



Contacts:

Keith Pilkington, Amalgamated Bank
212.895.4814, KeithPilkington@AmalgamatedBank.com or

Bob Rinklin, E-Public Relations
973-509-3431 or rinklin@comcast.net

Laura Rzasa, Donley Communications
212-751-6126 or lrzasa@donleycomm.com

Amalgamated Bank Launches Amalgamated Capital, a New Source of Financing for Private Equity-Sponsored Middle Market Companies

Timothy G. Clifford to Head New Division

NEW YORK CITY, September 22, 2009 – Amalgamated Bank announced today that it has formed Amalgamated Capital, a New York-based division of the Bank that will provide senior cash flow debt financing to lower middle market companies, a sector that remains largely under-served by commercial finance companies and banks. The new division – which will be under the direction of Timothy G. Clifford, a veteran leveraged finance professional – will target leading private equity firms and other investors who focus on acquiring and growing middle market companies.

In making the announcement, Amalgamated's President and Chief Executive Officer Derrick D. Cephas said, "This new lending platform is an important step for us as a Bank and for the markets we will be serving. Because of dislocations in the capital markets system at the present time, this is a very attractive business and an excellent place to put a portion of our liquidity to work. The fact that we have established Amalgamated Capital as a separate, new division of the Bank underscores our commitment to the leveraged lending and private equity markets. In doing so, we believe we will provide an important new source of capital to private equity-backed middle market companies which have fewer and fewer financing options as a significant group of traditional lenders have either exited the business entirely or no longer have capital to deploy.

"Tim Clifford, who has been appointed Executive Vice President and Director of Amalgamated Capital and will serve on our Credit Committee, brings to us strong capabilities and terrific relationships with a broad cross-section of leading private equity firms," Mr. Cephas continued. "He has more than 18 years of middle market leveraged finance experience, and most recently helped grow Churchill Financial from a start-up to a \$3.5 billion middle market finance company. He has the work ethic, strategic focus and dedication to creating strong client relationships that will be critically important as we build this new lending platform."

“There is a window of opportunity due to the lack of liquidity in the marketplace,” said Mr. Clifford. “Our target market will be smaller middle market companies with enterprise values under \$150 million. A carefully constructed and managed loan portfolio of senior debt at the lower end of the middle market can generate very attractive risk-adjusted yields. We intend to grow our business by pursuing transactions in partnership with proven management teams and private equity sponsors who invest in companies generally with EBITDA between \$3 million and \$20 million. Our goal is to build a national franchise serving a cross-section of industries that will include consumer, distribution, education, healthcare, industrial, manufacturing, services and software.

“Right now,” Mr. Clifford continued, “we are actively targeting companies to lead senior cash flow debt financing needs of \$5 million to \$60 million. The principal advantages we offer the private equity sponsors and management teams in our target market are: a stable and reliable source of capital – Amalgamated is a privately-owned commercial bank with a substantial depository base; the focused expertise of an experienced senior debt financing team that enables us to be a reliable financing partner exclusively serving private equity sponsors in the lower middle market; and a responsive and efficient lending process that permits us to assess, structure and price risk rapidly and arrive quickly at financing decisions.”

In his 18 years of leveraged finance experience, Mr. Clifford has closed more than 90 transactions, raising in excess of \$3 billion in senior debt capital. Prior to joining Amalgamated on September 1, 2009, Mr. Clifford was a Managing Director and Principal at Churchill Financial and also served as Head of the firm’s Boston office. In that position, he was responsible for originating senior cash flow and subordinated debt along with equity co-investments to middle market, private equity-backed companies. From 2004 to 2006, he was Senior Vice President and Group Head of Leveraged Finance at Comerica Bank, and from 1999 to 2004, he served as a Managing Director of the Financial Sponsor Group at Fleet Securities (now Banc of America Securities).

About Amalgamated Bank

Established in 1923 by the Amalgamated Clothing Workers of America, Amalgamated Bank continues the progressive traditions of its founders as the only union-owned bank in the United States. Chartered by New York State, Amalgamated Bank is an FDIC insured commercial bank with \$4.5 billion in assets. The Bank’s corporate divisions also include Commercial Banking and Real Estate Finance.

Amalgamated Bank is also one of the leading providers of investment and custody services to Taft-Hartley plans in the United States. Amalgamated's Institutional Asset Management and Custody Division serves over 850 public sector and Taft-Hartley clients, manages over 1,100 accounts and has over \$10.5 billion in assets under management. In the area of corporate governance, the Division is a recognized leader in shareholder activism.

Amalgamated has 21 retail branches including 15 in New York City as well as branches in: Las Vegas, Nevada; Lyndhurst, New Jersey; Pasadena, California and Washington, D.C. The Bank's website is www.amalgamatedbank.com.

###