

# WOOLWORTHS LIMITED

A.B.N 88 000 014 675

16 April 2008

The Manager, Companies  
Australian Stock Exchange Limited  
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 thirteen week period ended 30 March 2008.

**For and on behalf of  
WOOLWORTHS LIMITED**



**PETER J HORTON  
COMPANY SECRETARY**

# WOOLWORTHS LIMITED

16 April 2008

PRESS RELEASE

## THIRD QUARTER SALES RESULTS 13 WEEKS TO 30 MARCH 2008

THIRD QUARTER SALES UP 10.2% FROM CONTINUING OPERATIONS

	2007 Statutory 13 weeks	2007 Proforma <sup>(1)</sup> 13 weeks	2008 Statutory 13 weeks	Statutory Increase (%)	Proforma <sup>(1)</sup> Increase (%)
<b>Third Quarter by Division (\$millions)</b>					
Australian Food and Liquor	6,981	7,023	7,627	9.3	8.6
New Zealand Supermarkets	1,022	1,023	1,065	4.2	4.1
Petrol	1,175	1,161	1,407	19.7	21.2
<b>Supermarket Division</b>	<b>9,178</b>	<b>9,207</b>	<b>10,099</b>	<b>10.0</b>	<b>9.7</b>
<b>BIG W</b>	<b>777</b>	<b>796</b>	<b>879</b>	<b>13.1</b>	<b>10.4</b>
Consumer Electronics – Aust / NZ	305	297	330	8.2	11.1
Consumer Electronics – India	8	8	26	225.0	225.0
<b>Consumer Electronics – Total</b>	<b>313</b>	<b>305</b>	<b>356</b>	<b>13.7</b>	<b>16.7</b>
<b>General Merchandise Division</b>	<b>1,090</b>	<b>1,101</b>	<b>1,235</b>	<b>13.3</b>	<b>12.2</b>
<b>Hotels</b>	<b>252</b>	<b>250</b>	<b>263</b>	<b>4.4</b>	<b>5.2</b>
<b>Continuing Operations</b>	<b>10,520</b>	<b>10,558</b>	<b>11,597</b>	<b>10.2</b>	<b>9.8</b>
Wholesale Division	39	39	42	7.7	7.7
<b>Total Third Quarter Sales</b>	<b>10,559</b>	<b>10,597</b>	<b>11,639</b>	<b>10.2</b>	<b>9.8</b>

Woolworths Chief Executive Officer, Michael Luscombe, today announced third quarter sales growth of 10.2% from continuing operations. “We are pleased to report another strong sales result for each of our businesses. Our businesses are well positioned and Woolworths continues to gain value from the solid platform created by continuing to focus on lower costs, lower prices and on-going management emphasis on range, quality, value and convenience for the customer, right across the organisation” he said.

<sup>(1)</sup> 2007 statutory sales do not include Easter. 2008 statutory sales do include Easter. 2007 sales have been adjusted to reflect the impact of Easter.

## **AUSTRALIAN FOOD AND LIQUOR**

Australian Food and Liquor sales for the quarter were \$7.6 billion, representing an increase of 9.3% (8.6% Easter adjusted). Comparable store sales in Food and Liquor for the third quarter increased by 7.3% (6.7% Easter adjusted, Q2: 6.0%), as we cycle a similarly strong comparable sales growth in the prior year of 6.6%.

Inflation for the quarter was approximately 4.5%, an increase from the 2.0% experienced in the first half as we continue to see increased price pressure on certain products and the ceasing of price deflation in produce.

“The strong momentum in the business has continued in the third quarter with further gains in market share. Our accelerated refurbishment program is progressing well with improvements in both sales and gross margin in the stores that we have completed.” said Naum Onikul, Director of Supermarkets.

We opened six supermarkets and six Dan Murphys stores during the quarter.

## **NEW ZEALAND SUPERMARKETS**

New Zealand Supermarkets achieved sales of \$1.1 billion for the third quarter. Comparable sales for the quarter were 6.3% (6.2% Easter adjusted, Q2: 5.7%).

In New Zealand, overall food inflation was approximately 3.0%, (Q2: 3.0%) which is still below the general food CPI and reflects the continued investment in lower prices.

“We have continued to make significant progress in reducing the price differential between our business and the equivalent offerings from our main competitor. Importantly, the results are apparent in our own price surveys and in our customer perception studies.” said Peter Smith, Managing Director New Zealand Supermarkets.

*Note: comparable sale % quoted based on NZD sales.*

## **PETROL**

Petrol sales for the third quarter, including Woolworths/Caltex Alliance sites, increased by 19.7% (21.2% Easter adjusted) reflecting higher petrol prices. Petrol comparable sales (dollars) increased 15.7% (17.1% Easter adjusted) during the quarter. Comparable volumes declined 2.3% (1.0% decline Easter adjusted, Q2 1.3% decrease) reflecting lower demand due to higher petrol prices.

During the quarter, one petrol canopy was closed taking total sites to 515, including 134 alliance sites.

## **BIG W**

BIG W sales grew by 13.1% (10.4% Easter adjusted) continuing the positive momentum for the first half. Comparable sales in the third quarter were 6.2% (3.8% Easter adjusted, Q2: 3.6%).

“This is a pleasing result and a credit to the efforts of the BIG W team in a tighter economic environment. We continue to improve the shopping experience for our customers whilst maintaining our everyday low price position.” said Greg Foran, General Manager BIG W.

Three new stores opened during the quarter taking total stores in the division to 151.

## **CONSUMER ELECTRONICS**

Total Consumer Electronics sales grew by 13.7% (16.7% Easter adjusted) during the third quarter.

Consumer Electronics (in Australia and New Zealand) has continued to enjoy solid growth, with third quarter sales increasing 8.2% (11.1% Easter adjusted). Comparable store sales for the third quarter increased by 3.3% normalised for movements in exchange rates (2.8% unadjusted). (5.0% Easter adjusted normalised for movements in exchange rates, Q2: 5.3%)

During the quarter we opened four new stores taking total stores to 416.

Consumer Electronics in India, our business venture with TATA now services 17 retail stores operating under the Croma brand achieved sales of \$26 million for the quarter.

## **HOTELS**

Hotel sales in the third quarter increased by 4.4% (5.2% Easter adjusted) to \$263 million. Overall comparable sales increased by 0.2% (1.0% Easter adjusted) in the quarter which was a modest performance, reflecting the impact of smoking bans resulting in more modest gaming comparable sales for the quarter (Q3: 0.9%, Q2: 3.1%).

We continue to remain cautious on the extent of the impact of smoking bans over the remainder of the financial year.

No additional properties were added to the portfolio in the third quarter with total hotels remaining at 271.

*Note: Full smoking bans were introduced into South Australia from 31 October 2007, NSW and Victoria from 1 July 2007. Full smoking bans were previously in force in Queensland, Western Australia and Tasmania..*

## **SALES OUTLOOK FOR THE FULL YEAR**

“Each of our businesses has positive momentum and whilst we are cautious about consumer confidence, we continue to expect sales from continuing operations for the full year to grow in the region of 8% to 10%.” said Mr Luscombe.

For further information contact:

Clare Buchanan  
Tom Pockett (Finance Director)

(02) 8885 1032 – Media  
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## Appendix 1

	2007 Statutory 13 weeks	2007 Proforma <sup>(1)</sup> 13 weeks	2008 Statutory 13 weeks	Statutory Increase (%)	Proforma <sup>(1)</sup> Increase (%)
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<b>BIG W</b>	<b>777</b>	<b>796</b>	<b>879</b>	<b>13.1</b>	<b>10.4</b>
Consumer Electronics – Aust / NZ	305	297	330	8.2	11.1
Consumer Electronics – India	8	8	26	225.0	225.0
<b>Consumer Electronics – Total</b>	<b>313</b>	<b>305</b>	<b>356</b>	<b>13.7</b>	<b>16.7</b>
<b>General Merchandise Division</b>	<b>1,090</b>	<b>1,101</b>	<b>1,235</b>	<b>13.3</b>	<b>12.2</b>
<b>Hotels</b>	<b>252</b>	<b>250</b>	<b>263</b>	<b>4.4</b>	<b>5.2</b>
<b>Continuing Operations</b>	<b>10,520</b>	<b>10,558</b>	<b>11,597</b>	<b>10.2</b>	<b>9.8</b>
Wholesale Division	39	39	42	7.7	7.7
<b>Total Third Quarter Sales</b>	<b>10,559</b>	<b>10,597</b>	<b>11,639</b>	<b>10.2</b>	<b>9.8</b>
	2007 Statutory 40 weeks	2007 Proforma <sup>(1)</sup> 40 weeks	2008 Statutory 40 weeks	Statutory Increase (%)	Proforma <sup>(1)</sup> Increase (%)
<b>Year to Date by Division (\$millions)</b>					
Australian Food and Liquor	21,321	21,363	23,122	8.4	8.2
New Zealand Supermarkets	3,011	3,012	3,223	7.0	7.0
Petrol	3,685	3,671	4,078	10.7	11.1
<b>Supermarket Division</b>	<b>28,017</b>	<b>28,046</b>	<b>30,423</b>	<b>8.6</b>	<b>8.5</b>
<b>BIG W</b>	<b>2,711</b>	<b>2,730</b>	<b>3,066</b>	<b>13.1</b>	<b>12.3</b>
Consumer Electronics – Aust / NZ	1,003	995	1,099	9.6	10.5
Consumer Electronics – India	13	13	72	453.8	453.8
<b>Consumer Electronics – Total</b>	<b>1,016</b>	<b>1,008</b>	<b>1,171</b>	<b>15.3</b>	<b>16.2</b>
<b>General Merchandise Division</b>	<b>3,727</b>	<b>3,738</b>	<b>4,237</b>	<b>13.7</b>	<b>13.3</b>
<b>Hotels</b>	<b>792</b>	<b>790</b>	<b>849</b>	<b>7.2</b>	<b>7.5</b>
<b>Continuing Operations</b>	<b>32,536</b>	<b>32,574</b>	<b>35,509</b>	<b>9.1</b>	<b>9.0</b>
Wholesale Division	115	115	122	6.1	6.1
<b>Total Year to Date Sales</b>	<b>32,651</b>	<b>32,689</b>	<b>35,631</b>	<b>9.1</b>	<b>9.0</b>
<b>Period (\$ millions)</b>					
14 weeks ended 30 September 2007	10,743	10,743	11,696	8.9	8.9
13 weeks ended 30 December 2007	11,349	11,349	12,296	8.3	8.3
13 weeks ended 30 March 2008	10,559	10,597	11,639	10.2	9.8
<b>Total Year to Date Sales (40 weeks)</b>	<b>32,651</b>	<b>32,689</b>	<b>35,631</b>	<b>9.1</b>	<b>9.0</b>

(1) 2007 statutory sales do not include Easter. 2008 statutory sales do include Easter. 2007 sales have been adjusted to reflect the impact of Easter.