



For Immediate Release

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ALLIANCE LAUNDRY HOLDINGS LLC REPORTS 3rd QUARTER 2011 EARNINGS

Ripon, Wis. – November 8, 2011 — Alliance Laundry Holdings LLC announced today results for the three and nine months ended September 30, 2011.

Net revenues for the third quarter of 2011 increased \$10.5 million to \$114.1 million from \$103.6 million for the third quarter of 2010. Our net income for the quarter ended September 30, 2011 was \$3.4 million as compared to \$2.5 million for the quarter ended September 30, 2010. Adjusted EBITDA (see “About Non-GAAP Financial Measures” below) for the quarter ended September 30, 2011 increased \$2.0 million to \$20.3 million from \$18.3 million for the quarter ended September 30, 2010.

The net revenues increase of \$10.5 million was attributable to increases in United States and Canada revenues of \$9.3 million, Europe revenues of \$1.4 million, Latin America revenues of \$0.6 million and Asia revenues of \$0.4 million, partially offset by lower MEA revenues of \$1.2 million. Our net income increase of \$0.9 million was primarily related to incurring a \$7.7 million loss from early extinguishment of debt for the third quarter of 2010 with no comparable cost in 2011, partially offset by higher raw material costs related to commodity and foreign exchange hedge agreement mark-to-market adjustments.

Net revenues for the nine months of 2011 increased \$26.6 million, or 8.6%, to \$336.2 million from \$309.6 million for the nine months of 2010. Our net income for the nine months ended September 30, 2011 increased \$0.3 million to \$13.9 million as compared to \$13.6 million for the nine months ended September 30, 2010. Adjusted EBITDA (see “About Non-GAAP Financial Measures” below) for the nine months ended September 30, 2011 increased \$1.5 million to \$60.8 million as compared to \$59.3 million for the nine months ended September 30, 2010.

The net revenues increase of \$26.6 million was attributable to increases in United States and Canada revenues of \$19.1 million, Europe revenues of \$4.6 million, Asia revenues of \$3.1 million and Latin America revenues of \$0.5 million, partially offset by lower MEA revenues of \$0.7 million.

In announcing the Company’s results, CEO & President Michael Schoeb said, “Our solid third quarter results reflect the sustained success we are experiencing with our Customer One and international growth strategic initiatives. We are executing on our initiatives to drive increased customer satisfaction, new product development and allocation of resources to our greatest growth opportunities.”

“While the broader economic landscape remains challenging, we are well positioned for the long term as we continue to capitalize on a larger global footprint and new products that truly set us apart from our competitors.” Schoeb continued, “Looking ahead, we have the right strategy in place to drive growth, while also improving our financial position and flexibility.”

About Non-GAAP Financial Measures

In addition to disclosing financial results that are determined in accordance with generally accepted accounting principles (GAAP), we also disclose EBITDA and Adjusted EBITDA, which are non-GAAP measures. We have presented EBITDA and Adjusted EBITDA because certain covenants in our Senior Credit Facility are tied to ratios based on these measures. "EBITDA" represents net income before interest expense, income tax provision and depreciation and amortization, and "Adjusted EBITDA" (as defined under the Senior Credit Facility) is EBITDA as further adjusted to exclude, among other things, certain non-recurring expenses and other non-recurring non-cash charges. EBITDA and Adjusted EBITDA do not represent, and should not be considered, an alternative to net income or cash flow from operations, as determined by GAAP, and our calculations thereof may not be comparable to similarly entitled measures reported by other companies. Our Senior Credit Facility requires us to satisfy specified financial ratios and tests, including a maximum of total debt to Adjusted EBITDA and a minimum Adjusted EBITDA to cash interest expense. To the extent that we fail to maintain either of these ratios within the limits set forth in the Senior Credit Facility, our ability to access amounts available under our Revolving Credit Facility would be limited, our liquidity would be adversely affected and our obligations under the Senior Credit Facility could be accelerated. A reconciliation of EBITDA and Adjusted EBITDA with the most directly comparable GAAP measure is included below for the three and nine months ended September 30, 2011 along with the components of EBITDA and Adjusted EBITDA.

About Alliance Laundry Holdings LLC

Alliance Laundry Holdings LLC is the parent company of Alliance Laundry Systems LLC (www.comlaundry.com), a leading global designer, manufacturer and marketer of commercial laundry equipment used in laundromats, multi-housing laundries and on-premise laundries. Under the well-known brand names of Speed Queen[®], UniMac[®], Huebsch[®], IPSO[®], and Cissell[®], we produce a full line of commercial washing machines and dryers with load capacities from 12 to 200 pounds. We have been a leader in the North American stand-alone commercial laundry equipment industry for more than ten years. With the addition of our foreign operations and our ability to offer a wide range of brands and products throughout the world, we believe that we are a leader in the global stand-alone commercial laundry equipment industry.

Safe Harbor for Forward-Looking Statements

With the exception of the reported actual results, this press release contains predictions, estimates and other forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Act of 1934, as amended. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of our business to differ materially from those expressed or implied by such forward-looking statements. Although we believe that our plans, intentions and expectations reflected in such forward-looking statements are based on reasonable assumptions, we can give no assurance that such plans, intentions, expectations, objectives or goals will be achieved. Important factors that could cause actual results to differ materially from those included in forward-looking statements include: impact of competition; continued sales to key customers; possible fluctuations in the cost of raw materials and components; possible fluctuations in currency exchange rates, which affect the competitiveness of our products abroad; possible fluctuation in interest rates, which affects our earnings and cash flows; possible loss of suppliers; risks related to our asset backed facilities; the availability of borrowings under our Revolving Credit Facility; dependence on key personnel; labor relations; potential liability for environmental, health and safety matters; potential future legal proceedings and litigation; and other risks listed from time to time in the Company's reports, including, but not limited to our Annual Report for the year ended December 31, 2010.

Financial information for Alliance Laundry Holdings LLC appears on the following pages for the three and nine months ended September 30, 2011.

ALLIANCE LAUNDRY HOLDINGS LLC
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)
(in thousands)

	<u>September 30,</u> <u>2011</u>	<u>December 31,</u> <u>2010</u>
Assets		
Current assets:		
Cash and cash equivalents.....	\$ 42,454	\$ 37,743
Restricted cash - for securitization investors.....	14,479	17,528
Accounts receivable, net.....	21,381	24,830
Inventories, net.....	43,067	40,562
Accounts receivable - restricted for securitization investors.....	66,545	61,113
Loans receivable, net - restricted for securitization investors.....	42,014	43,408
Deferred income tax asset, net.....	9,113	8,968
Prepaid expenses and other assets.....	4,346	4,868
Total current assets.....	<u>243,399</u>	<u>239,020</u>
Loans receivable, net.....	6,619	4,136
Property, plant and equipment, net.....	54,617	56,075
Goodwill.....	181,494	181,377
Loans receivable, net - restricted for securitization investors.....	208,872	217,871
Debt issuance costs, net.....	9,994	7,442
Intangible assets, net.....	134,536	137,347
Total assets.....	<u>\$ 839,531</u>	<u>\$ 843,268</u>
Liabilities and Member(s)' Equity		
Current liabilities:		
Current portion of long-term debt and capital lease obligations.....	\$ -	\$ 4
Revolving credit facility.....	-	-
Accounts payable.....	41,559	38,542
Asset backed borrowings - owed to securitization investors.....	78,420	75,152
Other current liabilities.....	37,938	33,466
Total current liabilities.....	<u>157,917</u>	<u>147,164</u>
Long-term debt and capital lease obligations.....	251,565	276,253
Asset backed borrowings - owed to securitization investors.....	182,961	189,035
Deferred income tax liability, net.....	19,271	11,673
Other long-term liabilities.....	20,845	22,082
Total liabilities.....	<u>632,559</u>	<u>646,207</u>
Commitments and contingencies		
Member(s)' equity.....	<u>206,972</u>	<u>197,061</u>
Total liabilities and member(s)' equity.....	<u>\$ 839,531</u>	<u>\$ 843,268</u>

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ALLIANCE LAUNDRY HOLDINGS LLC
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(unaudited)
(in thousands)

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>September 30,</u> <u>2011</u>	<u>September 30,</u> <u>2010</u>	<u>September 30,</u> <u>2011</u>	<u>September 30,</u> <u>2010</u>
Net revenues:				
Equipment and service parts.....	\$ 112,038	\$ 102,349	\$ 330,629	\$ 305,545
Equipment financing, net.....	<u>2,030</u>	<u>1,272</u>	<u>5,567</u>	<u>4,090</u>
Net revenues.....	114,068	103,621	336,196	309,635
Cost of sales.....	<u>84,650</u>	<u>71,168</u>	<u>243,474</u>	<u>219,224</u>
Gross profit.....	<u>29,418</u>	<u>32,453</u>	<u>92,722</u>	<u>90,411</u>
Selling, general and administrative expense.....	17,286	14,505	47,752	44,388
Other costs.....	<u>452</u>	<u>-</u>	<u>1,565</u>	<u>-</u>
Total operating expenses.....	<u>17,738</u>	<u>14,505</u>	<u>49,317</u>	<u>44,388</u>
Operating income.....	11,680	17,948	43,405	46,023
Interest expense.....	6,905	5,736	20,722	16,808
Loss from early extinguishment of debt.....	<u>-</u>	<u>7,680</u>	<u>-</u>	<u>7,680</u>
Income before taxes.....	4,775	4,532	22,683	21,535
Provision for income taxes.....	<u>1,382</u>	<u>2,063</u>	<u>8,735</u>	<u>7,916</u>
Net income.....	<u>\$ 3,393</u>	<u>\$ 2,469</u>	<u>\$ 13,948</u>	<u>\$ 13,619</u>

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ALLIANCE LAUNDRY HOLDINGS LLC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(in thousands)

	Nine Months Ended	
	September 30, 2011	September 30, 2010
Cash flows from operating activities:		
Net income.....	\$ 13,948	\$ 13,619
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization.....	13,904	13,024
Non-cash interest expense.....	312	70
Non-cash loss on commodity & foreign exchange contracts, net.....	3,325	345
Non-cash executive unit compensation.....	1,764	2,572
Non-cash income from loan forgiveness.....	(33)	(39)
Non-cash debt issuance cost write-off.....	-	2,944
Non-cash write-off of original issue discount on Senior Subordinated Notes.....	-	218
Deferred income taxes.....	6,987	5,813
Loss on sale of fixed assets.....	225	192
Changes in assets and liabilities:		
Accounts and notes receivable.....	116	192
Accounts receivable - restricted for securitization investors.....	(5,432)	5,281
Inventories.....	(2,503)	292
Loans receivable, net - restricted for securitization investors.....	10,393	(1,714)
Other assets.....	(253)	(375)
Accounts payable.....	2,976	4,815
Other liabilities.....	(170)	(5,427)
Net cash provided by operating activities.....	45,559	41,822
Cash flows from investing activities:		
Capital expenditures.....	(7,507)	(6,439)
Restricted cash - for securitization investors.....	3,049	2,852
Net cash used in investing activities.....	(4,458)	(3,587)
Cash flows from financing activities:		
Principal payments on long-term debt.....	(25,000)	(29,000)
Change in other long-term debt, net.....	(4)	(498)
Net increase in revolving line of credit borrowings.....	-	-
Debt financing costs.....	(4,100)	(9,409)
Net increase in asset backed borrowings owed to securitization investors.....	(2,806)	(7,407)
Member distributions.....	(4,500)	(19,208)
Purchase of treasury stock.....	-	(621)
Redemption of Senior Subordinated Notes.....	-	(149,315)
Retirement of old credit agreement.....	-	(102,000)
Proceeds from new credit agreement.....	-	282,150
Net cash used in financing activities.....	(36,410)	(35,308)
Effect of exchange rate changes on cash and cash equivalents.....	20	18
Increase in cash and cash equivalents.....	4,711	2,945
Cash and cash equivalents at beginning of period.....	37,743	24,615
Cash and cash equivalents at end of period.....	\$ 42,454	\$ 27,560
Supplemental disclosure of cash flow information:		
Cash paid for interest.....	\$ 16,107	\$ 20,300
Cash paid for income taxes.....	\$ 1,369	\$ 1,190

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Reconciliation of Net income to EBITDA and Adjusted EBITDA, and reconciliation of Adjusted EBITDA to Net Cash Provided by Operating Activities for the Three Months Ended September 30, 2011 and September 30, 2010 (Dollars in Thousands):

	<u>Three Months Ended</u>	
	<u>September 30, 2011</u>	<u>September 30, 2010</u>
Net income.....	\$ 3,393	\$ 2,469
Provision for income taxes.....	1,382	2,063
Interest expense.....	6,905	5,736
Depreciation and amortization (a).....	4,730	4,503
Non-cash interest expense included in amortization above.....	(832)	(881)
EBITDA.....	15,578	13,890
Securitization interest - permitted receivables financing (b)	(199)	(309)
Other non-recurring charges (c).....	452	7,680
Other non-cash charges (d).....	4,491	(2,941)
Adjusted EBITDA.....	20,322	18,320
Interest expense.....	(6,905)	(5,736)
Non-cash interest expense included in amortization above.....	832	881
Other non-cash interest.....	107	23
Securitization interest - permitted receivables financing (b)	199	309
Other non-recurring charges (c).....	(452)	(7,680)
Non-cash loss on early extinguishment of debt.....	-	3,162
Cash taxes paid and payable.....	(218)	(564)
Other (income) expense.....	269	21
Changes in assets and liabilities.....	14,618	(2,230)
Net cash provided by operating activities.....	<u>\$ 28,772</u>	<u>\$ 6,506</u>

- (a) Depreciation and amortization amounts include amortization of deferred financing costs included in interest expense.
- (b) Securitization Interest – permitted receivables financing represents interest expense on trade receivables sold to ALERT 2009A. This activity is consolidated in our financial statements effective January 1, 2010 as part of new accounting guidance adopted at that time. Beginning with the first quarter of 2010, this expense, which is charged to the interest expense line of our Condensed Consolidated Statements of Income, is deducted in calculating Adjusted EBITDA.
- (c) Other non-recurring charges are described as follows:
- Other non-recurring charges of \$0.5 million for the quarter ended September 30, 2011 consist of lease cancellation and other costs which relate to the closure of the Nazareth, Belgium manufacturing facility, which is included in the other costs line of our Condensed Consolidated Statements of Income. There are no similar expenses for the three months ended September 30, 2010.
 - Other non-recurring charges of \$7.7 million for the quarter ended September 30, 2010 relate to losses resulting from the early extinguishment of our previous Credit Facility, which is included in the Loss from early extinguishment of debt line of our Condensed Consolidated Statements of Income.

(d) Other non-cash charges are described as follows:

- Other non-cash charges for the quarter ended September 30, 2011 consist of \$3.0 million of non-cash mark-to-market losses relating to commodity and foreign exchange hedge agreements, which are included in the cost of sales line of our Condensed Consolidated Statements of Income, and \$1.5 million of non-cash expense for management incentive stock options, which is included in the selling, general and administrative expenses line of our Condensed Consolidated Statements of Income.
- Other non-cash charges for the quarter ended September 30, 2010 consist of \$3.0 million of non-cash mark-to-market gains relating to commodity and foreign exchange hedge agreements, which are included in the cost of sales line of our Condensed Consolidated Statements of Income, and \$0.1 million of non-cash expense for management incentive stock options, which is included in the selling, general and administrative expenses line of our Condensed Consolidated Statements of Income.

Reconciliation of Net income to EBITDA and Adjusted EBITDA, and reconciliation of Adjusted EBITDA to Net Cash Provided by Operating Activities for the Nine Months Ended September 30, 2011 and September 30, 2010 (Dollars in Thousands):

	Nine Months Ended	
	September 30, 2011	September 30, 2010
Net income.....	\$ 13,948	\$ 13,619
Provision for income taxes.....	8,735	7,916
Interest expense.....	20,722	16,808
Depreciation and amortization (a).....	13,904	13,024
Non-cash interest expense included in amortization above.....	(2,364)	(1,819)
EBITDA.....	54,945	49,548
Securitization interest - permitted receivables financing (b)	(771)	(874)
Other non-recurring charges (c).....	1,565	7,680
Other non-cash charges (d).....	5,089	2,917
Adjusted EBITDA.....	60,828	59,271
Interest expense.....	(20,722)	(16,808)
Non-cash interest expense included in amortization above.....	2,364	1,819
Other non-cash interest.....	312	70
Securitization interest - permitted receivables financing (b)	771	874
Other non-recurring charges (c).....	(1,565)	(7,680)
Non-cash loss on early extinguishment of debt.....	-	3,162
Cash taxes paid and payable.....	(1,748)	(2,103)
Other (income) expense.....	192	153
Changes in assets and liabilities.....	5,127	3,064
Net cash provided by operating activities.....	\$ 45,559	\$ 41,822

(a) Depreciation and amortization amounts include amortization of deferred financing costs included in interest expense.

(b) Securitization Interest – permitted receivables financing represents interest expense on trade receivables sold to ALERT 2009A. This activity is consolidated in our financial statements effective January 1, 2010 as part of new accounting guidance adopted at that time. Beginning with the first quarter of 2010, this expense, which is charged to the interest expense line of our Condensed Consolidated Statements of Income, is deducted in calculating Adjusted EBITDA.

- (c) Other non-recurring charges are described as follows:
- Other non-recurring charges of \$1.6 million for the nine months ended September 30, 2011 consist of estimated severance, lease cancellation and other costs, which relate to the closure of the Nazareth, Belgium manufacturing facility, which is included in the other costs line of our Condensed Consolidated Statements of Income. There are no similar expenses for the nine months ended September 30, 2010.
 - Other non-recurring charges of \$7.7 million for the nine months ended September 30, 2010 relate to losses resulting from the early extinguishment of our previous Credit Facility, which is included in the Loss from early extinguishment of debt line of our Condensed Consolidated Statements of Income.
- (d) Other non-cash charges are described as follows:
- Other non-cash charges for the nine months ended September 30, 2011 consist of \$3.3 million of non-cash mark-to-market losses relating to commodity and foreign exchange hedge agreements, which are included in the cost of sales line of our Condensed Consolidated Statements of Income, and \$1.8 million of non-cash expense for management incentive stock options, which is included in the selling, general and administrative expense line of our Condensed Consolidated Statements of Income.
 - Other non-cash charges for the nine months ended September 30, 2010 consist of \$0.3 million of non-cash mark-to-market losses relating to commodity and foreign exchange hedge agreements, which are included in the cost of sales line of our Condensed Consolidated Statements of Income, and \$2.6 million of non-cash expense for management incentive stock options, which is included in the selling, general and administrative expense line of our Condensed Consolidated Statements of Income.