WOOLWORTHS LIMITED

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PRESS RELEASE

Woolworths Flicks the Switch on Energy Efficient Light Bulbs

- Woolworths becomes Australia's first major retailer to stop selling inefficient incandescent light bulbs
- Voluntary phase out commences one year ahead of Government deadline
- Energy efficient light bulb prices reduced to encourage customers to make the switch

Australia's leading retailer, Woolworths Limited, today announced it will cease selling inefficient incandescent light bulbs next month across Woolworths and Safeway supermarkets and BIG W and Dick Smith Electronics stores.

The action constitutes the most progressive move yet by any major retailer and comes a full year before the planned Federal Government-led phase out.

Incandescent light bulbs have been the standard in light bulbs but use more energy and have to be replaced more frequently than energy efficient light bulbs.

Following their phase out from sale in November, customers will be able to purchase the more energy efficient alternatives.

Woolworths Limited sells in excess of 5.3 million standard incandescent bulbs and 4.375 million energy efficient bulbs per year*, which accounts for approximately 25 percent of total light bulb sales in Australia.

Although sales of incandescent bulbs still exceed those of energy efficient bulbs, often called compact fluorescent bulbs, they are declining rapidly as more and more customers choose the greener option.

Woolworths Supermarkets General Manager James Aylen said: "We fully support the Government's decision to phase out inefficient incandescent bulbs and are pleased to lead the way by making the switch sooner rather than later. Increasingly our customers are looking to make more environmentally friendly choices when they shop and we want to help them."

"Historically, energy efficient bulbs have carried a price premium to standard incandescent bulbs which may have discouraged customers from buying them. However, this is something of a false economy as the newer bulbs last a whole lot longer than traditional bulbs and save on household energy bills," Mr Aylen said.

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^{*} See Table 1 for state based sales figures.

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"To really push the message home that energy efficient bulbs are better value we are reducing their price significantly. Woolworths and Safeway stores will be selling a packet of two Woolworths Essential 'Mini Compact' Energy Efficient bulbs for \$5.99 – representing a price drop of 25 per cent. We'll also have fantastic deals across the Philips, Mirabella and GE ranges," Mr Aylen said.

Some specialist incandescent light bulbs, such as low voltage, decorative and cooker and refrigerator lamps will still be available. However, increasingly, energy efficient alternatives for these are making it to stores.

The move to ban inefficient incandescent bulbs follows Woolworths' decision to pursue an ambitious carbon reduction target of 40% by 2015. The company's best practice approach to environmental sustainability also includes a broad range of initiatives to tackle waste management, recycling, packaging, transport and water.

"We hope our decision to phase out inefficient incandescent light bulbs prior to the Government deadline will prompt other retailers to do the same. Retailers can play a big role in helping consumers make the switch to more energy efficient alternatives," Mr Aylen added.

Mr Paul Toni, Development and Sustainability Manager of independent conservation organisation WWF-Australia said: "Improving energy efficiency is vital to our future.

"Household lighting in Australia contributes five million tonnes of emissions each and every year. Phasing out incandescent light bulbs in favour of compact fluorescent bulbs will make a real difference to a household's efficiency. We applaud Woolworths for making energy efficient lighting a more accessible and affordable choice for families," Mr Toni said.

Mr Paul Klymenko, Research Director of environmental foundation Planet Ark added: "Australia is leading the world in banning inefficient incandescent globes and Planet Ark congratulates Woolworths for leading Australian retailers by stopping their sale of the globes a whole year before the retail ban.

"Switching to energy efficient compact fluorescent bulbs has great benefits for Australians. According to Federal Government estimates, this will take \$400 million off the electricity bills of Australian families every year, and reduce our greenhouse gas emissions by four millions tonnes - which is equal to taking one million cars off the road," Mr Klymenko said.

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Consumers seeking more information on energy efficient light bulbs can call Planet Ark on 1300 763 768.

<u>Table 1:</u> Woolworths Limited sales of energy efficient and standard incandescent light bulbs across Australia*

	Percentage of total	State subtotal
Energy efficient bulbs	Total: 4,375,000	
NSW and ACT**	26%	1,137,500
VIC	27%	1,181,250
QLD	24.3%	1,063,125
WA	10.9%	476,875
SA and NT**	8.9%	389,375
TAS	2.9%	126,875

Standard incandescent bulbs***	Total: 5,300,000	
NSW and ACT**	28.9%	1,531,700
VIC	25.6%	1,356,800
QLD	21.4%	1,134,200
WA	11.3%	598,900
SA and NT**	8.7%	461,100
TAS	4.1%	217,300

^{*} For one year from 8 September 2007 until 7 September 2008.

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^{**} Represents combined sales figures for regions.

^{***} Refers to standard incandescent light bulbs which are being phased out by Woolworths.