F20 Half-Year Profit and Dividend Announcement

For the 27 weeks ended 5 January 2020

Group highlights

Sales from continuing operations
$32,410M
▲ 6.0%

Group online sales
$1,650M
▲ 31.6%

EBIT from continuing operations[1]
$1,893M
▲ 11.4%[2]

NPAT from continuing operations[1]
$979M
▲ 15.7%[2]

H20 dividend per share
46¢
▲ 2.2%

Progress on key priorities:

- Strong sales and EBIT growth in the half across all businesses
- Progress on digital and data; X businesses continuing to scale
- Endeavour Group restructure approved; Chairman, CEO and COO/CFO elects appointed
- Improved financial performance from BIG W with first H1 profit since F16
- Progress on efficiency initiatives including MSRDC, Customer Operating Model and total stock loss

More to do:

- Finalise review of salary shortfalls and fully recompense impacted salaried store team members
- Renewed customer and team focus in Australian Food given busy change agenda in H1
- Complete separation of Endeavour Group
- Fully ramp up MSRDC and realise projected benefits; embed Customer Operating Model; deliver first eStores
- Progress Woolworths Group strategy post separation of Endeavour Group

H20 key financial highlights

$ MILLION	REPORTED H20	REPORTED[3] H19	CHANGE
Continuing operations before significant items			
Sales	32,410	30,587	6.0%
Earnings before interest and tax (EBIT)	1,893	1,419	33.5%
Net profit after tax (NPAT) attributable to equity holders of the parent entity	979	902	8.5%
Basic earnings per share (EPS) – cents	77.9	68.9	13.1%
Continuing operations after significant items			
EBIT	1,762	1,419	24.2%
NPAT attributable to equity holders of the parent entity	887	902	(1.7)%
Group			
NPAT attributable to equity holders of the parent entity	887	961	(7.7)%
Dividend per share – cents	46	45	2.2%

H20 key financial highlights – normalised for AASB 16

$ MILLION	REPORTED H20	NORMALISED[2] H19	NORMALISED[2] CHANGE
Continuing operations before significant items (post-AASB 16)			
EBIT	1,893	1,700	11.4%
NPAT attributable to equity holders of the parent entity	979	846	15.7%

$ MILLION	NORMALISED[4] H20	REPORTED[3] H19	NORMALISED[4] CHANGE
Continuing operations before significant items (pre-AASB 16)			
EBIT	1,604	1,419	13.1%
NPAT attributable to equity holders of the parent entity	1,036	902	14.9%

[1] Before significant items
[2] Normalised results and growth reflect adjustments to H19 if AASB 16 had been in place in F19
[3] Certain comparatives have been re-presented to conform with the current period's presentation to better reflect the nature of the financial position and performance of the Group. The impact of the costs to remediate salaried store team members has been corrected by the restatement of each of the affected financial statements line items for prior periods in accordance with the requirements for the correction of an error under AASB 108. The impact of the restatement is disclosed in Appendix Three
[4] Normalised results and growth reflect adjustments to H20 if AASB 16 had not been in place in F20

Summary

"Before going into our H1 results, I would like to acknowledge the impact that the bushfires and ongoing drought are having on many communities and our gratitude to all of those that have directly and indirectly supported the relief efforts. We would also like to thank our customers for their generosity in supporting fundraising efforts via our S.T.A.N.D (Support Through Australian Natural Disasters) program, which has helped provide millions of dollars towards the work of The Salvation Army and other disaster relief partners. It will be a long recovery in many areas and we are committed to contributing to the rebuilding of local communities wherever we can.

Group EBIT growth[1, 2]	Group online penetration
11.4%	**5.1%**

"Turning to the first half results, we were pleased that in a volatile trading environment, all businesses delivered sales and earnings growth. Group sales from continuing operations increased 6.0% and EBIT[2] from continuing operations before significant items increased by 11.4%. Despite the strong result, as announced on 30 October, we are disappointed to have let many salaried store team members down through the discovery of shortfalls versus the General Retail Industry Award (GRIA). We have made progress on addressing this issue, with $69 million of payments made in the half to impacted salaried store team members.

"With further data analysis, and an expanded scope to include all Group businesses covered by the GRIA, we have also updated our original estimate to a gross before-tax cost of $315 million ($265 million net of provisions recognised in F19) relating to salary payment shortfalls and $80 million of interest and other costs. For the purposes of the presentation of our financial statements, we have restated our historical results to reflect the impact in the period to which it related. We are working hard to finalise the review and repay impacted team members as soon as possible and thank our team for their patience and support through this process.

"In **Australian Food**, EBIT[2] grew by 8.0% in H1 due to strong sales growth and despite cost headwinds including higher team member costs as a result of our new Enterprise Agreement. While we had a pleasing first half, it has been a slower start to the second half reflecting the challenges facing our customers with total sales growth of approximately 3% and comparable sales growth of approximately 2% for the first seven weeks of H2 F20. We remain confident in our plans to continue to deliver on our priorities in the second half with customers and team a priority.

- **Woolworths Supermarkets'** sales growth was materially above-trend in the half due to a first quarter which benefitted from very successful Lion King collectables and Discovery Garden community program. Sales growth in Q2 remained solid at 4.9% (comparable: 3.8%) but as expected, was below Q1. Brand metrics continued to improve with strong Christmas customer engagement. Customer metrics declined on the prior year, but encouragingly improved on Q1'20 following the disruption from several major change programs. We are focused in H2 on ensuring that these changes, when fully embedded, will improve the experience for our customers.
- In **FoodCo and Metro** - FoodCo sales growth remained above overall Australian Food's sales growth rates with both Grocery and Fresh increasing share. Seasonal products performed well with many new innovative products achieving strong sell-through. We opened nine Metro food stores (including two rebrandings) during the half bringing our total to 52 Metro branded sites.
- Through **WooliesX**, online growth remained very strong at 38.1% in the first half with penetration increasing to 4.4% of Australian Food sales. As our eCommerce business matures, we continue to improve the operating performance and efficiency and are making good progress on our online fulfilment strategy which includes four eStores (micro-fulfilment centres) to be opened this calendar year across Australia and New Zealand. Delivery Now, our express delivery service is now available to over eight million customers and we are seeing strong take up of Delivery Unlimited, our revamped delivery subscription business.

"**New Zealand Food** also had a strong half with sales growth of 4.8% (comparable growth: 4.7%) and EBIT[2] growth of 6.4%. VOC NPS achieved a new high in December as we continued to improve the customer experience. Comparable sales growth in Q2 remained strong (+4.5%) with October benefitting from the successful Disney Words collectables program. EBIT growth was driven by sales and continued progress in total stock loss.

"On 3 February, **Endeavour Group** was created following a shareholder-approved restructure with the merger of ALH and Endeavour Drinks completed on 4 February. We continue to progress the separation of Endeavour Group through either a demerger or value-accretive alternative with a Chairman, CEO and COO/CFO elects now appointed and continue to target completion this calendar year.

"**Endeavour Drinks'** H1 total sales growth was 4.7% with Q2 comparable sales growth of 1.8% following several store openings over the last 12 months including nine Dan Murphy's in the half. Trading in Q2 was impacted by subdued market conditions and competitor promotional activity, particularly over the Christmas and New Year period. EBIT[2] growth of 6.7% was supported by penetration growth of Pinnacle Drinks' brands.

"**Hotels** had a very strong half with total sales growth of 6.2%, comparable sales growth of 4.7% and EBIT[2] growth of 8.3%. All categories improved sales with Bars and Food the highlights. In Q2, sales also benefitted from the strong execution of Christmas and New Year events.

Summary

"**BIG W** reported a first half profit for the first time since F16 with EBIT of $50 million ($21 million pre-AASB16). The improvement was driven by sales growth of 2.8% in a challenging market as well as improved category mix and good cost control. Sales growth in Q2 was 2.9% (comparable growth: 3.2%) with Apparel growth the highlight.

"Significant items booked in the half reflect costs associated with the Endeavour Group separation process of $51 million and interest and other costs related to the salaried store team member review of $80 million.

"Importantly, we also made progress on our Group community and sustainability agenda:

- In August, we announced our commitment to reduce emissions to 60% below 2015 levels by 2030, which is consistent with a +1.5 degree trajectory. Multiple projects are underway to support this
- Named Australia's top company, and in Asia Pacific, in the 2019 Refinitiv Diversity & Inclusion Index. This is supported by the launch of our 2019-2021 Reconciliation Action Plan in July, reaffirming our commitment to Australia's reconciliation with Aboriginal and Torres Strait Islander peoples
- Through our S.T.A.N.D program, and the generosity of many customers, over $3.8 million has been raised to date to support the local communities impacted by the bushfires. In addition to this, we also committed $250,000 to animal welfare and rescue organisations as well as food for wildlife food drops, $200,000 in BIG W and Woolworths gift cards to local schools, supplied products to on the ground support crews and evacuation centres, and last month, offered a group-wide 10% discount to volunteer firefighters and emergency services personnel

"In summary, it was a half with many positives but also material challenges. While some of the challenges will continue to be felt in the second half, as a business, we also have a lot to be positive about as we look forward to moving from ownership to partnership with Endeavour Group, building out the Woolworths Group digital retail ecosystem and working with our partners and other stakeholders to create a better tomorrow."

Woolworths Group Chairman, Gordon Cairns, said: "At last year's AGM, I said that culture was critical to the success of Woolworths Group and part of a strong culture is to recognise when we have made mistakes and address them as quickly as possible. We deeply regret the salaried team member payment shortfalls and want to reassure the team and shareholders that we are addressing them as quickly as possible.

"Pleasingly, the Group delivered a strong trading result and improved shareholder returns in the half, and we made good progress on many strategic initiatives including the proposed separation of Endeavour Group. The Group's financial position remains strong and reflecting the continued confidence in the Group's outlook, the Board has declared a fully-franked interim dividend of 46 cps, up 2.2%. Excluding non-comparable Petrol earnings in the prior year, the dividend increased 9.5%."

[1] Before significant items
[2] Normalised results and growth reflect adjustments to H19 if AASB 16 had been in place in F19

Summary

Progress against Woolworths Group key priorities over the half

1. Live our Purpose and Build a Customer 1st Brand, Team & Culture

- Strong improvement in Brand NPS compared to the prior year despite softer VOC scores
- Store teams across the Group supporting local communities impacted by bushfires; extended paid leave entitlements to four weeks for all team members who volunteer for emergency services
- Named Australia's top company and 19th globally, in the 2019 Refinitiv Diversity & Inclusion Index
- $69 million paid to remediate salaried store team members to date in H1
- More to do to repay team members, finalise salary review and embed improved processes and controls

2. Create Connected and Convenient Ways to Shop

- Strong online sales growth across X businesses with successful Black Friday & Cyber Monday events
- Delivery Now service extended to Gold Coast customers; now available to >8 million customers
- First Caltex Woolworths Metros opened in North Ryde and Kingsford; first Countdown Metro opened in Auckland, NZ
- Woolworths Rewards and Qantas Frequent Flyer partnership revamped, improving the shared member experience
- More to do to progress our online fulfilment strategy

3. Differentiate our Food Customer Propositions

- 36 Renewals completed including two Smart Stores; 15 new stores including Burwood Brickworks, Woolworths' most sustainable supermarket
- Fresh Made Easy rolled out to all Woolworths Supermarkets
- Everyday Acts driving VOC improvement in New Zealand Food
- FoodCo sales penetration increased with good sell-through of new products and seasonal lines
- More to do to evolve store formats, grow Our Brands, roll out the next stage of fresh inspiration and renew customer focus

4. Evolve our Drinks Business

- Nine new Dan Murphy's opened in H1 including small format store in Elanora Heights
- My Dan's increasing to 4 million members in December with scan rates >50%
- Strong improvement in Pinnacle sales and penetration in the Wine category
- New BWS app launched in September with On Demand now available in >700 stores
- More to do with new leadership in place, BWS MD, Scott Davidson and Dan Murphy's MD, Alex Freudmann

5. Unlocking Value in our Portfolio

- Announced and progressed separation of Endeavour Group
- Endeavour Group Chairman, CEO and COO/CFO elects announced
- Continued improvement in BIG W trading performance especially in Apparel
- Progress across new businesses - Cartology media screens rolled out to >500 stores and Woolworths International established
- More to do to implement Endeavour Group separation, build on BIG W momentum and further develop Group's digital retail ecosystem

6. Better for Customers, Simpler and Safer for Stores and Support

- Notable team safety improvements; finalist for the 2019 Allan Fels Mental Health award
- Good improvement in total stock loss in the half after a disappointing F19
- MSRDC continues to ramp up, now supplying all Victorian stores
- Woolworths Supermarkets' Customer Operating Model implemented nationwide
- More to do to fully commission MSRDC; embed and optimise Customer Operating Model; improve rostering practices; build on mental health initiatives

Salaried team member remediation costs

In February 2019, a review was initiated which identified that certain salaried store team members across the Group were not paid in full compliance with the Group's obligations under the General Retail Industry Award (GRIA). While the review was continuing to determine the extent of the remediation required, the Group recorded a provision of $50 million for the payment shortfalls as at 30 June 2019, which represented the best estimate at the time of the potential exposure.

In October 2019, the Group announced its commitment to rectify payment shortfalls to current and former salaried team members across the Group employed under the GRIA, including interest and superannuation contributions. Since the announcement in October further progress has been made to analyse prior years for Woolworths Supermarkets, Metro, Endeavour Drinks, and BIG W. At 5 January 2020, the Group has estimated the incremental one-off cost of remediation for the total salary payments shortfall to be $265 million (total salary payment shortfall of $315 million less the $50 million provided at 30 June 2019). Initial payments of $69 million have been made to affected Woolworths Supermarkets and Metro team members for F18 and F19. The total salary payment shortfall of $315 million represents management's best estimate of payment shortfalls against a range of potential outcomes, given the level of estimation required and given the progress of the review to date.

The Group continues to review all the periods over which the payment shortfalls relate and for which records exist. The calculations of the salary payment shortfall involve a substantial volume of data, a high degree of complexity, interpretation, estimations, and are subject to further analysis of prior periods and the Fair Work Ombudsman's ongoing investigation. Determining the historical payment shortfall requires consideration of numerous clauses of the GRIA, which translates into over 2,000 decision rules for the purposes of the Group's analysis, across each year, for every current and former team member. Changes to any of these variables have the potential to result in a future adjustment to the provision in subsequent periods as analysis and work continues. Any changes to the provision in subsequent periods due to revisions of these estimates will be recognised in the Group's Consolidated Statement of Profit or Loss. The Group is working with diligence and care to finalise the review and address the payment shortfalls to our team.

As a consequence of the payment shortfalls, employee benefits expenses, provisions, and deferred tax balances have been understated, however the annual amounts were not material to the performance of the Group in any of the individual periods to which they related. As management considers the cumulative understatement to be material, the understatement has been corrected by restating each of the affected financial statement line items for prior periods in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

In addition to the payment shortfall outlined above, the Group has also estimated interest and other remediation costs of $80 million relating to the salary payment shortfall as at the half-year ended 5 January 2020 which have been recognised as a significant item, as outlined in Note 3 of the 2020 Half-Year Financial Report.

As part of this review, the impact on historical short-term incentive (STI) and long-term incentive (LTI) payments to above store management resulting from prior period payment shortfalls has been reviewed and there is no material impact on STI and LTI payments in prior periods.

The impact to the Group's results are shown in Appendix Three.

Implementation of AASB 16 *Leases*

The Group adopted AASB 16 *Leases* (AASB 16) on 1 July 2019 resulting in a significant change to the reporting requirements of the Group's financial position, financial performance, and cash flows. H20 includes assets, liabilities, income, and expenses relating to AASB 16 for the first time and all amounts recognised are materially consistent with estimates previously disclosed. Additional information is included in the 2020 Half-Year Financial Report to provide the users with a basis to assess the ongoing impact of AASB 16.

The Group has transitioned using the modified retrospective approach and accordingly the comparative amounts have not been restated. Therefore, the H20 result is not comparable to the prior period and as such, the statutory result has been normalised for the impact of AASB 16 in the 2020 Half-Year Results Announcement. For purposes of comparing results between years, the Group has adjusted both the prior period (to apply an estimated impact of the accounting requirements of AASB 16 to the reported result) and the current period result (by excluding the effect of AASB 16) to present a like-for-like base with the previously reported result.

Group profit or loss

For the 27 weeks ended 5 January 2020

$ MILLION	REPORTED H20	REPORTED[1] H19	CHANGE	POST-AASB 16 NORMALISED CHANGE[2]
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**3,141**	**2,030**	**54.8%**	**10.3%**
Depreciation and amortisation	(1,248)	(611)	104.4%	8.6%
EBIT	**1,893**	**1,419**	**33.5%**	**11.4%**
Interest expense – non-leases	(80)	(71)	13.4%	13.4%
Interest expense – leases	(360)	-	n.m.	(0.1)%
Income tax expense	(429)	(404)	6.2%	12.8%
NPAT	**1,024**	**944**	**8.5%**	**15.3%**
Non-controlling interests	(45)	(42)	7.1%	7.1%
NPAT from continuing operations attributable to equity holders of the parent entity before significant items	**979**	**902**	**8.5%**	**15.7%**
Significant items from continuing operations after tax	(92)	-	n.m.	n.m.
NPAT from discontinued operations attributable to equity holders of the parent entity after significant items	-	59	n.m.	n.m.
NPAT attributable to equity holders of the parent entity	**887**	**961**	**(7.7)%**	**(2.0)%**

MARGINS – CONTINUING OPERATIONS				
Gross profit (%)	29.6	29.1	46 bps	43 bps
Cost of doing business (%)	23.7	24.5	(74) bps	15 bps
EBIT (%)	5.8	4.6	120 bps	28 bps

EARNINGS PER SHARE AND DIVIDENDS	REPORTED H20	REPORTED[1] H19	CHANGE
Weighted average ordinary shares on issue (million)	1,256.6	1,310.0	(4.1)%
Total Group basic EPS (cents) before significant items	77.9	73.4	6.3%
Total Group basic EPS (cents) after significant items	70.6	73.4	(3.8)%
Basic EPS (cents) – from continuing operations before significant items	77.9	68.9	13.1%
Basic EPS (cents) – from continuing operations after significant items	70.6	68.9	2.5%
Diluted EPS (cents) – from continuing operations before significant items	77.5	68.6	13.0%
Diluted EPS (cents) – from continuing operations after significant items	70.2	68.6	2.3%
Interim dividend per share[3] (cents)	46	45	2.2%

[1] Certain comparatives have been re-presented to conform with the current period's presentation to better reflect the nature of the financial position and performance of the Group. The impact of the costs to remediate salaried store team members has been corrected by the restatement of each of the affected financial statements line items for prior periods in accordance with the requirements for the correction of an error under AASB 108. The impact of the restatement is disclosed in Appendix Three
[2] Normalised results and growth reflect adjustments to H19 if AASB 16 had been in place in F19
[3] The 2020 interim dividend payable on or around 9 April 2020 will be fully-franked

Group trading performance

Sales summary – H20

$ MILLION	REPORTED H20	REPORTED[1] H19	CHANGE
Continuing operations			
Australian Food	21,200	19,928	6.4%
New Zealand Food	3,367	3,143	7.1%
New Zealand Food (NZD)	*3,564*	*3,401*	*4.8%*
Endeavour Drinks	4,775	4,560	4.7%
BIG W	2,149	2,091	2.8%
Hotels	919	865	6.2%
Sales from continuing operations	**32,410**	**30,587**	**6.0%**
Discontinued operations			
Petrol[2]	-	2,579	n.m.
Sales from discontinued operations	**-**	**2,579**	**n.m.**
Group sales continuing and discontinued operations (including online)	**32,410**	**33,166**	**(2.3%)**
Group online sales[3]	**1,650**	**1,250**	**31.6%**
Online sales penetration (%)	5.1%	4.1%	100bps

Earnings/(loss) before interest and tax (EBIT/(LBIT))

$ MILLION	REPORTED H20	REPORTED[1] H19	CHANGE	POST-AASB 16 NORMALISED[4] H19	POST-AASB 16 NORMALISED[4] CHANGE
Continuing operations before significant items					
Australian Food	1,177	933	26.1%	1,090	8.0%
New Zealand Food	175	137	28.3%	161	8.8%
New Zealand Food (NZD)	*186*	*148*	*25.5%*	*175*	*6.4%*
Endeavour Drinks	338	294	15.0%	316	6.7%
BIG W	50	(8)	n.m.	20	155.3%
Hotels	224	161	39.7%	207	8.3%
Central Overheads	(71)	(98)	(27.6)%	(94)	(24.8)%
EBIT from continuing operations before significant items	**1,893**	**1,419**	**33.5%**	**1,700**	**11.4%**
Significant items from continuing operations	(131)	-	n.m.		
EBIT from continuing operations after significant items	**1,762**	**1,419**	**24.2%**		
Discontinued operations					
Petrol[2]	-	84	n.m.		
EBIT from discontinued operations before significant items	**-**	**84**	**n.m.**		
EBIT from discontinued operations after significant items	**-**	**84**	**n.m.**		
Group EBIT continuing and discontinued operations	**1,762**	**1,503**	**17.3%**		

EBIT/(LBIT) – pre-AASB 16

$ MILLION	NORMALISED[5] H20	REPORTED H19	PRE-AASB 16 NORMALISED[5] CHANGE
Continuing operations before significant items			
Australian Food	1,018	933	9.0%
New Zealand Food	150	137	9.7%
New Zealand Food (NZD)	*158*	*148*	*6.9%*
Endeavour Drinks	309	294	5.2%
BIG W	21	(8)	n.m.
Hotels	178	161	10.8%
Central Overheads	(72)	(98)	(27.0)%
EBIT from continuing operations before significant items	**1,604**	**1,419**	**13.1%**

[1] Certain comparatives have been re-presented to conform with the current period's presentation to better reflect the nature of the financial position and performance of the Group. The impact of the costs to remediate salaried store team members has been corrected by the restatement of each of the affected financial statements line items for prior periods in accordance with the requirements for the correction of an error under AASB 108. The impact of the restatement is disclosed in Appendix Three.
[2] Petrol sales and EBIT are for the nine months until sale on 1 April 2019
[3] Group online sales and penetration are from continuing operations
[4] Normalised results and growth reflect adjustments to H19 if AASB 16 had been in place in F19
[5] Normalised results and growth reflect adjustments to H20 if AASB 16 had not been in place in F20

Group trading performance

Sales from continuing operations increased by 6.0% to $32.4 billion in the half. All businesses reported sales growth on the prior year with Australian Food sales growth of 6.4% and Hotels growth of 6.2% the highlights.

Group online sales increased by 31.6% with Group online penetration for the half at 5.1%, up 100 bps on the prior year. Online growth was strong in all businesses led by WooliesX with growth of 38.1%.

Gross profit from continuing operations as a percentage of sales was 29.6%, up 46 bps on the prior year driven by higher gross margins in all businesses other than Hotels.

Cost of doing business (CODB) from continuing operations as a percentage of sales was 23.7%, down 74 bps on the prior year. This was impacted by the implementation of AASB 16. On a normalised basis, CODB as a percentage of sales increased by 15 bps largely reflecting higher team costs associated with new enterprise agreements.

EBIT from continuing operations before significant items increased by 33.5%. On a normalised basis, EBIT increased by 11.4%. If the impact of AASB 16 was removed from H20 and compared to H19 as previously reported, EBIT increased by 13.1%.

Significant items reflect the costs associated with the Endeavour Group separation process of $51 million and interest and other costs associated with the team member salary remediation of $80 million.

The increase in **finance costs** reflects the implementation of AASB 16 with lease interest expense of $360 million. Interest expense – non-leases was $80 million, higher than the prior year reflecting lower capitalised interest as several major projects were commissioned including the MSRDC.

NPAT from continuing operations attributable to equity holders of the parent entity before significant items increased by 8.5% to $979 million. Normalised NPAT on the same basis increased by 15.7%.

Australian Food

$ MILLION	REPORTED H20	REPORTED[1] H19	CHANGE	POST-AASB 16 NORMALISED H19[2]	POST-AASB 16 NORMALISED CHANGE[2]
Sales	**21,200**	**19,928**	**6.4%**	**19,928**	**6.4%**
EBITDA	**1,929**	**1,313**	**46.9%**	**1,757**	**9.8%**
Depreciation and amortisation	(752)	(380)	98.0%	(667)	12.8%
EBIT	**1,177**	**933**	**26.1%**	**1,090**	**8.0%**
Gross margin (%)	29.1	28.7	42 bps	28.8	38 bps
Cost of doing business (%)	23.6	24.0	(45) bps	23.3	29 bps
EBIT to sales (%)	5.6	4.7	87 bps	5.5	8 bps
Sales per square metre ($)	**17,236**	**16,656**	**3.5%**	**16,656**	**3.5%**
Funds employed	9,047	1,330	n.m.	8,407	7.6%
Return on average funds employed (%)	25.2	155.9	n.m.	25.3	(15) bps

H20 Normalisation – pre-AASB 16

$ MILLION	PRE-AASB 16 NORMALISED H20[3]	REPORTED[1] H19	PRE-AASB 16 NORMALISED CHANGE[3]
EBIT – pre-AASB 16 comparable basis	1,018	933	9.0%
EBIT – pre-AASB 16 comparable basis to sales (%)	4.8	4.7	12 bps

Operating metrics

YEAR ON YEAR (%)	Q2'20 (13 WEEKS)	Q1'20 (14 WEEKS)	Q4'19 (13 WEEKS)	Q3'19 (13 WEEKS)
Customer metrics				
VOC NPS (Store and Online)	51	49	52	47
Store-controllable VOC	80%	80%	80%	78%
Sales productivity metrics			Normalised Easter-adjusted	Easter-adjusted
Total sales	4.9%	7.8%	4.0%	4.7%
Comparable sales	3.8%	6.6%	3.5%	4.2%
Volume productivity metrics			Easter-adjusted	Easter-adjusted
Comparable transaction growth	0.7%	2.8%	1.4%	1.9%
Comparable items per basket	0.9%	1.9%	1.2%	2.6%
Comparable item growth	1.6%	4.7%	2.6%	4.5%
Change in average prices				
Total	0.7%	0.3%	0.5%	0.0%
Total excluding Tobacco	(0.6)%	(1.2)%	(0.9)%	(1.4)%

Trading performance

Australian Food VOC NPS increased two points from Q1 to Q2 and Store-controllable VOC was steady over the half. This reflects a strong focus on the customer by the team over the Christmas period following a period of transition to a new customer operating model and the rollout of Fresh Made Easy. Customer metrics softened compared to the prior year with VOC NPS down four points to 51 (Q2'19: 55) and Store-controllable VOC down three points to 80% (Q2'19: 83%), impacted by Queue Wait Times, Availability and Ease of Pick up. Restoring momentum in customer scores is a priority for the second half.

H20 sales increased 6.4% to $21.2 billion. Comparable sales increased 5.1% with comparable item growth driven by transaction growth and items per basket. Growth benefitted from the success of Lion King Ooshies and Woolworths Discovery Garden community campaigns in the first four months of the half and cycling a softer H1'19 (comparable growth: 2.2%). Comparable sales growth in the second quarter remained robust at 3.8%; however, comparable transactions and items per basket declined compared to Q1 with higher inflation. Excluding Tobacco, comparable sales in Q2 increased by 4.2% with Baby Formula also negatively impacting growth.

Metro continued to deliver solid sales growth driven by its fresh food-to-go offering and new store rollout including the launch of the smallest store in the fleet in Strawberry Hills, Sydney. At the end of the half, 52 Metro-branded food stores and 14 small Woolworths supermarkets were managed by the Metro team.

Online VOC NPS improved one point from Q1 to Q2 to 61 driven by Ease of Navigation and online sales grew 38% to $942 million with record pre-Christmas trade assisted by the roll out of new Drive Thru and Drive Up sites.

Australian Food

Sales per square metre increased 3.5% to $17,236 with rolling 12-month sales growth well above average space growth of 1.7%. During the half, 14 net new stores were opened and 36 Renewals completed. At the end of December, there were 986 supermarkets and 52 Metro stores with a total fleet of 1,038 stores.

Average prices increased 0.5% for the first half and 0.7% in the second quarter driven by cost inflation in drought-impacted categories including Meat, Bakery and Deli. Excluding Tobacco and Fruit & Vegetables, average prices declined 0.1% in the quarter and 0.4% for the half, with grocery deflation continuing to ease. Promotional count was up marginally in the half due to incremental activity in Health, Baby and Beauty. Excluding this category, promotional count continued to decline.

Normalised gross margin increased 38 bps to 29.1% driven by improved total stock loss, product mix and a higher inflation environment.

Normalised CODB as a percentage of sales increased 29 bps to 23.6%. Excluding depreciation and amortisation, CODB increased by 9 bps. CODB was impacted by the implementation of the EA, higher supply chain costs including volume, ramp-up and dual-running costs at MSRDC, investments in team hours to improve the customer experience and costs associated with new businesses such as Cartology.

Normalised depreciation and amortisation increased by 12.8% impacted by the Renewal program and the commencement of depreciation for MSRDC.

Normalised EBIT increased 8.0% to $1,177 million. H20 also includes the costs associated with the fuel discount which were booked in the Petrol business in the prior year. Normalised EBIT margin increased by 8 bps to 5.6%.

Normalised funds employed increased by $640m to $9,047 million compared to H19 impacted by investment in Renewals, supply chain and new stores and higher working capital driven by the change in period end impact on trade payables. This was partly offset by a reduction in lease assets. As a result of higher average funds employed, normalised ROFE decreased by 15 bps.

[1] Comparatives have been re-presented to reflect the transfer of the Summergate business from Endeavour Drinks to Australian Food
[2] Normalised results and growth reflect adjustments to H19 if AASB 16 had been in place in F19
[3] Normalised results and growth reflect adjustments to H20 if AASB 16 had not been in place in F20

WooliesX[1]

Operating metrics

YEAR ON YEAR (%)	Q2'20 (13 WEEKS)	Q1'20 (14 WEEKS)	Q4'19 (13 WEEKS)	Q3'19 (13 WEEKS)
Customer metrics				
Online VOC NPS	61	60	61	48
Sales productivity metrics				
Online sales ($ million)	462	480	395	368
Online sales growth	33.3%	43.2%	45.5%	34.7%
Online penetration	4.4%	4.5%	4.1%	3.7%
Loyalty				
Woolworths Rewards members (million)	12.0	11.9	11.7	11.5
Scan rates (%)	47.2	46.8	46.5	45.8

Trading performance

WooliesX continued to build momentum in the first half with online sales growing at 38%, representing 4.4% of Australian Food sales over the half. Sales growth of 33.3% in Q2 was below Q1 due to seasonal timing impacts and the success of the Lion King Ooshies collectables program in Q1.

Customers are responding positively to our convenient propositions, with Online VOC NPS steady at 61 on the prior year, despite record order volumes over the Christmas period. Pick up continued its strong momentum and Delivery Now was extended to more stores. A new subscription delivery offer, Delivery Unlimited, was launched to be more customer friendly.

Digital traffic continued to grow at over 50% through more personalised, effortless and connected customer experiences. As an example, WooliesX introduced a 'track my order' feature following many customer requests, enabling customers to track their order in real time via the Woolworths app.

Woolworths Rewards grew to 12.0 million members (+0.3 million since the end of F19) with positive momentum on scan rates and member engagement. Scan rates in Q2 were 47.2%, up 138 bps on Q2'19. The Qantas partnership was reset in October, increasing the conversion rate by almost 15% with 2,000 Rewards Points now converting to 1,000 Qantas Points, up from the original 870, and processed automatically compared to every three months previously.

The Scan and Go pilot has been expanded to four Supermarkets and six Metro stores providing customers with the convenience to skip the conventional check-out by scanning their items as they shop.

[1] WooliesX sales numbers are reported as part of Australian Food total and comparable sales

New Zealand Food[1]

$ MILLION (NZD)	REPORTED H20	REPORTED H19	CHANGE	POST-AASB 16 NORMALISED[2] H19	POST-AASB 16 NORMALISED[2] CHANGE
Sales	**3,564**	**3,401**	**4.8%**	**3,401**	**4.8%**
EBITDA	**316**	**212**	**48.8%**	**294**	**7.5%**
Depreciation and amortisation	(130)	(64)	102.4%	(119)	9.0%
EBIT	**186**	**148**	**25.5%**	**175**	**6.4%**
Gross margin (%)	24.7	24.3	46 bps	24.3	46 bps
Cost of doing business (%)	19.5	19.9	(40) bps	19.1	38 bps
EBIT to sales (%)	5.2	4.4	86 bps	5.1	8 bps
Sales per square metre ($)	**16,704**	**16,009**	**4.3%**	**16,009**	**4.3%**
Funds employed	4,346	2,998	44.9%	4,227	2.8%
Return on average funds employed (%)	8.1	9.3	(120) bps	7.8	26 bps

H20 Normalisation – pre-AASB 16

$ MILLION (NZD)	PRE-AASB 16 NORMALISED[3] H20	REPORTED H19	PRE-AASB 16 NORMALISED[3] CHANGE
EBIT – pre-AASB 16 comparable basis	158	148	6.9%
EBIT – pre-AASB 16 comparable basis to sales (%)	4.4	4.4	9 bps

Operating metrics

YEAR ON YEAR (%)	Q2'20 (13 WEEKS)	Q1'20 (14 WEEKS)	Q4'19 (13 WEEKS)	Q3'19 (13 WEEKS)
Customer metrics				
VOC NPS (Store and Online)	47	45	45	44
Store-controllable VOC	81%	81%	81%	79%
Sales productivity metrics			Normalised Easter-adjusted	Easter-adjusted
Total sales	5.0%	4.6%	3.1%	2.9%
Comparable sales	4.5%	4.8%	3.5%	3.8%
Volume productivity metrics			Easter-adjusted	Easter-adjusted
Comparable transaction growth	2.0%	3.0%	2.5%	1.8%
Comparable items per basket	(0.5)%	1.8%	1.2%	3.9%
Comparable item growth	1.5%	4.8%	3.7%	5.8%
Change in average prices				
Total	0.5%	0.5%	(0.3)%	(0.6)%
Total excluding Tobacco	0.8%	0.5%	(0.2)%	(0.5)%

CountdownX

YEAR ON YEAR (%)	Q2'20 (13 WEEKS)	Q1'20 (14 WEEKS)	Q4'19 (13 WEEKS)	Q3'19 (13 WEEKS)
Customer metrics				
Online VOC NPS	60	65	66	67
Sales productivity metrics				
Online sales ($ million)	142	149	125	111
Online sales growth	27.4%	38.4%	50.4%	42.4%
Online penetration	7.9%	8.5%	7.7%	6.6%
Loyalty				
Countdown Onecard members (million)	2.0	2.0	2.0	2.0

New Zealand Food[1]

Trading performance

New Zealand Food's VOC NPS improved two points on Q1 and the prior year to 47, a record high, with Store-controllable VOC maintained at 81%. Sales for the half increased 4.8% to $3.6 billion with comparable sales increasing by 4.7% driven by growth in transactions. In Q2, comparable sales growth remained strong at 4.5% benefitting from the customer response to the Disney Words collectable program (three weeks in the quarter), as well as strong resonance from the Great Price program. Solid sales growth was achieved across most areas of the store with Fresh and Perishables the highlights.

Sales per square metre increased by 4.3% with solid sales growth on a rolling 12-month basis and a reduction in average square metres of 0.4% due to store closures in F19.

During the half, one new supermarket (Newmarket) was opened as well as the first Metro store in New Zealand in Auckland. At the end of the period, there were 182 Countdown stores (including one Metro) and 70 Super Value and Fresh Choice franchise stores in the network.

Average prices increased 0.5% in Q2 which was in line with Q1, with inflation in most Fresh departments other than Fruit & Vegetables, which remained in deflation.

In CountdownX, online sales grew strongly in the half at 32.7%, with the second quarter up 27.4% on last year and Pick up continuing to grow strongly. Online sales growth in the second quarter was below Q1 due to a more mature and competitive market as well as seasonal impacts, with penetration up 139 bps on the prior year. CountdownX continues to focus on delivering high levels of same day convenience and process excellence in fulfilment with works started on the delivery of New Zealand's first eStore in Penrose Auckland. The eStore is expected to open in Q4 with the micro-fulfilment centre operational on the site in H21.

Gross margin increased 46 bps, primarily as a result of total stock loss improvements but also benefitting from mix impacts from Our Brands, Great Price and Health foods growth.

Normalised CODB as a percentage of sales increased by 38 bps. The increase was primarily driven by higher team member wages as a result of the implementation of a new EA. The commitment to a pathway to the current living wage for New Zealand team members by December 2020 will result in team costs increasing faster than inflation over the three-year term of the agreement.

Normalised EBIT increased by 6.4% on last year.

Normalised ROFE was up 26 bps on prior year with EBIT growth more than offsetting the increase in funds employed.

[1] Growth for New Zealand Food is quoted in New Zealand dollars

[2] Normalised results and growth reflect adjustments to H19 if AASB 16 had been in place in F19

[3] Normalised results and growth reflect adjustments to H20 if AASB 16 had not been in place in F20

Endeavour Drinks

$ MILLION	REPORTED H20	REPORTED[1] H19	CHANGE	POST-AASB 16 NORMALISED[2] H19	POST-AASB 16 NORMALISED[2] CHANGE
Sales	**4,775**	**4,560**	**4.7%**	**4,560**	**4.7%**
EBITDA	**465**	**345**	**35.1%**	**441**	**5.1%**
Depreciation and amortisation	(127)	(51)	152.1%	(125)	1.1%
EBIT	**338**	**294**	**15.0%**	**316**	**6.7%**
Gross margin (%)	23.2	22.8	42 bps	22.8	42 bps
Cost of doing business (%)	16.2	16.4	(21) bps	15.9	29 bps
EBIT to sales (%)	7.1	6.4	63 bps	6.9	13 bps
Sales per square metre ($)	**18,487**	**17,922**	**3.2%**	**17,922**	**3.2%**
Funds employed	3,781	2,937	n.m.	3,737	1.2%
Return on average funds employed (%)	14.7	16.9	(2.3) pts	14.4	23 bps

H20 Normalisation – pre-AASB 16[2]

$ MILLION	PRE-AASB 16 NORMALISED[3] H20	REPORTED[1] H19	PRE-AASB 16 NORMALISED[3] CHANGE
EBIT – pre-AASB 16 comparable basis	309	294	5.2%
EBIT – pre-AASB 16 comparable basis to sales (%)	6.5	6.4	3 bps

Operating metrics

YEAR ON YEAR (%)	Q2'20 (13 WEEKS)	Q1'20 (14 WEEKS)	Q4'19 (13 WEEKS)	Q3'19 (13 WEEKS)
			Normalised	
Sales productivity metrics			Easter-adjusted	Easter-adjusted
Total sales	4.6%	4.9%	3.4%	6.7%
Comparable sales	1.8%	3.2%	2.5%	6.3%

EndeavourX

YEAR ON YEAR (%)	Q2'20 (13 WEEKS)	Q1'20 (14 WEEKS)	Q4'19 (13 WEEKS)	Q3'19 (13 WEEKS)
Sales productivity metrics				
Online sales ($ million)	177	143	119	108
Online sales growth	11.3%	20.7%	27.6%	10.7%
Online penetration	6.9%	6.5%	6.0%	5.2%
Loyalty				
My Dan's members (million)	4.1	3.7	3.5	3.4

Trading performance

Endeavour Drinks' sales increased by 4.7% to $4.8 billion in the first half, with comparable sales increasing 2.5%. In Q2, sales increased by 4.6% with comparable sales increasing by 1.8%. Sales were impacted by bushfires across many parts of New South Wales and Victoria in December as well as a subdued trading environment towards the end of Q2. Store closures and reduced traffic in affected areas had a direct impact on trading, primarily in BWS. H1 also benefitted from the timing of the period end with the current half-year end of 5 January including the New Year's Eve trading week compared to the prior year which ended on 30 December. Comparable sales is not impacted by calendar timing given it is adjusted to include like-for-like weeks in both periods.

Growth in the Spirits category, particularly Gin and Vodka, was strong for both businesses, with Wine volumes, particularly Champagne, more subdued. Beer sales were solid, supported by the growing popularity of craft and mid-strength beer.

Dan Murphy's investment in improving in-store experience and localised range has begun to deliver positive results, with a solid performance over the Christmas trading period. Key VOC metrics for in-store and online experience have continued to improve with Store-controllable VOC of 90 in December, and the relaunch of the My Dan's loyalty program has resonated well with customers. Members reached a record 4.1 million at the end of the quarter, an increase of 24% on the prior year. Dan Murphy's added nine new stores in the half, including the first Smart Store and smaller urban format, growing the network to 239 stores.

BWS' Store-controllable VOC was in line with the prior year and quarter at 88%. BWS added seven net new stores growing the network to 1,353 stores and continued the roll out of the new BWS Renewal format to key stores with 73 Renewals completed in the half. BWS' convenience offering also expanded with On Demand delivery now available in 740 stores, the new BWS app launched in September, and a new partnership with Uber Eats launched in Victoria. Jimmy Brings extended its geographical reach, launching on the Sunshine Coast during the half.

Endeavour Drinks

EndeavourX's investment in digital platforms and convenience offerings delivered online sales growth of 15.4% to $321 million in H20, with online penetration increasing to 6.7%. In Q2, online sales increased by 11.3% with online penetration of 6.9%.

Endeavour Drinks sales per square metre increased by 3.2% with rolling 12-month sales growth exceeding net average space growth of 1.7%.

Gross margin was up 42 bps at 23.2% with trading margin improvements supported by strong growth in Pinnacle exclusive brand sales and higher average selling prices across key categories due to premiumisation trends in wine, spirits and craft beer.

Normalised CODB as a percentage of sales increased by 29 bps, with store team wage and salary increases largely driven by new EAs as well as targeted investments in online and in-store customer experience and data and analytics. This was partly offset by store productivity.

Normalised EBIT increased by 6.7%.

In October, Pinnacle Drinks acquired Chapel Hill Winery based in McLaren Vale, South Australia. The purchase of Chapel Hill broadens Pinnacle's participation in the premium and regional Australian wine segments through Paragon Wine Estates supporting the growth of exclusive brands. In January, Endeavour Drinks announced the acquisition of Shorty's Liquor, Sydney's leading business to business (B2B) drinks retailer providing access to adjacent B2B growth opportunities.

Normalised ROFE increased by 23 bps on prior year reflecting the EBIT improvement with period end normalised funds employed largely unchanged on the prior year.

[1] Comparatives have been re-presented to reflect the transfer of the Summergate business from Endeavour Drinks to Australian Food

[2] Normalised results and growth reflect adjustments to H19 if AASB 16 had been in place in F19

[3] Normalised results and growth reflect adjustments to H20 if AASB 16 had not been in place in F20

BIG W

$ MILLION	REPORTED H20	REPORTED H19	CHANGE	POST-AASB 16 NORMALISED[1] H19	POST-AASB 16 NORMALISED[1] CHANGE
Sales	**2,149**	**2,091**	**2.8%**	**2,091**	**2.8%**
EBITDA	**138**	**34**	**n.m.**	**112**	**23.6%**
Depreciation and amortisation	(88)	(42)	109.1%	(92)	(4.4)%
EBIT/(LBIT)	**50**	**(8)**	**n.m.**	**20**	**155.3%**
Gross margin (%)	32.6	31.2	137 bps	31.2	137 bps
Cost of doing business (%)	30.2	31.6	(132) bps	30.3	(2) bps
EBIT to sales (%)	2.3	(0.4)	269 bps	0.9	139 bps
Sales per square metre ($)	**3,609**	**3,442**	**4.9%**	**3,442**	**4.9%**
Funds employed	1,124	408	175.5%	1,287	(12.6)%
Return on average funds employed (%)	0.0	(25.2)	25.2 pts	(3.9)	3.9 pts

H20 Normalisation – pre-AASB 16

$ MILLION	PRE-AASB 16 NORMALISED[2] H20	REPORTED H19	PRE-AASB 16 NORMALISED[2] CHANGE
EBIT/(LBIT)– pre-AASB 16 comparable basis	21	(8)	n.m.
EBIT/(LBIT)– pre-AASB 16 comparable basis to sales (%)	1.0	(0.4)	133 bps

Operating metrics

YEAR ON YEAR (%)	Q2'20 (13 WEEKS)	Q1'20 (14 WEEKS)	Q4'19 (13 WEEKS)	Q3'19 (13 WEEKS)
Customer metrics				
Store-controllable VOC	77%	79%	80%	80%
Sales productivity metrics			Normalised Easter-adjusted	Easter-adjusted
Total sales	2.9%	2.6%	6.9%	5.6%
Comparable sales	3.2%	4.4%	7.2%	7.4%
Volume productivity metrics			Easter-adjusted	Easter-adjusted
Comparable transaction growth	(1.0)%	1.3%	3.9%	5.8%
Comparable items per basket	0.9%	2.5%	4.4%	4.9%
Comparable item growth	(0.1)%	3.9%	8.4%	11.0%

BIG W Online

YEAR ON YEAR (%)	Q2'20 (13 WEEKS)	Q1'20 (14 WEEKS)	Q4'19 (13 WEEKS)	Q3'19 (13 WEEKS)
Sales productivity metrics				
Online sales ($ million)	74	38	37	33
Online sales growth	24.4%	21.2%	83.5%	167.0%
Online penetration	6.1%	4.1%	4.0%	4.1%

Trading performance

BIG W sales momentum continued with sales of $2,149 million in the half, up 2.8% on the prior year. Comparable sales increased 3.7% driven by Apparel, Toys, Home and Everyday Needs. Total sales increased by 2.9% in Q2 and comparable sales increased by 3.2%. Despite remaining robust, Q2 sales were adversely impacted by the performance of the three stores scheduled for closure in January, the exit of the Optical category and a slowdown in gaming and console sales. While transaction growth in Q2 was lower than recent trends, there was a significant reduction in clearance activity compared to the prior year. Customer trading patterns also shifted further during the half with a strong Black Friday but a more subdued lead up to Christmas.

BIG W's Store-controllable VOC was 77% in December, two points below the prior quarter but one point above the prior year (Q2'19: 76%). BIG W's December VOC is typically impacted by the significant increase in customer numbers compared to other months of the year. Notable improvements in VOC in comparison to the prior year were in Ticketing, Queue Wait Time, Availability and Ease of Pick up. Brand resonance also continues to improve with customers responding favourably to BIG W's new brand launch, the continuation of the Free Books for Kids program and community donations, partnering with Good360.

BIG W

Sales per square metre improved by 4.9% to $3,609, reflecting strong sales growth over the last 12 months and a reduction in average space growth of 0.6%. Store numbers remained unchanged at 183 stores during the half. Three stores were closed in January as part of the previously announced network review.

Online sales increased by 23.3% for the half and 24.4% in Q2. Online penetration in Q2 was 6.1% with dollar sales in the quarter almost double the sales achieved in Q1. The strong growth continues to be driven by Pick up and supported by initiatives including Digi Sales, Click Frenzy and Black Friday.

Gross margin expanded by 137 bps driven by improvements in product mix, particularly in seasonal apparel, Smarter Pricing initiatives and more effective promotional management.

Normalised CODB as a percentage of sales decreased by 2 bps due to a reduction in depreciation and amortisation and strong cost management, offset somewhat by higher team wages following the implementation of a new EA in September.

BIG W's turnaround plan remains on track with a strong improvement in EBIT in the half to $50 million, up 155.3% on a normalised basis on the prior year. On a pre-AASB 16 comparable basis, EBIT was $21 million, the first profitable half since F16.

BIG W will continue to focus on creating a sustainable business that is simpler to operate, providing customers with quality products at low prices and more convenient, connected solutions in-store and online.

BIG W's normalised ROFE improved by 3.9 pts as a result of higher EBIT and lower funds employed due to the impairment of assets and recognition of the provision for onerous leases in the prior year.

[1] Normalised results and growth reflect adjustments to H19 if AASB 16 had been in place in F19
[2] Normalised results and growth reflect adjustments to H20 if AASB 16 had not been in place in F20

Hotels

$ MILLION	REPORTED H20	REPORTED H19	CHANGE	POST-AASB 16 NORMALISED[1] H19	POST-AASB 16 NORMALISED[1] CHANGE
Sales	**919**	**865**	**6.2%**	**865**	**6.2%**
EBITDA	**342**	**217**	**58.0%**	**327**	**4.7%**
Depreciation and amortisation	(118)	(56)	110.5%	(120)	(1.6)%
EBIT	**224**	**161**	**39.7%**	**207**	**8.3%**
Gross margin (%)	83.7	84.2	(57) bps	84.2	(57) bps
Cost of doing business (%)	59.2	65.7	(6.4) pts	60.3	(105) bps
EBIT to sales (%)	24.4	18.6	5.9 pts	23.9	47 bps
Funds employed	4,078	1,952	108.9%	4,060	0.4%
Return on average funds employed (%)	9.0	13.3	(4.3) pts	8.7	32 bps

H20 Normalisation – pre AASB 16

$ MILLION	PRE-AASB 16 NORMALISED[2] H20	REPORTED H19	PRE-AASB 16 NORMALISED[2] CHANGE
EBIT– pre-AASB 16 comparable basis	178	161	10.8%
EBIT– pre-AASB 16 comparable basis to sales (%)	19.4	18.6	80 bps

Trading performance

Hotels sales increased 6.2% to $919 million in the half with Q2 sales increasing by 7.0%. Comparable sales increased by 4.7% with Q2 comparable sales growth of 5.9%. Sales momentum over the half was driven by strong growth in Food and Bars. Gaming comparable sales improved in Q2 compared to Q1 and Accommodation sales growth remained solid.

Normalised EBIT increased by 8.3% to $224 million. The EBIT improvement was driven by strong revenue growth and cost control which more than offset a reduction in gross margin due to business mix and successful promotional programs in Food.

Hotels normalised ROFE improved by 32 bps due to EBIT growth with period end funds employed largely unchanged.

During the half, two (net) venues were opened with 325 venues at the end of half as well as five managed clubs.

[1] Normalised results and growth reflect adjustments to H19 if AASB 16 had been in place in F19

[2] Normalised results and growth reflect adjustments to H20 if AASB 16 had not been in place in F20

Discontinued operations

$ MILLION	H20	H19
Sales		
Petrol	-	2,579
EBIT		
Petrol (before significant items)	-	84

Trading performance

The sale of **Woolworths Petrol** to EG Group completed on 1 April 2019 with sales and EBIT only attributable to Woolworths Group until that date.

Central Overheads

Central Overheads for the half before significant items of $71 million were broadly in line with the prior year before the impact of the salaried store team member payment shortfall restatement in H19 of $26 million.

Group balance sheet

Group balance sheet as at 5 January 2020

$ MILLION	REPORTED H20 5 JAN 2020	REPORTED[1] F19 30 JUN 2019	CHANGE	REPORTED[1] H19 30 DEC 2018
Inventory	4,621	4,280	8.0%	4,752
Trade payables	(5,599)	(5,219)	7.3%	(6,074)
Net investment in inventory	**(978)**	**(939)**	**4.2%**	**(1,322)**
Trade and other receivables	1,015	827	22.2%	928
Other creditors and provisions	(4,134)	(4,573)	(9.6)%	(4,546)
Fixed assets, investments and loans provided to related parties	9,795	9,710	1.0%	9,477
Net assets held for sale	198	225	(11.7)%	636
Intangible assets	6,540	6,526	0.2%	6,522
Lease assets	11,993	-	n.m.	-
Total funds employed	**24,429**	**11,776**	**107.5%**	**11,695**
Net tax balances	901	307	194.3%	185
Net assets employed	**25,330**	**12,083**	**109.7%**	**11,880**
Cash and borrowings	(1,984)	(2,063)	(3.9)%	(1,253)
Other financial assets and liabilities	441	464	(5.0)%	435
Net debt (excluding lease liabilities)	**(1,543)**	**(1,599)**	**(3.6)%**	**(818)**
Lease liabilities	(14,383)	-	n.m.	-
Total net debt	**(15,926)**	**(1,599)**	**n.m.**	**(818)**
Net assets	**9,404**	**10,484**	**(10.3)%**	**11,062**
Non-controlling interests	331	383	(13.7)%	381
Shareholders' equity	9,073	10,101	(10.2)%	10,681
Total equity	**9,404**	**10,484**	**(10.3)%**	**11,062**

KEY RATIOS - CONTINUING OPERATIONS			CHANGE ON H19	
Closing inventory days (based on cost of sales)	39.5	37.2	3.6 days	43.1
Closing trade payable days (based on cost of sales)	47.8	45.5	(7.3) days	55.1
ROFE	14.6	24.2	n.m.	13.3[2]

Closing inventory of $4,621 million declined by $131 million or 2.8% from H19 driven by inventory reduction initiatives in BIG W and a timing benefit due to the later period end (post New Year's Eve) in Endeavour Drinks compared to the prior year. Closing inventory days improved by 3.6 days with average inventory days from continuing operations improving by 1.6 days.

Trade payables of $5,599 million decreased $475 million compared to H19 driven by additional monthly payments settled prior to H20 close compared to the same period in the prior year, with a 5 January period end in H20 compared to 30 December in H19.

Other creditors and provisions of $4,134 million decreased $439 million driven primarily by the removal of straight-line lease accrual on adoption of AASB 16 and the cash utilisation of provisions associated with the exit of the Hume DC in January 2020. This was partially offset by an increase in provisions for salaried store team member remediation costs.

Fixed assets, investments and loans provided to related parties of $9,795 million was largely in line with F19. Additions of fixed assets of $905 million during the half mainly related to new stores, Renewals and digital and included property development of $180 million. This was partially offset by depreciation and amortisation and disposals.

Lease assets of $11,993 million were recognised on adoption of AASB 16 ($12,239 million). Straight-line leased asset depreciation of $589 million was partially offset by lease assets additions and remeasurements.

Total funds employed increased by $12,653 million largely due to the net impact of adopting AASB 16.

Net tax balances of $901 million increased $594 million due to an increase in net deferred tax assets associated with lease assets created on adoption of AASB 16.

Net debt (excluding lease liabilities) of $1,543 million was broadly in line with the financial year end driven by positive seasonal working capital impacts offset by the timing of payment runs prior to the end of H20 impacting trade payables.

The increase in **total net debt** reflects the inclusion of lease liabilities as a result of the adoption of AASB 16.

Shareholders' equity declined by $1,028 million due to the initial application of AASB 16 and the impact of the restatement for salaried team member remediation.

Normalised ROFE[2] from continuing operations before significant items was 14.6%, an increase of 134 bps on the prior year. The increase in EBIT more than offset a small increase in funds employed over the period.

[1] Certain comparatives have been re-presented to conform with the current period's presentation to better reflect the nature of the financial position and performance of the Group. The impact of the costs to remediate salaried store team members has been corrected by the restatement of each of the affected financial statements line items for prior periods in accordance with the requirements for the correction of an error under AASB 108. The impact of the restatement is disclosed in Appendix Three

[2] F18 and F19 AASB 16 analysis has been prepared for the purposes of ROFE. Included in the H20 calculation is an estimate for one of the three points for funds employed compared to H1 19 where an estimate has been used for all three points

Group cash flow

Group cash flows for the 27 weeks ended 5 January 2020

$ MILLION	REPORTED H20	REPORTED[1] H19	CHANGE
EBITDA - continuing operations	3,010	2,030	48.3%
EBITDA - discontinued operations	-	84	n.m.
EBITDA	**3,010**	**2,114**	**42.4%**
Net increase in inventory	(333)	(498)	(33.1)%
Net increase in trade payables	378	1,074	(64.8)%
Net decrease in provisions	(53)	(67)	(20.9)%
Net change in other working capital and non-cash	(51)	(136)	(62.5)%
Cash from operating activities before interest and tax	**2,951**	**2,487**	**18.7%**
Interest paid - leases	(414)	-	n.m.
Interest paid – non-leases	(91)	(86)	5.8%
Tax paid	(385)	(386)	(0.3)%
Total cash provided by operating activities	**2,061**	**2,015**	**2.3%**
Proceeds from the sale of property, plant and equipment, assets held for sale, and businesses and investments	176	115	53.0%
Payments for the purchase of property, plant and equipment and intangible assets	(888)	(1,002)	(11.4)%
Other	(49)	(24)	104.2%
Total cash used in investing activities	**(761)**	**(911)**	**(16.5)%**
Repayment of lease liabilities	(602)	-	n.m.
Payments for shares held in trust	(1)	-	n.m.
Dividends paid (including to non-controlling interests)	(648)	(703)	(7.8)%
Free cash flow after equity and lease related financing activities	**49**	**401**	**(87.8)%**

Cash flow from operating activities before interest and tax was $2,951 million, an increase of 18.7% on the prior year driven by a 42.4% increase in EBITDA, despite significant items relating to salaried store team member remediation and Endeavour Group transformation costs of $131 million. The increase in EBITDA was impacted by the implementation of AASB 16 where fixed rent has been replaced by depreciation and interest with an underlying increase in normalised EBITDA from continuing operations of 10.3%.

Net working capital and non-cash movements were below the prior year due to a smaller net increase in trade payables than the prior year as a result of a shift in payables timing with additional payments made before the period end compared to H19.

Interest paid increased due the inclusion of $414 million of lease interest under AASB 16.

Total cash provided by operating activities was $2,061 million, up 2.3% on the prior year.

The **cash realisation ratio** was 95% (H19: 123%[2]). The reduction compared to the prior year was largely due to the trade payables timing issues discussed above.

Cash used in investing activities decreased by 16.5% to $761 million due to higher proceeds from the sale of property, plant and equipment and businesses and lower capital expenditure due to the completion of MSRDC and the timing of store renewals.

Free cash flow after equity and lease related financing activities was $49 million with the reduction on the prior year largely as a result of timing impacts on trade payables.

[1] Certain comparatives have been re-presented to conform with the current period's presentation to better reflect the nature of the financial position and performance of the Group. The impact of the costs to remediate salaried store team members has been corrected by the restatement of each of the affected financial statements line items for prior periods in accordance with the requirements for the correction of an error under AASB 108. The impact of the restatement is disclosed in Appendix Three.
[2] Not adjusted for the salaried store team member remediation costs

Capital management

Woolworths Group manages its capital structure with the objective of enhancing long-term shareholder value through funding its business at an optimised weighted average cost of capital. The Group returns capital to shareholders when consistent with its long-term capital structure objectives and where it will enhance shareholder value.

Woolworths Group remains committed to solid investment grade credit ratings and several actions can be undertaken to support the credit profile including the sale of non-core assets, further working capital initiatives, and adjusting growth capital expenditure and the property leasing profile.

The Group's credit ratings[1] are BBB (stable outlook) according to S&P and Baa2 (stable outlook) according to Moody's.

Financing transactions during H20

In November 2019, the Group successfully executed the refinancing of its A$2 billion syndicated bank facilities. This comprised two A$750 million revolving credit facilities (four-year and five-year tenor) and a A$500 million term loan (seven-year tenor) with lower effective interest rates and longer weighted-average maturities.

Upcoming maturities

Woolworths Group has no upcoming debt refinancing for the remainder of F20.

[1] These credit ratings have been issued by a credit rating agency which holds an Australian Financial Services Licence with an authorisation to issue credit ratings to wholesale clients only and are for the benefit of Woolworths Group's debt providers.

New store rollout plans and outlook

New store rollout plans from continuing operations

Store rollout is supported by detailed plans for the next three to five years identifying specific sites.

	H20 NET STORE OPENINGS (INCL. ACQUISITIONS)	MEDIUM TERM ANNUAL TARGET (NET)
Australian Food	14	
Woolworths Supermarkets	5	10 - 20 new full range supermarkets
Metro	9	15-30 new Metros
New Zealand Food		
Countdown	2	3 - 4 new supermarkets
Franchise stores	-	
Dan Murphy's	9	6 - 10 new stores
BWS (including attached)	7	6 - 10 new stores (standalone)
BIG W	-	Only where previously committed
Hotels (ALH Group)	2	Acquire as appropriate opportunities arise

Outlook

Woolworths Group CEO Brad Banducci said: "While pleased with our trading performance in the half, we continue to navigate an uncertain consumer and natural environment and expect this to continue, with a slower start to trading in Q3. Despite this, we remain confident in our plans for the second half.

"In **Australian Food**, higher food inflation is likely to continue given the ongoing impact of the drought. At this stage, while the bushfires have impacted fruit and vegetable quality in some instances, they have not had a major impact on the availability of products on our shelves. Costs will continue to be impacted by the annualisation of the Woolworths Supermarkets and Metro Enterprise Agreement; however, we see further upside in total stock loss and expect continued productivity benefits. The Hume Regional DC has recently closed and we will continue to ramp-up MSRDC. While the ramp up has been slower than initially expected, forecasted savings are expected from F21.

"**New Zealand Food** will continue to focus on embedding our Great Price architecture, the fresh experience and offering more convenience for our customers through new formats or new ways to shop to maintain sales momentum. In the half, we agreed a new EA for our store team which will result in above-inflation wage increases over the three-year term reflecting our commitment to a living wage and being an employer of choice in New Zealand.

"It will be an exciting and busy second half for **Endeavour Group,** as we work towards the separation of the business. The trading environment in drinks is likely to remain subdued in the short-term; however, as the market continues to premiumise, there are areas of potential growth (craft, eCommerce) that we need to continue to capitalise on. In **Hotels**, we will focus on maintaining momentum after a strong first half.

"We have been encouraged by **BIG W's** improved trading performance in the half. In the second half, BIG W will continue to focus on profitable sales growth, and we expect to continue to build on our current foundation. Profit in the second half is typically lower than the first half reflecting the seasonality of the business; however, we expect to report a profit for the full year (post-AASB 16).

"Across the Group, we will continue to scale-up the **X businesses** to keep pace with customers' demands and expectations.

"The ongoing annual cost of adjusting team members' salaries following the salaried store team member review is expected to be $35-45 million across the Group with the largest impact in Australian Food.

"In summary, we achieved a great deal as a team in the half and we look forward to continuing to make progress on our strategic initiatives in the second half. I would like to thank our team for their efforts during a very busy half and our thoughts are with those communities impacted by drought, bushfires and floods and our Hong Kong and Shanghai teams given the coronavirus.

-ends-

FOR FURTHER INFORMATION CONTACT:

Investors and analysts	Media
Paul van Meurs Head of Investor Relations analysts@woolworths.com.au +61 407 521 651	Woolworths Press Office media@woolworths.com.au + 61 2 8885 1033

Appendices

Appendix One: ASIC Regulatory Guide 230 Disclosing Non-IFRS Financial Information and glossary

The earnings and dividend announcement for the 27 weeks ended 5 January 2020 contains certain non-IFRS financial measures of historical financial performance, balance sheet or cash flows. Non-IFRS financial measures are financial measures other than those defined or specified under all relevant accounting standards and may not be directly comparable with other companies' measures but are common practice in the industry in which Woolworths Group operates. Non-IFRS financial information should be considered in addition to, and is not intended to be a substitute for, or more important than, IFRS measures. The presentation of non-IFRS measures is in line with Regulatory Guide 230 issued by the Australian Security and Investments Commission in December 2011 to promote full and clear disclosure for investors and other users of financial information and minimise the possibility of being misled by such information.

These measures are used by management and the directors as the primary measures of assessing the financial performance of the Group and individual segments. The directors also believe that these non-IFRS measures assist in providing additional meaningful information on the underlying drivers of the business, performance and trends, as well as the financial position of the Woolworths Group. Non-IFRS financial measures are also used to enhance the comparability of information between reporting periods (such as comparable sales), by adjusting for non-recurring or uncontrollable factors which affect IFRS measures, to aid the user in understanding the Woolworths Group's performance. Consequently, non-IFRS measures are used by the directors and management for performance analysis, planning, reporting and incentive setting purposes and have remained consistent with the prior year. Non-IFRS measures are not subject to audit or review.

Glossary

Cash realisation ratio	Operating cash flow as a percentage of Group net profit after tax before depreciation and amortisation
Comparable sales	Measure of sales which excludes stores that have been opened or closed in the last 12 months and demonstrable impact on existing stores from store disruption as a result of store refurbishment or new store openings/closures
Cost of doing business (CODB)	Expenses which relate to the operation of the business
Customer 1st Ranging	Developing a clearly defined range to provide an easier shopping experience for the customer
Customer fulfilment centre	Dedicated online distribution centres
Drive	Convenient options for customers to pick up online orders through Drive up or Drive thru facilities
eStore	Store which utilises automation for the fulfilment of online orders
Free cash flow	Cash flow generated by the Woolworths Group after equity related financing activities including dividends and repayment of lease liabilities
Funds employed	Net assets employed excluding net tax balances
MFC	Micro-fulfilment centre
MSRDC	Melbourne South Regional Distribution Centre
Net assets employed	Net assets excluding net debt and other financial assets and liabilities
Net Promoter Score (NPS)	A loyalty measure based on a single question where a customer rates a business on a scale of zero to 10. The score is the net result of the percentage of customers providing a score of nine or 10 (promoters) less the percentage of customers providing a score of zero to six (detractors)
Total net debt	Borrowings less cash balances including debt hedging derivatives and lease liabilities
On-demand/express delivery	An express or scheduled delivery service providing online orders at the customer's convenience
Pick up	A service which enables collection of online shopping orders in-store or at select locations
Renewals	A total store transformation focused on the overall store environment, team, range and process efficiency (including digital)

Glossary continued

Return on Funds Employed (ROFE)	ROFE is calculated as EBIT before significant items for the previous 12 months as a percentage of average (opening, mid and closing) funds employed including significant items provisions
Sales per square metre	Total sales for the previous 12 months by business divided by average trading area
Simpler for Stores	Simplification of end-to-end processes for store teams, improving customer experience and productivity
Smart Store	A store that employs technology to improve process efficiency for customers and team members
Total stock loss	The value of stock written-off, wasted, stolen, cleared, marked-down or adjusted from all stores nationally (sometimes expressed as a percentage of sales)
Voice of Customer (VOC)	Externally facilitated survey of a sample of Woolworths Group customers where customers rate Woolworths Group businesses on several criteria. Expressed as the percentage of customers providing a rating of six or seven on a seven-point scale
VOC NPS	VOC NPS is based on feedback from Woolworths Rewards members. VOC NPS is the number of promoters (score of nine or 10) less the number of detractors (score of six or below)
Voice of Supplier (VOS)	A survey of a broad spectrum of suppliers facilitated by an external provider. The survey is used to provide an ongoing measure of the effectiveness of business relationships with the supplier community. VOS is the average of the suppliers' rating across various attributes scored as a percentage of suppliers that provided a rating of six or seven on a seven-point scale
Voice of Team (VOT)	Survey measuring sustainable engagement of our team members as well as their advocacy of Woolworths as a place to work and shop. The survey consists of nine sustainable engagement questions, three key driver questions and two advocacy questions

Other non-IFRS measures used in describing the business performance include:

- Earnings before interest, tax, depreciation and amortisation (EBITDA)
- Normalised EBIT
- Volume productivity metrics including transaction growth, items per basket and item growth
- Trading area
- Fixed assets and investments
- Net tax balances
- Closing trade payable days
- Change in average prices
- Easter-adjusted metrics
- EBIT – pre-AASB 16
- Cash flow from operating activities before interest and tax
- Significant items
- Free cash flow after equity related financing activities excluding dividends
- Net investment in inventory
- Net assets held for sale
- Closing inventory days
- Average inventory days
- Margins including gross profit, CODB and EBIT/(LBIT)
- Margins including gross profit, CODB and EBIT/(LBIT)

Appendix Two: Reconciliation of AASB 16 normalised results

Reconciliation from H19 reported EBIT to H19 normalised NPAT

$ MILLION	AUSTRALIAN FOOD	NEW ZEALAND FOOD	ENDEAVOUR DRINKS	BIG W	HOTELS	UNALLOCATED	GROUP
H19 reported EBIT – pre-AASB 16	**933**	**137**	**294**	**(8)**	**161**	**(98)**	**1,419**
Net impact on EBIT of AASB 16 changes	157	24	22	28	46	4	281
H19 normalised EBIT - post-AASB 16	**1,090**	**161**	**316**	**20**	**207**	**(94)**	**1,700**
Finance costs							(431)
Income tax expense							(381)
Non-controlling interest							(42)
H19 normalised NPAT – post-AASB 16							**846**

Reconciliation from H20 reported EBIT to H20 normalised NPAT

$ MILLION	AUSTRALIAN FOOD	NEW ZEALAND FOOD	ENDEAVOUR DRINKS	BIG W	HOTELS	UNALLOCATED	GROUP
H20 reported EBIT – post-AASB 16	**1,177**	**175**	**338**	**50**	**224**	**(71)**	**1,893**
Net impact on EBIT of AASB 16 changes	(159)	(25)	(29)	(29)	(46)	(1)	(289)
H20 normalised EBIT – pre-AASB 16	**1,018**	**150**	**309**	**21**	**178**	**(72)**	**1,604**
Finance costs							(71)
Income tax expense							(452)
Non-controlling interest							(45)
H20 normalised NPAT – pre-AASB 16							**1,036**

Appendix Three: Impact of salaried store team member remediation costs (before tax)

	$ MILLION	FINANCIAL STATEMENT IMPACT (BEFORE TAX)
F18 and pre-F18 payment shortfall	263	Opening retained earnings – F19 balance sheet
H19 payment shortfall	26	H19 profit or loss and balance sheet
H2 F19 payment shortfall	26	H2 F19 profit or loss and balance sheet
Gross payment shortfall for prior periods	**315**	
Provisions recognised in H2 F19	(50)	
Net payment shortfall for prior periods	**265**	
Interest and other costs	80	H20 profit or loss (significant items) and balance sheet
Net remediation cost	**345**	
Repaid to team members in H20	(69)	H20 cash flow statement

Appendix Four: Quarterly sales summary

$ MILLION	Q2'20	Q2'19	CHANGE
Continuing operations			
Australian Food	10,537	10,041	4.9%
New Zealand Food	1,707	1,606	6.2%
New Zealand Food (NZD)	*1,808*	*1,722*	*5.0%*
Endeavour Drinks	2,589	2,476	4.6%
BIG W	1,223	1,189	2.9%
Hotels	451	422	7.0%
Sales from continuing operations	**16,507**	**15,734**	**4.9%**
Discontinued operations			
Petrol	-	1,253	n.m.
Sales from discontinued operations	**-**	**1,253**	**n.m.**
Group sales	**16,507**	**16,987**	**n.m.**

TOTAL SALES GROWTH %	Q1'20 (14 WEEKS)	Q2'20 (13 WEEKS)	H20 (27 WEEKS)
Australian Food	7.8	4.9	6.4
New Zealand Food (AUD)	8.0	6.2	7.1
New Zealand Food (NZD)	*4.6*	*5.0*	*4.8*
Endeavour Drinks	4.9	4.6	4.7
BIG W	2.6	2.9	2.8
Hotels	5.5	7.0	6.2
Continuing operations	**7.1**	**4.9**	**6.0**

COMPARABLE SALES GROWTH %	Q1'20 (14 WEEKS)	Q2'20 (13 WEEKS)	H20 (27 WEEKS)
Australian Food	6.6	3.8	5.1
New Zealand Food (NZD)	4.8	4.5	4.7
Endeavour Drinks	3.2	1.8	2.5
BIG W	4.4	3.2	3.7
Hotels	3.6	5.9	4.7

Note: Comparable sales in Q1'20 compares weeks 1-14 (ending 6 October) in the current year to weeks 2-15 in the prior year (ending 7 October). Comparable sales in Q2'20 compares weeks 15-27 (ending 5 January) to weeks 16-28 in the prior year (ending 6 January).

Appendix Five: Five-year store and trading area analysis

STORES (NUMBER)	2020 HALF YEAR	2019 FULL YEAR	2018 FULL YEAR	2017 FULL YEAR	2016 FULL YEAR
Continuing operations					
NSW & ACT	**328**	324	317	312	303
QLD	**241**	237	234	234	237
VIC	**259**	253	249	244	242
SA & NT	**78**	78	79	80	84
WA	**101**	101	98	94	94
TAS	**31**	31	31	31	32
Summergate	**1**	1	2	2	2
Thomas Dux	**-**	-	-	3	5
Australian Food	**1,039**	1,025	1,010	1,000	999
New Zealand Food	**182**	180	181	184	184
Freestanding Liquor (incl. Dan Murphy's)	**415**	405	398	387	373
Attached Liquor	**575**	572	560	550	544
ALH Retail Liquor Outlets	**602**	599	585	580	569
Endeavour Drinks	**1,592**	1,576	1,543	1,517	1,486
BIG W	**183**	183	183	185	186
Hotels (includes clubs)	**330**	328	323	329	331
EziBuy	**-**	-	-	-	5
Total continuing operations	**3,326**	3,292	3,240	3,215	3,191
Discontinued operations					
Woolworths Petrol	**-**	-	534	531	527
Home Improvement	**-**	-	-	-	106
Total Group	**3,326**	3,292	3,774	3,746	3,824
Wholesale customer stores (continuing operations)					
Super Value and Fresh Choice	**70**	70	69	65	64
Statewide Independent Wholesale	**220**	220	220	220	220
Total continuing operations	**290**	290	289	285	284
Discontinued operations (Home Timber & Hardware wholesale)	**-**	-	-	-	349
Total wholesale customer stores	**290**	290	289	285	633
Trading area (sqm)					
Australian Food	**2,357,520**	2,330,830	2,281,866	2,252,709	2,229,714
Countdown	**407,030**	404,032	405,274	415,970	417,966
Endeavour Drinks	**477,888**	468,884	460,841	446,083	430,691
BIG W	**1,044,612**	1,045,260	1,046,333	1,055,838	1,061,413

Appendix Six: New stores and refurbishments

HALF YEAR	GROSS NEW STORES (INCL. ACQUISITIONS)	NET NEW STORES (INCL. ACQUISITIONS)	RENEWALS/ REFURBISHMENTS
Australian Food (including Metro)	15	14	36
New Zealand Food	2	2	2
Endeavour Drinks (including attached)	27	16	74
BIG W	-	-	1
Hotels	3	2	23
Total Group	**47**	**34**	**136**

SECOND QUARTER	GROSS NEW STORES (INCL. ACQUISITIONS)	NET NEW STORES (INCL. ACQUISITIONS)	RENEWALS/ REFURBISHMENTS
Australian Food (including Metro)	13	12	29
New Zealand Food	2	2	2
Endeavour Drinks (including attached)	20	10	42
BIG W	-	-	1
Hotels	2	2	9
Total Group	**37**	**26**	**83**

Endnotes

n.m. Not meaningful

Certain comparatives have been re-presented to conform with the current period's presentation to better reflect the nature of the financial position and performance of the Group.

This announcement contains certain non-IFRS measures that Woolworths Group believes are relevant and appropriate to understanding its business. Refer to Appendix One for further information. Ratios and percentage changes referenced throughout this document are calculated on unrounded figures

Click here to view the shareholder communication for these results.