



Wesfarmers Limited

ABN 28 008 984 049

Dear Shareholder

22 October 2001

AUSTRALIAN TAXATION OFFICE VIEW

MARKET VALUE OF WESFARMERS SHARES RECEIVED IN EXCHANGE FOR HOWARD SMITH SHARES

The Bidder's Statement sent to you on 28/29 June 2001 included a summary of the taxation implications to you of accepting the offer made by Wesfarmers to acquire your Howard Smith shares. The explanation of the tax consequences of the offer refers to the **market value** of the Wesfarmers shares received in exchange for your Howard Smith shares. That is, it is necessary to establish the market value of the Wesfarmers shares at the time of the exchange in order to determine:

- any tax liability on the disposal of your Howard Smith shares; and
- the capital gains tax cost base of the Wesfarmers shares received as consideration for your Howard Smith shares.

The market value is particularly relevant to the two formulas contained in the summary of taxation implications at page 77 of the Bidder's Statement.

We have approached the Australian Taxation Office ("ATO") to obtain certainty regarding the market value of the Wesfarmers shares for taxation purposes. As a result, the ATO have issued a Class Ruling (CR 2001/51) applicable to the offer. The ATO's view is that:

- the relevant date to determine the market value of the Wesfarmers shares received as consideration for your Howard Smith shares is the **date that you accepted the offer**, and
- the **closing value** of Wesfarmers shares on that day appropriately reflects the market value of the Wesfarmers shares received.

A list of the closing sale price for Wesfarmers shares on each day from the date of dispatch of the Bidder's Statement until the close of the offer to assist you to ascertain the market value relevant to your particular circumstances, is on the back of this letter.

Retain this letter

This information has been prepared by Wesfarmers to assist shareholders. If you are uncertain about how to calculate and declare your capital gain/loss in your income tax return, you should contact your accountant or tax adviser for assistance.

If you have any questions concerning your shareholding, please direct them to our share registry, Computershare Investor Services Pty Limited on (08) 9323 2000.

Yours faithfully

JOHN GILLAM
COMPANY SECRETARY

PTO

WESFARMERS LIMITED
Closing Sale Prices of Shares on the Australian Stock Exchange

Financial Year ended 30 June 2001

28 June 2001	\$26.850
29 June 2001	\$27.110

Financial Year ending 30 June 2002

2 July 2001	\$27.040
3 July 2001	\$28.040
4 July 2001	\$27.600
5 July 2001	\$27.376
6 July 2001	\$27.000

9 July 2001	\$26.700
10 July 2001	\$26.360
11 July 2001	\$26.850
12 July 2001	\$27.390
13 July 2001	\$27.100

16 July 2001	\$27.016
17 July 2001	\$27.450
18 July 2001	\$27.575
19 July 2001	\$29.500
20 July 2001	\$30.154

23 July 2001	\$29.200
24 July 2001	\$29.156
25 July 2001	\$29.000
26 July 2001	\$28.250
27 July 2001	\$27.587

30 July 2001	\$28.120
31 July 2001	\$28.350
1 August 2001	\$28.778
2 August 2001	\$29.580
3 August 2001	\$29.226

6 August 2001	\$29.245
7 August 2001	\$29.450
8 August 2001	\$30.150
9 August 2001	\$30.118
10 August 2001	\$29.409

13 August 2001	\$29.800
14 August 2001	\$29.850
15 August 2001	\$30.094
16 August 2001	\$29.750
17 August 2001	\$29.860

20 August 2001	\$29.539
21 August 2001	\$29.800
22 August 2001	\$29.710

Source: Australian Stock Exchange Limited