



## Press Release

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## THE NATURE CONSERVANCY AND FINCH PAPER ANNOUNCE ADIRONDACK WOODLANDS TRANSACTION

### *161,000 Acre Purchase Includes Working Forest Agreement*

**Keene Valley/Glens Falls, NY** - The Nature Conservancy (“TNC”) and paper manufacturer Finch Paper Holdings LLC (“Finch Paper”) today announced that TNC has purchased all 161,000 acres of Finch’s forestland in the Adirondacks. The transaction includes an historic 20-year Working Forest Agreement that will ensure a fiber supply to the Glens Falls mill and continue to support the jobs associated with timber harvesting.

The Nature Conservancy, a non-profit conservation group that has been working locally in the Adirondacks for 36 years, purchased the 161,000-acre property for \$110 million, or \$683/acre. The purchase was financed in part through loans from the Open Space Conservancy, the land acquisition affiliate of the Open Space Institute, and from John Hancock Life Insurance Company. TNC will launch a major private fundraising campaign for this landmark purchase.

The land sale was made concurrently with the close of Finch Paper Holdings LLC’s acquisition of Finch, Pruyn & Co., Inc. Finch Paper Holdings LLC is owned by an investor group led by Atlas Holdings LLC (“Atlas Holdings”) and Blue Wolf Capital Management LLC (“Blue Wolf”). Richard Carota, previously CEO of Finch, Pruyn, is an investor in the new company and will continue as CEO of Finch Paper.

On the forestlands, TNC will take responsibility for local taxes, and much of the forests will continue to supply fiber to the Finch Paper mill, which employs approximately 850 people. This fall, TNC will renew the year-to-year recreational leases on the property for the upcoming year. In keeping with its conservation mission, TNC's objectives are to preserve the property's biological diversity while maintaining working forests and seeking to enhance public recreational opportunities.

"We came to know these lands when Finch, Pruyn contracted with the Adirondack Chapter in 2001 to conduct an extensive ecological inventory as part of the company's 'green forestry' certification. We discovered extraordinary biological richness, inspiring TNC to step up and play the leading role in this property's future," said Michael Carr, Executive Director of The Nature Conservancy's Adirondack Chapter, based in Keene Valley.

"The property is linked to the Adirondack economy and our way of life here. Over the next 12 - 18 months, we look forward to working with communities, recreational leaseholders, and other stakeholders to chart the course toward achieving our critical conservation objectives in ways that are compatible with sustainable forestry and responsible recreational uses," Carr added.

"We're extremely pleased to have reached an agreement that will continue the proud multi-use traditions of this land for years to come," said Andrew Bursky, chairman of Atlas Holdings, which owns four paper mills and nine packaging plants. "Not only will the land remain as open space, it will continue to support our Glens Falls paper mill and provide jobs and recreational opportunities for the Adirondack economy."

Adam Blumenthal, Managing General Partner of Blue Wolf Capital Management, said, "We are proud to have made the responsible sale of the forestland an integral part of this transaction. For many years, divesting forestland has been a strategy undertaken by most successful paper companies. We are pleased that today's announcement provides for ongoing stewardship of the land with a focus on recreation and conservation while allowing Finch to focus on the successful, long-term management of its paper mill."

Day to day management of the land will remain business as usual. Foresters will continue to supervise the harvest of timber in accordance with the Forest Stewardship Council and Sustainable Forestry Initiative certifications. Recreational leaseholders will continue to hunt and fish. Sightseers will continue to enjoy the scenic views along the Blue Ridge Road and other travel corridors bordered by Finch lands.

Commenting on the financing and nature of the purchase, Henry Tepper, New York State Director of The Nature Conservancy, said, "This historic conservation opportunity came together very swiftly. We were so pleased when Atlas and Blue Wolf contacted us to gauge our interest in the land. The Conservancy quickly mustered all of its resources to acquire this important property. By extending loans with favorable terms to TNC, OSI and John Hancock provided critical pieces of the financing for what is now our largest land purchase ever in New York State."

“We applaud TNC’s acquisition of the former Finch lands” said OSI President Joe Martens. “It represents a new era of conservation in the Adirondacks that will take into account local, regional and statewide needs.”

The lands stand out among the Adirondacks’ large private landholdings because of their size, location, condition, relation to major rivers, and biological and scenic richness. The forests, carefully stewarded for nearly a century, are continuous and well maintained. No other private ownership in the park has the variety of mountains, cliffs, lakes, ponds, bogs, alluvial forests, and flat- and white-water rivers found on these lands. The Hudson River Gorge, Blue Ledges, and OK-Slip Falls are among the property’s best-known features. Additionally, stretches of the Hudson, Opalescent, Boreas, Branch, Cedar and Indian rivers flow through the property and upwards of 90 mountains and 70 lakes and ponds pepper the land.

“Finch, Pruyn has been an outstanding steward of this beautiful and bountiful land. We look forward to carrying on the company’s proud tradition of sustainable forest management while also preserving the property’s natural and scenic riches,” said Meredith Prime, Board Chair of The Nature Conservancy’s Adirondack Chapter.

John Hancock Life Insurance helped to facilitate both the land and business sales announced today. Hancock provided significant debt financing to The Nature Conservancy to facilitate the purchase of the woodlands and equity and debt financing to Finch Paper Holdings for the purchase of the manufacturing facility assets of Finch, Pruyn. Ken Hines, team leader of the Paper and Forest Products team at Hancock, said, “We have been a lender to Finch, Pruyn since 2004 with a mortgage on these lands. This marks one of several conservation transactions we’ve done with The Nature Conservancy. We have been fortunate to be a partner with Atlas on its previous paper investments and are very pleased to be partners again at Finch Paper Holdings.”

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**The Nature Conservancy (TNC)** is a leading international, non-profit organization working to protect ecologically important lands and waters for nature and people. With today’s announcement, the Conservancy has protected 556,572 acres in the Adirondacks since 1971. More than 300,000 of those acres are privately owned and managed sustainably as working forests. On the Web at [nature.org](http://nature.org).

**Finch Paper Holdings, LLC** acquired the assets of Finch, Pruyn & Co., Inc. in June 2007. The predecessor company was founded in 1865 as a sawmill, lumberyard and quarry operation on the Upper Hudson River in upstate Glens Falls, NY, and began papermaking operations in 1905. Today, with approximately 850 employees, the company is a leader in the premium uncoated printing paper market, manufacturing more than 250,000 tons per year for advertising materials, book publishing and business office uses from its single Glens Falls mill. Finch Paper is recognized throughout the graphic design and printing industries for outstanding brightness, smoothness and print reproduction. The company is also widely regarded for its customer service and its extensive stocking program, with more than 500 different items available for

immediate shipment coast-to-coast. Finch Paper Holdings LLC is owned by an investor group led by Atlas Holdings LLC (“Atlas Holdings”) and Blue Wolf Capital Management LLC (“Blue Wolf”). Additional information can be found at [www.finchpaper.com](http://www.finchpaper.com).

**Atlas Holdings LLC** operates businesses in a number of industrial sectors, including the paper, packaging, wood products and steel industries. Atlas operates four paper mills and nine packaging plants throughout North America. Overall, Atlas operates facilities in more than 30 locations throughout North America and Europe. With the addition of Finch, Atlas’ affiliated companies will employ approximately 3,000 people. For additional information, please visit [www.atlasholdingsllc.com](http://www.atlasholdingsllc.com).

**Blue Wolf Capital Management LLC** is a private equity firm that invests in companies in which effective management of relationships with complex constituencies, such as government and labor, can change organizations and create value. For additional information, please visit [www.blue-wolf.com](http://www.blue-wolf.com).

**The Open Space Institute (OSI)** protects scenic, natural, and historic landscapes to ensure public enjoyment, conserve habitats, and sustain community character. OSI achieves its goals through land acquisition, conservation easements, special loan programs, fiscal sponsorship, creative partnerships, and analytical research. OSI has protected nearly 100,000 acres in New York State. Through its Northern Forest Protection Fund and Conservation Finance Program, OSI has assisted in the protection of an additional 1.5 million acres in Maine, New Hampshire, Vermont, New York, Massachusetts, New Jersey, and North Carolina. ([www.osiny.org](http://www.osiny.org))

**John Hancock Life Insurance Company** is a subsidiary of Manulife Financial. John Hancock Bond and Corporate Finance Group manages \$57 billion of primarily fixed income investments. Within the Bond group, the Paper and Forest products team provides mortgage financing for timberland owners, with over 5.5 million acres under mortgage, and bond financing to paper and forest products companies.