

**FOR RELEASE DECEMBER 11, 2002**

## **Arsenal Capital Partners Acquires Leading Provider of Specialty Printing Solutions**

**Arsenal's Third Acquisition in 2002**

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**NEW YORK, NEW YORK – December 11, 2002** – Arsenal Capital Partners LP, a private equity firm which invests in middle-market manufacturing and service companies, today announced the acquisition of Printing Solutions Holdings LLC, a Chantilly, Virginia-based \$55 million revenue provider of specialty “back-office” printing solutions. The acquisition represents Arsenal’s third investment this year.

Printing Solutions is a leader in the impact printer industry, which primarily serves rugged operating environments where customers demand high-speed, durable equipment on a cost-effective basis. The company offers a broad range of hardware and consumables in attractive niche segments of the impact and laser printer industry. The company sells through a network of wholesalers, distributors and value-added resellers, and sells directly to a number of Fortune 1000 customers with whom the company has close, long-term relationships.

Arsenal Capital partnered with the management team of Printing Solutions to acquire the privately held company. Arthur D. Gallo, a seasoned printing industry executive, will continue to serve as Chief Executive Officer of the company. He is supported by an experienced management team, each with at least 20 years of industry experience. Printing Solutions management will continue to be a significant owner in the Company.

“Printing Solutions is a strong competitor with technologically advanced products and a leading position in its markets,” said Terrence M. Mullen, a Managing Director and co-founder of Arsenal Capital. “Arsenal has been targeting this industry segment for the past year, and we are pleased to be partnering with Art Gallo and his experienced team to pursue new revenue opportunities in several rapidly growing market segments.”

“The transaction with Arsenal is exciting news for our company, employees and customers,” said Mr. Gallo. “We look forward to partnering with the Arsenal team whose expertise will be critical as we implement strategies to continue our growth and further improve our performance. Also, their strong financial support will enable us to explore new opportunities for targeted acquisitions.”

Earlier this year, Arsenal acquired Renaissance Mark, Inc., the second largest North American manufacturer of prime labels for the packaging industry, and Interdynamics, Inc., a leading supplier of specialty chemicals to the automotive aftermarket.

The transaction was funded by Arsenal Capital Partners, Printing Solutions management, and CapitalSource Finance LLC.

#### **About Arsenal Capital Partners LP**

Arsenal Capital Partners is a New York-based private equity fund that makes control investments in manufacturing and business service companies that offer significant opportunities for growth and productivity gains. The firm invests where it has substantial prior experience and broad operating and functional expertise that can support management teams to drive growth and improve productivity. More information about Arsenal is available at [www.arsenalcapital.com](http://www.arsenalcapital.com).

#### **About CapitalSource Finance LLC**

CapitalSource is one of the leading commercial finance firms in the United States, excelling in situations that require extraordinary service, such as financing transactions that call for a high level of creativity, flexibility, insight or speed. CapitalSource makes senior and mezzanine loans ranging in size from \$1-50 million, conducting lending activities through three highly focused business units: Corporate Finance, Healthcare Finance and Structured Finance. More information about CapitalSource is available at [www.CapitalSource.com](http://www.CapitalSource.com).