



Katten Represents Sterling Capital Partners and Management Team of Educate Inc. in \$600 Million Going-Private Deal

June 26, 2007

CHICAGO - The law firm of Katten Muchin Rosenman LLP is pleased to have served as legal counsel to a group of investors and affiliates of Sterling Capital Partners and the senior management of Educate, Inc., and certain equity co-investors in the acquisition of Educate, Inc. - a \$600 million going-private transaction. Educate, Inc. (Nasdaq: EEEE) is a leading pre-K-12 education company delivering supplemental education services and products to students and their families.

As a result of the transaction, which Educate stockholders approved on June 12, 2007, each issued and outstanding share of Educate common stock was canceled and converted automatically into the right to receive \$8.00 in cash, without interest. The total value of the transaction, including assumed debt, was approximately \$535 million. As a result of this transaction, Educate's common stock ceased trading on the Nasdaq Global Market at market close on June 14, 2007, and was thereafter delisted.

Educate's consumer services businesses, including Sylvan Learning, North America's best-known and most trusted tutoring brand, operates the largest network of tutoring centers, providing supplemental, remedial and enrichment instruction and its Educate Products business delivers educational products including the highly regarded Hooked on Phonics early reading, math and study skills programs. Catapult Learning, its school partnership business unit, is a leading provider of educational services to public and non-public schools. In its 25-year history, Educate has provided trusted, personalized instruction to millions of students improving their academic achievement and helping them experience the joy of learning. More information on Educate, Inc. can be found at www.educate-inc.com.

Sterling Capital Partners is an affiliate of Sterling Partners ("Sterling"), a private equity fund group with nearly \$2.5 billion of capital under management. Founded in 1983, Sterling partners with superior management teams, invests in companies with strong business fundamentals and leverages the firm's proprietary methodology for acceleration of growth. Sterling collaborates closely with

entrepreneurs and business owners to achieve the growth standard in their industry. Industries of focus include education, healthcare, financial services, business services, direct marketing, specialty manufacturing and distribution, and technology. For additional information on Sterling Capital Partners, please visit www.sterlingpartners.us.

Katten partners Saul E. Rudo, Mark D. Wood, Brooks T. Giles, Herbert S. Wander, Valentina Famparska and Kathleen Sheil Scheidt worked on the deal.

Katten's sophisticated Mergers and Acquisitions Practice is responsive to its clients and their objectives, is efficient and cost-effective, and is dedicated to excellent client service. The Practice's attorneys represent public and private clients in a broad range of domestic and international acquisitions, sales, divestitures, leveraged buyouts, management buyouts, going private transactions and joint ventures. The Practice handles billions of dollars in business combinations each year, ranging from small, privately negotiated transactions to mergers of large public companies. Representation of private equity firms and private equity-backed portfolio companies also comprises a significant portion of the Practice.

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