



PRESS RELEASE

May 2008

Syntaxis Mezzanine Fund I L.P. (the “Fund”) investment in the Kisan Group

Syntaxis is pleased to announce that funds it advises have provided mezzanine capital to support Kerten, a regional CEE mid-market private equity firm, in its acquisition of the Kisan Group (the “Company”, www.kisan.pl), the leading manufacturer of multi-layer composite polymeric (“MLCP”) pipes and fittings in Poland.

MLCP pipes are high-tolerance plastic and aluminium layered pipes used primarily in plumbing, central heating and floor-heating installations. With premium-quality products and strong distributor relationships, the Company’s revenues have grown rapidly, driven by the robust construction markets in Poland and the Ukraine.

The €7 million mezzanine tranche was structured and arranged by Syntaxis and underwritten by Syntaxis Mezzanine Fund I. Przemek Szczepanski, a Syntaxis founder and the Partner responsible for the transaction, commented “This investment provides our investors with the opportunity to back a well-managed and highly profitable Polish manufacturer, with well-entrenched market positions in the high-growth markets in Poland and the Ukraine”. Tomasz Jaron, a Partner at Kerten, added “Syntaxis delivered tailored mezzanine financing to meet the specific needs of the Company and its business plan, proving to be a valuable partner for our long-term plans”.

Syntaxis was advised by Dewey LeBoeuf in Warsaw and Macfarlanes in London.

More information on Syntaxis Capital

The Kisan investment represents the fourth investment for Syntaxis Mezzanine Fund I LP, such that the team has in the last eight months structured/arranged/led mezzanine investments in transactions with total enterprise values in excess of €600 million.

Syntaxis Capital was founded by Ben Edwards, Przemek Szczepanski and Thomas Spring. Ben was the former co-head of Mezzanine Management’s Central European activities (and a member of the Investment Committee), while Przemek headed the former firm’s Warsaw office. Thomas, a former Lehman leveraged finance banker, focussed on regional opportunities out of the Vienna office. All three individuals have significant experience in the field of mezzanine capital and leveraged finance for Central European companies, with notable transactions on which members of the team assisted while at Mezzanine Management include Advent’s buyout of BTC, the national fixed-line incumbent in Bulgaria, Lux Med, a private health care services provider in Poland which was recently sold to Mid Europa, Solaris, a Polish bus manufacturer, and Jet Finance, a Bulgarian consumer finance business backed by funds advised by AIG.

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