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**CANADA'S BUYOUT & PRIVATE EQUITY MARKET IN 2010:
INVESTMENTS UP FOR FIRST TIME IN 3 YEARS, EXITS JUMP 106%**

TORONTO: Canadian buyout and private equity (PE) market activity showed renewed vigour in 2010, as both deal and dollar volumes grew for the first time since 2007. This was one of several major conclusions of the annual statistical review released today by CVCA- Canada's Venture Capital & Private Equity Association and research partner Thomson Reuters. The 2010 statistical review is the most comprehensive ever released by the CVCA and Thomson Reuters and provides the only in-depth coverage of the PE industry available.

Buyout and other PE deals done in Canada totaled 130 last year, up 7% from 2009, while disclosed deal values totaled \$4.9 billion, up 21%. This year-over-year increase is consistent with private equity developments in North America and around the world in 2010.

"Private equity has been on the upswing around the world in 2010" said Gregory Smith, President of the CVCA and Managing Partner of Brookfield Financial. He added: "And Canadian firms are fully participating in this rising activity. We are convinced that there are significant prospects for future growth."

A handful of major deals in Q4 2010 contributed substantially to year-end numbers in the Canadian market. These included CPPIB's investment in 407 International and TPG Capital's acquisition of the property-data unit of MDA Corporation – the two largest deals done in Canada last year. However, most domestic activity reflected a continuing market focus on smaller transactions.

"Unlike past years, when , billion-dollar-plus deals tended to drive activity, the Canadian market in 2010 owed much to investments in mid-market businesses located in a wide range of industry sectors across the country ", said Mr. Smith, "In this regard, 64% of disclosed values in deals fell below the \$500-million mark."

The report also found Canadian buyout and other PE investors playing a highly influential role in global markets. Canadian groups sponsored or otherwise participated in international transactions valued at \$27.9 billion in 2010 – including the No. 1 buyout deal in the United States (IMS Health) and the No. 1 buyout deal in the United Kingdom (Tomkins).

"Canadian funds have directly contributed to the rebound in international private equity markets," said Mr. Smith. "In addition to growing their deal-making at home, Canadian funds have increasingly been deal-leaders abroad, finding new opportunities as economies continue to stabilize."

In addition, the report found exits involving buyout- and other PE-backed Canadian businesses, totaling 72 in 2010, increased a sharp 106% from 2009. As in the United States, higher levels of exit activity in Canada were led by strategic acquisitions, which grew 89% year-over-year.

“The far greater pace of exits is another sign of a more stable economic environment” said Mr. Smith. “It is also a harbinger of market opportunities in the months ahead, as buyout and other PE portfolio realizations will help fuel new investments and provide impetus to fund-raising plans.”

Unlike deal and exit activity, Canadian buyout and other PE fund-raising slowed further in 2010, with new partnership capital totaling \$1.4 billion. However, these data perhaps mask developments in the last months of the year – suggested by the above-target final closings of Birch Hill Equity Partners IV LP and Clairvest Equity Partners IV LP (announced in Q1 2011).

CVCA

The CVCA - Canada's Venture Capital & Private Equity Association, was founded in 1974 and is the association that represents Canada's venture capital and private equity industry. Its over 1800 members are firms and organizations which manage the majority of Canada's pools of capital designated to be committed to venture capital and private equity investments. The CVCA fosters professional development, networking, communication, research and education within the venture capital and private equity sector and represents the industry in public policy matters.

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To arrange an interview with Gregory Smith, President of the CVCA and Managing Partner, Brookfield Financial, contact Lauren Linton, Director of Marketing, 416 487-4299 llinton@cvca.ca .

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