

PPD to Recapitalize with Existing Owners and Investors

- *Hellman & Friedman and The Carlyle Group to remain majority shareholders*
- *Transaction values PPD at more than \$9 billion*
- *GIC, Singapore's sovereign wealth fund, and Abu Dhabi Investment Authority to acquire minority ownership positions*
- *New ownership structure will support business strategies and continued growth*

WILMINGTON, N.C. (April 26, 2017) – Pharmaceutical Product Development, LLC ([PPD](#)) today announced that its existing owners, affiliates of Hellman & Friedman and affiliates of The Carlyle Group (Carlyle), have entered into definitive agreements to recapitalize PPD and expand the company's ownership to include two new investors, a subsidiary of the Abu Dhabi Investment Authority (ADIA) and an affiliate of GIC, Singapore's sovereign wealth fund (GIC). GIC and ADIA are longtime investors in Carlyle and Hellman & Friedman and now will be direct investors in PPD.

Under the agreements, Hellman & Friedman will assume majority ownership and Carlyle will retain a substantial minority position in PPD, both investing substantial equity from new funds. Hellman & Friedman and Carlyle will maintain majority joint ownership of the company. In connection with the transaction, PPD expects to raise approximately \$550 million through the issuance of new senior unsecured notes. The proceeds from the investments of Hellman & Friedman, Carlyle, ADIA and GIC and the issuance of the new notes will be used to finance the recapitalization.

The transaction, based on a total enterprise value of \$9.05 billion, is expected to close in the second quarter of 2017. Carlyle and Hellman & Friedman acquired PPD in December 2011 in a transaction valued at approximately \$3.6 billion. PPD has delivered substantial top- and bottom-line growth since its take-private, with revenue today up more than 70 percent since 2011.

"PPD is stronger and healthier than it's ever been since going private in late 2011 and has progressed its strategy to reduce the time and cost of drug development for our customers," said David Simmons, chairman and CEO of PPD. "After evaluating all our options, the board determined a transaction led by our existing owners was in the best interest of the company and all its stakeholders. We are excited to continue our partnership with Hellman & Friedman and Carlyle and look forward to working with our new investors, GIC and ADIA. The PPD leadership team and our more than 19,000 colleagues around the world remain dedicated to our purpose and mission of improving health by helping our customers deliver life-changing therapies."

"PPD's performance since 2011 has been exceptional," said Allen Thorpe, managing director of Hellman & Friedman. "We are thrilled to announce this transaction and mark the beginning of the next chapter of PPD's success. Increasing our investment reflects our confidence in the outstanding team of people throughout the company and PPD's leadership position in the CRO industry. PPD is making the hard work of innovating new therapies easier for thousands of researchers and doctors, and we're proud to support its continued growth."

Stephen H. Wise, managing director and global head of healthcare for Carlyle, added, "We are proud of PPD's accomplishments since we made our investment in 2011. PPD has strengthened its platform immensely and today is positioned as one of the most innovative CROs in the market. This new capital structure is designed to support the strategy of the company and drive continued strong growth. Carlyle is excited to remain a significant investor in PPD and support the entire PPD employee base in this next chapter."

Closing of the transaction is subject to customary conditions, including regulatory approval in the United States. This news release shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities, nor shall there be any sales of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Goldman Sachs, JPMorgan and Centerview Partners acted as financial advisors to PPD. Latham & Watkins LLP and Simpson Thacher & Bartlett LLP acted as legal advisors to PPD.

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About PPD

PPD is a leading global [contract research organization](#) providing comprehensive, integrated [drug development](#), [laboratory](#) and lifecycle management services. Our clients and partners include [pharmaceutical](#), [biotechnology](#), [medical device](#), academic and [government](#) organizations. With offices in 47 countries and more than 19,000 professionals worldwide, PPD applies innovative technologies, therapeutic expertise and a firm commitment to quality to help clients and partners bend the cost and time curve of drug development to deliver life-changing therapies that improve health. For more information, visit www.ppd.com.

About Hellman & Friedman

Hellman & Friedman is a leading private equity investment firm with offices in San Francisco, New York and London. Since its founding in 1984, Hellman & Friedman has raised over \$35 billion of committed capital and invested in over 85 companies. The firm focuses on investing in superior business franchises and serving as a value-added partner to management in select industries including healthcare, software, internet and media, financial services, business and information services, energy and industrials, and retail and consumer. For more information on Hellman & Friedman, please visit www.hf.com.

About The Carlyle Group

The Carlyle Group (NASDAQ: CG) is a global alternative asset manager with \$158 billion of assets under management across 281 investment vehicles as of December 31, 2016. Carlyle's purpose is to invest wisely and create value on behalf of its investors, many of whom are public pensions. Carlyle invests across four segments – Corporate Private Equity, Real Assets, Global Market Strategies and Investment Solutions – in Africa, Asia, Australia, Europe, the Middle East, North America and South America. Carlyle has expertise in various industries, including: aerospace, defense and government services, consumer and retail, energy, financial services, healthcare, industrial, real estate, technology and business services, telecommunications and media, and transportation. The Carlyle Group employs more than 1,600 people in 35 offices across six continents. For more information, please visit www.carlyle.com.

About the Abu Dhabi Investment Authority

ADIA is a public institution established by the Government of the Emirate of Abu Dhabi in 1976 as an independent investment institution. ADIA manages a global investment portfolio that is diversified across more than two dozen asset classes and subcategories. With a long tradition of prudent investing, ADIA's decisions are based solely on its economic objectives of delivering sustained, long-term financial returns.

About GIC

GIC is a leading global investment firm established in 1981 to manage Singapore's foreign reserves. A disciplined long-term value investor, GIC is uniquely positioned for investments across a wide range of asset classes, including real estate, private equity, equities and fixed income. In private equity, GIC invests through funds as well as directly in companies, partnering with its fund managers and management teams to help world-class businesses achieve their objectives. GIC has investments in over 40 countries. Headquartered in Singapore, GIC employs over 1,300 people across 10 offices in key financial cities worldwide. For more information on GIC, please visit www.gic.com.sg.

PPD Forward-Looking Statement

Any statements made in this news release that are not statements of historical fact, including statements about PPD's beliefs and expectations about the recapitalization of PPD, which we refer to as the "transaction", are forward-looking statements that involve a number of risks and uncertainties. These statements often include words such as "anticipate," "expect," "suggests," "plan," "believe," "intend," "estimates," "targets," "projects," "should," "could," "would," "may," "might," "will," "forecast" and other similar expressions. The forward-looking statements contained in this news release are subject to and involve risks, uncertainties and assumptions, and therefore you should not place undue reliance on them. Although PPD believes these forward-looking statements are based on reasonable assumptions at the time they are made, many factors are beyond PPD's ability to control or predict and could affect the outcome of the subject matter of this news release and our actual financial results, and therefore the outcome and results might differ materially from those expressed in the forward-looking statements.

Factors that might materially affect such forward-looking statements include, but are not limited to: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement and related agreements; (2) the outcome of any legal proceedings that may be instituted against PPD and others following the announcement of the transaction; (3) the inability to complete the transaction; (4) risks relating to the issuance of new notes; (5) risks that the transaction disrupts current plans and operations and creates difficulties in employee and customer retention; and (6) the ability to recognize the expected benefits of the transaction.

Additional factors that might materially affect the forward-looking statements include, but are not limited to: the competitive nature of the drug development services industry; changes in trends in the biopharmaceutical industry; our ability to recruit, retain and motivate key personnel; rapid technological changes that make our services less competitive or obsolete; the impacts of political, economic and/or regulatory changes on the health care industry; the fact that our backlog may not accurately predict or convert into service revenue; the termination, delay or change in scope of our contracts; industry, customer or therapeutic concentration; the pricing of and cost management of customer contracts; information and communication systems failures; contractual failures; regulatory and ethical standards failures; our ability to attract investigators and enroll patients in clinical trials; violations of laws governing privacy, conduct of clinical trials and/or other pharmaceutical research; competition between existing and potential customers; management of business restructurings and acquisitions; risk relating to the performance of drug development services and our insurance coverages, if any, for such risks; U.S. or international economic, currency, political and other risks; changes in existing or interpretations of tax laws; factors impacting the value of our goodwill and intangible assets; and other factors.

PPD can give no assurance that the conditions to the merger agreement and related agreements will be satisfied. PPD assumes no obligation and expressly disclaims any duty to revise or update any forward-looking statements, or make any new forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law. PPD is not responsible for updating the information contained in this news release beyond the published date, or for changes made to this news release by wire services or internet service providers or any other party.

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