
From: Paul Barrett [REDACTED]
Sent: Tuesday, August 7, 2018 4:16 PM
To: jeffrey E.
Cc: [REDACTED]
Subject: Rackspace bond

Hi Jeffrey

JPM likes the following HY bond:

Rackspace 8.625% 2024

- * Apollo took them private in 11/2016
- * They are cloud resellers (so work with AWS, Azure, GOOG and sell their cloud offerings to small and mid size companies) and offer SAAS solutions
 - Company is 4x levered; \$975MM of EBITDA
- * Bonds yield= 8% with a 3.4yr duration; unsecured; B rated

Can you check with anyone at Apollo to see how the company is doing? I would feel comfortable with \$2-3MM.

Paul

Paul Barrett

Alpha Group Capital LLC

142 W 57th Street, 11th Floor, New York, NY 10019

[REDACTED]

