



Focus Financial Partners To Receive Significant Investment from Stone Point Capital and KKR

April 18, 2017

NEW YORK--(BUSINESS WIRE)-- Focus Financial Partners ('Focus'), a leading international partnership of independent, fiduciary wealth management firms, announced today that an investor group led by Stone Point Capital ('Stone Point') and KKR will acquire a majority stake in the company, which values Focus at approximately \$2 billion. Selling shareholders include Focus' existing private equity investors, Centerbridge Partners, Summit Partners and Polaris Partners, as well as certain wealth management affiliates and employees. This is the third liquidity event for Focus and its wealth management affiliates since 2013. Focus' senior management team will continue to lead the business and each will remain a significant shareholder.

Rudy Adolf, Founder and CEO of Focus Financial Partners, said, "Stone Point and KKR are highly regarded investors who support entrepreneurs in the financial services industry. A key reason for our partnership is the vision we share for continued growth. We are committed to being the best partner to entrepreneurial wealth management firms throughout the U.S. and across the globe, and we remain committed to creating value for all of our shareholders, including our clients, partner firms and affiliates, and employees."

"Rudy and his team have built a remarkable business model that provides relentless support to their independent wealth management advisors," said Chuck Davis, CEO of Stone Point Capital. "We are excited to enhance their continued expansion with our sector expertise and deep network of relationships throughout the financial services industry."

"By consistently delivering value to its clients and partner firms, Focus has distinguished itself as the partner-of-choice for leading independent wealth managers in the U.S. and beyond. We look forward to supporting the firm's continued success by leveraging our global network and resources," said Henry Kravis, Co-Founder, Co-Chairman and Co-CEO of KKR.

Founded in 2006, Focus has over 45 partner firms and affiliates across the United States, Australia, Canada and the United Kingdom, with a joint venture in China. In August 2016, Focus was named one of the nation's fastest-growing companies by Inc. magazine for the fifth time.* Focus' model - which combines entrepreneurship, value-add to partners, and access to capital - has resonated in the marketplace, with over 20 acquisitions completed in 2016 and six already announced in 2017.

Goldman, Sachs & Co., BofA Merrill Lynch and BMO Capital Markets served as financial advisors to Focus, and RBC Capital Markets and SunTrust Robinson Humphrey served as financial advisors to the investor group. RBC Capital Markets and SunTrust Robinson Humphrey also provided committed financing for the transaction. Focus was represented by Vinson & Elkins, and with respect to financing by Weil, Gotshal & Manges. Stone Point was represented by Kramer Levin Naftalis & Frankel, and with respect to the financing by White & Case LLP. KKR was represented by Simpson Thacher & Bartlett LLP; Centerbridge Partners was represented by Paul, Weiss, Rifkind, Wharton & Garrison LLP and Paul Hastings LLP; Summit Partners was represented by Kirkland & Ellis; and Polaris Partners was represented by Goodwin Procter.

The closing of the transaction is subject to customary approvals and expected in mid-2017.

About Focus Financial Partners

Focus Financial Partners is a leading partnership of independent, fiduciary wealth management firms. Focus provides superior access to best practices, resources, and continuity planning for its partner firms who serve individuals, families, employers and institutions with wealth management, benefits consulting and investment consulting services. Focus partner firms maintain their operational independence, while they benefit from the synergies, scale, economics and best practices of a market leader to achieve their business objectives. For more information about Focus Financial Partners, please visit www.focusfinancialpartners.com.

About Stone Point Capital

Stone Point Capital LLC is a financial services-focused private equity firm based in Greenwich, CT. The firm has raised and managed six private equity funds - the Trident Funds - with aggregate committed capital of approximately \$13 billion. Stone Point targets investments in the global financial services industry, including investments in companies that provide outsourced services to financial institutions, banks and depository institutions, asset management firms, insurance and reinsurance companies, insurance distribution and other insurance-related businesses, specialty lending and other credit opportunities, mortgage services companies and employee benefits and healthcare companies. For further information about Stone Point, see www.stonepoint.com.

About KKR

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others through its capital markets business. References to KKR's investments may include the

activities of its sponsored funds. For additional information about KKR & Co. L.P. (NYSE:KKR), please visit KKR's website at www.kkr.com and on Twitter [@KKR_Co](https://twitter.com/KKR_Co).

* The Inc. 5000 award is based on a ranking of 5,000 privately-owned companies based in the United States, based on percentage of growth of annual revenues over a three year period. Awards were based on information supplied by the firms and required a small application fee.

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Source: Focus Financial Partners

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