



**Corporate Express
Australia Limited**

ABN 94 000 728 398

163 O'Riordan Street
MASCOT NSW 2020

Private Bag 16
Alexandria NSW 1435

Telephone
(02) 9335 0555

Fax
(02) 9335 0763

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Corporate Express Reports 3rd Quarter Trading Update

Australia's leading single source distributor of office and business supplies, Corporate Express Australia Limited, today released its third quarter results to 31 October 2009.

Total revenue for the nine months to 31 October 2009 was down 7.9% to \$902.1 million and Net Profit After Tax (NPAT) was \$36.1 million, down 9.2% over the previous period.

For the quarter, total revenue was \$302.9 million, down 11.3% and NPAT was down 10.0% over the previous period to \$10.7 million.

Commenting on the results, Corporate Express Managing Director, Mr. Paul Hitchcock said: "The tough conditions outlined in the half year result continue, with business confidence in our markets remaining subdued."

"Project Velocity, our sales restructure, was completed during the quarter and we look to reap the benefits of this major initiative. This includes growing share of wallet in our major markets and a focus on building our share of the mid sized market, where we believe our single source model gives us a strong competitive edge. We are also focused on expanding our Exclusive Brand program, and maintaining tight control of costs right across the business."

Outlook

"We anticipate most of our markets will remain subdued for the near term. We are confident however that the underlying business remains strong. With a number of initiatives now completed, Corporate Express is well placed to benefit as confidence returns to the market and the \$A returns to more stable trading patterns.

We note that analyst Net Profit After Tax (NPAT) forecasts for the full year are now in the range \$52.1 million to \$56.1 million and we remain on track to deliver well within that range."

Financial Summary – October 2009 YTD	9 months to 31/10/2009	9 months to 30/09/2008	Change % Fav/(unfav)
	\$'000	\$'000	
Unaudited			
Total Revenue	902,054	978,963	(7.9)
Gross Profit	240,116	263,409	(8.8)
Gross Margin	25.9%	26.6%	(70 bps)
Operating expenses*	(185,518)	(205,720)	9.8
EBITDA	72,083	76,112	(5.3)
EBIT	59,055	63,904	(7.6)
Net interest expense	(6,943)	(7,304)	4.9
Net Profit after Tax	36,138	39,792	(9.2)

*Includes one off costs of \$5.1m (2008: \$6.6m)

Financial Summary – October Quarter 2009	3 months to 31/10/2009	3 months to 30/09/2008	Change % Fav/(unfav)
	\$'000	\$'000	
Unaudited			
Total Revenue	302,879	341,338	(11.3)
Gross Profit	77,174	90,017	(14.3)
Gross Margin	24.8%	25.9%	(110 bps)
Operating expenses*	(61,050)	(72,840)	16.2
EBITDA	21,740	23,222	(6.4)
EBIT	17,560	18,983	(7.5)
Net interest expense	(2,306)	(2,170)	(6.3)
Net Profit after Tax	10,674	11,856	(10.0)

* Includes one off costs of \$1.2m (2008: \$4.7m)

For further information please contact:

Paul Hitchcock
Managing Director
Ph 02 9335 0506

Grant Logan
Chief Financial Officer
Ph 02 9335 0702

Rosemary Luker
Media and Investor relations
tel: 02 9518 9544 mob: 0403 068 993

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This announcement may include forward looking statements. There can be no assurance that the actual results will not differ from the Company's expectations. Factors which could cause material differences include, among others, possible negative economic conditions, significantly increased competitive activity, uncertainties related to the implementation of new business growth activities, and the successful completion and integration of any acquisition