

Chief Financial Officer Moves

Q3 2009



Chief Financial Officer Moves is a quarterly series issued by Russell Reynolds Associates' Australian Financial Officers Practice representing a snapshot of CFO trends, expectations and moves within Australia.

Looking Ahead—Trends and Expectations for 2010

- **Demand for Commercial CFOs/Talent Upgrading:** As a result of the challenging economic conditions over the past year, there is a strong demand for finance executives with strong capital raising/corporate finance experience, strategic thinking and a deep understanding of the business and sector.
- **Increased CFO Turnover Continues:** In Q2 2009, ASX 200 CFO roles turned over at an annualised rate of 20 percent, in line with the past 12 months. We attribute this to changes in the experience sought in the role, CEO changes precipitating a change of CFO and “step up” career moves.
- **Global Financial Crisis and Its Impact on Staff Levels:** Of the 298 CFOs that responded to our international business sentiment survey, 59 percent said they had made no staff cuts as a result of the financial crisis. Another 18 percent had reduced headcount by 10 percent—and 8 percent had increased their staff numbers.
- **Recommencing Hiring Activity:** Whilst we have seen no significant pick-up in executive search volumes below the CFO level, many industry commentators believe that hiring should recommence. *McKinsey on Finance* (No.32, Summer 2009) has gone on record stating that their research indicates at this point in the cycle, winners—through the upturn—will begin to invest in talent once again.
- **CEO Succession:** We have seen further evidence of CEOs seeking their successor through the CFO role. A common theme of our recent CFO assignments is to ensure that the successful candidate possesses the necessary traits and capabilities for CEO succession. As a result of the current economic environment, Boards have become more attuned to CEO succession planning and are increasingly pushing for new CFO hires to have CEO potential.
- **Culture Analyst™:** In 2009, Russell Reynolds Associates launched a new and unique service, the Culture Analyst™, to complement our Executive Search and Assessment services. The Culture Analyst™ is a comprehensive methodology that enables organizations to quantitatively define and assess organizational culture. We can now provide additional insight as to: culture fit with respect to leadership selection and on-boarding; diagnosing and assessing gaps within an organization's culture across businesses, regions, functions and levels; measuring the success of culture change initiatives; and by providing a framework for the creation of a common culture in conjunction with M&A and corporate restructuring activities.

We have attached a short brochure and would be delighted to discuss this exciting new leadership tool with you and/or your HR team.



Consumer

Ambition Group Limited

- **Rick Taylor** has been appointed Group CFO and Company Secretary of Ambition Group. He had been acting in the role since the departure of Victor Cuthell in October of last year.

Aristocrat Leisure Limited

- **Toni Korsanos** succeeded **Simon Kelly** as CFO of Aristocrat following an executive restructure. Korsanos previously served as the company's General Manager of Group Finance.

Blackmores Ltd

- **Greg Burgoyne**, formerly CFO of the ATO, has been appointed CFO of Blackmores. The appointment is the result of an executive restructure that sees the incumbent CFO **Peter Barraket** taking over the new role of Director, Australia for the organization.

Country Road Limited

- **David Thomas** becomes CFO and Company Company Secretary at Country Road following Oliver Kysela's resignation.

Pacific Brands Limited

- **David Bortollusi**, formerly of Foster's Group Limited, has been appointed CFO and COO of Pacific Brands. He succeeds Stephen Tierney, who stepped down after 19 years with the organisation.

PMP LXimited

- **Phillip Elbourne**, currently General Manager, Group Finance, has been appointed CFO of PMP Limited. He succeeds **Richard Allely**, who has been named CEO.

Reckitt Benckiser

- **Ian Clark** joined Reckitt Benckiser as Director of Finance Australasia. He was previously Group Financial Controller for Telstra Consumer.

Specialty Fashion Group

- **Alison Henriksen** has been appointed CFO at Specialty Fashion Group. Alison was formerly Vice President of Investor Relations with Boart Longyear. She succeeds **Howard Herman**, who will remain with the group as Executive GM whilst remaining Company Secretary.

Wesfarmers Limited

- Coles has appointed **Tony Buffin**, formerly of Groupe Aeroplan in London, as Finance Director. He succeeds **Terry Bowen**, who was promoted to CFO of Wesfarmers.

Financial Services

Charter Hall Group

- **Jelte Bakker** has been appointed CFO of Charter Hall Group, succeeding Peter Roberts. He was previously the company's Corporate Development Director.

InvestorFirst Limited

- **Mark Zworestine** has been formally appointed CFO and joint Company Secretary of InvestorFirst. Zworestine had previously been acting in the role following Dilash Hargovind's resignation in July 2009. Before joining the company, he was CFO of Engin and E*Trade.

Industrial

APA Group

- **Peter Fredricson**, formerly CFO of Vector Limited, has been appointed CFO of APA Group.

Auckland Airport

- **Simon Robertson** has been appointed CFO of Auckland Airport. He succeeds Jason Dale, who resigned earlier this year. Simon has been with the group since 2005.

Australian Pharmaceutical Industries

- **Graeme Fallett** has been appointed CFO, succeeding Ashley Killick, who left for personal reasons.

Brambles Limited

- **Greg Hayes**, previously CEO of Tenix Group was appointed CFO effective November 16. He replaces Liz Doherty, who decided to return to the UK for personal reasons.

Capral Ltd

- **Ian Timmis**, recently of Aristocrat Leisure, has been appointed CFO of Capral following Richard Stephenson's resignation in June 2009.

Centro Properties Group

- **Chris Nunn**, formerly CFO of Industry Superannuation Property Trust, has been appointed Group CFO at Centro. He succeeds Tony Clarke, who had served as Centro Australia's CEO since February 2009.

ConnectEast Group

- **Nicholas McKechnie**, previously Group Financial Controller and Investor Relations Manager of ConnectEast, has been appointed CFO after an internal and external search. He succeeds Danny Agnoletto, who resigned late last year.

Elders Limited

- **Mark Hosking**, previously of AWB Limited, has been appointed CFO of Futuris Corporation Limited (renamed Elders in April). He succeeds Peter Zachert, who resigned early this year.

Holcim Limited

- **Clive Cuthell**, previously of Stockland Corporation, became CFO of Holcim in September 2009.

Incite Pivot Ltd

- **Frank Micallef**, formerly Incitec's General Manager of Treasury and CFO of Southern Cross International business, was appointed company CFO in October 2009 after a global search.

LBC Tank Terminal Group

- **Kelvin Williams** has been appointed CFO of the Challenger Infrastructure Fund-owned LBC. He had been interim Group CFO since January 2009.

Linc Energy Pty Limited

- **Rob Stratford**, formerly of Alinta/AGL in Perth, has been named CFO of Linc Energy.

Marengo Mining Limited

- **John Ribbons** becomes interim CFO and Company Secretary of Marengo Mining. He succeeds Andrew Meloncelli, who recently left the company to pursue other business opportunities.

Monadelphous Group

- **Zoran Bebic**, formerly Monadelphous' General Manager Business Services, succeeds Giles Everist as CFO. Giles resigned to concentrate on specialist non-executive director roles and consulting.

Navigator Resources Limited

- **Gerry Kaczmarek** has been named the first CFO of Navigator Resources.

Nomad Building Solutions Limited

- The newly appointed CFO of Nomad Buildings Solutions **Paul Depiazzi** has also been appointed Company Secretary after Greg Dower's resignation. Paul had previously been with Integrated Tree Copping (ITC), Bristle and Futuris Corporation.

Oil Search Limited

- **Zkatji Todorcevski**, formerly of BHP Billiton Petroleum in the US, has been appointed CFO of Oil Search.

One Steel Limited

- One Steel announced that CFO **Tony Reeves** will leave the company in December 2009 after eight years in the role. A formal search process is currently underway for his replacement.

Pacific Energy Limited

- **Mathew Whyte** has been appointed CFO and Company Secretary of Pacific Energy, succeeding Ian Goldberg.

Paladin Energy Ltd

- **Garry Korte**, formerly Commercial Manager of Brambles Industrial Services' mining services division, has been appointed CFO of Paladin Energy, effective November 16. He succeeds Mark Bolton, who had served as acting Commercial Manager and left the company in October to take up a permanent position.

QR Limited

- **Ruth Coulson**, formerly Group Chief Accountant of Hanson plc, has been appointed to the new position of General Manager Capital Allocations of QR Limited.
- **Erin Strang**, formerly Relationship Manager for the GOC Team of Queensland Treasury Corporation, has been appointed Corporate Treasurer for QR Limited. She succeeds **Brendan Gibson**, who was appointed to another role within QR Limited.
- **Richard Williams**, formerly Head of Revenue Strategy and Analytics at Transurban Group, has been appointed to the new position of General Manager Capital Utilisation.

Regis Resources Limited

- **Kim Massey** has been appointed CFO and Company Secretary of Regis. Kim previously held senior management roles with other mining companies including Cliffs Natural Resources.

Solverdi Worldwide Limited

- **Christopher Larson** was appointed CFO for Solverdi Worldwide's corporate and multinational operations.

SteriHealth Limited

- **Cameron Grant** has joined SteiHealth as CFO. He was previously Group Financial Controller at Seek.

Straits Resources Limited

- **Jim Carter**, formerly of Straits Asia Resources, has been appointed CFO of Straits Resources Limited.

Toll Holdings Limited

- **Brian Kruger**, formerly of Bluescope Steel, has been appointed CFO of Toll Holdings Limited. He succeeds **Mal Grimmond**, who had been acting in the role and will continue to serve as the company's CIO.

Transfield Services Infrastructure Fund

- **Steve Loxton** becomes CFO of Transfield Services Infrastructure Fund, succeeding Andrew Rowley-Bastes, who had been acting in the position.

Transfield Services Ltd

- **Tiernan O'Rourke**, former CFO of Australand, has been appointed CFO of Transfield Services. He succeeds **Matthew Irwin**, who has been appointed CEO, Investments.

Wattyl Limited

- **Emmanuel Zammit** has been promoted to CFO of Wattyl, succeeding Shane Allan, who had been acting in the role. Zammit had served as deputy CFO since February.

Technology

Aconex Australasia

- **Matthew Walsh**, formerly of Austock Group, has been appointed CFO of Aconex.

Dark Blue Sea Ltd

- **Gregory Platz** has been appointed CEO and CFO of Dark Blue Sea, the internet software developer and marketer. Gregory, who has been with the group for ten years and helped found the company in 1999, succeeded Richard Moore in July 2009.

eServGlobal Limited

- **Stephen Blundell**, formerly a member of Siemens' commercial EMEA team within their PLM division, has joined eServGlobal as CFO. Based in the UK, he succeeds Jonathan Macleod.

Huawei Technologies Co. Ltd.

- **Brian Hoppe**, formerly of Nortel, has been appointed CFO of the Australian operations of Huawei Technologies.

ITL Limited

- **Angelo Tsagarkis** has been appointed CFO of healthcare technology company ITL effective November 30. Angelo was previously GM Finance at Melbourne IT. He succeeds Greg Lewis, who resigned for personal reasons.

Pipe Networks Limited

- **Robin Khuda**, formerly GM Operations for Fujitsu Australia and New Zealand, has been appointed Group CFO of Pipe Networks.

RP Data Ltd

- **Jonathan Kenny**, formerly of Bravura Solutions, joins RP Data as CFO. He succeeds Sean Corbin, who resigned after being appointed CFO in June last year.

Non-Executive Directorships

ASX Limited

- **Peter Marriott**, CFO of ANZ Banking Group, joined the board of directors of ASX Limited.

WHK Group

- **Raymond Smith**, formerly CFO of Smorgon Steel, has been appointed as an independent Non-Executive Director of WHK Group.

About Russell Reynolds Associates' Chief Financial Officers Practice

CEOs are increasingly seeking CFO candidates who are capable of stepping into the CEO role. The CFO role is now viewed as one of the bench strength roles for CEO succession. This is, in part, a recognition of the way that the CFO role has broadened in the past decade with CFOs adding operational responsibilities to their finance duties. The trend is also driven by the turnaround nature of today's market, where CFOs often fill a vacant CEO seat in a downturn. Our team of experts assesses and recruits chief financial officers and other senior finance executives in functions including treasury, corporate development and strategy, control/audit, risk and compliance, tax, financial planning and analysis, for companies ranging from small, entrepreneurial firms—many of which are private equity and venture capital-backed—to large, multinational organizations in all major industries.

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About Russell Reynolds Associates

Leadership. In today's global business environment, success is driven by the talent, vision and leadership capabilities of senior executives.

Russell Reynolds Associates is a leading global executive search and assessment firm with more than 300 consultants based in 39 offices worldwide. Our consultants work closely with public and private organizations to identify, assess and recruit senior executives and board members to drive long-term growth and success. We value teamwork, serving our clients with a collaborative approach that spans our international network of sector and functional experts.

Our in-depth knowledge of major industries and our clients' specific business challenges, combined with our understanding of who and what makes an effective leader ensure that our clients secure the best leadership teams for the ongoing success of their businesses. For more information, please visit us at www.russellreynolds.com.

