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FOR IMMEDIATE RELEASE

## Centerfield Announces Formation of New Fund

September 29, 2008

Indianapolis, IN – Centerfield Capital announced today that it has successfully completed raising a new private equity fund, Centerfield Capital Partners II, LP. With an original target of \$100 million, and capital commitments totaling \$116,000,000, Centerfield II was over-subscribed.

Like its predecessor fund, Centerfield II will invest a combination of debt and equity in private, lower middle market companies. “We specialize in providing capital to well managed, private companies with revenue between \$10 and \$75 million. Our goal is to invest approximately two-thirds of our capital in high coupon subordinated debt, and one third in equity,” explained Tom Hiatt, Founding Partner of the firm. “Typically, we invest between \$2 and \$8 million on our own, but since a number of our limited partners are interested in co-investing with us, and since we actively syndicate transactions with other private equity firms, we also participate in larger financings with our partners.”

“We are acutely aware of the current economic environment,” said Scott Lutzke, Founding Partner, “and will continue to back only strong firms with a history of growth and profitability. Even before the current financial crisis hit, we have been disciplined investors, both in terms of the price we pay and in the amount of leverage we use to finance our portfolio companies. We believe this discipline has been critical to our success to date, and was a key factor in our success raising our new fund.”

Centerfield provides capital for acquisitions, management buyouts, recapitalizations and corporate divestitures. “In most situations Centerfield invests a combination of debt and equity securities to finance a change in ownership, fund an acquisition or to facilitate growth,” explained Matt Hook, Partner. “Frequently we collaborate with other investment firms who acquire control ownership positions in private companies. In these situations, Centerfield will often invest both debt and equity in exchange for a minority ownership stake in a company. We have a particular interest in manufacturing companies and in companies providing business-to-business and healthcare services.”

Picking up on this point, Faraz Abbasi, the firm’s newest Partner, added, “Centerfield also provides an alternative to the business owner who may not want to sell a controlling interest in his or her firm. In some situations, a business owner, or a management team, may want to raise capital for an acquisition or to take out a retiring partner but still maintain full operating control of the company. We are comfortable in a minority ownership position, and frankly prefer to invest in situations where most of the individuals who have been running the company will continue to stay involved and work with us to take the company to the next level.”



Centerfield Capital Partners  
10 West Market Street  
3030 Market Tower  
Indianapolis, IN 46204  
[www.centerfieldcapital.com](http://www.centerfieldcapital.com)

Centerfield Capital Partners II has already made six investments from its new fund, which held its initial closing early last year. These investments include:

- **Thermafiber**, a manufacturer of specialty insulation for industrial and commercial applications;
- **SCT**, a provider of pre-programmed engine tuning devices for the automotive aftermarket;
- **Roehm Marine**, a manufacturer of seating for boats;
- **Trans-Coil**, a manufacturer of drive peripherals, products which conserve energy and improve the quality of power supplied to electrical motors;
- **D.S. Brown**, a manufacturer of products used in bridge and highway construction; and
- **Evriholder**, a developer and marketer of houseware products sold through retailers.

Investors in Centerfield II include public pension funds, funds-of-funds, global and regional banks, insurance companies, university endowments, foundations and high net worth individuals.

#### About Centerfield Capital Partners

Centerfield Capital Partners is a private equity firm that provides subordinated debt and equity financing to middle market companies, primarily in the Midwest. Centerfield invests in profitable companies generating more than \$10 million in revenue to facilitate changes in ownership, recapitalizations or growth. Investments are generally between \$2 and \$15 million. With more than \$175 million in capital under management in two funds, Centerfield is among Indiana's largest private equity firms, and is the state's largest mezzanine provider to lower middle market companies.