

ANNOUNCEMENT

ALESCO ACQUIRES ROBINSON FOR NZ\$31 MILLION

Alesco Corporation Limited is pleased to announce it has entered into an agreement to acquire the assets of Robinson Industries Limited ("Robinson") for NZ\$31 million from AMP Henderson.

Robinson is a market leading manufacturer and distributor of kitchen rangehoods, laundry tubs and ironing centres in New Zealand and Australia. The business enjoys particularly strong market share in the New Zealand market, a strong and growing presence in the Australian market and a growing export business to North America. Robinson's core business is the manufacture and marketing of kitchen rangehoods under their well known "Robinhood" brand. The Company is also enjoying rapid growth in laundry tubs with their "Supertub" brand and in ironing centres with their "Easyiron" brand.

For the year ended 31 March 2003, Robinson will have revenue of NZ\$39m, and the purchase price, which includes an earn-out based on results to 31 May 2004, will represent an acquisition multiple of approximately 5.5 times maintainable EBITA. The acquisition will have minimal impact on earnings per share for the May 2003 year, but based on the 2004 forecast and the debt funding of the acquisition, the acquisition will be strongly earnings per share accretive in the year to 31 May 2004. Gearing (debt/equity) will stand at approximately 60% immediately post the acquisition, which is scheduled to complete on 30 April 2003.

Robinson will be run by the current management team as an independent business unit within the Branded Building Products division. Parbury is an existing distributor of the Robinhood rangehood product and there are expected to be a number of synergies realised over time, particularly in respect to marketing and distribution in Australia. In addition to these direct synergies, the key benefits of the acquisition are:

- Strongly performing business which is well managed and currently enjoys very good returns
- Leading player in its market niches in Australia and New Zealand
- Well positioned to take advantage of growth prospects in domestic and export markets
- An attractive acquisition price for a quality asset.

Following the announcement of the record results in July 2002, Alesco flagged its intention to grow by acquisition in areas consistent with its stated strategy. Since that time the Company has raised \$42 million in new equity and made two acquisitions, Biolab for NZ\$46 million (effective 3 March 2003) and now Robinson for NZ\$31m. These events will strongly enhance earnings per share in the 2004 year and leave the group comfortably geared going forward.

The current business units of Alesco including the newly acquired Biolab, are continuing to trade well and the Company is expecting double digit earnings per share (before goodwill amortisation and significant items) growth for the full year to 31 May 2003.

For further information please contact Kevin Clarke on 02 9495 8588.