



Company Announcement

26 June, 2006

BETTA STORES LIMITED FINALISES SALE OF TWO BRISBANE CORPORATE STORES

National retailer Betta Stores Limited (BSL) has today settled the sale of two company-owned stores at Aspley and Morayfield in Brisbane.

The two stores, branded as Betta Electrical Superstores, have been purchased by the BSL Group's largest franchisee, Kempcombe Pty Ltd.

The Aspley and Morayfield stores currently have a combined annual turnover of approximately \$16 million and were operated by BSL subsidiary Betta Stores (Northern) Pty Ltd.

BSL Chief Executive Officer Guy Houghton said the sales highlight the BSL Group's renewed focus on its core business of franchising.

The sale of the Aspley and Morayfield stores follows BSL's recent sale of three company-owned stores in Melbourne to Clive Peeters, which is expected to settle this Friday 30 June, 2006.

"We have embarked on a strategy of divesting some of our company-owned stores and the sale of the Aspley and Morayfield stores shows this strategy in practice," Mr Houghton said.

"We are a franchisor and these sales highlight our commitment to focus on our franchise services while continuing to grow our franchise network."

Brisbane-based BSL, established in 1961, has a network of more than 300 stores throughout Australia, including the flagship Betta Electrical and Chandlers brands.

The two new store purchases at Aspley and Morayfield take the total number of BSL stores owned and operated by Kempcombe Pty Ltd to seven.

The company also owns three Betta Electrical stores at Bundaberg, Maroochydore and Maryborough as well as two Chandlers stores at Hervey Bay and Mackay.

Kempcombe Pty Ltd received the BSL Group's award for top Chandlers retailer for 2005.

To support the sale of the Aspley and Morayfield Betta Electrical Superstores, Kempcombe Pty Ltd has entered into a new agreement that will see them remain with the BSL Group for a minimum of an additional five years when its current franchise agreements are renewed in July 2006.

Media enquiries to:

Guy Houghton
Chief Executive Officer
BSL
Tel: (07) 3222 3999

Scott McLennan
Chief Financial Officer
BSL
Tel: (07) 3222 3999