WOOLWORTHS LIMITED
A.B.N. 88 000 014 675

27 February 2007

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

Dear Sir,

Re: WOOLWORTHS LIMITED HALF YEAR RESULTS PRESENTATION AND INTERIM DIVIDEND ANNOUNCEMENT.

Attached is a copy of materials to be released to the media and analysts at the Results Presentation this morning.

For and on behalf of
WOOLWORTHS LIMITED

PETER J HORTON
COMPANY SECRETARY

1 Woolworths Way, Bella Vista, NSW 2153 PO Box 8000, Baulkham Hills, NSW 2153 Australia
Telephone (02) 8885 0000 Facsimile (02) 8888 0001

WOOLWORTHS LIMITED

Michael Luscombe
Chief Executive Officer

Tom Pockett
Finance Director

Company Results

Half Year Ended 31 December 2006

Highlights For The First Half

- Strong result based on a solid platform with sales up 15.9%, and strengthening second quarter comparable store sales, EBIT up 27.0% and NPAT up 28.1%.
- The result reflects:
  - The positive momentum in the Woolworths' business
  - Proven ability to concentrate on the needs of our customers, whilst undertaking significant operational changes and acquisitions.
  - The success of many customer focused initiatives undertaken together with supply chain benefits and other cost reduction initiatives.
- The result includes the initial contribution from our recent acquisitions which are all performing well and in some cases better than expectations.
- We continue to lay foundations for further sustainable profitable growth:
  - Driving our core businesses
  - Leveraging our strategic supply chain advantages across the Woolworths business
  - Harvesting the planned synergies from our recent acquisitions
  - Continuing to expand our Woolworths Select and our other private label brands
  - Growing the scale of our overseas direct sourcing initiative
- As in the past we continue our focus on consistently and successfully executing our strategies and increasing our focus on the customer.

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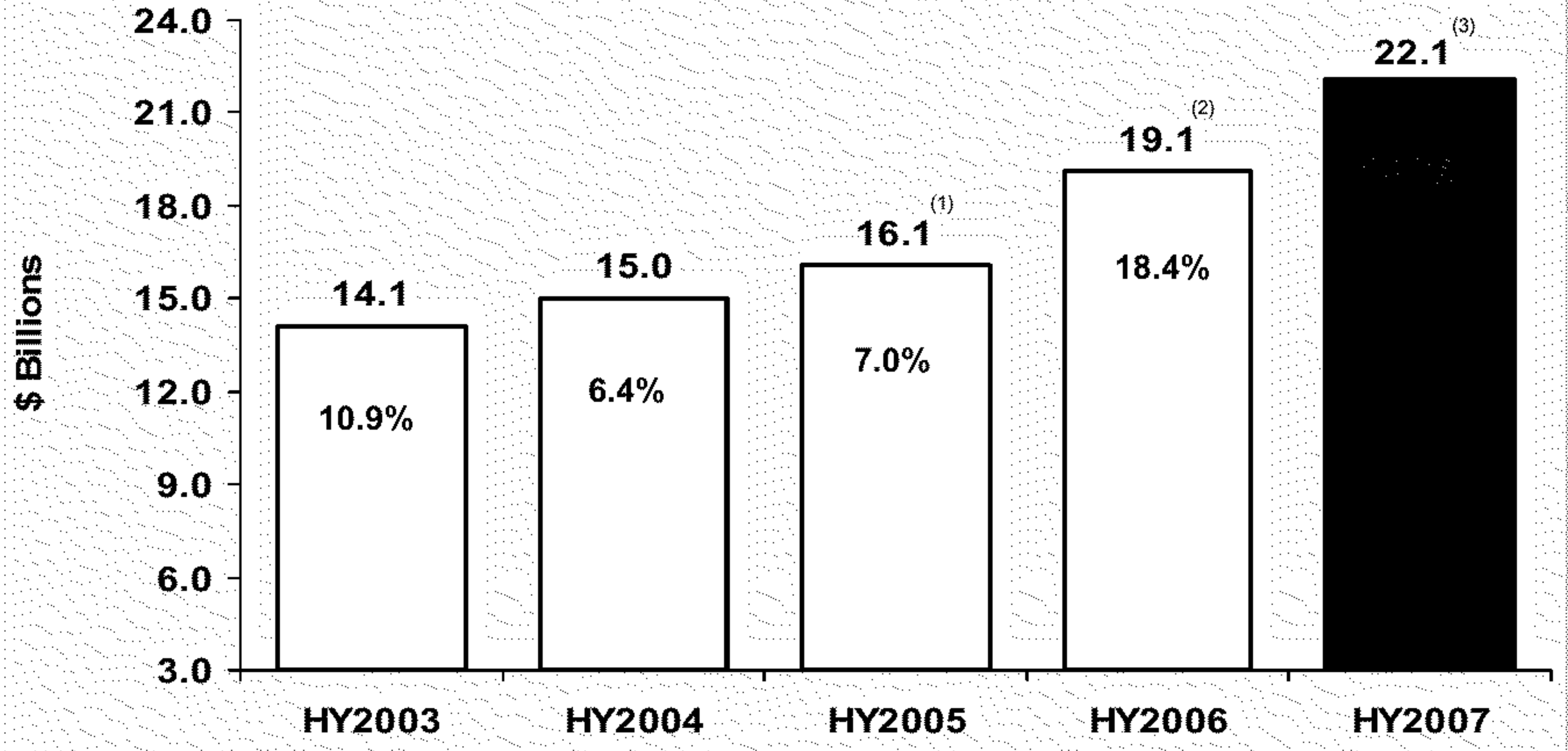
Sales – continuing strong sales growth



(1) Includes ALH for 2 months.
(2) Includes FAL (NZ) business and 20 Australian ex-FAL store results from 2 November 2005, and ALH retail, MGW retail and BMG retail sales for the 27 weeks.
(3) Includes FAL and Taverner Hotel businesses for the full 27 weeks.

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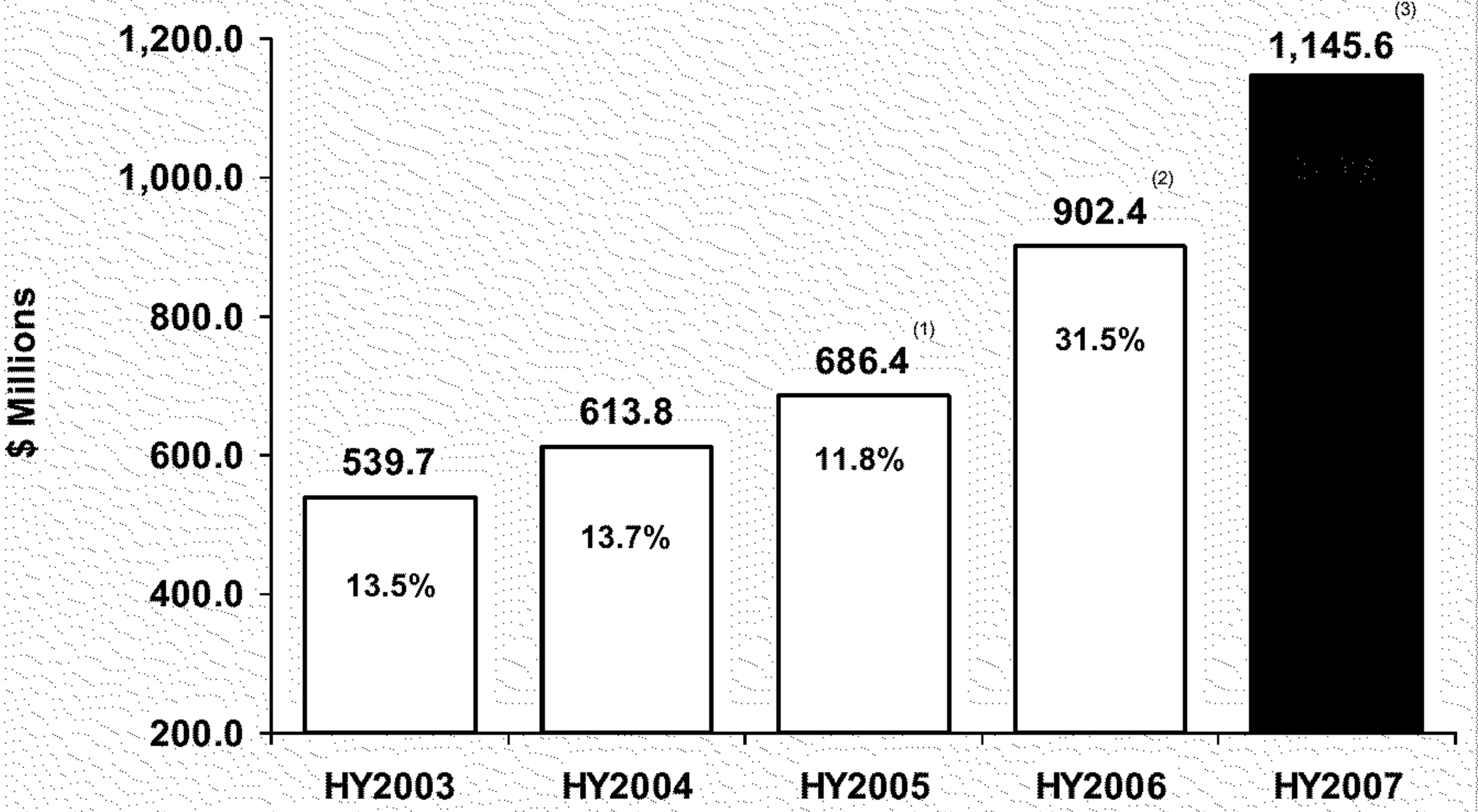
EBIT – up 27% growing faster than sales



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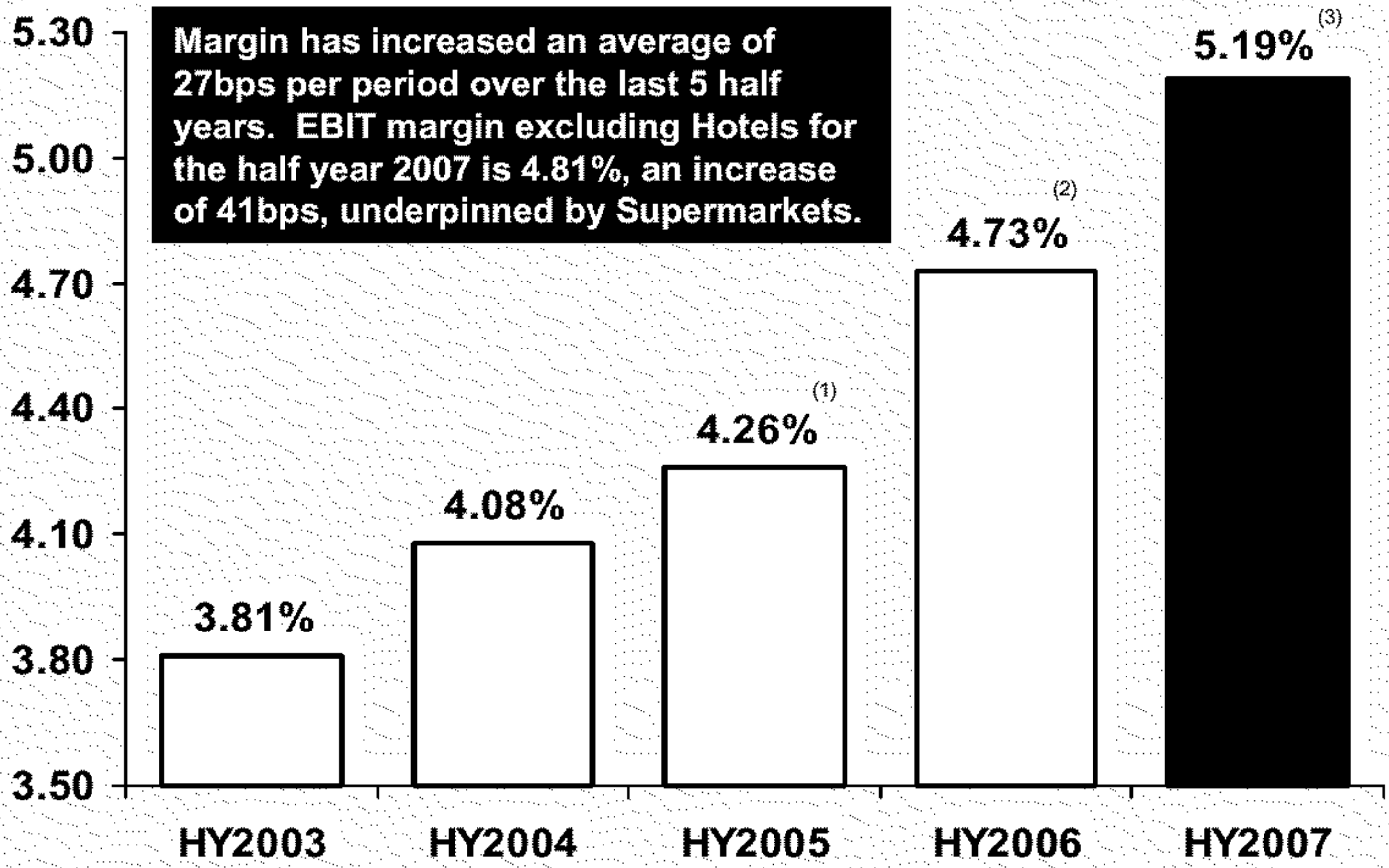
EBIT Margin



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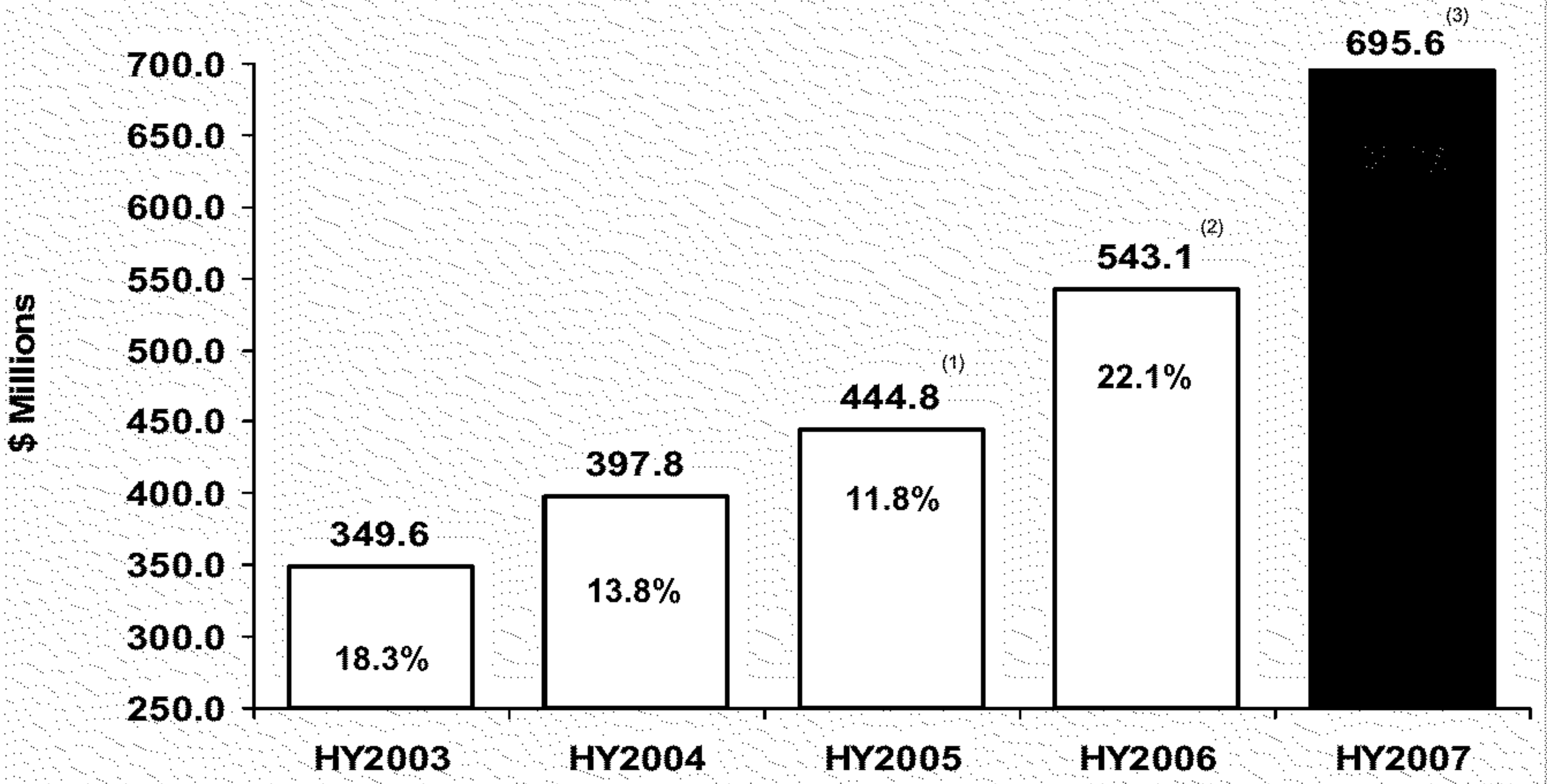
Profit After Tax – up 28.1%



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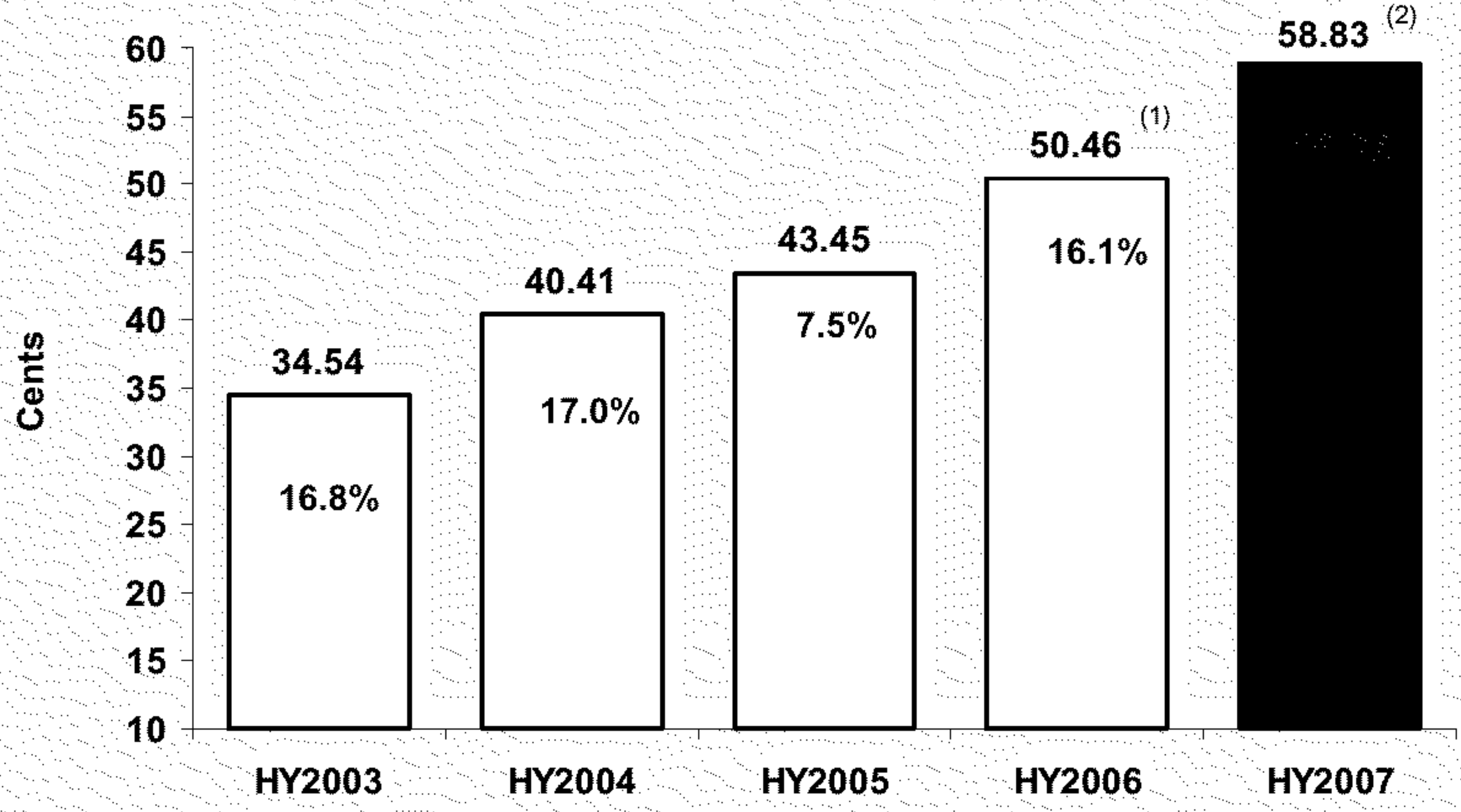
Earnings Per Share – up 16.6%



REFLECTS STRENTHENING OF OUR BALANCE SHEET DURING A PERIOD OF MAJOR ACQUISITIONS, INTEGRATION AND BUSINESS CHANGE

Note: HY2003 and HY2004 reflect EPS pre-goodwill.

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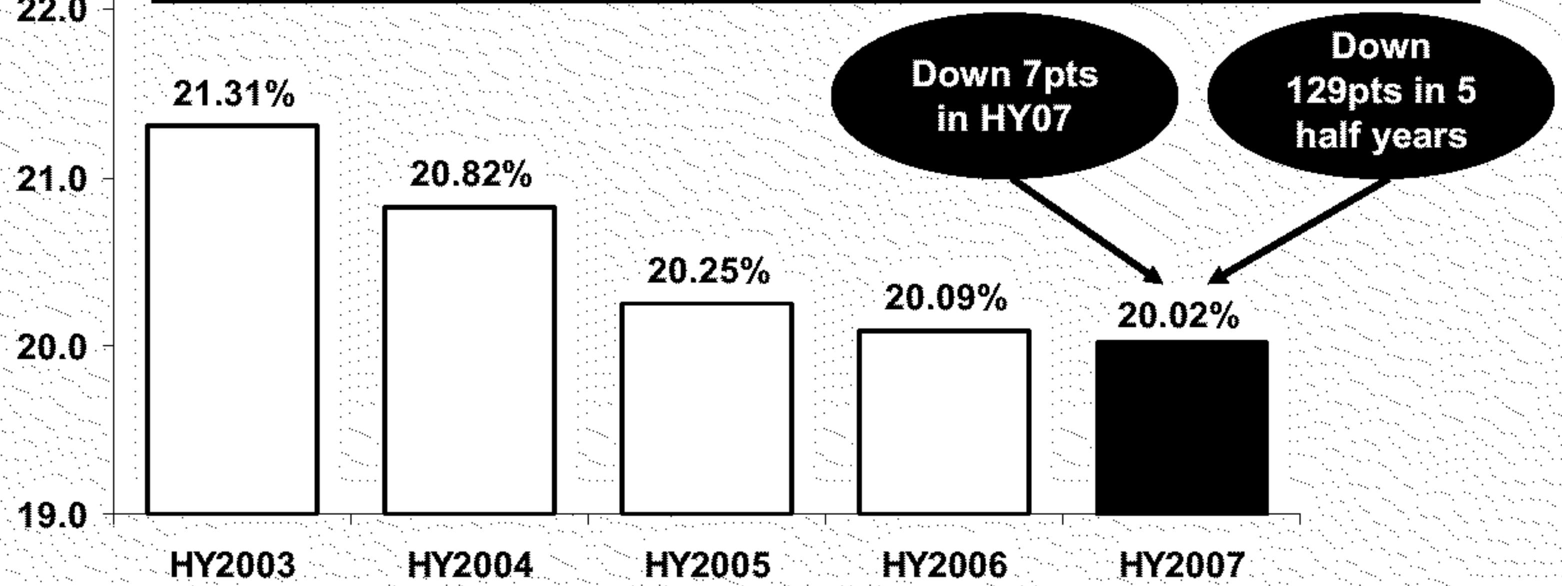
CODB / Sales

Our targeted CODB reduction of 20 basis points continues to be achieved when the distorting impacts of Petrol and Hotels are excluded. CODB was also affected by $20m in supply chain transition costs and industrial action in New Zealand.



Reductions(1) **$393m + $492m + $625m + $768m + $901m = $3.9bn**

(1) The annual reductions calculated using 1999 as the base year where CODB/Sales was 24.1%. Cost reduction was $127m (2000), $245m (2001) and $316m (2002).

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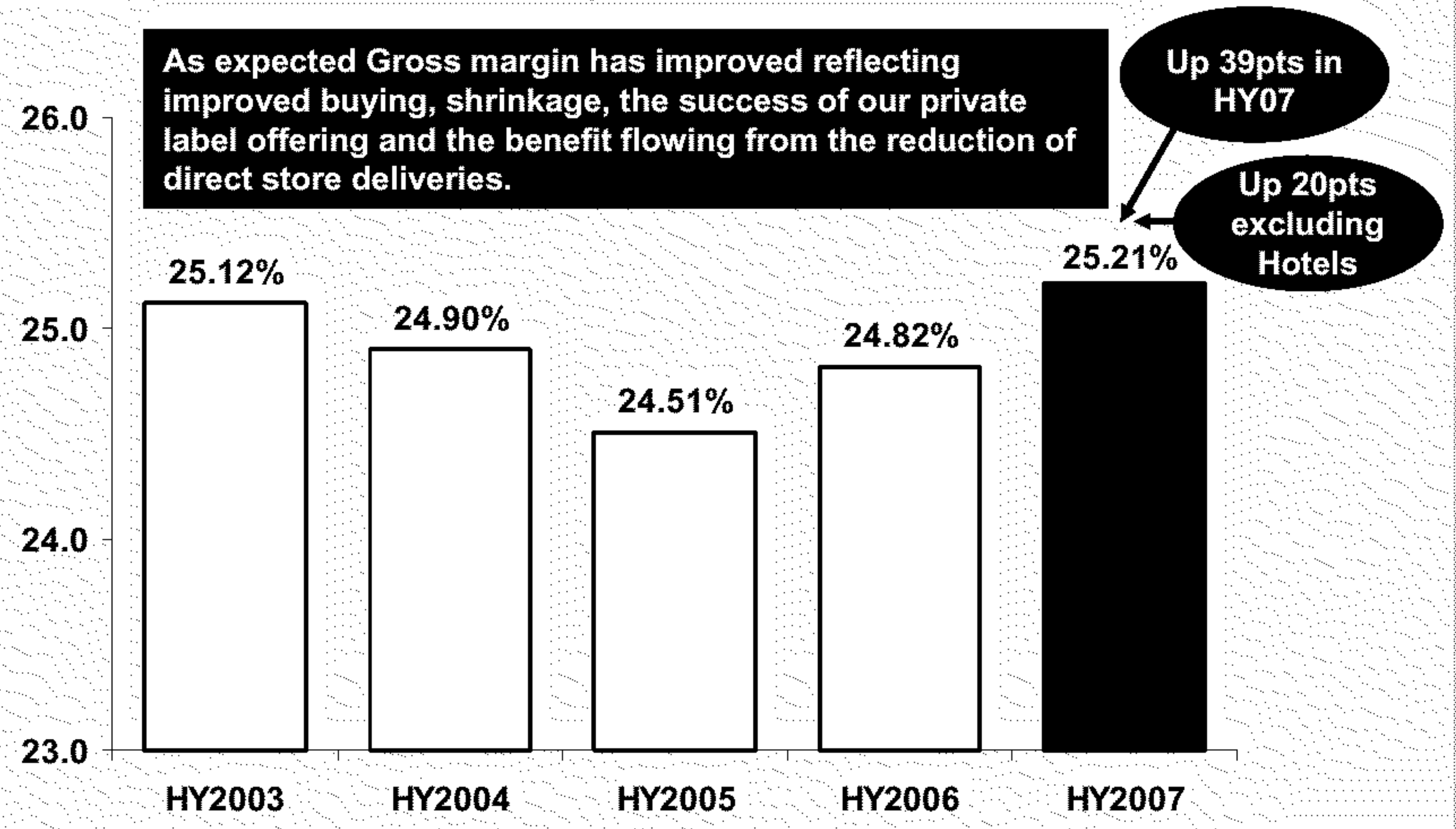
Gross Profit Margin



Reductions[1] $344m + $399m + $491m + $522m + $520m = **$2.9bn**

(1) The annual reductions calculated using 1999 as the base year where GP/Sales was 27.56%. Gross Profit reduction was $125m (2000), $235m (2001) and $282m (2002).

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Sales Summary

$ Millions	HY06	HY07	Increase %
Australian Food and Liquor	13,160 [1]	14,340	9.0
New Zealand Supermarkets	779	1,989	155.3
Petrol	2,206	2,510	13.8
Total Supermarkets	**16,145**	**18,839**	**16.7**
BIG W	1,796	1,934	7.6
Consumer Electronics	641	703	9.7
Total General Merchandise	**2,437**	**2,637**	**8.2**
Hotels	**406** [2]	**540**	**33.0**
Continuing operations	**18,988**	**22,016**	**15.9**
Wholesale Division	75	76	1.3
Group Sales	**19,063**	**22,092**	**15.9**

(1) Includes 20 Australian ex-FAL store sales from 2 November 2005, and ALH, MGW and BMG retail sales for the 27 weeks.
(2) Includes ALH, MGW and BMG Hotel sales for 27 weeks.

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EBIT Summary

$ Millions	HY06	HY07	Change
Australian Food and Liquor	647.0 (1)	836.9 (3)	29.4%
New Zealand Supermarkets	34.0	69.3	103.8%
Petrol	22.4	41.9	87.1%
Supermarkets Division	**703.4**	**948.1**	**34.8%**
BIG W	104.5	107.6	3.0%
Consumer Electronics	36.9	38.6 (5)	4.6%
General Merchandise Division	**141.4**	**146.2**	**3.4%**
Hotels	**81.2** (2)	**109.5** (4)	**34.9%**
Total Trading Result	**926.0**	**1,203.8**	**30.0%**
Property Income	17.3	(9.9)	
Central Overheads	(41.7)	(49.6)	18.9%
Continuing Operations	**901.6**	**1,144.3**	**26.9%**
Wholesale Division	0.8	1.3	62.5%
Group EBIT	**902.4**	**1,145.6**	**27.0%**

(1) Includes 20 ex-FAL Australian stores from 2 November 2005, ALH retail, MGW retail and BMG retail for the 27 weeks.
(2) Represents ALH/MGW/BMG Hotel results for 27 weeks.
(3) Includes the 20 ex-FAL Australian stores and Taverner retail liquor sales for the full 27 weeks.
(4) Includes Taverner Hotel business for the full 27 weeks.
(5) Includes start up loss associated with opening first store in India.

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Total Supermarkets

(Including Liquor, Petrol & New Zealand)

	HY06 [1]	HY07 [2]	Change
Sales ($m)	16,144.2	18,839.3	+16.7%
Gross Margin (%)	22.72	23.13	+0.41%pts
Cost of Doing Business (%)	18.36	18.09	-0.27%pts
EBIT to sales (%)	4.36	5.03	+0.67%pts
EBIT ($ million)	703.4	948.1	+34.8%
Funds Employed ($ million)	4,370.1	4,486.8	+2.7%

(1) Includes Foodland (NZ) business and 20 ex-FAL Australian store results from 2 November 2005, ALH retail, MGW retail and BMG retail for the 27 weeks.
(2) Includes the Foodland (NZ) business and 20 ex-FAL Australian stores and Taverner retail liquor for the full 27 weeks.

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Australian Supermarkets

(Including Liquor & Petrol)

Strong result reflecting strong business momentum

	HY06	HY07 [1]	Change
Sales ($m)	15,365.4	16,849.9	+9.7%
Gross Margin (%)	22.78	23.30	+0.52%pts
Cost of Doing Business (%)	18.43	18.09	-0.34%pts
EBIT to sales (%)	4.35	5.21	+0.86%pts
EBIT ($ million)	669.4	878.8	+31.3%
Funds Employed ($ million)	1,947.8	2,171.6	11.5%

(1) Includes the 20 ex-FAL Australian stores and Taverner retail liquor for the full 27 weeks.

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Supermarkets – Australian Food & Liquor

Strong result reflecting strong business momentum

- Australian Food & Liquor sales up 9.0%. Comparable sales up 5.7%
- This result reflects continued and enhanced focus on the customer with a total offer of range, freshness, quality, competitive pricing, convenience and in-store service.
- Our rollback campaign has been a great success.
- Inflation remained at 4% but has since declined mainly reflecting reduced produce prices.
- Costs reduced by 34bps after we expensed a further $20m in transition costs associated with moving to our new supply chain.
- The lift in gross margins reflects continued progress in the areas of improved buying, the success of our private label offering, improved shrinkage control and the benefits from the reduction of direct store deliveries.
- Average inventory was down on last year by 0.8 days reflecting an increase in our indent stock levels, coupled with some dual stocking required during the transition to out new DCs.
- During the half year 6 new Supermarkets compared to 9 last half year. A further 16 stores are planned to open in the second half.
- Funds Employed up 11.5% reflects the store openings since 1 January 2006.

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Liquor

Our Dan Murphy's, BWS and Attached Liquor stores have provided customers with excellent value for money, supported by innovative merchandising and in store execution.

- All our liquor operations have produced strong growth in total sales, comparable sales and profits.
- Group liquor sales for the half year (including ALH Group retail liquor sales) were $2.1 billion.
- Dan Murphy's continued to expand with 8 stores opened in the half bringing total number of Dan Murphy stores to 60. Our target is well in excess of 100 Dan Murphy's.
- Dan Murphy's provides customers with excellent value for money, extensive product ranging and personalised advice and expertise.
- At the end of December, Woolworths Limited had 1,025 liquor outlets.

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Petrol

Good supplemental offer with petrol sites conveniently located near our Supermarkets. Strong half year result with modest lift in margins.

- Petrol sales of $2.5 bn increased by 13.8% for the half.
- EBIT was up 87.1% to $41.9m. EBIT growth reflects volume growth through new and existing canopies and a modest improvement in retail margins from a very tight first half last year. [TY: 1.7%; LY 1.0%]
- Petrol comparable sales increased by 7.8% during the half, with comparable volumes increasing 3.6%.
- 5 new canopies were opened during the half.
- At the end of the half year, there were 495 petrol stations including 132 co-branded Woolworths/Caltex alliance sites.

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New Zealand Supermarkets

	HY07 $AUD	HY07 $NZD
Sales	1,989.4	2,326.5
Gross Margin (%)	21.63%	21.63%
Cost of doing business (%)	18.15%	18.15%
Trading EBIT ($ million)	74.4	87.0
Less intercompany charges ($ million)	(5.1)	(5.9)
Reported EBIT ($ million)	69.3	81.1
EBIT to sales (%)	3.48%	3.48%
Funds Employed ($ million)	2,315.2	2,593.7

A reasonable result given the impact of the industrial action in the first quarter. Trading has since resumed to normal trading patterns.

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New Zealand Supermarkets

- The half year incurred a one-off negative impact from industrial action in the first quarter.
- It was pleasing to see a return to normal operating levels in the second quarter with comparative store sales up 3.8%. (1st quarter: flat).
- Food inflation was approximately 1% in the half.
- We are pleased with the progress on each of our key initiatives in our Progressive business. In particular:
  - Buying terms have improved enabling investment into prices to improve our competitiveness which means lower prices for our customers;
  - We have commenced enhancing the range, including introducing Home Brand, and improving in store merchandising and execution;
  - We were first to launch nation wide fuel discount scheme for the benefit of consumers; and
  - Currently we are undertaking systems integration which is a precursor to establishing our supply chain, inventory management and logistics technology.
- These and other initiatives will ensure that we are well placed to strengthen and grow this business. The realisation of all synergies will be over a 2-3 year period.

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BIG W

Solid result – with positive signs evident

	HY06	HY07	Change
Sales ($ million)	1,796.4	1,933.5	+7.6%
Gross margin (%)	29.48	29.01	-0.47%pts
Cost of Doing Business (%)	23.66	23.45	-0.21%pts
EBIT to sales (%)	5.82	5.56	-0.26%pts
EBIT ($ million)	104.5	107.6	+3.0%
Funds Employed ($ million)	360.2	365.3	+1.4%

BIG W

Solid result – with positive signs evident

- Sales grew by 7.6% during the half year representing a solid start to a year in which discretionary spending was tight.
- Comparable store sales for the half year were 0.6%, with an improved second quarter of 1.1%. This positive trend has continued and strengthened into January and February.
- Our current focus is about understanding what our customer really wants. We remain focused on a number of merchandising and display initiatives that will continue to improve the quality of the in-store experience for our customers.
- Gross margin reduced 47 bps mainly due to change in sale mix and continued investment in prices in a tight market.
- CODB has decreased 21 bps over the half year, with a strong focus on cost control necessary in a tight market.
- Average inventory levels were well managed being down 0.6 days on last year.
- 7 BIG W stores were opened in the half year. We are on track to open approximately 6 new stores in the second half which will bring new stores opened during the full year ending 24 June 2007 to 13.

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Consumer Electronics – Australia & NZ[1]

Well positioned to take full advantage of technology developments.

	HY06	HY07	Change
Sales ($ million)	641.0	698.4	+9.0%
Gross margin (%)	28.90	27.31	-1.59%pts
Cost of Doing Business (%)	23.14	21.49	-1.65%pts
EBIT to sales (%)	5.76	5.82	+0.06%pts
EBIT ($ million)	36.9	40.7	+10.3%
Funds Employed ($ million)	305.3	293.6	-3.8%

(1) Excludes India sales and costs

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Consumer Electronics – Australia & NZ

Well positioned to take full advantage of technology developments.

- Sales for the half year reached $698 million a 9.0% increase on last half year.
- Comparable store sale increased by 7.0%
- EBIT growth was strong at 10.3%, exceeding sales growth.
- The Consumer Electronics business continues to provide customers with excellent value for money on the latest technology offerings.
- Gross margins decreased 159 bps reflecting the continued price deflation in a very competitive market. This investment in lower prices was made possible by good cost control with CODB declining 165 bps over the half year.
- Average inventory was up slightly with an increase of 0.4 days driven by the high number of store openings in the period.
- During the half year 18 Dick Smith Electronics stores were opened, with a plan to open a further 17 stores in the second half.

Consumer Electronics – India

- Our business venture with Tata opened it's first store in India in October under the "Croma" brand. The store is performing in line with expectations. As part of this venture, Woolworths Limited provides buying, wholesale, supply chain and general consulting services to Tata.
- The store has made sales of $5 million and an operating loss of $2.1 million which included initial set-up costs, including a distribution centre.

WOOLWORTHS LIMITED

Hotels

Result demonstrates well rounded nature of the business.

	HY06	HY07 [1]	Change
Sales ($ million)	405.9	539.8	+33.0%
Gross margin (%)	82.85	83.10	+0.25%pts
Cost of Doing Business (%)	62.84	62.82	-0.02%pts
EBIT to sales (%)	20.01	20.28	+0.27%pts
EBIT ($ million)	81.2	109.5	+34.9%

(1) Includes Taverner hotel sales results for the full 27 weeks. Taverner hotel business was acquired on 6 February 2006.

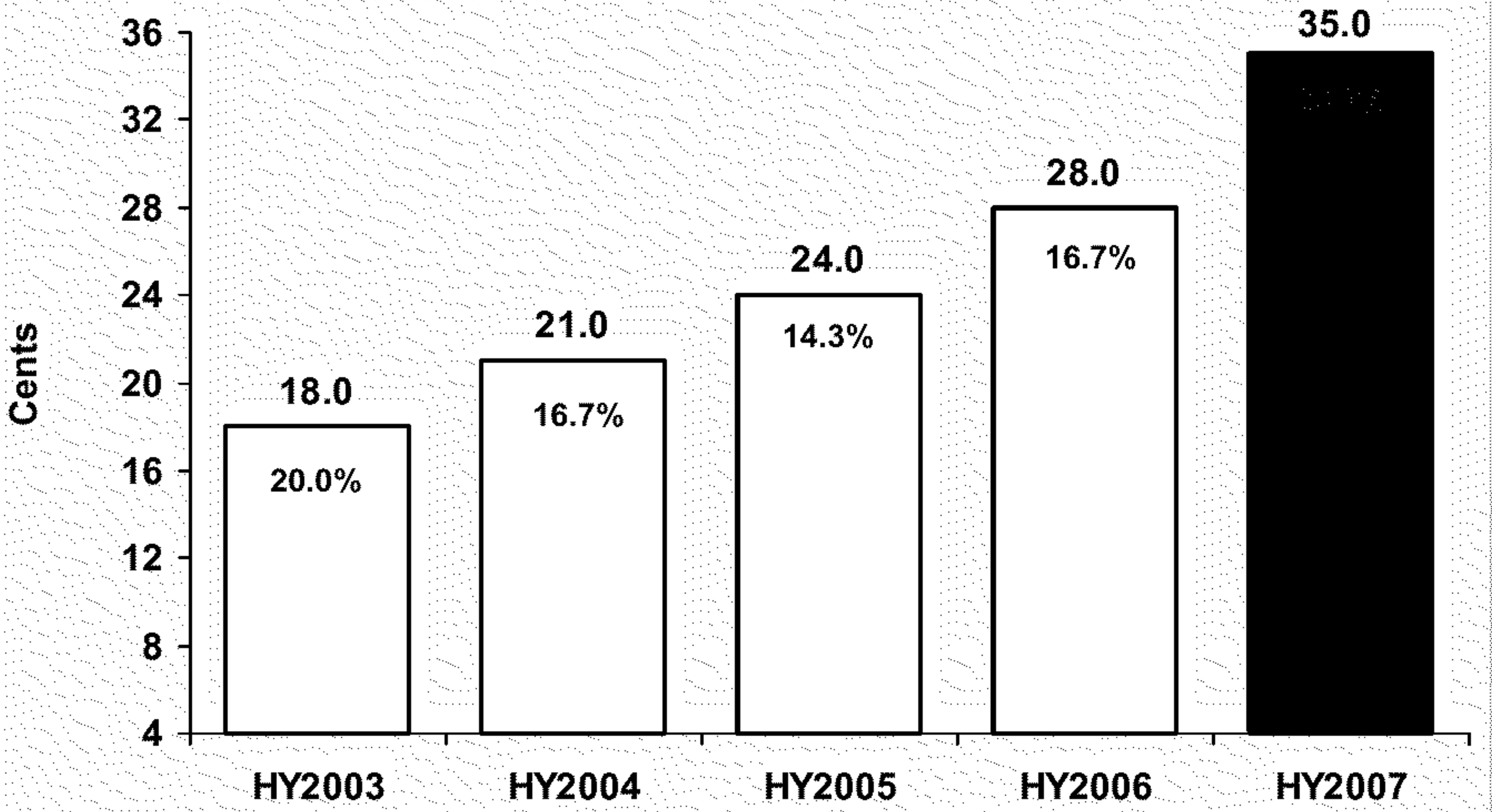
WOOLWORTHS LIMITED

Hotels

Result demonstrates well rounded nature of the business.

- Sales up 33.0% reflecting growth in the existing business and the inclusion of Taverner Group from 6 February 2006. Comparable sales increased 3.7% during the half year which is a good result considering the impact of smoking bans in Queensland.
- The result demonstrates the well-rounded nature of the hotel business and the success being achieved in the refurbishment and re-positioning in the bars, restaurants, conference, entertainment and accommodation segments of the business.
- Comparable gaming sales for the half year were down 0.5% offset by strong food and bar sales.
- Gross margins have increased 25 bps with the inclusion of Taverner which has a higher proportion of gaming revenue affecting the mix.
- CODB has decreased by 2bps which is pleasing given the inclusion of Taverner which has a relatively higher cost structure due to Taverner leasing all its portfolio.
- A further 5 properties were added to the portfolio in the half taking the total hotels to 255 and a total of 1,272 accommodation rooms.

Dividends Per Share – Interim



Dividend payout ratio of 60.60% marginally up on previous year.

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Balance Sheet

$ Millions	HY06	HY07
Inventory	2,832.1	3,043.3
Trade Payables	(3,484.2)	(3,792.8)
Net investment in inventory	(652.1)	(749.5)
Receivables	543.7	748.2
Other creditors	(1,695.6)	(1,985.7)
Working Capital	(1,804.0)	(1,987.0)
Fixed assets and investments	4,502.4	4,643.2
Intangibles	4,557.2	4,947.4
Total Funds Employed	7,255.6	7,603.6
Net Tax Balances	209.9	212.7
Net Assets Employed	7,465.5	7,816.3
Borrowings current	(840.6)	(479.1)
Borrowings non current	(3,287.7)	(2,792.8)
Cash and Deposits	706.5	806.9
Hedge assets & liabilities	9.9	(51.5)
Net Debt	(3,411.9)	(2,516.5)
Net Assets	4,053.6	5,299.8
Shareholders Equity	3,829.8	5,064.6
Minority shareholders equity	223.8	235.2
Total Equity	4,053.6	5,299.8

Net investment in inventory down a further $97m

Average inventory down 1 day

Days creditors have increased slightly to 43.4 days.

Receivables increased due to the balance of the sale of the distribution centres

Fixed assets and investments have increased with the inclusion of Taverner and our 10% stake in the Warehouse. Fixed asset additions were substantially offset by proceeds from the sale and leaseback of the DCs

Intangibles increase due to business acquisitions including Taverner

Net repayable debt decreased $895m with strong operating cashflows and the $547m received from the sale of the distribution centres.

Balance sheet remains strong

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Capital Management

- Woolworths currently sets its capital structure with the objective of maintaining its credit ratings of A- from Standards and Poors and A3 from Moody's Investor Services.
- Woolworths has strengthened its balance sheet and maintained its current credit ratings during the recent period of acquisitions, integration and business change. It did so via an underwriting agreement in connection with the WOW DRP which ensured that an amount equal to 100% of all interim and final dividends payable in the calendar years 2005 and 2006 was subscribed for Woolworths' shares. The underwriting is now complete. Further, shares were also issued under employee option plans.
- No significant debt transactions were undertaken during the half year.
- Proceeds of $547 million from the sale of the distribution centres received in July 2006 were used to repay existing short term bank debt. Brisbane and Perth proceeds of $262 million will be received by the end of this financial year with the balance to be received next financial year.
- Woolworths will re-examine opportunities for future share buy-backs in conjunction with growth strategies and ratings targets.

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Cash Flow Half Year

	HY06 $m		HY07 $m		
EBITDA	1,154.8		1,441.1		+25%
Net interest paid	(113.3)		(129.9)		
Taxation paid	(229.2)		(252.1)		
		812.3		1,059.1	
Working capital and other items		205.6		350.4	(1)
Total cash provided by operating activities		**1,017.9**		**1,409.5**	**+38%**
Payments for the purchase of businesses - other		(73.5)		(105.3)	
Payments for purchase of investments		-		(173.0)	
Payments for purchase of intangibles		-		(14.7)	
Payments for new stores, refurbishments & other stay in business		(791.1)		(551.7)	
Proceeds from sale of investments		0.4		-	
Proceeds from disposal of property plant and equipment		288.4		584.4	
Total cash used in investing activities		**(575.8)**		**(260.3)**	
Free Cash - excluding major acquisitions		**442.1**		**1,149.2**	
Major acquisitions		(895.7)			
Free Cash - after major acquisitions		**(453.6)**		**1,149.2**	
Net Operating Profit after Tax		549.2		708.6	
Free Cash Flow before major acq as a % of declared profits		80%		162%	

(1) Movement in working capital reflects further improvement in the net investment in inventory.

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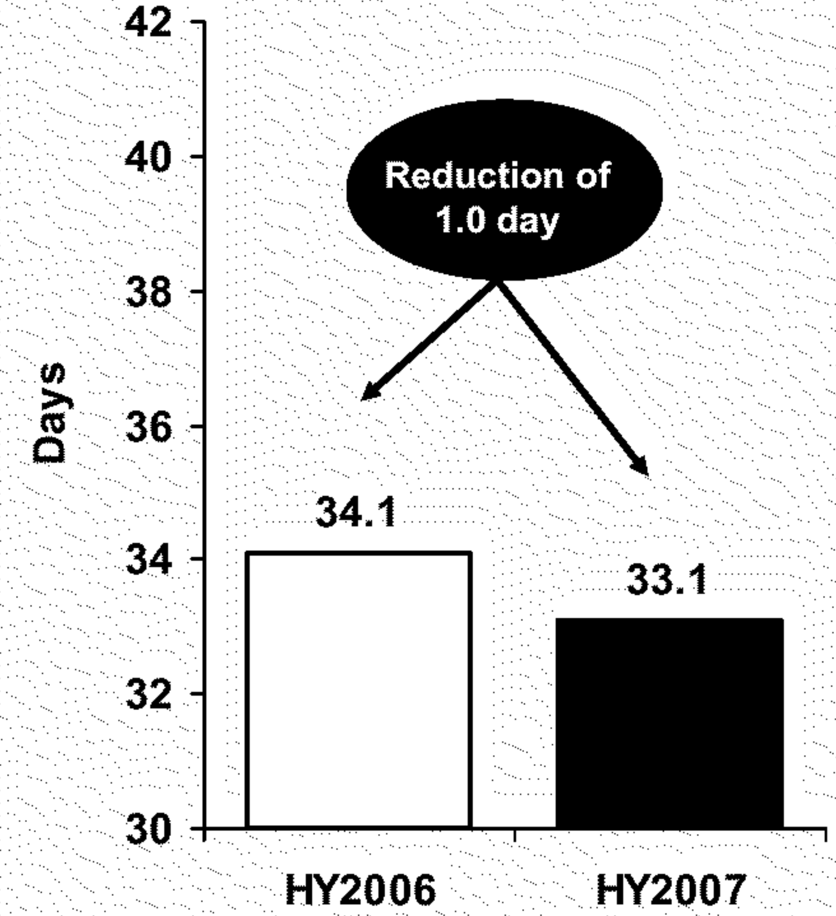
Average Inventory Days (Half Year)



Average inventory based on 13 month rolling average

Reflects conversion to reporting average inventory.

Reduction of 1 day is good result given increased overseas buying activities, some dual stocking required during our transition to our new DCs and the shift from direct store delivery (DSD) to DC delivery.

Target Inventory reduction remains 1-2 days, however this may be impacted as we ramp up our overseas buying offices and some dual stocking as we open our Brisbane DC.

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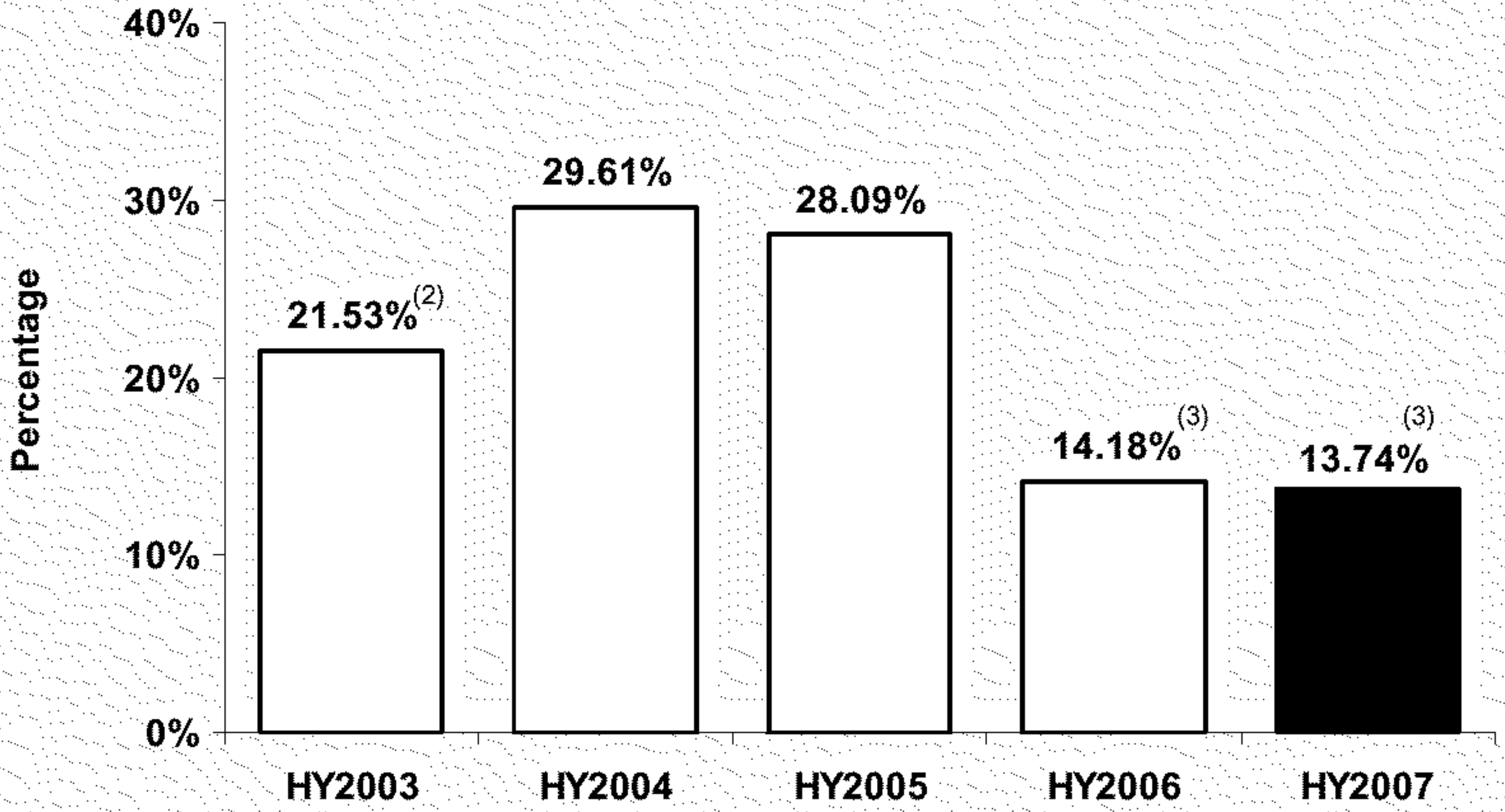
Return On Equity [1] (Half Year)



(1) Based on closing Shareholders funds.
(2) Decline in ROE in HY03 due to the effect of changes in Australian Accounting Standards.
(3) Decline in ROE is due to impact of 81.6m shares issued to acquire Foodland, equity issued with the Dividend Reinvestment Plan and the impact of the shares issued under the Employee Share Option Plans.

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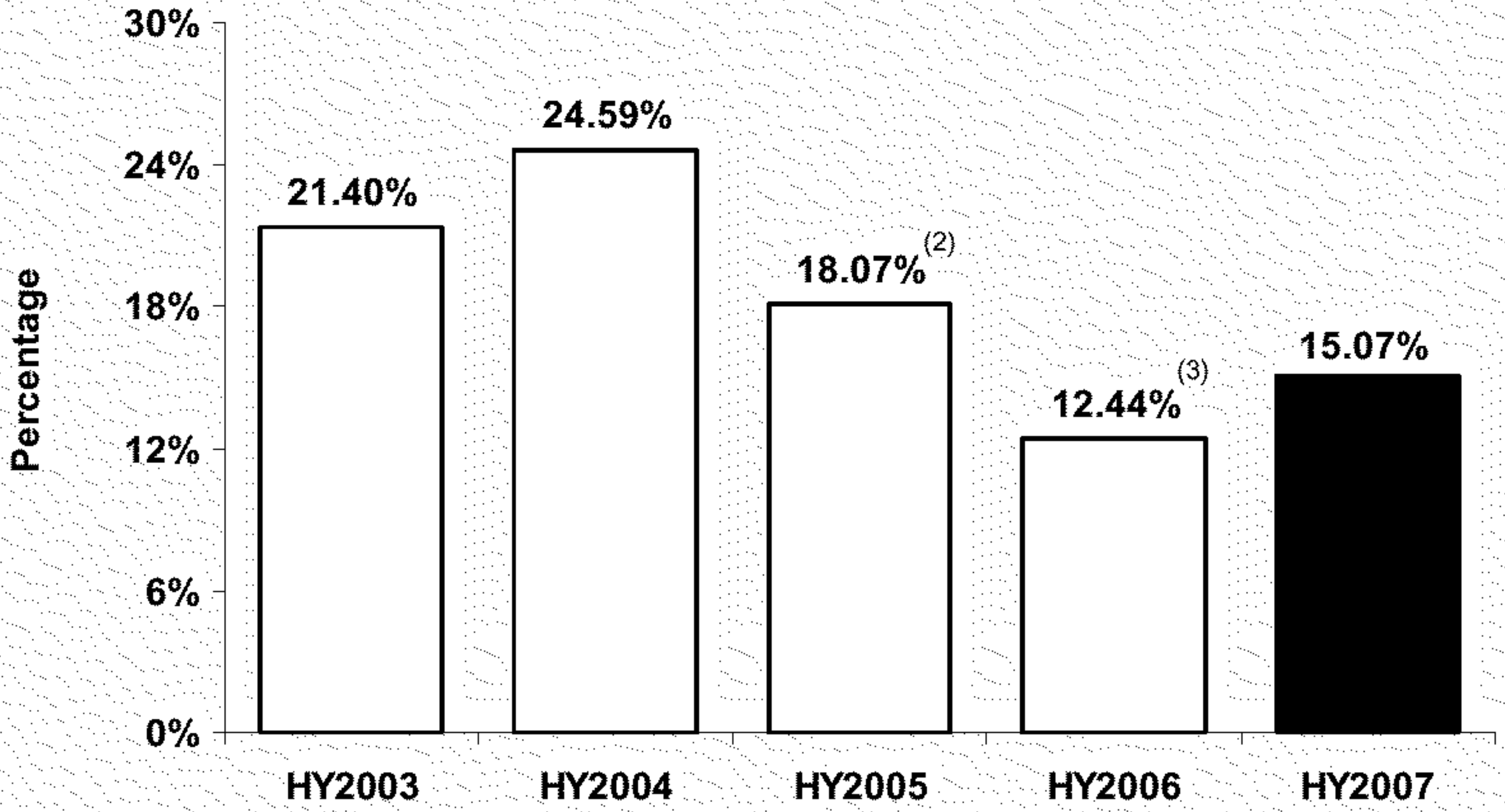
Return On Funds Employed [1] (Half Year)



(1) This measures the pre-tax return on funds employed regardless of how they are financed.
(2) Decline in ROFE in the HY statutory numbers is due to the consolidation of ALH for the first time.
(3) Decline in ROFE is due to the inclusion of assets from the acquisition of FAL (NZ) with only 2 months earnings.

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Four Year Report Card

	HY04	HY05 A-IFRS	HY06 A-IFRS	HY07 A-IFRS
Sales will grow in the upper single digits supported by bolt on acquisitions.	6.4%	7.0%	18.4%	15.9%
EBIT will outperform sales growth driven by cost savings.	13.7%	11.8%	31.5%	27.0%
EPS will outperform EBIT growth assisted by capital management.[1]	17.0%	7.5%	16.1%	16.6%

(1) Our long term EPS objective is that EPS will outperform EBIT growth, however in circumstances where we undertake a major acquisition which results in the need to defer our normal ongoing capital management initiatives for a period of time, EPS over this time will not necessarily outperform EBIT growth.

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Growth

Key messages

- Woolworths is focussed on continuing to lay the foundations for long term sustainable, profitable growth.
- The significant initiatives undertaken to date will continue to provide an excellent platform. The majority of the benefits from these initiatives will be realised primarily over the next 3 years.
  - Our new logistics and supply chain operations will underpin our cost savings going forward – minimum 20 basis points.
  - Further, we will be able to apply our new logistics and supply chain processes to our other businesses in Australia and New Zealand.
  - The synergies from our Progressive acquisition are yet to be realised and will be done so in full over the next 3 years (from acquisition).
  - Whilst ALH has been fully integrated there is still strong upside in the further development of that business.
  - Continuing opportunity to grow market share – FLG market share below 30%.
  - The development of our Homebrand and in particular our Woolworths Select and other private label brands is a significant initiative which will see continued growth.
  - The overseas direct sourcing initiative provides us with the ability to reduce our buying costs.
  - India, albeit small, has the opportunity to grow into a significant consumer electronics business over the medium term.

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Growth

Key messages

- Our focus is on driving our core business, leveraging all our advantages including our new supply chain across all the Woolworths businesses. Woolworths has the ability to continue to grow organically in its core businesses with clear plans for space roll out, site refurbishment and expansion and an increasing focus on the customer in which we will continually enhance the customer offer rewarding customers with greater value, range, freshness, service and convenience.
- In all aspects of our business we will further leverage our core capabilities and scale which are clear drivers of growth.
- Our ability to grow Woolworths is underpinned by the skills and commitment of our experienced retail team which will drive our continued success.

Guidance FY07

Sales

For FY07 we anticipate that overall sales growth to be in the range of 8% to 12%. (unchanged).

Earnings

Net profit after tax for FY07 is expected to grow in the range of 20% to 24% (an increase from the previously stated guidance of 16% to 21%).

We also anticipate that EBIT will continue to grow faster than sales in FY07 (unchanged).

Our long term EPS objective is to outperform EBIT growth, assisted by capital management. However, in FY07 EPS will continue to be effected by shares issued under the Group's employee share option plans, on acquisition of FAL and under the Dividend Re-investment Plan underwriting arrangements.

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

WOOLWORTHS LIMITED

Company Results

Half Year Ended 31 December 2006

Capital Expenditure

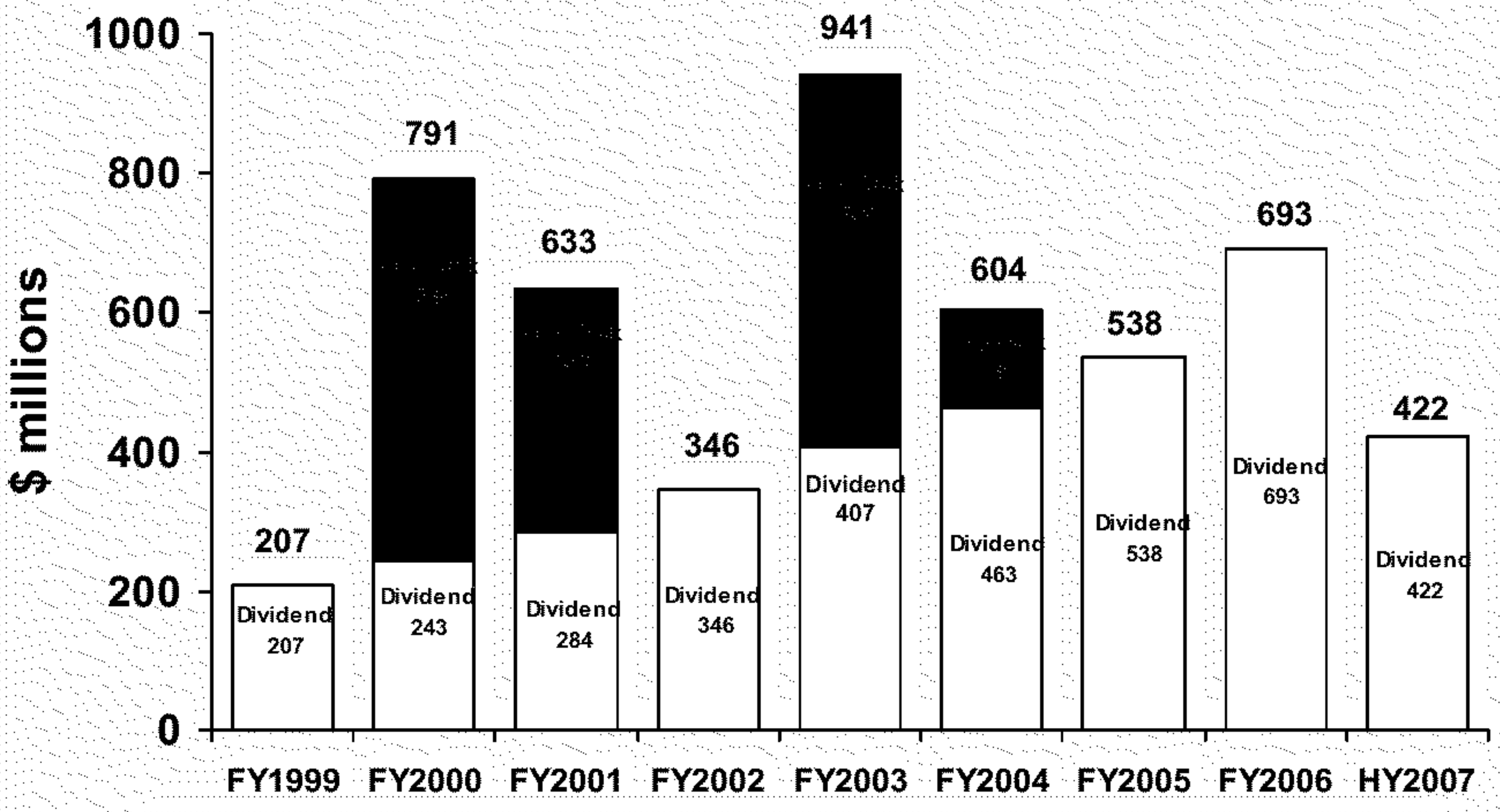
	HY07 Actual	F07 Forecast	F08 Forecast	F09 Forecast	F10 Forecast
Pre-Existing Businesses					
New Stores	127	256	200 [a]	206 [a]	172
Stay in Business	93	284	207	172	175
Refurbishments	134	206	240	247	256
Supply Chain - Mercury	48	108	56 [b]	11 [b]	-
	402	854	703	636	603
New Businesses					
Hotels - Acquisitions	95	103	-	-	-
Hotels - Other	64	82	95	90	85
Supermarkets (NZ)	21	79	137 [c]	90	90
Normal and On-Going CAPEX	582	1,118	935	816	778
Distribution Centres (net of sales)	(493)	(726)	30	-	-
Property Developments (net of sales)	(3)	125	-	-	-
NET CAPEX	**86**	**517**	**965**	**816**	**778**

(a) Increase in store roll-out of Supermarkets, BIG W and Dan Murphy's in FY06, FY07, FY08 and FY09.
(b) Supply Chain Mercury costs FY07 onwards relate to DC fit out and liquor.
(c) NZ expenditure has been reduced in 2007 but increased in 2008 due to the timing of refurbishments and other activities.

WOOLWORTHS LIMITED

Shareholder Payouts

Franking credits available for distribution at 31 December 2006, $676m (after the interim dividend)



Profit growth, coupled with balance sheet management, delivered $5,175m payout to shareholders since 1999.

WOOLWORTHS LIMITED

Growth

Project Refresh – Lower costs a key enabler

Stage 1: underpinned cost savings to date, pre-requisite for stage 2.

Stage 2: our new logistics program provides us with a significant strategic advantage which will underpin our ability to reduce costs over the next 5 years (minimum 20 bps pa) benefiting both customers and shareholders.

Stage 3: apply our new logistics program to our other business as appropriate e.g. liquor, BIG W and to our new acquisitions e.g. Progressive.

Acquisitions – Bolt-ons have and will continue to assist in driving growth

- Recent acquisitions comprise FAL, MGW, ALH, BMG, Taverner.
- All add scale and quality to current business portfolio.
- Foodland provides new market with many opportunities.
- Hotels provide us with a new growth segment.
- All have synergies readily achievable over the next 3 years.

Continuing opportunity to grow market share

- Market share of Food, Liquor and Grocery (FLG) remains below 30% and still low by world standards.
- Independent grocers and speciality food stores hold just under 50%.

Growth

Defined plans to continue space roll out

- Adding 15-25 new supermarkets each year and expanding existing stores (greater than 3% p.a.).
- Adding 6-10 BIG W stores each year (6% to 8% space rollout p.a.).
- Adding up to 15 Dan Murphy's stores each year.
- Continued rollout of consumer electronics.
- Continued planned store efficiency improvements e.g. centre of store and better utilisation of space).
- Greater store refurbishment and extension programme across all divisions

Supported by detailed plans for the next three to five years identifying specific sites

Minimal cannibalisation

Leverage scale and store distribution

- Further develop existing and initiate new adjacencies e.g. digital photo, mobile phones and ATMs.

Increased emphasis on private branded goods

- Woolworths Homebrand continues to be Australia's largest selling grocery brand.
- The new Woolworths Select is a premium range of Woolworths branded product. Woolworths Select will be at least equal to or better quality than the existing category leader but at a lower price.
- Rollout is well underway and has been very well accepted by customers.
- Continue to roll out our other private label brands.
- Woolworths will continue to support, develop and grow national brands.

WOOLWORTHS LIMITED

Growth

Continued and growing focus on the customer

- Woolworths will enhance its focus on improving in-store execution, ranging, stock availability and customer service.

Grow new international initiatives

- India consumer electronics.
- Overseas direct sourcing initiatives – Hong Kong, India

Leverage Woolworths core capabilities

- Acquisitions and integration skills.
- World class IT/supply chain.
- Low cost culture.
- Retail management expertise – high volume, low margin.
- Key business relationships: Caltex, Bruce Mathieson, TATA.

WOOLWORTHS LIMITED

Project Refresh

Overview

- Project Refresh since its commencement in 1999 has concentrated on a number of initiatives including a major business restructuring program as well as numerous successful cost reduction programs.
- Over the past seven years to the end of FY06 Project Refresh has delivered costs savings amounting to 4.51% of sales, giving cumulative savings of $5.3 billion. We are on track to deliver a further $1.8 billion in savings in FY07.

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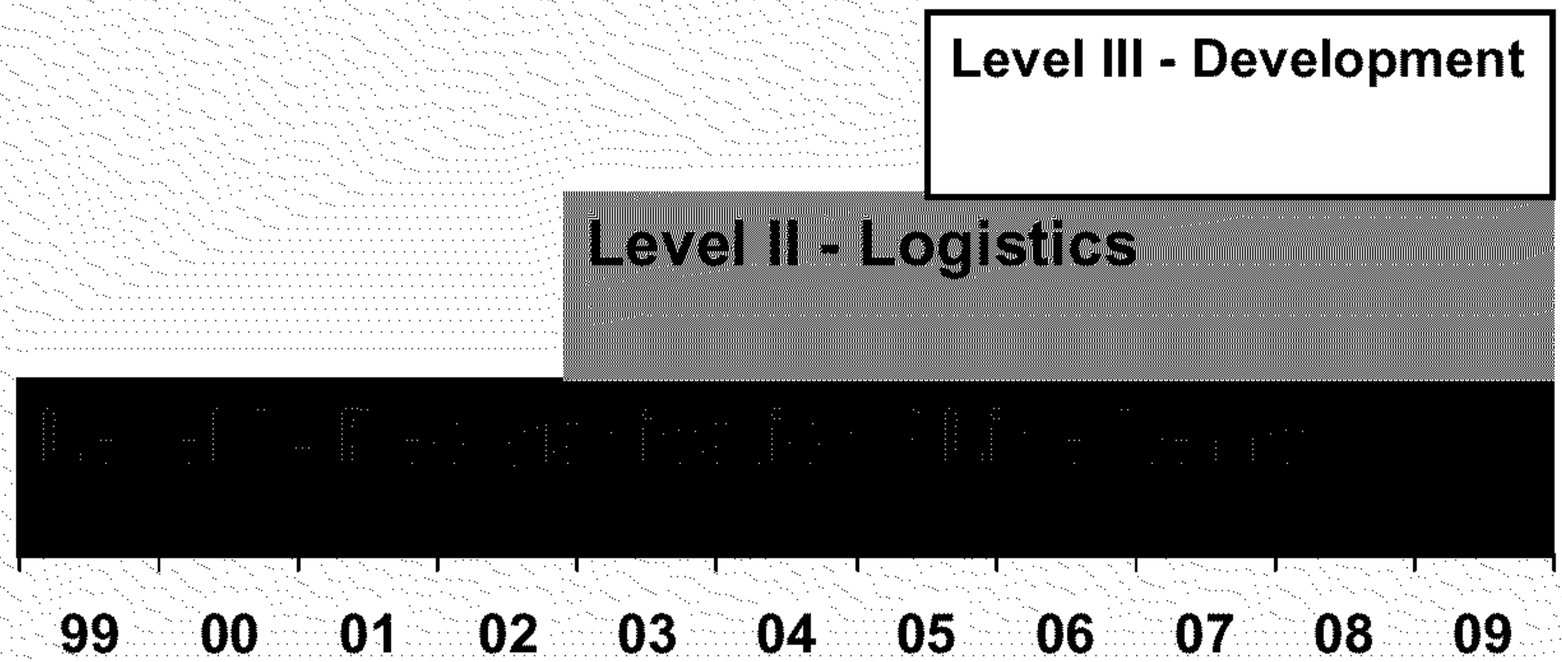
Project Refresh

Cumulative savings $9.3 billion over 9 years



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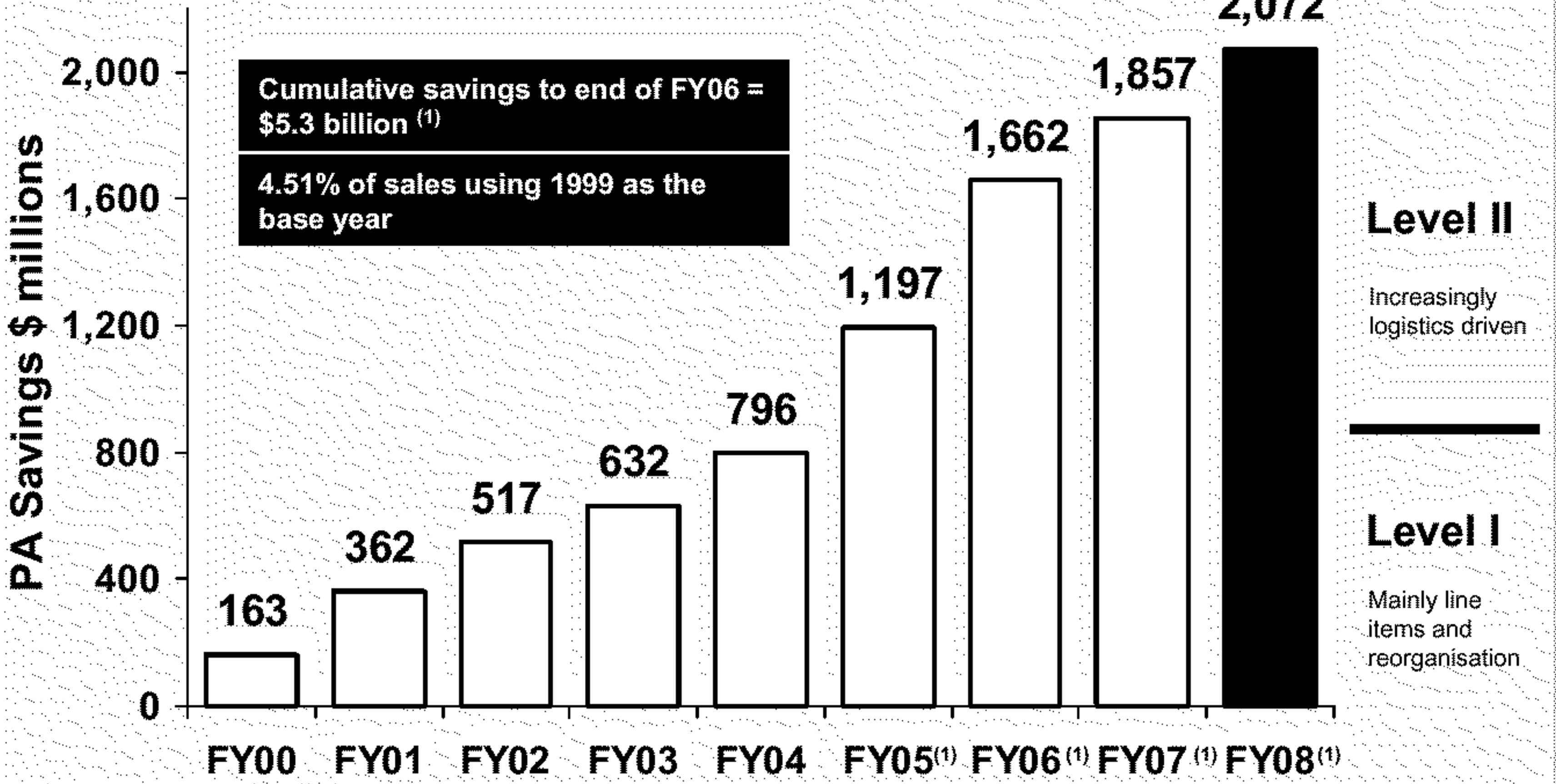
Project Refresh

9 year cumulative savings = $9.3 billion



(1) Excludes Hotels.

WOOLWORTHS LIMITED

Refresh Level II

- Our current focus remains on our end-to-end supply chain improvement.
- Woolworths has completed a substantial proportion of the end-to-end supply chain improvement program in Supermarkets. Many of the key elements of the program are fully operational and completely integrated into the supply chain operations.
- The technology required to support our new supply chain is critical to its success and was complex in its construction. We have now passed the high risk stage of our IT application development.
- The principal systems that have driven the transformation of our supply chain are: Stocksmart (DC forecast based replenishment); AutoStockR (store forecast based replenishment); Warehouse Management Systems and Transport Management Systems.
- We are utilising the significant advantages that these systems provide.
- The combination of these systems has significantly enhanced Woolworths' ability to plan its volumes and flows through both DCs and stores on a daily basis. This provides an enormous opportunity to effectively plan labour inputs, therefore increase productivity and to obtain a higher level of "in stock" performance which adds to customer satisfaction whilst reducing stock levels and costs.

WOOLWORTHS LIMITED

Refresh Level II Continued

- The majority of the distribution centre network has been completed and is fully operational. Supermarket DCs will be reduced from 31 DCs to 9 Regional Distribution centres (RDCs) and 2 National Distribution centres (NDCs). To date 6 RDCs and 2 NDCs are fully operational and supporting our stores to achieve improved service levels and "instock" positions.
- The temperature controlled component of the Brisbane, Sydney and Wodonga RDCs was commissioned in the last 6 months and is achieving performance targets. The ambient component of the Brisbane RDC will be commissioned in March 2007.
- The rationalisation of DCs, combined with new DC processes, supported by new warehouse management systems, will capitalise on our site advantages and further reduce costs and stock levels.
- For stores, the introduction of phased replenishment, store re-stocking capabilities, along with store-ready unit load devices such as shelf-ready trays and roll cages, is reducing overall costs. Roll cages have been successfully implemented in Western Australia, South Australia and Queensland and in our Wyong and Wodonga DCs.
- Woolworths values its relationship with its suppliers and aims to work with them to improve efficiencies across the supply chain to our mutual advantage. The advent of improved technology will further our relationship with our suppliers. We will do this through collaboration with our vendors, sharing information and requesting feedback on areas for improvement.

WOOLWORTHS LIMITED

Refresh Level II Continued

- The intellectual property we have developed in our supply chain teams, IT systems and DCs is now being applied to other businesses in Woolworths. These include the New Zealand Supermarkets business and our liquor businesses. Further we are also pursuing opportunities to enhance our meat supply chain by integrating the distribution of meat with the Supermarket supply chain.
- Each of these opportunities will capitalise on the strong supply chain network that has been developed for our Supermarkets business and allow Woolworths to continue to deliver improved customer service and benefits that flow in this year and the years ahead.

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