WOOLWORTHS LIMITED

Results Presentation

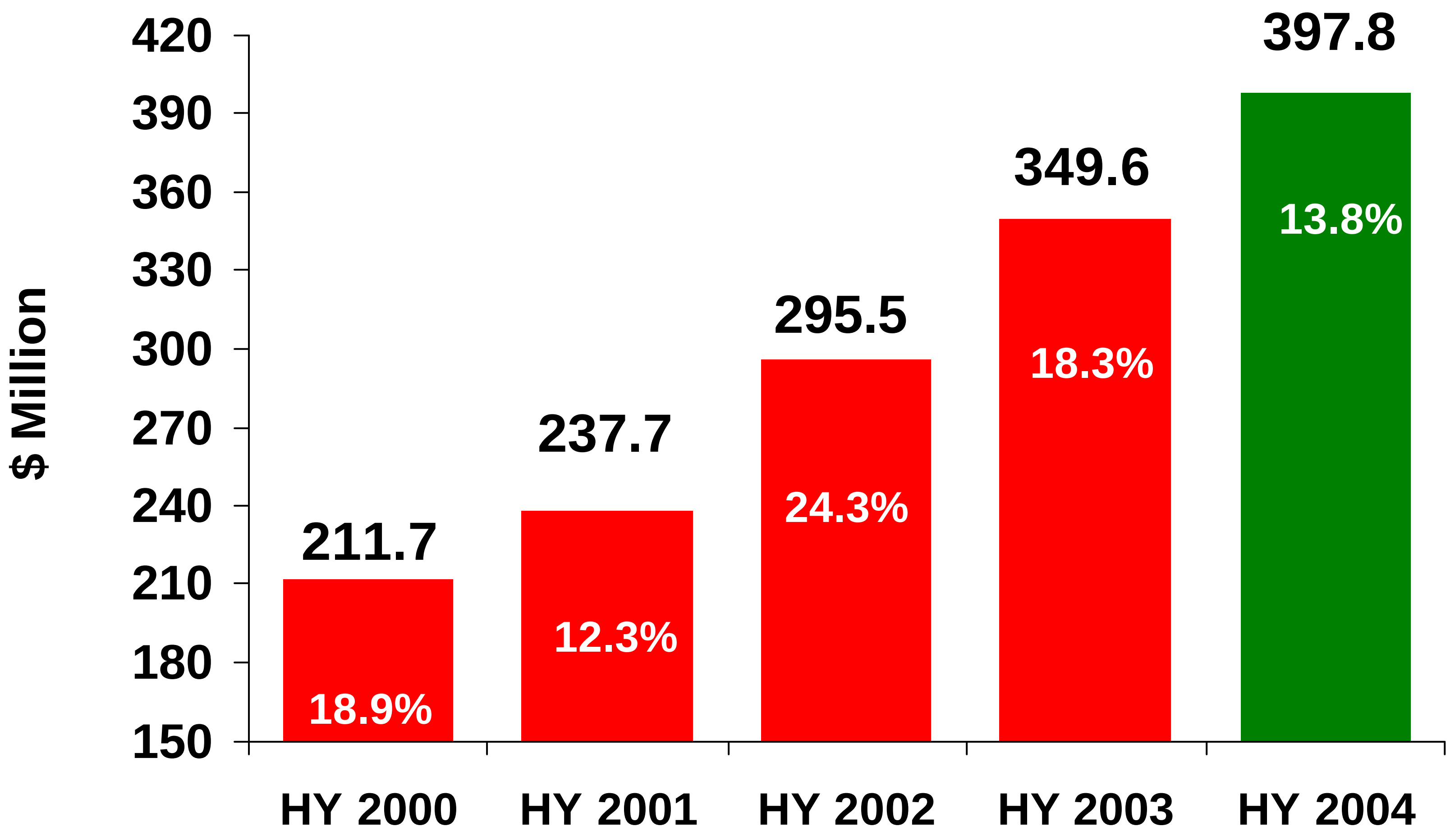
Half Year ended
11 January 2004

Roger Corbett
Chief Executive Officer

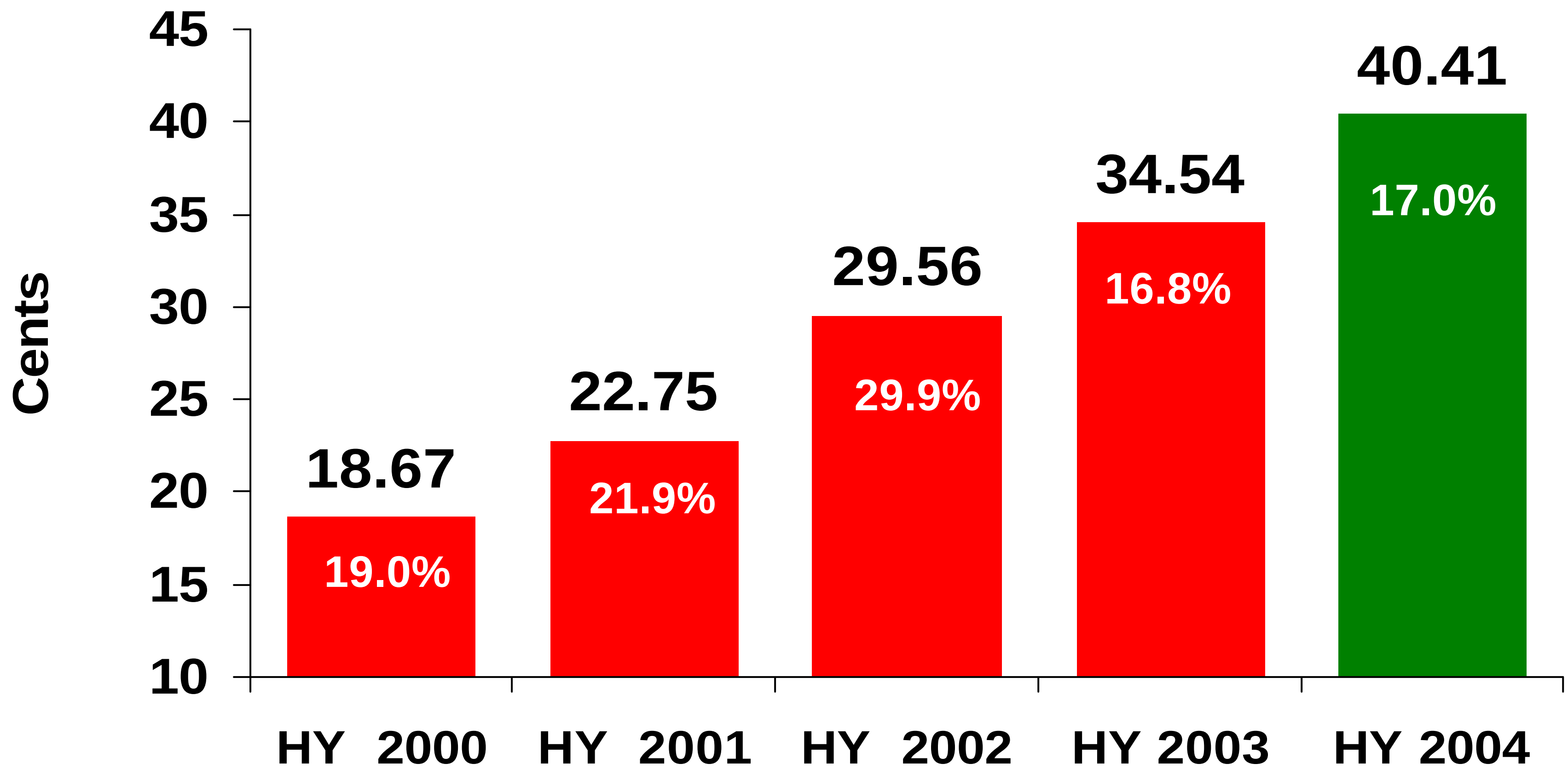
Tom Pockett
Chief Financial Officer

23 February 2004

PROFIT AFTER TAX (AFTER WINS)



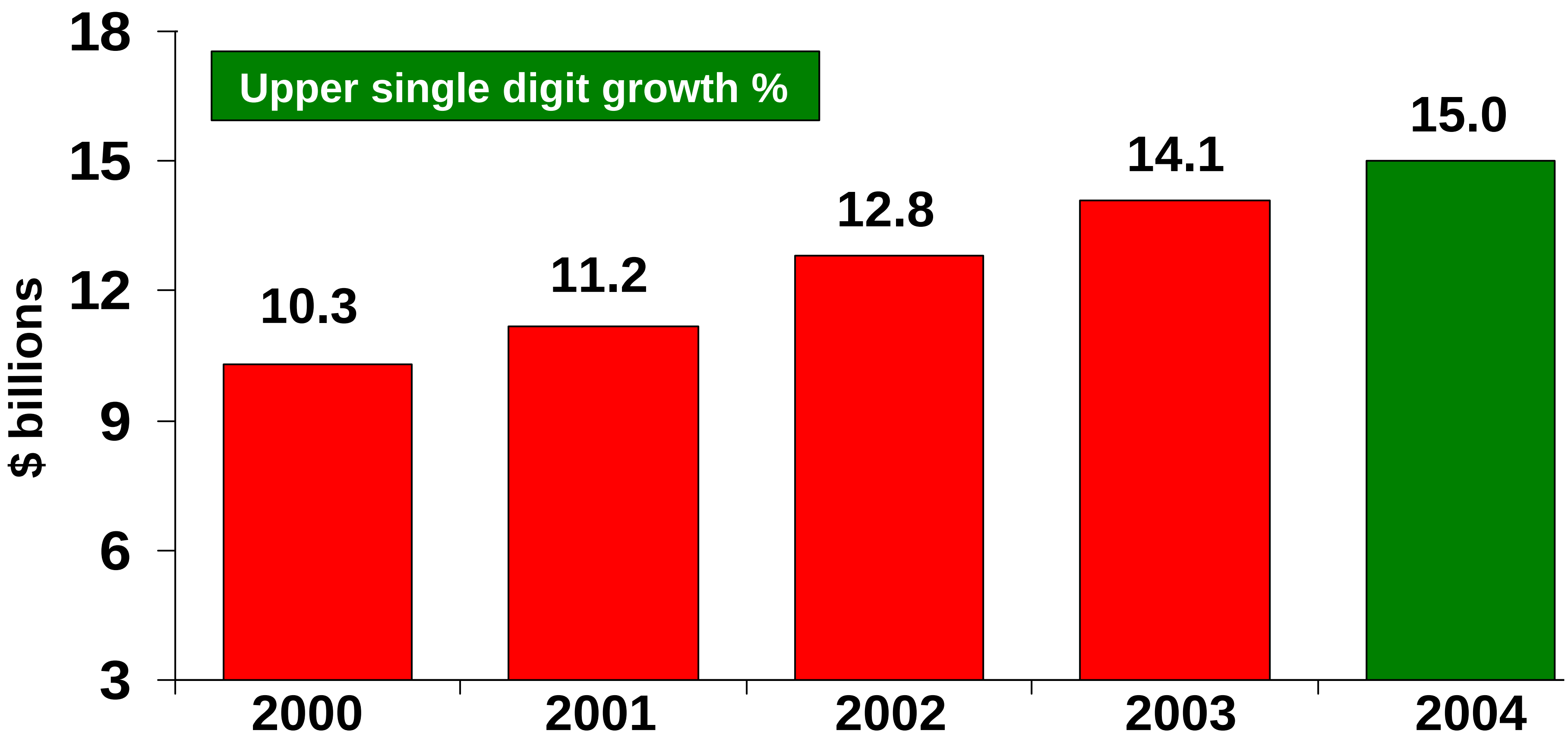
EARNINGS PER SHARE BEFORE GOODWILL



EBIT GROWS FASTER THAN SALES - ASSISTED BY COST REDUCTIONS

EPS GROWS FASTER THAN EBIT - ASSISTED BY CAPITAL MANAGEMENT

SALES



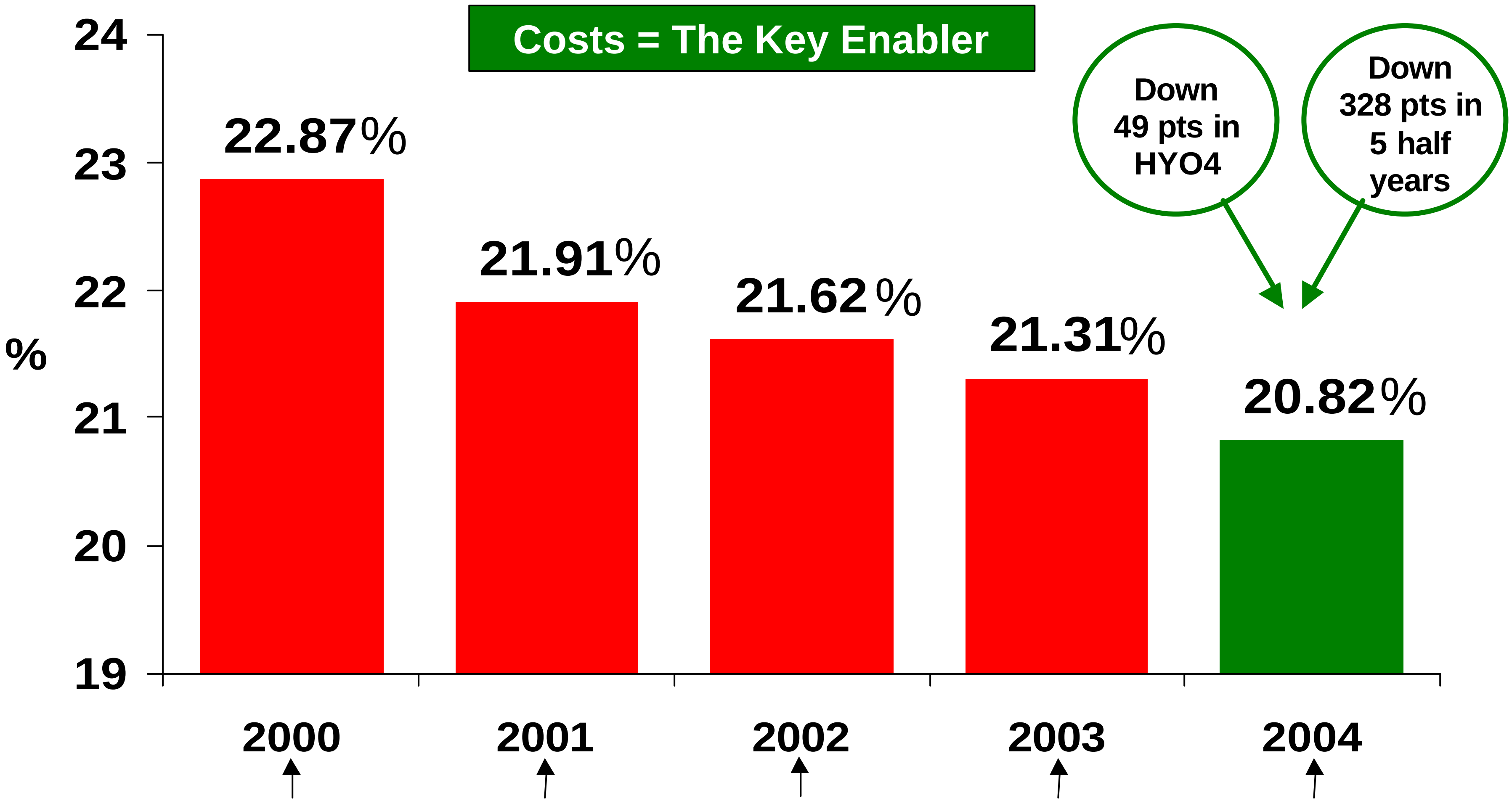
Increase on previous year	+ 9.5%	+ 9.2%	+ 13.4%	+ 10.9%	+ 6.4%

FIRST HALF 2004 SALES FROM CONTINUING OPERATIONS WERE UP 7.6%

SALES SUMMARY

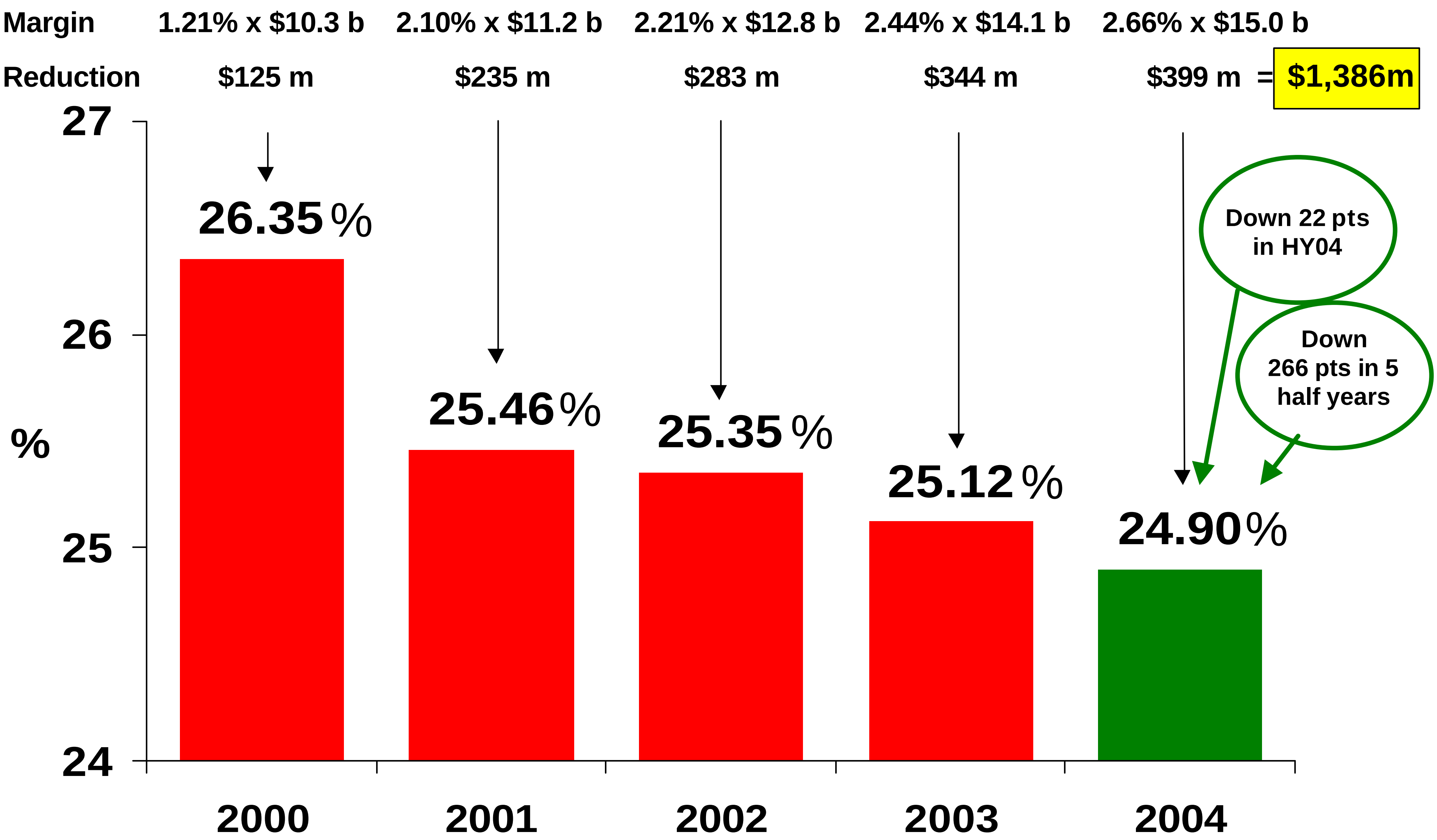
	HY03 $m	HY04 $m	Inc
Supermarkets and Liquor	11,217	11,860	5.7%
Petrol	834	1,069	28.2%
Total Supermarkets	**12,051**	**12,929**	**7.3%**
BIG W	1,437	1,559	8.5%
Consumer Electronics	435	487	12.0%
Total General Merchandise	**1,872**	**2,046**	**9.3%**
Continuing operations	**13,923**	**14,975**	**7.6%**
Wholesale	215	74	-65.6%
Group Sales	**14,138**	**15,049**	**6.4%**

CODB / SALES

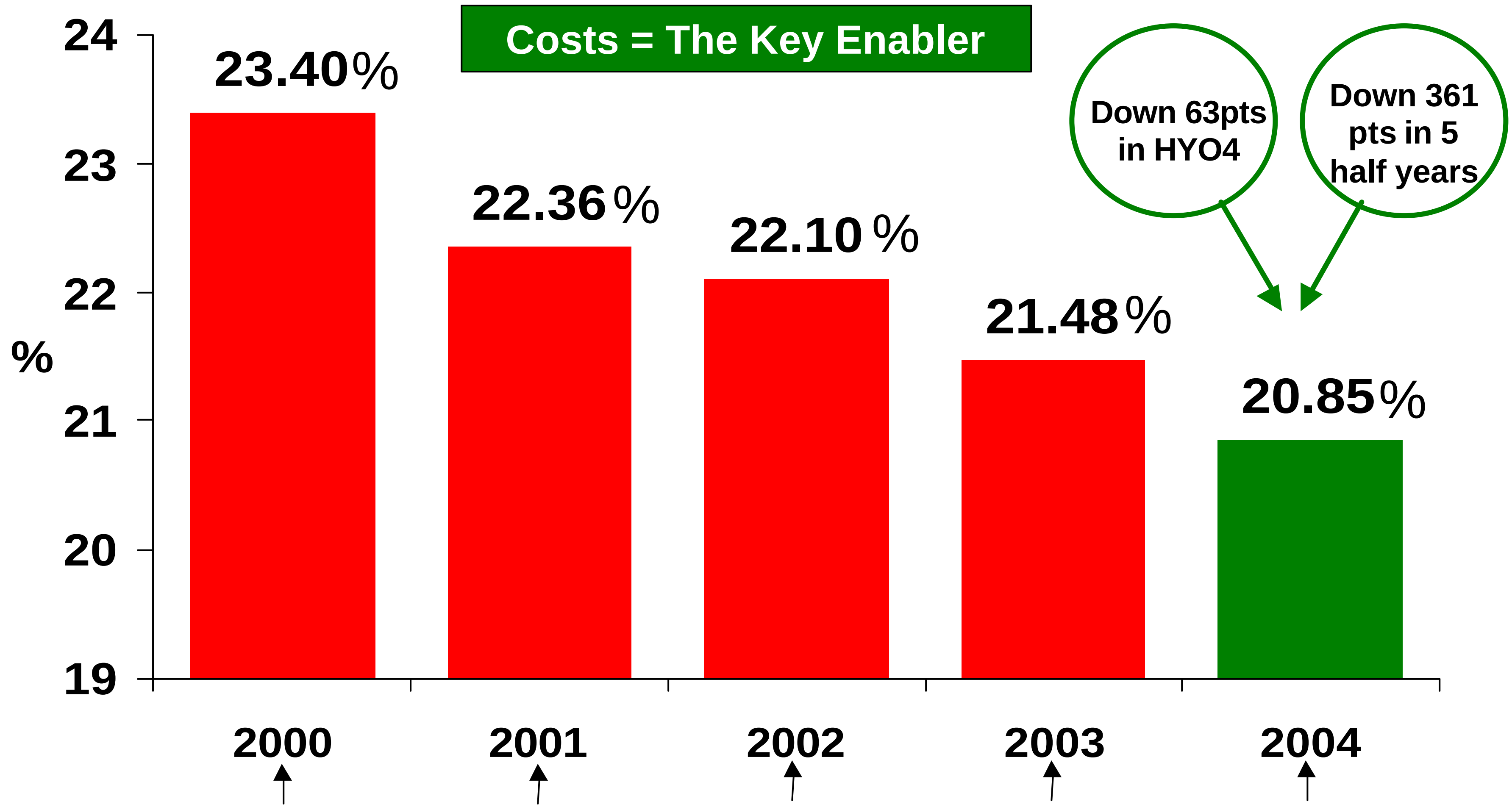


	2000	2001	2002	2003	2004	
Cost	1.23% x $10.3 b	2.19% x $11.2 b	2.48% x $12.8 b	2.79% x 14.1 b	3.28% x 15.0 b	
Reduction	$127 m	$245 m	$317 m	$393 m	$492 m =	$1,574m

GROSS PROFIT MARGIN

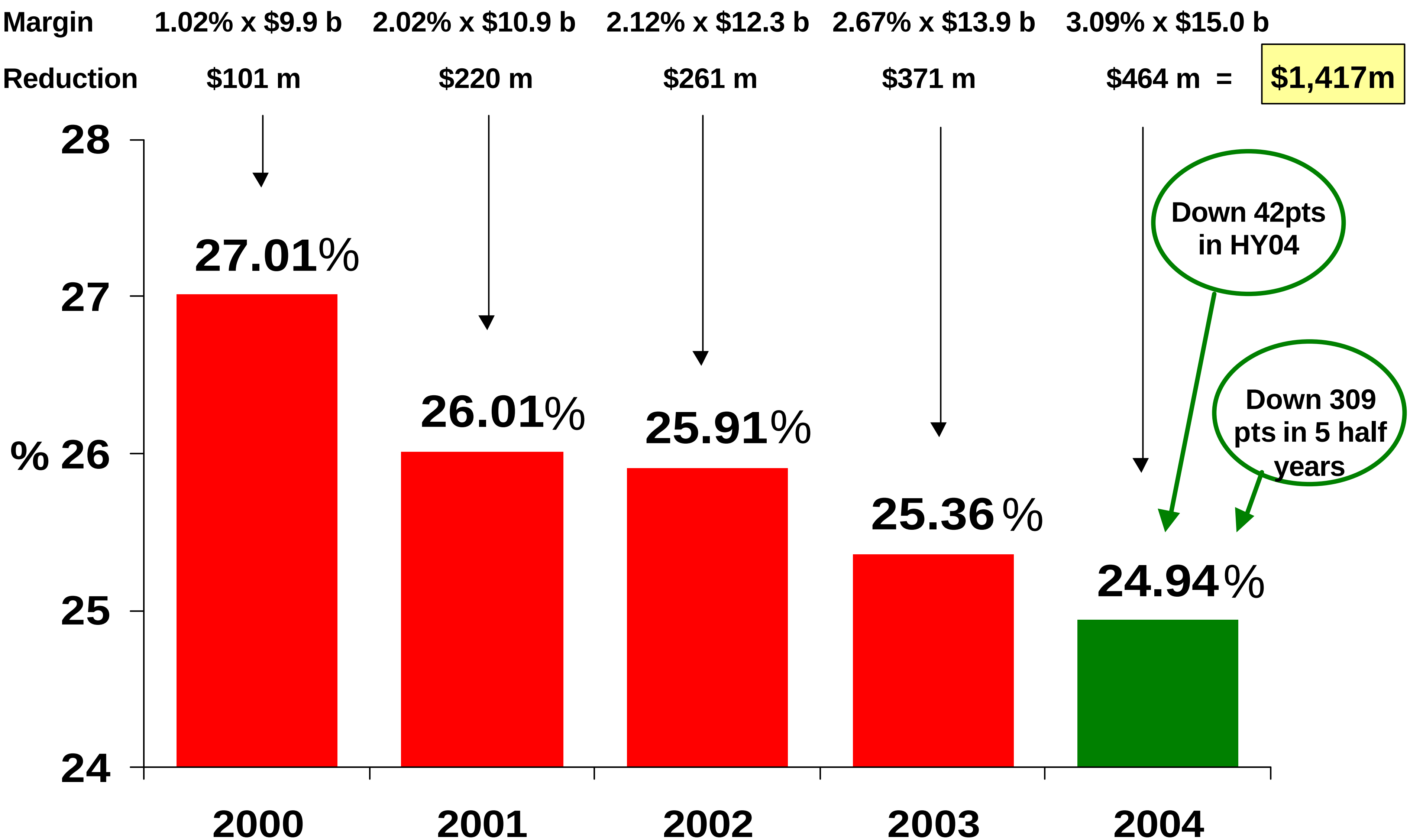


CODB / SALES (EXCL WHOLESALE)

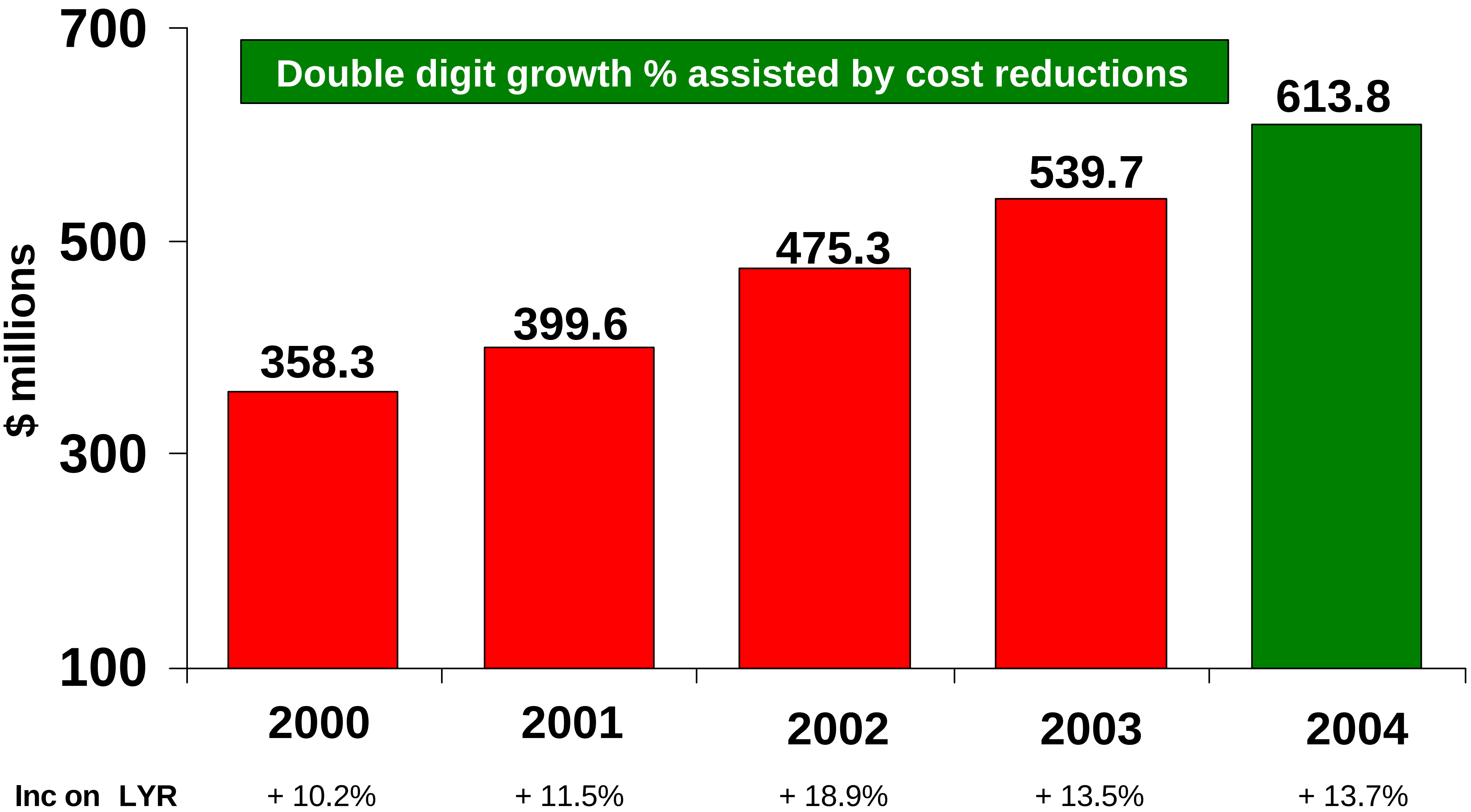


	2000	2001	2002	2003	2004	
Cost	1.06% x $9.9 b	2.10% x $10.9 b	2.36% x $12.3 b	2.98% x 13.9 b	3.61% x 15.0 b	
Reduction	$105 m	$229 m	$290 m	$414 m	$542 m	= $1,580m

GROSS PROFIT MARGIN (EXCL WHOLESALE)



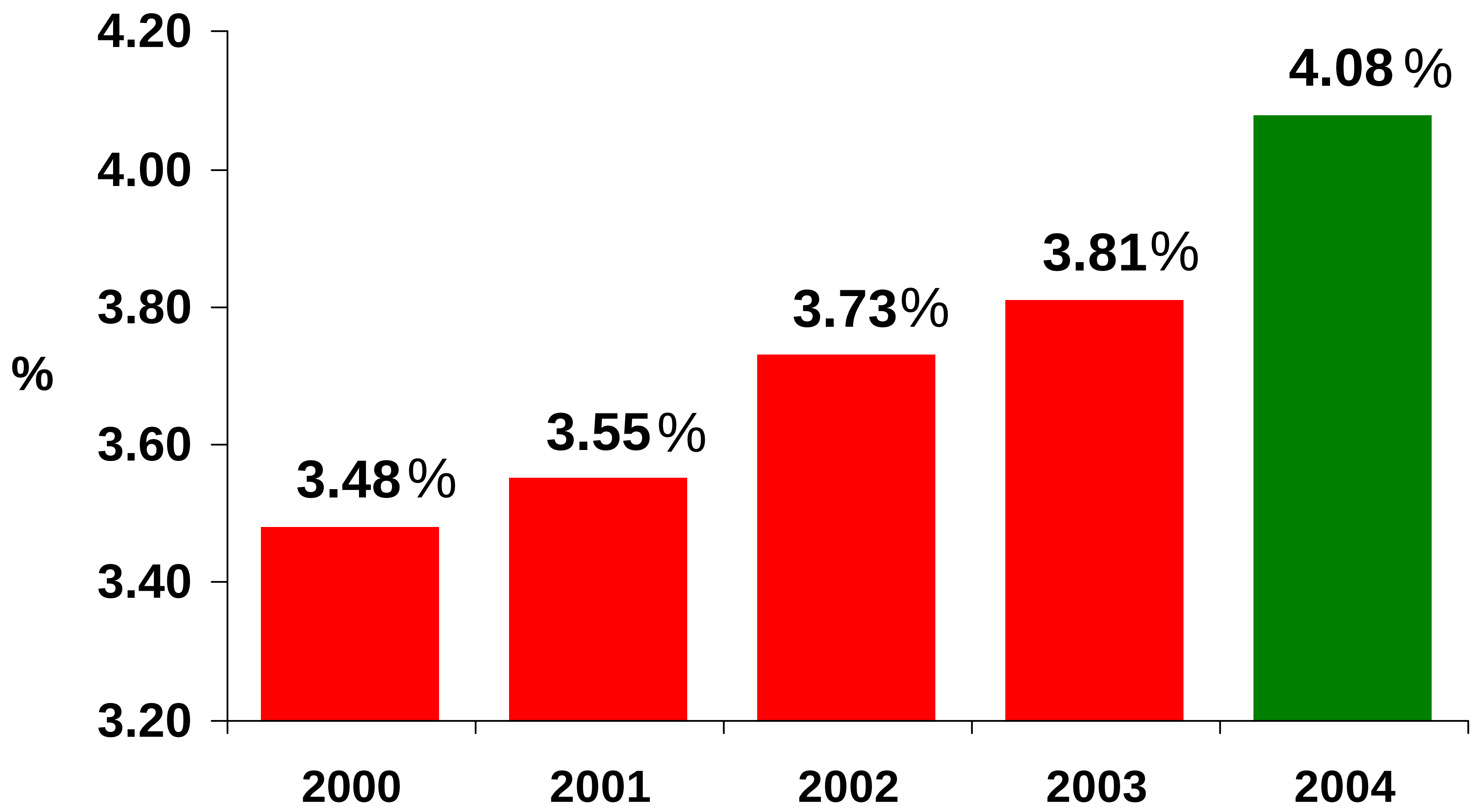
EBIT



Double digit growth % assisted by cost reductions
700
500
300
100
$ millions
358.3
399.6
475.3
539.7
613.8
2000
2001
2002
2003
2004
Inc on LYR
+ 10.2%
+ 11.5%
+ 18.9%
+ 13.5%
+ 13.7%

EBIT MARGIN

Margin has increased an average of 15 bps per period over the last 4 half years



EBIT SUMMARY

	Jan-03		Jan-04		Change	
	Before Goodwill	After Goodwill	Before Goodwill	After Goodwill	Before Goodwill	After Goodwill
	$M	$M	$M	$M		
Food and Liquor	464.3	451.5	527.5	514.8	13.6%	14.0%
Petrol	11.9	11.9	10.5	10.5	-11.8%	-11.8%
Total Supermarkets	**476.2**	**463.4**	**538.0**	**525.3**	**13.0%**	**13.4%**
BIG W	86.0	86.0	93.8	93.8	9.1%	9.1%
Consumer Electronics	22.5	20.3	27.1	24.9	20.4%	22.7%
Total General Merchandise	**108.5**	**106.3**	**120.9**	**118.7**	**11.4%**	**11.7%**
Total trading result	**584.7**	**569.7**	**658.9**	**644.0**	**12.7%**	**13.0%**
Property	14.4	14.4	12.3	12.3	-14.6%	-14.6%
Central overheads	(43.5)	(43.5)	(43.4)	(43.4)	-0.2%	-0.2%
Continuining Operations	**555.6**	**540.6**	**627.8**	**612.9**	**13.0%**	**13.4%**
Wholesale	(0.9)	(0.9)	0.9	0.9	-	-
Total Group EBIT	**554.7**	**539.7**	**628.7**	**613.8**	**13.3%**	**13.7%**

TOTAL SUPERMARKETS INCL PETROL

	HY03	HY04	CHANGE
Sales ($mil)	12,051.0	12,929.0	7.3 %
Gross Margin (%)	24.47	24.16	-0.31 %pts
Cost of Doing Business (%)	20.62	20.10	-0.52 %pts
EBIT to Sales (%)	3.85	4.06	0.21 %pts
EBIT (after goodwill) ($mil)	463.4	525.3	13.4 %
EBIT (before goodwill) ($mil)	476.2	538.0	13.0 %
Funds employed ($mil)	1,711.1	1,716.4	0.3 %
ROFE (%)	27.10	30.60	3.50 %pts

SUPERMARKETS

Strong profit growth built on solid sales growth and significant cost reductions

- Supermarket sales grew 7.3% (5.7% excluding Petrol) for the half
- Comparable store sales grew 3.3%. Q1 was 2.8% strengthening in Q2 to 3.8%
- Second quarter inflation was up about 0.5% on the first quarter
- The half reflected significant competitor promotional activity (including petrol)
- Costs reduced by 0.52 % on sales, approximately 60% of savings were reinvested in lower selling prices. Gross margin down (0.31%pts)
- Inventory below last year despite 7.3% growth in sales. 3 day reduction in inventory compared with last year. Service levels to stores and in stock positions continue to improve. Benefits largely due to StockSmart and AutoStockR
- 8 new Supermarkets opened (compared to 20 last half year) and 1 smaller store closed in the first half. 10 stores are scheduled to open in the second half with trading area expected to grow 3+% assisted by refurbishment / extension of existing sites
- Food and Liquor EBIT grew 14.0%, significantly faster than sales due to cost savings

LIQUOR

All liquor operations (Dan Murphy's, BWS, First Estate and attached liquor) recorded strong growth in revenue and earnings in a competitive market

- Dan Murphy's continued to expand with 2 stores opened in NSW (total of 8 stores in NSW/ACT), its first store opened in Queensland and 1 store opened in Victoria
- Opened 24 free standing liquor stores (including the acquisition of 6 Baily & Baily stores in SA)
- Comparable store sales in all our liquor businesses were strong
- Continuing opportunities to expand Dan Murphy's operations exist particularly in NSW and QLD and to acquire further free standing liquor stores
- Sales from our 50% owned QLD liquor business MGW* were up 40.2% to $148m ($90m from liquor stores operations and $58m from hotel operations). Anticipate strong growth from this business as we progress refurbishment, relocation and repositioning

Group Liquor sales for the half year including MGW were $1.2 billion. We are on track to achieve our stated target of annual sales of $2.5 billion

* MGW sales are not consolidated into Woolworths group sales, as this entity is not a controlled entity in accordance with Australian Accounting Standards

PETROL

Our petrol division, strengthened by our alliance with Caltex, continues to be a good supplemental offer with petrol sites conveniently located near our Supermarkets

- Petrol sales increased by 28.2% for the half
- Strong volume growth in comparable sites continues to fractionalise costs
- EBIT slightly lower than last year as a result of lower fuel gross margins with increases in oil prices not fully reflected in pump prices
- 11 new canopies were opened during the half
- 36 co-branded Woolworths / Caltex alliance sites are now opened
- Volume increases after conversion to co-branded sites exceeded our expectation
- Remaining sites are expected to be brought on line over the next 6 months bringing total alliance sites up to around 130
- Targeting a total of 450 canopies (optimum number of canopies to support our Supermarket chain)
- Currently selling approximately 54 million litres per week representing 11% market share

BIG W

	HY03	HY04	CHANGE
Sales ($mil)	1,437.0	1,559.0	8.5 %
Gross Margin (%)	30.31	29.39	-0.92 %pts
Cost of Doing Business (%)	24.33	23.37	-0.96 %pts
EBIT to Sales (%)	5.98	6.02	0.04 %pts
EBIT (after goodwill) ($mil)	86.0	93.8	9.1 %
EBIT (before goodwill) ($mil)	86.0	93.8	9.1 %
Funds employed ($mil)	288.7	275.1	-4.7 %
ROFE (%)	29.80	34.10	4.30 %pts

* No purchased goodwill in BIG W

BIG W

Everyday Low Price (EDLP) offering built on ongoing cost reductions is a key driver of continuing strong growth in sales and earnings

- High single digit sales growth (+8.5%) in a competitive market
- Comparable store sales increased 4.2% in line with FY03 growth (Q1: 5.0%; Q2: 3.6%)
- In Q2, October and December were strong months with 5+% comparable stores sales growth. November growth was slower with a late start to summer and with seven stores reaching their opening anniversary
- Strong growth in home entertainment. Continues to be a stand-out category
- Customer acceptance of EDLP offer remains strong
- Opened 3 new BIG W stores (compared with 8 last year) giving a total of 107 stores. 4 openings planned in the second half (May and June)
- EBIT increased 9.1%, growing faster than sales, assisted by cost reductions
- EBIT growth expected to exceed sales growth for the full year

CONSUMER ELECTRONICS

	HY03	HY04	CHANGE
Sales ($mil)	435.0	487.0	12.0 %
Gross Margin (%)	33.59	31.46	-2.13 %pts
Cost of Doing Business (%)	28.94	26.35	-2.59 %pts
EBIT to Sales (%)	4.65	5.11	0.46 %pts
EBIT (after goodwill) ($mil)	20.3	24.9	22.7 %
EBIT (before goodwill) ($mil)	22.5	27.1	20.4 %
Funds employed ($mil)	251.9	240.9	-4.4 %
ROFE (%)	8.10	10.30	2.20 %pts

CONSUMER ELECTRONICS

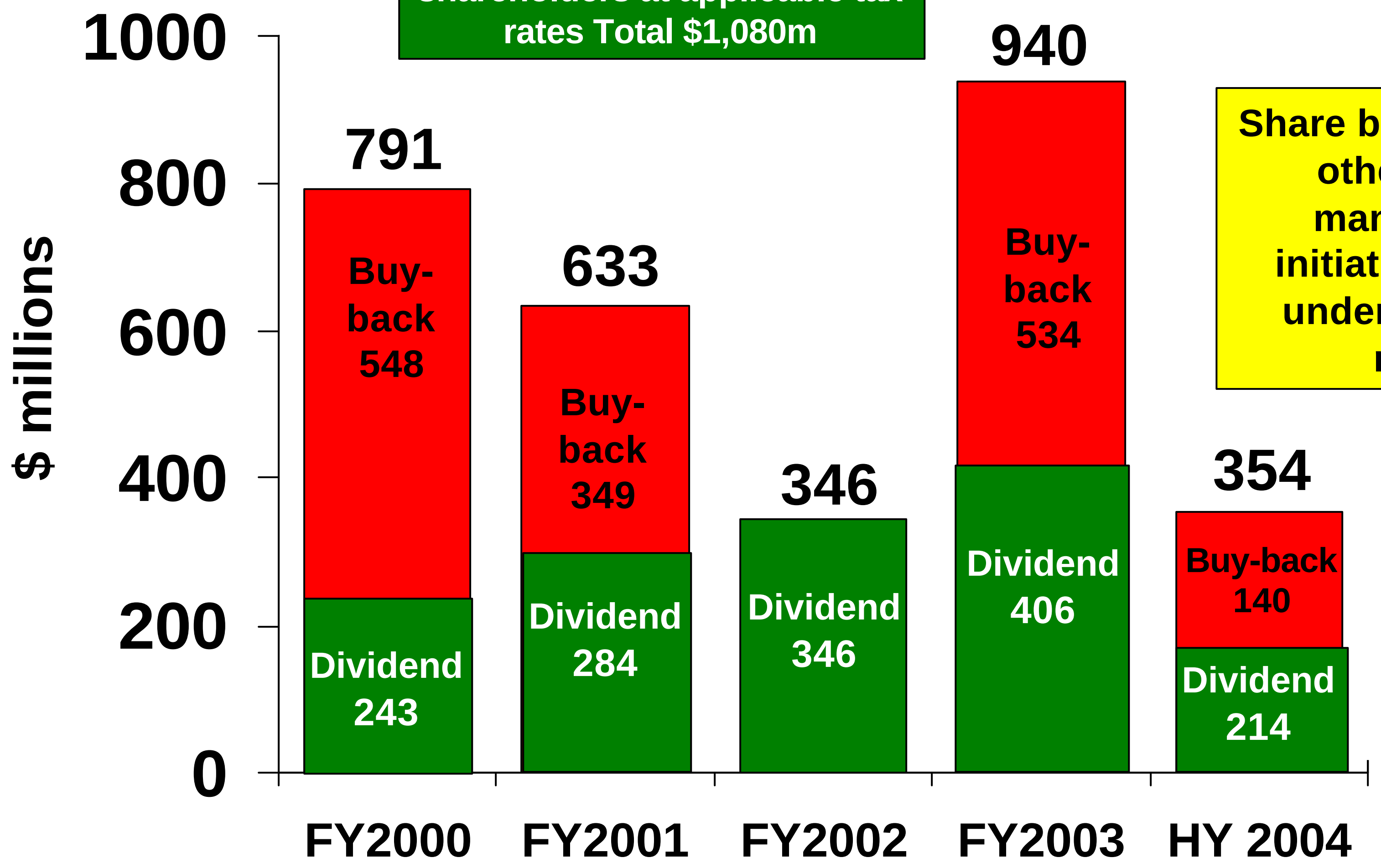
Attractive product ranges at competitive prices drive double digit revenue and earnings growth

- Continued solid progress rebuilding this business in line with plan
- Sales grew 12.0%, with comparable store sales up 10.0% for the half year
- Digital Cameras and Home Entertainment including TV's, DVD players and home theatre systems were stand out categories
- Competitive pricing enabled by ongoing cost reductions, has been instrumental in driving sales volume and EBIT growth
- EBIT (after goodwill) up 22.7%, increased faster than sales
- Inventory below last year despite double digit sales growth with days inventory 20 days below last year
- ROFE grew to over 10% due to strong growth in earnings and significant reduction in inventory
- Anticipate full year EBIT will grow faster than sales

SHAREHOLDER PAYOUTS

Franking credits given to shareholders at applicable tax rates Total $1,080m

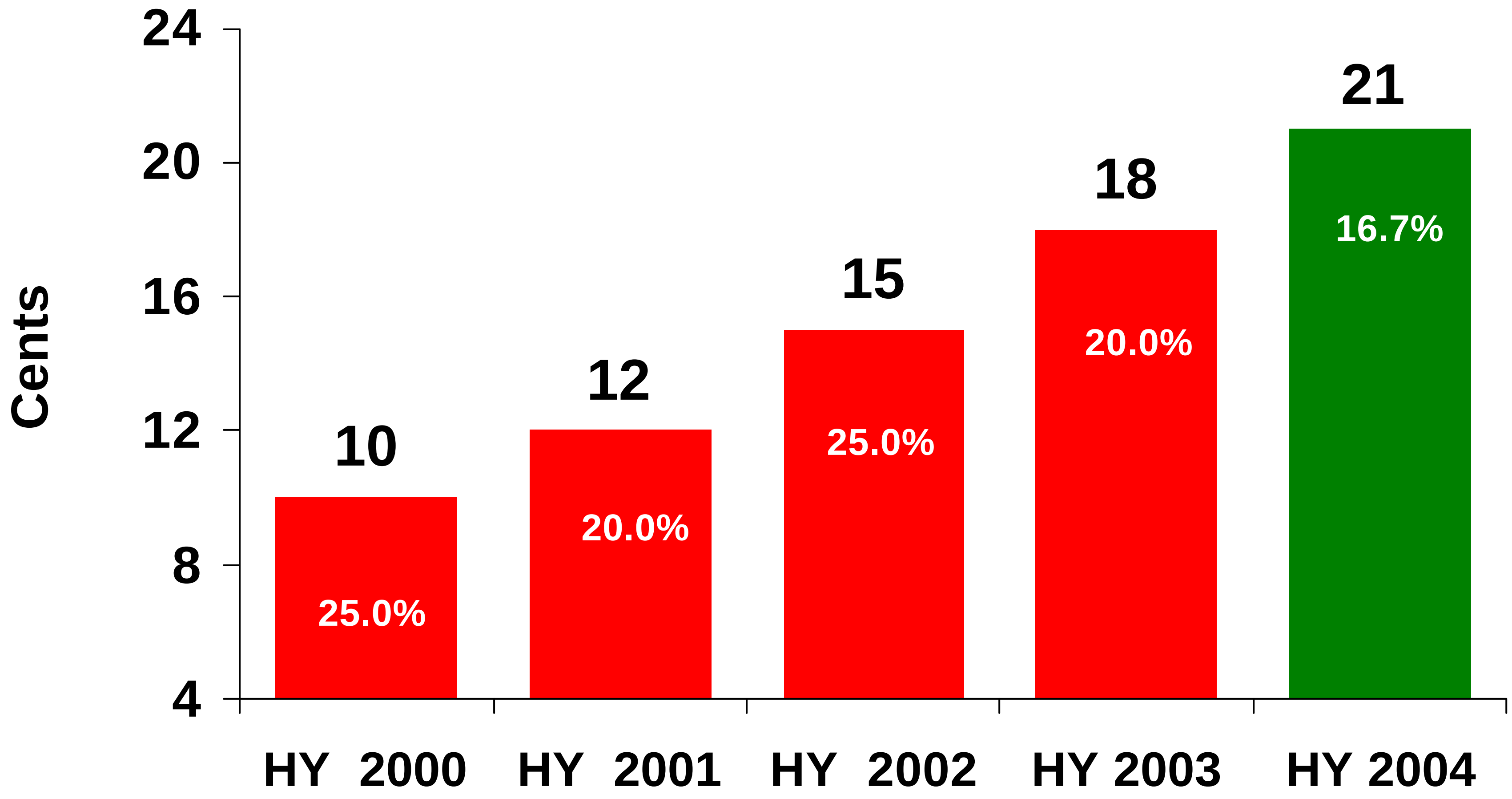
Total $3,064m



Share buy-backs and other capital management initiatives remain under continual review

PROFIT GROWTH, COUPLED WITH BALANCE SHEET MANAGEMENT, DELIVERED $3,064m PAYOUT TO SHAREHOLDERS OVER 4½ YEARS

DIVIDENDS PER SHARE INTERIM



BALANCE SHEET

	2003 $million	2004 $million	
Inventory	2,064.1	2,042.7	Down $21m on last year despite 7.6% increase in sales from continuing operations
Trade Payables	(1,919.2)	(2,032.4)	
Net investment in inventory	144.9	10.3	
Receivables	486.1	490.0	Days creditors remained unchanged at 42 days
Other creditors	(1,109.9)	(1,203.3)	
Working Capital	(478.9)	(703.0)	Negative working capital increased $224m
Fixed assets and investments	2,459.2	2,636.0	Net capital expenditure & acquisitions less depreciation
Intangibles	541.6	563.1	Increase mainly due to liquor acquisitions
Total Funds Employed	2,521.9	2,496.1	
Net Tax Balances	10.8	43.7	Increase due to HY04 tax provision
Net Assets Employed	2,532.7	2,539.8	
Borrowings current	(101.2)	(398.1)	
Borrowings non current	(496.7)	(495.2)	
Cash and Deposits	276.2	285.1	
Net Debt	(321.7)	(608.2)	Net repayable debt increased $287m despite buybacks totalling $674m
Net Assets	2,211.0	1,931.6	
Shareholders Equity	1,623.4	1,343.6	
Minority shareholders equity	4.6	5.0	
Noteholders (WINS) Equity	583.0	583.0	
Total Equity	2,211.0	1,931.6	

Balance sheet remains strong and conservative

CAPITAL MANAGEMENT

Prudent capital management continues to be an important strategy for Woolworths

- Approximately 12.7 million shares were repurchased on market during the half year, returning approximately $140 million to shareholders
- S&P rating has remained unchanged at A-
- Fixed charge cover ratio strengthens to 2.59 times compared with 2.55 times last year
- Off market buy-back undertaken during H203 had a significant positive impact on HY04 EPS
- Franking credits of $321 million[(1)]

(1) Includes franking credits that will arise from income tax payable at the end of the financial period

CASH FLOW HALF YEAR

	HY01 $m	HY02 $m	HY03 $m	HY04 $m
EBITDA	556.6	649.9	737.4	814.3
Interest paid (including cost of Income notes)	(42.2)	(52.7)	(44.5)	(51.3)
Taxation paid	(117.9)	(134.3)	(165.1)	(188.8)
	396.5	462.9	527.8	574.2
Net reduction (increase) in working capital (1)	(48.6)	243.6 (2)	(206.2) (3)	(262.9)
Other operating cashflows	(14.9)	(14.0)	(29.4)	1.0
	(63.5)	229.6	(235.6)	(261.9)
Total cash provided by operating activities	**333.0**	**692.5**	**292.2**	**312.3**
Payments for the purchase & refit of Franklins stores	-	(328.6)	-	-
Payments for other acquisitions	(68.2)	(46.8)	(13.8)	(32.9)
Payments for normal capex	(262.3)	(268.0)	(319.1)	(342.4)
Proceeds on disposal of businesses	39.4	-	-	-
Proceeds on disposal of property plant & Equipment	69.4	115.4	43.4	11.6
	(221.7)	(528.0)	(289.5)	(363.7)
Repayment of employee loans	5.5	1.9	5.3	6.9
Proceeds from assignment of employee loans	45.0	-	-	-
Total cash used in investing activities	**(171.2)**	**(526.1)**	**(284.2)**	**(356.8)**
Free Cash	**161.8**	**166.4**	**8.0**	**(44.5)**

(1) Half year cash flows typically show increases in working capital. This is due to seasonal factors which see inventory levels in June significantly lower than those in December.

(2) However as a result of timing differences which impacted on creditor payments and creditor balances HY02 had a reduction in working capital different to a normal trend. In the disclosure that was presented at HY03 the cashflows were normalised to adjust for these timing differences to show an equivalent timing outcome against the HY02 year.

(3) HY03 movement in working capital has been adjusted to exclude the one off impact of the increase in employee entitlement provisions of $31.3m arising from the change in Australian Accounting Standard AASB 1028 - "Employee Entitlements"

Full year cash provided by operating activities is expected to be above last years amount of $1.2 billion with free cash for the year expected to be in line with or slightly better than NPAT (after servicing WINS) for the year

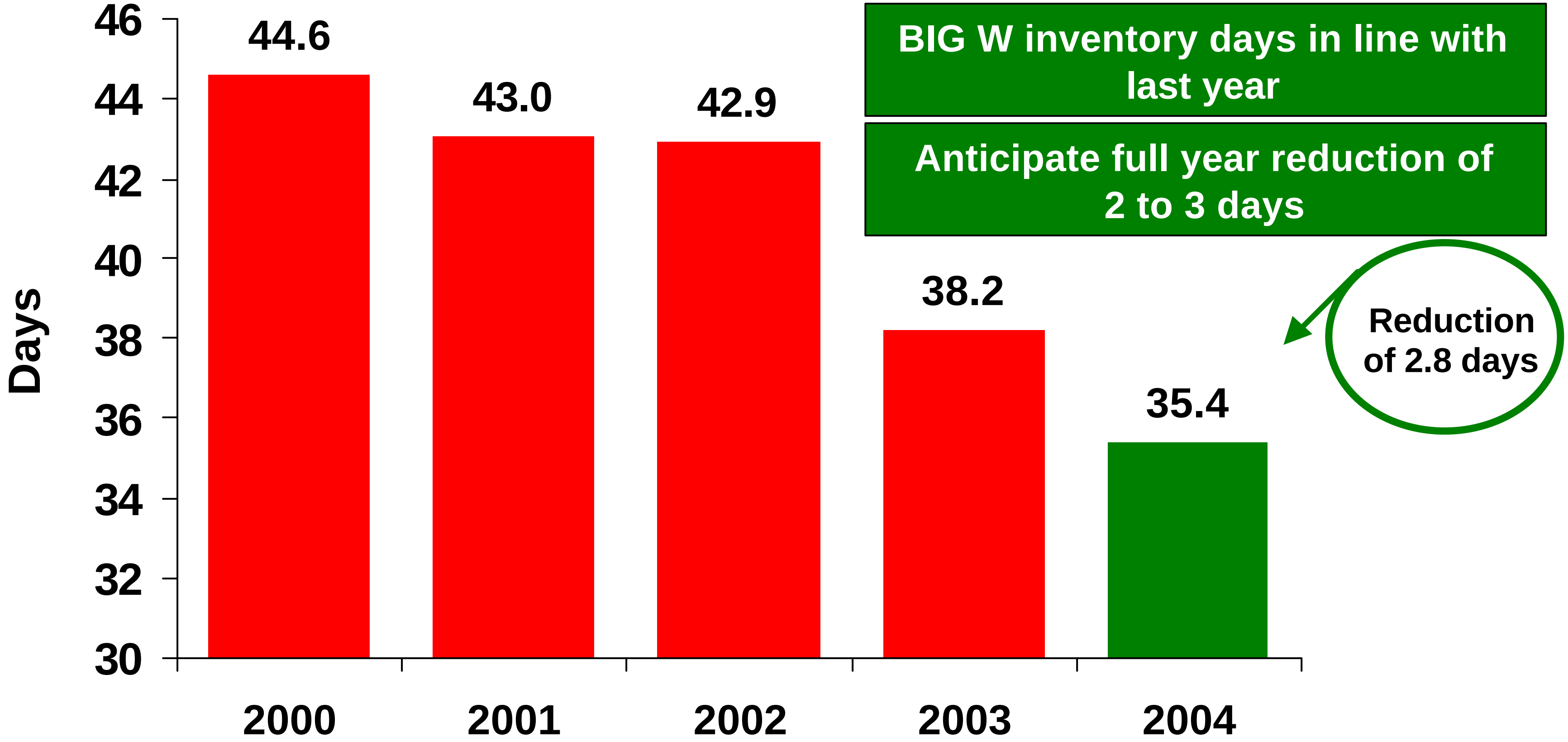
DAYS STOCK ON HAND (HALF YEAR)

3 day reduction Supermarkets inventory

Consumer Electronics inventory 5% below last year despite sales growing at 12%

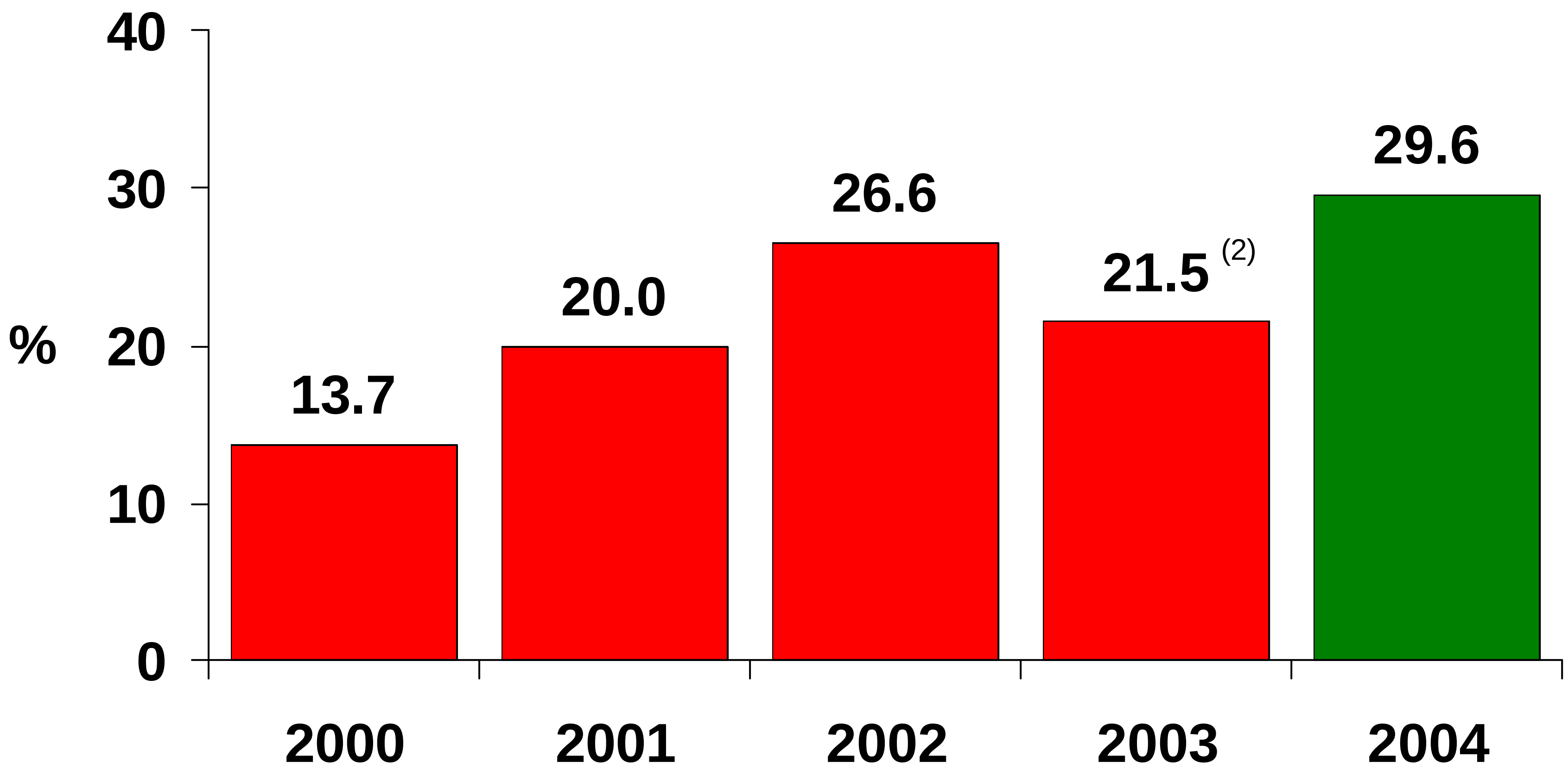
BIG W inventory days in line with last year

Anticipate full year reduction of 2 to 3 days



9 days reduction over past 4 half years equals $515m cash flow benefit

RETURN ON EQUITY [1]

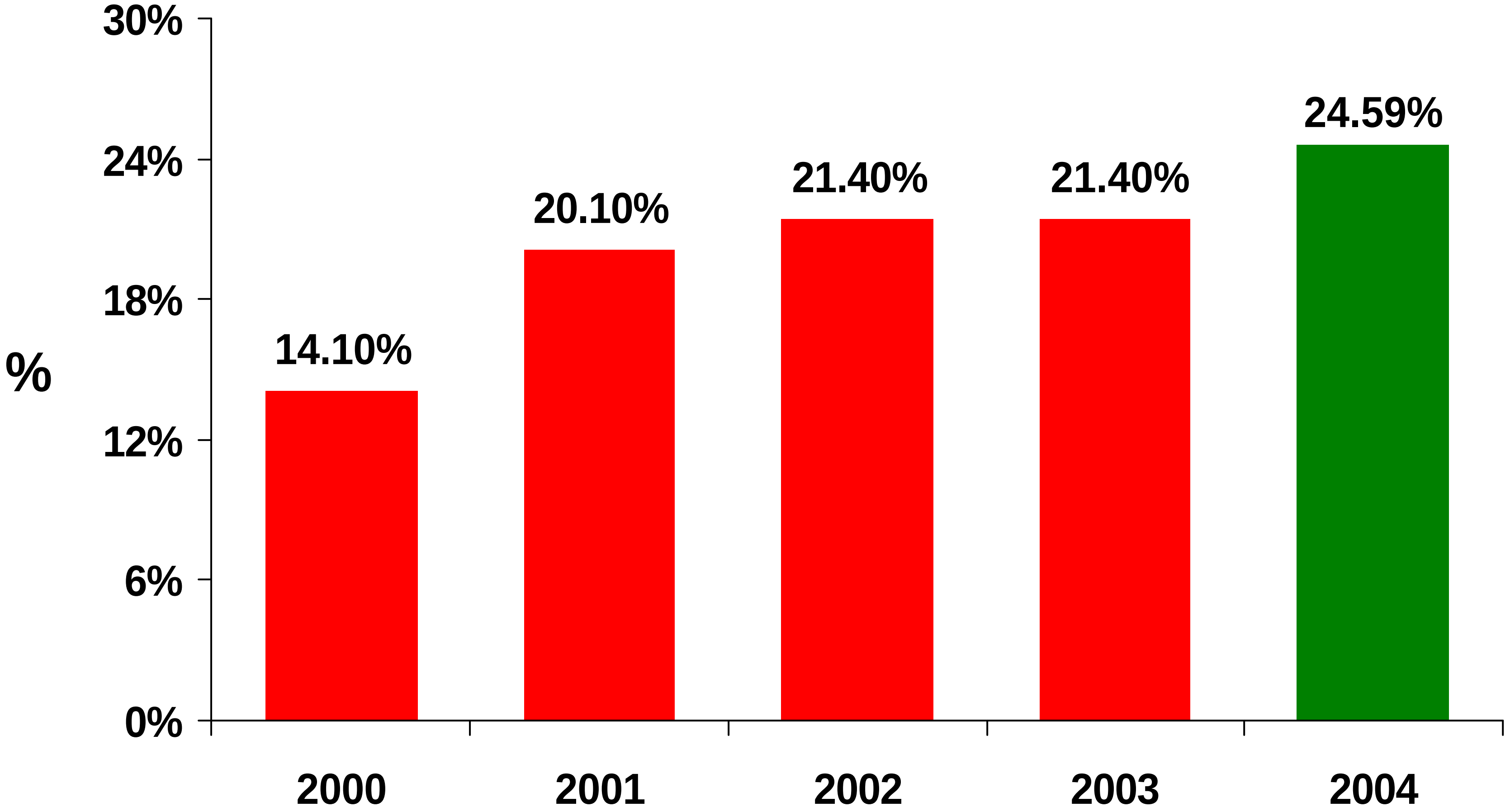


ROE INCREASES 8.1%PTS DUE TO SHARE BUY-BACKS AND GROWTH IN EARNINGS

(1) Based on closing Shareholders funds

(2) Decline in ROE in HY03 due to the effect of changes in Australian Accounting Standards.

RETURN ON FUNDS EMPLOYED[1] (HALF YEAR)



ROFE increases 3.19%pts due to a decrease in funds employed underpinned by a reduction in inventory and double digit growth in EBIT.

(1) This measures the pre-tax return on funds employed regardless of how they are financed

PROGRESS TO DATE

	HY00	HY01	HY02	HY03	HY04
Sales will grow in the upper single digits supported by bolt on acquisitions	9.5%	9.2%	13.4%	10.9%	6.4%[(1)]
EBIT will outperform sales growth driven by cost savings	10.2%	11.5%	18.9%	13.5%	13.7%
EPS will outperform EBIT growth assisted by capital management	12.1%	21.6%	27.4%	16.3%	17.6%

(1) Sales from continuing operations grew 7.6%

CALTEX ALLIANCE

- Woolworths’ existing petrol canopies (298 at 11 January 2004) remain outside the alliance with no change in reporting. Woolworths can expand these as required with no restrictions
- Approximately 130 plus Caltex sites to be converted to co-branded alliance sites with 36 sites already converted
- Minimal capital outlay to get access to alliance sites
- Caltex will supply fuel to all alliance sites and existing Woolworths sites.
- All alliance sites will continue to be managed by Caltex
- Woolworths sets the sell price of fuel and determines the redemption discount
- Caltex engaged as commission agent to sell fuel on behalf of the alliance
- Woolworths recognises 100% of alliance fuel sales
- Woolworths pays commission to Caltex
- After payment of commission, net profit recognised by Woolworths equates to 50% of net profit earned by alliance sites on sales volume uplift attributable to redemption discount

FUTURE GROWTH
CONTINUED BALANCED FOCUS

Focus Areas		*Result*
Continuing Growth	Upper single digit sales growth Improved customer offer Lower prices Bolt-on acquisitions	**Upper Single Digit Sales Growth**
Cost Reductions (The Enabler)	Project Refresh I continues Project Refresh II delivers	**Low Double Digit EPS Growth**
Capital & Balance Sheet Management	Efficient Balance Sheet Continue to reduce inventory	

GROWTH

Considerable opportunities for ongoing growth in both revenues and earnings

Continuing opportunity to grow market share

- Market share of Food, Liquor & Grocery (FLG) remains below 30% and still low by world standards

Defined plans to continue space roll out

- Adding 15 - 25 new supermarkets each year and expanding existing stores (3% to 5% space rollout p.a.)
- Adding 6 -10 BIG W stores each year (7% space rollout p.a.)
- Adding 6 - 12 Dan Murphy's stores each year
- Continued roll-out of Powerhouse stores
- Planned store efficiency improvements (eg. centre of store and better utilisation of space)

Supported by detailed plans for the next three to five years identifying specific sites

Minimal cannibalisation

Expansion of existing categories

- Targeting to grow liquor sales to over $2.5 billion, including new venture into Queensland. Market share currently only approximately 17%
- Targeted number of petrol canopies 450. Market share currently only approximately 11%
- Increasing deregulation (trading hours eg. in Queensland on Sundays; limits on products sold, eg. newspapers; liquor regulations)
- Under-represented in fresh food including meat, fruit and vegetables
- Woolworths seeks to bring to its customers a diverse, interesting and wide range of goods at fair and consistent prices. This range features the major industry brands and the company's much respected Fresh Food offer. While retaining a strong commitment to branded merchandise, it must be recognised that Woolworths 'Homebrand' continues to be Australia's largest supermarket grocery brand.

GROWTH

Considerable opportunities for ongoing growth in both revenues and earnings

New range and formats

- New format rollouts (eg. smaller BIG Ws in country towns)
- New categories across supermarkets and general merchandise eg. pharmacy

Continued focus on improved in-store execution and service

- Providing more rapid service
- Benefits of StockSmart - improved distribution service to stores
- Benefits of AutostockR - improved ranging and centre of store program

Lower prices - a major sales driver

- Better and innovative buying
- Enabled by continued cost reductions

Acquisitions

- Smaller bolt-on acquisitions sought both proactively and reactively
- Alert to larger acquisition opportunities if fit disciplined strategic approach and incremental to shareholder value

PROJECT REFRESH

Overview

- “Refresh” level 1* initiatives over the past 4 years (to the end of FY03) underpin a reduction in CODB of 2.40% of sales, giving cumulative savings of $1.76 billion.

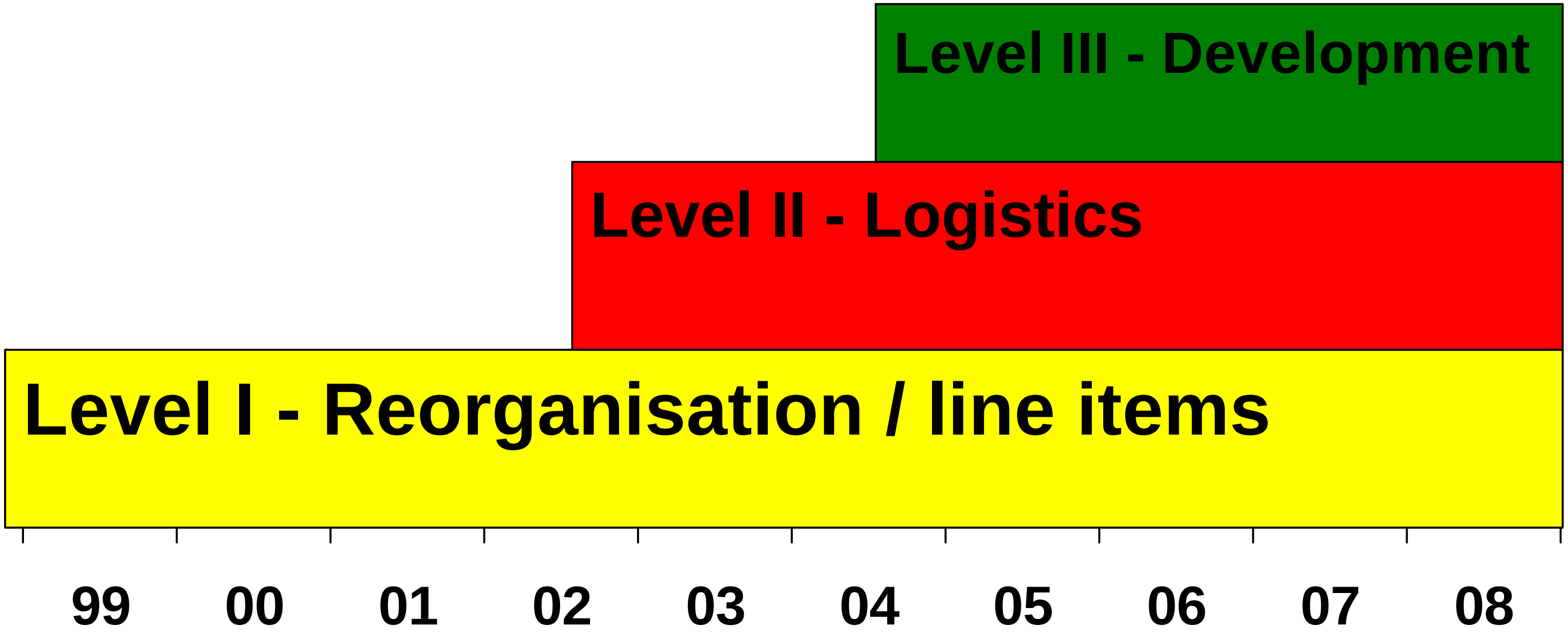
- Savings over the next five years expected to be no less than 1% of annual sales ie 20+ bp’s per annum.

- Savings will be shared approximately 50/50 between customer and shareholder.

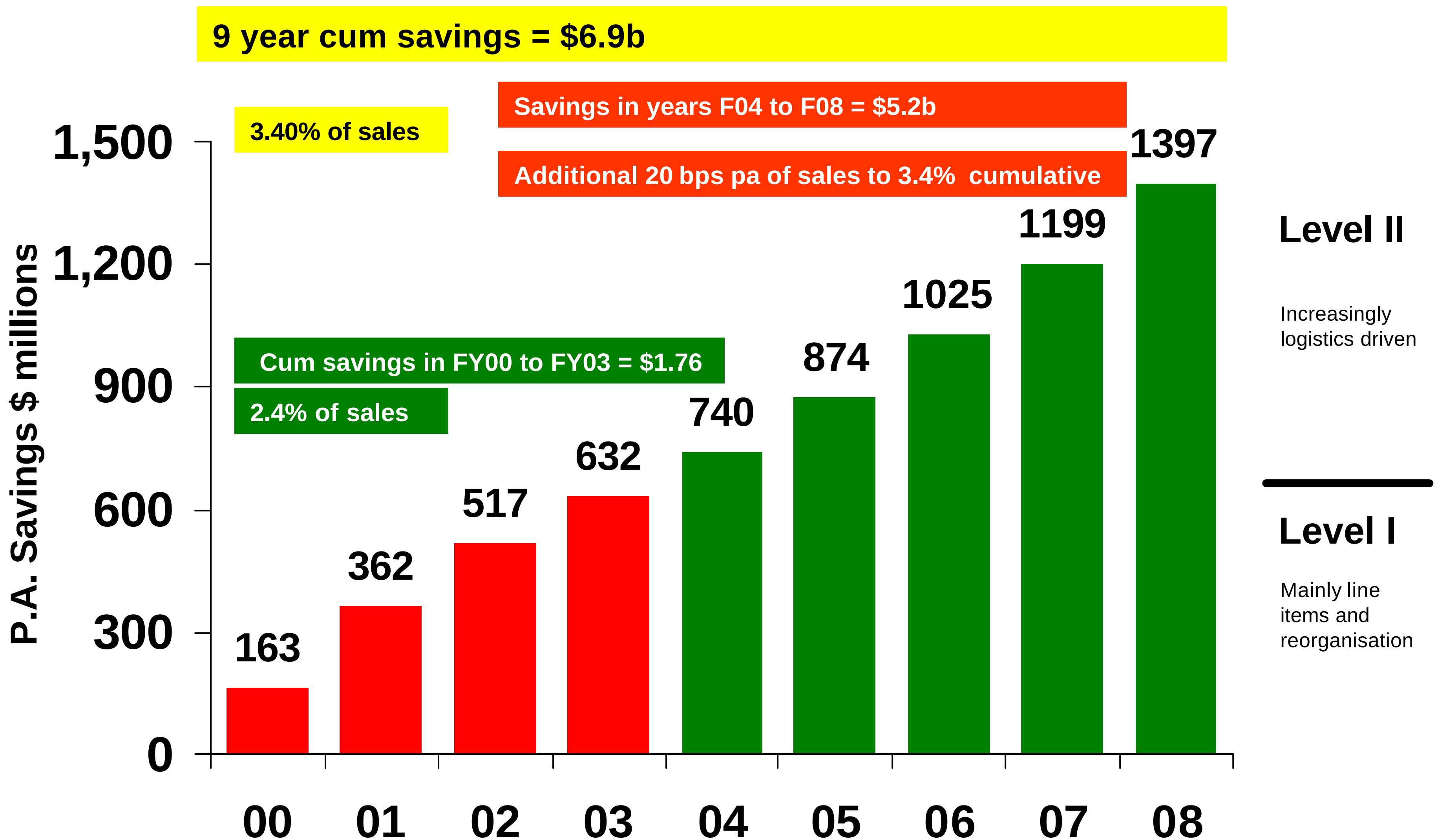
* “Refresh” level 1 incorporates business reorganisation, and line item cost reduction programs

PROJECT REFRESH

Cumulative savings $6.9 billion over 9 years



PROJECT REFRESH



SUPPLY CHAIN INITIATIVES - STATUS PROGRESS ON TRACK

Replenishment	• Integration of StockSmart and AutoStockR to provide end-to-end replenishment functionality
StockSMART (DC forecast based inventory replenishment)	• System development & implementation complete • DC stock level KPI targets achieved • Store service level KPI targets achieved
AutostockR (Store forecast based inventory replenishment)	• Software development completed • AutostockR now fully live in 177 stores across all regions • Roll-out to stores will be completed by August 2004 - 5 months earlier than schedule
Electronic Direct Store Delivery	• Automation of processing of direct store deliveries continues to perform well since complete rollout to all supermarkets with significant orders raised per week

SUPPLY CHAIN INITIATIVES - STATUS

One Touch Roll Cages

- Roll Cages are being successfully introduced into stores across WA
- Rollout across Australia over the next 18 to 24 months

Distribution Centres

- Plan to consolidate 31 Supermarket DC's to 9 Regional and 2 National DC sites
- Purchased land for Perth, Wyong & Wodonga sites, close to finalising the fourth key site
- Development of Perth RDC underway and on schedule
- Adelaide DC has been extended and additional products are now being distributed
- Expanding Flow Through and Cross Dock processes to incorporate them into the existing DC network. Planned for pilot implementation in FY04
- New Warehouse Management System (WMS) development is progressing satisfactorily with a pilot implementation planned for FY04
- Secondary transport strategy will commence second Qtr 04

Primary Transport

- First stage Transport Management System live November 2003 on time, on budget
- 26 vendors live for all or part of their volume
- Over 300 vendors at various stages of discussion on primary freight

CURRENT TRADING

Post Christmas:

- Food and Liquor sales trends reported in the second quarter continue.

- Trading in General Merchandise very strong.

GUIDANCE F04

Sales

- Full year sales growth in upper single digits

Earnings

- Bottom end of range increased by 1c at first half sales announcement
- Anticipate earnings per share before goodwill will be in a range between 68 cps and 70 cps, a growth rate between 12% and 15%
- EPS after goodwill is expected to be in the range of 65 cps to 67 cps, a growth rate between 12% and 15%
- EBIT will continue to grow faster than sales

Other

- Trading area expected to grow 3+%
- Inventory will reduce between 2 and 3 days
- Funds employed will increase less than sales

Guidance subject to current trading patterns being maintained, and present business, competitive and economic climate continuing

Appendices

VITAL SIGNS

		HY03	HY04	
Fixed charges cover	X	2.55	2.59	(Covenant more than x 1.75)
Days inventory (to cost of sales)	Days	38.2	35.4	(Anticipate about 2 to 3 days better than last year at year end)
Days creditors (to sales)	Days	42.0	42.1	
Return on Funds Employed (pre tax) ROFE	%	21.4	24.6	Due to funds employed less than last year and significant rise in EBIT
Return on Total Equity	%	16.8	20.6	
Return to Noteholders (pre tax)	%	3.9	3.8	
Return on Shareholders Equity (post tax)	%	21.5	29.6	Buy-backs in H2'03 and H1'04 have reduced equity and increased ROE.
Net working capital	$M	(478.9)	(703.0)	Inventory was $21 million less than last year. Trade and other creditors increased in line with sales

Rating of A- maintained, with CP and MTN pricing equivalent to A

CAPITAL EXPENDITURE

	HY04 Actual	F04 Forecast	F05 Forecast	F06 Forecast	F07 Forecast	F08 Forecast
New Stores / acquisitions	62 (1)	126 (3)	140	135	138	140
Store Refurbs/Extensions	112	219	238	235	240	240
Stay in Business	49	89	61	65	68	68
IT - Other	19	78	64	71	75	80
IT - Supply chain Level II	15	26 (4)	53	42	8	-
Supply Chain - level II (2)	32	36	101	88	17	32
Supply chain - other	5	29	19	19	21	23
Property Developments	78	140 (5)	135	150	145	150
Gross Capex	**372**	**743**	**811**	**805**	**712**	**733**
Property Sales	(1)	(139)	(138)	(162)	(75)	(170)
Net Capex	**371**	**604**	**673**	**643**	**637**	**563**

(1) Comprises acquisition of a liquor business Baily & Baily (6 stores) and acquisition of 13 liquor stores and 1 supermarket.

(2) Excludes distribution centre site and construction costs- assume that these will be leased

(3) Below original forecast of $138m due to 1 less supermarket expected to be opened due to timing and lower than expected costs

(4) Below original forecast of $39m with lower than expected upfront costs.

(5) Below original forecast of $172m due to decision to presell certain properties prior to development