

Officeworks delivered revenue of $2,314 million for the year, an increase of 8.0 per cent on the prior corresponding period. Earnings increased 7.1 per cent to $167 million.

The safety, health and wellbeing of its 8,000 team members is a priority for Officeworks. During the year, TRIFR decreased from 10.2 to 8.5, reflecting the continued focus on providing a safe workplace for all team members.

Total sales growth of 7.6 per cent was delivered for the year[4]. The every-channel approach continues to resonate with customers, with strong sales growth achieved in both stores and online. In the second half[4], sales increased 7.1 per cent. Strong momentum in the B2B segment was maintained with more customers choosing Officeworks to help them start, run and grow their businesses.

Earnings growth was delivered through continued investment in price leadership and effective management of cost of doing business, which resulted in an increase in return on capital of 0.4 percentage points to 17.0 per cent.

The growth in sales and earnings was underpinned by new and expanded product ranges, online enhancements, improvements to the click and collect offer and continued focus on the customer experience, reflected in continued improvement in customer satisfaction levels.

During the year, four new stores were opened and two stores were closed. At 30 June 2019 there were 167 stores operating across Australia. As part of its growth strategy, on 1 March 2019 Officeworks acquired Geeks2U, a national provider of on-site information, communication and technology services.

Outlook

Officeworks will continue to drive growth and improve productivity by executing its refreshed strategy. Key focus areas in the 2020 financial year include opening a new distribution centre in Western Australia, implementing the new enterprise agreement for store team members, continuing to improve its every-channel offer, growing the Geeks2U offer for customers and further building partnerships with the communities in which it operates.

Earnings growth in the 2020 financial year will be impacted by investments in maintaining price leadership as well as higher team member wages following the implementation[5] of the new enterprise agreement. Productivity initiatives are expected to partially offset the investment in team member wages.

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

[5] Subject to approval by the Fair Work Commission.

OTHER

Year ended 30 June ($m)	Holding %	2019	2018	Variance %
Share of profit of associates				
Coles	15	128	-	*n.m.*
BWP Trust	25	42	45	*(6.7)*
Other associates[a,b]	Various	45	11	*n.m.*
Sub-total share of profit of associates		**215**	**56**	*n.m.*
Interest revenue[c]		27	12	*n.m.*
Other[b,d]		1	(66)	*n.m.*
Corporate overheads		(121)	(135)	*(10.4)*
Total Other		**122**	**(133)**	***n.m.***

n.m. = not meaningful

[a] Includes investments in Gresham, flybuys, Wespine and BPI.

[b] 2019 includes $42 million gain on the Group's investment in Barminco following its purchase by Ausdrill and the subsequent $19 million revaluation of the Ausdrill shares received. $28 million of the total $61 million relates to the Group's indirect interest held in Other Associates. The remaining $33 million is recognised in Other.

[c] Excludes interest revenue from Quadrant Energy loan.

[d] 2019 includes $34 million from the Curragh coal mine value sharing arrangement, agreed at time of disposal.

Performance review

Other business and corporate overheads reported a profit of $122 million, compared to an expense of $133 million in the prior year.

Earnings from the Group's share of profit from associates increased by $159 million to $215 million, benefiting from the 15 per cent share of Coles' NPAT since demerger on 28 November 2018, as well as a $28 million gain relating to the Group's investment in Barminco following its purchase by Ausdrill and the subsequent revaluation of this interest. Interest revenue increased to $27 million, due to a higher average cash balance.

Other corporate earnings of $1 million, compared to a loss of $66 million in the prior year, reflected the remaining $33 million gain on purchase of Barminco by Ausdrill and $34 million from the value sharing arrangement entered into as part of the sale of the Curragh coal mine, as well as a reduction in Group insurance costs of $24 million. Corporate overheads decreased by $14 million.

DISCONTINUED OPERATIONS AND SIGNIFICANT ITEMS

Year ended 30 June ($m)	2019	2018	Variance %
EBIT			
Coles[a] (demerged 28 November 2018)	478	1,500	*(68.1)*
Bengalla (40% interest sold 3 December 2018)	94	172	*(45.3)*
KTAS (sold 1 November 2018)	10	29	*(65.5)*
Quadrant Energy (13.2% indirect interest sold 27 November 2018)	5	11	*(54.5)*
Curragh & BUKI (sold during 2018 financial year)	-	(79)	*n.m.*
EBIT (excluding significant items)	**587**	**1,633**	***(30.8)***
Significant items (pre-tax)			
BUKI impairments and provisions	-	(931)	*n.m.*
Target impairments	-	(306)	*n.m.*
Loss on sale of BUKI	-	(375)	*n.m.*
Gain on sale of Curragh	-	120	*n.m.*
Gain on sale of Bengalla	679	-	*n.m.*
Gain on sale of KTAS	267	-	*n.m.*
Gain on sale of Quadrant Energy	138	-	*n.m.*
Provision for supply chain modernisation in Coles	(146)	-	*n.m.*
Gain on demerger of Coles	2,319	-	*n.m.*
Total significant items (pre-tax)	**3,257**	**(1,492)**	***n.m.***
Significant items (post-tax)			
BUKI impairments and provisions	-	(1,023)	*n.m.*
Target impairments	-	(300)	*n.m.*
Loss on sale of BUKI	-	(375)	*n.m.*
Gain on sale of Curragh	-	123	*n.m.*
Gain on sale of Bengalla	645	-	*n.m.*
Gain on sale of KTAS	244	-	*n.m.*
Gain on sale of Quadrant Energy	120	-	*n.m.*
Provision for supply chain modernisation in Coles	(102)	-	*n.m.*
Gain on demerger of Coles	2,264	-	*n.m.*
Total significant items (post-tax)	**3,171**	**(1,575)**	***n.m.***

n.m. = not meaningful

[a] 2019 excludes $146 million provision for supply chain modernisation, reported as a significant item.

Discontinued operations

During the year, Wesfarmers divested its interests in Bengalla, KTAS, Quadrant Energy and demerged Coles. Earnings from discontinued operations under the period of ownership were $587 million. While wholly owned by Wesfarmers (1 July 2018 to 28 November 2018), Coles generated earnings excluding significant items of $478 million, while Bengalla's earnings of $94 million in the period up to 3 December 2018 benefited from high coal prices.

Significant items

Pre-tax significant items of $3,257 million relate to discontinued operations. During the year, the Group successfully completed a number of actions to reposition the portfolio, resulting in pre-tax gains on sale of Bengalla, KTAS, Quadrant Energy and a gain on demerger of Coles, partially offset by a non-cash provision for supply chain modernisation in Coles incurred during the five-month period of Wesfarmers' ownership.

The accounting gain on demerger of Coles reflects the difference between Coles' market capitalisation, less transaction costs not taken to equity, and Coles' net assets at the time of the demerger.

CASH FLOW, FINANCING AND DIVIDENDS

Full-year ended 30 June ($m)	**2019**	**2018**	**Variance %**
Cash flow			
Operating cash flows	2,718	4,080	*(33.4)*
Gross capital expenditure	1,356	1,815	*(25.3)*
Net capital expenditure	827	1,209	*(31.6)*
Free cash flow	2,963	3,422	*(13.4)*
Divisional cash generation[a] (%)	97	97	-
Cash realisation ratio[b] (%)	86	101	*(15ppts)*
Balance sheet and credit metrics			
Net financial debt[c]	2,116	3,580	*(40.9)*
Finance costs[d]	175	221	*(20.8)*
Effective cost of debt (%)	5.10	4.18	*0.8*
Interest cover (cash basis, excluding significant items)[e] (R12, times)	30.6	30.4	*0.2x*
Fixed charges cover (excluding significant items)[e] (R12, times)	3.2	3.0	*0.2x*
Net debt to equity (%)	25.1	17.3	*7.8*
Dividends per share (cents per share)			
Full-year ordinary dividend	178	223	*(20.2)*
Special dividend	100	-	*n.m.*

[a] Divisional operating cash flows before tax after net capital expenditure divided by divisional EBIT. Includes KTAS and Quadrant but excludes other discontinued operations.

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

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

[d] 2018 includes finance costs relating to BUKI which are reported as part of discontinued operations.

[e] A breakdown of the significant items is set out on page 14.

CASH FLOW

Operating cash flows of $2,718 million were 33.4 per cent below the prior year, primarily due to lower cash flows following the demerger and disposal of discontinued operations. Divisional cash generation from continuing operations remained strong at 97 per cent, in line with the previous year. The Group's cash realisation ratio declined to 86 per cent, driven by the timing of the Coles demerger, increased non-cash earnings from the Group's investments in associates, the non-cash gain on the Group's investment in Barminco and the gain on property disposals in Bunnings. In particular, the Group's 15 per cent share of Coles' NPAT of $128 million impacted the Group's cash realisation ratio as Coles did not pay a dividend during the period.

A small outflow in working capital was primarily due to the non-repeat of a significant inventory reduction in Target in the prior year, and higher inventory levels in Kmart to support sales campaigns in key product lines over year-end, as well as the timing of Coles' demerger during the seasonal inventory build in November 2018.

Gross capital expenditure was $459 million lower than the prior year, primarily due to lower capital expenditure following the demerger and disposal of discontinued operations. Proceeds from property disposals of $529 million were $77 million below the prior year, with the increase in property disposals at Bunnings offset by lower property disposals in discontinued operations. The resulting net capital expenditure of $827 million was $382 million or 31.6 per cent below the prior year.

Other investing cash flows were $1,072 million, which included proceeds from the disposals of Bengalla, KTAS and Quadrant Energy, partially offset by transaction costs and the transfer of Coles' cash on hand and in transit.

Free cash flows of $2,963 million were 13.4 per cent below the prior year, primarily reflecting the reduction in operating cash flows following the portfolio activity completed during the year.

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 $2,116 million, a reduction of $1,464 million on the net financial debt position at 30 June 2018 as a result of portfolio management activity and strong cash generation in the Group's operating businesses.

Off-balance sheet lease liabilities also reduced by $9.7 billion to $8.5 billion at 30 June 2019, primarily due to the demerger of Coles.

In March 2019, a $500 million domestic bond matured and was repaid using existing cash balances.

Finance costs decreased by $46 million to $175 million as a result of a lower average net debt balance. The Group's 'all-in' effective borrowing cost increased 0.8 percentage points to 5.10 per cent due to repayment of lower cost bank debt. Wesfarmers' liquidity metrics continue to improve, with cash interest cover increasing to 30.6 times and fixed charges cover increasing to 3.2 times.

Following major portfolio activity including the demerger of Coles, the Group's strong credit ratings remained unchanged with a rating from Moody's Investors Services of A3 (stable outlook) and rating of A- (stable outlook) from Standard and Poor's.

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 78 cents per share, reflecting Wesfarmers' earnings from continuing operations and its 15 per cent interest in Coles. This takes the full-year ordinary dividend to 178 cents per share, plus a special dividend of 100 cents per share, which was paid in April 2019. The final dividend will be paid on 9 October 2019 to shareholders on the company's register on 2 September 2019, the record date for the final dividend. Due to the accumulation of New Zealand franking credits, the final dividend will also carry a New Zealand franking credit, in addition to the Australian franking credit, of 10 cents per share.

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 5 September 2019 to 25 September 2019.

The last date for receipt of applications to participate in, or to cease or vary participation in the Plan, is 3 September 2019. 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 9 October 2019. Given the Group's strong credit metrics, any shares to be issued under the Plan will be acquired on-market and transferred to participants.

APPENDICES

APPENDIX ONE
2019 FULL-YEAR AND SECOND HALF RETAIL SALES RESULTS

HEADLINE RETAIL SALES RESULTS

Full-year Sales ($m)	2019	2018	Variance %
Bunnings Australia and New Zealand[1,2]	**13,162**	**12,524**	***5.1***
Kmart[3]	5,858	5,773	*1.5*
Target[4]	2,811	2,853	*(1.5)*
Total Kmart Group	**8,669**	**8,626**	***0.5***
Officeworks[1]	**2,305**	**2,142**	***7.6***

Second-half Sales ($m)	2019	2018	Variance %
Bunnings Australia and New Zealand[5]	**6,256**	**5,977**	***4.7***
Kmart[6]	2,683	2,627	*2.1*
Target[7]	1,252	1,298	*(3.5)*
Total Kmart Group	**3,935**	**3,925**	***0.3***
Officeworks[5]	**1,205**	**1,125**	***7.1***

[1] Financial Year 2019 and Financial Year 2018 for the 12 month period 1 July to 30 June.

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

[3] Excludes KTAS. Financial Year 2019 for the 53 week period 25 June 2018 to 30 June 2019 and Financial Year 2018 for the 53 week period 26 June 2017 to 1 July 2018.

[4] Financial Year 2019 for the 53 week period 24 June 2018 to 29 June 2019 and Financial Year 2018 for the 53 week period 25 June 2017 to 30 June 2018.

[5] Financial Year 2019 and Financial Year 2018 for the six month period 1 January to 30 June.

[6] Financial Year 2019 for the 26 week period 31 December 2018 to 30 June 2019 and Financial Year 2018 for the 26 week period 1 January 2018 to 1 July 2018.

[7] Financial Year 2019 for the 26 week period 30 December 2018 to 29 June 2019 and Financial Year 2018 for the 26 week period 31 December 2018 to 30 June 2018.

KEY METRICS

Key Metrics (%)	Second half 2019[1]	Full-year 2019[2]
BUNNINGS AUSTRALIA AND NEW ZEALAND[3]		
Total store sales growth	4.9	5.2
Store-on-store sales growth	3.8	3.9
KMART GROUP		
Kmart: Comparable sales growth[4]	0.6	0.0
Target: Comparable sales growth[4]	(2.2)	(0.8)
OFFICEWORKS		
Total sales growth	7.1	7.6

[1] 2019 growth for Kmart reflects the 26 week period 31 December 2018 to 30 June 2019 and the 26 week period 1 January 2018 to 1 July 2018; for Bunnings and Officeworks represents the six month period 1 January 2019 to 30 June 2019 and 1 January 2018 to 30 June 2018; and for Target represents the 26 week period 30 December 2018 to 29 June 2019 and the 26 week period 31 December 2018 to 30 June 2018.

[2] 2019 growth for Kmart reflects the 53 week period 25 June 2018 to 30 June 2019 and the 53 week period 26 June 2017 to 1 July 2018; for Bunnings and Officeworks represents the 12 month period 1 July 2018 to 30 June 2019 and 1 July 2017 to 30 June 2018; and for Target represents the 53 week period 24 June 2018 to 29 June 2019 and the 53 week period 25 June 2017 to 30 June 2018.

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

[4] Comparable store sales include lay-by sales. Lay-by sales are excluded from total sales under Australian Accounting Standards.

APPENDICES

APPENDIX TWO
RETAIL OPERATIONS – STORE NETWORK

	Open at 1 Jul 2018		Closed	Re-branded	Open at 30 Jun 2019
BUNNINGS AUSTRALIA AND NEW ZEALAND					
Bunnings Warehouse	259	15	(7)	-	**267**
Bunnings smaller formats	78	2	(5)	-	**75**
Bunnings Trade Centres	32	-	-	-	**32**
Total Bunnings	**369**	**17**	**(12)**	**-**	**374**
KMART GROUP[1]					
Kmart	228	4	(1)	-	**231**
Target Large	187	1	(5)	-	183
Target Small	116	-	(10)	-	106
Total Target	**303**	**1**	**(15)**	**-**	**289**
OFFICEWORKS					
Officeworks	**165**	4	(2)	-	**167**

[1] 2019 excludes three ANKO research and development stores in Seattle, USA.

RETAIL OPERATIONS – STORE NETWORK HISTORY

Open at 30 June	2019	2018	2017	2016	2015
BUNNINGS					
Bunnings Warehouse	267	259	249	244	236
Bunnings smaller formats	75	78	77	70	65
Bunnings Trade Centres	32	32	33	33	33
Total Bunnings	**374**	**369**	**359**	**347**	**334**
KMART GROUP[1]					
Kmart	**231**	**228**	**220**	**209**	**203**
Kmart Tyre & Auto	-	256	251	248	246
Total Kmart	**231**	**484**	**471**	**457**	**449**
Target					
Large	183	187	184	186	183
Small	106	116	119	120	122
Total Target	**289**	**303**	**303**	**306**	**305**
OFFICEWORKS					
Officeworks	**167**	**165**	**164**	**159**	**156**

[1] 2019 excludes three ANKO research and development stores in Seattle, USA.

APPENDIX THREE
FIVE-YEAR HISTORY – FINANCIAL PERFORMANCE AND KEY METRICS

GROUP FINANCIAL PERFORMANCE

Year ended 30 June ($m)[1]	2019	2018	2017	2016	2015
Summarised income statement					
Revenue	44,684	69,878	68,444	65,981	62,447
EBITDA	7,627	4,079	5,668	2,642	4,978
Depreciation and amortisation	(809)	(1,283)	(1,266)	(1,296)	(1,219)
EBIT	6,818	2,796	4,402	1,346	3,759
Finance costs	(175)	(221)	(264)	(308)	(315)
Income tax expense	(1,133)	(1,378)	(1,265)	(631)	(1,004)
NPAT	5,510	1,197	2,873	407	2,440
Summarised balance sheet					
Total assets	18,333	36,933	40,115	40,783	40,402
Total liabilities	8,362	14,179	16,174	17,834	15,621
Net assets	9,971	22,754	23,941	22,949	24,781
Net debt	2,500	3,933	4,809	7,103	6,209
Summarised cash flow statement					
Operating cash flows	2,718	4,080	4,226	3,365	3,791
Add/(less): Net capital expenditure	(827)	(1,209)	(1,028)	(1,336)	(1,552)
Add/(less): Other investing cash flows	1,072	551	975	(796)	(346)
Add/(less): Total investing cash flows	245	(658)	(53)	(2,132)	(1,898)
Free cash flow	2,963	3,422	4,173	1,233	1,893
Add/(less): Financing cash flows	(2,851)	(3,752)	(3,771)	(1,333)	(3,249)
Net increase/(decrease) in cash	112	(330)	402	(100)	(1,356)
Distributions to shareholders (cents per share)					
Interim ordinary dividend	100	103	103	91	89
Final ordinary dividend	78	120	120	95	111
Full-year ordinary dividend	178	223	223	186	200
Special dividend	100	-	-	-	-
Capital management (paid)	-	-	-	-	100
Key performance metrics					
Earnings per share (cents per share)	487.2	105.8	254.7	36.2	216.1
Earnings per share from continuing operations[2] excl. significant items[3] (cents per share)	171.5	256.8	244.7	209.5	216.1
Operating cash flow per share[4] (cents per share)	240.3	360.1	374.1	299.2	335.1
Cash realisation ratio[5] (%)	86	101	102	95	104
Return on equity (R12, %)	38.7	5.2	12.4	1.7	9.8
Return on equity (R12, %) (excl. significant items[3])	19.2	11.7	12.4	9.6	9.8
Net tangible asset backing per share ($ per share)	5.21	4.33	4.44	3.45	4.85
Interest cover (cash basis)[6] (R12, times)	30.6	30.4	25.0	16.8	20.5
Fixed charges cover[6] (R12, times)	3.2	3.0	3.1	2.7	3.0

[1] All figures are presented as last reported.

[2] 2019 discontinued operations comprise Coles, KTAS, Quadrant Energy and Bengalla.
2018 discontinued operations comprise Curragh and BUKI.

[3] 2019 significant items include pre-tax (post-tax) items comprising $2,319 million ($2,264 million) gain on demerger of Coles, $679 million ($645 million) gain on sale of Bengalla, $267 million ($244 million) gain on sale of KTAS, $138 million ($120 million) gain on sale of Quadrant Energy, partially offset by a $146 million ($102 million) provision for supply chain automation in Coles. 2018 significant items include impairments of $1,237 million ($1,323 million) relating to BUKI and Target, as well as the $375 million ($375 million) loss on sale of BUKI and $120 million ($123 million) gain on sale of Curragh. 2016 significant items and NTIs include non-cash impairments of $2,116 million ($1,844 million) relating to Target and Curragh and $145 million ($102 million) of restructuring costs and provisions to reset Target.

[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 significant items.

[6] Excludes significant items set out in footnote 3.

APPENDICES

DIVISIONAL KEY PERFORMANCE METRICS

Year ended 30 June ($m)[1]	2019	2018	2017	2016	2015
BUNNINGS AUSTRALIA AND NEW ZEALAND					
Revenue	13,166	12,544	11,514	10,575	9,534
EBITDA[2]	1,818	1,683	1,505	1,369	1,228
Depreciation and amortisation	(192)	(179)	(171)	(156)	(140)
EBIT[2]	1,626	1,504	1,334	1,213	1,088
EBIT margin[2] (%)	12.3	12.0	11.6	11.5	11.4
ROC (R12, %)	50.5	49.4	41.8	36.6	33.5
Total sales growth (%)	5.1	8.8	8.9	11.0	11.5
Total store sales growth[3] (%)	5.2	8.9	8.9	11.1	11.4
Store-on-store sales growth[3] (%)	3.9	7.8	7.3	8.1	8.8
KMART GROUP (includes KTAS)					
Revenue	8,713	8,837	8,528	8,646	7,991
EBITDA[4]	745	862	739	466	697
Depreciation and amortisation	(195)	(202)	(196)	(191)	(175)
EBIT[4]	550	660	543	275	522
EBIT margin[4] (%)	6.3	7.5	6.4	3.2	6.5
ROC[4,5] (R12, %)	29.4	32.8	24.1	7.6	13.8
Capital expenditure (cash basis)	207	293	225	292	296
Kmart (excludes KTAS in FY19)					
- Total sales growth[6] (%)	1.5	8.0	7.9	13.5	8.2
- Comparable sales growth[6] (%)	0.0	5.4	4.2	10.5	4.6
Target					
- Total sales growth[6] (%)	(1.5)	(4.7)	(14.5)	0.2	(1.8)
- Comparable sales growth[6] (%)	(0.8)	(5.1)	(14.9)	(0.4)	(1.0)
OFFICEWORKS					
Revenue	2,314	2,142	1,964	1,851	1,714
EBITDA	195	181	168	156	139
Depreciation and amortisation	(28)	(25)	(24)	(22)	(21)
EBIT	167	156	144	134	118
EBIT margin (%)	7.2	7.3	7.3	7.2	6.9
ROC (R12, %)	17.0	16.6	14.7	13.5	11.4
Total sales growth (%)	7.6	9.1	6.1	8.1	8.8

[1] All figures are presented as last reported.

[2] Includes net property contribution for 2019 of $85 million; 2018 of $33 million; 2017 of $43 million; 2016 of $46 million; 2015 of $40 million.

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

[4] 2018 excludes a $306 million 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.

[5] In addition to higher earnings, the increase in ROC in 2018 also reflects lower capital employed as a result of non-cash impairments in Target in June 2016 and December 2017.

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

APPENDICES

DIVISIONAL KEY PERFORMANCE METRICS (CONTINUED)

Full-year ended 30 June ($m)[1]	2019	2018	2017	2016	2015
INDUSTRIALS					
Divisional performance					
Revenue[2,3]	3,830	3,580	3,415	3,664	3,611
EBITDA[3,4]	642	628	630	505	453
Depreciation and amortisation	(118)	(120)	(120)	(148)	(150)
EBIT[3,4]	524	508	510	357	303
Capital expenditure (cash basis)	141	110	78	112	113
Chemicals, Energy and Fertilisers					
Chemicals revenue	1,000	932	813	910	840
Energy revenue[2,3]	468	423	368	325	435
Fertilisers revenue	610	475	458	585	564
Total revenue	2,078	1,830	1,639	1,820	1,839
EBITDA[3,4]	518	469	472	400	345
Depreciation and amortisation	(80)	(79)	(77)	(106)	(112)
EBIT[3,4]	438	390	395	294	233
ROC (R12, %)	32.6	27.7	27.4	18.9	15.2
Capital expenditure (cash basis)	58	60	44	60	56
External sales volumes ('000 tonnes)					
Chemicals	1,098	1,056	979	1,021	912
LPG[5]	171	145	103	120	185
Fertilisers	1,125	988	956	1,080	1,036
Industrial and Safety					
Revenue	1,752	1,750	1,776	1,844	1,772
EBITDA[6]	124	159	158	105	108
Depreciation and amortisation	(38)	(41)	(43)	(42)	(38)
EBIT[6]	86	118	115	63	70
EBIT margin[6] (%)	4.9	6.7	6.5	3.4	4.0
ROC (R12, %)	5.8	8.4	8.4	4.7	5.5
Capital expenditure (cash basis)	83	50	34	52	57

1 All figures are presented as last reported except Industrials divisional total, which has been restated to exclude Resources.

2 Includes interest revenue from Quadrant Energy loan notes and excludes intra-division sales.

3 Includes Quadrant Energy, Kleenheat (including east coast LPG operations prior to sale in February 2015).

4 2019 includes $30 million of insurance proceeds and a $19 million provision for the removal of redundant equipment.
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.

5 Includes Kleenheat (including east coast LPG operations prior to sale in February 2015).

6 2016 includes $35 million of restructuring costs associated with the 'Fit for Growth' transformation;
2015 includes $20 million of restructuring costs.