

Blue Wolf Capital Invests in The State Group

Acquires Majority Stake in Leading North American Multi-Trade Contractor with Broad Fortune 100 Client Base

April 4, 2018, NEW YORK--Blue Wolf Capital Partners LLC ("Blue Wolf"), the New York-based private equity firm, today announced that an affiliate of Blue Wolf Capital Fund IV, L.P. has acquired a majority stake in The State Group Inc. and The State Group Industrial (USA) Limited (collectively "The State Group" or "the Company"), a diversified, multi-trade contractor providing maintenance, repair and capital services to industrial clients across North America. Yellow Point Equity Partners, a Vancouver-based firm, is a minority equity investor in the transaction.

The State Group provides comprehensive electrical and mechanical trade services to clients spanning diverse end-markets, including power generation, automotive, oil and gas, communications, metals and transportation. Founded in 1961 and headquartered in Toronto, the Company operates 18 offices throughout the United States and Canada. The State Group employs over 800 professionals and skilled tradespersons from over 150 locals across eleven crafts who perform nearly 2,000 jobs each year repairing, maintaining and constructing enterprise-vital infrastructure with a relentless focus on safety and quality execution. In 2017, The State Group received the Silver Star Zero Injury Safety Award from the National Maintenance Agreements Policy Committee after performing 981,146 work hours injury-free.

Marc Dumont, Chief Executive Officer of The State Group, and his management team will continue to lead the business and have made a significant investment in the equity of the Company. Michael Ranson and Bennet Grill of Blue Wolf and Tyler Smyrski of Yellow Point will join Mr. Dumont on the Company's Board of Directors.

Mr. Ranson, Partner at Blue Wolf, said, "Few companies have developed the track record and earned the trust required to provide the suite of mission-critical services that The State Group offers. The Company has a well-earned reputation as a best-in-class provider of electrical and mechanical services supported by a stellar safety record and excellent, long-term relationships with both customers and organized labor. We are excited to invest alongside Marc and management to build upon the Company's success."

Mr. Dumont said, "We welcome this investment from Blue Wolf and Yellow Point. Their capital resources and operational expertise will allow us to take advantage of the significant opportunities we are seeing in the end markets of our customer base. We also believe our companies have a strong cultural fit – Blue Wolf and Yellow Point share our values of dedication to safety, quality and strong relationships with our customers and employees."

Mr. Ranson added, "Given our long history of investing in manufacturing assets, Blue Wolf is uniquely positioned to understand the perspective of companies that procure maintenance and repair services from multi-trade contractors. The State Group has distinguished itself by developing the capability to maintain on-site residences, provide in-house supervision and function as the internal maintenance organization across its blue-chip client base."

Blue Wolf's acquisition of The State Group is the second investment out of Blue Wolf Capital Fund IV, L.P., which closed in September 2017 at \$541 million. This transaction marks Blue Wolf's first investment in the infrastructure and engineering & construction services sector.

Cowen acted as the exclusive financial advisor to The State Group for this transaction and Houlihan Lokey acted as the exclusive financial advisor to Blue Wolf.

About The State Group

The State Group is a leading North American multi-trade industrial and specialty services contractor. Established in 1961, the company provides comprehensive electrical and mechanical trade services to Fortune 100 companies in the power generation, automotive, oil and gas, communications, metals and transportation industries. The State Group performs over two million man-hours annually of retrofit, maintenance, construction and emergency services and maintains a tooling and equipment inventory to support its skilled workforce. Headquartered in Toronto, Ontario, the company has offices across the United States and Canada. The State Group is ISO 9001:2015 registered. For more information, please visit www.stategroup.com.

About Blue Wolf Capital Partners LLC

Blue Wolf Capital Partners LLC is a private equity firm that specializes in control investments in middle market companies. Leading by experience, and with a commitment to excellence, Blue Wolf transforms companies strategically, operationally and collaboratively. Blue Wolf manages challenging situations and complex relationships between business, customers, employees, unions, and regulators to build value for stakeholders. For additional information, please visit www.bluewolfcapital.com.