



PRESS RELEASE

Nybron Flooring International completes debt restructuring – new ownership and capital structure in place

Jona, Switzerland, 10 March 2008 – Nybron Flooring International (NFI), Europe's market leader in engineered wooden flooring, has finalised a debt-for-equity swap with its lenders, significantly reducing Nybron's debt position and interest costs. As part of the deal, Nybron's senior lenders have taken a majority stake in the restructured entity, and have substantially reduced their claims.

The agreement leaves Nybron's senior lenders holding EUR 185m of debt, made up of EUR 10m in a new revolving facility, EUR 110m in two senior loan facilities, and EUR 65m in a new second lien facility. In return for accepting this reduction of their claims, the senior lenders have been given 90% of the preferred equity in the new entity, and 77% of the 3.1m new ordinary shares.

Nybron, which was owned by investment firm Vestar Capital, faced a restructuring process due to unfavourable market conditions as well as Vestar's decision not to commit further funding for the group. Operational improvements implemented under the new management led by Gérard Legtmann have already resulted in significant improvements at its three subsidiaries, Kährens, Bauwerk, and Marty.

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