

# Bear Stearns Merchant Banking Announces Acquisition of PlayCore Holdings

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New York, NY - February 22, 2007 - Bear Stearns Merchant Banking ("BSMB"), a leading private equity firm focusing on middle-market investments, today announced that, together with company management, it has acquired PlayCore Holdings, Inc. ("PlayCore") from an investor group led by Chartwell Investments. PlayCore is a leading designer, manufacturer and marketer of a broad range of playground equipment, accessories and related play products. Terms of the transaction were not disclosed.

Based in Chattanooga, Tennessee, PlayCore specializes in the design, manufacture and marketing of commercial and consumer playground equipment.

"We look forward to working together with PlayCore's terrific management team to accelerate the Company's growth," said Douglas R. Korn, a senior managing director of BSMB. "There are many opportunities to expand PlayCore through enhanced distribution as well as new product offerings. Further, we will have substantial capital available for the pursuit of complementary acquisitions given PlayCore's solid balance sheet and BSMB's substantial resources."

PlayCore is expected to benefit from an increasing focus on the importance of play on childhood development and health. "There is substantial data to support the fact that play helps spur learning during a child's important developmental years," continued Korn, "and Americans are waking up to the fact that record levels of childhood obesity have serious long-term health implications for our children and our country. Experts increasingly agree that American kids can benefit from spending less time in sedentary activities and more time involved in active play."

"We are very excited to partner with BSMB," said Bob Farnsworth, President and CEO of PlayCore. "BSMB has a terrific reputation of working closely with management teams to help develop and grow companies like ours and we look forward to partnering with them. The support of BSMB will help fulfill the Company's mission of providing leadership in the important area of play and child development. The resources provided by BSMB will benefit the Company's employees, customers, distributors and suppliers through the extensive support programs that are available for their portfolio companies as well as a greatly improved financial structure. We see this as a significant step forward in the development of PlayCore's future growth potential."

## **About BSMB:**

BSMB, the private equity affiliate of The Bear Stearns Companies Inc. (NYSE: BSC), invests private equity capital in compelling leveraged buyouts, recapitalizations and growth capital opportunities alongside superior management teams. BSMB focuses on making control or entrepreneur-driven investments, principally in middle-market retail, financial services and consumer products companies. Since its formation in 1997, BSMB has been an investor in over 50 portfolio companies. BSMB manages nearly \$5 billion of private equity capital, including its new \$2.7 billion institutional fund and capital dedicated to its affiliate, Bear Growth Capital Partners. Investments by BSMB include: ACA Capital Holdings (NYSE: ACA), Alter Moneta, Balducci's, CamelBak Products, Caribbean Financial Group, Cavalry Investments, Churchill Financial Holdings, Dairyland, Everything But Water, Harlem Furniture, Ironshore Inc., Multi Packaging Solutions, New York & Company (NYSE: NWY), Seven For All Mankind, Stuart Weitzman, Transamerican Auto Parts Company and The Vitamin Shoppe. More information about BSMB is available at [www.bsmb.com](http://www.bsmb.com).

**About PlayCore:**

PlayCore, Inc. is one of the leading playground equipment and backyard products companies in the world, specializing in the design, manufacture and marketing of commercial and consumer outdoor playground equipment. The commercial play divisions market modular and custom playground systems and components to municipalities, schools, parks and other playground systems users. The consumer divisions manufacture kits for wooden swing sets and climbing units, plastic slides and play set accessories. The other recreational products manufactured by the company include mini-playgrounds, sandboxes, basketball and soccer equipment, picnic tables and site amenities such as benches, litter receptacles and bicycle racks. More information about PlayCore is available at [www.playcore.com](http://www.playcore.com).