

A&M Capital Acquires Majority Interest in CNSI

Rockville, MD – April 4, 2018 – CNSI, a leading business solutions provider with vast experience developing and delivering innovative healthcare management technology, announced today that it has sold a majority interest to Alvarez & Marsal Capital (“A&M Capital”), a middle-market private equity firm that has a strategic association with Alvarez & Marsal (“A&M”).

“CNSI was an attractive proposition from the onset,” said Jack McCarthy Jr., Senior Managing Director and Co-Founder of A&M Capital. “The company’s strong technical leadership and proven results position CNSI well for future growth. CNSI has achieved significant success to date and is poised to continue that success in both Federal and State markets. We are excited to work with CNSI’s management team to continue to grow the business.”

Founded by four partners in 1994, CNSI has established strong domain expertise in the federal and state health IT industries. CNSI develops, implements, operates, and maintains solutions that provide claims processing, provider enrollment, data visualization, predictive analytics and other tools to state and federal customers. In January of 2018, CNSI launched the nation’s first cloud-based modular Medicaid Management System in the State of Michigan the company looks to extend these modernization efforts across the State and Federal marketplace.

“Our strategy is to invest in established and successful businesses where we can assist founders in transitioning to institutional ownership,” said Alex Nivelles, a Principal of A&M Capital. “We look for companies that have established themselves independently; CNSI embodies our ideal investment. Its solutions have up-ended a firmly entrenched industry and they continue to innovate and thrive.”

A recent string of project wins, including an \$166 million contract with the Department of Labor's Office of Workers' Compensation Programs, a \$44 million contract with the Department of Veterans Affairs' Financial Services Center, and a \$35 million contract with the Centers for Medicare & Medicaid Services, have solidified the company's presence in the federal market and have it poised for continued success.

"I am incredibly proud of what we've built here at CNSI," said Adnan Ahmed, Co-founder and Co-president of CNSI. "What started as four friends and a dream has grown into a company of more than 1,000 employees. We've touched the lives of millions through our health IT solutions and we've made a difference in our communities with our Corporate Social Responsibility efforts. Now, we take the next step with A&M Capital so we can expand our reach even further."

Baird's Government Services Group and Houlihan Lokey's Healthcare Group advised CNSI on the transaction. Kirkland & Ellis provided legal counsel to A&M Capital.

About CNSI

CNSI delivers a broad range of health information technology (IT) enterprise solutions and customizable products to a diverse base of federal and state agencies. We align, build and manage innovative, high-quality, cost-effective solutions that help clients achieve their mission, enhance business performance and improve the health for over 30 million Americans. Formed in 1994, CNSI is headquartered in Rockville, Maryland, with locations throughout the U.S. and India. CNSI employs a world-class team of technologists, program managers, and subject matter experts, all of whom have experience with large scale mission-critical IT implementations. CNSI's website is: <http://www.cns-inc.com>.

About A&M Capital

A&M Capital is a private equity firm which invests in established and profitable companies within the middle-market. A&M Capital currently manages \$1.1 billion of private equity capital. A&M Capital has a strategic association with Alvarez & Marsal, an industry-leading corporate advisory firm

focused on consulting services which gives it the distinctive capability to bring operational resources and support to the companies with which they partner. The firm is focused on investments where the investment team can help to deliver significant value to companies across a wide range of industries. The principals of A&M Capital have a combined 135 years of experience executing private equity transactions in the middle-market.

A&M Capital Partners, the flagship fund with \$600 million under management, principally makes control investments in the range of \$30 to \$100 million in businesses with enterprise values between \$75 and \$750 million and EBITDA between \$10 and \$75 million. A&M Capital Partners focuses on middle-market companies that are undergoing a management or ownership transition, seeking capital for growth or can benefit from access to world class operational expertise in the areas of corporate carve-outs, consolidation strategies, special situations or businesses seeking to address specific operational issues or management needs.

About A&M

Alvarez & Marsal was founded in 1983 and is a privately-owned global professional services firm that helps businesses improve performance, solve problems, and unlock value for stakeholders. With more than 3,000 full-time professionals in 53 offices across North America, Europe, the Middle East, Asia and Latin America, A&M is the largest firm of its kind and has expertise across all major industry sectors and functional areas.

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