



NEW MOUNTAIN CAPITAL LLC

New Mountain Capital, LLC (“New Mountain”) Issues “Social Dashboard” Report

- Over 26,700 Jobs Added or Created, Net of Job Losses
 - o Salaries Far Above National Median
- Over \$3.5 Billion of R&D, Software Spending and Capital Expenditures
- Over \$18 Billion of Enterprise Value Gains, Chiefly for Pension Funds and Endowments
- No Private Equity Bankruptcies or Business Failures In Firm’s History

New York, New York – March 3, 2017 – New Mountain issued its ninth annual “Social Dashboard” today, reporting on key job growth and investment metrics at its private equity portfolio companies through December 31, 2016.

New Mountain is a New York based investment firm founded in 2000 and currently manages over \$15.5 billion of aggregate capital commitments across private equity, public equity and credit funds. The firm’s private equity strategy has consistently emphasized growth and business building in non-cyclical economic sectors, rather than excessive debt, as the best path to high and steady returns. The firm used no third party acquisition debt in the initial purchases of seventeen of its thirty-seven private equity platform investments. New Mountain has never had a private equity portfolio company bankruptcy or business failure. The majority of New Mountain’s investor base is comprised of U.S. state, corporate and global retirement plans.

A study of New Mountain and all of its past and present private equity portfolio companies shows that employment increased from 40,845 jobs to 67,610 jobs during the period of New Mountain’s ownership.⁽ⁱ⁾ This is a gain of 26,765 jobs, or approximately a 66% increase in jobs, net of any job losses. A total of 13,596 net new jobs were created through organic growth at the companies, and 13,169 jobs were added through acquisitions.

As of the end of 2016, 37,589 people were employed by New Mountain or the portfolio companies that New Mountain owned at that time. Median income for New Mountain portfolio companies’ U.S. employees was \$48,244 in 2016, or approximately 60% above the \$30,240 national individual median income. Average income was \$62,453, which is approximately 40% above the U.S. average individual income of \$44,510.⁽ⁱⁱ⁾ Taken together, the employment level across New Mountain and its portfolio companies would have ranked the firm between the 199th and 200th largest employer in the Fortune 500 at the end of 2015.⁽ⁱⁱⁱ⁾

New Mountain’s past or present portfolio companies have invested a total of approximately \$3.557 billion in research and development, software development and capital expenditures during the years of the firm’s ownership, with approximately \$2.207 billion spent on R&D and software development. Over \$375 million was invested in 2016 alone, including approximately \$153 million of R&D spending, \$76 million of software development and \$147 million of capital expenditures.^(iv)

New Mountain has grown enterprise value at its private equity portfolio companies by approximately \$18.8 billion through December 31, 2016. This includes approximately a \$10.7 billion increase from its realized portfolio companies, and approximately \$8.1 billion from its unrealized portfolio companies, still held. The Copyright © 2016 New Mountain. All right reserved.

benefits of the increased enterprise value often accrues to the non-profit pension plans and endowments that are limited partners of New Mountain.

“New Mountain is dedicated to building great businesses,” said Steven B. Klinsky, New Mountain’s Founder and CEO. “As the nation seeks economic growth and creation of high quality jobs, we think private equity (properly executed) can be a very socially positive pursuit and one component of that growth.”

Note: All amounts are based on 2016 unaudited results. New Mountain portfolio companies Validus Re, Paris Re and Tygris (including successor EverBank) are excluded from this analysis as New Mountain owned less than 25% of these companies. New Mountain’s initial private equity investment in New Mountain Finance Corporation is also excluded from this analysis. Lastly, New Mountain’s investments in Iron Bow and Ikaria were excluded after majority control was sold in 2011 and 2014, respectively.

Important Notice:

This document is intended for informational purposes only, and has been prepared with the sole objective of demonstrating New Mountain’s commitment to business-building. It is not to be construed as an offer or a solicitation for the sale of a security, or as an offer to provide any investment advice. An investment with the Partnership or any of its affiliates involves significant potential risks and conflicts of interest and may only be made pursuant to the Partnership’s offering documents, which qualify this letter in its entirety, and which should be read carefully.

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ⁱ A company is included in the data set in the year in which New Mountain makes its initial investment. Holding periods for specific portfolio companies are available upon request. After New Mountain exits its investment in a given portfolio company, the job creation figures for that company are held constant across future years. New Mountain does not monitor whether those figures increase or decrease after exit. For Connexions, a portfolio company exited in August 2011, New Mountain kept the employment figures constant as of year-end 2010 due to the seasonality of the workforce.

ⁱⁱ The New Mountain median is the weighted average of the median compensation at each New Mountain portfolio company. U.S. median and average are from the Census Bureau survey (2016) based on 2015 data; found at <https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-01.2015.html>

ⁱⁱⁱ Based on Fortune 500 data obtained from the Fortune Datastore (<http://fortune.com/fortune500/>). New Mountain believes that if all other private equity firms and private corporations were included, New Mountain would likely rank below #200.

^{iv} A company is included in the data set for any years in which New Mountain has an investment. After New Mountain exits its investment in a given portfolio company, that company’s financial performance is no longer included.