

News Release



18 February 2020

Wesfarmers agrees to sell 4.9 per cent of Coles Group

Wesfarmers has entered into an underwriting agreement with two lead managers to sell 4.9 per cent of the issued capital of Coles Group Limited (ASX:COL) (Coles).

Following the sale process, Wesfarmers will retain a minority interest of 10.1 per cent in Coles and its right to nominate a director on the Coles Board, maintaining the ongoing relationship between the two companies since the demerger of Coles from Wesfarmers in November 2018. Under the Relationship Deed agreed with Coles at the time of the demerger, Wesfarmers has the right to nominate a director to the Coles Board while it retains an interest in Coles of at least 10 per cent.

Wesfarmers Managing Director Rob Scott said the partial sale of the Coles shareholding would crystallise a strong return for shareholders while enabling continued strategic alignment and collaboration between the two companies in relation to mutually beneficial growth initiatives.

"We believe this level of divestment is in the best interests of our shareholders and consistent with our objectives at the time of the demerger, which included demonstrating continued confidence in Coles' future as a stand-alone listed company," Mr Scott said.

"We have been pleased with the performance of Coles as an independently listed entity and believe it is an appropriate time to realise value for our shareholders while retaining a meaningful interest and ongoing connection with Coles, including representation on its Board and through our flybuys joint venture."

Further details, including the price received per ordinary share and pre-tax profit on sale, will be disclosed when the sale proceeds are known.

For more information:

Media

Cathy Bolt
Media and External Affairs Manager
+61 8 9327 4423 or +61 417 813 804
cbolt@wesfarmers.com.au

Investors

Erik du Plessis
Manager, Investor Relations
+61 8 9327 4603 or +61 439 211 630
EduPlessis@wesfarmers.com.au

This announcement was authorised to be given to the ASX by the Wesfarmers Disclosure Committee.