

QUADRANGLE DEBT RECOVERY ADVISORS SPINS OFF FROM QUADRANGLE; CHANGES NAME TO MONARCH ALTERNATIVE CAPITAL LP

Newly Independent Firm to Continue Same Investment Approach and Focus

NEW YORK, January 2, 2008 – Quadrangle Debt Recovery Advisors LP (“QDRA”) today announced the completion of its spin-off from Quadrangle Group LLC. As part of the separation, QDRA has changed its name to Monarch Alternative Capital LP (“Monarch”). Monarch’s investment activities will continue to be managed by its founding principals – Michael Weinstock, Andrew Herenstein and Christopher Santana – and its focus on distressed debt investing will remain unchanged.

“The entire Monarch team is very proud of the growth and success that we have achieved over the past six years as QDRA,” said Mr. Weinstock. “We are excited to start this new chapter as an independent company and to continue our track record of successfully growing our business.”

Monarch is an investment advisory firm that manages three diversified distressed debt hedge funds with assets under management of approximately \$3 billion. The Monarch funds invest primarily in the debt of bankrupt or otherwise financially troubled companies. Monarch’s portfolio managers have a 16-year track record of investing together in distressed debt and are supported by a deep and experienced investment team. The investment team’s expertise was recognized in October 2005 when its largest hedge fund was named “Fund of the Year” in the “Fixed Income, High Yield & Distressed” category by *Absolute Return Magazine*.

The Company will have a formal ongoing relationship with Quadrangle Group and will continue to receive operational support from Quadrangle as necessary to ensure a smooth and seamless transition.

Monarch has launched a new website, www.monarchlp.com, which will be updated in the coming weeks.

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