

COMPANY ANNOUNCEMENT

THURSDAY, 27 OCTOBER 2005

FAL FINAL SCHEME CONSIDERATION

Foodland Associated Limited today announced the final terms of the Transfer Scheme Consideration offered for FAL in the proposed scheme of arrangements to be voted on at the series of meetings to be held on the Wednesday 2 November. Proxies must be received by 10:00am (WST) on 31 October, 2005 to be valid for all of the meetings.

Metcash Consideration

The final Metcash Consideration payable to FAL shareholders (including adjustments for the net ATO refund of \$14.4 million and the Multiplex payment of \$3 million) is \$759.6 million. This means that FAL shareholders will be offered the following amounts from Metcash:

- \$6.45 cash per FAL share; or
- 2.10 Metcash shares per FAL share.

This compares favourably against the estimated Metcash Consideration of \$6.33 cash or 2.07 Metcash shares per FAL share as disclosed in the Scheme Booklet.

Woolworths Consideration

The final Woolworths Consideration payable to FAL shareholders comprises of \$1,250 million (less net assumed debt of \$318.3 million giving a cash component of \$931.7 million) plus 81,592,689 Woolworths shares.

FAL shareholders who elect to receive the Woolworths Standard Consideration, will be offered the following amounts from Woolworths:

- \$7.91 cash per FAL share; plus
- 0.6925 Woolworths shares.

This is in line with the estimated Woolworths Standard Consideration in the Scheme Booklet of \$7.93 cash plus 0.6925 Woolworths shares.

The limits placed on the cash payable and the number of Woolworths shares available mean that the proportions of cash and Woolworths shares payable to FAL shareholders may be rebalanced depending on the elections of other shareholders who wish to receive Woolworths Maximum Cash Consideration or the Woolworths Maximum Share Consideration.

Scheme Consideration

The alternatives available to FAL shareholders in respect of the Metcash Consideration and the Woolworths Consideration are set out in the Scheme Booklet. The last date for receipt of completed election forms is 7.00pm (WST) 10 November, 2005.

Chairman Len Bleasel commented “The Board and Management have been working tirelessly to ensure that the interests of our shareholders were protected and that the value of their investment in FAL would be enhanced. I am confident shareholders will vote in favour of the proposal and very pleased that they will receive full value for their shares if the schemes proceed. Because of the structure of the transaction, our shareholders also have the opportunity to participate in any value enhancement under the terms of the Metcash and Woolworths scrip.”

ENDS

For more information please contact:

Mr Trevor Coates
Group Managing Director
Foodland Associated Limited
Telephone: (08) 9311 6009

Mr James Brown
General Manager Finance
Foodland Associated Limited
Telephone: (08) 9311 6009

Louise Watson / Yves Noldus
Symbol Strategic Communications
Telephone: (02) 9324 4287

This announcement is available on the FAL website. The address is www.fal.com.au