

ASX Release – Alesco Corporation Limited (ASX:ALS)

PARCHEM ACQUIRES CORKJOINT BUSINESSES

Date: 13 September 2006

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Alesco Corporation Limited (ASX: ALS) today announced that its Construction & Mining Division has expanded its concrete products business with the acquisition of the Corkjoint Australia and Corkjoint Victoria businesses for \$8.2million.

Corkjoint markets and distributes an extensive range of concrete expansion jointing systems and materials to the civil engineering, commercial and industrial construction markets in Australia.

“This business sits extremely well with our existing Parchem business which manufactures and distributes concrete repair systems, waterproofing, coatings and other compounds including grouts and anchors and will strengthen our position as a leading provider of concrete accessory products,” Alesco CEO Mr Justin Ryan said.

Corkjoint markets its own range of Corkjoint-branded products including “Sure-Stop” (a PVC waterstop), “Jointflex” (a flexible joint filler) and “Dowelform” (sleeves for reinforcing bar) as well as a number of leading international brands including Hydrotite, Leakmaster and Earth Shield.

Until now Corkjoint has operated as two separate businesses - one focused on the Victorian, Tasmanian and South Australian markets and the other supplying the balance of Australia. As part of the acquisition, these two businesses will be consolidated into Alesco’s existing Parchem business.

Combined with Flextool and Concrete Technologies, Alesco’s concrete related products businesses will have annual sales in excess of \$100million.

The purchase price represents a FY2007 EBITA multiple of approximately 5.2 times. Settlement is expected to occur on 27 October 2006 after a number of conditions precedent have been satisfied.



This acquisition, which is expected to be immediately earnings per share accretive, will be funded through existing debt facilities.

For further information please visit www.corkjoint.com.au or www.corkjointaust.com.

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Alesco manages a portfolio of leading industrial brands