

23 October 2009

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir,

PRESENTATION TO BE GIVEN AT INVESTOR BRIEFING, SYDNEY

Following is a presentation that is to be given at an investor briefing in Sydney on 23 October 2009.

Yours faithfully,



L J KENYON
COMPANY SECRETARY

Enc.

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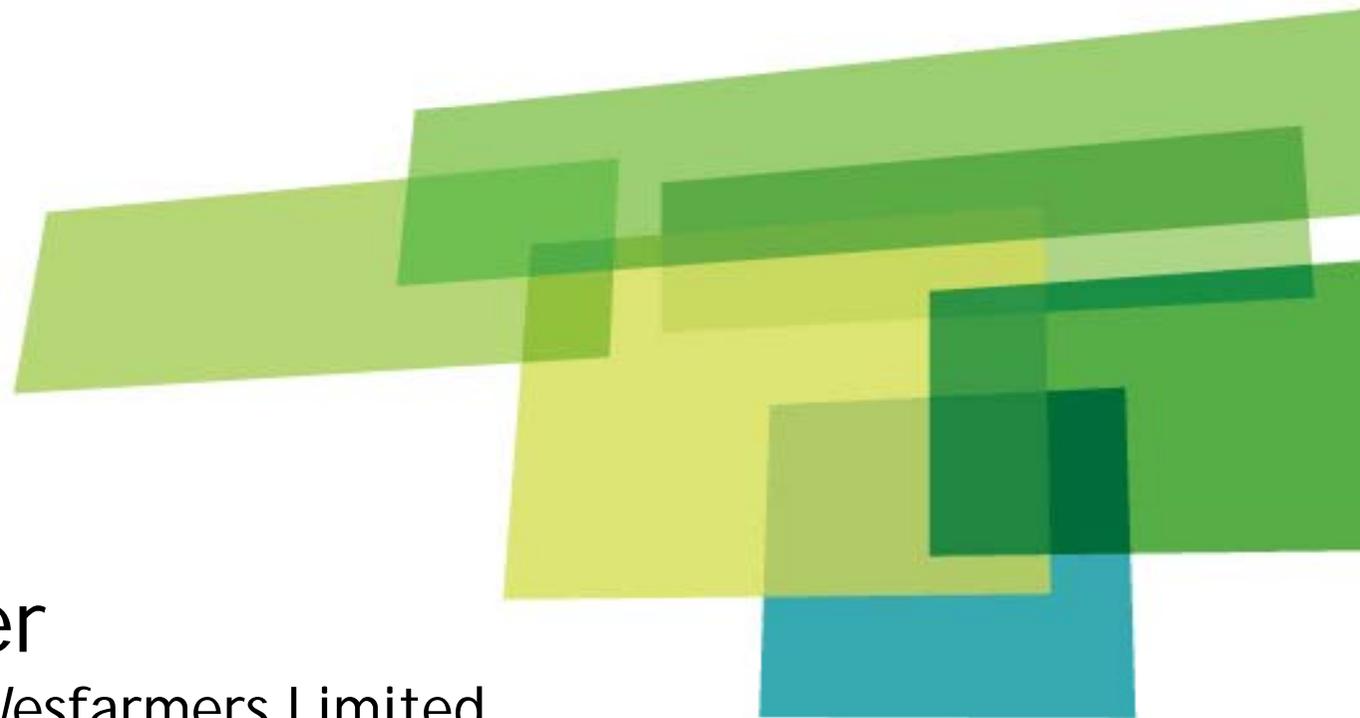
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Investor Briefing

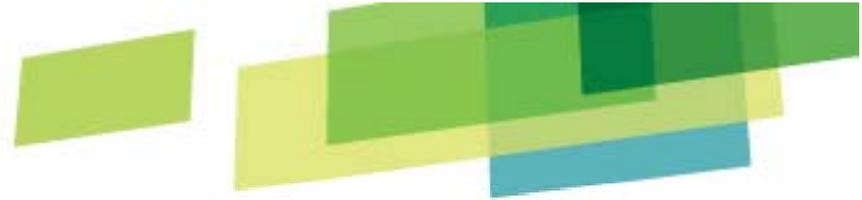
23 October, 2009

InterContinental Hotel, Sydney



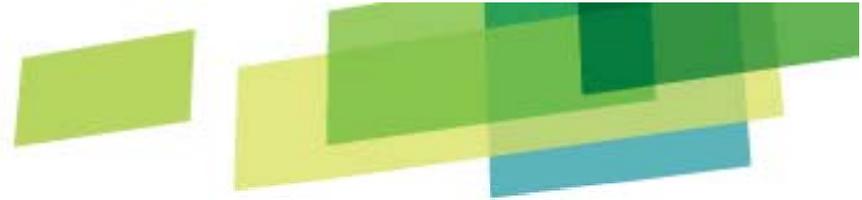


Richard Goyder
Managing Director, Wesfarmers Limited



Agenda

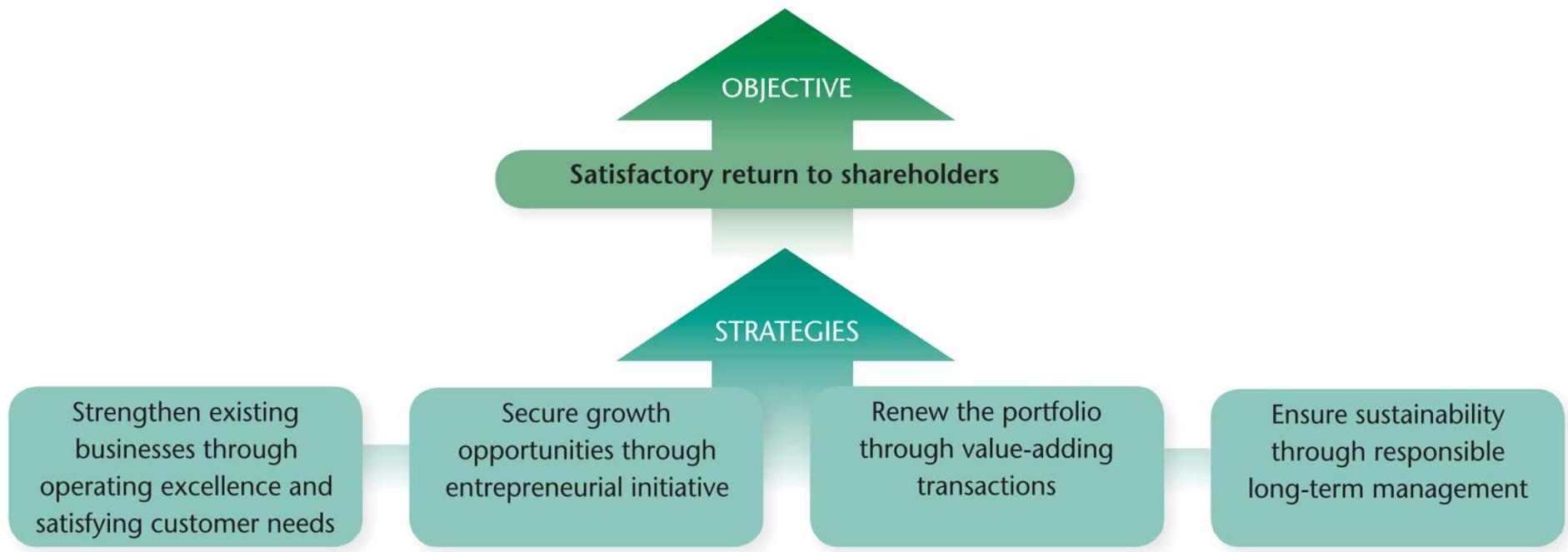
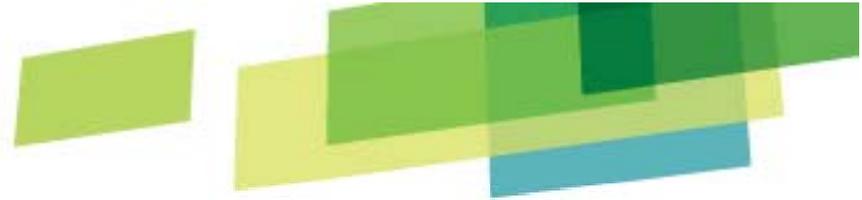
8:30	Introduction
8:50	Coles
9:50	Home Improvement & Office Supplies
10:45	Morning Tea
11:15	Target
11:45	Kmart
12:15	Insurance
12:45	Lunch
1:30	Resources
2:00	Panel – Industrial Businesses
3:00	Q&A
3:30	Close



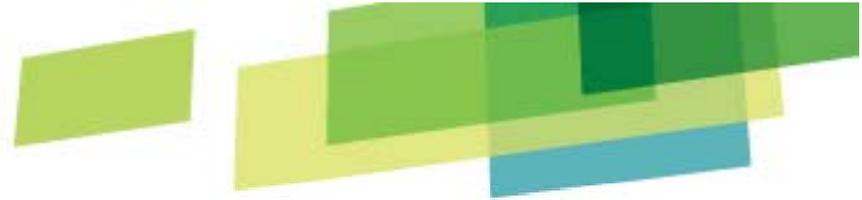
Management Team

Managing Director & CEO	Richard Goyder
Finance Director	Terry Bowen
Divisional Managing Directors	
<i>Food, Liquor and Fuel Retailing</i>	
 Coles	Ian McLeod
<i>Big Box Retailing</i>	
 Home Improvement & Office Supplies	John Gillam
<i>Department Store Retailing</i>	
 Target	Launa Inman
 Kmart	Guy Russo
<i>Insurance</i>	
 Insurance	Rob Scott
<i>Industrial Businesses</i>	
 Resources	Keith Gordon
 Chemicals & Fertilisers	Stewart Butel
 Industrial & Safety	Ian Hansen
 Energy	Olivier Chretien
	Tom O'Leary

Long-term, consistent strategies



The Wesfarmers Way...



Portfolio of High Performing Quality Assets
Value creating business model

Autonomy
Stand alone businesses
High calibre leadership teams with operational control
Lean corporate office

Outstanding People

- Incentives aligned to generate shareholder value
- Retain & recruit quality people
- Cultural values: Integrity, Openness, Accountability & Boldness

Accountability

- Delegation of decision making authority
- Accountability for performance
- Accountability for corporate reputation

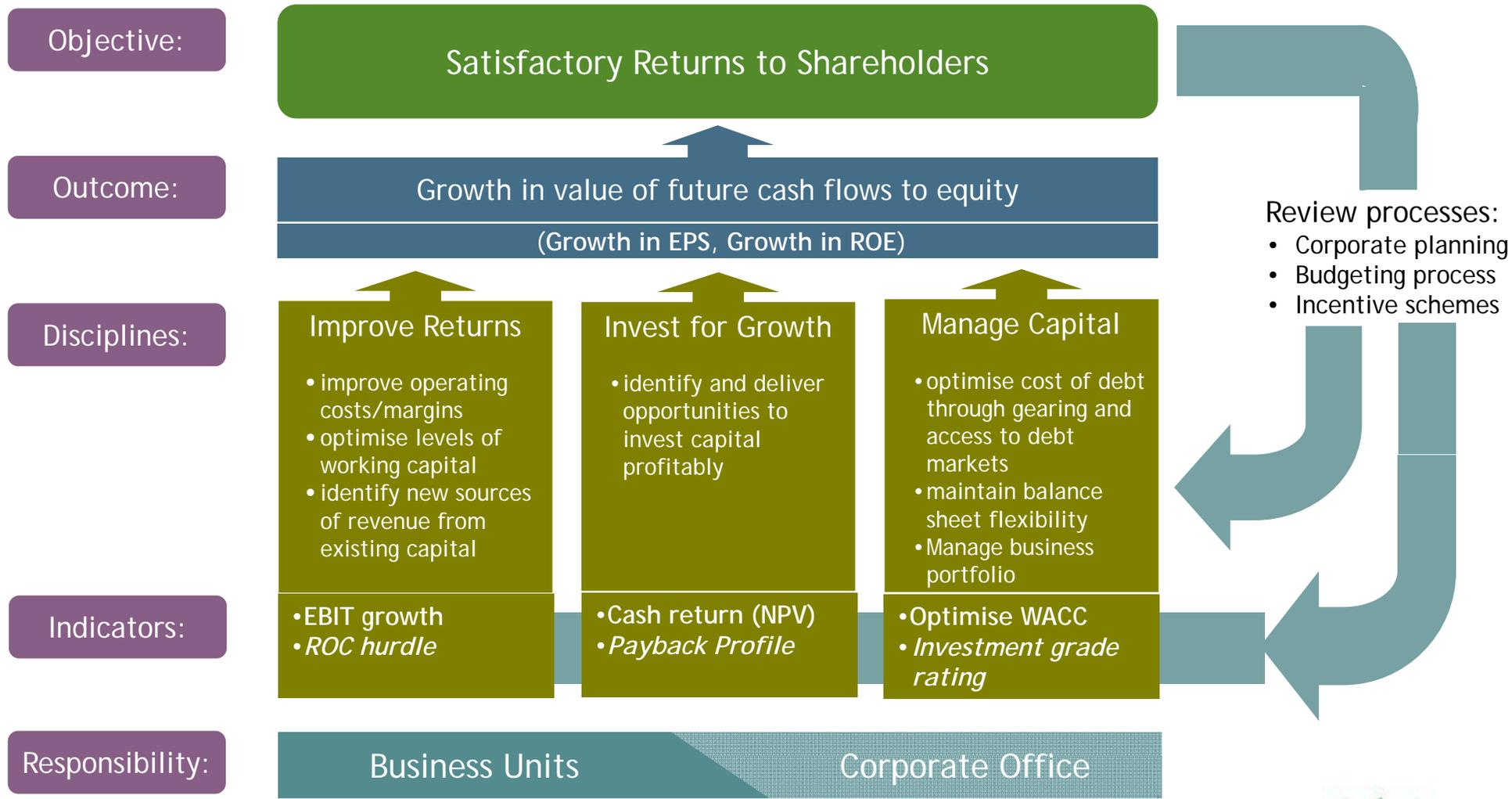
Reporting Systems

- Divisional Boards
- Established integrated management systems
- Argenti process
- Project evaluation methodology

Delivering Results

- Set targets & monitor performance
- Improve Returns
- Invest for Growth

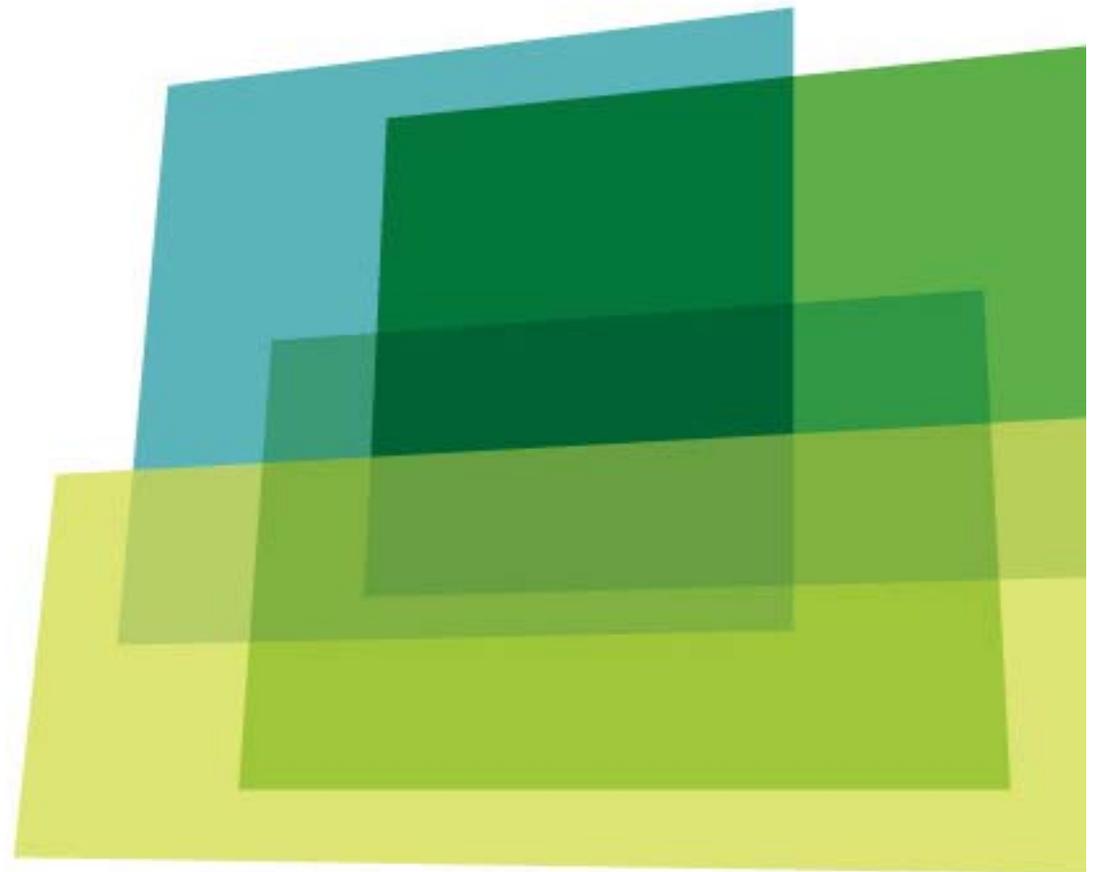
Providing satisfactory returns over time





Coles renewal...

Ian McLeod



Agenda

1. 1Q performance update
2. Renewal progress
3. Trading outlook



Solid 1Q performance*

- Growth in food and liquor sales
 - Total food & liquor sales up 7.3%
 - Comparable food & liquor sales up 6.1%

- Growth in fuel & convenience sales
 - Comparable shop sales up 6.5%
 - Comparable fuel volumes up 1.3%

* 13 weeks ended 27 Sept



New supermarket at Flemington (Vic)

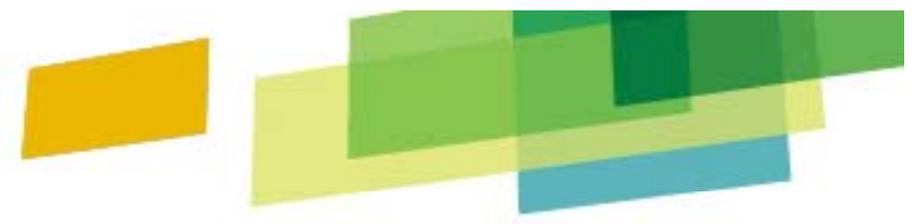


Refreshed service station at Bunker Hill (Vic)

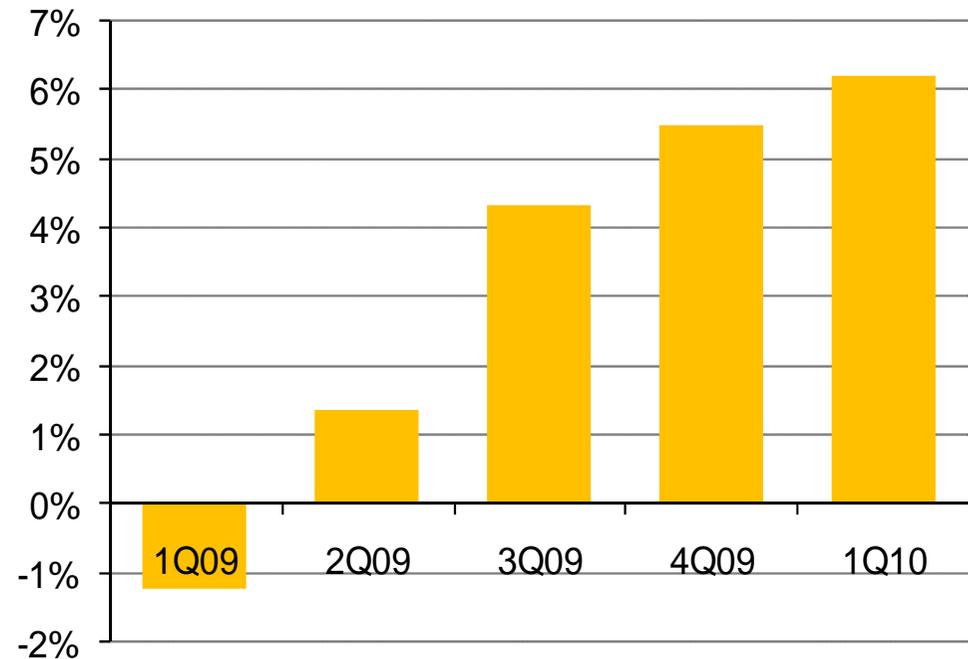


F&L 1Q sales drivers...

- Solid volume growth
 - Customer transactions up
- Better fresh quality
 - Double-digit volume growth
- Improving service
 - Customer satisfaction up
- Stronger value offer
 - Inflation in 1Q flat



F&L Volume Growth



Planning for phase two...



Building a Solid Foundation

Delivering Consistently Well

Driving the Coles Difference

Performance

- Create a strong top team
- Cultural change
- Availability & store standards
- Value and customer trust
- Store renewal development
- Liquor renewal
- IT & supply chain infrastructure
- Efficient use of capital

Year 1 - 2

- Embed the new culture
- Team member development
- Improved customer service
- Appealing Fresh food offer
- Stronger delivery of value
- Scale rollout of new format
- Improved efficiency
- Auto replenishment completed

Year 2 - 4

- Culture of continuous improvement
- Strong customer trust and loyalty
- Strong operational efficiency
- Innovative & improved offer
- New stores, new categories

Year 4 - 5



Building strength & depth of top team ...



- **New executive appointments**
 - Tony Buffin – Finance Director (Group Aeroplan Inc & Boots, UK)
 - Simon McDowell – Marketing Director (Sony Entertainment, US)
 - Sharry Cramond – GM, Marketing Communications (Tesco, UK)
 - Charlotte Maxwell – GM Bakery & Deli (Tesco, UK)
 - Allister Watson – GM, Meat (Progressive Enterprises, NZ)
 - Greg Davis – GM Range & Space (Aldi, Australia)
 - Melissa Carter – GM Commercial (HE Butt Grocery Company, US)
 - John Hillegass – GM, Store Development (Apple, US)
- **Building a bigger talent pool**
 - Appointed over 150 regional and store managers
 - Talent mapping to identify & promote future leaders
 - Fast track development programs now in place



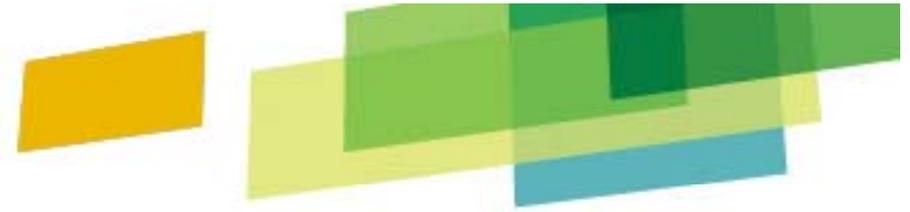
Tony Buffin
Finance Director



Culture change & team member development...

A more engaged workforce

- Better incentives for store management
- Labour turnover down
- Absenteeism falling



Increased training & development

- Expanded 'Retail Leaders' program
- More graduates for store positions
- Craft skills program



Improving customer service...



- Fixing the basics
 - Open entries & clutter free
 - Focus on shorter customer queues
 - Roll-out of self check-out
- Investing in better stores
 - Capital support guidelines
 - Unique facilities management agreement
 - Consolidated contractors to improve store cleaning
- Good customer response
 - Customer complaints falling and compliments rising

Before...



...after

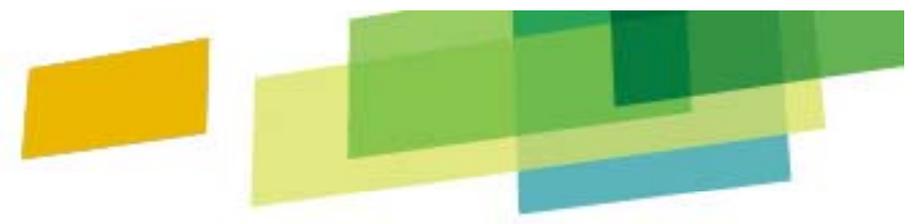


A more appealing fresh food offer...

- Focus on Australian-made produce
- Improving fresh through local sourcing
- Better quality through direct supply
- Market atmosphere in store
 - New fruit & vegetable presentation
 - Open meat preparation
 - Seafood counters
 - In-store bakery
 - Expanded deli offer
- Continued investment in fresh produce store standards

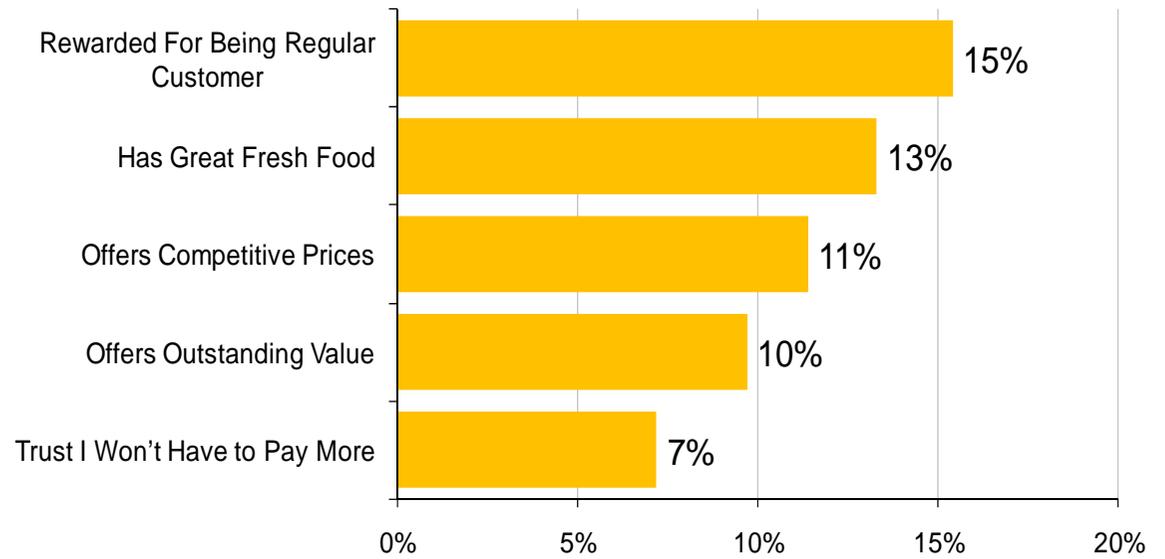


Stronger value & customer trust...



- Stronger value focus
 - Better quality fresh food
 - Giant Gift Card Give-Away
 - Feed the family for under \$10 endorsed by Curtis Stone
 - GST free campaign
- Positive customer response
 - Service metrics improving
 - Customer satisfaction rising in targeted categories – quality, service & value

Increase in targeted customer satisfaction scores since May 2008



Private label rebranding ...

- New private label branding
 - You'll Love Coles replaced by 'Coles'
 - Listened to Mum's Panel feedback
- Introducing Quality Seal and Promise on front of pack
 - 100% satisfied or 100% refunded
- Repackaging whole range
 - Over 1,600 product lines by March 2010
- Launching new Xmas range
 - Endorsed by George Calombaris



Roll-out of store renewal formats...

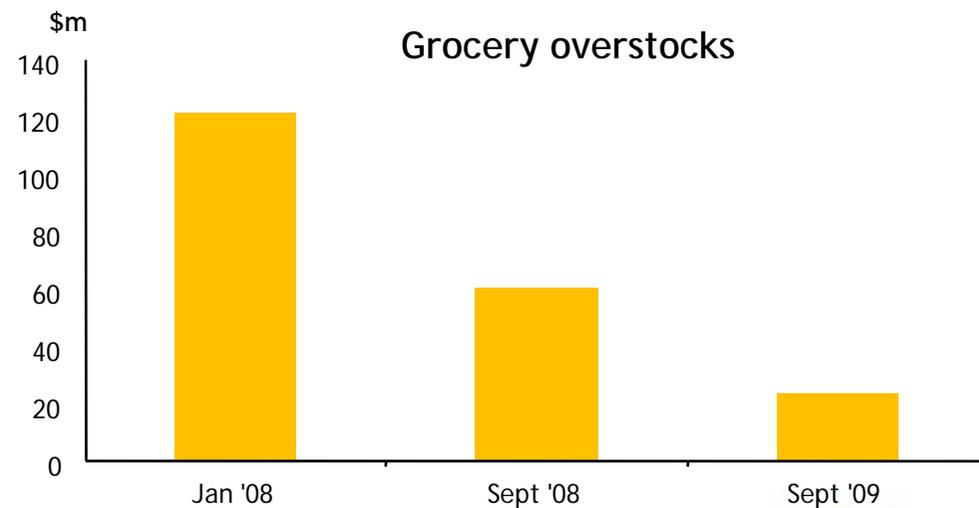
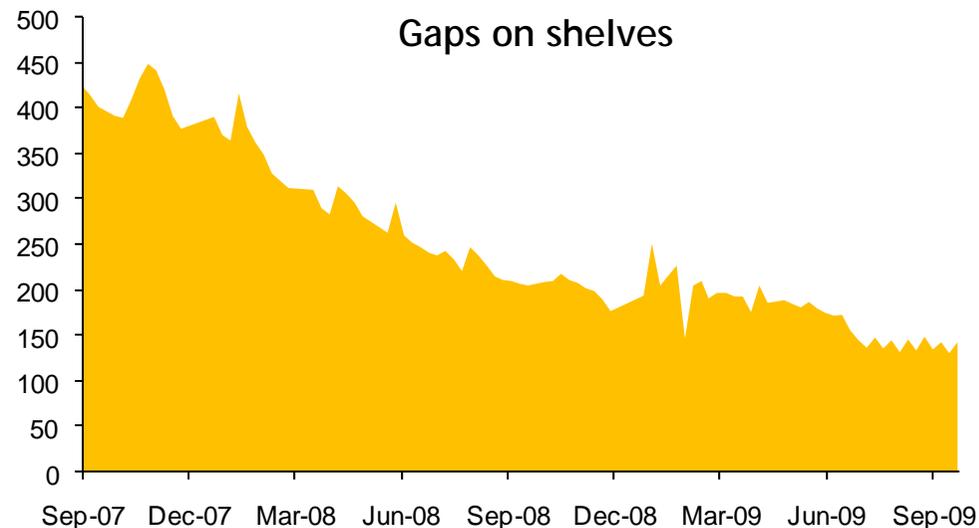
Successful renewal store concepts

- Customer response very encouraging
- Pilot program provides important insights
- 20 plus renewal stores across the country
- Strongest company sales densities
- 50+ stores targeted in FY10
- Further roll-out planned in FY11

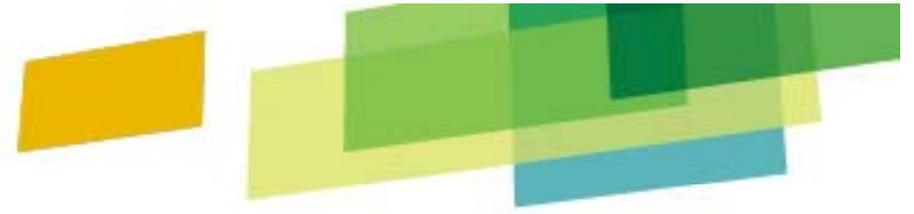


Improving store & supply chain efficiency...

- Easy store ordering
 - 200 stores by end of FY10
- Less gaps on shelves
 - Improved ordering focus
- Stronger replenishment focus
 - International ordering controls
 - Supplier managed inventory
 - Improved working capital
- Improved DC capacity
 - Liquor DC at Kewdale in WA operational
 - DC strategy work completed

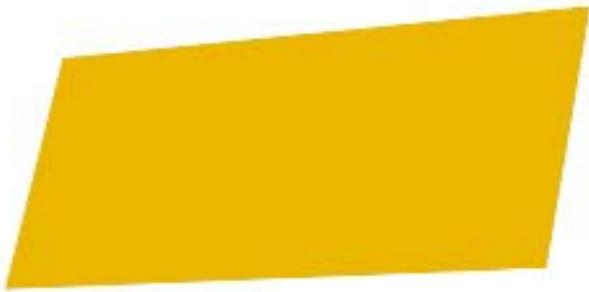


Trading outlook...

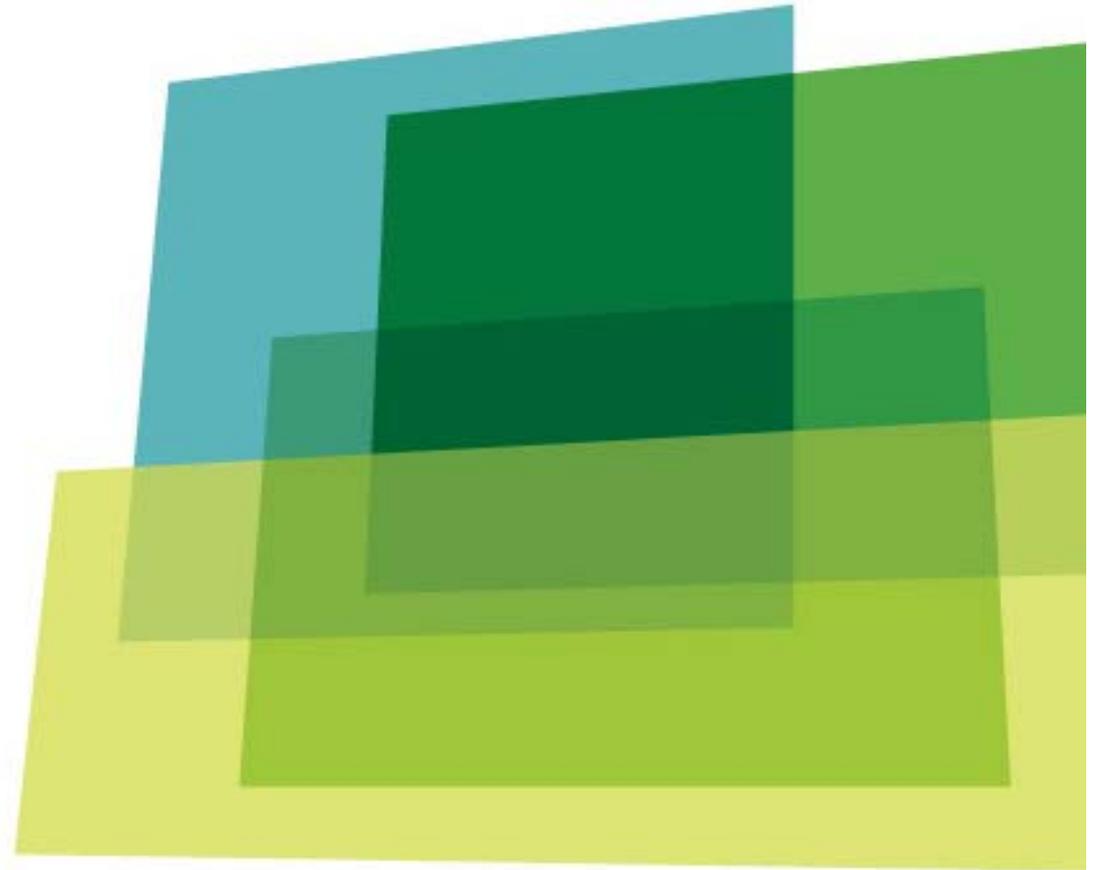


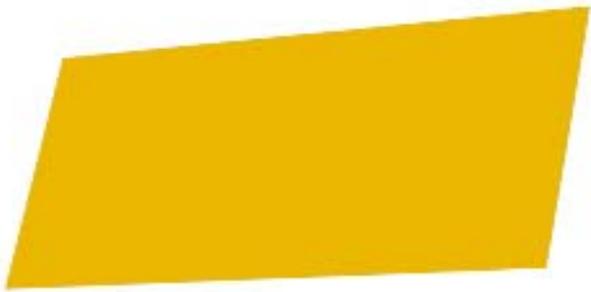
- Consumer sentiment improving but customers remain value conscious
- Consumers cautious about rising interest rates and higher petrol prices
- Food and liquor inflation to remain low
- Encouraging progress on renewal strategy to date
- Confident we are creating a solid foundation for future growth
- Intensive focus on all strategy initiatives
- Complex and multi-layered strategy will take time to implement and deliver



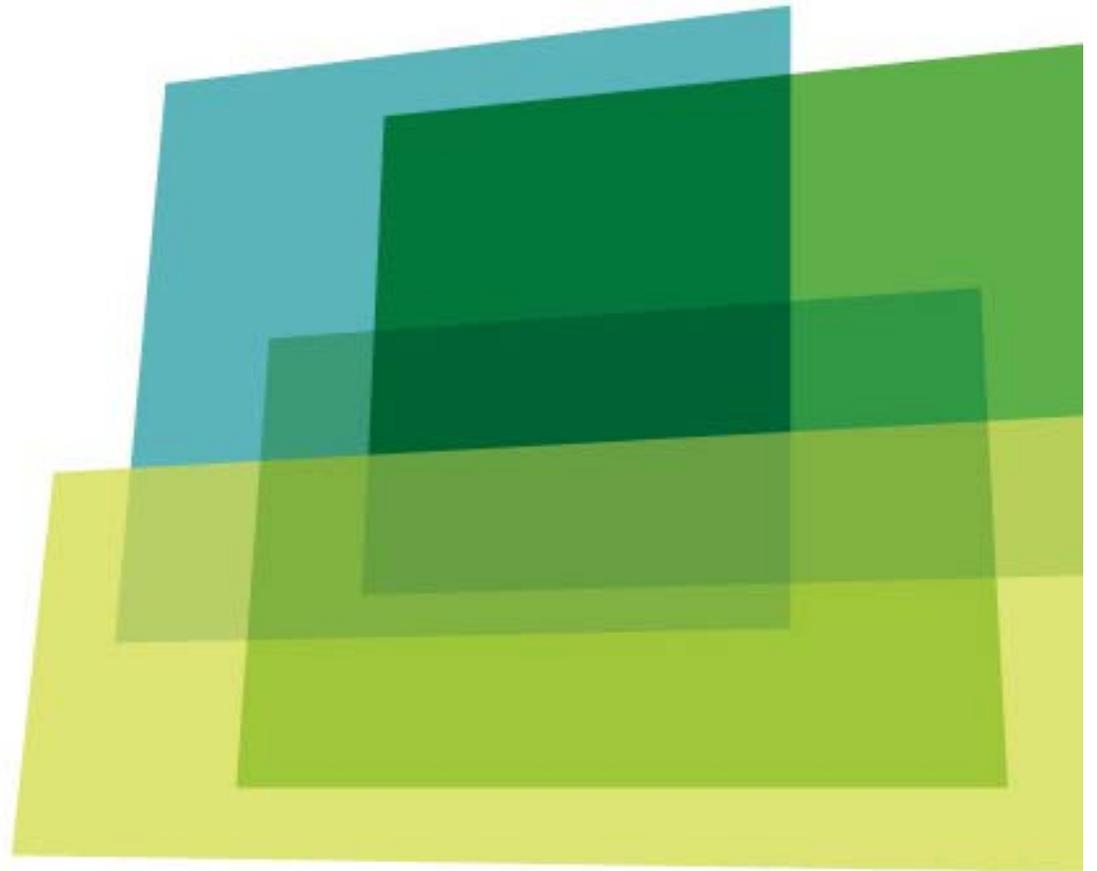


Questions



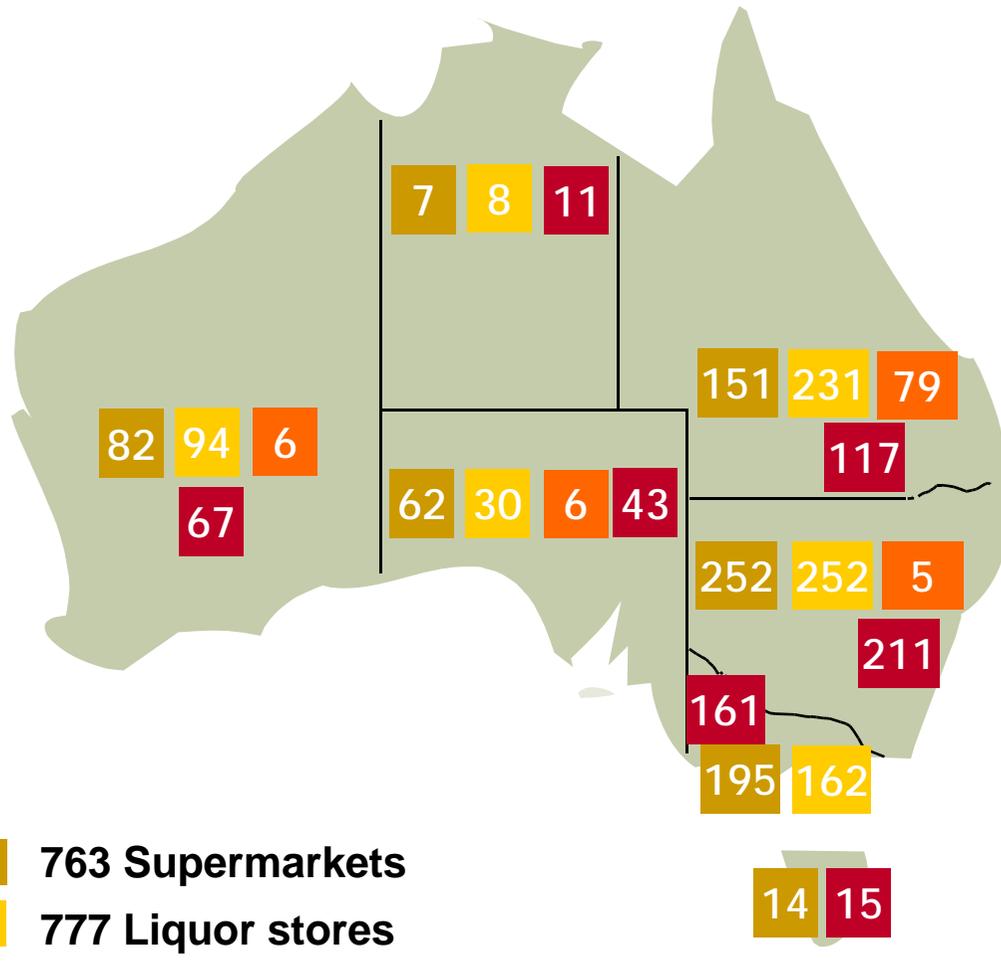
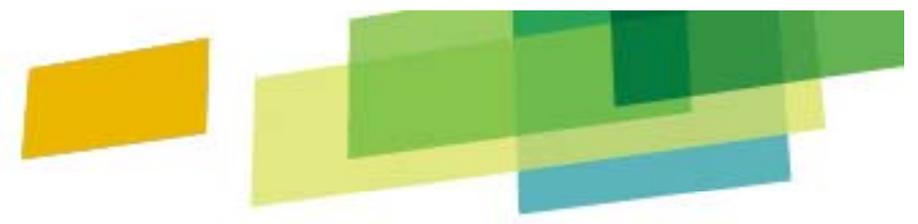


Appendices



Our national footprint...

As at 30 September 2009



- 763 Supermarkets
- 777 Liquor stores
- 96 Hotels
- 625 Convenience

Selling Area

Supermarkets (sqm)	1,606,244
Liquor (sqm) – ex hotels	177,184



Improving our franchise...



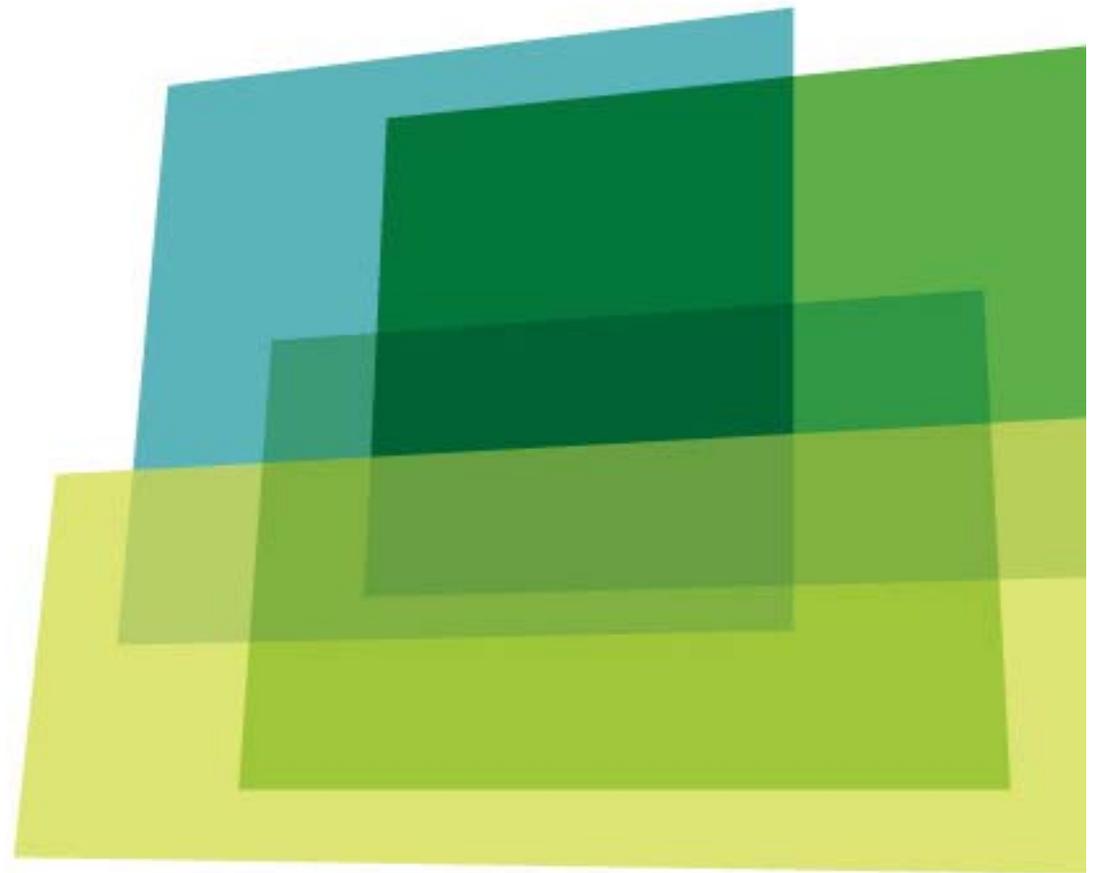
	Open at 30 June 2009	Opened	Closed	Open at 30 Sept 2009
Supermarkets				
Coles	705	4	3	706
Bi-Lo	58	-	1	57
Total Supermarkets	763	4	4	763
Liquor				
1 st Choice	64	4	2	66
Vintage Cellars	80	-	-	80
Liquorland	631	3	3	631
Hotels	95	1	-	96
Total Liquor	870	8	5	873
Convenience	625	-	-	625





Home Improvement & Office Supplies

John Gillam



Agenda



1. Bunnings

- Background & market trends
- Strategic agenda
- Trading update & outlook

2. Officeworks

- Background
- Strategic agenda
- Trading update & outlook

3. Q&A



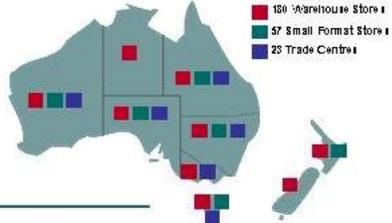
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BUNNINGS History



- 123 years
- timber & building sector origins
- consumer & DIY focus from 1980's
- long term growth

<p>1886 Arthur and Robert Bunning arrive in Western Australia. Bunning Bros Pty Ltd is founded. Soon after they purchase their first sawmill.</p> 	<p>Bunnings grows through acquisition 1989 Bunnings purchase Wool Handyman operations in WA and merge operations to significantly increase exposure to the D.I.Y. market.</p>  <p>1993 Bunnings purchase McEwans Ltd in Victoria and South Australia enabling expansion of operations to the East Coast.</p> 	<p>Further growth by acquisition 2001 Wesfarmers purchase the BBC Hardware network including Hardwarehouse and Benchmark stores in Australia and New Zealand.</p>   
<p>1952 Bunnings expand in the WA market, adding building supplies to the existing timber business; become a public company and the leading supplier of WA hard woods to the housing construction industry.</p> 	<p>1994 Bunnings open their first Bunnings Warehouse in the Melbourne market and Wesfarmers go to 100% ownership</p>  	<p>Today Bunnings continue to expand its operations with new Warehouses, Small Format Stores and Trade Centres throughout Australia & New Zealand.</p> 



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Background: Strategic platform



The Bunnings business is built on three strategic pillars - **Lowest Prices, Widest Range and Best Service**. Our customers are guaranteed the lowest prices on the widest range of home improvement and outdoor living, building and construction products. Best service starts with our Team Members and extends to a range of store services.

LOWEST PRICES. WIDEST RANGE. BEST SERVICE.



LOWEST PRICES

The Bunnings price promise guarantees our customers the lowest prices every day. If a customer happens to find a cheaper price on a stocked item, we'll beat it by 10%.



WIDEST RANGE

Bunnings stores stock over 45,000 products including: building supplies, timber, gardening, plants, landscaping, plumbing, bathroom, electrical, lighting, flooring, heating, cooling, hand and power tools, storage, kitchens and kitchen appliances. An extended range is available through the Special Orders service.



BEST SERVICE

The Bunnings team of over 29,000 team members include many with trade qualifications and a strong focus on product knowledge and training. Bunnings offers a range of services including: free D.I.Y. Workshops for adults and children, ladies' nights, free trailer hire, same day home delivery, hire shop, Special Orders, café and children's playground.

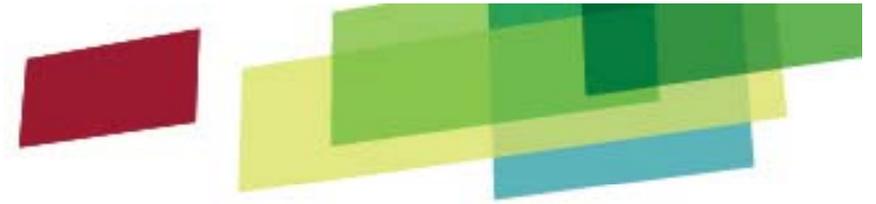


Background: Long-term growth drivers

1. A winning offer to customers
2. An engaged, focused & committed workforce
3. Business behaviour that builds trust
4. Sustainable satisfactory shareholder returns

Achieving growth in every store & by expansion





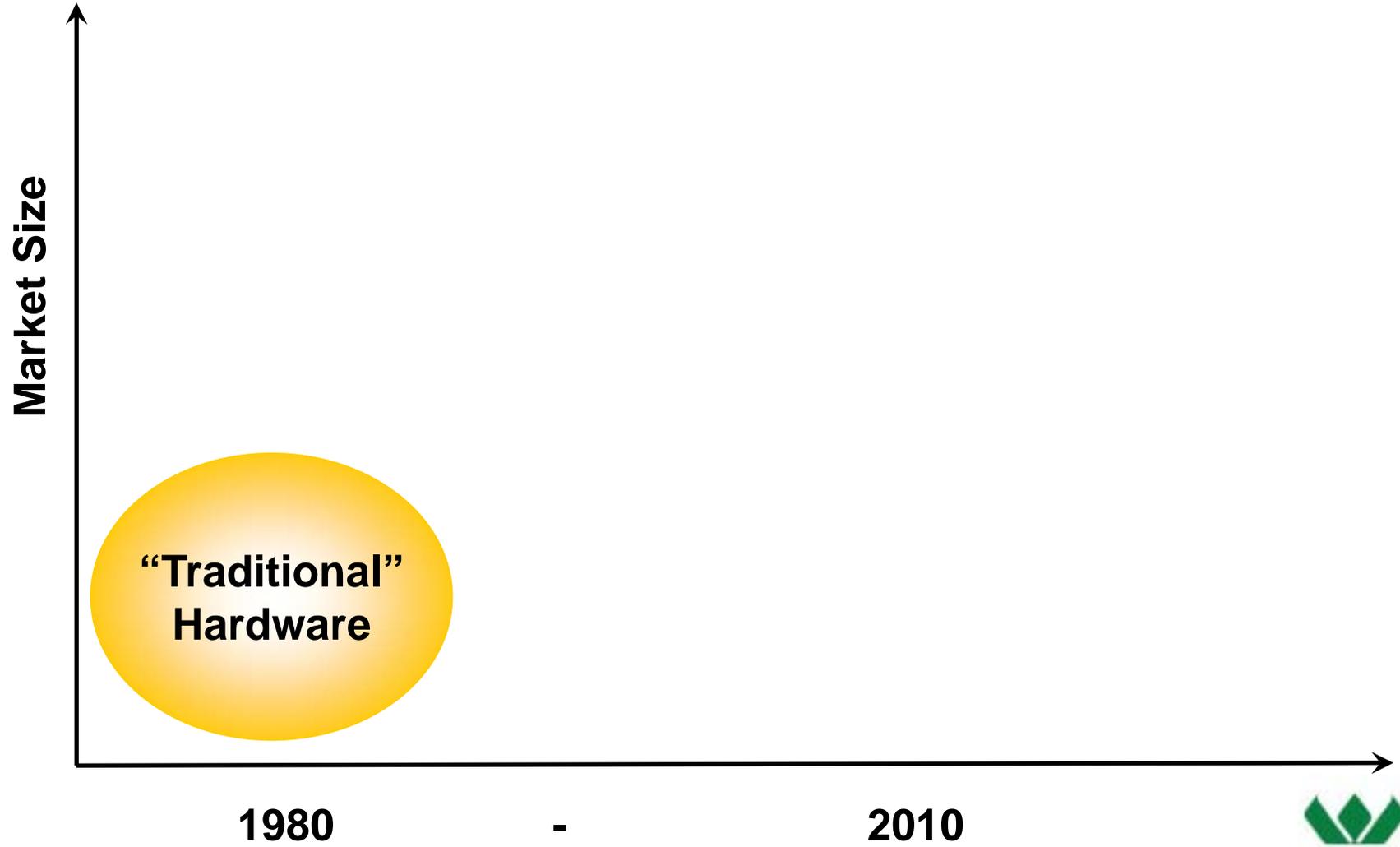
Aust. & NZ market trends

- Dynamic evolution across 3 decades
 - “hardware” to “home improvement & outdoor living”
 - attractive personal tax benefits driving DIY
 - competitor changes
- 1980: two hardware markets ... commercial or retail
- 1990: big box formats enter
- today: one much larger market
 - Home improvement and outdoor living
 - Retail and commercial
 - Bigger market ... more competitors ... multi-channels



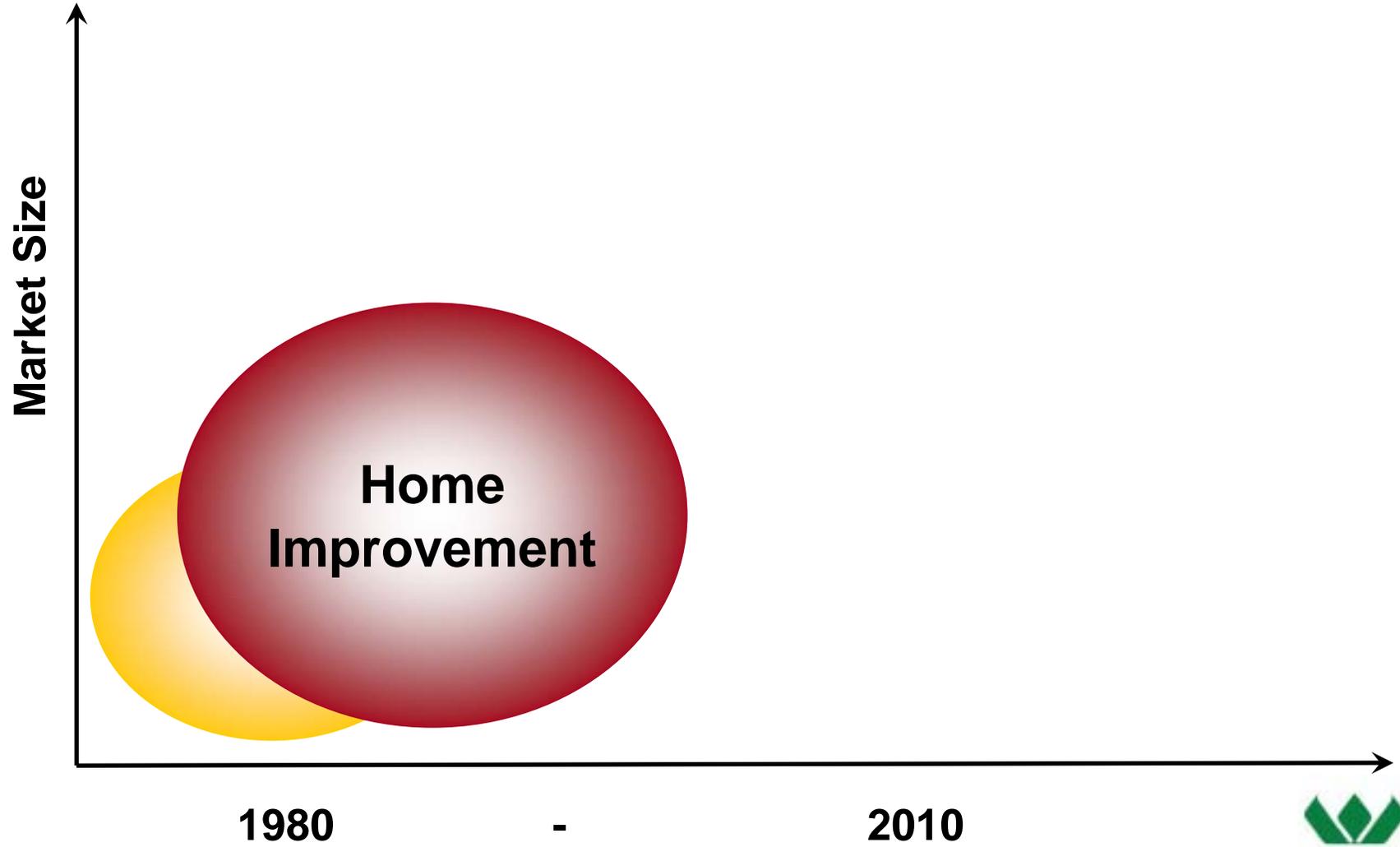
Aust. & NZ market trends

... evolution across 3 decades ...



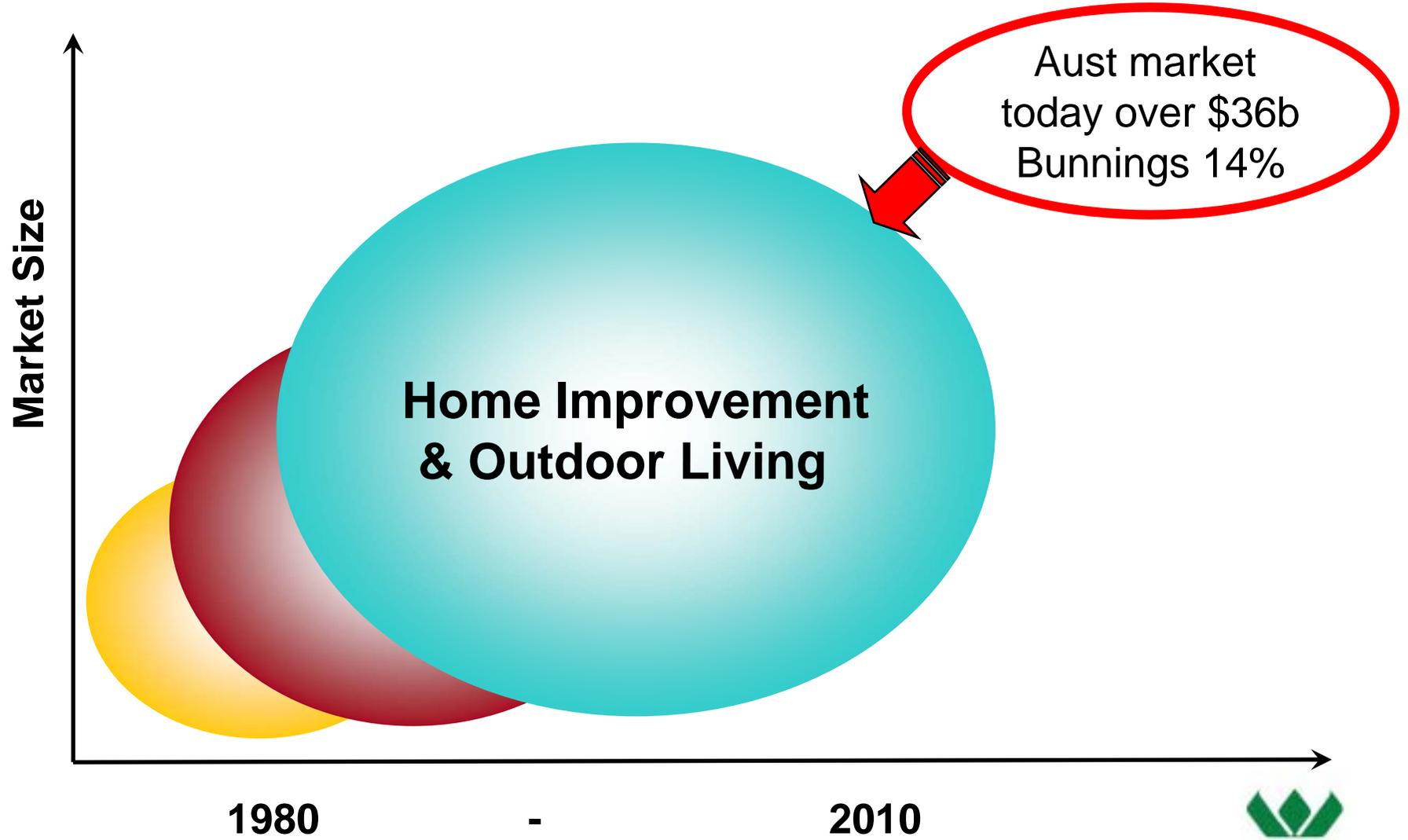
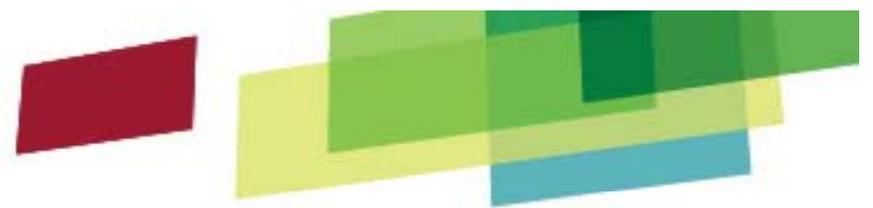
Aust. & NZ market trends

... evolution across 3 decades ...



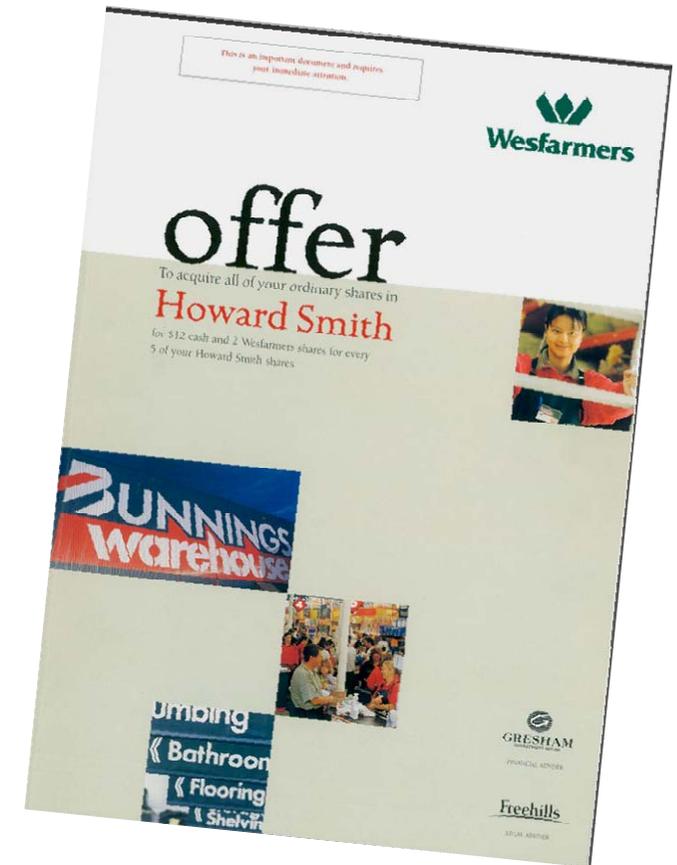
Aust. & NZ market trends

... evolution across 3 decades ...

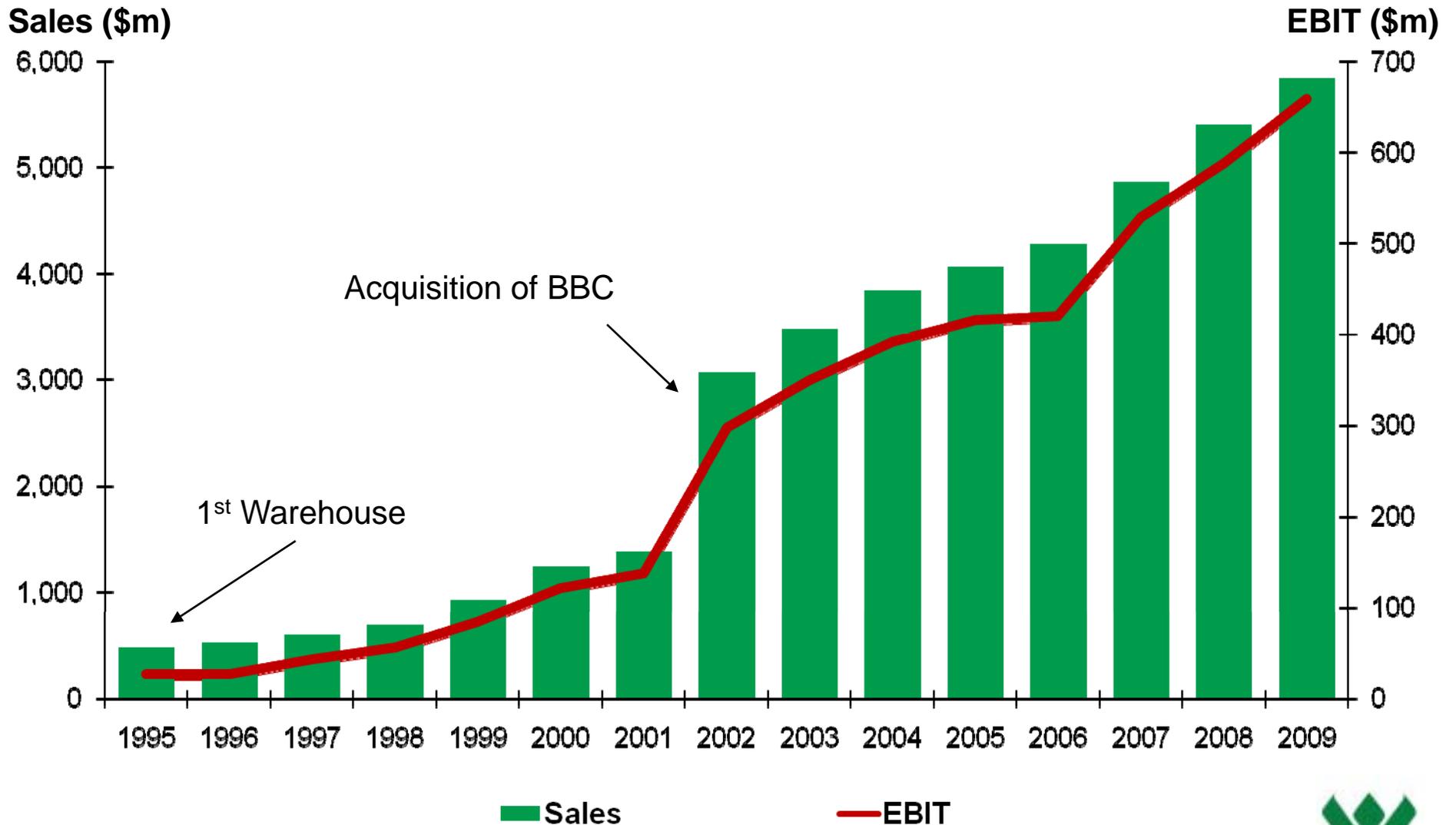


Market size: 2001 v 2009

- \$24 billion market in 2001
 - Common market view at time of BBC takeover
- Continued growth in all categories
 - Rapid expansion of outdoor living
- Market today exceeds \$36 billion
 - homogenous; major players 'vertically capable'
 - long term growth anticipated



Bunnings sales & EBIT growth

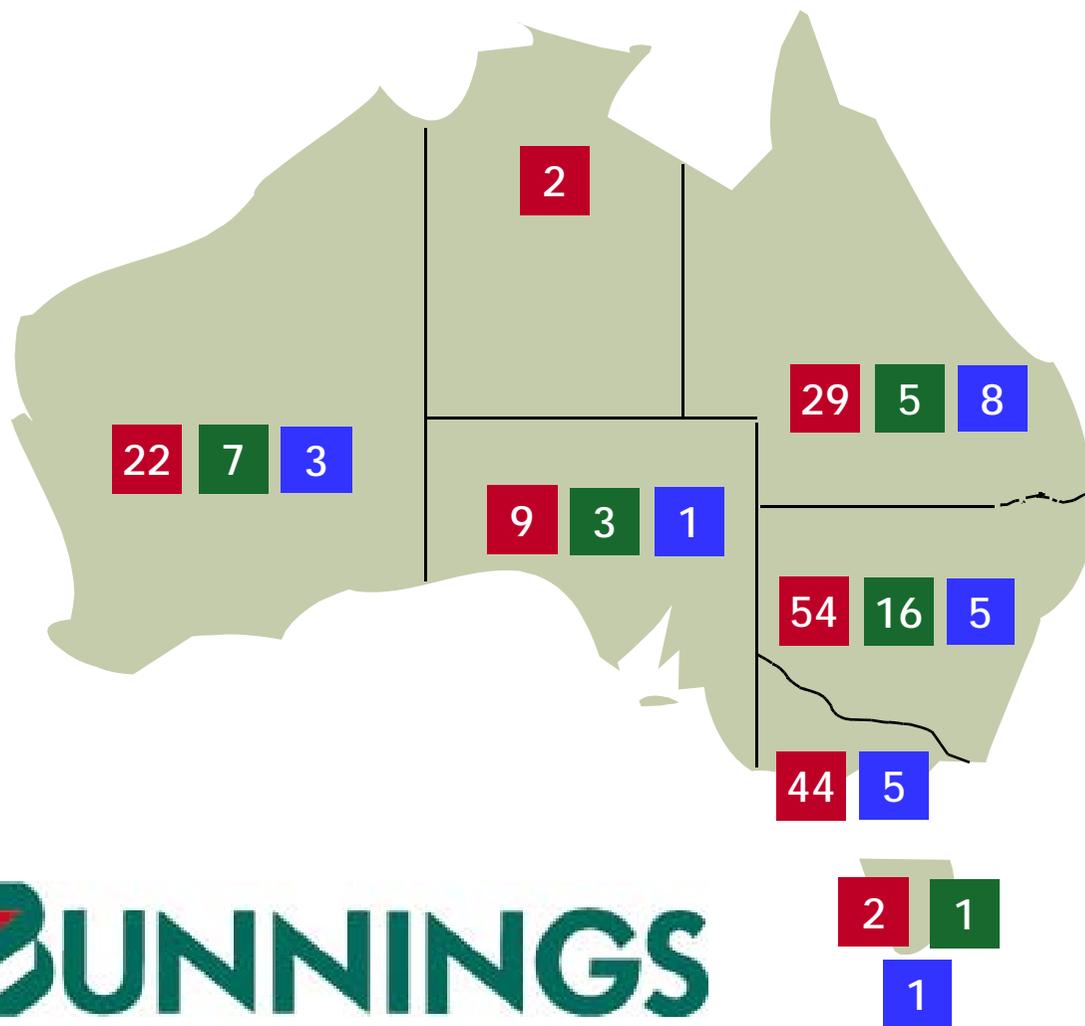


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Store & trade centre network at October 2009



- 179 Warehouse stores
- 57 Small format stores
- 23 Trade Centres



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BUNNINGS
warehouse



Strategic Agenda

1. Profitable sales growth
2. Better stock flow
3. Engaging and developing a stronger team
4. Improving productivity and execution
5. Sustainability

Agenda driving growth & business fitness



Strategic Agenda

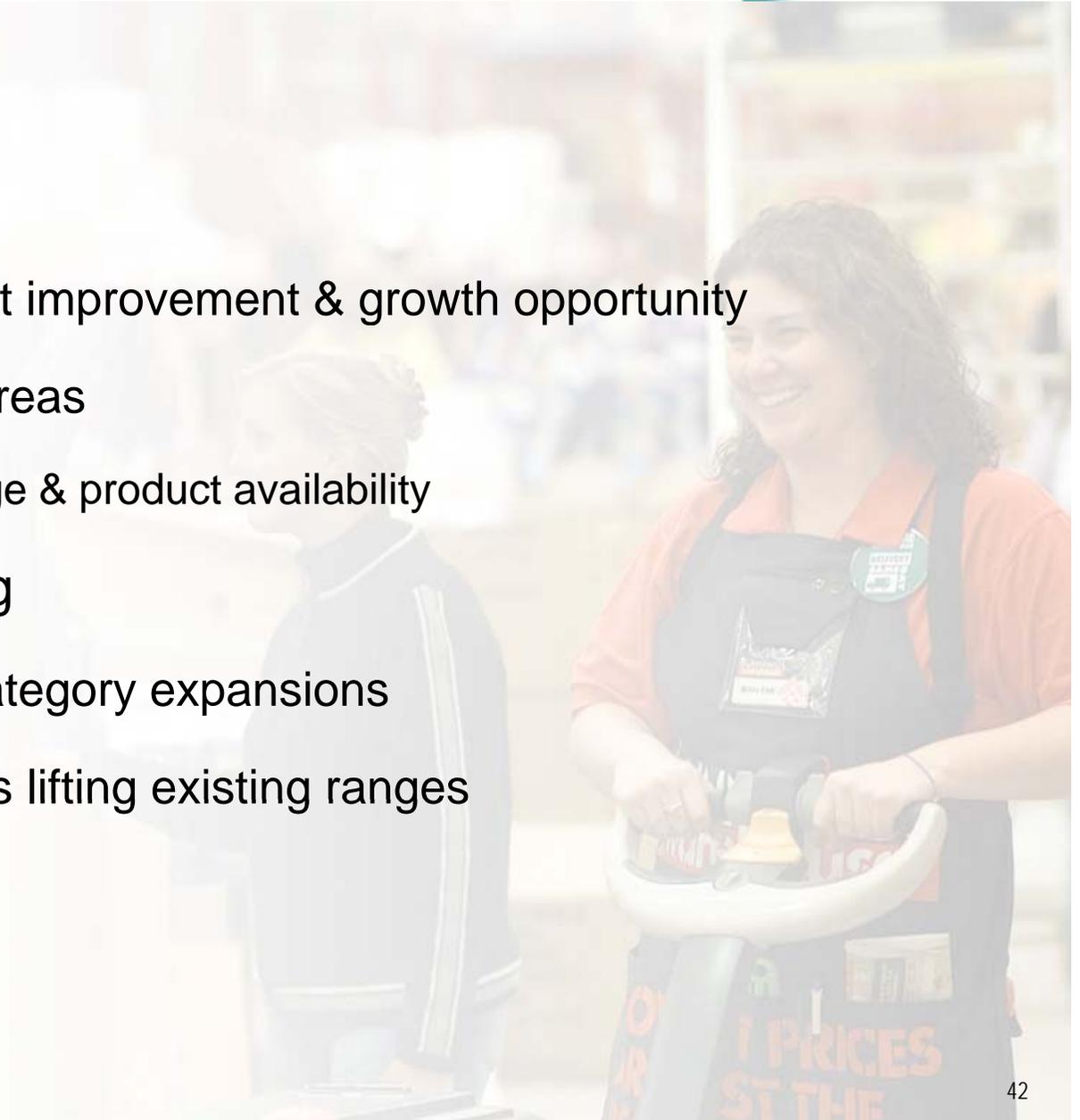
1. Profitable sales growth

A. Lifting customer service

- Continued priority; largest improvement & growth opportunity
- Work focused on 3 key areas
 - coverage, knowledge & product availability

B. Enhanced merchandising

- New product ranges & category expansions
- Merchandising disciplines lifting existing ranges



Strategic Agenda

1. Profitable sales growth

C. Network expansion & enhancement

- Ongoing rollout of new stores & trade centres
 - a) more 'Bunnings Warehouse' stores
 - long term plans: open 10 to 14 annually
 - shorter term: likely to exceed top-end of forecast
 - b) opening smaller format 'Bunnings' stores as appropriate
 - c) more Trade Centres
- Continued re-investment in existing stores



Strategic Agenda

1. Profitable sales growth

Merchandising Update – wider & deeper ranges

1. New / expanded across past 36 mths

outdoor leisure, kitchens, flooring, play equipment, fencing, sustainability, special orders, steel, lighting, plumbing

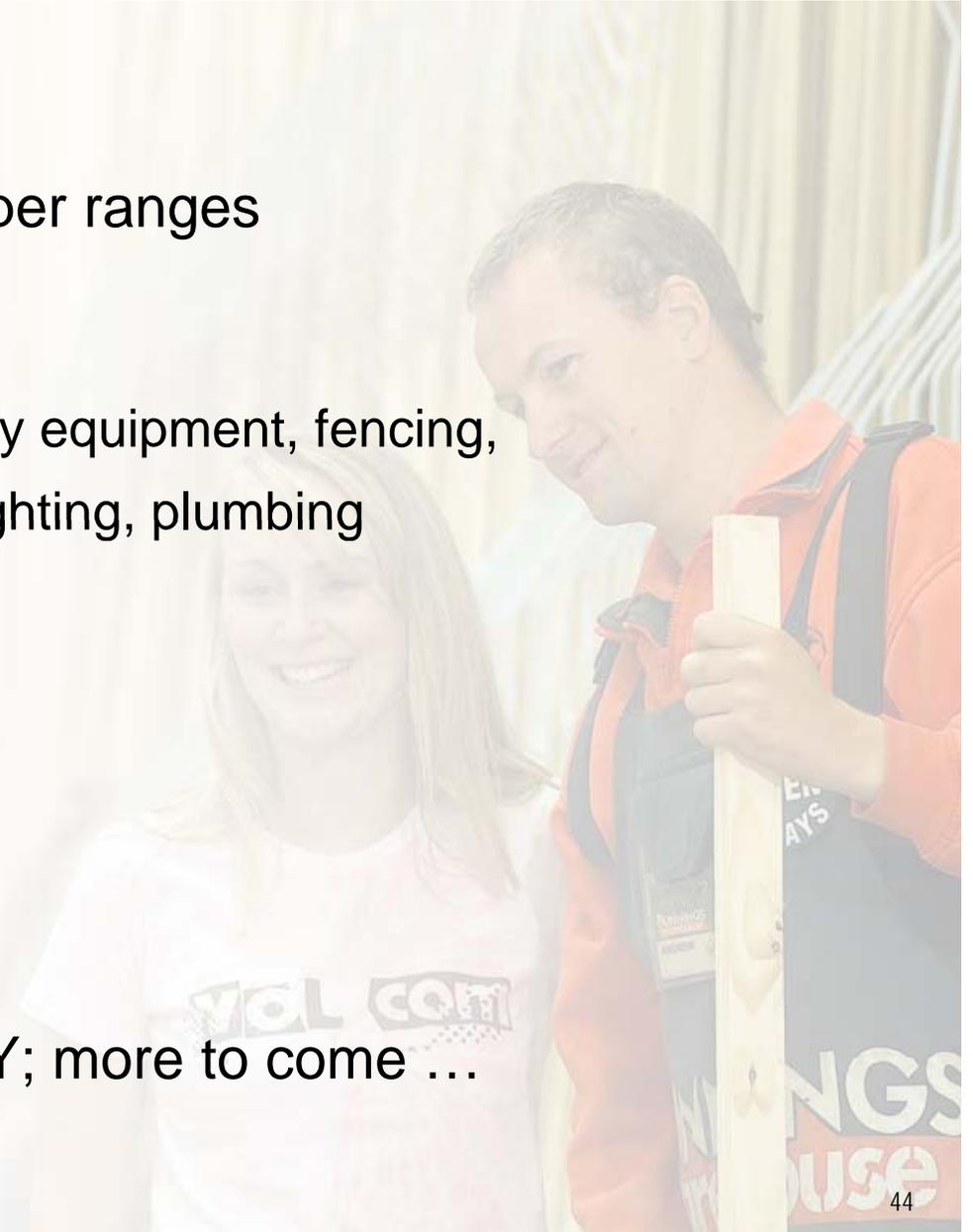
2. Revamped in 2008

decorator, tools

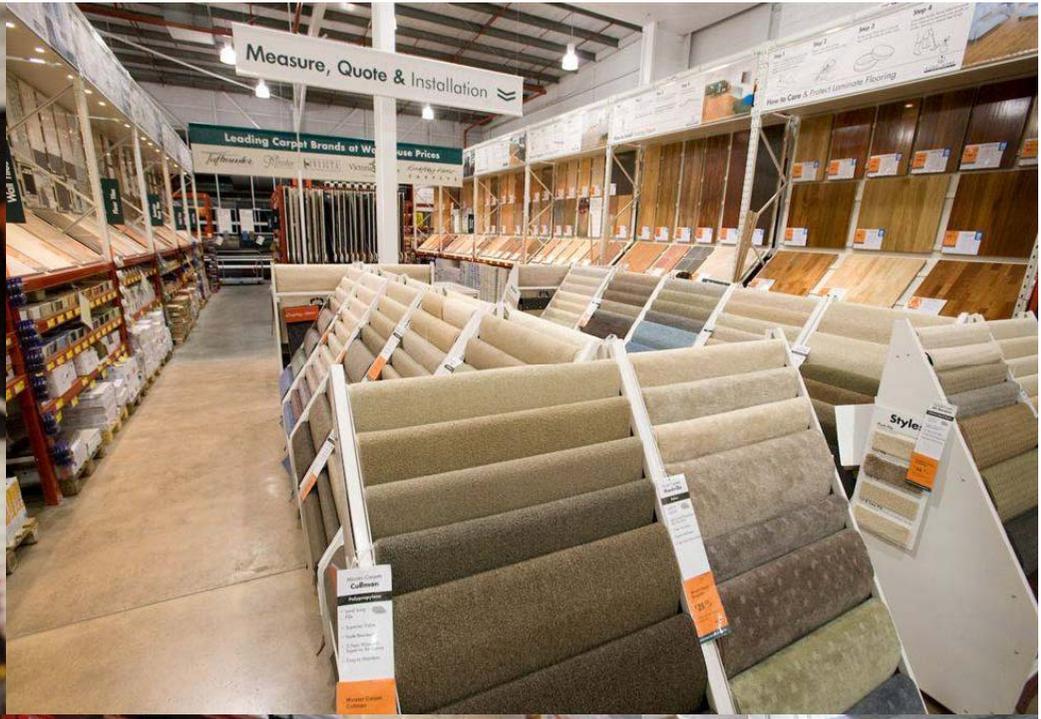
3. In-progress now

cooking appliances

- Good growth driver, especially DIY; more to come ...



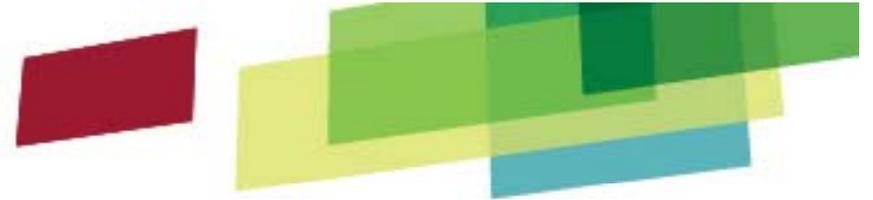
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Strategic Agenda



2. Better stock flow

- Improving end-to-end supply chain
 - lift in-stock levels, higher productivity, reduced cost

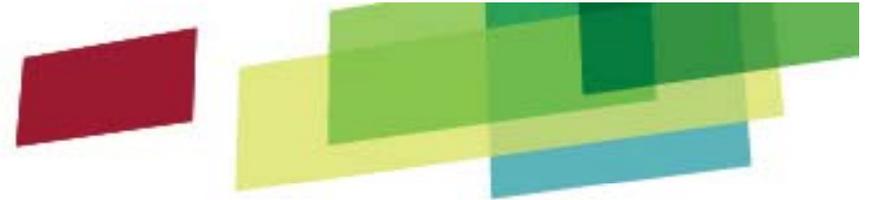
3. Engaging & developing a strong team

- More effective safety, training & other development programmes
- Higher team retention



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Strategic Agenda



4. Lifting effectiveness & efficiency

- Reducing the cost of doing business
 - systems, business improvement and productivity projects

5. Sustainability focus

- Ongoing commitments: less water, energy & wastage
- Improving affordability of sustainability for customers



Strategic Agenda Summary

Current agenda harnesses 5 growth drivers

- Service
- Category expansion
- Store roll-out & reinvestment
- Trade presence
- Business 'fitness' to fuel the productivity loop

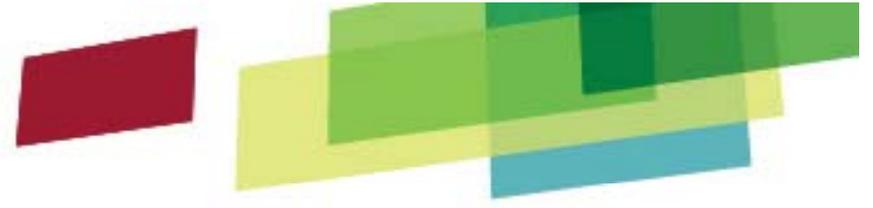


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BUNNINGS warehouse





Trading update

1 July to 30 September 2009

- Cash store-on-store growth 15%
 - cycled against weakest relative trading pcp
- Improved trade market conditions
- Ongoing network re-investment & expansion
 - 6 stores & 2 trade centres opened in July to October period
 - 8 stores under construction at end October



Home Improvement Outlook

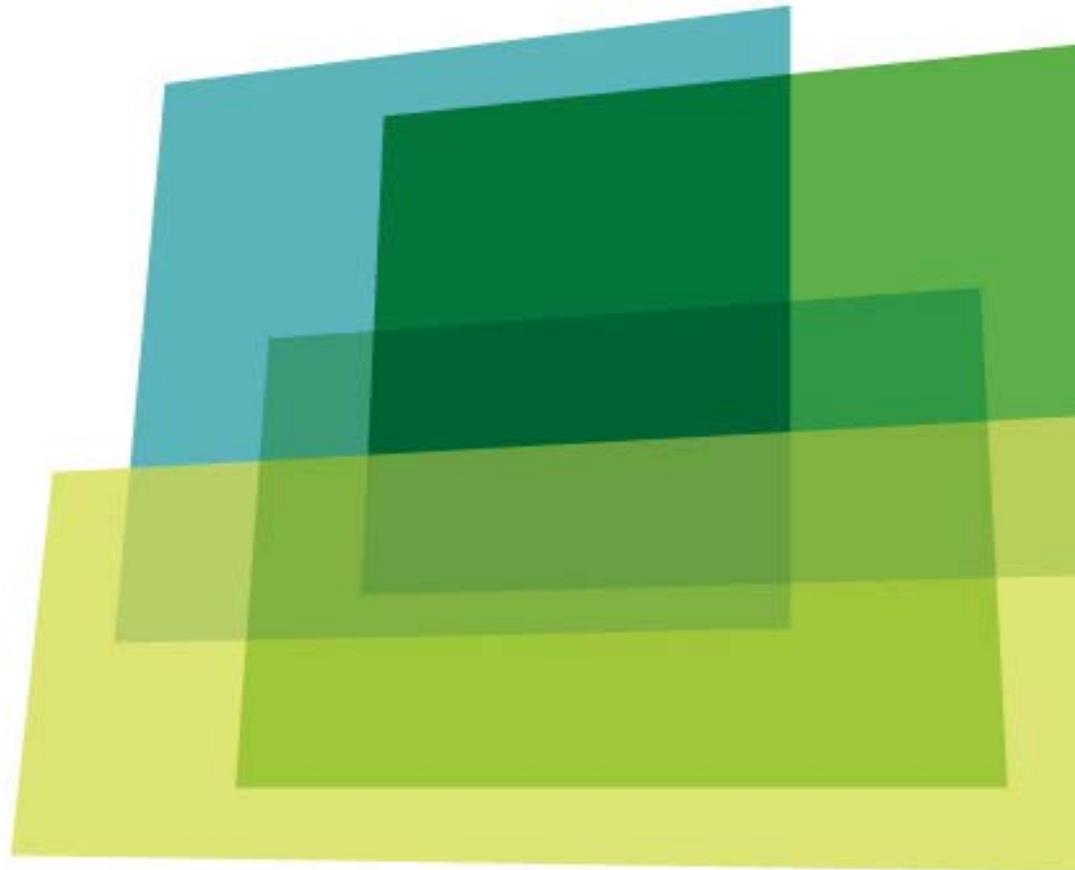


- Cash sales growth to continue
 - tempered for impact of Aust. Govt. consumer stimulus in past year
- Improving trade contribution as economy recovers
 - multiple Aust. Govt. stimulus programmes
- Maintaining intense focus: customer & business improvements
- More network expansion





Office Supplies



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Background



1994

First store opens in Richmond, Victoria

2003

Officeworks Acquires Viking

2004

Harris Technology becomes part of Officeworks portfolio

2005

Officeworks online business & Viking become Officeworks Business Direct

2007

Wesfarmers one of Australia's largest public companies acquires Officeworks

Today

Officeworks Store Network

Retail Stores	
124 Officeworks	5 Harris Technology

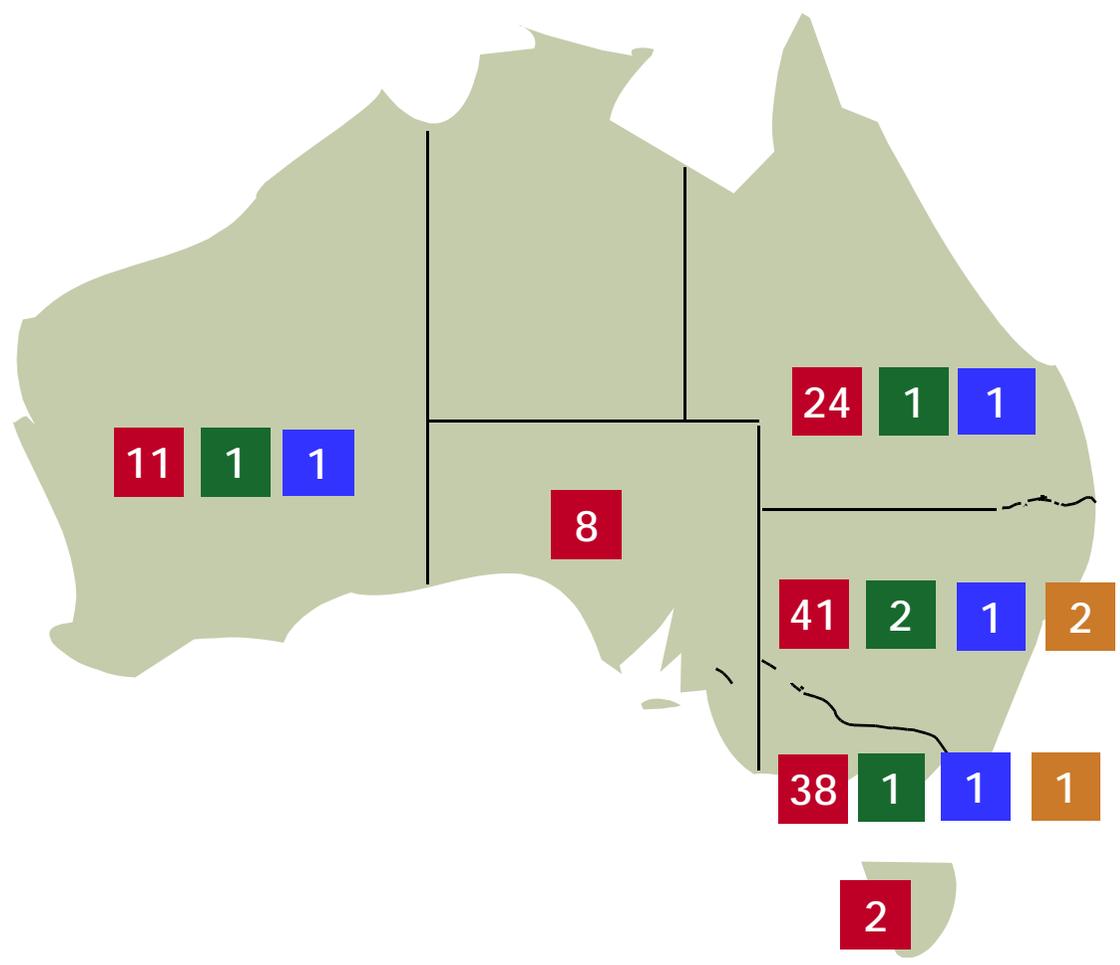
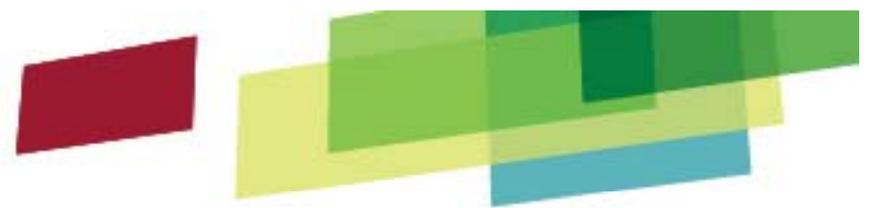
Business	
4 Fulfillment Centres	3 Service Centres



Strategic Platform



Office Supplies Network at 30 September 2009



Retail Stores

- 124 Officeworks
- 5 Harris Technology

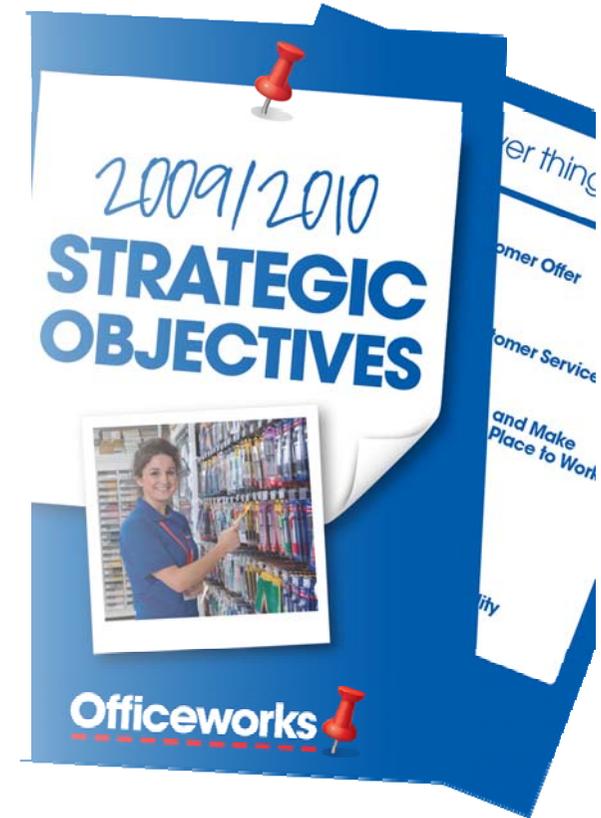
Business

- 4 Fulfilment Centres
- 3 Service Centres



Strategic Agenda

1. Improve the customer offer
2. Improve customer service
3. Team development & engagement
4. Make things simple & reduce costs
5. Drive sales & profitability



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Strategic Agenda

1. Improve the customer offer

- Improving the shopping experience
- New & improved products / services
- 'How To' classes & supplier demonstrations
- Eco friendly products & services
- Special orders service rollout
- New website



Strategic Agenda

2. Improve customer service

- New point of sale system
- Driving stronger customer focus
- Provide team with tools & training
- New labour scheduling system
- Operation Blueprint savings invested in customer service
 - Self-funding via efficiency gains



Strategic Agenda

3. Team development & engagement

- Strong focus on team members
- Significant lift in 'cultural engagement'
- Investment in team member training
- Reward & recognition
- Developing, attracting & retaining the best



Strategic Agenda

4. Make things simple & reduce costs

- Stock management improvements
- Supply chain productivity & CODB gains
- Reduction in store support cost base
- Processes & procedures simplified, complexity removed



Strategic Agenda

5. Drive sales & profitability

- Open 8 to 10 new Officeworks stores p.a.
 - new store pipeline progressing well
- Upgrade 8 to 10 existing stores p.a.
 - pleasing results to date
- Further website enhancements
- Attracting new business customers
 - corporate, health & education
 - complementing existing SME base



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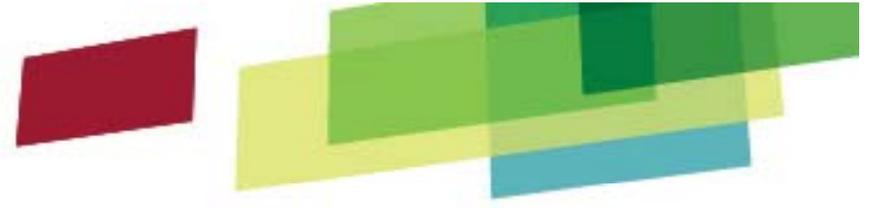


Trading Update

1 July to 30 Sept 2009

- Officeworks retail stores sales growth 12%
 - Underpinned by strong transaction growth
 - Positive response to EDLP
- OW Business gaining momentum
- Ongoing network investment & expansion





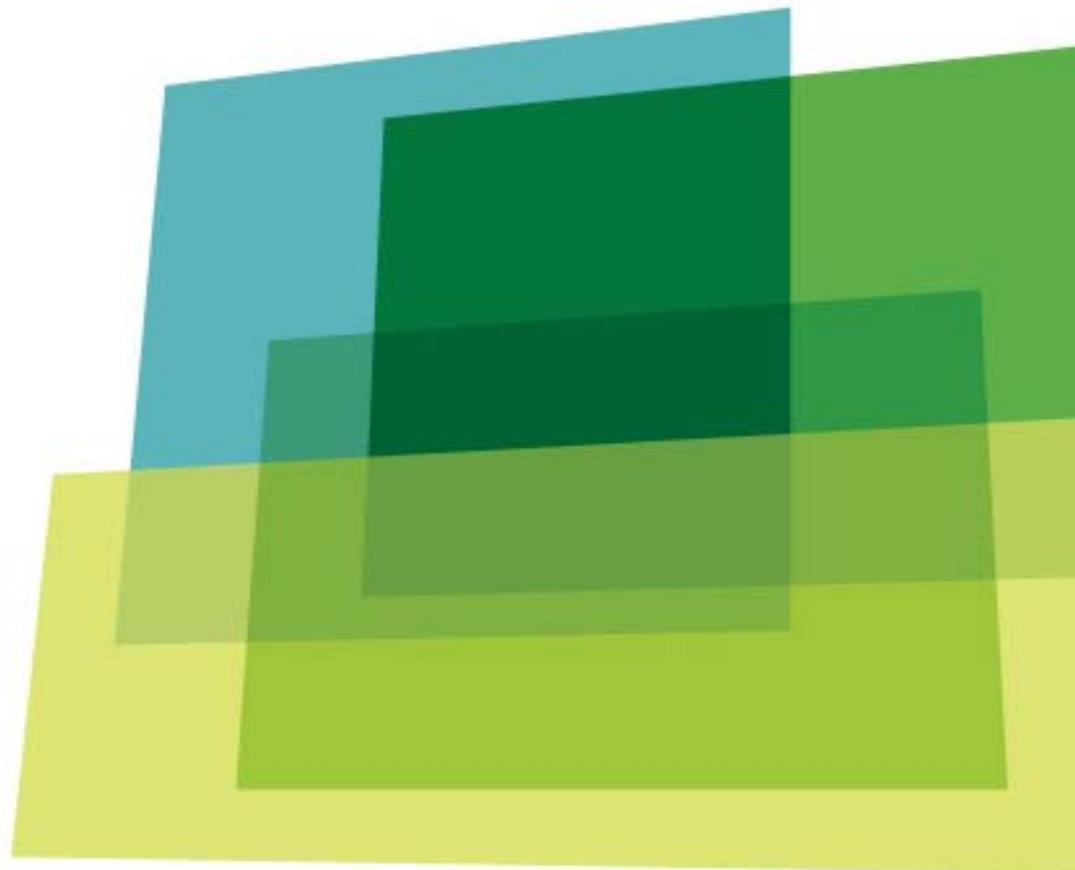
Outlook

- Moderate sales growth in retail stores
 - Small business sector sentiment remains volatile
 - Pressures on margin and costs
- Focus on executing strategic agenda
 - Drive sales
 - Improved customer offer & service
 - Network expansion & upgrade
 - Reduce CODB & complexity



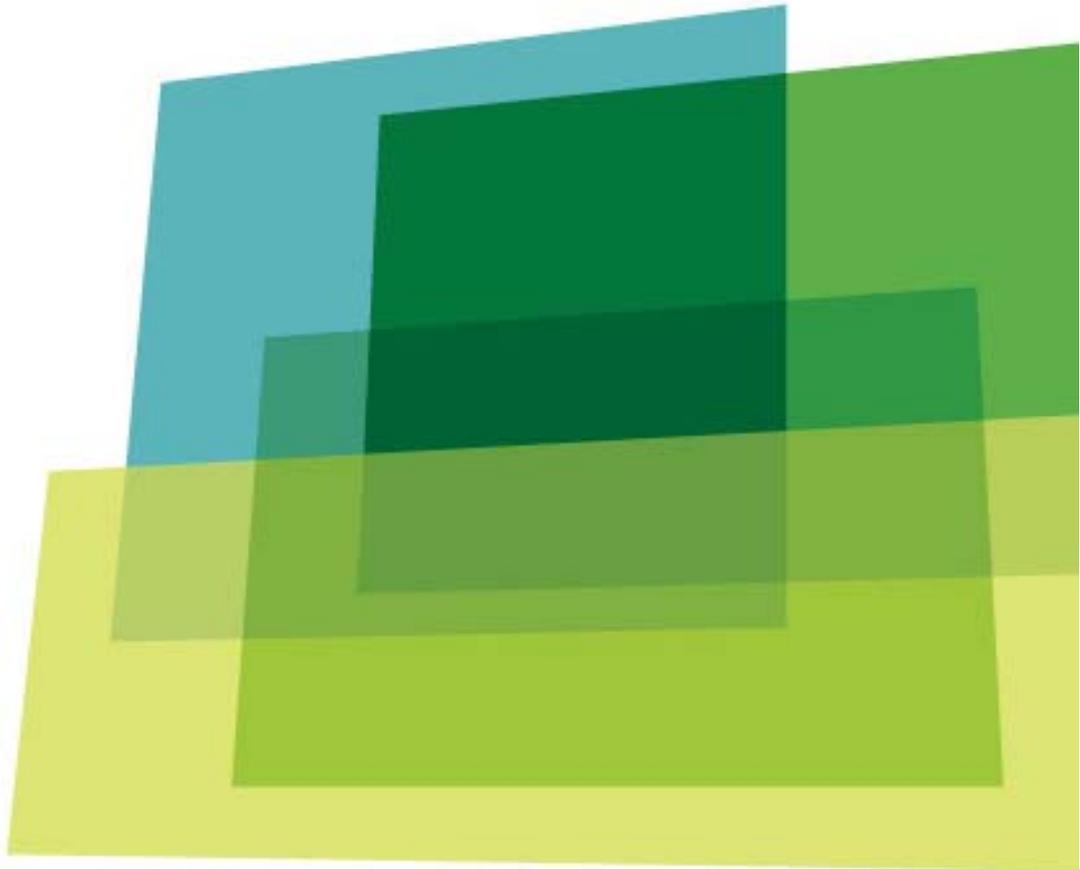


Questions





Target
Launa Inman



Trading Update

3 months to September[^]

- Sales up 4.3%
- Comparable store sales up 1.8% (adjusted up 2.4%*)
 - July and September flat
 - August strong
- Fragile consumer sentiment
 - Retail sales from Government stimulus no longer evident
 - Customers looking for exceptional value
- Highly competitive market
- Target's market share of Department Stores sales increased



[^] 13 weeks to 26 September

* adjusted for changes in promotional calendar

Managing the Business



- Customer behaviour
 - Evidence of customers ‘bargain hunting’
 - Importance of entry price points and volumes at these prices
- Capturing reductions from suppliers in product costs
 - Negotiations to benefit from FX improvement
 - Continuing to broaden sourcing base
- Volatile trading
 - Expense control critical and being well managed
- Working capital management ongoing





Target strategies

Strategic initiatives		Comments
Focus on fundamentals	✓	Meeting customer needs on range, price and service
Brand reinforcement	✓ Ongoing Ongoing	Evolution of “100% Happy” Unique philosophy and positioning Leveraging an emotional connection
Differentiation	Ongoing WIP WIP	Bringing the best of what’s new in the world to Target Design and Innovation Group Pop-up retailing
Store network development	Ongoing	New stores and investment in existing stores
Customer Service	WIP	Ease of store shopping • layout, signage, price marking, POS features, airport register queuing
Team member development	WIP WIP	Supervisor/Team Member empowerment Recruitment and retention
Business improvements	WIP WIP Ongoing	Supply Chain efficiencies Major systems improvements eg Direct Sourcing System Environmental initiatives

Strategies

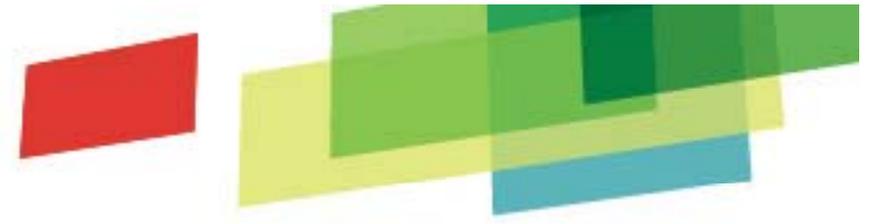
Store Network Development - FY10

- Planned new stores
 - 6 new Target stores
 - 1 Target Country (replacement)
- Expansions
 - 2 Target stores
- Investment in existing stores
 - Around 20 stores
 - Upgrades range from full refits to a light touch
 - Projected to spend over \$25 million in FY10



Differentiation still the key

- Creating new ways to excite the customer
 - Pop Up Retail



Differentiation still the key

- Bringing what's new in the world to Target
 - Appointment of General Manager, Creative
 - Build internal Design and Innovation Group
 - Direct Sourcing System



Target
100% HAPPY

Brights or cool

New season's colours. Great quality at great value.

50% off
GB. Zel quilt cover sets
\$75 set
Save \$75
K3. Save \$80 now \$80set! No rainchecks.

Waffle cotton urethane.

Zel quilt cover sets include:
1 x quilt cover and 2 x pillowcases.

Raspberry
Blue
White
Green

Watch the morning news on 7 for your chance to win **\$5000** in Target gift cards to update your home and more!

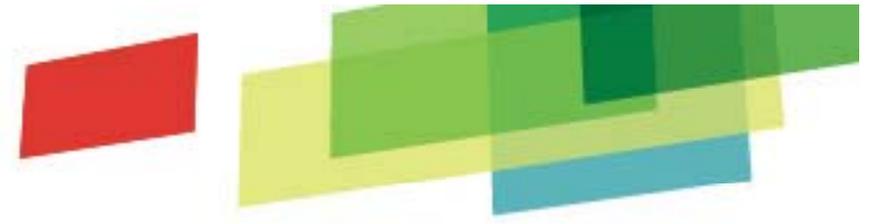
Little stripe King bath towels 90 x 160cm
\$18.00
Save \$7.99
Colours will vary from store to store.

new
\$25.00
Save \$4.99
These 60cm coloured glass vases no rainchecks.

EVERYCOLOURYOU CAN DREAM OF
www.target.com.au
Thursday 22 October - Wednesday 28 October 2009



Supply Chain



- Improved efficiencies
 - Better service to stores
 - Increased speed to market
- Supply Chain cost savings of \$10m to date
- Benefits realised = financial and non-financial
 - Principles focused on making it easier for our stores



Sustainability

Environmental Initiatives



- Building sustainability into our business fabric
 - Signatory to National Packaging Covenant
 - Participant in Government's Energy Efficiency Opportunity program
- Taking a leadership role, but still a long way to go
 - Removal of plastic shopping bags from all stores
 - Carton and packaging reduction initiatives
 - Think Climate: cold wash, line dry labels on product
 - Lighting in new stores



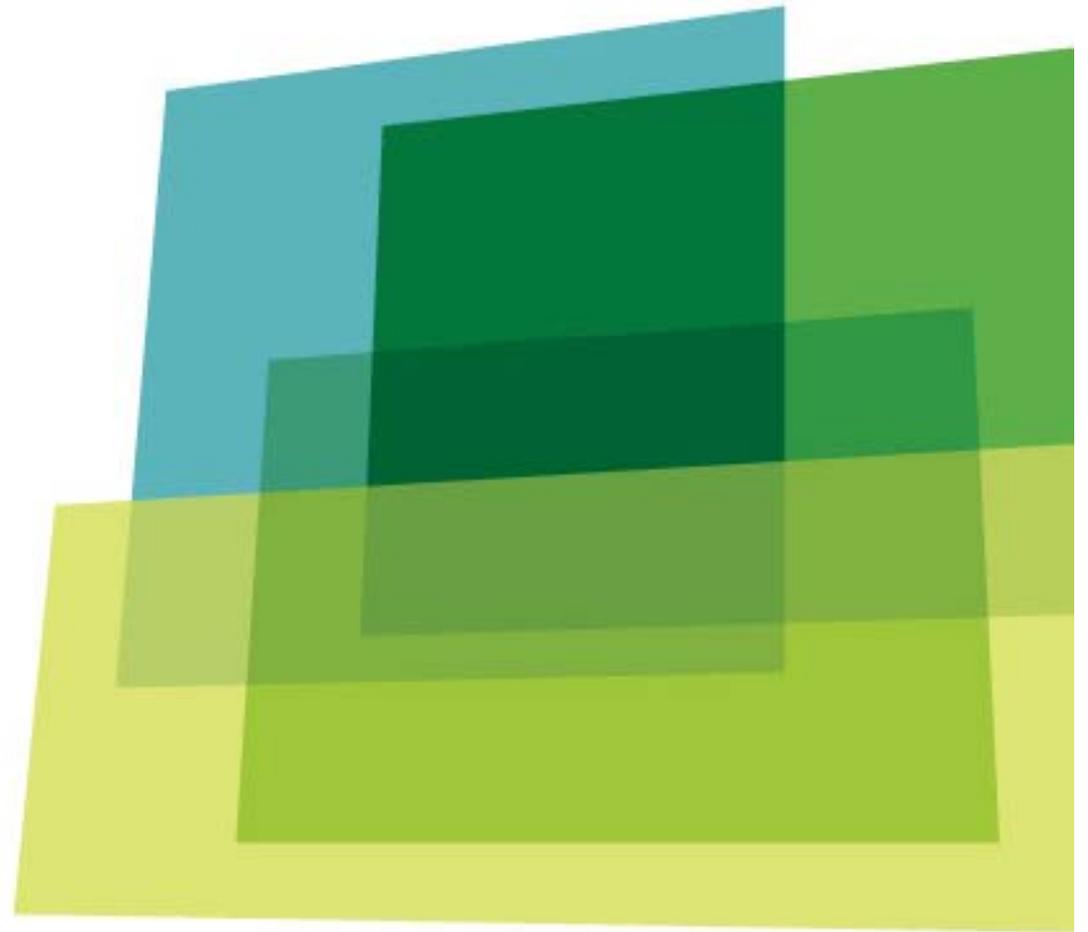
Target Outlook

- Outlook remains cautious
 - Managing inventory
 - Cost control
 - Cycling Dec. Government stimulus package
- Customers continuing to seek out value
 - Entry and mid-price points well stocked
 - Broaden sourcing base to help reduce costs
- Remain nimble to competitor activity
- Differentiation key to ongoing success



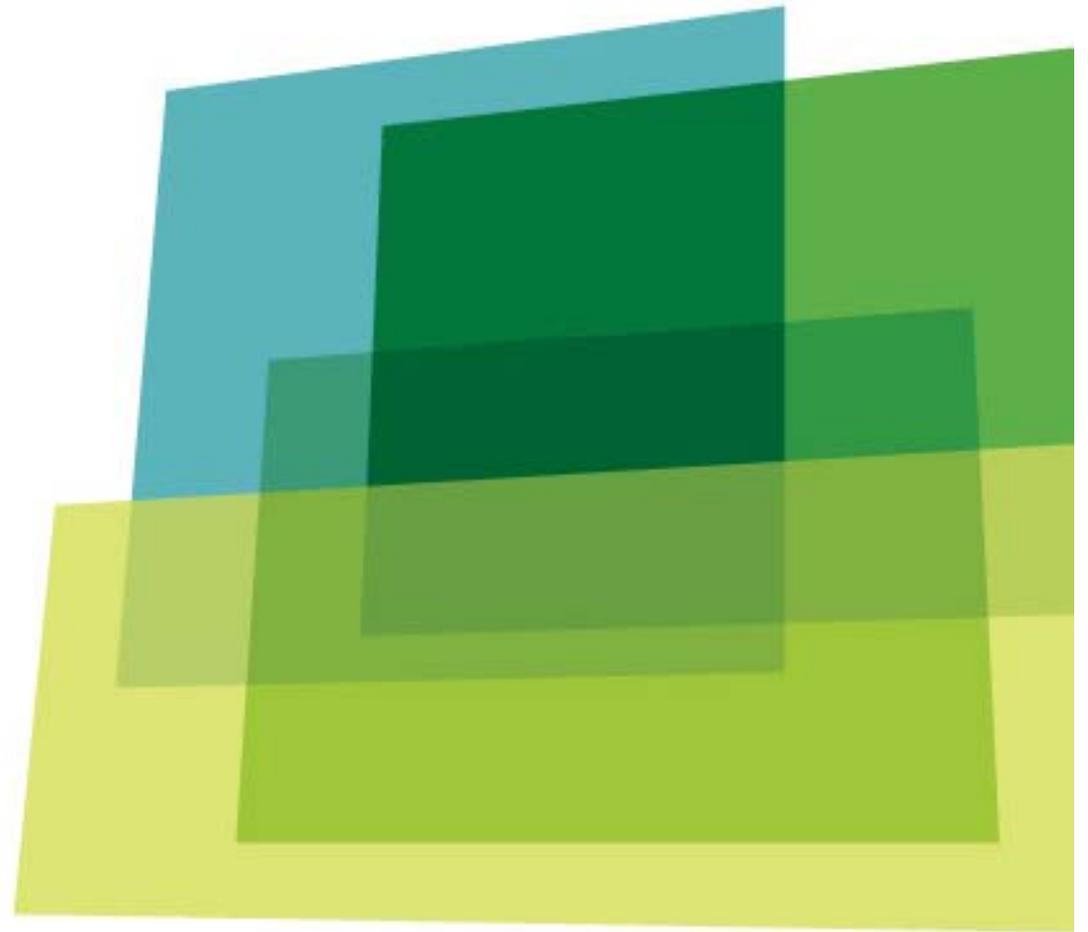


Questions



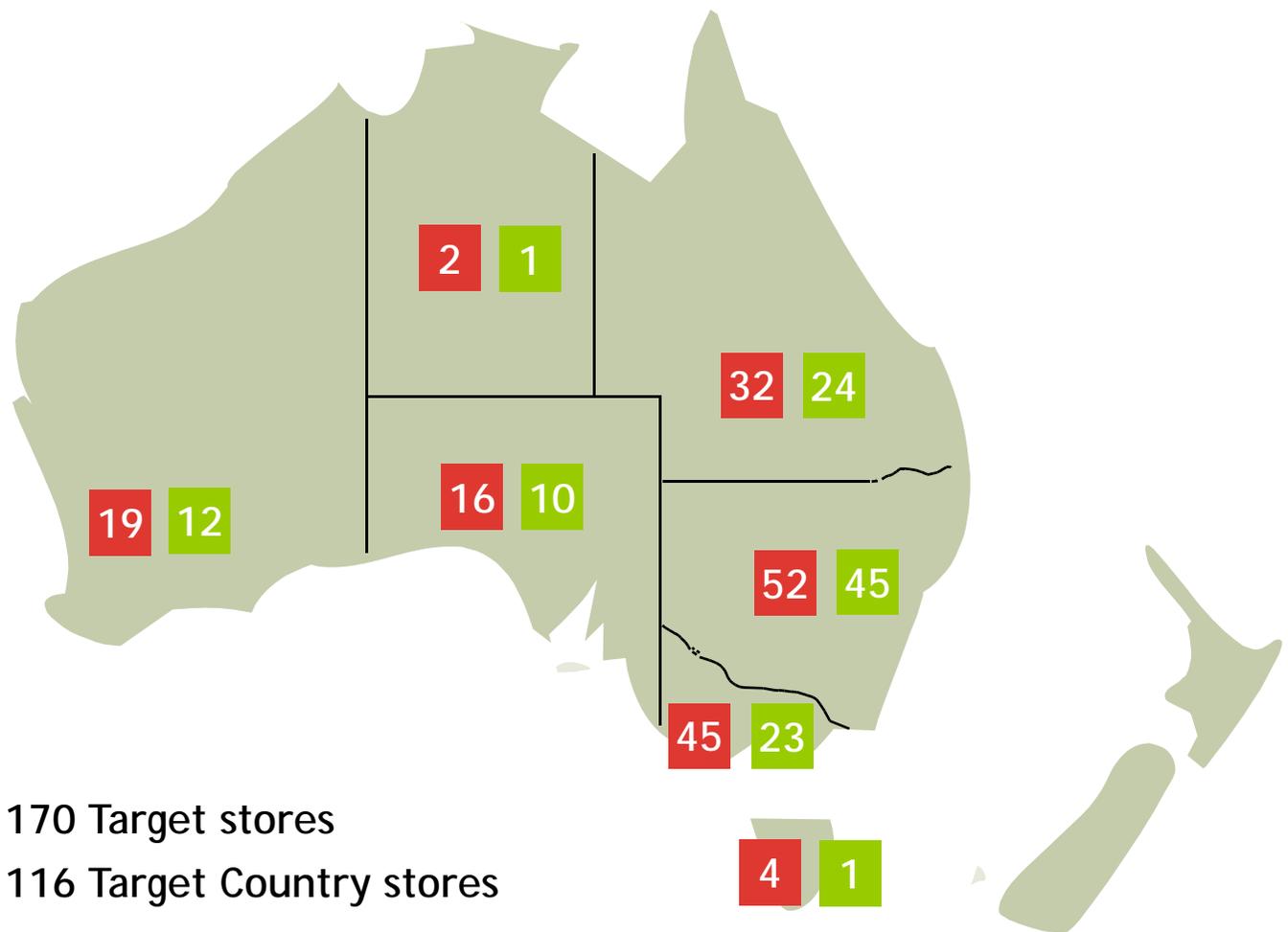
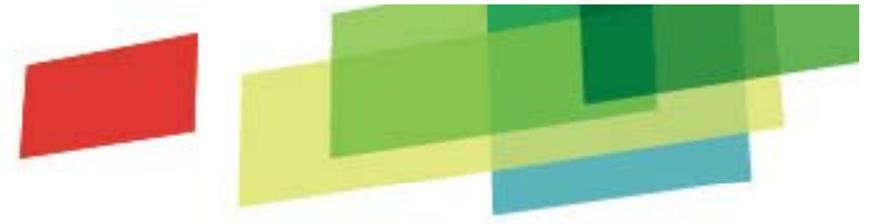


Appendix



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Target Store Network end September 2009

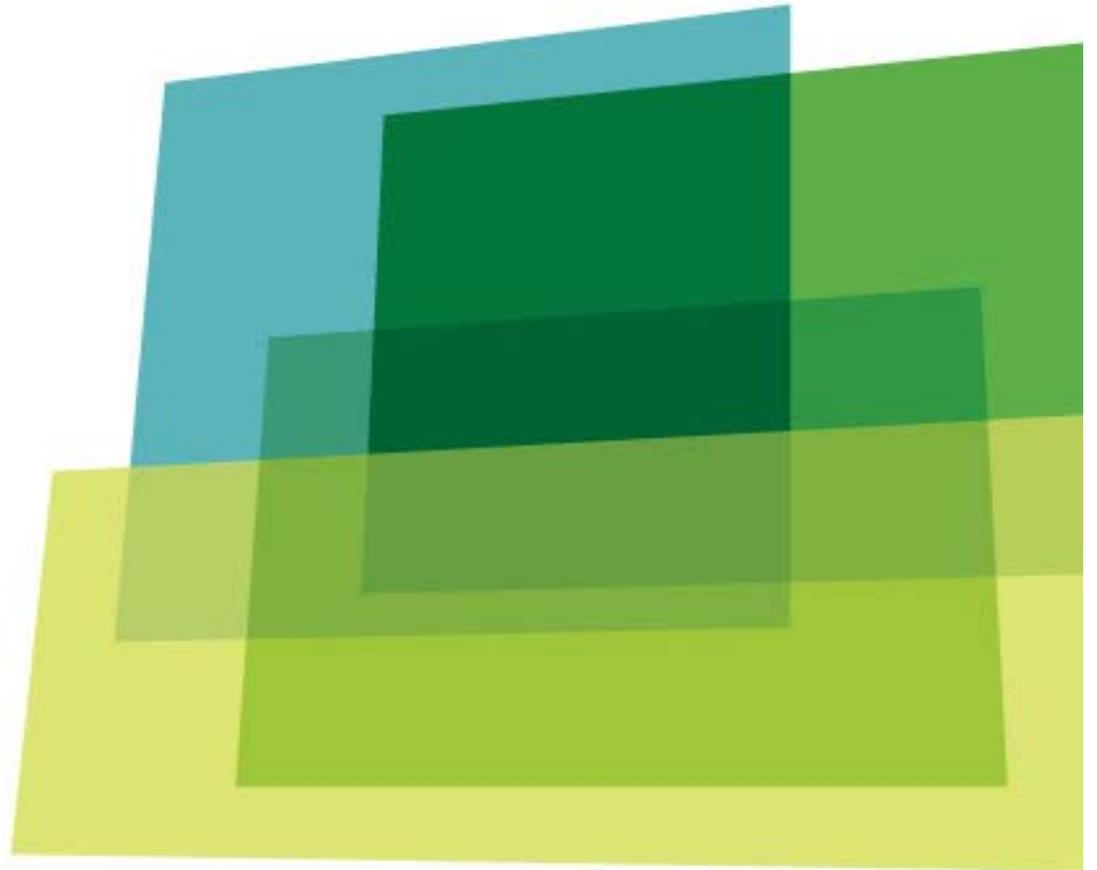


- 170 Target stores
- 116 Target Country stores





Kmart
Guy Russo

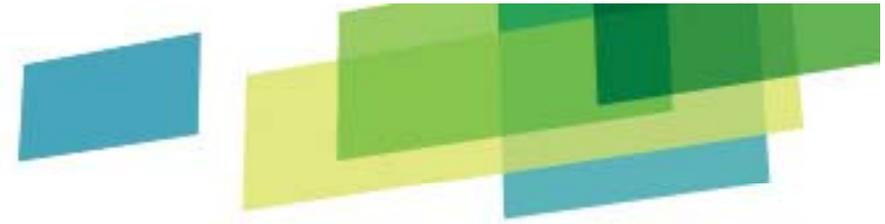


Agenda

- Trading Update 1Q10
- Strategy Update
- Outlook



Trading Update - 1Q10*



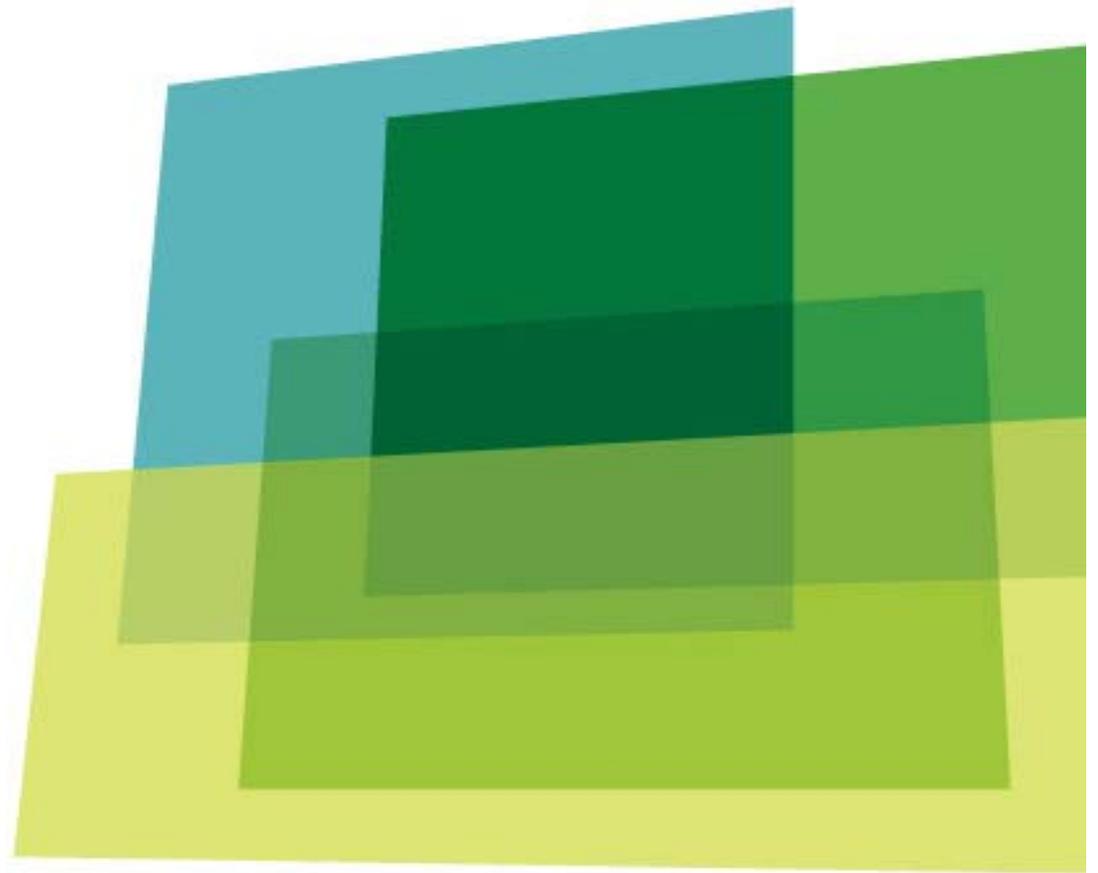
- Successfully exiting unprofitable sales
 - Comparative store sales decline of 2.3% for 1Q10
 - Profitability improving
- Inventory below last year and remains well controlled
- Pleasing performance from Kmart Tyre & Auto

* 13 weeks to 27 September 2009





Strategy Update

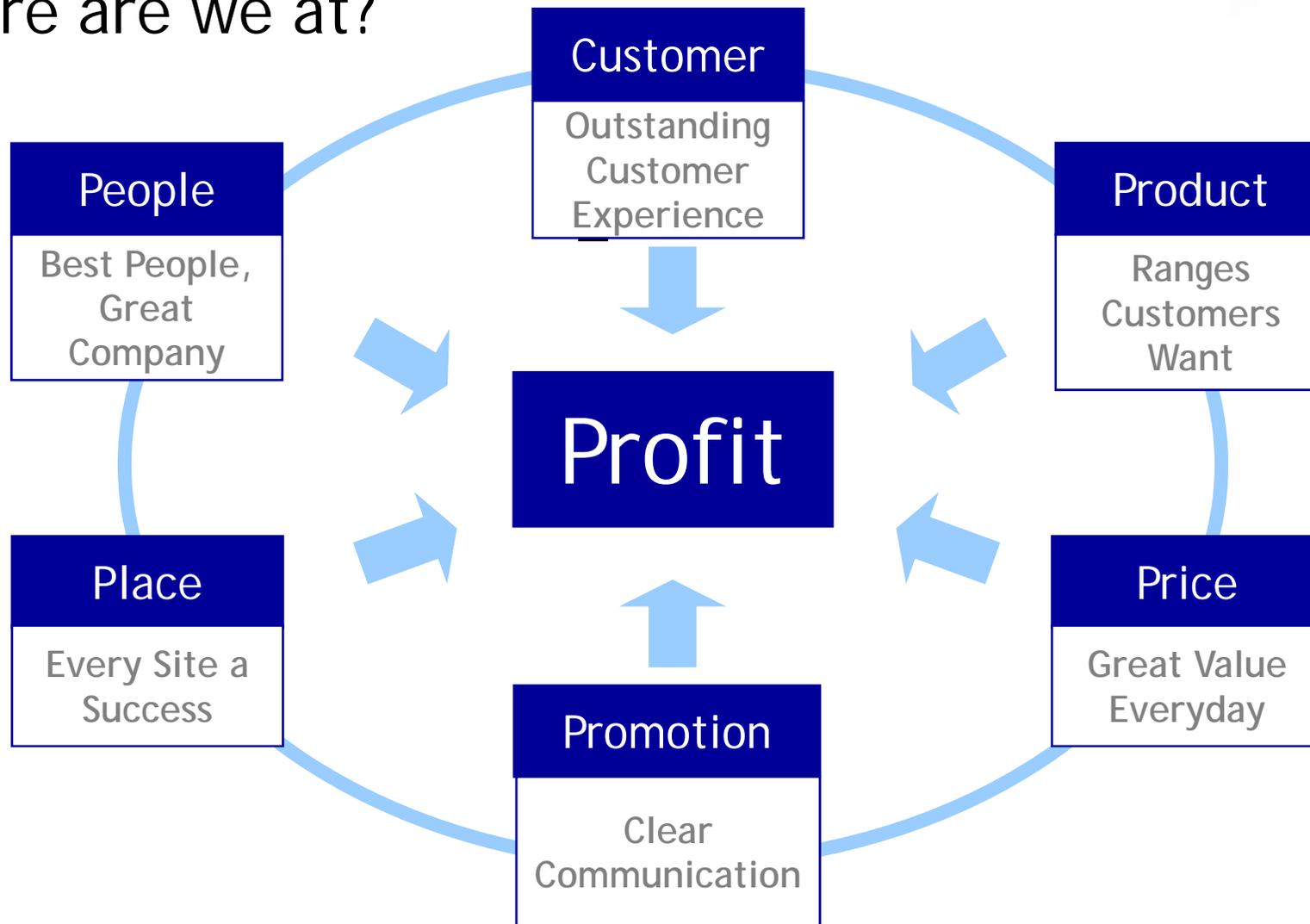




A discount department store focussed on serving customers quality products at low prices, in an easy to shop environment

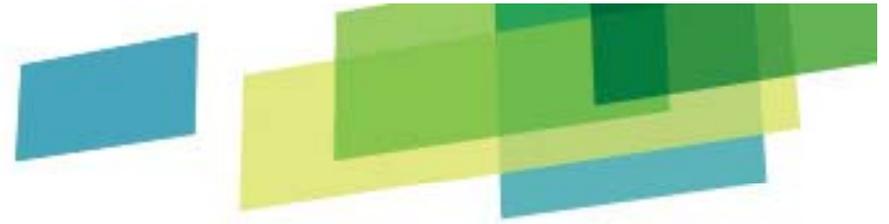


Health check - where are we at?

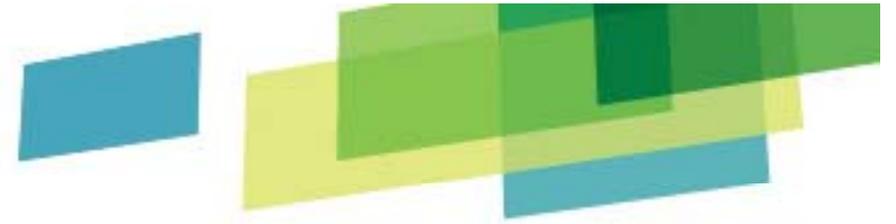


Customer

- Faster, friendlier customer service
- Significant increase in customer engagement
 - Compliments on the rise
- Extended trading hours for enhanced convenience



Product



- Unnecessary products removed
 - Over 20% SKU reduction in an average store
- Stopped discounting products at below cost
- Ongoing execution of supply chain rationalisation
 - 62 offsites/storage facilities closed
 - Announced net closure/exit of 5 distribution centres
- Improved product ranges landing in store progressively through calendar year 2010



Price

- Making good progress on removing excessive category discounting
- Simplified pricing communicated
 - Round prices
 - Price points on racks
- Focussed on improving price perception

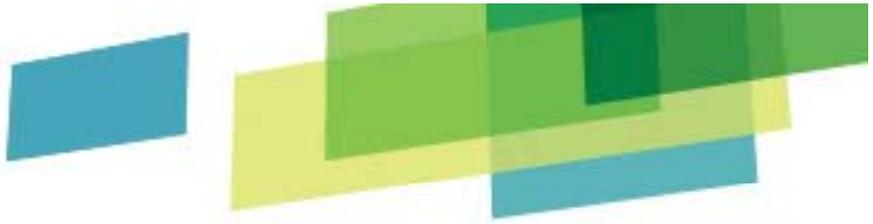


Promotion

- Major investment in customer research
- Simple, clearer messages
- Clearer, uncluttered catalogues
- Promoting items rather than ‘% off’



Old



25% off
women's, men's
& kids' clothing
Includes babies' clothing. Does not include underwear, socks, hosiery or sleepwear. Sorry, no rainchecks.

15-20% off
a great range of
colour cosmetics

15% off
TVs, TV combos, GPS, LCD
TVs, DVD players, set top
boxes & home theatres
Sorry, no rainchecks.

25% off
auto products
Does not include engine oils, Kmart Tune & Auto Service, baby car & booster seats & power windows. Sorry, no rainchecks.

20% off
bikes
Sorry, no rainchecks.

25% off
fitness equipment, boxing
& aerobic accessories
Sorry, no rainchecks.

the % off sale

25 to 40% off
manchester
Does not include nursery manchester, inclusive bedlinen, towels, pillow, quilts, blankets, mattress protectors, curtains, blinds, indoor rugs and more. Sorry, no rainchecks.

ON SALE
10 BIG
DAYS
Starts Monday
24th March

On sale Monday 24th March until Wednesday 2nd April 2008
www.kmart.com.au

Kmart
where good times start

15 to 25% off toys See pages 26-28 Does not include outdoor furniture and outdoor toys, sporting and outdoor products. Sorry, no rainchecks.

Fitness equipment & bikes sold boxed, some assembly required. Bikes 95% assembled. All offers on this page are not in conjunction with any other offer. Colours, sizes and styles will vary from store to store.



New



Home savings this summer



\$6 pk.
Homemaker 4 pack dinnerware
Set of 4 dinnerplates, side plates, noodle bowls or mugs. More colours available in store. Sorry, no rainchecks.



\$16 pk.
Homemaker 2 pack multi stripe towels
Sorry, no rainchecks.



\$19 pk.
Tontine 'i Love Sleep' pack of 3 pillows
Save \$11.



\$35 set

Homemaker 4 piece non-stick cookware set
Includes: 16cm, 18cm saucepans with glass lids, 24cm Dutch oven with glass lid and 24cm frypan. Sorry, no rainchecks.



On sale Thursday 22nd until Wednesday 28th October 2009

www.kmart.com.au

Colours, sizes and styles will vary from store to store. All offers on this page are not in conjunction with any other offer. ▲Introductory offer.



Place

- Actively looking for new sites
 - Additional resources added
- Making it easier for our customers
 - Clear race tracks
- Network refresh
 - ~60 over next 2 years



People

- Building a customer focussed culture
 - develop capabilities focusing on customer
- Store Managers in store on weekends
- People accountable for focussing on customers and results



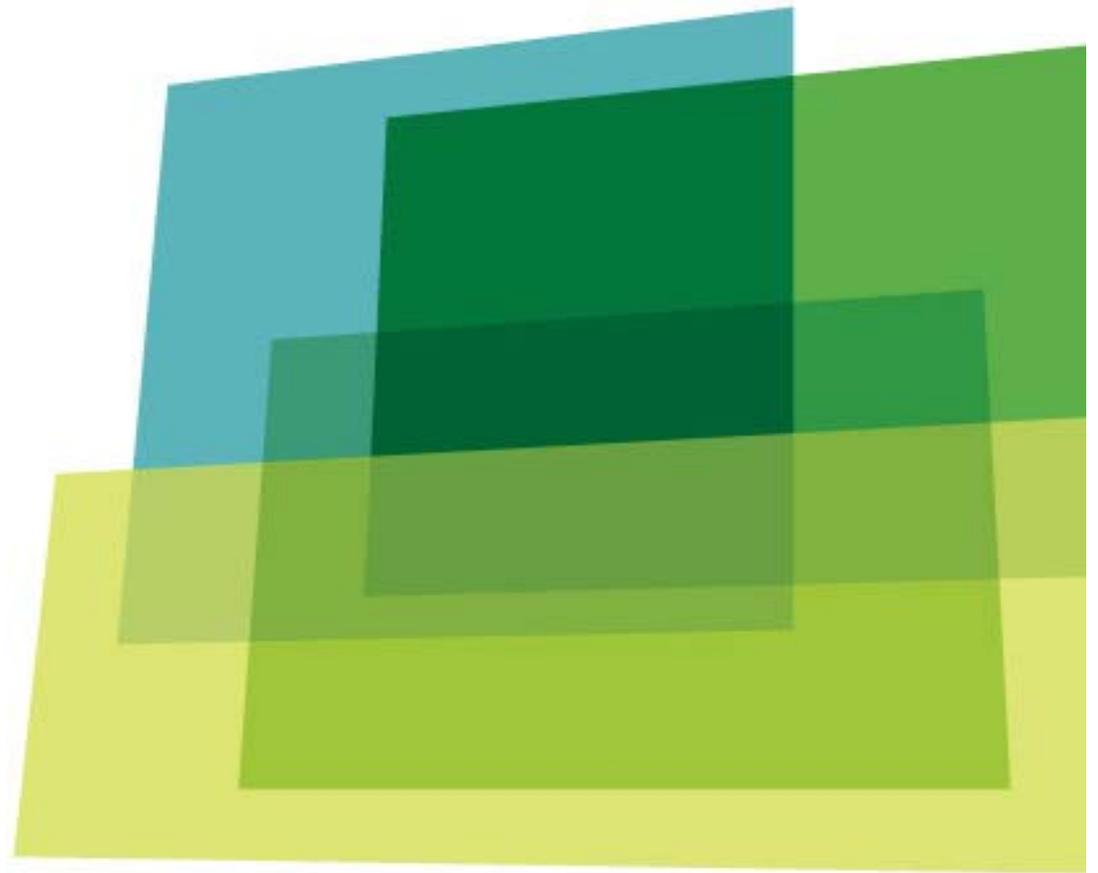
Summary

- Renewal progressing well and at pace
 - Removing unnecessary and unprofitable sales is working
 - Right prices results in significant growth in volume
 - Customers are responding well to in-store changes
- Confident we are creating solid foundations for future growth

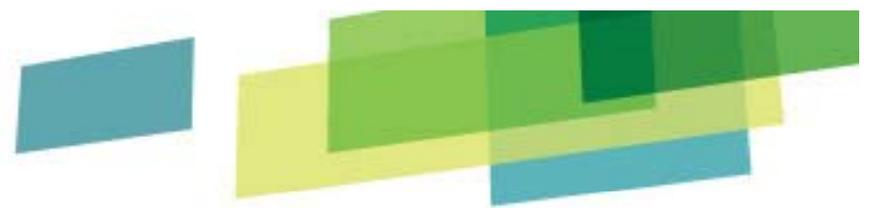




Outlook



Kmart Outlook

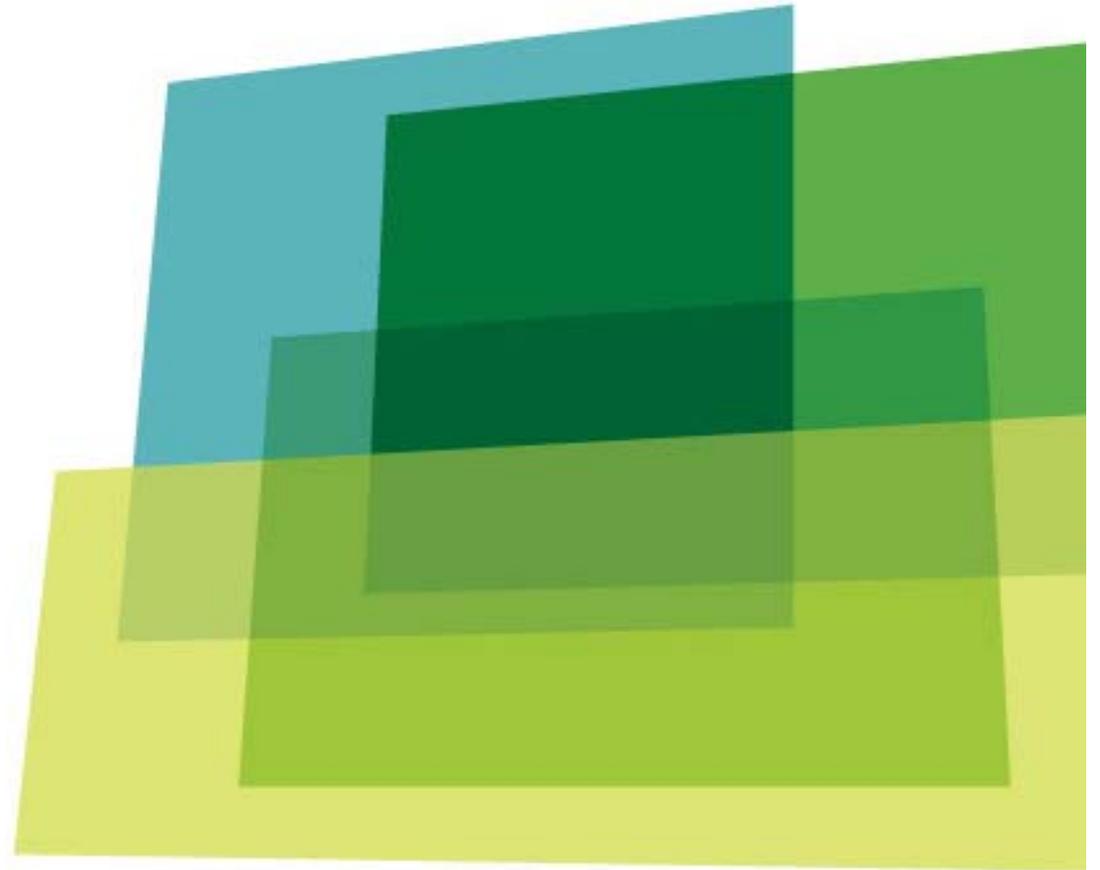


- Continue to cycle category exits and promotional changes
- Cycling Government stimulus packages
- Ongoing profitability improvements
- Changes over the next six months will be even more significant
- Internal focus will begin to shift from renewal to growth



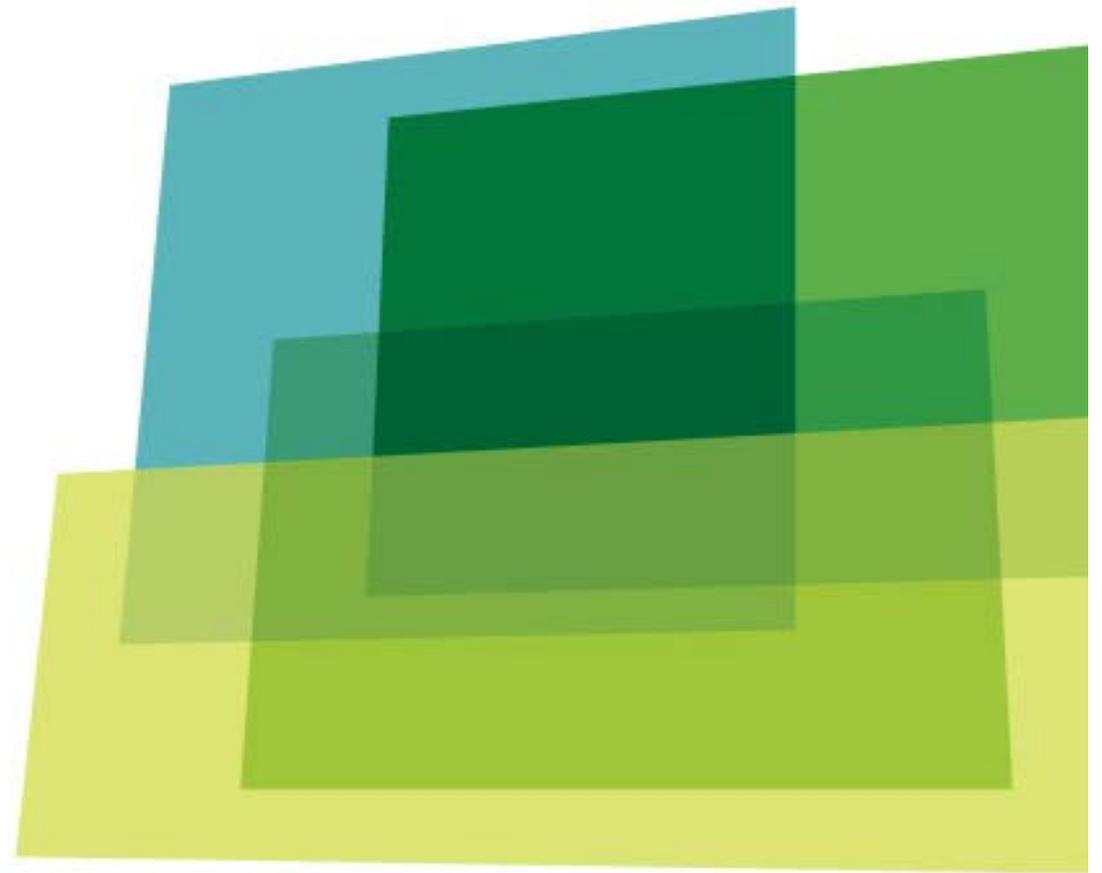


Questions

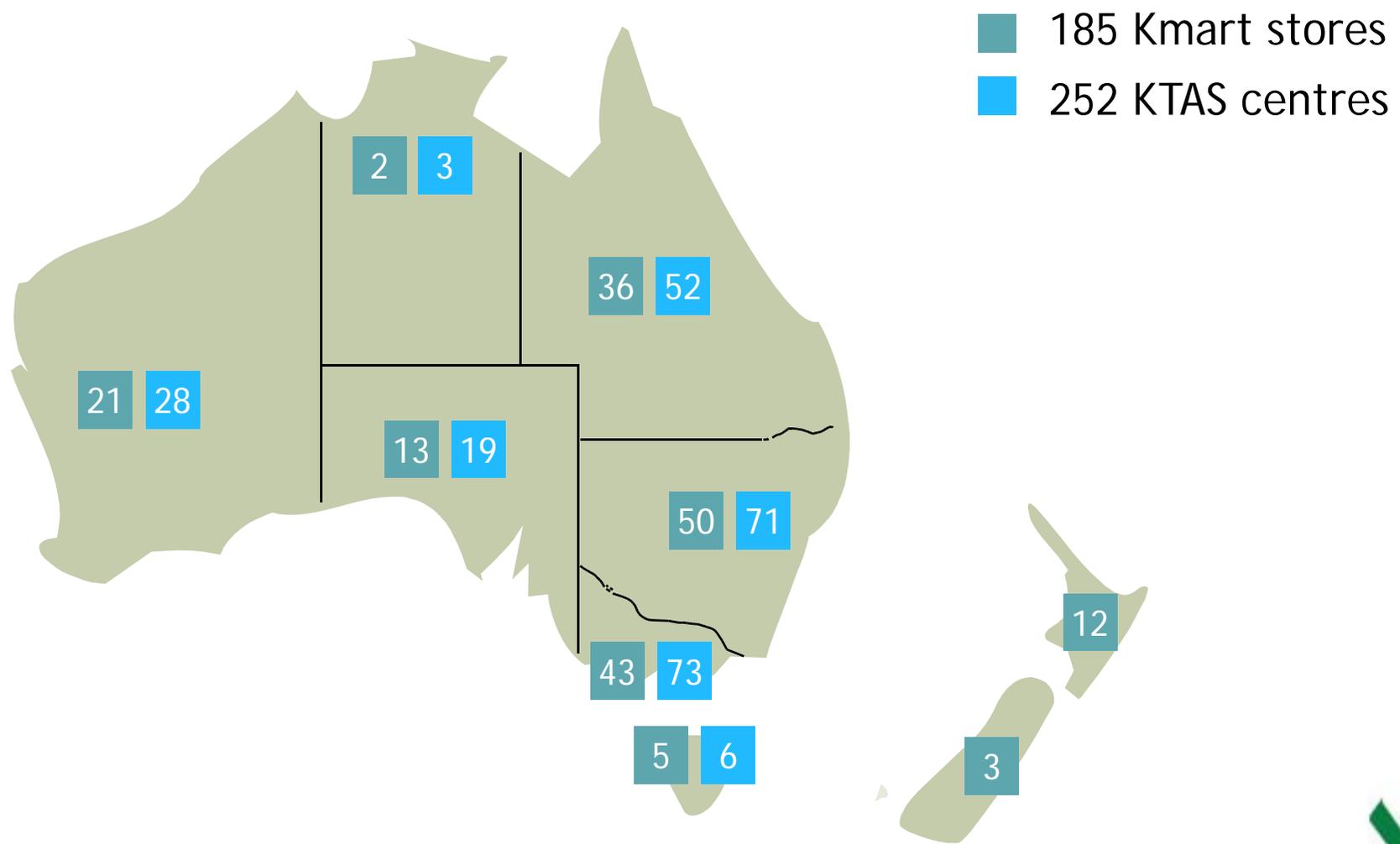
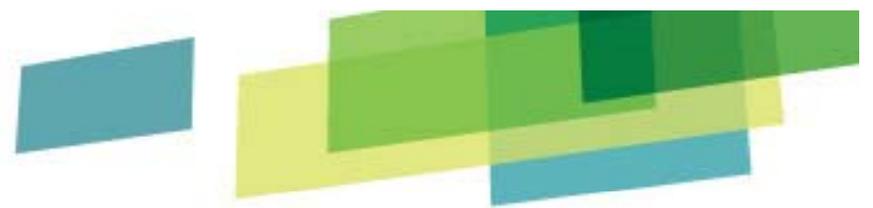




Appendix



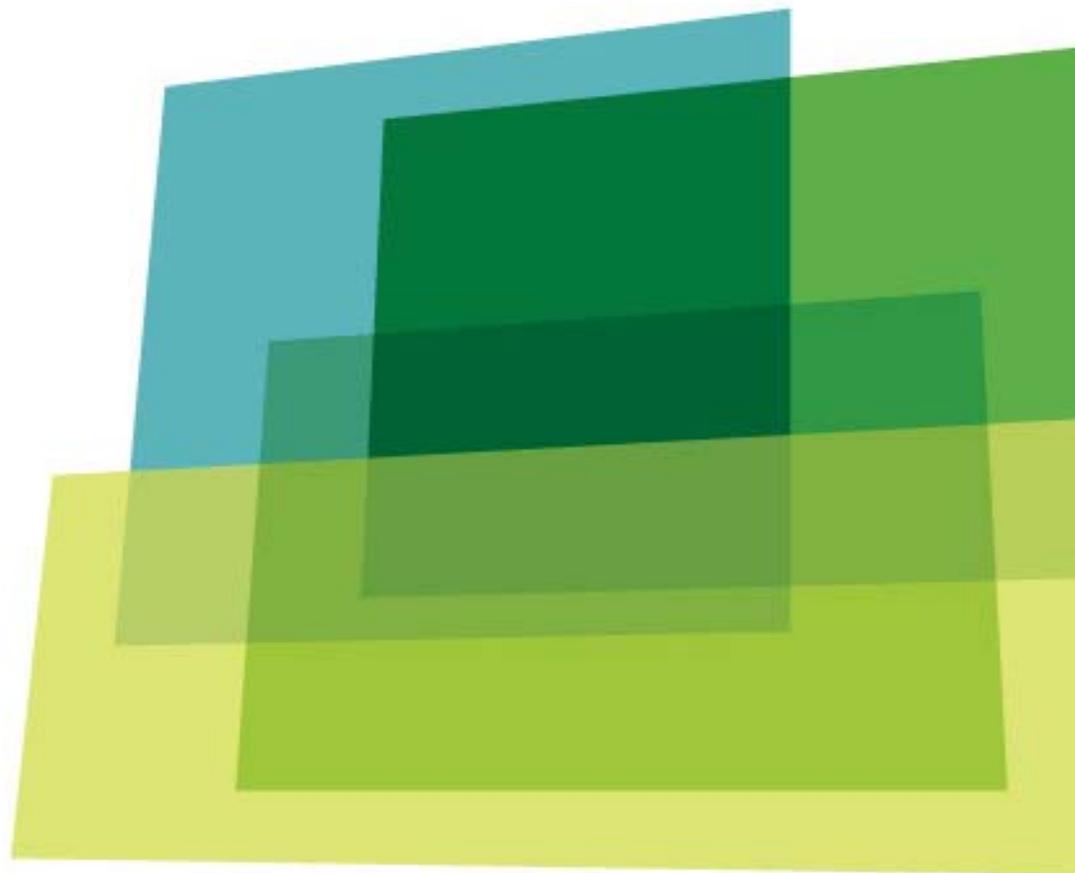
Kmart Store Network at 30 September 2009





Insurance

Rob Scott



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Wesfarmers Insurance



Broking

Underwriting



Australia



New Zealand



Income
\$218m
EBITA Margin
27.9%

GWP
\$1,358m
COR
103.2%

Financial results are for FY 09



Market Conditions



- Benign weather conditions through Q1 FY2010
- Modest rate increases in some classes
- Rate hardening more prevalent in NZ than Australia
- Business confidence and spending still fragile
 - Positive signs emerging in Australia
 - NZ remains flat



Key Strategies - Underwriting



Fundamental Objective

Profitable growth through leadership in chosen segments

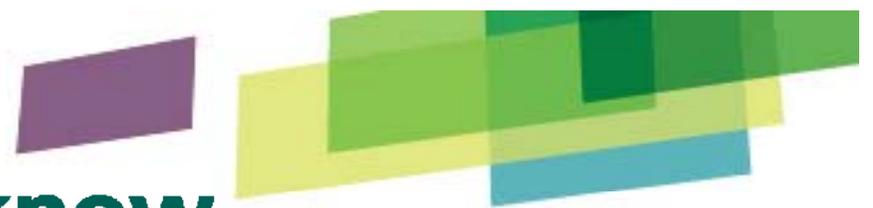
Key Strategies

- Stronger partnerships
- Disciplined underwriting and pricing
- Managing claims effectively
- Growth in chosen segments
- Building a culture of achievement





Good people to know.



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Trading Update

- Premium growth across all classes
- Benign weather conditions in Q1
- WFI re-branding well received by market
- Changes in market players
 - Elders/QBE acquisition
 - Exit from rural market: SUN, ACE and Zurich
- Good start to agricultural season
- Lower grain prices

BUSINESS

FARM

HOME & CAR

STRATA

**On the land,
it's not just what
you know.**



Lumley



Trading Update

- Australia
 - New management team in place
 - Strong business retention
 - Re-branding well received in broker market
 - Exit from Builders warranty insurance
 - Launch of my.place on-line broker system
- New Zealand
 - New distribution partners
 - Positive claims environment in first few months
 - Investment in new policy administration system

MOTOR
PERSONAL LINES
ENGINEERING
ACCIDENT & HEALTH
MARINE & LOGISTICS
PROPERTY
LIABILITY
COMMERCIAL BUSINESS PACKAGE



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Personal Lines Initiatives

Coles Insurance

Online Quote
for your car, for your home
or call 1300 265 374

- Home
- Car Insurance
- Home Insurance
- Existing Policyholders
- Contact Us
- About Us

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Building and contents insurance that delivers real value



→ Find out more



Car Insurance Quote

Get an online quote now



More about Coles Car Insurance »

Home Insurance Quote

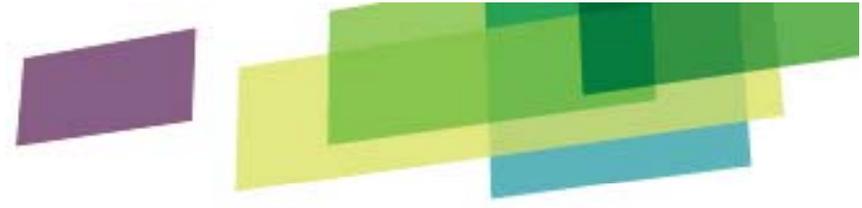
Get an online quote now



More about Coles Home Insurance »

Why Choose Coles Insurance?

At Coles, we're always looking for new ways to bring you savings on products you can trust.



Key Strategies - Broking

Fundamental Objective

To understand our clients, earn their trust and provide solutions to enable them to financially survive any insurable event

Key Strategies

- Support our brokers in being client focused
- Improve efficiency and productivity
- Develop engaged and highly capable people
- Develop new sales opportunities
 - Life Risk
 - Create a new SME insurance solution
- Targeted broking acquisitions





Trading Update

- Positive start to year
- Distribution arrangement through ANZ Business Banking
- SME Express trial in progress
- Growth in ancillary lines
 - Life and health
 - Insurance premium funding
- Small bolt-on acquisition in Nelson

BUSINESS INSURANCE

PERSONAL LINES

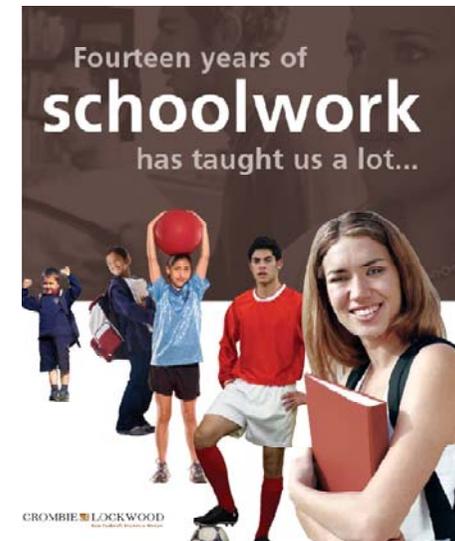
FINANCIAL SERVICES

LIFE DISABILITY & HEALTH

SCHEMES

CLAIMS MANAGEMENT

PREMIUM FINANCING





Closer to clients,
closer to communities



Trading Update

- Yet to see material benefits from rate hardening
- New premium funding arrangement (Monument)
- Improvements to business support capabilities
 - OAMPS Central
 - New management roles
- Good new business wins in OAMPS UK
- Various acquisitions under consideration

BUSINESS INSURANCE

PERSONAL LINES

SUPERANNUATION

LIFE & INCOME PROTECTION

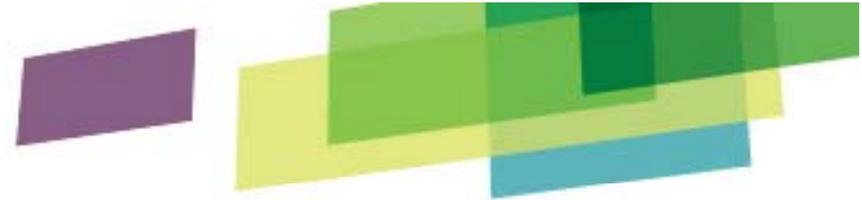
SCHEMES

FINANCIAL MANAGEMENT

ENVIRONMENTAL CONSULTING



Developing our team



.....step into the **W.I.L.D.**

Wesfarmers Insurance Leadership Development (W.I.L.D.) is a suite of leadership programs with customised content to meet the development needs of our insurance leaders today & build leaders for tomorrow

We believe that great leadership is fundamental to achieving profitable growth

Building capability around our three leadership competencies will ensure that managers build essential leadership skills

Being Commercial

Engaging People

Delivering Results

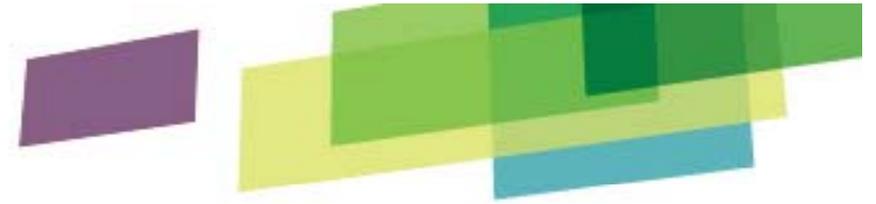


W.I.L.D.
ONE

TWO
W.I.L.D.

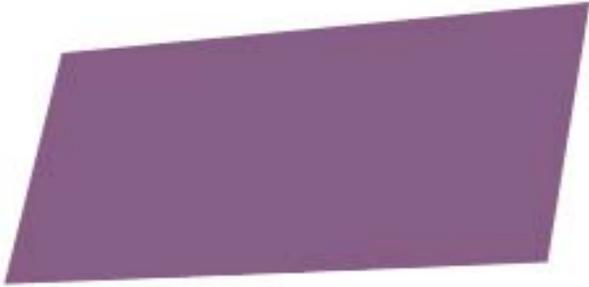
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Outlook 2010

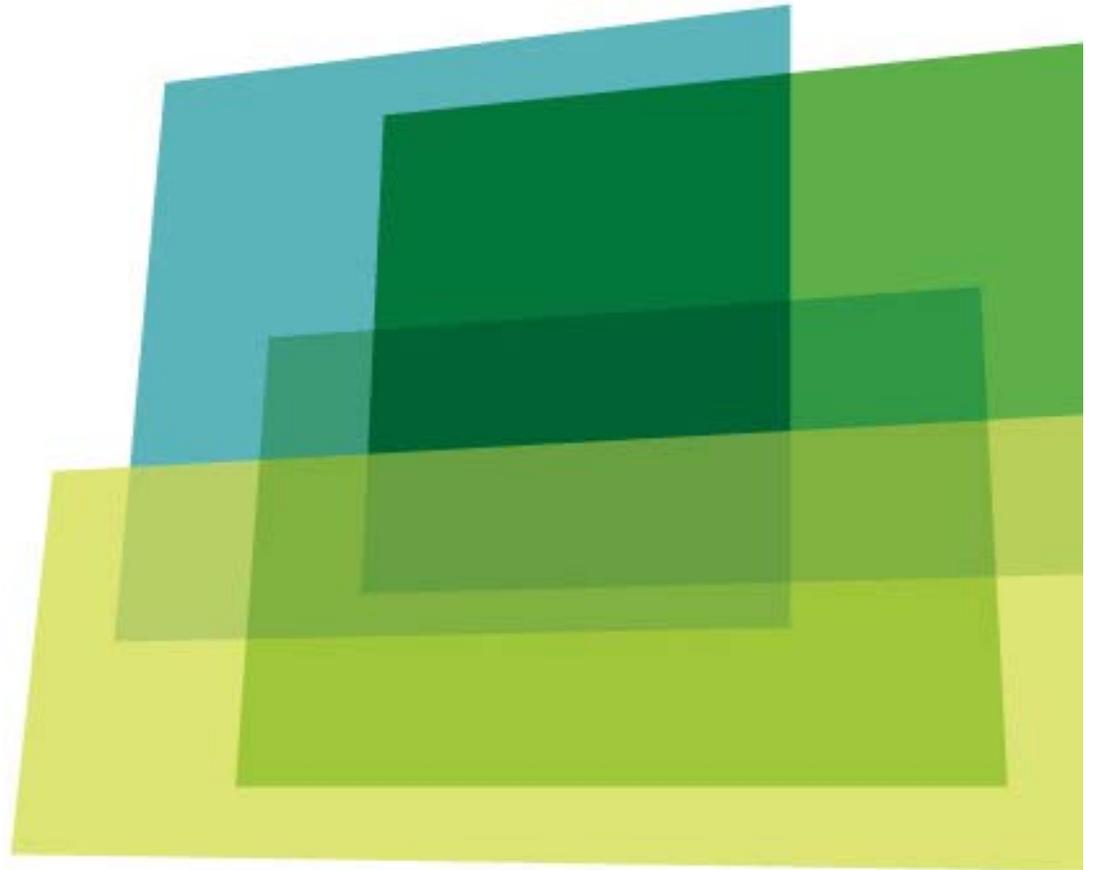


- Positive momentum in Lumley turnaround
- Premium rate increases being achieved in NZ
- Recent benign weather a positive but future uncertain
- Higher interest rates will improve investment returns
- Continue investment in people and management systems
- Bolt-on acquisitions being assessed



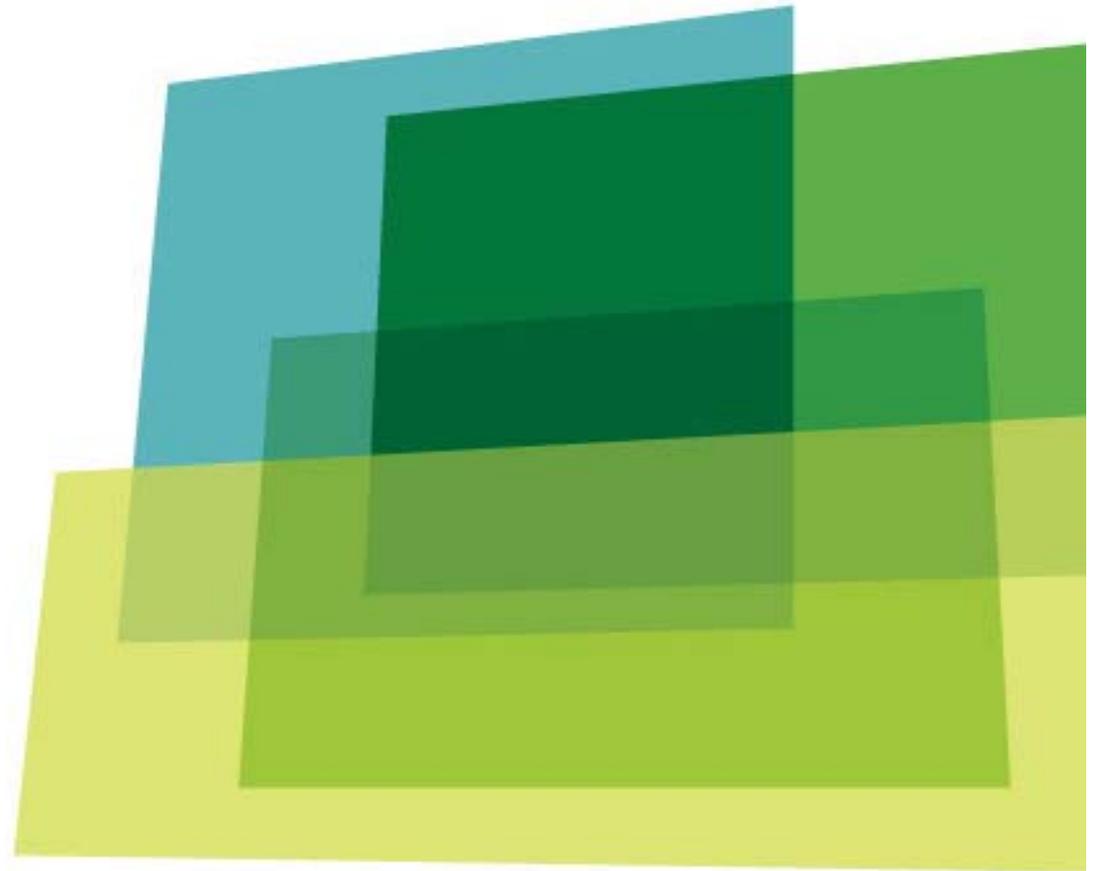


Questions

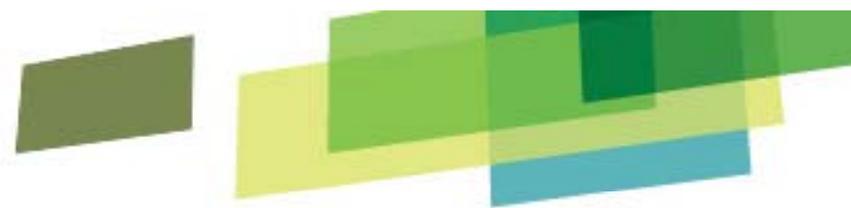




Resources
Stewart Butel



Wesfarmers Resources



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Export metallurgical and domestic steaming coal QLD

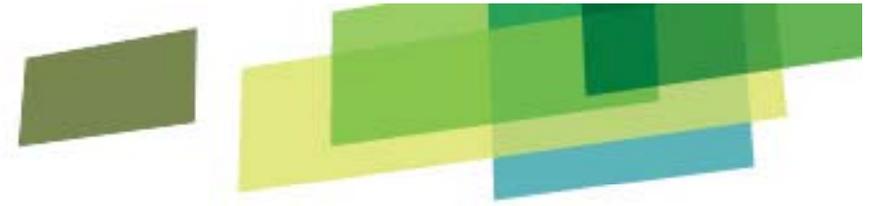


Domestic steaming coal WA



Export and domestic steaming coal NSW (40% ownership)





Business environment

- Strong signs of emergence from global economic crisis
 - Customers
 - Significant increase in global steel production
 - Increased metallurgical coal demand and spot prices
 - Traditional Australian export market demand returns
 - Suppliers
 - Rail and port infrastructure constraints continue
 - Re-emergence of idled production
 - Australian metallurgical coal production back to pre-GFC conditions
- Stronger Australian dollar
- Longer-term outlook for the coal industry remains positive



Seaborne metallurgical coal market



CONSTRAINED SUPPLY

Australia rail & port constraints re-emerging (Hay Point ship loader down / 70 vessels DBCT)

US high cost mines closed Exports increasing in correlation with European demand

Russian domestic steel production rebounding – limiting coal exports

Canadian coal production ramp up pace restricted after heavy cuts

China domestic demand and mine explosions/closures limiting exports

Seaborne Metallurgical Coal Market
Strong customer demand
Spot price increasing

REBOUNDED DEMAND

China imports continue
(August YTD 32mtpa rate)

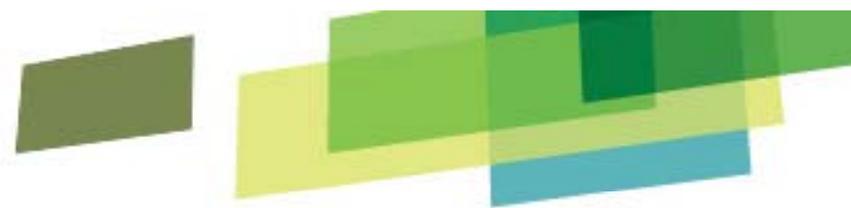
Higher rates of steel production (ex China)
Coke ovens, significant blast furnace restarts, increased auto sales

Improved seaborne metallurgical coal demand
North Asia, India, Brazil and Western and Eastern Europe

Spot market metallurgical coal rise
Recent settlements up to US\$170 per tonne



Resources strategies



Strategic initiatives	Comments
Maximise export sales and optimise sales mix	<ul style="list-style-type: none"> • Long-term contracts ongoing • Price relativity maintained • Maximise higher value products
Cost reduction programs	<ul style="list-style-type: none"> • Improve operational performance • Cost reduction programs in place • People, process and systems • Evaluate improved mining technology
Expansion opportunities	<ul style="list-style-type: none"> • Blackwater creek diversion project on target • Recommendation of Curragh expansion to Board in December 2009
Extend product and market reach	<ul style="list-style-type: none"> • Evaluate acquisitions that offer economies of scale or downstream benefits • Brownfield growth opportunities
Sustainability	<ul style="list-style-type: none"> • Safety outcome • Environmental performance • Community engagement



Coal - production volumes



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Mine	Beneficial Interest	Coal Type	YTD ended ('000 tonnes)	
			Sep-09	Sep-08
Curragh, QLD	100%	Metallurgical	1,711	1,809
		Steaming	618	774
Premier, WA	100%	Steaming	802	938
Bengalla, NSW	40%	Steaming	587	519
Total*			3,718	4,040

* Wesfarmers attributable production



Curragh focus on cost control



- Aggressive cost reduction program in place
- Strategies targeted include
 - Mining and processing practices, equipment utilisation and productivities
 - Procurement optimisation on key input costs
 - Optimisation of contractor usage and roles
 - Truck and shovel overburden removal
 - Completion of Blackwater Creek Diversion will alleviate short-term mine sequencing issues
- Softening of costs driven by external factors
 - Export royalty estimated 50+ per cent reduction from FY2009
 - Lower steel price to flow through industry costs
 - Fuel subject to international market
 - Reducing contractor costs due to market conditions



Curragh expansion study

- Feasibility study to expand exports to 8.0mtpa to 8.5mtpa completed
- Curragh expansion study includes
 - New 1,200tph CHPP
 - Additional overburden removal capacity
 - Rail and port capacity in place
 - Market development
- Recommendation to Board in December 2009
- Additional export volume in first half CY2012



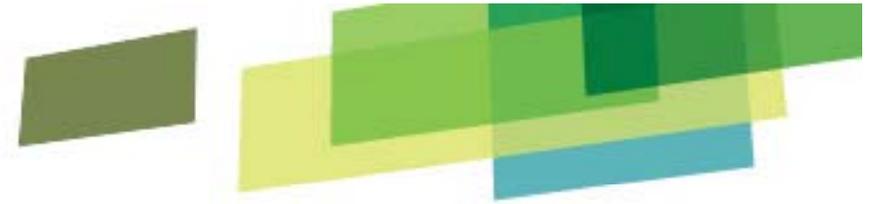
Blackwater Creek diversion



- Access to additional metallurgical coal
- Capital estimate \$130 million
- Civil works completed September 2009
- Rehabilitation and project completion estimated mid CY2010
- Ahead of budget and timeline



Resources outlook

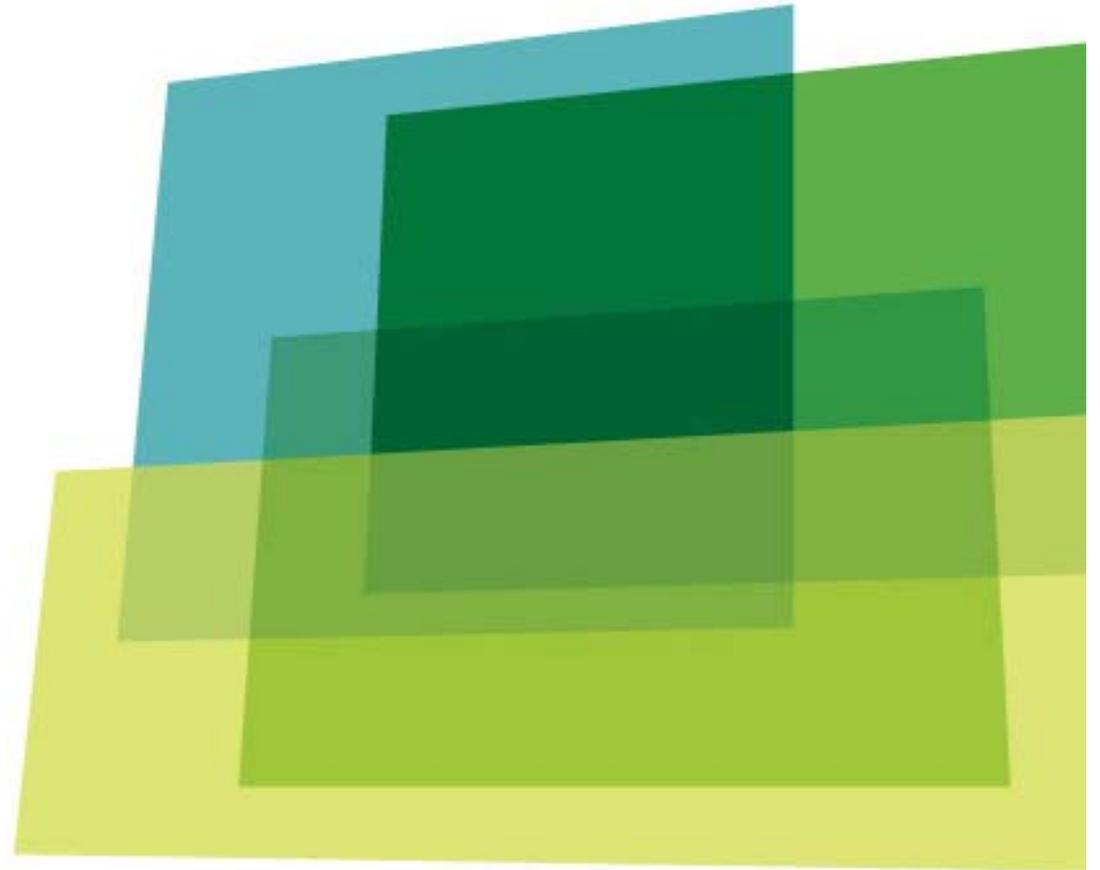


- Strong signs of global steel production recovery
- JFY2010 price negotiations to commence around January 2010
- Forecast Curragh metallurgical sales of 6.2 – 6.7mt in FY10
 - Estimated sales mix (Hard 47 - 50%; Semi-Hard 20%; PCI 30 - 33%)
- Significantly reduced earnings in FY10
 - Stanwell rebate estimate A\$160 - \$180 million for FY10 assuming A\$:US\$ of \$0.90 (A\$115 - A\$125m in 1H10)
 - Locked-in hedge losses of A\$85m in FY10 (A\$65m in 1H10)
 - Impact of strengthening Australian dollar
- Cost reduction programs continue
- Impact of coal price outcomes in Q4 FY10
- Recommendation for Curragh expansion to Board in December 2009



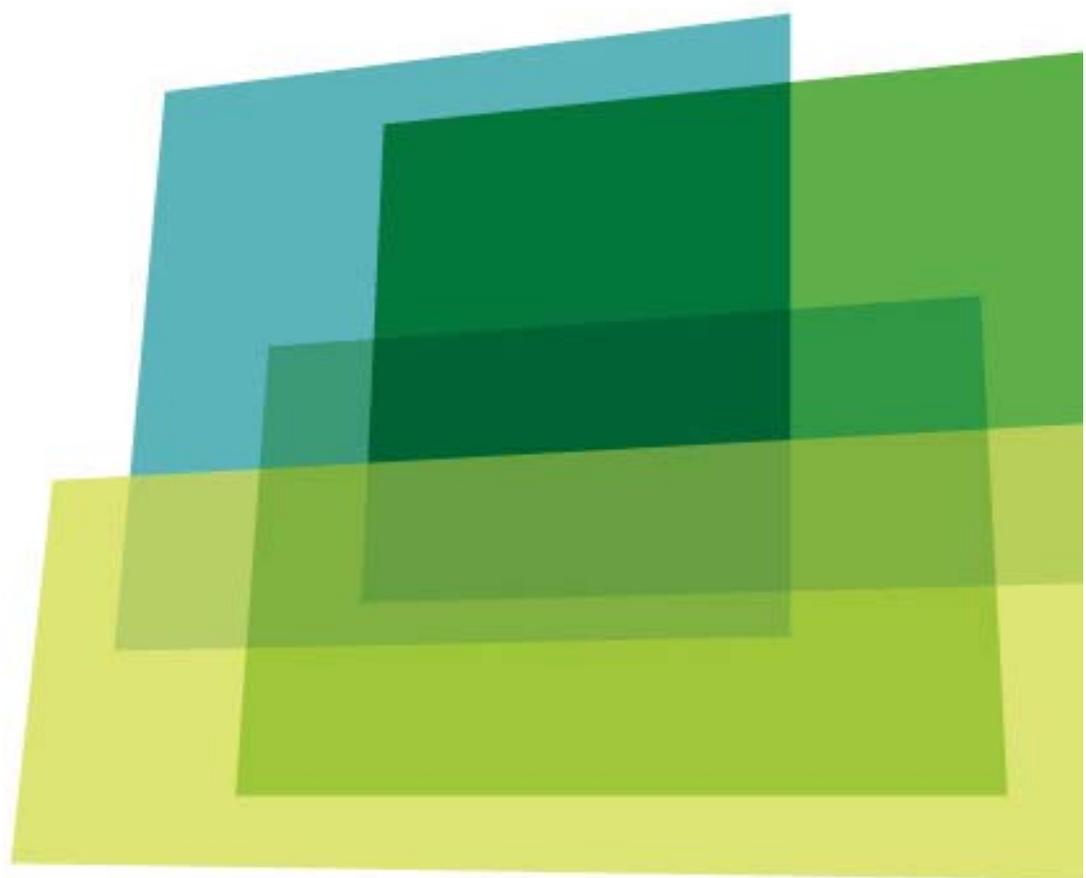


Questions

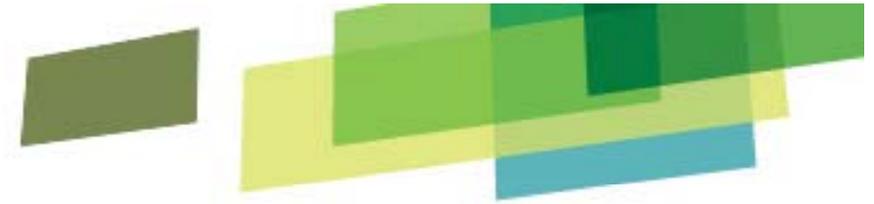




Appendices

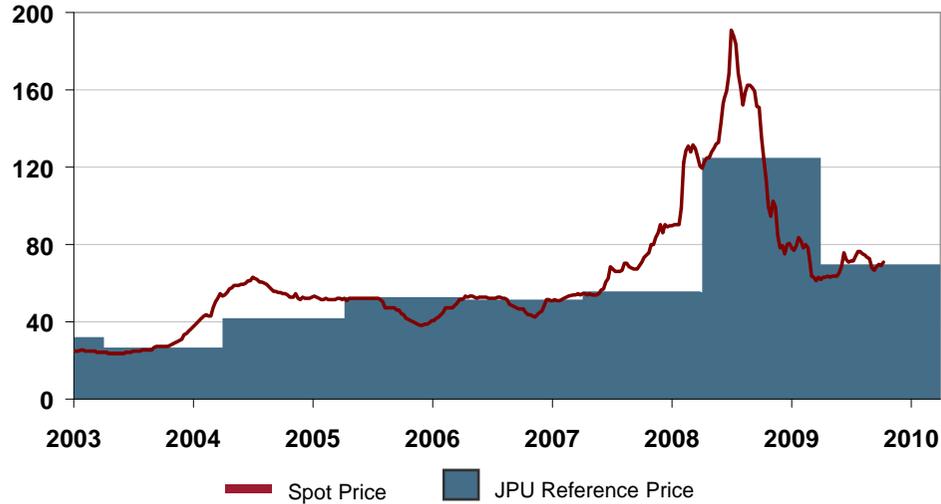


Australian coal market prices



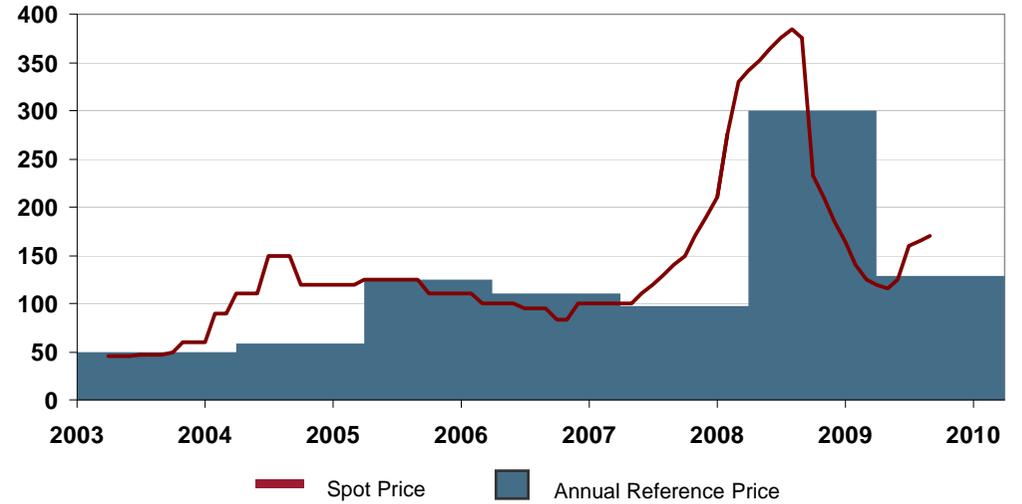
Steaming coal

US\$/Tonne (Nominal) FOB Australia (annual verse spot)



Hard coking coal

US\$/Tonne (Nominal) FOB Australia (annual verse spot)



Source: Barlow Jonker, Energy Publishing, ANZ, Tex Report, Macquarie Research, CRU



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Hedging profile as at 30 September 2009

Curragh – Open Contracts

Year end 30 Jun	Current US\$ sold forward (US\$m)	Average A\$ / US\$ hedge rate
2010*	281	0.80
2011	285	0.79
2012	62	0.80
2013	24	0.76

* Represents nine month period ending 30 June 2010

Bengalla – Open Contracts

Year end 30 Jun	Current US\$ sold forward (US\$m)	Average A\$ / US\$ hedge rate
2010*	66	0.79
2011	65	0.79
2012	34	0.77
2013	10	0.78

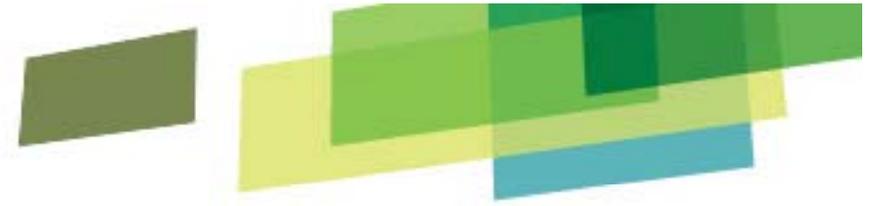
* Represents nine month period ending 30 June 2010

Closed contracts: As per previous advice, in addition to the above open contracts; in financial year end 30 June 2010 US\$210m forward exchange contracts have been 'closed out' by offsetting US\$ buy contracts in response to changed global market conditions

- **A\$65m** locked-in losses to be booked in H1 2010; **A\$20m** locked-in losses to be booked in H2 2010



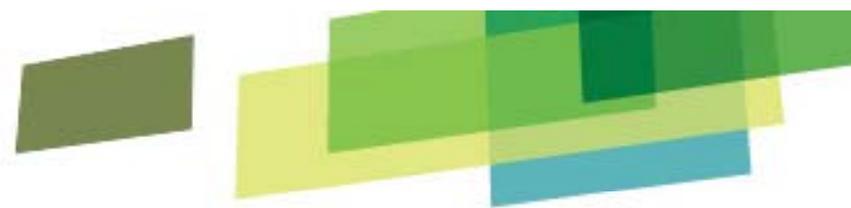
Coal delivery systems



- Gladstone
 - Short-term rail capacity constrained due to increased coal demand
 - Ongoing rail duplication projects
 - Adequate port capacity in place
 - Wiggins Island Coal Terminal feasibility study continues
- Newcastle
 - Port constraints continue into 2009
 - Shippers agreement with NSW Government recently concluded
 - Capacity Balancing System reinstated to 31 December 2009
 - Ship or pay port contracts to commencement 1 January 2010

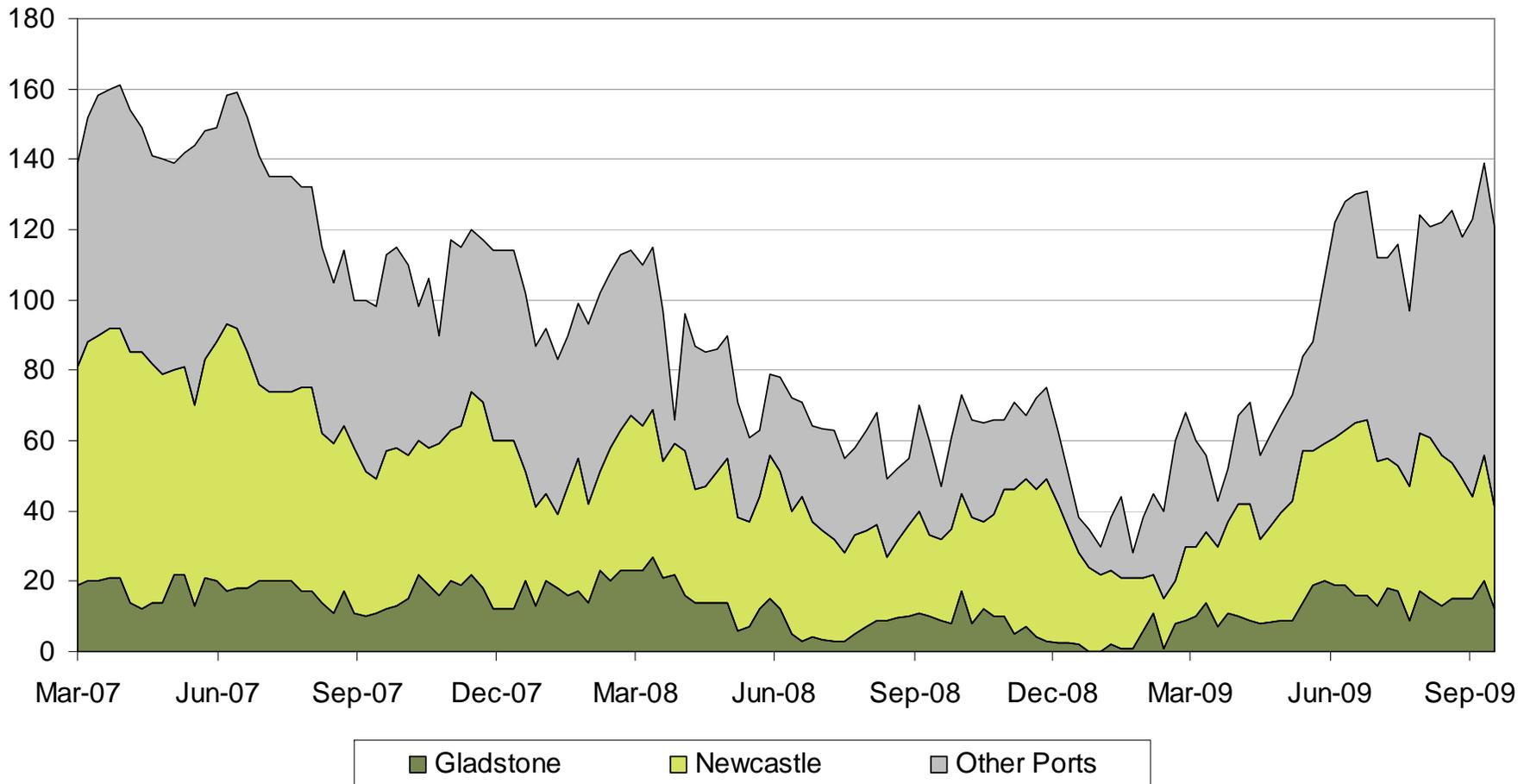


Coal port congestion East Coast Australia as at 9 October 2009



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No. of ships at anchor

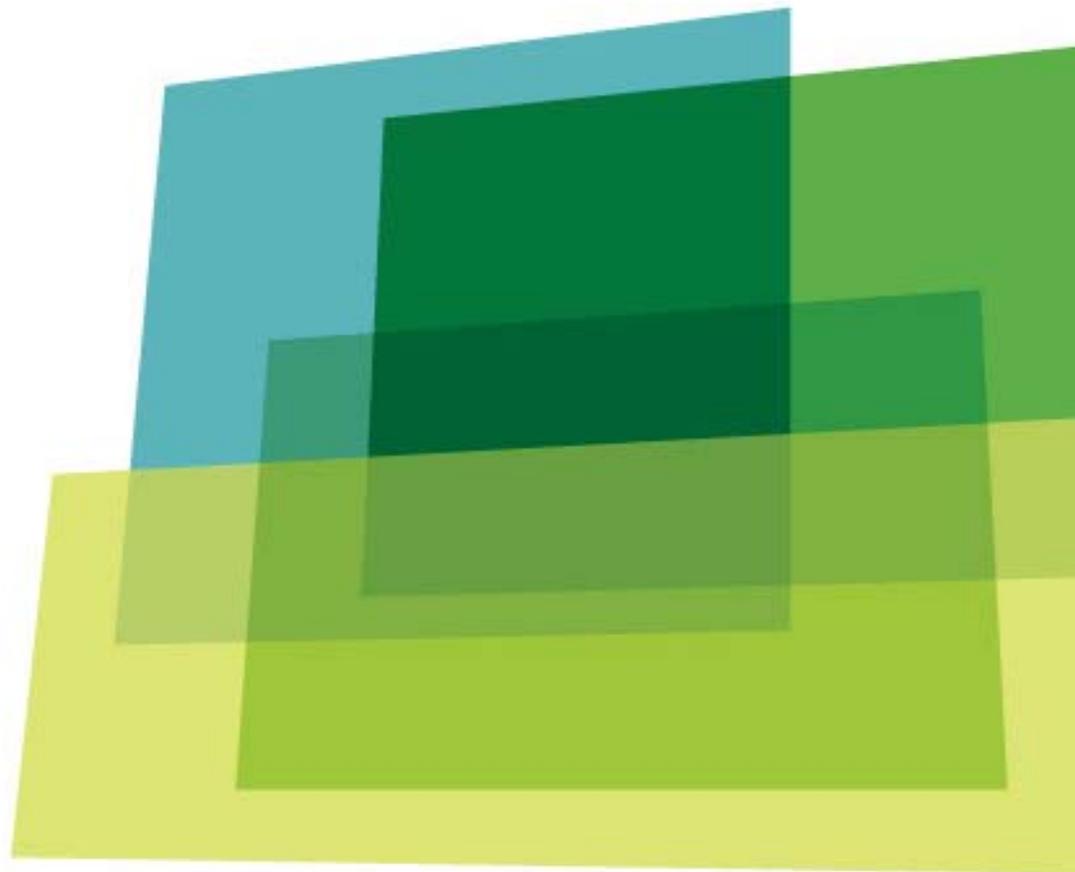


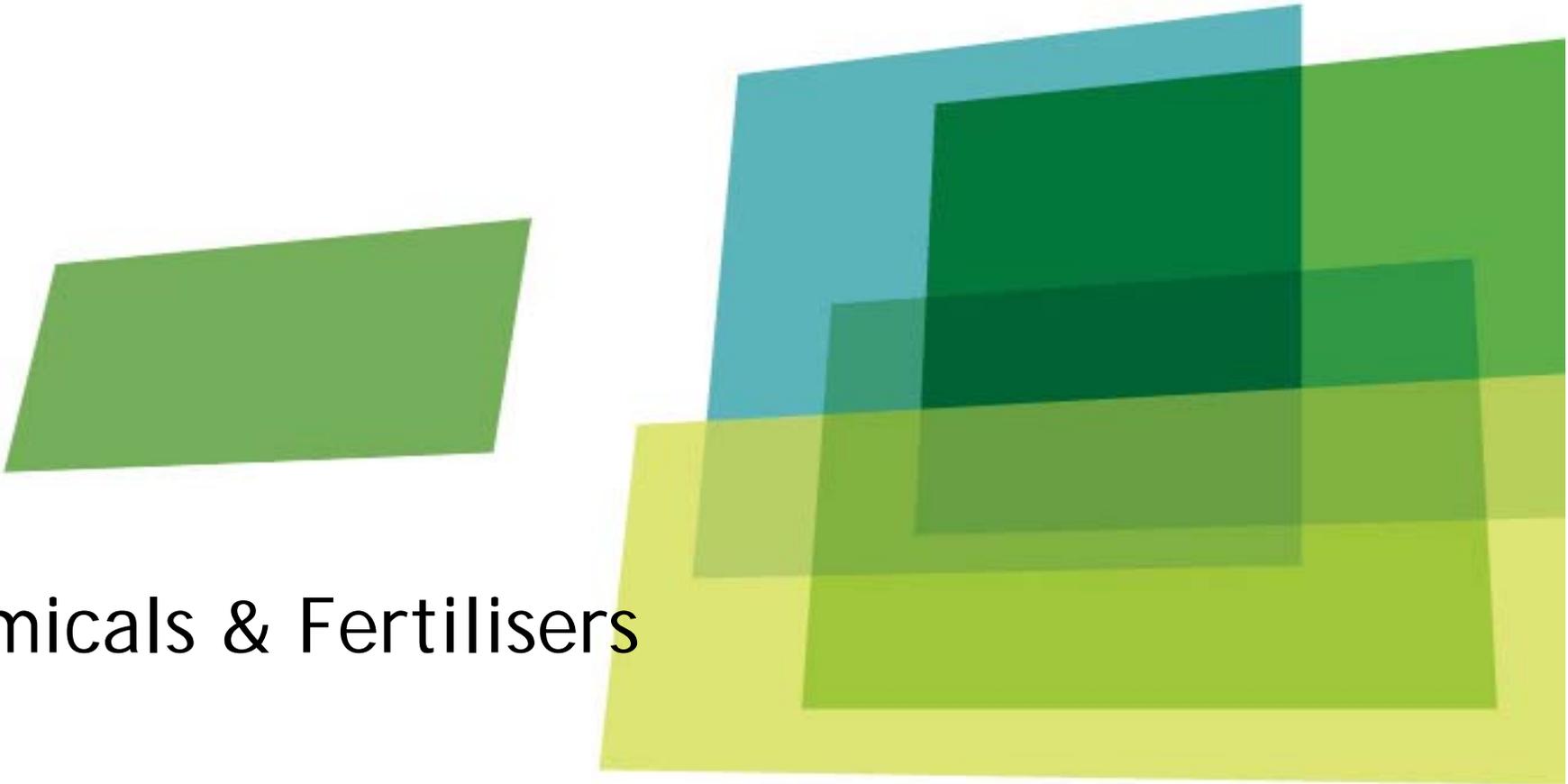
Source: McCloskey Fax





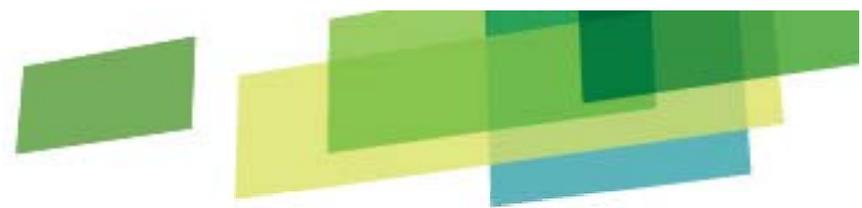
Industrial Businesses





Chemicals & Fertilisers

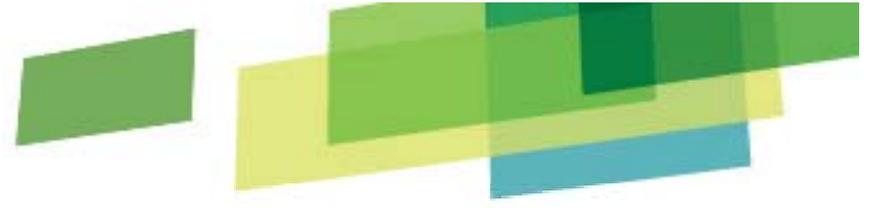
Chemicals & Fertilisers Overview



	Business	Geography	Sector	Key Customers
	Ammonia	WA	Nickel	BHP, Minara
	Ammonium Nitrate	WA	Iron Ore	Orica, Dyno Nobel, Rio Tinto
 (50%)	Ammonium Nitrate	Qld	Coal	BMA, AngloCoal, Rio Tinto
 (75%)	Sodium Cyanide	WA/Global	Gold	Newmont, Barrick, AngloGold
	PVC Resin / Specialty Chemicals	Vic/Aust	Construction	Iplex, Vinidex
	Fertilisers	WA	Agricultural	AWB Landmark



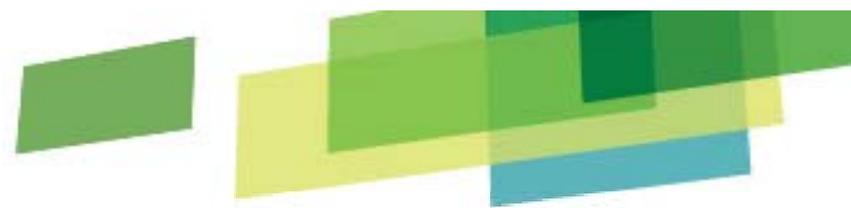
Operational Update



- Ammonia, ammonium nitrate plants ran at maximum production in Q1 FY10.
 - Record production from all plants, with significant AN exports.
 - No planned ammonia plant shutdowns in FY10.
 - 49 day planned maintenance shutdown of 50 per cent AN capacity in late October.
- Sodium Cyanide plants running well. Expanded capacity being commissioned.
- QNP slightly exceeding expanded capacity. No major shutdowns planned.
- Australian Vinyls production operating well; market remains subdued.
- High cost, large volume fertiliser inventory carry over from 2009 season.
 - Strong sales in Q1 FY10
 - Changes to distribution



Strategy Update

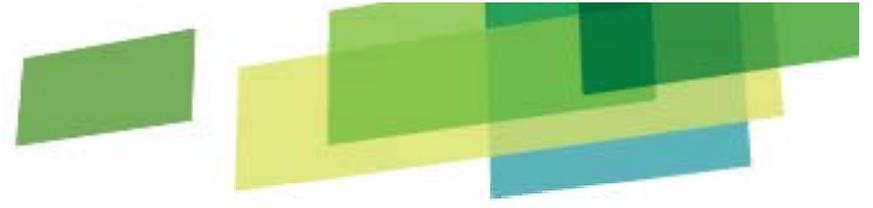


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Strategic Initiatives		Comment
Growth	WIP	Improve ammonia plant production performance
	✓	Sodium cyanide expansion (+8,000 tpa)
	WIP	Identify additional AN capacity opportunities
Optimise cost and capital	✓	Refinance QNP – cash to sponsors
	WIP	Inventory management (fertilisers)
	WIP	Expense and logistics management
Sustainability	WIP	Remediation and sale of surplus land (Bayswater)
	✓	Expanded nutrient stripping wetland at Kwinana
	WIP	Preparation for CPRS
	✓	Water recycling project at AV
Improved capabilities and people development	WIP	Ongoing information systems improvements
	WIP	Continued investment in training and development
	WIP	General cultural alignment



Chemicals & Fertilisers Outlook



CHEMICALS

- Strong demand for ammonia and AN from Nickel and Iron Ore producers.
- High gold price has increased sodium cyanide demand.
- Water infrastructure spend in eastern Australia should lift PVC demand.

FERTILISER

- Global fertiliser prices stabilised.
- Low commodity prices (wheat) potentially affecting farmers' terms of trade.
- Seasonal break critical.

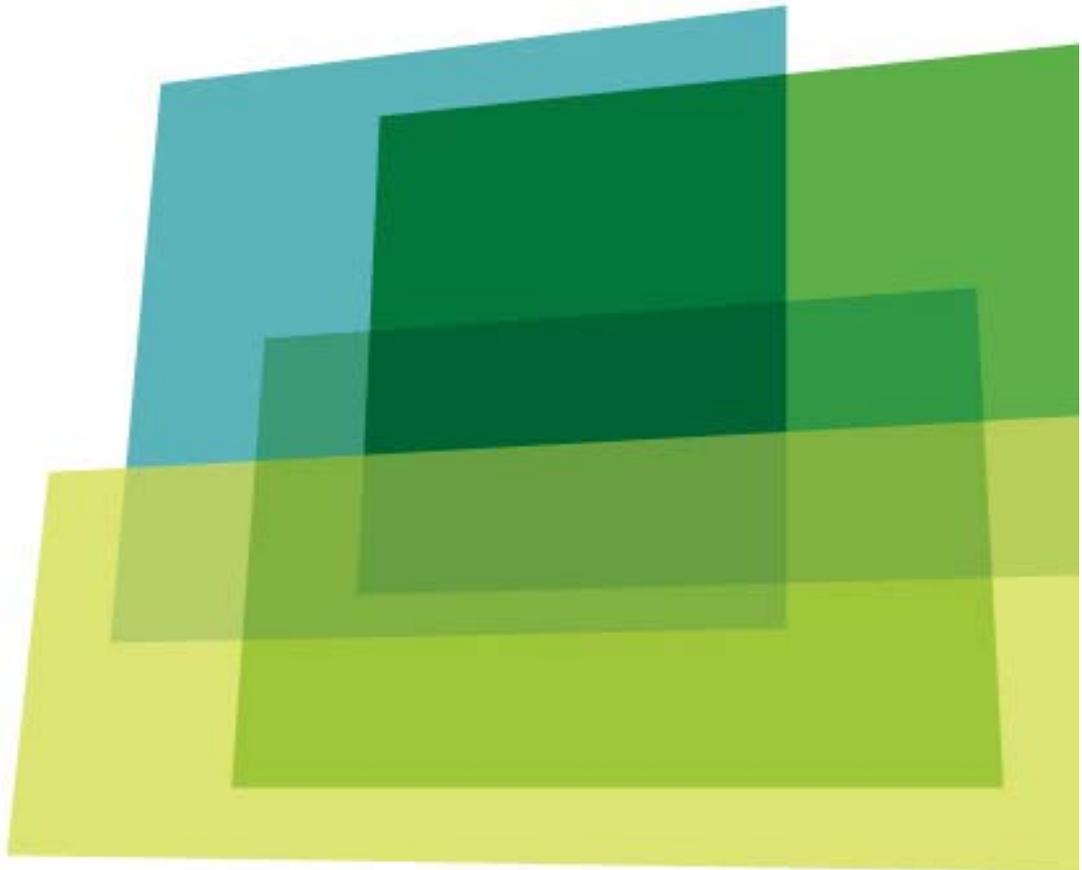
CORPORATE

- Focus on safety, people, cost control, sustainability and growth.
- High A\$ impacting import parity pricing.
- Cash flow – inventory reduction, QNP refinance, stronger performance.

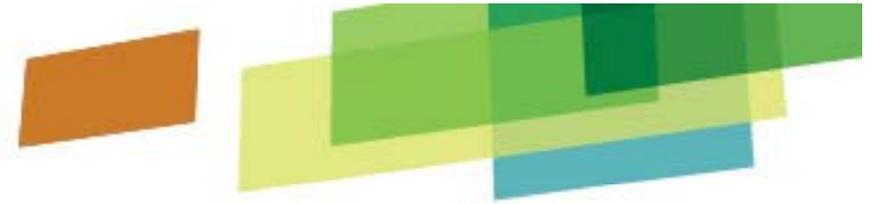




Industrial & Safety



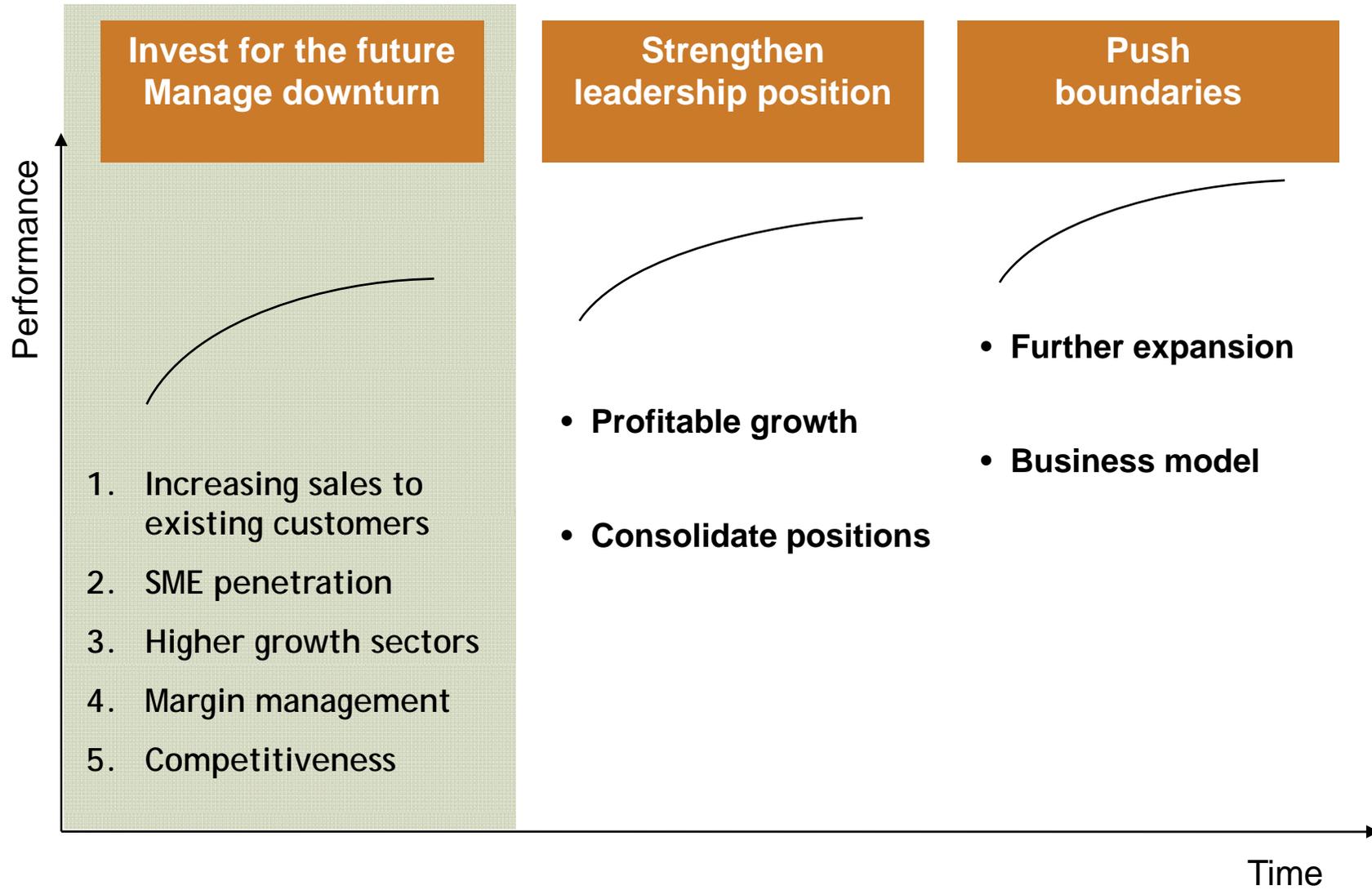
Trading update



- Solid FY09 result given challenging market conditions
 - Impact partially mitigated by expense and capital management focus
 - Strong performance from Bullivants and resources & infrastructure segments
 - Most competitors more severely impacted
- Slowdown still impacting first quarter
 - Subdued demand from small customers, manufacturing sector and New Zealand
 - Continued margin pressure
- Maintained strong DIFOT and customer service performance



Strategic agenda



Strategies

1. Increasing sales to existing customers

- Sales to top 15 customers up 7% over 12 months
- Security of supply - DIFOT > 94%
- Leveraging specialist offering
- Improving sales effectiveness
- Product range extensions
- Expanding range of value-added services
- Substantial growth in e-business



Strategies



2. Increasing SME penetration

- Strong customer service focus
- Network upgrade program
- Improved marketing and merchandising
- Developing more efficient channels



3. Investing in higher growth sectors

- Construction and infrastructure
- Oil & gas
- Selected offshore markets
- Food service, hospitality, health and aged care



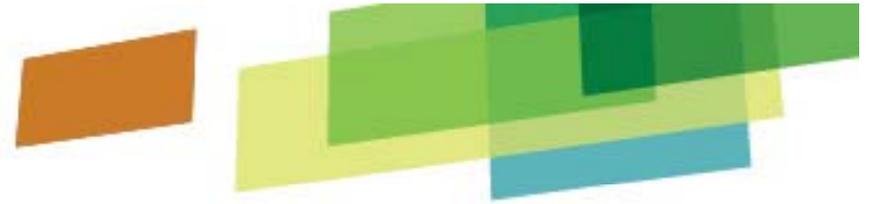
Strategies

4. Managing margin

- Facing lagging FX impact on inventory
- Leveraging improved pricing capability
- Strengthening relationships with key suppliers
- Continuing to invest in direct sourcing capability

5. Improving competitiveness

- Reducing organisation complexity and cost
- Continuing to invest in enabling technology
- Investing in our people - safety, training & development

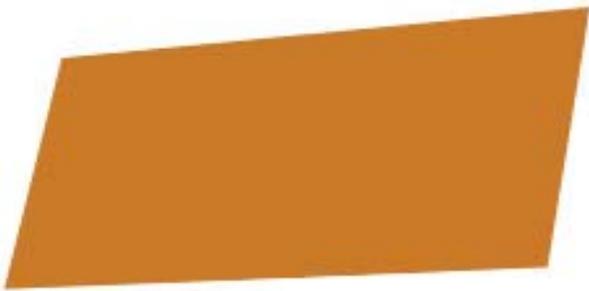


Industrial & Safety outlook

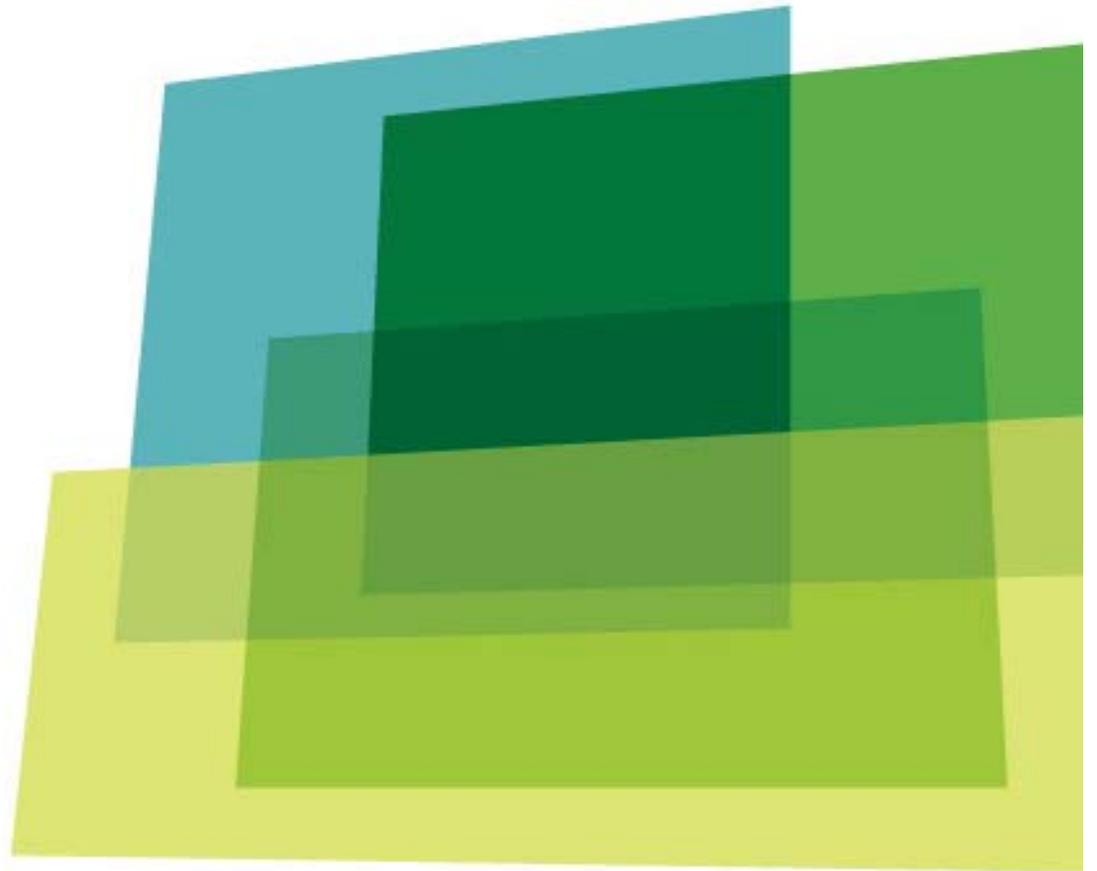


- Strengthening growth platform
 - Increasing share of customers' spend and exposure to growth industries
 - Improved competitiveness
 - Healthy acquisition pipeline
- Challenging market conditions and margin pressure expected until 2H10
 - Subdued manufacturing and New Zealand demand
- Infrastructure & resources expected to drive progressive recovery from 2010
 - Potential customer investment pipeline in excess of \$150b
 - WIS well positioned through existing positions and recent investments





Appendices



Industrial & Safety Business Portfolio



Australia

"All your workplace needs"



Safety Specialist



Industrial Specialists



New Zealand



(1) Manufacturing and services



Industrial & Safety - Distribution Network

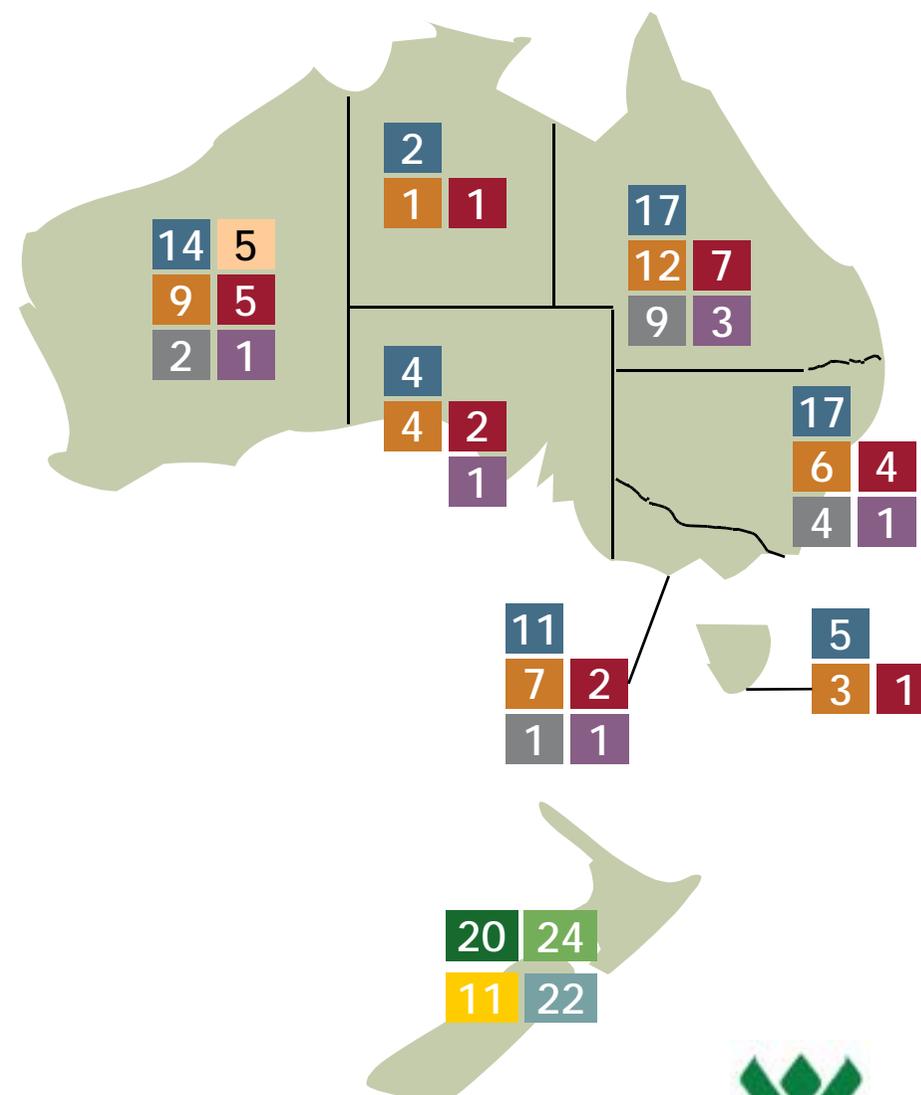
239 locations (162 Australia, 77 New Zealand)

Australia No.

		70	MRO, "All your workplace needs"
		5	Electrical
		42	Safety
		22	Materials handling, lifting, rigging
		16	Fasteners
		7	Engineering

New Zealand No.

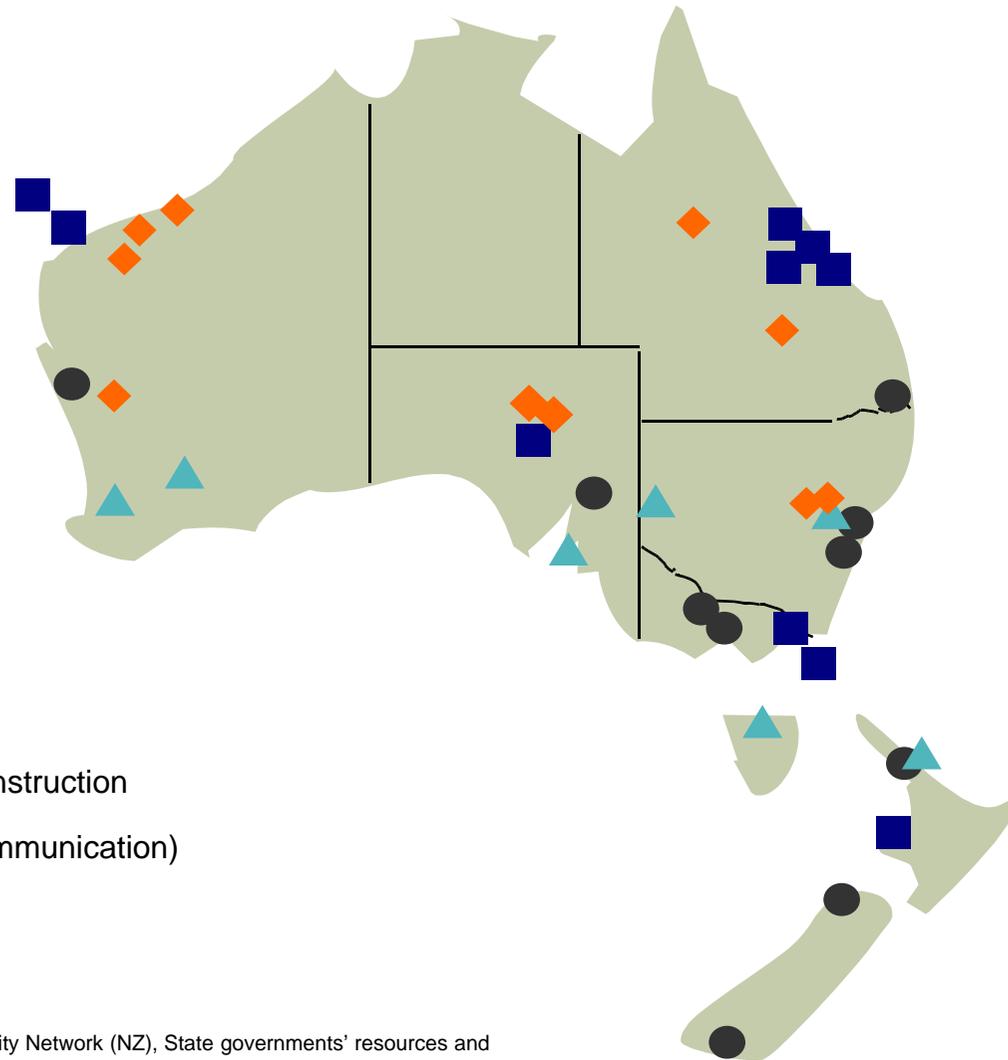
		20	MRO, hose, conveyor ⁽¹⁾
		24	Safety
		22	Safety ⁽¹⁾
		11	Packaging, hygiene



As at 30 September 2009; (1) Including 14 co-located Blackwoods Paykels and Protector Safety branches

Mid term outlook

Significant customer investment pipeline



Selected ANZ projects

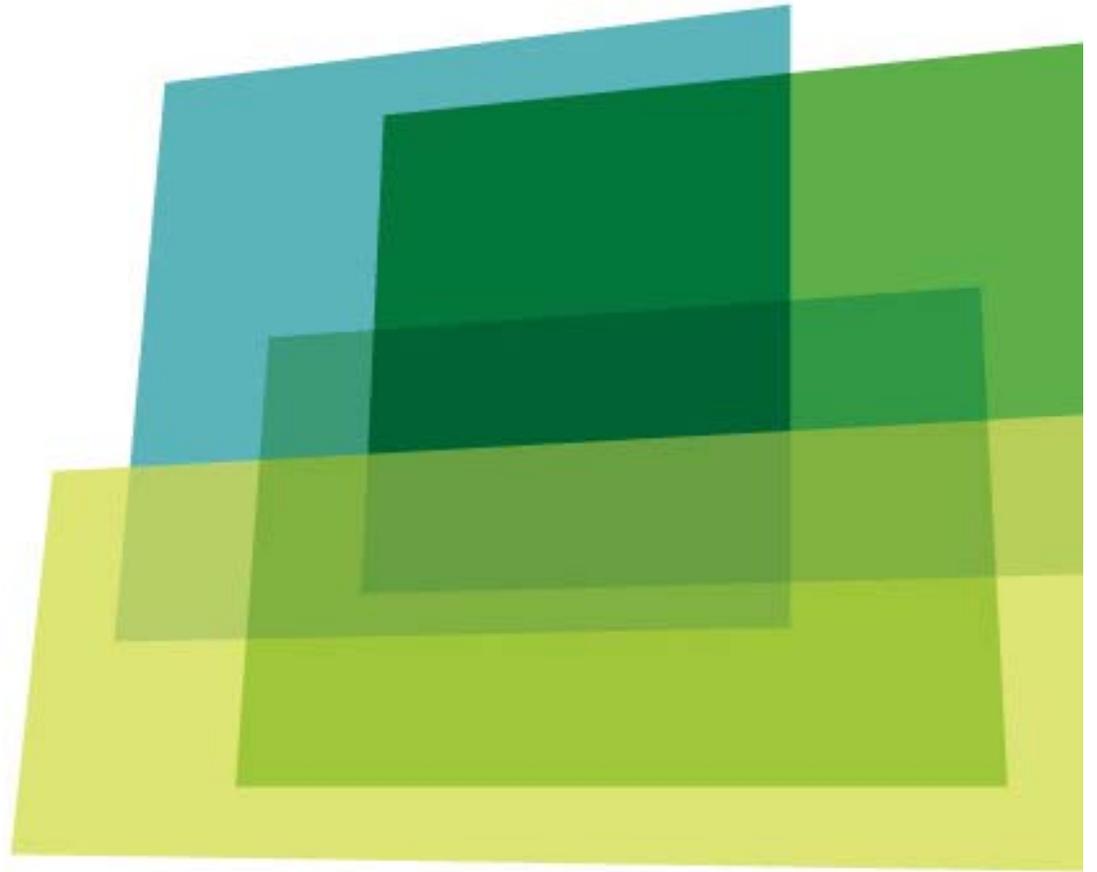
- Oil & gas
- Infrastructure & Construction
- ▲ Utilities (inc. telecommunication)
- ◆ Resources

Source: ABARE, NZIER, Industry Capability Network (NZ), State governments' resources and primary industries websites, WIS

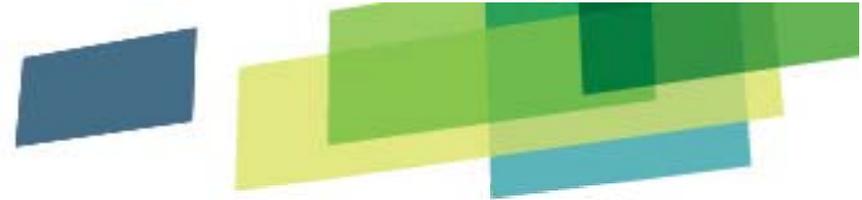




Energy



Overview



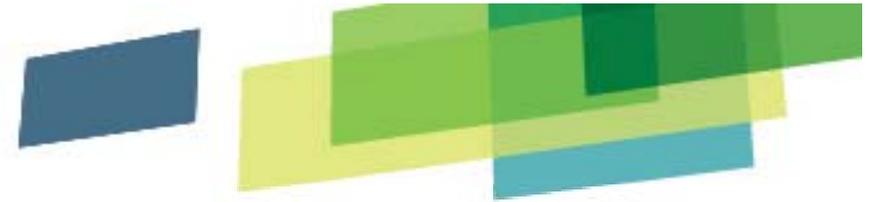
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	Business	Geography	Products	Key customers
	Gas production & distribution	NSW, Vic, Qld, SA	Oxygen, nitrogen, acetylene, argon, carbon dioxide, etc	Metal solutions, manufacturing, utilities, water, healthcare, food, hospitality, pharmaceuticals, research and education.
	Gas production & distribution	WA, NT		
	Gas production	WA	Bulk LPG & LNG	Gas distributors
	Gas distribution	National	Bulk & cylinder LPG and bulk LNG	Commercial, industrial, residential, leisure, autogas, transport, power generation
	Power	WA, SA	Electricity, power Station: build/own/operate/design/ construct/maintain	Remote townships, mine-sites



Key Strategies	Update on Strategies
Focus business on increasing market share	<ul style="list-style-type: none"> • Following capacity investments in 2009, continuing targeted marketing and sales effort with expanded product portfolio • Renewed focus on effectiveness of sales force
Improve customer experience	<ul style="list-style-type: none"> • Improving DIFOT, cylinder scanning performance and billing processes • Implementing supply chain improvements

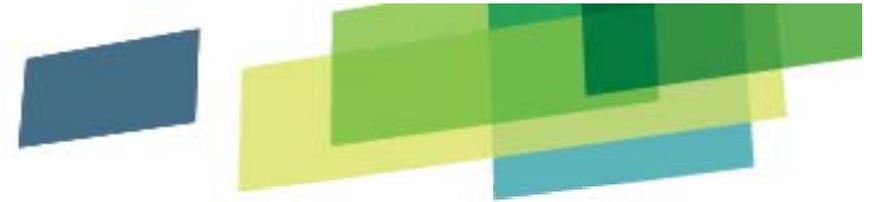
Trading Report	
Trading Update	<ul style="list-style-type: none"> • Q1 demand from BlueScope Steel was well below prior year however was above Q4 09 due to restart of #5 blast furnace in August • Similarly, Q1 volumes in the merchant business were below last year but higher than Q4 09 levels
Current Conditions	<ul style="list-style-type: none"> • Volumes expected to remain steady through Q2
Trading Outlook	<ul style="list-style-type: none"> • Dependent on business confidence and economic growth in the industrial sector



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Key Strategies	Update on Strategies
Develop WA heavy duty vehicle market to sell remaining production capacity	<ul style="list-style-type: none"> Broadening heavy duty vehicle customer base and progressing with refueller rollout
Raise awareness on east coast and evaluate expansion opportunities	<ul style="list-style-type: none"> Identified target fleets, aggregating customer information, seeking government involvement to accelerate growth and take up
Identify and evaluate other power generation opportunities	<ul style="list-style-type: none"> Evaluating power generation opportunities with enGen
Trading Report	
Trading Update	<ul style="list-style-type: none"> Sales to power generation sector broadly in line with expectations Growth in sales to heavy duty vehicle sector more challenging than expected
Current Conditions	<ul style="list-style-type: none"> Recovery of oil prices, potential for further price increases, and increased environmental awareness is stimulating customer interest Range of heavy vehicles capable of using natural gas is growing, though still limited Ability of customers to access capital for conversions is beginning to recover
Trading Outlook	<ul style="list-style-type: none"> Increasing sales volumes





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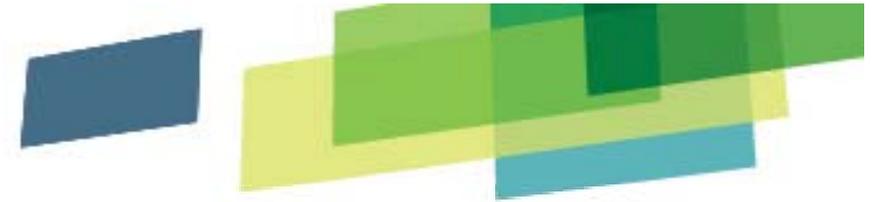
Key Strategies		Update on Strategies	
Improve East Coast Supply Chain		<ul style="list-style-type: none"> • Diversifying and optimising supply sources • Improve distribution marketing efficiencies 	
Grow market share		<ul style="list-style-type: none"> • Improve marketing efficiencies 	

Trading Report	
Trading Update	<ul style="list-style-type: none"> • Q1 traditional volumes slightly down on prior year • Margins have recovered from Q1 09 when CP was at record highs
Current Conditions	<ul style="list-style-type: none"> • Exceptionally warm August on east coast impacted heating demand • General economic conditions leading to subdued industrial demand
Trading Outlook	<ul style="list-style-type: none"> • Consumer heating demand expected to recover under more typical weather conditions • Industrial demand dependent on business confidence and activity





WESFARMERS LPG



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Key Strategy

Maximise LPG production

Update on Strategy

- Negotiating most suitable gas supply for ongoing operation
- Evaluating minor investment in plant to improve operating efficiency

Trading Report

Trading Update

- Q1 production above expectations due to higher than budgeted LPG content in DBP
- Domestic sales volumes steady
- Two small export cargos during the quarter

Current Conditions

- LPG content averaged 1.2 T/Tj during Q1 but with significant variability
- International LPG prices stable in recent months, averaging US\$518/t in Q1
- AUD:USD FX rate strength adversely impacts on earnings

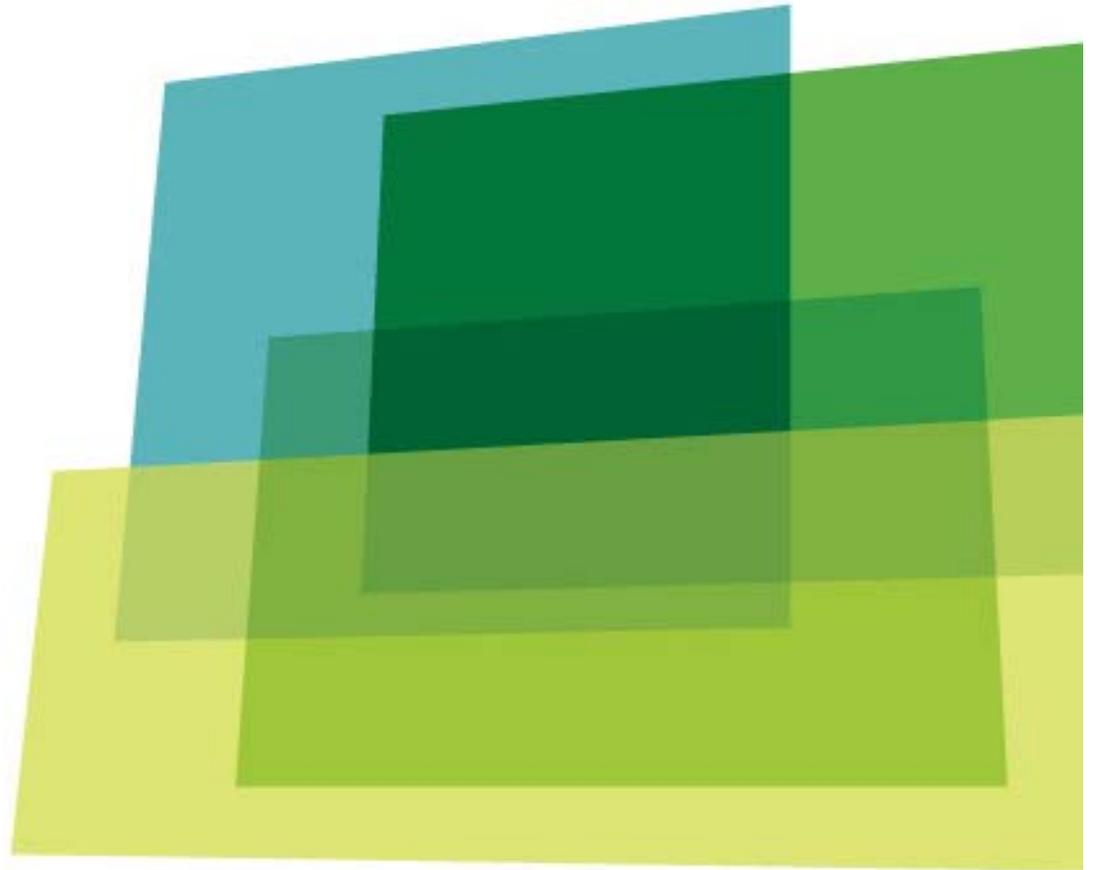
Trading Outlook

- Earnings dependent on international LPG prices, LPG content in the DBP and the gas market in Western Australia





Questions



Q & A

Richard Goyder
Managing Director, Wesfarmers Limited

Terry Bowen
Finance Director, Wesfarmers Limited



Wesfarmers

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