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Catalytic Solutions, Inc.

("CSI" or the "Company" or the "Group")

Completion of Engine Control Systems acquisition

Catalytic Solutions, Inc. (AIM: CTS), the company behind Mixed Phase Catalyst (MPC™) technology, is pleased to announce that it has completed the acquisition of Engine Control Systems, as was announced on 3 December 2007.

ECS has been acquired from Capital Works LLC, for a cash consideration of US\$21.15 million which has been satisfied through the issue of new equity and associated new debt facilities. In addition Capital Works LLC will be issued with warrants in respect of 4% of the fully diluted issued share capital of the Company.

The cash element of the transaction has been satisfied by way of a Placing ("Placing") of 5,770,400 new common shares at 80 pence per common share, raising a total of £4.6 million (\$9.5 million) before expenses, as announced on 3 December 2007. Long-term debt facilities of up to US\$16 million have been agreed to fund the balance of the consideration and be used for working capital purposes.

The new shares were admitted to trading on AIM on 20 December 2007 and will rank pari passu with existing CSI common shares.

Canaccord Adams advised CSI on both the debt and equity provision in support of this transaction.

Commenting on the completion of the acquisition, Charlie Call Chief Executive of CSI said:

"We are delighted to have completed the acquisition of ECS. We believe the access to European manufacturing and product testing and development provided by ECS will provide long term growth for the business in existing and current markets which will create material shareholder value."

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About CSI

Catalytic Solutions, Inc. (CSI) is an industry leader in the field of catalysis, offering catalyst based solutions for clean utilization of fossil fuels. CSI was successfully admitted to the Alternative Investment Market (AIM:CTS and CTSR), a market operated by the London Stock Exchange plc, in November 2006. CSI is focused on the creation, manufacture and supply of catalysts for motor vehicle (gasoline and diesel engines), energy applications (gas turbines, boilers, gensets) and petrochemical and refinery applications. CSI's emissions control catalysts are designed to deliver high value to customers while benefiting the global environment through air quality improvement, sustainability and energy efficiency. With over seven million parts supplied to customers since 1996, CSI's proven technical and manufacturing competence meets auto makers' most stringent requirements. CSI currently has operations in the USA, Japan and France.

About ECS

ECS is a manufacturer of technology-based emission control systems. It develops, manufactures and supplies a full range of custom-built technology-based and standard emission control products for original equipment, aftermarket and retrofit applications. The products are used for treating harmful exhaust emissions primarily in the heavy-duty diesel ("HDD") market.

In 2006 ECS recorded revenues of US\$23.3 million with earnings before taxation of US\$1.8 million. As at 31 December 2006, ECS had net assets of US\$15.2 million.