



FOR IMMEDIATE RELEASE

**Versa Capital Announces the Formation of Civitas Media, LLC;
Combines Four Community News Groups for Growth, Best Practices**

Name Shows Community Focus to Continue

PHILADELPHIA, PA – September 11, 2012 –Versa Capital Management, LLC (Versa), a private equity investment firm, today announced the creation of Civitas Media, LLC (Civitas), a new community news media company. Civitas, Latin for “community” or “citizen”, combines four media entities owned by Versa: Freedom Central, Heartland Publications, Impressions Media, and Ohio Community Media.

“We have assembled an excellent group of community news publishers over the past 15 months and combining them together under the Civitas umbrella is a logical and value-enhancing result,” stated Versa’s CEO Gregory L. Segall. “Community-based media has remained profitable and largely avoided the level of financial pressure experienced by large daily metros in recent years. They are the principal source of information and news content as well as the primary advertising vehicles for their communities, whether in print or online, and we see a more stable and resilient future for this sector.”

Civitas, which now employs 1,650 people at 99 locations across 12 states in the Midwest, Mid-Atlantic and South, serves its communities through its dedication to the delivery of local information, including news and advertising solutions, across a variety of platforms. These communities are served by 35 local daily newspapers including 28 with weekend editions as well as 63 weekly products. These papers have a combined average weekly circulation of 1.6 million. Civitas also serves these communities with numerous free, advertisement supported publications and a growing on-line presence. In addition, Civitas publishes specialty products such as local community directories, wine magazines, regional agricultural publications, realty publications, local entertainment guides and on-line magazines and SEO solutions.

The merged organization is led by CEO Michael Bush, formerly the CEO of group member Heartland Publications, and COO Scott Champion, formerly the CEO of group member Ohio Community Media. The capitalization and working capital requirements of the business are supported by a new \$62.5 million multi-bank senior term loan and revolving credit facility led by RBS Citizens, N.A.

Bush commented, “I am very excited to be working with Versa Capital, which has assembled a valuable collection of community media assets and has a reputation for supporting its companies both financially and operationally. Civitas has a promising future as a media company, and is well positioned to further benefit from the eventual recovery of U.S. economic activity.”

Bush further noted “there are many opportunities for serving the local communities as we realize synergies from our combined strength. At Heartland we successfully implemented similar programs, and I look forward to working with the entire Civitas organization to explore best-in-class practices that can be utilized across many platforms. We have many excellent editorial and advertising professionals with valuable, local community ties. Our emphasis will always be on the communities we serve.”

Segall concluded, “While operational improvements are anticipated in the near-term, we plan to leave day-to-day control of editorial content in the hands of the people who know the local markets best.”

About Civitas Media, LLC

Civitas Media is a publisher of community newspapers in 12 Midwestern, Mid-Atlantic, and Southern states. The company includes the following media groups: Freedom Central, four daily newspapers in Illinois, Ohio and Missouri; Heartland Publications, 17 daily and 29 weekly papers across Georgia, Kentucky, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Virginia, and West Virginia; Ohio Community Media, with 13 daily and 30 weekly publications across the state of Ohio; and Impressions Media, which operates the Wilkes Barre Times Leader and other local publications in the northeastern Pennsylvania area. The company employs approximately 1,650 people.

About Versa Capital Management, LLC

Philadelphia-based Versa Capital Management, LLC is a private equity investment firm with \$1.2 billion of assets under management that is focused on control investments in special situations involving middle market companies where value and performance growth can be achieved through enhanced operational and financial management. More information can be found at www.Versa.com.

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