



Media Release

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Ritchies' to buy nine Franklins stores and convert them to IGA brand

Australia's largest independent grocery and liquor wholesaler, Metcash Trading Limited (Metcash), today announced it had reached agreement to sell nine Franklins stores to Ritchies Stores Pty Ltd.

Metcash Chief Executive, Mr Andrew Reitzer, said the Ritchies tender was very competitive and he was very pleased to have entered into the agreement with a leading IGA retailer. "We have a very strong relationship with Ritchies who have IGA Stores in Queensland, Victoria and New South Wales. They have a great track record of running top quality supermarkets," Mr Reitzer said.

"The combination of the Ritchies' IGA retailing expertise and Metcash's national buying power, world class supply chain, marketing and merchandising programs will see these stores become very competitive very quickly. Local consumers are the big winners with this announcement today, Mr Reitzer said.

Fred Harrison, Ritchies Stores Chief Executive Officer, said the stores would increase his company's footprint in New South Wales in several key areas. "We wanted to increase our presence in New South Wales, the biggest retail market in the country and with the Franklins stores we have that opportunity," Mr Harrison said.

"At Ritchies we have a reputation as a strong independent retailer who does things 'how the locals like it.' We are bringing this experience and expertise to nine new areas in the New South Wales market.

"We are confident we will turn the nine Franklins stores around quickly as Supa IGA and IGA stores. They will provide locals with exactly the packaged grocery and fresh products they want at very competitive prices.

"In addition each of these stores will immediately become part of our Community Benefit Card Program where we donate a percentage of the money spent by customers to local charities, schools and clubs. Ritchies has donated close to \$40 million to the communities in which we operate in recent years. This significant financial contribution is our way of showing that we care about the local communities in which we operate," Mr Harrison said.

While the store handovers are subject to landlord consent, Metcash and Ritchies are confident of finalising the deal in coming days.

The Franklins stores being sold to Ritchies by Metcash are in the following locations:

1. Bateau Bay
2. Broadmeadow
3. Crows Nest
4. Erina Heights
5. North Ryde
6. Singleton
7. Spit Junction
8. Taren Point
9. Woy Woy

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