



## PRESS RELEASE

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**For more information, please contact:**

Randall J. Bufford

President/CEO

Trilogy Health Services, LLC

(502) 412-5847, ext. 1700

[rbufford@trilogyhs.com](mailto:rbufford@trilogyhs.com)

### TRILOGY HEALTH SERVICES, LLC COMPLETES RECAPITALIZATION TRANSACTION

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*European Investors Position Company for Continued Growth*

Louisville, KY - Trilogy Health Services, LLC ("Trilogy") a leading provider of senior care services announced today that it has completed a recapitalization transaction with Lydian Capital ("Lydian"), a significant investor in quality healthcare operations in Europe.

Lydian, operating through Derby Acquisition LLC, a Delaware company has bought out the Company's current sponsors led by Frontenac Company, a Chicago based private equity firm which has backed Trilogy for the last four years.

As a result of this transaction, Trilogy will be well-positioned to continue its growth strategy to develop or redevelop senior care campus communities and to pursue opportunistic acquisitions throughout the Midwestern United States. Lydian is backing Trilogy's established management team, led by Randall J. Bufford, to grow Trilogy through the development of quality care facilities while focusing on the provision of excellence in customer service and being the employer of choice in its chosen markets.

Lydian and its associated investors have significant healthcare interests in Europe including ownership interests in Barchester Healthcare Group, the UK's leading quality private healthcare provider and Castlebeck, a specialist provider of healthcare and rehabilitation services for individuals with learning disabilities and challenging behaviors. Trilogy represents Lydian's first healthcare investment in the US.

Denis Brosnan, Chairman and Founder of Lydian said, "We are excited to have found a first class business and management team to invest in with Trilogy, and we are keen to support Randy and the team at Trilogy through the next stage of the business's development".

Randall J. Bufford, the founder, President and Chief Executive Officer of Trilogy said, "the management of Trilogy are pleased to have found a new financial backer that will support our strategic growth plan, and understands our compassionate commitment to customer service and our dedication to our staff".

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**About Trilogy Health Services, LLC:**

Trilogy Health Services, LLC is a Louisville, Kentucky based senior care company. It employs more than 5,100 people and operates 44 senior living communities in Ohio, Kentucky, Michigan, and Indiana with a combined resident capacity of more than 4,000. Trilogy offers a range of personalized senior living services including assisted living, independent living, skilled nursing, and rehabilitative services and care for individuals with Alzheimer's and other forms of memory loss. To learn more about Trilogy Health Services, LLC visit the Company's website at [www.trilogyhs.com](http://www.trilogyhs.com)

**About Lydian Capital:**

Lydian Capital Partners is a Limited Partnership based in Jersey in the Channel Islands. Lydian Capital Advisors, based in Geneva, Switzerland is the exclusive investment advisor to its Jersey-based General Partner. Lydian invests in businesses that will achieve superior long-term capital growth. Lydian does this by acquiring companies in partnership with management and arranging and leading buy-outs or providing further financial resources to help established companies grow. Lydian has extensive experience in managing and investing in companies in the healthcare, consumer products and leisure sectors, and those areas are of particular interest. To learn more about Lydian Capital Advisors visit their web site at [www.lydiancapitaladv.com](http://www.lydiancapitaladv.com)

**About Frontenac Company:**

Frontenac Company is a private equity investment firm based in Chicago and founded in 1971, with over \$1 billion under active management. It is currently making investments from its ninth fund, which had its first closing in fall 2006.

Through its CEO1ST® investment approach, the firm works with proven executives to acquire and grow successful mid-sized companies, primarily in services businesses. Frontenac has extensive experience in meeting the needs of owner-operators as they address complex business transition issues of liquidity, executive succession and management team enhancement, and growth. The firm has a history of 200+ business transitions involving such owner-operated businesses.

Frontenac is led by its seven Managing Directors, with a total team of 14 professionals. To learn more about Frontenac visit their web site at [www.frontenac.com](http://www.frontenac.com).

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