



ROMANIAN-AMERICAN ENTERPRISE FUND

PRESS RELEASE

(June 26, 2008 - For Immediate Release)

Romanian American Enterprise Fund Exited Policolor

Bucharest, Romania

The Romanian-American Enterprise Fund (RAEF) announces it has recently exited POLICOLOR, the leading Romanian paint producer, by selling its stake of 33.23% of total issued shares to the affiliated shareholders Romanian Investment Fund (RIF) and RC2. The transaction was closed on the Bucharest Stock Exchange on June 26, 2008, based on a transfer option agreement concluded on June 12, 2008.

RAEF entered Policolor in 1997, when the Company was privatized, by acquiring together with RIF the total 51% of the share capital sold by the state. Subsequently, RAEF continued to invest in Policolor and to be actively involved in the restructuring and growth process of the Company.

At the moment of the initial investment, in 1997, Policolor have had total sales of about €32 million, a large diversification of products, excess of capacity and 1,730 employees being valued at about €16 million. In 2007, the Company registered consolidated sales of almost €94 million having the products' range and capacities adjusted to the market demand and a number of 557 employees.

RAEF's revenues from the above exit have ensured a return of 6.5 times cash on cash and an 11 years IRR in excess of 20%.

From the beginning, RAEF acted to strengthen Policolor's position as local market leader also targeting geographical expansion. Through the acquisition of the Bulgarian pier Orgachim, in 1998, Policolor became the first Romanian industrial company expanding outside the county borders.

The decision to exit Policolor was taken in accordance with RAEF's strategy and in full respect of the Company's needs for a strong majority shareholding to support further development.

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