

WOOLWORTHS LIMITED

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PRESS RELEASE

Woolworths announces 75.09% acceptance of takeover offer for Danks

Woolworths Limited (Woolworths) announces that shareholders holding 75.09% of the issued ordinary shares in Danks Holdings Limited (Danks) have now accepted Carboxy Pty Ltd's recommended takeover offer for Danks. Carboxy Pty Ltd is a joint venture entity owned two-thirds by Woolworths Limited and one-third by leading US home improvement retailer Lowe's Companies, Inc.

The acceptances include acceptances from Investments Pty Limited, the Danks family investment company, representing 48.89% of the issued capital of Danks and Perpetual Limited representing 13.46%.

The offer price of \$13.50 per Danks share represents a 64.6% premium to Danks closing share price of \$8.20 on 24 August 2009, being the last trading day prior to the announcement of the offer and an 85.6% premium to the volume weighted average price of Danks shares for the 3 months to close of trade on 24 August 2009.

Woolworths Chief Executive Michael Luscombe said: "I am delighted to see the level of support Danks shareholders have shown for the recommended offer, especially the Danks family. Danks is a profitable, well run business which is why we are able to offer a significant premium to Danks shareholders compared to the historical trading price of Danks. We look forward to working with the team at Danks to support independent retailers and improve the competitiveness of the local hardware stores."

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Danks Managing Director Graeme Danks said: “The offer enables shareholders to realise their investment for cash at a significant premium to the historical market price. The Board of Danks unanimously recommends that Danks shareholders accept the offer in the absence of a superior proposal. As of the date of this announcement no superior proposal has emerged and I note that today the Danks family investment company accepted the offer for its 48.89% holding. I encourage all remaining shareholders to accept the offer without delay.”

The offer is scheduled to close at 7.00pm (Sydney time) 20 October 2009, unless extended. The Bidder's Statement was despatched to Danks shareholders on 7 September 2009.

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Woolworths Press Office - 02 8885 1033