

Confie Announces New Credit Facility To Facilitate Continued Strategic Growth And Future Expansion

- Closes \$220 Million Refinancing with Redemption of Existing Debt
- Secures Growth Equity Capital from Abry Partners and New Investors
- Provides Funding for Continued Growth Investments and Robust Pipeline of Acquisitions

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Confie →

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HUNTINGTON BEACH, Calif., Nov. 5, 2018 /PRNewswire/ -- Confie, one of the largest privately held insurance brokers and top personal lines provider in the United States, today announced it has completed the refinancing of a new \$220 million credit facility, led by Goldman Sachs and Barclays. Confie is a portfolio company of Abry Partners, a leading private equity firm (with deep insurance services sector expertise), which in addition to new investors is contributing growth equity capital to support a robust acquisition strategy and organic growth opportunities.

In addition to the refinancing, Confie has a \$90 million revolving credit facility which is undrawn and will be used to finance future acquisitions and investments in the company.

Cesar Soriano, Chief Executive Officer of Confie, said, "The insurance sector remains highly fragmented and we are excited about the robust pipeline of high-quality acquisition targets we are currently evaluating. This new facility reduces our overall cost of capital and gives us the flexibility to better pursue those growth opportunities, expand our markets, provide excellent services for new and existing customers, as well as make ongoing investment in our internal operations that will drive further organic growth."

In less than 10 years since its founding in 2008, Confie has grown organically and through acquisitions to become the nation's largest privately-held insurance brokerage. Confie has completed over 100 acquisitions since its inception and continues to integrate strong regional partners into its model.

Mr. Soriano added that the company's vertically integrated business model and "Roadmap for Growth" strategy enables the company to continue generating multiple revenue streams, including developing new products, and growing its footprint organically and through targeted M&A. "We are also excited to continue our strong partnership with our carriers and customers and we reaffirm our utmost commitment to providing them with high quality services."

Tomer Yosef-Or, Partner at Abry, commented, "Abry is investing additional capital, highlighting our long-term commitment to the Confie team, and reducing Confie's long-term debt leverage ratio. This new and expanded capital structure is highly flexible as we grow Confie's business over the next several years. The credit agreement is beneficial from an operations perspective, allowing us to reduce cash interest expense by over 20% and invest in Confie's future. We are excited about our increased exposure to Confie and support management's vision for growth as we pursue additional acquisition and related strategic initiatives that will continue to provide a bright future for Confie."

The debt financing was funded by both new and existing lenders and was well oversubscribed. The level of interest is an indicator of Confie's highly attractive, diversified and stable business model in addition to its management team and Confie's "Roadmap for Growth" strategy. In connection with the refinancing, the corporate family rating of Confie has been updated from Caa1 to B3 by Moody's and from CCC to B- by S&P.

About Abry Partners

Founded in 1989 and headquartered in Boston, ABRY Partners is an experienced and successful private equity investment firm focused on media, communications, insurance, business and information services. Since its founding, Abry has completed more than \$77 billion of transactions, representing investments in more than 650 properties.

About Confie

Established in 2008, Confie is a leading national insurance distribution company primarily focused on personal lines and small commercial insurance. The experienced Confie management team continues to build Confie's portfolio of regional personal lines

brokerages. Today, Confie has nearly 800 retail locations. The company has leading market positions in California, Arizona, Texas, Florida, Washington, Oregon, Massachusetts, New York, New Jersey, Nevada, Illinois, Alabama, Kansas, Wisconsin, South Carolina, Missouri, Louisiana, Indiana and New Mexico and expects to continue its expansion in those and other states. Confie is a portfolio company of Abry Partners. For more information about Confie, please visit www.confie.com.

Contact:

Chris Tofalli

Chris Tofalli Public Relations, LLC

(914) 834-4334

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