



**FOR IMMEDIATE RELEASE**

## **Atria Networks Poised for Stronger Growth with New Ownership**

(Kitchener, October 25, 2006) The shareholders of Atria Networks Inc. today announced that they have agreed to sell their interest in the Atria Networks business to Birch Hill Equity Partners. Atria's joint owners – Cambridge and North Dumfries Energy Plus Inc., Guelph Hydro Inc., Kitchener Power Inc., and Waterloo North Hydro Holding Company – have agreed in principal to sell at a profit the telecommunications company they started six years ago.

Since its inception in 2000, Atria Networks (formerly Fibretech Telecommunications and Guelph Fibrewired) has satisfied a demand for local high-speed data services previously unmet by the private sector. Having accomplished the objectives of its original mandate, Atria's continued success in a restricted market space would become increasingly difficult.

"Regional telecommunications is now a very sophisticated and fast-paced business," said Steve McCartney, president of Atria. "With competitive pressures mounting and new telecommunications services in strong demand, Atria's strategic growth dictates a need for capital investment and access to a larger market."

Birch Hill Equity Partners will fill that critical role and help the company achieve its full potential.

"We see a tremendous untapped potential for fibre-optic data services," said Birch Hill principal, Thecla Sweeney. "Our involvement as an equity partner will allow Atria to grow and pursue opportunities in its current markets as well as those previously beyond its corporate mandate."

Birch Hill is committed to continuing investment in Atria's community initiatives such as free Wi-Fi Internet in the libraries, services for the Waterloo Region Children's Museum, and early childhood literacy programs.

Birch Hill Equity Partners Inc. invests in leading Canadian middle-market businesses. This is the latest investment made through its \$850 million fund, Birch Hill Equity Partners III, LP. The 23 member team at Birch Hill has many years of experience working together as an active partner with top management teams in building long-term value.

Atria Networks is a diverse telecommunications enterprise supported by a 1000 km network of fibre-optic cable, spanning a broad contiguous area from Orangeville in the northeast to the townships southwest of Kitchener. The company provides high-speed data solutions, Internet connectivity, bundled Layer 3 services for business, and recently designed and constructed fully operational Wi-Fi mesh networks in several urban cores.

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