



**Company Announcement**

**5 June, 2006**

## **AGREEMENT ENTERED INTO FOR SALE OF ASPLEY AND MORAYFIELD CORPORATE SUPERSTORES**

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On Friday 2 June, 2006, BSL's controlled joint venture entity, Betta Stores (Northern) Pty Ltd ('Betta Stores Northern') entered into an agreement for the sale of its Betta Electrical Superstore – Aspley and Betta Electrical Superstore Morayfield with the BSL Group's largest franchisee, Kempcombe Pty Ltd.

Handover of the Betta Electrical Superstore – Aspley and Betta Electrical Superstore Morayfield is expected to occur on Monday 26 June, 2006 subject to certain preconditions being satisfied.

The Betta Electrical Superstore – Aspley and Betta Electrical Superstore Morayfield currently turnover approximately \$16million in sales.

The sale is consistent with the BSL Group's recently announced strategy to focus on its core business of franchising and to, over a period of time, franchise its strategically important corporate stores.

Kempcombe Pty Ltd currently owns and operates 3 Betta Electrical stores – Bundaberg, Maroochydore and Maryborough and 2 Chandlers stores – Hervey Bay and Mackay and recently received the BSL Group's award for top Chandlers retailer for 2005.

To support the sale and the BSL Group, Kempcombe Pty Ltd have entered into an additional agreement which will see them remain with the BSL Group for a minimum of an additional 5 years when its current franchise agreements are renewed in July this year.

Kempcombe Pty Ltd is jointly owned by Everard Johnson, a director of BSL, and Ian Murden. As Mr Johnson, as joint owner, does not have a controlling interest in the company the related party provisions contained in the Corporations Act did not apply to the transaction. However, to ensure the transaction was above approach the terms of the sale have been reviewed by an independent third party to confirm they are on a reasonable arms length basis. In addition, Mr Johnson removed himself from all Board discussions and information relating to the transaction.

Betta Stores Northern will continue to operate the Betta Electrical Superstore at Rothwell and the Chandlers store at Kippa Ring under the direction of General Manager and shareholder, Grant Stapleton.

"The offer to purchase from Kempcombe Pty Ltd allows the BSL Group to meet its strategic objectives while continuing to grow its franchise network." noted BSL's CEO Mr Houghton "Everard and Ian have a strong business with an exceptional reputation in the industry and are committed to the Betta Electrical and Chandlers brands."

Further enquiries to be directed to:

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