

30th September 2020

GIC & MassMutual to acquire Blackstone's shareholding in Rothesay Life

Rothesay Life ("the Group"), the largest specialist annuity provider in the UK, is pleased to announce that an agreement has been reached by GIC ("GIC") and Massachusetts Mutual Life Insurance Company ("MassMutual") with funds managed or advised by Blackstone's Tactical Opportunities business ("Blackstone") to acquire Blackstone's 36% shareholding in Rothesay Life.

Under the terms of the transaction, GIC and MassMutual will each become equal 49% shareholders. The transaction values the Group at £5.75bn. The deal comes after a record £16.3bn of new business underwritten in 2019 and continued strong momentum by Rothesay Life in the first half of 2020. Blackstone, GIC and MassMutual have been shareholders in Rothesay Life since 2013. Since their initial investment, Rothesay Life has grown its AUM from £7.5bn to £56bn. Today, the Group secures the pensions of over 800,000 people and is trusted by some of the UK's best known companies to provide pension solutions.

Completion of the transaction is subject to regulatory approvals.

Addy Loudiadis, Chief Executive Officer of Rothesay Life, said: "I am delighted that GIC and MassMutual will be substantially increasing their investment in Rothesay. This is a strong expression of confidence in the company and provides the business with exceptional long-term support from two of the world's leading institutional investors. Rothesay will continue to differentiate itself by providing a full range of solutions on a large scale, as well as by taking full advantage of strategic prospects with a value and risk-driven approach to underwriting.

She continued "I am very grateful to Blackstone for their invaluable partnership over the last seven years which has been instrumental in helping us develop and grow the business into a market leader."

Qasim Abbas, Senior Managing Director at Blackstone, said: "The transformational growth of the business since our initial investment (in 2013) has been outstanding. Rothesay is now recognised as a market leader in de-risking solutions having executed over £16bn of new business in 2019, the largest ever total for a UK bulk annuity insurer, as well as the successful expansion into attractive new asset classes. MassMutual and GIC are the natural long-term holders for Rothesay and we wish both the company and the shareholders continued success going forward."

Yong Cheen Choo, Chief Investment Officer of Private Equity, GIC, said: "We have been shareholders in Rothesay since 2013 and are pleased to have helped the company grow into the market leader it is today. We have confidence in Rothesay's long-term prospects given its highly capable management team and strong risk management practices. We look forward to working closely with MassMutual to add value to Rothesay, as the company continues to strengthen its leading position in pension de-risking solutions."

Tim Corbett, MassMutual Chief Investment Officer said: "We are pleased to build on the strong, long-term relationship we have established with Rothesay Life, which has experienced tremendous growth, has a proven business model and strategy and is well-positioned in the market. We are looking forward to this next chapter of our partnership."

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Alex Child-Villiers or William Barker

About Rothesay Life

Rothesay Life was established in 2007 and has become one of the leading providers of regulated insurance solutions in the U.K. market for pensions de-risking. This strong growth has been achieved through the steady accumulation of pension scheme clients, significant strategic acquisitions and the reinsurance of annuity portfolios. Rothesay Life has assets under management of £56bn and insures the pensions of over 800,000 individuals.

Existing Rothesay Life clients include the pension schemes and customers associated with such names as Asda, National Grid, Allied Domecq, Cadbury's, telent, Prudential, British Airways, Lehman Brothers, Aegon, Zurich Assurance the Post Office and the Civil Aviation Authority.

Rothesay Life was purpose built to protect people's pensions through several core business principles:

- Clear and disciplined business strategy;
- Prudent underwriting;
- Meticulous management of risk and cautious investment strategy supporting enhanced customer security;
- Excellence in execution; and
- Robust operational processes underpinning excellent customer service

Rothesay Life, after the transaction, will have two substantial institutional shareholders, GIC and Massachusetts Mutual Life Insurance Company (MassMutual), who provide the company with long term support for its growth and development.

Rothesay Life Plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm Reference Number: 466067. Rothesay Life Plc is registered in England and Wales with company registration number: 06127279 and registered address: Rothesay Life Plc, The Post Building, 100 Museum Street, London WC1A 1PB. Further information is available at www.rothesaylife.com.

The Group refers to Rothesay Holdco UK Limited and its subsidiaries, the main one of which is Rothesay Life Plc.

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About Blackstone

Blackstone is one of the world's leading investment firms. We seek to create positive economic impact and long-term value for our investors, the companies we invest in, and the communities in which we work. We do this by using extraordinary people and flexible capital to help companies solve problems. Our \$564 billion in assets under management include investment vehicles focused on private equity, real estate, public debt and equity, life sciences, growth equity, opportunistic, non-investment grade credit, real assets and secondary funds, all on a global basis. Further information is available at www.blackstone.com. Follow Blackstone on Twitter @Blackstone.

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About GIC

GIC is a leading global investment firm established in 1981 to manage Singapore's foreign reserves. A disciplined long-term value investor, GIC is uniquely positioned for investments across a wide range of asset classes, including equities, fixed income, private equity, real estate and infrastructure. GIC invests through funds and directly in companies, partnering with its fund managers and management teams to help world-class businesses achieve their objectives. GIC has investments in over 40 countries and has been investing in emerging markets for more than two decades. Headquartered in Singapore, GIC employs over 1,700 people across 10 offices in key financial cities worldwide. For more information about GIC, please visit www.gic.com.sg.

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About MassMutual

MassMutual is a leading mutual life insurance company that is run for the benefit of its members and participating policy owners. MassMutual offers a wide range of financial products and services, including life insurance, disability income insurance, long-term care insurance, annuities, retirement plans and other employee benefits. For more information, visit massmutual.com.

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