



NEWS

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ARCHIE NORMAN TO ADVISE WESFARMERS ON COLES

The British retail executive who led the transformation of the Asda grocery chain will have a key advisory role in the proposed Wesfarmers acquisition of Coles.

Archie Norman, through his management company Aurigo Management Partners, will begin work with Wesfarmers immediately to help develop plans for the Coles businesses, in particular the supermarket operations.

He will also advise Wesfarmers Managing Director Richard Goyder on the recruitment of senior executives to supplement existing management resources within the Coles group.

Mr Goyder said that after the anticipated ownership transfer, he would chair the board overseeing Coles' food, liquor and convenience businesses.

“Archie will be available as deputy chairman of that board to influence the way we go about improving the results from the most financially significant part of Coles,” he said.

“Archie's great retail expertise in leading the team that so successfully turned around Asda will make a tremendous contribution before and after we embark on that task.

“He is already familiar with Coles given his visits to Australia during the due diligence phase of the transaction and his very active involvement in the management presentations in May.”

Mr Norman said he was very much looking forward to working with Wesfarmers.

“I am delighted to have a chance to advise on one of the most exciting turnaround opportunities in global retailing. I have seen enough of the business to know that there is enormous scope for improvement. The Coles brand and their underlying competitive position remains potentially very strong. With the right team and new direction the opportunity for both shareholders and employees is enormous.”

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Background information on Archie Norman:

His business career began with Citibank in the mid 1970s. He became the youngest partner of McKinsey in 1982 and at 32 years old took over as Group Finance Director of Woolworths/Kingfisher. In 1991 he was appointed Chief Executive of Asda, then Britain's fourth largest supermarket chain. The company was on the verge of bankruptcy. Archie revitalised Asda in the next five years with sales increasing by more than a third, customer visits up almost 50 per cent and the company was the fastest growing grocery retailer in the United Kingdom for more than three and a half years, eventually overtaking Sainsbury to become the second largest retailer by volume. In 1999 it was sold to Walmart generating approximately 1,000 per cent return for shareholders who invested in December 1991.

He was a member of the British parliament from 1997 to 2005 and today is chairman of Aurigo Management, a senior advisor to Lazard and chairman of HSS, the market-leading United Kingdom equipment hire business which Aurigo acquired in June.

Archie's previous involvement in the Coles transaction was as an advisor to the consortium and potential investor alongside the private equity participants in the consortium, which dissolved just prior to Wesfarmers making an offer in its own right. The arrangements announced today are directly between Aurigo Management Partners and Wesfarmers.