

Colorbök, Inc. Completes Acquisition of Quincrafts Corporation
Transaction Follows FdG's Equity Investment in Colorbök

New York, January 10, 2005 – Colorbök Inc., a creator, marketer and distributor of scrapbooking, stationery, toys and gift products, today announced that it has acquired Quincrafts Corporation, a pioneer and market leader in the creation, marketing and distribution of craft activities for children. Financial terms of the transaction were not disclosed. This transaction follows FdG Associates' May 2004 equity investment in Colorbök. At that time, the middle market private equity firm announced plans to expand the company both organically and through acquisitions.

Colorbök plans to combine the Quincrafts business with its existing Kids Crafts and Activities division, aggressively growing the company by leveraging Colorbök's extensive distribution channels and customer relationships.

Bill Taylor, Colorbök's President and Chief Executive Officer said, "Our Scrapbooking, Stationery and Photo Album divisions continue to experience high growth rates due to their innovative and rapidly developing product lines, superior customer service and strong fundamentals. However, we decided to make our first acquisition within our Kids Crafts and Activities division, a market segment that is poised for significant growth. We believe that by combining Quincrafts – an established, successful kids craft brand - into our own division, we will significantly enhance our position in the market."

Headquartered in Braintree, Massachusetts, Quincrafts manufactures and markets more than 175 children's crafts and activities products which are sold worldwide under premier brand names such as Makit&Bakit, Betty's Beginner Stitchery and Sand Creations. Its Makit&Bakit Suncatcher kits were recently ranked among the top 10 arts and crafts products for kids by a leading industry trade publication, *TD Monthly*. The company has enjoyed four decades of sales growth and profitability and is known industry-wide for its innovative ideas and product development capabilities.

Quincrafts is a leader in the highly successful and fast-growing children's craft industry, which benefits from current dynamics in both the U.S. toy and arts and crafts industries. Within the \$21 billion toy industry, children's arts and crafts is among the fastest growing segments, expanding at an estimated rate of 11 percent annually. The arts and crafts industry, which was estimated at \$33 billion in 2003, has grown more than 26 percent during the past two years.

Doug Dossey, principal at FdG Associates, said, "This is exactly the kind of growth strategy we envisioned when we made our equity investment in Colorbök. We look forward

to continuing to work with Bill Taylor and Colorbök's management team to take advantage of the healthy organic growth environment and to continue to identify acquisition opportunities among niche-market leading businesses. We will continue to work with Colorbök to leverage its customer relationships, sourcing know-how and distribution assets to grow each of its divisions into market leading positions."

About FdG Associates

FdG Associates is a private investment firm providing equity capital to North American-based middle market growth companies with sound businesses and unrealized potential. By building a partnership with management and offering creative problem solving and strategic, long-term planning focused around key corporate initiatives, FdG empowers companies to achieve their full growth potential and increase their equity value.

FdG will typically commit from \$15 million to \$50 million in equity to sponsor management buyouts, recapitalizations and growth-oriented capital investments in private and public companies. The deep and diverse experience of the firm's executive team enables FdG to pursue opportunities in the business and consumer services, distribution, light manufacturing, retail and consumer products sectors.

FdG is headquartered in New York, NY. For additional information, please visit www.fdgassociates.com