Exhibit 4

MEMORANDUM

To: *Members of the Board, Global*

From: *Jack Louis, Operations Director, Westland*

Date: *16 May 2002*

Subject: *Developing Westland Operations*

I propose that we should simplify operations. I have estimated the effect of the proposals on operating profits and my thoughts are as follows:

- Close down home shopping.
- Close down information systems development, and save the costs.
- Close down all unprofitable or marginally profitable stores in Westland. This will mean shutting at least 400 stores with a present turnover of $2·9 billion. It is unlikely to produce any cash after settling contractual obligations to employees and under the leases. A loss on book values of $1·7 billion is anticipated.
- Having closed down many smaller stores, review head office functions, and see what can be decentralised to the stores, and what else can be closed down in head office – a target would be saving $100 million a year.

To move forward we should:

- Set tough targets for Purchasing, to save at least $1 billion in 2003, and $2 billion in 2004. They should be given freedom to change from many old suppliers, and will probably have to import much more.
- Make as many small acquisitions as possible.

My calculations on small acquisitions are that we could borrow and spend up to $1 billion each year without upsetting the anti-trust authorities. We could borrow the money at 6%, as we would be acquiring property that the bankers would regard as good security.

Prices for small store groups may be quite high – we may find ourselves paying up to 30 times current after-tax profits. We should be able to produce rapid increases in profit from better buying and stronger management, especially if we free up management time by disposing of, or closing, our poorer stores.

I would set targets for earnings from acquired stores:

- In the year of acquisition, having covered all reorganisation costs, to make profits at 50% of pre-acquisition profits;
- In the next year, to make 150% of pre-acquisition profits;
- In the third year, and onwards, to make 200% of pre-acquisition profits.

To put this in figures, our first year's $1 billion would probably buy historical after-tax earnings of about $35 million, $50 million before interest and tax. We could only hope to make half of this in the first year after acquisition.

In the second year, we would make $75 million before interest and tax, and in the third year $100 million.

Each year we could make further similar acquisitions, adding to profit. There are still plenty of good independent stores and small groups of stores out there to buy as the families that own them want to sell up.

Exhibit 5

MEMORANDUM

To: *Members of the Board, Global*

From: *Charles le Grand, Vice President, Information Systems*

Date: *16 May 2002*

Subject: *Home Shopping Operations*

I have again reviewed the current home shopping operation.
There is no point in closing down the present operation. There would be no real saving, unless store staff could be reduced, which could be slow and difficult, as many of the stores with significant home shopping volumes are failing to meet their in-store customer service standards. The software and systems would have to be written off at a cost of $150 million. I am told that there would be little loss on the sale of the delivery vehicles.

We have two development options:

1. Develop a better accounting and stock control system for the stores. This could take three years to develop and install and cost up to $500 million.
2. Develop a different approach to home shopping with dedicated warehouse "picking centres" in selected locations. This could provide a radically better service to customers, and build up greater volumes than the present in-store system could handle. This would require an investment of at least $2 billion, would not be profitable until after three years from a launch decision, but would then show estimated profits of 25% each year.

Exhibit 6

MEMORANDUM

To: *Members of the Board, Global*

From: *Arthur Miller, Vice President, International*

Date: *16 May 2002*

Subject: *Future International Operations*

I propose:

1. That most of the present international operations should be sold as soon as feasible. The Canadian operations, which are modestly profitable, should be retained. Others should be sold to anyone who will take on the staff contracts, supplier contracts, and leases. If all can be sold, this would potentially release funds of approximately $1 billion. There would be a loss on the disposals of around $500 million compared with the book values. There would be no significant ongoing effect on Global's profit, though there will be exceptional costs in the year of sale approaching $100 million. If the sale of any operation is not feasible, it may be cheaper to continue trading than to close, but this requires further investigation.
2. The preferred route forward is to invest in Eastland. This may be "now or never". The market is highly concentrated. If any of the existing major players are bought by Market Stores, or possibly by some very large foreign group, late entry may be very difficult. Both possible acquisitions, B or D, are quite attractive in various ways. I would prefer to see the acquisition of B.

I attach the report from Arbuthnot Partners, Merchant Bankers as *Appendix A* to this document.

Appendix A

REPORT

To: *Arthur Miller, Vice President, International and Members of the Board, Global*

From: *Arbuthnot Partners, Merchant Bankers, Eastland*

Date: *14 May 2002*

Subject: *Our assessment of Eastland supermarkets*

The possible acquisition of supermarket groups A, C and E have been reviewed and rejected. A is too expensive; C is not feasible because of its ownership structure; and E has major problems.

Supermarket group B, the market leader until a few years ago and the present "Number 2", is a very solid business with a good reputation for quality and customer service.

While it was always regarded as impregnable, with the large family holdings and their involvement in management, it is understood, in the strictest confidence, that this is about to change. A suitable cash (not shares) offer could enable the family to unravel various family trusts and complex holdings and move away from the business. They may require supplementary agreements that protect various employees for a period of years. The departure from the board of the family representatives would provide easy scope for introducing new management, which would be essential. Although B's like-for-like sales have recovered in the last two years, it is obvious they are not achieving the sales intensity of A, or the same standard of stock and logistics management. B's home shopping venture is very limited.

There is considerable scope for effective investment in new systems, and B has considerable scope to extend existing stores, having a number of very large sites that are not fully utilised. However, the family has decided that it does not wish to invest any more in the business, and if more investment is needed, this is the time to sell completely.

The only alternative proposition is Supermarket D. It is smaller than B.

You will know the Chief Executive of D – Alfredo Ceniga – he used to work for you. As we understand the matter, some four years ago you restructured, and combined the two posts of Vice President, Marketing, and Vice President, Westland Retail Operations, into the new post of Operations Director, Westland, which he did not succeed in obtaining. He then left your employment. Subsequently he became CEO for two years of a smallish supermarket group in Holland, and apparently increased profits there. In the two years he has been CEO of D, he has certainly made an impact on profits and the share price. He has followed a policy of special promotions successfully, but has never had the finances to modernise the stores.

We have provided below schedules giving our views of future sales and profits of the two groups.

We would recommend that an acquisition premium of 33% above the current market capitalisation be assumed in preliminary calculations, though it may not be as much in practice.

Forecast earnings per share:

	Supermarket B	*Supermarket D*
	€	€
Actual 2001	0·23	0·36
Broker forecast 2002	0·35	0·40
Broker forecast 2003	0·45	0·45
Broker forecast 2004	0·60	0·50

Updated financial data for Eastland Supermarkets B and D for the years ended during 2001

	Supermarket B	*Supermarket D*
Sales	€28.26 billion	€13.36 billion
Profit after taxation	€0.44 billion	€0.37 billion
Shares	1,950 million	1,020 million
Earnings per share	€0·23	€0·36

Information at 30 April 2002

Share price at 30 April 2002	€6·27	€4·92
Price / Earnings ratio	27·3	13·7
Market capitalisation	€12·23 billion	€5·02 billion

Exchange rate: assume €1= $0·86

Exhibit 7

MEMORANDUM

To: *Members of the Board, Global*

From: *Gabriel Eisenstein, Chairman*

Date: *20 May 2002*

Subject: *Financing arrangements*

Without wishing to prejudice the discussion, I have made preliminary enquiries about the acceptability of proposals for additional finance:

- Small-scale Westland acquisitions would be acceptable for loan financing – but at some future point it would be desirable to consolidate arrangements by a rights issue, to maintain a reasonable debt to equity ratio.
- Any possible Eastland acquisition would require wholly equity finance. A rights issue could only be at around a 20% discount to the Global share price at the time of the rights issue.

Institutional investors would certainly require a clear statement on future strategy, and would need confidence that the board and senior management were capable of implementing the strategy.

Exhibit 8

MEMORANDUM

To: *Members of the Board, Global*

From: *John Parker, Chief Executive Officer*

Date: *20 May 2002*

Subject: *Views expressed on future policy by senior management*

I am surprised and disappointed by some of the views expressed by colleagues. They have not shown any previous disagreement with the policies I have followed in recent years, and I thought they were in complete agreement with me.

I do not think we should contemplate selling operations or closing stores. We should be thinking how to make more money from existing operations, maintaining the highest sales volumes possible.

We should borrow more from our bankers, make a large acquisition in Eastland, and only go for a rights issue when it has been completed. I would be against buying group D, because we would not wish to re-employ Signor Ceniga; it has always been against company rules to re-employ anyone who has left the company. We would have no obvious choice of a manager to replace him.

Global's current trading is not encouraging, and the outlook for the year is not as good as it appeared in January. The Finance Director's current forecast is that earnings per share for 2002 will be materially below that for 2001 – possibly as low as $1·25 compared with $1·59. This will not leave any dividend cover.

Exhibit 9

Having seen the memorandum from John Parker, Gabriel Eisenstein despatched a final note:

MEMORANDUM

To: *Members of the Board, Global*

From: *Gabriel Eisenstein, Chairman*

Date: *23 May 2002*

Subject: *The new earnings forecast*

I am most concerned by the memorandum from John Parker, especially the information on current trading. I do not like being surprised by bad news. Better financial systems should enable us to anticipate problems.

When the markets are informed, as they must be, of the new earnings forecast, there will be a sharp fall in the share price and a fall in the price / earnings ratio. To maintain investor confidence, a clear and convincing statement of a plan to improve earnings in the medium term will be essential. A P/E ratio of 20 is the best that can be expected, and this would result in a share price of $25. Maintaining even this share price probably depends, to some extent, on speculation regarding a possible bid for Global from a large foreign group. It is known that some of these have looked at possible acquisitions in Westland.

End of unseen material