



NEW MOUNTAIN CAPITAL LLC

W2O Announces Investment from New Mountain Capital; Partnership Focused on Making the World a Healthier Place through Marketing Communications

Company primed for next level of international, talent, capability and technology expansion to meet evolving needs of healthcare stakeholders in a digital world

San Francisco, May 29, 2019 – W2O, the leading independent provider of analytics-driven, digital-first marketing communications to the healthcare sector, today announced it has partnered with New Mountain Capital to accelerate continued growth and scale of the company to meet the evolving needs of its clients to most effectively and efficiently communicate with and influence their key stakeholders in an increasingly digital and mobile world.

The current W2O management team will remain in place, and both Jim Weiss, W2O Founder and CEO, and Jennifer Gottlieb, W2O President, will serve on the board of directors. The transaction is expected to close in the first half of W2O's fiscal year 2019, subject to customary approvals and closing conditions. Current investment partner Mountaingate Capital is exiting W2O in the transaction. CG Petsky Prunier, part of the Canaccord Genuity Group, and Houlihan Lokey served as financial advisors to W2O and Mountaingate Capital. Financial terms were not disclosed.

In 2016, W2O partnered with Mountaingate to fund the firm's strategic growth plans, which included three acquisitions – Pure Communications, Marketeching and Sentient – in addition to hiring key talent and making focused investments to expand and enhance its highly integrated technology and service offerings. Since that time, the firm's revenues more than doubled from just under \$100 million annually in 2016 with just over 400 people to anticipated revenues of more than \$200 million in 2019 with nearly 800 people.

“We achieved in three years what we planned to do in five, so we were looking for a new partner that could help us maintain our momentum while preserving our dynamic, entrepreneurial culture that provides consistent career growth, innovation, and learning and development opportunities for our people,” said Weiss. “New Mountain is the right partner for this next inflection point in our evolution, one that aligns with an inflection point in healthcare as the sector continues to be impacted by technology at an unprecedented pace. Working with New Mountain, we will continue building and acquiring talent and companies with capabilities that clients have told us they need and want, and facilitate expansion in key markets overseas and in the U.S.”

“This partnership enables us to continue to control our own destiny and pursue our goal of ‘Becoming the Best’ for our clients, and to achieve a renewed mission to make the world a healthier place through marketing communications,” said Gottlieb. “There’s nothing more important than your health, and the future leaders in healthcare will be those that can communicate and compete most effectively in a mobile and digital world through both

traditional and non-traditional media channels guided by next-generation analytics. We will not only continue to build and model our business to help our clients achieve this, but also become a digital health player in our own right.”

“W2O is a true leader in healthcare marketing, communications and analytics. We are excited to partner with Jim and his amazing team to support their next phase of growth as a key player in the evolution of the segment,” said Matt Holt, Managing Director at New Mountain Capital. “Healthcare is just beginning to discover new forces in medicine, prevention and cures, and W2O is participating with leading client organizations throughout the healthcare continuum. Our partnership is meant to support investments in key areas while enabling W2O to maintain its successful entrepreneurial culture, commitment to innovation, and unmatched client focus.”

According to Bruce Rogers, Managing Director of Mountaingate Capital, which initially partnered with W2O on this growth strategy, “W2O and its team exceeded our expectations in every way, successfully assimilating acquisitions, on-boarding talent and delivering data-driven insights to inform strategy and programming to achieve a competitive advantage for clients. This is a stellar team committed to client excellence, employee experience and development, and elevating the healthcare ecosystem. We are very pleased to see W2O advance to its next phase of growth with New Mountain Capital and wish Jim and the team the best for continued success.”

About New Mountain Capital

New Mountain Capital is a New York-based investment firm that emphasizes business building and growth, rather than debt, as it pursues long-term capital appreciation. The firm currently manages private equity, public equity, and credit funds with over \$20 billion in assets under management. New Mountain seeks out what it believes to be the highest quality growth leaders in carefully selected industry sectors and then works intensively with management to build the value of these companies. For more information on New Mountain Capital, please visit www.newmountaincapital.com.

About W2O

Founded by Jim Weiss in 2001, W2O is the leading independent provider of analytics-driven, digital-first marketing services and communications to the healthcare sector. W2O applies proprietary analytics models, methodologies and approaches in a digital world to design precise communications and marketing strategies to deliver sustained business results. W2O maintains 15 offices across the United States and in Europe.

For more information, please visit www.w2ogroup.com.

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