

RR Australia Limited

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MEDIA RELEASE

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RR Australia targets growing online shopping market with Big Brown Box

RR Australia (ASX: RRA)*, has launched Big Brown Box, a new online electrical store that aims to provide Australian consumers with an innovative retail experience.

Managing Director of RRA, John Hughes, said Big Brown Box would offer consumers the widest range of top brand products at competitive prices along with free delivery as part of its promise to provide *'great deals – everyday'*.

"Australian consumers have been telling us that they want the ability to purchase quality brands of consumer electronics online and we believe there is a huge latent demand just waiting to be tapped," Mr Hughes said.

"Given the massive commitment that traditional retailers have to bricks and mortar infrastructure, we can certainly appreciate why they have fought the urge to go online. But the world has changed significantly and consumers have become very savvy with the internet and understand the value that a top site can deliver."

He said Big Brown Box would provide consumers with the opportunity to research and compare products at a time convenient to them and then make a purchase with the comfort of knowing that they are dealing with a reputable retailer that has been in the business for over 70 years.

"With our *'great deals – everyday'* pricing plus free delivery we believe that it won't take long for consumers to really embrace Big Brown Box," he said.

"Consumers will also save time not having to waste their weekends driving from one outlet to another looking for what they want, and then trying to haggle for the best price."

"We are pleased by the very positive response from suppliers and this venture will certainly enhance even further the great relationships that we already have. Our membership of NARTA, Australasia's largest independent buying group, also enables us to deliver excellent value."

Mr Hughes said recent reports had predicted e-commerce growth to average 24 per cent annually through 2011, and online sales expected to continue the explosive growth of the last several years, with \$31.1 billion in B2C sales projected for 2011.

Big Brown Box General Manager, Peter Krideras, said consumers would certainly notice significantly better value when shopping on the website.

“Shoppers are going to find our prices extremely competitive across the entire range of electrical and whitegoods products, including all the big brand names like Sony, LG, Fisher & Paykel, Westinghouse, NEC and Mitsubishi, to name just a few,” Mr Krideras said.

“I think our service and offering will really intensify competition and consumers can only benefit from that, particularly with Big Brown Box being accessible 24 hours a day and free delivery. Our focus really is to provide *‘great deals – everyday’*.”

“Consumers in regional areas will be particularly excited because Big Brown Box offers them an enormous improvement in value and choice and it’s all only a mouse click away”.

In providing a country-wide delivery service, Big Brown Box will utilise the strength of the Radio Rentals store network for larger items while smaller items will be distributed by Australia Post.

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*RR Australia (ASX: RRA), trades as Radio Rentals in all states except South Australia, where it trades as Rentlo.

