

WOOLWORTHS LIMITED

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PRESS RELEASE

Woolworths announces property portfolio divestment

– Potential total realisation in excess of \$900m

Woolworths Limited (“Woolworths”) today announced its intention to place a portfolio of quality retail sites (“the Portfolio”) worth in excess of \$900 million for tender, on the basis of a sale and long term leaseback transaction.

The Portfolio consists of 30+ neighbourhood and sub-regional shopping centres – most of which are anchored by a Woolworths supermarket – and retail development properties. Some of the properties within the portfolio include Ashgrove Marketplace in Queensland, Carnes Hill Marketplace in New South Wales and Pakington Strand in Geelong West, Victoria. The larger Marketplace centres usually also include other stores within the Woolworths Group such as BIG W and Dan Murphy’s, as well as a number of specialty shops.

Commenting on the portfolio, Ralph Kemmler, Director of Property, Woolworths said: “The portfolio offers significant diversity in terms of location, excellent demographic profiles and inherent liquidity as a result of the number of centres involved.”

Woolworths has a history of delivering Marketplace style retail centres through its property development arm. To enable the continued roll out of its store network during the Global Financial Crisis, Woolworths has increased its involvement in the development of sites using its own balance sheet, which has resulted in the ownership of a large portfolio of completed retail centres.

As evidenced historically with Woolworths’ disposal of the portfolio of distribution centres in 2006, the Norwest office park in 2004, and various individual retail sites on a continual basis, the company is generally not a long term holder of property assets.

– *More Over* –

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“We are continually reviewing opportunities for the disposal of property assets and amid improving market conditions in the retail sector, we now see an opportunity to place a portfolio of quality completed retail sites for tender, on the basis of sale and long term leaseback transaction. However, there is no urgency to dispose of the portfolio and we will happily continue to hold the properties on balance sheet should market conditions dictate this course of action,” Mr Kemmler said.

The disposal program will commence in the next few weeks. Woolworths have appointed Moelis & Company and CB Richard Ellis to assist with the transaction.

– Ends –

CONTACT DETAILS: For further information please contact the Woolworths Limited Press Office on (02) 8885 1033.

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