



27 September 2010

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir,

BUNNINGS MEDIA RELEASE

Attached is a copy of a media release from Bunnings.

Yours faithfully,

A handwritten signature in black ink, appearing to be "L J Kenyon", written over a horizontal line.

L J KENYON
COMPANY SECRETARY

Enc.

27th September 2010

Bunnings to invest more than \$600m in major New South Wales expansion creating 2,700 permanent jobs and a further 3,900 during construction

Investment to include Australia's biggest home improvement store in Alexandria

Bunnings, Australia's leading home improvement and outdoor living retailer, today announced plans to increase its investment in New South Wales by more than \$600 million in 18 metro and regional sites over the next three years. The investment will create more than 2,700 new permanent jobs and over 3,900 additional jobs during the construction phase. The announcement was made as the site of Australia's largest home improvement store was unveiled at Alexandria in Sydney.

Bunnings has secured sites for 12 new Bunnings Warehouses at Alexandria, Balgowlah, Batemans Bay, Castle Hill, West Gosford, Greenacre, Rouse Hill, Tamworth, Marsden Park, Wallsend, Smithfield, and East Gardens. Of those sites, development approvals are already in place for Alexandria, Castle Hill, Rouse Hill and Tamworth with construction starting soon. Additionally, three new Bunnings Warehouses are currently under construction and will open soon, in Seven Hills (October 2010), Port Stephens (December 2010) and Chatswood (February 2011). An existing business has been secured at Lithgow and plans are also underway to open two new trade centres at St Peters and Cromer.

Since July 2009, Bunnings has opened stores in Armidale, Wagga Wagga, Narellan, Morriset and Cowra, and trade centres in Tuggerah and Unanderra. The latest investment accelerates Bunnings' growth in New South Wales and is part of an ongoing nationwide network expansion strategy. Bunnings offers the widest range, lowest prices and best service to families and householders across Australia and New Zealand in the \$36 billion home improvement and outdoor living market.

Consistent with Bunnings' commitment to the environment, the new stores will feature innovative water saving and energy saving measures.

Bunnings Managing Director, John Gillam said:

"We are delighted to be investing more than \$600m in NSW over the next three years. This will bring the Bunnings offer to more families, households and builders through 18 new sites, creating over 2,700 permanent jobs. Our NSW opening program is part of our ongoing network expansion strategy across the country. We are particularly excited about the strength and complementary nature of the sites we have secured which are enabling us to accelerate our NSW opening program."

Kristina Keneally, Premier, New South Wales, said:

"Today's announcement is great news for the NSW economy, with the new sites expected to support about 3,900 construction jobs, 2,700 retail jobs, and more than \$600 million in state investment. Importantly, at least five of these sites will be located outside of the greater Sydney area, providing employment and economic stimulus to regional and rural economies. This is a major vote of confidence in the NSW planning system, the NSW employment market, and the NSW economy."

Australia's biggest home improvement store in Alexandria

The Alexandria Warehouse, which was purchased from CSR, is on a 2.6 hectare site on Euston Road, Alexandria. At 20,000m² it will be Australia's largest home improvement and outdoor living store and will create over 255 permanent jobs and a further 345 during construction. Scheduled to open in mid-2012, Alexandria will house a main warehouse over two levels, a timber trade area and an outdoor nursery. It will have on-site parking for over 560 cars and a kids' playground. In keeping with the industrial history of the Euston Road site, the new store will incorporate part of the existing warehouse into the building which will be adapted into a functional space housing the outdoor nursery.

Bunnings Managing Director, John Gillam said:

"As our biggest Bunnings Warehouse, our new store in Alexandria will enable us to showcase our ever expanding offer to customers with new categories including kitchen appliances and glass pool fencing and expanded ranges in landscaping and kids' play equipment."

- ENDS -

For further information, please contact:

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About Bunnings

Bunnings is the leading retailer and a major supplier of building materials in the \$36 billion market for home improvement and outdoor living products in Australia and New Zealand. Bunnings operates out of 187 warehouse stores, 58 small format stores and 29 trade centres and 7 frame and truss plants throughout Australia and New Zealand. Bunnings employs over 30,000 team members in its 281 locations.

About Bunnings in NSW

Bunnings currently has 77 operating sites comprising 53 Bunnings warehouse stores, 17 small format stores, 5 trade centres and 2 frame and truss plants. Bunnings employs over 7,300 team members in NSW.

Since June 2009, Bunnings has opened 4 new warehouse stores, 1 smaller format store, and 2 trade centres:

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|------------------------------------|---------------|
| Bunnings Small Format Store, Cowra | August 2010 |
| Bunnings Trade Centre Unanderra | July 2010 |
| Bunnings Trade Centre, Tuggerah | June 2010 |
| Bunnings Warehouse, Armidale | May 2010 |
| Bunnings Warehouse, Wagga Wagga | December 2009 |
| Bunnings Warehouse, Narellan | November 2009 |
| Bunnings Warehouse, Morisset | October 2009 |