



Emeco Holdings Limited

ACN 112 188 815

Market release
16 October 2008

Renewal of CEO contract

Under the terms of his previous service agreement with Emeco, CEO Laurie Freedman's engagement with the Emeco group was to expire on 31 December 2008.

Discussions were recently commenced with Mr Freedman on terms for him to continue his engagement as the CEO of the Emeco Group beyond the expiry date and an agreement has now been finalised.

The principal changes to Mr Freedman's service agreement are set out below; they are effective from 1 October 2008:

- Mr Freedman will be employed for an initial term of one year and subsequent rolling one year terms, subject to either party being able to give 6 months notice of termination.
- Mr Freedman's base salary will be \$1,000,450 per annum.
- A short term incentive (**STI**) will be payable to Mr Freedman for FY09 if net profit after tax (**NPAT**) and the group's return on funds employed (**ROFE**) exceed certain budget targets set by the Emeco board. The maximum bonus payable will be 100% of Mr Freedman's base salary if both the NPAT and ROFE performance of the group are 10% greater than the budgeted targets. He will be entitled to a proportionately lesser amount if the budgeted targets are exceeded by less than 10%. No STI will be payable if NPAT and ROFE fall short of targeted levels.
- The long term incentive bonus scheme (**LTI scheme**) that existed under the previous contract has been carried over to the new contract. Details of the LTI scheme are set out in Emeco's FY08 annual report.

Emeco group chairman, Alec Brennan, said "The directors are delighted to have reached agreement with Laurie. With his continuing leadership Emeco is well placed to deliver on its strategic agenda and to deliver value to Emeco's stakeholders."

Further enquiries can be directed to:

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About Emeco

Emeco is a leading global provider of heavy earthmoving equipment with offices in Australia, Indonesia, the Netherlands, Canada and the USA. Emeco has integrated rental, sales, parts, maintenance and procurement into a single business for high reliability, low-houred heavy earth moving equipment for the mining and civil construction sectors. Emeco is not aligned with any earthmoving equipment manufacturer. Its rental fleet comprises more than 1,000 machines and includes equipment manufactured by Caterpillar, Hitachi, Komatsu, Liebherr and Volvo.

Emeco's ordinary shares are traded on the Australian Stock Exchange under ASX code EHL.