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## **For Immediate Release**

### **SIMMONS OBTAINS COURT APPROVAL OF PREPACKAGED RESTRUCTURING PLAN; ALLOWS FOR ACQUISITION BY ARES MANAGEMENT & TEACHERS' PRIVATE CAPITAL**

**SIMMONS EXPECTS TO EMERGE FROM CHAPTER 11 IN LATE JANUARY**

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ATLANTA, January 5, 2010 – Simmons Bedding Company (“Simmons Bedding”), a leading manufacturer of premium branded bedding products, today announced that the U.S. Bankruptcy Court for the District of Delaware (the “Court”) has confirmed its pre-packaged restructuring plan (the “Plan”). Today’s decision allows for the previously announced acquisition of Simmons Bedding and all of its domestic and international subsidiaries, as well as its parent Bedding Holdco Incorporated (collectively, the “Company”), by affiliates of Ares Management LLC and Teachers’ Private Capital, the private investment department of the Ontario Teachers’ Pension Plan (collectively, “AOT”).

Simmons Bedding anticipates that it will consummate the transaction and emerge from chapter 11 on or around January 20, 2010.

Bennett Rosenthal, Senior Partner at Ares Management LLC, commented, "Since we first announced our joint interest in the Company last September, we have become even firmer in our belief Simmons Bedding's prestigious brand name, its innovative products, strong and experienced management, as well as positive fundamentals we see for the industry. As we have learned from key stakeholders and by working with management throughout this process, the company is well-positioned for the future."

Erol Uzumeri, Senior Vice-President, Teachers' Private Capital, stated, "What this process has confirmed for us is that Simmons Bedding is the type of company that we seek: one with proven talent throughout the organization and a strong franchise. The Company's historical performance is excellent when measured against our core investment criteria, and with its new capital structure, we are confident this investment will produce significant returns for us and all of its stakeholders – both now and over time."

Today's decision by the Court marks the last of three major milestones that the Company has met since the Plan was announced on September 25, 2009. First, it was announced on October 29, 2009 that all waiting periods under applicable antitrust and competition regulations in the U.S. and Canada had expired or were terminated. Second, the Company announced on November 16, 2009 that it filed the Plan with the Court after it received the overwhelming support of creditors who cast favorable votes during the formal consent solicitation.

Stephen G. Fendrich, Simmons Bedding's President and Chief Operating Officer, commented, "Just as our lenders and note holders voted their confidence last fall, this favorable decision by the Court further validates the viability of our Plan

and opens the door to an exciting future for our Company, our employees, and all of our suppliers and our customers.”

Upon the completion of the transaction and emergence from chapter 11, the reorganized companies will have improved their capital structure by substantially reducing total debt obligations from approximately \$1.0 billion to approximately \$450 million. The Plan as confirmed also provides for all trade vendors, suppliers employees, and senior secured lenders to be paid in full.

Final consummation of the transaction remains subject to customary closing terms and conditions.

Weil, Gotshal & Manges LLP is acting as legal counsel and Miller Buckfire & Co., LLC is acting as financial advisor to the Company for the chapter 11 cases.

Sullivan & Cromwell LLP is acting as legal counsel and Goldman, Sachs & Co. is acting as financial advisor for the purchaser.

### **About Simmons Bedding Company**

Atlanta-based Simmons Bedding Company is one of the world's largest mattress manufacturers, manufacturing and marketing a broad range of products including Beautyrest<sup>®</sup>, Beautyrest Black<sup>®</sup>, Beautyrest NxG<sup>®</sup>, Beautyrest Studio<sup>™</sup>, ComforPedic by Simmons<sup>™</sup>, ComforPedic Loft<sup>™</sup>, Natural Care<sup>®</sup>, Beautyrest Beginnings<sup>™</sup> and BeautySleep<sup>®</sup>. Simmons Bedding operates 19 conventional bedding manufacturing facilities and one juvenile bedding manufacturing facility across the United States, Canada and Puerto Rico. Simmons Bedding also serves as a key supplier of beds to many of the world's leading hotel groups and resort properties. Simmons Bedding is committed to developing superior mattresses and promoting a higher quality sleep for consumers around the world. For more information, visit Simmons Bedding's website at [www.simmons.com](http://www.simmons.com).

## **About Ares Management**

Ares Management is an SEC-registered investment adviser and alternative asset manager with total committed capital under management of approximately \$33 billion as of September 30, 2009. With complementary pools of capital in private equity, private debt and capital markets, Ares Management has the ability to invest across all levels of a company's capital structure – from senior debt to common equity – in a variety of industries in a growing number of international markets. The Ares Private Equity Group has a proven track record of partnering with high quality, middle-market companies and creating value with its flexible capital such as Serta. Other notable current investments include General Nutrition Centers, Inc., Hanger Orthopedic Group, Inc. (NYSE: HGR) and Maidenform Brands, Inc. (NYSE: MFB). The firm is headquartered in Los Angeles with approximately 250 employees and professionals located across the United States and Europe. For more information, visit the Ares website at [www.aresmgmt.com](http://www.aresmgmt.com).

## **About Teachers' Private Capital**

Teachers' Private Capital is one of the world's largest private equity investors. It is the private investment department of the Ontario Teachers' Pension Plan, the largest single-profession pension plan in Canada. The Ontario Teachers' Pension Plan is an independent corporation responsible for investing the fund and administering the pensions of Ontario's 284,000 active and retired teachers. For more information visit [www.otpp.com](http://www.otpp.com).

### **"Safe Harbor" Statement under Private Securities Litigation Reform Act of 1995:**

This press release includes forward-looking statements that reflect our current views about future events and financial performance. Words such as "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes," "forecasts" and variations of such words or similar expressions that predict or indicate future events, results or trends, or that do not relate to historical matters, identify forward-looking statements. The forward-looking statements in this press release speak only as of the date of this press release. These forward-looking statements are expressed in good faith and Simmons believes there is a reasonable basis for them. However, there can be no assurance that the events, results or trends identified in these forward-looking statements will occur or be achieved. Investors should not rely on forward-looking statements because they are subject to a variety of risks, uncertainties, and other factors that could cause actual results to differ materially from Simmons's expectations. These factors include, but are not limited to: (i) our

ability to comply with and fulfill closing conditions in the Plan Sponsor Agreement, including obtaining the requisite financing; (ii) compliance with covenants in, and any defaults under, our debtor-in-possession financing agreement; (iii) the potential adverse impact of any restructuring and the bankruptcy filing on our business, financial condition, liquidity, and results of operations; (iv) interest rate and credit market risks; (v) competitive pressures in the bedding industry; (vi) general economic and industry conditions; (vii) our ability to launch new products on a timely basis, the success of our new products and the future costs to rollout such products; (viii) legal and regulatory requirements; (ix) our relationships with and viability of our suppliers, significant customers and licensees; (x) fluctuations in our costs of raw materials and energy prices; (xi) our ability to hold or increase prices on our products and the related effect on our unit sales; (xii) an increase in our return rates and warranty claims; (xiii) our labor relations; (xiv) encroachments on our intellectual property; (xv) our product liability, intellectual property and other litigation claims; (xvi) our level of indebtedness; (xvii) foreign currency exchange rate risks; (xviii) our future acquisitions; (xix) our ability to achieve the expected benefits from any personnel realignments; (xx) higher bad debt expense as a result of increased customer bankruptcies due to instability in the economy and slowing consumer spending; and (xxi) our ability to maintain sufficient liquidity to operate our business. We undertake no obligation to update or revise any forward-looking statements, either to reflect new developments or for any other reason.

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