



W E N D E L

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Allied Universal completes acquisition of U.S. Security Associates for approximately \$1 billion

Wendel today announced that the acquisition of U.S. Security Associates (“USSA”) by Allied Universal, for approximately \$1.0 billion, has been completed. Based in Roswell, Georgia, USSA is one of the leading providers of security and related services in the United States, employing more than 50,000 security professionals serving several thousand clients across a wide range of industries. USSA generated 2017 pro forma revenues and adjusted EBITDA of c. \$1.5 billion and \$95 million, respectively.

Allied Universal funded the transaction with a combination of additional indebtedness and \$200 million of equity from existing shareholders, including c. \$78 million from Wendel, increasing its total investment to c. \$378 million. Wendel and Warburg Pincus will each maintain approximately one-third economic ownership. As part of the transaction, the existing shareholders also committed an additional unfunded equity liquidity line. Wendel’s share of the commitment is up to \$40 million.

As a result of the acquisition, Allied Universal is now an organization with annual revenues of approximately \$7 billion and over 200,000 security professionals. The acquisition also increases Allied Universal’s national presence and customer service capabilities and also enhances Allied Universal’s presence in Canada. The transaction also expands its footprint to Central and Latin America and the United Kingdom. With this acquisition, Allied Universal enters the consulting and investigations business as well as event staffing, enhancing its unparalleled and comprehensive security offerings to its customer base throughout its service areas. Pro forma for the transaction, Allied Universal will generate combined pro forma EBITDA (per the company’s financing documentation) of approximately \$600 million including anticipated synergies. As a result of the transaction, the company’s leverage ratio on the basis of this EBITDA metric is expected to improve over current levels.

“I look forward to working with the USSA team, which has evolved over the years as a leader in security. Together we

