



DuluxGroup Limited
ABN 42 133 404 065

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Clayton Victoria 3168 Australia
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17 August 2012

By e-lodgement

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

Dear Sir / Madam,

Takeover for Alesco Corporation Limited – Third Supplementary Bidder's Statement

In accordance with section 647 of the Corporations Act, please find attached a copy of the third supplementary bidder's statement dated 17 August 2012 ("Third Supplementary Bidder's Statement").

The Third Supplementary Bidder's Statement relates to and supplements the replacement bidder's statement dated 21 May 2012 in relation to the off-market takeover bid for all the shares in Alesco Corporation Limited by DuluxGroup (Nominees) Pty Ltd.

Yours faithfully,

A handwritten signature in dark ink, appearing to read 'S. Black', is written over a light grey circular watermark that contains the word 'DULUX'.

Simon Black

**Company Secretary
DuluxGroup Limited**



DuluxGroup Limited
ABN 42 133 404 065

This is an important document and requires your immediate attention. If you are in any doubt about how to deal with this document, you should contact your legal, financial, tax or other professional adviser immediately.

Third Supplementary Bidder's Statement

ACCEPT

**DuluxGroup's best and final \$2.05 cash Offer*
to acquire all of your shares in
Alesco Corporation Limited**

*Alesco Shareholders who accept the Offer will receive for each Alesco Share:

- \$1.90 in cash from DuluxGroup; and
- \$0.15 fully franked dividends provided you are an Alesco shareholder on the dividend record date of 17 August (for full details please see 'Terms of the Offer' on page 7 of this document).

DuluxGroup declared its offer as best and final subject to no competing proposal emerging.

Offer made by DuluxGroup (Nominees) Pty Ltd, a wholly-owned subsidiary of DuluxGroup Limited

This document is a supplementary bidder's statement under section 643 of the *Corporations Act 2001* (Cth). It is the third supplementary bidder's statement (**Third Supplementary Bidder's Statement**) issued by DuluxGroup (Nominees) Pty Ltd ACN 156 611 540 (**DuluxGroup Bidco**), to the Bidder's Statement dated 10 May 2012 lodged with ASIC and ASX on 10 May 2012 (**Bidder's Statement**) in relation to its off-market takeover bid for all of the ordinary shares in Alesco Corporation Limited ACN 008 666 064 (**Alesco**) it does not already own.

This Third Supplementary Bidder's Statement supplements, and should be read together with, the replacement bidder's statement dated 21 May 2012 (**Replacement Bidder's Statement**) which replaced the Bidder's Statement, and the second supplementary bidder's statement dated 25 June 2012 (**Second Supplementary Bidder's Statement**). This document will prevail in the event of any inconsistency with the Bidder's Statement, the Replacement Bidder's Statement and the Second Supplementary Bidder's Statement. Unless the context requires otherwise, terms defined in the Bidder's Statement have the same meaning where used in this document.

A copy of this document was lodged with ASIC on and is dated 17 August 2012. Neither ASIC nor any of its officers takes any responsibility for the contents of this document.

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Letter from the Chairman

Dear Alesco shareholder

DuluxGroup has increased its offer for your Alesco shares

As you may know, on 23 July 2012 we increased our offer for your Alesco shares to **\$2.05 cash per share**.

This represents a substantial 46% cash premium to Alesco's pre-offer share price of \$1.40, which is well above typical Australian takeover premiums of 30-35% as stated by the Alesco board's Independent Expert.

If you are a shareholder on the dividend record date of 17 August and you accept our offer then, following the payment of 15 cents of fully franked dividends by Alesco on 7 September 2012, you would receive \$1.90 cash from DuluxGroup (assuming all the conditions to our offer are satisfied or waived). In this respect, you would receive \$2.05 cash in total and shareholders may also benefit from the 6 cents of franking credits attached to the fully franked dividends¹.

In addition to announcing an increase in its cash offer on 23 July 2012, DuluxGroup announced that, while it would deduct the amount of any dividends declared by Alesco, it had waived its right to deduct up to 18 cents of franking credits. For 18 cents of franking credits to be available, total cash dividends of 42 cents per share would need to be declared and paid. The Alesco board has only declared dividends of 15 cents per share at this time. Further dividends will only be paid if the Alesco board decides to do so.

If you acquired Alesco shares on or after the ex-dividend date of 13 August 2012 and accept the offer, you will be paid \$1.90 in respect of those shares (assuming the conditions to the offer are satisfied or waived).

It is now up to you

You have an important decision to make.

Our increased offer of \$2.05 cash per share is our best and final cash price. In the absence of a competing offer, we cannot increase it any further.

If you wish to accept our offer, please do so as soon as possible. If you do nothing, the offer may fail and you will continue to hold your Alesco shares. In this case, it is very likely that the value of your Alesco shares will fall significantly.

Yours sincerely



Peter Kirby
Chairman
DuluxGroup Limited

¹ You should note that the ability to use the franking credits and the exact post tax value achieved by you will depend on your individual tax circumstances. We suggest that you read the Tax Considerations section of this document and consult your tax or financial adviser.

Our best and final² cash offer explained

1. Our original offer

DuluxGroup's original offer to you was to purchase all of your Alesco Shares at a price of **\$2.00 cash per share**. This represented a **43% premium** to Alesco's pre-bid share price of \$1.40.

Our offer was made on the basis that DuluxGroup has the right to all Alesco dividends and franking credits declared after our offer was announced on 1 May 2012.³

2. Our increased offer

DuluxGroup has now increased its cash offer to you to **\$2.05 cash per share**.

The Alesco board announced 15 cents of dividends **after** our offer. This means that if you accept our \$2.05 per share cash offer, you will be paid in two parts - \$1.90 cash from DuluxGroup plus 15 cents of fully franked cash dividends from Alesco.

You may also benefit from \$0.06 per share of franking credits attached to these dividends. You should note that the ability to use the franking credits and the exact post tax value achieved by you will depend on your individual tax circumstances. We suggest that you read the Tax Considerations section of this document and consult your tax or financial adviser.

If you acquired Alesco shares on or after the ex-dividend date of 13 August 2012 and accept the offer, you will be paid \$1.90 in respect of those shares (assuming the conditions to the offer are satisfied or waived).

Our increased cash price of \$2.05 represents a **46% premium** to Alesco's pre-bid share price of \$1.40, which is well **above typical Australian takeover premiums of 30-35%** as stated by the Alesco board's own Independent Expert.

If you do not accept our offer and remain a shareholder of Alesco on the record date for the dividends of 17 August 2012, you will still receive the 15 cents of dividends but you would NOT receive \$1.90 from DuluxGroup.⁴

3. Possibility of further dividends

The Alesco board has recently declared fully franked dividends of \$0.15 per share and has stated that it considers that it would be imprudent to declare additional dividends at this time. We believe that, in the context of our offer, **further dividends** could be provided, particularly in a circumstance where DuluxGroup was certain to acquire 100% of Alesco. We would be pleased to work with the Alesco board to achieve this outcome. However, **this is ultimately a decision for the Alesco board and so further dividends may not be declared**.

If the Alesco board wishes to declare additional fully franked dividends we will write to you to explain exactly what it means in the context of our offer.

² Subject to no competing proposal emerging.

³ The ability to use the franking credits and the exact post tax value achieved by you will depend on your individual tax circumstances. Shareholders should read the Tax Considerations section of this document and consult your tax or financial adviser.

⁴ Unless your Alesco Shares become the subject of compulsory acquisition.

Consider DuluxGroup's cash offer

DuluxGroup has **increased its Offer to you**. It is now **\$2.05 cash per Alesco share** which will be paid to you as \$1.90 cash from DuluxGroup and \$0.15 of fully franked cash dividends from Alesco.⁵ You may also benefit from up to \$0.06 per share of franking credits attached to the dividends. The ability to use the franking credits and the exact post tax value achieved by you will depend on your individual tax circumstances. We suggest that you read the Tax Considerations section of this document and consult your tax or financial adviser.

If you acquired Alesco shares on or after the ex-dividend date of 13 August 2012 and accept the offer, you will be paid \$1.90 in respect of those shares (assuming the conditions to the offer are satisfied or waived).

The total cash Offer of \$2.05 is a **46% premium** to Alesco's pre-bid share price of \$1.40. This is well above **typical Australian takeover premiums of 30-35%** as stated by the Alesco board's own Independent Expert.

If you think that you may not benefit from the franking credits, you may consider selling your shares on-market. As at the close of trading on 16 August 2012, being the date prior to printing of this document, ALS shares closed at \$1.99.

Why should you accept now?

- Our **cash Offer** provides you with **certainty** in risky and volatile times, and a **significant premium** to Alesco's pre-bid share price
- Your alternative is to see the Offer lapse, in which case:
 - the Alesco **share price is likely to fall significantly**
 - your investment will remain in a **company that has continually under-performed and under-delivered**
 - your investment will continue to be **exposed to significant future risks and uncertainties**
- You now have the information you need to make a decision that is in your own financial interests
- If you are inclined to accept, **you need to act**. If you wait, the Offer may lapse

DuluxGroup's Offer closes on 28 August 2012 (unless extended)

To accept the Offer, please complete and sign an Acceptance Form, and return it to the address set out on the reply paid envelope provided, before the Offer closes

⁵ Assuming all conditions to the offer are satisfied or waived and you are an Alesco Shareholder on the record date for the payment of the dividends.

How to accept the Offer

If you accept the Offer, you may only do so in respect of 100% (and not a lesser proportion) of Your Alesco Shares.

Issuer sponsored shareholders (your SRN starts with an "I")

If Your Alesco Shares are held on Alesco's issuer sponsored subregister you may accept the Offer by:

- completing and signing an Acceptance Form; and
- returning the Acceptance Form, along with any other documents required to be returned with your Acceptance Form, to the address set out on the form before the Offer closes.

CHESS shareholders (your HIN starts with an "X")

If Your Alesco Shares are in a CHESS Holding you may accept the Offer by either:

- completing and signing an Acceptance Form and returning it to the address set out on the form, so that it is received in sufficient time for your Controlling Participant to effect acceptance before the Offer closes; or
- contacting your broker and instructing your Controlling Participant (normally your broker) to accept the Offer on your behalf, before the Offer closes.

Participants

If you are a Participant, acceptance of this Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.

Postal and delivery addresses for completed Acceptance Forms

By post:

Computershare Investor Services Pty Limited
GPO Box 52
MELBOURNE VIC 3001

By hand:

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
ABBOTSFORD VIC 3067

For more information on how to accept the Offer

Full details on how to accept the Offer are set out in section 9.3 of the Bidder's Statement.

If you have any further questions on how to accept the Offer, 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. Please note that calls to the above numbers will be recorded.

DuluxGroup's Offer closes on 28 August 2012 (unless extended)

Additional Information

Terms of the Offer

Under the terms of the Offer as set out in section 9.6(c) of the Bidder's Statement, DuluxGroup Bidco has the right to all dividends, franking credits and other Rights (as defined in the Bidder's Statement) attaching to Alesco shares at or after 1 May 2012 being the date of announcement of the Offer. To the extent an accepting Alesco shareholder receives the benefit or value of such rights, DuluxGroup Bidco is entitled to deduct the amount of such rights from the consideration payable to you under the Offer.

The Offer was also conditional on, among other things, Alesco not making, determining as payable or declaring any dividend or other distribution.

In addition to announcing an increase in its cash offer on 23 July 2012, DuluxGroup Bidco announced that, while it would deduct the amount of any dividends declared by Alesco, it had waived its right to deduct up to 18 cents of franking credits. For 18 cents of franking credits to be available, total cash dividends of 42 cents per share would need to be declared and paid. The Alesco board has only declared dividends of 15 cents per share at this time. Further dividends will only be paid if the Alesco board decides to do so.

After DuluxGroup made its announcement on 23 July 2012, Alesco announced an intention to pay \$0.15 of dividends (to which \$0.06 of franking credits would be attached). This was confirmed by Alesco on 24 July 2012 in its FY12 results announcement.

At the date of this document, the decision of the Alesco board to pay \$0.15 of dividends means that if the conditions to the offer are satisfied or waived, and assuming you are an Alesco Shareholder on the record date of 17 August 2012 for the payment of the dividends, you will receive \$2.05 in 2 parts:

- 1 \$1.90 cash from DuluxGroup Bidco; and
- 2 \$0.15 of cash dividends from Alesco.

DuluxGroup Bidco has also confirmed (see the conditions section below) that it will not be relying on the dividends condition to lapse its Offer in respect of the \$0.15 of cash dividends.

In this respect, you will still receive our increased offer of \$2.05 if you accept and our bid is successful. This revised structure may also enable you to benefit from the \$0.06 per share of franking credits attached to the dividend. You should note that the ability to use the franking credits and the exact post tax value achieved by you will depend on your individual tax circumstances. We suggest that you read the Tax Considerations section of this document and consult your tax or financial adviser.

If you do not accept our offer and remain a shareholder of Alesco on the record date for the dividends of 17 August 2012, you would still receive the dividend of 15 cents per share but you would NOT receive \$1.90 from DuluxGroup (unless your Alesco Shares become the subject of compulsory acquisition).

If you acquire Alesco shares after the ex-dividend date and accept the offer, you will be paid \$1.90 (assuming the conditions to the offer are satisfied or waived).

The Alesco board has stated that it considers it is not prudent to pay further dividends at this time. However, we believe that additional fully franked dividends could be provided in the context of our offer, particularly in a circumstance where DuluxGroup was certain to acquire 100% of Alesco, and we would be pleased to work with the Alesco board to achieve this outcome. However, this is ultimately a decision for the Alesco board and so may not be delivered to you.

If the Alesco board wishes to declare additional fully franked dividends we will write to you to explain exactly what it means in the context of our offer.

Conditions

- (a) As stated in the notice waiving condition dated 13 July 2012, the conditions in each of paragraphs 9.7(d),(e),(i),(k),(m),(o) and (p) of the Replacement Bidder's Statement have been waived. Accordingly the Offer is now free of each of these Conditions.
- (b) Based on information contained in Alesco's Target's Statement dated 12 June 2012, the conditions in the following paragraphs of the Replacement Bidder's Statement appear to have been breached:
 - 9.7(h)(4) (No prescribed occurrence – no issue of shares or agreements to issue), by the issue of the performance rights on 2 May 2012;
 - 9.7(h)(14) (No prescribed occurrence – no additional employee benefits), by the amendment of the terms of employment for certain Alesco executives; and
 - 9.7(j)(14) (Liabilities Confirmation – NZ Tax Litigation) – the extent of the potential exposure is unclear, as section 7.5(c) of the target's statement provides that "Alesco cannot provide any assurance that the amounts ultimately payable to the Commissioner in relation to the OCN litigation ... will not exceed NZ\$8.6 million".

DuluxGroup Bidco confirms that it will not rely on the aforementioned issue of performance rights and the amendment of employment terms to the extent set out in Alesco's Target's Statement to trigger the prescribed occurrence condition and waives any breach of such condition caused by such matters as set out in the Alesco Target's Statement.

DuluxGroup Bidco also confirms that it will not rely on the Liabilities Confirmation to the extent it is breached by the amount of the liabilities concerning the NZ Tax Litigation disclosed in the target's statement.

The condition in paragraph 9.7(g) relating to no dividends and distributions has been breached by Alesco's determination to pay and announce a special dividend of 10 cents per share and an ordinary dividend of 5 cents per share. DuluxGroup Bidco waives the breach of this condition caused by the declaration of these dividends. Furthermore DuluxGroup Bidco will not rely on this condition in the event Alesco declares further dividends not exceeding 27 cents in aggregate per Alesco share.

For the avoidance of doubt, DuluxGroup Bidco has not generally waived the no prescribed occurrence, Liabilities Confirmation and no dividends and distributions conditions and may rely on those conditions if it becomes aware of any new information which breaches those conditions.

Withdrawal Rights

The variation of the Offer by DuluxGroup Bidco on 23 July 2012 (combined with the previous variations of the Offer) postponed 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 23 July 2012, has the right to withdraw their acceptance within 1 month beginning on the day after the day on which a copy of the notice of variation is received by that person 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 section of the document entitled "Withdrawal Rights", unless the context requires otherwise.

Tax considerations

1.1 Introduction

The following summary (**Summary**) is an addendum to section 7 of the Bidder's Statement (Tax considerations) (**the Tax Section**).

This Summary addresses the Australian income tax consequences for Alesco Shareholders who hold their shares on capital account for income tax purposes. The Summary does not apply to Alesco Shareholders who:

- (a) are non-residents of Australia for income tax purposes and currently hold, or have held, at any time, Alesco Shares through a permanent establishment in Australia;
- (b) are in the business of trading, dealing in securities or otherwise hold their Alesco Shares on revenue account;
- (c) acquired their Alesco Shares as the result of an employee share plan or employee share option plan;
- (d) are a bank, insurance company, tax exempt organisation or dealer in securities; or
- (e) are subject to the taxation of financial arrangement provisions under Division 230 of the Income Tax Assessment Act 1997.

Except as supplemented by the Summary, the comments set out in the Tax Section continue to apply in relation to the Offer. The Summary should be read in conjunction with the Tax Section.

The information contained in this Summary is not intended to be, and should not be relied upon as, personal taxation or financial advice. Alesco Shareholders should seek independent taxation advice in relation to the consequences of receiving the Special and Final Dividend under the Offer.

The Summary is based on the Australian income tax law and practice in effect as at 31 July 2012. The Summary does not take into account proposed or anticipated changes to tax law and does not take into account the tax laws of countries other than Australia.

1.2 Receipt of Alesco Special and Final Dividend

Assessability of Special and Final Dividend

An Australian resident Alesco Shareholder should include the Special Dividend of \$0.10 and Final Dividend of \$0.05 in their assessable income in the income year in which they receive the Special and Final Dividend.

The Special and Final Dividend will each be a fully-franked dividend. The amount included in the assessable income of an Alesco Shareholder who is a "qualified person" (see further (b) below), should be the cash amount of the Special and Final Dividend, 'grossed up' by the franking credits attached to each dividend which in aggregate will be approximately \$0.06 per share.

Alesco Shareholders resident in Australia are entitled to offset their tax liability by the amount of franking credits attached to the Special and Final Dividend, provided they are a 'qualified person' in relation to the Special and Final Dividend (see further (b) below) and that certain integrity measures in the relevant legislation have not been contravened.

Alesco Shareholders should note that the ability to offset their tax liability by the amount of the franking credits attached to the Special and Final Dividend and the exact post tax value of the franking credits will depend on their individual income tax circumstances including the tax rate applicable (for individuals from nil to 46.5% including Medicare levy, for corporate entities at 30% and for superannuation funds at 15%).

A non resident Alesco shareholder who does not hold their shares through a permanent establishment in Australia will not be subject to Australian income tax or withholding tax on the Special Dividend and Final Dividend and therefore will not be entitled to an additional Australian franking credit benefit.

Holding period requirement and franking tax offset

Alesco announced that it will pay the Special Dividend and Final Dividend to shareholders holding Alesco Shares on 17 August 2012 (the record date). This is the last day by which a person must be on the register of Alesco Shareholders to be entitled to receive the Special and Final Dividend.

As such, an Alesco Shareholder will be a 'qualified person' and entitled to offset their tax liability by the amount of franking credits, if they hold their Alesco Shares 'at risk' for at least 45 clear continuous days in the period from 4 July 2012 to 2 October 2012 (being the period commencing 45 days before and ending 45 days after the day after the record date).

To hold their Alesco Shares 'at risk', an Alesco Shareholder must not have materially diminished risk of loss or opportunity for gain on their Alesco Shares. Whether an Alesco Shareholder holds their Alesco Shares 'at risk' will depend on any arrangements they may have entered into in regard to their Alesco Shares such as any hedging strategy.

Whether an Alesco Shareholder holds their Alesco Shares at risk will also depend on when they accept the Offer to dispose of their Alesco Shares. In broad terms:

- an Alesco Shareholder who has already accepted the Offer or who accepts the Offer before it is declared unconditional should continue to hold their Alesco Shares at risk until the day before the date DuluxGroup declares the offer unconditional;
- an Alesco Shareholder who has not yet accepted the Offer, but accepts after the Offer has been declared unconditional, should be considered to hold their Alesco Shares at risk until the day before they accept the Offer;
- an Alesco Shareholder who has not yet accepted the Offer and does not accept the Offer will continue to hold their Alesco Shares at risk (assuming no compulsory acquisition); and
- an Alesco Shareholder who never accepts the Offer but has their Alesco Shares compulsorily acquired should continue to hold their Alesco Shares at risk until the day before the date by which DuluxGroup completes the compulsory acquisition procedures under the Corporations Act.

DuluxGroup announced on 23 July 2012 that it would not declare its Offer unconditional until after the record date of 17 August 2012. This will allow Alesco Shareholders who have accepted the Offer, or do accept the Offer before it is unconditional, sufficient time to satisfy the "at risk" requirement provided they acquired their Alesco Shares on or before 4 July 2012.

Those Alesco Shareholders who have provided acceptance instructions under the Institutional Acceptance Facility prior to the Offer being declared unconditional, can also satisfy the "at risk" requirement provided they acquired their Alesco Shares on or before 4 July 2012.

These comments are consistent with views expressed by the Commissioner of Taxation in class rulings which concern recent public company takeovers.

Refundable franking tax offset

Where the franking tax offset is higher than their tax liability for an income year, an Alesco Shareholder who is an individual or complying superannuation fund may be entitled to a refund of the excess franking tax offset received.

1.3 Taxation on the disposal of Alesco shares

Acceptance of the Offer will involve the disposal by Alesco Shareholders of their Alesco Shares. The disposal of Alesco Shares will constitute a 'CGT event' for CGT purposes.

An Alesco Shareholder will:

- make a capital gain if the capital proceeds from the disposal are greater than the cost base of their Alesco Shares; or
- make a capital loss if the capital proceeds from the disposal are less than the reduced cost base of their Alesco Shares.

Capital gains and capital losses of a taxpayer in a year of income are aggregated to determine whether there is a net capital gain. The net capital gain, after applying any carried forward capital losses, is included in the taxpayer's assessable income. The 'CGT discount' may be available to reduce the taxable gain for certain Alesco Shareholders.

Where a taxpayer generates a capital loss, those capital losses may only be offset against capital gains realised in the same income year or be carried forward to be offset against future capital gains.

This treatment is covered in more detail in section 7 of the Bidder's Statement.

Capital proceeds

Capital proceeds from the disposal will be equal to the cash consideration received by an Alesco Shareholder for their Alesco Shares under the Offer, being \$1.90.

Depending on the facts and circumstances of the Offer, and any subsequent events, the Commissioner of Taxation may regard the Special Dividend of \$0.10 and the Final Dividend of \$0.05 as part of the capital proceeds derived from the disposal of the Alesco Shares. This should only occur if the Commissioner considers the conclusions set out in TR 2010/4 to apply to the payment of the dividends. At present, given the current facts and circumstances, it is considered unlikely that the Special Dividend and Final Dividend would be considered part of the capital proceeds.

Where the dividends form part of an Alesco Shareholder's capital proceeds, and an Alesco Shareholder derives a capital gain from the disposal of their Alesco Shares, the capital gain should be reduced by the amount of the dividends received. This will ensure that the dividends are not subject to double taxation.

Where the dividends are included in the capital proceeds, and an Alesco Shareholder derives a capital loss from the disposal of their Alesco Shares, the inclusion of the dividends will reduce the amount of capital loss incurred by \$0.15 per applicable share.

Cost base

The cost base and reduced cost base of an Alesco Share should generally include the amount paid (or deemed to be paid) to acquire the Alesco Share which includes certain incidental costs (such as brokerage fees) of the acquisition.

Consents

In addition to the persons named in section 8.3 of the Replacement Bidder's Statement, PricewaterhouseCoopers has consented to be named as the taxation adviser to DuluxGroup Bidco and DuluxGroup in the form and context in which their name appears and have not withdrawn their consent prior to the lodgement of this Third Supplementary Bidder's Statement with ASIC.

None of the persons named in section 8.3 of the Replacement Bidder's Statement nor PricewaterhouseCoopers have made any statement in this Third Supplementary Bidder's Statement, or on which a statement in this Third Supplementary Bidder's Statement is based, and (to the maximum extent permitted by law) expressly disclaims all liability, in respect of, makes no representation regarding and takes no responsibility for, any part of this Third Supplementary Bidder's Statement.

This Third Supplementary Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. These documents are set out in the table below. Under the terms of ASIC Class Order 01/1543, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Third Supplementary Bidder's Statement in the form and context in which they are included. If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements (free of charge) please contact 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 during the Offer period.

Statements based on documents announced to the ASX

Company	Document	Date announced to ASX
Alesco	Target's Statement	12 June 2012
Alesco	Announcement of Alesco FY12 Results	24 July 2012
Alesco	Reject DuluxGroup's Inadequate Revised Offer	23 July 2012

As permitted by ASIC Class Order 03/635, this Third Supplementary Bidder's Statement may include or be accompanied by certain statements:

- (a) fairly representing a statement by an official person; or
- (b) from a public official document or a published book, journal or comparable publication.

Approval of Supplementary Bidder's Statement

This Third Supplementary Bidder's Statement has been approved by a unanimous resolution passed by the directors of DuluxGroup (Nominees) Pty Ltd.

17 August 2012.

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



Mr Patrick Houlihan
Director

Corporate Directory

DuluxGroup Limited

Registered office:
1956 Dandenong Road
Clayton
Victoria 3168

Financial adviser

Macquarie Capital (Australia) Limited
Level 23
101 Collins Street
Melbourne
Victoria 3000

Legal adviser

Gilbert + Tobin
Level 22
101 Collins Street
Melbourne
Victoria 3000

Share Registrar

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne
Victoria 3001

Taxation adviser

PricewaterhouseCoopers
Freshwater Place
2 Southbank Boulevard
Southbank
Victoria 3006