

Woolworths Limited WOW

Mkt Cap \$Mil \$30,562
Style Box™

Close Price \$ 23.9 (23-Aug-2016)

Shares Issued Mil 1278.76

Morningstar Sector Consumer Defensive

Morningstar Industry Grocery Stores

GICS Industry Group Food & Staples Retailing

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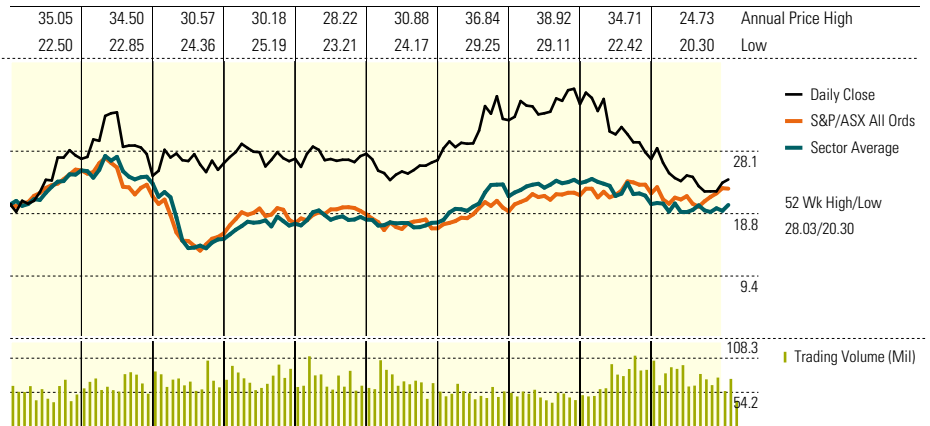
Business Summary as at 19 Oct 2015

Woolworths (WOW) is a retailer with primary activities in Supermarkets. WOW's other operations include: BIGW discount department stores; Home Improvement; Petrol through the Woolworths/Caltex alliance; and Hotels.

Supermarkets: WOW operates 1,138 supermarkets in Australia and New Zealand. Supermarkets in Australia include Woolworths and Thomas Dux. Supermarkets in New Zealand include Countdown, Foodtown, Woolworths, FreshChoice, and SuperValue.

Liquor: WOW operates 1,445 liquor outlets including BWS, Dan Murphy's, Langtons and Cellarmasters brands. WOW also operates the business through online channels.

Other categories: WOW operates a range of categories including Petrol - procurement of petroleum products for resale through 613 canopies across Australia (131 are co-branded Woolworths/Caltex); BIG W - procurement of discount general merchandise products for resale through 184 stores in Australia; Hotels - provision of leisure and hospitality services including food and alcohol, accommodation, entertainment and gaming through 330 premium hotels; and Home Improvement - procurement of home improvement products for resale through 44 hardware stores and 58 Masters stores in Australia.



	06-07	06-08	06-09	06-10	06-11	06-12	06-13	06-14	06-15	08-16*	Performance
	37.80	-6.87	11.81	6.46	7.11	1.36	27.56	11.48	-20.07	-4.99	Total Return %
	7.50	5.25	33.95	-7.31	-5.05	8.38	6.89	-6.16	-25.74	—	+/- Market
	06-07	06-08	06-09	06-10	06-11	06-12	06-13	06-14	06-15	Current	Valuation
	25.03	18.31	17.61	16.56	15.61	12.00	17.38	18.01	13.84	19.22	Price/Earnings
	18.98	12.28	12.23	14.27	13.83	13.19	15.30	16.12	15.53	18.40	Market P/E
	0.76	0.63	0.65	0.64	0.62	0.59	0.69	0.72	0.56	0.49	Price/Sales
	5.91	4.75	4.57	4.26	4.30	3.91	4.41	4.22	3.07	2.79	Price/Book
	15.74	12.16	11.84	11.21	10.59	9.10	11.46	12.17	9.07	8.00	Price/Cash Flow
	32597	29597	32255	33265	33758	33016	41019	44370	34148	30562	Market Cap \$Mil
	2.74	3.76	3.95	4.26	4.40	4.70	4.05	3.89	5.16	4.64	Dividend Yield%
	06-07	06-08	06-09	06-10	06-11	06-12	06-13	06-14	06-15		Financials
	42587	47251	49698	51919	54280	55441	58674	60952	60868	—	Operating Revenue \$Mil
	6.35	6.77	7.20	7.50	7.72	8.66	8.01	7.84	8.04	—	EBITDA Margin %
	2116	2547	2849	3098	3330	3920	3734	3783	3748	—	EBIT \$Mil
	4.97	5.39	5.73	5.97	6.13	7.07	6.36	6.21	6.16	—	EBIT Margin %
	1294	1627	1836	2021	2162	2743	2346	2452	2454	—	NPAT Before Abs \$Mil
	1294	1627	1836	2021	2124	1817	2259	2452	2146	—	Reported Net Profit \$Mil
	107.85	133.55	149.69	163.17	177.77	223.32	188.77	195.60	194.75	—	Earnings Per Share ¢
	1200	1206	1218	1232	1216	1222	1237	1248	1257	—	Shares Mil
	4.37	4.95	5.57	6.15	6.24	6.65	7.22	8.14	8.55	—	Book Value Per Share \$
	2294	2654	2604	2760	2991	2874	2720	3473	3345	—	Oper Cash Flow \$Mil
	—	—	—	—	—	—	—	—	—	—	Cap Spending \$Mil
	1918	1051	1048	853	1070	1568	1158	2000	1464	—	Free Cash Flow \$Mil
	06-07	06-08	06-09	06-10	06-11	06-12	06-13	06-14	06-15		Profitability
	10.42	11.59	11.88	11.99	11.38	13.91	11.98	11.06	10.51	—	Return on Assets %
	24.53	27.15	26.95	26.69	28.47	33.49	25.98	23.91	22.65	—	Return on Equity %
	3.04	3.44	3.69	3.89	3.98	4.95	4.00	4.02	4.03	—	Net Margin %
	295.41	301.49	290.89	280.83	257.32	256.90	263.70	251.81	240.24	—	Asset Turnover %
	261.41	251.35	242.09	236.48	268.86	255.51	239.24	229.97	227.60	—	Financial Leverage %
	06-07	06-08	06-09	06-10	06-11	06-12	06-13	06-14	06-15		Financial Health
	—	—	—	—	—	—	—	—	—	—	Working Capital \$Mil
	2691	2224	2986	2670	3374	4695	4283	4136	3079	—	Long-Term Debt \$Mil
	5515	6235	7057	7818	7846	8446	9301	10525	11132	—	Total Equity \$Mil
	41.20	32.39	34.18	36.18	42.38	46.37	38.74	32.62	30.46	—	Net Debt/Equity %

Key Dates

Fiscal Year End 28 Jun 2016 Listing Date 23 Jul 1993
 AGM 26 Nov 2015 DRIP Active

Major Shareholders No. of shares [Mil]

Perpetual Limited and subsidiaries (64)

Dividend History

Dividend Ex Date 02 Mar 2016 Interim 09 Sep 2015 Final
 Dividend Pay Date 08 Apr 2016 09 Oct 2015
 DPS ¢ 44.00 72.00
 Franking % 100 100

Consensus out of 2 analysts

Price/Earnings 12.27 2016E 17.3
 Dividend Yield % 5.82 3.47 4.1
 EPS(\$)

*Represents financial year to date - the day after last financial year to a day before publication date.

Investment Detail Disclosure

Research Methodology

Currency

All figures for stocks listed on Australian Stock Exchange are in Australian dollars and all figures for stocks listed on New Zealand Stock Exchange are in New Zealand dollars.

Business Description

A brief description of the company's operations and activities. This information is updated every six months or on the release of important information about the company.

Market Capitalisation \$ mil

The market value of the company's equity capital. This is calculated by multiplying the number of common shares by the current price. Other classes of equity such as preference shares are normally not included, except in certain cases where the shares are "quasi-ordinary". The most prominent example of this is News Corporation (NWS), where we do include their preferred limited voting ordinary shares in our calculation of market value.

Style

The Morningstar Style consists of nine categories that provide an overview of the investment strategy. The style is comprised of a combination of market capitalization of the security and the investment style (value, blend, or growth).

Last Price

Stock price shown represents the market price of the stock as of the most recent close of trading as at the release date noted at the top of the investment detail page.

Shares Issued

Current number of ordinary shares listed on the Australian/New Zealand Stock Exchange.

Sector

Morningstar Sector : based on Morningstar global equity classification, each equity is mapped into one of 148 industries. This mapping is based on publicly available information about each company and Morningstar Equity Analyst input. Industries are grouped into 69 industry groups and subsequently mapped into one of the 11 sectors. Industry and sector information are available for companies on all major global exchanges.

GI/CS Sector : Based on Standard & Poor's Global Industry Classification. All companies listed on the Australian/New Zealand Stock Exchange are grouped into one of 24 industry sectors. This classification is used to compute sector averages and industry peers.

Performance

Total Return represents shareholders' gains from a stock over a given period of time (YTD, one month, three month, one-, three-, and five year). Total return includes both capital gains and losses and dividend payments. It is calculated by taking the change in the stock's price as of the close of trading of the respective period, assuming the reinvestment of all dividends, then dividing by the initial stock price, and expressing the result as a percentage. Returns for periods longer than one year are annualized. Returns do not include brokerage commission or the effects of taxation.

Financials

Revenue and Margin line items will depend on the type of company selected – i.e. Industrial, Bank, Insurance, Property or Listed Investment Company. Net Profit \$Mil

represents net operating profit after tax, minorities, preference dividends, significant, and non-recurring items (NPAT). Earnings Per Share \$ is NPAT divided by the weighted average number of ordinary shares on issue during the year. Book Value Per Share \$ is a company's common stock equity as it appears on a balance sheet divided by the number of shares outstanding. Oper Cash Flow \$Mil is net cash flow after paying suppliers, employees, interest expense and tax paid from receipts from customers, dividends and interest received. Cap Spending \$ Mil is money spent to acquire or upgrade physical assets such as buildings and machinery. Free Cash Flow \$Mil is the amount of cash that a company has left over after it has paid all of its expenses, including investments (Oper Cash Flow minus Cap Spending and dividends).

Avg no. of Shares

The weighted average number of ordinary shares during the financial year. This figure is used to calculate basic earnings per shares (EPS).

Profitability

Return on Assets % (ROA) is the percentage a company earns on its assets in a given year. It is measured by dividing NPAT before abnormals by total assets. Return on Equity % (ROE) is the percentage a company earns on its total equity in a given year. The calculation is NPAT before abnormals divided by shareholder equity. Net Margin % is A measure of profitability and is equal to NPAT divided by revenues from the same period. Asset Turnover represents how many dollars in revenue a company has generated per each dollar of assets. It is calculated by dividing total revenues for the period by total assets for the same period. Financial leverage is calculated by dividing total assets by total shareholders' equity.

Financial Health

Working Capital \$Mil is current assets minus current liabilities. Working capital measures how much in liquid assets a company has available to build its business. Long-Term Debt \$Mil includes loans and obligations with a maturity of longer than one year, usually accompanied by interest payments. Total Equity \$Mil is ownership interest in a corporation in the form of common stock or preferred stock. It also refers to total assets minus total liabilities, in which case it is also referred to as shareholder's equity or net worth or book value. Debt/equity ratio is equal to short-term and long-term debt minus cash divided by common shareholders' equity.

Valuation

Price/Earnings (PE) is the current price divided by the company's trailing 12-month earnings per share. Price/Book (PB) is the most recent stock price divided by the most recent book value per share. Price/Sales (PS) is the current price divided by the company's sales per share over the trailing 12 months. Price/Cash Flow (PC) is the most recent price divided by the cash flow per share of the latest fiscal year.

Key Dates

Fiscal Year End is the date in which the company closes its books for the previous 12-month period over which a company budgets its spending. AGM is the annual company gathering, usually held at the end of each fiscal year, at which the previous year and the outlook for the future are discussed and directors are elected by common shareholders. Listing Date defines the date the companies share price was first quoted on the stock exchange. DRP is

the dividend reinvestment plan offered by some corporations enabling shareholders to automatically reinvest cash dividends and capital gains distributions, thereby accumulating more stock without paying brokerage commissions.

Consensus

Current(latest actual) Price/Earnings, Dividend Yield, EPS and DPS are provided for reference. Forecasts are indicated by 'E' and are available for forward years only. Both actual and forecast EPS are presented on a pre-goodwill amortization basis.

Dividend History

Dividend Ex-Date is the first day of the ex-dividend period. If an investor does not own the stock before the ex-date, he or she will be ineligible for the dividend payout. Dividend Pay Date is the date on which the dividend will actually be paid to shareholders. DPS ¢ is Total dividend for the year, divided by the number of shares ranked for dividend. Franking % shows the percentage of the dividend which contains a dividend imputation credit.

Major Shareholders

The 3 largest shareholders (individuals or companies) and the number of voting shares they are entitled to.