



## NEWPORT PARTNERS INCOME FUND ANNOUNCES CLOSING OF DEBENTURE EXCHANGE TRANSACTION

**Toronto-March 23, 2011-** Newport Partners Income Fund (the “**Fund**”) (TSX:NPF.UN, NPF.DB and NPF.DB.A) today announced that it has closed its previously announced exchange transaction pursuant to which the terms of the indenture for the Fund’s 7.5% debentures due December 31, 2010 (the “**2010 Debentures**”) and 7.0% debentures due December 31, 2012 (the “**2012 Debentures**”) and, together with the 2010 Debentures, the “**Existing Debentures**”) were amended to provide for the mandatory exchange of the Existing Debentures for newly issued \$176,228,000 aggregate principal amount of 8.0% secured debentures of the Fund due March 23, 2016 (the “**Secured Debentures**”) and the issuance of a new series of \$26,552,000 aggregate principal amount of 3.624% unsecured debentures of the Fund due March 23, 2014 (the “**Unsecured Debentures**”). The Secured Debentures and the Unsecured Debentures began trading on the Toronto Stock Exchange today under the symbols “NPF.DB.B” and “NPF.DB.C”.

Dean MacDonald, President and Chief Executive Officer of the Fund, commented, “After many months of discussions and negotiations, we are very pleased to announce the closing of the debenture exchange transaction. This is the second of two significant debt restructuring transactions undertaken by the Fund in response to its liquidity challenges that began in 2008. The completion of these transactions permits the Fund to re-focus on its business operations.”

Copies of the indentures providing for the issuance of the Secured Debentures and the Unsecured Debentures, respectively, will be available under the Fund’s profile at [www.sedar.com](http://www.sedar.com).

### About Newport Partners Income Fund

Newport Partners Income Fund is an unincorporated open-ended trust created to hold, through its investment in Newport Partners Commercial Trust, interests in Newport Private Yield LP, a limited partnership established under the laws of the Province of Ontario. Securities of Newport Partners Income Fund began trading on the TSX on August 8, 2005 under the symbol NPF.UN.

Newport Partners Income Fund is a publicly-traded diversified fund that invests in successful Canadian private businesses. The Fund, currently has \$443 million invested in 12 companies representing a diverse cross-section of the Canadian economy.

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### Forward-Looking Statements

Certain information included in this news release may constitute forward-looking information within the meaning of securities laws. In some cases, forward-looking information can be identified by terminology such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “continue” or the negative of these terms or other similar expressions concerning matters that are not historical facts. Without limitation, information regarding the closing of the transaction constitutes forward-looking information. Such forward-looking information reflects management’s current beliefs and is based on information currently available to management of the Fund and the businesses in which the Fund holds an ownership interest (the “**Operating Partnerships**”). Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual events or results to differ materially from the events and results discussed in the forward-looking information, including risks related to the satisfaction of all closing conditions to the Refinancing and Exchange Transaction, the receipt of all required consents and approvals and the abilities, actions, financial condition and circumstances of other parties to the Refinancing and Exchange Transaction. These factors should not be considered exhaustive. In addition, in evaluating this information, investors should

specifically consider various factors, including the risks outlined in the Fund's public disclosure documents filed on SEDAR at [www.sedar.com](http://www.sedar.com), which may cause actual events or results to differ materially from any forward-looking statement. In formulating forward-looking information herein, management has assumed that business and economic conditions affecting the Fund and its operating partnerships and the other parties to the exchange transaction will continue substantially in the ordinary course, including without limitation, with respect to general levels of economic activity. Although the forward-looking information is based on what management of the Fund and the Operating Partnerships consider to be reasonable assumptions based on information currently available to it, there can be no assurance that actual events or results will be consistent with this forward-looking information, and management's assumptions may prove to be incorrect. This forward-looking information is made as of the date of this news release, and the Fund does not assume any obligation to update or revise them to reflect new events or circumstances. Undue reliance should not be placed on forward-looking information. The Fund is providing the forward-looking financial information for the purpose of providing investors with some context for the information presented herein. Readers are cautioned that this information may not be appropriate for any other purpose.