Company Results

Full Year Ended

30 June 2013

Grant O'Brien

Chief Executive Officer and

Managing Director

WOOLWORTHS LIMITED

Results — Financial Year 2013

	Continuing Operations Before Significant Items[1]			Total Group		
	FY13	Change	Change Normalised[2]	FY13	Change	Change Normalised[2]
Sales – Group	**$58.5b**	↑ 6.8%	**↑ 4.8%**	$59.2b	↑ 4.3%	↑ 2.4%
EBITDA	$4,618.7m	↑ 9.2%				
EBIT	$3,653.2m	↑ 9.2%	↑ 7.2%			
NPAT	$2,353.9m	↑ 8.0%	**↑ 6.1%**	$2,259.4m	**↑ 24.4%**	
EPS	190.2¢	↑ 6.7%	↑ 4.8%	182.6¢	↑ 22.8%	
DPS				**133¢**	**↑ 5.6%**	
ROFE	28.0%	↑ 24 bps				

$2.2 billion returned to shareholders via dividends and the in-specie distribution on divestment of the SCA Property Group

1. Significant items include one-off loss associated with the SCA Property Group transaction, Victorian transport fleet redundancies, US 144A bond redemption costs and the net gain of disposal of Consumer Electronics businesses. Refer to slide 52 for further information
2. Full year total growth has been adjusted to remove the impact of the 53rd week in the 2013 Financial Year

Group EBIT from continuing operations — up 9.2% or 7.2% on a normalised 52 week basis[1]

$ million	FY12	FY13	Change	Change Normalised[1]
Australian Food and Liquor	2,817.2	3,061.6	8.7%	6.7%
Petrol	127.1	137.7	8.3%	6.2%
Australian Food, Liquor and Petrol	**2,944.3**	**3,199.3**	**8.7%**	**6.7%**
New Zealand Supermarkets (NZD)	*287.4*	*302.7*	*5.3%*	*3.5%*
New Zealand Supermarkets	**224.5**	**236.2**	**5.2%**	**3.3%**
BIG W	**178.4**	**191.3**	**7.2%**	**5.5%**
Hotels	**195.7**	**263.7**	**34.7%**	**32.2%**
Group EBIT – Continuing Operations before Central Overheads and Home Improvement	**3,542.9**	**3,890.5**	**9.8%**	**7.8%**
Central Overheads	(99.8)	(98.4)	(1.4)%	(3.3)%
Group EBIT – Continuing Operations before Home Improvement	**3,443.1**	**3,792.1**	**10.1%**	**8.1%**
Home Improvement	(96.7)	(138.9)	43.6%	40.8%
Group EBIT – Continuing Operations	**3,346.4**	**3,653.2**	**9.2%**	**7.2%**
Consumer Electronics – Australia, New Zealand and India	30.3	2.5	n.c	
Group EBIT – Discontinued Operations	**30.3**	**2.5**	**n.c**	
Total Group EBIT (before significant items[2])	**3,376.7**	**3,655.7**	**8.3%**	
Significant Items[2] (before tax)				
One-off loss on SCA Property Group transaction	-	(32.8)	n.c	
Consumer Electronics provision / Net gain on disposal of Consumer Electronics businesses	(420.0)	9.9	n.c	
Victorian transport fleet redundancies	-	(25.8)	n.c	
Total Group EBIT (after significant items[2])	**2,956.7**	**3,607.0**	**22.0%**	

1. Full year total EBIT growth has been adjusted to remove the impact of the 53rd week in the 2013 Financial Year
2. Refer to slide 52 for information regarding significant items

Our strategic priorities for the future — 2 November 2011

1	**Extend And Defend Leadership In Food And Liquor**	• Re-establish marketing supremacy around value and growth • Unlock sales growth for a tougher consumer and competitive environment • Accelerate our leadership in Fresh Food • Extend leadership in liquor • Continue momentum to become #1 in New Zealand
2	**Act On Our Portfolio To Maximise Shareholder Value**	• Accelerate alignment of BIG W offer to new consumer and competitive reality • Continue to be Australia's most responsible operator of local pubs • Revisit the way we participate in the consumer electronics category
3	**Maintain Our Track Record Of Building New Growth Businesses**	• Be Australia's undisputed leader in multi-channel retailing • Scale up from an encouraging start to become a unique, sustainable and profitable home improvement business • Continue to consider new domestic and international growth opportunities
4	**Put In Place The Enablers For A New Era Of Growth**	• Deliver step change in productivity through our supply chain • Leverage investment in customer data to fuel growth and customer centricity • Continue to invest in our business to ensure long-term shareholder growth • Combine the best retail talent in Australia with the best in the world

Pleasing Progress
Against Strategic Priorities

1. Extend leadership in Food and Liquor… what we have delivered

WELL UNDERWAY

Increasing Momentum in Food and Liquor
- Increased comp sales growth
- Increased EBIT growth
- Strong volume growth
- Increased market share
- Strong space growth

Continued Value Leadership
- Reinforced price leadership most recently through ‘More Savings Every Day’
- Average prices reduced by 2.9%

Drive Fresh Market Share Growth
- Significant improvements in our offer, quality and freshness leading to increased market share eg, direct from farmer initiatives, new bakeries and MSA beef

Leading Liquor Destination, In-store and Online
- BWS rebranding of 475 sites resulting in a refreshed and refocused offer
- Continued expansion in direct and online via Dan Murphy's, Langton's and Cellarmasters
- Dan Murphy's awarded Online Retailer of the Year

New Zealand Market Share Growth
- Continued market share gains with next stage of growth strategy in progress

macro wholefoods market

more SAVINGS every day

MORE TO DO

- Further fresh supply chain improvements
- Continue to build momentum on packaged goods
- Further develop and enhance our marketing using customer insights
- Continue price leadership through 'More Savings Every Day'
- Continue to grow our multi-option food and liquor offer
- Next stage of New Zealand Supermarkets strategy in progress

2. Act on our portfolio to maximise shareholder value… what we have delivered

WELL UNDERWAY

Property Divestment and Capital Management

- Creation of new ASX listed Real Estate Investment Trust, the Shopping Centres Australasia (SCA) Property Group
- Sale of property independently valued at ~$1.4b
- $0.5b of capital released

Australia's Best and Most Responsible Hotels

- Victorian gaming regulatory changes presented clear benefits and interim challenges
- 34 hotels acquired
- Commitment to be Australia's most responsible hotel and gaming operator enhanced with commencement of pre-commitment rollout

BIG W Customer Offer Evolution

- Category evolution underway
- Focus on categories of higher customer importance
- Profitable growth will remain but we may have lower sales growth during transition

Consumer Electronics Divestment

- Dick Smith Australia and NZ divested November 2012
- Woolworths India divested October 2012

MORE TO DO

- Continue to develop bar, food and entertainment offer in hotels and implement voluntary pre-commitment prior to legislative requirements
- Complete strategic repositioning of BIG W customer offer

3. Maintain our track record of building new growth businesses... we've made significant progress

WELL UNDERWAY

Growing our Leadership as Australia's Largest Domestic Online Retailer

Online Sales Growth

- 42% increase in online sales from continuing operations
- Largest domestic online retailer in Australia, on track to deliver over $1b of online sales FY14

Connecting with Customers

- Over 3.2m apps downloaded
- Supermarket online offer reaches over 90% of Australian households
- Click & collect being rolled out across all our businesses
- Market leading platforms
  - Online Retailer of the Year (Dan Murphy's)
  - Best New Online Retailer (Masters)

EziBuy Acquisition

- Leading direct retailer of apparel and homewares in Australia and NZ
- The launch pad for our next phase of growth, accelerating our multi-option capabilities
- EPS accretive in FY14 and numerous synergies

Building Australia's best Home Improvement offer

- 31 Masters stores trading at FY13, 18 new stores planned for FY14
- Positive customer response to our differentiated offering and pricing strategy
- Building a long term profit contributor for the Group

MORE TO DO

- Completing rollout of the click & collect service
- Leveraging our digital platform and data to provide more personal interaction with our customers
- Continue development of Masters Home Improvement business with a target to break even during 2016
- Continue to consider domestic and international growth opportunities
- Manage EziBuy transition

4. Put in place the enablers for a new era of growth… more to come

WELL UNDERWAY

Cost Leadership

- CODB rate for Australia and NZ Food and Liquor reduced

Building On Our World Class Supply Chain

- Major investment in the Hoxton Park DC delivering significant efficiencies for our BIG W and Home Improvement businesses
- Commenced the planning and implementation of next generation capability

Driving Continued Efficiencies in Stores

- Operations development team in Supermarkets has delivered significant cost reductions this year with more planned in FY14 and is now being leveraged across the group

Customer Data Improving Our Offer

- Acquisition of 50% of Quantium, Australia's leading data-driven strategy business, furthering our lead in data-driven retailing

Assembling a World Class Retail Team

- Continued focus on assembling a world class retail team by blending the best local and international talent

MORE TO DO

- Focus on the evolution of our world class supply chain and replenishment improvements across our business
- Continue to leverage customer data to drive sales growth and loyalty across all aspects of each business
- Continued productivity improvement programs to continue to reduce costs

Business Unit Results

Supermarkets

Tjeerd Jegen
Managing Director
Australian Supermarkets & Petrol

Australian Food, Liquor & Petrol

Increasing momentum in sales and profit

	FY12 52 wks	FY13 53 wks	Change	Change Normalised[1]
Sales – Food & Liquor ($m)	37,549	40,031	6.6%	4.7%
– Petrol ($m)	6,714	6,794	1.2%	(0.8)%
– Total ($m)	44,263	46,825	5.8%	3.9%
Gross margin (%)	24.80	25.10	30 bps	
CODB (%)	18.15	18.27	12 bps	
EBIT to sales (%)	6.65	6.83	18 bps	
EBIT ($m)	2,944.3	3,199.3	8.7%	6.7%
Funds Employed ($m)	4,019	4,326	7.6%	
ROFE (%)	73.7	76.7	294 bps	

- Food & Liquor **building momentum** with FY13 comparable sales growth of 2.7%[2]. 2nd half FY13 was 3.0%, which compares to a 2.4% increase in 1st half FY13 and 1.1% in FY12
- Continued **increase in market share**, customer numbers and basket size with strong volume growth a key highlight
- We continue to **compete on value** reducing average prices by 2.9% for the year (including the effects of promotions and volumes)
- Continued **improvement in gross margin**, due to better buying, logistics efficiencies, more effective promotions and reduced shrinkage. Much of the benefit obtained from these initiatives has been reinvested into price
- Food & Liquor (excluding Petrol) **CODB % decreased** - a strong result given higher utility costs and costs associated with a large number of new stores yet to reach mature trading levels
- **34 new supermarkets** opened during the year (25 net), bringing the total to 897, employing an additional 2,000 people
- **Solid** increase in ROFE

1. Full year total growth has been adjusted to remove the impact of the 53rd week in the 2013 Financial Year
2. Calculated on a 53 week basis

First choice for fresh food

Strong fresh food growth

- As Australia's Fresh Food People we are extending our leadership in Fresh with significant improvements in our offer, quality and freshness leading to increased market share
  - **Produce**
    - Record levels of produce sales, supported by faster supply chain through our direct from farmer initiatives
    - New products introduced including sweet Solanato tomatoes, sweet crunch lettuce, perfectly ripe stone fruit (peaches and nectarines), have been well received by customers
  - **Meat**
    - Strong meat performance, with our MSA beef delivering double digit volume growth
    - In FY13 introduced 11 new meat serveries to better meet our customer needs with plans to have 150 by FY16

First choice for fresh food

Woolworths
Australia's fresh food people

Strong fresh food growth

- **Bakery**
  - Our ambition is to have a fresh bakery in every store
  - Currently we have a fresh bakery in 78% of our store network, including 91 new bakeries opened in FY13
  - We broadened our range in artisan style breads, patisserie and premium cakes
- **Deli**
  - Trialling new premium deli counters
  - 38 speciality cheese counters targeting 250
  - New hot food offer currently in 350 stores, targeting 600
  - Ready to go roast beef, pork and lamb being trialled in 22 stores
  - New ready meals with a focus on fresher ingredients

Unbeatable value

Value focus resonating with customers

- Reinforced **price leadership** and introduced the compelling 'More Savings Every Day' value platform
  - Long term price reductions on more than 1,000 products called 'Every Day Value'
  - Great exclusive savings for our Everyday Rewards card holders saving up to 50% on 1,000+ lines called 'Extra Special'
  - Reinvigorated a specials program targeted at families including buy one get one free, half price specials and 'Big Family Special'
- Customer tracking shows **improved price perception** since the launch of 'More Savings Every Day'
- Continued focus on value has **reduced average prices** by 2.9% in FY13

Customer insights transforming our business

Leading the way

- To enhance and extend our data capabilities, in April 2013 we acquired 50% of **Quantium**, Australia's leading data-driven strategy business
- Customer insights **transforming our business** in ranging, store design and tailoring and targeted promotions such as the 'Cash For' campaigns
- **Enhancing the offer**
  - **Innovative Category Lab** now fully embedded in our category review process
  - **Strong capability** in customer data analytics combined with other data services such as 'Net Promoter Score' customer satisfaction program, which provides customer feedback from their recent shopping experiences
- The introduction of 'Extra Special' for our Everyday Rewards members has contributed to **increasing our membership** by 11% to over 7m members with card scan rates also increasing

Exciting new offers

Complementing our existing core offer across the store

- **Launched**
  - Caffitaly Coffee machines and pods – 90,000 machines sold
  - 'Food To Go' offer – sandwiches and salads
  - Expanded range of gift cards, home office and My Kitchen range of homewares
  - Currently selling bus tickets in 60 NSW stores
  - Flagship beauty offering at Town Hall – range being expanded across the network
  - South Australia pilot of locally sourced range
  - Freshly made barista coffee
- **Rolled Out**
  - 49 sushi counters, targeting 200
  - 19 fresh pizza bars, targeting 300
- **Own Brand Development**
  - Launched premium 'Gold' range based on customer needs
  - New Australian sourced 'Select' tinned fruit
  - 76% Homebrand, 59% Select, 92% Macro products are Australian sourced (by sales volume)
  - Customer passion for healthy eating continues to drive growth in our Macro range – sales up more than 40% in FY13

Multi-option

Growing our leadership position in online

- Continued **strong growth** of online sales of over 50%, further strengthening our leading market share position in the online food market
- Home delivery now available to **more than 90% of Australian households**
- 135 stores now offering **click & collect**, including 3 drive throughs further leveraging our store network
- Gained **significant efficiencies** through
  - Updating our truck fleet
  - Implementing intelligent route scheduling software
  - Introducing multi-order picking
- Our app was **further enhanced** in FY13 including
  - Ability to compare local fuel prices
  - Information from our fresh food experts on what is in season
  - Improved ease of use for Everyday Rewards members

click&collect
woolworthsonline.com.au

Petrol

Expanded network and diesel availability providing an improved offer and more savings every day for our supermarket customers

- **Sales increased** 1.2% (decreased 0.8% on a normalised 52 week basis[1]) impacted by lower average fuel sell prices for the year (FY13: 142.4 cpl, FY12: 142.9 cpl)
- Petrol **volumes increased** 0.5% (decreased 1.4% on a normalised 52 week basis[1]), impacted by a flat fuel market, the move towards more fuel efficient vehicles and **reduced reliance on fuel discounts** with a focus on targeted fuel promotions and leading Supermarket offers
- **Solid merchandise sales** – increased 8.3% (6.4% on a normalised 52 week basis[1]), 2.4%[2] on a comparable basis, driven by improved ranging and relevant promotional activity
- **EBIT increased 8.3%** (6.2% on a normalised 52 week basis[1]) to $137.7m through improved gross profit margins from the shift towards premium and diesel fuels, buying benefits achieved with our supply partner Caltex and stronger merchandise sales
- **Improving our offer** – expanding diesel availability across the network. Work on a comprehensive forecourt upgrade program is underway

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2. Calculated on a 53 week basis

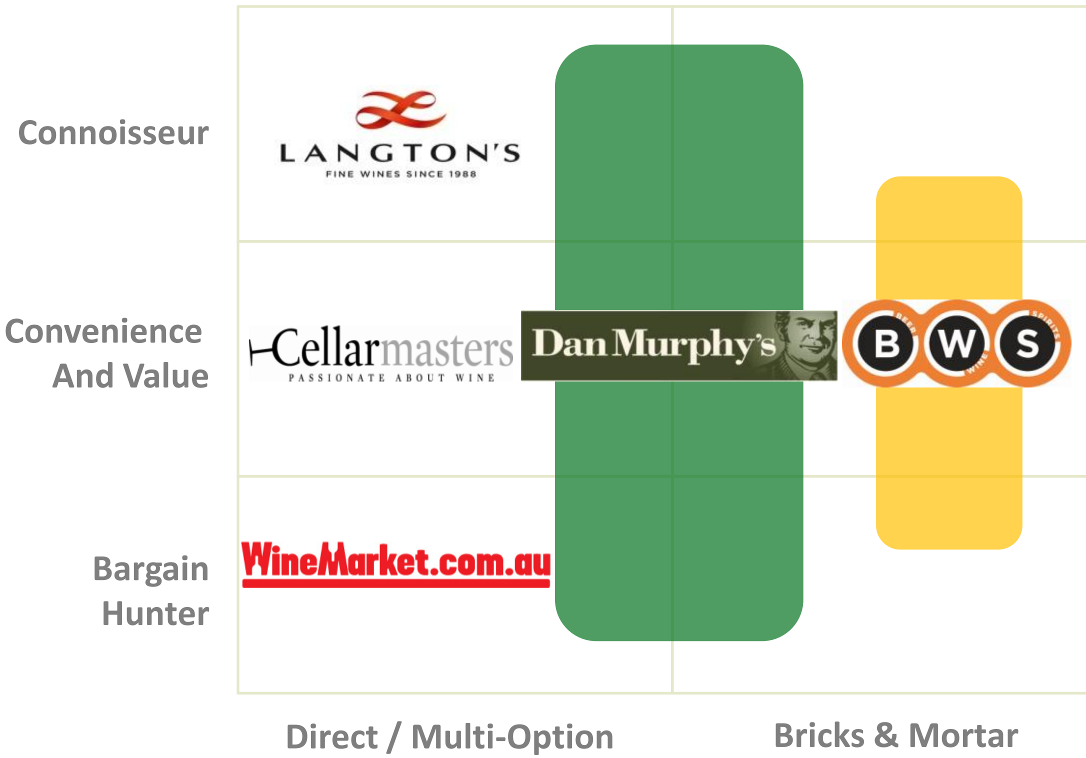
Woolworths Liquor Group

Brad Banducci, Director of Liquor

Woolworths Liquor Group

Clear leadership across all customer segments and channels

Woolworths Unique Multi-Option Liquor Model



Sales $ billion

FY09	5.2
FY10	5.6
FY11	5.9
FY12	6.6
FY13	**7.2**[1]

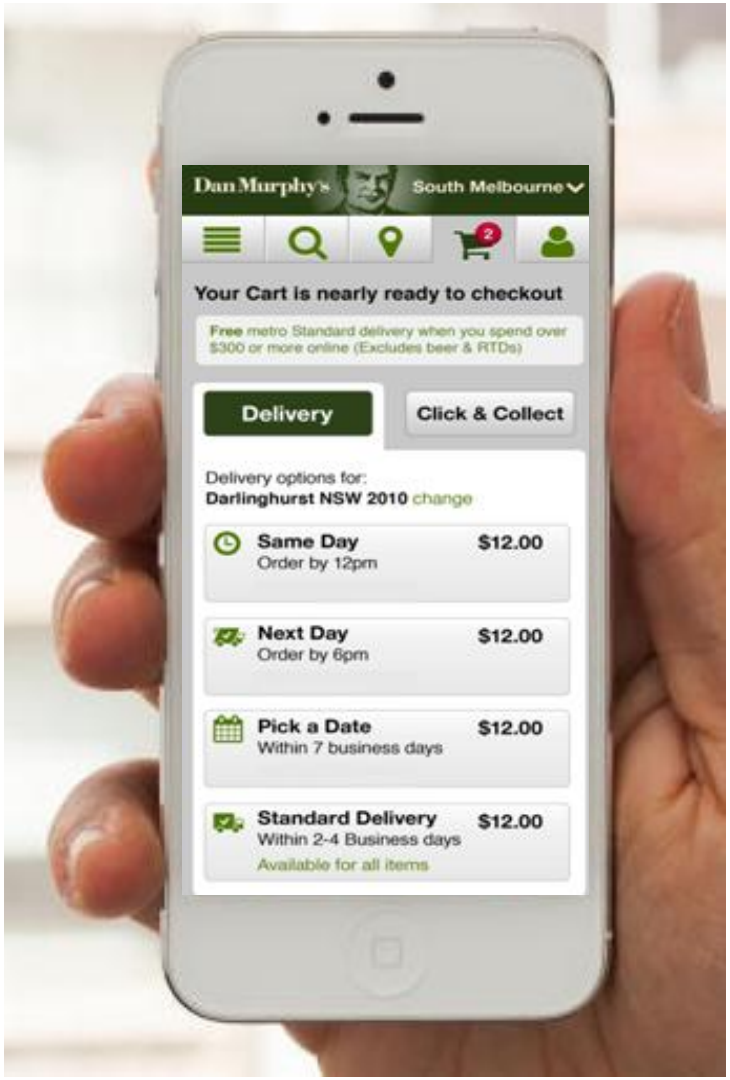
Solid sales growth for the year, with an increase of 8.9% (7.0% on a normalised 52 week basis[2]) reflecting strong success in BWS, Dan Murphy's, Cellarmasters and online channels

1. Calculated on a 53 week basis
2. Full year total growth has been adjusted to remove the impact of the 53rd week in the 2013 Financial Year
Note: Includes ALH Group Bar sales

Significant progress in multi-option liquor retail

Enhance our market leading multi-option offer

- Stores opened during FY13: 16 (15 net) new Dan Murphy's and 38 (14 net) new BWS stores, total liquor outlets 1,355 at end of FY13
- Click & collect across the entire Dan Murphy's network during FY13 – a first for a major Australian national retailer, leveraging our outstanding bricks & mortar network
- danmurphys.com.au continued its strong growth and continues to lead the very competitive online liquor market
- Awarded the Online Retailer of the Year award at the 2013 Online Retail Industry Awards achieved through mobile site, gifting solutions and click & collect
- Strong double digit sales growth was experienced in our other 'direct to consumer' businesses (Cellarmasters, Langton's and winemarket.com.au)



Good progress on other key strategic initiatives

WOOLWORTHS LIQUOR GROUP

Improve our store formats

- Rebranding completed of all 475 Woolworths Supermarket Liquor sites to BWS, making BWS the single largest chain of liquor stores in Australia with a network of 1,180 stores
- The rebranding involved
  - Refreshed BWS signage
  - Aligned promotional programs
  - Layout improvements
  - Investment in staff training and service

Grow own and exclusive brand share

- Pinnacle Liquor launched in August 2012, which aligns production, marketing and product development teams for our own and exclusive brands under an integrated management structure
- Own and exclusive brands continued strong growth, including our exclusive imported wine range. Major launches during FY13 include Sail & Anchor Craft Beer (produced by Gage Roads) and Riddoch of Coonawarra
- 5 star rating in the James Halliday Australian Wine Companion for the fifth year in a row by our Dorrien Estate winemaking. The star-rating was elevated to 'red' reflecting a consistent record of excellence

Sail & Anchor Craft Range

Riddoch of Coonawarra

Hotels

Well managed transition through regulatory changes

ALH Group

	FY12 52 wks	FY13 53 wks	Change	Change Normalised[1]
Sales ($m)	1,204	**1,469**	22.0%	19.7%
Gross margin (%)	81.26	**82.55**	129 bps	
CODB (%)	65.01	**64.60**	(41) bps	
EBIT to sales (%)	16.25	**17.95**	170 bps	
EBIT ($m)	195.7	**263.7**	34.7%	32.2%

- **Strong sales and EBIT growth**
- **Clear benefits from Victorian gaming regulatory changes**, which came into effect in August 2012, with some interim challenges such as the removal of ATMs and 1,000+ gaming machines
- The **acquisition of 34 hotels** in FY13 through Laundy and other transactions, together with improvements in the previously acquired Compass Hotels in WA, also contributed to growth
- **Comparable Sales**: FY13 +10.5%[2] (FY12: +2.0%)
- **Diversified and geographic spread** of ALH income streams has assisted during the year to counter the challenging bar environment experienced across most states. Our food offer remains a focus and continues to produce good results
- Ongoing commitment to be Australia's **most responsible** hotel and gaming operator – going above and beyond what is required by legislation
- **Venues totalling 326 at FY13**, with 68 Dan Murphy's stores on hotel sites and 458 BWS stores affiliated with hotels
- CODB includes one-off acquisition costs associated with the Laundy transaction ($14.2m)

1. Full year total growth has been adjusted to remove the impact of the 53rd week in the 2013 Financial Year
2. Calculated on a 53 week basis

NZ Supermarkets

Dave Chambers
Managing Director PEL

New Zealand Supermarkets

Market share growth in a challenging market

NZ$	FY12 52 wks	FY13 53 wks	Change	Change Normalised[1]
Before Significant Items[2]				
Sales ($m)	5,522	**5,749**	4.1%	2.3%
Gross margin (%)	23.27	**23.30**	3 bps	
CODB (%)[3]	17.97	**17.96**	(1) bps	
EBIT to sales (%)[3]	5.30	**5.34**	4 bps	
Trading EBIT ($m)	292.5	**307.0**	5.0%	3.1%
Less intercompany charges ($m)	(5.1)	**(4.3)**	(15.7)%	
Reported EBIT ($m)	287.4	**302.7**	5.3%	3.5%
Funds Employed ($m)	3,223	**3,221**	- %	
ROFE (%)	8.9	**9.4**	45 bps	

- Sustained **growth in market share**, customer numbers and items sold despite flat comparable sales in FY13[4] (FY12: +3.3%)
- We have continued to be competitive in the market with a number of cost savings passed on to customers through **lower shelf prices**. Food inflation of just 0.2% (FY12: +1.1%)
- **Gross margin improvements** attributable to a variety of initiatives including reduced direct to store deliveries, partnering with suppliers and reductions in shrinkage and waste in stores
- CODB result reflects **good cost control**. Excluding the additional costs incurred of rental expense (net of depreciation) following the creation of the SCA Property Group, CODB (before significant items[2]) decreased 15 bps
- **Solid trading EBIT result** given the New Zealand retail environment has been characterised by low growth and low inflation with retail trading conditions becoming increasingly challenging during the year
- **Solid improvement** in ROFE

1. Full year total growth has been adjusted to remove the impact of the 53rd week in the 2013 Financial Year
2. Significant items include one-off loss associated with SCA Property Group transaction. Refer to slide 52 for further information
3. Excludes intercompany charges
4. Calculated on a 53 week basis

Countdown continues market share growth

Grow Countdown network

- 8 new stores opened and 3 closed – network of 166 stores at FY13. Plan to open 4 new stores in FY14
- 80% of stores have now been converted to the latest Countdown format, including 5 refurbishments during FY13

Customer value and innovative offers

- New and more effective promotions eg, Door Blaster Deals
- Themed promotions with trade partners eg, Watties week, Win a house with Unilever
- 5 pilot pharmacies now operating in Countdown stores with early but very favourable customer reaction

Multi-option

- New Zealand's leading online food retailer, grew online sales 32% on FY12 (29% on a normalised 52 week basis[1]) with 12 new fulfilment centres opened
- Click & collect being rolled out progressively – now offered at 43 stores
- Pharmacy only lines available online through stores with an in-store pharmacy
- 1.8m Onecard members

1. Full year total growth has been adjusted to remove the impact of the 53rd week in the 2013 Financial Year

Network improvements driving benefits

Supply chain

- Reconfigured National and Regional DC operations continue to improve supply chain service and efficiency across the network by removing direct to store deliveries
- FY13 first full year of reconfigured network - costs reduced by 7%

Franchise network

- Network strategy plan developed, focused on rural NZ and in-fill opportunities
- Franchisees recognise momentum in the division with commitments to invest in their stores
- 55 stores now in our franchise network
  - 2 new format FreshChoice and 1 SuperValue opened in FY13
  - 2 new stores under construction due to open in FY14
- New formats continue to develop - 20% of the franchise network now trading in the new format

BIG W

Julie Coates

Director BIG W

BIG W

Positive sales and profit growth in a challenging market

	FY12 52 wks	FY13 53 wks	Change	Change Normalised[1]
Sales ($m)	4,180	4,383	4.9%	2.0%
Gross margin (%)	31.72	32.74	102 bps	
CODB (%)	27.45	28.38	93 bps	
EBIT to sales (%)	4.27	4.36	9 bps	
EBIT ($m)	178.4	191.3	7.2%	5.5%
Funds Employed ($m)	897	993	10.6%	
ROFE (%)	20.8	20.2	(51) bps	

- Pleasing FY13 sales growth with Home, Leisure, Toys & Sporting and Apparel categories the highlights, leading to **increased market share** in the discount department store sector
- **Increased items sold (+9%)** and customer numbers reflecting our strong brand proposition
- Strong comparable sales growth in 1st half offset by a weaker 2nd half impacted by unseasonably warm weather, ongoing price deflation (FY13: 4.2%; FY12: 6.1%) and government stimulus programs last year. Comparable sales: FY13 -0.7%[2] (FY12: -1.5%)
- **Gross margin increase** reflects better buying, increased direct global sourcing, freight savings from the operation of the new DC, less markdowns, strategic promotional activity decisions and a positive shift in sales mix
- **CODB well controlled dollars in line with the prior year** on a normalised 52 week basis[1] excluding the costs associated with the 6 new stores and the operation of the new Hoxton Park DC
- **Solid profit growth** reflecting the successful execution of our strategic initiatives and relevance of our merchandise offer

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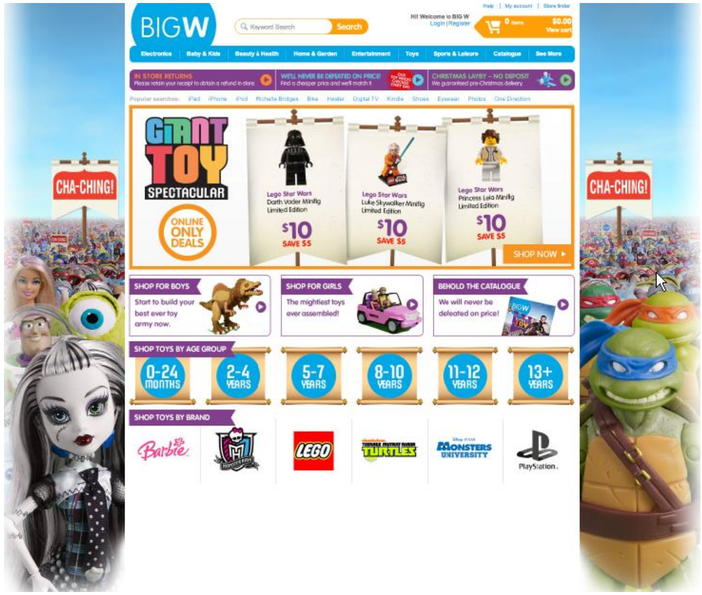
2. Calculated on a 53 week basis

Progress against strategic priorities

BIGW

Win on value everyday

- Good progress with our **new brand campaign** 'Everyone's a Winner with Australia's lowest prices - Cha-Ching!' and the use of our Brand Ambassador, Eric Stonestreet, with opportunity to build further momentum
- **Newness and innovation** at the lowest prices through working closely with our brand partners
- **Strong growth in units sold** and customers in FY13
  - High volume apparel programs up 43% in unit sales
  - Smart Value brand 110% unit growth



Growing our store footprint whilst realising our multi-option ambition

- Vision to be Australasia's leading multi-option discretionary retailer
- BIG W **transactional app** downloaded >500,000 times
- Continued focus on profitable range with >30,000 SKUs online - **introduction of apparel**: Back to School and Industrial Wear plus Morrissey, Mambo, Emerson and Avella
- Commencement of **click & collect**
- Opened **6 new stores** during FY13 with plans to open a further 4 in FY14

Progress against strategic priorities

Differentiate our offer through merchandising and range innovation

- 10 stores in the **latest format** improving adjacency, merchandising and space allocations
- Introduction of **Peter Morrissey** home and apparel ranges, **Michelle Bridges** and **Guy Leech** active wear and Samsung tablets and phones
- Our own **Emerson** brand is now the number 1 brand in our business with sales outperforming expectations

Transforming our business for the future

- Refining and **aligning our offer** with our core customers' needs, whilst delivering improved financial outcomes
- Increased **focus on categories** of high customer importance and reduced focus in categories no longer core to our customers
- **Maintaining profitable growth** with changes in sales mix resulting in possible lower sales growth during transition
- Gross margin improvement by **expanding our direct global sourcing** capability and working with our suppliers
- Further investments made in implementing **new allocations and merchandise systems**

Home Improvement

Melinda Smith

Director of Masters

Delivering on our commitment to bring competition to the Australian Home Improvement market

With a market of more than $42b in sales Masters is building to become a long term profit contributor for the Group

We committed to…		What we have done…
Secure 150 sites in 5 years	✓	Currently 120 active sites with ~90 stores planned to open by FY16
Open >30 stores by FY13	✓	31 stores open at end of FY13. 18 stores planned to open in FY14
Leverage our partnership with Lowe's	✓	A strong and valued relationship that we continue to benefit from Lowe's continued support through buying scale, trading terms, innovative products and sharing of best practice, people and experience. They are committed to the partnership
Bring much needed competition to a fragmented but large sector with a differentiated offer	✓	We are providing customers with greater choice, unique categories and ranges containing traditional hardware and home improvement Our customer insights show us our Masters price guarantee, range and superior service has resonated well with customers
Be the first online retailer of Home Improvement	✓	Leading the way in multi-option • First Home Improvement chain to launch online and mobile shopping with ability to check stock availability • masters.com.au has >25,000 visitors a day and Masters app >40,000 downloads • Awarded the ORIA for 'Best New Online Retailer' 2013
Develop an offer that covers trade via direct and wholesale	✓	Diverse trade offer • Masters trade offer will build steadily as expected • Growing network of HoME Timber and Hardware with 15 new stores added in FY13

A challenging year with good progress for a start up business and clear plans for the future

- As previously disclosed a number of factors impacted our result for the year
  - Sales budgets were too optimistic. However, the sales of the 15 Masters stores opened for more than 12 months were in line with the business case sales target
  - Wage costs were higher for new store openings – now corrected
  - Gross margins were lower due to Masters' sales mix from higher sales in certain lower margin categories and clearing of excess stocks accumulated in start up phase
  - Highly competitive trade segment in which Danks operates. We are undertaking a significant transformation of this trade business
- The above resulted in Home Improvement FY13 losses before interest and tax of $138.9m **–** more than initially anticipated
- Masters' losses per store have declined as expected as the fixed overhead base is absorbed over a larger number of stores
- We are clear on what we need to do to break even during FY16
  - Moderate growth in sales per store for a start up business
  - Improvements in gross margin as the sales mix stabilises
  - Efficiencies in store and increased fractionalisation of costs in the distribution and support network as sales levels increase as we progress towards 90 stores
- Given the greenfields nature of the Masters business, short term results will continue to vary. However, we expect the losses for FY14 not to exceed this year's level

Financial Performance

Balance sheet

$ million	FY12	FY13	Change
CONTINUING OPERATIONS			
Inventory	3,698.3	4,205.4	13.7%
Trade Payables	(4,013.4)	(4,080.0)	1.7%
Net Investment in Inventory	**(315.1)**	**125.4**	**(139.8)%**
Receivables	894.4	985.2	10.2%
Other Creditors	(2,954.7)	(3,086.1)	4.4%
Working Capital	**(2,375.4)**	**(1,975.5)**	**(16.8)%**
Fixed Assets and Investments	9,846.5	9,564.8	(2.9)%
Intangible Assets	5,282.0	5,784.3	9.5%
Total Funds Employed	**12,753.1**	**13,373.6**	**4.9%**
Net Tax Balances	423.2	425.2	0.5%
Net Assets Employed	**13,176.3**	**13,798.8**	**4.7%**
Net Repayable Debt	**(4,316.1)**	**(3,746.9)**	**(13.2)%**
Other Financial Liabilities[1]	(433.9)	(751.4)	73.2%
Net Assets – Continuing Operations	**8,426.3**	**9,300.5**	**10.4%**
DISCONTINUED OPERATIONS			
Assets Classified as Held for Sale	220.9	-	n.c
Liabilities Associated with Assets Held for Sale	(200.9)	-	n.c
Net Assets – Discontinued Operations	20.0	-	n.c
Total Net Assets	**8,446.3**	**9,300.5**	**10.1%**
Shareholders' Equity	8,188.2	9,028.4	10.3%
Non-controlling Interests	258.1	272.1	5.4%
Total Equity	**8,446.3**	**9,300.5**	**10.1%**

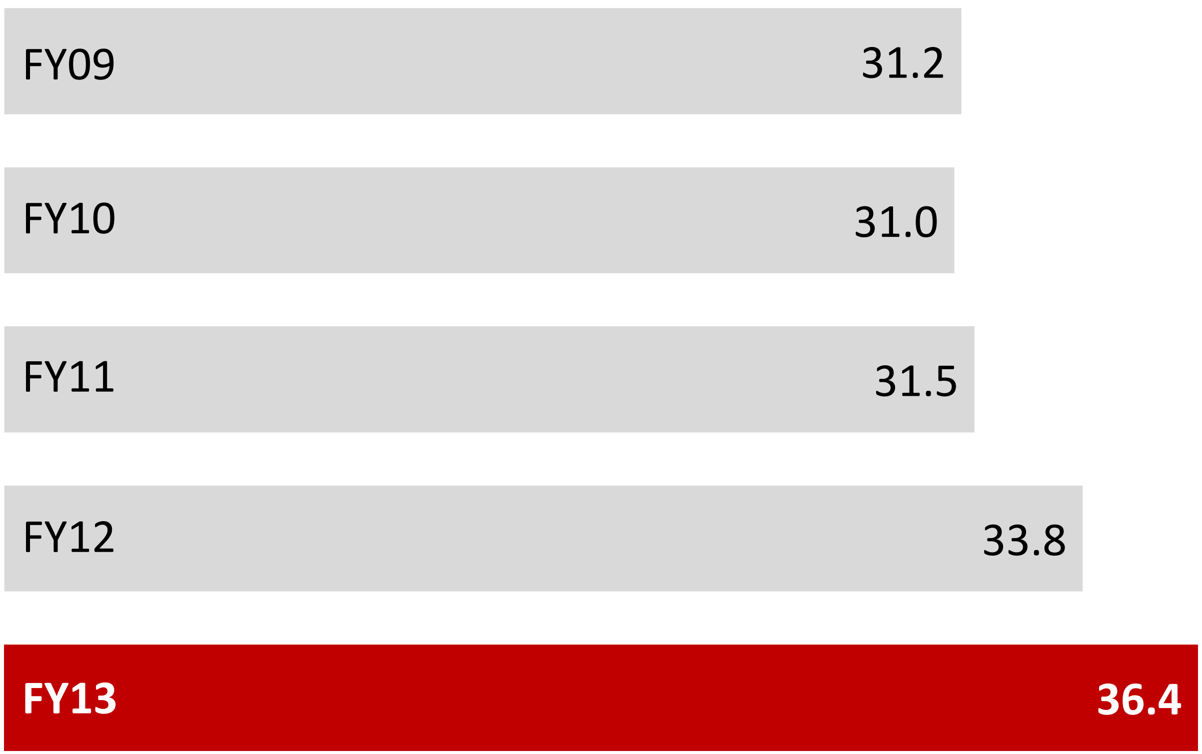
- **Inventory** increased 13.7%, driven by growth in
  - Masters inventory
  - Direct global sourcing
  - New stores opened during FY13
  - Private and exclusive brands in particular Liquor and a focus on in-store availability in Supermarkets
- **Net investment in inventory** – impacted by year end timing and its impact on creditors ($420.0m)
- **Receivables** increased 10.2%, mainly reflecting Danks acquisition of Hardings Hardware, amounts due from property divestment and the sale of Dick Smith
- **Fixed Assets and Investments** decreased by $281.7m, reflecting the sale of property offset by ongoing capital expenditure and property development (net of depreciation)
- **Intangible Assets** increased $502.3m due to the acquisition of hotels as part of the Laundy transaction, the acquisition of Hardings Hardware and the purchase of gaming entitlements as part of the Victorian gaming regulation changes
- **Net Repayable Debt (includes cash, borrowings, financial assets and liabilities)** decreased $569.2m primarily reflecting a reduction in long term debt as a result of the US 144A bond redemption
- **Other financial liabilities** increased $317.5m reflecting primarily the ALH gaming entitlement liability resulting from Victorian gaming regulations changes and the increased Lowe's put option in our Home Improvement business totalling $631.2m

1. Other Financial Liabilities primarily represent the put option held by Lowe's in the Home Improvement business and the ALH gaming entitlement liability, resulting from the FY13 changes to the Victorian gaming regulations

Average inventory days for continuing operations

Excluding the impact of Home Improvement and increased indent stock, average inventory days declined by 0.2 days, reflecting strong inventory control throughout the year

Number of Days



Comments

- Average inventory days were up 2.6 days to 36.4 days impacted by our growing Home Improvement business and increased indent stock. Excluding this, inventory days decreased 0.2 days

Note: Average inventory based on 13 months rolling average

Cash flow

$ million	FY12	FY13	Change
EBITDA – Continuing Operations before significant items[1]	4,229.9	**4,618.7**	9.2%
EBITDA – Discontinued Operations before significant items[1]	42.7	**2.5**	
Significant items (before tax)[1]	(420.0)	**(48.7)**	
EBITDA – Total	**3,852.6**	**4,572.5**	**18.7%**
Consumer Electronics provision / Net gain on disposal of Consumer Electronics businesses	393.1	**(9.9)**	
Net (increase) in net investment in inventory	(282.6)	**(490.6)**	
Other	221.4	**79.7**	
Cash from Operating Activities before interest and tax	**4,184.5**	**4,151.7**	**(0.8)%**
Net interest paid (including costs of Woolworths notes)	(369.3)	**(454.5)**	
Tax paid	(941.4)	**(977.3)**	
Total cash provided by Operating Activities	**2,873.8**	**2,719.9**	**(5.4)%**
Payments for the purchase of businesses and investments	(145.8)	**(263.4)**	
Payments for property, plant and equipment – property development	(1,166.9)	**(752.6)**	
Payments for property, plant and equipment – other	(968.7)	**(1,136.0)**	
Payments for intangible assets	(6.2)	**(66.7)**	
Proceeds from the sale of property, plant and equipment	199.5	**100.3**	
Proceeds from the sale of subsidiaries	-	**105.8**	
Proceeds from the sale of property to the SCA Property Group	-	**802.8**	
Dividends received	7.8	**8.1**	
Total cash used in Investing Activities	**(2,080.3)**	**(1,201.7)**	**(42.2)%**
Lowe's cash contributions (Home Improvement)	203.0	**230.0**	
Free Cash Flow	**996.5**	**1,748.2**	
Proceeds from share issues / other	129.5	**193.7**	
Dividends paid (including to non-controlling interests)	(1,332.8)	**(1,416.8)**	
Free Cash Flow after equity related Financing Activities	**(206.8)**	**525.1**	
Creditor payment timing differences resulting from the 53rd week	**-**	**420.0**	
Free Cash Flow after equity related Financing Activities adjusted for creditor payment timing differences	**(206.8)**	**945.1**	

1. Refer to slide 52 for information regarding significant items

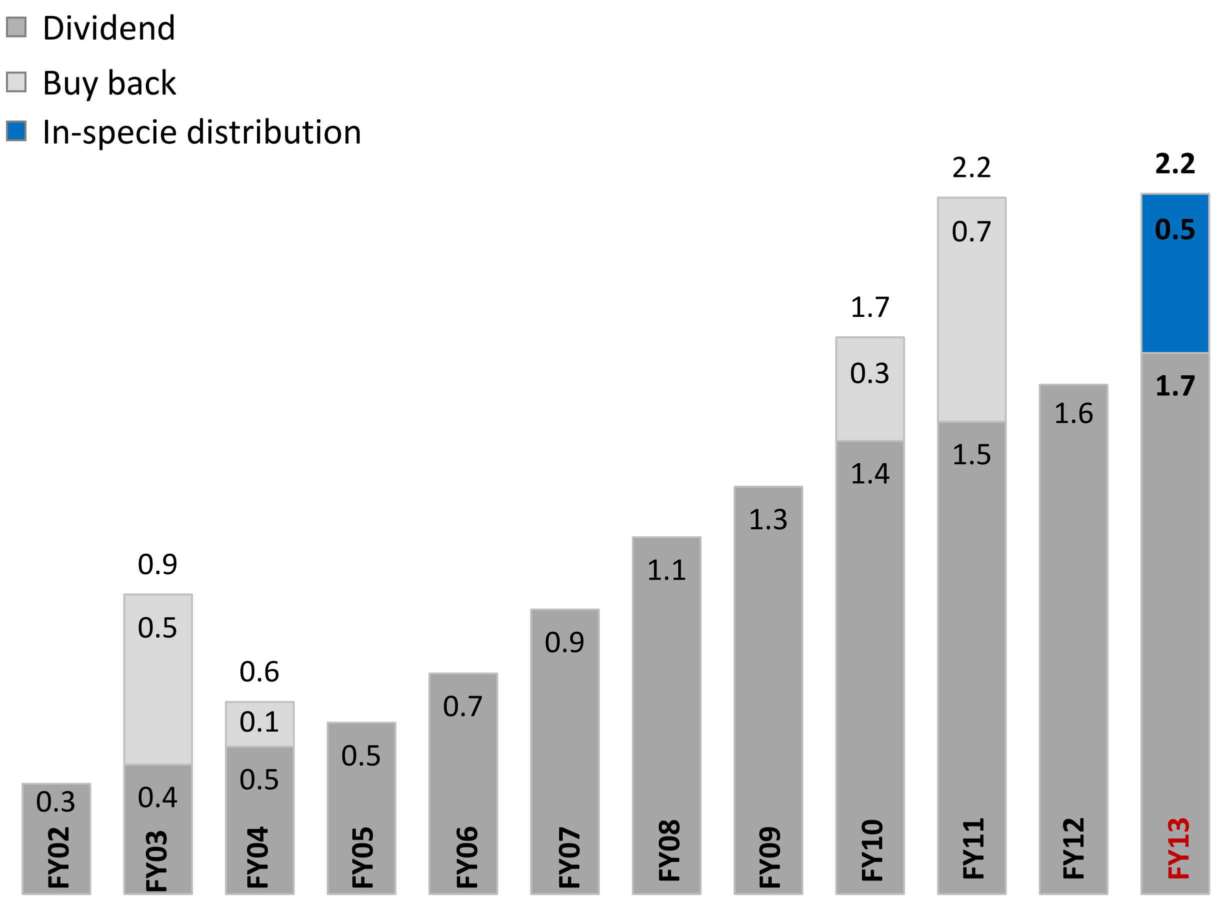
- **EBITDA from continuing operations before significant items[1] was up 9.2%**
- **Free Cash Flow after equity related Financing Activities** was $525.1m and $945.1m after excluding the $420.0m impact of the difference in the timing of the reporting date relative to FY12 and the effect of this on creditor payments
- **Cash from Operating Activities before interest and tax** decreased 0.8%, however up 9.3% after excluding the impact of the difference in the timing of the reporting date relative to the prior year and the effect of this on creditor payments
- **Net interest paid** was broadly consistent with the prior year after excluding the additional costs associated with the US 144A bond redemption of A$82.3m
- **Payments for the purchase of businesses and investments** largely represents acquisition of Hotels as part of the Laundy transaction, the acquisition of the Hardings Hardware business and the acquisition of 50% of the Quantium Group
- **Payments for property development** was lower than last year reflecting lower development activity than last year's peak
- **Payments for other property, plant and equipment** increased as a result of increased expenditure on store refurbishments
- **Payments for intangible assets** increased due to payments for Victorian gaming licences

WOOLWORTHS LIMITED

Shareholder distributions

$2.2b returned to shareholders in FY13
$14b returned to shareholders since July 2001

$ billion

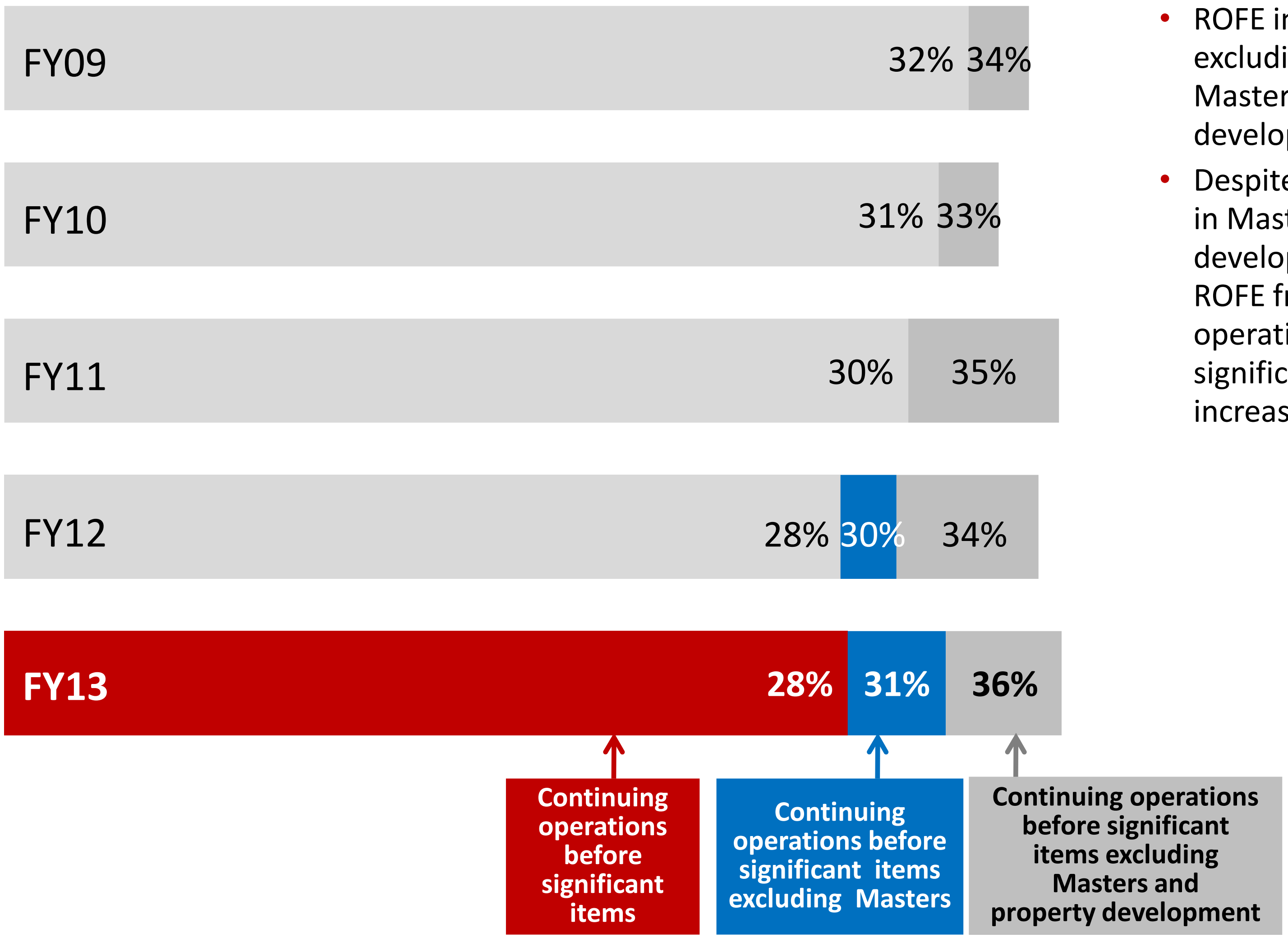


Comments

- As part of the SCA Property Group transaction, an in-specie distribution of $0.5b made to shareholders
- Estimated franking credits available for distribution (after final dividend) = $1.6b

Return on funds employed[1] from continuing operations

Percentage



Comments

- ROFE increased 132 bps excluding the impact of Masters and property development
- Despite the investment in Masters and property development, Group ROFE from continuing operations before significant items[2] increased 24 bps

1. Based on average of opening and closing funds employed
2. Refer to slide 52 for information regarding significant items

Outlook

- We are seeing good results from our Strategic Priorities that were laid out in 2011 which are building momentum across the Group and give us confidence that we will generate profitable growth
- We expect retail conditions to remain subdued in FY14 with ongoing consumer caution reflecting cost of living pressures, a flat job market and uncertainty created by the Federal Election despite historically low interest rates. We are hopeful that we may see a modest improvement in conditions over the course of the financial year
- Subject to the uncertainties noted above, we expect another year of profit growth with FY14 net profit after tax from continuing operations expected to increase 4% - 7% (on a normalised 52 week basis[1] excluding significant items[2])

1. Full year total EBIT growth has been adjusted to remove the impact of the 53rd week in the 2013 Financial Year
2. Refer to slide 52 for information regarding significant items

Company Results

Full Year Ended

30 June 2013

Grant O'Brien

Chief Executive Officer and

Managing Director

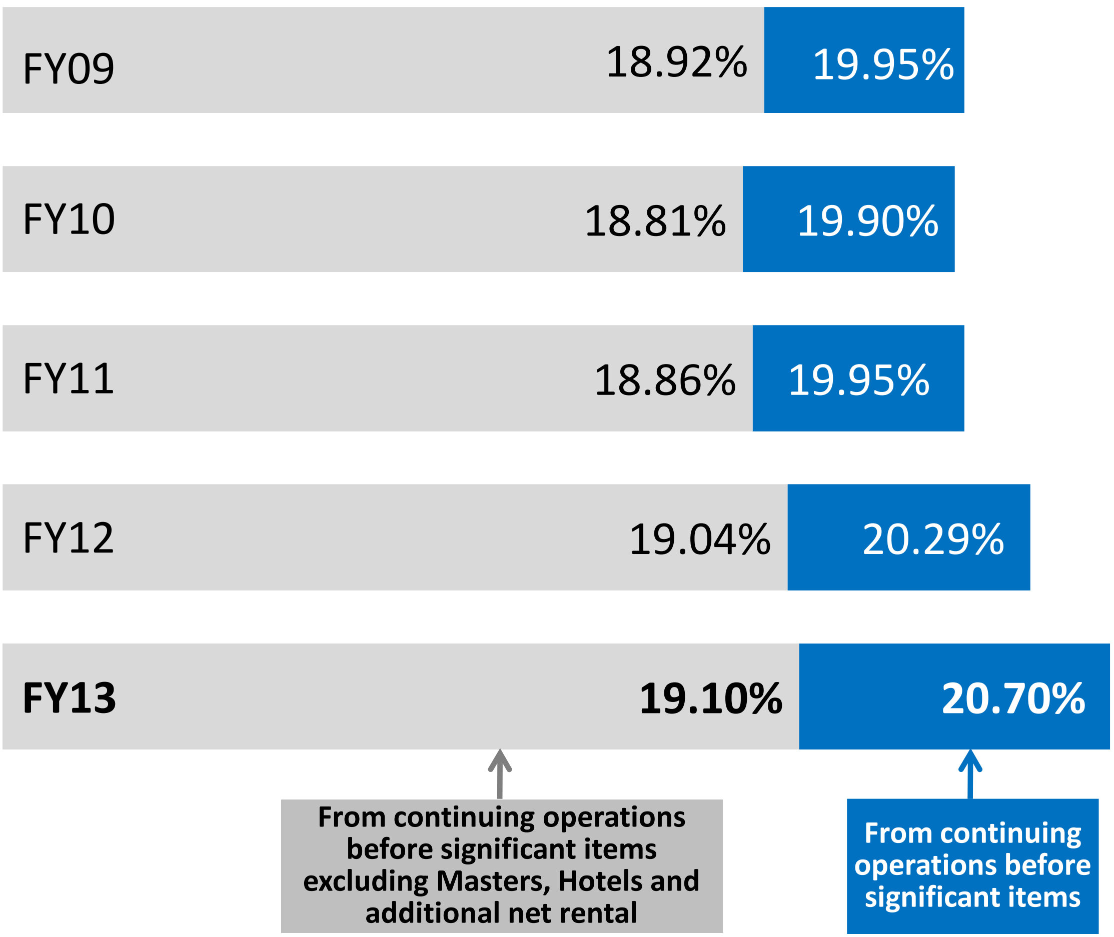
WOOLWORTHS LIMITED

Appendices

CODB / sales from continuing operations before significant items[1]

CODB for our core retail trading businesses was well controlled

Percentage



Comments

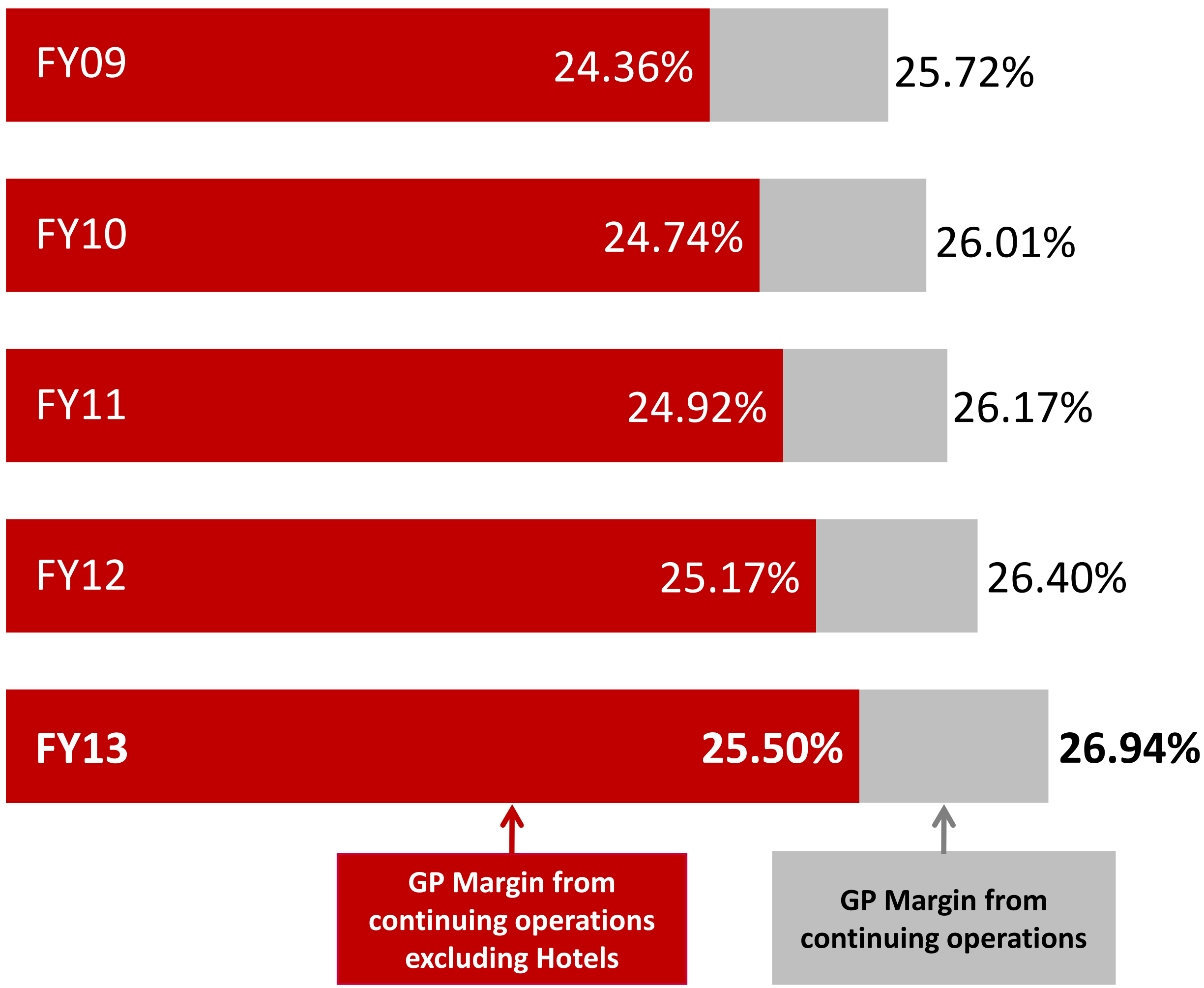
- CODB increased 6 bps after excluding Masters, Hotels and additional net rental costs following the sale of properties to SCA. This increase reflects
  - Higher utility costs
  - A large number of new stores yet to reach mature trading levels
  - Costs associated with the new DC at Hoxton Park
- CODB rate for Australian Food and Liquor decreased on FY12 – a strong result
- Costs well controlled in dollar terms, with areas of sell price deflation limiting fractionalisation of costs

1. Refer to slide 52 for information regarding significant items

Gross profit margin from continuing operations

We have continued to reinvest in lower prices, delivering greater value to customers as evidenced by continued price deflation in Australian Food & Liquor and BIG W

Percentage

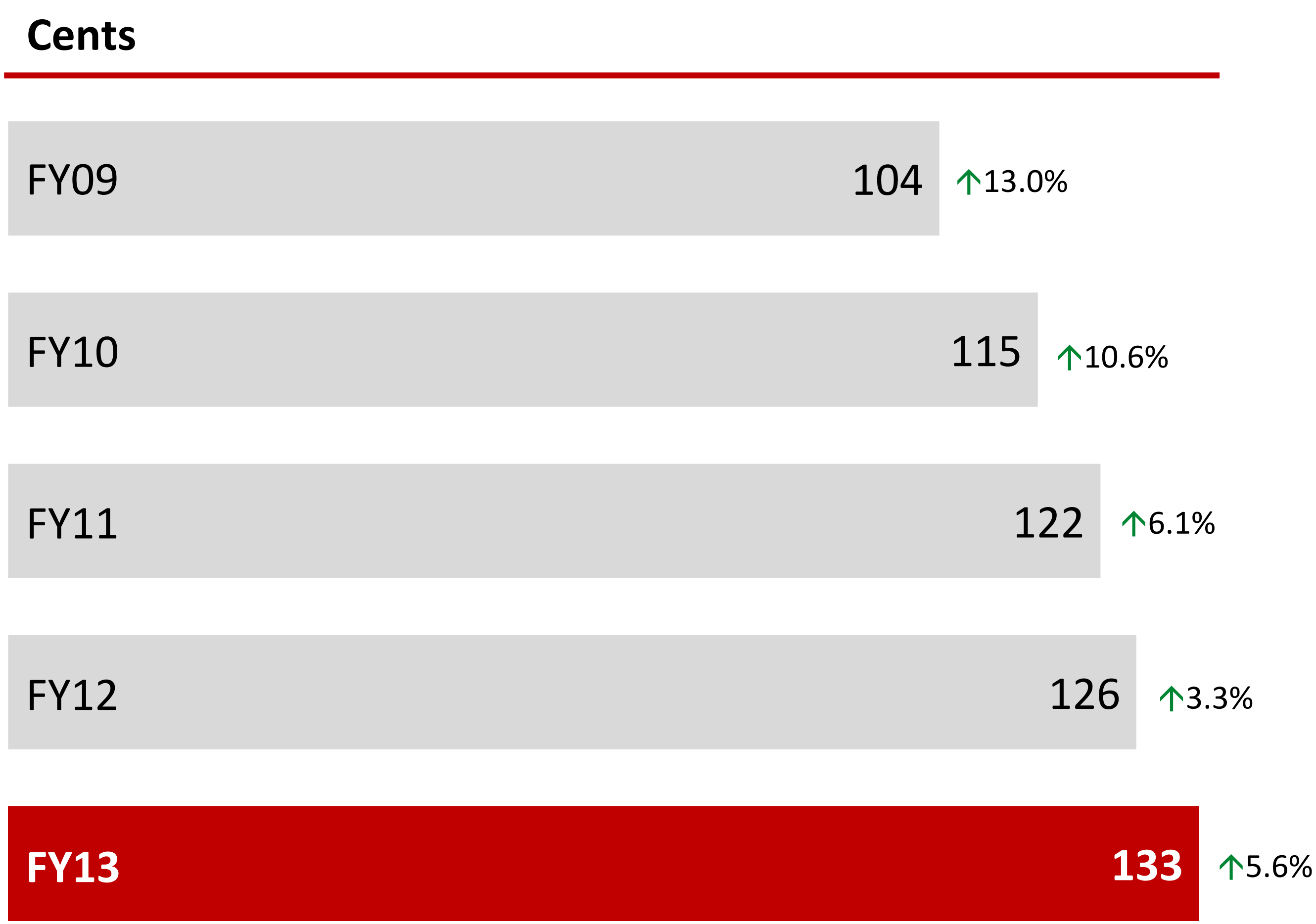


Comments

- Increase due to better buying, benefits of increased direct global sourcing, reduced shrinkage, positive changes in sales mix and efficiency improvements from new DCs and logistics
- Gross margins were also impacted by the Victorian gaming regulatory changes

Dividends per share

Increase in dividends per share of 5.6%



Full year sales from continuing operations up 6.8% or 4.8% on a normalised 52 week basis[1]

$m	2012 52 weeks	2013 53 weeks	Increase	Normalised Increase[1]	Full Year Comp Sales[2]
Australian Food and Liquor	37,549	40,031	6.6%	4.7%	2.7%
Petrol (dollars)	6,714	6,794	1.2%	(0.8)%	(2.3)%
Petrol (litres)	*5,003*	*5,028*	*0.5%*	*(1.4)%*	*(2.9)%*
Australian Food, Liquor and Petrol	**44,263**	**46,825**	**5.8%**	**3.9%**	
New Zealand Supermarkets (NZD)	*5,522*	*5,749*	*4.1%*	*2.3%*	Flat
New Zealand Supermarkets	**4,302**	**4,600**	**6.9%**	**5.0%**	
BIG W	**4,180**	**4,383**	**4.9%**	**2.0%**	**(0.7)%**
Hotels	**1,204**	**1,469**	**22.0%**	**19.7%**	**10.5%**
Home Improvement	**828**	**1,239**	**49.6%**	**46.7%**	
Group Sales – Continuing Operations	**54,777**	**58,516**	**6.8%**	**4.8%**	
Group Sales – Continuing Operations (excluding Petrol)	*48,063*	*51,722*	*7.6%*	*5.6%*	
Group Sales – Discontinued Operations	**1,923**	**642**	**n.c**	**n.c**	
Total Group Sales	**56,700**	**59,158**	**4.3%**	**2.4%**	

1. Full year total sales growth has been adjusted to remove the impact of the 53rd week in the 2013 Financial Year
2. Calculated on a 53 week basis

Health ratios

		FY12	FY13
Fixed Charges Cover – Total Group excluding Significant Items[1]	X	2.9	**3.0**
Days inventory (average) – Continuing Operations[2,3]	Days	33.8	**36.4**
Days creditors (to sales) – Continuing Operations[3]	Days	46.1	**45.4**
Return on Funds Employed (ROFE) – Total Group	%	24.1	**27.6**
Return on Funds Employed (ROFE) – Continuing Operations excluding Significant Items[1]	%	27.8	**28.0**
Return on Total Equity – Total Group excluding Significant Items[1]	%	27.9	**27.4**
Return on Shareholders Equity – Total Group excluding Significant Items[1]	%	27.0	**26.6**
Net working capital – Continuing Operations	$m	(2,375.4)	**(1,975.5)**

1. Refer to slide 52 for information regarding significant items
2. Based on a 13 months rolling average inventory
3. For comparability, these ratios exclude Consumer Electronics Australia, New Zealand and India for both FY13 and FY12

Fixed charges cover – Total Group before significant items[1]

	2009	2010	2011	2012	2013
EBIT[1]	2,815.5	3,082.1	3,276.4	3,376.7	**3,655.7**
D&A	729.4	797.7	857.9	895.9	**965.5**
EBITDAR	4,954.6	5,357.7	5,675.5	5,962.2	**6,418.5**
Interest	239.6	257.4	332.6	381.2	**378.1[2]**
Rent – base	1,313.5	1,390.8	1,468.1	1,590.6	**1,737.6**
Rent – turnover contingent	96.2	87.1	73.1	99.0	**59.7**
Total Fixed Charges	1,649.3	1,735.3	1,873.8	2,070.8	**2,175.4**
Fixed Charges Cover[3]	3.0 x	3.1 x	3.0 x	2.9 x	**3.0 x**

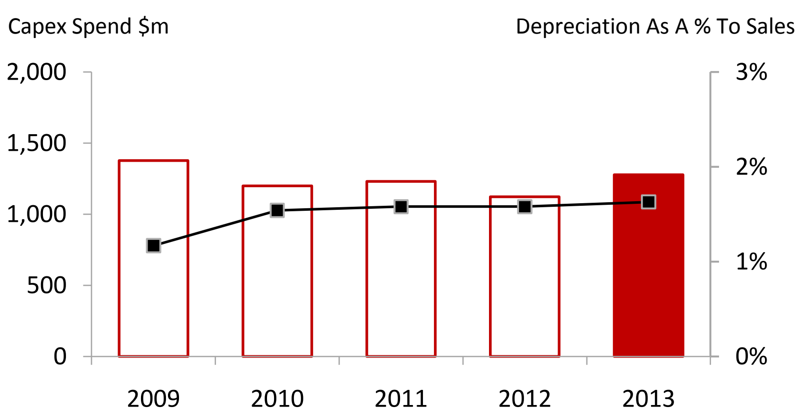
1. Refer to slide 52 for information regarding significant items
2. This excludes the significant item that occurred during the year, the US 144A bond redemption costs of A$82.3m (before tax)
3. Covenant 1.75x

Capital expenditure — Total Group

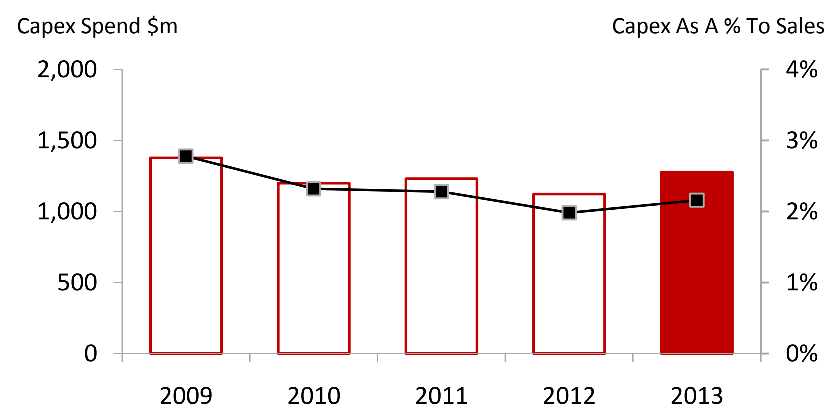
$ million – 2013	2013 Actual	Previous Fcst	Var
New Stores	300	323	(23)
Refurbishments	478	529	(51)
Growth Capex	**778**	**852**	**(74)**
Supply Chain, IT, Multi-option and SIB	390	384	6
Home Improvement	110	123	(13)
Normal and Ongoing Capex	**1,278**	**1,359**	**(81)**
Property Developments (net of sales[1]) – excluding Home Improvement	343[1]	516[1]	(173)
Property Developments – Home Improvement	296[1]	360	(64)
Net Capex before SCA Property Group transaction	**1,917**	**2,235**	**(318)**
Sales proceeds on SCA Property Group transaction	(1,312)	(1,320)	8
Net Capex	**605**	**915**	**(310)**

$ million – Full Year	2011 Actual	2012 Actual	2013 Actual	2014 Fcst
New Stores	288	346	300	250
Refurbishments	492	268	478	472
Growth Capex	**780**	**614**	**778**	**722**
Supply Chain, IT, Multi-option and SIB	413	373	390	603
Home Improvement	39	137	110	140
Normal and Ongoing Capex	**1,232**	**1,124**	**1,278**	**1,465**
Property Developments (net of sales[1]) – excluding Home Improvement	233	552	343[1]	461
Property Developments – Home Improvement	370	374	296	420
Net Capex before SCA Property Group transaction	**1,835**	**2,050**	**1,917**	**2,346**

Normal and Ongoing Capex $m, Depreciation % to Sales



Normal and Ongoing Capex $m, Capex % to Sales



1. Excludes sales proceeds received as part of the SCA Property Group transaction
Note: SIB – Stay in Business

Capital expenditure — notes

New Stores	• Capital allocated to new stores will decrease by $50m in FY14 after a similar decrease in FY13 reflecting the return to normal levels of Supermarket store openings after a peak in FY12
Refurbishments	• Capital spend increased in FY13 due to a large number of 'one up' refurbishments in Australian Supermarkets from fresh strategic initiatives together with the commencement of Victorian gaming licence payments • FY14 reflects a normal level of refurbishment capital to enable us to continue to rollout our key merchandising initiatives across the Group
Supply Chain, IT, Multi-option and SIB	• Increase in FY14 reflects investments in multi-option capabilities, data analytics, case ready meat plants and merchandise systems in line with our strategy
Property Developments (net of sales) excluding Home Improvement	• The decrease in FY13 is due to a lower level of property development this year • Our FY14 forecast capital spend includes 9 large market place / store developments which are not due to open until FY15
Home Improvement including Property Development	• As Home Improvement is still in its start up phase, capital spend will fluctuate from year to year due to the timing of developments, store openings and supply chain initiatives

Significant items

Continuing Operations	• **One-off loss associated with SCA Property Group transaction** – As envisaged, a one-off loss of $32.8m before tax ($28.5m after tax) was incurred on the sale of assets to the SCA Property Group – primarily provisions for rental guarantees provided by Woolworths in relation to specialty leasing risk – The sale of New Zealand properties impacts the New Zealand Supermarkets result whereas the sale of Australian properties is reflected in Central Overheads • **Victorian transport fleet redundancies** – Woolworths entered into arrangements with Linfox to outsource its Victorian transport fleet, the last fleet in the network to be owned and operated by Woolworths – Incurred a one-off redundancy cost of $25.8m before tax ($18.1m after tax) • **US 144A bond redemption** – In June 2013, US$614.8m of US 144A bonds were redeemed with a one-off cost to the profit and loss (within net financial expenses) of A$82.3m before tax (A$57.6m after tax) representing a premium paid on the bonds to redeem them early and termination of associated derivatives – This one off cost would be more than offset by future net interest savings in both nominal and present value terms due to a reduction in the weighted average cost of Woolworths' remaining debt. Future gross interest savings attributable to the redeemed bonds total $207m
Discontinued Operations	• **Sale of Consumer Electronics businesses** – The sale of the Australia / New Zealand business to Anchorage Capital Partners (Anchorage) was completed in November 2012 and the sale of the Consumer Electronics business in India to Infiniti Retail Limited was completed in October 2012 – A net gain of $9.9m before tax ($7.9m after tax) was recorded in FY13. This gain includes the $74m consideration under which Woolworths agreed to release Anchorage from its obligation to provide Woolworths with agreed benefits from any upside resulting from a future sale of Dick Smith by Anchorage. Given the structure of the sale transactions, there was no material tax expense or benefit arising from the disposal of the Consumer Electronics businesses – In FY12, a $420.0m provision before tax ($383.7m after tax) was raised in relation to the restructure and divestment of the Dick Smith Electronics business – As these businesses have been sold, no further losses are anticipated