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Woolworths Group to sell Petrol business and enter into commercial alliance with EG Group

**Supermarket Fuel discount, Woolworths Rewards points, Wholesale Food agreement
all key components of the deal**

Woolworths Group Limited (Woolworths) today announced that it has entered into a binding agreement to sell its 540 Woolworths-owned fuel convenience sites to EG Group for A\$1.725 billion.

EG Group is a global leader in fuel and convenience retailing, operating c.4,700 sites across Europe and North America and employing over 28,000 people.

As part of the transaction, Woolworths Group and EG Group have entered into a 15 year commercial alliance covering fuel discount redemption, loyalty and wholesale product supply. Key features of the alliance include:

- Woolworths' popular four cent per litre fuel discount will continue across the network;
- Customers will continue to earn Woolworths Rewards points on fuel and merchandise purchases across the network; and
- Woolworths Group will commence a new wholesale food supply agreement to the network, providing an extensive product range and competitive pricing.

All existing Woolworths Petrol management and operations teams will transfer to EG Group following completion of the sale.

Brad Banducci, Woolworths Group CEO said, "This transaction is a positive for our customers, our team and our shareholders.

"The agreement will continue to strengthen the opportunities our customers have for greater value when shopping with us, with the benefits of the Woolworths Rewards program and the fuel discount offer set to continue.

WOOLWORTHS GROUP



“A long-term wholesale food supply arrangement will also ensure that EG Group can benefit from competitive product sourcing, including Woolworths’ own brands, to provide a world class convenience offer that will add further scale to Woolworths FoodCo.”

Mohsin Issa, EG Group Founder and co-CEO said; “For the past 17 years, we have had a vision of becoming a leading petrol station/convenience store operator around the world. This is another exciting international milestone on our growth journey.

“We are the leading independent petrol forecourt retailer in Europe and are having great success in the US. The Woolworths’ assets present a fantastic opportunity to further grow our international footprint and deliver our best-in-class retail experience in a new geography.

“We are committed to investing in the site network, introducing leading retail brands, developing the alliance with Woolworths and working with the exceptional management team.”

The transaction is subject to Foreign Investment Review Board approval. Completion is expected to occur in early 2019.

Following completion of the transaction, Woolworths Group will consider a range of options for the use of proceeds, including capital management initiatives. Further details on this will be provided in due course.

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About EG Group

Founded in 2001 by brothers Zuber and Mohsin Issa, United Kingdom based EG Group is a leading petrol forecourt retail convenience operator which has established partnerships with global brands such as ESSO, BP, Shell, Carrefour, Louise Delhaize, SPAR, Starbucks, Burger King, KFC, Greggs and Subway. The business has an established pedigree of delivering a world class fuel, convenience and food-to-go offer.

Further information at www.eurogarages.com