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WOOLWORTHS LIMITED

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*Our*  
**STRATEGIC PRIORITIES**  
**ARE DELIVERING**  
*sustainable*  
**PROFIT GROWTH**  
*with*  
**SOLID FOUNDATIONS LAID FOR THE FUTURE**

*Did you know?*

WOOLWORTHS IS THE LARGEST AUSTRALIAN AND NEW ZEALAND DOMESTIC ONLINE RETAILER



WOOLWORTHS HAS MORE THAN



CUSTOMERS HAVE DOWNLOADED MORE THAN 3.2 MILLION WOOLWORTHS SMART PHONE AND TABLET APPS



AVERAGE CUSTOMERS SERVED PER WEEK



WOOLWORTHS EMPLOYS MORE THAN



TOTAL STAFF EMPLOYED IN AUSTRALIA





## Results

### GROUP SALES

(FROM CONTINUING OPERATIONS)

6.8% or 4.8%<sup>1</sup> ↑

### GROUP SALES

(FROM CONTINUING OPERATIONS)

\$58.5B

### DIVIDENDS PER SHARE

5.6% ↑

### FULLY FRANKED DIVIDENDS PER SHARE

133¢

### TOTAL GROUP NPAT

24.4% ↑

\$2,259.4M

### TOTAL GROUP NPAT

(FROM CONTINUING OPERATIONS AND BEFORE SIGNIFICANT ITEMS)<sup>2</sup>

8.0% or 6.1%<sup>1</sup> ↑

\$2,353.9M

<sup>1</sup> Full year sales and NPAT growth has been adjusted to remove the impact of the 53rd week in the 2013 financial year  
<sup>2</sup> Refer to the 2013 Annual Report for more information relating to significant items



**RALPH GRAHAM WATERS**

CHAIRMAN



**GRANT O'BRIEN**

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

## WELCOME

Dear Shareholders,

We are pleased to report real progress against our Strategic Priorities in the 2013 financial year to ensure Woolworths Limited is well placed to generate profitable growth into the future.

Woolworths delivered solid returns to shareholders, lower prices and great offers to our customers, and increased volumes to our suppliers courtesy of our record sales.



## KEY FINANCIAL HIGHLIGHTS

Group net profit after tax was \$2.26 billion, up 24.4%. Net profit after tax from continuing operations before significant items increased 8.0% on the previous year (6.1% on a normalised 52 week basis) to \$2.35 billion on total Group sales from continuing operations of \$58.5 billion, up 6.8% on the previous year (4.8% on a normalised 52 week basis).

The Board has announced a 5.6% increase in the dividends per share to 133 cents for the 2013 financial year, up from 126 cents last year. We are particularly pleased that we have been able to return \$2.2 billion to you, our shareholders, via dividends and the in-specie distribution on the divestment of the SCA Property Group.

## PROGRESS AGAINST OUR STRATEGIC PRIORITIES

All established divisions delivered a positive earnings result. This good momentum, and the progress we are making against our four Strategic Priorities, is mirrored in this year's result.

### 1. We are extending our leadership in Food and Liquor.

This has been demonstrated through strong sales, market share gains, earnings growth and higher volumes.

### 2. We have acted on our portfolio to maximise shareholder value.

We sold the consumer electronics businesses and created the SCA Property Group, transferring \$1.4 billion in property to this listed vehicle.

The strategic repositioning of BIG W is underway and we are working hard to run Australia's best and most responsible hotels.

### 3. We have maintained our successful track record of building new businesses.

We are now the largest Australian and New Zealand domestic online retailer and we are aiming for more than \$1 billion in online sales in 2014. We are delivering on our commitment to bring competition to the Australian Home Improvement market with 31 Masters stores trading at the end of the financial year. The customer response to our differentiated offer gives us confidence that we are building a sustainable future for Masters which will become a long term profit contributor for the Woolworths Group.

### 4. We have put in place the fundamentals that will enable future growth.

We continued to drive efficiencies in stores delivering significant cost reductions in our Australian Supermarkets business. We have increased our capability in using our data to deliver insights to enhance our market leading position and further help us to satisfy our customers' needs. We continue to add to our world class retail team by blending the best local and international talent.

## SUSTAINABLE, PROFITABLE GROWTH INTO THE FUTURE

The work we have undertaken to focus Woolworths on delivering sustainable, profitable future growth through our Strategic Priorities is delivering results. But there is a lot more to do and we are excited about our future.

Thank you for your support in 2013, and be assured that we are working hard to deliver a successful and profitable 2014 financial year.



**GRANT O'BRIEN**

MANAGING DIRECTOR  
and CHIEF EXECUTIVE OFFICER



**RALPH GRAHAM WATERS**

CHAIRMAN  
CPENG, FIE AUST, M BUS



EXTEND

# LEADERSHIP

*in food and liquor*



ACT ON OUR PORTFOLIO

# To MAXIMISE

*shareholder value*



## PRIORITY

- Continue to increase momentum in Food and Liquor
- Continue to lead on value
- Drive market share growth in fresh
- Be the leading liquor destination both in-store and online
- Continue New Zealand market share growth



## PROGRESS

- We are increasing momentum in Food and Liquor with increased growth in comparable sales, EBIT, volumes, market share and space
- Launched 'More Savings Every Day' in May 2013 and demonstrated our commitment to lead on value by lowering average prices by 2.9% in FY13
- Driving Fresh market share growth with significant improvements made in our range, quality and freshness
- Rebranded 475 Woolworths Liquor sites to BWS sites in FY13
- Continued to expand our direct and online offer in food, through Woolworths and Countdown and in liquor through Dan Murphy's, Langton's and Cellarmasters
- Delivered market share growth in New Zealand in a difficult trading environment



## MORE TO DO

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



## PRIORITY

- Continued focus on capital management and property divestment
- Continue to operate Australia's best and most responsible hotels
- Evolve the BIG W customer offer
- Exit from the Consumer Electronics businesses



## PROGRESS

- Creation of Shopping Centres Australasia (SCA) Property Group, facilitating a \$0.5 billion return to shareholders and the sale of property independently valued at \$1.4 billion
- Our Hotels business acquired a further 34 hotels during the year
- Commencement of gaming pre-commitment rollout in line with our commitment to be Australia's most responsible hotel and gaming operator
- BIG W category evolution is underway with a focus on categories of higher customer importance
- Divestment of Dick Smith Australia and New Zealand in November 2012 and India Consumer Electronics in 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



MAINTAIN OUR

# TRACK RECORD

*of building new growth businesses*



## PRIORITY

Growing our leadership as the largest Australian and New Zealand domestic online retailer  
Build Australia's best Home Improvement offer  
Acquisition of EziBuy



## PROGRESS

Increased online sales from continuing operations by 42%. On track to deliver more than \$1 billion of online sales in FY14  
Dan Murphy's awarded Online Retailer of the Year and Masters awarded Best New Online Retailer at the recent Online Retail Industry Awards (ORIs)  
More than 90% of Australian households have access to Woolworths Supermarkets online offer  
Innovation to help customers continued with 3.2 million Woolworths Group apps downloaded  
31 Masters stores trading with 18 planned for FY14. Positive response from customers on range and price. Building a long term profit contributor for the Group  
Acquisition of EziBuy a leading direct retailer of apparel and homewares in Australia and New Zealand will act as a launch pad for our next phase of growth



## MORE TO DO

Complete roll out of click and collect service  
Continue with the development and rollout of the Masters Home Improvement business providing customers with choice and market leading offers  
Continue to consider domestic and international growth opportunities



PUT IN PLACE THE

# ENABLERS

*for a new era of growth*



## PRIORITY

Continue to deliver cost leadership through building on our world class supply chain and driving efficiencies in stores  
Use customer insights to improve our offer  
Assemble a world class retail team



## PROGRESS

Acquired a 50% stake in Quantum, Australia's leading data-driven strategy business delivering unrivalled customer insights that will deliver market leading offers  
Major investment in Hoxton Park DC delivering efficiencies to our BIG W and Home Improvement businesses. Commenced the planning and implementation of the next generation of capability enhancements  
Continued to deliver significant cost reductions in our Food and Liquor businesses with more planned in FY14  
Continued to blend the best local and international talent at all levels of the organisation



## MORE TO DO

Focus on evolving our world class supply chain and replenishment improvements across our business  
Leverage customer data to drive sales growth and loyalty  
Continued productivity improvement programs to continue to reduce costs

## 88TH ANNUAL GENERAL MEETING

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Tuesday, 26 November 2013

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11.00am (AEDST)

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The Concourse, 409 Victoria Avenue

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Chatswood, New South Wales 2067 Australia

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## KEY FINANCIAL DATES

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First Quarter Sales Results 31 OCTOBER 2013

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Annual General Meeting 26 NOVEMBER 2013

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Second Quarter Sales Results 6 FEBRUARY 2014

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First Half Year Profit Report 28 FEBRUARY 2014

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Third Quarter Sales Results 30 APRIL 2014

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Fourth Quarter Sales Results 30 JULY 2014

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Full Year Profit Report 29 AUGUST 2014

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*Please note: the timing of events may be subject to change*

## MORE INFORMATION

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Please contact our share registrar,  
Computershare Investor Services Pty Limited

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**WEBSITE:** [www.woolworthslimited.com.au](http://www.woolworthslimited.com.au)

**CORPORATE RESPONSIBILITY INITIATIVES:**

[www.woolworthslimited.com.au/page/A\\_Trusted\\_Company/](http://www.woolworthslimited.com.au/page/A_Trusted_Company/)