



MEDIA CONTACT:

Heidi Murphy

Salmon Borre Group, Ltd.

heidi@salmonborre.com; 847.582.1610

FOR IMMEDIATE RELEASE

Transom Capital Group Acquires Uncle Milton Industries, Inc.

Westlake Village, Calif., June 8, 2010 - Los Angeles-based private equity firm Transom Capital Group announced today that it has acquired Uncle Milton Industries, Inc., a pioneer in the toy industry whose flagship product, the Ant Farm[®], has been a staple in homes and classrooms for over 50 years. The transaction will allow Uncle Milton to expand its position as the Science & Nature category leader and continue to develop award-winning toys. The company sells its products worldwide through mass merchandisers such as Toys 'R' Us and Target as well as through several thousand specialty toy stores.

"Uncle Milton represents a cornerstone acquisition for our portfolio and offers a platform from which we hope to expand our presence in the industry," said Ken Firtel, Managing Director of Transom Capital. "The founders, the Levine family, have safeguarded the company's sterling reputation for over half a century by introducing fun and educational toys consistent with the brand's focus. We believe that Transom Capital can add a level of operational sophistication that will improve its performance both from a top and bottom line perspective."

"Toys have been a large part of my life, so it was important to me, personally, that the company find a partner who demonstrated a real commitment to the Uncle Milton legacy," said Steve Levine, one of the owners of the company and son of founder, Milton Levine. "Transom Capital was simply the right fit. They exhibited the same passion for the industry and quickly understood the key issues and dynamics that underlie the company's success. I'm eager to see where we can go from here."

Russell Roenick, Managing Director at Transom Capital, added "The Science & Nature space is a growth area within the industry, and the company has a strong core of products that positions it to successfully meet the demands of the marketplace. We have no doubt that its talented team of managers will be an engine of continued growth and innovation."

"We're thrilled to have Transom as a partner," said Frank Adler, President and Head of Sales & Marketing at Uncle Milton. "This is an exciting new chapter in Uncle Milton's history, and we're as committed as ever to our primary mission: to produce great toys that kids love and parents feel good about."

Terms of the transaction were not disclosed. Sherwood Partners served as an advisor to Uncle Milton during the Transaction.

About Transom Capital Group

Transom Capital Group is a Southern California private equity firm focused on buyouts and turnarounds in small- and middle-market companies, especially within the consumer, industrial, and media industries. The firm approaches each investment with a high degree of operational involvement and support, particularly during the first year of the investment period. For more information, go to www.transomcapital.com.

About Uncle Milton Industries

Founded in 1946, Uncle Milton creates, develops, produces and markets toys which have outstanding play value and maximum kid-appeal. Since its introduction in 1956, the Ant Farm[®] brand ant habitat has grown to become a universally recognized icon of American pop culture. Building on the quality and innovation of their flagship brand, Uncle Milton today leads the science and nature category with popular products that inspire wonder, learning and fun.

