



DuluxGroup Limited
ABN 42 133 404 065

ASX Announcement

16 November 2012

ALESCO RECEIVES A POSITIVE DRAFT CLASS RULING

DULUXGROUP ONLY REQUIRES ACCEPTANCES OF UP TO A FURTHER 5.0%

DuluxGroup Limited (**DuluxGroup**) notes that Alesco Corporation Limited (**Alesco**) has received a positive draft class ruling from the Australian Taxation Office (**ATO**).¹ Further details on the draft class ruling are contained in the Alesco announcement released today.

The receipt of the draft class ruling satisfies one of the two remaining conditions to the determination of an additional dividend of up to \$0.27 per share by Alesco (**Additional Dividend**).

The only remaining condition to the determination of any Additional Dividend by Alesco is for DuluxGroup to notify Alesco when its interest² in Alesco is approaching 90%. After the Additional Dividend has been determined and the dividend record date has passed, DuluxGroup intends to declare its offer unconditional³ and proceed with the payment to accepting shareholders within five business days.

As at 15 November 2012, the total of DuluxGroup's voting power in Alesco and acceptance instructions under DuluxGroup's Institutional Acceptance Facility was 80.6%. For the purpose of determining when DuluxGroup has a sufficient interest in Alesco for the Alesco Board to determine the Additional Dividend, Alesco has agreed that index funds and other shares totalling ~4.4% will be added to DuluxGroup's interest. Consequently, **DuluxGroup only requires acceptances of up to a further 5.0% for the dividend process to commence and Alesco shareholders to be paid.**⁴

DuluxGroup Managing Director and Chief Executive Officer, Patrick Houlihan, said: "There are now no other steps required for Alesco shareholders to crystallise the 46% cash premium, other than for shareholders owning up to a further 5.0% of Alesco's shares to accept the offer.⁵ The sooner DuluxGroup's interest approaches 90%, the sooner Alesco shareholders can be paid the offer consideration and any Additional Dividend."

If shareholders have any questions in relation to the Offer, or require a new acceptance form, they should 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.

Media enquiries:

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¹ Alesco shareholders should note that while the ATO may issue a draft class ruling prior to completion of the offer, it will not issue a final class ruling until the transaction is completed. The ATO also states that the draft class ruling cannot be relied upon and it is only when the class ruling is published by the ATO and the notice appears in the Commonwealth of Australia Gazette that the class ruling may be relied upon. Alesco shareholders are advised to seek their own tax advice.

² For these purposes, 'interest' is deemed to include the total of DuluxGroup's voting power in Alesco plus Alesco shares subject to acceptance instructions under the DuluxGroup Institutional Acceptance Facility plus Alesco shares held by index funds and other shares as agreed by DuluxGroup and Alesco. As Alesco has stated previously, the Alesco Directors retain the discretion to pay additional dividends at any time, including where DuluxGroup holds an interest in Alesco that is materially below 90%. However, Alesco has previously stated that it cannot afford to wholly fund any material additional dividend within its existing banking facilities and covenants. For further details, refer to the Third Supplementary Target's Statement.

³ DuluxGroup has agreed with Alesco that it will not declare its offer unconditional until at least 3 business days after the record date for the Additional Dividend. If the implementation agreement which contains such agreement was to terminate, DuluxGroup could declare its offer unconditional at any time and DuluxGroup reserves the right to do so in such circumstances.

⁴ As noted above, the Alesco Directors retain the discretion to pay additional dividends at any time, including where DuluxGroup holds an interest in Alesco that is materially below 90%. This may reduce the level of further acceptances required.

⁵ Premium based on \$2.05 offer price, and is measured against Alesco's pre-offer trading price.