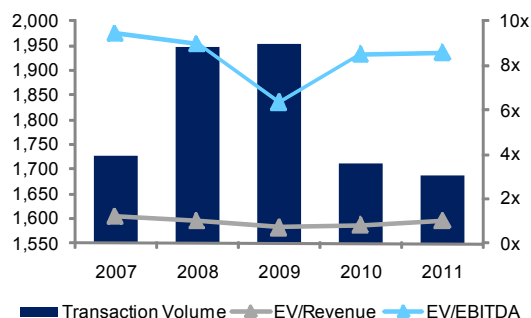


Overall M&A activity within the Technology Hardware and Equipment sector reduced by 1.5% over the last twelve months ending June 30, 2011 with 1687 deals reported compared to 1713 deals completed during the same period last year. Median Enterprise Value ("EV") multiples were at 1.0X Revenue and 8.6X EBITDA.

QUARTERLY TRANSACTION METRICS

Aggregate Industry Metrics	Q3 '10	Q4 '10	Q1 '11	Q2 '11
M&A - United States Domestic	83	70	68	64
M&A - Cross Border Global	318	372	367	345
Median EV/EBITDA	7.3x	8.9x	8.2x	8.4x
Median EV/Revenue	0.8x	1.2x	1.0x	1.1x
Median Value (\$MM)	\$9.0	\$7.1	\$8.0	\$11.0
Sub-Sector Transaction Totals				
Communications Equipment	121	125	99	107
Computer and peripherals	35	35	33	31
Electronic Equipment and Instruments	89	115	117	102
Office Electronics	22	29	19	19
Semiconductors and Equipment	134	138	167	150

LTM TRANSACTION METRICS AS OF 06/30



Based upon Mosaic Capital research. Includes all companies with operations in a particular subsector. Valuation multiples include public transactions and premiums for control, which can vary significantly between public and private companies. Private company transactions also typically include valuation discounts for limited liquidity due to a lack of a public market.

About Mosaic Capital

Since 1989 Mosaic Capital LLC has assisted owners and managers of private and public middle market companies with the institutional private placement of debt and equity, mergers and acquisitions, valuations and strategic advisory services. Mosaic Capital is the California representative office of IMAP, a global organization of leading merger and acquisition advisory firms located in 30 countries. IMAP firms have completed more than 2,000 transactions exceeding \$60 billion in transaction value since 2000, and are ranked 4th worldwide in the Thomson Reuters league tables for 2010. The private placement of debt and equity is provided through our affiliate Mosaic Capital Securities LLC (member FINRA/SIPC).

Mosaic Capital is active in the following sub-sectors within the Technology Hardware and Equipment sector. We are available to discuss trends within these sub-sectors with owners and management teams, as well as their advisors.

Communications Equipment:

- Communications Processing Equipment
- Communications Towers
- Networking Equipment
- Radio and Television Broadcasting Equipment
- RFID Systems
- Satellite and Microwave Equipment
- Telephone and Telecommunications Equipment

Computers and Peripherals:

- Computer Hardware
- Computer Storage and Peripherals

Electronic Equipment and Instruments:

- Electronic Equipment Manufacturers
- Electronic Manufacturing Services
- Technology Distributors

Office Electronics

Semiconductors and Semiconductor Equipment:

- Analog and Mixed Signal
- Digital
- Semiconductor Manufacturing Machinery

MERGERS & ACQUISITIONS • FINANCING • VALUATION

For more information contact Gordon Gregory, Garry Michael Kann or Stan Deakin at 310.432.6777

or visit our website at www.mosaiccapital.com
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