

*FOR IMMEDIATE RELEASE***J.F. Lehman & Company  
Announces Final Close  
of \$335 Million Private Equity Fund**

**NEW YORK, December 15, 2006** – J.F. Lehman & Company, a leading middle-market private equity firm focused on the defense, aerospace and maritime industries, recently announced the final closing of J.F. Lehman Equity Investors II, L.P. and affiliated investment vehicles. The funds closed on commitments of \$335.1 million, above an original target of \$275.0 million due to strong support from existing investors and demand from new investors.

Commitments were secured from a diversified group of approximately two dozen institutions from North America and Europe. These institutions include leading public and private pension funds, global financial institutions, domestic and foreign insurance companies, fund-of-funds and endowments. Additional commitments were provided by members of J.F. Lehman & Company's Operating Executive Board and the general partners of the funds.

J.F. Lehman & Company focuses exclusively on the defense, aerospace and maritime industries and the technologies that originate from them. This investment strategy reflects the firm's deep experience in and commitment to these sectors for more than a decade.

"We are thankful to have received such strong support from our long-standing investment partners," said Tig H. Krekel, Vice Chairman. "We are equally delighted to welcome many new investors who represent a diverse and high quality group. We will continue to pursue our focused and disciplined investment strategy to achieve strong results."

Consistent with J.F. Lehman & Company's historical investment program, the funds will focus on control ownership positions in leveraged acquisitions of high-quality companies in the firm's target industries in the United States and the United Kingdom. The new funds have completed two acquisitions to-date: the October 2005 investment in Hawaii Superferry, a high-speed inter-island ferry service in the Hawaiian Islands, and the August 2006 acquisition of Atlantic Marine, a leading provider of maintenance, repair, overhaul and conversion services for commercial and government vessels at shipyards in Alabama and Florida.

"The strong response we received from leading investors is a testament to the J.F. Lehman team," said Louis N. Mintz, Partner. "We believe the advantages of a cohesive professional organization with decades of industry-specific experience are significant, and we are confident our specialized knowledge remains essential in helping acquired companies achieve their full potential."

Stanwich Advisors LLC acted as placement agent for the offering and Debevoise & Plimpton LLP provided legal counsel during the formation of the funds.

**About J.F. Lehman & Company**

J.F. Lehman & Company is a leading middle-market private equity firm focused exclusively on the defense, aerospace and maritime sectors. The firm has completed 11 investments involving 14 companies with an aggregate transaction value of approximately \$1.5 billion. J.F. Lehman & Company has offices in New York, Washington and London. For more information about J.F. Lehman & Company, please visit [www.jflehman.com](http://www.jflehman.com).

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