Woolworths Limited

Company Results

Financial Year Ended

26 June 2011

Michael Luscombe

Chief Executive Officer

Grant O'Brien

Chief Executive Officer Elect

Tom Pockett

Finance Director

Highlights — Financial Year 2011

- Positive overall result given challenging macro economic conditions and devastating natural disasters
- Increase in NPAT of 5.1% or 6.4% excluding natural disaster costs
- Increase in market shares, sales and profits whilst investing significantly in reducing prices for customers
- Increased focus on meeting customers' needs through improved ranges, new formats, lower prices and multi-channel shopping
- Strong balance sheet, generating higher cash flows and returning more capital to shareholders through increased dividends and a share buyback
- Solid financial position, cash flow and credit rating strength positions us well for continued investment, capital management and growth
- Sustainable long-term profitable growth to deliver superior value to customers and shareholders through all economic cycles

Highlights — Financial Year 2011

		FY11	$ Increase	Growth
Sales	– Group	**$54.1b**	**$2.4b**	↑ **4.7%**
	– excl Petrol	**$48.1b**	**$1.9b**	↑ **4.1%**
EBITDA		**$4,134.3m**	**$255m**	↑ **6.6%**
EBIT		**$3,276.4m**	**$194m**	↑ **6.3%**
NPAT		**$2,124.0m**	**$103m**	↑ **5.1%**
NPAT (excl natural disaster costs)				↑ **6.4%**
EPS		**175¢**	**11¢**	↑ **6.5%**
DPS		**122¢**	**7¢**	↑ **6.1%**
ROFE		**29.3%**	↓ **1.7 ppts[1]**	

1. The decrease in ROFE reflects lower earnings in our general merchandise businesses, strategic investment in development properties to grow our new store pipeline, higher inventory and property, plant and equipment levels, the acquisition of Cellarmasters and investment in our new Home Improvement business

Highlights for the year

Price Leadership

Since 1983	January 2010	February 2011

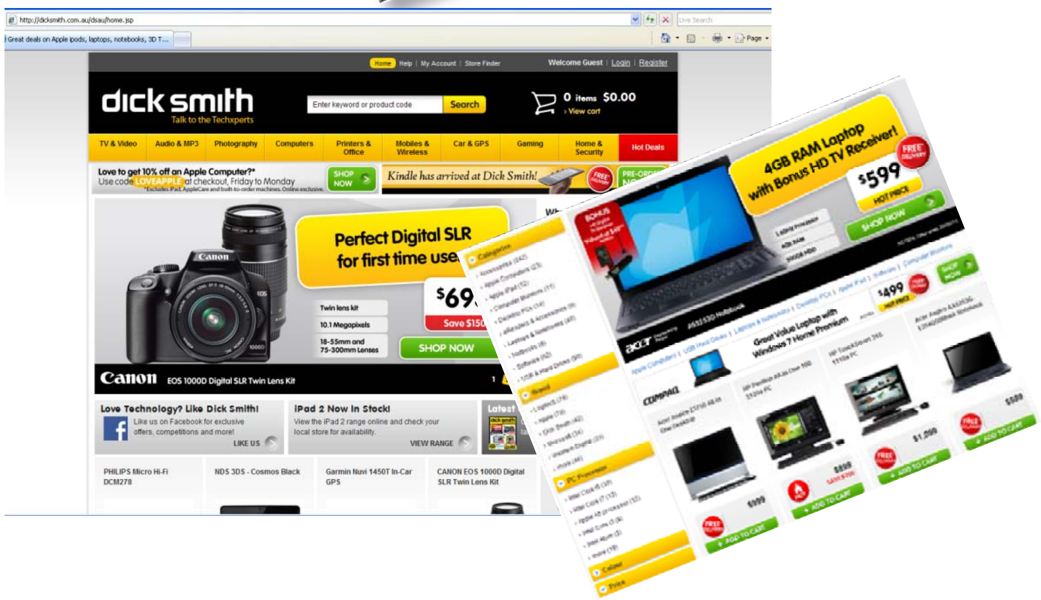
Fresh Food Leadership

- Leading market share growth in our 'Fresh' offering
- Continued focus on the quality and value of fresh food and exclusive brands
- Market leading Fresh ideas
  - Fixed Price Guarantee
  - Fresh Food Guarantee
  - Further Expansion of Macro Wholefood Market range

Enhanced customer experience driving sales growth

- Modern, innovative store formats
  - 10% 2015 format
  - 46% 2010 format
  - 21 new stores in 2015 format in FY11
- Contemporary, fresh 2015 format driving an excellent customer response

Integrated multi-channel offer



- Increasingly important part of overall strategy
- Online sales up 63%
- Dan Murphy's online launched March 2011
- New BIG W online store launched May 2010
- Refreshed Dick Smith online store with "click and collect" and online promotional events
- Woolworths online available to more than 85% of the population
- Integrating social networking with online offers – eg. BIG W's 'Big Catch' and 'Daily Deal'

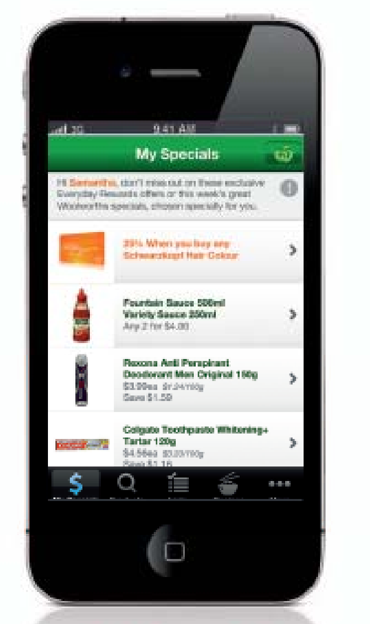
Making grocery shopping easier

Barcode Scanner

Simply scan the barcode and the item is automatically added to your shopping lists.

Shopping Lists

Automatically organises your shopping lists in aisle order for your local store.



My Specials

Receive great Everyday Rewards offers on the products you like to buy.

Liquor —$5.9b Sales

- Market share growth accelerating
- Dan Murphy's new format store
- Private Label continues with over 70 new lines for the year

Expansion of our liquor portfolio

- Cellarmasters acquisition completed May 2011
- Logical strategic fit with new direct marketing channels plus wine production capabilities
- Enhances ability to innovate through a multi-channel, multi-brand and multi-platform offer
- Integration proceeding well with trading above expectations and showing strong revenue and EBIT growth

Countdown – Largest and most trusted supermarket brand in New Zealand

- Strong result in a challenging economic environment, coupled with natural disasters
- Growing market share, customer numbers, basket size and items sold
- 88% stores now trading as value-positioned Countdown brand
- Transformation to 'new generation' continues to deliver positive results – now represents 62% of store fleet

BIG W — Lowest prices on the widest range

- Price leadership
- Continuing investment in new stores and refurbs
- Quality branded products
- New innovative exclusive brands
- Growth of optical to 37 sites selling premium brands eg. Guess, DKNY and D&G

Dick Smith — Enhanced range, best price, techxpert advice

- Focus on range, price and service. Successful "We're doing Deals" campaign
- New format stores outperforming older format stores
  - 68% Aus and 36% NZ Dick Smith stores converted to new format
- Category growth in laptop and tablet computers via competitive pricing, improved range and in-store presentation
- Refreshed online store trading strongly

Rewarding loyal customers every time

5.9m MEMBERS

CONVERT REWARDS TO QFF POINTS / GIFT CARDS

2.5m MEMBERS

Innovative financial services

Credit Cards

Launched November 2010

Additional QFF points for Everyday Rewards members. Low priced platinum card $89 annual fee

Launched September 2008

Gift Card Shopping Rewards. The award winning credit card

Debit Cards

Launched September 2010

Reloadable debit card acts as an alternative to a bank account for general purchases, travel, online

Launched May 2010

Single load pre-paid debit cards for travel, online, shopping, music downloads etc.

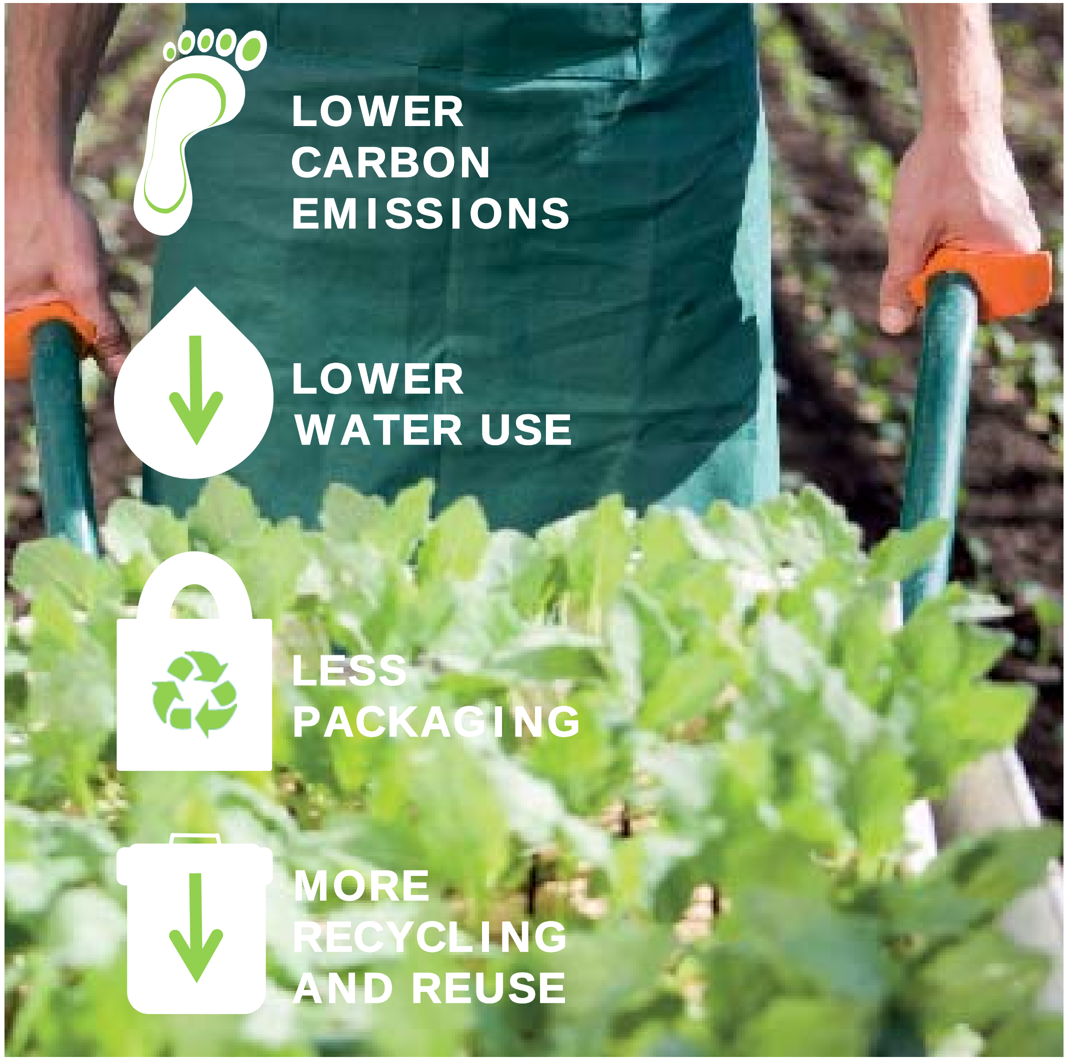
Home Improvement — Ready-to-compete

- First Masters store to open on schedule in Melbourne
- Unparalleled service, unbeatable value and innovative ranging for DIY and trade customers
- Fresh offer into this circa $40 billion sector
- Large portion of establishment costs offset by Danks trading performance in FY11
- Acquisition of Gunns, Beck's, Magnet Mart and Flatman's to strengthen profitability

Supply Chain Innovation

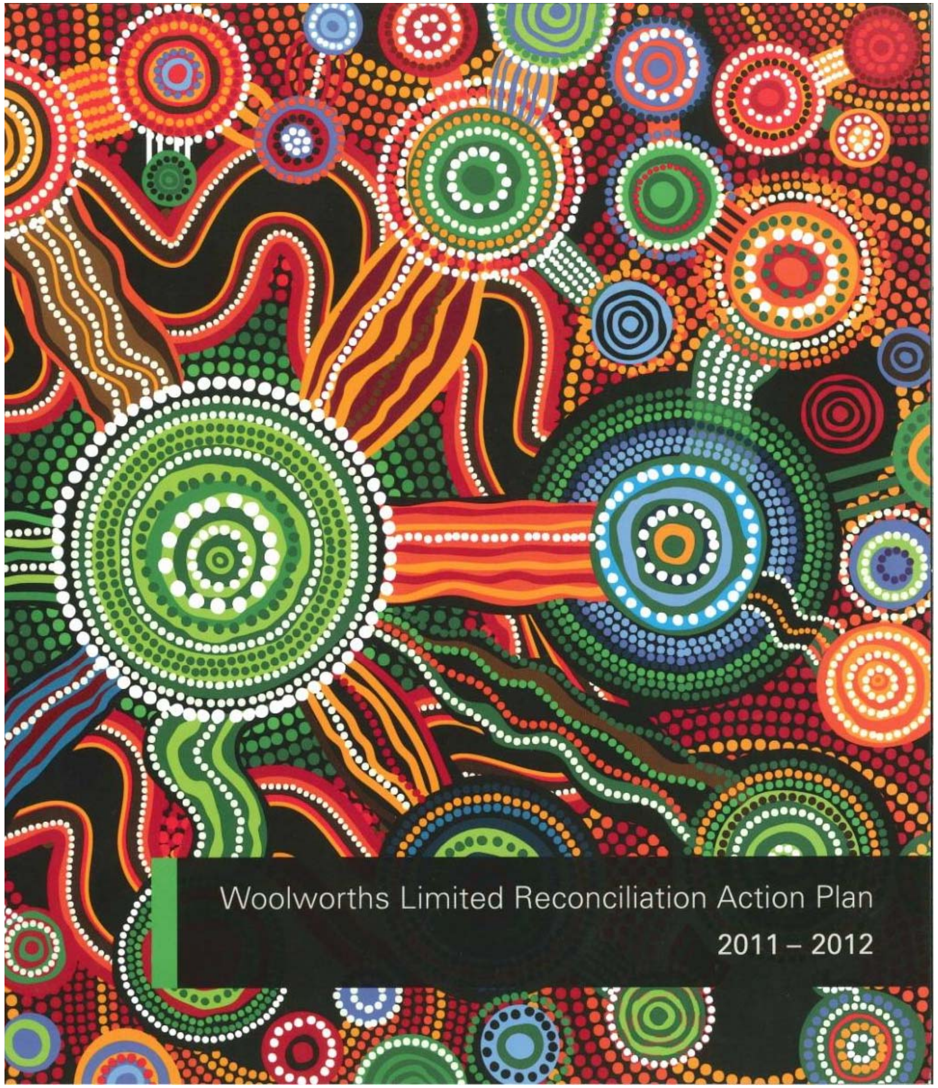
- Direct buying volumes through global sourcing increased more than 46%
- Construction, commissioning and re-engineering of distribution centres nationally – increased capacity, improved pick rate efficiency and immediate cost reductions
- Next Generation replenishment capabilities progressing well
- Development of Bunbury (WA) Meat processing and distribution operation planned to be completed in FY12 – improved efficiency and service to stores

Reducing our carbon footprint



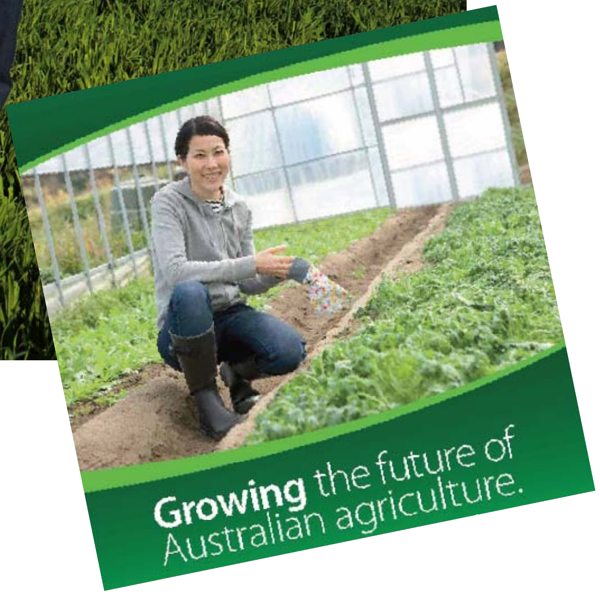
- Ongoing reduction of carbon intensity
- 37 new energy saving initiatives targeting
  - Cost savings of $120 million by 2015
  - 970,000 tonne reduction of carbon emissions by 2015

Leadership in Corporate Responsibility



- Implementing Ethical and Palm Oil Sourcing Policies, new Sustainable Seafood Policy
- Strong community investment in FY11 including $18.5 million to Salvation Army's Flood Appeal
- Launch of Reconciliation Action Plan
- 30% reduction in lost time injury frequency rate and 11% decrease in customer in-store injuries

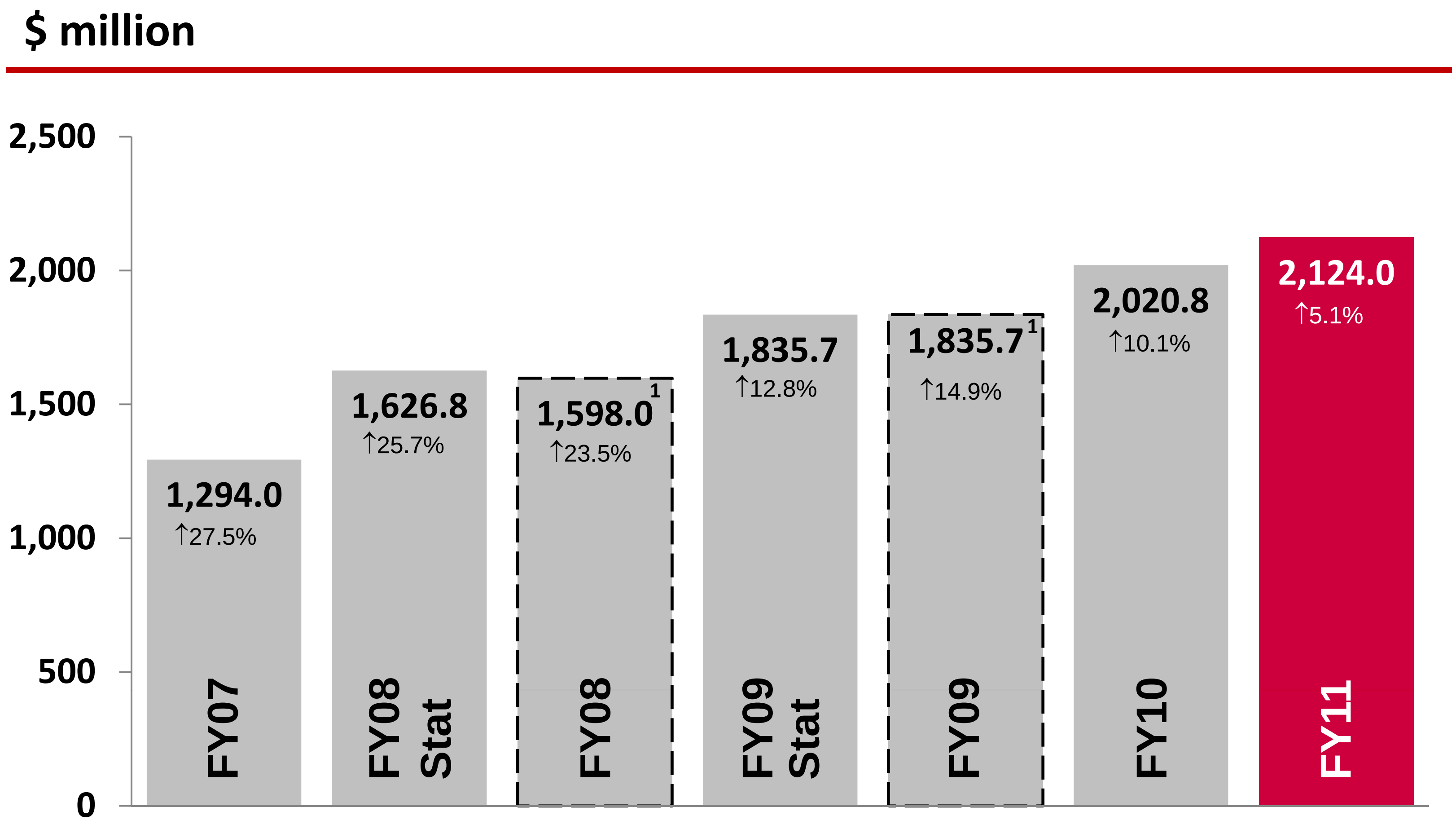
Committed to Australia's agricultural future



- Proud partners of Australian farmers
- 100% of our fresh meat, 97% of our fresh produce sourced from Australia
- Since 2007
  - 120 young farmers have graduated from the Woolworths Agricultural Scholarship program
  - $6.6m invested in Landcare initiatives
  - Key sponsor of Royal Agricultural Shows

Financial results

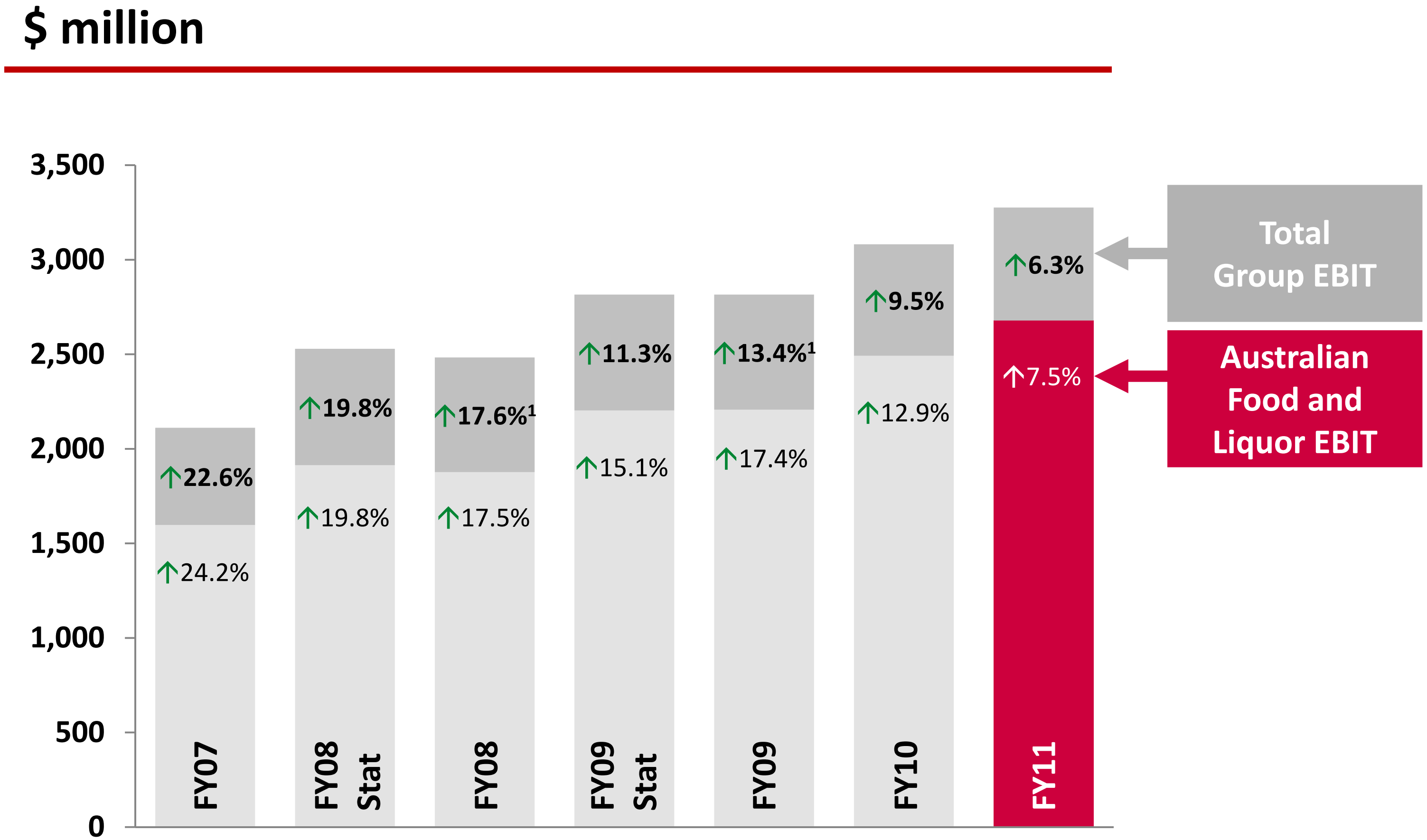
Profit after tax — up 5.1% (6.4% excl natural disaster costs)



1. Reflects growth normalised to remove the impact of the 53rd week in FY08

EBIT — up 6.3% (7.5% excl natural disaster costs)

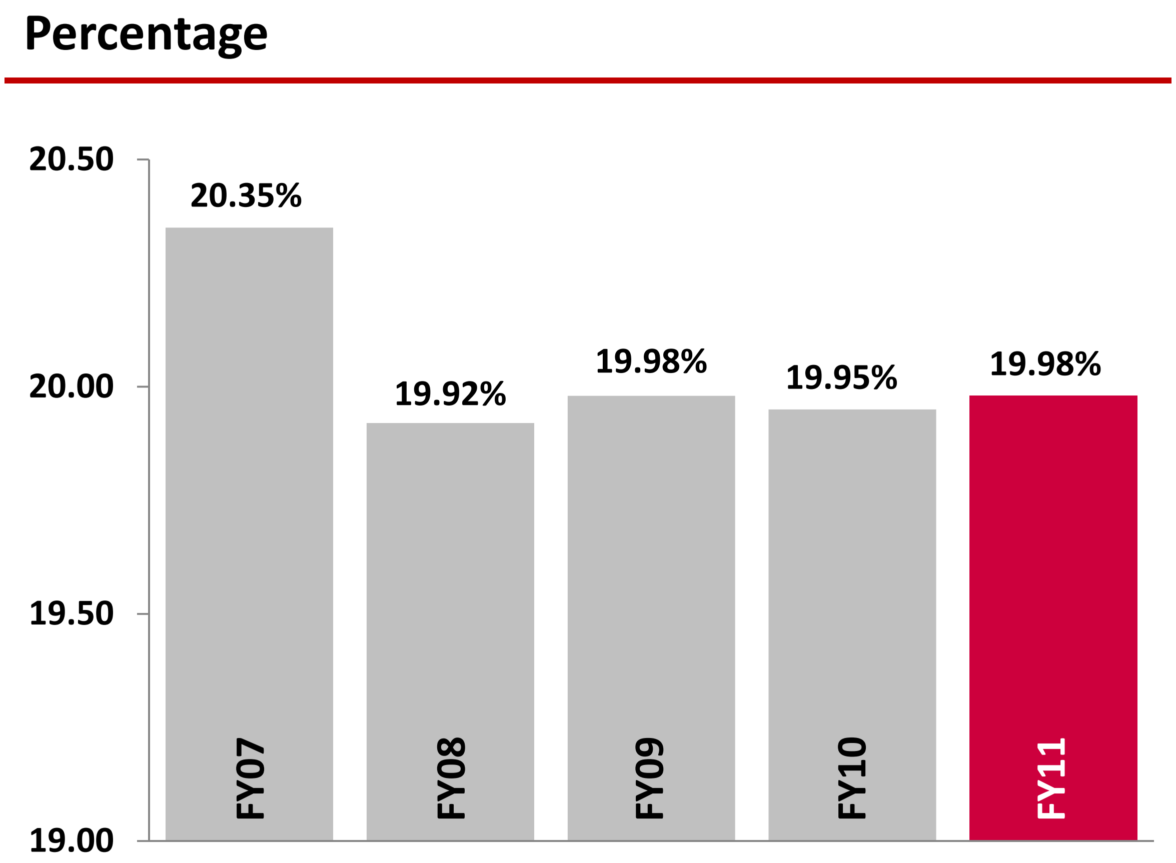
EBIT growth underpinned by solid growth in Australian Food and Liquor



1. Reflects growth normalised to remove the impact of the 53rd week in FY08

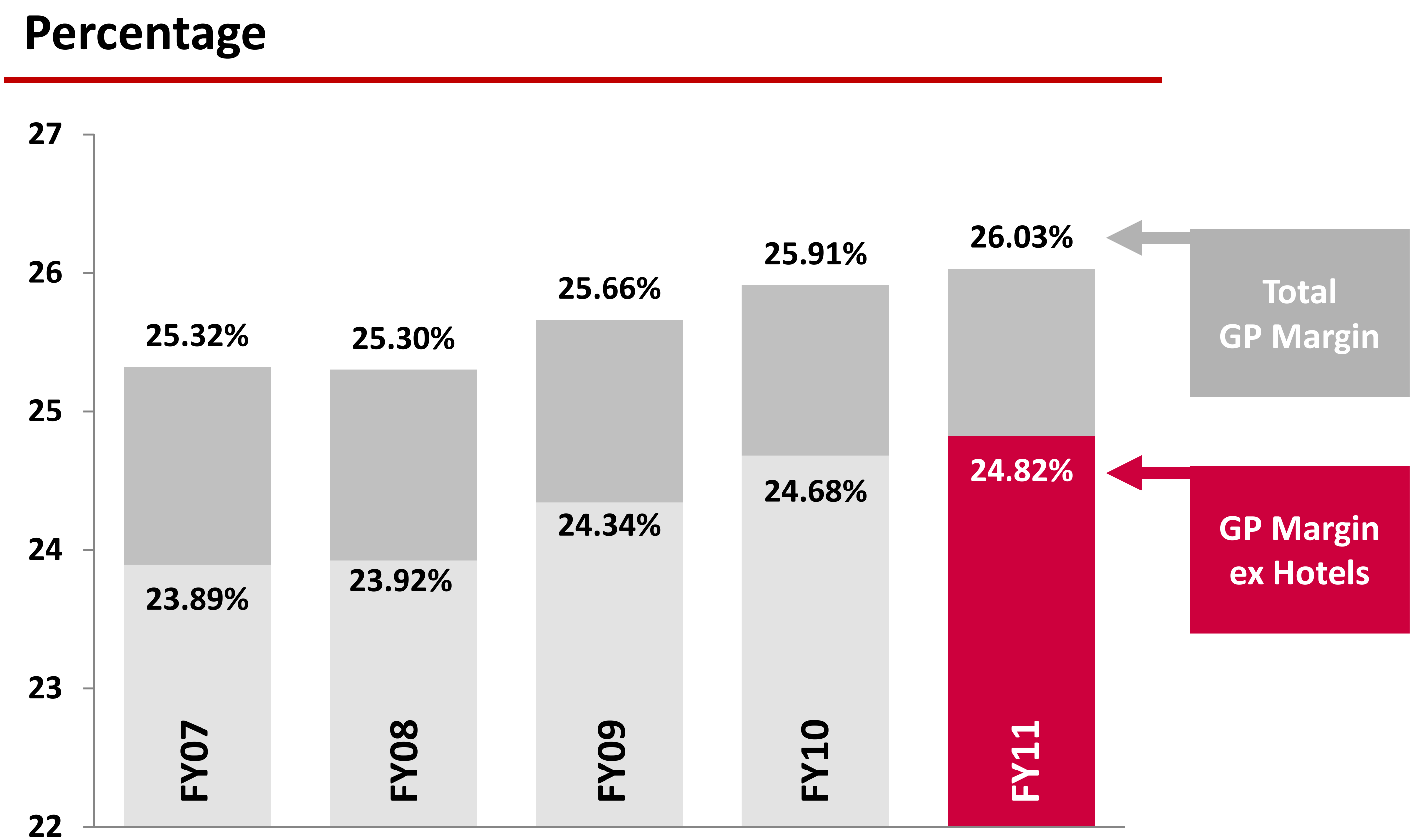
CODB / Sales

In a deflationary environment CODB was well controlled

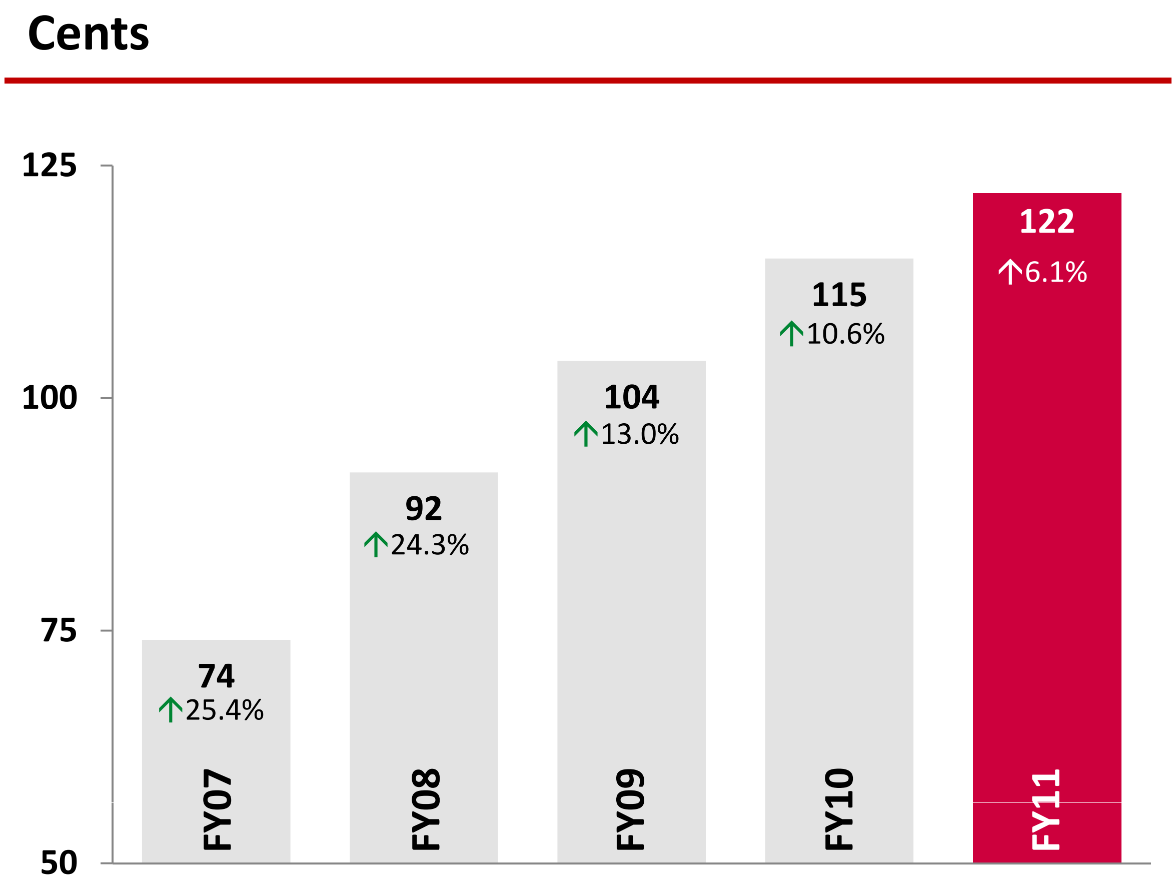


Gross Profit Margin

Gross margins for the Group have increased 12bps reflecting the benefits of global buying, the use of distribution centres in liquor, improved shrinkage rates, higher sales of exclusive brand products and the success of new store formats whilst delivering lower prices to customers



Dividends per share



Dividend pay-out ratio of 70% is in line with the previous year

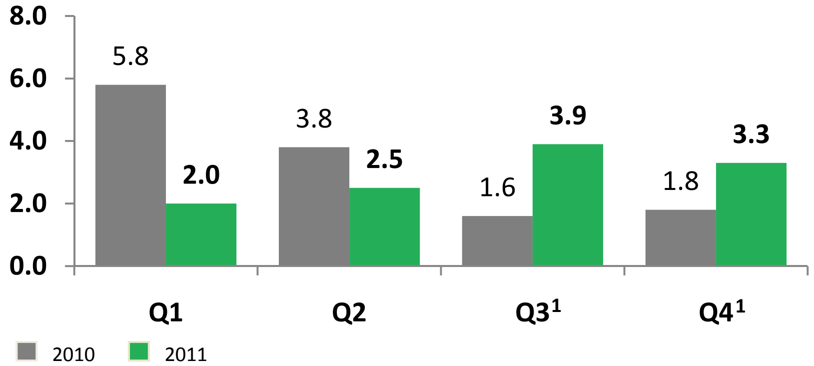
Final Dividend 2011: 65¢

Interim Dividend 2011: 57¢

Australian Supermarket Division

	FY10	FY11	Change
Sales – Food & Liquor ($m)	34,675	**36,176**	4.3%
– Petrol ($m)	5,481	**6,025**	9.9%
– Total ($m)	40,156	**42,201**	5.1%
Gross margin (%)	24.51	**24.71**	20bps
CODB (%)	18.06	**18.08**	2bps
EBIT to sales (%)	6.45	**6.63**	18bps
EBIT ($m)	2,592.0	**2,796.5**	7.9%
Funds Employed ($m)	3,417.7	**3,967.1**	16.1%
Average ROFE (%)	77.0	**75.7**	(1.3)ppts

Australian Food & Liquor
Comparable Sales: FY11↑3.0% (FY10:↑3.3%)



1. Q3 and Q4 adjusted for the impact of Easter

Positive momentum and growth in market share and customer numbers

- Sales increased $1.5 billion or 4.3%
- Comparable Food and Liquor sales up 3.0%
- EBIT increased 7.5% (8.2% excl natural disaster costs)
- Standard shelf price index up 2.6% (2010: 1.1%)
- Average price deflation for second half of 3.6% excl tobacco (HY11 4.3%)
- Improvement in gross margin whilst delivering lower prices
- 21 new supermarkets opened, within target range of 15 – 25. 840 total
- ROFE decreased 1.3% given the higher funds employed resulting from the Cellarmasters acquisition and continued investment in stores and distribution networks
- ROFE increased from 64% in FY06 to 76% in FY11

Liquor

Widening the gap on market share, sales, margins and profit

- Group liquor sales of $5.9 billion, increased 5.4%
- Continued success of exclusive brands, private label and Gage Road relationship
- New Brisbane DC improving efficiencies and reducing costs
- Opened 19 new Dan Murphy's stores. Total liquor outlets at the end of FY11 were 1,250
- Cellarmasters synergies and integration are well advanced – Dorrien winemaking and Vinpac bottling already producing for our brands

Petrol

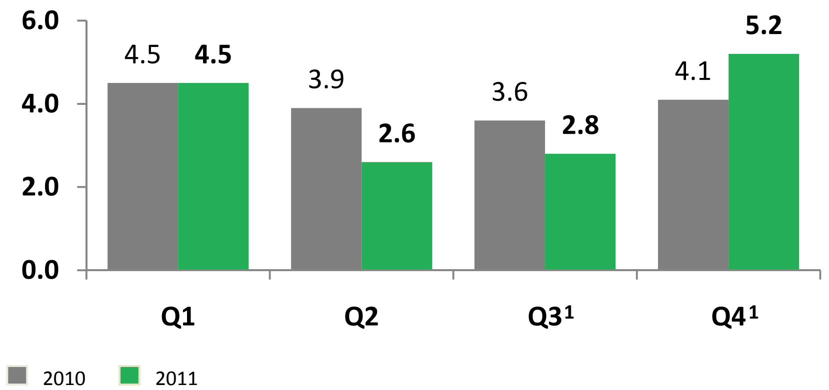
Improving merchandise sales to complete the convenience offer

- Sales of $6.0 billion, increased 9.9%
- Comparable sales increased 7.2% reflecting higher fuel prices (FY11: $1.31; FY10: $1.24 / litre)
- Comparable volumes increased 0.2%
- Merchandise sales increased 10.2%
- EBIT increased 18.2% to $117.6 million
- 20 canopies opened. 581 sites (including 132 alliance sites) at the end of FY11

New Zealand Supermarkets

NZ$	FY10	FY11	Change
Sales ($m)	5,185	**5,362**	3.4%
Gross margin (%)	22.27	**22.64**	37bps
CODB (%)	17.56	**17.93**	37bps
EBIT to sales (%)	4.71	**4.71**	-bps
Trading EBIT ($m)	244.1	**252.4**	3.4%
Less intercompany charges ($m)	(11.9)	**(8.3)**	(30.3)%
Reported EBIT ($m)	232.2	**244.1**	5.1%
Funds Employed ($m)	2,995.5	**3,208.7**	7.1%

New Zealand Supermarkets
Comparable Sales: FY11 ↑3.7% (FY10:↑4.0%)



1. Q3 and Q4 adjusted for the impact of Easter

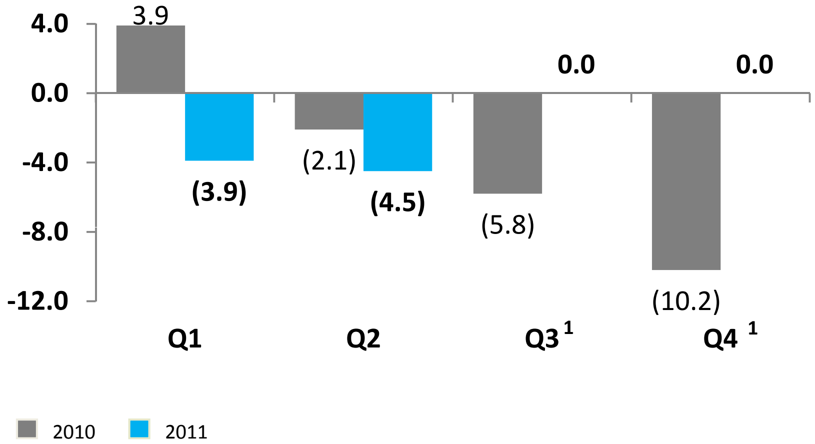
Strong result in challenging conditions

- Sales NZ$5.4 billion, increased 3.4%
- Comparable sales growth of 3.7%
- Food inflation for FY11 was 1.4% (FY10: 0.9%)
- Gross margin increase from merchandising, point of sale and replenishment systems, shrinkage control, availability and speed to market
- Trading EBIT increased 3.4% (9.5% excl natural disaster costs)
- 10 new stores during the year, with 156 total stores at year end
- National Distribution Centre now operational

BIG W

	FY10	FY11	Change
Sales ($m)	4,193	**4,158**	(0.8)%
Gross margin (%)	30.20	**30.63**	43bps
CODB (%)	25.43	**26.37**	94bps
EBIT to sales (%)	4.77	**4.26**	(51)bps
EBIT ($m)	200.0	**177.0**	(11.5)%
Funds Employed ($m)	789.3	**822.1**	4.2%
Average ROFE (%)	28.1	**22.0**	(6.1)ppts

BIG W
Comparable Sales: FY11 ↓2.5% (FY10:↓3.2%)



1. Q3 and Q4 adjusted for the impact of Easter

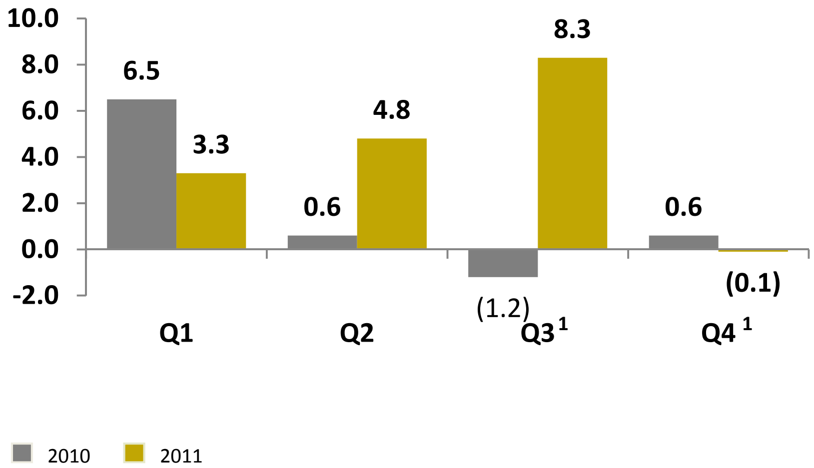
Delivering lowest prices on the widest range of quality and branded products

- Strong second half result demonstrates relevance of offer
- Second half sales growth of 2% and EBIT growth of 5.7%
- Gross margin up 43bps from change in sales mix and more effective buying
- Continued growth in customer traffic, units sold and items per basket
- Result offset by deflation of 6%, with price reductions passed onto customers
- 4 stores opened and 11 fully refurbished. 165 total stores; 66% in new format
- Potential for 15 - 20 new stores in next 3 years
- Days inventory at year end lower than last year

Consumer Electronics – Australia

A$	FY10	FY11	Change
Sales ($m)	1,260	**1,286**	2.1%
Gross margin (%)	26.57	**26.04**	(53)bps
CODB (%)	24.85	**24.66**	(19)bps
EBIT to sales (%)	1.72	**1.38**	(34)bps
EBIT ($m)	21.7	**17.8**	(18.0)%

Consumer Electronics – Australia
Comparable Sales: FY11 ↑4.2% (FY10:↑1.6%)



1. Q3 and Q4 adjusted for the impact of Easter

Enhanced range, best price and right techxpert advice

- Sales increased 2.1% with comparable sales growth of 4.2% (7.1% excl Tandy and ex-Powerhouse)
- Tightened consumer spending and significant price deflation
- CODB % reduced 19bps
- Roll out of refreshed offer driving market share growth in key categories
- Repositioning Dick Smith business to continue FY12
  - **New formats**: 68% of the total store network are new format stores – outperforming older format stores
  - **Branding, price and range**: launch of new marketing proposition in Q1 FY12 and continued expansion of product range
  - **Techxperts**: strong coverage with rapid sales growth
  - **Online**: refreshed website delivering strong results

Consumer Electronics – NZ and India

New Zealand – NZ$	FY10	FY11	Change
Sales ($m)	341	**322**	(5.6)%
Gross margin (%)	24.60	**25.22**	62bps
CODB (%)	21.46	**23.48**	202bps
EBIT to sales (%)	3.14	**1.74**	(140)bps
EBIT ($m)	10.7	**5.6**	(47.7)%

New Zealand – Challenging environment

- Sales decreased 5.6% - impacted by challenging environment and price deflation
- 3 stores closed since February earthquake and aftershocks
- Continued capital investment – 6 new stores and 7 refurbished with 36% in new format

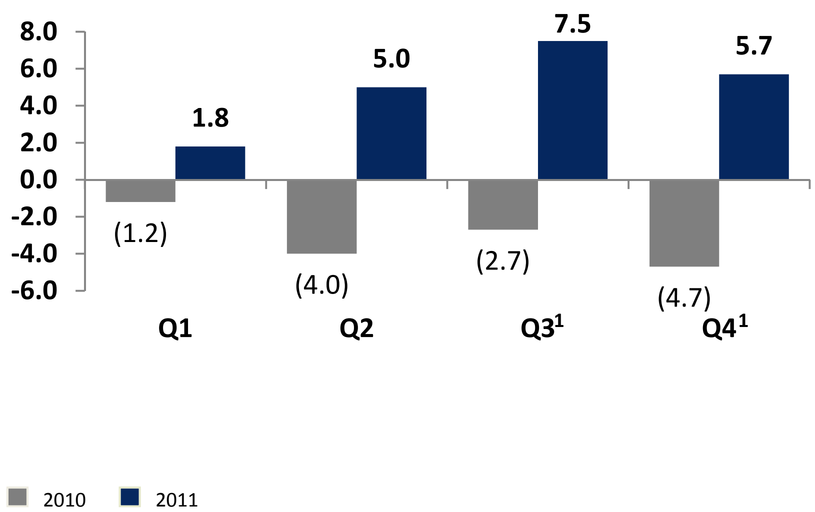
India – Strong growth

- Sales increased 27.8% to A$322m (FY10: $252m)
- EBIT increased to $4.8m (FY10: $1.3m)
- TATA now has 64 ‘Croma’ stores
- WOW provides buying, wholesale, supply chain and general consulting services

Hotels

	FY10	FY11	Change
Sales ($m)	1,102	**1,153**	4.6%
Gross margin (%)	82.42	**81.53**	(89)bps
CODB (%)	66.39	**65.60**	(79)bps
EBIT to sales (%)	16.03	**15.93**	(10)bps
EBIT ($m)	176.7	**183.7**	4.0%

Hotels
Comparable Sales: FY11 ↑4.9% (FY10:↓3.0%)



1. Q3 and Q4 adjusted for the impact of Easter

Proving resilient

- Sales up 4.6% to $1.2 billion, with comparable sales up 4.9%
- Gaming comparable sales up 3.1%
- EBIT up 4% to $184 million with a strong second half growth of 15.6% (17.1% excluding natural disaster costs)
- Continued focus on improving food and entertainment offers
- Stronger CODB % from higher sales and good cost management
- 2 properties added. Total hotels and clubs now 282

Cash Flow

$ million	FY10	FY11	Change
EBITDA	3,879.8	**4,134.3**	**6.6%**
Net increase in creditors	82.9	**167.1**	
Net (increase) in inventory	(94.2)	**(234.7)**	
Net change in other working capital and non cash[1]	30.2	**75.5**	
Cash from Operating Activities before interest and tax	3,898.7	**4,142.2**	**6.2%**
Net interest paid (including costs of income notes)[2]	(249.8)	**(309.6)**	
Tax paid[3]	(896.9)	**(841.5)**	
Total cash provided by operating activities	2,752.0	**2,991.1**	**8.7%**
Payments for the purchase of business – other[4]	(204.7)	**(443.9)**	
Payments for the purchase of investments	(1.9)	**-**	
Payments for property, plant and equipment – property development	(618.5)	**(996.9)**	
Payments for property, plant and equipment – other	(1,149.6)	**(1,128.5)**	
Advances related to property development[5]	(49.6)	**(13.1)**	
Proceeds on disposal of property, plant and equipment[6]	55.4	**394.4**	
Proceeds from ALE Rights renouncement	4.2	**-**	
Dividends received	12.5	**10.6**	
Total cash used in investing activities	(1,952.2)	**(2,177.4)**	
Free Cash Flow	799.8	**813.7**	
Dividend	1,181.4	**1,273.2**	
Share buy-back	294.6	**738.7**	
Free Cash Flow as a % of NPAT	39%	**38%**	

1. Non-cash items include share based payments expense and gain / loss of sale on sale of fixed assets
2. Interest paid reflects higher average debt levels in FY11 necessary to fund share buy-backs and increased property development expenditure
3. Tax payments are down reflecting the lower final tax adjustment required with respect to the 2010 tax return following the relative higher instalments paid during 2010
4. Other purchases of businesses relate to the acquisition of Cellarmasters and retail hardware businesses as well as individual hotel / store acquisitions. FY10 included individual hotel / store acquisitions as well as the acquisition of Macro Wholefoods, Danks Holdings Limited and Gunns Retail Division
5. Payments for property, plant and equipment have increased as a result of significant property development activity
6. Proceeds from the disposal of property, plant and equipment primarily represent proceeds from the sale of Australian development properties

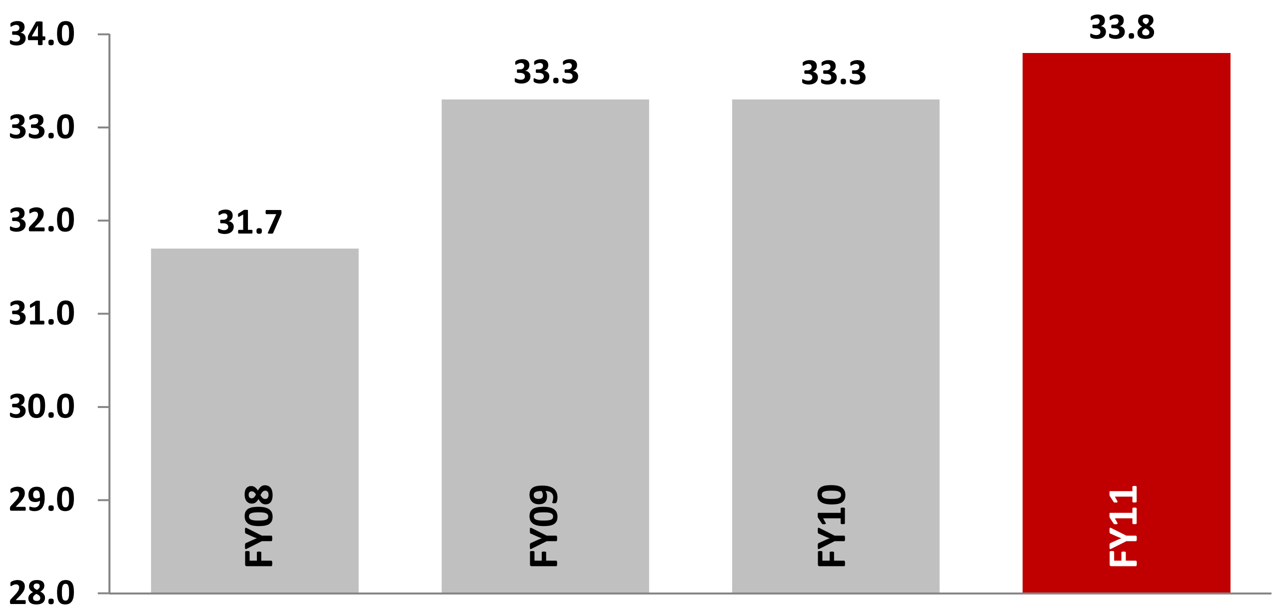
Cash Flow

$ million	FY10	FY11	Change
Total cash provided by operating activities	2,752.0	**2,991.1**	**8.7%**
Payments for ongoing capital expenditure (excl property development)	(1,130.3)	**(1,126.3)**	
Dividends received	12.5	**10.6**	
Proceeds from ALE Rights renouncement	4.2	**-**	
Cash available for distribution and strategic investment	1,638.4	**1,875.4**	**14.5%**
Dividends paid (including to minority interests)	(1,181.4)	**(1,273.2)**	
Cash available after capital expenditure and dividends	457.0	**602.2**	**31.8%**
Cash flow related to strategic investments			
Payments for the purchase of business (incl intangibles / investments)[1]	(225.9)	**(446.1)**	
Payments for property development (net of proceeds from disposal and movements in property receivables)	(612.7)	**(615.6)**	
Share buyback	(294.6)	**(738.7)**	
Total cash used for strategic investment	(1,133.2)	**(1,800.4)**	
Funding sources			
Proceeds from the issue of equity securities and repayment of employee share plan loans (net of shares acquired for employee share trust)	77.5	**76.3**	
Issue of subsidiary shares to non-controlling interests	79.5	**176.6[2]**	
Proceeds from external borrowings (net of repayments)	519.2	**945.3**	
Financing activities used to fund strategic investment	676.2	**1,198.2**	
Fixed charges cover (times)	3.1	**3.0**	
Service cover (times)	14.6	**12.5**	
Free Cash Flow as a % of NPAT	**39%**	**38%**	

1. Purchases of businesses relate to the acquisition of Cellarmasters and retail hardware businesses as well as individual hotel / store acquisitions. FY10 included individual hotel / store acquisitions as well as the acquisition of Macro Wholefoods, Danks Holdings Limited and Gunns Retail Division
2. Excludes $93m cash call receivable from Lowe's in respect of the Home Improvement business which was outstanding at year end

Average Inventory Days

Average Days



Inventory days increased 0.5 days. When the impact of incremental inventory for indent, Cellarmasters and Home Improvement is excluded, inventory days decreased by 0.5 days compared to FY10

Note: Average inventory based on 13 months rolling average

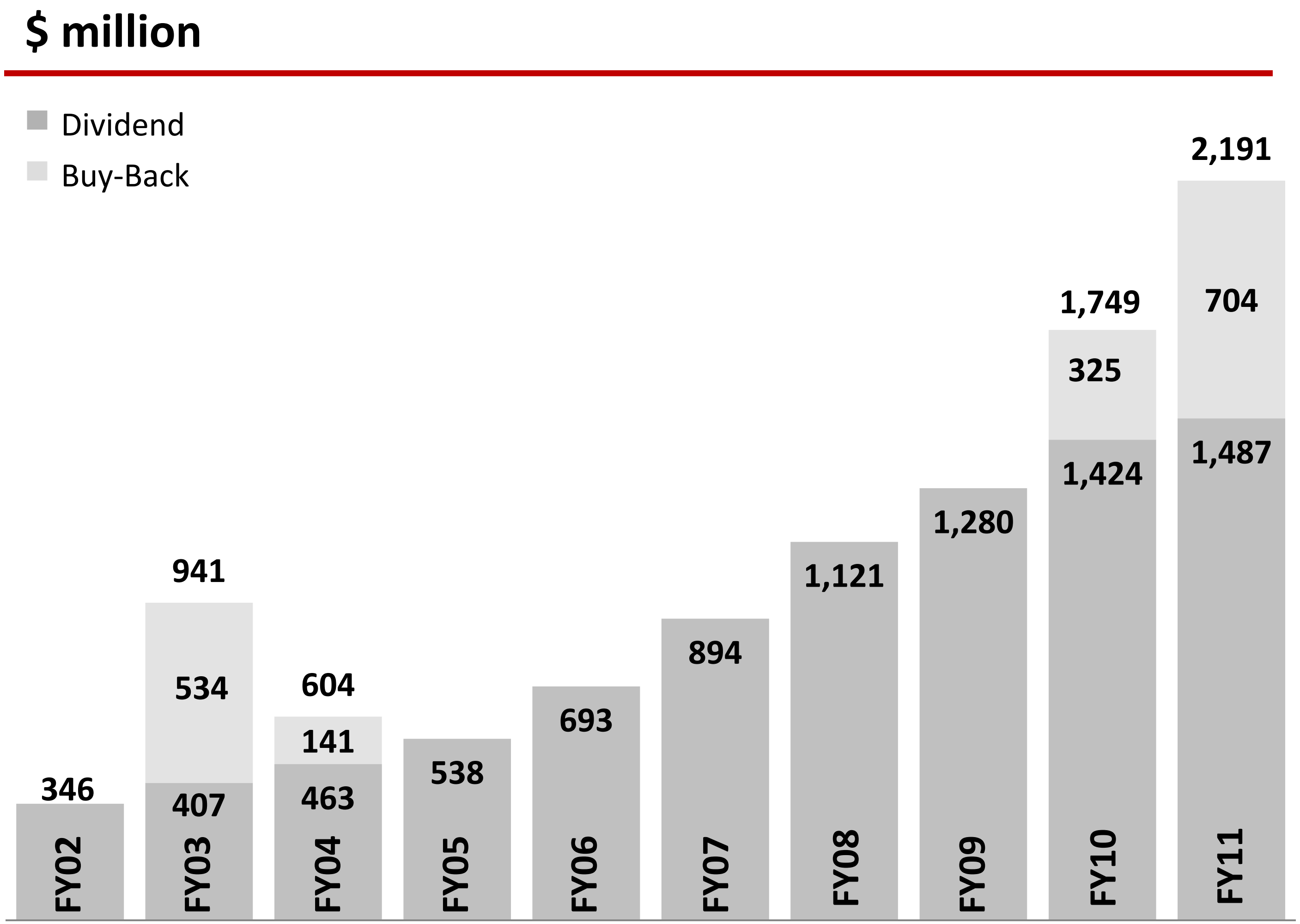
Balance Sheet

$ million	FY10	FY11
Inventory	3,438.8	**3,736.5**
Trade Payables	(4,211.2)	**(4,398.1)**
Net investment in inventory	**(772.4)**	**(661.6)**
Receivables	930.1	**1,044.1**
Other creditors	(2,455.9)	**(2,646.8)**
Working Capital	**(2,298.2)**	**(2,264.3)**
Fixed assets and investments	7,802.9	**8,830.5**
Intangibles	5,071.0	**5,236.6**
Total Funds Employed	**10,575.7**	**11,802.8**
Net Tax Balances	233.6	**305.7**
Net Assets Employed	**10,809.3**	**12,108.5**
Borrowings current	(871.7)	**(1,471.1)**
Borrowings non-current	(2,670.4)	**(3,373.8)**
Cash and deposits	713.4	**1,519.6**
Other financial assets and liabilities	(162.9)	**(1,030.4)**
Net Repayable Debt	**(2,991.6)**	**(4,355.7)**
Capital call receivable from minority interest (Lowe's)	-	**93.0**
Net Assets	**7,817.7**	**7,845.8**
Shareholders equity	7,570.4	**7,593.2**
Non-controlling interests	247.3	**252.6**
Total Equity	**7,817.7**	**7,845.8**

- **Inventory** increased 8.7% primarily due to increased indent stock from direct sourcing, incremental inventory in liquor DCs, the purchase of inventory for new Masters stores and inventory from the acquisition of Cellarmasters and retail hardware stores
- **Receivables** increased due to debtors acquired in the Cellarmasters and Home Improvement businesses
- **Fixed asset** growth reflects ongoing capex and property development expenditure offset by disposals of property and ongoing depreciation
- **Intangibles** up 3.3% reflecting additional goodwill and other intangible assets associated primarily with the acquisition of Cellarmasters
- **Borrowings current and non-current** increased reflecting higher borrowings used to fund capex, property development and the share buy-back, offset by the stronger AUD reducing the carrying amount of US$ debt
- **Other financial assets and liabilities** increased $867.5 million of which approximately $600 million is due to higher hedge related liabilities resulting from more US$ denominated borrowings and the stronger AUD
- **Shareholders equity** up $22.8 million from issue of shares as part of the dividend reinvestment plan and exercise of executive options, offset by the share buy-back and movements in the hedge reserve and foreign currency translation reserve

Shareholder Payouts

Estimated franking credits available for distribution (after final dividend) = $1,228m



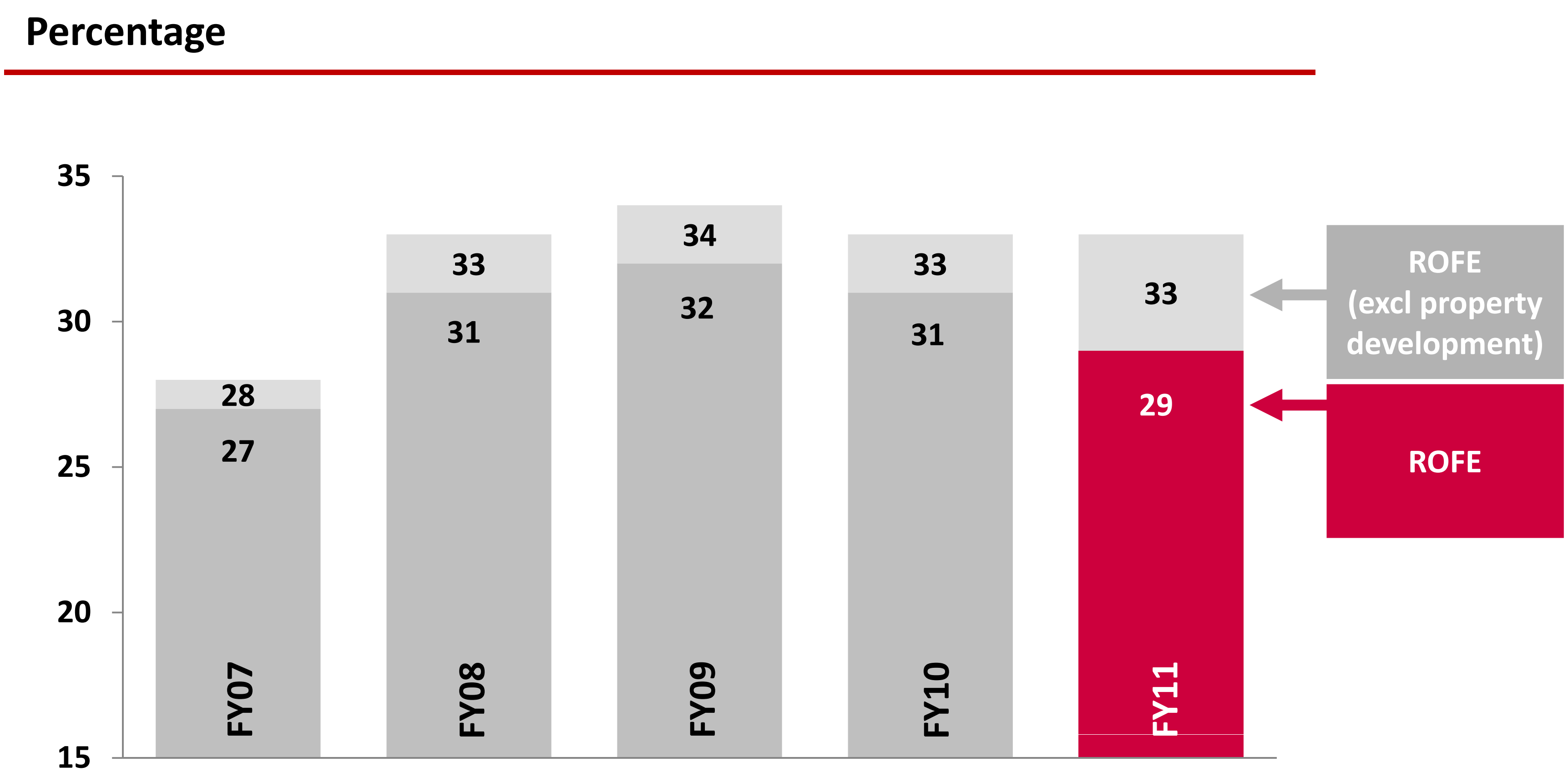
Profit growth, coupled with good balance sheet management, will have delivered over $10.3 billion payout to shareholders since July 2001

Capital Management

Objective is to enhance shareholder value by optimising weighted average cost of capital whilst retaining flexibility to pursue growth and capital management opportunities

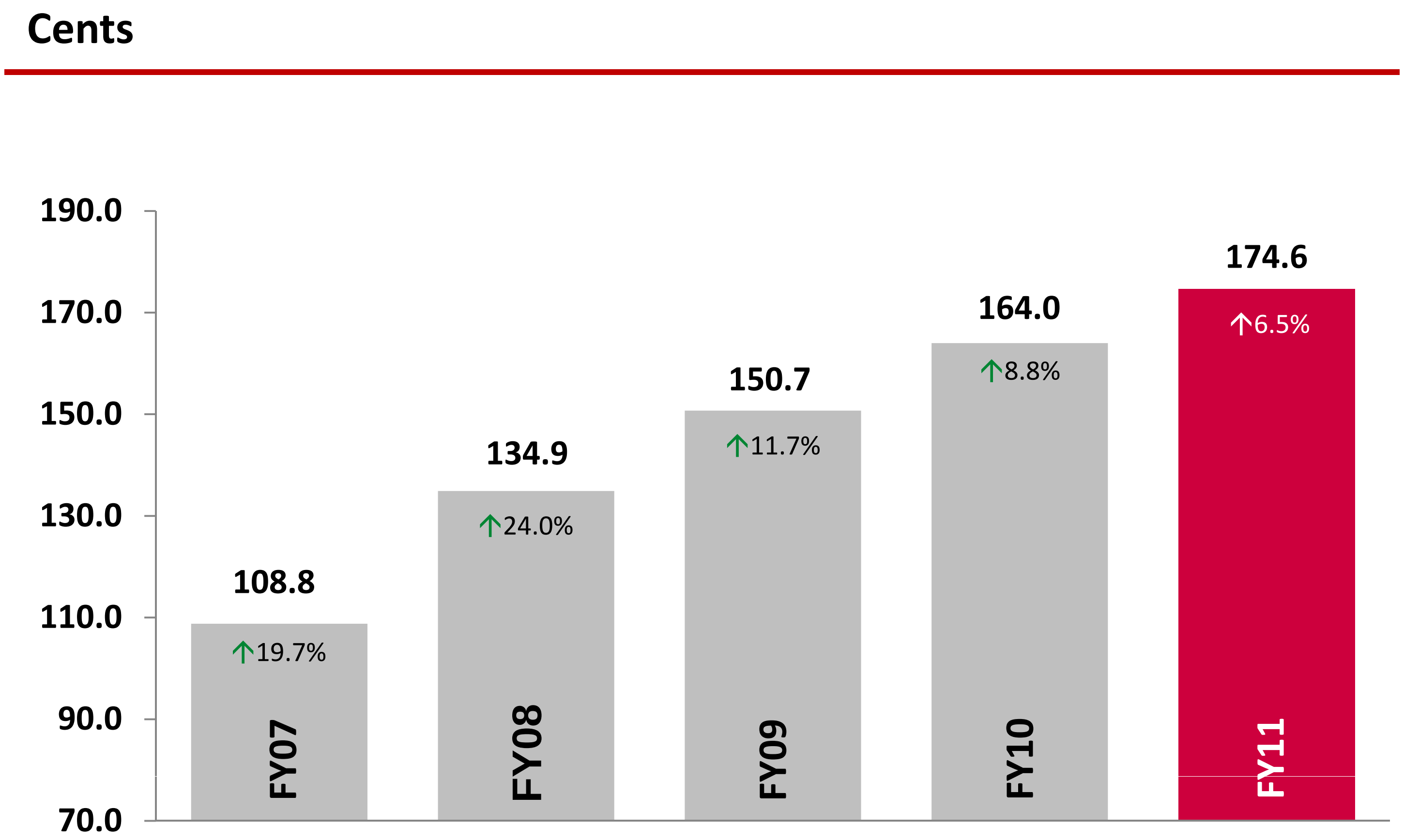
- **Share Buy Back**
  - October 2010 – $704m off-market share buy-back
  - 2010 calendar year – $1b capital (excluding dividends) to shareholders
- **Debt raising**
  - September 2010 – US$1.25b notes into US 144A market (currency exposure fully hedged)
  - March 2011 – A$500m medium term notes into domestic institutional market
  - April 2011 – US$850m notes into US 144A market (currency exposure fully hedged)
- **Refinancing**
  - Upcoming refinancing requirements include A$600m hybrid note (notice to redeem issued 11 August 2011) and US$300m in US 144A notes (hedged at A$410m) maturing November 2011. Pre-financed by $A and $US debt raisings
  - In April and May 2012, two syndicated bank loan facilities totalling $1.7b will mature (approximately $546m currently drawn). Refinancing plan for these maturities is being implemented
  - $3.2b in undrawn bank loan facilities at year end
- **Future capital management initiatives** will be assessed in light of growth opportunities, capital markets, environment and our focus on maintaining strong credit ratings

Return on funds employed[1]



1. Based on average of opening and closing funds employed. The decrease in ROFE reflects lower earnings in our general merchandise businesses, strategic investment in development properties to grow our new store pipeline, higher inventory and property, plant and equipment levels, the acquisition of Cellarmasters and investment in our new Home Improvement business

Earnings per share – up 6.5%



Strategy and Growth

Key growth initiatives

A customer-focused core business

Investment
in price, range,
merchandise & quality

Leveraging supply chain	Expansion of exclusive brands	Expansion of global sourcing
Enhance Customer Engagement	Financial Services capabilities	Grow market share
Grow Home Improvement offer	Continued reinvestment in all businesses	Defined plans for space growth

MEASURED AND DISCIPLINED APPROACH TO GROWTH

BUILD LONG TERM SUSTAINABLE BUSINESS AND ENHANCE SHAREHOLDER VALUE

Outlook

- The retail sector continues to endure the toughest conditions in this current economic cycle, as household savings rates are driven higher by uncertain global and domestic factors. Consumer confidence has fallen. This was seen particularly in the second half of last financial year. Therefore it remains very difficult to predict accurately the outlook for FY12, however, we anticipate trading over the year will be subdued
- As Woolworths plans for future growth, through expansion into the circa $40 billion home improvement market, we anticipate start-up costs for Masters of up to $100 million, which will impact our overall earnings in FY12. The amount of these start up costs is dependent upon a range of factors, particularly the pace of our new store roll out
- Woolworths is well positioned in all its market segments and has a strong and sustainable business model geared towards the less discretionary retail segments. Therefore we expect a year of further earnings growth in FY12 with Net Profit after Tax expected to grow in the range of 2% – 6% subject to the uncertainties detailed above
- Woolworths will hold an investor briefing day hosted by Grant O'Brien in late October 2011

Woolworths Limited

Company Results

Financial Year Ended

26 June 2011

Michael Luscombe
Chief Executive Officer

Grant O'Brien
Chief Executive Officer Elect

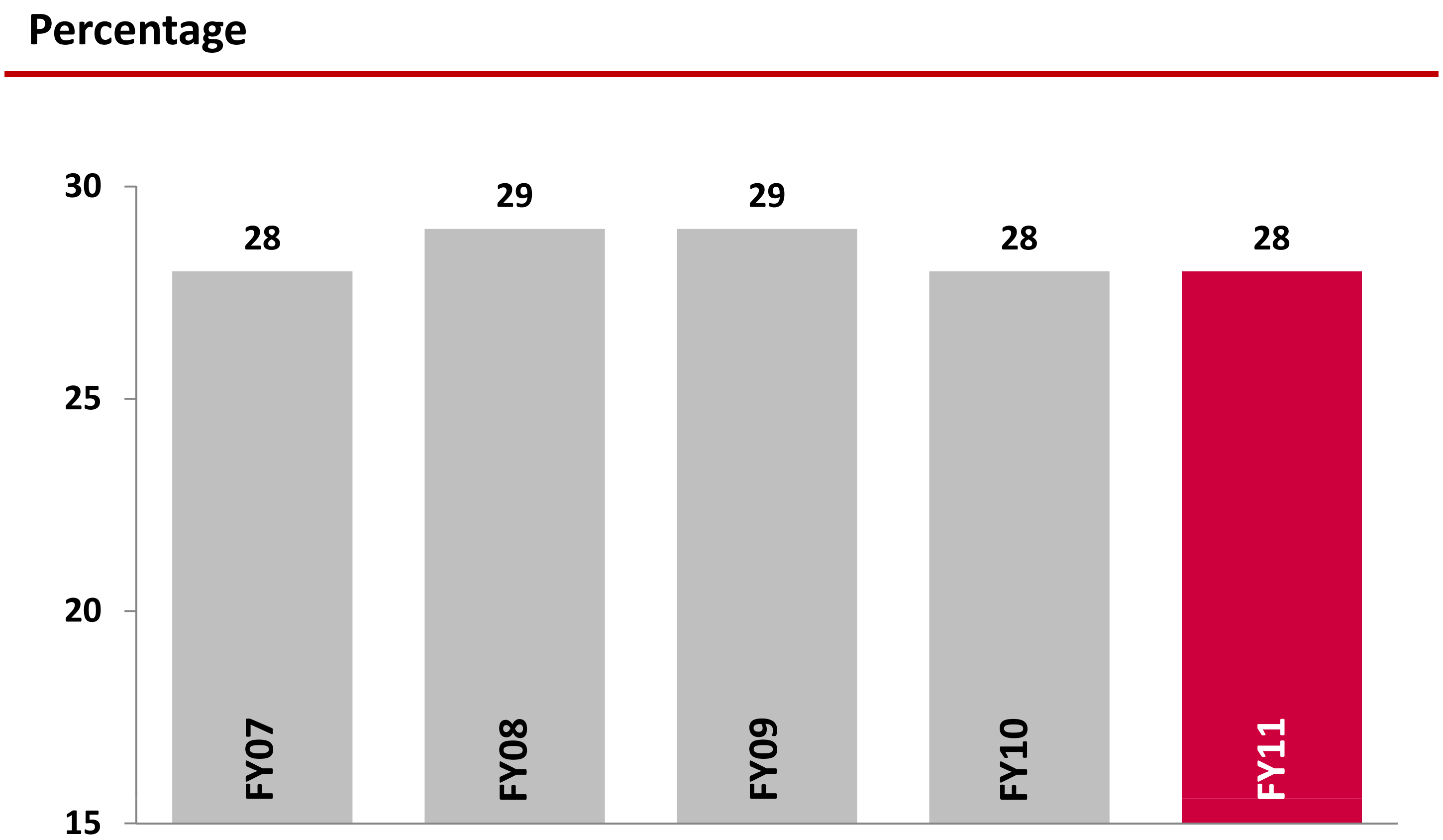
Tom Pockett
Finance Director

Appendices

EBIT – up 6.3% growing faster than sales

$ million	FY10	**FY11**	Change
Australian Food and Liquor	2,492.5	2,678.9	7.5%
New Zealand Supermarkets (NZD)	*232.2*	*244.1*	*5.1%*
New Zealand Supermarkets (AUD)	190.4	191.9	0.8%
Petrol	99.5	117.6	18.2%
Supermarkets Division	**2,782.4**	**2,988.4**	**7.4%**
BIG W	**200.0**	**177.0**	**(11.5)%**
Consumer Electronics - Aus / NZ	30.2	22.0	(27.2)%
Consumer Electronics - India	1.3	4.8	n.m
Consumer Electronics - Total	**31.5**	**26.8**	**(14.9)%**
General Merchandise - Total	**231.5**	**203.8**	**(12.0)%**
Hotels	**176.7**	**183.7**	**4.0%**
Total Trading Result	**3,190.6**	**3,375.9**	**5.8%**
Property Income / (Expense)	2.5	11.8	n.m
Central Overheads	(111.0)	(111.3)	(0.3)%
Group EBIT	**3,082.1**	**3,276.4**	**6.3%**

Return on equity[1]



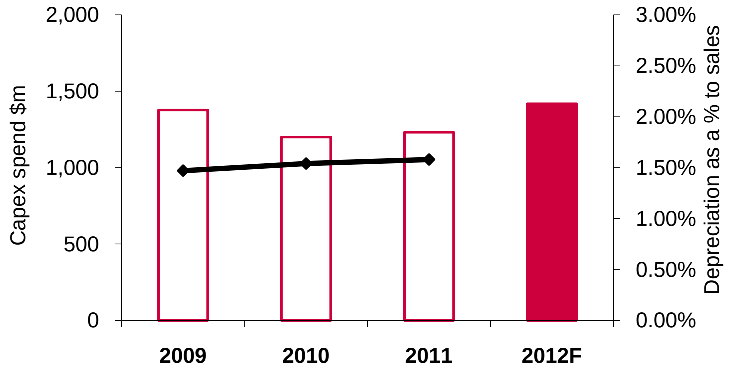
1. Based on average of opening and closing Shareholders Funds

Capital Expenditure – Full Year

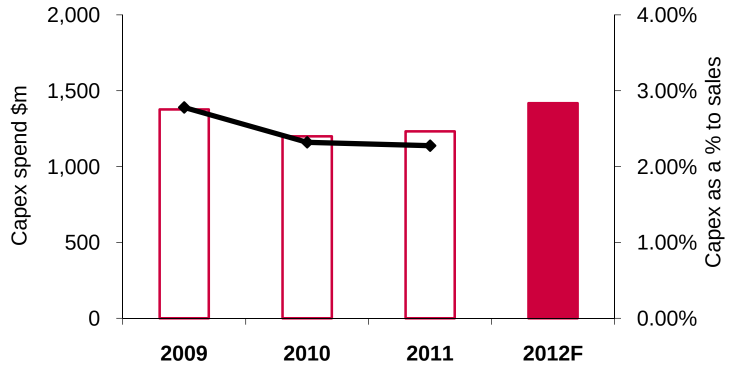
$ million – Full Year	2011 Actual	Previous Fcst	Var
New Stores	288	307	(19)
Refurbishments	492	542	(50)
Growth Capex	**780**	**849**	**(69)**
Stay in Business	249	266	(17)
Supply chain and Data Centre	164	189	(25)
Home Improvement	39	65	(26)
Normal and Ongoing Capex	**1,232**	**1,369**	**(137)**

$ million – Full Year	2009 Actual	2010 Actual	2011 Actual	2012 Fcst
New Stores	254	225	288	303
Refurbishments	652	622	492	454
Growth Capex	**906**	**847**	**780**	**757**
Stay in Business	326	229	249	314
Supply chain and Data Centre	145	119	164	161
Home Improvement	-	5	39	186
Normal and Ongoing Capex	**1,377**	**1,200**	**1,232**	**1,418**

Normal and Ongoing Capex $m, Depreciation % to Sales



Normal and Ongoing Capex $m, Capex % to Sales



$ million – Full Year	2011 Actual	Previous Fcst	Var
Property Developments (net of sales)	603[1]	612[2]	(9)
Net Capex	**1,835**	**1,981**	**(146)**
Included above is			
Supermarkets New Zealand	**260**	**241**	**19**

$ million – Full Year	2009 Actual	2010 Actual	2011 Actual	2012 Fcst
Property Developments (net of sales)	340	620[1]	603[1]	530[3]
Included above is				
Supermarkets New Zealand	**205**	**198**	**260**	**200**

1. Includes property development for Home Improvement and includes proceeds from the property sale program which took place during the year
2. Includes capital for Home Improvement for the first half (not for the second half) and excludes proceeds from the property sale program which took place during the year
3. Excludes property development for Home Improvement

Capital Expenditure – Notes

New Stores	• Reflects the continued rollout of new stores across all brands. Capital spend increased in FY11 as a result of more new stores being completed (FY11: 180 vs FY10: 156)
Refurbishment	• Reflects the continuation of refurbishment activity across our brands. Capital spend reduced in FY11 mainly as a result of less stores being refurbished (FY11: 233 vs FY10: 272)
Stay In Business	• Includes expenditure on a variety of IT projects including enhancement of our data analytics capabilities and upgrade of merchandising systems and other equipment
Supply Chain	• Includes investment in the new National DC in Auckland, BIG W / Consumer Electronics / Home Improvement DCs in Hoxton Park, re-engineering of the Melbourne National DC and a new meat processing plant in WA
Home Improvement	• Includes capital for the fit-out of new stores, IT systems and supply chain. The increase in FY12 budgeted expenditure represents significant forecast investment in new stores
New Zealand Supermarkets	• Includes investment in the property pipeline, continuation of new store and refurbishment activity and investment in supply chain and IT
Property Development (net of sales)	• Expenditure in FY11 reflects a higher level of property development, driven by Home Improvement development activity

Health ratios

		FY10	FY11
Fixed Charges Cover	X	3.1	**3.0**
Days inventory (average)[1]	Days	33.3	**33.8**
Days creditors (to sales)	Days	46.9	**47.4**
Return on Funds Employed (ROFE)	%	31.0	**29.3**
Return on Total Equity	%	27.4	**27.3**
Return on Shareholders Equity	%	28.1	**28.0**
Net working capital	$m	(2,298.2)	**(2,264.3)**

1. Based on a 13 months rolling average inventory

Fixed charges cover

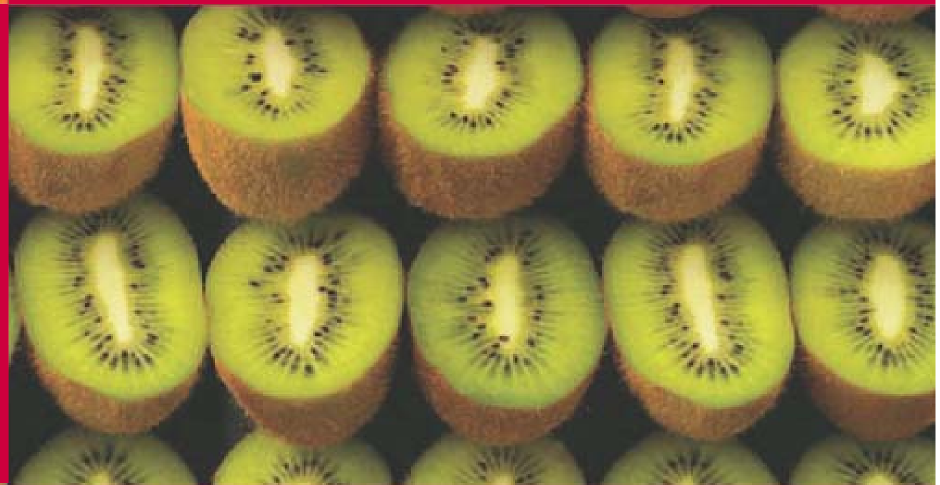
	2007	2008	2009	2010	2011
EBIT	2,111.3	2,528.8	2,815.5	3,082.1	**3,276.4**
D&A	589.3	650.1	729.4	797.7	**857.9**
EBITDAR	3,906.9	4,494.8	4,954.6	5,357.7	**5,675.5**
Interest	230.5	214.0	239.6	257.4	**332.6**
Rent – base	1,121.1	1,223.3	1,313.5	1,390.8	**1,468.1**
Rent – turnover contingent	85.2	92.6	96.2	87.1	**73.1**
Total Fixed Charges	1,436.8	1,529.9	1,649.3	1,735.3	**1,873.8**
Fixed Charges Cover[1]	2.7 x	2.9 x	3.0 x	3.1 x	**3.0 x**

1. Covenant x1.75+

Defined plans for space growth

Division	Strategy for space growth
Australian Supermarkets	Add 15 – 25 new supermarkets per annum 3% + space growth per annum
New Zealand Supermarkets	Add 3 – 5 new supermarkets per annum
Dan Murphy's	Add 10 – 15 new stores per annum targeting over 200 stores
BWS	Add 10 new stores (net) per annum
Petrol	Will grow supporting the supermarket roll out strategy
BIG W	Add 4 – 5 stores per annum, targeting over 200 stores
Consumer Electronics	Schedule to convert all Consumer Electronics stores to the new concept format and where appropriate move existing stores to better locations
Hotels	Will be acquired selectively as opportunities arise
Home Improvement	Planning to deliver 150 Masters sites in 5 years (from announcement of JV). Plan to open 15 – 20 stores per annum

WOOLWORTHS LIMITED



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