



Warburg Pincus set to buy Alliance Tire

(Hadera, Israel January 1st 2007) Private equity fund Warburg Pincus LLC, and its partner, businessman Yogesh Mahansaria who will hold minority shares, intends to acquire Fishman Holdings subsidiary Alliance Tire Co. (TASE: ALIN).

Alliance announced today that the potential buyers have announced their desire to acquire the company in full. The company has therefore entered negotiations with the potential buyers for the sale of full ownership by way of a merger for cash.

It was also announced that Alliance has been valued at \$45 million, 22% higher than its market price at the end of last week, but \$3 million less than its initial valuation. The company believes that the deal will be completed in the second quarter of 2007. Alliance president, Mr. Anglister said: “ We are very enthusiastic about the future merger deal , Alliance will be part a of a global large company as Warburg Pincus and the experience and contacts of Mr. Yogesh Mahansaria in the tire industry will create a great potential for Alliance to grow in the global market.”

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