



Update

Fujitsu-ICL and Retail/PoS Ltd. Extend our Partnership

November 7, 2000

Fujitsu-ICL is very pleased to announce the completion of an extended new agreement with Retail (PoS Ltd.) regarding the **ISS45** software system.

As the text describes, the **ISS45** Dealer business will continue to operate as in the past.

Fujitsu-ICL and Retail both believe, however, that with the heavy customization and professional services requirements needed by the largest accounts, these users need to be working directly with the original software vendor. As such, Fujitsu-ICL and Retail will work together on Albertsons and other top accounts with Retail representing the **ISS45** software and services and Fujitsu-ICL providing hardware, staging and integration, managed services, etc.

Please see the full text of the press release directly below.

To Your Success,

Tony

Tony van Severter
Director: Supermarket Systems

RETAIL LTD. AND FUJITSU-ICL EXTEND DISTRIBUTION AGREEMENT

Tue Nov 7 09:43:00 2000 GMT

RA'ANANA, Israel & DALLAS--(BUSINESS WIRE)--Nov. 7, 2000--Retail Ltd. (Nasdaq:POSI), the enterprise software provider formerly known as Point of Sale Limited, and Fujitsu-ICL Systems Inc., a leading supplier of retail information technology systems, announced an agreement today to extend their long-term partnership, enabling each company to better serve grocery retailers.

Under terms of the agreement, Fujitsu-ICL retains exclusive dealer channel distribution rights for Retail's ISS45 point-of-sale software, and Retail provides Fujitsu-ICL with \$5.5 million in a combination of cash and shares.

In return, Retail now has direct access to key supermarket accounts, including Albertson's Inc. (Nasdaq:ABS). The agreement also provides Retail with rights to certain intellectual properties, assets, and key employees associated with sales activities.

This document and information are supplied to Fujitsu-ICL personnel and third parties to assist them in doing business with Fujitsu-ICL. They are not to be used or distributed for any other purpose.

Fujitsu-ICL endeavors to ensure that the information in this document is correct and fairly stated, but does not accept liability for any error or omission.

About ISS45 software

ISS45 point-of-sale software, developed by Retailix, is a Windows NT(R)-based, point-of-sale system for small and large supermarkets. ISS45 is built on industry-standard platforms, including Microsoft(R), and supports a variety of terminals, including Fujitsu, IBM, NCR and Siemens-Nixdorf. The application is a component of the POSware enterprise suite of software, which provides true Host-to-Post functionality through one, seamless user interface. POSware is made up of nine tightly integrated technology formats, which provide a single point of update and consistent business rules throughout. Open systems-based and compliant with industry standards, POSware was designed to help deliver the speed, accuracy and robustness needed to support successful supermarket operations. The "Family of Nine" includes formats for customer self-service shopping, Internet retailing, kiosks and cafeteria checkout. POSware also includes powerful promotions and loyalty club functionality to match the needs of the most demanding supermarket business.

About Fujitsu-ICL Systems Inc.

Fujitsu-ICL Systems Inc. is a subsidiary of Fujitsu Limited, a \$50 billion provider of Internet-based information technology solutions for the global marketplace. The company targets retail, financial and e-Business services markets. Its Fujitsu systems division has almost 30 years experience in providing hardware/software solutions and services for retail point-of-sale (POS), specialized handheld computing and ATM applications. Its retail software applications and services division provides development and customization services and support for retail POS software applications. Its Fujitsu e-Business solutions division provides consultancy-led e-services and customer relationship management (CRM) that enable its clients to build high-value, personalized relationships with their customers. Fujitsu's web site: www.fujitsu.com

About Retailix Ltd.

Retailix Ltd., with headquarters in Israel, provides integrated enterprise-wide software solutions for the retail food industry worldwide, including supermarkets, convenience stores and restaurants. The company offers a full suite of software applications that support a food retailer's essential retailing operations and enable retailers to increase their operating efficiencies while improving customer acquisition, retention and profitability. Recently, the company expanded its product line by offering its head and back-office applications via the Internet to small chains and single store food retailers. With installations in more than 15,000 stores and quick service restaurants across 41 countries, the company markets its software solutions through direct sales, distributors, local dealers and through its U.S. subsidiary, Retailix USA, Inc., and its various other subsidiaries. The company was founded in 1982 as Point of Sale Limited and changed its name in November of 2000 to Retailix Ltd. The company's Ordinary Shares have been publicly traded on the Tel Aviv Stock Exchange since November 1994 and on the NASDAQ National Market System since July 1998. For further information, visit the company's Web sites at www.retalix.com, www.retalixusa.com or www.storealliance.com.

Safe Harbor for Forward-Looking Statements: Except for statements of historical fact, the information presented herein constitutes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company, including revenues, income and expenses, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors

include risks inherent in the company's business relationship with Fujitsu-ICL, Retalix's integration of assets and employees acquired from Fujitsu-ICL, Retalix's ability to market the ISS45 system to supermarket accounts and other factors over which Retalix may have little or no control. This list is intended to identify only certain of the principal factors that Retalix with the Securities and Exchange Commission, including the company's Annual Report on Form 20-F for the year ended December 31, 1999, for a discussion of these and other important risk factors. The company undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof, or to reflect the occurrence of unanticipated events.

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