

14 August 2018

Wesfarmers Department Stores division leadership changes

Wesfarmers today announced that Guy Russo will retire as Chief Executive Officer (CEO) of Wesfarmers' Department Stores division and Managing Director of Target. Ian Bailey, Managing Director of Kmart, will assume the additional responsibility of leading the Wesfarmers Department Stores division from 1 November 2018 and Marina Joanou, Chief Financial Officer of Wesfarmers Department Stores division has been promoted to Managing Director of Target effective immediately.

Following 1 November 2018, Mr Russo will remain as an advisor to Wesfarmers and the Department Stores division for the remainder of the 2019 financial year.

Wesfarmers Managing Director Rob Scott said Mr Russo had made a significant contribution since joining Wesfarmers 10 years ago as Managing Director of Kmart, leading the transformation of the brand into Australia's most successful department store before becoming CEO of the new Department Stores division in early 2016.

"Guy leaves a valuable legacy that is reflected in the record profit result for the Department Stores division for the 2018 financial year," Mr Scott said.

"He has led a world-class turnaround of Kmart into one of Australia's best product development and retail companies. Under Guy's leadership, Kmart's earnings have increased more than five-fold and more recently he has led a significant reset of Target, reducing its cost base and returning it to profitability. The record Department Stores earnings announced today demonstrate the enormous value that has been created for shareholders."

Mr Scott said Mr Bailey was a natural successor to Mr Russo, having initially played an instrumental role in the turnaround of Kmart and then successfully leading the continued growth of the business over the last two years.

"I am pleased to announce the promotions of Ian and Marina. Both have been outstanding leaders in Wesfarmers and their knowledge of Kmart and Target makes them uniquely well-placed to drive continued growth across Department Stores. These appointments demonstrate the strong talent development and succession planning processes in Wesfarmers."

Mr Russo said he was excited for the future of Kmart and Target. "Both businesses are well-positioned in the retail sector and, under the leadership of Ian and Marina, will continue to provide affordable, quality products for our customers to enjoy," Mr Russo said.

Mr Bailey said he looks forward to continuing the success of both businesses. “Both Kmart and Target are well loved retailers and I look forward to supporting Marina and the Target team as they build a strong, customer focused business,” Mr Bailey said.

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Biographies

Ian Bailey

Ian commenced with Kmart Australia in 2006 as the Chief Financial Officer and was appointed Managing Director in 2016. He has played a significant role in leading the turnaround of the business including the repositioning of the Kmart Australia business model, establishing an outstanding and ethical international sourcing division, and working closely with merchandise.

Ian’s experience, both national and international, covers a number of industries including retail, professional services, consulting, technology and healthcare in positions that include general management, sales, business development and project management. Ian holds a Bachelor of Science degree in Civil Engineering and has completed the Advanced Management Program at Harvard Business School.

Marina Joanou

Marina commenced with Kmart Australia in 2007 and was appointed Finance Director of the Department Stores division in 2016. Marina was an integral member of the Kmart leadership team playing a significant role in the brand’s turnaround success along with setting the business up for future growth opportunities. Marina has had a breadth of experience spanning a number of industries including retail, professional services and healthcare and her roles in these industries have included general management, mergers and acquisitions, commercial and strategic investment, business development, financial accounting and project management. Marina holds a Bachelor of Commerce (Accounting and Finance) degree and is a member of the Institute of Chartered Accountants.