

SpecialtyCare Announces Partnership with Kohlberg & Company, New Chief Executive Officer

Nashville, TN – September 5, 2017 – [SpecialtyCare](#), a leading provider of outsourced medical services, announced today that its management team has partnered with Kohlberg & Company, L.L.C. (“Kohlberg”), a leading private equity firm headquartered in New York, to acquire the company from American Securities.

Headquartered in Nashville, Tennessee, with nearly 2,000 associates providing services in more than 1,000 hospitals across the United States, SpecialtyCare is the market leader in cardiovascular perfusion and intraoperative neuromonitoring and a highly regarded provider of deep brain stimulation, minimally invasive surgical support, autotransfusion, surgical assist, sterile processing consulting, and patient blood management. SpecialtyCare has experienced strong growth in recent years; Kohlberg’s investment will support the next phase of expansion and SpecialtyCare’s ongoing commitment to help customers achieve high-quality clinical care, regulatory compliance, and superior financial results.

Melvin F. Hall, PhD, Chief Executive Officer at SpecialtyCare, said, “Over the last six years, the American Securities team has been an outstanding strategic partner, helping us achieve our mutual business objectives. We appreciate their contributions and are thrilled to now be aligned with Kohlberg as we continue to pursue our goal of increasing the quality of care outcomes while improving value to our customers and patients alike.”

Marc Saiontz, a Managing Director with American Securities, commented, “We are proud to have partnered with Mel and the entire SpecialtyCare management team to build their position as a premier solutions provider to hospitals across the country and to further enhance the company’s strong culture. The team has done a fantastic job.”

Evan D. Wildstein, Partner with Kohlberg, added, “SpecialtyCare has established itself as a critical and necessary partner to hospitals and patients. The company differentiates itself by providing the clinical expertise and operational efficiencies needed for both superior patient outcomes and value-based healthcare. The team’s focus on data-driven research also sets SpecialtyCare apart. As the pre-eminent provider in this space, they are uniquely able to identify trends, determine benchmarks, disseminate best practices across the industry, and discover medical advances that improve care. We are proud to be investing

alongside management and are eager to support the company's ongoing efforts toward strategic growth, clinical innovation, and healthcare excellence."

SpecialtyCare also announced that, effective immediately, Dr. Hall and Sam Weinstein, MD, MBA, SpecialtyCare's President and Chief Medical Officer, will be elevated to the roles of Executive Chairman and CEO, respectively. Dr. Hall commented, "More than a year ago, I told our board members and private equity partners that I was ready to begin a structured and deliberate process of transitioning to a new CEO. Soon after Sam joined our team in 2015, it became clear that he had the business acumen, clinical qualifications, and disposition to lead SpecialtyCare. I look forward to continuing to work with SpecialtyCare as Executive Chairman to build on recent successes and support continued growth in the years ahead." Mr. Wildstein of Kohlberg added, "We greatly appreciated the extensive coordination and planning that went into determining Mel's successor. Sam's knowledge, experience, and spirit of innovation make him a terrific choice for CEO. We are thrilled to move forward with Mel and Sam in their new roles."

Dr. Weinstein said, "I am honored to work alongside the people of Kohlberg and SpecialtyCare as we continue the significant advances we have made during Mel's tenure. In Kohlberg, we have found another equity partner that fully supports SpecialtyCare's commitment to our people and our customers. Kohlberg shares our dedication to value-based performance and reduction in clinical variation as a way to improve outcomes for patients while helping hospitals and physicians control costs. They have experience in healthcare and support our culture and approach to supporting hospitals and surgeons in a fully compliant manner."

Barclays and BMO Capital Markets served as financial advisors to SpecialtyCare and Kirkland & Ellis L.L.P. served as legal counsel. Paul, Weiss, Rifkind, Wharton & Garrison L.L.P. served as legal counsel to Kohlberg. Antares Capital, Goldman Sachs, and Ares Capital Management led the debt financing for the transaction.

About SpecialtyCare

More than 13,500 physicians at over 1,000 hospitals trust SpecialtyCare to help them achieve exceptional care outcomes, regulatory compliance, and financial results. With 2,000 associates supporting nearly 400,000 procedures annually, we maintain SCOPE, the SpecialtyCare Operative Procedural Registry®, which is used to identify standards, determine benchmarks, share best practices, and foster innovations that create increased medical and economic value for hospitals. We are accredited and certified by The Joint Commission. By developing expertise beyond industry requirements, our customers can be certain they have the best partner for clinical excellence in perfusion, autotransfusion, patient blood management, intraoperative neuromonitoring, deep brain stimulation, surgical assist, minimally invasive surgical support, and sterile processing consulting.

About Kohlberg & Company

Kohlberg & Company, L.L.C. ("Kohlberg") is a leading private equity firm headquartered in New York. Since its inception in 1987, Kohlberg has organized eight private equity funds, through which it has raised \$7.5 billion of committed equity capital. Over its nearly 30-year history, Kohlberg has completed 72 platform investments and 162 add-on acquisitions, with an aggregate transaction value in excess of \$10 billion. For more information, please visit www.kohlberg.com.

About American Securities

Based in New York with an office in Shanghai, American Securities is a leading U.S. private equity firm that invests in market-leading North American companies with annual revenues generally ranging from \$200 million to \$2 billion and/or \$50 million to \$300 million of EBITDA. American Securities and its affiliates have approximately \$15 billion under management. www.american-securities.com.

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