

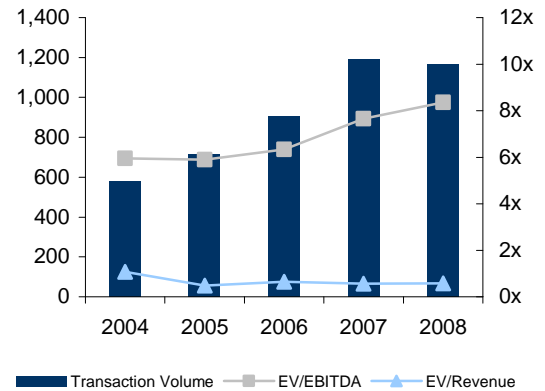


Overall M&A activity within the Distribution sector decreased by 2.1% over the last twelve months ending December 31, 2008 with 1,167 deals reported compared to 1,192 deals completed during the same period last year. Median Enterprise Value (“EV”) multiples were at 0.6X Revenue and 8.4X EBITDA.

QUARTERLY TRANSACTION METRICS

Aggregate Industry Metrics	Q1 '08	Q2 '08	Q3 '08	Q4 '08
Private Placements	14	42	37	35
M&A - United States Domestic	43	29	65	47
M&A - Cross Border Global	60	76	107	68
Median EV/EBITDA	8.4x	7.9x	7.7x	7.7x
Median EV/Revenue	0.4x	0.5x	0.9x	0.9x
Median Value (\$MM)	\$10.1	\$7.8	\$9.6	\$5.5
Sub-Sector Transaction Totals				
Building Product Distribution	20	13	28	26
Chemical Distribution	25	21	37	24
Construction Material Distribution	10	11	18	10
Durable Goods Distribution	44	56	54	52
Electrical Equipment Distribution	21	21	42	20
Media Distribution	6	4	11	5
Non-Durable Goods Distribution	45	63	80	83
Paper and Forest Product Distribution	16	10	11	12
Transportation Equip. and Supplies Dist.	13	19	31	19

LTM TRANSACTION METRICS AS OF 12/31,



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

Mosaic Capital LLC is the premier independent investment banking firm in Southern California, providing global transaction advisory and capital raising services to both healthy and distressed middle market companies through our senior advisors. As a member of IMAP we have offices in more than 35 countries, providing our clients local access to buyers and sellers worldwide. IMAP / Mosaic completed more than 250 transactions exceeding \$13 billion in transaction value in 2008, ranking us 6th worldwide by Thompson Financial for transactions under \$200 million. The private placement of debt and equity financing is provided through our affiliate Mosaic Capital Securities LLC (member FINRA/SIPC).

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

Building Product Distribution

Chemical Distribution

Construction Material Distribution

Durable Goods Distribution:

- Apparel and Textile Distribution
- Household Durables Distribution
- Jewelry, Timepieces and Gemstone Product Distribution
- Office Furnishings and Equipment Distribution
- Housewares and Specialties

Electrical Equipment Distribution

Media Distribution:

- Printed Media Distribution

Non-Durable Goods Distribution:

- Animal Care Product Distribution
- Food, Beverage and Tobacco Distribution
- Household and Personal Product Distribution

Paper and Forest Distribution:

- Office Product Distribution

Transportation Equipment and Supplies Distribution:

- Motor Vehicle Parts Distribution

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