

February 2008



Canadian Private Equity

A perceptions study by Blakes in association with mergermarket



In association with:



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Foreword

Blake, Cassels & Graydon LLP is pleased to present a study of Canadian private equity trends and expectations, in association with mergermarket.

The last two years have been remarkable years for private equity in Canada. Paralleling the US and Europe, Canadian private equity has seen record buyout activity; however, the recent tightening of financial markets has dampened private equity's party.

To delve deeper into the current environment, Blakes commissioned mergermarket to study 125 private equity practitioners (including large Canadian institutional investors) and investment bankers in the US and Canada for their opinion. Study results suggest that respondents are cautious about prospects for Canadian private equity but not completely disheartened. Early indications in 2008 are that middle market transactions, which are the heart of the Canadian market, will continue to get financed, but at lower leverage multiples.

The credit tightening has been felt in Canada with respondents identifying Consumer Products, Industrial Manufacturing and Financial Services as the sectors most impacted by the current environment. According to our respondents, however, there does appear to be a light at the end of the tunnel with the majority expecting the credit crunch to last throughout 2008, but not far beyond.

The current picture is not all doom and gloom. Fueled by record-levels of fundraising, Canadian institutional investors and private equity firms have had an increasing presence in the international buyout markets. Furthermore, aided by the strength of the Canadian dollar, respondents believe that the

US will present the most attractive targets for Canadian capital.

Canada also registered the largest ever announced buyout in 2007. In June, Ontario Teachers Pension Plan Board, Providence Equity Partners and Madison Dearborn Partners announced an agreement to purchase BCE, the Canadian telecommunications company, for approximately \$48 billion.

Turning to recent trends, the study provides some insight into the impact that the current credit environment is having on material adverse change (MAC) clauses in acquisition agreements and on reverse break fees.

We invite you to review the results of our study, which we hope you will find interesting and informative.

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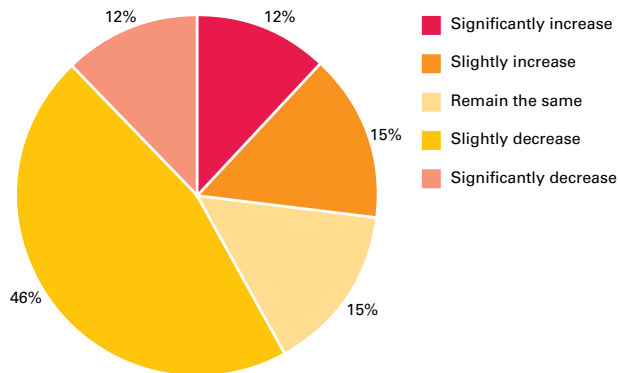
Methodology

Blakes commissioned mergermarket to conduct a study of US and Canadian investment bankers and private equity practitioners (including large Canadian institutional investors regarding their attitudes towards the Canadian private equity market. In late 2007 and early 2008, mergermarket interviewed 125 people regarding their opinions on current trends and the outlook for both private equity investment in Canada and outbound Canadian private equity. All results are anonymous and presented in aggregate.

All dollar amounts in this study are Canadian dollars, unless otherwise noted.

Study Findings

What do you expect to happen to the total number of M&A transactions in Canada in the next 12 months?

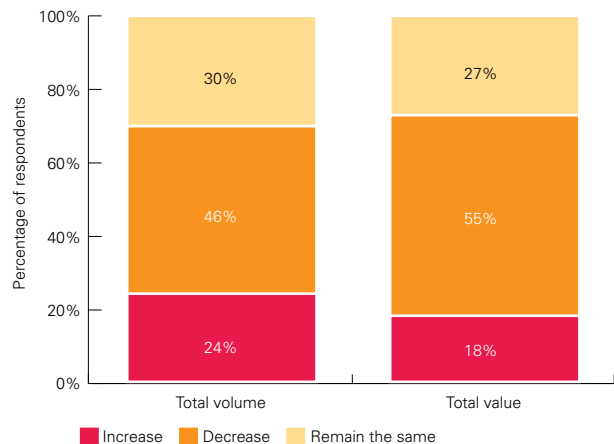


- The majority (58%) of respondents believe that the total number of M&A transactions will decrease in Canada in the next 12 months. This sentiment is likely influenced by the dramatic drop in the number of transactions in the second half of 2007 and the current credit environment.
- The larger Canadian institutional investor respondents are the most circumspect, with the vast majority (80%) believing that there will be a decrease in the number of M&A transactions. This is likely because of the disproportionate drop-off in the number of larger deals that these investors typically engage in.

“With the decline in the number of so-called mega deals, Canadian private equity should see a return to its mid-market roots.”

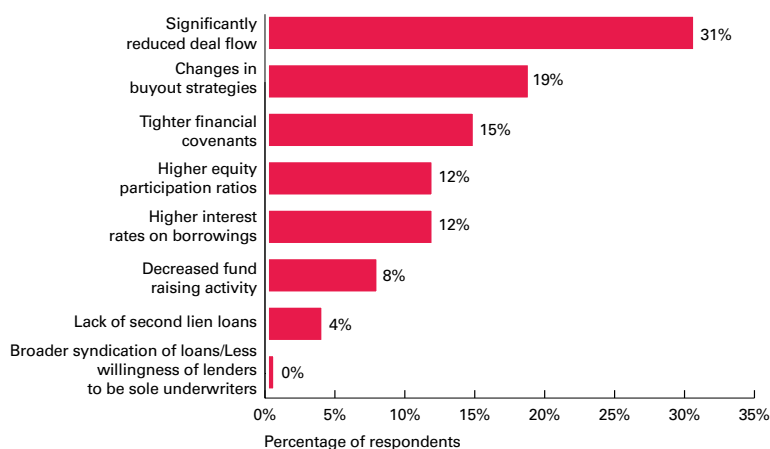
Frank Arnone, Partner, Blake, Cassels & Graydon LLP

Given the state of Canadian private equity, what do you think will happen in the next 12 months to the total volume and total value of deals?



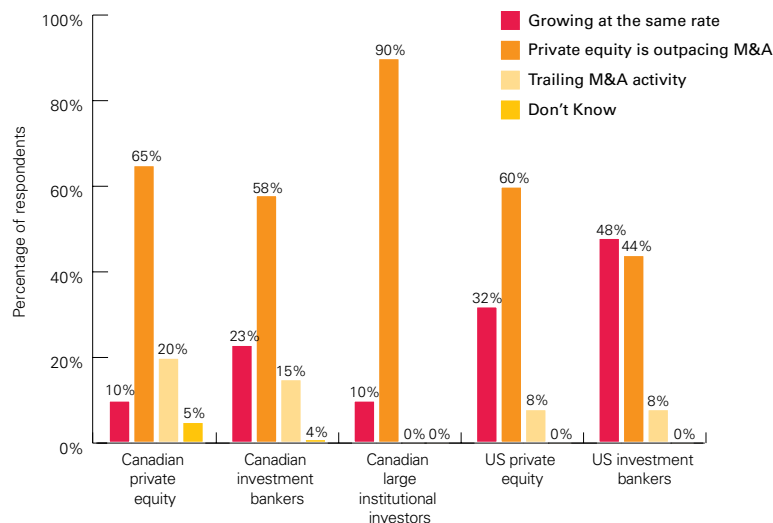
- The first half of 2007 saw a record setting pace of 43 buyouts worth \$60bn, driven by the record breaking \$48bn BCE buyout, which is the largest announced buyout ever. However, the second half of 2007 saw 24 buyouts worth only \$6.9bn. This dramatic slowdown has clearly impacted the outlook of respondents, with 46% of respondents expecting the total volume and 55% expecting the total value of private equity deals to decrease in the next twelve months.
- Several respondents cited the difficulty in accessing financing as the main reason for the drop in both the number of deals they will be able to complete and the premium they will be able to pay.

What has been the greatest impact to you of the recent reduction in the availability of financing?



- Almost a third of respondents point to the credit tightening as having significantly reduced their deal flow.
- 19% of respondents believe that the current credit environment will change the strategies of private equity investors. Meanwhile, 15% of respondents note the return of tighter financial covenants to the debt market following the “covenant light” loans witnessed pre-credit tightening.

In your view, how are private equity transactions growing relative to overall M&A activity in Canada?



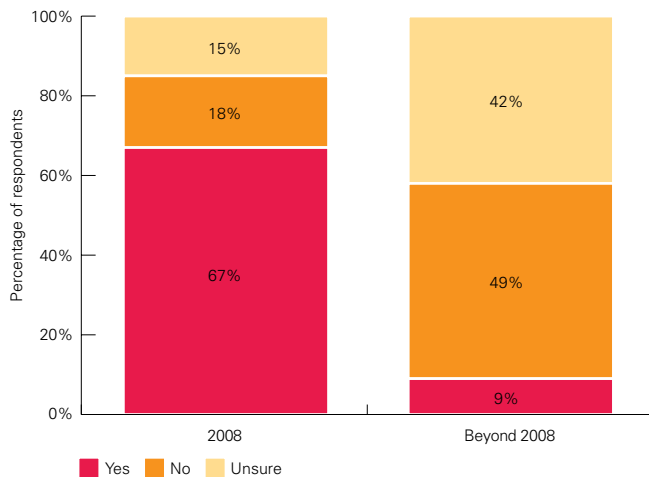
- Overall, respondents believe that growth in private equity transactions is outpacing growth in M&A activity in Canada generally, with large institutional investors in particular almost unanimous in this assessment.
- This sentiment is supported by mergermarket data which suggests that the total volume of private equity deals increased 51% in 2007, while overall M&A increased only 9% from 2006.

“There remains a tremendous amount of raised capital to be deployed. In the middle market, we expect to see funds more willing to spend their own capital, with less reliance on third party funding.”

Kim Harle, Partner, Blake, Cassels & Graydon LLP

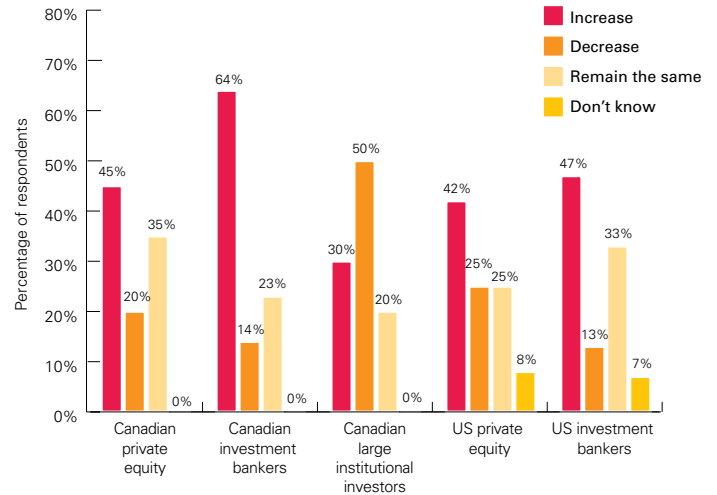
Study Findings

Do you expect the current credit environment to continue through 2008? Beyond 2008?



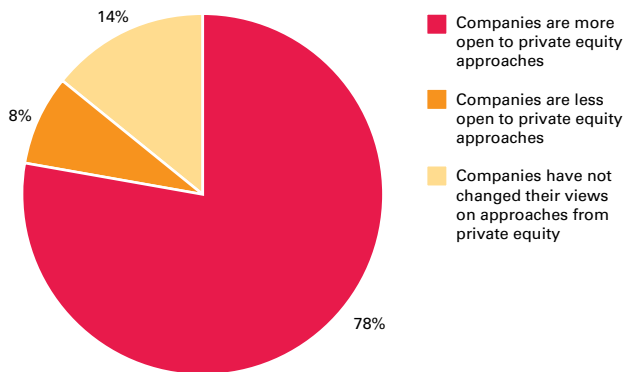
- The majority of respondents believe the credit crunch will continue to loom large in the year ahead, but not far beyond. Approximately two thirds of respondents believe that the current credit environment will continue through 2008. Only 9% believe it will continue beyond 2008, while nearly half think the problems will be corrected by the end of this year.

Canadian private equity fundraising reached an all-time high in 2006. What do you think will happen to the pool of capital available to private equity firms in the next 12 months?



- Generally, respondents expect there to be an increase in the amount of capital available to private equity firms in the coming months.
- There appears to be some dissenting voices among investors, with half of large Canadian institutional investors and over 20% of Canadian and US private equity respondents anticipating a shrinking of available fundraising capital.

In your view, how have the attitudes of Canadian companies towards private equity deals changed in the last 12 months?

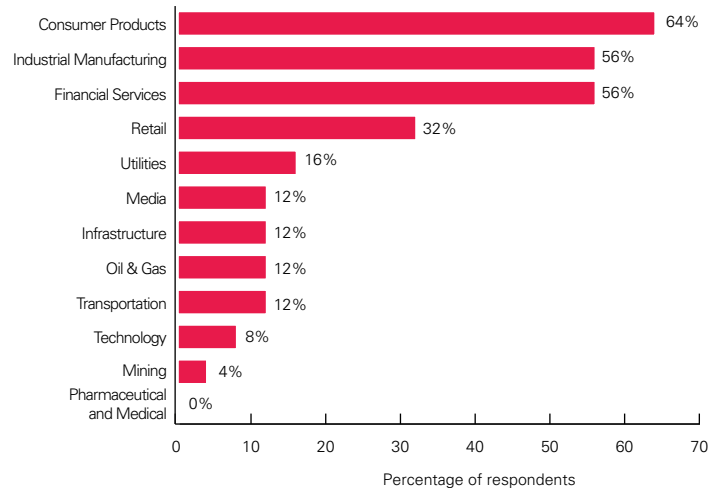


- The majority (78%) of respondents believe that Canadian companies have become more open to private equity approaches in the last 12 months. Only 8% of respondents believe that companies have been less open to private equity approaches in the past year.

“It will be interesting to see whether the high-profile broken deals in the US will increase board wariness of private equity backed transactions in Canada.”

Michael Gans, Partner, Blake, Cassels & Graydon LLP

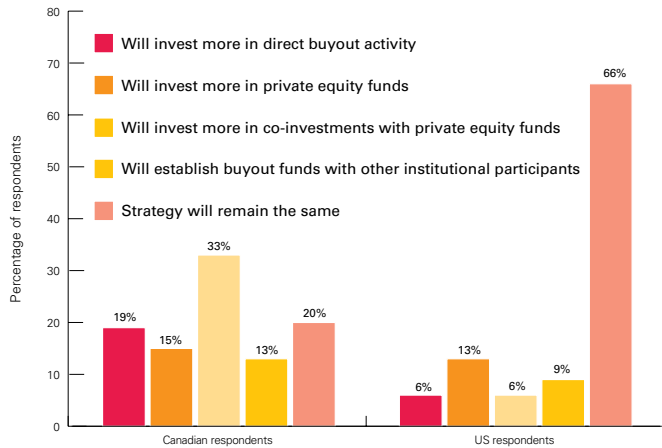
What sectors have been impacted the most by the credit tightening?



- Considering the potentially crippling effects of the credit tightening on consumer spending, perhaps unsurprisingly, 64% of respondents believe that the Consumer Products sector will see the most impact from the credit crunch.
- Industrial Manufacturing and Financial Services are both second ranked by 56% of respondents.

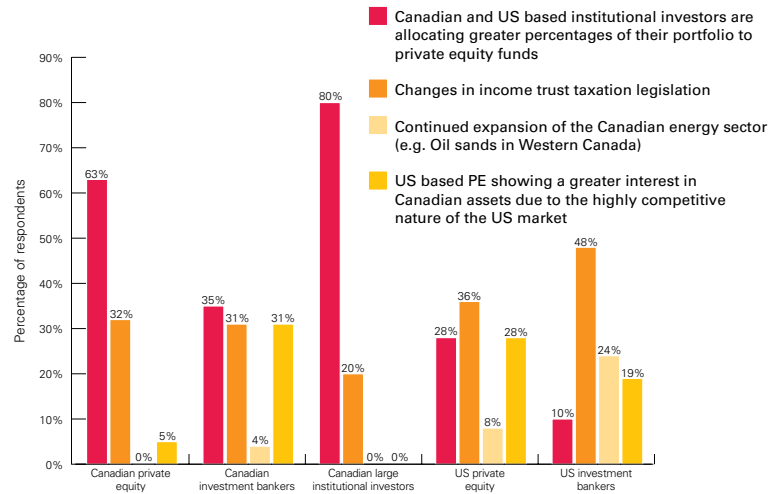
Study Findings

How are institutional investors' investment strategies going to change in the next year?



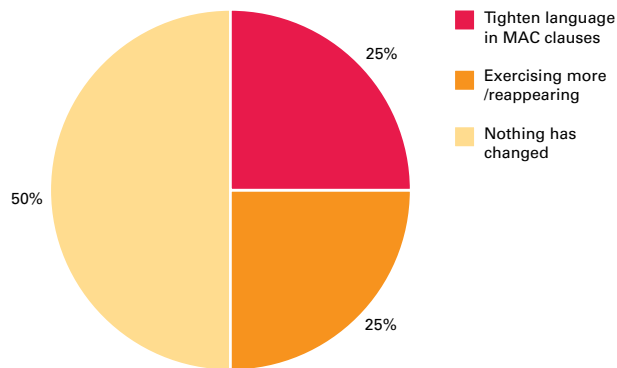
- The majority of US respondents believe that investment strategies by institutional investors will remain the same in the next year.
- Canadian responses are slightly more varied, with the largest share of respondents (33%) expecting to do more co-investing, indicating that private equity funds will be relied upon to help source and finance investment activity.

Which of the following factors has the most important influence on growth in private equity in Canada?



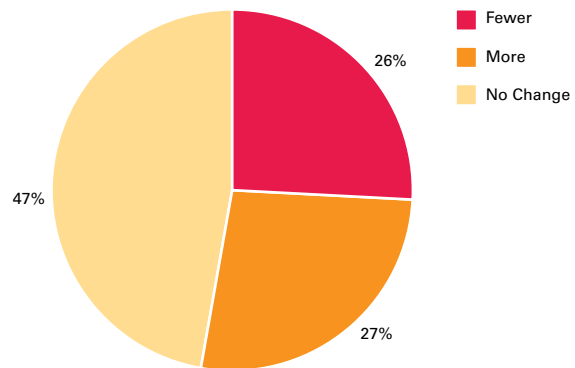
- The majority of Canadian private equity and large institutional investor respondents believe that the allocation by Canadian and US based institutional investors of greater percentages of their portfolio to private equity funds was the most influential factor in the growth of private equity.
- US private equity and investment banking respondents also cite the changes in income trust taxation legislation as being an important factor influencing growth of the Canadian buyout market from a US investor perspective.

What effect has the credit tightening had on MAC clauses?



- Interestingly, exactly one half of the respondents studied believe that material adverse change or MAC clauses have not been altered due to the current credit circumstances.
- The remaining 50% of respondents are equally divided as to whether MAC clauses now contain tighter language or whether they are being used more frequently. Perhaps due to the increasing occurrence of abandoned deals in the wake of the credit tightening, one US investment banker said, "There is much more emphasis by sellers to ensure that the language is tight."
- Notwithstanding the differing results, recent market experience demonstrates that dealmakers are focusing on ensuring that business related risks are properly reflected and allocated in the drafting of MAC clauses.

What effect has the credit tightening had on reverse break fees?



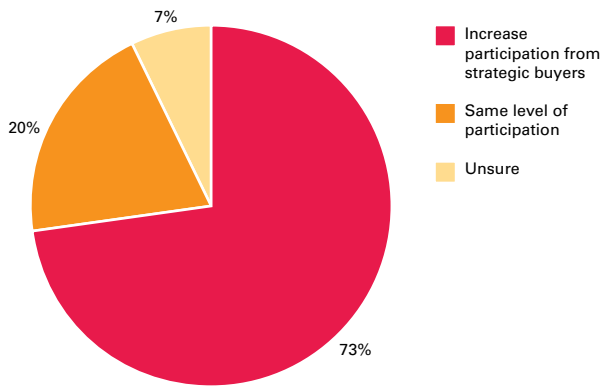
- 47% of respondents studied think that there has not been a change in reverse break fees due to the current credit circumstances. However, the remaining respondents are divided as to whether there has been a reduction or increase in reverse break fees. Indeed, with some sellers wondering whether it has become too easy for buyers to bow out of an agreement, one Canadian private equity respondent commented that, "Reverse break fees have become important to both sides" in this debate.

"The reverse break fee, and the conditions where it is payable, have become a central focus for target boards of directors in the current environment. Conversely, funds are simply unwilling to accept full recourse against their assets in the event of a failure to close. Recent market experience suggests that targets will look to ensure that actual damages (or at a minimum higher damages) are payable where financing remains available but a private equity purchaser chooses not to close."

Michael Gans, Partner, Blake, Cassels & Graydon LLP

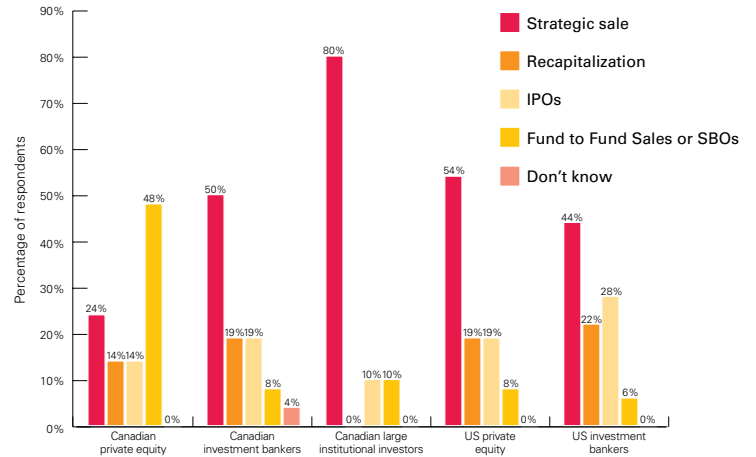
Study Findings

What effect has the credit tightening had on the level of participation of strategic buyers?



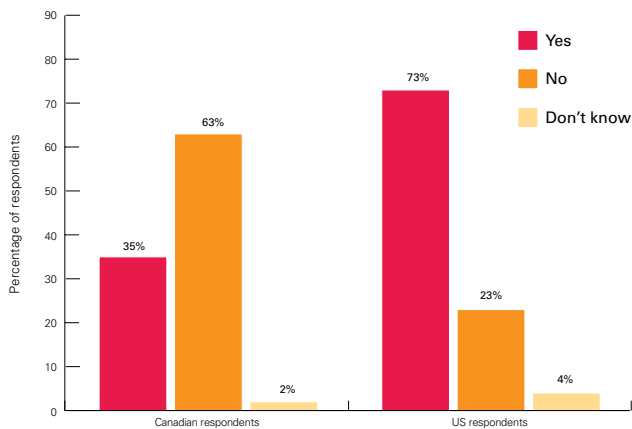
- The majority (73%) of respondents believe that the current credit situation has caused an increase in participation from strategic buyers. As several respondents mentioned, the decline in leveraged buyouts from private equity groups will leave targets open to strategic interest.
- mergermarket data supports this finding. In the first half of 2007, strategic buyers represented 81% of total M&A in Canada. In the second half of the year, their share increased to 87% of overall activity.

What do you expect to be the most prevalent exit strategy for private equity in Canada in the next 12 months?



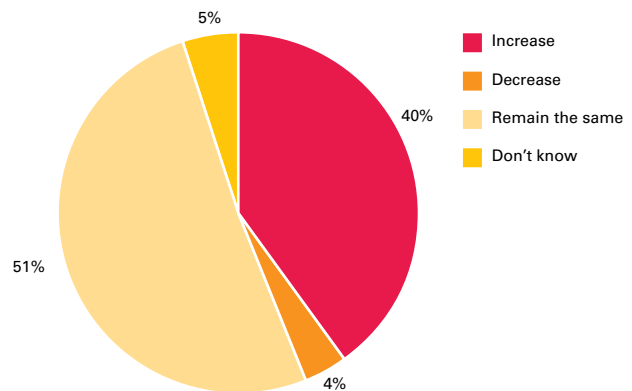
- The largest share of respondents expect strategic sales to corporate buyers to be the primary exit strategy for private equity in Canada in the upcoming months. This suggests that the troubles facing private equity have opened up opportunities for strategic buyers.
- Canadian private equity respondents are almost alone in predicting significant secondary buyout activity, with almost half choosing this exit route in their responses. The continued availability of raised funds and funds from pension funds and other institutional investors may play a role in mid-market secondary buy-out activity.

Does the current Canadian regulatory environment, including antitrust and tax legislation, have an impact on your decision whether or not to transact in Canada?



- Perhaps unsurprisingly, the current Canadian regulatory environment impacts the decision to do deals in Canada for the majority of US respondents.
- The extent and nature of that impact remains somewhat unclear. On the one hand some respondents highlight the opportunity that now exists for both domestic and US investment, particularly in light of tax legislation in relation to income trusts, while other respondents, particularly Canadian investors, do not cite the regulatory environment as being influential.
- The recent Alliance Atlantis and BCE transactions, which involved co-sponsored acquisition structures among foreign private equity funds and Canadian investors, show a willingness of foreign investors to participate in the acquisition of regulated Canadian businesses, notwithstanding complicated foreign ownership regimes.
- The recent elimination of withholding tax on interest paid on arm's length debt should also reduce the regulatory burden associated with in-bound investment.

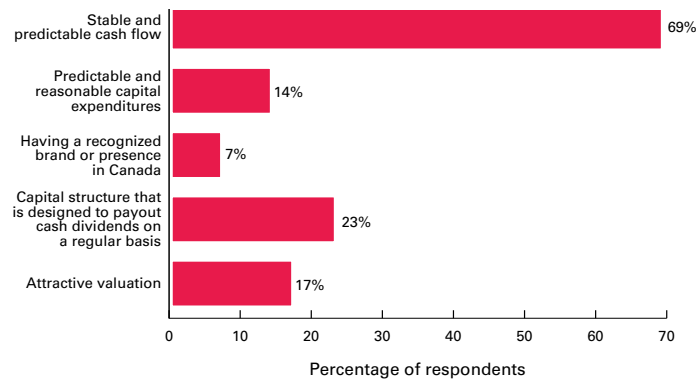
How do you think regulatory costs and concerns will impact the number of public companies going private?



- Respondents are optimistic about prospects for take-private activity, with 40% of respondents expecting an increase, and only 5% expecting less activity.
- Access to alternative capital sources and global consolidation are likely bigger drivers of go private activity in Canada, where regulatory compliance costs and litigation risk are generally lower than in the United States.

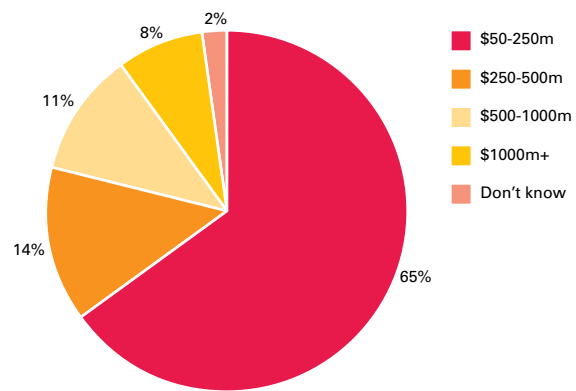
Study Findings

Respondents were asked about the impact that the recent legislative changes concerning taxation of income trusts will have on M&A activity and in particular what characteristics of income trust businesses make them attractive to private equity buyers.



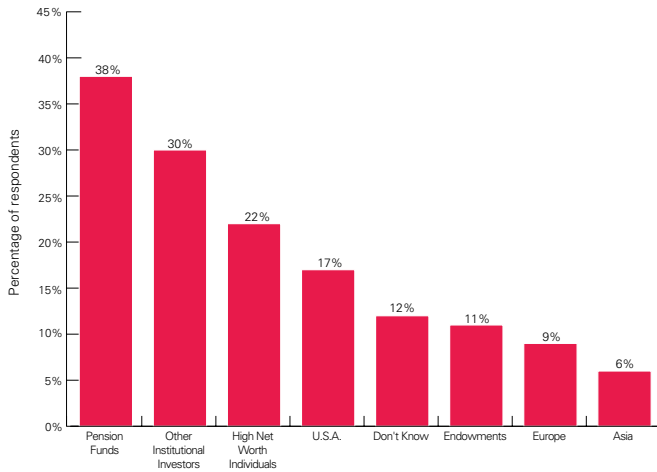
- The majority (69%) of respondents believe that stable and predictable cash flows of income trusts make income trusts most attractive to private equity buyers.
- The regular distributions of income trusts also has a role to play in making them attractive, particularly among investment banking respondents.

What deal size range do you think will yield the most M&A opportunity in Canada in the next 12 months?



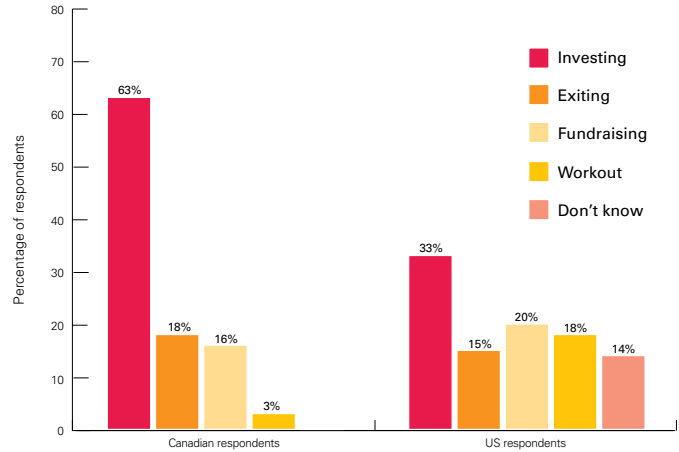
- 65% of respondents think that the \$50m-250m range will see the most M&A opportunities in the next 12 months. According to mergermarket data, 27% of deals were in this range in 2007.
- Canadian large institutional investors respondents expect somewhat larger deals (within the \$500 to \$1bn range) to yield the most opportunities.
- Access to credit on attractive terms and conditions will be a significant driver of deal size. The reluctance of banks to lend to stretched earnings multiples means that equity investments must increase, making large transactions more difficult to complete.

Where will your new sources of capital come from in the next 12 months?



- The largest share of respondents expect new sources of capital to be sourced from pension funds in the coming months, with other institutional investors and high net worth individuals also expected to play a significant role. In terms of geographical sources of funding, the US is cited most prominently.

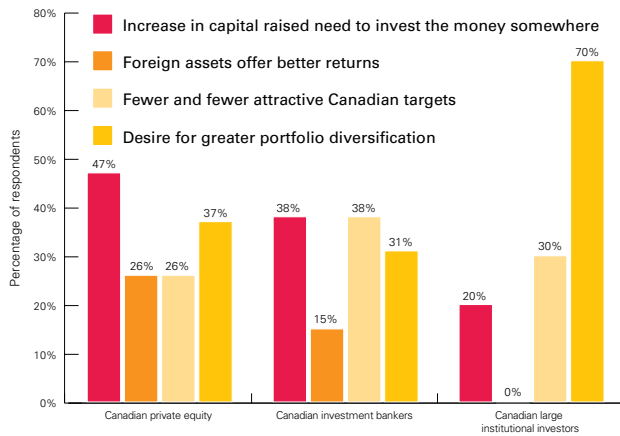
Which of the following will be your primary focus in the next 12 months?



- Canadian respondents seem to be clear as to where Canadian private equity will stand within the fund cycle in 2008, with 63% of respondents expecting the primary focus to be on investing raised funds.

Study Findings

There has been a dramatic growth in worldwide buyouts by Canadian investors in the past year. What are the main reasons for this? (Canadian respondents only)



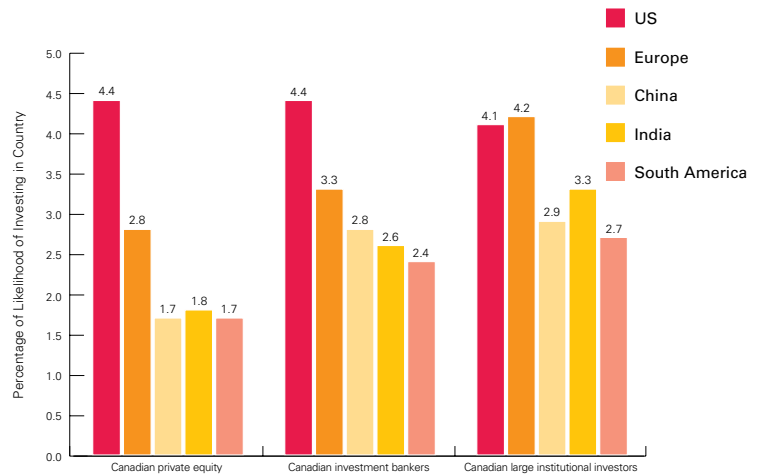
- Canadian private equity and investment banking respondents are relatively divided over what have been the primary drivers of buyouts by Canadian investors. For Canadian large institutional investor respondents, however, it has been driven primarily by the need and desire to diversify investment portfolios.

“We also anticipate that the recent dramatic appreciation of the Canadian dollar against the US dollar in particular will drive increased outbound investment.”

Kim Harle, Partner, Blake, Cassels & Graydon LLP

How attractive are each of the following countries or regions for Canadian private equity firm: (In other words, how likely are investments by Canadian funds in the following countries?)

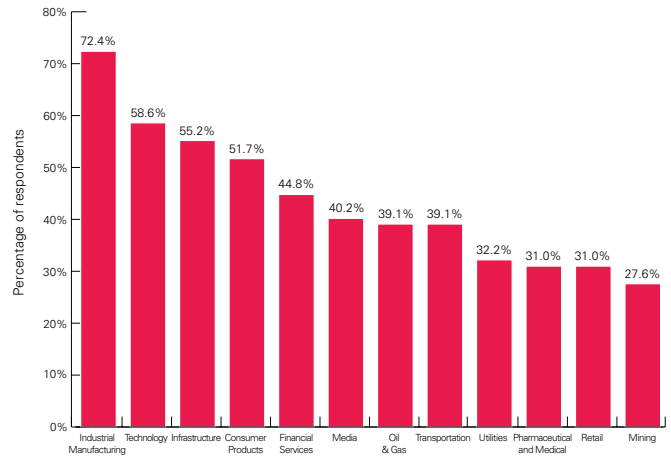
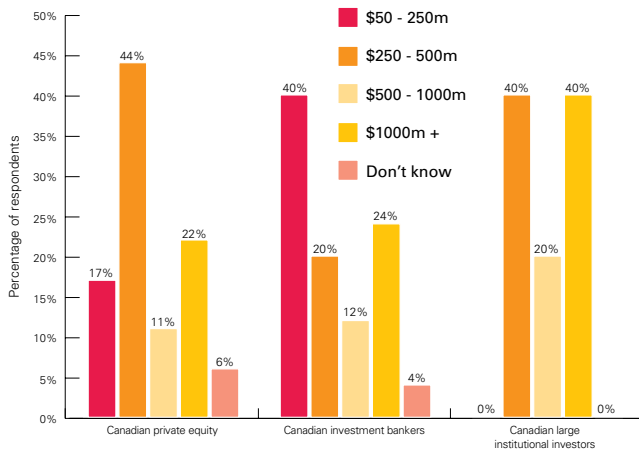
(Rate each country 1-5 where 5= definitely going to invest there and 1 = not going to invest there)



- For the vast majority of Canadian respondents, the US remains the most attractive destination for investments by Canadian private equity. Europe is also a significant destination, particularly among large institutional investors, for whom, as cited earlier, co-investment opportunities are more likely.

What deal size range do you think will yield the most opportunities in the next 12 months for Canadian institutional investors and private equity firms investing outside of Canada?

Which sectors do you think Canadian private equity firms will target when acquiring foreign assets?



- Having previously noted the mid-market as an area of increased activity in Canada, the majority of Canadian private equity and large institutional investor respondents generally identify larger deal size opportunities when looking overseas. 40% of large institutional investors, for example, believe there will be opportunities for them overseas in the \$1bn+ band. Investment bankers, however, indicate mid-market deals as most likely.

- Respondents think that solid return investment areas, such as the Industrial Manufacturing sector, will be prime targets for Canadian private equity firms when looking at potential foreign assets.

Private Equity in Canada – Where Do We Go From Here?

Last year was a record year for private equity in Canada, but the record was set based on activity in the first half of the year. Canada's sound economic fundamentals and a strong Canadian dollar, among other factors, led to increased investment activity (incoming and outgoing) from both Canadian and foreign capital sources. In order to gauge perceptions from private equity participants in the midst of a dynamic period for Canadian private equity, Blakes and mergermarket conducted a Canadian private equity perceptions study. To provide context for the study and the environment in which it was undertaken, the following highlights some of the notable transactions in the past year as well as certain recent trends and developments affecting private equity in Canada.

Significant Canadian Private Equity Transactions in 2007

The highest profile Canadian private equity transaction last year was the approximately \$48 billion agreement to acquire Canada's iconic telecommunications company, BCE Inc., by Ontario Teachers Pension Plan, BCE Inc.'s largest shareholder, Providence Equity Partners and Madison Dearborn Partners. The heated bidding war included a number of consortia, including two competing bids led by prominent Canadian and US private equity funds. Subsequent press coverage describes the financial advisors to BCE urging the BCE board of directors in the summer to act quickly to take advantage of the then unusually high liquidity in the debt markets on the theory that the liquidity wouldn't last long.

The transaction will take Canada's most widely held company private for the first time in more than a century. Adding to the interest in the deal is litigation commenced by a committee of BCE bondholders, alleging, among other things, that the bondholder trustee should have the right to approve the transaction and that the transaction is unfair to the bondholders.

Other high profile transactions in the past year have included: Texas Pacific Group acquiring Axcan Pharma Inc., a pharmaceutical company, for USD 1.3 billion; Onex Corporation acquiring Husky Injection Molding Systems Ltd., a plastic injection molding company, for \$960 million; Apax Partners and the private equity investment arm of Morgan Stanley acquiring Hub International Limited, the Canadian incorporated and Chicago-based insurance brokerage firm, for approximately USD 1.7 billion; CAI Capital Partners, Goldman Sachs Capital Partners, Kelso and Company, Vestar Capital Partners, British Columbia Investment Management Corporation, Alberta Investment Management and O.S.S. Capital Management L.P. acquiring CCS Income Trust, a business trust that provides energy and environmental waste management services, for \$3.5 billion; Alinda Capital Partners LLC acquiring UE Waterheater Income Fund, a business trust in the waterheater rental sector, for approximately \$1.74 billion; and an entity formed by Caxton-Iseman Capital Inc. acquiring KCP Income Fund, the manufacturer of national and retailer brand consumer products, for approximately \$800 million. Of note, the Axcan and Husky transactions were announced after the onset of the credit tightening in August 2007 and are believed to be financed with significant sponsor equity contributions.

New Deal Landscape

Prior to the summer of 2007, the size of announced private equity buyouts continued to grow larger in an environment of easily accessible credit. With the current constraints in the debt markets, the 'mega deal' boom appears to be over for now; however, recent experience suggests that mid-market Canadian transactions will continue to move forward. This view was reflected in the study, with a majority of respondents believing that the mid-market will see the most M&A opportunities in the next year. In addition, competition from strategic buyers in the marketplace will likely increase given their generally lower reliance on credit. The study reflects this view, with a majority of respondents believing that the credit tightening has resulted in increased participation from strategic buyers.



Increased Focus on Contractual Terms

Recent experience suggests that private equity dealmakers and targets have begun to place greater emphasis on the terms of acquisition agreements, including the structure and implications of material adverse change MAC clauses, break fees, and reverse break fees and sponsor guarantees, as well as the availability of specific performance as a remedy. This trend is reflected in the study, with half of respondents believing that there have been recent changes in approach to MAC clauses and half of respondents seeing some changes in the approach to reverse break up fees due to the credit tightening. Depending on the combination of these provisions in an acquisition agreement, the options available to purchasers wishing to alter the terms or ultimately to walk away from a transaction, as well as the legal remedies at the disposal of the target, may be limited. Given the lack of Canadian case law on these matters, Canadian dealmakers are closely monitoring recent US legal developments on these provisions.

Increased Participation of Canadian Pension Plans

A relatively unique characteristic of the Canadian private equity M&A marketplace is the widespread participation of Canadian pension plans. Private equity investments by the plans have covered a wide spectrum, including LP investments, co-investments with private equity funds and direct and co-sponsored buyouts. Canadian pension plans have also diversified their private equity investments to include a number of different sectors, including infrastructure. Due to foreign ownership restrictions in certain industries in Canada (including telecommunications, as exemplified in the BCE transaction), Canada's pension plans have proven to be valuable strategic partners. The perception of the increased importance of pension plans is reflected in the study, with almost forty percent of respondents viewing new sources of capital coming from pension funds in the coming months and a majority of respondents believing that institutional investors have been the most influential factor in the growth of private equity in Canada.

Fundraising Growth

Mirroring the success of US and European funds, Canadian private equity sponsors have experienced significant recent growth in raised capital. While Canadian fundraising last year did not reach the record levels achieved in 2006, this can primarily be attributed to the fact that the largest Canadian funds were already fully committed going into the year. It remains unclear what effect the credit tightening will have on fundraising in 2008; however, growth may be seen in both sponsor and LP interest in distressed asset and debt funds as private equity players attempt to capitalize on the market turbulence. Existing fund investment strategies may also need to be adjusted to manage the current environment and take advantage of new investment opportunities that were not foreseen at the time funds were closed. The study suggests an optimistic fundraising outlook for 2008, with respondents generally expecting there to be an increase in the amount of capital available to private equity firms.



Canadian Private Equity – Where Do We Go From Here?

Canadian Income Trusts – Increased M&A but End of the Line as an Exit Strategy

The Government of Canada's announcement on October 31, 2006 that it would substantially eliminate the tax advantages that income trusts hold over corporations led to a tremendous upswing in income trust M&A activity in 2007, largely spurred by financial sponsors looking for low growth, stable income buyout opportunities. The appeal of income trusts as acquisition targets was borne out in the Study, with the majority of respondents viewing stable and predictable cash flow as the most attractive characteristic of income trust businesses to private equity players. The Government's announcement has also resulted in the effective termination of IPOs through Canadian income trusts, which had been an extremely successful exit strategy for private equity investors. It remains to be seen whether the traditional common share equity capital markets will provide a similarly viable exit in Canada in the future.

Withholding Tax Changes

On September 21, 2007, the Government of Canada and the Government of the United States signed the fifth Protocol to the Canada-US Tax Convention which will result in significant changes affecting cross-border transactions. Withholding tax on payments of cross-border interest to unrelated lenders has since been eliminated. The Protocol will also gradually reduce and eventually eliminate the withholding tax rate on payments of cross-border interest to related lenders. In addition, the Protocol introduces, for the first time in Canada, Limitation on Benefits provisions, which may affect the entitlement of a US lender to the benefits of the Convention in respect of interest payments from a Canadian affiliate borrower.

New Foreign Investment Review Measures

The past year has witnessed increased Canadian governmental attention regarding the regulation of foreign investment in Canada. New Investment Canada Act guidelines have placed restrictions on the ability of state owned enterprises to acquire Canadian businesses. In addition, a Competition Policy Review Panel established in July of 2007 has been tasked with the review of Canada's competition and investment policies which may lead to additional legislative recommendations regarding foreign investment. Perhaps unsurprisingly, a majority of US respondents in the study view the overall Canadian regulatory environment as having an impact on their decision to invest in Canada so such legislative initiatives will be closely monitored in the coming year.

Outlook

Private equity in Canada experienced significant growth in 2007. The continued expansion of domestic private equity markets and positive experiences of US sponsors with Canadian businesses all point to a healthy flow of cross-border private equity transactions in the future. As reflected in the study, Canada will remain an important source of private equity capital and investment opportunities as the industry expands and evolves around the world.

Blake, Cassels & Graydon LLP

About Blakes



For more than 150 years, Blakes has proudly served many of Canada's and the world's leading businesses and organizations. The Firm has built a reputation during that time as both a leader in the business community and in the legal profession - leadership that continues to be recognized to this day. Thanks to our clients and the challenging legal work they generate, Blakes was recognized as "Canadian Law Firm of the Year" for 2007 by legal publishers Chambers and Partners. We also consistently rank as one of the top Canadian firms on the mergermarket, Thomson Financial and Bloomberg M&A league tables for the number of deals for Canadian announced transactions.

With more than 550 lawyers in offices in Montréal, Ottawa, Toronto, Calgary, Vancouver, New York, Chicago, London and Beijing, Blakes serves a diverse national and international client base, and our integrated office network provides clients with access to the Firm's full spectrum of capabilities in virtually every area of business law.

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Historical Data

Top 15 Canadian private equity deals since 2003

Announced Date	Target Company	Target Sector	Bidder Company	Bidder Country	Deal Value USD (m)
Jun-30-07	BCE Inc.	Telecommunications	BCE Consortium	Canada	48,059
Jan-30-06	Fairmont Hotels & Resorts, Inc	Leisure	Nova Scotia Limited	Canada	3,900
Feb-12-07	Four Seasons Hotels Inc.	Leisure	FS Acquisition Corp	U.S.A.	3,088
Dec-22-04	Masonite International Corporation	Construction	Stile Acquisition Corp	U.S.A.	2,958
Jun-05-06	Trizec Canada Inc.	Financial Services	Blackstone Group Holdings; Brookfield Properties Corporation	U.S.A.; Canada	2,591
Aug-11-06	IntraWest Corporation	Leisure	Fortress Investment Group	U.S.A.	2,557
Jun-29-07	CCS Income Trust	Energy; Industrials, Chemicals & Engineering	CAI Capital Partners III; GS Capital Partners; Kelso & Company; Vestar Capital Partners Inc	Canada; U.S.A.	2,530
Dec-02-05	CTVglobemedia Inc.	Media	Ontario Teachers Pension Plan; Torstar Corporation; Woodbridge Company Limited (The)	Canada	2,251
Mar-07-05	Advertising Directory Solutions Holdings Inc.	Media	Yellow Pages Income Fund	Canada	2,072
Apr-27-07	North American Oil Sands Corporation	Energy	StatoilHydro ASA	Norway	1,964
Feb-26-07	Hub International Limited	Financial Services	Maple Tree Acquisition Corporation	Canada	1,653
Sep-08-04	Advertising Directory Solutions Holdings Inc	Media	Bain Capital LLC	U.S.A.	1,540
Mar-06-06	EnCana Corporation (natural gas storage business)	Energy	Carlyle/Riverstone Global Energy and Power Fund II LP	U.S.A.	1,500
Apr-02-07	Standard Aero Holdings Inc.	Industrials, Chemicals & Engineering	Dubai Aerospace Enterprise	United Arab Emirates	1,034
Sep-28-07	Husky Injection Molding Systems Ltd	Industrials, Chemicals & Engineering	Onex Partners LP	Canada	890

* Where the target company is Canadian.

CVC Capital Partners Ltd.
on the Canadian aspects
of its acquisition of
Univar plc

**British Columbia
Investment Management
Corporation**
on its acquisition of
**Canadian Hotel Income
Properties Real Estate
Investment Trust**

Caxton-Iseman Capital, Inc
on the Canadian aspects
of its leveraged buyout of
KCP Income Fund

First Reserve Corporation
on its pending acquisition of
CHC Helicopter Corporation

Affiliates of
Sun Capital Partners
on the Canadian aspects
of their acquisition of
Exopack Canada

The Carlyle Group
and another investor in
their joint acquisition of
Allison Transmission

Trivest Partners LLP
on the sale of Herbal Magic to
Torquest Partners

Blackstone Group L.P.
on the acquisition of the
Canadian assets of
Sithe Global Power

Affiliates of
Sun Capital Partners
on their acquisition of the
Canadian grocery business
of Kraft Canada to form
CanGro Foods Group

Affiliates of
GTCR Golder Rauner LLC
on the Canadian aspects of
their acquisition of
**Automatic Data
Processing Inc.'s Claims
Services Group**

The Carlyle Group
on its acquisition of
Applus+
from its shareholders
Agbar, Unión Fenosa
and
Caja Madrid

Hub International Limited
in connection with Canadian
aspects of its acquisition by
Apax Partners
and
**Morgan Stanley
Principal Investments**

The Gates Group, LLC
on its acquisition of
**Imperial Parking
Corporation**

The management
shareholders of
**Hair Club for Men
and Women**
on its sale by
EdgeStone Capital Partners
to
Regis Corporation

**The management group of
Calyx Transportation**
on its sale of a majority interest to
Wynnchurch Capital

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