



**Alesco Financial Inc. Announces Tax Reporting Information
for 2007 Common Stock Distributions**

Philadelphia, Pennsylvania, January 24, 2008 – Alesco Financial Inc. (NYSE: AFN) today announced the tax reporting information (Federal Form 1099) for the year 2007 distributions on its common stock.

The federal income tax character of the 2007 regular quarterly dividends paid with respect to Alesco Financial Inc. common stock is as follows:

Alesco Financial Inc.

Character of Items of Income Included in Distributions per Share

<u>Declaration</u> <u>Dates</u>	<u>Record</u> <u>Dates</u>	<u>Payment</u> <u>Dates</u>	<u>Total</u> <u>Distribution</u>	<u>Ordinary</u> <u>Income</u> <u>Dividend</u>	<u>Qualified</u> <u>Dividends</u> <u>(incl. in</u> <u>Ord. Div.)</u>	<u>Return of</u> <u>Capital</u>
2/20/2007	3/5/2007	3/15/2007	0.300000	0.300000	0.000000	0.000000
6/4/2007	6/15/2007	6/25/2007	0.310000	0.310000	0.000000	0.000000
9/10/2007	9/21/2007	10/1/2007	0.310000	0.310000	0.000000	0.000000
12/10/2007	12/21/2007	1/10/2008	0.310000	0.310000	0.000000	0.000000
Totals			1.230000	1.230000	0.000000	0.000000

Participants should refer to their Form 1099, which will be mailed the last week of January, and contact BNY Mellon Shareowner Services at (800) 522-6645 for further information. Taxability of the 2007 common stock distributions is not indicative of the taxability of future distributions.

Ordinary income dividend amounts represent the amount of the distributions which will be taxable at ordinary income rates.

About Alesco Financial Inc.

Alesco Financial Inc. is a specialty finance REIT headquartered in Philadelphia, Pennsylvania and trades on the New York Stock Exchange under the symbol “AFN”. Alesco Financial Inc. is externally managed by Cohen & Company Management, LLC, a subsidiary of Cohen & Company, a leading structured credit investment management firm. For more information, please visit www.alescofinancial.com.

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Investors:

John Longino
Chief Financial Officer
215-701-8952
info@alescofinancial.com

Media:

Joseph Kuo
Kekst and Company
212-521-4863