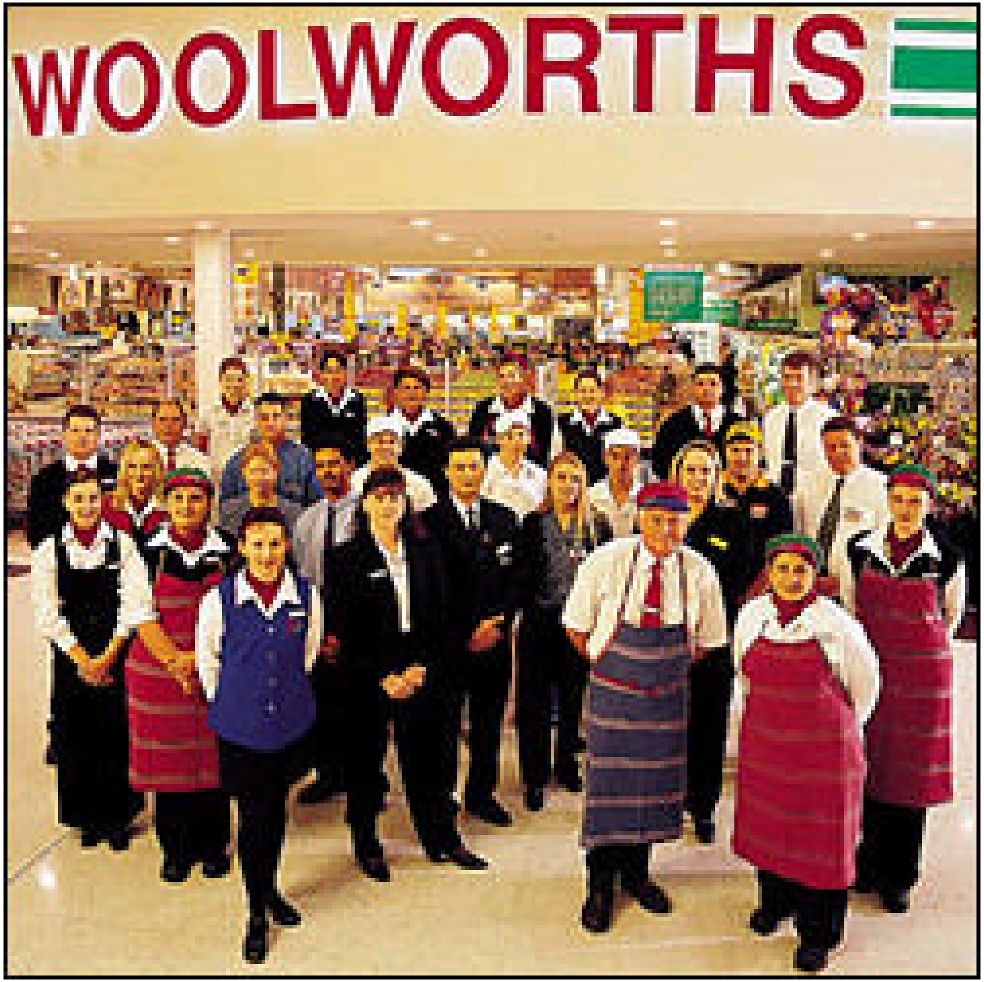
WOOLWORTHS LIMITED

Results Presentation Year Ended 29 June 2003



ROGER CORBETT

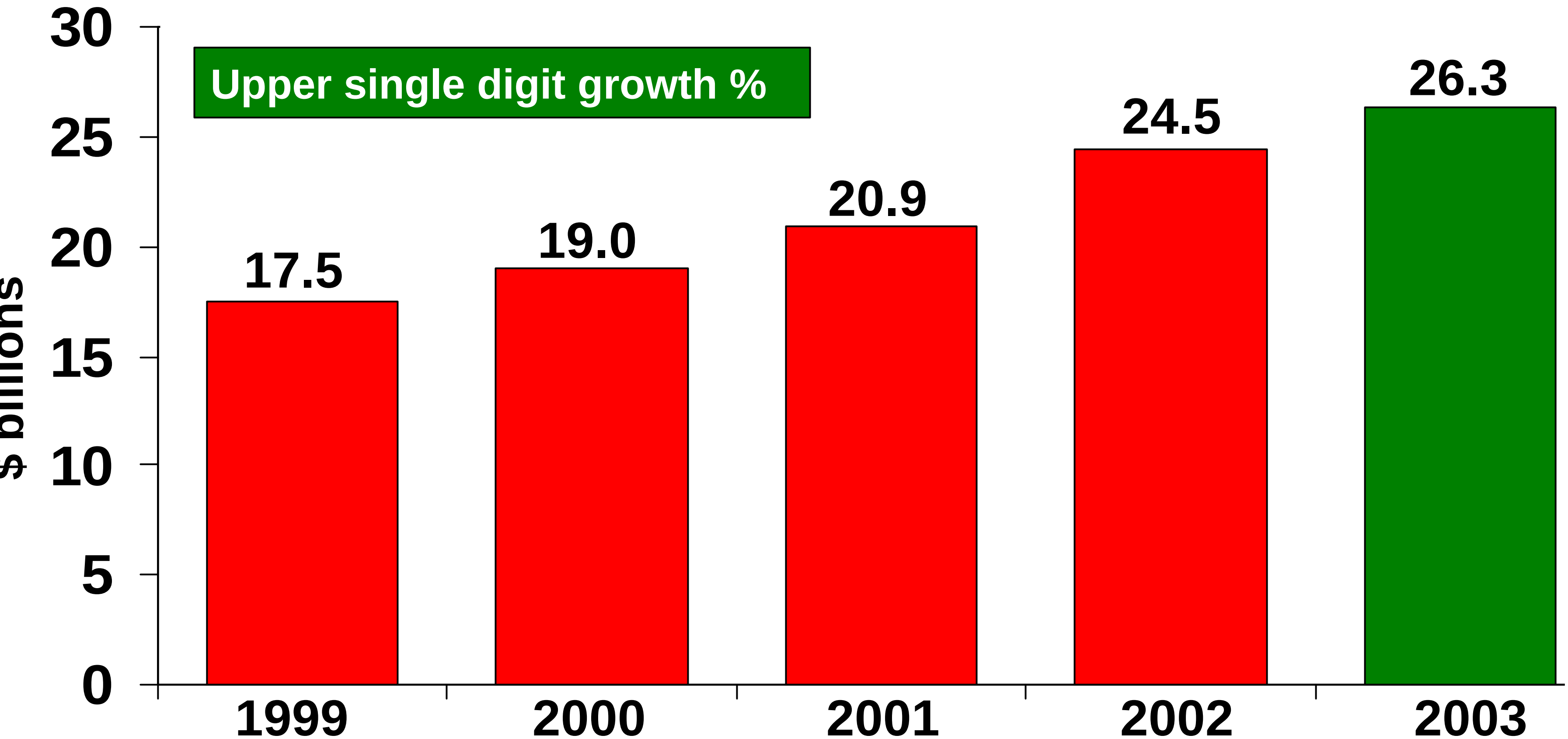
Chief Executive Officer

TOM POCKETT

Chief Financial Officer

25 AUGUST 2003

SALES



	1999	2000	2001	2002	2003
ear crease	+ 9.5%	+ 8.6%	+ 10.0%	+ 17.0% # *	+ 7.6%
2 week basis				+14.9%	+ 9.6%

ncludes extra week
002 sales ex Franklins grew
0.1% on a 52 week basis

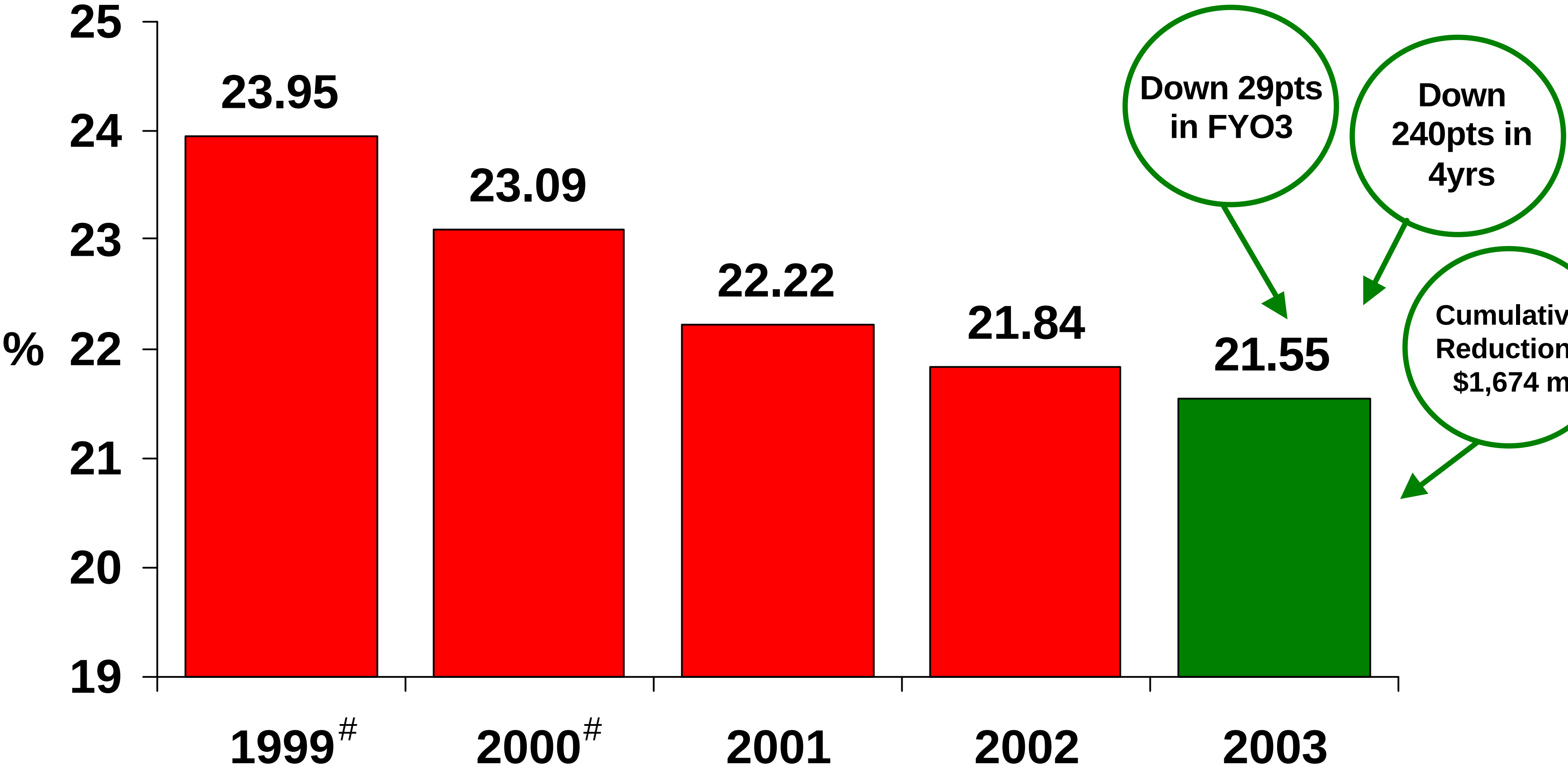
2003 SALES FROM CONTINUING OPERATIONS WERE UP 12.2%
ON A 52 WEEK COMPARABLE BASIS

SALES SUMMARY

	FY02 $m	FY03 $m	Change %	Normalised[1] %
Supermarkets and Liquor	19,595	21,039[2]	7.4%	9.4%
Petrol	1,119	1,711	52.9%	55.8%
Total Supermarkets	**20,714**	**22,750**	**9.8%**	**11.9%**
BIG W	2,281	2,500	9.6%	11.3%
Consumer Electronics	659	791	20.0%	22.5%
Total General Merchandise	**2,940**	**3,291**	**11.9%**	**13.8%**
Continuing Operations	**23,654**	**26,041**	**10.1%**	**12.2%**
Wholesale	819	280	-65.8%	-65.2%
Group Sales	**24,473**	**26,321**	**7.6%**	**9.6%**

Reflects sales growth normalised to adjust for a 53 week year in FY2002
Excluding $222m from our MGW Queensland joint venture (retail liquor $133m, hotels $89m)

CODB / SALES

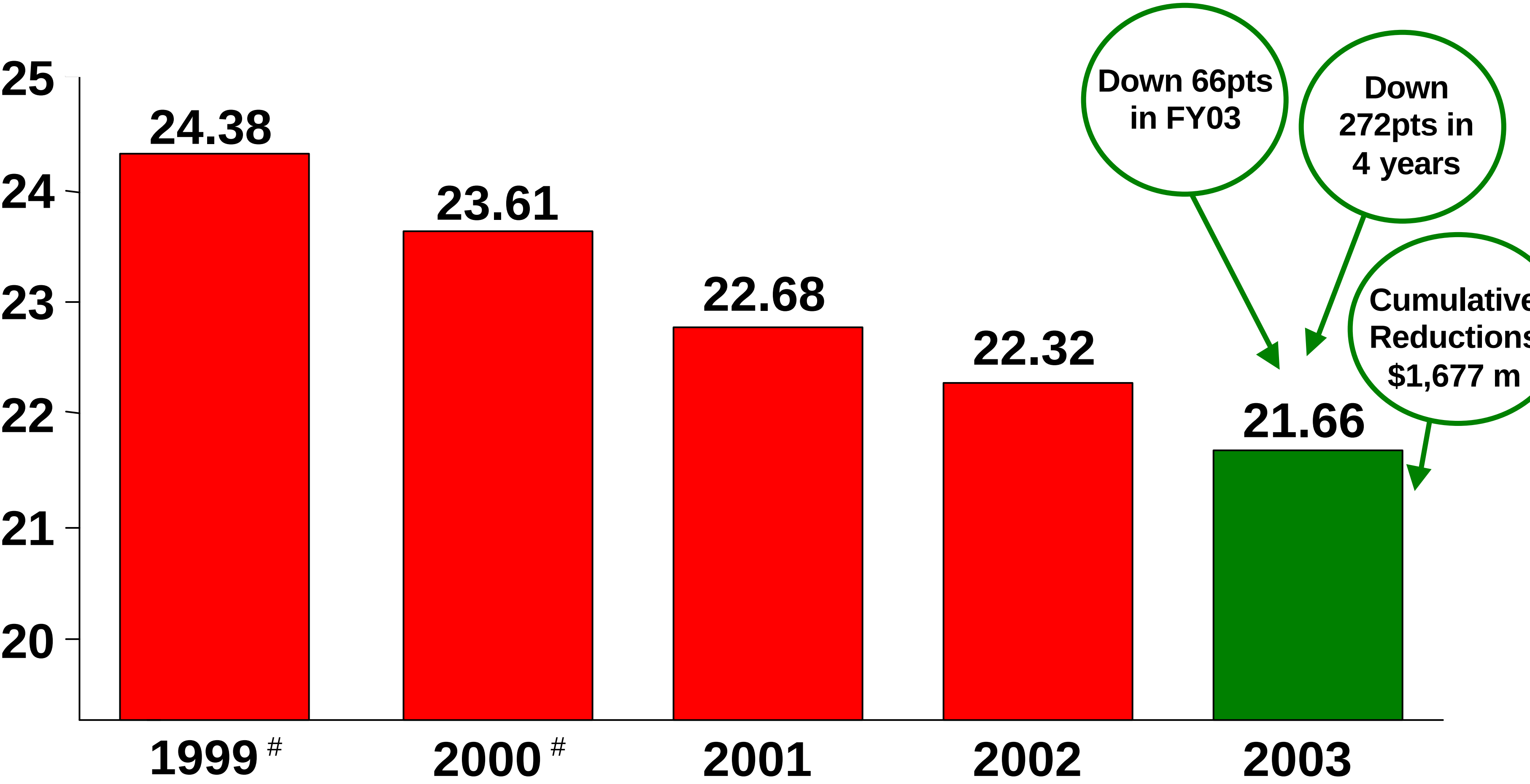


Cost Reduction	Base year	0.86% x $19.0 b $163m	1.73% x $20.9 b + $362m	2.11% x $24.5 b + $517m	2.40% x $26.3 b + $632m =	**$1,674m**

COSTS = THE KEY ENABLER

Adjusted to exclude WST

CODB / SALES (EXCLUDING WHOLESALE

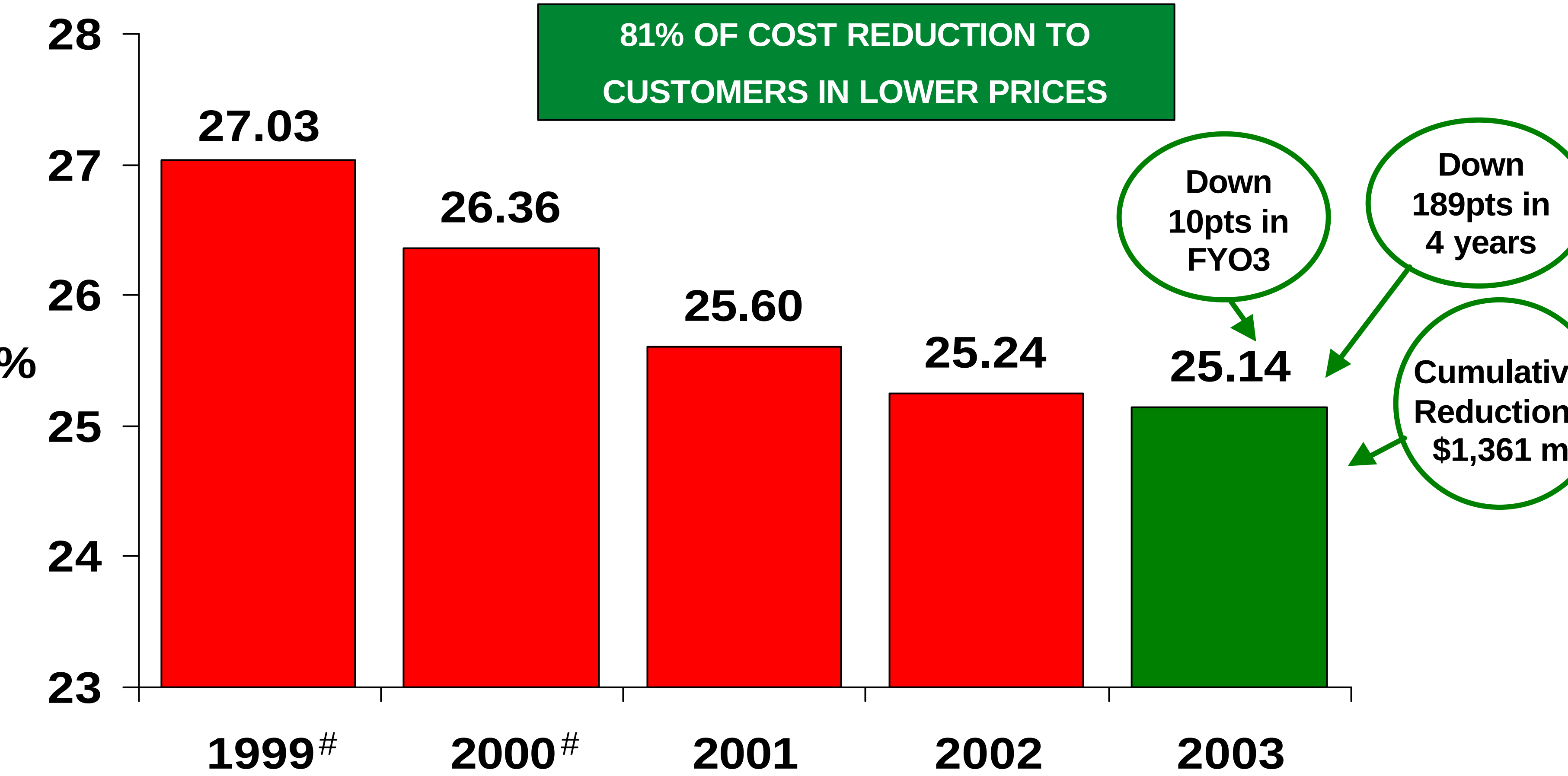


Cost	Base year	0.77% x $18.3 b	1.7% x $20.2 b	2.06% x $23.6 b	2.72% x $26.0 b
Reduction		$141 m	+ $343 m	+ $486 m	+ $707 m = **$1,677**

Adjusted to exclude WST

COSTS = THE KEY ENABLER

GROSS PROFIT MARGIN

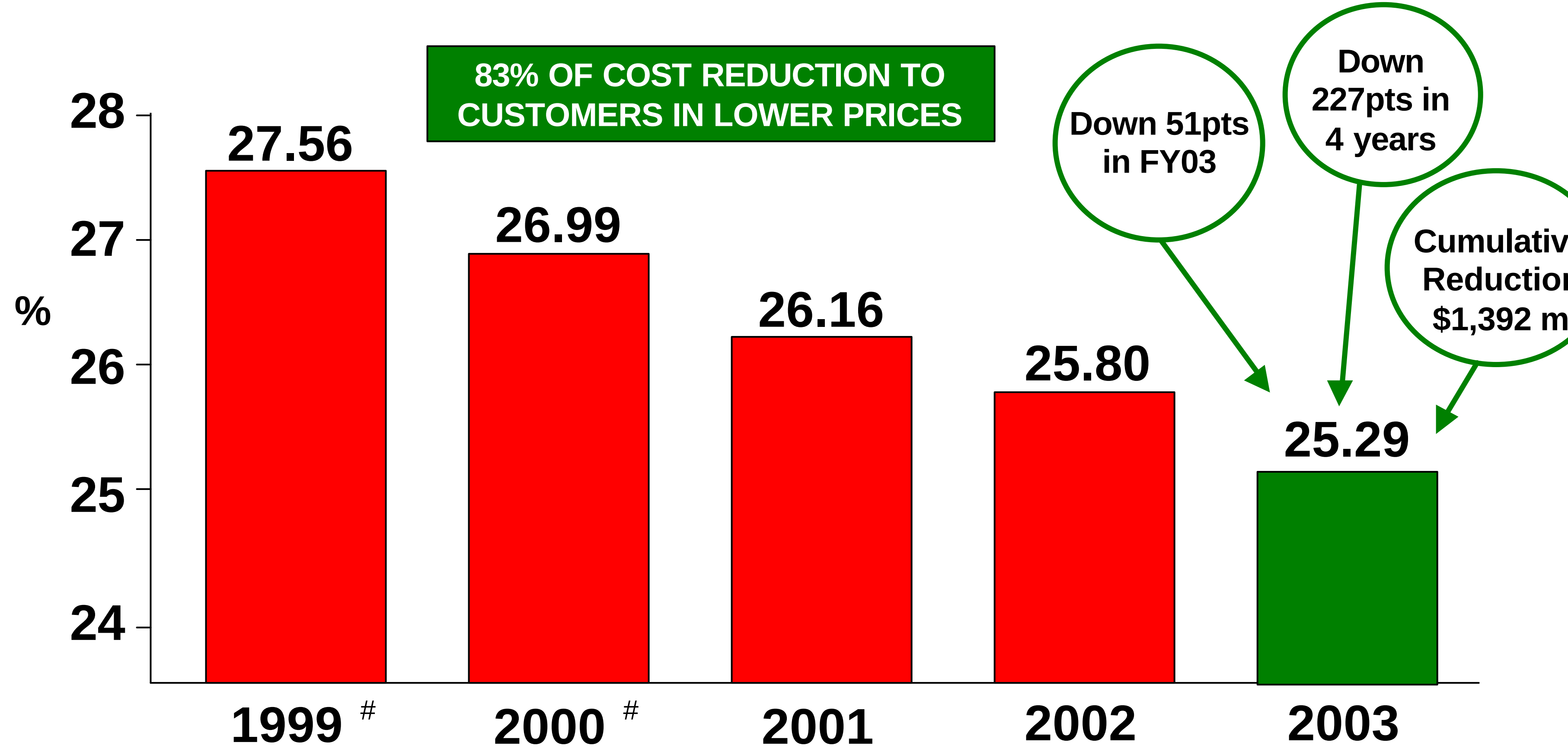


Margin	Base year	0.67%x $19.0 b	1.43%x $20.9 b	1.79%x $24.5 b	1.89%x $26.3 b	
Reduction		$127 m	+ $299 m	+ $438 m	+ $497 m	= **$1,361**

LOWERING THE COST OF LIVING INCREASE

Adjusted to exclude WST

GROSS PROFIT MARGIN (EXCLUDING WHOLESALE)

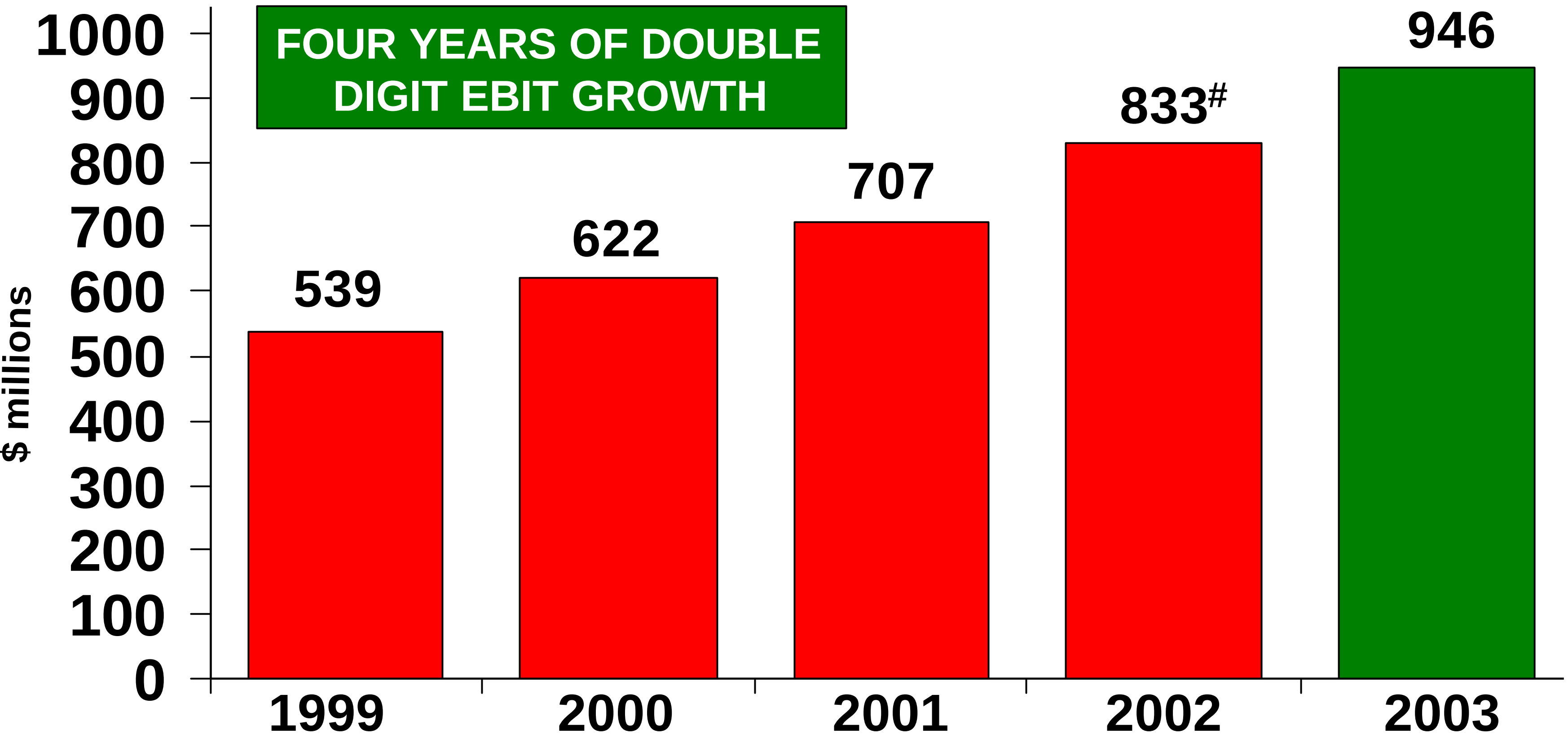


Margin Reduction	Base year	0.57% x $18.3 b $104 m	1.4% x $20.2 b + $283 m	1.76% x $23.6 b + $415 m	2.27% x $26.0 b + $590 m = **$1,392**

LOWERING THE COST OF LIVING INCREASE

Adjusted to exclude WST

EBIT

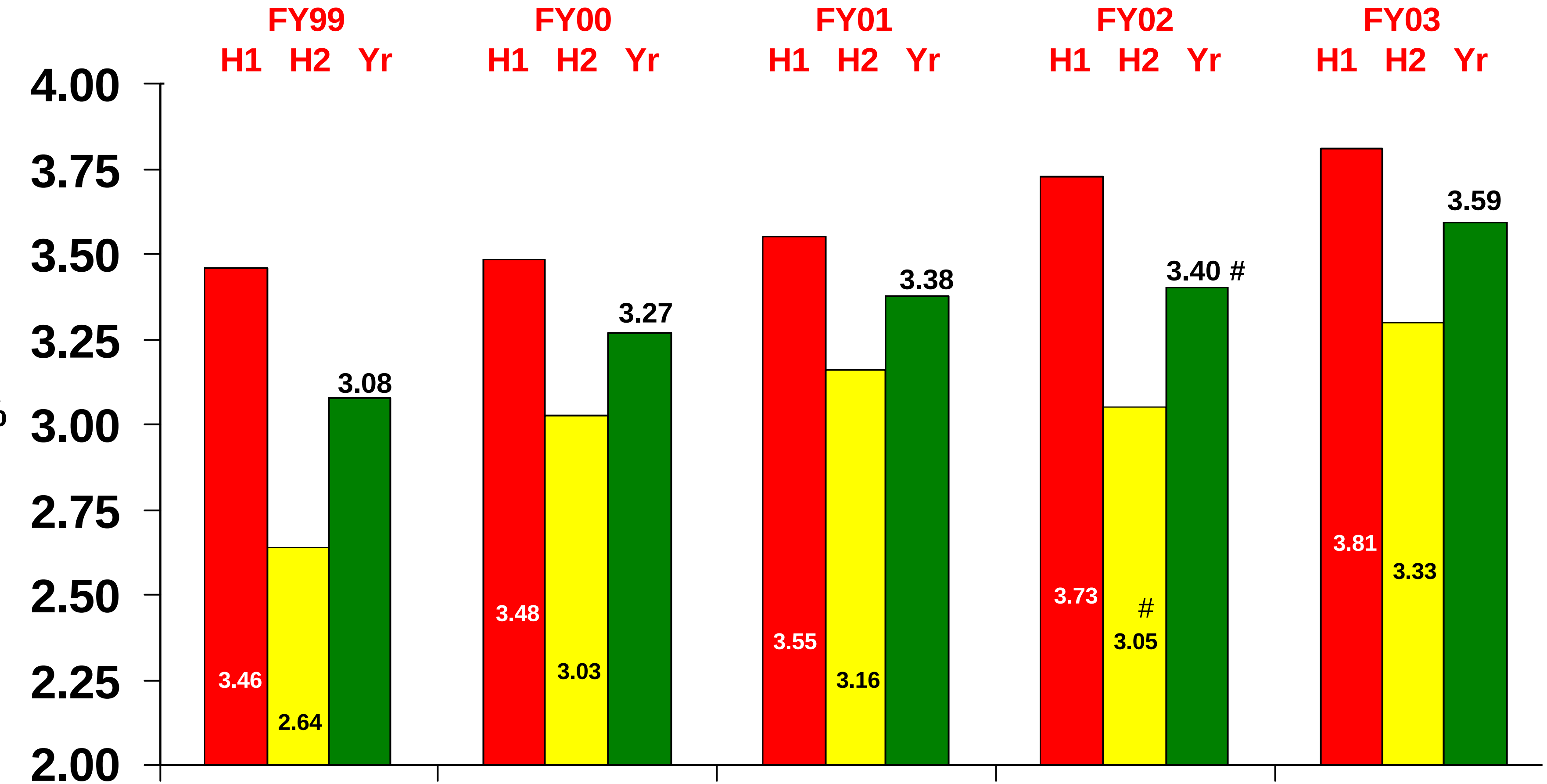


Year	1999	2000	2001	2002	2003
ear	**Base Year**	+15.4%	+13.7%	+17.8%	+13.6%

2003 EBIT FROM CONTINUING OPERATIONS WERE UP 14.6%

ncludes extra week

EBIT MARGIN



EBIT Margin	FY99	FY00	FY01	FY02	FY03
H1	3.46%	3.48%	3.55%	3.73%	3.81%
H2	2.64%	3.03%	3.16%	3.05%	3.33%
Year	3.08%	3.27%	3.38%	3.40%	3.59%

EBIT MARGINS HAVE THICKENED OVER THE 2003 YEAR BY 19 pts

Includes extra week

EBIT SUMMARY

	FY02 Previous **		FY03 Current *		Change	
	Before Goodwill	After Goodwill	Before Goodwill	After Goodwill	Before Goodwill	After Goodwill
	$m	$m	$m	$m		
Food & Liquor	754.7	734.7	848.2	825.1	12.4%	12.3%
Petrol	12.7	12.7	29.9	29.9	135.4%	135.4%
Total Supermarkets	767.4	747.4	878.1	855.0	14.4%	14.4%
BIG W	93.5	93.5	103.7	103.7	10.9%	10.9%
Consumer Electronics	31.3	28.0	41.2	37.0	31.6%	32.1%
Total General Merchandise	124.8	121.5	144.9	140.7	16.1%	15.8%
Total Trading Result	892.2	868.9	1,023.0	995.7	14.7%	14.6%
Property	34.2	34.2	26.6	26.6	-22.2%	-22.2%
Central overheads	(77.8)	(77.8)	(76.7)	(76.7)	-1.4%	-1.4%
Continuing operations	848.6	825.3	972.9	945.6	14.6%	14.6%
Wholesale	7.4	7.4	0.2	0.1	-97.3%	-98.6%
Group EBIT	856.0	832.7	973.1	945.7	13.7%	13.6%

EBIT OF ALL TRADING UNITS GREW DOUBLE DIGITS

53 Weeks to 30 June 2002

* 52 weeks to 29 June 2003

SUPERMARKETS (INCLUDES PETROL)

	FY02	FY03	CHG
Sales ($ mil)	20,714.3	22,749.5	+9.8% (1)
Gross Margin (%)	24.84	24.39	-0.45%pts
Cost of Doing Business (%)	21.23	20.63	-0.60%pts
EBIT to Sales (%)	3.61	3.76	+0.15%pts
EBIT before goodwill ($ mil)	767.4	878.1	+14.4%
EBIT after goodwill ($ mil)	747.4	855.0	+14.4%
Funds Employed ($ mil)	1,495.5	1,457.0	-2.6%
AVE ROFE (%)	53.2	57.9	+4.7%pts

(1) 11.9% increase on a comparable 52 week basis

SUPERMARKETS

- Food and liquor sales growth (ex petrol) was strong. Comparable (like for like) sales of 5.4%. (5.1% first half and 5.8% second half).
- Sales result reflects customer acceptance of total offer of range, freshness, quality, competitive pricing, convenience and in-store service.
- Sales growth on a comparable 52 week basis (excluding Franklins) was 10.5%.
- Comparable (like for like) Food, Liquor and Grocery (FLG) sales growth in ex-Franklins stores was 11% with same store sales growth in existing Woolworths stores 5.1%.
- EBIT contribution of ex-Franklins stores now in line with equivalent Woolworths stores.
- Continued focus on cost of doing business reductions has resulted in reductions in price to customers together with thickening EBIT margins.
- Opened 18 new Supermarkets (net of closures), 8 new Dan Murphy stores and 17 (net of closures) new freestanding liquor stores.
- Food and liquor trading area increased by 5.0% (4.3% in Supermarkets), significantly assisted by profitable expansion of existing stores.

SUPERMARKETS

- Market share of Food, Liquor and Groceries increased by 0.5% in the year.
- Intend to significantly increase our health and beauty range with plans to open our first in store pharmacy in calendar 2004.
- Plus 100 non pharmacist units by end of FY04.

LIQUOR

Woolworths has brought significantly greater price competition to this sector with customers benefiting from lower prices. Despite this our Liquor profitability rate exceeds that of our Supermarkets business

- Expansion of Dan Murphy's with 5 new stores in NSW / ACT and 3 new stores in Victoria
- Dan Murphy stores will be introduced into QLD over the next 12 months
- Acquired 2 new liquor chains, Super Cellars and Le Grog (22 new stores)
- Sales from our 50% owned QLD liquor business MGW * were $222m ($133m from liquor stores operations and $89m from hotel operations). Anticipate strong growth from this business as we progress refurbishment, relocation and repositioning of these stores

Total liquor sales for the year (including MGW) exceeded $1.7b and we are confident of achieving our stated target of $2.5b in the near to medium term

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

PETROL

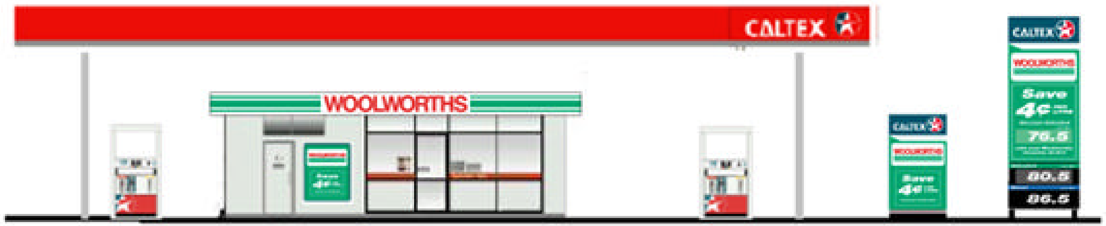
Petrol continues to be a good supplemental offer to our Supermarkets with 210 out of 287 canopies either in the car park or adjacent to the store

- Petrol sales increased by 55.8% on a 52 week comparable basis
- Strong volume growth has helped fractionalise fixed costs
- EBIT growth on last year exceeded 100%
- 31 new canopies were opened during the year.
- Targeting a total of 450 canopies (optimum no of canopies to support our Supermarket chain)
- Currently selling approximately 46 million litres per week representing 11% market share

WOOLWORTHS / CALTEX JOINT VENTURE

- 50 / 50 joint venture company (JVC) to lease all of Woolworths petrol canopies (around 290).
- Approximately 120 selected Caltex stations added (mainly in metro areas), with another 40 selected Caltex stations available.
- Woolworths/Safeway/Big W shoppers to get discount fuel at up to 450 sites.
- 160 more outlets for quality discount fuel, across Australia.
- Woolworths to set retail petrol prices in accordance with its current petrol pricing policy, and the redemption discount.
- Due to commence operations prior to Christmas 2003.
- Caltex to manage joint venture sites.
- Strong co-branding of sites.
- Creates an expanded network of a strong independent petrol competitor.
- Earnings per share accretive.

HOW IT WILL LOOK



BIG W

	FY02	FY03	CHG
Sales ($ mil)	2,280.5	2,500.3	+9.6%[1]
Gross Margin (%)	31.30	30.88	-0.42%pts
Cost of Doing Business (%)	27.20	26.73	-0.47%pts
EBIT to Sales (%)	4.10	4.15	+0.05%pts
EBIT * ($ mil)	93.5	103.7	+10.9%
Funds Employed ($ mil)	299.2	269.5	-9.9%
AVE ROFE (%)	32.6	36.5	+3.9%pts

No purchased goodwill in BIG W
) 11.3% on a comparable 52 week basis

BIG W

- BIG W comparable (like for like) sales were a strong and consistent 4.2% (first half 4.2%, second half 4.3%) in a very competitive market. Total sales reached $2.5b.
- EBIT exceeds $100m.
- Customer EDLP acceptance strong.
- Solid growth across all categories, particularly in small appliances and home entertainment (incl music, DVD and computer, consumables, toys and sporting goods).
- 8 new stores opened. 9.8% increase in trading area. Now 104 stores with 150 targeted.
- Lower costs allow lower prices for our customers yet higher bottom line margin, achieving a record (36.5%) return on funds employed.

CONSUMER ELECTRONICS

	FY02	FY03	CHG
Sales ($ mil)	659.0	791.2	+20.0%
Gross Margin (%)	37.16	33.59	-3.57%pt
Cost of Doing Business (%)	32.91	28.91	-4.00%pt
EBIT to Sales (%)	4.25	4.68	+0.43%pt
EBIT before goodwill ($ mil)	31.3	41.2	+31.6%
EBIT after goodwill ($ mil)	28.0	37.0	+32.1%
Funds Employed ($ mil)	253.0	245.1	-3.1%
AVE ROFE (%)	12.1	14.9	+2.8%pt

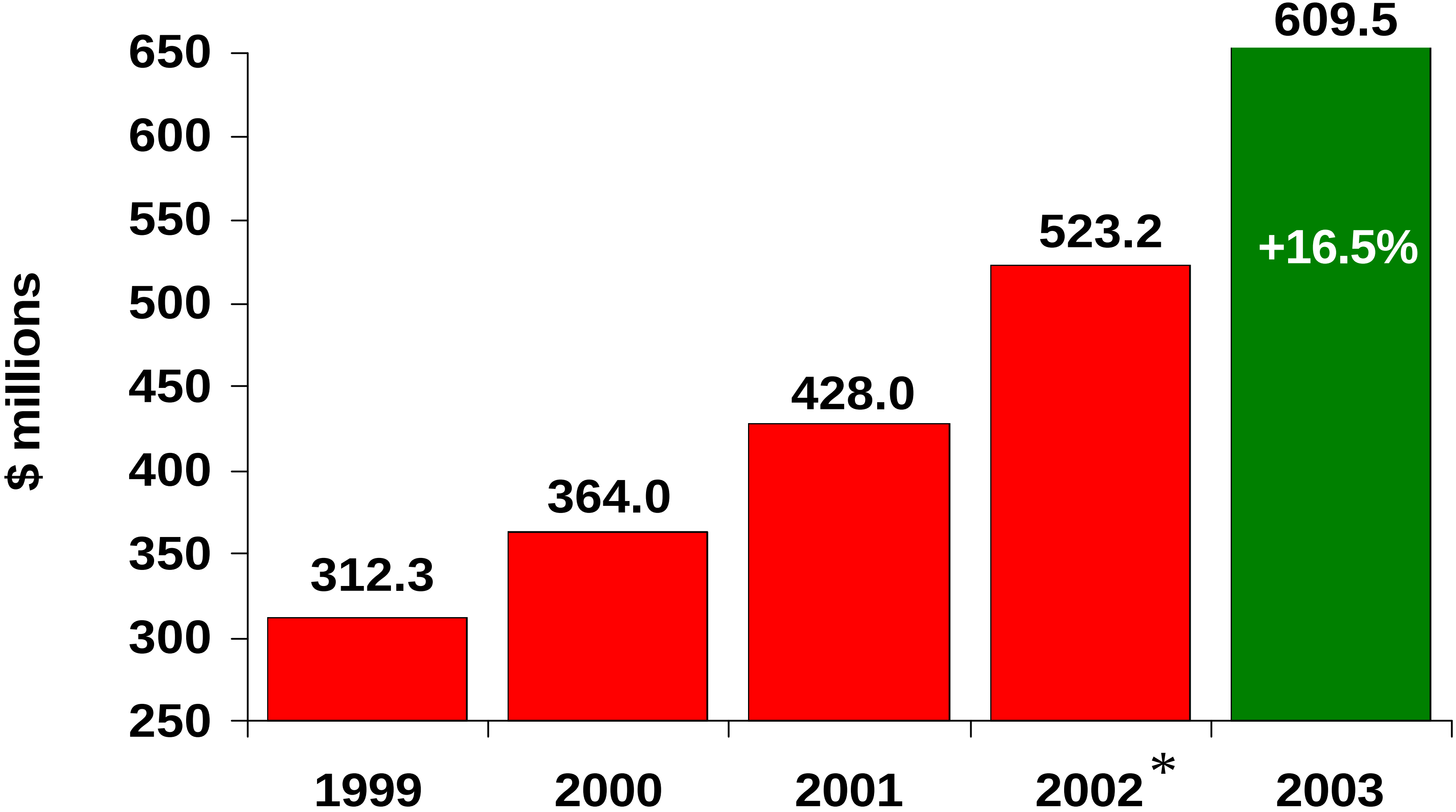
22.5% increase on a comparable 52 week basis

CONSUMER ELECTRONICS

- Business progressing extremely well and is reflected by a 32.1% increase in EBIT after goodwill.
- Strong double digit comparable (like for like) sales growth achieved 18.1% (first half 15.5%, second half 21.1%).
- Strong growth achieved in communications category, particularly mobile phones and in home entertainment (TVs and computer games).
- EBIT outgrew sales, up 34.5%(1) compared with total sales growth of 22.5%(1) and was underpinned by a strong focus on cost reduction.
- Inventory down 5% on last year whilst sales up 20%.
- Return on average funds employed increased from 12.1% to 14.9% due to 32.1% increase in profit and 3.1% reduction in funds employed.

1) On a comparable 52 week basis for FY02

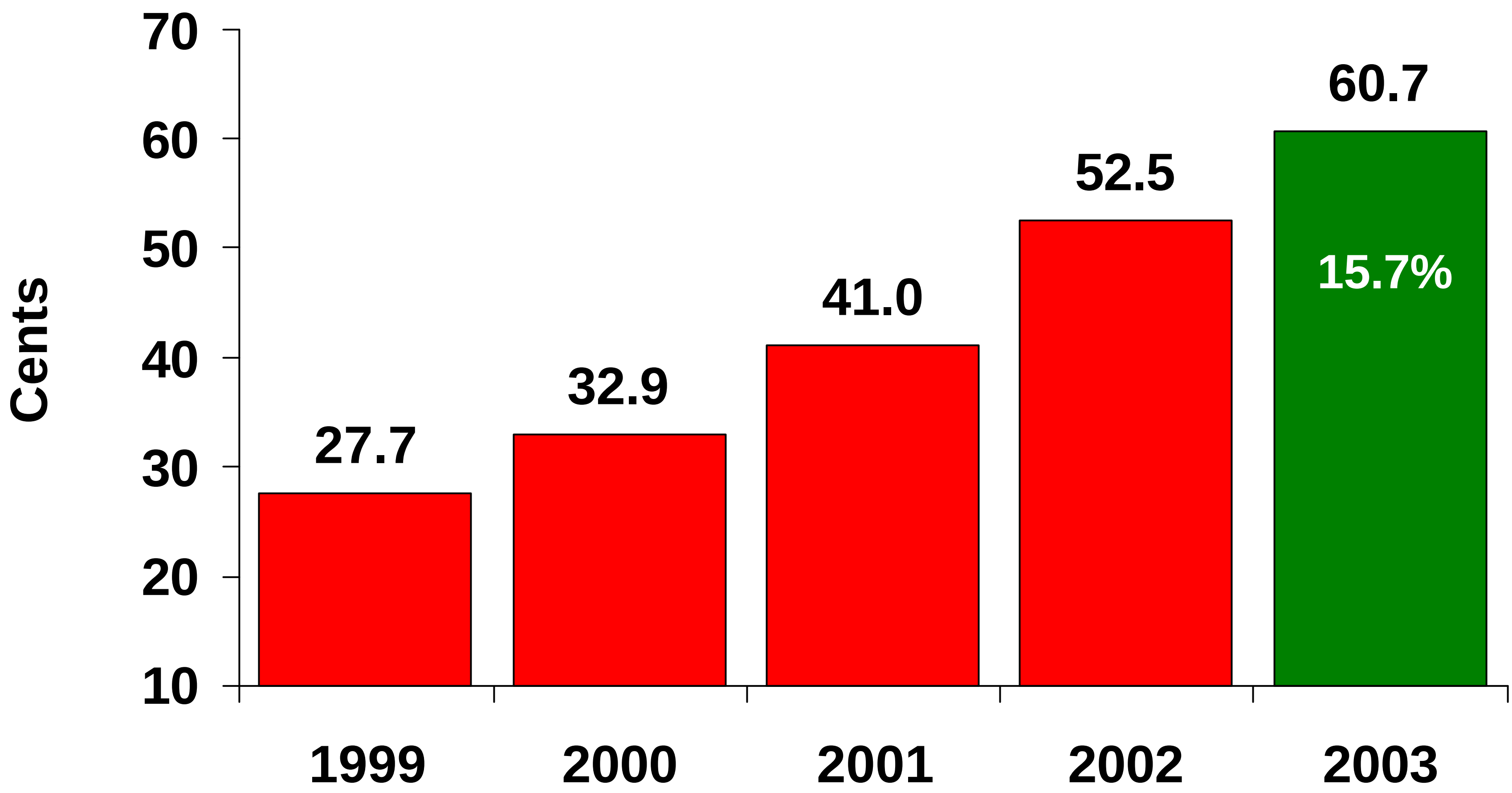
PROFIT AFTER TAX (AFTER WINS)



PAT FROM CONTINUING OPERATIONS (EXCL. WHOLESALE) INCREASED 17.5

53 weeks

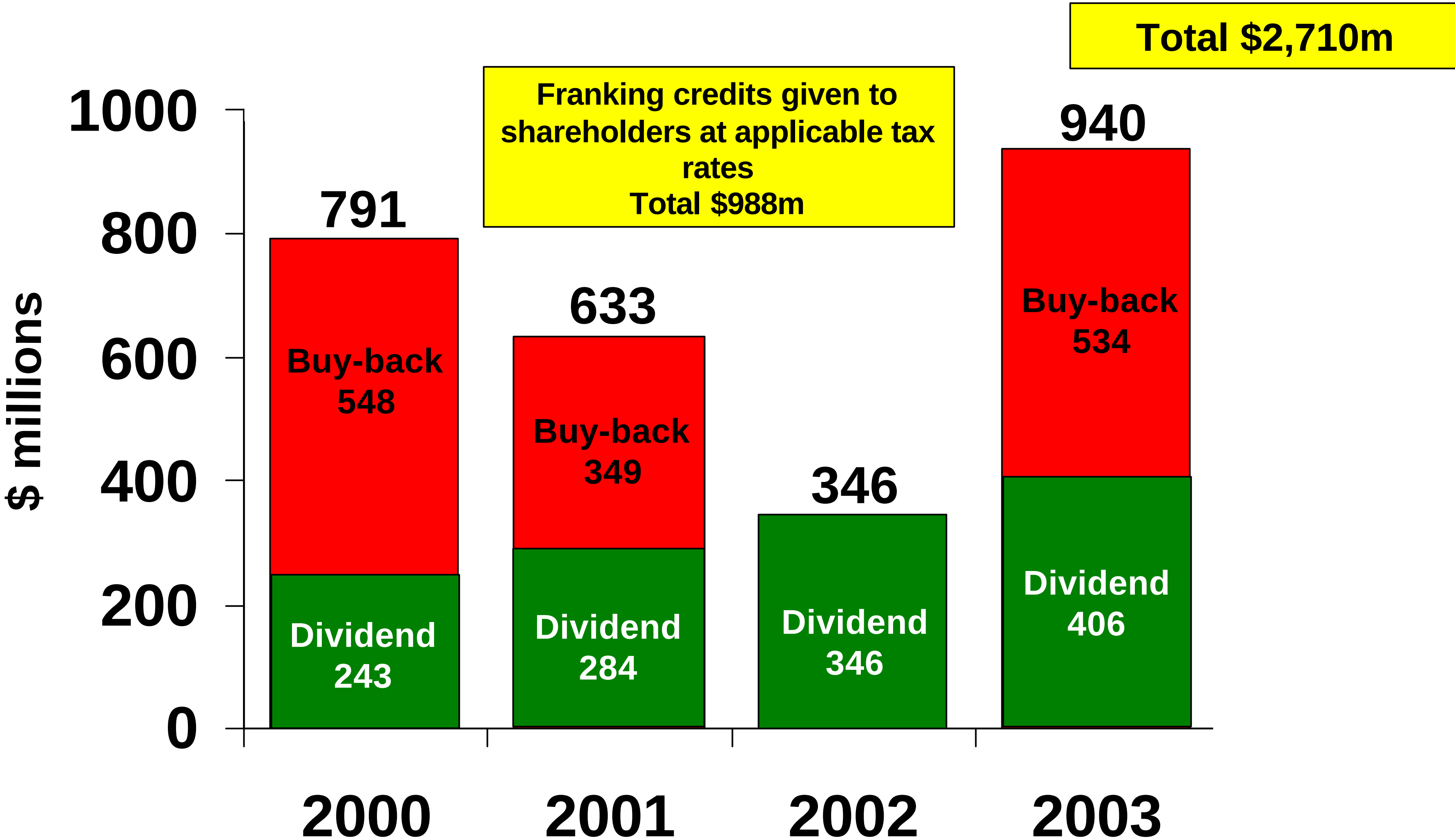
EARNINGS PER SHARE BEFORE GOODWILL



EBIT GROWS FASTER THAN SALES - ASSISTED BY COST REDUCTIONS

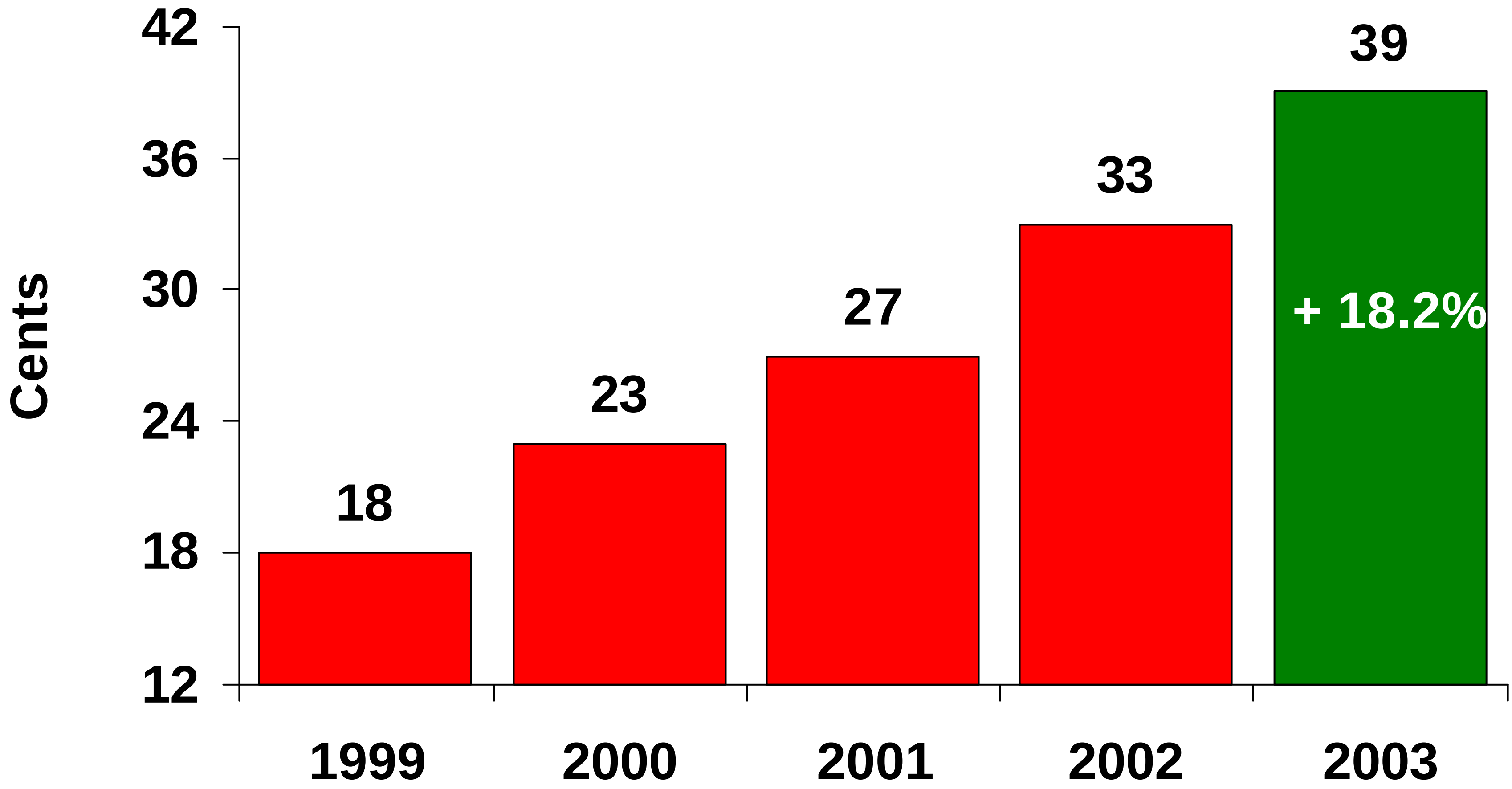
PS GROWS FASTER THAN EBIT - ASSISTED BY INVENTORY AND CAPITAL MANAGEMEN

SHAREHOLDER PAYOUTS



PROFIT GROWTH, COUPLED WITH BALANCE SHEET MANAGEMENT, DELIVERED $2,710M PAYOUT TO SHAREHOLDERS OVER 4 YEARS

DIVIDENDS PER SHARE



DIVIDEND PAY-OUT RATIO OF 66% CONSISTENT WITH THE PREVIOUS 4 YEARS

BALANCE SHEET

	2002 $MIL	2003 $MIL
Inventory	1,838.4	1,843.1
Trade Payables	(2,000.6)	(2,078.9)
Net investment in inventory	(162.2)	(235.8)
Receivables	496.6	543.1
Other creditors	(989.6)	(1,186.1)
Working Capital	(655.2)	(878.8)
Fixed assets & other non current assets	2,911.8	3,040.3
Total Funds Employed	**2,256.6**	**2,161.5**
Net Tax Balances	(7.9)	21.3
Provision for Dividend	(188.9)	-
Net Assets Employed	2,059.8	2,182.8
Net Repayable Debt	(237.3)	(359.6)
Net assets	**1,822.5**	**1,823.2**
Noteholders equity (perpetual WIN's)	583.0	583.0
Outside shareholders equity	4.4	4.8
Shareholders Equity	1,235.1	1,235.4
Total Equity	**1,822.5**	**1,823.2**

BALANCE SHEET

Balance Sheet remains strong and conservative after latest share buy-back

orking capital

Effective reduction in inventory underpinned $224 million (34%) increase in negative working capital

- Inventory increasing only $4.7 million (<1%) despite sales growth of 9.6% (comparable 5 week basis). Represents real decline of 3.2 days stock on hand which resulted in a $170 million increase in cash flow
- Trade and other creditors growing almost in line with sales. Days creditors unchanged fro last year
- Receivables increasing only 9%, slightly less than sales growth

unds employed and ROFE

Funds employed declined by $95 million, due to

- $224 million increase in negative working capital
- return to more normal levels of capital expenditure following the Franklins acquisition last year. Net capital expenditure was $518m compared with $688m last year

BALANCE SHEET

Balance Sheet remains strong and conservative after share buy-back

Net debt

- Net repayable debt increased by only $122 million to $360 million despite the share buy-bac undertaken in April 03 at a cost of $534 million. Due to strong cash flows underpinned by strong profit growth and a reduction in working capital.
- Up until the share buy-back in April 03, daily average net debt down approximately $220 million on the previous year.

Equity and ROE

- Shareholders equity unchanged from last year at $1,235 million.
- ROE increased from 48.1% to 49.3% (53.3% on a like for like basis excluding the impact of certain changes to Australian accounting standards outlined below)

Accounting Standard Impacts

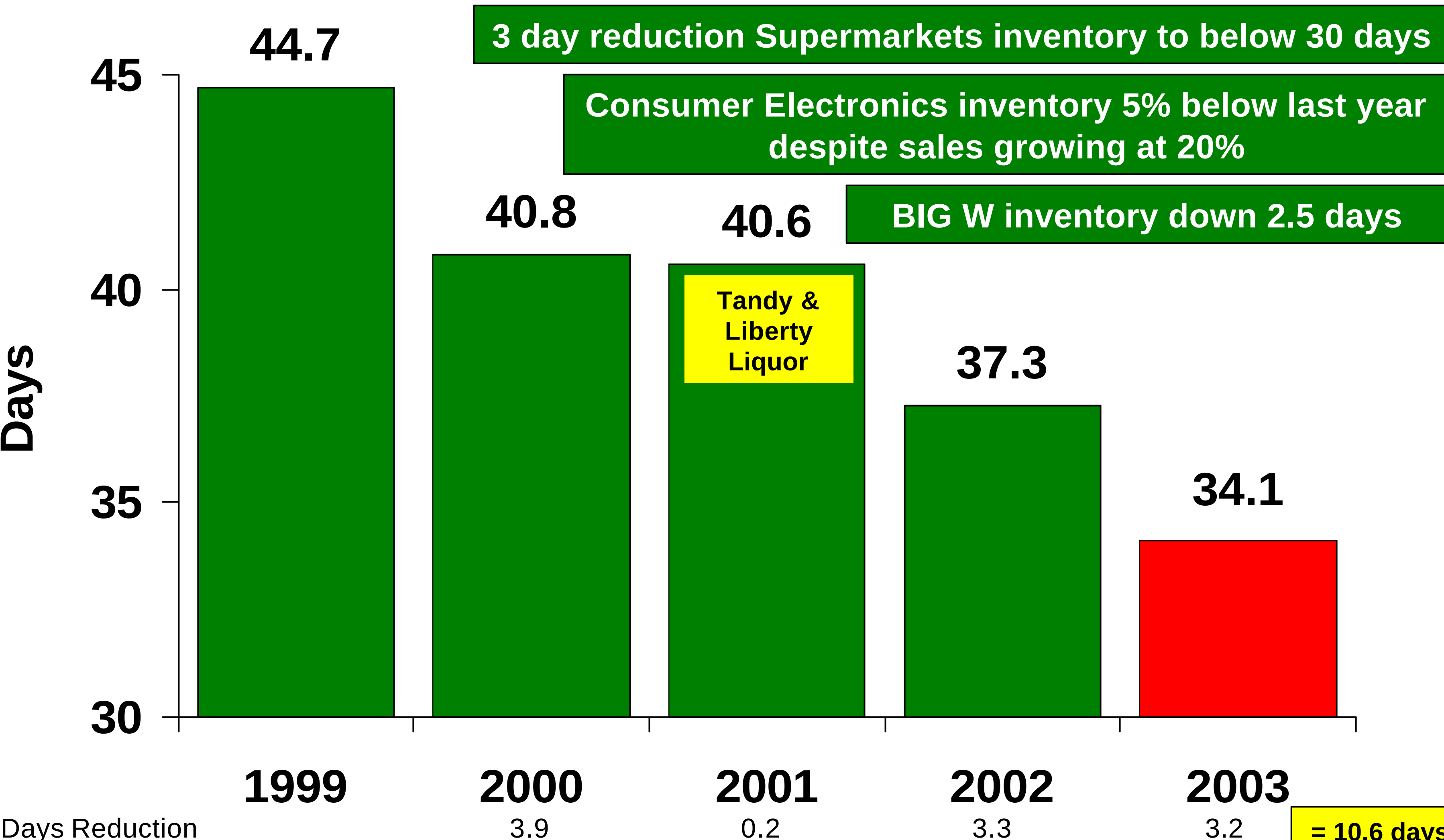
Provision for Dividend

- Final dividend which will amount to around $214m (21 cps) is not provided, in accordance wi accounting standard AASB1044. Provision for dividend can no longer be recorded in the financial statements unless declared or publicly announced before balance date.

Employee benefits

- As a result of a change in AASB1028 the provisions for annual leave and long service leave have been restated with an offsetting adjustment of $31.9m being made to opening retained earnings.

DAYS STOCK ON HAND



= 10.6 days equals $570m cash flow benefit

3.2 DAYS REDUCTION IN INVENTORY RESULTED IN A $170 MILLION NCREASE IN CASHFLOW FOR THE YEAR

CASH FLOW

	FY02		FY03		INC %
	$m		$m		
EBITDA	1,183.7		1,344.0		+ 13.5%
Net interest paid (including cost of Income notes)	(97.4)		(82.3)		
Taxation paid	(238.1)		(283.8)		
		848.2		977.9	+ 15.3%
Net reduction (increase) in working capital	287.9		227.8		
Other operating cashflows	(1.4)		3.8		
		286.5		231.6	
Total cash provided by operating activities		**1,134.7**		**1,209.5**	+ 6.6%
Payments for refurbishment of ex Franklins stores	(105.1)		-		
Payments for the purchase of businesses - Franklins	(268.1)		-		
- Other	(39.7)		(41.5)		
Payments for new stores, refurbishments, supply chain, IT and other stay in business	(491.7)		(593.4)		
Proceeds on disposal of property plant & Equipment	203.8		114.5		
Advances to associate (MGW)	(59.9)		(23.8)		
Proceeds from sale of investment	11.2		-		
Proceeds from the sale of supermarkets	5.7		-		
Total cash used in investing activities		**(743.8)**		**(544.2)**	-26.8%
Free Cash		**390.9**		**665.3**	+ 70.2%
Net operating profit after tax and after WINS		523.2		609.5	+ 16.5%
Free Cash Flow as a % of Declared Profit		75%		109%	

THE QUALITY OF THE CASH FLOW UNDERPINS THE PROFIT DELIVERY TO SHAREHOLDERS

CAPITAL MANAGEMENT

Strong balance sheet and cash flows provided opportunity to undertake a significant share buy-back without impacting ability to consider acquisitions or other growth opportunities.

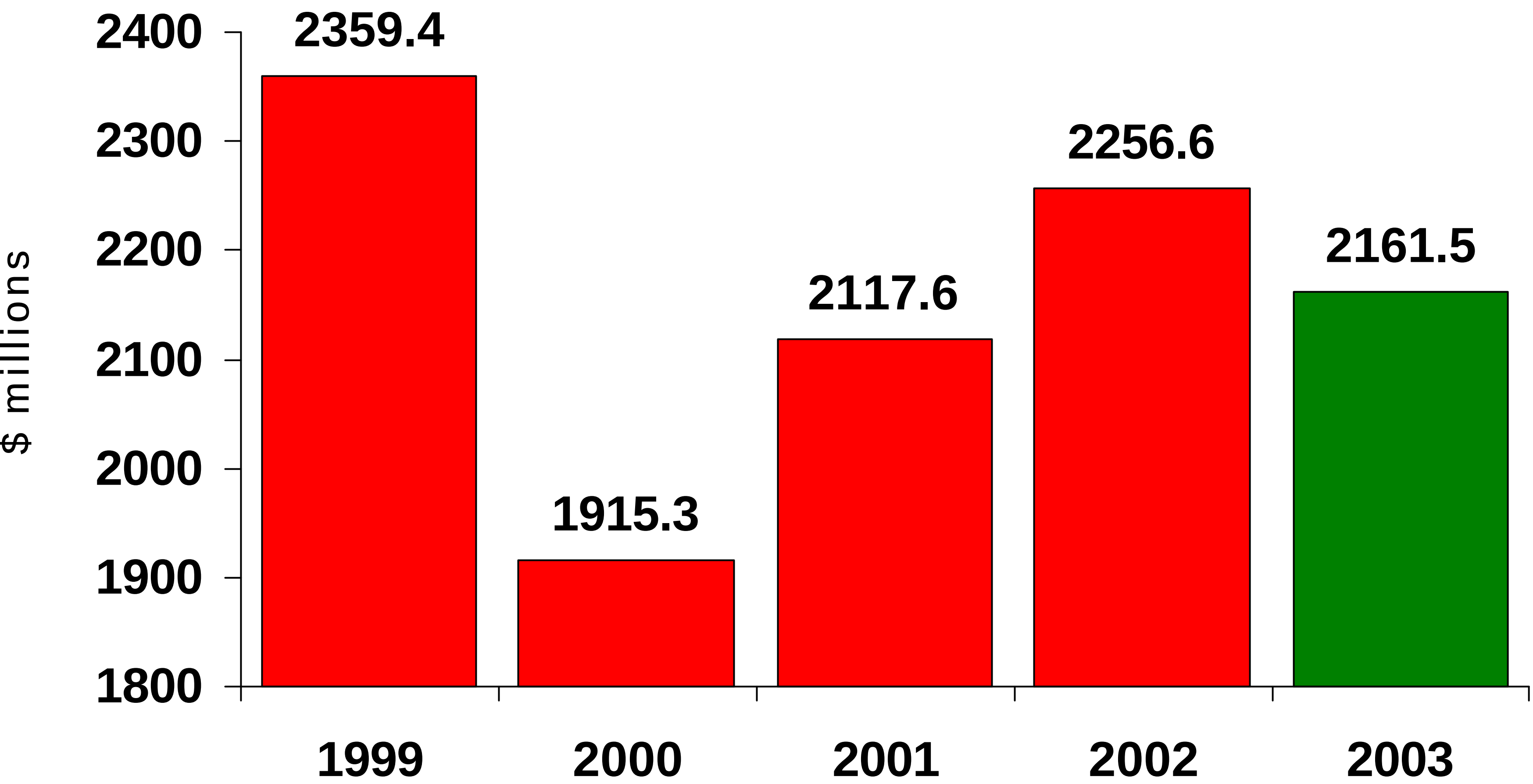
Off market share buy-back April FY03

- Repurchased 46.7 m shares, 4.4% of issued capital as at 14 April 2003
- Price determined by tender; with the final buying price established at $11.40
- Total cost of buy-back/reduction in shareholders equity was $534 m (including costs of $2m)
- By agreement with Australian Taxation Office buy-back price split into two components:
  - Capital component of $2.88 per share or a reduction in share capital of $134.4 m
  - Fully franked dividend component of $8.52 or $397.6 m.
- This buy-back takes the cumulative return of capital to shareholders over the past 4 years to over $1.4b
- Our capital management strategy has been an important driver of EPS growth over the past 4 years
- Impact on EPS of April 2003 buy-back will be in FY04

n addition, successfully replaced $700 m of credit facilities for general corporate needs. As a esult of a competitive tender process (over subscribed), Woolworths received well priced offers.

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

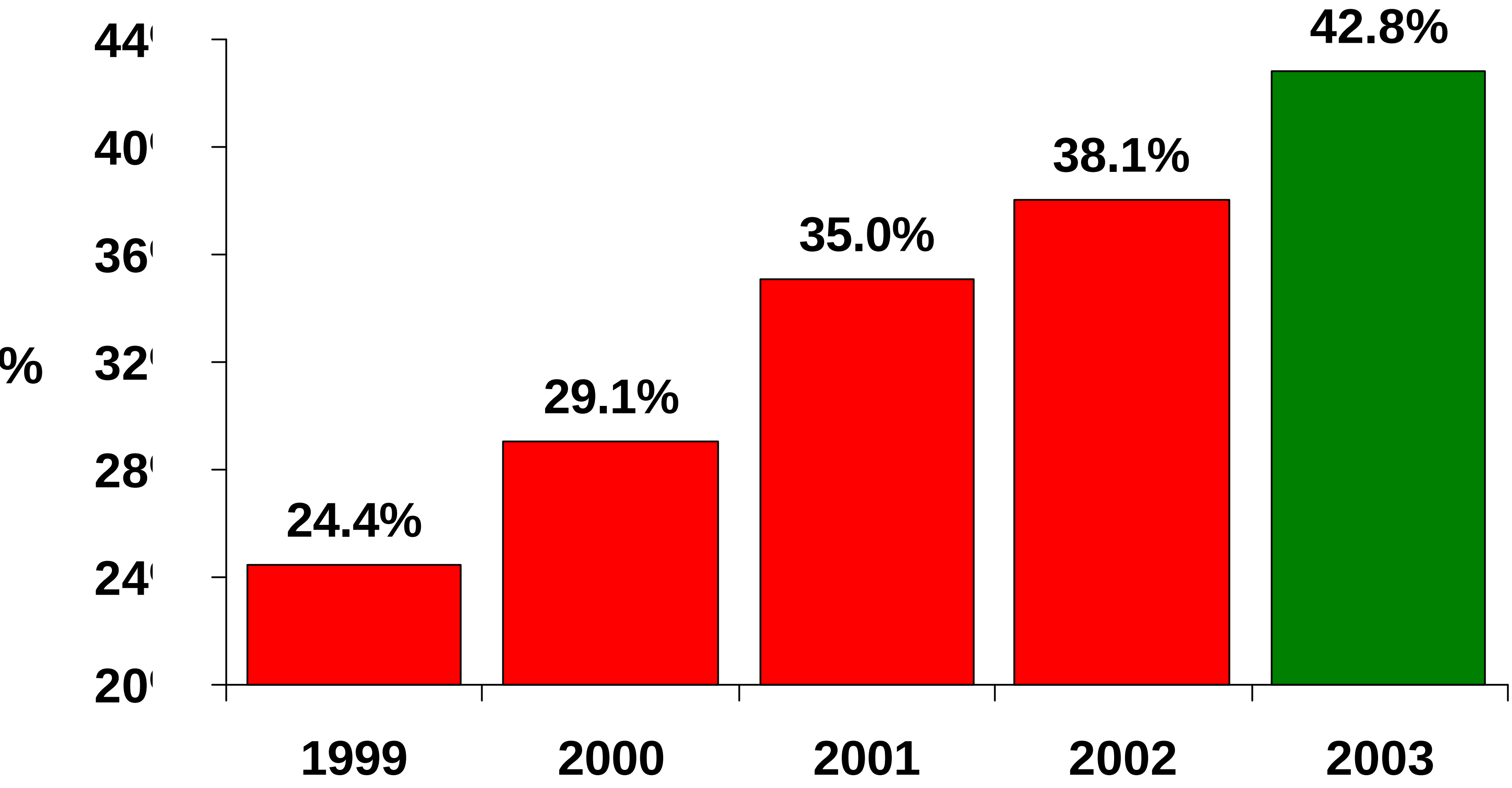
FUNDS EMPLOYED



FUNDS EMPLOYED DOWN $95 MILLION IN FY03 MAINLY DUE TO A REDUCTION IN NET INVESTMENT IN INVENTORY

OVER FOUR YEARS FUNDS EMPLOYED DECREASED 8% ON SALES UP 50%

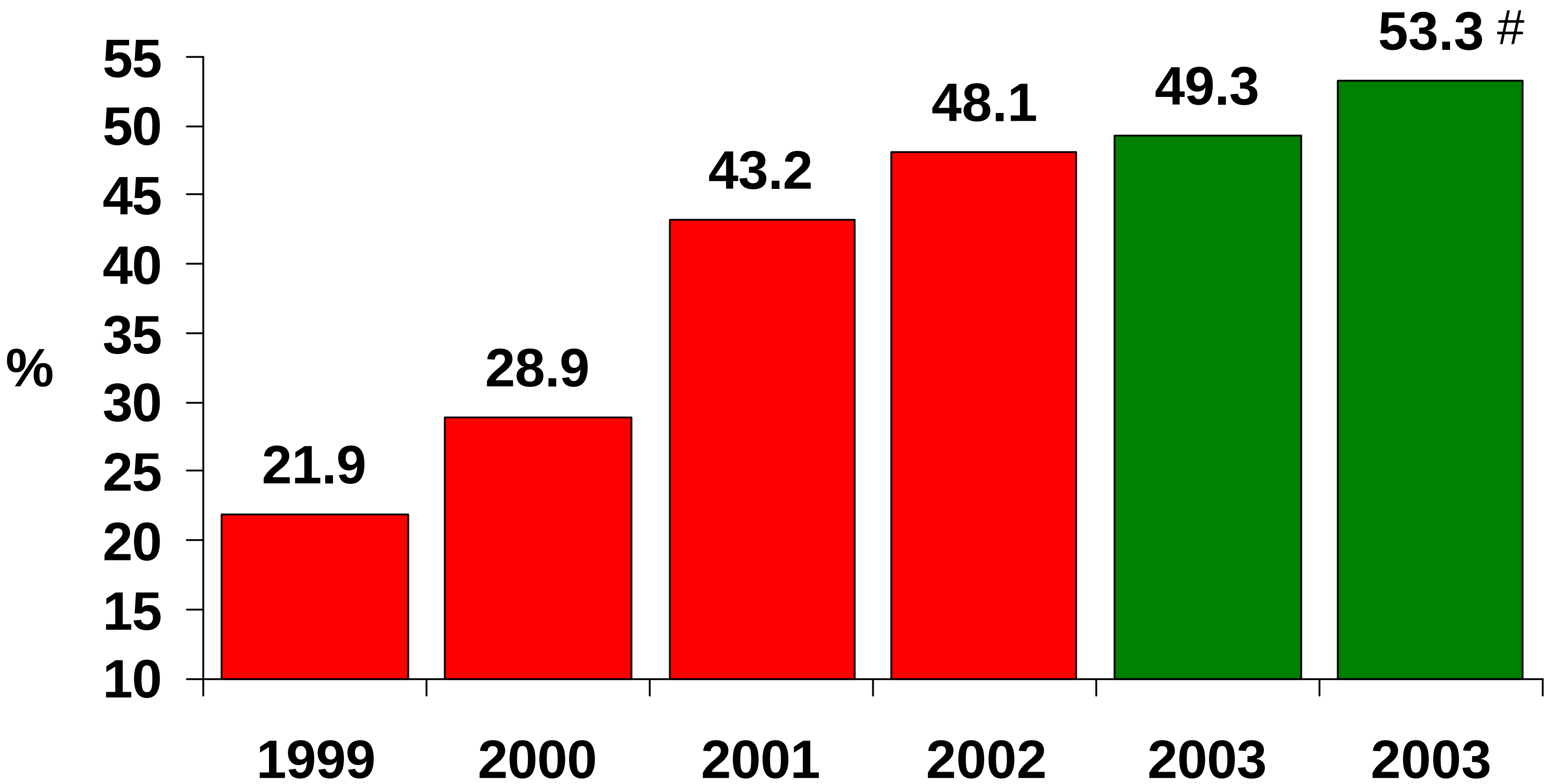
RETURN ON FUNDS EMPLOYED[1]



ROFE INCREASED FROM 38.1% LAST YEAR TO 42.8% DUE TO THE DECLINE IN FUNDS EMPLOYED AND STRONG EBIT GROWTH OF 13.6% ON LAST YEAR (15.6% ON A COMPARABLE 52 WEEK BASIS)

[1] Based on average of opening and closing funds employed

RETURN ON EQUITY [1]



AVERAGE ROE HAS INCREASED ONLY 1.2% TO 49.3% DUE TO THE EFFECT OF CHANGES IN AUSTRALIAN ACCOUNTING STANDARDS [2]

Based on average of opening and closing Shareholders funds
No provision for final dividend being raised partly offset by revision of AASB1028

Average ROE adjusting for the non compara
impact of changes in accounting standards

FOUR YEAR REPORT CARD

In comparison with our regularly expressed goals	FY00	FY01	FY02 (1)	FY02 (2) Normalised	FY03	FY03 (2) Normalised	Achieved
Sales will grow in the upper single digits assisted by bolt on acquisitions	+8.3%	+10.1%	+17.0%	+14.9%	+7.6%	+9.6%	✓
EBIT will outperform sales growth assisted by cost savings	+15.2%	+13.7%	+17.8%	+15.7%	+13.6%	+15.6%	✓
EPS will outperform EBIT growth assisted by capital management	+18.8%	+24.1%	+25.1%	+22.5%	+15.6%	+18.0%	✓

(1) 53 week period assisted by Franklins acquisition

(2) Adjusted to reflect growth on a comparable 52 week basis

FUTURE GROWTH
CONTINUED BALANCED FOCUS

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

GROWTH

Considerable opportunities for ongoing growth in both revenues and earnings

Continuing opportunity to grow market share

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

Defined plans to continue space roll out

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

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

Minimal cannibalisation

Expansion of existing categories

- Targeting to grow liquor sales to over $2.5 billion, including new venture into Queensland. Market share currently only approximately 13%
- Increased targeted no of petrol canopies to 450. Market share currently only approximately 11%
- Increasing deregulation (trading hours eg. in Queensland on Sundays; limits on products sold, eg. newspapers; liqu regulations)
- Under-represented in fresh food including meat, fruit and vegetables
- Further improve in-store execution and customer service
- Woolworths seeks to bring to its customers a diverse, interesting and wide range of goods at fair and consistent prices. This range features the major industry brands and the company’s much respected Fresh Food offer. While retaining a strong commitment to branded merchandise, it must be recognised that Woolworths ‘Homebrand’ continues to be Australia’s largest supermarket grocery brand.

GROWTH

Considerable opportunities for ongoing growth in both revenues and earnings

New range and formats

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

Continued focus on improved in-store execution and service

- Providing more rapid service
- Benefits of AutostockR - improved ranging and centre of store program

Lower prices - a major sales driver

- Better and innovative buying
- Enabled by continued cost reductions

Acquisitions

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

PROJECT REFRESH

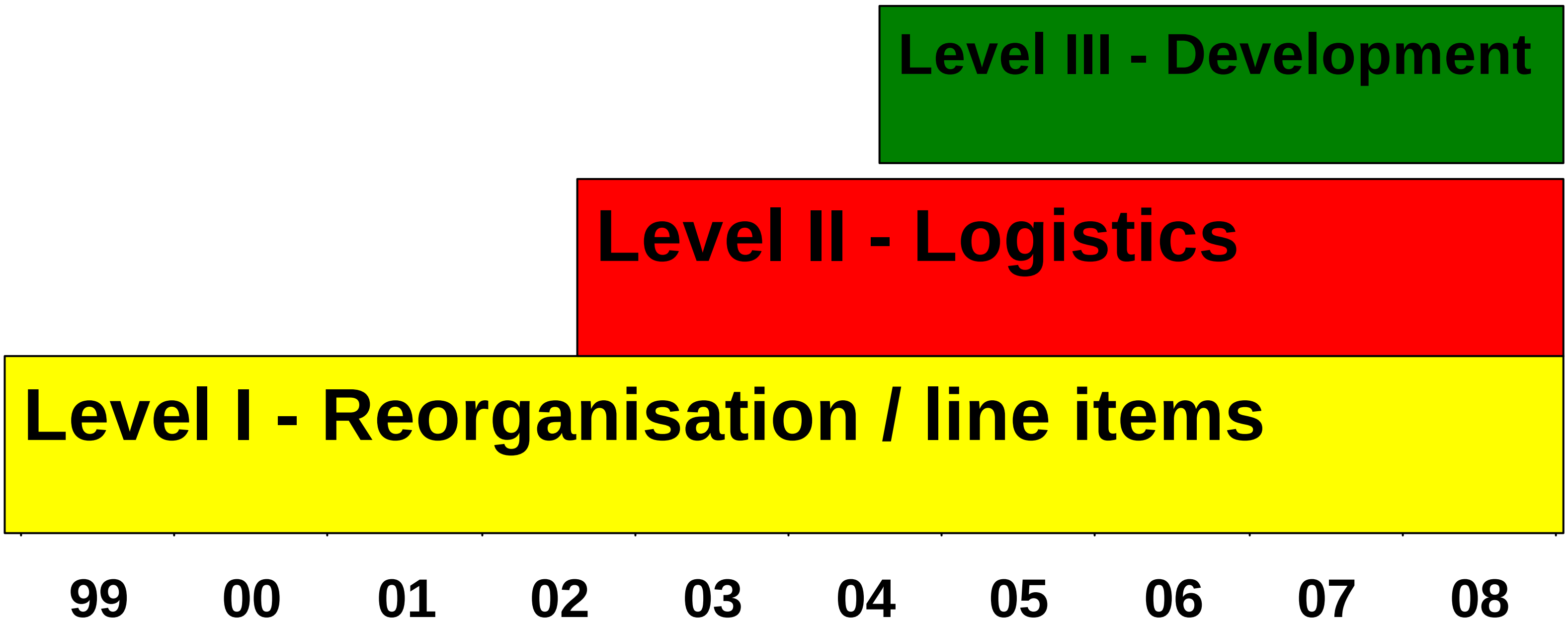
Overview

- “Refresh” level 1* initiatives over the past 4 years underpin a reduction in CODB of 2.40% of sales, giving cumulative savings of $1.67b.
- Additional savings over the next five years will be earned mainly from Refresh level 2 (supply chain improvement program).
- “Refresh” savings over the next five years expected to be no less than 1% of annual sales ie 20+ bp’s per annum.
- Cumulative savings for the 9 years from FY00 to FY08 anticipated to be around $6.9b. Based on the actual reduction to date in CODB as a percent to sales of 2.40% and a further decline in CODB of at least 1% over the next five years.
- Refresh savings will be shared approximately 50/50 between customer and shareholder.

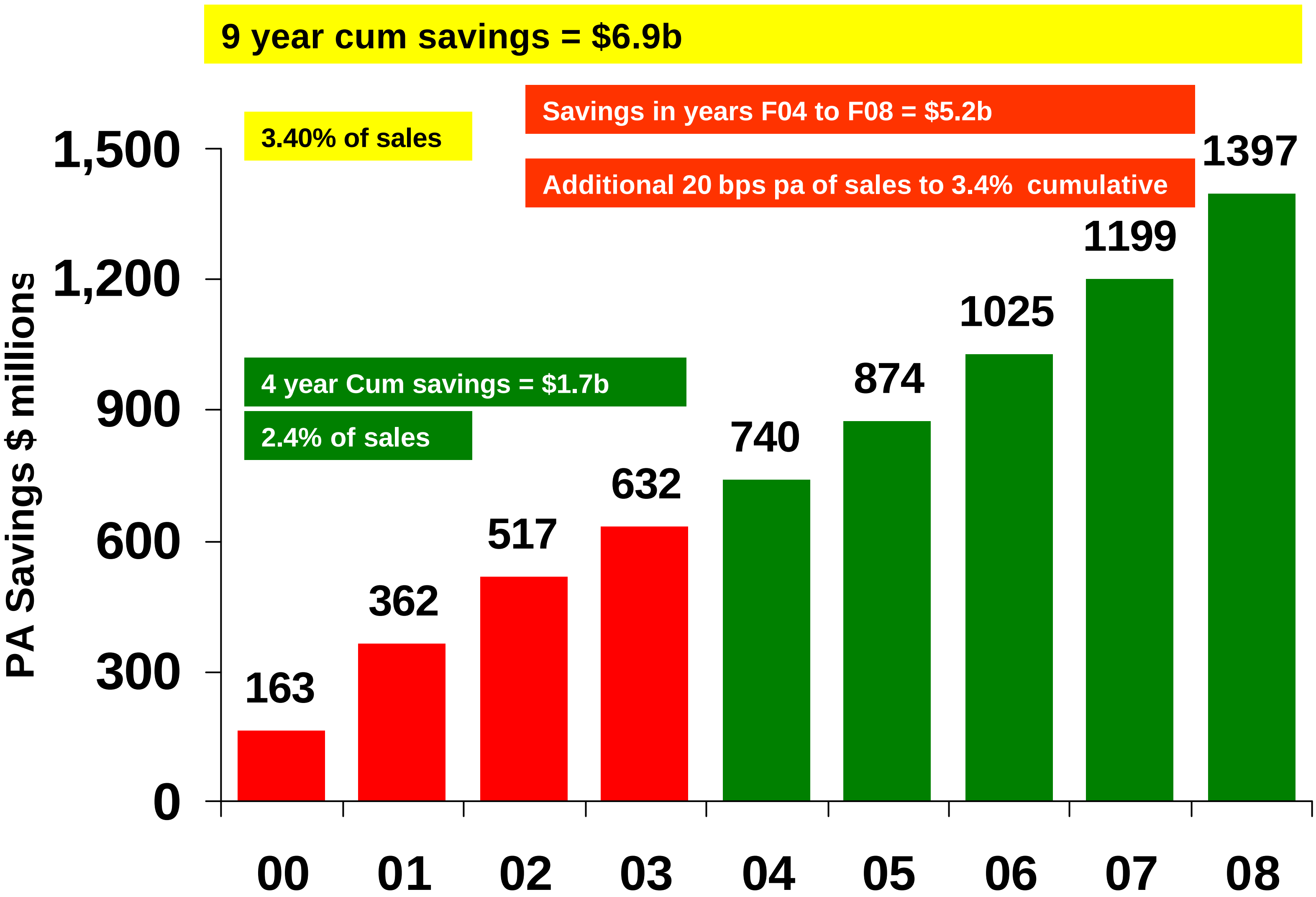
* “Refresh” level 1 incorporates business reorganisation, and line item cost reduction programs

PROJECT REFRESH

Cumulative savings $6.9 billion over 9 years



PROJECT REFRESH



Level I

Increasingly
logistics drive

Level I

Mainly line
items and
reorganisatio

“REFRESH” LEVEL II - BACKGROUND

Supermarket Supply Chain strategy developed by evaluating logistics features of leading global retailers and determining optimum solution for Woolworths

- Leading retailers were studied to identify best practice
- Creation of key design considerations:
  - Store Supply Chain costs
  - Distribution Centre location and numbers
  - Distribution Centre function
  - Composite Supply Chain
  - Transport management
  - Process improvements across the network
  - Common Integrated Systems

KEY INITIATIVES - STATUS
PROGRESS ON TRACK

Replenishment	• Integration of StockSmart and AutoStockR to provide end-to-end replenishment functionality
StockSMART (DC forecast based inventory replenishment)	• System development completed - on time and on budget • Stock levels in DC reduced • Store service levels improved
AutostockR (Store forecast based inventory replenishment)	• Software development completed • AutostockR now live in 39 stores across all regions, continuing rollout, with approximately 90 stores live by Christmas 2003 • Roll-out to stores will be completed 5 months ahead of original schedule • Stock levels reduced in all stores where implemented with accompanying service level improvements
Electronic Direct Store Delivery	• In house design and development complete and rolled-out to all supermarkets • Vendor roll-out complete with over 55,000 orders raised per week
EDLP	• Key icon lines introduced. Strong customer acceptance and recognition. Sales increase across all EDLP lines

KEY INITIATIVES - STATUS

One Touch Roll Cages

- Successfully trialed in 22 stores during FY03
- NSW and WA leading the roll-out from FY04

Distribution Centres

- Plan to consolidate 31 Supermarket DCs to 9 Regional and 2 National DC sites of significantly larger size and scale
- 3 new RDC sites secured – Perth (Canningvale), Wyong (Warnervale), Wodonga (Barnawartha), with construction commencing in the near future
- Recent infrastructure investment in NSW, VIC and SA to be utilised as part of future network
- Flow Through and Cross Dock successfully piloted with future DC design to incorporate these processes
- Warehouse management system (WMS) currently under development, with development progressing well, to be piloted in FY04 and rolled out from FY05
- Secondary transport strategy developed around future DC network.

Primary Transport

- Primary freight strategy complete. Development of Transport Management System well under way. Vendor and transport provider engagement commenced with vendor take-up on target. Significant mutual savings available

CURRENT TRADING

The first six weeks show:

- Overall sales growth in upper single digits - over 9%
- Total food liquor and grocery market slowed slightly since year end, with lower inflation a contributing factor, however;
- Our market share has grown in all categories - Food and Liquor, General Merchandise, Petrol
- BIG W and Consumer Electronics strong

GUIDANCE F04

Sales

- As previously advised the more precise $ sales guidance provided for FY03 was a one off situation given unique circumstance including: FY02 being a 53 week period, impact of Franklins acquisition and exiting AIW business
- For FY04 we revert to our normal policy and limit sales guidance to expectation that sales will continue to grow in the upper single digits

Earnings

- Anticipate earnings per share before goodwill will be in a range between 67 cps and 70 cps, a growth rate between 10% and 15%.
- EPS after goodwill is expected to be in the range of 64 cps to 67 cps, a growth rate between 10% and 15%.

Other

- Trading area expected to grow between 3% and 5% over the foreseeable future.
- Inventory will reduce between 1 and 2 days per annum.
- Funds employed will increase less than sales.

Guidance subject to current trading patterns carrying on, and present business, competitive and economic climate continuing

Appendices

F0UR YEAR REPORT CARD

From 1999	To 2003			Annual change 2000	2001	2002	2003	Average	Future Guidance
$17.5 bil	$26.3 bil	Sales	% Chg	+8.6%	+10.0%	+14.9%	+9.6%	+10.8%	Upper single digit growth
559	694	Supermarket stores	#	+26	+18	+73	+18	+34	15-25 pa to over 800
85	104	BIG W stores	#	+2	+3	+6	+8	+5	6-10 pa to over 150
98	287	Petrol Canopies	#	+39	+29	+90	+31	+47	to around 450
.835m sqm	2.27m sqm	Total Space	% Chg	+2.4%	+4.1%	+10.0%	+6.0%	+5.6%	+3% to 5% pa
27.56%	25.29%	Cum GP % (ex wholesale)	% pts	-57	-140	-176	-227	-57	-50 pts over 5 years (Av -10 pa)
24.38%	21.66%	Cum Cost % (ex wholesale)	% pts	-77	-170	-206	-272	-68	-100 pts over 5 years (Av - 20 pa)
		Cum Cost savings	$ m	141	343	486	707		$5.5 bil over 5 years
		Customer share of savings		74%	82%	85%	83%	81%	50% over 5 years
		Shareholder share of savings		26%	18%	15%	17%	19%	50% over 5 years
3.08%	3.59%	EBIT %	% pts	+19	+11	+2	+19	+13	50 pts over 5 years approx (Av 10 pa)
$539 mil	$946 mil	EBIT $	% Chg	+15%	+14%	+18%	+14%	+15%	Low double digit growth
$313 mil	$609 mil	Net Profit $	% Chg	17%	+18%	+22%	+16%	+18%	Low double digit growth
27.7c	60.7c	EPS (pre Goodwill)	% Chg	+19%	+25%	+28%	+16%	+22%	Low double digit growth
44.7	34.1	Days Inventory	reduction	3.9	0.2	3.3	3.2	2.6	1 to 2 days p.a.
$2.36 bil	$2.16 bil	Funds Employed	% Chg	-19%	+11%	+7%	-4%	-2%	Increase slower than sales
24.4%	42.8%	Return on Funds Employed	% pts	+4.7 pts	+5.9 pts	+3.1 pts	+4.7%	+4.6 pts	Increasing
$(63) mil	$666 mil	Free Cash Flow $		768	243	391	666		
		Free Cash Flow % to Profit		260%	57%	75%	109%	125%	
18c	39c	Dividend	% Chg	+28%	+17%	+22%	+18%	+21%	In line with EPS growth
		Capital return	$m	548	349		534		Under continuing review

HEALTH RATIOS

		FY02	FY03	
Fixed charges cover	X	2.35	2.50	(Covenant more than x 1.75)
Days inventory (to cost of sales)	Days	37.3	34.1	
Days creditors (to sales)	Days	45.3	45.2	
Return on Funds Employed (pre tax) ROFE	%	38.1	42.8	
Return on Total Equity	%	31.3	33.4%	
Return to Noteholders (pre tax)	%	6.7	6.9	
Return on Shareholders Equity (post tax)	%	48.1	49.3	
Net working capital	$M	(655.2)	(878.8)	

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

Rating on US private placement by NAIC improved from 2 to 1

FIXED CHARGES COVER

	1999	2000	2001	2002	2003
EBIT	539.4	621.6	706.6	832.7	945.7
D&A	269.9	288.8	309.8	351.0	398.3
EBITDAR	1,337.0	1,457.1	1,616.4	1,888.7	2,102.7
Interest	53.7	33.6	25.0	57.6	41.2
WINs contingent coupon	-	26.1	47.7	39.8	41.1
Rent - base	455.1	439.4	497.3	569.9	620.2
Rent - turnover contingent	72.6	107.3	76.9	79.4	77.1
Rent - store fitout	-	-	25.8	55.7	61.4
Total Fixed Charges	581.4	606.4	672.7	802.4	841.0
Fixed Charges Cover	**2.30 x**	**2.40 x**	**2.40 x**	**2.35 x***	**2.50 x**
Fixed charges excluding contingent rent and contingent interest	**2.63 x**	**3.08 x**	**2.95 x**	**2.76 x**	**2.91 x**

* Covenant x1.75+ and internal guideline x2.20+

CAPITAL EXPENDITURE

	F03 Actual	F04 Forecast	F05 Forecast	F06 Forecast	F07 Forecast	F08 Forecast
New Stores	131	138	140	135	138	140
Store Refurbs/Extensions	231	236	238	235	240	240
Business acquisitions (1)	39	-	-	-	-	-
Stay in Business	80	67	61	65	68	68
IT - Other	38	77	64	71	75	80
IT - Supply chain Level II	13	39	53	42	8	-
Supply Chain - level II (2)	8	33	101	88	17	32
Supply chain - other	14	18	19	19	21	23
Property Developments	78	172	135	150	145	150
Gross Capex	**632**	**780**	**811**	**805**	**712**	**733**
Property Sales	(114)	(145)	(138)	(162)	(75)	(170)
Net Capex	**518**	**635**	**673**	**643**	**637**	**563**

(1) comprises acquisition of 2 liquor businesses, Super Cellars and Le Grog and other liquor stores

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

SUPPLY CHAIN PROCESSES