



**“Building Greater Opportunities
For Profitable and Sustained Growth”**



Important Information and Where to Find it



Alesco Financial Inc. ("AFN") filed with the Securities and Exchange Commission (the "SEC") a registration statement on Form S-4, containing a proxy statement/prospectus in connection with the proposed merger with Cohen Brothers, LLC ("Cohen"), which was announced on February 20, 2009. The registration statement has become effective. INVESTORS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS CAREFULLY AND IN ITS ENTIRETY BECAUSE IT CONTAINS IMPORTANT INFORMATION ABOUT AFN, COHEN AND THE PROPOSED MERGER BETWEEN THE TWO COMPANIES. A definitive proxy statement/prospectus will be mailed to AFN's stockholders on or about November 9, 2009. In addition, AFN's stockholders may obtain the proxy statement/prospectus and all other relevant documents filed by AFN with the SEC free of charge at the SEC's website www.sec.gov or from Alesco Financial Inc., Attn: Investor Relations, 2929 Arch Street, 17th Floor, Philadelphia, PA 19104.

AFN and its directors and executive officers may be deemed to be participants in the solicitation of proxies in connection with the proposed merger. Information about AFN's directors and executive officers and their ownership of AFN's stock is set forth in the proxy statement/prospectus relating to the merger. Additional information regarding such individuals who may, under the rules of the SEC, be considered to be participants in the solicitation of proxies in connection with the merger is also set forth in the proxy statement/prospectus.



This presentation contains certain statements, estimates and forecasts with respect to future performance and events. These statements, estimates and forecasts are “forward-looking statements”. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as “may,” “might,” “will,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or “continue” or the negatives thereof or variations thereon or similar terminology. All statements other than statements of historical fact included in this presentation are forward-looking statements and are based on various underlying assumptions and expectations and are subject to known and unknown risks, uncertainties and assumptions, and may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied in the forward-looking statements. These factors include, but are not limited to, those discussed under the heading “Risk Factors” in the Proxy Statement / Prospectus filed with the SEC on Form S-4 on November 4, 2009, including the following: (a) a decline in general economic conditions or the global financial markets, (b) losses caused by financial or other problems experienced by third parties, (c) losses due to unidentified or unanticipated risks, (d) a lack of liquidity, i.e., ready access to funds for use in our businesses, and (e) competitive pressure. As a result, there can be no assurance that the forward-looking statements included in this presentation will prove to be accurate. In light of these risks, uncertainties and assumptions, the future performance or events described in the forward-looking statements in this presentation might not occur. Accordingly, you should not rely upon forward-looking statements as a prediction of actual results. We do not undertake any obligation to, and will not, update any forward-looking statements, whether as a result of new information, future events or otherwise.



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Section 1

Merger Overview



Transaction

- On February 20, 2009, Alesco Financial Inc. (“AFN”) entered into a merger agreement with Cohen & Company (“Cohen”); Cohen is to merge with a subsidiary of AFN
- Combined company will be publicly traded; expect to move listing to NYSE Amex under symbol “COHN”
- Subject to merger elections, existing AFN shareholders expected to own approximately 56.5% and Cohen members (excluding Daniel Cohen) expected to own approximately 43.5%, of AFN common stock immediately post-transaction
- Holders of common stock of AFN will continue to hold their shares of AFN
- All stock transaction following 1 for 10 reverse split of AFN shares
- Combined company expected to operate as a C-Corp for tax purposes

Valuation and Consideration

- **AFN:** 6.0 million AFN shares; following 1 for 10 reverse split of AFN shares
- **Cohen Members – excluding Daniel Cohen:** 4.6 million AFN shares; assuming full conversion of Cohen interests not held by Daniel Cohen
- **Daniel Cohen:** 5.0 million units of New Cohen Brothers LLC; Daniel Cohen not permitted to redeem for three years

Closing

- December 2009 (estimated)

Stockholder Approval

- Approval of the transaction by AFN’s stockholders; requires the affirmative vote of a majority of those voting

Section 2

Rationale for the Transaction



Credit crisis directly impacted AFN:

- Significantly reducing asset values
- Severely restricting ability to raise new capital
- Preventing the financing of new investments with long-term debt

Transformation of AFN's business model was necessary

After considering various options, including status quo, transaction with third party and liquidation, AFN Board concluded that the merger with Cohen was the best alternative for AFN stockholders



AFN requires additional income to cover its expense base and debt service

- AFN has debt of \$76.8 million, annual debt service of \$6.2 million, and annual G&A of approximately \$8.0 million
- AFN has very little cash flow from existing investments, which alone does not provide return to stockholders

The proposed merger with Cohen provides access to an operating business with growing net trading revenues and variable cost structure

- Cohen's net trading (brokerage) revenue is growing rapidly
- Cohen has recurring earnings from existing asset management contracts with controlled expenses
- The transaction will position the combined company to take advantage of unprecedented reshuffling of competitive landscape

Simplification of balance sheet

- Less investment capital intensive
- Fewer restrictions on investments

Combined balance sheet solidifies competitive position and sets combined company apart from most smaller competitors

Cohen has existing platform for asset management contract acquisitions and related recurring revenue



Cohen has developed contacts and capabilities over the past decade with substantial value

- Relationships with small and mid-sized banks (400+) and insurance companies (150+) that are a potential source of advisory and trading revenue
- Trading relationships with over 200 institutional fixed income managers
- Recently hired over 40 fixed income traders and salespeople with years of experience and relationships in the marketplace

Insider interests aligned with stockholders through significant management / employee ownership

AFN internalization of management contract completely aligns interests

Elimination of AFN related party management fee expenses without incurring significant termination fee under existing management agreement with Cohen

Cost savings from combining certain support expenses

Combined company will have primarily a variable compensation cost structure with pay for performance arrangements

Section 3

Overview of Combined Company



- Two main operating businesses – capital markets and asset management
- Cohen was founded in 1999 and is expected to merge with AFN in December 2009
- AFN is currently publicly traded on the NYSE under the symbol “AFN”; upon completion of the merger, the combined company is expected to trade on the NYSE Amex under the symbol “COHN”
- Headquartered in Philadelphia with additional offices in Boston, Chicago, London, Los Angeles, New York, Paris, San Francisco, Washington DC, among other locations
- Approximately 130 employees

| Capital Markets |
|--|
| <ul style="list-style-type: none"> • Registered broker/dealer in all 50 states, Washington DC, and the UK • Institutional sales and trading • New issue and advisory services • Specializing in credit fixed income securities, including corporate bonds and mortgage and asset-backed securities |

| Asset Management |
|--|
| <ul style="list-style-type: none"> • \$16.7 billion in assets under management as of 10/1/09 <ul style="list-style-type: none"> ➤ Five SEC-registered investment advisors and one FSA-regulated investment advisor ➤ \$453 million in investment funds and separately managed accounts ➤ \$16.3 billion in structured investment products |



Key Investment Highlights



- Growing, independent firm specializing in credit-related fixed income investments
- Generating diversified revenue from institutional sales and trading, asset management and principal investing with significant recurring revenue streams from asset management
- Capitalizing on the dislocation of current markets and focusing on serving clients and investors
- Quickly becoming a market leader in the secondary trading of credit-related fixed income investments
- Winning new asset management business (including recent appointment as manager of a certain state retirement system's mortgage portfolio) and marketing new investment funds
- Disciplined business model with low fixed cost structure as a result of a pay for performance, variable compensation system
- Efficient, scalable operations allow quick expansion into new asset classes without significant incremental cost
- Insider interests aligned with stockholders through significant management and employee ownership
- Pursuing strategic opportunities via acquisition of additional talent and revenue / earnings streams

Combined Company is Focused on Increasing Stockholder Value



Diversified, Recurring Revenue Streams



Diverse asset class expertise in institutional sales and trading includes:

- High grade corporate bonds
- High yield corporate bonds and loans
- Mortgage and asset backed securities
- Collateralized bond and loan obligations
- Commercial mortgage backed securities
- Hybrid capital of financial institutions (trust preferred securities)
- Mortgage loans

Senior management fees on structured asset management vehicles provide recurring revenue stream; current monthly run-rate approximates \$1.3 million

Manage \$16.3 billion of structured investment products

Focused on growing \$495 million (including \$42.5 million of capital closed on 11/2/09 in Deep Value Funds) of net asset value of investment funds and separate accounts

Diversified Revenue Base Provides Stability



Compensation Philosophy for Long-Term Success



Compensation structure designed to:

- Attract and retain employees
- Pay for performance
- Provide ownership incentive to align interests with stockholders

Ownership achieved primarily through grants of unvested Restricted Stock Units (RSUs) and continuing ownership of existing Cohen members

- RSUs vest over period of time and, in certain cases, vesting is based on reaching certain performance targets
- Significant employee ownership of combined company

Significant portion of both equity and cash compensation is variable and dependent upon performance

Targeting cash compensation ratio to approximate 60% in any year; however, ratio may rise above 60% during periods of significant hiring



Revenue Diversification

- Revenues diversified by operating business line and asset class
- New issue, secondary trading, asset management, and principal investing capabilities

Deep Experience

- Proven ability to attract new talent, reposition existing talent, and grow company in challenging environment

Strong Financial Position

- Substantial cash
- Minimal debt maturities within the next year
- Management contract rights are valuable off-balance sheet assets

Streamlined Cost Structure

- Low fixed cost structure
- Substantially all fixed cash costs covered by recurring revenue
- 19% non-compensation operating expense ratio in 3Q09 (Cohen, excluding D&A)

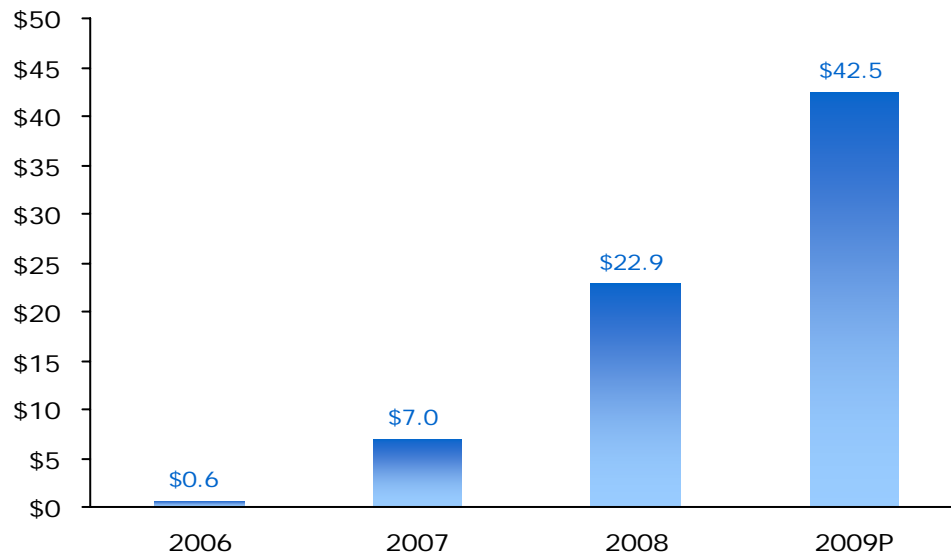
Section 4A

Combined Company's Businesses: **Capital Markets**



- Sales and trading professionals have grown from 6 at the beginning of 2008 to over 50 currently
- Riskless trading (brokerage) revenue has increased from \$3.2 million in 1Q08 to \$11.0 million in 3Q09
- Notional amount of securities traded has grown from \$267 million in 1Q08 to \$4.2 billion in 3Q09
- Active trading clients have increased from 15 in January 2008 to 122 in September 2009

Riskless Trading (Brokerage) Revenue (\$ in millions)





Capitalizing on the opportunities in current markets

- Hiring the best available talent and increasing intellectual capital, including recent senior hires in the USA and Europe
- Recent hires have prior experience at:
 - Barclays
 - Bear Stearns
 - BNP Paribas
 - Credit Suisse
 - Deutsche Bank
 - DLJ
 - Goldman Sachs
 - HSBC
 - Jefferies
 - JP Morgan
 - Lehman Brothers
 - Merrill Lynch
 - Morgan Stanley
 - Piper Jaffray
 - Rabobank
 - UBS
 - Developing new client relationships now possible due to market disruption

Focusing on serving clients and investors

- Broadening product offerings across the fixed income spectrum
- Expanding geographic presence with a new office in Los Angeles and a larger office in London



- Consolidation and cutbacks by competitors are resulting in market share gains for surviving firms
- Credit crisis upset traditional Wall Street relationships, reduced the importance of a large balance sheet, and left talented people and ideas as the primary competitive advantage
- Selectively hiring talented, senior Wall Street professionals, now available due to industry turmoil, in both USA and Europe
- Obtaining additional institutional investor client base
- Increasing revenue per account
- Continuing to add new product lines
- Growing advisory and new issue businesses
- Potential increased revenue if:
 - Capabilities exist now to underwrite new transactions
 - Clients are active in secondary trading
- Credit Default Swaps (“CDS”) move to an exchange or other “open architecture”

Section 4B

Combined Company's Businesses: **Asset Management**



- Attractive economics of the alternative asset management model provide recurring management fees and profit participation through incentive fees
- Our two alternative investment funds, Brigadier (established 2Q06) and Deep Value (established 4Q08), have annualized life-to-date returns of 18.5% and 26.9%, respectively
- Increase market share through:
 - Growing existing investment funds and separately managed accounts by capitalizing on superior performance
 - Creating new investment funds within areas of our expertise
 - Pursuing potential acquisitions and asset management contract roll-up to add to our existing platform
 - We believe a significant percentage of CLO managers have fewer than 5 funds
 - Small number of contracts is difficult to sustain on independent platform

Section 5

Financial Summary



COHEN P&L (\$000s)

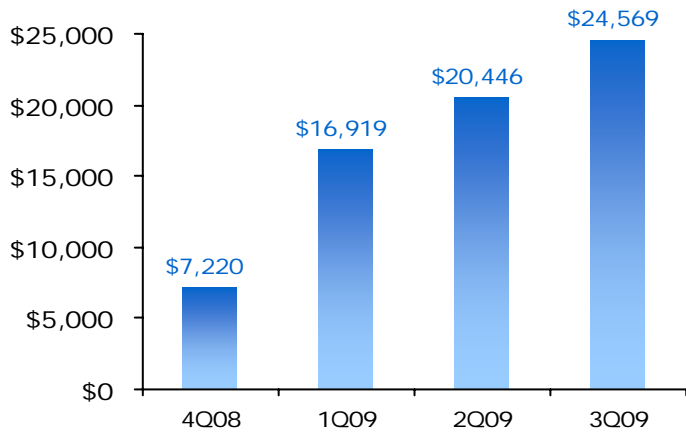
| | 4Q08 | YTD 2009 | | | YTD 2009 |
|--|-------------|------------|------------|----------|----------|
| | | 1Q09 | 2Q09 | 3Q09 | |
| New issue | \$ 18 | \$ 227 | \$ 518 | \$ 480 | \$ 1,226 |
| Asset management | 15,825 | 9,299 | 7,614 | 6,871 | 23,784 |
| Principal transactions & other | (15,855) | (3,924) | 2,620 | 6,311 | 5,008 |
| Net trading | 7,232 | 11,317 | 9,694 | 10,907 | 31,918 |
| Total revenue | 7,220 | 16,919 | 20,446 | 24,569 | 61,935 |
| Compensation and benefits | 13,527 | 13,146 | 12,480 | 14,858 | 40,483 |
| <i>% of Total Revenue</i> | 187% | 78% | 61% | 60% | 65% |
| Retention bonus | - | 4,293 | 4,177 | 3,904 | 12,374 |
| Non-comp operating expenses ⁽¹⁾ | 8,473 | 5,164 | 4,959 | 4,768 | 14,891 |
| Depreciation & amortization | 1,005 | 654 | 635 | 630 | 1,919 |
| Operating income (loss) | (15,785) | (6,337) | (1,805) | 410 | (7,731) |
| <i>% of Total Revenue</i> | -219% | -37% | -9% | 2% | -12% |
| Non-operating expenses | (446) | 1,080 | 1,126 | 817 | 3,023 |
| Net inc attributable to Cohen Bros. | \$ (15,339) | \$ (7,417) | \$ (2,931) | \$ (407) | (10,754) |
| <i>% of Total Revenue</i> | 212% | 44% | 14% | 2% | 17% |

(1) Total operating expenses in accordance with Generally Accepted Accounting Principals (GAAP) excluding compensation & benefits and depreciation & amortization.

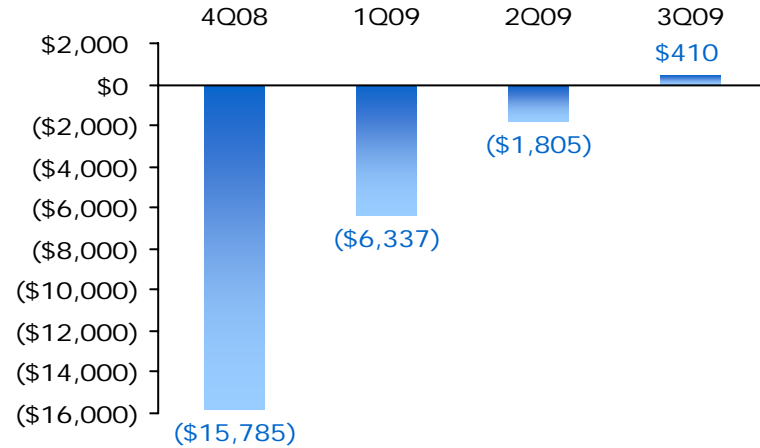
- Riskless trading revenue in September 2009 was \$4.6 million, or \$54.7 million annualized
- Riskless trading revenue is projected to be \$42.5 million in 2009, up 86% from 2008
- Comp as a % of revenue in 2009 is projected to be 65-70% during this period of significant hiring of investment professionals in capital markets
 - Pay for performance
 - Variable compensation structure
- Non-comp expenses as a % of revenue in 3Q09 was 18.5%, excluding merger-related costs and depreciation & amortization
 - Efficient, scalable operations
 - Low fixed-cost structure
- Operating income in 3Q09 was \$0.4 million (including the negative impact of \$4.1 million of merger-related expenses, which include retention bonuses)
- Operating loss in 1Q-3Q09 was negative \$7.7 million (including the negative impact of \$13.6 million of merger-related expenses, which include retention bonuses)



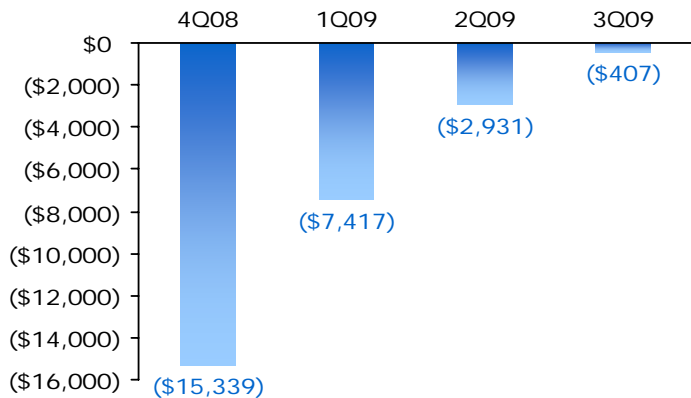
Net Revenue (\$000s)



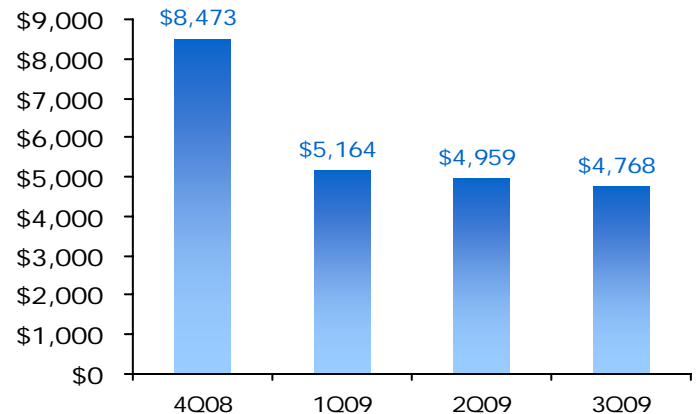
Operating Income (Loss) (\$000s)



Net Income (Loss) (\$000s)



Non-Comp Operating Expenses (\$000s)





Balance Sheet – Cohen



COHEN Balance Sheet (\$000s)

| | Cohen 9/30/09 |
|---------------------------------------|-------------------|
| Cash and cash equivalents | \$ 14,639 |
| Receivables | 3,845 |
| Due from broker | 6,616 |
| Investments - trading | 15,297 |
| Other investments, at fair value | 42,220 |
| Goodwill & other intangible assets | 9,479 |
| Other assets | 14,067 |
| Total Assets | \$ 106,163 |
| | |
| Accounts payable & other | \$ 7,201 |
| Accrued compensation | 10,803 |
| Due to broker | 11,068 |
| Senior debt | 24,950 |
| Sub debt owed to members | 9,229 |
| Deferred income | 4,639 |
| Total Liabilities | 67,890 |
| Equity | 38,273 |
| Total Liabilities & Equity | \$ 106,163 |

- AFN will add approximately:
 - \$86.5 million of cash
 - \$76.8 million of par value recourse indebtedness
- Combined company will have substantial cash
- Combined company will have the following maturities on recourse debt obligations:
 - \$25.0 million matures in 2011
 - \$38.0 million matures in 2012
 - \$20.0 million matures in 2035
 - \$28.1 million matures in 2037
- Management contract rights continue to be valuable off-balance sheet assets
 - Structured Investment Product AUM = \$16.0 billion
 - Investment Fund & Separate Account NAV = \$453 million
 - Permanent Capital Vehicle NAV = \$255 million



| (\$ in millions, except revenue per employee) | Cohen Stand-Alone | BPSG | FBCM | KBW | OPY |
|---|----------------------|--------------|------------|------------|------------|
| Market Capitalization (1) | \$ 74.0 | \$ 798.7 | \$ 410.0 | \$ 831.4 | \$ 361.5 |
| Total Capitalization (2) | \$ 108.2 | \$ 824.3 | \$ 410.0 | \$ 831.4 | \$ 601.6 |
| Tangible Net Worth (3) | \$ 28.8 | \$ 188.5 | \$ 287.1 | \$ 443.0 | \$ 264.2 |
| 3Q09 Annualized Revenue (4) | \$ 98.3 | \$ 389.3 | \$ 285.8 | \$ 490.6 | \$ 1,048.3 |
| 3Q09 Annualized Operating Income (5) (6) | \$ 18.2 | \$ 76.3 | \$ (27.8) | \$ 86.6 | \$ 75.6 |
| Employees | 121 | 318 | 569 | 529 | 3,500 |
| Market Cap / Tangible Net Worth | 2.6 x | 4.2 x | 1.4 x | 1.9 x | 1.4 x |
| Total Capitalization / Tangible Net Worth | 3.8 x | 4.4 x | 1.4 x | 1.9 x | 2.3 x |
| Total Capitalization / 3Q09 Annualized Operating Income | 6.0 x | 10.8 x | -14.7 x | 9.6 x | 8.0 x |
| Annualized Revenue Per Employee | \$ 815,585 | \$ 1,224,201 | \$ 502,656 | \$ 927,327 | \$ 299,505 |

(1) Market Capitalization is calculated based on trading prices as of 11/9/09 and, in the case of Cohen, estimated using AFN market cap divided by 0.385 and multiplied by 0.615, in accordance with merger transaction terms.

(2) Total Capitalization is calculated as Market Capitalization plus 3Q09 GAAP debt plus preferred stock.

(3) Tangible Net Worth is calculated as 3Q09 GAAP equity minus 3Q09 GAAP intangible assets minus 3Q09 GAAP goodwill.

(4) 3Q09 Annualized Revenue is calculated as 3Q09 GAAP revenue multiplied by four.

(5) 3Q09 Annualized Operating Income for peers is calculated as 3Q09 GAAP operating income multiplied by four.

(6) 3Q09 Annualized Operating Income for Cohen is calculated as 3Q09 GAAP operating income plus 3Q09 merger-related expenses including retention bonuses, all multiplied by four.

Sources: All financial information of peers is based on 3Q09 earnings releases or prior SEC filings.

