

***Matrix Announces the Successful Sale
of Rossi American Hardwoods and
Hardwood Lumber Manufacturing, Inc.***



Hardwood Lumber Manufacturing, Inc.

AN Extraordinary COMMITMENT TO QUALITY



RICHMOND, VA – October 18, 2007 – Matrix Capital Markets Group, Inc. announced today that it has successfully completed the sale of Rossi American Hardwoods (RAH) and Hardwood Lumber Manufacturing, Inc. (HLM) to H.I.G. Capital, a private equity firm headquartered in Miami, FL and Fifth Street Capital, headquartered in White Plains, NY. RAH, based in Cromwell, CT and HLM, headquartered in Charlotte, NC, are two of the country's leading producers and exporters of US hardwoods. All of the operating entities under RAH and HLM will be consolidated under a new holding company called American Hardwoods Industries and will include Blue Triangle Hardwoods, Graham Lumber, Emporium Hardwoods, and Northern Hardwoods. The companies also announced their intention to include Cross Creek Sales at a future date. Matrix served as exclusive financial advisor to Rossi and Hardwood Lumber on the transaction.

Ted Rossi, President of Rossi American Hardwoods and the Chairman of the newly formed American Hardwoods Industries stated, "The combination of Rossi and Hardwood Lumber, with our management teams and the financial resources of H.I.G. and Fifth Street, creates a formidable, multi-branded global competitor. The H.I.G. and Fifth Street teams have immersed themselves in the industry and proven to me that they share the same vision and see the same opportunities as our team." Brian Schwartz, Managing Director of H.I.G. Capital indicated, "We are very excited about partnering with one of the effective operators and industry leaders in Rossi American Hardwoods. Rossi has developed a reputation as a top quality supplier in international markets." Roman Krislav of H.I.G. noted "HLM offers a sophisticated, metrics oriented and disciplined, management approach that is unique in the industry. Rossi and HLM have consistently invested in quality equipment and management personnel. We believe American Hardwood Industries is well-positioned to benefit from an improvement in sector fundamentals. He noted further that "they are committed to growth and will continue to support an aggressive acquisition campaign that seeks to add businesses that provide or deliver quality managers, products, and customer relationships."

Michael Morrison, Managing Director and Principal at Matrix commented, "The completion of this transaction will facilitate the creation of one the most

NEWS RELEASE

For Immediate Release

October 18, 2007

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diversified hardwood forest products platforms in the world. Partnering with H.I.G. Capital and Fifth Street Capital brings best in breed capital providers to an industry that is fragmented and ripe for selective consolidation. The platform will now have a very broad product offering, several seasoned industry executives, increased species availability, deeper market and customer penetration, and a sister company in Augusta Lumber, an existing portfolio company of H.I.G.

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About Matrix Capital Markets Group

Matrix Capital Markets Group is a leading middle market investment bank headquartered in Richmond, Virginia. Since 1988, Matrix has focused on providing merger & acquisition and financial advisory services for corporate and privately-held companies, including sales and divestitures, Staged Liquidity Transactions[®], management buyouts, and debt & equity placements. For additional information, please visit www.matrixcapitalmarkets.com.

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