



WINONA CAPITAL
MANAGEMENT



News

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AMERICAN EDUCATION GROUP ANNOUNCES ACQUISITION OF LITTLE SPROUTS CHILD ENRICHMENT CENTERS

Acquisition of Pre-K Centers Opens New Doors for Private School Owner

GRAND RAPIDS, Mich., March 5 -- Private school owner American Education Group (AEG) (<http://www.americanedgroup.com>) continues its expansion efforts with the acquisition of Little Sprouts, Inc. (<http://www.littlesprouts.com>), a nationally recognized provider of pre-kindergarten (Pre-K) educational services operating seven child enrichment centers in the Boston metro-market.

Established in 2007 with a joint commitment of \$40 million from private equity firms Winona Capital Management and Chicago Growth Partners, AEG's acquisition of Little Sprouts comes after its recent purchase of Tampa Day School, a K-8 private school in Tampa, Fla. With its initial acquisition last spring of New Jersey-based Barnstable Academy (<http://www.barnstableacademy.com>), a private school serving middle and high school students, AEG is now positioned to be a full-service provider of Pre-K through 12th grade education.

"Since opening its doors as a single child-enrichment facility in 1982, Little Sprouts has established a reputation as the leading provider of preschool education in the Boston area while experiencing steady growth. Having won numerous awards for its preschool academic programming, Little Sprouts is separating itself from the day care industry and introducing a leading edge academic development initiative for its students," said Peter Ruppert, founder and president of American Education Group. "This acquisition opens additional opportunities for our company as we strive to establish a network of exceptional private education institutions specializing in the pre-K through high school space.

"Little Sprouts is highly respected throughout Boston, and we plan to build on its success to serve more children by opening new centers while exploring opening a private elementary school to service Little Sprouts' young graduates," added Ruppert.

For more than 25 years, Little Sprouts has been a leader in high-quality early childhood education. From its inception, the institution has been committed to offering a holistic experience for children, combining a stimulating atmosphere and cutting-edge curriculum with an outstanding range of services. Founded by Susan Leger-Ferraro at the age of 17, Little Sprouts has expanded from its humble beginnings in 1982 as a single preschool to seven preschools serving approximately 1,200 children each year. Ms. Leger-Ferraro will continue in her operating role as president and she will also be a shareholder of AEG.

"We are thrilled to create a strong alliance with AEG to ensure every child has a chance to succeed in school and as an integrated citizen of the world," said Ms. Leger-Ferraro. "Little Sprouts shares American Education Group's vision and core set of values in setting a new standard for student-centered education. As we continue our expansion, I'm confident we will reap great benefits as part of the AEG network of schools."

About American Education Group

American Education Group (AEG), based in Grand Rapids, Mich., was founded on the belief that private pre-k through 12th grade education has tremendous growth opportunities as part of the American educational landscape. AEG is building a network of nonsectarian, high-performing private college-prep schools. As the owner and manager, AEG expects to provide numerous resources to enhance the performance of each partner school, including capital for growth and expansion, academic programming assistance, business management services and marketing expertise. For more information, please visit <http://www.americanedgroup.com>.

About Winona Capital Management

Winona Capital Management provides acquisition and growth capital to consumer-driven businesses in the lower middle market. Winona partners with high energy, passionate executives who have a shared focus on sustained growth over longer-term investment horizons. With offices in Chicago and Seattle, Winona Capital manages more than \$110 million exclusively on behalf of high-net-worth families and individual investors. For more information, please visit <http://www.winonacapital.com> or contact Winona Capital at 312-334-8800.