

FOR IMMEDIATE RELEASE:

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Headwaters Advised X-Rite on Acquisition of Pantone

X-Rite, Incorporated (Nasdaq: XRIT) a leading provider of color solutions for measuring, formulating, matching, and simulating color, announced that it has entered into a definitive agreement to purchase Pantone, Inc. for \$180 million. Pantone is an authority on color inspiration for the design world with the Pantone Matching System, a system for identifying, matching and communicating colors. The deal is expected to close in the fall of 2007.

X-Rite was advised exclusively by Headwaters MB for investment banking and financial advisory services, including arranging the necessary financing. At Headwaters, David Dodson led the M&A advisory team and Chris Wilson led the debt team. David Prieto led execution for both transactions. Final financing was fully committed by Merrill Lynch, Fifth Third Bank, National City Bank, LaSalle Bank and GoldenTree Asset Management, LP. McDermott, Will & Emery provided legal advice to X-Rite. Goldman, Sachs & Co. served as financial advisor to Pantone and Skadden, Arps, Slate, Meagher & Flom LLP provided legal counsel to Pantone.

Mary Chowning, the CFO of X-Rite, said, "Once again, Headwaters has exceeded our expectations and delivered a stellar service experience and transaction outcome."

Phil Seefried, Co-Founder and CEO of Headwaters commented: "We are thrilled with the announcement. X-Rite's management team has a clear vision for their company and was steadfast in their commitment to the transaction despite the recent market upheaval." He added, "Everyone is a hero in a steady bull market, but watching the Headwaters deal team overcome the challenges of the current environment was impressive. This is one of very few all-debt financed transactions announced since the credit crunch began. Both the M&A and financing teams delivered a terrific result for our client."

Headwaters MB is one of the largest independent, middle-market investment banking firms in the United States. It provides strategic merger and acquisitions advisory and corporate finance services to privately- and publicly-owned companies. Headwaters is headquartered in Denver, with offices in Atlanta, Boston, and Orange County, California.

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