



November 5, 1999

Dear ALS customer:

I am writing today to share very exciting news about Ameritech Library Services with our customers. On November 4, Ameritech Library Services (ALS) announced an agreement under which Ameritech, a company of SBC Communications, Inc., will sell ALS to a private investment group. The transaction is expected to be completed by the end of the year. My executive management team and I will continue to lead and direct Ameritech Library Services as a privately-owned, independent business.

Over a year ago, our senior management team began a proactive and comprehensive business review as part of a strategic planning process. Through this process, we determined that the best path forward to strengthen and grow Ameritech Library Services would be as a private, independent company. This acquisition supports our goals to maintain our market leadership and to build the long-term health of the global company. We are very excited about the new opportunities this will offer for ALS to serve its customers as an independent library automation company.

The new owners are a private investment group headed by 21<sup>st</sup> Century Group, LLC, a private equity investment firm based in Dallas, Texas, and Green Leaf Ridge Company, LLC based in Chicago. The investment group was interested in acquiring ALS because of our market leadership position, our solid financial results, and our strong employee and management team. From the start, they have been impressed with our vision for and commitment to the library marketplace and to our customers.

As the world leader in library automation, Ameritech Library Services supports more than 7,600 customer libraries worldwide with software solutions that are service-oriented and Internet-enabled. With this acquisition, ALS will increase investment in research and development to accelerate the development and delivery of new products and services for our customers. I think our customers will be very pleased with the new initiatives we plan to introduce in the coming months for libraries in an Internet-connected world.

As a result of our new status, Ameritech Library Services will be renamed and will adopt a new logo in the near future. All worldwide ALS offices and all 520+ ALS employees are part of this acquisition. There are no changes in my management team or in the company's organizational structure due to the acquisition, and the company headquarters will remain in Provo, Utah.



Our customers are our most important asset and we hope that you will join with us in welcoming this new era for Ameritech Library Services. I have enclosed a copy of the press release that was distributed to library publications and others. To answer some questions you may have, I have also enclosed a document titled *Questions and Answers for ALS Customers*. We will be adding to this document as we receive other questions from customers and posting it to the secured ALS web sites ([www.amlibs.com](http://www.amlibs.com)) for Horizon, Dynix, and NOTIS.

My employee team and I welcome your questions about this announcement. You are invited to direct questions to your ALS contacts in sales, customer service, or in your local ALS office. We will provide responses as quickly as possible.

I am confident that this move will further enhance our position as the leading library automation vendor in the world today. We value our relationship with you and look forward to continuing to provide your library with excellent products and services. I will share the new company's name and logo with you in the near future.

Sincerely,

A handwritten signature in cursive script that reads "Lana Porter".

Lana Porter, President  
Ameritech Library Services

Encl:

(News Release) *Ameritech Library Services to be acquired by 21<sup>st</sup> Century Group and Green Leaf Ridge Company*  
*Questions and Answers for ALS Customers*



**News Release**  
**November 4, 1999**

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**FOR IMMEDIATE RELEASE: Thursday, November 4, 1999**

**Ameritech Library Services to be acquired by  
21st Century Group and Green Leaf Ridge Co.**

**PROVO, Utah** -- Ameritech Library Services (ALS), 21<sup>st</sup> Century Group, LLC, and Green Leaf Ridge, LLC today announced an agreement under which Ameritech, a company of SBC Communications, Inc., will sell ALS to a private investment group led by 21st Century Group and Green Leaf Ridge Company. The transaction is subject to approval by the SBC Communications Board of Directors.

Ameritech Library Services, the world leader in library automation, supports more than 7,600 customer libraries worldwide with a broad spectrum of sophisticated software and hardware solutions that are service-oriented and Internet-enabled. The company will be renamed and will adopt a new logo, reflecting its new ownership, in the near future.

Lana Porter, president and CEO of ALS, and the ALS executive management team will continue to direct the company. "The management team is very excited with the opportunities this acquisition offers for the company and for our customers," said Porter. "Over a year ago, we began a comprehensive business review to identify our best course forward to grow the company in its market leadership position. We determined that as a privately owned, independent company, we could accelerate development of leading-edge products and services for our customers and for the library marketplace."

John Ware, president of 21<sup>st</sup> Century Group, said, "The acquisition of Ameritech Library Services is an outstanding investment for 21<sup>st</sup> Century Group and for our new partners at

Green Leaf Ridge. The business is the clear leader in the library technology sector and we believe that we will be able to grow the business both internally and through add-on acquisitions. In the near term, we are excited about the opportunity to work with Lana Porter and her team to develop a new brand and identity for the company. We expect that this effort, combined with several other important initiatives, will be a catalyst for significant growth in the future."

"John Ware and I are delighted to join with Lana Porter and her employee team in the acquisition of this outstanding library technology company," said Percy Berger, president and CEO of Green Leaf Ridge Company. "The ALS executive management and staff impressed us from the start with their far-reaching vision for and commitment to the library marketplace. They have consistently demonstrated sound judgement and solid financial results in directing the company. ALS combines a long tradition of excellence in library software solutions and services with creative new technologies for libraries in an Internet-connected world."

The acquisition, which is expected to be completed by the end of the year, includes all ALS global offices and its more than 520 employees. The company headquarters remains in Provo, Utah. ALS plans to continue its steady growth during 2000 resulting in hiring additional employees throughout the world.

Ameritech Library Services ([www.amlibs.com](http://www.amlibs.com)), a subsidiary of Ameritech, was formed in 1994 with the purchase and merger of Dynix, Inc. and NOTIS Systems. ALS's library information management systems meet the needs of research, academic, public, corporate, medical, law, and K-12 school libraries. Headquartered in Utah, Ameritech Library Services has offices in Illinois and Canada and throughout Europe and the Pacific Rim.

21<sup>st</sup> Century Group, LLC is an ethnic-minority-controlled partnership formed in August 1998 by former Dallas City Manager John Ware and Hicks, Muse, Tate & Furst Incorporated, a leading private equity firm based in Dallas. It invests in medium-size businesses in the manufacturing, distribution, service, and media industries where value can be increased through improved and expanded operations and add-on acquisitions.

Green Leaf Ridge Company, LLC, based in Chicago, was formed to acquire, control, and operate with management businesses that offer excellent growth opportunities with a focus on technology and information services.

Since its formation in 1989, Hicks, Muse, Tate & Furst Incorporated has completed or currently has pending more than 300 transactions with a total capital value in excess of \$37 billion. Headquartered in Dallas, the firm also has offices in New York, London, Mexico City and Buenos Aires.

Berenson Minella & Company acted as financial advisor to Ameritech Corporation in connection with this transaction.

Ameritech is the premier provider of communications services in the Upper Midwest, with 13 million customers and more than 21 million access lines across Illinois, Indiana, Michigan, Ohio and Wisconsin. It is a company of SBC Communications Inc. ([www.sbc.com](http://www.sbc.com)), a global communications leader. Through its trusted brands – Southwestern Bell, Ameritech, Pacific Bell, SBC Telecom, Nevada Bell, SNET and Cellular One—and world-class network, SBC provides local and long-distance phone service, wireless and data communications, paging, high-speed Internet access and messaging, cable and satellite television, security services and telecommunications equipment, as well as directory advertising and publishing. In the United States, the company currently has 87.3 million voice grade equivalent lines, 10.3 million wireless customers, and is undertaking a national expansion program that will bring SBC service to an additional 30 markets. Internationally, SBC has telecommunications investments in 22 countries. With more than 200,000 employees, SBC is the 14th largest employer in the U.S., with annual revenues that rank it among the largest Fortune 500 companies.

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*Ameritech Library Services to be acquired by  
21<sup>st</sup> Century Group and Green Leaf Ridge Company  
November 4, 1999*

***Questions and Answers for ALS Customers***

**Who are the new owners of Ameritech Library Services?**

The new owners are a private investment group headed by 21<sup>st</sup> Century Group, LLC, a private equity investment firm based in Dallas, Texas and Green Leaf Ridge Company, LLC, based in Chicago. John Ware, former City Manager for Dallas, Texas, heads 21<sup>st</sup> Century Group, LLC and Percy Berger is president and CEO of Green Leaf Ridge Company. ALS will operate as an independent, stand-alone business. The transaction is subject to approval by the SBC Communications Board of Directors.

**Why were they interested in acquiring ALS?**

They are attracted to the library software market and foresee future technological growth in the industry. They are interested in purchasing Ameritech Library Services because we are the acknowledged market leader in library automation, we have demonstrated solid financial results for eleven consecutive quarters, and we have a strong employee and management team.

**Did the SBC merger with Ameritech trigger this acquisition?**

No. Over a year ago, ALS senior management began a proactive and comprehensive business review as part of a strategic planning process. Through this process, they determined that the best course forward was to strengthen and grow our business as an independent company.

**Is the company still comprised of all of its offices and employees?**

Yes. All current worldwide ALS offices and all 520+ ALS employees are part of this acquisition. There are no changes in our current distributor agreements. The company headquarters will remain in Provo, Utah.

**Are there changes in the company's management team or organizational structure?**

No. Lana Porter, president and CEO, will continue to direct the company. The executive management team will remain the same: Rick Lawhun, CFO and vice president of finance and administration; Meg Fisher, vice president of customer operations; Tyler Gingrich, vice president of product engineering; Kate Noerr, vice president of sales and marketing and international operations; Scott Wheelhouse, vice president of product management; and Stephanie Davis, director of human resources. There are no changes in the organizational structure due to the acquisition. Like any dynamic company, we are always examining ways for our organization to improve the delivery of products and services to customers.

**What are the benefits of this acquisition for ALS customers?**

The acquisition will allow us to make increased investment in two important areas—1) research and development and 2) improvements to customer service. With additional investment in research and development, we anticipate delivering additional new products to customers more quickly, with increased staffing to implement and support them.

**What are the new owners looking for in terms of performance measures?**

The new owners will be looking for ALS to retain its market leader position and continue to build the long-term health of the global business. There is no change in our focus on delivering creative new products and outstanding service and value to our existing customers.

**What is the company's new name and when will we begin to use it?**

We are working with a marketing firm to finalize our new name and logo. This transition will take several months to complete.

**Where can customers find more information?**

The Ameritech Library Services corporate web site ([www.amlibs.com](http://www.amlibs.com)) contains more information about the acquisition. As we have questions from customers, we plan to post a FAQ on the corporate web site.

**Who is available to answer questions for customers?**

Customers should direct questions about the acquisition to their ALS contacts in sales, customer service, or in ALS local offices. We welcome your questions and will provide responses as quickly as possible.