



Bright Horizons Lauds Tax Cut Supporting Work-Site Child Care

June 7, 2001

WATERTOWN, Mass., Jun 7, 2001 (BUSINESS WIRE) -- Bright Horizons Family Solutions (NASDAQ: BFAM), the world's leading provider of employer-sponsored child care, early education, and work/life solutions, today lauded Congress and the White House for passing and signing into law a tax credit supporting work-site child care. The measure, included in the omnibus tax cut package signed by President Bush today, encourages employers to support families with work-site child care by providing a 25 percent tax credit for costs associated with providing that child care.

"Leading employers have long known that the benefits of on-site child care and early education extend far beyond the workplace. Preparing young children for school and supporting working families are investments in the greater community and in the future of our nation. The tax credit gives recognition to companies that have been leading the way in this important work/life benefit and will encourage many more to add work-site child care to their menu of benefits," said Chief Executive Officer Roger Brown.

The new law, championed for years by Senator Herb Kohl of Wisconsin and Senator Bob Graham of Florida, makes a 25 percent tax credit, up to a maximum of \$150,000 per year, available to employers for their expenses related to providing child care for their workforce, including:

--The capital costs associated with building, acquiring, expanding or repairing an on- or near-site child care center, back-up center, or get-well child care facility, including joint investments made by a consortium of businesses;

--The operating costs of that child care center; and

--Child care slots reserved by employers in off-site child care centers.

The bill also includes a tax credit for 10 percent of child care resource and referral expenses for employers who provide that service to their employees. These credits for employers come on top of three other tax cuts in the package to support families with children, including an expansion of the dependent care tax credit, extension and expansion of adoption tax benefits, and an increase and expansion of the child tax credit.

"We know that good early childhood programs can improve children's chances of long-term success in school and decrease their odds of involvement with crime and violence. And employers who offer child care attract more highly qualified applicants, greater loyalty, and less absenteeism. Clearly, we all have a stake in increasing the supply of quality child care for working families. This child care tax credit is a simple first step," Senator Kohl said.

In Georgia, a similar tax credit for employer-sponsored child care played a role in the decision of leading employers such as Georgia-Pacific, NCR, Chick-fil-A, and Alston & Bird LLP to open work-site child care centers. Bright Horizons officials are encouraged that the federal tax cut will provide an additional incentive to businesses nationwide considering opening on-site child care centers and offering other work/life solutions for their employees.

Bright Horizons Family Solutions

Bright Horizons Family Solutions (www.brighthorizons.com) is the world's leading provider of employer-sponsored child care, early education and work/life consulting services, managing more than 360 family centers in the United States, Europe and the Pacific Rim. Bright Horizons serves more than 280 clients, including 81 FORTUNE 500 companies and 44 of the "100 Best Companies for Working Mothers," as recognized by Working Mother magazine. Bright Horizons was recently named one of the "100 Best Companies to Work For in America" by FORTUNE magazine and one of the Boston Globe and Boston Herald 100 best businesses in Massachusetts.

This press release contains forward-looking statements, which involve a number of risks and uncertainties. Bright Horizons Family Solutions' actual results may vary significantly from the results anticipated in these forward-looking statements as a result of certain factors, including the impact of government tax and fiscal policies on employers considering work-site child care, the ability of the Company to obtain new contracts to operate acquired child care centers, as well as other factors that are discussed in detail in the Company's filings with the Securities and Exchange Commission, including the "Risk Factors" section in the Company's Annual Report on Form 10-K for the year ended December 31, 2000.

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