

## The Carlyle Group and TCW Management to Acquire Asset Manager TCW Group from Société Générale.

**Sandler O'Neill served as Financial Advisor to The Carlyle Group in this transaction. This represents Sandler O'Neill's 27<sup>th</sup> financial services transaction announced thus far in 2012, more than any other investment bank over this period.<sup>1</sup>**

Global alternative asset manager The Carlyle Group (NASDAQ: CG) and the management of The TCW Group, an asset management firm, today announced a definitive agreement to acquire TCW from Société Générale. As a result of the transaction, TCW management and employees will increase their ownership in the firm to approximately 40% on a fully diluted basis, better aligning interests with clients. Financial terms of the transaction, which is expected to close in the first quarter of 2013, were not disclosed.

Equity for the investment will come from two Carlyle investment funds, as well as from TCW management. The funds are Carlyle Global Financial Services Partners L.P., a \$1.1 billion financial services fund, and Carlyle Partners V, a \$13.7 billion U.S. buyout fund.

Founded in 1971, TCW is a diversified asset management firm offering U.S. equities and fixed income, international and alternative strategies, with approximately \$130 billion under management. Powered by strong investment performance, the firm's \$42 billion mutual fund franchise has attracted more than \$13 billion in net inflows in 2011 and 2012.

David Lippman, previously Group Managing Director and Head of Fixed Income at TCW, today becomes President and CEO of the TCW Group, succeeding Marc I. Stern. Upon closing of the transaction, Stern, currently Vice Chairman of TCW, will become Chairman of the newly formed TCW Board of Managers.

Stern said, "This major milestone in the evolution of TCW enhances our long-term position in the competitive asset management business. I am particularly pleased that we will materially increase employee ownership in TCW – a transformative change that will even more closely align our interests with those of our clients. We are putting in place a strong new management team led by David Lippman, a decisive and effective leader who has been instrumental in both the integration of MetWest and TCW and in the growth of our fixed income and mutual fund businesses."

Lippman said, "This is an exciting moment for TCW's talented and dedicated employees, as we look to the future as an independent firm united in our focus on serving our clients. TCW is well positioned today to achieve our clients' investment objectives because of the vision and efforts of our founder Robert Day and the leadership of Marc Stern. Robert's commitment to independent, research-driven investment management remains at the core of our mission. Marc has dedicated his 22-year TCW career to building and growing the firm. Marc's stewardship has enabled us to realize consistently strong returns for clients, growth in assets under management and, now with this transaction, significant employee ownership of the firm."

Olivier Sarkozy, Carlyle Managing Director and Head of the Financial Services team, said, "TCW is a premier global asset manager that will become even stronger as a freestanding company with increased employee ownership. TCW's team of investment professionals has consistently out-performed across a broad range of strategies. The firm has enviable institutional relationships, a world-class distribution network, and a vibrant and fast-growing mutual fund complex. We look forward to working with the TCW management team to capitalize on the firm's successes to create additional growth opportunities."

With this investment, Carlyle Global Financial Services Partners has made 12 investments since 2008.

<sup>1</sup> SNL Financial

### Sandler O'Neill Contacts:

JIMMY DUNNE  
Senior Managing Principal  
212.466.7819

AARON DORR  
Managing Director  
212.466.7734

CHRISTOPHER BROWNE  
Managing Director  
212.466.7735

JASON GRECO  
Associate  
212.466.7967

**SANDLER O'NEILL + PARTNERS, L.P.**

New York – Atlanta – Boston – Chicago – San Francisco