



Federal Street Acquisition Corp. to Combine with Universal Hospital Services

Posted: August 13, 2018

MINNEAPOLIS & BOSTON

Combined Company to be Named “Agiliti, Inc.” and Listed on Nasdaq Stock Market

Combined Company Positioned to Execute on Compelling Growth Opportunities in Healthcare Services Market Under Leadership of Current Management Team

Federal Street Acquisition Corp. (NASDAQ: FSACU, FSAC, FSACW) (“FSAC”), a special purpose acquisition company sponsored by an affiliate of Thomas H. Lee Partners, L.P. (“THL”), and the holding company of Universal Hospital Services, Inc. (“UHS” or the “Company”), a leading, nationwide provider of healthcare technology management and service solutions and a portfolio company of Irving Place Capital Management, L.P. (“IPC”), today announced that they have entered into a definitive merger agreement.

Under the terms of the agreement, FSAC and UHS will combine under a new holding company to be named Agiliti, Inc. (“Agiliti”), which intends to apply to have its common stock and warrants listed on the Nasdaq Stock Market under the ticker symbols “AGTI” and “AGTIW,” respectively. The purchase price for the acquisition implies an initial enterprise value for the combined company of approximately \$1.74 billion, or 11.6x UHS’s forecasted 2018 Adjusted EBITDA of approximately \$150 million and 10.2x UHS’s forecasted 2019 Adjusted EBITDA of approximately \$170 million, in each case, based on the higher end of UHS’s forecasted Adjusted EBITDA range.

“We have long admired Tom Leonard and the incredible team at UHS and could not be more excited to partner with them as the Company enters an exciting, new chapter with a new name – Agiliti – which is emblematic of their everyday approach,” said Scott Sperling, Executive Chairman of FSAC and Co-President of THL. “UHS’s strong competitive position, broad range of high-value capabilities, and strong business model, make this a highly attractive investment opportunity for FSAC and THL. We look forward to contributing our operational and strategic expertise as the

combined company builds on its proven platform, executes on its compelling growth objectives, and continues to deliver to its customers the industry's best healthcare technology management and service solutions."

"For nearly 80 years, UHS has provided market-leading equipment management services to the U.S. healthcare industry," said Tom Leonard, Chief Executive Officer of UHS. "Throughout the Company's evolution, our goal has always been to help customers manage the complexities of owning and maintaining medical equipment, so that caregivers have more time to focus on patients. Today, we serve more than 7,000 healthcare providers nationwide with an end-to-end solution called 'Equipment Value Management' that helps customers address important clinical, operational and financial objectives. The Company is well positioned in the market with strong momentum for continued value creation, and we are pleased to have the opportunity to advance our business as Agiliti, alongside our new partners at FSAC and THL."

Upon consummation of the transaction, Tom Leonard will continue leading the Company as Chief Executive Officer, along with his current management team, including Jim Pekarek, Chief Financial Officer, Kevin Ketzler, President, and Bettyann Bird, Senior Vice President of Marketing and Commercial Solutions.

IPC, UHS's current private equity sponsor and majority owner, will retain a minority equity stake in the combined company.

John Howard, Co-Managing Partner of IPC said, "We are extremely proud of what UHS has accomplished since we acquired the business. The results we have achieved demonstrate the unique value UHS brings to its healthcare customers. This transaction will enable the Company to accelerate its existing growth initiatives and further maximize its market position under the leadership of a world-class management team. We look forward to the ongoing success of Agiliti as a public company."

To read the full press release visit <https://www.uhs.com/investors/>.