

Press Contact:
Mark McCall
212.850.5641
mmccall@fd-us.com

MORGENTHALER CLOSES FUND VIII AT \$450 MILLION
Buyout Team Announces Two Successful Liquidity Events
– PPI and GED – Within One Month

October 17, 2005. Cleveland, Ohio and Boston, Massachusetts -- Morgenthaler (www.morgenthaler.com), a leading management-led buyout and venture-capital firm, today announced the closing of its eighth fund, MPVIII, with total committed capital at \$450 million.

“We are privileged to be supported by limited partners who are drawn to our 37-year track record and our company-building philosophy,” said Bob Pavey, managing partner at Morgenthaler. “We have seen many cycles in this business, and feel fortunate to be investors at this time of great innovation, change and opportunity.”

The firm’s buyout group, co-located in Cleveland, Ohio and Boston, Massachusetts, will continue to focus on middle-market, management-led buyouts in the areas of highly-engineered content and manufacturing, as well as, business services.

Morgenthaler’s new fund announcement comes on the heels of a number of successful liquidity events. In September, the firm’s buyout team announced the sale of Precision Parts International (PPI) and GED Integrated Solutions. These announcements can be found at: www.morgenthaler.com/buyouts/news_main.asp

John Lutsi, general partner, said, “PPI and GED are clear leaders in their fields today and prime examples of our company-building philosophy at work. What differentiates our firm is our depth of operational experience and dedication to working with management teams. PPI and GED grew organically and through acquisitions and realized operational efficiencies at every level of their organizations. They developed into excellent platform companies, and I believe will continue to be dominant players for the foreseeable future.”

Lutsi said they are continuing to focus on the middle-market – with transaction values between \$75 million to \$250 million and EBITDA in excess of \$10 million.

The partners expect to invest the new fund over roughly a three year period. The buyout team expects to invest a total of \$30 to \$70 million in each company and will continue its leveraged build-up strategy.

The new fund has 15 participating investment partners in addition to its CFO, Ted Laufik. Investment partners on the buyout team include: Daniel Farrar, John Lutsi, Al Stanley, and Peter Taft. The buyout team also consists of senior associates, Nick Behl and Joe Machado, and director, Karen Tuleta.

About Morgenthaler

Morgenthaler is a leading, national management-led buyout and venture-capital firm with offices in Boston, MA; Boulder, CO; Cleveland, OH; Menlo Park, CA; and Princeton, NJ. Its buyout team – consisting of nine investment professionals – focuses on transactions in highly-engineered content and component manufacturing, as well as in business services. The firm has approximately \$2.5 billion under management. It has funded approximately 250 companies over its 37-year history.

For more information on Morgenthaler portfolio companies and the firm, please visit: www.morgenthaler.com

###