

Power Electronics Index Outperforms S&P in Q4 2008

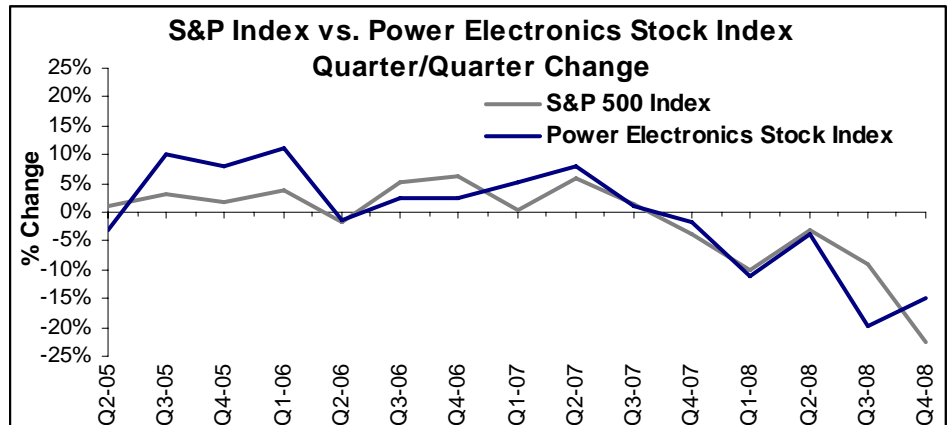
Winner's Circle*

Company	Change (%)	Tier
Murata Manufacturing	(2%)	I
Acbel Polytech Inc.	(7%)	II
Cosel Co. Ltd.	(9%)	III

Worst Performers*

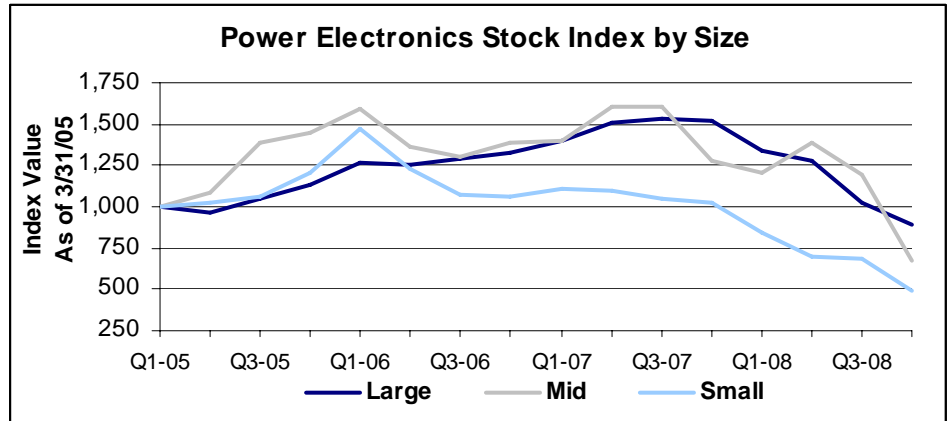
Company	Change (%)	Tier
TDK Corp.	(26%)	I
Eltek ASA	(93%)	II
XP Power Ltd.	(49%)	III

*Based on quarter-over-quarter share price performance



Power Electronics Highlights

- Overall Index value decreased (14.9%) from last quarter
- Large Index value decreased (13.0%) from last quarter
- Mid Index value decreased (44.1%) from last quarter
- Small Index value decreased (28.4%) from last quarter



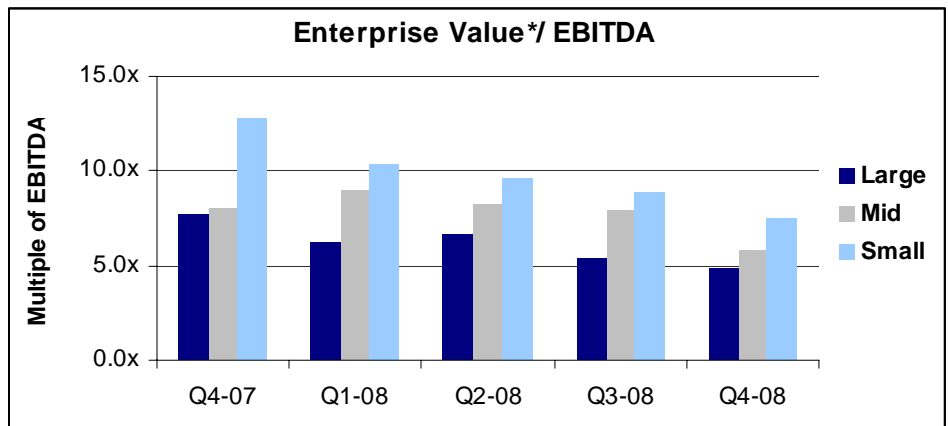
Valuations

From last quarter:

Multiples for large power electronics companies decreased due to a decline in market capitalizations.

Mid size power electronics company multiples were lower because of a decrease in market capitalizations.

Small tier power electronics company multiples were lower due to a decrease in market capitalizations and an increase in EBITDA results.



* Enterprise Value is calculated as Market Cap on December 31, 2008 plus debt, preferred equity and minority interest less cash

Power Electronics Size Guide

(Sales Dollars)

Large (Tier I)

Greater than \$1 billion

Mid (Tier II)

\$250 million to \$1 billion

Small (Tier III)

Below \$250 million

About the Power Electronics Index

Similar to the S&P 500 Index, the Power Electronics Stock Index is a market cap weighted composite index. The index is prepared by first selecting a base period, in this case, Q1 2005, and totaling the market caps of the companies for each tier in this period. This period and total market cap is set to a base index, in this case, 1000. Next, for each tier, the current period's total market cap is calculated, divided by the base period's total market cap and then multiplied by the base index (1000). The result is the index value used for plotting in the graph above.

Power Electronics Stock Index Data

Company	Exchange	Stock Price	LTM Sales (\$M)	Diluted EPS	Ave. Cash		EV/ EBITDA	EV/ Sales	Market Cap (\$M)	Net Debt (\$M)
					Conversion Cycle (days)	Current Ratio				
Large										
Delta Electronics Inc.	Taiwan	\$ 1.94	\$ 4,576	\$ 0.17	27.9	1.91	7.1x	0.8x	\$ 4,231	\$ (1,029)
Eaton Corporation	New York	49.71	15,263	7.27	73.0	1.24	6.0x	0.8x	8,197	3,899
Emerson Electric Co.	New York	36.61	24,807	3.06	58.7	1.42	6.5x	1.2x	27,980	2,741
Lite-On Technology Corp.	Taiwan	0.65	8,155	0.11	6.4	1.23	2.9x	0.2x	1,392	(649)
Murata Manufacturing Co. Ltd.	Osaka	38.49	5,950	2.50	144.3	5.68	3.3x	0.8x	8,390	(2,921)
Sanken Electric Co. Ltd.	Tokyo	3.84	1,699	0.20	131.3	1.56	4.4x	0.5x	466	389
Schneider Electric SA	Euronext	74.06	28,326	11.19	84.0	1.22	5.0x	0.9x	17,852	8,041
TDK Corp.	Tokyo	35.85	7,828	3.56	80.0	1.73	3.3x	0.5x	4,623	(527)
Average - Large			12,076		75.7	2.00	4.8x	0.7x	9,141	1,243
Mid										
Acbel Polytech Inc.	Taiwan	\$ 0.38	\$ 543	\$ 0.06	49.7	1.71	3.5x	0.3x	\$ 186	\$ (55)
Advanced Energy Industries, Inc.	Nasdaq	9.95	345	0.49	142.5	6.32	7.5x	0.8x	416	(135)
Bel Fuse Inc.	Nasdaq	21.20	270	1.37	110.6	5.33	6.7x	0.5x	246	(99)
CEAG AG	Frankfurt	5.24	440	2.67	-	-	N/A	N/A	40	(71)
Chloride Group plc	London	2.10	530	0.20	32.0	1.39	7.0x	1.1x	523	42
Eltek ASA	Oslo	0.20	935	(0.16)	90.8	1.43	2.9x	0.2x	10	182
Microsemi Corp.	Nasdaq	12.64	514	0.63	181.9	6.23	9.0x	1.7x	1,025	(166)
Power-One Inc.	Nasdaq	1.19	539	(0.29)	96.9	1.76	N/A	0.3x	104	71
Powerwave Technologies Inc.	Nasdaq	0.50	940	(1.65)	68.0	1.88	8.9x	0.4x	66	292
Shindengen Electric Mfg. Co. Ltd.	Tokyo	1.79	945	(0.22)	107.1	1.99	5.9x	0.4x	155	185
FSP Technology Inc.	Taiwan	0.46	548	0.10	5.0	1.52	0.9x	0.1x	97	(78)
Average - Mid			595		88.4	2.96	5.8x	0.6x	261	15
Small										
Cosel Co. Ltd.	Tokyo	\$ 7.96	\$ 233	\$ 0.79	121.7	6.14	3.6x	1.0x	\$ 311	\$ (82)
Magnetek Inc.	New York	2.40	104	0.34	84.4	2.68	6.7x	0.6x	74	(16)
PECO II Inc.	Nasdaq	2.45	40	(3.43)	107.6	2.67	N/A	0.0x	7	(5)
SL Industries Inc.	American	8.80	189	0.73	88.0	2.22	3.8x	0.3x	52	4
Vicor Corp.	Nasdaq	6.61	208	0.03	97.3	4.27	20.8x	1.2x	275	(27)
XP Power Ltd.	London	1.92	133	0.78	-	1.97	2.7x	0.5x	37	40
Average - Small			151		99.8	3.33	7.5x	0.6x	126	(14)
Power Electronics Average			4,162		86.5	2.73	5.8x	0.6x	3,070	401

Note: Data in table above is sourced from press releases, Capital IQ and Bloomberg as of December 31, 2008.

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About Lincoln International

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