



ASX Release – Alesco Corporation Limited (ASX:ALS)

Alesco completes Placement and Institutional Entitlement Offer

Date: 26 July 2007

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Highlights

- \$138.4 million raised via an Institutional Entitlement Offer and Placement of 10.8 million shares
- Issue price at the top of the bookbuild range at \$12.80 per share
- Institutional Offer and Placement strongly oversubscribed
- Alesco will raise approximately \$60.3 million via the underwritten Retail Entitlement Offer
- Approximately 3.1 million Alesco shares to be issued to management vendors as part consideration at completion of the acquisition

On Tuesday, 24 July 2007 Alesco Corporation Limited (ASX:ALS) announced that it had entered into an agreement to acquire the Total Eden McCracken's water management business from AMP Capital Investors Limited and a number of other vendors, including management, for consideration of approximately \$250million¹.

At the same time it announced that the acquisition would be substantially funded through a capital raising of approximately \$187 million (net of costs), with the balance of the purchase price funded through debt facilities and the issue of Alesco shares to management vendors as part consideration.

Institutional Entitlement Offer and Placement

Alesco is pleased to announce that it has successfully completed the Institutional Entitlement Offer and Institutional Placement at the issue price of \$12.80 for each new share. As a result of this bookbuild process, the issue price for the Retail Entitlement Offer will be \$12.80.

"We are delighted by the positive response from our existing and new institutional shareholders to the capital raising and the acquisition of Total Eden McCracken's", Alesco CEO Justin Ryan said.

"This price is at the top-end of the indicative price range set out in the Prospectus of \$12.10 to \$12.80 and reflects strong institutional demand for the new shares", Mr Ryan said.

¹ The purchase price is before acquisition costs. The final purchase price is subject to a post completion adjustment based on Total Eden McCracken's audited pro-forma normalised EBIT for the year ended 30 June 2007. The purchase price will be adjusted by the amount equal to approximately 8.3 times the difference between the estimated EBIT and the actual final audited combined pro-forma normalised EBIT for Total Eden McCracken's for the year ended 30 June 2007. The Acquisition is unconditional and is expected to complete on 1 August 2007.

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“We believe that this acquisition supports our strategy of acquiring and building a portfolio of businesses with leading industrial brands that operate in niche markets and will add further diversity to Alesco’s existing portfolio of businesses,” he said.

In total, approximately 10.8 million shares will be issued through the Institutional Placement and Institutional Entitlement Offer to raise approximately \$138.4 million. The shares will be issued at \$12.80 representing a 4.8% discount to the closing price on Monday 23 July 2007 (adjusted for the FY07 final dividend of 36 cents). This was the last day the shares traded before the announcement of the acquisition and capital raising.

The shares issued under the Institutional Entitlement Offer and Institutional Placement are expected to commence trading on 1 August 2007. Shares issued under the Retail Entitlement Offer are expected to commence trading on a deferred settlement basis on Tuesday 28 August 2007 and on a normal basis from Thursday 30 August 2007. Shares issued under the Offer will not be entitled to Alesco’s FY07 final dividend of 36 cents to be paid on 3 September 2007.

A prospectus relating to the capital raising has been lodged with ASIC and ASX and will be dispatched to shareholders on or about 31 July 2007. Any eligible shareholder who wishes to acquire shares will need to complete the application form that will be in or will accompany the prospectus. The vendors offers will be made pursuant to a separate prospectus.

The Offer is fully underwritten by Goldman Sachs JBWere and JPMorgan Australia Pty Limited.

SUMMARY OF THE OFFER

Price	\$12.80 per New Share
Eligible Shareholder Entitlement	1 New Share for every 9 Shares held at the Record Date
Total number of existing Shares on issue ¹	71,188,432
Total number of New Shares to be issued under the Institutional Entitlement Offer	3.2 million
Total number of New Shares to be issued under the Retail Entitlement Offer	4.7 million
Total number of New Shares issued under the Institutional Placement	7.6 million
Approximate amount to be raised by the Offer (net of offer costs)	\$193.5 million
Approximate total number of New Shares to be issued under the Vendor Offer ²	3.1 million
Approximate total number of Shares expected to be on issue following completion of the Offer and the Vendor Offer	89.7 million

1. As at the date of the Prospectus

2. To be finalised upon completion of the Acquisition which is expected to occur on or about 1 August 2007 and upon completion of the adjustment of the purchase price which is expected to occur in September 2007.

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FY07 Financial Results

On Tuesday 24 July 2007 Alesco also announced its sixth consecutive year of record earnings with a net profit after tax (before amortisation of intangibles and significant items) of \$52.8 million up 13.5% on prior year and earnings per share (before amortisation and significant items) of 74.6 cents per share (cps) up 12.2%. Alesco also announced a final dividend of 36cps (fully franked) up from 31cps for the previous year. This brings the total dividend for the year to 63.5cps (fully franked) up 13.4% (2006: 56cps).

Separate announcements on the Acquisition and Alesco's FY07 financial results including further details and commentary on the performance of the group were lodged with ASX on Tuesday 24 July 2007 and are available from the company's website at www.alesco.com.au.

FOR FURTHER INFORMATION:

Mr. Justin Ryan
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Mr. Neil Thompson
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Alesco manages a portfolio of leading industrial brands

Alesco has four divisions: Building Products, Construction & Mining, Garage Doors & Openers and Scientific & Medical.

About Total Eden McCracken's

Total Eden McCracken's is a leading provider of water management products and services to Australia's agricultural, domestic, commercial, industrial and mining industries. Its products include irrigation systems, bore water systems, water tank systems, grey water and wastewater systems. It has approximately 540 employees and operates a distribution and trade network across regional and metropolitan Australia, with particular exposure in Queensland and Western Australia.

Total Eden McCracken's distributes a diverse portfolio of well recognised industrial brands, including Grundfos, Davey and Onga pumps, Iplex and Vinidex pipes, Nelson and Reinke centre pivots, Trialco travelling irrigation systems and Bushman, Nylex and EGR Plastics rainwater tanks.

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