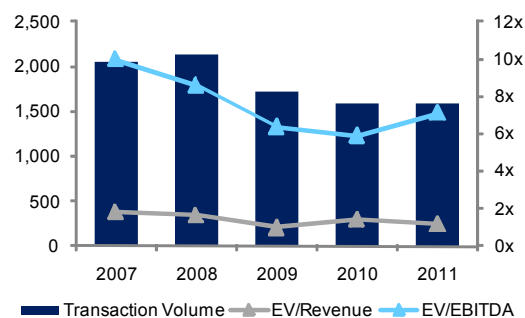


Overall M&A activity within the Telecommunications Services and Equipment sector rebounded by 0.5% over the last twelve months ending June 30, 2011 with 1595 deals reported compared to 1587 deals completed during the same period last year. Median Enterprise Value ("EV") multiples were at 1.2X Revenue and 7.1X EBITDA.

QUARTERLY TRANSACTION METRICS

Aggregate Industry Metrics	Q3 '10	Q4 '10	Q1 '11	Q2 '11
M&A - United States Domestic	87	69	74	63
M&A - Cross Border Global	319	333	320	330
Median EV/EBITDA	7.1x	7.3x	7.3x	6.5x
Median EV/Revenue	1.3x	1.0x	1.2x	1.0x
Median Value (\$MM)	\$14.8	\$13.4	\$8.0	\$11.5
Sub-Sector Transaction Totals				
Broadband Telecom Services	92	115	106	100
Integrated Telecom Services	233	214	214	216
Telephone and Telecom Equipment	48	52	44	48
Wireless telecom services	33	21	30	29

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 Telecommunications Services and Equipment sector. We are available to discuss trends within these sub-sectors with owners and management teams, as well as their advisors.

Integrated Telecommunications Services:

- Calling Card Provider Services
- Conferencing Services
- Directory Assistance Services
- Facsimile Transmission Services
- Local Telecommunications Services
- Long Distance Telecommunications Services
- Pay Phone Provider Services
- Ship-To-Shore Broadcasting Communications
- Telephone Answering Services

Telephone And Telecommunications Equipment:

- Telecommunications Equipment
- Telephone Equipment

Broadband Telecommunications Services:

- Asynchronous Transfer Model Network Services (ATM)
- Digital Telecommunications Services
- Fiber Telecommunications Services
- Virtual Private Network Services (VPN)

Wireless Telecommunication Services:

- Cellular Services
- Mobile Data Services
- Paging Services
- Satellite Communication Services

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

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