



## Underground Solutions, Inc. Closes \$45 Million Financing Transaction

*Acquisition Capital will be Focused on Process Solutions Technologies to Complement and Expand Success with the Chemical Feed Acquisition in Late 2012*

**Poway, Calif. – June, 7<sup>th</sup> 2014** – Underground Solutions, Inc. (UGSI), a leader in water and wastewater infrastructure technologies, announced today that it successfully closed a \$45 million financing transaction with Riverwood Capital of Menlo Park, CA. The structured transaction is initiated by a \$30 million Series C preferred stock financing and has an option for more than \$15 million in additional capital. The financing represents one of the largest private equity transactions in the water technology space in recent years.

The transaction proceeds will be used to fund growth on the Process Solutions side of the UGSI business. In 2012, UGSI acquired the Wallace & Tiernan chemical feed assets – composed of the iconic PolyBlend<sup>®</sup>, Encore<sup>®</sup> and Varea-meter<sup>®</sup> brands, among others – from Siemens Industry, Inc. and managed the successful turnaround of that business in 2013.

“While our core Fusible PVC<sup>®</sup> pipe infrastructure business continues to grow profitably at rates of 20-40% and is approaching 10,000 installations, it requires very little capital to achieve that growth. On the other hand, our UGSI Chemical Feed business would benefit from greater scale as well as a more comprehensive product line to build on the double-digit organic growth rate it has enjoyed over the past year. Based on management’s 25 years of experience in running water businesses, most notably USFilter, we see a historic opportunity for acquisitive growth to better position the company in both industrial and municipal markets,” said Andy Seidel, CEO of UGSI.

Jeff Parks, founding partner of Riverwood Capital said, “We’re excited to partner with the leading management team in the water industry. Their recent success in both the underground infrastructure market with Fusible PVC<sup>®</sup> pipe and with the quick turnaround of the former Siemens assets is impressive and we want to help them build on that platform.”

The transaction closed on June 6<sup>th</sup> 2014. Jeff Parks, Founding Partner of Riverwood Capital and former executive at Kohlberg, Kravis, Roberts & Co., and Sean McArthur, a Principal of Riverwood Capital and a former M&A specialist at Citigroup Global Markets, will both join the UGSI board of directors.



## About Underground Solutions

Underground Solutions, Inc., a private company, is a leader in water and wastewater infrastructure and process solution technologies. [www.ugsicorp.com](http://www.ugsicorp.com)

## About Riverwood Capital

Riverwood Capital is a globally focused private equity firm that invests in high-growth businesses in the technology and services industries, across a variety of verticals and geographies. Riverwood was established by a talented group of private equity and technology industry executives, which gives Riverwood a unique combination of operational, strategic, financial and technical insight into investment candidates and portfolio companies. Riverwood has offices in Menlo Park, CA, New York, NY, Sao Paulo, Brazil and Beijing, China. Riverwood was founded in 2008 and has raised over \$2 billion since inception. [www.riverwoodcapital.com](http://www.riverwoodcapital.com)