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## News Release

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### **ALLIANCE LAUNDRY HOLDINGS LLC REPORTS 3<sup>rd</sup> QTR 2004 EARNINGS**

**Ripon, WI** (November 3, 2004) — Alliance Laundry Holdings LLC announced today results for the quarter and nine months ended September 30, 2004.

Net revenues for the quarter ended September 30, 2004 decreased \$1.3 million, or 1.9%, to \$65.1 million from \$66.4 million for the quarter ended September 30, 2003. Net income for the quarter ended September 30, 2004 decreased \$1.5 million to net income of \$3.0 million as compared to net income of \$4.5 million for the quarter ended September 30, 2003. Earnings Before Interest, Taxes, Depreciation and Amortization (“EBITDA”)\* for the third quarter of 2004 decreased \$1.3 million to \$11.9 million as compared to EBITDA of \$13.2 million for the third quarter of 2003.

The overall revenue decrease for the third quarter of \$1.3 million was primarily due to lower commercial laundry revenue of \$3.7 million and lower service parts revenue of \$0.1 million, which were partially offset by higher consumer laundry revenue of \$2.5 million. The decrease in net income for the third quarter of \$1.5 million was primarily due to lower gross profit of \$1.4 million and higher interest expense of \$0.3 million, partially offset by lower selling, general and administrative expenses of \$0.2 million.

Net revenues for the nine months ended September 30, 2004 increased \$6.2 million, or 3.1%, to \$204.8 million from \$198.6 million for the nine months ended September 30, 2003. Net income for the nine months ended September 30, 2004 increased \$3.8 million to \$13.5 million as compared to net income of \$9.7 million for the nine months ended September 30, 2003. EBITDA for the nine months ended September 30, 2004 was \$38.9 million as compared to EBITDA of \$38.4 million for the nine months ended September 30, 2003.

In announcing the Company’s results today, Chairman and CEO Thomas F. L’Esperance said, “We are extremely pleased with our year to date results with revenues up \$6.2 million and net income up \$3.8 million year over year.”

“During the third quarter of 2004 we have paid down \$9.1 million on long-term debt. We will continue to focus on top line growth in 2004 and 2005 to help offset higher medical and material costs,” said L’Esperance.

Alliance Laundry Holdings LLC, headquartered in Ripon, Wisconsin, is a leading manufacturer of commercial laundry products and provider of services for laundromats, multi-housing laundries, on-premise laundries and drycleaners worldwide. The Company offers a full line of washers and dryers for light commercial use as well as large frontloading washers, heavy duty tumbler dryers, and presses and finishing equipment for heavy commercial use. The Company's products are sold under four well known brand names: Speed Queen, UniMac, Huebsch and Ajax.

#### \* 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 (Earnings Before Interest, Taxes, Depreciation and Amortization), which is a non-GAAP measure. EBITDA is not a measure of operating income, operating performance or liquidity under GAAP. We include EBITDA because we understand it is used by some investors to determine a company's historical ability to service indebtedness and fund ongoing capital expenditures, and because certain covenants in our borrowing agreements are tied to similar measures. Nevertheless, this measure should not be considered in isolation or as a substitute for operating income (as determined in accordance with GAAP) as an indicator of our operating performance, or of cash flows from operating activities (as determined in accordance with GAAP), or as a measure of liquidity. Other companies may define EBITDA differently. A reconciliation of EBITDA to net income is provided under the heading Selected Financial Data of this press release.

#### 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, including, without limitation, statements that include the words "continues," "expects," "anticipates," "intends," "plans," "should," and "believes" or similar expressions and statements relating to growth or performance objectives. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the Company to differ materially from those expressed or implied by such forward-looking statements. Although the Company believes that its plans, intentions and expectations reflected in such forward-looking statements are based on reasonable assumptions, it 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 the 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 the Company's products abroad; market acceptance of new and enhanced versions of the Company's products; the impact of substantial leverage and debt service on the Company and other risks listed from time to time in the Company's reports, including, but not limited to the Company's most recent Annual Report on Form 10-K for the year ended December 31, 2003.

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*Financial information for Alliance Laundry Holdings LLC appears on the next four pages, followed by management's discussion and analysis of financial condition and results of operations for the quarter and nine months ended September 30, 2004.*

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

	September 30, 2004	December 31, 2003
<b>Assets</b>		
Current assets:		
Cash.....	\$ 8,834	\$ 7,937
Accounts receivable, net.....	8,954	9,157
Inventories, net.....	28,963	26,215
Beneficial interests in securitized accounts receivable....	17,352	16,789
Prepaid expenses and other.....	958	898
Total current assets.....	65,061	60,996
Notes receivable, net.....	5,952	8,161
Property, plant and equipment, net.....	30,946	34,035
Goodwill, net.....	55,414	55,414
Beneficial interests in securitized financial assets.....	19,750	22,676
Debt issuance costs, net.....	6,208	7,636
Other assets.....	4,978	1,721
Total assets.....	\$ 188,309	\$ 190,639
<b>Liabilities and Members' Deficit</b>		
Current liabilities:		
Current portion of long-term debt .....	\$ 12,305	\$ 11,270
Revolving credit facility.....	-	-
Accounts payable.....	11,820	11,279
Other current liabilities.....	21,404	20,428
Total current liabilities.....	45,529	42,977
Long-term debt:		
Senior credit facility.....	123,947	145,975
Senior subordinated notes.....	110,000	110,000
Junior subordinated note.....	27,551	24,171
Other long-term debt.....	593	783
Other long-term liabilities.....	6,899	6,491
Mandatorily redeemable preferred interests.....	6,000	-
Total liabilities.....	320,519	330,397
Commitments and contingencies		
Mandatorily redeemable preferred interests.....	-	6,000
Members' deficit.....	(132,210)	(145,758)
Total liabilities and members' deficit.....	\$ 188,309	\$ 190,639

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

	Three Months Ended		Nine Months Ended	
	September 30, 2004	September 30, 2003	September 30, 2004	September 30, 2003
Net revenues:				
Commercial laundry.....	\$ 55,805	\$ 56,991	\$ 176,023	\$ 170,462
Service parts.....	9,341	9,449	28,773	28,088
	<u>65,146</u>	<u>66,440</u>	<u>204,796</u>	<u>198,550</u>
Cost of sales.....	<u>47,001</u>	<u>46,918</u>	<u>144,761</u>	<u>141,152</u>
Gross profit.....	18,145	19,522	60,035	57,398
Selling, general and administrative expense.	8,269	8,521	25,995	24,920
Offering related expenses.....	<u>30</u>	<u>-</u>	<u>1,298</u>	<u>-</u>
Total operating expense.....	<u>8,299</u>	<u>8,521</u>	<u>27,293</u>	<u>24,920</u>
Operating income.....	9,846	11,001	32,742	32,478
Interest expense.....	6,849	6,523	19,219	21,928
Other (income) expense, net.....	<u>(52)</u>	<u>1</u>	<u>-</u>	<u>798</u>
Income before taxes.....	3,049	4,477	13,523	9,752
Provision for income taxes.....	<u>10</u>	<u>7</u>	<u>64</u>	<u>50</u>
Net income.....	<u>\$ 3,039</u>	<u>\$ 4,470</u>	<u>\$ 13,459</u>	<u>\$ 9,702</u>

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

	Nine Months Ended	
	September 30, 2004	September 30, 2003
Cash flows from operating activities:		
Net income.....	\$ 13,459	\$ 9,702
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization.....	7,585	8,264
Non-cash interest.....	3,456	4,456
Non-cash incentive unit compensation.....	540	-
Gain on sale of property, plant and equipment.....	-	(8)
Changes in assets and liabilities:		
Accounts receivable.....	203	(1,887)
Inventories.....	(2,748)	(2,152)
Other assets.....	1,722	(171)
Accounts payable.....	541	(2,980)
Other liabilities.....	1,308	3,232
Net cash provided by operating activities.....	26,066	18,456
Cash flows from investing activities:		
Additions to property, plant and equipment.....	(2,982)	(3,145)
Proceeds on disposal of property, plant and equipment.....	67	35
Net cash used in investing activities.....	(2,915)	(3,110)
Cash flows from financing activities:		
Repayment of management note.....	-	32
Principal payments on long-term debt.....	(21,183)	(17,177)
Cash paid for capitalized offering related costs.....	(1,071)	-
Net increase in revolving line of credit borrowings.....	-	-
Net cash used in financing activities.....	(22,254)	(17,145)
Increase (decrease) in cash.....	897	(1,799)
Cash at beginning of period.....	7,937	7,339
Cash at end of period.....	\$ 8,834	\$ 5,540
Supplemental disclosure of cash flow information:		
Cash paid for interest.....	\$ 14,058	\$ 14,083

**ALLIANCE LAUNDRY HOLDINGS LLC**  
**SELECTED FINANCIAL DATA**  
**(in thousands)**

	Three Months Ended		Nine Months Ended	
	September 30, 2004	September 30, 2003	September 30, 2004	September 30, 2003
<b>Cash flow data:</b>				
Net cash provided by operating activities.....	\$ 9,315	\$ 13,638	\$ 26,066	\$ 18,456
Net cash used in investing activities.....	(1,273)	(795)	(2,915)	(3,110)
Net cash used in financing activities.....	(9,758)	(12,059)	(22,254)	(17,145)
<b>Other data:</b>				
EBITDA <sup>(1)</sup> .....	\$ 11,897	\$ 13,205	\$ 38,899	\$ 38,421
Capital expenditures.....	1,335	794	2,982	3,145
<b>Reconciliation: EBITDA</b>				
Net income <sup>(2)</sup> .....	\$ 3,039	\$ 4,470	\$ 13,459	\$ 9,702
Provision for income taxes.....	10	7	64	50
Income before income taxes.....	3,049	4,477	13,523	9,752
Adjustments:				
Interest expense.....	6,849	6,523	19,219	21,928
Depreciation and amortization.....	2,467	2,707	7,585	8,264
Non-cash interest expense included in amortization above.....	(468)	(502)	(1,428)	(1,523)
EBITDA <sup>(1)</sup> .....	<u>\$ 11,897</u>	<u>\$ 13,205</u>	<u>\$ 38,899</u>	<u>\$ 38,421</u>

<sup>(1)</sup> "EBITDA", as presented, represents income before taxes plus depreciation, amortization and interest expense.

<sup>(2)</sup> Subsequent to the consummation of the Recapitalization, we are not a tax paying entity.

## Management's Discussion and Analysis of Financial Condition and Results of Operations for the Quarter and Nine Months Ended September 30, 2004.

### OVERVIEW

We believe we are the leading designer, manufacturer and marketer of stand-alone commercial laundry equipment in North America and a leader worldwide. Under the well-known brand names of Speed Queen®, UniMac®, Huebsch®, and Ajax®, we produce a full line of commercial washing machines and dryers with load capacities from 16 to 250 pounds as well as presses and finishing equipment. Our commercial products are sold to four distinct customer groups: (i) laundromats; (ii) multi-housing laundries, consisting primarily of common laundry facilities in apartment buildings, universities and military installations; (iii) on-premise laundries, consisting primarily of in-house laundry facilities of hotels, hospitals, nursing homes and prisons and (iv) drycleaners.

The unaudited financial statements as of and for the quarter ended September 30, 2004 and 2003, respectively, present the consolidated financial position and results of operations of Alliance Laundry Holdings LLC, including our wholly-owned direct and indirect subsidiaries, Alliance Laundry Systems LLC and Alliance Laundry Corporation.

This discussion and analysis should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations set forth in our Annual Report on Form 10-K (file no. 333-56857) filed with the Securities and Exchange Commission, which includes our audited financial position and operating results as of and for the year ended December 31, 2003.

### RESULTS OF OPERATIONS

#### Quarter Ended September 30, 2004 Compared to the Quarter Ended September 30, 2003.

The following table sets forth our historical net revenues for the periods indicated:

	Quarter Ended	
	September 30, 2004	September 30, 2003
	(Dollars in millions)	
Net revenues:		
Commercial laundry.....	\$ 55.8	\$ 57.0
Service parts.....	9.3	9.4
	<u>\$ 65.1</u>	<u>\$ 66.4</u>

The following table sets forth certain condensed historical financial data for us expressed as a percentage of net revenues for each of the periods indicated:

	Quarter Ended	
	September 30, 2004	September 30, 2003
Net revenues.....	100.0%	100.0%
Cost of sales.....	72.1%	70.6%
Gross profit.....	27.9%	29.4%
Selling, general and administrative expense.....	12.7%	12.8%
Operating income.....	15.2%	16.6%
Net income.....	4.7%	6.7%

*Net revenues.* Net revenues for the quarter ended September 30, 2004 decreased \$1.3 million, or 1.9%, to \$65.1 million from \$66.4 million for the quarter ended September 30, 2003. This decrease was primarily attributable to lower commercial laundry revenue of \$3.7 million and lower service parts revenue of \$0.1 million, which were partially offset by higher consumer laundry revenue of \$2.5 million. The decrease in commercial laundry revenue was due primarily to lower North American equipment revenue of \$5.3 million and lower earnings from our equipment financing program of \$0.3 million, which were partially offset by higher international revenue of \$1.9 million. Revenue for North America was lower to coin-operated laundry customers and multi-housing laundry customers and higher to drycleaners. The consumer laundry revenue resulted from sales to distributors in preparation for our re-entry into the consumer laundry marketplace. Revenue for international was higher to customers in Asia, the Middle East, Africa, and Europe.

*Gross profit.* Gross profit for the quarter ended September 30, 2004 decreased \$1.4 million, or 7.1%, to \$18.1 million from \$19.5 million for the quarter ended September 30, 2003. This decrease was primarily attributable to nickel and chrome surcharges of \$1.1 million related to stainless steel purchases, higher medical and workers compensation costs and the margins associated with the lower sales volume. Gross profit was not affected to the full extent of recent steel market conditions as we have steel purchase agreements in place. Once these agreements expire we will be subject to prevailing steel prices at that time. As a result of the recent escalation in the cost of steel and the negative impact from nickel and chrome surcharges related to stainless steel purchases, we have published a price increase, effective on December 1, 2004, which is expected to offset for anticipated steel cost increases. Gross profit as a percentage of net revenues decreased to 27.9% for the quarter ended September 30, 2004 from 29.4% for the quarter ended September 30, 2003 primarily as a result of the nickel and chrome surcharges.

*Selling, general and administrative expense.* Selling, general and administrative expenses for the quarter ended September 30, 2004 decreased \$0.2 million, or 3.0%, to \$8.3 million from \$8.5 million for the quarter ended September 30, 2003. The decrease in selling, general and administrative expenses was primarily due to lower pension costs of \$0.3 million and lower incentive expenses of \$0.4 million, which were partially offset by higher independent development costs of \$0.2 million and costs associated with the implementation of Sarbanes-Oxley initiatives of \$0.2 million. Selling, general and administrative expenses as a percentage of net revenues decreased to 12.7% for the quarter ended September 30, 2004 from 12.8% for the quarter ended September 30, 2003.

*Operating income.* As a result of the foregoing, operating income for the quarter ended September 30, 2004 decreased \$1.2 million, or 10.5%, to \$9.8 million from \$11.0 million for the quarter ended September 30, 2003. Operating income as a percentage of net revenues decreased to 15.2% for the quarter ended September 30, 2004 from 16.6% for the quarter ended September 30, 2003.

*Interest expense.* Interest expense for the quarter ended September 30, 2004 increased \$0.3 million, or 5.0%, to \$6.8 million from \$6.5 million for the quarter ended September 30, 2003. Interest expense in 2003 includes a favorable non-cash adjustment of \$0.5 million to reflect changes in the fair values of an interest rate swap agreement. Cash interest expense decreased by \$0.5 million as compared to the prior year as a result of reductions in total debt outstanding, but was partially offset by an increase of \$0.3 million in interest expense related to our junior subordinated notes.

*Net income.* As a result of the foregoing, net income for the quarter ended September 30, 2004 decreased \$1.5 million to net income of \$3.0 million as compared to net income of \$4.5 million for the quarter ended September 30, 2003. Net income as a percentage of net revenues decreased to 4.7% for the quarter ended September 30, 2004 from 6.7% for the quarter ended September 30, 2003.

**Six Months Ended June 30, 2004 Compared to the Six Months Ended June 30, 2003.**

The following table sets forth our historical net revenues for the periods indicated:

	<u>Nine Months Ended</u>	
	<u>September 30,</u> 2004	<u>September 30,</u> 2003
	(Dollars in millions)	
Net revenues:		
Commercial laundry.....	\$ 176.0	\$ 170.5
Service parts.....	28.8	28.1
	<u>\$ 204.8</u>	<u>\$ 198.6</u>

The following table sets forth certain condensed historical financial data for us expressed as a percentage of net revenues for each of the periods indicated:

	<u>Nine Months Ended</u>	
	<u>September 30,</u> 2004	<u>September 30,</u> 2003
Net revenues.....	100.0%	100.0%
Cost of sales.....	70.7%	71.1%
Gross profit.....	29.3%	28.9%
Selling, general and administrative expense.....	12.7%	12.6%
Offering related expenses.....	0.6%	-
Operating income.....	16.0%	16.3%
Net income.....	6.6%	4.9%

*Net revenues.* Net revenues for the nine months ended September 30, 2004 increased \$6.2 million, or 3.1%, to \$204.8 million from \$198.6 million for the nine months ended September 30, 2003. This increase was primarily attributable to higher commercial laundry revenue of \$3.0 million, higher consumer laundry revenue of \$2.5 million and higher service parts revenue of \$0.7 million. The increase in commercial laundry revenue was due primarily to higher international revenue of \$6.7 million, but was partly offset by lower North American equipment revenue of \$3.7 million. The decrease in North American equipment revenues was primarily due to lower revenues from multi-housing laundry customers and coin-operated laundry customers, which were partly offset by higher revenues from a current year price increase, as well as higher revenues from on-premise laundry customers and drycleaners. The consumer laundry revenue resulted from sales to distributors in preparation for our re-entry into the consumer laundry marketplace. Revenue for international was higher to customers in Asia, the Middle East, Africa and Europe.

*Gross profit.* Gross profit for the nine months ended September 30, 2004 increased \$2.6 million, or 4.6%, to \$60.0 million from \$57.4 million for the nine months ended September 30, 2003. This increase was primarily attributable to the margins associated with the higher sales volume, the price increase, and lower depreciation expense, which were partially offset by nickel and chrome surcharges of \$3.0 million related to stainless steel purchases. Gross profit as a percentage of net revenues increased to 29.3% for the nine months ended September 30, 2004 from 28.9% for the nine months ended September 30, 2003.

*Selling, general and administrative expense.* Selling, general and administrative expenses for the nine months ended September 30, 2004 increased \$1.1 million, or 4.3%, to \$26.0 million from \$24.9 million for the nine months ended September 30, 2003. The increase in selling, general and administrative expenses was primarily due to higher sales and marketing expenses of \$1.0 million, non-cash incentive compensation of \$0.5 million in 2004, and higher independent development costs of \$0.5 million, which were partially offset by lower pension expense of \$0.8 million. Selling, general and administrative expenses as a percentage of net revenues increased to 12.7% for the nine months ended September 30, 2004 from 12.6% for the nine months ended September 30, 2003.

*Offering related expense.* Offering related expense for the nine months ended September 30, 2004 was \$1.3 million, with no similar expense in 2003. Offering related expense as a percentage of net revenues was 0.6% for the nine months ended September 30, 2004.

*Operating income.* As a result of the foregoing, operating income for the nine months ended September 30, 2004 increased \$0.2 million, or 0.8%, to \$32.7 million from \$32.5 million for the nine months ended September 30, 2003. Operating income as a percentage of net revenues decreased to 16.0% for the nine months ended September 30, 2004 from 16.3% for the nine months ended September 30, 2003.

*Interest expense.* Interest expense for the nine months ended September 30, 2004 decreased \$2.7 million, or 12.4%, to \$19.2 million from \$21.9 million for the nine months ended September 30, 2003. Interest expense in 2004 includes a favorable non-cash adjustment of \$1.1 million to reflect changes in the fair values of an interest rate swap agreement. Interest expense in 2003 includes an unfavorable non-cash adjustment of \$0.9 million to reflect changes in the fair values of a similar interest rate swap agreement. Cash interest expense was lower as compared to the prior year by \$0.7 million as a result of reductions in total debt outstanding, but was partially offset by \$0.6 million of higher interest expense related to our junior subordinated notes.

*Net income.* As a result of the foregoing, net income for the nine months ended September 30, 2004 increased \$3.8 million to net income of \$13.5 million as compared to net income of \$9.7 million for the nine months ended September 30, 2003. Net income as a percentage of net revenues increased to 6.6% for the nine months ended September 30, 2004 from 4.9% for the nine months ended September 30, 2003.