

WOOLWORTHS LIMITED

A.B.N 88 000 014 675

18 April 2006

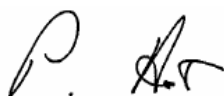
The Manager Companies
Australian Stock Exchange
Company Announcements Office
Level 4
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

RE: WOOLWORTHS LIMITED - Listing Rule 3.1

Please find following the Third Quarter Sales Results for the 13 week period ending 2 April, 2006.

For and on behalf of
WOOLWORTHS LIMITED

A handwritten signature in black ink, appearing to read 'P. Horton', is positioned above the printed name of the signatory.

PETER J. HORTON
COMPANY SECRETARY

WOOLWORTHS LIMITED

A.C.N. 000 014 675

..... NEWS RELEASE NEWS RELEASE

18 April 2006

THIRD QUARTER SALES RESULTS 13 WEEKS TO 2nd APRIL 2006

“This is a strong sales result reflecting our acquisition of Foodland, BMG and Taverner in addition to solid sales growth across all of our business divisions” ...

Roger Corbett, Group Managing Director/CEO

THIRD QUARTER SALES UP 22.7% ⁽¹⁾ FROM CONTINUING OPERATIONS

	2005 Statutory (13 weeks)	2005 Proforma (13 weeks)	2006 Statutory (13 weeks)	Proforma Increase ⁽¹⁾ (13 weeks)	Statutory Increase (13 weeks)
Third Quarter by Division (\$millions)					
Food and Liquor	6,061 ⁽²⁾	6,023 ⁽²⁾	7,436 ⁽³⁾	23.5%	22.7%
Petrol	831	837	1,076	28.5%	29.5%
Supermarket Division	6,892	6,860	8,512	24.1%	23.5%
BIG W	643	620	660	6.5%	2.6%
Consumer Electronics	236	239	276	15.5%	17.0%
General Merchandise Division	879	859	936	9.0%	6.5%
Hotels	160 ⁽⁴⁾	160 ⁽⁴⁾	221 ⁽⁵⁾	38.1%	38.1%
Continuing Operations	7,931	7,879	9,669	22.7%	21.9%
Wholesale Division	37	37	38	2.7%	2.7%
Total Third Quarter Sales	7,968	7,916	9,707	22.6%	21.8%

Woolworths Chief Executive Officer, Roger Corbett, today announced third quarter sales growth of 22.7% from continuing operations. “This is a strong sales result reflecting our acquisition of Foodland, BMG and Taverner in addition to solid sales growth across all of our business divisions. We continue to drive all aspects of our business and provide customers with a combination of greater convenience, freshness and quality, best range and consistently lower prices across all divisions”

- (1) 2006 third quarter statutory sales does not include Easter. 2005 third quarter statutory sales includes Easter. 2005 third quarter sales has been proformed to remove the estimated impact of Easter and all sales increases are in respect of 2006 statutory sales to 2005 proforma sales, unless otherwise stated.
- (2) Includes ALH and MGW retail liquor sales for the 13 weeks to 3 April 2005.
- (3) Includes Foodland (NZ) operations, 20 Australian ex-FAL store sales for the full 13 weeks and Taverner retail liquor sales from 6 February 2006.
- (4) Represents ALH and MGW Hotel sales for the 13 weeks to 3 April 2005.
- (5) Includes Taverner Hotel sales from 6 February 2006.

SUPERMARKETS DIVISION

Supermarkets Division sales for the quarter (excluding Petrol and including New Zealand and the 20 Australian ex-FAL stores) were \$7.4 billion, representing an increase of 23.5%.

During the third quarter, sales from the Australian Supermarket Division increased by 6.2% (including sales from 20 ex-FAL stores from 2 November 2005). New Zealand Supermarkets Sales in the third quarter increased by 3.2% over the equivalent period last year.

Comparable Australian store sales for Food and Liquor for the third quarter increased by 3.7% (Easter adjusted). The quarter was also impacted by the change in the Victorian school holidays into the third quarter to align with the Commonwealth Games. Adjusting for this impact third quarter sales were approximately 3.9%. Unadjusted for Easter, comparable sales growth for the third quarter was 3.1%.

Comparable store sales in the third quarter for New Zealand increased by 3.5% (Easter adjusted). Unadjusted for Easter comparable sales growth was 3.2%

“This quarter’s sales for Australia represent a continuation of our sales momentum in a competitive market. Our focus on freshness, range, convenience, service and lower prices in our stores continues to have strong customer acceptance” Michael Luscombe, Director of Supermarkets.

Inflation in Australia in the quarter has remained relatively unchanged at approximately 2%. In New Zealand overall food inflation was approximately between 1.5% - 2.0%, consistent with prior periods.

We opened 2 supermarkets and 3 new Dan Murphy stores during the quarter. 27 freestanding liquor stores were added from the acquisition of Taverner as of 6 February 2006 and are currently in the process of being rebranded as BWS.

PETROL

Petrol sales for the third quarter, including Woolworths/Caltex Alliance sites, increased by 28.5% reflecting higher petrol prices in this quarter compared to last year and volumes increasing approximately 8%.

As of today we have 477 sites, including 126 Alliance sites.

BIG W

BIG W sales grew 6.5% in the third quarter (Easter adjusted). The effect of Easter falling three weeks later this year is most pronounced in BIG W which has the effect of pushing Easter sales, which were recorded in the third quarter in FY05, into the fourth quarter of FY06. Comparable sales in the third quarter were 1.1% (Easter adjusted). Unadjusted for Easter, third quarter comparable sales were minus 2.6%. “January was a difficult month, however trading strengthened in February and March despite the warm to hot weather conditions in March restricting sales of new season apparel. Easter was a solid trading period with year to date comparative store sales, following Easter, consistent with the first half”, said Greg Foran, General Manager BIG W.

There were 3 new stores opened late in the quarter taking total stores to 126.

CONSUMER ELECTRONICS

Consumer Electronics sales for the third quarter increased by 15.5% (Easter adjusted). Comparable sales for the third quarter were 10.2% (Easter adjusted). Unadjusted for Easter comparable sales were 11.5%. “Computers, digital cameras, home entertainment categories and associated accessories for these items continued to achieve solid sales growth,” said Alvin Ng, General Manager, Dick Smith Electronics. During the quarter 7 new stores were opened, including 2 stores in New Zealand.

HOTELS

Hotel sales of \$221m, representing an increase of 38.1%, reflects the inclusion of BMG and Taverner acquisitions in the ALH Group which now comprise ALH/MGW/BMG and Taverner. Comparable sales increased by 4.7% in the quarter, with strong growth in both on-premise and gaming revenues.

The timing of Easter has no significant impact on this business.

SALES OUTLOOK AND EARNINGS GUIDANCE FOR THE FULL YEAR

We expect sales growth including Foodland and Taverner to be in the range of 15% to 20%.

We also anticipate that EBIT will continue to grow faster than sales in FY06.

NPAT (excluding Foodland and Taverner) will be in the lower double digits (10% to 15%). Furthermore we expect that Foodland and Taverner will add between 5% and 8% to the result.

This guidance is given subject to current retail trading patterns and the present business, competitive and economic climate continuing.

For further information contact:

Mr Roger Corbett (CEO)

02 8885 1032 – Media

Mr Tom Pockett (CFO)

02 8885 1105 – Investors/Analysts

Appendix 1

	2005 Statutory (13 weeks)	2005 Proforma (13 weeks)	2006 Statutory (13 weeks)	Proforma Increase ⁽¹⁾ (13 weeks)	Statutory Increase (13 weeks)
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	2005 Statutory (40 weeks)	2005 Proforma (40 weeks)	2006 Statutory (40 weeks)	Proforma Increase ⁽¹⁾ (40 weeks)	Statutory Increase (40 weeks)
<u>Year to Date by Division</u> (\$millions)					
Food and Liquor	18,152 ⁽²⁾	18,114 ⁽²⁾	21,374 ⁽³⁾	18.0%	17.7%
Petrol	2,459	2,465	3,282	33.1%	33.5%
Supermarket Division	20,611	20,579	24,656	19.8%	19.6%
BIG W	2,313	2,290	2,456	7.3%	6.2%
Consumer Electronics	782	785	917	16.8%	17.3%
General Merchandise Division	3,095	3,075	3,373	9.7%	9.0%
Hotels	257 ⁽³⁾	257 ⁽³⁾	628 ⁽⁶⁾	244.4%	244.4%
Continuing Operations	23,963	23,911	28,657	19.9%	19.6%
Wholesale Division	110	110	113	2.7%	2.7%
Total Year to Date Sales	24,073	24,021	28,770	19.8%	19.5%

<u>Periods</u> (\$millions)	2005 Statutory (40 weeks)	2005 Proforma (40 weeks)	2006 Statutory (40 weeks)	Proforma Increase ⁽¹⁾ (40 weeks)	Statutory Increase (40 weeks)
14 Weeks Ended 2 October, 2005	7,766	7,766	8,884	14.4%	14.4%
13 Weeks Ended 1 January, 2006	8,339	8,339	10,179	22.1%	22.1%
13 Weeks Ended 2 April, 2006	7,968	7,916	9,707	22.6%	21.8%
Total Year to Date Sales (40 weeks)	24,073	24,021	28,770	19.8%	19.5%

⁽¹⁾ 2006 third quarter statutory sales does not include Easter. 2005 third quarter statutory sales includes Easter. 2005 third quarter sales has been proforma to remove the impact of Easter and all sales increases are in respect of 2006 statutory sales to 2005 proforma sales, unless otherwise stated.

⁽²⁾ Includes ALH and MGW retail sales for the 13 weeks to 3 April 2005.

⁽³⁾ 2006 includes Foodland (NZ) operations and 20 Australian ex-FAL stores from 2 November 2005, and ALH retail, MGW retail and BMG retail for 40 weeks and Taverner retail from 6 February 2006.

⁽⁴⁾ Represents ALH Hotels sales from 1 November 2004 and MGW Hotel sales from 3 January 2005.

⁽⁵⁾ Includes ALH, MGW and BMG Hotel sales for 13 weeks and Taverner Hotel sales from 6 February 2006.

⁽⁶⁾ Includes ALH, MGW and BMG Hotel sales for 40 weeks and Taverner Hotel sales from 6 February 2006.