



## **Canada Pension Plan Investment Board Signs Agreement to Acquire Antares Capital from GE Capital Corporation for US\$12 Billion**

**Toronto, Canada (June 9, 2015):** Canada Pension Plan Investment Board (“CPPIB”) announced today that an affiliate of its wholly owned subsidiary, CPPIB Credit Investments Inc. (“CPPIB Credit Investments”), has signed an agreement with GE Capital to acquire 100% of the Company’s U.S. sponsor lending portfolio, Antares Capital (“Antares” or “the Company”), alongside Antares management for a total consideration of US\$12 billion. The transaction is subject to customary regulatory approvals and closing conditions and is expected to close during the third quarter of 2015.

Based in Chicago, Illinois, Antares is the leading lender to middle market private equity sponsors in the U.S., offering a “one-stop” source for lending and other services to middle market private equity sponsors within a US\$96 billion a year market. Over the past five years, Antares has provided more than US\$120 billion in financing.

“This acquisition exemplifies our strategy to achieve scale in key sectors through platform investments. It secures a market-leading business that is exceptionally well positioned to deliver value-building investment flows,” said Mark Wiseman, President & CEO, CPPIB. “In doing so, we are advancing the prudent diversification of our investment portfolio, strengthening the Fund even further.”

Upon closing, Antares will operate as a standalone, independent business governed by its own board of directors. The Company will retain the brand most associated with its long and impressive track record in the U.S. middle market, Antares Capital, and the team responsible for its long-term success led by its Managing Partners, David Brackett and John Martin. The acquisition will expand and complement CPPIB’s existing Principal Credit Investments portfolio.

“We have been studying the attractive economics of the U.S. middle market lending sector for several years. Antares represents a rare opportunity to invest in the leading lender in this segment of the market and involving companies owned by private equity sponsors,” said Mark Jenkins, Senior Managing Director & Global Head of Private Investments, CPPIB. “With this single transaction, we immediately acquire turn-key scale and a long-term partnership with the best, most experienced management team in the market. This business is extremely complementary to our existing business, which is not focused on the middle market.”

Antares’ core business is diversified across multiple industries and sponsors, and the mid-market segment provides attractive supply/demand dynamics due to the changing landscape of lenders in this space. Antares will be a highly strategic, long-term platform investment for CPPIB Credit Investments.



“The management team has done an excellent job in growing and managing the business, and we look forward to working together with the entire Antares team to further grow the business over the long term,” said Mr. Jenkins. “In acquiring these highly prized assets, we are able to leverage our comparative advantages of a long investment horizon and a stable capital base. We view Antares as a long-term addition to our portfolio and we are confident that it will provide CPPIB access to these attractive assets for the long term.”

CPPIB Credit Investments will be partnering with Antares’ entire seasoned management team and its approximately 300 employees. Antares has successfully built long-term relationships with more than 300 middle market private equity sponsors over many years.

“We are excited to partner with CPPIB. We couldn't imagine a better outcome to the sale process for our team or our customers,” said David Brackett, Managing Partner, Antares Capital. “CPPIB brings deep understanding and knowledge of our market and permanent capital, which will allow us to serve our customers in both good and challenging times. We also look forward to continuing to offer our clients our existing best-in-class financing products and anticipate broadening our capabilities.”

CPPIB Credit Investments’ desire and intention to invest follow-on growth funding at scale into the Antares platform and significant access to capital, should position Antares to grow and prosper for decades to come. CPPIB Credit Investments will stand ready to immediately invest follow-on capital into Antares post closing to support origination of unitranche loans for its clients at scale, as we believe this is a differentiated product that will support Antares’ market leading position.

“In partnering with CPPIB, Antares is ideally positioned to continue, and expand upon, its market leading support for our private equity sponsor client base,” said John Martin, Managing Partner, Antares Capital. “In CPPIB we will have a strategic owner who is committed to our business model, with unparalleled capital resources. Additionally, this partnership will allow Antares to better address the realities of today's leveraged lending environment. Our team will invest side by side with CPPIB Credit Investments and is thrilled about having the opportunity to build our franchise in the years ahead.”

With investments and 36 professionals in the Americas, Europe and Asia, CPPIB’s Principal Credit Investments (PCI) group focuses on providing financing solutions both globally and across the capital structure. The group makes direct primary and secondary investments in leveraged loans, high yield bonds, mezzanine, intellectual property and other solutions. PCI participates in unique event-driven opportunities, such as acquisitions, refinancing, restructurings and recapitalizations, and targets positions between US\$50 million to US\$1 billion in any single credit. The team underwrites on a standalone basis or with select partners depending on the investment opportunity. Since its first investment in 2009, the group has invested over US\$17 billion in the global credit markets.



**About Antares Capital**

Led by its Managing Partners, David Brackett and John Martin and with offices in Atlanta, Chicago, Los Angeles, New York, Norwalk and San Francisco, Antares Capital is the leading middle market lender, offering a “one-stop” source for lending and other services offered to middle market private equity sponsors. Antares has provided more than US\$123 billion in financing over the past five years, and has been recognized by *Private Debt Investor* and *Private Equity International* as 2013 Lender of the Year, North America and Mid-Cap Lender of the Year, North America, respectively.

**About Canada Pension Plan Investment Board**

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits on behalf of 18 million contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, New York City and São Paulo, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At March 31, 2015 the CPP Fund totalled C\$264.6 billion. For more information about CPPIB, please visit [www.cppib.com](http://www.cppib.com).

**For more information, please contact:**

**CPPIB:**

Mei Mavin, Director, Corporate Communications,  
Tel: +44 20 3205 3515  
[mmavin@cppib.com](mailto:mmavin@cppib.com)

**GE Capital:**

Sue Bishop, Director, Communications  
Tel: +1 203-750-5362  
[susan.bishop@ge.com](mailto:susan.bishop@ge.com)