

WOOLWORTHS LIMITED

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PRESS RELEASE

Woolworths to move all debit transactions to the Australian EFTPOS network

Woolworths today announced its intention to exclusively route all debit transactions via the Australian EFTPOS network, instead of using the MasterCard and Visa networks.

The change affects 'scheme debit' cards issued by banks and credit unions which feature either the Visa or MasterCard logo on the front as well as the word 'debit' to differentiate them from credit cards.

Customers using these cards currently have the option of pressing the 'credit' button when they make payments at stores in the Woolworths group. These customers will need to press the 'cheque' or 'savings' buttons to access their funds through the Australian owned EFTPOS network.

Credit cards will not be impacted by this change and customers will still be able to select 'credit' when using a credit card.

The change, which is likely to only affect around 1% of Woolworths' customers, will be introduced progressively across stores in the Woolworths group from April 15. The stores include BIG W, Woolworths Supermarkets, Safeway Supermarkets, Woolworths Liquor, Safeway Liquor, BWS, Dan Murphy's, Dick Smith, Tandy, Woolworths Petrol, Safeway Petrol, Caltex Woolworths petrol outlets, Thomas Dux and ALH (bottleshops).

Woolworths Limited Finance Director, Tom Pockett said retailers face higher bank fees and growing cost pressures as a result of increasing use and promotion of scheme debit cards.

"The bank fees from processing debit transactions via MasterCard and Visa adds significant costs to the Woolworths business. By processing transactions through the Australian EFTPOS network, we can keep our costs low enabling us to deliver increased value to our customers," Mr Pockett said.

"Regardless of which button customers press they still access the same bank account. The charges associated with the scheme debit networks are simply an unnecessary layer of costs for retailers that eventually trickle down to the consumer," he said.

– More Over –

WOOLWORTHS LIMITED

WOOLWORTHS LIMITED

– Page 2 of 2 –

“By moving all debit transactions to the EFTPOS network, we can continue to be one of the few national retailers not applying surcharges to any card transactions,” Mr Pockett added.

In New Zealand, merchants process all debit transactions through the domestic EFTPOS network to keep transaction costs low.

Mr Pockett said the change is unlikely to cause inconvenience to customers as most scheme debit users already press cheque or savings to access their funds.

“Customers will need to ensure they know their PIN to access their funds via the cheque or savings buttons. The PIN customers use in-store is the same number which customers use to withdraw funds at an ATM,” Mr Pockett said.

Customers who do not know their PIN can contact their bank for assistance.

“The EFTPOS network is a secure and real-time payment network which is admired around the world. It’s important that Australian retailers support the Australian EFTPOS network to ensure we have a competitive, innovative and low cost network benefiting both retailers and consumers into the future,” Mr Pockett added.

– Ends –

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

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