



Gowings Retail Limited

ACN 098 238 585

26 September 2003

FOR IMMEDIATE RELEASE

Details of CEO's Executive Agreement and Remuneration Package

On 18 August 2003, Gowings Retail Limited announced the appointment of Mr Paolo Gneccchi-Ruscone as the Company's Chief Executive Officer.

In accordance with the ASX's Principles of Good Corporate Governance and Best Practice Recommendations, set out below are the major components of the CEO's executive agreement and remuneration package:

- The contract is for a 3 year fixed term;
- The total base remuneration is \$280,000 per annum (inclusive of superannuation);
- Variable remuneration is payable based on the achievement of certain performance milestones. Should the Company record a profit before taxation in either of the first two years of the agreement, a one-off, non-cumulative bonus of \$50,000 would be payable. If a profit before taxation in excess of \$500,000 is achieved in either of the first two years of the agreement, a bonus of \$75,000 would be payable. In all three years of the contract, the executive is entitled to a bonus equivalent to 12% of the Company's profit before taxation in excess of \$1 million;
- During the contract term, the total base remuneration will be reviewed annually after the end of the Company's financial year. Following the review, the total remuneration, being the sum of the total base remuneration and the variable remuneration, will not be lower than in the preceding year;
- In the first year of the agreement, the employment may be terminated by either party with 3 months written notice. In the subsequent years, the termination period will be agreed between the parties, but will not exceed 6 months.
- In certain circumstances, such as material breach of the agreement, serious criminal offence and bankruptcy, the Company is entitled to terminate the employment with no notice. In other circumstances, (illness, injury or incapacity) the Company, can provide the executive with a termination payment in a form determined by the board.

For further information please contact:

Mr John Gowing
Chairman
or

Mr Chris Charleson
Company Secretary
Phone 02 9264 6321