



CVC Capital Partners and Canada Pension Plan Investment Board to Acquire Petco

*TPG and LGP Sell Leading Pet Specialty Retailer to
Experienced Consumer and Retail Investors*

San Diego, CA (November 23, 2015) – Petco Animal Supplies, Inc. (“Petco” or “the Company”), a leading specialty retailer of premium pet food, supplies and services, announced today that funds affiliated with CVC Capital Partners (“CVC”) and Canada Pension Plan Investment Board (“CPPIB”) have entered into a definitive agreement to jointly acquire the Company from a group of investors led by TPG and Leonard Green & Partners (“LGP”) for approximately US\$4.6 billion. The acquisition is expected to close in early 2016.

Based in San Diego, Petco is a leading specialty retailer of premium pet food, supplies and services. The company operates more than 1,400 Petco locations across the U.S., Mexico and Puerto Rico, along with one of the leading ecommerce platforms in the pet industry.

“We are very excited to partner with CVC and CPPIB to further drive our strategic goal of being the trusted partner of choice for pet parents,” said James M. Myers, Chief Executive Officer. “As the North American pet industry continues to grow, Petco is well positioned with a strong brand, differentiated engagement model, and omnichannel strategy. Both CVC and CPPIB have outstanding track records and deep retail experience and resources that will help support our growth initiatives.”

Myers continued, “I’d like to thank TPG and LGP for their long-standing partnership. We have grown significantly under their ownership, and built one of the industry’s leading pet specialty retailers.”

“Petco is clearly a leader in the industry, with strong further growth potential and a talented leadership team,” said Chris Stadler, CVC Managing Partner. “The pet category is a growing and dynamic space within which we believe Petco is ideally positioned to further enhance its leadership position. We look forward to working with our outstanding partners at CPPIB to support the company’s growth as it continues to execute its strategy and plans to capitalize on promising market opportunities.”

“This investment aligns well with CPPIB’s strategy to invest in leading retail businesses with strong omnichannel capabilities. Petco has a well-known brand and a strong position in the U.S. pet sector. The company has long-term relationships with leading pet food vendors and a significant presence in the fast growing ecommerce channel,” said Shane Feeney, Managing Director, Head of Direct Private Equity, CPPIB. “We look forward to working alongside one of our long-standing partners, CVC, to leverage our collective retail expertise in helping to build further value in the business.”



“We are so proud to have been part of Petco’s journey over a span of 16 years,” said Carrie Wheeler, Partner of TPG. “Petco has delivered incredible growth and results over our ownership period, and has positioned itself as a leading retailer in the pet industry that continues to define the category by finding new and innovative ways to serve its customers. We cannot thank the Petco team enough for their partnership, and wish them great success in this next chapter.”

“We are delighted to have been associated with the Petco team over many years of uninterrupted progress and success and we are tremendously appreciative of CEO Jim Myers and retired CEO & Chairman Emeritus, Brian Devine, and the rest of the Petco team for the outstanding job they’ve done for our investors,” said John G. Danhaki, Managing Partner of LGP. “We wish for and expect continued success for the entire Petco family supported by CVC and CPPIB, two of the best in our business.”

Goldman, Sachs & Co. and J.P. Morgan Securities LLC are acting as financial advisors to Petco. Ropes & Gray acted as legal counsel to Petco. Barclays, Citigroup and Moelis acted as lead financial advisors to CVC and CPPIB. Barclays, Citigroup, Royal Bank of Canada, Credit Suisse, Nomura and Macquarie provided committed debt financing to CVC and CPPIB. Gibson Dunn acted as legal counsel to CVC and CPPIB. CPPIB was also separately advised by Torys LLP. The acquisition is subject to customary closing conditions.

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About Petco and the Petco Foundation

Celebrating 50 years of service to pet parents, Petco is a leading pet specialty retailer that focuses on nurturing powerful relationships between people and pets. We do this by providing the products, services, advice and experiences that keep pets physically fit, mentally alert, socially engaged and emotionally happy. Everything we do is guided by our vision for Healthier Pets. Happier People. Better World. We operate more than 1,400 Petco locations across the U.S., Mexico and Puerto Rico, including more than 120 Unleashed by Petco locations, a smaller format neighborhood shop; 10 Pooch Hotel destinations for pet daycare, boarding and spa services; prescription services and pet supplies from the leading veterinary-operated pet product supplier, Drs. Foster & Smith; and petco.com. The Petco Foundation, an independent nonprofit organization, has raised more than \$125 million since it was created in 1999 to help promote and improve the welfare of companion animals. In conjunction with the Foundation, we work with and support thousands of local animal welfare groups across the country and, through in-store adoption events, help find homes for more than 400,000 animals every year.

About CVC

CVC Capital Partners is one of the world's leading private equity and investment advisory firms. Founded in 1981, CVC today has a network of 24 offices and over 300 employees throughout the U.S., Europe, Asia. To date, CVC has secured commitments of over US\$79 billion in funds from a diverse and loyal investor base, completing over 300 investments in a wide range of industries and countries across the globe, with an aggregate transaction value of over US\$120 billion. For more information please visit www.cvc.com.



About CPPIB

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits on behalf of 18 million contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York City and São Paulo, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At September 30, 2015, the CPP Fund totalled C\$272.9 billion. For more information please visit www.cppib.com.

About TPG

TPG is a leading global private investment firm founded in 1992 with approximately \$75 billion of assets under management and offices in San Francisco, Fort Worth, Austin, Dallas, Houston, New York, Beijing, Hong Kong, London, Luxembourg, Melbourne, Moscow, Mumbai, São Paulo, Shanghai, Singapore and Tokyo. TPG's investment platforms are across a wide range of asset classes including private equity, growth venture, real estate, credit and public equity. TPG aims to build dynamic products and options for its investors while also instituting discipline and operational excellence across the investment strategy and performance of their portfolio. Since the start of 2014, TPG has raised more than \$18.6 billion for its investment funds and has launched six new products including Pace Holdings, TPG Real Estate Finance Trust (TRT) and TSL Europe. For more information visit www.tpg.com.

About Leonard Green & Partners

LGP is one of the nation's preeminent private equity firms with over \$15 billion of private equity capital raised since inception. Founded in 1989, the firm has invested in 78 companies in the form of traditional buyouts, going-private transactions, recapitalizations, growth capital investments, corporate carve-outs and selective public equity and debt positions. Based in Los Angeles, CA, LGP invests in established companies that are leaders in their markets. For more information, please visit www.leonardgreen.com.



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