

TRC Enters into Definitive Agreement with New Mountain Capital to Become a Private Company

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TRC Stockholders to receive \$17.55 per share of common stock in cash; Transaction provides significant value to shareholders and positions TRC to invest in and capitalize on long-term growth opportunities

LOWELL, MA -- (Marketwired) -- 03/31/17 -- TRC Companies, Inc. (NYSE: TRR) today announced that it has entered into a definitive merger agreement with affiliates of New Mountain Partners IV, L.P., an investment fund managed by New Mountain Capital, LLC, a leading growth-oriented investment firm headquartered in New York, under which New Mountain will acquire TRC in an all cash transaction valued at \$17.55 per share of common stock. This represents a significant premium over the 90-day average.

The merger agreement and the transaction has been unanimously approved by TRC's Board of Directors.

TRC is a leading engineering, environmental consulting and construction management firm that provides integrated services to the power, environmental, infrastructure and oil and gas markets. With more than 4,100 staff at more than 120 offices in the U.S. and the U.K., TRC serves a broad range of commercial, industrial and government clients, implementing complex projects from initial concept to operations.

"This transaction will deliver immediate value to our shareholders while enabling TRC to continue to pursue its long-term growth strategy," said TRC Chairman and Chief Executive Officer Chris Vincze. "We are confident this partnership with New Mountain Capital represents the best path forward for all of TRC's stakeholders. New Mountain's culture and values are aligned to our own and I believe their growth-oriented investment approach, extensive industry experience and reputation for integrity differentiate them as the ideal partner for TRC."

"We believe TRC is a leading platform in the industry and have been highly impressed with the Company's best-in-class talent, exceptional culture and proven leadership team," said Lars Johansson of New Mountain Capital. "The Company has a successful track record of delivering the highest quality solutions to its customers, which we believe is crucial to their success. TRC has shown the ability to grow both organically and through acquisitions, and New Mountain is excited to support management's existing strategy and their goal of being the #1 North American engineering and construction management firm."

Matt Holt of New Mountain Capital added, "New Mountain identified the infrastructure services sector for prospective investment many years ago, and we believe it is a highly attractive industry with significant growth potential. We have been methodically studying the market for opportunities, and we selected TRC as the ideal platform to build a differentiated leader across the Power, Environmental, Energy and Transportation verticals. We admire what the leadership team of TRC has built and we look forward to working with them to support an accelerated growth plan. Our approach emphasizes growth and business building over financial engineering, and we believe this partnership will create significant value for all stakeholders including customers, partners and the TRC employees."

New Mountain plans to operate TRC as a standalone business operation with the current management team remaining in place.

"TRC's success has been built on the deep expertise and knowledge base of our employees, and they remain our greatest asset and priority," Vincze continued. "We are confident that under our new ownership our clients will continue to experience the exceptional service they expect from TRC."

Completion of the transaction is subject to customary closing conditions, including the approval of TRC's stockholders and expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act. The transaction is expected to be completed prior to June 30, 2017.

Houlihan Lokey Capital, Inc. is acting as financial advisor to TRC and Covington & Burling LLP is acting as legal advisor to TRC.

Barclays is acting as M&A advisor to New Mountain and Kirkland & Ellis LLP is acting as legal advisor to New Mountain. New Mountain also received M&A and industry advice from EFCG (Environmental Financial Consulting Group).