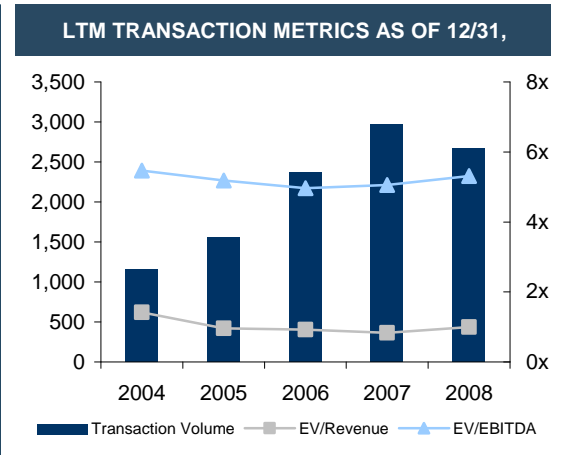




Overall M&A activity within the Machinery & Equipment sector decreased 10.2% over the last twelve months ending December 31, 2008 with 2,663 deals reported compared to 2,967 deals completed during the same period last year. Median Enterprise Value (“EV”) multiples were at 1.0X Revenue and 5.3X EBITDA.

QUARTERLY TRANSACTION METRICS				
Aggregate Industry Metrics	Q1 '08	Q2 '08	Q3 '08	Q4 '08
Private Placements	198	242	187	202
M&A - United States Domestic	78	77	114	72
M&A - Cross Border Global	212	205	184	165
Median EV/EBITDA	4.6x	5.5x	6.2x	4.9x
Median EV/Revenue	0.9x	1.1x	1.0x	0.8x
Median Value (\$MM)	\$13.3	\$10.0	\$8.8	\$9.5
Sub-Sector Transaction Totals				
Construction Machinery and Heavy Trucks	16	23	20	19
Electrical Components and Equipment	147	163	161	131
Heavy Electrical Equipment	218	238	241	210
Industrial Machinery	284	268	283	241



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

- Industrial Machinery, including:**
- Chemical Processing Machinery and Equipment
 - Food and Beverage Machinery
 - Industrial Filtration Systems
 - Machinery Components
 - Material Handling Machinery and Equipment
 - Metal and Mineral Mining Machinery and Equipment

- Heavy Electrical Equipment, including:**
- Engines and Turbines
 - Industrial Lasers
 - Motors and Generators
 - Transmission and Distribution Equipment

- Electrical Components and Equipment, including:**
- Batteries
 - Electric Lighting and Wiring Equipment
 - Electrical Apparatus
 - Magnetic and Electromagnetic Devices

- Construction Machinery and Heavy Trucks, including:**
- Agricultural Machinery and Equipment
 - Construction Machinery and Equipment
 - Heavy Duty Trucks
 - Marine Transportation Equipment

