

Condensed five year summary*

PROFIT OR LOSS

		2017 ¹ 52 WEEKS	2016 ¹ 52 WEEKS	2015 ¹ 52 WEEKS	2014 52 WEEKS	2013 ¹ 53 WEEKS
Continuing operations before significant items²						
Sales	(\$m)	55,475.0	53,473.9	58,812.0	60,772.8	58,516.4
Cost of goods sold	(\$m)	(39,546.1)	(38,309.3)	(42,596.6)	(44,295.2)	(42,754.9)
Gross profit	(\$m)	15,928.9	15,164.6	16,215.4	16,477.6	15,761.5
Gross profit margin	(%)	28.71	28.36	27.57	27.11	26.94
Cost of doing business (CODB)	(\$m)	(13,602.9)	(12,718.6)	(12,242.3)	(12,702.4)	(12,108.3)
CODB margin	(%)	24.52	23.78	20.82	20.90	20.69
Selling, general and administration expenses (excluding, rent, depreciation and amortisation)	(\$m)	(10,531.0)	(9,769.4)	(9,316.2)	(9,807.4)	(9,378.6)
EBITDAR	(\$m)	5,397.9	5,395.2	6,899.2	6,670.2	6,382.9
EBITDAR margin	(%)	9.73	10.09	11.73	10.98	10.91
Rent (including fitout rent)	(\$m)	(2,034.3)	(1,963.9)	(1,951.3)	(1,898.7)	(1,764.2)
EBITDA	(\$m)	3,363.6	3,431.3	4,947.9	4,771.5	4,618.7
EBITDA margin	(%)	6.06	6.42	8.41	7.85	7.89
Depreciation and amortisation	(\$m)	(1,037.6)	(985.3)	(974.8)	(996.3)	(965.5)
EBIT	(\$m)	2,326.0	2,446.0	3,973.1	3,775.2	3,653.2
EBIT margin	(%)	4.19	4.57	6.76	6.21	6.24
Net financing costs	(\$m)	(179.0)	(207.7)	(212.9)	(218.9)	(251.1)
Woolworths Notes interest	(\$m)	(14.6)	(37.9)	(40.4)	(41.2)	(46.4)
Profit before tax and significant items ²	(\$m)	2,132.4	2,200.4	3,719.8	3,515.1	3,355.7
Taxation	(\$m)	(650.4)	(677.2)	(1,112.8)	(1,056.7)	(996.6)
Profit after tax and before significant items ²	(\$m)	1,482.0	1,523.2	2,607.0	2,458.4	2,359.1
Discontinued operations^{1,2}						
Profit/(Loss) after tax and before significant items ^{1,2}	(\$m)	111.4	(117.4)	(161.5)	-	1.8
Group net profit after tax before significant items²						
	(\$m)	1,593.4	1,405.8	2,445.5	2,458.4	2,360.9
Significant items after tax ²	(\$m)	-	(3,753.7)	(308.1)	-	(96.3)
Group net profit/(loss) after tax						
	(\$m)	1,593.4	(2,347.9)	2,137.4	2,458.4	2,264.6
Non-controlling interests	(\$m)	(59.9)	1,113.1	8.6	(6.7)	(5.2)
Profit/(Loss) attributable to equity holders of the parent entity after tax						
	(\$m)	1,533.5	(1,234.8)	2,146.0	2,451.7	2,259.4

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BALANCE SHEET

		2017 ¹ 52 WEEKS	2016 ¹ 52 WEEKS	2015 ¹ 52 WEEKS	2014 52 WEEKS	2013 ² 53 WEEKS
Inventory	(\$m)	4,080.4	4,558.5	4,872.2	4,693.2	4,205.4
Accounts payable	(\$m)	(5,068.2)	(4,809.1)	(5,040.0)	(4,588.4)	(4,080.0)
Net investment in inventory	(\$m)	(987.8)	(250.6)	(167.8)	104.8	125.4
Receivables	(\$m)	816.8	849.8	1,001.9	965.2	985.2
Other creditors ³	(\$m)	(4,409.9)	(5,029.2)	(3,123.3)	(3,184.9)	(3,086.1)
Fixed assets and investments	(\$m)	8,555.7	8,371.3	10,164.0	9,773.9	9,416.1
Net assets held for sale ¹	(\$m)	1,222.9	897.9	381.6	620.6	148.7
Intangible assets ⁴	(\$m)	6,532.8	6,590.6	6,244.5	6,335.0	5,784.3
Total funds employed⁵	(\$m)	11,730.5	11,429.8	14,500.9	14,614.6	13,373.6
Net tax balances ⁴	(\$m)	291.4	458.2	654.1	522.9	425.2
Net assets employed	(\$m)	12,021.9	11,888.0	15,155.0	15,137.5	13,798.8
Cash and borrowings ⁶	(\$m)	(2,121.1)	(3,413.5)	(3,391.3)	(3,432.9)	(3,602.7)
Other financial assets and liabilities ³	(\$m)	(24.7)	307.4	(631.7)	(1,179.2)	(895.6)
Total net assets	(\$m)	9,876.1	8,781.9	11,132.0	10,525.4	9,300.5
Non-controlling interests	(\$m)	350.1	311.3	297.8	272.9	272.1
Shareholders' equity	(\$m)	9,526.0	8,470.6	10,834.2	10,252.5	9,028.4
Total equity	(\$m)	9,876.1	8,781.9	11,132.0	10,525.4	9,300.5
Group ROFE before significant items ^{2,7}	(%)	25.02	19.12	-	-	-
Return on Equity ⁸	(%)	17.04	14.43	23.27	25.43	27.37

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CASH FLOW

	2017 ¹ 52 WEEKS \$M	2016 ¹ 52 WEEKS \$M	2015 ¹ 52 WEEKS \$M	2014 52 WEEKS \$M	2013 ¹ 53 WEEKS \$M
Continuing and discontinued operations¹					
EBITDA	3,703.8	(592.8)	4,464.9	4,771.5	4,572.5
Movement in net investment in inventory	627.8	32.3	245.8	103.2	(490.6)
Other operating cash flows and other non cash ⁹	(307.5)	4,055.8	0.4	98.7	69.8
Net interest paid	(234.0)	(289.3)	(310.3)	(338.2)	(454.5)
Tax paid	(668.1)	(848.5)	(1,055.7)	(1,162.5)	(977.3)
Operating cash flow	3,122.0	2,357.5	3,345.1	3,472.7	2,719.9
Payments for property, plant, equipment and intangible assets	(1,909.8)	(1,982.9)	(2,172.7)	(1,898.7)	(1,955.3)
Proceeds on disposal of property, plant and equipment, subsidiaries and investments	480.5	737.0	925.4	230.9	1,008.9
Other investing cash flows	(2.1)	(20.8)	(86.6)	(363.6)	(255.3)
Cash flow from operations after investing activities	1,690.6	1,090.8	2,011.2	1,441.3	1,518.2
New shares issued	55.5	-	6.0	35.5	193.7
Issue of subsidiary shares to non-controlling interests	-	120.0	170.0	183.0	230.0
Movement in gross debt	(1,222.4)	(365.6)	(205.9)	(67.3)	(527.3)
Dividends paid	(540.9)	(1,184.8)	(1,538.6)	(1,491.1)	(1,396.7)
Dividends paid to non-controlling interests	(21.5)	(32.4)	(28.8)	(32.0)	(20.1)
Transactions with non-controlling interests	-	(12.1)	(13.5)	-	-
Effects of exchange rate changes on balance of cash held in foreign currencies	(0.6)	6.7	10.4	4.0	6.2
Net cash flow	(39.3)	(377.4)	410.8	73.4	4.0

SHAREHOLDER VALUE AND FINANCIAL STRENGTH

	2017 ¹ 52 WEEKS	2016 ¹ 52 WEEKS	2015 ¹ 52 WEEKS	2014 ¹ 52 WEEKS	2013 ¹ 53 WEEKS
Shareholder Value					
Ordinary share price closing (\$)	25.36	20.56	27.39	35.66	32.81
Market capitalisation (\$m)	32,826.4	26,291.3	34,692.6	44,925.1	41,018.7
Weighted average shares on issue (m)	1,283.9	1,263.5	1,256.6	1,248.0	1,237.4
Basic EPS continuing operations before significant items ^{2,10} (cents per share)	110.8	116.8	203.9	196.5	190.2
Total dividend (cents per share)	84.0	77.0	139.0	137.0	133.0
Payout ratio before significant items ² (%)	70.74	70.44	71.67	70.27	70.42
Financial Strength					
Fixed charges cover ¹¹ (times)	2.48	2.30	2.90	3.00	3.00

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Condensed five year summary*

Notes to five year summary

- 1 Discontinued Operations consist of the following:
 - For statutory reporting, the Petrol business is reported as a discontinued operation from 2017. For comparative purposes, with the exception of the balance sheet, 2016 has been restated to show Petrol as a discontinued operation. In 2015, 2014 and 2013, the Petrol business continues to be shown within continuing operations;
 - The Home Improvement business is reported as a discontinued operation from 2016. For comparative purposes, with the exception of the balance sheet, 2015 has been restated to show Home Improvement as a discontinued operation. In 2014 and 2013, the Home Improvement business continues to be shown within continuing operations; and
 - India Wholesale operations were reported as a discontinued operation from 2013.
- 2 Significant items represent:
 - In 2016, costs of \$951.1 million before tax from continuing operations (\$760.3 million after tax, \$749.5 million attributable to equity holders of the parent entity and \$10.8 million attributable to non-controlling interests) relating to the Operating model and strategic changes, Store network optimisation and property rationalisation, and General Merchandise impairment;
 - In 2016, the \$3,062.6 million before tax from discontinued operations (\$2,993.4 million after tax, \$1,878.3 million attributable to equity holders of the parent entity and \$1,115.1 million attributable to non-controlling interests) impairment of Home Improvement assets and related store exit costs relating to Woolworths intention to sell or wind-up the Home Improvement business;
 - In 2015, costs of \$425.9 million before tax (\$308.1 million after tax, \$307.3 million attributable to equity holders of the parent entity and \$0.8 million attributable to non-controlling interests) relating to the General Merchandise transformation, Business transformation, Redundancy, and Property portfolio review. Note \$2.7 million of this significant item related to discontinued operations;
 - In 2013, profit of \$9.9 million before tax (\$7.9 million after tax) on sale of the Consumer Electronics businesses;
 - In 2013, the one-off loss of \$32.8 million before tax (\$28.5 million after tax) on the Shopping Centres Australasia Property Group transaction;
 - In 2013, the one-off costs of \$25.8 million before tax (\$18.1 million after tax) for Victorian transport fleet redundancies; and
 - In 2013, the one-off costs of \$82.3 million before tax (\$57.6 million after tax) relating to the US144A bond redemption.

Where noted, profit and loss items have been adjusted to reflect these significant items.
- 3 Other financial assets and liabilities primarily represent put options held by non-controlling interests, Hotels gaming entitlement liability, Hills License and assets and liabilities as a result of hedging per AASB 9 *Financial Instruments*. In calculating funds employed, the contingent consideration (2016: \$21.8 million, 2015: \$20.4 million) has been reclassified to other creditors to better reflect the economic nature of this liability to the Group. 2016 and 2015 have also been restated.
- 4 Due to a change in the Group's income tax accounting policy disclosed in Note 3.6 of the 2017 Financial Report, the Group is required to 'gross up' the balance sheet for goodwill and deferred tax liabilities in relation to historic purchases of indefinite life intangibles (2017: \$612.3 million, 2016: \$612.3 million). This change does not impact the profit or loss.
- 5 Total funds employed is net assets excluding net tax balances, cash and borrowings debt, other financial liabilities, and assets and liabilities as a result of hedging per AASB 9 *Financial Instruments*.
- 6 Cash and borrowings is gross debt less cash on hand, cash at bank and cash on short term deposit.
- 7 Return on funds employed (ROFE) is calculated as EBIT for the previous 12 months as a percentage of average (opening, mid and closing) funds employed. ROFE before significant items is calculated as EBIT for the previous 12 months before significant items as a percentage of average (opening, mid and closing) funds employed. This methodology has been adopted for 2017 and 2016. In previous reporting periods, ROFE was calculated as EBIT for the reporting period as a percentage of average (opening and closing) funds employed. As a result of the change in methodology, ROFE for 2015, 2014 and 2013 has not been presented. Due to a change in the Group's income tax accounting policy disclosed in Note 3.6 of the 2017 Financial Report, the Group is required to 'gross up' the balance sheet for goodwill and deferred tax liabilities in relation to historic purchases of indefinite useful life intangibles (2017: \$612.3 million, 2016: \$612.3m). This change does not impact the profit or loss and has been excluded from the ROFE calculation.
- 8 Return on equity is profit after income tax (before significant items) attributable to shareholders, divided by average (of opening and closing) shareholders' equity for the year.
- 9 'Other operating cash flows and other non cash' in 2016 includes \$3,789.8 million of significant items recognised in relation to the impairment of non-financial assets, and recognition of onerous lease and other store exit cost provisions. Significant items recognised in relation to the write-down of inventory have been included within the line 'Movement in net investment in inventory'.
- 10 Basic earnings per share (EPS) is profit after tax and servicing Hybrid Notes attributable to shareholders divided by the weighted average number of ordinary shares on issue during the year. The weighted average number of shares on issue has been calculated in accordance with AASB 133 *Earnings per Share*.
- 11 Fixed charges cover is EBITDAR (before significant items) divided by rent and interest costs. Rent and interest costs include capitalised interest but exclude foreign exchange gains/losses and dividend income.

Certain comparative amounts have been reclassified to conform with the current period's presentation to better reflect the economic nature of the assets and liabilities of the Group.

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Shareholder information: (as at 1 August 2017)

The shareholder information set out below was applicable as at 1 August 2017.

DISTRIBUTION OF SHARES

(a) Analysis of numbers of shareholders by size of holding:

RANGE OF SHARES	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES
1 - 1,000	287,096	102,706,811
1,001 - 5,000	125,045	264,842,515
5,001 - 10,000	11,903	83,926,440
10,001 - 100,000	5,509	105,911,263
100,001 and over	125	737,029,451
Total	429,678	1,294,416,480

All shares above are fully paid ordinary shares.

(b) There were 8,959 holders of less than a marketable parcel of shares.

TOP 20 LARGEST SHAREHOLDERS

	NAME	NUMBER OF SHARES	PERCENTAGE OF TOTAL SHARES ISSUED (%)
1	HSBC Custody Nominees (Australia) Limited	287,648,585	22.22
2	JP Morgan Nominees Australia Limited	154,160,824	11.91
3	Citicorp Nominees Pty Limited	88,339,612	6.82
4	BNP Paribas Nominees Pty Ltd	81,287,758	6.28
5	National Nominees Limited	51,205,005	3.96
6	UBS Nominees Pty Ltd	9,498,239	0.73
7	Australian Foundation Investment Company Limited	5,065,000	0.39
8	Woolworths Custodian Pty Ltd	4,845,845	0.37
9	AMP Life Limited	4,578,071	0.35
10	Argo Investments Limited	4,133,026	0.32
11	IOOF Investment Management Limited <IPS Super A/C>	3,020,269	0.23
12	Milton Corporation Limited	2,903,973	0.22
13	Netwealth Investments Limited <Wrap Services A/C>	2,388,818	0.18
14	Navigator Australia Ltd <MLC Investment Sett A/C>	2,227,391	0.17
15	Nulis Nominees (Australia) Limited <Navigator Mast Plan Sett A/C>	1,860,431	0.14
16	Pacific Custodian Pty Limited <WOW Plans Ctrl A/C>	1,572,511	0.12
17	RBC Investor Services Australia Nominees Ptd Ltd <VFA A/C>	1,397,787	0.11
18	Australian United Investment Company Limited	1,200,000	0.09
19	BNP Paribas Noms (NZ) Ltd <DRP>	1,060,330	0.08
20	BKI Investment Company Limited	1,050,244	0.08

SUBSTANTIAL SHAREHOLDERS

Woolworths Limited had received the following substantial shareholder notification. As at 1 August 2017, no other substantial notices have been received.

HOLDER	SHARES HELD AT DATE OF NOTICE	PERCENTAGE OF SHARES HELD AT DATE OF NOTICE (%)	DATE OF NOTICE
BlackRock Group	64,766,473	5.00	19/06/2017
Perpetual Limited and subsidiaries	64,217,336	5.05	03/03/2016

Shareholder information: (as at 1 August 2017)

UNQUOTED EQUITY SECURITIES

As at 1 August 2017, there were 6,535,529 performance rights over unissued ordinary shares.

DIVIDEND

The final dividend of 50 cents per share is expected to be paid on 6 October 2017 to eligible shareholders. A 1.5% discount will apply to the dividend reinvestment plan for the 2017 final dividend. There is currently no limit on the number of shares that can participate in the DRP.

STOCK EXCHANGE LISTINGS

Woolworths Limited ordinary shares are listed on the Australian Securities Exchange (ASX) under code: WOW.

AMERICAN DEPOSITORY RECEIPTS

Woolworths Limited shares may be traded in sponsored American Depository Receipts form in the United States.

CORPORATE GOVERNANCE STATEMENT

A copy of the Corporate Governance Statement can be found on our website.

Visit www.woolworthsgroup.com.au

SHAREHOLDER CALENDAR¹

2017

September

- 7 Ex date for Final Dividend
- 8 Record date for Final Dividend

October

- 6 Payment date for Final Dividend
- 31 Announcement of First quarter sales results

November

- 23 Annual General Meeting - Melbourne Convention and Exhibition Centre

2018

February

- 23 Announcement of half year results

March

- 1 Ex date for Interim Dividend
- 2 Record date for Interim Dividend

April

- 6 Payment date for Interim Dividend

May

- 2 Announcement of third quarter sales results

¹ Dates are subject to change

Company directory

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SHAREHOLDER ENQUIRIES

Enquiries and correspondence should be directed to Woolworths Limited's Share and Share Plans Registrar, Link Market Services at the following contact details:

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