



FOR IMMEDIATE RELEASE

Contacts: Ken Tallering
Sr. Managing Director
847-556-3462

Nick Galambos
Operating Principal
248-761-3138

INDUSTRIAL OPPORTUNITY PARTNERS
INVESTS IN RECAPITALIZATION OF GULFCO

Chicago, Ill., February 6, 2008 – Industrial Opportunity Partners (“IOP”), a Chicago-based private equity firm, announced today that it has made an investment in Gulf Coast Machine & Supply Company (“Gulfcoc”) to support a recapitalization of the family-owned business. Gulfcoc is a leading manufacturer of large forgings for use in the oil and gas, petrochemical, wind energy and general industrial markets.

Based in Beaumont, Texas, Gulfcoc’s products consist of large rolled ring and open-die forgings. Gulfcoc also heat treats and rough machines most of its products, which are sold to customers who then finish machine the products into component parts for use in subsea pipelines, refineries, oil rigs, petrochemical plants, heat exchangers, and a variety of general industrial applications.

IOP’s investment is in the form of subordinated debt and preferred equity, and will result in IOP having a significant ownership interest in Gulfcoc. Senior debt was provided by PNC Business Credit and Monroe Capital. Terms of the transaction were not disclosed. Mills & Stowell Investment Bankers represented Gulfcoc and its current owners in the recapitalization.

Gulfcoc’s existing experienced management team will continue to manage the business with the addition of Nicholas P. Galambos in the newly created position of Chairman. Mr. Galambos, who has significant experience in forging and similar businesses, is a member of IOP’s Board of Operating Principals, which is comprised of seasoned business executives who provide leadership to businesses in which IOP invests.

Kenneth M. Tallering, Sr. Managing Director of IOP, commented, “We are very pleased to support the recapitalization of Gulfcoc, a company with top tier customers and a long history of supplying quality forged products. IOP is excited to build on these strengths to continue Gulfcoc’s growth in the oil and gas and petrochemical markets while also expanding into new markets not presently served by Gulfcoc.”

Mr. Galambos added, “IOP’s investment in Gulfcoc highlights IOP’s strengths of investing in businesses with strong products and market positions and providing these businesses with resources to grow and improve. With respect to Gulfcoc, IOP is supporting the installation of a new large forging press and related furnaces in order to increase capacity and improve efficiency to enable it to support its customers growing needs for large forgings.”

About Gulfco

Gulfco is a leading manufacturer of large forgings for use in the oil and gas, petrochemical, wind energy and general industrial markets. For more information, visit Gulfco's website at www.gulfco.com.

About Industrial Opportunity Partners

IOP is a Chicago-based private equity firm dedicated to creating value through investing in manufacturing and value-added distribution businesses with sales between \$30 million and \$300 million. IOP focuses on businesses with strong products, customers and markets, and provides management and operational resources as well as capital to support growth in sales and earnings at its businesses. For more information, visit IOP's website at www.iopfund.com.