



ASX Release – Alesco Corporation Limited (“ALS”)

NEW CHIEF EXECUTIVE OFFICER ASSUMES ROLE

Date: 30 May 2006

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The Board of Alesco Corporation Limited (ASX:ALS) confirmed today that Mr Justin Ryan will assume the role of Managing Director and Chief Executive Officer on 1 June 2006, the start of Alesco's new financial year. The Board has also approved final details of Mr Ryan's service agreement.

When Mr Ryan's appointment was announced in September 2005, Alesco indicated that terms and conditions of Mr Ryan's service agreement would be finalised closer to the commencement date of his new role.

The arrangement has no fixed term but may be terminated on 12 month's notice by either party. The Base Remuneration component (including superannuation) is \$700,000 for the first year. This amount will be reviewed annually by the Board.

Mr Ryan is also entitled to an annual short term cash incentive up to a maximum of 75% of his Base Remuneration measured against agreed performance indicators approved by the Board.

In addition, as part of a long term incentive, it is intended that Mr Ryan participate in the Alesco Management Share Plan, subject to the necessary shareholder approvals being obtained. The Board proposes to seek the approval from shareholders at its annual general meeting in September to allocate 370,000 shares to Mr Ryan in tranches over the next three years as follows:

- Tranche 1 – 150,000 shares (vesting in 2009 subject to achieving the performance hurdle described below)
- Tranche 2 – 110,000 shares (vesting in 2010 subject to achieving the performance hurdle described below)
- Tranche 3 – 110,000 shares (vesting in 2011 subject to achieving the performance hurdle described below)

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These shares are subject to the following performance hurdles:

<u>EPS 3 year CAGR</u>	<u>% vesting of total shares issued under the MSP</u>
<5%	Nil
5%	33.3%
Between 5% and 7%	Pro rata
7%	66.7%
Between 7% and 12%	Pro rata
12%	100%

Commenting on the formal appointment of Mr Ryan to his new role, Alesco Chairman Mr Sean Wareing said:

“We congratulate Mr Ryan on his appointment and would like to recognise the significant contribution he has already made to the growth and development of Alesco.”

“While a significant proportion of Mr Ryan’s total remuneration is at risk, his package has been designed to provide him with incentive to remain with the Company and to continue to improve the Company’s performance and share price, aligning his interests with the long term interests of Alesco shareholders,” Mr Wareing said.

A summary of the key terms of Mr Ryan’s appointment is attached to this announcement.

Mr Ryan’s appointment to the position of Managing Director and CEO was announced in September 2005 following the Board receiving confirmation from the Company’s current Managing Director and CEO, Mr Kevin Clarke that he would retire at the end of his current employment agreement.

Mr Ryan joined Alesco in January 2004 as Group General Manager of Automotive and played an integral role in the development and ultimate sale of that division to Repco Limited in December 2004. He was appointed Deputy CEO effective 1 February 2006. Prior to joining Alesco, Mr Ryan had a successful career as a senior executive with Catalyst Investment Managers where he led and managed a number of their key investments, including B&D Doors, Pacific Brands and Taverner Hotel Group.

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As previously announced Mr Clarke will leave Alesco on 15 July 2006. During this intervening period Mr Clarke will continue with Alesco to assist in the final transition of responsibilities to Mr Ryan.

“Kevin’s influence on Alesco has been immense and, on behalf of the Board and shareholders, I would like to take this opportunity to thank Kevin for the outstanding contributions he has made to Alesco over his ten years as Chief Executive Officer and wish him all the best in his future ventures,” Mr Wareing said.

For further information, please contact Alesco Corporation Limited:

Mr Sean Wareing

Chairman

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Alesco manages a diverse portfolio of leading industrial brands

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SUMMARY OF EXECUTIVE EMPLOYMENT AGREEMENT AND REMUNERATION PACKAGE FOR MR JUSTIN JAMES RYAN

The following sets out a summary of Mr Ryan's Executive Employment Agreement for the position of Chief Executive Officer and Managing Director for Alesco commencing 1 June 2006.

1. Key Terms

The key terms of Mr Ryan's remuneration are:

Base Remuneration:	\$700,000 per annum
Short Term Incentive:	Up to a maximum of 75% of Base Remuneration (\$525,000 in the first year) subject to achieving agreed performance targets
Long Term Incentive:	Participation in Alesco Share Management Plan through issue of 370,000 shares in three tranches (see below for further details)

Mr Ryan's remuneration is subject to an annual review.

2. Long Term Incentive

Subject to shareholder approval, Mr Ryan will be allocated 370,000 shares under the Alesco Share Management Plan in tranches over the next three years as follows:

- Tranche 1 – 150,000 (vesting in 2009 subject to achieving the performance hurdles described below)
- Tranche 2 – 110,000 (vesting in 2010 subject to achieving the performance hurdles described below)
- Tranche 3 – 110,000 (vesting in 2011 subject to achieving the performance hurdles described below)

The LTI Shares will be subject to the following performance hurdles:

<u>EPS 3 year CAGR</u>	<u>% vesting of total shares issued under the SMP</u>
<5%	Nil
5%	33.3%
Between 5% and 7%	pro rata
7%	66.7%
Between 7% and 12%	Pro rata
12%	100%

On termination of Mr Ryan's appointment), vested shares having met the requisite performance hurdles will be released to Mr Ryan. Any entitlement to any unvested shares will be at the sole discretion of the Board, except in circumstances where termination is for cause in which case there is an absolute prohibition on Mr Ryan receiving any unvested shares.

The Company intends to seek the approval of shareholders to allocate these shares to Mr Ryan at the annual general meeting of the Company to be held in September 2006.

3. Termination

Mr Ryan's appointment as Chief Executive Officer and Managing Director will continue unless his appointment is terminated in any of the following circumstances:

Termination by the Company

The Company may terminate Mr Ryan's appointment in the following circumstances:

- for cause; or
- by giving Mr Ryan 12 month's notice in writing, or a payment in lieu thereof. Any payment in lieu would be calculated on the total sum of the Base Remuneration plus 70% of the maximum STI amount that would have been payable to Mr Ryan in respect of the financial year in which his appointment has been terminated (**Notice Remuneration**).

Termination by Mr Ryan

Mr Ryan may terminate his appointment by giving 12 month's notice in writing to the Company. If Mr Ryan does not work out this notice period as determined by the Company, Mr Ryan will be entitled to receive the Notice Remuneration for the unworked notice period.

Diminution of duties

If Mr Ryan's responsibilities as Chief Executive Officer and Managing Director of Alesco are materially diminished for any reason, the agreement may be terminated by either Mr Ryan or the Company and Mr Ryan will be entitled to receive 12 months Notice Remuneration.

4. Restraint

Mr Ryan has agreed that for a six month period following termination he will not be engaged or involved in any business or activity which is the same or similar to or in competition with a material business conducted by the Alesco Group.

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