
ASX Release – Alesco Corporation Limited (“ALS”)

ALESCO ACQUIRES CONCRETE TECHNOLOGIES

Date: 28 September 2005

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The Board of Alesco is pleased to announce that today it has entered into an agreement with RMB Australia Holdings Limited and a number of other vendors to acquire the Concrete Technologies Group for a purchase price of \$50million on a cash free/debt free basis.

Concrete Technologies is one of Australia’s largest manufacturing, marketing and distribution businesses offering decorative concrete solutions. Its products have application in the residential, commercial and industrial paving and driveway markets, and with its complementary tooling and accessory products, is a one-stop shop for concrete applicators.

“With its strong industrial brands, diverse customer base and high market share in Australia, the Concrete Technologies business meets our key acquisition criteria and is an ideal fit within Alesco’s portfolio of businesses”, Alesco’s Deputy CEO Mr Justin Ryan said.

“This acquisition will expand our Construction & Mining Division and is expected to be synergistic to Parchem’s construction and specialised concrete repair business. It will also complement our Garage Door & Opener business,” Mr Ryan said.

The existing management team (who are also part vendors) has agreed to continue with the business. Approximately one third of the consideration payable to the management vendors has been deferred and is subject to the business achieving agreed performance targets over the next three financial years.

The purchase price equates to an EBITA multiple of approximately 7 times on the estimated 2006 financial year earnings.



"This acquisition has been made at what appears to be at a low point in the building cycle and we believe that there are opportunities for this business to benefit from the operational improvement methodologies adopted by the Alesco group," Mr Ryan said.

This transaction will be funded entirely by debt and is expected to be accretive by approximately 2 cents per share to Alesco's 2006 earnings per share (on a pre-amortisation of intangibles basis).

The sale will take effect from 1 October 2005 although completion is not expected to occur until around 5 October 2005.

Longreach Ltd acted as corporate advisor to Alesco.

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For further information, please contact Alesco Corporation Limited:

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Alesco is an industrial brands company with leading positions in niche markets.