



Birch Hill Closes C\$1.04 billion Private Equity Fund

TORONTO, February 3, 2011– Birch Hill Equity Partners today announced it has closed its fourth private equity fund, raising C\$1.04 billion from a group of Canadian and international investors looking to capitalize on the investment opportunities available today in Canadian mid-sized companies. The fund surpassed its initial target size by more than 20 per cent, reflecting strong interest from existing and new investors. Birch Hill will invest in Canadian mid-sized companies in a variety of market segments.

Together with co-investors, Birch Hill expects to make investments ranging from \$30 million to \$500 million, across 12 to 14 companies. In turn, Birch Hill expects its investments will support those companies in making 60 or more acquisitions themselves. In its third fund, Birch Hill invested in document management company Shred-it, which in turn has acquired four companies to date with the help of Birch Hill.

“The size of this fund demonstrates that private equity will continue to be a vital source of financing for Canadian companies, and reflects the very strong interest and confidence investors now have in the Canadian market,” said Birch Hill partner Steve Dent.

About half of the fund’s investors are international institutions, indicative of the attractiveness of the Canadian market to investors globally, due in part to the relatively stable economy, the reputation of the banking and regulatory systems, and the strong performance of many Canadian companies. Companies that have worked with Birch Hill have typically more than doubled their earnings over Birch Hill’s average five year hold period.

“Birch Hill demonstrates how the right private equity partner can be a constructive force for the companies it invests in,” said Christine Magee, President and Co-Founder, Sleep Country Canada. “It was evident from the beginning to me that the Birch Hill team really understood who we were as a company, and respected that. Birch Hill is a great partner, and they have been instrumental to our continued success.”

Birch Hill’s team of 20 investment professionals work together as an active partner with top management. With C\$2 billion in capital under management, 19 partner companies and 29 fully realized investments since 1994, Birch Hill is the leader in long-term value creation in the Canadian mid-market. For more information about Birch Hill Equity Partners, please visit www.birchhillequity.com.

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