

WOOLWORTHS LIMITED

Wednesday, 28 May 2014

Woolworths investigating property divestments

There has been speculation in the media this morning regarding a potential divestment of freehold property assets of ALH Group, which is 75% owned by Woolworths Limited (**Woolworths**). Woolworths has previously stated its strategy of acting on the Company's portfolio to maximise shareholder value, including looking at options to sell property assets in order to optimise its balance sheet. In line with that strategy, Woolworths is currently investigating options to divest a further part of its property portfolio, including its property holdings in hotels and co-located retail liquor stores. These options include single property sales, portfolio property sales and the creation of separate vehicles to own the assets. Any divestment would involve the relevant Woolworths group business retaining operational control of the properties through a leasehold interest in the relevant premises.

Since 1 July 2010, Woolworths has divested approximately \$2 billion of property assets, including Shopping Centres Australasia Property Group in December 2012.

While Woolworths continually looks at options, no decision has been taken on the divestment of property assets in hotels and co-located retail liquor stores at this stage. Any decision Woolworths makes will be shaped by the objective of delivering value to our shareholders.