

ASX ANNOUNCEMENT

Date: Monday 7 February 2011

Appointment of Chief Executive Officer

Asciano announces the appointment of John Mullen as the new Managing Director and Chief Executive Officer of Asciano. Mr Mullen will succeed Mark Rowsthorn.

Mr Mullen was previously the Global CEO of DHL Express and he will formally commence as CEO of Asciano on 14 February 2011.

Asciano Chairman Malcolm Broomhead said: "Today's announcement comes after the Company reached several key milestones in 2010 including its refinancing, restructuring and repositioning of the Company."

"The availability of a person of John's calibre and skill set provides shareholders with comfort that the Company will be in good hands going forward," Mr Broomhead said.

"John will lead Asciano into its next phase with his significant industry experience and proven track record. He will build on Mark's work and tireless commitment as CEO since the Company's demerger from the Toll Group in 2007."

Mr Mullen has had extensive experience in the transport and logistics arena. Most recently he was Global CEO of DHL Express from 2006 to 2009 and Joint CEO in 2005. Before then he was CEO of DHL Express Asia Pacific and held senior positions with the TNT Group for 10 years.

Mr Mullen had more recently left executive roles returning to Australia to take up non-executive directorships with Telstra Corporation Limited, Brambles Limited and MAP Airports Limited. Mr Mullen will remain a director of Telstra.

"With John's strong background in the logistics industry and Asciano's fresh management team in place, the Company is in a good position to pursue its strategic vision and deliver value to shareholders," Mr Broomhead said.

Further detail of Mr Mullen's background and employment experiences is provided in Appendix A.

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“The Board has approved a remuneration package which is reflective of John’s extensive experience and skill set. Ensuring that he has close alignment with shareholder interests, John will receive a grant of options following his appointment which are subject to a performance hurdle based on driving total shareholder returns.”

Further detail of Mr Mullen’s contractual arrangements is provided in Appendix B.

Mr Broomhead also thanked Mr Rowsthorn for his contribution and acknowledged his success in steering Asciano through a significant period of change.

“He has lived and breathed Asciano for four years and was a key part of the Toll Group before the separation to form Asciano.

“On behalf of the Board and staff, we wish him all the best in his future endeavours.

“The recruitment of a quality Chief Financial Officer in Angus McKay, the corporatisation of Asciano late last year, removing the last of our legacy issues, and Asciano’s debut US bond issue enabling a new financing structure for the Company enables us to make a seamless change in leadership at this time,” Mr Broomhead said.

In accordance with the provisions of his contract, Mr Rowsthorn will remain an employee of the Company until 15 June 2011 and will assist with transitional arrangements as needed. Details of his entitlements will be provided around 15 June 2011, and will be as outlined in the Company’s 2010 remuneration report.

Mr Broomhead said that following the presentation of the half-yearly results on 23 February, Mr Mullen will meet with key stakeholders including employees, investors, customers, banks, government and regulators.

Ends

Further information about Asciano can be found on our internet site: www.asciano.com

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INVESTOR AND ANALYST CALL

An investor and analyst call will be held at 12pm AEST. Media are invited to listen.

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APPENDIX A – BIOGRAPHY OF JOHN PATRICK MULLEN

Employment Experience:

2002 – 2009 *DHL Express*

2006 – 2009	Chief Executive Officer
2005 – 2006	Joint Chief Executive Officer
	Chief Executive Officer – DHL Express USA
2006 – 2005	Chief Executive Officer – DHL Express Asia Pacific

2005 – 2009 *Deutsche Post Group – DHL Global*

Main Board Director – Deutsche Post Group

This appointment was in addition to Mr Mullen's executive roles. Deutsche Post Group – DHL, the parent company of DHL, is the world's largest transportation and logistics company headquartered in Bonn, Germany. The company employs some 500,000 people and 2008 revenues amounted to some €55 billion.

1994 – 2002 *Deutsche Post Group*

1994 – 2002 Advisor

1984 – 1994 *TNT*

1991 – 1994 Chief Executive Officer – TNT Express Worldwide
1990 – 1994 Chief Operating Officer – TNT Limited

Prior to 1990 Mr Mullen held various general management positions in TNT Limited, Compagnie Internationale de Restauration (CIR) and NACAP BV, Delft, Holland.

Education:

Bachelor of Science – University of Surrey, UK.

Other:

Mr Mullen is also a Non-Executive Director of Telstra Limited, Brambles Limited and MAP Airports Limited. He will remain a director of Telstra Limited following his appointment as CEO of Asciano.

APPENDIX B – REMUNERATION ARRANGEMENTS

The key terms and conditions of Mr Mullen's remuneration and contractual entitlements are:

The Managing Director and Chief Executive Officer's remuneration package comprises fixed annual remuneration of \$1,800,000 per annum.

Mr Mullen will also be eligible to participate in the Company's short-term incentive plan, commencing from the 2012 financial year. This plan will provide for a cash bonus at target equal to 100% of fixed annual remuneration for achieving specified annual performance measures set by the Board.

Mr Mullen will be giving up significant private interests as well as his Board positions with Brambles and MAp Airports. He will not participate in the Company's short term incentive plan for the balance of this financial year. Recognising that he is giving up these interests he will be paid a one off sign-on allowance of \$675,000.

Subject to obtaining shareholder approval at the Company's 2011 AGM, Mr Mullen will participate in the Company's FY2012 grant under the long term incentive plan, pursuant to which he will receive securities to the value of \$2.04 million. Approval will also be sought for a pro rata grant of options over shares under the Asciano Limited Option and Rights Plan in relation to the FY2011 grant to reflect the part of the financial year worked by Mr Mullen and to align his incentive package with that of the senior executive team.

The Company's current (FY2011) long term incentive scheme reinforces the alignment with shareholder interests and Mr Mullen's remuneration as the options granted will only vest upon achievement of growth in the Company's total shareholder return (TSR) relative to a comparator group of companies in the ASX100 (excluding resources and financial services companies) over the three years to 30 June 2013. In addition to the TSR performance hurdle, the options only vest if the price of Asciano shares after testing of the TSR performance hurdle exceeds the option exercise price (being the average trading price of Asciano shares over the five trading days up to and including 7 February 2011).

Mr Mullen must provide 6 months' notice of resignation. The Company may terminate the Chief Executive Officer and Managing Director's employment at any time for cause and otherwise upon 6 months' notice and with payment of a 6 month severance package.

Ends