

23 July 2012

By e-lodgement

The Manager
Company Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir / Madam

**Takeover bid by DuluxGroup (Nominees) Pty Ltd for Alesco Corporation Limited –
Notice of Variation – Increase to consideration and extension of offer period**

We enclose, pursuant to section 650D(1) of the *Corporations Act 2001* (Cth), a notice of variation in relation to the DuluxGroup (Nominees) Pty Ltd (**DuluxGroup Bidco**) off market takeover bid for Alesco Corporation Limited (**Alesco**) which:

- (a) formally increases the consideration being offered; and
- (b) extends the offer period under the takeover bid,

together with a copy of the letter to shareholders accompanying the notice of variation.

Also enclosed is a notice under section 630(2)(b) of the *Corporations Act 2001* (Cth).

Yours faithfully



Simon Black

**Company Secretary
DuluxGroup Limited**

23 July 2012

Dear Alesco shareholder

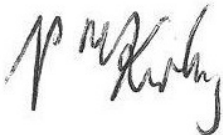
Takeover bid for Alesco Corporation Limited (Alesco) – Increase in offer and extension of offer period

DuluxGroup (Nominees) Pty Ltd (**DuluxGroup**) has increased its Offer to acquire all of your shares in Alesco and extended the closing date so that the offer period will now close at 7 pm (Melbourne time) 28 August 2012 (unless further extended). We attach a copy of a formal variation notice in relation to these matters.

We will send a Supplementary Bidder's Statement to you shortly with further details about our increased offer. Once you receive that document, we suggest you contact your financial, tax or other professional adviser if you are in any doubt about the offer.

In the meantime, full details of how to accept the offer can be found on page 1 of the Bidder's Statement we sent to you in late May 2012. If you have any questions or if you need another acceptance form posted to you, please call the DuluxGroup Offer Information Line on 1300 652 672 (within Australia) or +61 3 9415 4109 (international) between 9.00am and 5.00pm (Melbourne time) on Business Days.

Yours faithfully,



Peter Kirby

**Chairman
DuluxGroup Limited**

DULUXGROUP (NOMINEES) PTY LTD (ACN 156 611 540)

NOTICE OF VARIATION OF TAKEOVER OFFER

INCREASE IN OFFER PRICE & EXTENSION OF OFFER PERIOD

TO: Alesco Corporation Limited (ACN 008 666 064) (**Alesco**)
Australian Securities and Investments Commission (**ASIC**)
ASX Limited (ACN 008 624 691)

Each holder of Alesco shares to whom the Offer has been made

This is a notice given by DuluxGroup (Nominees) Pty Ltd (ACN 156 611 540) (**DuluxGroup Bidco**) in relation to the offers dated 25 May 2012 made under its off-market takeover bid for all of the ordinary shares in Alesco (the **Offers**) pursuant to its replacement bidder's statement (**Bidder's Statement**).

In accordance with section 650D of the *Corporations Act 2001* (Cth), DuluxGroup Bidco gives notice that:

- (a) it varies the Offers by increasing the consideration under the Offers to \$2.05 cash per Alesco Share;
- (b) accordingly, all references in the Bidder's Statement to "\$2.00" when referring to the Offer price or consideration are replaced with references to "\$2.05"; and
- (c) extending the period during which the Offer will remain open so that the Offer Period will now close at 7.00pm (Melbourne time) 28 August 2012 (unless further extended).

The terms of the Offers in section 9.6(c) of the Bidder's Statement provides that: "If you accept this Offer, DuluxGroup Bidco is entitled to all Rights in respect of Your Alesco Shares. DuluxGroup Bidco may require you to provide all documents necessary to vest title to those Rights in DuluxGroup Bidco, or otherwise to give it the benefit or value of those Rights. If you do not give those documents to DuluxGroup Bidco, or if you have received the benefit of those Rights, **DuluxGroup Bidco will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by DuluxGroup Bidco) of those Rights, together with the value (as reasonably assessed by DuluxGroup Bidco) of the franking credits, if any, attached to the Rights.**" [emphasis added]

Accordingly, DuluxGroup Bidco is entitled to deduct from the cash consideration payable under the Offers in respect of an Alesco Share, the amount of any Rights (as defined in the Bidder's Statement), including any dividends and franking credits, which attach to that Alesco Share at or after 1 May 2012 (being the date of the announcement of the Offers) and which is not received by DuluxGroup Bidco. Alesco has announced an intention to declare and pay special and ordinary dividends. DuluxGroup Bidco:

- will exercise its rights under section 9.6(c) of the Offer terms in respect of the cash amount of any dividend or distribution announced, declared or paid by Alesco at or after 1 May 2012 and prior to the close of the Offer. The Offer price will be reduced by any such amounts; and
- will **not** exercise its rights under section 9.6(c) of the Offer terms in respect of the value of franking credits attaching to any dividend announced by Alesco for which the record date is before the close of the Offer up to a maximum of 18 cents per share (and any franking credits above such amount will reduce the Offer price).

The variation (combined with the previous variations of the Offer) postpones for more than 1 month the time when DuluxGroup Bidco has to satisfy its obligations under the bid. Therefore, each person to whom DuluxGroup Bidco has made an Offer and who has accepted the Offer before the date of this notice, has the right to withdraw their acceptance within 1 month beginning on the day after the

day on which a copy of this notice of variation is received in accordance with section 650E of the Corporations Act.

Any notice by a shareholder withdrawing its acceptance of the Offer under section 650E of the Corporations Act must:

- (a) if the shares are in a CHESS Holding, be in the form of a Valid Originating Message transmitted to ASX Settlement by the Controlling Participant for that CHESS Holding, specifying the number of shares to be released from the Offer Accepted Subposition in which the relevant shares have been reserved; or
- (b) in any other case, be in writing to DuluxGroup Bidco care of Computershare Investor Services at:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne
Victoria 3001

If a shareholder withdraws an acceptance in this manner, and is legally entitled to withdraw their acceptance, DuluxGroup Bidco must, before the end of 14 days after the day it is given the withdrawal notice:

- (a) return to the shareholder any documents that were sent by the shareholder to DuluxGroup Bidco with the acceptance of the Offer; and
- (b) if the shares are in a CHESS Holding, Transmit to ASX Settlement a Valid Message that authorises the release of those shares from the Offer Accepted Subposition in which the CHESS Holding has been reserved.

Words defined in the ASX Settlement Operating Rules have the same meaning in this notice, unless the context requires otherwise.

The increased Offer will apply to all Alesco shareholders who accept DuluxGroup Bidco's Offer, including those Alesco shareholders who have already accepted the Offer.

A copy of this notice was lodged with ASIC on 23 July 2012. Neither ASIC nor any of its officers takes any responsibility for the contents of this notice.

This notice has been approved by a unanimous resolution of the directors of DuluxGroup Bidco.

Signed for and on behalf of by DuluxGroup (Nominees) Pty Ltd.



Mr Patrick Houlihan
Director

Dated: 23 July 2012

DULUXGROUP (NOMINEES) PTY LTD (ACN 156 611 540)

NOTICE PURSUANT TO SECTION 630 OF THE CORPORATIONS ACT 2001 (CTH)

EXTENSION OF OFFER PERIOD

This is a notice given by DuluxGroup (Nominees) Pty Ltd (ACN 156 611 540) (**DuluxGroup Bidco**) in relation to the offers dated 25 May 2012 made under its off-market takeover bid for all of the ordinary shares in Alesco Corporation Limited (**Offer**) pursuant to its replacement bidder's statement (**Bidder's Statement**).

DuluxGroup Bidco hereby gives notice pursuant to section 630(2)(b) of the *Corporations Act 2001 (Cth)* that:

- 1 the new date for giving the notice of the status of the conditions set out in section 9.7 of the Bidder's Statement (**Conditions**) is 21 August 2012;
- 2 as stated in the notice waiving conditions dated 13 July 2012, the Conditions in each of paragraphs 9.7 (d), (e), (i), (k), (m), (o), and (p) of the Bidder's Statement have been waived and accordingly the Offer is now free of those Conditions;
- 3 so far as DuluxGroup Bidco is aware, none of the other Conditions have been fulfilled or waived and accordingly the Offer remains subject to those conditions; and
- 4 based on information contained in the target's statement by Alesco Corporation Limited on 12 June 2012, the conditions in each of paragraphs 9.7(h)(4) (No prescribed occurrence – no issue of shares or agreements to issue); 9.7(h)(14) (No prescribed occurrence – no additional employee benefits) and 9.7(j)(4) (Liabilities Confirmation - NZ Tax Litigation) appear to have been breached. DuluxGroup Bidco is further considering its position in relation to these Conditions and intends to assess waiving further Conditions to its Offer following its review of Alesco's full year results which are scheduled to be released on 24 July 2012.

Signed for and on behalf of by DuluxGroup (Nominees) Pty Ltd.



Mr Patrick Houlihan
Director

Dated: 23 July 2012