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Argan Capital will become the majority shareholder in AAT Group

AAT Group, the leading Polish distributor of security products and systems, and European private equity fund Argan Capital have entered into a partnership with the objective of continuing the strong development of AAT Group. Following completion of the transaction, Argan Capital will be the controlling shareholder in AAT Group.

Since its creation in 1995, AAT Group has developed Poland's most comprehensive distribution network with a product offering that covers a broad spectrum of high quality products, systems and accessories within the security systems market, including alarm systems (burglary alarms, fire detection), CCTV systems and access control products and systems. In addition to its strong position within the distribution of security products and systems, the company also offers monitoring services based on radio and GPS technology. The company has 9 sales branches in the largest Polish cities and is represented throughout Poland through authorised sales offices and sub-distributors. The Group employs approximately 270 staff and generated revenues of approximately PLN 110 million in 2006.

Wojciech Goc, a Managing Partner at Argan Capital says: *"We are very excited about the opportunity to partner with the management team of AAT and we expect the favourable market dynamics of the Polish security market, with double digit growth rates, to continue in the coming years. AAT has Poland's most comprehensive product offering which combined with its very strong customer relationships provides for a stable and improving market position and strong barriers to entry. We intend to work closely with the existing management to pursue a growth strategy focused on further development of the Company's domestic and international operations. Amongst other things, we intend to continue extending the distribution network in Poland with new branches opening shortly, and will also continue to expand the product offering in existing distribution branches."*

"Management strongly believes in the excellent prospects of the business, and is delighted to partner with Argan Capital. AAT Group has developed rapidly over the last few years and is the clear market leader in the distribution of security products and systems in Poland. We feel that with Argan Capital's support and broad expertise of developing medium sized organisations, the company is ideally positioned to successfully continue to develop both its Polish and international operations", says Mariusz Raczynski, CEO of AAT Group.

The transaction is expected to take effect during the summer of 2007 and is subject to the approval of the relevant competition authorities.

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