

FOR RELEASE FEBRUARY 11, 2004

## **Arsenal Capital Partners Acquires Scientific Protein Laboratories From Wyeth**

*Leading API Manufacturer is Arsenal Capital's Initial Investment in the Pharmaceutical Services Sector*

**NEW YORK, NEW YORK – February 11, 2004** –Arsenal Capital Partners, a private equity firm that invests in middle-market manufacturing and service companies, announced today that they have acquired Scientific Protein Laboratories (“SPL”), a Wisconsin-based producer of Active Pharmaceutical Ingredients (“APIs”) used in the formulation of finished pharmaceutical products from Wyeth (NYSE:WYE).

Scientific Protein Laboratories is the world’s largest independent producer of heparin API, which is used to manufacture anticoagulants used in the prevention and treatment of thrombosis, embolism, acute coronary syndromes and surgical recoveries involving implants. SPL is also a leader in the manufacture of pancreatin API, which is used to treat pancreatic deficiency of Cystic Fibrosis and a variety of digestive disorders. The Company has established strong, long-term relationships with a number of major pharmaceutical companies providing these finished products.

“We are very excited to enter into this partnership with Arsenal Capital and believe that their operating expertise in pharmaceuticals and fine chemicals will help us strengthen our position as a leader in our markets,” said David Strunce, who has been President of the business since 1994 and will be retained along with his management team. “We also look forward to working with the Arsenal Capital team to invest in our existing businesses as well as pursue new opportunities within the carbohydrate and natural protein product areas,” he added.

“SPL has a 25 year history, is a leader in its API markets, and has an excellent reputation for delivering high quality products and services,” commented Jim Marden, a Managing Director of Arsenal Capital Partners. “We believe that SPL will thrive as an independent company and are excited about leveraging their GMP-compliant extraction and purification expertise into other markets in order to generate incremental growth.”

The transaction was funded by an equity investment from Arsenal Capital Partners and debt financing from Ableco Finance LLC.

### **About Arsenal Capital Partners**

Arsenal Capital Partners is a New York-based private equity firm that makes control investments in specialty manufacturing and service companies. Arsenal invests where it has substantial prior experience as well as broad operating and functional expertise that can support management teams to drive growth and improve productivity. Arsenal targets specialty manufacturing, specialty chemicals and healthcare companies that can grow in excess of GDP and have leadership positions in niche markets. The firm currently has \$300 million of committed equity capital.

### **About Ableco Finance LLC**

Ableco Finance LLC is an opportunistic lending company affiliated with Cerberus Capital Management, L.P., that invests in leveraged buyouts and leveraged "roll-ups", bridge loans, recapitalizations, refinancing, debt restructurings, acquisitions and Chapter 11 reorganizations, including debtor-in-possession and exit financing.

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