



## **Lowe's Enters Joint Venture to Develop Home Improvement Stores in Australia**

***Strategic Alliance with Australia's Largest Retailer, Woolworths, to Create Comprehensive Network of Stores***

***First Stores Expected to Open in 2011***

**MOORESVILLE, N.C.** — Lowe's Companies, Inc. (NYSE: LOW) announced today the company has entered into a joint venture agreement with Australia's largest retailer, Woolworths Limited (ASX: WOW), to develop a network of home improvement stores for consumers in Australia. Under the agreement, Lowe's will be one-third owner of the destination home improvement chain, which is slated to open its first store in the 2011 fiscal year.

"This is a tremendous opportunity to enter the A\$24 billion (\$20 billion USD) and growing home improvement market in Australia, at a time when the sector is underserved," explained Robert A. Niblock, Lowe's chairman and CEO. "By partnering Lowe's home improvement knowledge with the retail expertise of Australia's largest retailer, Woolworths, we expect to develop destination home improvement stores that offer consumers the products and services they need for their homes and businesses in an environment that is comfortable and easy to shop."

Woolworths, founded in 1924, is the 23rd largest retailer in the world with expertise across grocery, consumer electronics, liquor, petroleum and general merchandise retailing. With 2009 fiscal year revenues of A\$49.4 billion (\$37 billion USD), the company has more than 3,000 retail outlets and is the largest private sector employer in Australia.

"The Australian love of property and high levels of home ownership mean that maintaining and improving homes is an important part of everyday life," said Michael Luscombe, Woolworths chief executive. "We're very pleased to be working with Lowe's, a leading global retailer in home improvement, and very proud of the unique and collaborative agreement we have put in place."

Lowe's and Woolworths plan to share best practices to create a leading destination home improvement business in Australia. The partners have a target to secure more than 150 store sites over the next five years, with the first store expected to open in late 2011. The locations will be large-format stores, greater than 100,000 square feet, and will offer products and services for both the do-it-yourself homeowner and the trade customer. Already, Woolworths has secured entitlement to 12 sites and is currently in final negotiations to secure a further 15 sites for Greenfield development.

In addition, the joint venture has made a recommended takeover offer for all the shares in Danks Holdings Limited (ASX: DKS), Australia's second largest hardware distributor.

### **About Woolworths**

Woolworths Limited is Australia's leading retail group with financial year 2009 sales of A\$49.4 billion. The company employs more than 190,000 people and serves in excess of 23 million customers each week across more than 3,000 retail outlets. Its brands include Woolworths supermarkets, BIG W discount department stores, Dick Smith consumer electronics stores, BWS and Dan Murphy's liquor stores and Countdown, Woolworths and Foodtown supermarkets in New Zealand. For more information, visit [woolworthslimited.com.au](http://woolworthslimited.com.au).

### **About Lowe's**

With fiscal year 2008 sales of \$48.2 billion, Lowe's Companies, Inc. is a FORTUNE® 50 company that serves approximately 14 million customers a week at more than 1,675 home improvement stores in the United States and Canada. Founded in 1946 and based in Mooresville, N.C., Lowe's is the second-largest home improvement retailer in the world. For more information, visit [Lowe.com](http://Lowe.com).

### **DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS:**

This news release includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Act"). Statements of the company's expectations for the joint venture with Woolworths, domestic and international sales growth, return on investment, the Australian home improvement industry and market, and any statement of an assumption underlying any of the foregoing, constitute "forward-looking statements" under the Act. Although the company believes that the expectations, opinions, projections, and comments reflected in its forward-looking statements are reasonable, it can give no assurance that such statements will prove to be correct. A wide variety of potential risks, uncertainties, and other

factors could materially affect our ability to achieve the results expressed or implied by our forward-looking statements for the joint venture including, but not limited to, changes in general economic conditions, such as rising unemployment, interest rate and currency fluctuations, higher fuel and other energy costs, slower growth in personal income, changes in consumer spending, the availability and increasing regulation of consumer credit and mortgage financing, changes in the rate of housing turnover, inflation or deflation of commodity prices and other factors which can negatively affect our customers, as well as our ability to: (i) respond to adverse trends in the housing industry and the level of repairs, remodeling, and additions to existing homes, as well as general reduction in commercial building activity; (ii) secure, develop, and otherwise implement new technologies and processes designed to enhance efficiency and competitiveness; (iii) attract, train, and retain highly-qualified associates; (iv) locate, secure, and successfully develop new sites for store development; (v) respond to fluctuations in the prices and availability of services, supplies, and products; (vi) respond to the growth and impact of established competition in the markets to be served by the joint venture; and (vii) address legislative and regulatory developments. For more information about these and other risks and uncertainties that we are exposed to, you should read the "Risk Factors" included in our Annual Report on Form 10-K to the United States Securities and Exchange Commission and the description of material changes, if any, in those "Risk Factors" included in our Quarterly Reports on Form 10-Q.

The forward-looking statements contained in this news release speak only as of the date of this release and the company does not assume any obligation to update any such statements.

**Contacts:**

**Shareholders'/Analysts' Inquiries:**

Paul Taaffe  
704-758-2033

**Media Inquiries:**

Chris Ahearn  
704-758-2304