



that was easy.<sup>sm</sup>

## STAPLES OFFERS A\$5.60 A SHARE FOR CORPORATE EXPRESS AUSTRALIA

### Corporate Express Australia's Board<sup>1</sup> Unanimously Recommends the Offer

**FRAMINGHAM, Mass., 16 March 2010** – Staples, Inc. (“Staples”) today announced an offer (the “Offer”) for all of the shares it does not already own in Corporate Express Australia Limited (“Corporate Express Australia” or the “Company”). Staples is the majority shareholder of Corporate Express Australia, holding 58.6% of the Company’s issued share capital.

“The Offer provides the minority shareholders of Corporate Express Australia with a compelling opportunity to realize a significant premium to the current share price,” said Ron Sargent, Staples chairman and CEO. “This allows us to more effectively address the Australian market and create greater value for our customers and associates.”

Staples is offering shareholders cash consideration of A\$5.60 a share (the “Offer Price”). Shareholders will receive the dividend of A\$0.125 a share announced on 2 March 2010 and expected to be paid on 14 April 2010, with no reduction in the Offer Price. This gives a total value of A\$5.725 a share. Corporate Express Australia is proposing to pay a special dividend of up to A\$0.78 a share, subject to a ruling by the Australian Tax Office. The special dividend will be declared and become payable upon the Offer being declared unconditional. The Offer Price will be reduced by the amount of this special dividend.

Corporate Express Australia's Board<sup>1</sup> and Staples have signed an Implementation Agreement pursuant to which Corporate Express Australia's Board has unanimously recommended the Offer subject to no superior proposal emerging and confirmation from an independent expert that the Offer is fair and reasonable to non-Staples shareholders.

### Overview of the Offer

- Cash consideration of A\$5.60 a share (comprising takeover offer cash consideration of A\$5.60 a share less a special dividend of up to A\$0.78 a share, subject to an Australian Tax Office ruling)
- The Offer values Corporate Express Australia at A\$1.0 billion on an equity value basis and A\$1.1 billion on an enterprise value basis
- The Offer Price represents<sup>2</sup>:
  - a 25.1% premium to the closing share price on 16 March 2010 of A\$4.60;
  - a 40.2% premium to the 3-month volume weighted average share price of A\$4.12;
  - a 52.0% premium to the 12-month volume weighted average share price of A\$3.81;
  - 10.3x reported FY2009 EBITDA of \$108.2 million; and

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<sup>1</sup>Excluding Staples representatives. The Board has established protocols and procedures in order to manage potential conflicts of interest.

<sup>2</sup> The premia are calculated after adjusting for the A\$0.125 a share dividend expected to be paid on 14 April 2010.

- 9.6x I/B/E/S Consensus estimates for FY2010 EBITDA of \$116.5 million.

## Offer Conditions

The Offer is subject to the following conditions:

- achieving acceptances to give Staples a relevant interest of 90% in Corporate Express Australia on a fully diluted basis;
- the approval of the Foreign Investment Review Board and Overseas Investment Office, if required;
- no prescribed occurrences, being the occurrences listed in section 652C of the Corporations Act 2001 (Cth);
- Corporate Express Australia not announcing an intention to pay, declaring or paying a dividend or any other form of distribution of profits or capital other than the dividend of A\$0.125 a share that is scheduled to be paid on 14 April 2010 and a special dividend of up to A\$0.78 a share; and
- between the date of this announcement and the close of the Offer, the All Ordinaries Index not falling and remaining 20% or more below the 16 March 2010 closing level of 4809 for three consecutive trading days.

## Documentation

Staples expects to lodge its bidder's statement with the Australian Securities and Investments Commission ("ASIC") shortly. The bidder's statement will set out additional detailed information in relation to the Offer, and will be sent to Corporate Express Australia shareholders approximately two weeks after it is lodged with ASIC.

## Advisors

Staples has appointed Barclays Capital as exclusive financial advisor and Corrs Chambers Westgarth as legal advisor for this transaction.

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For further information please contact:

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**Notes to Editors:****About Staples**

Staples, the world's largest office products company, is committed to making it easy for customers to buy a wide range of office products and services. Our broad selection of office supplies, electronics, technology and office furniture as well as business services, including computer repair and copying and printing, helps our customers run their offices efficiently. With 2009 sales of US\$24 billion and 91,000 associates worldwide, Staples operates in 25 countries throughout North and South America, Europe, Asia and Australia serving businesses of all sizes and consumers. Staples invented the office superstore concept in 1986 and today ranks second worldwide in e-commerce sales. The company is headquartered outside Boston. More information about Staples is available at [www.staples.com/media](http://www.staples.com/media).