

Overall M&A activity within the Transportation sector increased 1% over the last twelve months (LTM) ending December 31, 2005 with 79 deals reported compared with 78 deals for the same period last year and with median valuation multiples at 1.2 x Revenue, 8.8 x EBITDA, 11.2 x EBIT and 2.7 x Book Value.

M&A TRANSACTIONS BY SUBSECTOR

For the Last Twelve Months Ended December 31,

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Airlines, Air Freight and Logistics	16	28%	12	24%	18	28%	26	33%	29	37%
Trucking	20	35%	12	24%	21	32%	25	32%	20	25%
Railroads	5	9%	7	14%	6	9%	10	13%	13	16%
Transportation Infrastructure	8	14%	10	20%	12	18%	11	14%	11	14%
Marine	8	14%	8	16%	8	12%	6	8%	6	8%
Total	57	100%	49	100%	65	100%	78	100%	79	100%

Based upon Mosaic Capital research and subject to qualifications found on our website. 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.

Large national and international strategic buyers lead the demand for U.S.-based businesses in this sector. In addition, private equity groups own or control over 117 portfolio companies and also are fueling demand. Buyers objectives include:

- Obtain economies of scale and scope
- Expand geographic reach
- Augment transportation lines

About Mosaic Capital

Mosaic Capital LLC is a leading national investment banking firm specializing in merger and acquisition and related corporate finance transactions, as well as business valuations for middle-market companies. The private placement of debt and equity securities is provided through affiliate Mosaic Capital Securities LLC - member NASD/SIPC. Mosaic Capital is a member of International Merger & Acquisition Partners (www.imap.com), an exclusive global partnership of leading M&A advisory firms with 98 offices in 24 countries, the partners of which have completed 1,000 middle market transactions exceeding \$18 billion in value since 2000.

Mosaic Capital seeks introductions to owners and management teams in the following lines of business:

Trucking, including:

- Local and Long-Distance General & Specialized Freight Trucking
- Commercial & Household Goods Moving Services
- Intercity, Rural, School & Bus Charter Transportation Services
- Taxicab, Limousine, Carpool and Vanpool Operations
- Ambulance and Special Needs Transportation Services

Airlines, Airfreight & Logistics, including:

- Commercial Airlines & Air Courier Services
- Private Bus, Aircraft & Chartered Freight Air Transportation
- Helicopter, Rescue & Safety Aircraft Services
- Mail/Ground Courier, Packing, Crating, Loading & Unloading
- Freight Auditors & Tariff Consultants
- Public, Farm & Personal Storage and Warehousing Services
- Refrigerated & Nonrefrigerated Warehousing/Storage

Railroads, including:

- Commuter, Sightseeing & Line Haul Operating Rail Systems
- Locomotive & Electronic Trolleys
- Locomotive Fuel, Lubrication and Coolant Pumps
- Railway Truck Maintenance, Switching & Terminals

Marine, including:

- Ferries, Sightseeing, Sailboats & Motorboats
- Cargo Containers, Tankers & Barges
- Fishing, Dredging, Safety & Rescue Craft

Transportation Infrastructure, including:

- Air Traffic Control, Cleaning Maintenance & Repair
- Marine Cargo, Floating Dry Dock, Dock Pier Services & Operations
- Towing, Tugboat & Marine Salvage Services