

CLAIRVEST

2014: YEAR IN REVIEW

5th fund closed at a hard cap of **\$600M** with **\$180M** from Clairvest
Completed a recapitalization returning **4.7x** on investment
Successful sale returns **13.5x** invested capital
Supported **21** add-on acquisitions
2 new team members

2014 ACCOMPLISHMENTS

FUNDRAISING

- In 2014 Clairvest commenced and completed fundraising of its 5th fund, CEP V. CEP V closed in July 2014 at its hard cap of \$600 million and was materially oversubscribed. We are the largest investor in CEP V with a \$180 million commitment.

TRANSACTIONS

- In September Clairvest sold its stake in KUBRA (CEP III) to Hearst Corporation. Clairvest realized proceeds of 13.5 times invested capital and generated an IRR of 40% over eight years.
- LTR (CEP III) completed a bond offering of \$330 million and an equity sell down of \$100 million. Cash proceeds to Clairvest equaled 4.7x invested capital and Clairvest remains the largest shareholder with 29% of LTR's equity valued at 1.7x, for a total implied return to date of 6.4x invested capital.
- \$22 million invested in portfolio companies to support growth and we assisted our portfolio companies in completing 21 add-on acquisitions.

RETURNS

- 2014 transactions brought returns in the 5 realized deals in CEP III to 4.9x on invested capital and an IRR of 41%.
- The team's track record includes 38 investments with 26 realizations, achieving a 3.1x MOC and 24% pooled IRR

PEOPLE

- Our team continues to grow. We welcomed 2 new Associates and are now a 14-member investment team.

CLAIRVEST HISTORY – 25+ YEARS OF PRIVATE EQUITY EXPERIENCE

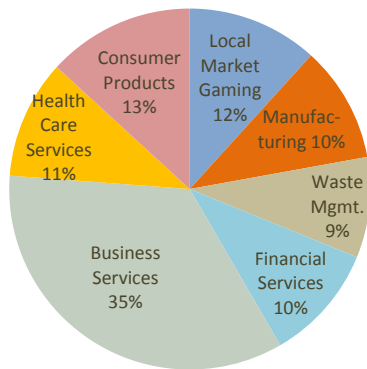
<p>Founded in 1987 by successful entrepreneurs seeking to help the next generation of business owners achieve their goals</p>	<p>Initial capital of \$25 M has grown to \$1.5 B of capital under management</p>	<p>38 investments \$5.8 B in debt & equity 235 acquisitions made by our investee companies</p>	<p>Three time CVCA Deal of the Year Award : 2008 - Gateway Casinos 2009 - Shepell-FGI 2013- PEER 1</p>
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CLAIRVEST STRATEGY

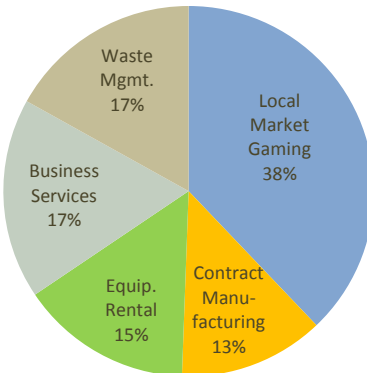
<p>Alignment of Interest</p>	<p>We invest our own money along with our investment partners; our money is at least <u>25%</u> of each investment. We approach each investment as owners and shareholders.</p>
<p>Criteria Focused</p>	<p>We are industry focused and we dedicate substantial resources to our chosen domains. We look at industries with high EBITDA margins, strong return on capital, distributed customer base, recurring revenues and cost-based economies of scale.</p>
<p>Ownership Flexibility</p>	<p>We back owner operators with a proven track record of success. We are comfortable owning between 20% and 80% of the equity, as long as management continues to have significant ownership share in the company.</p>
<p>True Value Creation</p>	<p>Rather than rely on leverage or public market exits to drive our returns, we focus on EBITDA growth and building assets of strategic significance that will be sought by the larger players.</p>
<p>Patient Growth Capital</p>	<p>We provide capital to facilitate growth. Our capital can be used to fund acquisitions, pursue growth CAPEX and/or provide liquidity to investors.</p>
<p>Deal Size</p>	<p>We look to make investments of \$15 to \$100 million in companies with EBITDA greater than \$5 million.</p>

WHERE WE PLAY

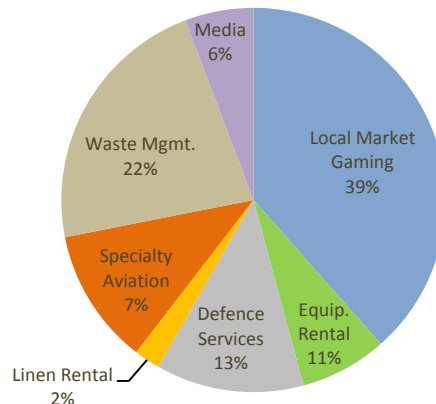
Fund II – CEP



Fund III – CEP III



Fund IV – CEP IV*



* Invested and allocated capital

CURRENT PORTFOLIO INVESTMENTS

CEP IV

Winters Bros. Waste Systems of CT	2013	Regional solid waste collection, recycling and disposal company based in Danbury, Connecticut
Cieslok Media	2013	Canadian outdoor advertising firm, operating predominantly large format digital and static billboards throughout major cities in Canada
Momentum Aviation Group	2013	An emerging player in the outsourced specialty aviation and intelligence, surveillance and reconnaissance (“ISR”) sub segments of the defence industry
County Waste of Virginia	2013	Regional solid waste management company based in West Point, Virginia
CRS Contractors Rental Supply	2013	Ontario based equipment rental provider focused on commercial, industrial and infrastructure sectors
Meadowlands Racetrack	2012	North America's premier standardbred (AKA harness) horse racing track, located in East Rutherford, New Jersey
Linen King	2011	Oklahoma based textile rental company that provides commercial laundry services, primarily to the healthcare industry
Discovery Air	2011	Specialty aviation services company operating across Canada and in select locations internationally
Rivers Casino	2010	A casino and entertainment complex in Des Plaines, Illinois
Centaur Gaming	2010	Two horse racing and gaming facilities located in Indiana

CEP III

Chilean Gaming Holdings	2008	A company holding 50% interests in three separate casinos located in Chile. Each casino holds a 15 year (minimum) monopoly license in its respective city
Casino New Brunswick	2008	A casino complex with a 10 year monopoly in New Brunswick and 20 year monopoly in Moncton
Light Tower Rentals	2008	Equipment Rental company focused on servicing oil and gas drilling sites throughout the United States
LSNE	2008	A provider of lyophilization (freeze-drying) services to the pharmaceutical, biotech & medical device industries

CEP

Grey Eagle Casino	2006	Casino complex on First Nation lands southwest of Calgary, Alberta
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INVESTMENT TEAM

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ACTIVE DOMAINS

- Aerospace
- Building Products
- Business Services
- Defence
- Environmental Services
- Gaming
- Government Services
- Industrial Services
- IT Services
- Logistics
- Media
- Oilfield Services
- Packaging
- Property Management
- Rental Services
- Restaurants
- Specialty Aviation
- Software (Mature)
- Textile Rental
- Utility Services
- Water

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