



**Corporate Express
Australia Limited**

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4 March 2009

APPOINTMENT OF CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

The Board of Corporate Express Australia Limited (ASX:CXP) today announced the appointment of Mr Paul Hitchcock as Chief Executive Officer (CEO) and Managing Director effective 30 March 2009. Grant Harrod will continue as CEO and Managing Director until 20 March 2009 when his resignation takes effect.

Mr Hitchcock was Managing Director of Goodman Fielder Commercial, a division of Goodman Fielder from 2003 to 2008. In addition he was Managing Director of Goodman Fielder's Asia Pacific businesses from 2005 to 2008. These businesses had combined revenue of \$1.1billion, EBITDA of \$117 million and over 2000 employees in 10 countries. In this role he consistently grew revenue, margins and profits. Paul brings to Corporate Express a very broad range of skills and experience. In addition to his general management and leadership roles, he has held senior commercial roles in finance (his original discipline), human resources (at Lion Nathan) and sales (at both Goodman Fielder and Lion Nathan). At Goodman Fielder Commercial he has also gained deep experience in B2B commerce and logistics management.

The Chairman of Corporate Express, Dr Ian Pollard, said: "We are delighted to have attracted a CEO and Managing Director of Paul's breadth of experience, depth of leadership skills and successful track record. We are confident he will rapidly adapt his previous business experiences to the office and business products industry and inspire our team with his leadership through our company's next stage of growth."

Commenting on his appointment, Mr Hitchcock said: "I am excited by the opportunity to work with the Corporate Express Board and the management team to drive the company forward and to meet the challenge of delivering solid growth. With its market position Corporate Express has a very strong future and I appreciate the Board's confidence that I can play a leading role in this."

Attached is a summary of Mr Hitchcock's employment terms.

For more information please contact:

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About Corporate Express Australia Limited

Corporate Express is one of Australia's leading suppliers of business essentials, including office products, office furniture, promotional products, IT products, print management solutions, catering and canteen supplies. The company has over 50 branches around Australia and New Zealand. Corporate Express Australia is a 59% owned subsidiary of Staples Inc, the global leader in the office supplies industry.

Attachment

Mr Paul Hitchcock: Summary of Key Terms of Remuneration and Employment Arrangements

Corporate Express' remuneration framework for senior executives has been developed to remunerate fairly and responsibly and to provide alignment with the interests of shareholders. This is achieved by a clear relationship between executive performance and return. The key terms of employment outlined below are broadly in line with the existing remuneration framework applicable to the incumbent CEO and Managing Director. The principle variations to adapt to current or emerging practice are in respect of the termination provisions and the extent of deferral of the Short Term Incentive.

Term of Appointment

Mr Hitchcock will be appointed on an ongoing basis, subject to termination provisions which are summarised below.

Remuneration

Total remuneration payable to Mr Hitchcock as CEO will be as follows:

Base remuneration: \$700,000 pa – covering salary, superannuation and all other benefits. This will be subject to annual review commencing February 2010.

Short term incentive (STI): at an annualised rate of 96% of base remuneration for achievement at target. The amount of STI will be determined four-fifths by performance against budgeted net profit after tax and the balance by performance against operational KPIs. A sliding scale down to half payment of the STI and up to twice payment will apply, in accordance with the senior executive remuneration policy, details of which are set out in the company's Annual Report. Receipt of one third of the STI will be deferred and will be contingent on continued service at the date of payment. Of the deferred component 50% will be paid 12 months after the year end to which it referred and 50% 24 months after the year end to which it referred.

Long Term Incentive (LTI): to the nominal value of 64% of Base with the same structure (performance share rights) and the same hurdles as under the existing Long Term Incentive Programme – one third being relative Total Shareholder Return, one third Earnings per share and one third continued service. The proposed grants of performance share rights are subject to the approval of the shareholders which will be sought at the 2009 Annual General Meeting.

Termination

The Employment Agreement with Mr Hitchcock may be terminated in the following circumstances:

- Resignation by Mr Hitchcock on 6 months notice. The Company may elect to pay in lieu of all or part of the notice period.

- **Termination by notice from the Company. During the first 12 months of Mr Hitchcock's employment, 12 months notice will apply, reducing to 9 months for the following 12 months and 6 months thereafter. The Company may elect to pay in lieu of all or part of the notice period.**
- **Termination by the Company for breach, fraud and other specified circumstances, without notice.**

Restraint

Mr Hitchcock will be subject to a restraint from providing personal services, directly or indirectly, to specified key competitors of Corporate Express for 12 months following termination.