



Churchill Financial To Acquire Centre Pacific LLC

NEW YORK--(BUSINESS WIRE)--Sept. 8, 2006--Churchill Financial Holdings LLC ("Churchill Financial"), a middle market commercial finance company, announced today that it has reached a definitive agreement with Centre Partners to acquire Centre Pacific LLC ("Centre Pacific"), a leading manager of collateralized debt obligations ("CDOs") and other fixed income funds. Centre Pacific currently has approximately \$3.5 billion in assets under management. In connection with the acquisition, Centre Pacific will be renamed Churchill Pacific Asset Management ("Churchill Pacific") and will become the platform for Churchill Financial's growth in the fixed income asset management area.

The senior management team at Centre Pacific will join Churchill Pacific and will also become partners in Churchill Financial. The firm, based in Los Angeles, CA, will be headed by Heather E. Creeden, an experienced executive and portfolio manager with over 20 years of fixed income asset management experience. The management team at Churchill Pacific also includes Stephen J. Ahearn, Senior Managing Director and Director of Research, John M. Casparian, Senior Managing Director and Senior Portfolio Manager and Kevin J. Hickam, Senior Managing Director and Senior Portfolio Manager. The management team has worked together for over 15 years at Centre Pacific and, prior to that, at Transamerica Investment Services. They will continue to manage substantially all of the CDO vehicles and mutual funds currently being managed by Centre Pacific. Funds managed by Centre Partners, the current majority owner of Centre Pacific, will also become an investor in Churchill Financial.

"We are delighted to have the senior management and employees of Centre Pacific join our team at Churchill Financial. They bring a wealth of experience in investing and managing senior loan and high yield bond assets and will have an immediate positive impact on our business," said Ken Kencel, CEO of Churchill Financial. "We hope to leverage their expertise in leveraged assets into other areas, such as loan mutual funds, mezzanine debt and distressed/stressed loan investing. We believe that our strong structuring and origination capabilities for middle market loans will provide them with a pipeline of proprietary products second to none in the CDO arena," he added.

Heather Creeden, CEO of Centre Pacific commented: "Churchill Financial is an ideal partner for us as we grow our business. Our investors are acutely aware of the benefits of having access to proprietary deal flow and investment opportunities. By joining with Churchill Financial, we will substantially improve our access to quality middle market financing opportunities, while maintaining our core team and investment focus. The opportunity with Churchill is clearly a win-win for our employees and investors and I believe we can significantly

enhance and broaden our fixed income investment activities as part of the Churchill organization."

About Churchill Financial

Churchill Financial, based in New York, is a middle market commercial finance company focused on providing senior and mezzanine debt financing to smaller middle market companies, a market generally under served by larger commercial and investment banks. The firm targets lending to private equity firms and other investors who focus on acquiring and growing their companies. Churchill Financial was formed by Bear Stearns Merchant Banking and Churchill Capital in February 2006 and has over \$500 million of committed capital to support its financing activities.

About BSMB:

BSMB, the private equity affiliate of The Bear Stearns Companies, Inc., invests private equity capital in compelling leveraged buyouts, recapitalizations and growth capital opportunities alongside superior management teams. Since its formation in 1997, BSMB has been an investor in over 50 portfolio companies across a broad range of industries. BSMB currently manages more than \$4.5 billion of institutional private equity capital. Recent investments by BSMB include: ACA Capital Holdings, Aearo Technologies (exited in 2006), Balducci's, CamelBak Products, Cavalry Investments, Churchill Financial Holdings, Hand Innovations (exited in 2006), Multi Packaging Solutions, New York & Company (NYSE: NWY), Reddy Ice (NYSE: FRZ), Seven For All Mankind, Stuart Weitzman, Transamerican Auto Parts Company and Vitamin Shoppe. More information about BSMB can be found at www.bsmb.com.