

## NEWS FROM SEDGWICK



### **KKR acquires majority ownership of Sedgwick**

*Stone Point Capital returns as minority investor*

**MEMPHIS, Tenn., February 28, 2014** – Sedgwick Claims Management Services, Inc., a leading provider of technology-enabled claims and productivity management solutions, today announced the closing of the previously announced transaction whereby KKR, together with management, has acquired majority ownership of Sedgwick for \$2.4 billion from previous investors Hellman & Friedman LLC and Stone Point Capital LLC. Additionally, Stone Point Capital has joined the investment as a minority equity partner.

“With the strategic resources of KKR now in our corner, the future of Sedgwick has never looked brighter,” said David A. North, president and CEO of Sedgwick. “Further, that our longtime partner Stone Point Capital has chosen to invest in Sedgwick for the third time demonstrates their confidence in our business model and industry-leading best practices. My colleagues and I look forward to collaborating with these two valued partners and building on our shared commitment to customer service and continued innovation in claims and productivity management.”

“Sedgwick has an exceptional management team and a strong track record of innovation and delivering technology-driven solutions for its clients,” said Tagar Olson, Member of KKR and head of its financial services investment practice. “We look forward to supporting the company in its next stage of evolution and growth.”

Equity for KKR’s investment was provided principally by its North American XI private equity fund. UBS Securities LLC, Deutsche Bank Securities, Morgan Stanley, Mizuho, KKR Capital Markets LLC and MCS Capital Markets LLC provided financing for the transaction. Simpson Thacher & Bartlett LLP and Latham & Watkins LLP provided legal counsel to Sedgwick and KKR, respectively.

“We have had a very successful partnership with Dave North and the Sedgwick team over the past four years,” said David Tunnell, managing director of Hellman & Friedman. “We are proud of the value that Sedgwick has delivered and will continue to deliver for its clients, its colleagues and its shareholders.”

“Stone Point has had the privilege of partnering with Sedgwick on two separate occasions during the last fifteen years,” said Steve Friedman, chairman of Stone Point Capital. “We have a tremendous amount of respect for Dave North and the entire Sedgwick organization and look forward to continuing as an investor through Trident V, L.P. alongside KKR.”

**About Sedgwick**

Sedgwick Claims Management Services, Inc. is the leading North American provider of technology-enabled claims and productivity management solutions. Sedgwick and its affiliated companies deliver cost-effective claims, productivity, managed care, risk consulting and other services to clients through the expertise of more than 11,000 colleagues in some 200 offices located in the U.S. and Canada. The company specializes in workers' compensation; disability, FMLA, and other employee absence; managed care; general, automobile, and professional liability; warranty and credit card claims services; fraud and investigation; structured settlements; and Medicare compliance solutions. Sedgwick and its affiliates design and implement customized programs based on proven practices and advanced technology that exceed client expectations. For more, see [www.sedgwick.com](http://www.sedgwick.com).

**About KKR**

Founded in 1976 and led by [Henry Kravis](#) and [George Roberts](#), KKR is a leading global investment firm with \$90.2 billion in assets under management as of September 30, 2013. With offices around the world, KKR manages assets through a variety of investment funds and accounts covering multiple asset classes. KKR seeks to create value by bringing operational expertise to its portfolio companies and through active oversight and monitoring of its investments. KKR complements its investment expertise and strengthens interactions with investors through its client relationships and capital markets platform. KKR is publicly traded on the New York Stock Exchange (NYSE:KKR) and "KKR," as used in this release, includes its subsidiaries, their managed investment funds and accounts, and/or their affiliated investment vehicles, as appropriate. For additional information, please visit KKR's website at [www.kkr.com](http://www.kkr.com).

**About Hellman & Friedman**

Hellman & Friedman LLC is a leading private equity investment firm with offices in San Francisco, New York and London. Since its founding in 1984, H&F has raised and, through its affiliated funds, managed over \$25 billion of committed capital. The Firm focuses on investing in superior business franchises and serving as a value-added partner to management in select industries including financial services, insurance, software, business & marketing services, internet & digital media, media, healthcare and energy & industrials. For more information on H&F, visit [www.hf.com](http://www.hf.com).

**About Stone Point Capital**

Stone Point Capital is a global private equity firm based in Greenwich, Conn. Stone Point serves as the manager of the Trident Funds, which have raised more than \$10 billion to make investments in businesses within the financial services industry, including insurance, banking, employee benefit, asset management and other financial services companies. For further information about Stone Point, see [www.stonepoint.com](http://www.stonepoint.com).

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