

WOOLWORTHS LIMITED

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PRESS RELEASE

Woolworths divestment of property assets

Woolworths Limited (Woolworths) has today exchanged contracts for the sale of eight neighbourhood and sub-regional retail shopping centres. The sale will be to a 50/50 Joint Venture entity owned by Charter Hall Retail REIT and Telstra Super. The asset sale has a total consideration of \$266 million at an initial yield of 7.94%.

This continues Woolworths' strategy of divesting property it develops as appropriate market opportunities arise.

The sale follows Woolworths' announcement in September 2010 to seek interest on a portfolio of property assets totalling \$900 million. This sale will bring Woolworths' total capital disposal of retail property for the 2011 financial year to approximately \$380 million – the company's largest annual disposal of retail centres.

Director of Property, Ralph Kemmler said: "We received very strong interest in our portfolio sale process, including several offers to acquire the total parcel. However our original objective was to pursue the most appropriate and overall financially favourable solution and today's agreement achieves this aim. The decision also reflects the fact that as the market continues to recover, completed assets with a trading history are more favoured."

- Ends -

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