



8 August 2017

ASX Market Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

STATEMENT ON CUSCAL PROCESSING ERROR

Given widespread media coverage, Woolworths Limited (WOW) wishes to clarify the situation in relation to the repeat charging of some of our customers who used VISA cards issued by certain smaller banks and credit unions between 11-13 March 2017.

Background

On Sunday 6 August 2017, a processing error by CUSCAL Limited, a financial services provider which is the payment processor for over 80 banks, credit unions, and card issuers, resulted in some Woolworths Group customers who used VISA cards between 11-13 March 2017 being charged with transactions for a second time.

Highly regrettably, these charges appeared in our customers' bank statements yesterday as if they had been charged twice by Woolworths. In fact, the charges occurred as a result of the processing error by CUSCAL, a payments processor for financial institutions and card issuers. Woolworths was not involved in this error, and was completely unaware of it until we were contacted by our customers.

No data breach by Woolworths

Brad Banducci, Woolworths Group CEO said: "We are outraged on behalf of our customers that this has happened and it raises a series of important questions about the effectiveness of certain processes in the financial system. We don't know which of our customers have been affected because the relevant encrypted data is held only by the financial services companies. However we are responding to those customers who contact us via our customer service centres and social media."

"We have raised these concerns directly with CUSCAL and VISA, and propose to pursue the matter with the relevant financial services regulators."

"It is not acceptable that our customers have been charged twice, causing them stress, inconvenience and, in some cases, financial hardship."



“We want to know how this happened, and we are seeking firm commitments from the financial services providers responsible to ensure that this can never happen again.”

Advice to, and support for, our customers

Woolworths is working to ensure any customers out of pocket can buy essentials until the financial services companies have resolved these issues. We also have confirmation from CUSCAL that the incorrect transactions will be rectified and refunds will be made into affected customers’ accounts by 2pm today.

Brad Banducci said: “We apologise for the inconvenience this has caused to our customers. We encourage customers who still have concerns about the payments returning to their accounts to contact our team on phone: 1300 767 969 for support in dealing with their financial institutions.”

ENDS

For further information contact:

Affected Customers

Phone: 1300 767 969

Media

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