

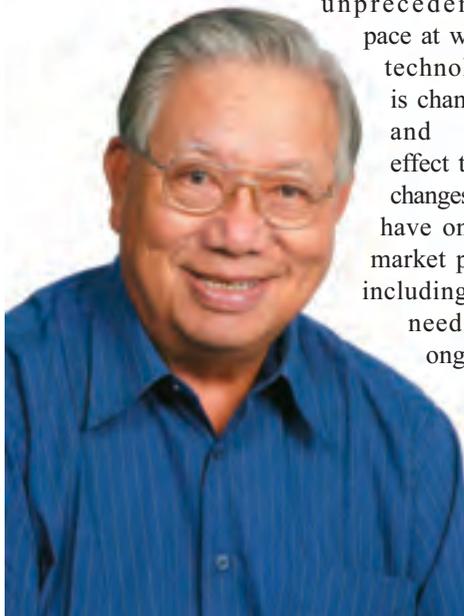


THE MARKET

In an industry that collectively turns over in excess of \$10 billion annually in Australia, Bing Lee continues to stand out as a market leader with an ex GST revenue for the 2006/7 financial year of \$370 million. This result is even more significant given the company only operates in NSW and ACT.

Sales growth for the financial year 2006-2007 was 14 per cent. During 2007 the company reported significant increases in sales for plasma and LCD TVs, notebooks and IT products, digital imaging and GPS navigation systems.

According to General Manager Phil Moujaes, the biggest challenge facing the industry is the



unprecedented pace at which technology is changing and the effect those changes will have on the market place including the need for ongoing

staff training to keep pace with the new technologies.

As consumers have an abundance of choice in today's market and are far more product savvy,



Moujaes believes retailers must provide a point of difference if they are to maintain their competitive edge. For Bing Lee, the main point of difference is it is still a privately owned family business and is committed to continuing to provide friendly and informative service. Along with Bing Lee's famous negotiable prices, this ensures that the needs of the customer remain the number one priority.

ACHIEVEMENTS

Bing Lee has grown from humble beginnings and is one of the largest electrical retailers in the New South Wales (NSW) and Australian Capital Territory (ACT) regions.

Bing Lee celebrated its 50th anniversary in 2007 highlighting the company's longevity in a competitive market place. The number of outlets

recently reached 33 and continues to grow, underlining that Bing Lee has established itself as one of the most iconic businesses in NSW and the ACT.

Under the leadership of co-founder Ken Lee, Bing Lee has developed strong supplier relationships, many of which were established at the company's inception in 1957. In such a competitive and ever-changing industry it is considered rare for a supplier-retailer relationship to continue for this length of time. Loyalty and trust are two of the primary factors to which suppliers, including Sharp, attribute their successful and long standing relationships with Bing Lee.

HISTORY

Bing Lee began when Bing, together with his son Ken, purchased an electrical repair business in the Western Sydney suburb of Fairfield in 1957. Together they turned the repair business into an electrical appliance retail and repair business trading under the name Bing Lee.

With the launch of television in Australia during the late 1950s a surge in demand for television units, repairs and installations spurred Bing Lee's initial



growth. Over time the demand for additional household items including washing machines, cooking equipment, heaters and audio equipment also increased and Bing Lee expanded their product range to meet the needs of the communities in which the stores operated.

As business grew the Bing Lee brand branched into similar working class locations opening stores in Cabramatta, Parramatta, Wollongong and Blacktown.

In 1987, Bing Lee passed away aged 79 and Ken took over the company reins. Under his leadership the business grew rapidly, tapping into traditional locations whilst maintaining its 'roots' in the ethnic and immigrant communities that continued to contribute to the growth of Sydney's western suburbs.

By the early 1990s, Bing Lee had opened more than ten stores in Penrith, Bankstown, Liverpool, Bondi Junction and Hurstville.

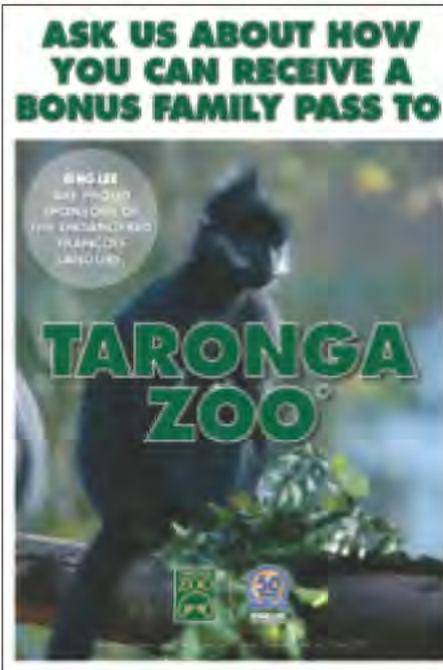
At the turn of the century, Bing Lee had continued to expand throughout NSW with stores now located in Homebush, Castle Hill, Warringah Mall and Moore Park. It was at this time Bing Lee introduced a franchising model to the business. Today, half of the Bing Lee retail outlets are run by franchisees.

THE PRODUCT

Bing Lee has come a long way since opening the first store in 1957. Steadfast in their commitment to delivering the latest technology and quality electrical appliances at competitive prices, Bing Lee have built their reputation on doing great deals – where everything's negotiable.

Bing Lee has built strong supplier relationships with some of the world's leading electrical and appliance brands including Sharp, Electrolux, LG, Panasonic, Samsung, Delonghi, Fujitsu, Hitachi, JVC, Sony, Whirlpool, Fisher & Paykel, Bosch, Mitsubishi Electric and Canon. With this diverse range of suppliers, consumers are guaranteed the ability to make their selection from a range of quality products.

Bing Lee is constantly evolving and extending their range of products, and today aims to provide total living solutions for their customers. Their product range covers air conditioners and



Similarly, with the consumer trend of utilising the internet for product research, Bing Lee relaunched their official website in 2007. The website provides consumers with a modern layout that is easy to navigate and able to supply essential information on product ranges, promotions, sales and general activity within the company.

Bing Lee's advertising effectiveness is enhanced by the use of Executive Chairman Ken Lee in all radio and television advertising. His face and voice are synonymous with the Bing Lee brand.

BRAND VALUES

Bing Lee has grown and prospered because its essential

brand values have remained the same. Bing Lee stands for the best and most popular consumer electronic brands sold with the best advice and service at the best negotiable prices. The creation and success of the Bing Lee brand has not been without hardship but according to General Manager Phil Moujaes, what has cemented the company's success is strong family values. "The underlying success of Bing Lee comes from its Chinese heritage and the unique way Ken and his father adapted this to the way the business is run. Bing Lee has enjoyed an amazing capacity to encompass a world of ethnic cultures and values while maintaining its origins at the centre."

From humble beginnings, the Bing Lee philosophy has remained the same – always be committed to delivering the latest technology and quality appliances at competitive prices and remember everything is negotiable!

New store openings for Bing Lee in 2007 include Belconnen in ACT, Port Macquarie in NSW, and Carlingford in Northwest Sydney.

Bing Lee will also complete construction of a massive 10,000 sqm purpose built warehouse in Sydney's outer suburbs. The new complex will house a 3000 sqm Bing Lee flagship retail outlet, the company's largest ever store, which will include a clearance store and air-conditioning sales. The site will also house a new 3000 sqm Bing Lee head office and 1550 sqm Officeworks store. The Mayor of Fairfield City, Nick Lulich and Bing Lee owner Ken Lee turned the first soil in December 2006 and construction is expected to be finished by late 2007.



home comfort; audio and accessories; audio visual, plasma, LCD and rear projection televisions; communications solutions, computers and associated technology; homeware and accessories; laundry, kitchen and cooking goods; and portable entertainment solutions.

RECENT DEVELOPMENTS

As part of the 50th year celebrations, Bing Lee has become a major sponsor of the vulnerable Francois Langurs monkey, which can be seen at Sydney's Taronga Zoo in the new Wild Asia section. Bing Lee's support will assist the Taronga Zoo Foundation in maintaining the ongoing conservation programs to protect the estimated 800 monkeys that still survive in the wild and help rebuild their populations.



PROMOTION

There are several components to Bing Lee's marketing strategy that ensure the brand is kept at the front of consumers' minds. The addictive catch phrase "I like Bing Lee!" is supported by extensive television and radio advertising, billboards, digital advertising and a newly revamped website, catalogues, in-store promotions and public relations activities.

In recent years, Bing Lee has also brought value-add promotions to the mix with bonus offers from partners including Inghams, Omo, Finish washing powder, Hoyts, various Sydney-based stage shows and Taronga Zoo. These bonus offers help Bing Lee to offer greater value to customers and differentiate themselves from their competitors on more than just price.

THINGS YOU DIDN'T KNOW ABOUT BING LEE

- Bing Lee is the only Sydney-based electrical retailer to run a centralised warehouse.
- Bing Lee delivery drivers make more than 1100 deliveries per week to customers in Sydney, Wollongong, Canberra, Central Coast, Newcastle – and now Port Macquarie.
- When the company first began, co-founder Ken Lee went to night school to learn how to repair televisions so that he could offer a repair service to customers.
- Aside from Chairman Ken Lee, Bing Lee's longest serving employee has been with the company 32 years.
- Bing Lee is the largest privately owned electrical retailer in New South Wales.
- Next time you're in a Bing Lee store, keep an eye out for Ken Lee himself. One of his pastimes is visiting stores to see how they're going and what customers like about the store.