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7 July 2014

By electronic lodgement

The Manager
Company Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir / Madam

Takeover Offer by Woolworths International (Australia) II Pty Ltd for Country Road Limited

Pursuant to item 5 of subsection 633(1) of the Corporations Act 2001 (Cth) (**the Act**), we enclose the Bidder's Statement in relation to the off-market takeover bid by Woolworths International (Australia) II Pty Ltd (ACN 600 437 063) (**Woolworths Bidco**, a wholly owned subsidiary of Woolworths Holdings Limited) to acquire all of the remaining ordinary shares in Country Road Limited (ACN 006 759 182) (**Country Road**).

We note, for the purposes of section 633(4) of the Act, that Woolworths Bidco has set 7.00pm on 8 July 2014 (AEDT) as the time and date for determining those persons to whom information is to be sent under items 6 and 12 of section 633(1) of the Act. This is specified in section 10.1 of the Bidder's Statement.

The Bidder's Statement has today been lodged with the Australian Securities and Investments Commission and sent to Country Road.

Yours sincerely
Gilbert + Tobin

Craig Semple
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WOOLWORTHS

This is an important document and requires your immediate attention.

If you are in any doubt about how to deal with this document, you should contact your broker, financial, legal, tax or other professional adviser immediately.

Bidder's Statement

ACCEPT

the cash Offer by **Woolworths International
(Australia) II Pty Ltd ACN 600 437 063**

to purchase all of your shares in

**Country Road Limited ACN 006 759 182 ("Country
Road")**

for

\$17.00 cash per Country Road Share

TO ACCEPT THE OFFER YOU MUST

Complete and sign the Acceptance Form accompanying this Bidder's Statement and return it to the address set out on the form before the Offer closes.

The Offer closes at 7.00pm (Sydney time) on [●], unless extended.

legal advisers

financial advisers



L A W Y E R S

WEBBER WENTZEL
in alliance with > **Linklaters**



ROTHSCHILD



Standard Bank

Important notices

Bidder's Statement

This document is a Bidder's Statement issued by Woolworths International (Australia) II Pty Ltd ACN 600 437 063 (**Woolworths Bidco**) under Part 6.5 of the *Corporations Act 2001*. This Bidder's Statement is dated 7 July 2014. You should read this Bidder's Statement in its entirety.

ASIC

A copy of this Bidder's Statement was lodged with ASIC on 7 July 2014. Neither ASIC nor its officers takes any responsibility for the content of this Bidder's Statement.

Investment decisions

In preparing this Bidder's Statement, Woolworths Bidco has not taken into account the individual objectives, financial situation or needs of individual Country Road Shareholders. Accordingly, before making a decision whether or not to accept the Offer, you may wish to consult with your legal, financial, tax or other professional adviser.

Disclaimer as to forward looking statements

Some of the statements appearing in this Bidder's Statement may be in the nature of forward looking statements, including statements of current intention (which include those in section 6 of this Bidder's Statement). You should be aware that such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. Forward looking statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties are not all within the control of Woolworths and include factors and risks specific to the industry in which Country Road operates as well as general economic conditions, prevailing exchange rates, interest rates and conditions in the financial markets. Although Woolworths believe that the expectations reflected in any forward looking statements included in this Bidder's Statement are reasonable, no assurance can be given that such expectations will prove to have been correct. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statements and any statement in the nature of a forward looking statement in this Bidder's Statement. None of WHL, Woolworths Bidco, their officers and employees, any persons named in this Bidder's Statement or any person involved in the preparation of this Bidder's Statement makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement.

Information on Country Road

The information on Country Road and Country Road's securities contained in this Bidder's Statement has been prepared by Woolworths Bidco using both publicly available information and information in WHL's possession. The information in this Bidder's Statement concerning Country Road and the assets and liabilities, financial position and performance, profits and losses and prospects of Country Road, has not been independently verified by Woolworths Bidco. Accordingly Woolworths Bidco does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Further information relating to Country Road's business may be included in the Target's Statement which Country Road must provide to its shareholders in response to this Bidder's Statement.

Notice to foreign Country Road Shareholders

This Bidder's Statement and the Offer are subject to Australian disclosure requirements which may be different from those applicable in other jurisdictions. This Bidder's Statement and the Offer do not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Bidder's Statement should inform themselves of, and observe, those restrictions.

Privacy

Woolworths Bidco has obtained your information from the Country Road register of shareholders for the purpose of making this Offer and, if accepted, administering acceptances of the Offer in respect of Your Country Road Shares. The Corporations Act requires the name and address of shareholders to be held in a public register. Your information may be disclosed on a confidential basis to related bodies corporate and external service providers of Woolworths Bidco, and may be required to be disclosed to regulators such as ASIC. The registered address of Woolworths Bidco is Level 37, 2 Park Street, Sydney NSW 2000.

Defined terms

A number of defined terms are used in this Bidder's Statement. Unless the contrary intention appears, the context requires otherwise or words are defined in section 11 of this Bidder's Statement, words and phrases in this Bidder's Statement have the same meaning and interpretation as in the Corporations Act.

How to accept the Offer

If you accept the Offer, you may only do so in respect of all of Your Country Road Shares. Acceptances must be received before the end of the Offer Period.

Depending on the nature of your holding, you may accept the Offer in the following ways:

Issuer sponsored shareholders (your SRN starts with an "I")

If Your Country Road Shares are held on Country Road's issuer sponsored subregister, complete and sign the Acceptance Form enclosed with this Bidder's Statement in accordance with the instructions on the form and send it to the address set out on the form so it is received before the Offer closes.

CHESS shareholders (your HIN starts with an "X")

If Your Country Road Shares are in a CHESS Holding,

- complete and sign the Acceptance Form enclosed with this Bidder's Statement in accordance with the instructions on the form and send it to the address set out on the form, so that it is received in sufficient time for your Controlling Participant to effect acceptance before the Offer closes; or
- instruct your Controlling Participant (normally your broker) to accept the Offer on your behalf, before the Offer closes.

Participants

If you are a Participant, acceptance of this Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.

Postal address for completed Acceptance Forms

Computershare Investor Services Pty Limited
GPO Box 2115 Melbourne
Victoria 3001 Australia

Further information on how to accept the Offer

Full details on how to accept the Offer are set out in section 10.3 of this Bidder's Statement.

Key dates

Announcement Date (date that the proposed Offer was announced)	24 June 2014
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Date of this Bidder's Statement	7 July 2014
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Date of Offer and Offer opens	[●]
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Date Offer closes (unless extended or withdrawn)	[●]
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Contents

1	Why you should accept the Offer	7
2	Summary of Offer and how to accept it	11
3	Information on Woolworths Bidco and Woolworths	15
4	Overview of Country Road	22
5	Sources of Consideration	27
6	Information on Country Road's securities	30
7	Intentions in relation of Country Road	31
8	Taxation Considerations	33
9	Other material information	37
10	The terms and conditions of the Offer	38
11	Definitions and interpretation	48
	Approval of Bidder's Statement	51
12	Corporate Directory	52

CHAIRMAN'S LETTER

Dear Country Road Shareholder,

I am delighted to have the opportunity to present Woolworths' Offer to acquire all of your shares in Country Road.

If you accept Woolworths' Offer, you will be paid \$17.00 cash for each Country Road Share that you hold, subject to the Offer becoming unconditional. On 30 June 2014, Woolworths announced that the Offer is its best and final offer. This means that Woolworths will not increase the Offer price.

We note the following features of our Offer:

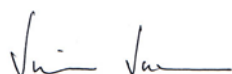
- The Offer represents a cash premium to the trading price of Country Road Shares on the ASX prior to the announcement of the Offer, being a 21.4% premium to the closing price of Country Road on 23 June 2014 (the day before the announcement of the proposed Offer) and a 77.5% premium to the 12 month volume weighted average price for the period ending on 23 June 2014 of \$9.58. However, Country Road Shareholders, when assessing the premium being offered over historical trading prices, should note that Country Road Shares are extremely thinly traded and therefore may experience greater price volatility than other listed shares so share prices may not be a reliable guide to the fair value of Country Road Shares;
- Being an all cash offer, Woolworths is providing certainty for the value of Your Country Road Shares. This is particularly relevant given the illiquidity in the trading of Country Road Shares on the ASX, which makes it difficult for shareholders to sell on-market; and
- The Offer is subject to very limited conditions, being FIRB approval, the David Jones Scheme becoming Effective, no regulatory actions restraining the Offer and no prescribed occurrences. Woolworths intends to waive the no regulatory actions and no prescribed occurrences conditions if the David Jones Scheme becomes effective, meaning at that time, the Offer would be subject only to the FIRB approval condition (unless this condition has also been satisfied or waived by that time).

Details of our Offer, including its terms and conditions are set out in this Bidder's Statement. I encourage you to read the Bidder's Statement carefully and in full, together with the Target's Statement to be released shortly by Country Road, and to accept the Offer as soon as possible. In order to be valid, your acceptance must be received before 7:00pm (Sydney time) on [●] which, unless extended, will be the closing date of the Offer.

To accept the Offer you should follow the instructions in this Bidder's Statement and on the accompanying Acceptance Form.

Thank you for your consideration of our Offer. We look forward to receiving your acceptance.

Yours sincerely



Simon Susman

Woolworths Holdings Limited Reg. No. 1929/001986/06

Woolworths House 93 Longmarket Street Cape Town 8001 Telephone +27 21 4079111
Fax +27 21 4072151

1 Why you should accept the Offer

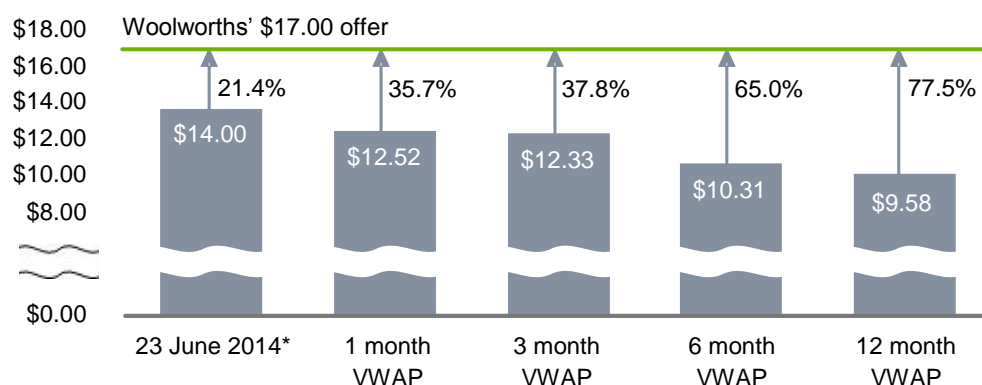
- The Offer represents a premium to recent trading levels. However, Country Road Shareholders, when assessing the premium being offered over historical trading prices, should note that Country Road Shares are extremely thinly traded and therefore may experience greater price volatility than other listed shares so that share prices may not be a reliable guide to the fair value of Country Road Shares.
- You are being offered full cash consideration and certain value for Your Country Road Shares.
- The Offer allows you to sell your entire shareholding in a stock which has very low trading liquidity.
- Accepting this Offer removes risks that could affect the value of Your Country Road Shares over time.
- A competing proposal is considered unlikely and no such proposal has emerged as at the date of this Bidder's Statement.
- The Offer price will not be increased and Country Road's share price may fall if this Offer is not successful and there is no competing proposal.
- If you do not accept the Offer, and other shareholders do resulting in the number of shareholders falling to less than 50 (and Country Road is successfully delisted), you may lose important legal protections in the Corporations Act.

Detailed discussion of each of these points is provided below.

1.1 The Offer represents a premium to recent trading levels

The Offer consideration of \$17.00 per Country Road Share, which will be paid to Country Road Shareholders who accept the Offer if the Offer becomes unconditional, represents a premium to Country Road's historical trading prices prior to the announcement of the Offer on 24 June 2014:

- a 21.4% premium to the closing price of Country Road Shares of \$14.00 on 23 June 2014, the last trading day prior to the announcement of the Offer;
- a 35.7% premium to the 1 month VWAP of Country Road Shares up to and including 23 June 2014 of \$12.52;
- a 37.8% premium to the 3 month VWAP of Country Road Shares up to and including 23 June 2014 of \$12.33;
- a 65.0% premium to the 6 month volume weighted average price of Country Road Shares up to and including 23 June 2014 of \$10.31; and
- a 77.5% premium to the 12 month VWAP of Country Road Shares up to and including 23 June 2014 of \$9.58.



Source: IRESS

* Last trading day prior to announcement of the Offer

1. All VWAPs up to and including 23 June 2014.

2. This Bidder's Statement contains various references to trading data prepared by IRESS Limited (ACN 060 313 359) who has not consented to such use of references to that trading data in this Bidder's Statement.

Due to the very limited free float of shares in Country Road, Country Road shares are extremely thinly traded and therefore may experience greater price volatility than other listed shares. Because of that thin trading, share prices may not be a reliable guide to the fair value of Country Road shares. Country Road Shareholders should note this in assessing the premium being offered over historical trading prices.

1.2 You are being offered full cash consideration and certain value for Your Country Road Shares

Accepting the Offer will enable you to realise a certain value for Your Country Road Shares through 100% cash consideration.

If you accept the Offer and the Offer becomes unconditional, you will be paid \$17.00 cash for each of Your Country Road Shares. In accordance with the terms and conditions of the Offer set out in full in section 10, if Country Road pays any dividend to its shareholders between the Announcement Date and the close of the Offer Period and you receive that dividend and you accept the Offer and it becomes unconditional, Woolworths Bidco will deduct the value of such dividends from the \$17.00 cash to be paid to you.

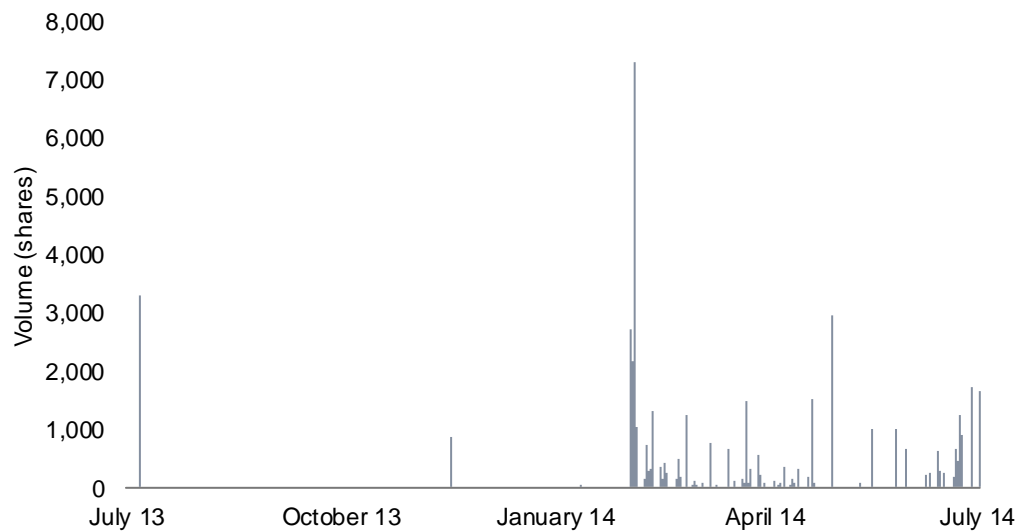
In contrast, if you do not accept the Offer, the amount you will be able to realise for Your Country Road Shares will necessarily be uncertain. The Offer removes this uncertainty for Country Road Shareholders. For discussion of risks relating to an investment in Country Road Shares, see section 1.4.

On 30 June 2014, Woolworths announced that the Offer is its best and final offer. This means that Woolworths will not increase the Offer price.

1.3 The Offer allows you to sell your entire shareholding in a stock which has very low trading liquidity

Country Road Shares have historically had very low trading liquidity on ASX, as summarised in the chart below. This Offer provides you with an opportunity to dispose of all of Your Country Road Shares for a certain value.

If you do not accept the Offer, and Your Country Road Shares are not subject to compulsory acquisition by Woolworths, the market for Country Road Shares may become less liquid than at present. See also section 1.7 which sets out further risks in this scenario.



Source: IRESS¹ (as at last practicable date)

1. This Bidder's Statement contains various references to trading data prepared by IRESS Limited (ACN 060 313 359) who has not consented to such use of references to that trading data in this Bidder's Statement.

1.4 **Accepting this Offer removes risks that could affect the value of Your Country Road Shares over time**

An investment in Country Road is subject to a number of risks.

If you accept this Offer, and if the conditions of the Offer are satisfied or waived, you will be paid \$17.00 cash for each of Your Country Road Shares and will no longer be exposed to the risks that could affect the trading price of Country Road Shares.

These risks include, but are not limited to:

- Highly competitive retail market – The retail markets in Australasia and South Africa are likely to remain highly competitive.
- Market volatility – Movements in security prices (including Country Road Shares), which may be volatile, are impacted by events and economic conditions in Australian and international markets, as well as interest rates that may impact upon Country Road's business and financial performance.
- Low trading liquidity – Country Road Shares have historically had very low trading liquidity on the ASX. Securities with low trading liquidity can be more difficult to sell on-market.

1.5 **A competing proposal is considered unlikely and no such proposal has emerged as at the date of this Bidder's Statement**

As at the date of this Bidder's Statement, the Offer is the only offer available for all of Your Country Road Shares.

Woolworths is not aware of any other party intending to make a competing offer for Your Country Road Shares. Given Woolworths is Country Road's largest shareholder, with an 87.88% shareholding in Country Road as at the date of this Bidder's Statement, in Woolworths' view, it is highly unlikely that such an offer will materialise.

1.6 The Offer price will not be increased and Country Road's share price may fall if this Offer is not successful and there is no competing proposal

As announced on 30 June 2014, the Offer price is Woolworths' best and final offer for Country Road. This means that the Offer price will not be increased.

While there are many factors that may influence the market price of Country Road Shares, there is a material risk that Country Road's share price may fall to levels experienced prior to the Announcement Date, at least in the short-term, if the Offer does not succeed and no other competing proposal emerges.

Since the day prior to the announcement of Woolworths' Offer on 24 June 2014, Country Road's share price has increased by [●] to [●] as at [●], the last practicable trading day prior to the date on which this Bidder's Statement was printed.

Country Road Share price performance



Source: IRESS¹ (as at last practicable date)

1. This Bidder's Statement contains various references to trading data prepared by IRESS Limited (ACN 060 313 359) who has not consented to such use of references to that trading data in this Bidder's Statement.

1.7 If you do not accept the Offer, you may lose important legal protections in the Corporations Act.

The Offer is not subject to any minimum acceptance condition. It is therefore possible that Woolworths may receive acceptances such that it does not become entitled to commence compulsory acquisition of the remaining Country Road Shares (that is, it does not achieve a relevant interest in at least 90% of Country Road Shares), but such that there are less than 50 shareholders in Country Road.

In these circumstances, if Woolworths is successful in implementing its intention to de-list Country Road (see section 7 for more details) then the protections of the takeovers provisions in the Corporations Act will cease to apply to Country Road Shareholders who do not accept the Offer. For example, this may limit your ability to participate equally with other Country Road Shareholders in the benefits of any future transaction under which Woolworths may increase its voting power in Country Road.

In these circumstances it may become even more difficult to dispose of Your Country Road Shares and the value of your investment may also fall as a result. Country Road may consider a liquidity facility whereby you may be able to sell Your Country Road

Shares as part of the delisting process, and may also consider providing an ongoing liquidity facility to allow you to sell Your Country Road Shares.

2 Summary of Offer and how to accept it

Set out below is a summary of the Offer. It is qualified by the detailed information set out elsewhere in this Bidder's Statement. You should read the entire Bidder's Statement and the Target's Statement that Country Road will shortly be sending to you before deciding whether to accept the Offer.

<p>What is the Offer?</p>	<p>Woolworths Bidco is offering to buy all of Your Country Road Shares by way of an off-market takeover bid on the terms set out in this Bidder's Statement. The Offer consideration is \$17.00 in cash for each of Your Country Road Shares.</p> <p>You may only ACCEPT this Offer in respect of all of the Country Road Shares held by you.</p> <p>For the full terms of the Offer, please see section 10.</p>
<p>What will I be paid if I accept the Offer?</p>	<p>If you accept the Offer, subject to the satisfaction or waiver of the Conditions of the Offer, you will be paid \$17.00 cash for each of Your Country Road Shares.</p>
<p>Why should I accept the Offer?</p>	<p>There are a number of reasons why you should ACCEPT the Offer:</p> <ul style="list-style-type: none"> • The Offer represents a premium to recent trading levels. However, Country Road Shareholders, when assessing the premium being offered over historical trading prices, should note that Country Road Shares are extremely thinly traded and therefore may experience greater price volatility than other listed shares so that share prices may not be a reliable guide to the fair value of Country Road Shares; • You are being offered full cash consideration and certain value for Your Country Road Shares; • The Offer allows you to sell your entire shareholding in a stock which has very low trading liquidity; • Accepting this Offer removes risks that could affect the value of Your Country Road Shares over time; • A competing proposal is considered unlikely and no such proposal has emerged as at the date of this Bidder's Statement; • The Offer price will not be increased and Country Road's share price is likely to fall if this Offer is not successful and there is no competing proposal; and • If you do not accept the Offer, you may lose important legal protections in the Corporations Act. <p>For detailed discussion of each of these points, please see section 1.</p>
<p>Will the Offer price be increased?</p>	<p>No. As announced by Woolworths on 30 June 2014, the Offer price is Woolworths' best and final offer. This means that Woolworths will not increase the Offer price.</p>

<p>When will I be paid?</p>	<p>Woolworths Bidco will pay the consideration due to you on or before the earlier of:</p> <ul style="list-style-type: none"> • 5 Business Days after this Offer is accepted or 5 Business Days after all of the conditions have been waived or fulfilled (whichever is the later); and • 5 Business Days after the end of the Offer Period. <p>Full details of when consideration will be paid are set out in Section 10.6 of this Bidder's Statement.</p>
<p>What if Country Road pays a dividend?</p>	<p>Under the terms of the Offer, if you accept the Offer and it becomes unconditional, then Woolworths Bidco will be entitled to all of the Rights attaching to your shares, which includes the value of any dividends or distributions declared or paid by Country Road after the Announcement Date.</p> <p>In accordance with the terms and conditions of the Offer set out in full in section 10, if Country Road pays any dividend to its shareholders between the Announcement Date and the close of the Offer Period and you receive that dividend and you accept the Offer and it becomes unconditional, Woolworths will deduct the value of such dividends from the \$17.00 cash per share to be paid to you. For further information, please see the terms of the Offer set out in section 10.</p>
<p>What is the Bidder's Statement?</p>	<p>This Bidder's Statement describes the terms of Woolworths Bidco's Offer for Your Country Road Shares and information relevant to your decision whether or not to accept the Offer.</p> <p>This Bidder's Statement is an important document. Should you have any doubt as to how to deal with this document, you should consult your broker, financial, legal, tax or other professional adviser immediately.</p>
<p>When does the Offer close?</p>	<p>The Offer closes at 7.00pm (Sydney time) on [●] unless it is extended in accordance with the Corporations Act. If the FIRB approval condition remains outstanding on [●], being 7 days before the current close of the Offer Period, Woolworths Bidco intends to extend the Offer by 2 weeks until [●].</p>
<p>What are the conditions of the Offer?</p>	<p>The Offer is subject to the following conditions:</p> <ul style="list-style-type: none"> • Woolworths Bidco obtaining FIRB approval required for the Offer; • The David Jones Scheme becoming Effective; • No regulatory action which would prohibit the Offer from proceeding; and • No prescribed occurrences. <p>The full terms of the conditions are set out in section 10.7 of this Bidder's Statement.</p> <p>It is Woolworths Bidco's intention that, upon the David Jones Scheme becoming Effective, it will waive the regulatory action and prescribed occurrence conditions. This will, at that time, leave the Offer subject only to the FIRB approval condition (unless that condition has also</p>

	<p>been satisfied or waived at that time).</p> <p>The date for giving the notice on the status of the conditions required by section 630(1) of the Corporations Act is [●] (subject to extension in accordance with section 630(2) if the Offer Period is extended).</p>
What happens if the conditions of the Offer are not satisfied or waived?	<p>If the conditions of the Offer are not satisfied or waived by the closing date, the Offer will lapse, any acceptances will be cancelled and you will retain Your Country Road Shares even if you have accepted Woolworths' Offer.</p>
Who is Woolworths?	<p>The bidder under the Offer is Woolworths Bidco, a wholly owned subsidiary of WHL, a public South African company listed on the Johannesburg Stock Exchange (JSE).</p> <p>WHL currently has a relevant interest in 87.88% of the Country Road Shares on issue via its wholly owned subsidiary, WIA.</p> <p>For information on Woolworths Bidco and Woolworths, please see section 3.</p>
What is the relationship between the Offer and the David Jones Scheme?	<p>As announced on 9 April 2014, WHL entered into a Scheme Implementation Deed with David Jones in relation to the proposed acquisition of all of the shares in David Jones pursuant to a shareholder and court approved scheme of arrangement under Part 5.1 of the Corporations Act.</p> <p>The Offer consideration is consistent with WHL's valuation range of Country Road on a basis of owning 100% of Country Road and 100% of David Jones. Accordingly, the Offer is conditional on the David Jones Scheme becoming Effective (that is, David Jones shareholders and the Court approving that transaction). For more information, please see section 9.4.</p>
How do I accept the Offer?	<p>You may only ACCEPT the Offer in respect of all of Your Country Road Shares.</p> <p>Depending on the nature of your holding, you may ACCEPT the Offer in the following ways:</p> <p>Issuer sponsored shareholders (your SRN starts with an "I") If Your Country Road Shares are held on Country Road's issuer sponsored subregister, complete and sign the Acceptance Form enclosed with this Bidder's Statement in accordance with the instructions on the form and send it to the address set out below so it is received before the Offer closes.</p> <p>CHESS shareholders (your HIN starts with an "X") If Your Country Road Shares are in a CHESS Holding,</p> <ul style="list-style-type: none"> • complete and sign the Acceptance Form enclosed with this Bidder's Statement in accordance with the instructions on the form and send it to the address set out below, so that it is received in sufficient time for your Controlling Participant to effect acceptance before the Offer closes; or • instruct your Controlling Participant (normally your broker) to accept the Offer on your behalf, before the Offer closes.

	<p>Address: send your completed Acceptance Form to:</p> <p>Computershare Investor Services Pty Limited GPO Box 2115 Melbourne Victoria 3001 Australia</p> <p>Participants</p> <p>If you are a Participant, acceptance of this Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.</p> <p>Full details on how to accept the Offer are set out in section 10.3 of this Bidder's Statement.</p>
What if I am a foreign shareholder?	<p>Foreign Country Road Shareholders will be paid the same cash consideration as other Country Road Shareholders. You will be paid in Australian dollars by cheque drawn on an Australian bank branch. However, the tax implications for foreign Country Road Shareholders may be different from those relating to Australian resident Country Road Shareholders.</p>
Can I withdraw my acceptance?	<p>Your acceptance of the Offer is irrevocable and can only be withdrawn in certain circumstances described in the Corporations Act as set out in section 10.5 of this Bidder's Statement.</p>
Can the Offer Period be extended?	<p>Yes, the Offer Period may be extended at the election of Woolworths Bidco and as required under the Corporations Act. Woolworths Bidco will give written notice of any extension of the Offer Period in accordance with the Corporations Act. Any extension will be announced to the ASX.</p>
What happens if I do not accept the Offer?	<p>You will remain a Country Road Shareholder and will not be paid the cash consideration under the Offer.</p> <p>If Woolworths Bidco becomes entitled to compulsorily acquire Your Country Road Shares, it intends to proceed with the compulsory acquisition. If Your Country Road Shares are compulsorily acquired by Woolworths Bidco following the Offer, it will be on the same terms (including the same consideration for each Country Road Share acquired) as the Offer.</p>
What are the tax implications of accepting the Offer?	<p>Please refer to section 8 of this Bidder's Statement for an overview of the Australian taxation treatment for Country Road Shareholders accepting the Offer.</p> <p>Country Road Shareholders should not rely on that description as advice for their own affairs and Woolworths Bidco recommends that you should consult your taxation adviser for detailed taxation advice before making a decision as to whether or not to accept the Offer.</p>
Will I pay brokerage or stamp duty if I accept the Offer?	<p>If you ACCEPT the Offer, you will not incur any stamp duty and generally will not incur brokerage charges.</p> <p>For full details, please see section 10.14.</p>

3 Information on Woolworths Bidco and Woolworths

3.1 Overview of Woolworths Bidco

Woolworths Bidco is a newly incorporated proprietary company registered in Victoria, incorporated solely for the purpose of making the Offers under this Bidder's Statement. Woolworths Bidco is a related body corporate to WIA which is the current majority owner of Country Road and currently holds 91,032,576 Country Road Shares (approximately 87.88% of Country Road). Woolworths Bidco is wholly owned by WHL.

Woolworths Bidco (and certain other members of Woolworths) have entered into certain debt facilities which, together with Woolworths' available cash, will provide Woolworths Bidco with the funds required to satisfy its obligations to pay the consideration for the acquisition of the Country Road Shares. Please see Section 5 below for full details of the funding arrangements for the consideration for the acquisition of the Country Road Shares.

3.2 Overview of Woolworths

(a) Corporate information

WHL is a South African-based retail group and one of the top 40 companies listed on the JSE, trading under the code WHL. For the 53 weeks ended 30 June 2013, WHL earned revenue of R35.4 billion (\$A3.9 billion) and net profit after tax of R2.6 billion (\$A291 million).¹ As at the date of this Bidder's Statement, WHL's market capitalisation was approximately R59.4 billion (A\$5.9 billion).²

WHL's core business focus is retail with a footprint predominately in South Africa and sub-Saharan Africa, trading in clothing and food in more than 600 stores. WHL's operations also extend to Australia and New Zealand with an 87.88% majority interest in Country Road.

WHL is headquartered in Cape Town, South Africa. It employs over 26,000 people and trades in 16 countries.

WHL is unrelated to the ASX-listed Woolworths Limited.

(b) WHL timeline of significant events

Year	Event
1929	WHL incorporated in South Africa
1931	The origins of WHL date back to 1931 when Max Sonnenberg officially opened the doors of the first Woolworths store in Adderley Street, Cape Town
1994	Introduced financial services with the Woolworths in-store card
1997	Listed on the JSE
1997	Secured a controlling interest in Country Road
2000	Woolworths Financial Services (Proprietary) Limited (Woolworths Financial Services) incorporated as a separate company to provide focus for financial products and services
2007	Launched "The Good Business Journey" sustainability programme to manage environmental footprint and contribution to social and transformational issues

¹ZAR figures for WHL are converted at the ZAR/AUD exchange rate of 9.05, the daily average of the exchange rate from 25/06/2012 to 30/06/2013, being the 53 week period of WHL's financial year for 2013.

² ZAR figure for WHL is converted at the ZAR/AUD exchange rate of 10.07, the exchange rate as at the Last Practicable Date.




Year	Event
2007	Launched the group's Black Economic Empowerment Employee Share Ownership Scheme, with eligible Woolworths employees acquiring an effective 10% of WHL's issued share capital
2008	Sold controlling share of Woolworths Financial Services to Barclays Africa Group (formerly ABSA Group)
2008	Country Road brand launched in South Africa
2009	Country Road launched Trenery brand in South Africa
2010	Commenced reacquisition of franchise stores
2010	Launched "WRewards" customer loyalty programme in Woolworths stores
2012	Country Road acquired the Witchery Group
2014	Witchery and Mimco brands launched in South Africa
2014	Commenced a scheme of arrangement to acquire David Jones Limited

(c) Principal activities / operations

Woolworths has earned a unique position in the South African retail landscape with its offering of clothing and general merchandise and food in multiple retail footprints. The brand essence - "the difference" reflects the core values of quality, style, value service, innovation, integrity, energy and sustainability. The broader business impact is managed through comprehensive social, ethical and environmental practices and in recognition of this Woolworths has been recognised as the World's Most Responsible Retailer by the World Retail Congress three times in the last five years.

The following table summarises Woolworths' key brands and provides summary information on each. Detailed information follows.

WOOLWORTHS HOLDINGS LIMITED

FOOD	CLOTHING & GENERAL MERCHANDISE	COUNTRY ROAD GROUP
		
REVENUE: R17.5BN STORES: 372 FOOTPRINT: SOUTH AFRICA & NEIGHBOURING COUNTRIES	REVENUE: R10.8BN STORES: 256 FOOTPRINT: SOUTH AFRICA , REST OF AFRICA & MIDDLE EAST	REVENUE: R6.5BN STORES: 485 FOOTPRINT: AUSTRALIA, NEW ZEALAND & SOUTH AFRICA

Note: Revenue of R561 million from the Woolworths Logistics Division and R39 million from Woolworths Treasury has not been included in the above table.

(1) **Woolworths Clothing & General Merchandise**

Woolworths' leadership in fashion, homeware and beauty is anchored by its own private label brands (majority of sales) including the RE: and Studio.W brands. With a footprint of more than 250 stores in South Africa and sub-Saharan Africa, a

broad range of merchandise offers customers classic, modern and contemporary styles. Woolworths' clothing & home business represents approximately 31% of WHL's turnover and contributed approximately 52% of profit before tax for the year to 30 June 2013. As outlined above, WHL also has a relevant interest in 87.88% of Country Road.

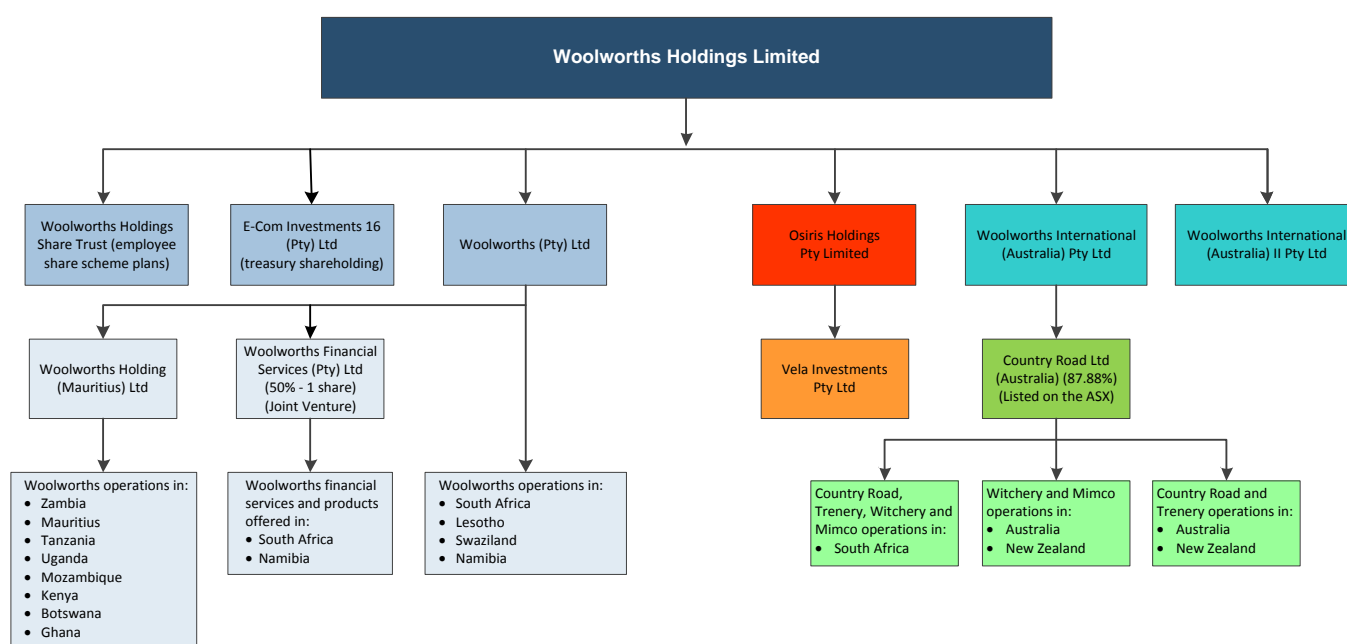
(2) Woolworths Food

The Woolworths food business, trading in more than 370 stores in South Africa and neighbouring African countries, has been built on strong fresh produce and prepared food categories. Offering convenience, innovation and healthy foods, a growing supermarket footprint builds on this strong base and enables existing customers to complete their main shop in Woolworths food stores. Woolworths' food business represents approximately 51% of WHL's turnover³ and contributed approximately 28% of profit before tax for the year to 30 June 2013.

(3) Woolworths Financial Services

Financial services are provided by Woolworths Financial Services, a joint venture with Barclays Africa Group, one of the leading banking institutions in South Africa. The products offered include an in-store card, credit card and personal loan and short-term insurance products. Woolworths Financial Services contributed approximately 5% of WHL's profit before tax for the year to 30 June 2013.

(d) Summary of Woolworths Holdings Limited Group structure



3.3 Directors of Woolworths Bidco and Woolworths

(a) Directors of Woolworths Bidco

The directors of Woolworths Bidco are:

(1) Mr Ralph Buddle

CA (SA)

Age 47

³ Woolworths Food turnover includes turnover from Woolworths Logistics.

Ralph joined Woolworths in 2001 as Head of Corporate Finance. As the current Head of Corporate Projects & Investor Relations, he has responsibility for Woolworths' M&A strategy, investor relations, group financial reporting, tax and treasury functions. He also serves as Executive Assistant to Woolworths CEO Ian Moir.

Prior to joining Woolworths, Ralph worked in finance roles with Anglian Water plc in the UK utilities sector, and Irvin & Johnson Ltd in the South African FMCG sector.

(2) **Ms Janine Rolfe**

BEd, LLB (Hons)

Age 36, (appointed Director in 2014)

Janine has over 15 years' experience as a company secretary and corporate lawyer. Janine is a director and founder of a business known as Company Matters, which provides governance, legal and company secretarial services. Janine was formerly the Company Secretary of Qantas Airways Limited.

Other directorships include: Australian subsidiaries of ASOS plc (listed on the London Stock Exchange) and Australian subsidiaries of Cairn India (listed on the National Stock Exchange of India and the Bombay Stock Exchange).

(b) **Directors of WHL – non-executive directors**

The non-executive directors of WHL are:

(1) **Mr Simon Susman, Non-independent non-executive director and Chairman**

Age 64, (appointed Director in 2010)

Simon joined Woolworths in 1982 after working at clothing and food retailer, Marks & Spencer plc. in London. At WHL he has led the retail operations, food and clothing groups and was appointed as an executive director to the WHL Board in 1995. He became the Chief Executive Officer in 2000. He was appointed on 18 November 2010 as a non-executive director and deputy chairman. He was appointed on 17 November 2011 as WHL Chairman. He is the Chairman of the Nominations and Sustainability committees, and a member of the Remuneration, Risk and Social and Ethics committees.

Other directorships include: Trent Limited, Allied Electronics Corporation Limited, Business Against Crime and Chairman of Conservation International (SA) Centre for Biodiversity and Conservation.

(2) **Mr Tom Boardman, Independent non-executive director, Lead independent director**

BCom, CA (SA)

Age 64, (appointed Director in 2010)

Tom has held a number of senior positions in the banking industry since 1986 and previously held the position of Chief Executive Officer at Nedbank. He is currently a non-executive director at Nedbank. Past directorships also include Boardmans and Sam Newman Limited, as well as BoE International Holdings Limited. He is a non-executive director of Mutual & Federal Insurance Company Limited and the WWF South Africa (World Wide Fund for nature) and other charitable and community organisations. He was also a director of Vodacom Group Limited. He joined the WHL Board in September 2010. He was appointed Lead independent non-executive director on 17 November 2011. He is the Chairman of the Remunerations committee and a member of the Nominations, Sustainability and Social and Ethics committees.

Other directorships include: Nedbank, Nedbank Group, Nedbank Private Wealth International, African Rainbow Minerals, Investment AB Kinnevik and Royal Bafokeng Holdings.

(3) Mr Peter Bacon, Independent non-executive director (British)

Fellow of the Institute of Hospitality (FIH)

Age 67, (appointed Director in 2006)

Peter was previously with the Sun International group of companies for 34 years. He was Chief Executive of Sun International's South African operations from 1993 and Group Chief Executive for the last four years of his employment with the group. He joined the WHL Board in 2006 and is a member of the Audit and Remuneration committees.

Other directorships include: The Elgin Wine Company, Sun International and Chairman of the National Sea Rescue Institute.

(4) Ms Zarina Bassa, Independent non-executive director

BAcc, Postgraduate Diploma in Accounting, CA(SA)

Age 50, (appointed Director 2011)

Zarina's previous board roles include chairing the Public Accountants and Auditors Board, the Auditing Standards Board, the Accounting Standard Board, the JSE's GAAP Monitoring Panel, the South African Institute of Chartered Accountants and Vice President of ABSA. Prior to joining ABSA in 2002 she was a partner at EY. She joined the WHL Board in 2011 and is a member of the Audit, Risk and Nominations committees.

Other directorships include: Songhai Capital, Kumba Iron Ore, Vodacom South Africa, Sun International, Lewis Group, Oceana Group and Yebo Yethu.

(5) Mr Hubert Brody, Independent non-executive director

CA(SA), 1989, Executive Management Programme, University of Cape Town, 1996

Age 51 (appointed Director in 2014)

Hubert previously held the position of Chief Executive Officer of Imperial Holdings. He also previously held a number of senior and executive positions in the Imperial group including serving as the Financial Director of Imperial Bank. He also served in executive roles at ABSA Group, Group Five Properties and First National Bank. He joined the WHL Board in July 2014. He is a member of the Audit and Risk committees.

Other directorships include Imperial Holdings, Mix Telematix and Comair Limited.

(6) Mr Andrew Higginson, Independent non-executive director (British)

BSc (HONS) Town And Country Planning 2.1, Honorary Doctorate: Birmingham City University, Fellow Chartered Institute of Management Accountants

Age 56, (appointed Director in 2012)

Andrew has held a number of senior leadership roles in retail in Britain and was also the Chief Executive Retailing Services of Tesco plc. He previously held the position of Finance director at Tesco plc and at several other British-based retailers. He also served as a non-executive director and as the Chairman of Audit committees for a number of companies listed on the London Stock Exchange. He

joined the WHL Board on 1 June 2012 and is a member of the Audit, Remuneration and Risk committees.

Other directorships include: Poundland plc (Chairman), BSkyB Group plc, N Brown plc and McCurrach UK.

(7) **Mr Mike Leeming, Independent non-executive director**

BCom, MCom, FCMA, FIBSA, AMP (HARVARD)

Age 70, (appointed Director in 2004)

Mike was previously the Chief Operating Officer at Nedcor and has an in-depth knowledge of financial services as well as manufacturing. He joined the WHL Board in 2004 and is the Chairman of the Audit and Risk Committees and a member of the Nominations committee.

Other directorships include: AECI, Allied Electronics Corporation Limited and Imperial Holdings.

(8) **Ms Nombulelo (Pinky) Moholi, Independent non-executive director**

B.Sc. Engineering (UC), 1998, SEP (Standard Business School, USA), 2001, SMMP (Harvard Business School, USA)

Age 54 (appointed Director in 2014)

Pinky has more than 24 years' experience in the Information Communication and Technology industry. She was the Group chief Executive Officer for Telkom since 2011 and stepped down in March 2013. She joined the WHL Board in July 2014.

Other directorships include: Old Mutual Emerging Markets, Anglo American Platinum and Chairman of Nedbank's Eyethu Community Trust.

(9) **Mr Chris Nissen, Independent non-executive director**

BA (HONS), MA

Age 56, (appointed Director in 2004)

Chris was previously the Chairperson of South Atlantic Fishing (SAFCO) and has been a director of Sea Harvest Corporation and JCI. He has been extensively involved in the development and upliftment of communities both as a Minister in the Presbyterian Church and as a community leader. He has executive experience in a number of industries and as a non-executive director has proactively led transformation at a number of listed companies. He joined the WHL Board in 2004 and is the Chairman of the Social and Ethics committee and a member of the Nominations and Sustainability committees.

Other directorships include: Ascension Properties (Chairperson), Standard Bank Group and Cape Empowerment Trust (Chairperson).

(10) **Sir Stuart Rose, Independent non-executive director (British)**

Age 65, (appointed Director in 2011)

Sir Stuart has strong international retail experience. He started his career in retail at Marks & Spencer plc in 1971, where he remained until 1989, before going on to become Chief Executive at a number of well-known UK retailers, including Argos plc., Booker plc. and Arcadia Group plc. He relinquished the position as Chief Executive of Marks & Spencer plc in July 2010 and retired as its Chairman on 4 January 2011. He joined the WHL Board in 4 January 2011 and is a member of the Nominations, Remuneration, Risk and Sustainability committees.

Other directorships include: Ocado Group plc.(Chairman) and Fat Face Limited.

(11) **Ms Thina Siwendu, Independent non-executive director**

BA Social Science (SW) (HONS) (UCT), LLB (Natal)

Age 47 (appointed Director in 2009)

Thina is an attorney with 15 years of legal experience. She has been a director of various companies, both listed and non-listed in the banking, property, portfolio investment, aviation and public sector over the last six years. In 1996 Thina formed her own legal firm, Thina Siwendu & Associates. Her firm specialises in public-private partnerships, project financing, corporate structuring and corporate governance. She joined the WHL Board in August 2009 and is a member of the Risk and Social and Ethics committees.

Other directorships include: DLA Cliffe Dekker Hofmeyr Inc. and Chemical Specialities and a member of the United Nations Global Compact - Local Advisory Network (SA).

(c) **Directors of WHL – executive directors**

The executive directors of WHL are:

(12) **Mr Ian Moir, Group Chief Executive Officer (Australian)**

MBA, MA (ECON)

Age 55, (appointed Director in 2010)

Ian was appointed to the Board of Country Road on 23 October 1998. He was formerly Chief Operating Officer of Country Road before being appointed Chief Executive Officer in November 2000. He was previously Executive Director and Chief Operating Officer of Woolmark. He joined the WHL Board in January 2010 and was appointed the Group Chief Executive Officer in November 2010. He is a member of the Risk, Sustainability and Social and Ethics committees.

Other directorships include: Woolworths Financial Services, Woolworths International (Australia) Pty Limited, Woolworths (Proprietary) Limited (WPL), Country Road Limited and Woolworths Holding (Mauritius) Limited.

(13) **Mr Reeza Isaacs, Finance Director**

BCom, CA(SA)

Age 45, (appointed Director in 2013)

Reeza joined Woolworths in June 2013 as Deputy CFO, and was appointed Finance Director in November 2013. He was previously the Senior Partner for the Western Cape EY office and a partner from 1999. Reeza has worked across multiple business sectors, including manufacturing, retail, oil, gas, asset management and insurance and with a wide variety of entities, including listed, private and owner-managed entities. He served as the lead partner for several of EY's largest Cape Town clients, including Engen, Coronation, WHL, Metropolitan Life, Sanlam and Truworths.

Other Directorships include: Woolworths Financial Services, Woolworths (Proprietary) Limited, Woolworths Holding (Mauritius) Limited, Country Road Limited.

(14) **Mr Sam Ngumeni, Chief Operating Officer**

MBA, BCom

Age 45 (appointed Director in 2014)

Sam was appointed as the Chief Operating Officer in March 2012, and is responsible for human resources, transformation, information technology, supply chain and logistics. Sam has been with Woolworths for 13 years mainly in financial services and has more than 16 years of retail credit experience. Sam was previously the Chief Executive Officer for Woolworths Financial Services, where he spearheaded the successful joint venture between the Barclays Africa Group and WHL. He was appointed to the WHL Board in February 2014.

Other Directorships include: Woolworths Financial Services

(15) **Ms Zyda Rylands, Managing Director: Foods**

BCom (HONS), CA(SA)

Age 49, (appointed Director in 2006)

Zyda serves as Managing Director: Foods. Zyda joined Woolworths in 1996 and has worked in finance, store operations and human resources. She was appointed to the WHL Board in August 2006. She is a member of the Risk and Sustainability committees.

Other directorships include: Country Road, Woolworths (Proprietary) Limited, African Capital Portfolio Limited, The National Urban Reconstruction and Housing Agency and the Centre for Justice and Crime Prevention.

4 Overview of Country Road

4.1 Overview of Country Road

Founded in 1974, the Country Road Group is one of Australia's largest specialty fashion retailers with a leading position in the mid- to upper- tier of specialty fashion and operating in more than 480 stores in the southern hemisphere. Following the acquisition of the Witchery Group in 2012, the Witchery and Mimco brands were added to the Country Road Group's brand portfolio. These four brands are complementary and appeal to a wide customer base. The Country Road Group has successfully expanded the brands into the South African market in the form of stand-alone stores and concession stores within the Woolworths footprint. The Country Road Group has concession arrangements, including with David Jones in respect of its Country Road, Witchery and Mimco brands. The Country Road Group represents approximately 18% of WHL turnover and contributed approximately 14% of profit before tax in the year ended 30 June 2013.

4.2 Future prospects for the Country Road Group as a standalone entity

As a standalone entity, Country Road's future performance is expected to be positively impacted by a range of factors, including:

- **The impact of the acquisition of the Witchery Group (including the Witchery and Mimco brands)**
 - Completed in the fourth quarter of 2012, this acquisition is expected to continue to contribute to the Country Road Group's earnings growth as the Witchery Group is fully integrated into the Country Road Group, and growth initiatives drive performance improvement.
 - Growth initiatives include individual brand growth strategies, continued realisation of synergy cost benefits, and expansion of Witchery and Mimco into South Africa (with 4 Mimco and 10 Witchery new stores expected in each of FY15, FY16 and FY17).

- **The effect of new stores openings**
 - The Country Road Group plans to open 31 stores in FY15 (11 in Australasia, 20 in South Africa) and an additional 32 stores in FY16 (12 in Australasia, 20 in South Africa).
- **The benefits from the recently announced distribution centre upgrade**
 - The Melbourne, Victoria facility is expected to significantly improve efficiency and speed of fulfilment of both online and store sales for all brands, remove costs of duplicated and outsourced warehousing and logistics facilities, address current capacity constraints, and enhance supplier collaboration and integration into the supply chain.
 - With a total estimated capital cost of \$53 million (plus \$2 million transition costs), the facility is expected to be operational by June 2015 and deliver an expected post-tax payback of less than 10 years.

4.3 Future prospects for the Country Road Group incorporating the acquisition by Woolworths of David Jones

The acquisition of David Jones by Woolworths is expected to improve the Country Road Group's prospects and outlook. Factors that may contribute to this include:

- **Growth of the Country Road Group's concession brands**
 - There is an opportunity to increase the existing space for the Country Road Group concession brands within David Jones and introduce brands and divisions to the majority of the David Jones stores to optimise the representation of these brands.
- **Improved margin through Group sourcing strategy**
 - Woolworths' sourcing strategy will further lower the cost of producing the Country Road Group merchandise through volume-based pricing benefits.
- **Enhanced omni-channel performance**
 - Woolworths aims to enhance David Jones' online performance, which will increase sales of the Country Road Group products.

4.4 Future prospects for Country Road as a 100% owned subsidiary of Woolworths

The Offer is conditional on the David Jones Scheme becoming Effective (see section 10.7). This means that, unless this condition is waived, Woolworths will have acquired 100% of David Jones pursuant to the David Jones Scheme prior to acquiring any shares in Country Road under the Offer. There are opportunities available to Woolworths through 100% ownership of Country Road that will be unique to Woolworths if it is then also the 100% owner of David Jones. The opportunities to leverage systems, processes, infrastructure and scale are likely to result in a material increase in the value of Country Road under the 100% ownership of Woolworths.

Woolworths' 100% ownership of both David Jones and Country Road would allow significant economies and efficiencies to be realised by the combined group. These include, but are not limited to:

- sourcing benefits through lower cost of goods and speed to market;
- supply chain and logistics benefits;
- reduced cost of doing business through amalgamation of service functions;

- a far more efficient merchandise planning process resulting in improved stock turns and lower markdowns;
- consolidating certain back-office functions across the combined group;
- an unencumbered ability to utilise a common IT platform across financial, merchandise, customer relationship management and online processes; and
- combined scale as a single tenant across numerous landlords.

4.5 Directors of Country Road

As at the date of this Bidder's Statement, Country Road has six (6) directors. They are:

- (a) Ian Moir – Non-Executive Director and Chairman;
- (b) Iain Nairn – Managing Director and CEO;
- (c) Norman Thomson – Non-Executive Director;
- (d) Paula Disberry – Non-Executive Director;
- (e) Zyda Rylands – Non-Executive Director; and
- (f) Oliver Kysela – Chief Financial Officer and company secretary.

4.6 History of the Country Road Group

Year	Event
1974	Country Road began as a niche women's shirting business
1990	Expanded retail operations through growing the Homeware product range, opening larger total concept stores in Queensland, South Australia and Victoria, and opening five new stores in the United States
1993	Launched a store in Singapore
1998	Country Road was the target of a takeover by Woolworths, which resulted in Woolworths owning ~88% of Country Road
2004	Created a strategic relationship with Myer that allowed Country Road to shorten lead times from 12 months to 6 months, improve fashionability and better control of the brand
2007	Became a retail only business with concessions in department stores
2008	Launched Country Road in South Africa
2009	Launched Trenery with five standalone stores and 16 stores in South Africa in Woolworths stores
2010	Launched E-Commerce and expanded Trenery into New Zealand
2012	Acquired the Witchery Group (Witchery and Mimco) from Gresham
2014	Re-launched Witchery and launched Mimco in South Africa

4.7 Operations and brands

The Country Road Group designs and retails apparel, homewares and related accessories through branded stores and department store concessions.

As at May 2014, Country Road operated ~500 stores (excluding concessions) and had ~4,840 employees.

The Country Road Group owns a portfolio of leading complementary and clearly differentiated brands prominently positioned in the mid to upper tier of the specialty fashion market segment. These four brands are:

(a) **Country Road**

Country Road is Australia's most iconic lifestyle brand. Country Road is passionate about creating beautiful merchandise to reflect an authentically Australian way of life.

Country Road was established in 1974. As at May 2014, there were 172 Country Road stores, and together with the Trenery brand, Country Road had ~2,780 staff.

(b) **Trenery**

Trenery is a brand that was created by the Country Road Group. It is designed for women and men who appreciate the beauty of simple, sophisticated collections that are modern in approach and classic in style.

Trenery was launched in Australia and South Africa in 2009. As at May 2014, there were 40 Trenery stores, and together with the Country Road brand, Trenery had ~2,780 staff.

(c) **Witchery**

Witchery is a leading specialty apparel and accessories fashion house. Sub-brands include Witchery Man, Witchery Kids and Witchery8Fourteen.

Witchery was established in 1970. As at May 2014, there were 197 Witchery stores with ~1,660 staff.

(d) **Mimco**

Mimco is one of Australia's leading designer brands with a focus on unique accessory and footwear collections.

Mimco was established in 1996. As at May 2014, there were 98 Mimco stores with ~400 staff.

4.8 Substantial Shareholders

Based on publicly available information, each of the following persons was a substantial shareholder in the Country Road Shares as at the date of this Bidder's Statement:

Country Road Shareholder	Country Road Shares	%
Woolworths International (Australia) Pty Limited	91,032,576	87.88
Australian Retail Investments Pty Limited	12,308,455	11.88

4.9 Financial Results

On 7 July 2014, Country Road released its *Trading Update and Profit Guidance (Unaudited): Year Ended 28 June 2014*, which provided the following results:

(a) Trading Update

Sales performance for the Country Road Group for the year ended 28 June 2014 against the corresponding period last year was as follows:

	52 Weeks Ending 28 June 2014 (\$m)	52 Weeks Ending 29 June 2013* (\$m)	Total Sales Growth (%)	Comparable Sales Growth (%)
Total Sales	849.6	706.3	+20.3%	+8.0%
Total Sales – Australasia	759.3	630.9	+20.3%	+7.2%
Total Sales – South Africa	90.3	75.4	+19.8%	+12.8%**

* Witchery and Mimco sales for the year ended 28 June 2013 are included from the effective date of the acquisition on 29 September 2012.

** Total sales in South African Rand (which excludes the impact of translation to Australian dollars) increased by +25.8% and total comparable store sales increased by +18.1%.

Total retail space increased by +3.6% net of closures.

(b) Profit Guidance

Profit performance for the Country Road Group for the year ended 28 June 2014 against the corresponding period last year is expected to be within the following ranges:

	52 Weeks Ending High (\$m)	28 June 2014 Low (\$m)	52 Weeks Ending 29 June 2013* (\$m)	Profit Growth High (%)	Profit Growth Low (%)
Profit before tax	95.0	87.0	55.9	+70.1%	+55.7%
EBITDA	123.7	115.7	82.1	+50.8%	+41.0%
EBIT	100.9	92.9	60.8	+66.0%	+52.8%
Earnings per share	68.3	60.9	43.5	+57.2%	+40.1%

* Witchery and Mimco profit for the year ended 28 June 2013 is included from the effective date of the acquisition on 29 September 2012.

Country Road has advised in its announcement on 7 July 2014 that the above information has not been audited, reviewed or reported upon by the Country Road Group's external auditors. The Country Road Group's full audited results for the year ended 28 June 2014 are scheduled to be announced on or around 8 August 2014.

4.10 Disclaimer

Certain information on the Country Road Group has been prepared by Woolworths Bidco based on publicly available information. The information has not been independently verified and Woolworths Bidco does not make any representation or warranty, express or implied, as to the accuracy or completeness of that information.

The information on the Country Road Group in this Bidder's Statement should not be considered comprehensive.

Further information relating to the Country Road Group's business may be included in the Country Road Group's Target's Statement which the Country Road Group must provide to Country Road Shareholders in response to this Bidder's Statement.

4.11 Publicly available information about Country Road

Country Road is required to lodge various documents with ASIC and with the ASX. Copies of documents lodged with ASIC by Country Road may be obtained from, or inspected at, an ASIC office. ASX maintains files containing publicly available information about all listed entities. Country Road's file is available for inspection at ASX during normal business hours or online at <http://www.asx.com.au>.

Further information about the Country Road Group is available at <http://www.countryroad.com.au/Information/105120>.

5 Sources of Consideration

5.1 Total Cash Consideration

The consideration for the acquisition of the Country Road Shares to which the Offer relates will be paid in cash.

As at the date of this Bidder's Statement, Country Road has 103,585,233 shares on issue of which 91,032,576 are owned by WIA, a wholly owned subsidiary of WHL. If acceptances are received for all remaining Country Road Shares on issue as at the date of this Bidder's Statement or if Woolworths Bidco becomes entitled to and exercises the right of compulsory acquisition under the Corporations Act, the amount of cash consideration that Woolworths Bidco would be required to pay would be approximately \$213 million (**Total Cash Consideration**).

5.2 Sources of cash consideration

(a) Overview

Woolworths Bidco intends to fund the consideration payable under the Offer (the **Consideration**) and related fees, costs and expenses from:

- (i) Woolworths' existing cash reserves; and
- (ii) the proceeds of external debt made available under a '*Senior Syndicated Facility Agreement*' dated 4 July 2014 (the **Syndicated Facility Agreement**) between, among others, Woolworths Bidco, National Australia Bank Limited, Commonwealth Bank of Australia and Westpac Banking Corporation (the **Lenders**) for the provision of secured debt financing comprising 3-year term loan and revolving facilities (the **Facilities**).

The total amount of debt finance available to Woolworths Bidco and WHL under the Facilities, together with the Woolworths' available cash, exceeds the Total Cash Consideration.

(b) Facilities

The Facilities are made available for the purposes of, among other things, funding the Consideration, the payment of fees, costs and expenses incurred in connection with the Offer and the Facilities.

(c) Conditions precedent to the availability of the Facilities

To ensure that Woolworths Bidco will have sufficient funds available to pay the Consideration, the lenders under the Syndicated Facility Agreement have agreed that there will be certainty as to the availability of the Facilities, subject only to:

- (i) there being no breach of certain material representations;
- (ii) no material default subsisting;
- (iii) WHL controlling Woolworths Bidco;
- (iv) it not being illegal for a lender to perform any of its obligations in respect of the Facilities or to fund the utilisation of the Facilities; and
- (v) satisfaction of certain documentary and other conditions precedent, which include:
 - (A) the grant of all asset security by Woolworths Bidco and WIA;
 - (B) confirmation by an authorised officer of Woolworths Bidco that, among other things, the Offer has become unconditional in accordance with this Bidder's Statement (as the same may be amended provided that where such amendment is, or is reasonably likely to be, materially prejudicial to the interests of the lenders, the facility agent (acting on the instructions of all lenders) has given its prior written consent to such waiver) and attaching a copy of the announcement that the Offer has become unconditional;
 - (C) sufficient acceptances of the Offer have been received so that the completion of the acquisition of Country Road Shares pursuant to those accepted Offers will cause Woolworths Bidco and WIA (taken together) to own at least 90% of all ordinary shares issued by Country Road;
 - (D) all material authorisations required to complete the acquisition of Country Road Shares have been obtained and none of the conditions precedent have been waived where such waiver is, or is reasonably likely to be, materially prejudicial to the interests of the lenders unless the facility agent (acting on the instructions of all lenders) has given its prior written consent to such waiver;
 - (E) this Bidder's Statement has not been terminated and the Offer has not lapsed; and
 - (F) satisfaction of other conditions which are procedural in nature or customary for facilities of this kind.

If the conditions described above are satisfied, then the lenders under the Facilities must provide the funds for their portion of the commitment under the Facilities. In the event that Woolworths Bidco does not receive acceptances such that it and WIA (taken together) own at least 90% of all ordinary shares issued by Country Road, Woolworths Bidco has access to sufficient funds from the cash reserves within the WHL Group to fund the acquisition of any Country Road Shares which may be accepted in such circumstances.

As at the date of this Bidder's Statement, Woolworths Bidco is not aware of the occurrence of, or any circumstance which would lead to any misrepresentation or event of default or which would give rise to a right of any Lender to terminate any Facility or of any reason why any of the conditions precedent to the Facilities will not be satisfied. Woolworths Bidco expects that the conditions precedent will be satisfied in time to allow payment in full of the Consideration when due under the terms of the Offer.

(d) Covenants and undertakings

The covenants and undertakings to be given by Woolworths Bidco in relation to the Facilities, including financial ratios and other undertakings, are customary for facilities of the nature of the Facilities. As at the date of this Bidder's Statement, Woolworths Bidco is not aware of any breach of an undertaking, nor any circumstances that would lead to a breach of an undertaking.

(e) Representations and warranties

The Syndicated Facility Agreement includes representations and warranties customary for facilities of the nature of the Facilities, in each case subject to such qualifications and exceptions and including appropriate thresholds, materiality carve-outs and references to material adverse effect as are customary for facilities of the nature of the Facilities.

(f) Events of default

Events of default under the Syndicated Facility Agreement include the following, and are subject to such qualifications and exceptions and including appropriate thresholds, materiality carve-outs as are customary for facilities of the nature of the Facilities:

- (i) failure to make a payment, subject to a grace period;
- (ii) misrepresentation not remedied within a grace period (if underlying circumstances are capable of remedy);
- (iii) insolvency and related events;
- (iv) material adverse effect;
- (v) cessation of business; and
- (vi) cross default.

The Offer is not conditional on Woolworths Bidco obtaining debt finance to fund the payment of the Consideration. Accordingly, the description of Woolworths Bidco's funding arrangements in this Section 5.2 is provided for information purposes only, to describe the arrangements that Woolworths Bidco has in place to fund the payment of the cash consideration due to you for each of Your Country Road Shares should you accept the Offer.

6 Information on Country Road's securities

6.1 Country Road's issued securities

According to documents provided by Country Road to ASX, as at the date of this Bidder's Statement, Country Road's issued securities consisted of 103,585,233 Country Road Shares.

According to documents provided by Country Road to ASX, Country Road currently has no options on issue.

6.2 Interests in Country Road's securities

As at the date of this Bidder's Statement and the date of the Offer:

- (a) Woolworths Bidco's voting power in Country Road is 87.88%; and
- (b) Woolworths Bidco had a relevant interest in 91,032,576 Country Road Shares.

6.3 Dealings in Country Road Shares

Neither Woolworths Bidco nor any associate of Woolworths Bidco has provided, or agreed to provide, consideration for Country Road Shares under any purchase or agreement during the 4 months before the date of this Bidder's Statement.

6.4 Recent share price performance of Country Road

The latest recorded sale price of Country Road Shares on ASX on [●], being the last practicable trading day prior to the date on which this Bidder's Statement was printed, was [●] per Country Road Share.

6.5 No pre Offer benefits

During the period of 4 months before the date of this Bidder's Statement, and the period from the date of this Bidder's Statement to the date before the date of the Offer, neither Woolworths Bidco nor any associate of Woolworths Bidco gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an associate of the other person, to:

- (a) accept the Offer; or
- (b) dispose of Country Road Shares,

and which is not offered to all holders of Country Road Shares under the Offer.

6.6 No escalation agreements

Neither Woolworths Bidco nor any associate of Woolworths Bidco has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

7 Intentions in relation of Country Road

In this section, all references to Woolworths include a reference to Woolworths Bidco.

7.1 Introduction

This section 7 sets out the intentions of Woolworths in relation to:

- (a) the continuation of the business of Country Road;
- (b) any major changes to the business of Country Road and any redeployment of the assets of Country Road;
- (c) the compulsory acquisition of Country Road Shares and the delisting of Country Road; and
- (d) the future employment of the present employees.

The intentions of Woolworths have been formed on the basis of facts and information known to Woolworths concerning Country Road at the time of preparing this Bidder's Statement.

Final decisions regarding these matters will only be reached by Woolworths in light of material information and circumstances at the relevant time. Accordingly, the statements set out in this section are statements of current intention only and may vary as new information becomes available or circumstances change.

7.2 Rationale for the Offer

The proposed acquisition of the remaining shares held by the minority shareholders of Country Road is consistent with Woolworths' long term growth strategy, as reflected in its original off-market takeover offer for 100% of Country Road under which it secured a controlling interest in Country Road in 1997. The potential benefits of full ownership of Country Road have been recognised by Woolworths for some time.

Given the role of Country Road in realising a substantial part of the synergy benefits arising from the previously announced acquisition of David Jones pursuant to the David Jones Scheme, achieving full ownership of Country Road is a logical next step and in line with Woolworths' longstanding desire to acquire 100% of Country Road. A single, wholly-owned entity will be able to realise the maximum benefit from economies and efficiencies of scale available to what will be a very significant southern hemisphere retail business.

7.3 Intentions for Country Road as a wholly-owned controlled entity

- (a) Introduction

This section describes the intentions of Woolworths if it acquires a relevant interest in 90% or more of the Country Road Shares, and so becomes entitled to proceed to compulsory acquisition of outstanding Country Road Shares in accordance with Part 6A.1 of the Corporations Act.

While Woolworths has maintained a majority ownership of Country Road for some time prior to the date of this Offer, it currently does not have any wholly owned Australian operations. If and when Woolworths acquires 100% of Country Road under the Offer, it will also have acquired 100% of David Jones pursuant to the David Jones Scheme, placing it in a unique position as an acquirer of Country Road. In that context, Woolworths' plans and intentions for Country Road will be considered and assessed in the context of its broader strategic review of its wholly owned Australian operations following completion of the Offer and implementation of the David Jones Scheme.

(b) Corporate matters

Woolworths intends to (via Woolworths Bidco):

- (i) proceed with compulsory acquisition of the outstanding Country Road Shares in accordance with the provisions of Part 6A.1 of the Corporations Act; and
- (ii) thereupon arrange for Country Road to be removed from the official list of ASX and commence the process to deregister Country Road.

(c) Intentions in respect of the business of Country Road

The Offer is conditional on the David Jones Scheme becoming Effective (see section 10.7). This means that, unless this condition is waived, Woolworths will have acquired 100% of David Jones pursuant to the David Jones Scheme prior to acquiring any shares in Country Road under the Offer.

Woolworths' anticipated 100% ownership of David Jones creates a unique opportunity to leverage systems, processes, infrastructure and scale. It will allow significant economies and efficiencies to be realised by the group. These include, but are not limited to sourcing benefits through lower cost of goods and speed to market, supply chain and logistics benefits, reduced cost of doing business through amalgamation of service functions, and a far more efficient merchandise planning process resulting in improved stock turns and lower markdowns. The group will benefit materially from an unencumbered ability to utilise a common IT platform across financial, merchandise, customer relationship management and online processes. The wholly-owned group will also benefit from combined scale as a single tenant across numerous landlords.

Other than as set out in section 4 or in this section 7 and subject to a broader strategic review of all of its Australian wholly owned operations, once it owns 100% of both David Jones and Country Road, Woolworths does not have any current intentions to make any other material changes to the Country Road business or redeployment of Country Road's fixed assets.

(d) Impact on employees

Woolworths recognises the core skills and values that Country Road employees display and which have helped Country Road achieve its leading market position as a design-led retailer. These core skills and values will remain key to the business post completion of the Offer and it is WHL's intention to retain and enhance these core skills and values.

The implementation of the intentions in respect of the business of Country Road (set out above and in section 4.4) may lead to some staff rationalisation primarily in back office functions across David Jones and Country Road. The extent and nature of such changes cannot be determined until after completion of this Offer and implementation of the David Jones Scheme and the resultant broader strategic review by Woolworths of all of its wholly owned Australian operations.

Otherwise, Woolworths' broad intention is to retain Country Road employees post completion of the Offer.

Woolworths estimates that the opportunities mentioned in paragraphs (c) and (d) above will generate incremental EBITDA of at least \$30 million across the combined Woolworths Group.

(e) Impact of owning 100% of both Country Road and David Jones in Australia

Woolworths has previously announced the potential for synergies arising from the acquisition of David Jones, should it proceed, including benefits to arise in Country Road through the optimisation of its presence in David Jones stores. If Country Road becomes

a wholly-owned subsidiary of WHL, the size and nature of the synergy benefits from the acquisition of David Jones would not materially change, although it may be possible to accelerate the timing for realisation of these synergies given the simplified corporate structure.

7.4 Intentions for Country Road as a part owned controlled entity

This section describes Woolworths' intentions if Country Road remains a controlled entity of WIA, but Woolworths Bidco is not entitled to proceed to compulsory acquisition in accordance with Part 6A.1 of the Corporations Act.

In any of those circumstances, Woolworths' current intentions are as follows:

(a) Corporate matters

Woolworths will seek to implement the intentions detailed in section 7.3 where they are consistent with Country Road being a controlled entity of (but not wholly-owned by) Woolworths and are considered to be in the best interests of Country Road Shareholders as a whole, including minority shareholders. Country Road Shareholders should be aware that, in this circumstance, the liquidity of Country Road Shares will likely continue to be constrained.

If Woolworths Bidco is not entitled to proceed to compulsory acquisition, Woolworths, together with the Country Road Board, will consider if it is appropriate to remain listed on the ASX and may seek de-listing, subject to ASX's discretion.

(b) Limitation in giving effect to intentions

The ability of Woolworths to implement the intentions set out in this section will be subject to the legal obligations of Country Road directors to have regard to the interests of Country Road and all Country Road Shareholders and the requirements of the Corporations Act and the Listing Rules relating to transactions between related parties.

Woolworths will only make a decision on the above mentioned courses of action following legal and financial advice in relation to those requirements.

8 Taxation Considerations

8.1 Introduction

The tax information provided below is intended to be a brief guide only and does not purport to be a complete analysis of the potential Australian tax consequences of accepting the Offer.

Country Road Shareholders are specifically informed that the outline below regarding Australian taxation considerations:

- (a) does not constitute tax advice by Woolworths Bidco to any Country Road Shareholders;
- (b) is an indicative guide of the understanding of Woolworths Bidco of the possible Australian capital gains tax (**CGT**), stamp duty and GST consequences on disposal of the Country Road Shares and does not consider any broader Australian taxation consequences;
- (c) does not consider the Australian income tax implications if Woolworths Bidco elects to proceed to compulsory acquisition in accordance with Part 6A.1 of the Corporations Act; and

- (d) should not be relied upon by a Country Road Shareholder in making a decision on the Australian tax consequences of their decision to acquire, hold or dispose of any Country Road Shares to Woolworths Bidco.

The following outline is not intended to be an authoritative or complete statement of the Australian tax law applicable to the specific circumstances of every Country Road Shareholder. It is recommended that Country Road Shareholders seek professional taxation advice in relation to their own position. In particular, the comments contained in this summary are only relevant to those Country Road Shareholders who hold their shares on capital account for income tax purposes. The outline does not apply to Country Road Shareholders who:

- (e) are in the business of trading, dealing in securities or otherwise hold their Country Road Shares on revenue account;
- (f) acquired their Country Road Shares in return for services or as the result of an employee share plan or employee share option plan;
- (g) acquired (or are taken to have acquired for Australian income tax purposes) their Country Road Shares prior to 20 September 1985;
- (h) are subject to the taxation of financial arrangements rules contained in Division 230 of the *Income Tax Assessment Act 1997* (Cth);
- (i) are a bank, insurance company, tax exempt organisation or superannuation fund and dealers in securities;
- (j) are non-resident Country Road Shareholders who currently hold, or have held, at any time Country Road Shares through a permanent establishment in Australia; or
- (k) temporary residents.

This summary only provides a guide to the general Australian CGT, stamp duty and GST consequences of accepting the Offer, based on the existing tax laws and administrative practice as at the date of this Bidder's Statement. The tax law is complex and subject to change periodically as is its interpretation by the courts and the Australian Taxation Office (**ATO**) and any other taxation authority.

The information contained in this summary is not intended to be, and should not be relied upon as, personal taxation or financial advice. The Australian CGT, stamp duty and GST treatment may vary according to individual circumstances, and each Country Road Shareholder should seek their own tax advice that is specific to their particular circumstances.

8.2 Taxation on the disposal of Country Road Shares

A Country Road Shareholder that accepts this Offer (and the Offer becomes unconditional) will be treated as having disposed of Country Road Shares for Australian CGT purposes. The disposal of a Country Road Share should constitute a disposal of a CGT asset.

8.3 Australian resident Country Road Shareholders

A Country Road Shareholder should realise a capital gain in connection with the disposal of a Country Road Share equal to the amount by which the Offer consideration exceeds the cost base of that Country Road Share. A Country Road Shareholder will alternatively realise a capital loss equal to the amount by which the reduced cost base of the Country Road Share exceeds the Offer consideration. A capital loss may be used to offset a capital gain made in the same income year or be carried forward to offset a capital gain made in a future income year, subject to the satisfaction of certain loss recoupment tests applicable.

If a Country Road Shareholder accepts the Offer but one or more of the conditions of the Offer are not satisfied, the Offer will lapse. Any Country Road Shareholders who have accepted the Offer in these circumstances will not be taken to have disposed of their Country Road Shares and accordingly, should not realise any capital gain or loss.

The cost base and reduced cost base of a Country Road Share should generally include the amount paid (or deemed to be paid) to acquire the Country Road Share which includes certain incidental costs (such as brokerage fees) of the acquisition.

A Country Road Shareholder who is an individual, a certain type of trust or complying superannuation fund may be entitled to claim the CGT discount in calculating any capital gain provided that:

- (a) the Country Road Shares were acquired (for CGT purposes) at least 12 months before disposal to Woolworths Bidco (excluding the date of acquisition and the date of disposal); and
- (b) the Country Road Shareholder did not choose to index the cost base of their Country Road Shares (where applicable).

The applicable CGT discount which should reduce a net capital gain arising from the disposal of Country Road Shares is as follows:

- (a) 50% for individuals and trustees (except a trust that is a complying superannuation entity); and
- (b) 33 1/3% for a complying superannuation entity, a First Home Saver Account trust and certain assets of life insurance companies.

The CGT discount is applied to the capital gain after any available capital losses are first offset against that capital gain.

The CGT discount is not available to any Country Road Shareholders that are companies.

8.4 Non-resident Country Road Shareholders

Any Country Road Shareholders that are not a resident of Australia for income tax purposes, should generally not have to pay Australian income tax on any capital gain arising on the disposal of their Country Road Shares, unless both of the following requirements are satisfied:

- (a) The Country Road Shareholder, together with its associates, held a combined interest of at least 10% in Country Road either at the time the Country Road Shares were disposed of (for CGT purposes) or for at least 12 months during the 24 months before the Country Road Shares were disposed of (for CGT purposes) (the 'non-portfolio' interest test); and
- (b) 50% or more of the value of the assets of Country Road is represented by real property in Australia (the 'principal asset test'). Country Road Shares would generally pass this test if the market value of Country Road's direct and indirect interests in Australian land (including leases and mining rights) is more than the market value of other assets at the time of the CGT event.

If either element is absent, any capital gain made on the disposal of a Country Road Share by any Country Road Shareholder that is not a resident of Australia for income tax purposes should not be subject to income tax in Australia.

A non-resident Country Road Shareholder who is subject to a capital gain on disposal of their Country Road Shares may be eligible to apply a CGT discount, depending on their circumstances. However, recent changes in the law mean that a non-resident Country

Road Shareholder is limited in its ability to claim the benefit of the CGT discount. Non-resident Country Road Shareholders should seek their own tax advice to determine whether a CGT discount is available and, if so, the extent to which it is available.

Any Country Road Shareholders that are not residents of Australia for income tax purposes, and acquired Country Road Shares as trading stock or revenue assets should seek independent professional advice.

8.5 Stamp duty

Country Road Shareholders will not be subject to any stamp duty in respect of their disposal of Country Road Shares.

8.6 GST

Country Road Shareholders will not be subject to any GST in respect of their disposal of Country Road Shares.

Country Road Shareholders should seek their own advice to determine whether any GST incurred on costs (for example third party advisers) in relation to the disposal of their Country Road Shares is recoverable.

9 Other material information

9.1 Regulatory Approvals

The Offer is subject to applicable approvals from the Foreign Investment Review Board (**FIRB**).

9.2 Date for determining holders of Country Road Shares

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) is the Register Date.

9.3 Consents

The following persons have consented to being named in this Bidder's Statement in the form and context in which their names appear and have not withdrawn their consent prior to the lodgement of this Bidder's Statement with ASIC:

- (a) Gilbert + Tobin, to be named as legal adviser to Woolworths;
- (b) Webber Wentzel, to be named as legal adviser to Woolworths;
- (c) Computershare, to be named as the registrar for the Offer;
- (d) Rothschild, to be named as financial adviser to Woolworths; and
- (e) Standard Bank, to be named as financial adviser to Woolworths.

None of the abovementioned persons have made any statement in this Bidder's Statement, or on which a statement in this Bidder's Statement is based, and (to the maximum extent permitted by law) expressly disclaims all liability, in respect of, makes no representation regarding and takes no responsibility for, any part of this Bidder's Statement.

This Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of ASIC Class Order 13/521, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement.

As permitted by ASIC Class Order 13/532, this Bidder's Statement may include or be accompanied by certain statements:

- (a) fairly representing a statement by an official person; or
- (b) from a public official document or a published book, journal or comparable publication.

In addition, as permitted by ASIC Class Order 07/429, this Bidder's Statement contains share price trading data sourced from the IRESS Market Technology service provided IRESS Limited (ACN 060 313 359) without its consent.

9.4 David Jones Scheme

As announced on 9 April 2014, WHL entered into the David Jones Scheme Implementation Deed pursuant to which WHL would acquire all of the shares in David Jones pursuant to a court and David Jones shareholder approved scheme of arrangement under Part 5.1 of the Corporations Act. David Jones shareholders are currently scheduled to meet to consider and vote on the David Jones Scheme on 14 July 2014. Subject to the David Jones shareholders approving the David Jones Scheme by

the requisite majorities, it is expected that David Jones will seek orders from the Court approving the David Jones Scheme on 17 July 2014. David Jones will then lodge such orders with ASIC, rendering the David Jones Scheme Effective. WHL and Woolworths Bidco will keep Country Road Shareholders updated with the progress of the David Jones Scheme in due course. For full details of the David Jones Scheme, please refer to the David Jones company announcements platform at www.asx.com.au.

The Offer consideration is consistent with WHL's valuation range of Country Road on a basis of owning 100% of Country Road and the additional benefits that would accrue as a result of the David Jones Scheme becoming Effective. Accordingly, while the David Jones Scheme is not conditional on the Offer proceeding, the Offer is conditional on the David Jones Scheme becoming Effective.

9.5 Other material information

Except as disclosed elsewhere in this Bidder's Statement, there is no other information that is:

- (a) material to the making of a decision by a Country Road Shareholder whether or not to accept the Offer; and
- (b) known to Woolworths Bidco,

which has not previously been disclosed to Country Road Shareholders.

10 The terms and conditions of the Offer

10.1 Offer

- (a) Woolworths Bidco offers to acquire all of Your Country Road Shares on and subject to the terms and conditions set out in this section of this Bidder's Statement.

The consideration under the Offer is \$17.00 in cash for each Country Road Share.

Any entitlement to payment of less than 1 cent will be rounded up if \$0.005 and above but otherwise rounded down.

On 30 June 2014, Woolworths announced that the Offer is its best and final offer. This means that Woolworths will not increase the offer price.

- (b) By accepting this Offer, you undertake to transfer to Woolworths Bidco not only the Country Road Shares to which the Offer relates, but also all Rights attached to those Country Road Shares (see section 10.5(b)(vi) and section 10.6(c)).
- (c) This Offer is being made to:
 - (i) each person registered as the holder of Country Road Shares in the register of Country Road Shareholders at 7.00pm (Sydney time) on the Register Date; and
 - (ii) any person who becomes registered as the holder of Your Country Road Shares during the Offer Period.
- (d) If, at the time the Offer is made to you, or at any time during the Offer Period, another person is, or is entitled to be, registered as the holder of some or all of Your Country Road Shares, then:

- (i) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of those Country Road Shares;
 - (ii) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of any other Country Road Shares you hold to which the Offer relates; and
 - (iii) this Offer will be deemed to have been withdrawn immediately at that time.
- (e) If at any time during the Offer Period you are registered or entitled to be registered as the holder of one or more parcels of Country Road Shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate and distinct offer on the same terms and conditions as this Offer had been made in relation to each of those parcels and any parcel you hold in your own right. To validly accept the Offer for each parcel, you must comply with the procedure in section 653B(3) of the Corporations Act.
 - (f) If Your Country Road Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee you should contact that nominee for assistance in accepting the Offer.
 - (g) The Offer is dated [●].

10.2 Offer Period

- (a) Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of this Offer (being [●]) and ending at 7.00pm (Sydney time) on the later of:
 - (i) [●]; or
 - (ii) any date to which the Offer Period is extended.
- (b) Woolworths Bidco reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act. If the FIRB approval condition remains outstanding on [●], being 7 days before the current close of the offer period, Woolworths Bidco intends to extend the Offer by 2 weeks until [●].
- (c) If, within the last 7 days of the Offer Period, either of the following events occurs the Offer is varied to improve the consideration offered then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act. However, note that as announced on 30 June 2014, Woolworths has stated that it will not increase the Offer consideration.

10.3 How to accept this Offer

- (a) **General**
 - (i) Subject to section 10.1(d) and section 10.1(e), you may accept this Offer only for all of Your Country Road Shares.
 - (ii) You may accept this Offer at any time during the Offer Period.
- (b) **Country Road Shares held in your name on Country Road's issuer sponsored subregister (your SRN starts with an "I")**

To accept this Offer you must:

- (i) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (ii) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at the address shown on the Acceptance Form.

(c) **Country Road Shares held in your name in a CHESS Holding (your HIN starts with an "X")**

To accept this Offer you must:

- (i) If you are not a Participant, you should instruct your Controlling Participant (this is normally your broker) to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (ii) If you are a Participant, you should initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (iii) Alternatively, you may sign and complete the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received at the address given on the Acceptance Form in sufficient time for it to be acted upon by your Controlling Participant before the end of the Offer Period, at the address shown on the Acceptance Form.
- (iv) You must comply with any other applicable ASX Settlement Operating Rules.

(d) **Country Road Shares of which you are entitled to be registered as holder**

To accept this Offer for Country Road Shares which are not held in your name, but of which you are entitled to be registered as holder, you must:

- (i) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (ii) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period at the address shown in the Acceptance Form.

(e) **Acceptance Form and other documents**

- (i) The Acceptance Form forms part of the Offer.
- (ii) If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Woolworths Bidco at the address shown on the Acceptance Form before the end of the Offer Period. You may only return your Acceptance Form by facsimile or email with the prior approval of Woolworths Bidco.
- (iii) When using the Acceptance Form to accept this Offer in respect of Country Road Shares in a CHESS Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer and the

instruction on the Acceptance Form) are received by Woolworths Bidco in time for Woolworths Bidco to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

- (iv) The postage and transmission of the Acceptance Form and other documents is at your own risk.

10.4 Validity of acceptances

- (a) Subject to this section 10.4, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in section 10.3.
- (b) Woolworths Bidco will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Woolworths Bidco is not required to communicate with you prior to or after making this determination. The determination of Woolworths Bidco will be final and binding on all parties.
- (c) Notwithstanding sections 10.3(b), 10.3(c), 10.3(d) and 10.3(e), Woolworths Bidco may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of Your Country Road Shares, even if a requirement for acceptance has not been complied with but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Woolworths Bidco.
- (d) Where you have satisfied the requirements for acceptance in respect of only some of Your Country Road Shares, Woolworths Bidco may, in its sole discretion, regard the Offer to be accepted in respect of those of Your Country Road Shares but not the remainder.
- (e) Woolworths Bidco will pay the consideration to you in accordance with section 10.6, in respect of any part of an acceptance determined by Woolworths Bidco to be valid.

10.5 The effect of acceptance

- (a) Once you have accepted the Offer, you will be able to revoke your acceptance at any time while the condition in clause 10.7(a) remains unfulfilled. When the condition in clause 10.7(a) have been fulfilled, you will be unable to revoke your acceptance, the contract resulting from your acceptance will be binding on you and you will be unable to withdraw Your Country Road Shares from the Offer or otherwise dispose of Your Country Road Shares, except as follows:
 - (i) if, by the end of the Offer Period, the conditions in section 10.7 have not all been fulfilled or freed, this Offer will automatically terminate and Your Country Road Shares will be released to you; or
 - (ii) if the Offer Period is extended for more than one month and the obligations of Woolworths Bidco to pay the consideration are postponed for more than one month and, at the time, this Offer is subject to one or more of the conditions in section 10.7, you may be able to withdraw your acceptance and Your Country Road Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.
- (b) By signing and returning the Acceptance Form, or otherwise accepting this Offer pursuant to section 10.3, you will be deemed to have:

- (i) accepted this Offer (and any variation of it) in respect of, and, subject to all of the conditions to this Offer in section 10.7 being fulfilled or freed, agreed to transfer to Woolworths Bidco, all Your Country Road Shares (even if the number of Country Road Shares specified on the Acceptance Form differs from the number of Your Country Road Shares), subject to section 10.1(d) and section 10.1(e);
- (ii) represented and warranted to Woolworths Bidco, as a fundamental condition going to the root of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of Your Country Road Shares (including any Rights) to Woolworths Bidco is registered, that all Your Country Road Shares are and will be free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise), that you have full power and capacity to accept this Offer and to sell and transfer the legal and beneficial ownership in Your Country Road Shares (including any Rights) to Woolworths Bidco, and that you have paid to Country Road all amounts which at the time of acceptance have fallen due for payment to Country Road in respect of Your Country Road Shares;
- (iii) irrevocably authorised Woolworths Bidco (and any director, secretary, nominee or agent of Woolworths Bidco) to alter the Acceptance Form on your behalf by inserting correct details relating to Your Country Road Shares, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by Woolworths Bidco to make it an effective acceptance of this Offer or to enable registration of Your Country Road Shares in the name of Woolworths Bidco;
- (iv) if you signed the Acceptance Form in respect of Country Road Shares which are held in a CHESS Holding, irrevocably authorised Woolworths Bidco (or any director, secretary, nominee or agent of Woolworths Bidco) to instruct your Controlling Participant to initiate acceptance of this Offer in respect of Your Country Road Shares in accordance with Rule 14.14 of the ASX Settlement Operating Rules;
- (v) if you signed the Acceptance Form in respect of Country Road Shares which are held in a CHESS Holding, irrevocably authorised Woolworths Bidco (or any director, secretary, nominee or agent of Woolworths Bidco) to give any other instructions in relation to Your Country Road Shares to your Controlling Participant, as determined by Woolworths Bidco acting in its own interests as a beneficial owner and intended registered holder of those Country Road Shares;
- (vi) irrevocably authorised and directed Country Road to pay to Woolworths Bidco, or to account to Woolworths Bidco for, all Rights in respect of Your Country Road Shares, subject, if this Offer is withdrawn, to Woolworths Bidco accounting to you for any such Rights received by Woolworths Bidco;
- (vii) irrevocably authorised Woolworths Bidco to notify Country Road on your behalf that your place of address for the purpose of serving notices upon you in respect of Your Country Road Shares is the address specified by Woolworths Bidco in the notification;
- (viii) with effect from the time and date on which all the conditions to this Offer in section 10.7 have been fulfilled or freed, to have irrevocably appointed Woolworths Bidco (and any director, secretary or nominee of Woolworths Bidco) severally from time to time as your true and lawful attorney to exercise all your powers and rights in relation to Your Country Road Shares, including (without limitation) powers and rights to requisition, convene, attend and vote in person, by proxy or by body corporate representative, at

all general meetings and all court-convened meetings of Country Road and to request Country Road to register, in the name of Woolworths Bidco or its nominee, Your Country Road Shares, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable);

- (ix) with effect from the date on which all the conditions to this Offer in section 10.7 have been fulfilled or freed, to have agreed not to attend or vote in person, by proxy or by body corporate representative at any general meeting or any court-convened meeting of Country Road or to exercise or purport to exercise any of the powers and rights conferred on Woolworths Bidco (and its directors, secretaries and nominees) in section 10.5(b)(viii);
- (x) agreed that in exercising the powers and rights conferred by the powers of attorney granted under section 10.5(b)(viii), the attorney will be entitled to act in the interests of Woolworths Bidco as the beneficial owner and intended registered holder of Your Country Road Shares;
- (xi) agreed to do all such acts, matters and things that Woolworths Bidco may require to give effect to the matters the subject of this section 10.5(b) (including the execution of a written form of proxy to the same effect as this section 10.5(b) which complies in all respects with the requirements of the trust deed of Country Road) if requested by Woolworths Bidco;
- (xii) agreed to indemnify Woolworths Bidco in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or SRN or in consequence of the transfer of Your Country Road Shares to Woolworths Bidco being registered by Country Road without production of your Holder Identification Number or your SRN for Your Country Road Shares;
- (xiii) represented and warranted to Woolworths Bidco that, unless you have notified it in accordance with section 10.1(e), Your Country Road Shares do not consist of separate parcels of Country Road Shares;
- (xiv) irrevocably authorised Woolworths Bidco (and any nominee) to transmit a message in accordance with Rule 14.17 of the ASX Settlement Operating Rules to transfer Your Country Road Shares to the Takeover Transferee Holding of Woolworths Bidco, regardless of whether it has paid the consideration due to you under this Offer;
- (xv) irrevocably authorised Woolworths Bidco (and any nominee) to initiate a transfer of Your Country Road Shares into Woolworths Bidco's name, regardless of whether it has paid the consideration due to you under this Offer; and
- (xvi) agreed, subject to the conditions of this Offer in section 10.7 being fulfilled or freed, to execute all such documents, transfers and assurances, and do all such acts, matters and things that Woolworths Bidco may consider necessary or desirable to convey Your Country Road Shares registered in your name and Rights to Woolworths Bidco.

The undertakings and authorities referred to in section 10.5(b) will remain in force after you are paid the consideration for Your Country Road Shares and after Woolworths Bidco becomes registered as the holder of Your Country Road Shares.

10.6 Payment of consideration

- (a) Subject to sections 10.4(b) and 10.6 and the Corporations Act, Woolworths Bidco will pay the consideration due to you for Your Country Road Shares on or before the earlier of:
 - (i) 5 Business Days after this Offer is accepted or 5 Business Days after all of the conditions have been waived or fulfilled (whichever is the later); and
 - (ii) 5 Business Days after the end of the Offer Period.
- (b) Where the Acceptance Form requires an additional document to be delivered with your Acceptance Form (such as a power of attorney):
 - (i) if that document is given with your Acceptance Form, Woolworths Bidco will pay the consideration in accordance with section 10.6(a);
 - (ii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is subject to a defeating condition, Woolworths Bidco will pay the consideration due to you on or before the earlier of 5 Business Days after this Offer becomes unconditional and 5 Business Days after the end of the Offer Period;
 - (iii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is not subject to a defeating condition, Woolworths Bidco will pay the consideration due to you on or before the earlier of 5 Business Days after that document is given and 5 Business Days after the end of the Offer Period;
 - (iv) if that document is given after the end of the Offer Period, and the Offer is not subject to a defeating condition, Woolworths Bidco will pay the consideration within 5 Business Days after that document is given.
- (c) If you accept this Offer, Woolworths Bidco is entitled to all Rights in respect of Your Country Road Shares. Woolworths Bidco may require you to provide all documents necessary to vest title to those Rights in Woolworths Bidco, or otherwise to give it the benefit or value of those Rights. If you do not give those documents to Woolworths Bidco, or if you have received the benefit of those Rights, Woolworths Bidco will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by Woolworths Bidco) of those Rights.
- (d) Payment of any cash amount to which you are entitled under the Offer will be made by cheque in Australian currency. Cheques will be posted to you at your risk by ordinary mail (or in the case of overseas shareholders, by airmail) to the address last provided to Woolworths Bidco by Country Road.
- (e) If at the time you accept the Offer any of the following:
 - (i) Banking (Foreign) Exchange Regulations 1959 (Cth);
 - (ii) Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth);
 - (iii) Autonomous Sanctions Act 2011 (Cth); or
 - (iv) any other law of Australia,

require that an authority, clearance or approval of the Reserve Bank of Australia, the Department of Foreign Affairs and Trade, the ATO or any other government authority be obtained before you receive any consideration for Your Country Road Shares, or would make it unlawful for Woolworths Bidco to pay any consideration

to you for Your Country Road Shares, you will not be entitled to receive any consideration for Your Country Road Shares until all requisite authorities, clearances or approvals have been received by Woolworths Bidco.

- (f) The Offer consideration you are paid will be reduced by the amount or value of any Rights attaching to Your Country Road Shares, on or after the Announcement Date, which Woolworths Bidco does not receive.

10.7 Conditions of this Offer

Subject to section 10.8, the completion of this Offer and any contract that results from an acceptance of this Offer are subject to the fulfilment of the conditions set out below.

- (a) **FIRB**

Before the end of the Offer Period:

- (i) WHL receives written notice from the Treasurer or his delegate to the effect that there are no objections under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (**FATA**) or Australia's foreign investment policy to the acquisition of Country Road Shares by Woolworths Bidco under the Offer, such notice being unconditional; or
- (ii) the Treasurer ceases to be able to make any order under FATA prohibiting the acquisition of Country Road Shares by Woolworths Bidco under the Offer has elapsed without such an order being made.

- (b) **David Jones Scheme**

The David Jones Scheme becomes Effective.

- (c) **No regulatory actions**

During the Offer Period:

- (i) there is not in effect any preliminary or final decision, order or decree issued by a Governmental Agency;
- (ii) no action or investigation is announced, commenced or threatened by any Governmental Agency; and
- (iii) no application is made to any Governmental Agency (other than by Woolworths),

in consequence of, or in connection with, the Offer (other than an application to, or a decision or order of, ASIC or the Takeovers Panel in the exercise of powers and discretions conferred by the Corporations Act), which:

- (iv) restrains, prohibits or impedes (or if granted or made could restrain, prohibit or impede), or otherwise materially adversely impacts upon:
 - (A) the making of the Offers or the completion of any transaction contemplated by the Offer; or
 - (B) the rights of Woolworths in respect of the Country Road Shares.

- (d) **No prescribed occurrences**

Between the Announcement Date and the end of the Offer Period (each inclusive) none of the occurrences listed in section 652C of the Corporations Act occur.

10.8 Waiver of conditions

It is Woolworths' intention that, upon the David Jones Scheme becoming Effective, it will waive the regulatory action and prescribed occurrence conditions. This will, at that time, leave the Offer subject only to the FIRB approval condition (unless this condition has also been satisfied or waived by that time).

10.9 Nature and benefit of conditions

- (a) The condition in clause 10.7(a) is a condition precedent to Woolworths Bidco acquiring an interest (as that term is defined in the Foreign Acquisitions and Takeovers Act 1975 (Cth)) in Your Country Road Shares. The other offer conditions in section 10.7 are conditions subsequent. The non-fulfilment of any conditions subsequent does not, until the end of the Offer Period, prevent a contract to sell Your Country Road Shares from arising, but entitles Woolworths Bidco by written notice to you, to rescind the contract resulting from your acceptance of the Offer.
- (b) Subject to the Corporations Act, Woolworths Bidco alone is entitled to the benefit of the conditions in section 10.7, or to rely on any non-fulfilment of any of them.
- (c) Each condition in section 10.7 is a separate, several and distinct condition. No condition will be taken to limit the meaning or effect of any other condition.

10.10 Freeing the Offer of conditions

- (a) Woolworths Bidco may free this Offer, and any contract resulting from its acceptance, from all or any of the conditions in section 10.7, either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving a notice to Country Road and to ASX declaring this Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act. This notice may be given not less than 7 days before the end of the Offer Period.
- (b) If, at the end of the Offer Period, the conditions in section 10.7 have not been fulfilled and Woolworths Bidco has not declared the Offer (or it has not become) free from those conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

10.11 Notice on status of conditions

The date for giving the notice on the status of the conditions required by section 630(1) of the Corporations Act is [●] (subject to extension in accordance with section 630(2) if the Offer Period is extended).

10.12 Withdrawal of this Offer

- (a) This Offer may be withdrawn with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, Woolworths Bidco will give notice of the withdrawal to ASX and to Country Road and will comply with any other conditions imposed by ASIC.
- (b) If, at the time this Offer is withdrawn, all the conditions in section 10.7 have been freed, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.
- (c) If, at the time this Offer is withdrawn, the Offer remains subject to one or more of the conditions in section 10.7, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).

- (d) A withdrawal pursuant to section 10.12 will be deemed to take effect:
 - (i) if the withdrawal is not subject to conditions imposed by ASIC, on and after the date on which that consent in writing is given by ASIC; or
 - (ii) if the withdrawal is subject to conditions imposed by ASIC, on and after the date on which those conditions are satisfied.

10.13 Variation of this Offer

Woolworths Bidco may vary this Offer in accordance with the Corporations Act.

10.14 No stamp duty or brokerage

- (a) Woolworths Bidco will pay any stamp duty on the transfer of Your Country Road Shares to it.
- (b) As long as Your Country Road Shares are registered in your name in an Issuer Sponsored Holding and you deliver them directly to Woolworths Bidco, you will not incur any brokerage charges in connection with your acceptance of this Offer.

10.15 Governing laws

This Offer and any contract that results from your acceptance of it are to be governed by the laws in force in New South Wales.

11 Definitions and interpretation

11.1 Definitions

In this Bidder's Statement and in the Acceptance Form unless the context otherwise appears, the following terms have the meanings shown below:

ACCC means the Australian Competition and Consumer Commission.

Acceptance Form means the acceptance form enclosed with this Bidder's Statement.

Announcement Date means the date on which the Offer was announced by Bidder, being 24 June 2014.

ASIC means the Australian Securities & Investments Commission.

ASX means the Australian Stock Exchange Limited.

ASX Settlement means ASX Settlement Pty Ltd ABN 49 008 504 532.

ASX Settlement Operating Rules means the operating rules of ASX Settlement which govern the administration of the Clearing House Electronic Subregister System.

Bidder's Statement means this document, being the statement of Woolworths under Part 6.5 Division 2 of the Corporations Act relating to the Offer.

Business Day means a day on which banks are open for business in Sydney, excluding a Saturday, Sunday or public holiday.

CHESS Holding means a number of Country Road Shares which are registered on Country Road Share register being a register administered by ASX Settlement and which records uncertificated holdings of shares.

Controlling Participant in relation to Your Country Road Shares, has the same meaning as in the ASX Settlement Operating Rules (normally your broker).

Condition means the conditions to the Offer as set out in section 10.7 of this Bidder's Statement.

Corporations Act means the *Corporations Act 2001* (Cth).

Country Road means Country Road Limited ACN 006 759 182.

Country Road Group means Country Road and its subsidiaries.

Country Road Shareholders means a holder of Country Road Shares as at the Register Date.

Country Road Shares means all ordinary shares in the capital of Country Road (excluding shares in which WHL has a relevant interest).

Court means the Federal Court of Australia (New South Wales registry).

David Jones Scheme means a members' scheme of arrangement under Part 5.1 of the Corporations Act between David Jones and its shareholders in respect of Woolworth's proposed acquisition of David Jones, in the form of Attachment C to the David Jones Scheme Booklet, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.

David Jones Scheme Booklet means the explanatory statement in respect of the David Jones Scheme prepared by David Jones pursuant to section 412 of the Corporations Act and in accordance with clause 5.1(b) of the David Jones Scheme Implementation Deed.

David Jones Scheme Implementation Deed means the scheme implementation deed dated 9 April 2014 (as amended) between David Jones Limited, Vela Investments Pty Ltd and WHL relating to the implementation of the Scheme.

David Jones means David Jones Limited ACN 000 074 573.

EBITDA means earnings before interest, tax, depreciation and amortisation.

Effective means, in relation to the David Jones Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Federal Court made under section 411(4)(b), of the David Jones Scheme.

Effective Date means the date on which the David Jones Scheme becomes Effective.

FIRB means the Foreign Investment Review Board.

Government Agency means a government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity whether foreign, federal, state, territorial or local in Australia, including (without limitation) any self-regulatory organisation established under a statute or otherwise discharging substantially public or regulatory functions, and in particular, ASX and ASIC.

GST means goods and services tax.

HIN has the same meaning as in the ASX Settlement Operating Rules.

Listing Rules means the Official Listing Rules of the ASX, as amended and waived.

Offer means the offer for Country Road Shares under the terms and conditions contained in section 10 of this Bidder's Statement.

Offer Period means the period during which the Offer will remain open for acceptance in accordance with section 10.2 of this Bidder's Statement.

Participant means an entity admitted to participate in the Clearing House Electronic Sub-register system under Rule 4.3.1 and 4.4.1 of the ASX Settlement Operating Rules.

Register Date means the date set by Woolworths under subsection 633(2) of the Corporations Act, being 7.00pm on 8 July 2014.

Regulatory Conditions means the conditions set out in section 10.7(a).

Related Body Corporate has the meaning given in section 50 of the Corporations Act.

Representative of a person means an employee, agent, officer, director, adviser or financier of the person and, in the case of advisers and financiers, includes employees, officers and agents of the adviser or financier (as applicable).

Rights means all accretions, rights or benefits of whatever kind attaching or arising from Country Road Shares directly or indirectly at or after the Announcement Date (including, but not limited to, all dividends or other distributions and all rights to receive them or rights to receive or subscribe for shares, shares, notes, bonds, options or other securities declared, paid or issued by Country Road or any of its subsidiaries).

SRN has the same meaning as in the ASX Settlement Operating Rules.

Takeover Bid means the off-market takeover bid constituted by the dispatch of the Offers in accordance with the Corporations Act.

Takeover Transferee Holding has the same meaning as in the ASX Settlement Operating Rules.

Target's Statement means the statement of Country Road (including the attachments) to be made by Country Road under Part 6.5 Division 3 of the Corporations Act.

VWAP means volume weighted average price.

WHL means Woolworths Holdings Limited Registration Number 1929/001986/06 of 93 Longmarket Street, Cape Town 8001, South Africa.

WIA means Woolworths International (Australia) Pty Limited ACN 078 178 220.

Woolworths means WHL or a Related Body Corporate.

Woolworths Bidco means Woolworths International (Australia) II Pty Ltd ACN 600 437 063.

Your Country Road Shares means subject to sections 10.1(d) and 10.1(e), the Country Road Shares:

- (a) in respect of which you are registered, or entitled to be registered, as holder in the register of shareholders of Country Road at 7pm (Sydney time) on the Register Date; or
- (b) to which you are able to give good title at the time you accept this Offer during the Offer Period.

11.2 Interpretation

In this Bidder's Statement and in the Acceptance Form, unless the context otherwise requires:

- (a) words and phrases have the same meaning (if any) given to them in the Corporations Act;
- (b) words importing the singular include the plural and vice versa;
- (c) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- (d) a reference to a section, attachment and schedule is a reference to a section of and an attachment and schedule to this Bidder's Statement as relevant;
- (e) a reference to any statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances, or by laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;
- (f) headings and bold type are for convenience only and do not affect the interpretation of this Bidder's Statement;
- (g) a reference to time is a reference to time in Sydney, Australia;
- (h) a reference to writing includes facsimile transmissions; and
- (i) a reference to dollars, \$, A\$, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia.

Approval of Bidder's Statement

This Bidder's Statement has been approved by the directors of Woolworths International (Australia) II Pty Ltd:

date 7 July 2014 _____

Signed for and on behalf of Woolworths International (Australia) II Pty Ltd
by

sign here



Director _____

print name Ralph Buddle, Director _____

12 Corporate Directory

Woolworths International (Australia) II Pty Ltd

Level 37
2 Park Street
Sydney NSW 2000

Legal advisers

Gilbert + Tobin
Level 37
2 Park Street
Sydney NSW 2000

Webber Wentzel
10 Fricker Road
Illovo Boulevard
Johannesburg, South Africa 2196

Registry

Computershare Investor Services Pty Limited
GPO Box 2115 Melbourne
Victoria 3001 Australia

Financial advisers

Rothschild
Level 3
Oxford Corner
32a Jellicoe Avenue
Johannesburg, South Africa 2196

Standard Bank
Level 9
Standard Bank Centre
5 Simmonds Street
Johannesburg, South Africa 2001

Woolworths International (Australia) II Pty Limited

ACN 078 178 220

Return your Form:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 2115 Melbourne
Victoria 3001 Australia

000001 000 CTY_TK

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Acceptance Form

ISSUER



Your form must be received by the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("Offer") by Woolworths International (Australia) II Pty Ltd ("Woolworths Bidco") to acquire all of your Shares in Country Road Limited ("Country Road") ACN (ACN 006 759 182) the terms of which are set out in the Bidder's Statement from Woolworths Bidco dated 7 July 2014 as replaced or supplemented (the "Bidders Statement"). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional advisor.

Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

Step 1: Registration Name & Offer Details

Your consideration will be issued to the name(s) as they appear on the latest copy of the Country Road register, as provided to Woolworths Bidco. The current address recorded by Woolworths Bidco is printed above and overleaf. If you have recently bought or sold Shares your holding may differ from that shown. If you have already sold all your Shares in Country Road, do not complete or return this form.

Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Shares.

Step 3: Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

Companies: Where the holding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

Overseas Companies: Where the holding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form ➔




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I ND

Acceptance Form

STEP 1

Registration Name & Offer Details

 For your security keep your SRN/
HIN confidential.

Registration Name: MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Offer Details: By accepting the Offer for ALL of your Shares, you are accepting the Offer for ALL the Country Road Shares as recorded by Woolworths Bidco as being held by you at the date your acceptance is processed (even if different to the number stated above).

STEP 2

Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Shares in Country Road. The consideration applicable is set out in the terms of Woolworths Bidco's Offer.

STEP 3

Signature of Securityholder(s) *This section must be completed.*

I/We accept the Offer made by Woolworths Bidco for Shares in Country Road and I/we agree to be bound by the terms and conditions of the Offer and transfer ALL of my/our Shares as per the above instruction.

Individual or Securityholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Securityholder 2

Director

Securityholder 3

Director/Company Secretary
(cross out titles as applicable)

Contact
Name

Contact
Daytime
Telephone

Date / /

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited ("CIS") for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. We may also use your personal information to send you marketing material approved by . You may elect not to receive marketing material by contacting CIS using the details provided on the front of this form or by emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to or to third parties upon direction by where related to the administration of your securityholding or as otherwise required or permitted by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

CTY _ TK

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Computershare

Woolworths International (Australia) II Pty Limited

ACN 078 178 220

Return your Form:



To Your Controlling Participant:
Return this form directly to your
stockbroker



By Mail:


Computershare Investor Services Pty Limited
GPO Box 2115 Melbourne
Victoria 3001 Australia

000002 000 CTY_TK

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Acceptance Form

CHESS

 **Your form must be received with sufficient time to allow processing prior to the end of the Offer Period.**

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("Offer") by Woolworths International (Australia) II Pty Ltd ("Woolworths Bidco") to acquire all of your Shares in Country Road Limited ("Country Road") ACN (ACN 006 759 182) the terms of which are set out in the Bidder's Statement from Woolworths Bidco dated 7 July 2014 as replaced or supplemented (the "Bidders Statement"). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined. If you are in doubt about how to deal with this Offer, please contact your financial or other professional advisor. Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

Step 1: Registration Name & Offer Details

Your consideration will be issued to the name(s) as they appear on the latest copy of the Country Road register, as provided to Woolworths Bidco. The current address recorded by Woolworths Bidco is printed above and overleaf. If you have recently bought or sold Shares your holding may differ from that shown. If you have already sold all your Shares in Country Road, do not complete or return this form.

Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Shares. As your Country Road Shares are in a CHESS holding, you may contact your Controlling Participant directly (normally your stockbroker) with instructions to accept the Offer. If you do this, your Controlling Participant will provide you with details as to what they require in order to accept the Offer on your behalf. If you want Woolworths Bidco to contact your Controlling Participant on your behalf, sign and return this form to the address above so that it is received in sufficient time to allow your instruction to be acted upon by the close of the Offer Period. This will authorise Woolworths Bidco and Computershare Investor Services Pty Limited ("CIS") to request your Controlling Participant to initiate acceptance of the Offer on your behalf.

By signing this form, you warrant to Woolworths Bidco (and authorise Woolworths Bidco to warrant on your behalf) that you have full legal and beneficial ownership of the Shares to which this form relates and that Woolworths Bidco will acquire them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer of any kind and free from any third party rights.

You should allow sufficient time for your Controlling Participant or Woolworths Bidco to initiate the acceptance of Woolworths Bidco's Offer on your behalf. Neither Woolworths Bidco or CIS will be responsible for any delays incurred by the process of requesting your Controlling Participant to accept the Offer.

Step 3: Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

Companies: Where the holding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

Overseas Companies: Where the holding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form ➔




X 2222222222

I N D

Acceptance Form

STEP 1

Registration Name & Offer Details

 For your security keep your SRN/
HIN confidential.

Registration Name: MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Controlling Participant Identifier:

Offer Details:

By accepting the Offer for ALL of your Shares, you are accepting the Offer for ALL the Country Road Shares as recorded by Woolworths Bidco as being held by you at the date your acceptance is processed (even if different to the number stated above).

STEP 2

Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Shares in Country Road. The consideration applicable is set out in the terms of Woolworths Bidco's Offer.

STEP 3

Signature of Securityholder(s) *This section must be completed.*

I/We accept the Offer made by Woolworths Bidco for Shares in Country Road and I/we agree to be bound by the terms and conditions of the Offer and transfer ALL of my/our Shares as per the above instruction.

Individual or Securityholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Securityholder 2

Director

Securityholder 3

Director/Company Secretary
(cross out titles as applicable)

Contact
Name

Contact
Daytime
Telephone

Date / /

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited ("CIS") for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. We may also use your personal information to send you marketing material approved by . You may elect not to receive marketing material by contacting CIS using the details provided on the front of this form or by emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to or to third parties upon direction by where related to the administration of your securityholding or as otherwise required or permitted by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

CTY _ TK

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