

24 August 2016

Officeworks delivers strong full year result

Officeworks, Australia's leading supplier of office products and solutions for home, small-to-medium businesses and education, today reported another strong performance for the 12 months to 30 June 2016.

Operating revenue was \$1.85 billion, up 8 per cent on the prior year, with sales growing strongly across the 159 store network and online. Earnings before interest and tax (EBIT) increased 13.6 per cent to \$134 million. A strong commitment to reducing cost and complexity combined with disciplined capital and inventory management helped deliver a significant lift on return on capital to 13.5 per cent.

Officeworks 'every channel' strategy continues to deliver growth and provide a clear strategic focus for the business. This year marked Officeworks' largest capital deployment since 2009, with key investments in both the physical network through six new store openings and upgrades to store layout and design, as well as the digital offer through improvements to the website and mobile offer. The business has also continued to invest in the integration of "clicks" and "bricks".

Sales and earnings growth was achieved through a relentless focus on the customer and delivering a compelling and competitive offer. Central to this is Officeworks' ongoing commitment to lowest prices every day, delivering more and more value to customers, while at the same time continuing to inspire customers with innovative products through new and expanded merchandise categories and the introduction of 25 new international brands.

Officeworks Managing Director Mark Ward said:

"These strong results are a testament to the team's commitment to ensuring customers have a great and seamless experience with us in-store, over the phone or via our business specialists on the road and online. Whilst the market continues to be competitive, we have maintained a really clear focus on who our customers are and making sure our offer is fresh to keep customers coming back. This means giving customers real choices in terms of how they shop with us and being the 'one stop shop' for those looking to start, run or grow a business and for students and households.

"Pleasingly, we continue to make great progress in enabling our teams to clearly focus on engaging with customers and providing great service to help them achieve their big ideas. We've also seen positive results in the B2B market following further investment in our business-to-business team.

"Looking ahead, we remain focused on driving our every channel strategy and continuing to deliver the lowest prices, widest range and great service for customers. While we expect competitive intensity to remain high, we remain 100 per cent focused on executing our strategic agenda and living up to our commitment of helping our customers achieve their big ideas."

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About Officeworks:

Established in Richmond in 1994, Officeworks is Australia's leading retailer and supplier of office products and solutions for home, business and education needs. With three easy ways to shop - in store, online or by phone, you'll be sure to find exactly what you need with our widest range, when you need, and all at the lowest prices. Plus, you'll enjoy friendly expert advice and helpful services. Named Power Retail's Top Online Retailer of 2015, Officeworks offers customers more than 20,000 products on its new and improved website, which is its largest trading store, and operates a national call-centre and a team of expert business specialists to cater for micro, small and medium business customers. As part of the Wesfarmers' group, Officeworks has an extensive national footprint operating 159 retail stores and employing more than 7000 team members. Join Officeworks' online communities on Facebook, Twitter, Instagram and YouTube as well as at its blogs, [Work Wise](#) and [Work Style](#).