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1 October 2007

## **Scheme Booklet registered with Australian Securities & Investments Commission**

The Scheme Booklet setting out information for Coles Group shareholders about Wesfarmers' proposal to acquire the company has been registered with the Australian Securities & Investments Commission and filed with the Australian Securities Exchange (ASX).

The Supreme Court of Victoria has approved the Booklet and the convening of a meeting of Coles shareholders on 7<sup>th</sup> November 2007.

The Scheme Booklet is expected to be despatched to all Coles Group shareholders by Friday, 5<sup>th</sup> October 2007 with receipt throughout the following week. It is also available on the Coles website ([www.colesgroup.com.au](http://www.colesgroup.com.au)).

The Scheme Booklet sets out the reasons why Coles Group shareholders should vote in favour of the Scheme, including:

- The Coles Group Board has conducted an extensive review of ownership options and unanimously recommends that Coles Group Shareholders vote in favour of the Scheme in the absence of a superior proposal.
- The Independent Expert has concluded that the Scheme is in the best interests of Coles Group Shareholders in the absence of a superior proposal.
- The Scheme allows Coles Group Shareholders to retain exposure to potential operational upside in the Coles Group businesses, with Coles Group Shareholders owning approximately 44 per cent of the Wesfarmers Merged Group.
- Holders of Wesfarmers Partially Protected Shares (WPPS) will receive a level of downside protection on their WPPS shareholding.
- Coles Group Shareholders will become shareholders in Wesfarmers, a company that has a track record of strong financial and operational performance.
- Coles Group Shareholders will potentially receive a significant dividend uplift.
- Most Australian Coles Group Shareholders will be eligible to receive scrip for scrip CGT roll-over relief on the share consideration component of any capital gain they make.
- If the Scheme does not proceed, and no alternative proposal emerges, the Coles Group share price is likely to fall.

Shareholders should read the entire Scheme Booklet, which sets out more information about the proposal, including disadvantages and risks. The Booklet includes the report from Grant Samuel, which concludes that, while the Wesfarmers proposal is in the best interests of shareholders in the absence of a superior proposal, the assessed value of the proposal is at a discount to the assessed value of Coles Group and therefore is currently less than the fair value range attributed to Coles shares.

### **Scheme Meeting**

The Scheme Meeting is scheduled to be held at 11.00am on Wednesday, 7<sup>th</sup> November 2007 at Hamer Hall, Victorian Arts Centre, 100 St Kilda Road, Melbourne.

All proxy voting instructions must be received no later than 48 hours before the commencement of the Scheme Meeting. Coles Group shareholders are encouraged to lodge proxy voting instructions by 5.00pm on Friday, 2<sup>nd</sup> November 2007.

### **ASX Approval of WPPS**

Wesfarmers has received ASX approval for the terms of the WPPS. The full terms of the WPPS are contained at Annexure A of the Scheme Booklet and Wesfarmers is today making a separate ASX announcement disclosing these terms.

### **New Zealand Overseas Investment Office Approval**

Wesfarmers has been advised by the New Zealand Overseas Investment Office that its proposed acquisition of Coles Group has been approved.

### **More information:**

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