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Press Release

Riverside Turns Up theHeat to Acquire Monessen Hearth Systems

New Platform Adds Spark to Leveraged Buyout Firm's Portfolio

April 4, 2006 | New York, NY; Cleveland, OH; Dallas, TX and San Francisco, CA - The Riverside Company, the largest private equity firm investing in premier companies at the smaller end of the middle market, has landed a "hot" commodity - Monessen Hearth Systems ("MHS"), a rapidly growing manufacturer of a broad line of gas, wood, and electric hearth products and accessories primarily aimed at the home remodeling segment of the hearth industry. One of the fastest-growing companies in the fragmented, \$1.6 billion hearth industry, Monessen has distinguished itself through quality products, expertise in the design and introduction of new products, and strong relationships with its customer base and distribution network. The Company enters Riverside's portfolio as a new platform investment in the private equity firm's 2003 fund, making it Riverside's 127th investment since the firm's founding in 1988.

Since 1993, when Monessen offered a limited line of gas logs, the Company has grown organically and through complementary acquisitions to become one of the largest hearth manufacturers in the U.S. MHS now designs and manufactures a full line of gas, wood, and electric fireplaces, stoves, gas logs, and accessories, with more than 20 new products or upgrades expected this year. The Company's customers include both wholesale distributors and specialty hearth dealers serving the remodeling aftermarket, as well as distributors who focus specifically on installation and the new home construction market.

"We were attracted to Monessen for a lot of reasons - especially its superior management team, impressive track record of growth through new product introductions and geographic expansion, and solid customer relationships," noted Tim Gosline, the Riverside Partner who led this transaction. "In addition, the Company's growth has consistently outpaced that of the overall hearth industry, and we have some ideas how to enhance its growth and market share."

"Teaming with Riverside gives us access to additional resources necessary for continued growth," said Bill Tweardy, President and CEO of MHS. "The size of the hearth industry, along with its fragmented nature, provides numerous opportunities for add-on investments. Riverside and its financing partners will provide the capital needed to execute upon our aggressive acquisition strategy. Plus, we'll be able to tap into Riverside's operating and business partner resources. It's truly a great partnership."

Working with Gosline on the acquisition were Chris Jones - Vice President, and Sarah Roth - Associate. Senior debt for the transaction was provided by KeyBank, as agent, and Fifth Third Bank. Subordinated debt was provided by Babson Capital Management. Monessen marks Riverside's sixth acquisition of 2006.

The Riverside Company

The Riverside Company is the largest private equity firm focused on the smaller end of the middle market and is one of the industry's most experienced leveraged buyout investors. Riverside specializes in premier companies with enterprise values of less than \$100 million, and partners with strong management teams to build companies through acquisitions and value-added growth. Since 1988, the firm has invested in 127 transactions with a total value of \$2.1 billion, sales of \$2.4 billion, EBITDA of \$263 million and more than 11,000 employees. Its current portfolio in the U.S. and Europe numbers 44. Riverside offers SureClose® (the highest certainty that a transaction will close) and the resources to complete acquisitions smoothly and in as little as 30 days - thanks to its sizeable pool of capital under management (\$1.4 billion in six funds and growing), large staff in 10 offices (New York, Cleveland, Dallas, San Francisco, Atlanta, Chicago, Budapest, Prague, Warsaw and Munich), and long-standing relationships with partner lenders. The firm has produced top quartile returns for its investors, which are among the world's leading pension funds, endowments, funds-of-funds, insurance companies and banks.

Monessen Hearth Systems

Monessen Hearth Systems (MHS), headquartered in Paris, Kentucky, is a rapidly growing manufacturer and distributor of gas, wood, and electric hearth products and accessories focused primarily on the replacement segment of the hearth industry. MHS designs and manufactures a full line of fireplaces, stoves, gas logs and accessories under the Monessen, Martin Hearth & Heating, Lexington Forge, and Ambient Technologies brands. Its customers include wholesale distributors and dealers serving the remodeling aftermarket, as well as installing distributors and dealers serving the new home construction market. To learn more, please visit the Company's web site at www.monessenhearth.com.

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