



RadioShack®

C O R P O R A T I O N

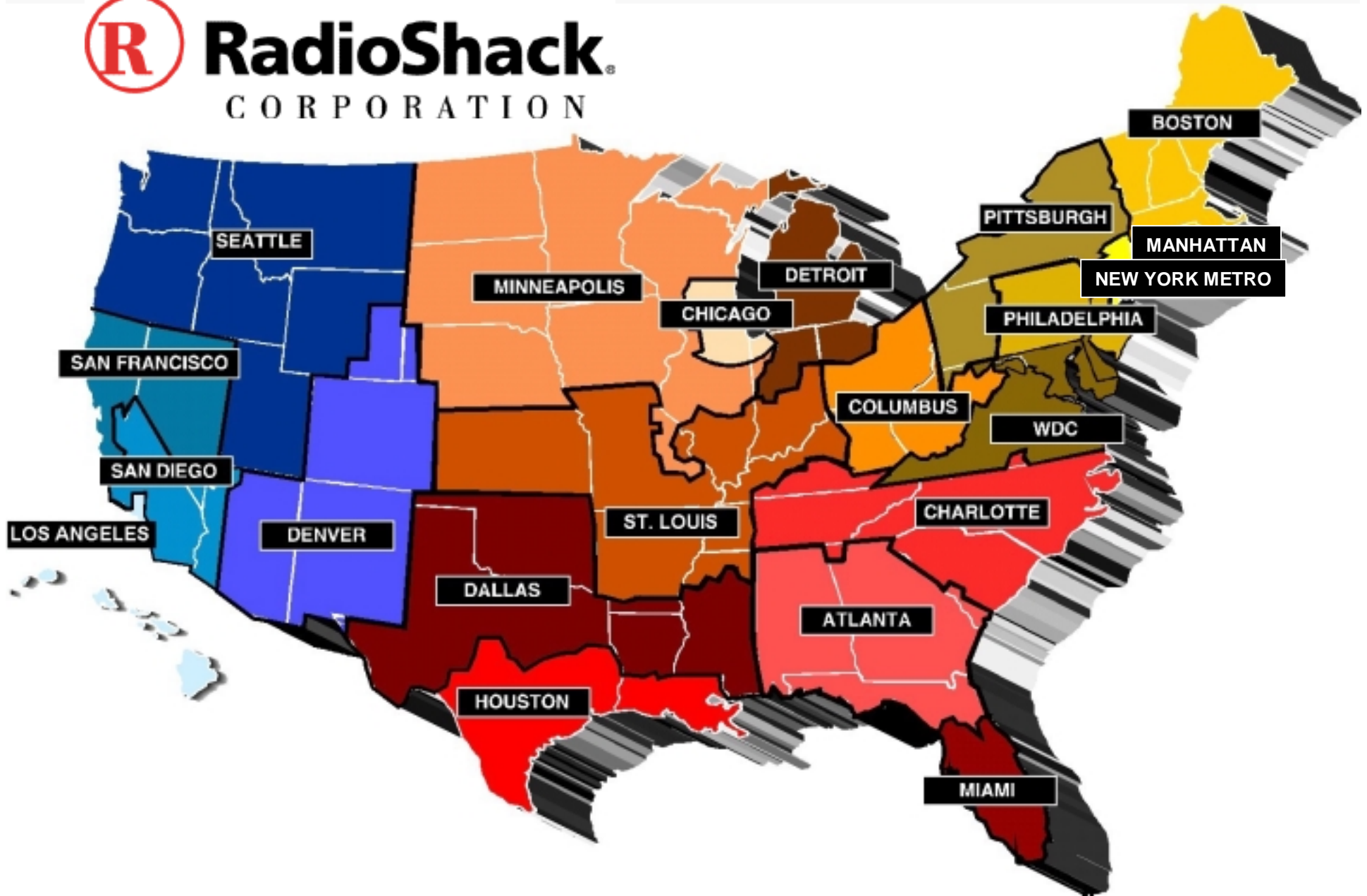
Investor Conference

Lou Provost

Executive Division VP Sales Channels



RadioShack®
CORPORATION



RadioShack Store Operations

- **Associates**
 - Why They're A Competitive Edge
 - Compensation: Making RadioShack Worth Their While
 - Programs to Drive Performance in 2003
- **Environment:**
Benefits of Retrofitting and Redesigning



People: Competitive Edge

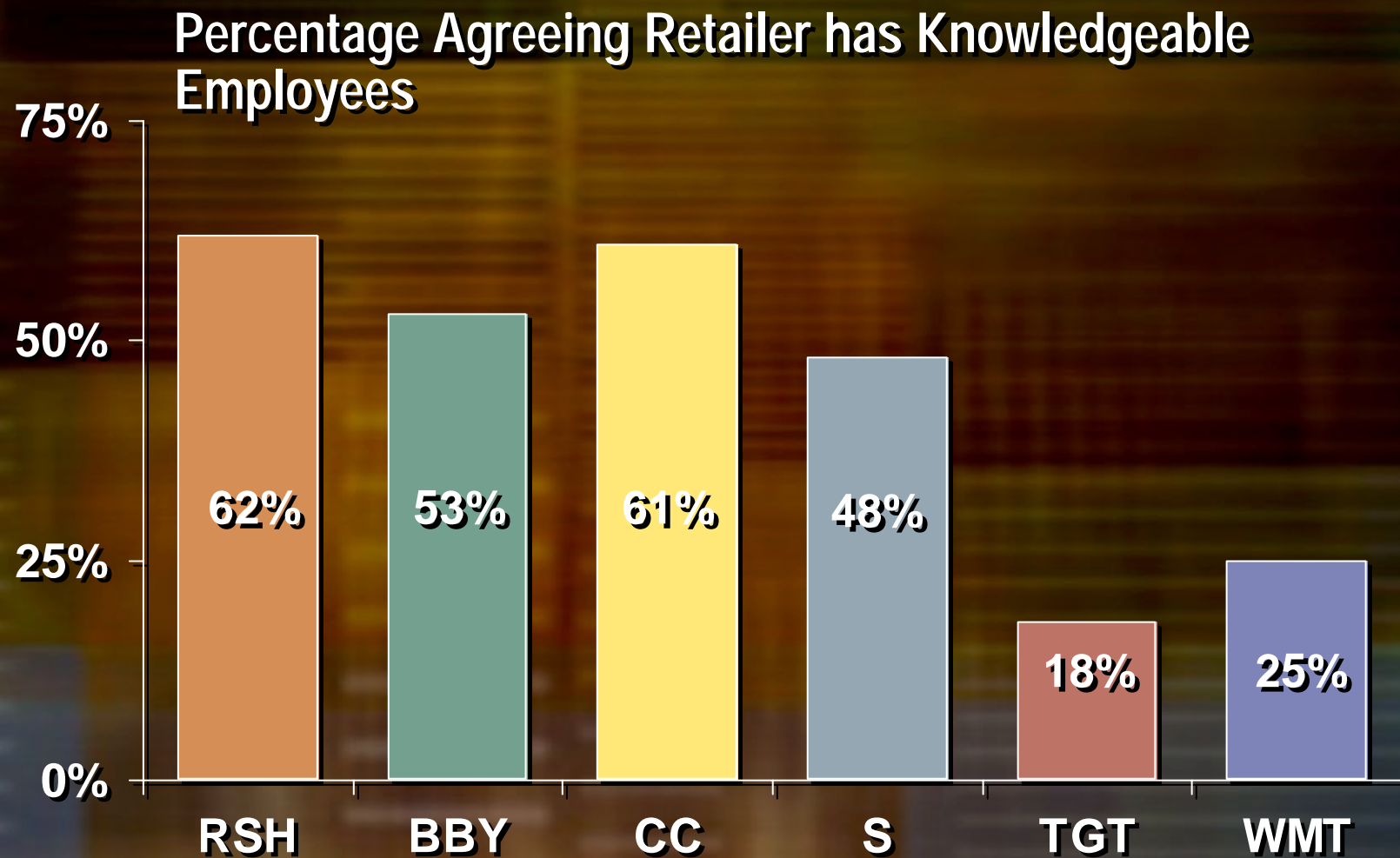
70% of RadioShack Customers
Are Mission Driven*

So RadioShack Associates
Have to Have Answers



* Source: EnviroSell

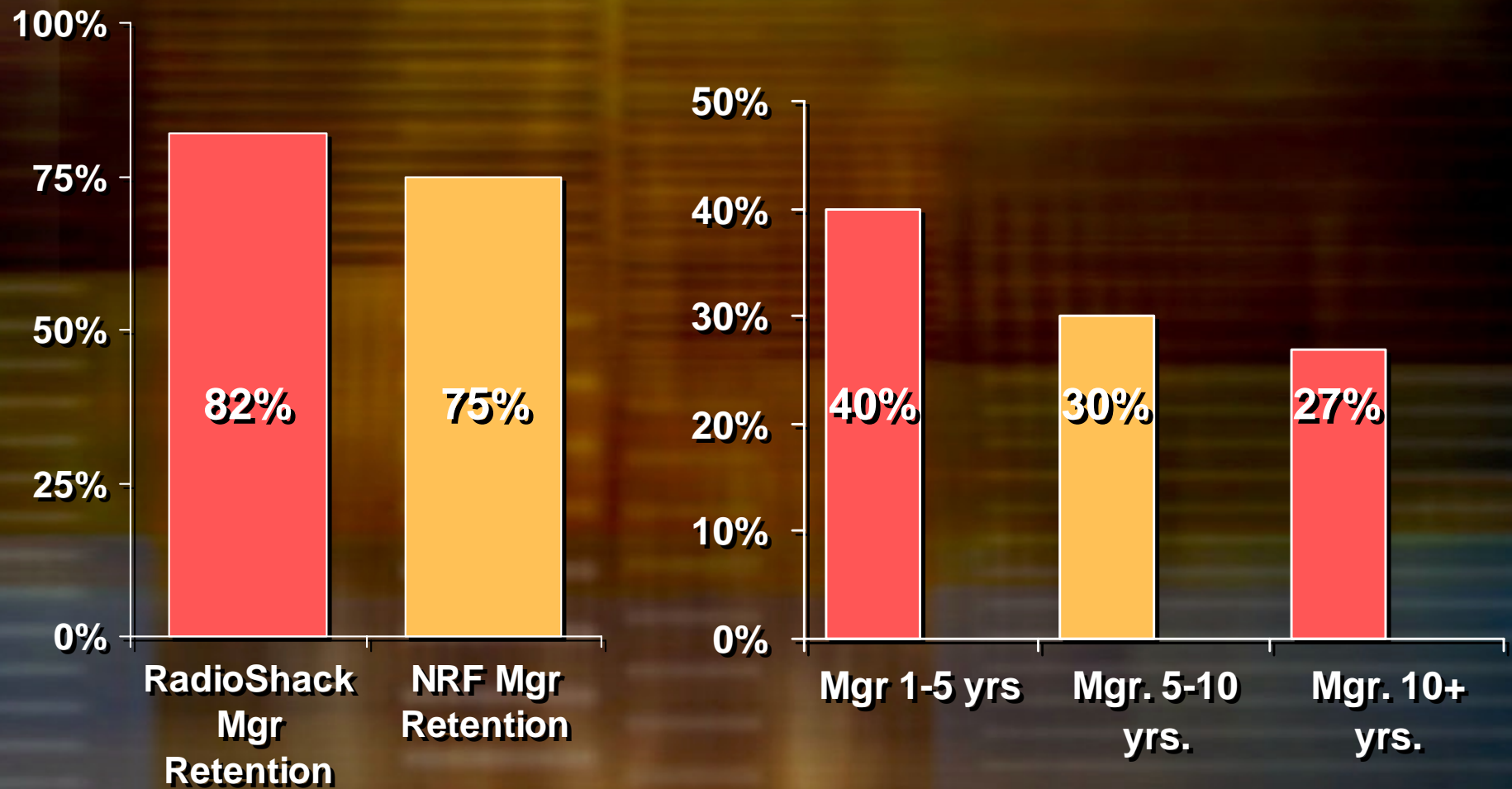
Consumers: RadioShack's Sales Associates Are More Knowledgeable than the Competition's



* Source: Savitz Research; Brand Health Tracker

RadioShack: Experienced Store Managers

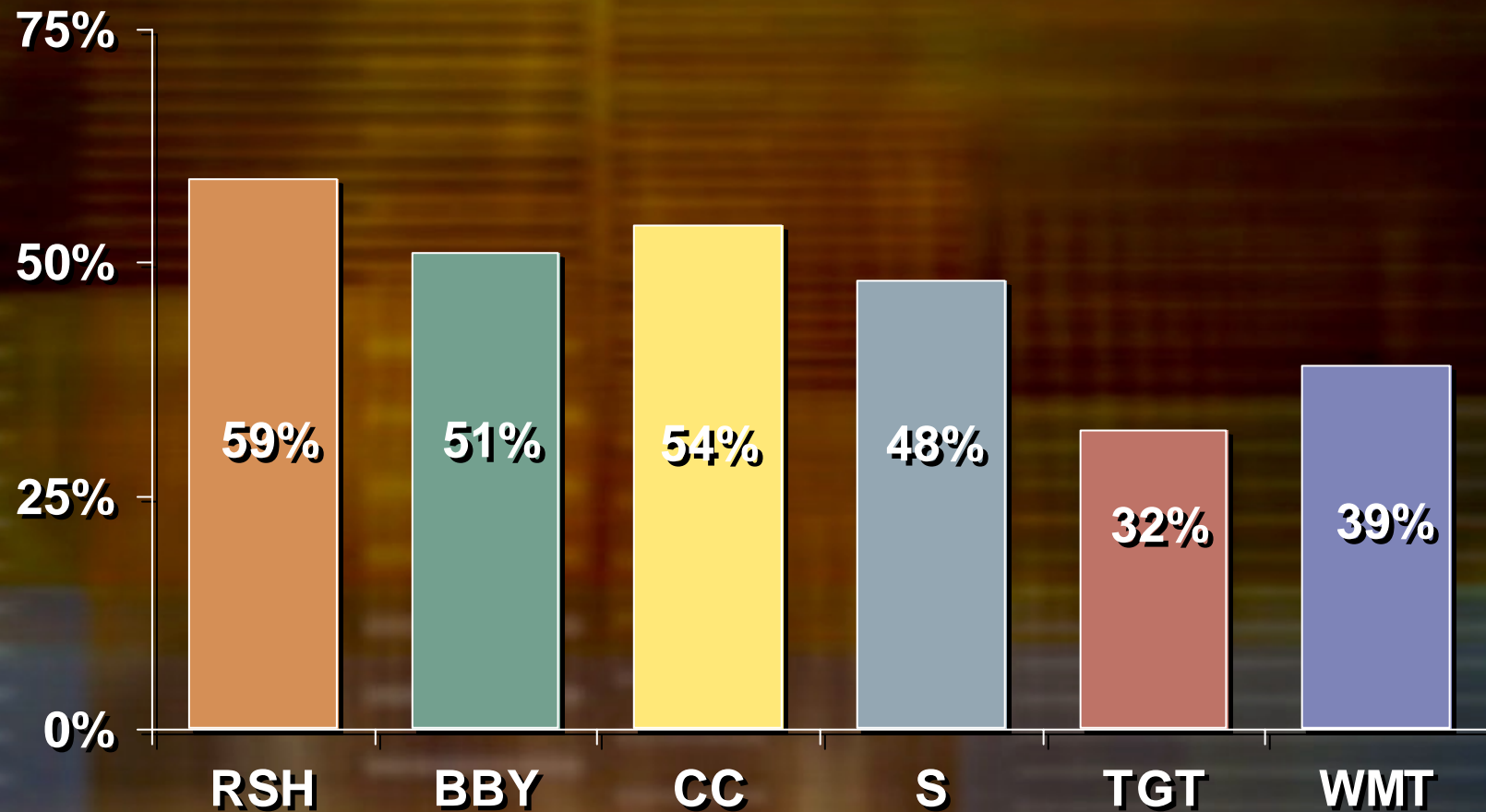
Percentages of RadioShack Manager Retention



* Source: 2001 RSH Data and NRF Report

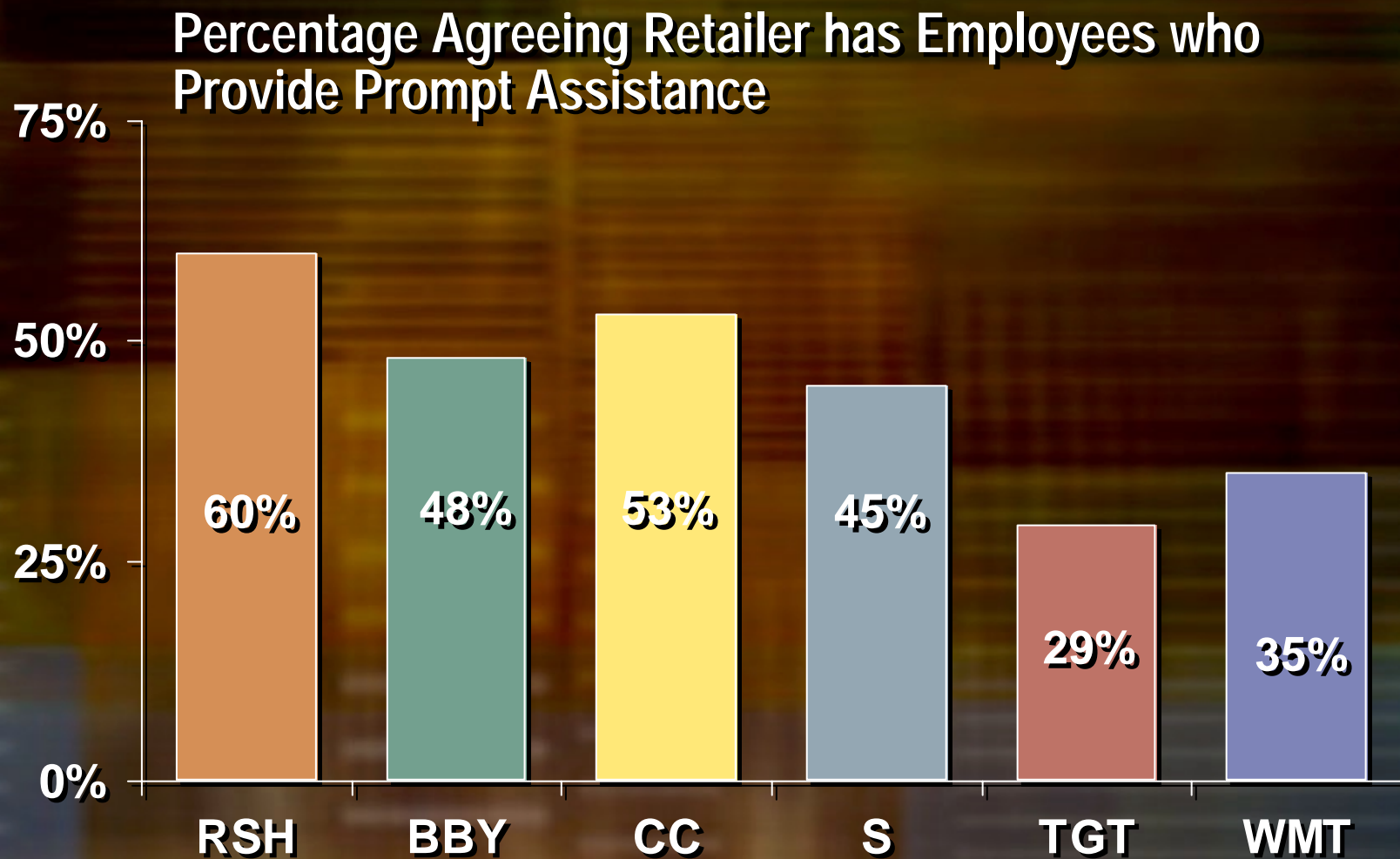
Consumers: RadioShack's Store Associates More Willing to Take Time to Help

Percentage Agreeing Retailer has Helpful Employees



* Source: Savitz Research; Brand Health Tracker

Consumers: RadioShack's Sales Associates Provide Prompt Assistance More Than Competitors



* Source: Savitz Research; Brand Health Tracker



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APPLICATION FOR EMPLOYMENT

You may apply for most jobs with a resume, this form, or
information requested on this form and in the job vac-

1 Job title in announcement

4 Last name

mailing address

First

format. If your resume or application doe

Annou

Form Approved
12-06-0219



Highlights of Select the Best

Shares Realistic Information

**Evaluates Candidates in
Consistent Way**

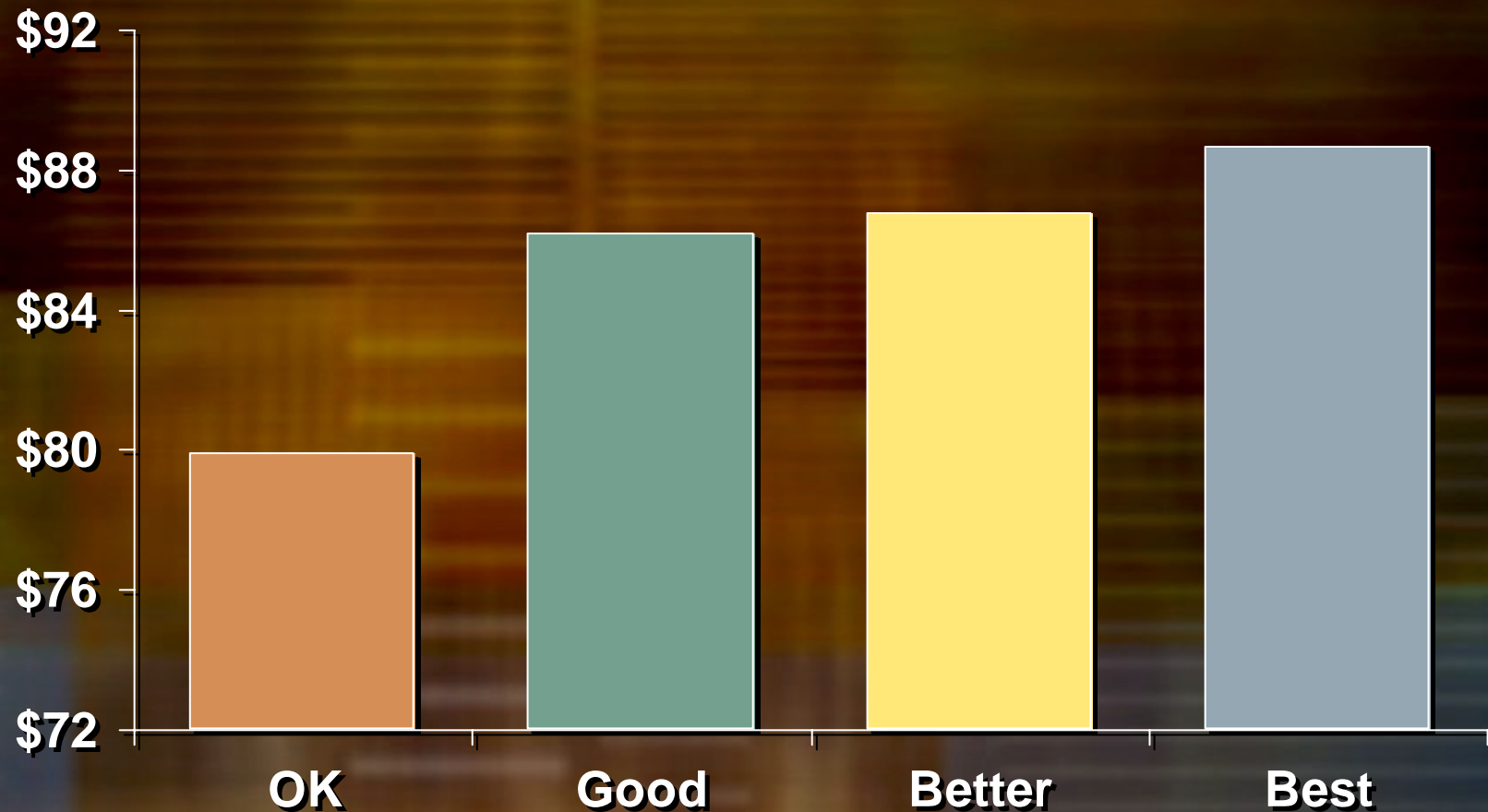
**Identifies Those with
Highest Probability of Success**

Predicts Integrity



Selecting Best People Means More Sales

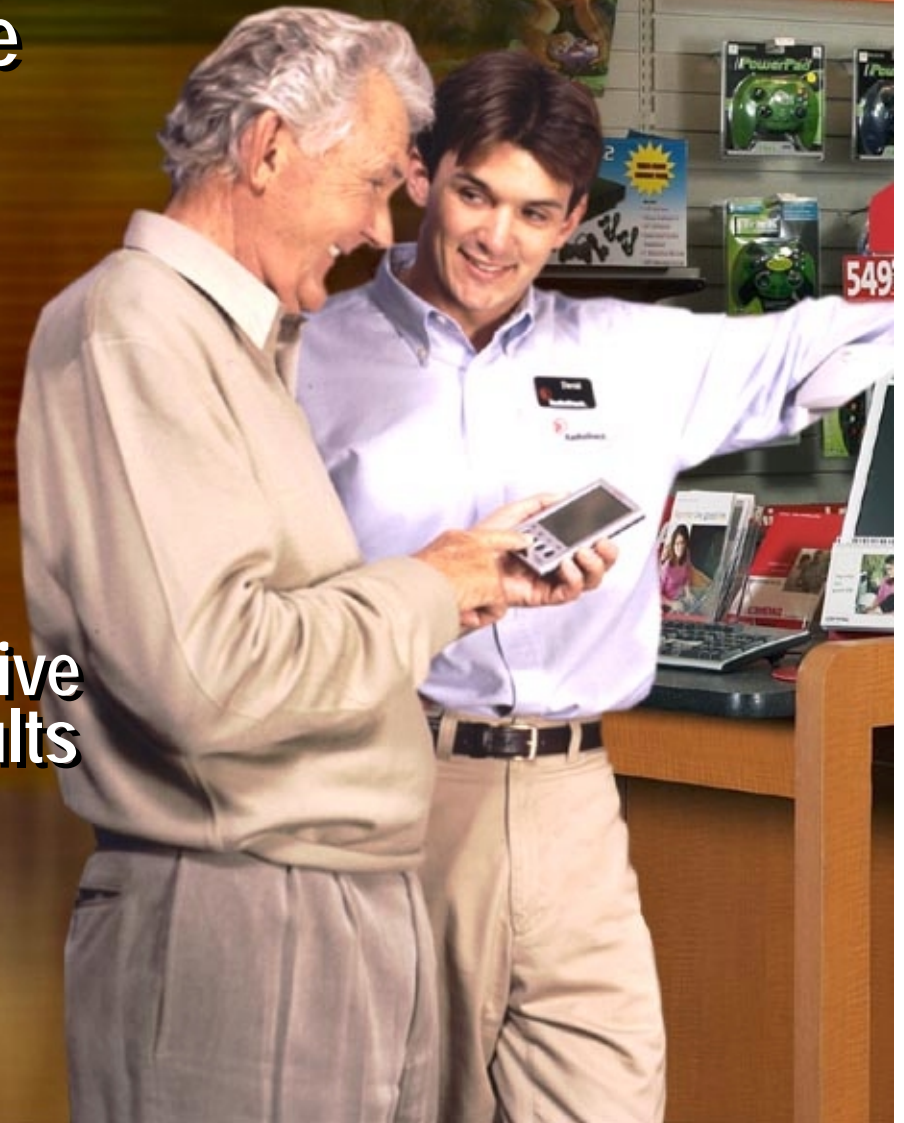
Performance by Advice Range Avg. Sales Per Hour



Sample of 2000 hires from Sept 2000 - July 2001.

Compensation – Rewarding Top Performers

- **Manager & Sales Associate**
 - Base Salary or Commission
 - Minimum Wage
 - Commission “bands” – PB&A receive highest percentage
 - Spiffs
 - Special incentives that drive associate behavior + results
- **Managers Only**
 - Monthly Bonus
 - Year-End Bonus



Floor Leader Program

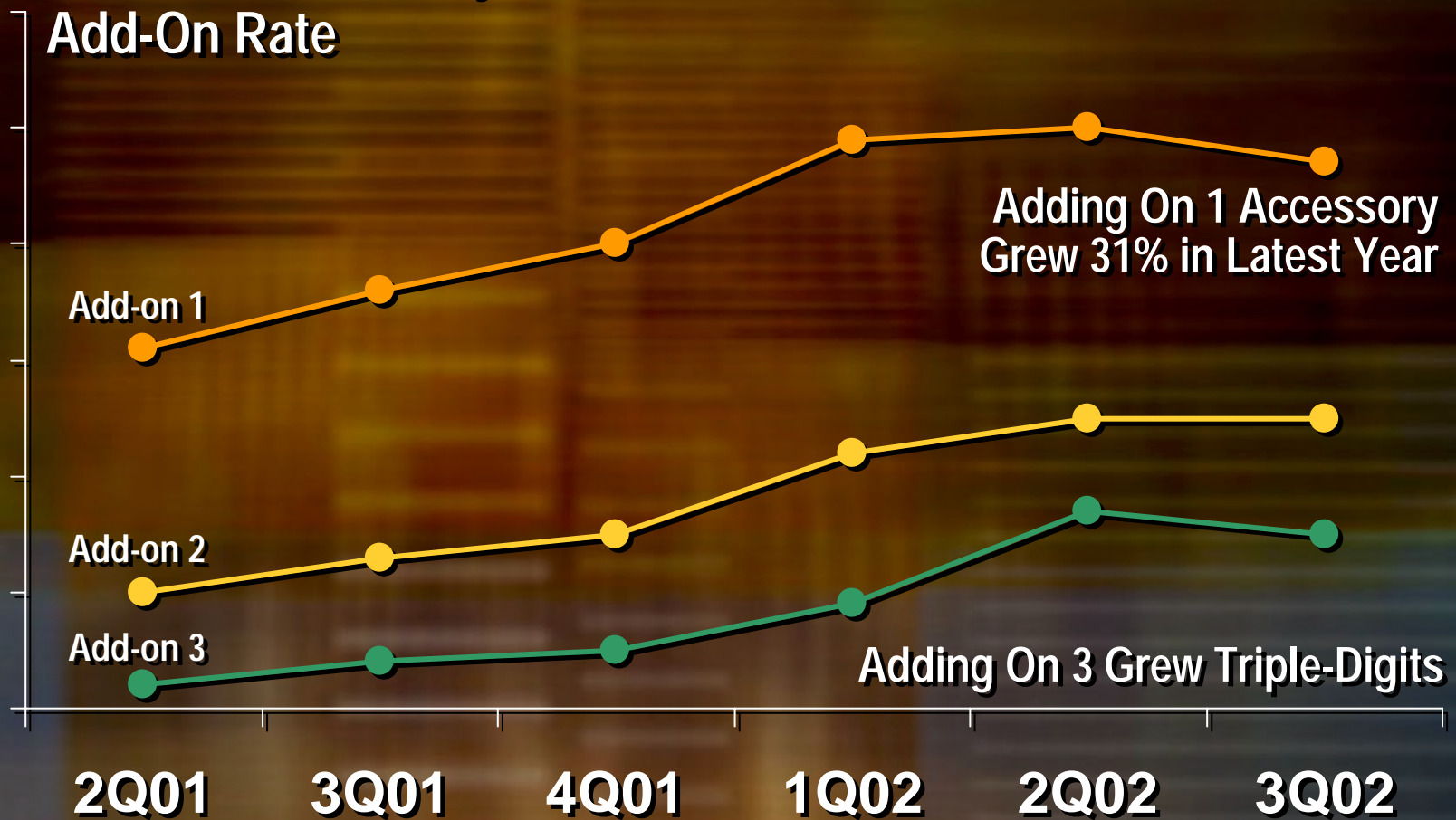
New 2003 Test to Drive Sales Through Better Service

- **Compensation**
 - Higher dollar per hour than regular associate
 - Vested interest in stores success with compensation plan
- **Role**
 - Excel at Sales
 - Lead, Teach
 - Decision Maker
- **Scope**
 - Test in 200 stores
 - Over Two Quarters
 - Midwest Division

Adding-On: Strong Early Sales Improvement

Mystery Shopper Program to Jump Start 2003 Results

Wireless Accessory Add-On Rate



Driving Sales Through Training

The 2003 Plan

Answers Online Content

- Dynamic
- Instant Measurement
- Interactive Learning

High Speed Improving Communications To Stores Through

- Instant Bulletins
- Reference Material



RetroFest 2002: Improved RadioShack Selling Environment



Jacksonville Prototype (a.k.a. Best to Shop) Plans to Extend Test in 2003



	<u>New</u>	<u>Relocate or Remodel</u>
Mall	5	45
Strip	43	134

'Best to Shop' Test

Sales Trending Favorably

Tucson Sales* vs. Total RSH

4Q01	-500 bps
1Q02	+200 bps
2Q02	+700 bps
3Q02	+1000 bps
4Q02	+900 bps

*** = Adjusted for new and closed stores**







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