

INFORMATION RELEASE
5th SEPTEMBER 2012, TALLINN



BaltCap is the leading independent private equity firm focusing on midmarket buyout and expansion capital investments in the Baltic States.

BaltCap has strong presence in all three Baltic countries with local offices and experienced team.

Since 1995, BaltCap has been managing several private equity and venture capital funds with total capital of over EUR 190 million and has made more than 50 investments.

BaltCap is a member of European Private Equity & Venture Capital Association (www.evca.eu), Estonian Private Equity and Venture Capital Association (www.estvca.ee), Latvian Venture Capital Association (www.lvca.lv) and Lithuanian Venture Capital Association.

BaltCap is a signatory of the United Nations Principles for Responsible Investment (UNPRI) since 2008.

Air Maintenance Estonia launches a unique aircraft maintenance facility

This week, BaltCap portfolio company Air Maintenance Estonia (AME) opens a new three-bay aircraft maintenance hangar at Tallinn Airport, which triples AME's service capability opening new major expansion opportunities in the Nordic region as well as in Europe. The cost of the new facility is 10,5 million euros.

According to the CEO of AME, David Williams, the state of art of the facility combined with the highly qualified experienced staff enable AME to develop into a leading aircraft maintenance services provider in the region.

"We consider the geographical location within two and half-hours flight time from Tallinn Airport as our potential market including the Baltic and Nordic markets, the Northern Europe, the U.K as well as a great part of Central Europe and Western Russia. Now with the total of 3 service bays we are attractive to a large number of airlines as well as leasing companies," added Williams.

The maximum capacity of the new facility is to provide base maintenance services to a maximum of 72 aircrafts per year instead of the current 24. With the new hangar, AME added the Airbus 320 family to the base maintenance capability list in addition to Boeing 737 Classic and 737 NG. AME is also certified for the line maintenance of the Airbus 320 family, Boeing 737 Classic & NG, Embraer ERJ-170/190, CRJ-900NG, and SAAB 340.

The clients of AME include SAS, Austrian Airlines, Easyjet, Norwegian, Ryanair, Lufthansa, Estonian Air and other airlines.

The owner of the hangar is Tallinn Airport who signed a 30-year lease with AME. According to Rein Loik, the Chairman of the Board of Tallinn Airport, the completion of AME's facility confirms an encouraging fact that there are venture capitalists that are courageous enough to invest in real tangible projects instead of another phone app or world-conquering web service. "Hi-tech, value added and highly competitive projects with a great growth potential are the ones that Estonian economy currently needs. Therefore, we are especially proud to be long-term partners with AME."

The completion of the facility was financed by Kredex investment loan. "AME is a great role model of a well-operating, internationally competitive company that sets a good example for other businesses in the market," said Andrus Treier, the head of Kredex. "Kredex's objective is to provide financing for companies with a great potential and we are glad to support AME in its expansion."

The facility was designed by Innopolis Insenerid OÜ, and the main contractor was Merko Ehitus AS. The new facility's aircraft service area, that simultaneously accommodates 3 narrow-bodied aircraft, is almost 5,000 m2 that is comparable with the size of 12 basket-ball courts.

Currently AME employs 200 people, 40 of them were hired over the last year to facilitate the needs of the newly completed hangar. Over the next years, the company plans to increase the number of staff by about 20%.

Air Maintenance Estonia is owned by Baltcap who purchased the company from SAS in 2010.

Additional information:

David Williams, CEO
Air Maintenance Estonia
Tel 53 00 45 15
david@ame.ee