



Milestone Partners Acquires Safemark Systems

Saint Davids, PA, June 26, 2008 – Milestone Partners is pleased to announce that on June 16, 2008 it partnered with management to acquire Safemark Systems Inc. (www.safemark.com).

Headquartered in Orlando, FL, Safemark Systems is the leading provider of in-room safes to the hospitality market in North America, having installed more than 500,000 safes in hotels and resorts over the past 25 years. Through its pioneering revenue sharing program, Safemark offers hotels a no-cost method to generate additional income while providing their guests the security and convenience of in-room safes. Safemark has been approved or specified by virtually every major hospitality chain, often as the provider of choice. With relationships with global franchisors and chains, as well as manufacturing and distribution capabilities in Asia, the company reaches customers worldwide.

Brooke Hayes, Partner at Milestone, said “Safemark not only has a solid installed base that should provide strong recurring revenue, but also has vast growth opportunities through direct sales initiatives, rapidly expanding international markets and various non-hospitality end markets. We are excited to partner with the team at Safemark to realize this growth.” George Oelschig, CEO of Safemark, said “Milestone has proven its ability to help middle-market companies like Safemark achieve success, and we are excited about the potential for our business with Milestone on board.”

Madison Capital Funding LLC (www.madisoncapitalfunding.com) and New Canaan Funding LLC (www.newcanaanfunding.com) provided debt financing and co-invested equity alongside Milestone and management. Lazard Middle Market (www.lazardmm.com) advised Safemark Systems. For more information about the transaction, contact [Brooke Hayes](#) or [Adam Curtin](#) at Milestone.

Milestone Partners (www.milestonepartners.com) is a private equity firm that partners with management to invest in leveraged buyouts and recapitalizations of lower middle market businesses. Milestone pursues successful niche-market leaders that provide high-margin products or services. Milestone’s transactions typically provide liquidity to shareholders of privately-owned businesses, facilitate the transition of ownership to key managers, and allow management to capitalize on growth opportunities, while maintaining the legacy of the founders. Milestone is currently making investments through Milestone Partners III, L.P.

Milestone Representative Investments:



CODi
(corporate laptop cases & accessories)



DydaComp
(e-commerce and catalog software)



Eliason
(commercial double-action impact doors)



Fatz Cafe
(casual dining restaurant chain)



Global Connection
(pre-paid wireline phone service)



Good Health Natural Foods
(natural foods & body care products)



Higher Power Nutrition (exited 12/07)
(nutritional supplements)



Interconnect Devices
(electronic contact probes & connectors)



Knights Apparel
(licensed sports apparel)



Outlook Group
(printing, packaging & direct mail)



Safemark Systems
(in-room hotel safes)



United Road Towing
(towing services)

Milestone General Investment Criteria:

Company Size*:

- Revenue: \$15-\$150 million
- EBITDA: \$3-\$15 million

Transaction Size*:

- \$15-\$100 million

Investment Size*:

- \$5-\$25 million

Industry Focus:

- Generalist; high-margin, niche-market manufacturers, value-added distributors and service companies

Geography:

- United States and Canada

*Add-on parameters may be smaller

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