

Chief Financial Officer Moves Asia/Pacific

Q3 2011



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

Growth in Asia comes at a price

There seems no end to compensation inflation in the hottest parts of the Asian executive market. Whether it is mining executives in Australia or HR leaders in China, a combination of factors including market growth, economic inflation and acute shortages of experienced executives are still driving compensation ever upwards. India and China will both experience compensation inflation above 12% this year, and we can expect other parts of Asia to suffer similar, if less severe, rises. In China at least, there is a growing cadre of younger executives in their early 30s who should be the leaders of tomorrow, but in the meantime the delta between local and expat packages is being increasingly eroded which raises the question of how MNCs fulfil their localisation agenda whilst ensuring they have the best leaders.

In many instances, pay has risen at a disproportionate rate to performance and indeed to the substance and content that the executive brings; over time this will lead to a re-evaluation of the market worth of skills and experiences. More immediately, there is an increase in the numbers of the localised expat, that is, expats whose packages are normalising in line with local packages. The desire to stay in a buoyant market is a key driver for executives, and there are clear economic and business continuity benefits to the employer. There is also significant and growing interest from overseas executives in moving to Asia even without any expat package, although there is little desire to bring people into the region who have no prior on the ground experience or language skills. These numbers however, are not enough to slow down compensation inflation which will only be managed in any impactful way through the evolution of the executive pool and more sustainable levels of economic growth.

Global CFO Moves

Consumer/Retail/Leisure

- **Sears Holdings** Corp. has appointed Robert Schriesheim to the top finance spot. He previously headed finance at Hewitt Associates.
- Finance chief Roy Templin plans to retire from **Whirlpool** Corp. in April of 2012. Templin, who has been CFO since 2004, will be replaced by Larry Venturelli, now Chief Accounting Officer, Corporate Controller, and CFO of Whirlpool International.

Industrial and Energy

- **NRG Energy** Inc. has named Kirkland Andrews to head finance.

Technology

- Finance chief Michael Adler will leave online travel company **Expedia** Inc. after a transition period during which the firm's spin-off of TripAdvisor will be completed. Mark Okerstrom, Senior Vice President of corporate development will replace Adler.
- Timothy Morse, CFO of **Yahoo!** Inc. has been named interim CEO. In his new role, he succeeds Carol Bartz who has left the company.

Asia-Pacific Region CFO Moves

Consumer/Retail/Leisure

- The Singapore-based bakery, restaurant and food court operator **Breadtalk Group** has appointed Yeo Kia Yeow Group CFO effective November 2011 replacing Lee Khia Yee.
- The China-based domestic sportswear brand **Exceed Company** has promoted its Vice President of Finance, Vivien Tai, to CFO. She replaces Terence Wong who will remain a consultant at the company until November 2011.
- **Wal-Mart** has appointed Danone's Morten Knudsen as CFO for Asia.

Financial Services and Real Estate

- Arthur Lang has been appointed CFO of **CapitalLand** in Singapore. He was previously Co-Head of Investment Banking in South East Asia at Morgan Stanley.
- Shumpei Morita has been appointed Chief Financial Officer of **SBI Holdings** effective October 2011.

Industrial and Energy

- The Singapore-based precision engineering solutions provider **Armstrong Industrial Corp** appointed Sin Wan Lin as Group Chief Financial Officer.
- **Ivanhoe Australia Ltd** has announced the appointment of Brendan Gill as Chief Financial Officer, assuming duties with Ivanhoe Australia in early October. Gill previously had a 27-year career with BHP Billiton where he held several senior executive finance and management positions, including Chief Financial Officer of the Stainless Steel Materials and Nickel divisions.
- Wong Heang Tuck has been promoted to CFO of the Singapore-based energy services provider **KS Energy** replacing Wong Soon Yin.
- Australia's biggest gold producer, **Newcrest Mining Ltd**, is looking for a new CFO to replace Greg Robinson, who took over as Chief Executive. Robinson replaced Ian Smith, the Melbourne-based gold miner. Mark Dwyer, Newcrest's General Manager for Finance and Accounting, will act as CFO in the meantime.
- **Southern Cross Goldfields** has announced the appointment of experienced mining executive Stephen Jones to the position of CFO. Jones is an experienced accountant who joins SXG from Aviva Corporation where he previously held the position of CFO. Jones will replace Dan Calvert, who has served as CFO and Company Secretary since the establishment of the Company prior to its listing on the ASX in 2008.
- Yoshiyuki Honda has been newly appointed as Executive Officer (Finance) of **Sumida Corporation**. Previously Honda served as the Japan Chief Financial Officer and Vice President at D&M Holdings Inc.
- Brian Kruger, who has been working as **Toll Holding's** CFO, will become the company's Managing Director in January 2012. Kruger will replace Paul Little after he announced his retirement.

Pharmaceuticals and Healthcare

- **Benitec Ltd**, a world leader in gene silencing for human therapeutics, has announced CFO and Company Secretary John Rawling has ended his employment with the company effective due to its relocation to Sydney. Greg West has taken over as CFO.
- **Lijin International Pharmaceutical**, the Hong Kong-listed medicine and pharmaceutical products company, has appointed Chow Hing Yeung CFO, replacing Sze Wing Kin.
- Farm chemicals maker **Nufarm** has appointed Paul Binfield as CFO replacing Kevin Martin. Binfield was previously Finance Director at a division of Wesfarmers.

Technology

- **Actions Semiconductor**, the China-based fabless semiconductor company has promoted Nigel Liu from Internal Audit Director to Chief Financial Officer replacing Patricia Chou.
- **Telstra's** veteran CFO John Stanhope has announced his retirement after the conclusion of the \$11 billion NBN deal. He will step down from the board at the end of 2011.

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Our Global Financial Officers Practice conducts more than 400 assignments every year and prides itself on the insight and knowledge it brings to our clients, as well as its envied reputation in the marketplace.

For further information on our Financial Officers Practice or other corporate functional capability in Asia, please contact:

Caroline Raggett

Russell Reynolds Associates Hong Kong
Room 1801, 18/F
Alexandra House
18 Chater Road
Central
Hong Kong

Direct line: +852 2844 0802
Mobile: +852 9187 3094
Email: caroline.raggett@russellreynolds.com
<http://www.russellreynolds.com/caroline-raggett>

Heidi Mason

Russell Reynolds Associates Sydney and Melbourne
Level 40 Aurora Place
88 Phillip Street
Sydney NSW 2000
Australia

Direct line: +61 2 9258 3110
Mobile: +61 (407) 944 379
Email: heidi.mason@russellreynolds.com
<http://www.russellreynolds.com/heidi-mason>

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