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## **Anchor Capital Partners Completes the Sale of its Investment in American Hardwood Industries**

**Waynesboro, Virginia – March 25, 2014** – Anchor Capital Partners (“Anchor”), a middle market private equity investment firm located in Greensboro, North Carolina announced today that it has completed the sale of its investment in portfolio company American Hardwood Industries (“AHI” or the “Company”) to Baillie Lumber.

Based in Waynesboro, Virginia, AHI is a leading manufacturer and supplier of hardwood lumber in the United States and abroad. Founded in 1955, AHI is the largest producer in its regions with over 100 million board feet of annual capacity across eleven sawmills and kiln drying facilities in Virginia and throughout the Appalachian territory. AHI is a vertically-integrated supplier that sells its products under the highly recognized Augusta, Blue Triangle and Graham Lumber brands.

Anchor originated the investment in AHI, then Augusta Lumber, in 2006 and brought in HIG Capital and Sankaty Capital as financial partners. Since that time, AHI has developed into one of the most important exporters of hardwood lumber to Asia and Europe, serving over 40 international markets.

“Through a series of add-on acquisitions and operational investments, AHI more than doubled its revenues, upgraded its equipment, invested in business processes and manufacturing best practices, developed its brands and expanded its international reach to establish the Company as a leading exporter of US hardwoods,” said John O’Dea, CEO of AHI.

“The original investment in Augusta Lumber in 2006 preceded the housing market downturn and the Company endured numerous challenges” said Kevin Moran, Principal of Anchor. “However, through outstanding management and equity and debt partners that were patient and committed to the long term success of the business, Augusta/AHI not only endured, but flourished by repeatedly investing in the growth of the business. Seven years later the company is more than double its original size and extremely well positioned to continue to grow and consolidate the hardwood industry. Despite the length of our seven year investment, the sale of AHI has created an exceptional annualized return for our investors.”

### **About American Hardwood Industries**

American Hardwood Industries is one of the leading hardwood platforms in the American hardwood industry, with hardwood lumber and byproducts produced by Augusta, Blue Triangle, Cross Creek and Graham. It operates eleven facilities within the US with combined capacity of over 100 million board feet annually and ships to customers throughout the world. The Company sells its hardwood lumber under the Augusta, Blue Triangle and Graham Lumber brands, as well as under its Cross Creek wholesale trading division. The Company also sells hardwood flooring under the Montebello Flooring brand. For more information, please visit [www.ahwood.com](http://www.ahwood.com).

### **About Anchor Capital Partners**

Anchor is a middle market equity investment firm located in Greensboro, NC focusing on companies in the \$2 million to \$10 million EBITDA range. Since 2005 Anchor has completed more than \$400 million (total transaction value) of investments of companies primarily in the building products, chemicals, and distribution sectors. We have a strong board of advisors and group of operating affiliates with industry specific experience that help us both in analyzing potential investments and growing our portfolio companies. For more information, please visit [www.anchorcapitalpartners.com](http://www.anchorcapitalpartners.com).