



NEW MOUNTAIN CAPITAL LLC

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

- Over 46,000 Jobs Added or Created, Net of Job Losses⁽ⁱ⁾
- Over \$5.3 Billion of R&D, Software Spending and Capital Expenditures
- Approximately \$37 Billion of Enterprise Value Gains for All Shareholders
- No Private Equity Bankruptcies or Missed Interest Payments in Firm’s History

New York, New York – March 26, 2020 – New Mountain issued its twelfth annual “Social Dashboard” today, reporting on key job growth and investment metrics at its private equity portfolio companies through December 31, 2019.

New Mountain is a New York based investment firm founded in 1999 and currently manages over \$20.0 billion⁽ⁱⁱ⁾ in Assets Under Management across private equity, public equity, credit and net lease. 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. New Mountain has never had a private equity portfolio company bankruptcy or missed an interest payment. New Mountain’s investor base includes premier institutions in the U.S. and around the world.

A study of New Mountain and all of its past and present private equity portfolio companies shows that employment increased from approximately 56,400 jobs to approximately 102,400 jobs during the period of New Mountain’s ownership.⁽ⁱⁱⁱ⁾ This is a gain of over 46,000 jobs, or approximately an 82% increase in jobs, net of any job losses. Approximately 15,000 net new jobs were created through organic growth at the companies, and approximately 31,000 jobs were added through acquisitions.

Of the approximately 46,000 jobs gained, around 30,000 were in the United States. At the end of 2019, approximately 51,000 people were employed by New Mountain or the portfolio companies that New Mountain owned at that time,^(iv) including approximately 41,000 people in the United States. Median income for New Mountain portfolio companies’ U.S. employees was \$57,866 in 2019, or approximately 72% above the \$33,706 national individual median income. Average income was \$77,904, which is approximately 55% above the U.S. average individual income of \$50,413.^(v)

Taken together, the approximately 51,000 current jobs at New Mountain and its portfolio companies would have ranked the firm between the 153rd and 154th largest employer in the Fortune 500 at the end of 2018.^(vi) If we were to include Avantor’s current jobs in this number, a business that New Mountain took

public during 2019 and of which New Mountain still owns approximately 17%, there would be approximately 63,000 current jobs at New Mountain and its portfolio companies, which taken together would have ranked the firm between the 120th and 121st largest employer in the Fortune 500.

New Mountain's past or present portfolio companies have invested a total of approximately \$5.3 billion in research and development, software development and capital expenditures during the years of the firm's ownership, including approximately \$3.3 billion spent on R&D and software development. Approximately \$610 million was invested in 2019 alone, including approximately \$235 million of R&D spending, approximately \$140 million of software development and about \$235 million of capital expenditures.^(vii)

New Mountain has created approximately \$37.0 billion of enterprise value gains from inception through December 31, 2019. This includes approximately a \$15.6 billion increase from its realized portfolio companies, and approximately \$21.4 billion from its unrealized portfolio companies, still held.

"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 2019 unaudited results. As a result, the 2019 annual Social Dashboard does not take into effect the potential impact of the COVID-19 pandemic, which may be material. Validus Re, Paris Re, Tygris (including successor EverBank), and Alight are excluded from this analysis as New Mountain owned less than 25% of these companies at acquisition. In addition, New Mountain's initial private equity investment in New Mountain Finance Corporation is also excluded from this analysis. Lastly, Iron Bow, Ikaria, Alexander Mann Solutions and Avanator were excluded after majority control was sold in 2011, 2014, 2018, and 2019, respectively. However, IRI is included in the 2019 year-end job metrics despite selling majority control in November 2018 because New Mountain remains actively involved.

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. Includes job through organic growth and acquisitions under New Mountain's ownership.
- ii. Includes amounts committed, not all of which have been drawn down and invested to date.
- iii. 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. Please note that, when relevant, certain seasonality adjustments may have been made to normalize employee levels.
- iv. Excludes Equian and Convey, which were sold in 2019. Also excludes Avantor, which completed an IPO in 2019 and New Mountain owned less than 25% of the business at the end of 2019.
- v. 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 (2019) based on 2018 data; found at <https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-01.2018.html>.
- vi. 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 #154.
- vii. 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 each portfolio company, that company's financial performance is no longer included.