
Press Release



Apax Partners, CPPIB and PSP Investments to acquire Kinetic Concepts, Inc. for \$68.50 per share

NEW YORK, NY, July 13, 2011 -- A consortium comprised of funds advised by Apax Partners ("Apax"), together with controlled affiliates of Canada Pension Plan Investment Board ("CPPIB") and the Public Sector Pension Investment Board ("PSP Investments"), today announced that it has entered into a definitive agreement to acquire Kinetic Concepts, Inc. (NYSE: KCI) for \$68.50 per common share in cash.

KCI is a U.S.-based medical device company focused on the design, manufacture, marketing and service of therapies and products for the wound care, tissue regeneration and therapeutic support system markets. The transaction is valued at approximately \$6.3 billion, including KCI's outstanding debt.

In 2010, KCI reported revenues of \$2.0 billion. The company's products address a broad range of patient needs and are used by healthcare professionals around the world in a wide range of diverse care settings, such as acute care hospitals, long-term care and skilled nursing facilities, home health agencies and wound care clinics.

The consortium plans to work actively in partnership with the management of KCI to further invest in the global medical products sector to expand the company's core business, develop innovative products and extend into new geographies where significant opportunities exist.

Buddy Gumina, Partner and co-head of the Apax Healthcare team, commented: "We are highly impressed by the culture of innovation at KCI and are excited to work with a business that produces solutions that dramatically improve the lives of many people around the world. Over the years, we have reviewed multiple investments in the medical devices and products industry, having originally identified it as a key growth sector within our overall healthcare investment practice. Based on this experience, we possess a deep understanding of KCI's business and the markets in which the company operates. We are delighted to have the opportunity to partner with CPPIB and PSP Investments to support the company's continued growth."

André Bourbonnais, Senior Vice-President, Private Investments for CPPIB, said, "KCI is the market leader in its businesses with strong growth potential particularly outside of the core U.S. market. KCI's business is well positioned for growth based on global trends such as demographics, including longevity and an aging population. Together with KCI's management, Apax and PSP Investments, we look forward to building upon KCI's leading market shares and positioning the company for continued long-term success."

Derek Murphy, First Vice President, Private Equity at PSP Investments, said: "This is an attractive opportunity to acquire a global market leader offering stable core revenues and significant growth opportunities through new products and geographic expansion. Apax brings significant expertise in the healthcare sector, while CPPIB is a like-minded investor with a long-term investment horizon."

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The transaction is subject to shareholder and regulatory approvals and other customary conditions. It is currently expected that the acquisition will close in the second half of 2011.

Morgan Stanley & Co. LLC is acting as financial advisor to the consortium. The consortium has secured committed debt financing from Morgan Stanley & Co. LLC, BofA Merrill Lynch and Credit Suisse AG. Simpson Thacher & Bartlett LLP is acting as legal advisor to the consortium. Kirkland & Ellis LLP is acting as legal advisor on the financing to the consortium. Epstein Becker is acting as healthcare regulatory counsel to the consortium. CPPIB was also separately advised by Torys LLP. PSP Investments was also separately advised by Weil, Gotshal & Manges LLP.

About Apax Partners

Apax Partners is one of the world's leading private equity investment groups. It operates across the United States, Europe and Asia and has more than 30 years of investing experience. Funds under the advice of Apax Partners total over \$40 billion around the world. These Funds provide long-term equity financing to build and strengthen world-class companies. Apax Partners Funds invest in companies across its global sectors of Tech & Telecom, Retail & Consumer, Media, Healthcare and Financial & Business Services. For further information about Apax, please visit www.apax.com.

Apax Partners
Ben Harding / Georgiana Brunner
Tel: +44 (0)20 7872 6401 / 6429
Email: communications@apax.com

Todd Fogarty
Tel: +1 212 521 4854
Email: todd-fogarty@kekst.com

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 to pay current benefits on behalf of 17 million Canadian contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, inflation-linked bonds, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in London and Hong Kong, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At March 31, 2011, the CPP Fund totaled \$148.2 billion. For more information about CPPIB, please visit www.cppib.ca.

CPPIB
May Chong
Tel: +1 416 868 8657
Email: mchong@cppib.ca

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About PSP Investments

The Public Sector Pension Investment Board is a Canadian Crown corporation established to manage investments for the pension funds of the Public Service, the Canadian Forces, the Royal Canadian Mounted Police and the Reserve Force. PSP Investments' mandate is to manage funds entrusted to it in the best interests of the contributors and beneficiaries of the pension plans and to maximize investment returns without undue risk of loss having regard to the funding, policies and requirements of the plans and their ability to meet their financial obligations. For more information about PSP Investments, visit www.investpsp.ca.

PSP Investments

Mark Boutet

Tel: +1 514 925 5431

Email: mboutet@investpsp.ca

About KCI

Kinetic Concepts, Inc. (NYSE:KCI) is a leading global medical technology company devoted to the discovery, development, manufacture and marketing of innovative, high-technology therapies and products for the wound care, tissue regeneration and therapeutic support system markets. Headquartered in San Antonio, Texas, KCI's success spans more than three decades and can be traced to a history deeply rooted in innovation and a passion for significantly improving the healing and the lives of patients around the world. The company employs approximately 7,100 people and markets its products in more than 20 countries. For more information about KCI and how its products are changing the practice of medicine, visit www.KCI1.com.