

## Inside this Issue

Welcome to the March 2010 issue of the Privately-Held Businesses DealReader, a newsletter focused on merger-and-acquisition trends, transactions and events of interest to owners of private companies and their advisors.

In this issue, we pose five questions to Philip Newton of Chicago-based environmental risk consulting firm GaiaTech, Inc. Mr. Newton discusses how prospective acquirers approach due diligence of potential environmental risks

and cost associated with potential remediation efforts and possible liabilities.

Other topics covered in this issue include:

- Impact of potential changes in long-term capital gains rates for private company owner who sell in 2010 vs. 2011
- Common characteristics that acquirers seek in process controls companies
- Key M&A market and contract statistics

- Profiles of recent Lincoln International transactions, including the sale of Load King Trailers by Terex Corporation (NYSE:TEX) to Manitek International, Inc. (NASDAQ:MNTX)
- Update on Lincoln's recently launched Healthcare practice and Amsterdam office

We hope you find this newsletter a useful tool, and we welcome your comments and questions.

Lincoln International

## Five Questions For: Philip Newton, GaiaTech, Inc. - Environmental Risk Consulting



Philip Newton  
President & CEO, GaiaTech

*GaiaTech, Inc. is one of the leading providers of environmental risk management services to private equity firms, strategic buyers, debt providers and other parties engaged in M&A transactions. In addition to value-driven consulting services targeted at improving bottom-line results, GaiaTech also resolves compliance deficiencies, evaluates energy use and process efficiency, provides property condition assessments, and offers other specialty consulting and engineering services.*

*Philip Newton founded GaiaTech in 1993 and remains the company's President & CEO. Mr. Newton routinely assists private equity firms and other investors in monetizing environmental risk, and has completed assignments throughout the United States and Europe, and in Canada, South America and Asia. Mr. Newton has over 25 years of experience in the environmental industry, having previously worked in remediation system*

*oversight and treatment system design.*

*We asked Mr. Newton five questions regarding seller preparation and buyer due diligence on environmental issues and how companies can benefit from proactive environmental management.*

### Q: Who is GaiaTech?

A: From its inception, GaiaTech has focused on providing an environmental risk management approach for private equity firms. The basic premise for the business was to translate the frequently complex technical information contained in Phase I and Phase II environmental reports or other technical documents into a form that a financial reader would understand and – more importantly – would be able to use in preparing a budget, business plan or financial model for an acquisition target. As GaiaTech has grown, we have diversified our service offerings and clients, and we now also work with lenders, strategic buyers, law firms and real estate investment trusts.

***“Our basic premise is to translate the frequently complex technical information contained in environmental reports into a form a financial reader would understand.”***

Our work product differs from typical environmental consultants, who too often consider a standard Phase I environmental review to be sufficient for acquisition due diligence. Instead, GaiaTech seeks to understand the buyer's perspective and present any potential risks and resulting costs that would result from permit

# GaiaTech

modifications, investments in pollution control equipment and/or site remediation or decommissioning. Important factors like these can represent the largest financial exposure for the investor and going-forward entity, and we see our role as helping to spot and manager these exposures.

### Q: How do you define an appropriate scope of work for clients on the buy or sell side of a transaction?

A: Generally, we customize the scope of our environmental due diligence to address relative risk. GaiaTech would conduct due diligence for a warehouse distribution business very differently than that for a chemical manufacturer, for example, but even businesses with operations that appear environmentally benign should undergo some review. Our reviews often identify an environmental “tail” from a former site location, or legacy liabilities, both of which will usually arise when the acquisition involves the sale of stock versus an asset sale. We've seen a number of “horror stories” relating to the acquisition of vacant real estate with historical uses that created

(Continued on page 2)

(GaiaTech, continued)

costly problems, so some level of review is warranted even in situations that look innocuous.

It is also important to consider that a number of competing constituencies are involved in the M&A process – a buyer and seller, lenders, legal counsel, etc. Our scope must not only include providing a relative risk exposure for the buyer but also meet the needs of these other parties. Understanding the strategic intent of the buyer enables GaiaTech to provide insight into potential costs to be incurred once the business has been reconfigured.

On the sell side prior to the formal sale process, environmental non-compliance can be rectified, certain aesthetic issues can be dealt with, and if more significant matters are present, they can be framed appropriately for purposes of negotiation. Presenting the company as organized and on top of environmental issues invariably adds to the buyer's overall positive perception of the company, which ultimately impacts value. In most cases, the buyer can also rely on the work product prepared by the seller, expediting the process.

The lesson is that the environmental diligence process is controlled on the sell side, which limits any unnecessary antagonism and may limit legal fees when negotiating escrows or settlements. These latter issues often occur towards the end of the sale process when considerable dollars have already been spent and there is a vested interest on both sides to close. *(Please see "Facts and Figures" on page 5 for purchase agreement statistics on environmental indemnification survival periods.)*

**Q: Given the existing M&A market, how can the environmental services provider add value?**

A: The "Great Recession" has put considerable pressure on many businesses and private equity firms, strategic buyers and other clients have necessarily directed attention to managing the existing portfolio as opposed to seeking out new deals. Often, this has meant repositioning the company or simply reducing costs to "right-size" the business to the existing market.

At GaiaTech, we have focused on various services that help owners and managers to optimize industrial processes or streamline

or optimize existing environmental systems. We review energy efficiency, recycling, and ways to minimize waste. We help redefine staff responsibilities and study other activities with the specific aim of reducing cost and improving productivity and efficiency. These actions also have the benefit of "greening" the company, which can be used to market company products or better position the company for sale.

**Q: Where do you see changes in regulations or enforcement in the coming years?**

A: Under the current administration, the U.S. EPA is continuing to focus on key human health and environmental protection requirements under the Clean Air Act, Clean Water Act, and Safe Drinking Water Act. Certain industries will receive ongoing "special attention" under the agency's enforcement initiatives, including petrochemical, iron/steel, non-recovery coke production, acid and cement production, coal-fired power plants, glass manufacturing, mineral processing, and concentrated animal feeding operations. In addition, the recent economic slump will no doubt renew interest in providing financial assurance mechanisms to fund cleanups after site closures to companies that are subject to such requirements.

***"Presenting the company as organized and on top of environmental issues invariably adds to the buyer's overall positive perception of the company, which ultimately impacts value."***

The most noteworthy new regulatory developments relate to greenhouse gas emissions (GHG), renewable energy, and sustainability. In the near term,

drivers of change will be the GHG Mandatory Reporting Rule issued in September 2009; the full incorporation of GHG into the existing framework of the Clean Air Act sometime in 2010; and the long-awaited Cap-and-Trade legislation, which is still under review in Congress.

At state and local levels, regulatory changes will undoubtedly become more stringent and will vary depending on priorities in particular jurisdictions. Enforcement of clean air standards in California is an obvious example, but other states will likely increase "political capital" through environmental enforcement and other green initiatives.

**Q: How can my clients benefit from the new accounting rules for M&A transactions?**

A: GaiaTech closely follows evolving accounting and tax matters that affect environmental liabilities. Examples include providing objective cost evaluations for

## About GaiaTech

- Established in 1993, GaiaTech provides business-oriented environmental, engineering, and regulatory solutions in line with its clients' strategic interests.
- Specialists in acquisition due diligence and the risk assessment of environmental liabilities, GaiaTech's team of professionals offer transaction expertise on both the buy and sell side.
- Offices throughout the United States and in Manchester, England with environmental consultancy relationships in over 50 countries including locations in Europe, China, Africa, Latin America, Asia, and Australia.
- Provides facility services tailored for real estate owners and portfolio managers including property condition assessments, LEED evaluations, energy-use auditing, and other facility-related assessments.
- GaiaTech has been engaged on global investment transactions with a total value of over \$250 billion.
- More information is available at [www.gaiatech.com](http://www.gaiatech.com)

environmental reserves or assisting clients who are eligible for property tax relief on environmentally impaired real estate.

The most important benefit of the new accounting rules is the ability to show improved EBITDA over the life-cycle of a held asset when booking a reserve for environmental liabilities. FAS 141-R, which took effect in December 2008, allows a company to record the fair value of an environmental liability if that liability is more likely than not to occur. This gives more companies the ability to record a reserve account for such liability on the "Newco's" books after a deal is complete.

The increase in the liability usually impacts only the Newco's goodwill for book purposes; but the full value of goodwill (not impacted by environmental liabilities) can still be deducted over fifteen years for tax purposes. Future environmental remediation expenses can then be recorded against the liability account rather than as an operating expense. This improves EBITDA, since the company is not taking a hit against operating expenses for their future remediation costs. The company still gets to write-off the remediation costs as they occur for income tax purposes. This is a win-win for the company as they improve their future book earnings while still maintaining all of the tax benefits. ■

Contact Phil Newton at 1-312-541-4200 or [philnewton@gaiatech.com](mailto:philnewton@gaiatech.com)

# Should a Change in Long-term Capital Gains Rate Make or Break a Decision to Sell?



Patrick Goy

Owners of privately owned businesses consider selling their company for any number of important reasons, including estate planning, generational succession issues, market concerns and, occasionally,

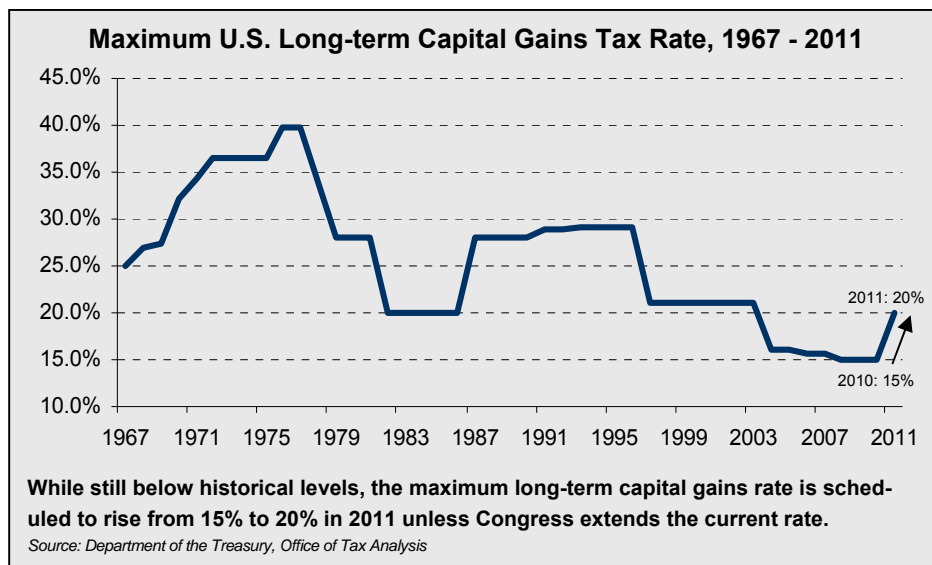
owner fatigue. While a lesser concern, long-term capital gains and estate tax rates should be part of the analysis of when is the proper time to effect a sale. The uncertain legislative landscape in 2010 and beyond makes this task especially daunting as the economy and M&A markets continue to improve and the window for a possible sale transaction begins to open for many sellers who missed an opportunity to sell in 2007 and 2008.

Much has been written about Congress seeking higher tax revenue to fund deficit reduction, as well as enable “pay-as-you-go” stimulus programs and healthcare initiatives. Many on both sides of the aisle in Congress and in the economic community believe

**“Taxes alone should never be the deciding factor in the sale of a private company.”**

increases in ordinary income, dividend and capital gains taxes, in 2011 — and perhaps retroactively to 2010 along with a repeal of the estate tax holiday — appear to be inevitable. Yet irrespective of when these changes occur, the proposed increases in long-term capital gains rates and the net effect for the business owner who is considering a sale of his business bear further analysis.

As shown in the chart at the top of this page, the maximum long-term tax rate on capital gains have varied dramatically over



the years. As recently as the 1970s, long-term capital gains taxes were as high as 40% before halving in the early 1980s as the Federal government sought to drive economic growth, stimulate investment, and enhance tax revenues. The current

long-term capital gains tax rate of 15% dates from 2007 and is set to expire at the end of 2010 unless extended by Congress; otherwise, the rate will climb to 20%.

As shown in the worksheet below, a simplified version of the tax effects under consideration indicates that a 100% shareholder for a company with no claims would avoid an additional \$3.5 million in taxes — and increase net proceeds by the same amount — by closing a transaction on or before December 31, 2010 rather than on or after January 1, 2011.

This simple example, while ignoring many facets of a well-thought-out estate plan and numerous options for shareholders to defer paying taxes through the use of

shareholder trusts, makes clear that the financial effect of closing a contemplated transaction before year-end 2010 could be compelling for owners of private companies contemplating a liquidity event in the near-term. Unfortunately, Lincoln has often encountered private company owners who have not worked with their advisor to take the necessary tax-deferral steps, making this simple example all too real.

Lincoln believes taxes alone should never be a deciding factor in the sale of a private company. But, if a business owner is contemplating a near-term liquidity event, including the impact of a change in capital gains rates in the broader analysis would be advisable. ■

*Patrick Goy, Managing Director, Head of Lincoln International's Privately-Held Business Group, Co-Head of the Restructuring & Special Situations Group, and a member of the firm's Global Industrial Group, has over 30 years' mid-market transaction experience.*

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## Potential Impact of Rising Long-term Capital Gains Tax Rates: 2010 vs. 2011

Sale in 2010	
LTM EBITDA	\$10,000,000
x Purchase Price Multiple	7.0x
Gross Transaction Proceeds	\$70,000,000
Less Capital Gains Tax @ 15%	(\$10,500,000)
Net Transaction Proceeds	\$59,500,000
<b>Difference vs. 2011:</b>	<b>+\$3,500,000</b>

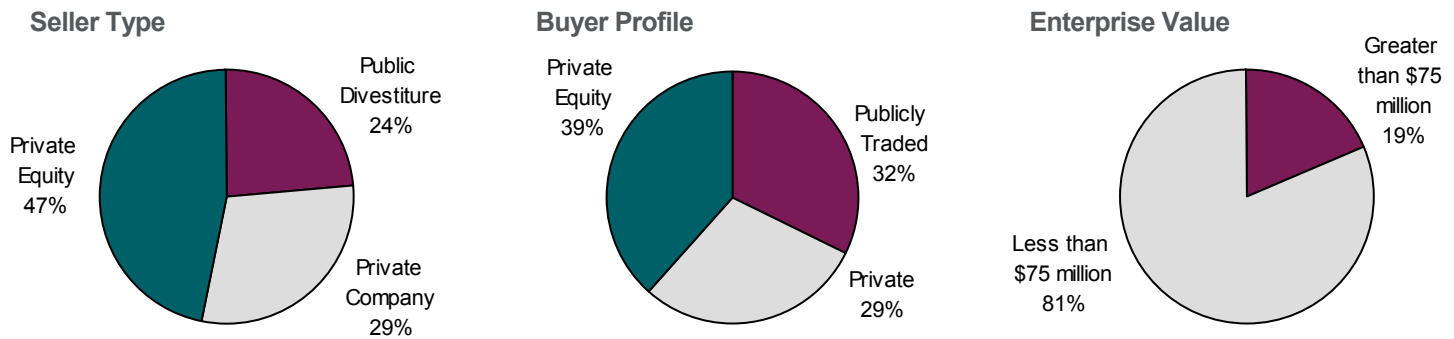
Sale in 2011	
LTM EBITDA	\$10,000,000
x Purchase Price Multiple	7.0x
Gross Transaction Proceeds	\$70,000,000
Less Capital Gains Tax @ 20%	(\$14,000,000)
Net Transaction Proceeds	\$56,000,000
<b>Difference vs. 2010:</b>	<b>(\$3,500,000)</b>

If current long-term capital gains tax rates rise from 15% to 20% as scheduled at the end of 2010, sellers' proceeds from sale could be meaningfully less if the transaction closes in 2011 versus 2010.

*Source: Lincoln International LLC*

# The Market Pulse: Data That Affects The Mid-Market M&A Landscape

## Lincoln Completed Transaction Data - Last 18 months ended December 31, 2009



### Valuation Statistics: Average Enterprise Value Multiples Compared to last 18 months ended June 30, 2008

	EV / LTM EBITDA		EV / LTM Revenue	
	Adj. Mean	Median	Adj. Mean	Median
Less than \$75 million	4.87x ▼	4.80x ▼	0.63x ▼	0.57x ▼
Greater than \$75 million	8.04x ▼	8.56x ►	1.01x ►	1.08x ▲

Note: Arrows denote comparison with transactions completed during the 18 months ended June 30, 2008; Adjusted mean excludes high and low values prior to mean average calculation

### Observations

- Valuation multiples have declined amid softening of lending and business environments
- Enterprise values for larger companies, as measured by EBITDA and Revenue multiples, remain at relatively healthy levels

## Key Purchase Agreement Terms - Lincoln's U.S. Transactions

Last 18 months ended December 31, 2009 compared to last 18 months ended June 30, 2008

### Escrow as a Percentage of Purchase Price

	EV < \$75 mm		EV > \$75 mm	
	Mean	Median	Mean	Median
<b>All Sellers</b>	6.94% ▲	7.20% ▲	5.88% ▼	4.95% ▼
Public Buyers	9.22% ▲	10.00% ▲	14.10% ▼	14.10% ▼
Private Equity Buyers	6.57% ▲	5.71% ▼	3.77% ▼	2.00% ▼
Private Buyers	5.83% ▲	5.20% ▲	4.95% ▼	4.95% ▼
<b>Private Sellers</b>	7.36% ▼	8.00% ▼	8.87% ▲	7.50% ▲
Public Buyers	8.47% ▲	9.00% ▲	14.10% ▲	14.10% ▲
Private Equity Buyers	n/a ►	n/a ►	7.50% ▲	7.50% ►
Private Buyers	2.90% ►	2.90% ►	5.00% ▼	5.00% ▲

### Indemnity Cap as a Percentage of Purchase Price

	EV < \$75 mm		EV > \$75 mm	
	Mean	Median	Mean	Median
<b>All Sellers</b>	14.92% ▲	10.77% ▲	8.10% ▼	8.70% ▲
Public Buyers	14.92% ▼	10.72% ▼	14.10% ▼	14.10% ▲
Private Equity Buyers	9.01% ▼	10.00% ►	6.47% ▼	7.40% ▼
Private Buyers	25.54% ▲	25.00% ▲	7.55% ▲	7.55% ▲
<b>Private Sellers</b>	19.72% ▲	13.82% ▲	9.70% ▲	10.00% ▲
Public Buyers	13.13% ▼	10.00% ▼	14.10% ▲	14.10% ▲
Private Equity Buyers	n/a ►	n/a ►	10.00% ▼	10.00% ►
Private Buyers	52.70% ►	52.70% ►	5.00% ▲	5.00% ▲

### Basket as a Percentage of Purchase Price

	EV < \$75 mm		EV > \$75 mm	
	Mean	Median	Mean	Median
<b>All Sellers</b>	1.05% ▲	0.65% ▼	0.74% ▼	0.78% ▲
Public Buyers	1.57% ▲	0.64% ▼	0.90% ▼	0.90% ▲
Private Equity Buyers	0.78% ▲	0.75% ►	0.75% ▼	0.75% ▲
Private Buyers	0.72% ▼	0.60% ▼	0.65% ►	0.65% ►
<b>Private Sellers</b>	0.57% ▼	0.54% ▲	0.72% ▼	0.75% ►
Public Buyers	0.65% ▲	0.59% ▲	0.90% ▲	0.90% ▲
Private Equity Buyers	n/a ►	n/a ►	0.75% ▼	0.75% ►
Private Buyers	0.20% ►	0.20% ►	0.50% ▲	0.50% ▲

### Indemnity Term (in months)

	EV < \$75 mm		EV > \$75 mm	
	Mean	Median	Mean	Median
<b>All Sellers</b>	19.15 ▲	18.00 ▲	18.83 ▲	18.00 ▲
Public Buyers	23.40 ▲	18.00 ▲	24.00 ▲	24.00 ▲
Private Equity Buyers	15.33 ▼	15.00 ►	18.00 ▲	18.00 ►
Private Buyers	18.00 ▲	18.00 ▲	17.50 ▲	17.50 ▲
<b>Private Sellers</b>	18.86 ▲	18.00 ►	21.67 ▲	24.00 ▲
Public Buyers	18.00 ▲	18.00 ▲	24.00 ▲	24.00 ▲
Private Equity Buyers	n/a ►	n/a ►	24.00 ▲	24.00 ▲
Private Buyers	21.00 ►	21.00 ►	17.00 ▲	17.00 ▲

### Basket - Back to First Dollar (% of Transactions)

	EV < \$75 mm	EV > \$75 mm
<b>All Sellers</b>	18.52% ▼	16.67% ▼
Public Buyers	7.41% ▼	0.00% ▼
Private Equity Buyers	11.11% ▲	16.67% ►
Private Buyers	0.00% ▼	0.00% ▼
<b>Private Sellers</b>	3.70% ▼	16.67% ►
Public Buyers	3.70% ▼	0.00% ►
Private Equity Buyers	0.00% ▼	16.67% ►
Private Buyers	0.00% ►	0.00% ►

### Observations

- In general, terms have become more buyer-friendly when compared to the 18 months ended June 2008, with escrows percentages and length of indemnity term rising to reflect greater negotiating leverage for buyers.

Legend	
▲	Increase vs. prior period
▼	Decrease vs. prior period
►	No change

Note: Arrows denote comparison with transactions completed during the 18 months ended June 30, 2008  
Source: Lincoln International

## Mid-Market M&A Activity and Outlook

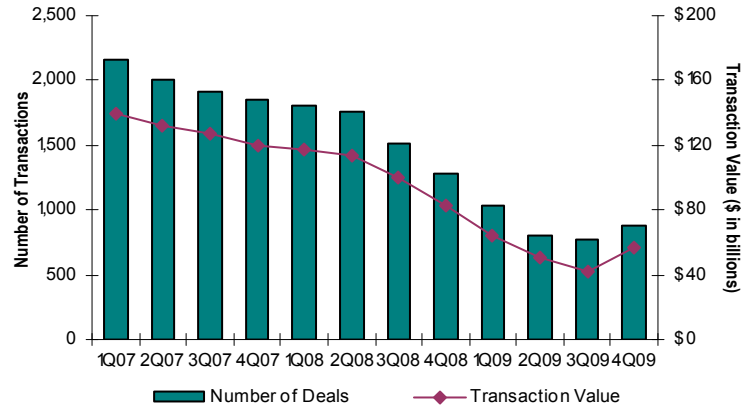
- Mid-market M&A activity increased slightly at the end of 2009
- Leverage multiples have come down from their 2007 peak, but the lending market improved in 4Q09 as compared to 3Q09
- Despite improving lending conditions, required equity contribution percentages remain high, peaking above 50% on average for 2009

### U.S. M&A Activity—Closed Transactions

Deal Size	Number of Deals		
	12 Months Ended		
	1/31/2010	1/31/2009	Change
\$1 Billion +	79	90	(12.2%)
\$500M to \$999.9M	64	78	(17.9%)
\$250M to \$499.9M	110	137	(19.7%)
\$100M to \$249.9M	221	248	(10.9%)
\$50M to \$99.9M	177	265	(33.2%)
\$25M to \$49.9M	205	326	(37.1%)
\$10M to \$24.9M	298	370	(19.5%)
Under \$10M	623	770	(19.1%)
Undisclosed	5,136	5,455	(5.8%)
<b>Total</b>	<b>6,913</b>	<b>7,739</b>	<b>(10.7%)</b>

Source: Factset Mergerstat

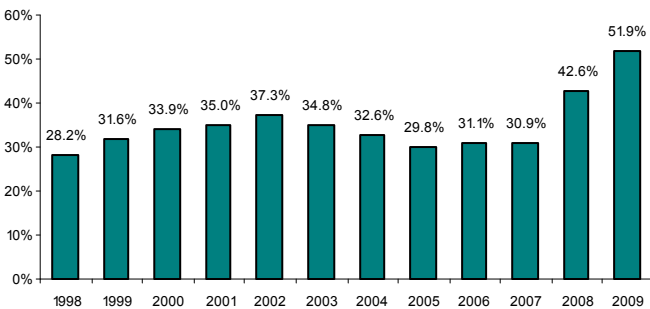
### Middle Market M&A Transaction Volume (Rolling TTM)



Source: Factset Mergerstat

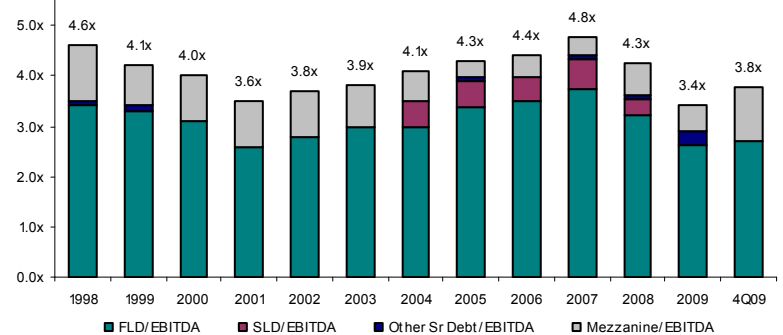
## Current Financing Market Statistics

### Average Equity Contribution LBO Loan Sponsors



Source: Standard & Poor's Leveraged Commentary and Data

### Average Debt Multiples of Mid-Market LBO Loans



Source: Standard & Poor's Leveraged Commentary and Data  
Note: Based on LI deal flow and market observations

## They Said It

*"The only thing useful banks have invented in 20 years is the ATM."*

— **Paul Volcker**  
Noted American Economist,  
Chairman of the Federal Reserve, 1979—1987

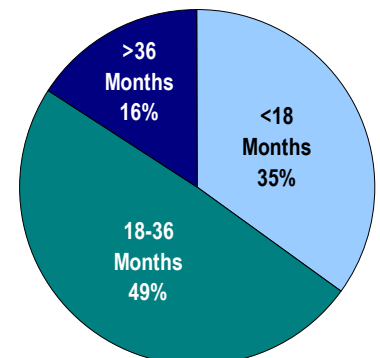
## Facts & Figures

From 2007 - 2009, only 40% of Lincoln's closed transactions' purchase agreements had an explicit environmental indemnity provision.

Of these transactions, the median length of the environmental indemnity term was 26 months and, as shown at right, only 16% of those agreements had indemnity periods in excess of 36 months.

The longest indemnity term for any deal during the period was 72 months.

Term of Environmental Indemnity:  
Lincoln Transactions since 2007



Source: Lincoln International; Note: Chart reflects buy- & sell-side transactions with separate environmental indemnity provisions

## The View from Abroad: India



Gurvinder Juneja  
ICICI Securities

*Gurvinder Juneja is Lincoln's main liaison with its India strategic partner, ICICI Securities. Prior to joining ICICI Securities, Gurvinder managed mergers-and-acquisitions activity at Indian IT giant Wipro and worked at PriceWaterhouseCoopers in India. He also was*

*an engineer at Tata Steel Limited.*

*In this issue's "The View from Abroad", Gurvinder shares his thoughts on the M&A environment – inbound and outbound – in India:*

"There is a cautious sense of optimism among Indian companies that the Indian economy is improving and moving back to its high-growth trajectory. Right now, the public equity and private equity (minority investment) markets in India are strong, and many companies are focusing on raising capital to shore up their balance sheets and have stronger liquidity positions.

***"There is a cautious sense of optimism that the Indian economy is improving and moving back to its high-growth trajectory."***

"As a whole, Indian companies are not aggressive acquirers of businesses right now, especially internationally. This is particularly true for a number of aggressive acquirers over the last five years who have had more difficulty

than anticipated integrating the acquired businesses. Companies that were not aggressive acquirers during the last five years are in a better position to acquire businesses, but we expect they will only consider deals in their strategic 'sweet spot.'

"We anticipate improvement in the Indian M&A market later in 2010 and into 2011 as the traditional acquirers continue to improve their balance sheets, see increases

in their public equity valuations, and continue to digest historical acquisitions. As this recovery continues, we expect that Indian companies will continue to be net acquirers of businesses." ■

## Industry Spotlight: Process Controls

Process Controls describes critical components that move, measure and otherwise control the flow of material through a process. These components include actuators, filters, meters, motors, pumps, sensors and valves, as well as products that test and measure at different stages of a production process. Process controls components are found in traditional process industries, such as chemicals, food and beverage, HVAC and power generation, and make up parts of "mission critical" systems in aircraft, medical devices and material handling applications.

Lincoln International has observed several characteristics of successful process controls companies that, when positioned correctly, can result in premium valuations:

### 1. Commitment to Technical Expertise

The highly fragmented nature of the process controls industry means leading firms have developed competitive advantages, often through technological and engineering expertise. As a result, these firms must remain on the forefront of advances in manufacturing and product development, as well as staying ahead of evolving customer needs, to maintain their edge in the market.

### 2. Provide Solutions, Not Components

Deep engineering and technical resources are an indicator of innovative, high-quality products, as well as enhanced solutions and services for customers, and create key competitive advantages. Proprietary products or know-how generate new and

	Lower	Valuation	Higher
<b>Technical Expertise</b>	Limited	"Tribal Knowledge"	Proprietary/Patented
<b>Solutions Provider</b>	Components Only	Reactive to Customer	"Partner" Mentality
<b>Price-Quality Relationship</b>	Price > Quality	Indifference	Quality > Price
<b>Reputation / Brand Recognition</b>	Unknown	Respected	Strong
<b>Attractive (Gross/EBITDA) Profit Margins</b>	< 25% / <10%	25%-40% / 10%-20%	40%+ / 20%+

The presence or absence of certain business model characteristics can be a key determinant of the value of a process controls components company to potential acquirers

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repeat customers, while a consultative, engineering-driven sale process supports a partnership mentality with customers. Ultimately, this can lead process controls companies to providing high margin, cycle-resistant replacement parts and service businesses in specific applications over time, becoming entrenched solutions providers for solving complex problems.

### 3. Favorable Price-Quality Relationship

While a single process controls components component often represents only a small percentage of overall process cost, that single component is likely critical for on-going, large-scale production and is generally inexpensive at any price in relation to the cost of failure or extended downtime of an entire system. In other words, quality process controls components help to ensure process uptime. As a result, customers tend to be somewhat price insensitive and oftentimes have little incentive to substitute a lower cost, untried component due to the risk associated with failure.

### 4. Respected Reputation or Brand

Industry reputation and brand recognition are barriers to entry for competitors. An entrenched industry leader is able to command a premium price for its products and ensure a level of stability to financial and business performance. Moreover, a widely recognized brand name or reputation enables growth or expansion into complementary products or enhanced services to earn a greater "share of wallet."

### 5. Attractive Profit Margins

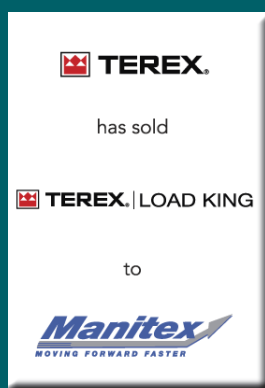
Collectively, the aforementioned attributes lead to attractive financial performance and profitability margins for process controls companies. Best-in-class suppliers that are innovative market leaders will earn above-average margins, which is indicative of their competitive position and ability to best meet demanding customer requirements. ■

*For more information on Lincoln's Process Controls expertise, contact Eric Malchow at (312) 580-8337 or [emalchow@lincolninternational.com](mailto:emalchow@lincolninternational.com)*

## Selected Recent Lincoln International Transactions



- Sell-side transaction (December 2009)
- Slingsby Advanced Composites Ltd. is a designer and manufacturer of composite structures for the aerospace and defense industry. Slingsby offers emergency detrainment doors in Australia, Norway, Spain, Taiwan, Hungary, Thailand, and Great Britain; hovercrafts; aviation and aerospace maintenance, engineering, and design services; and firefly aircrafts. Slingsby Advanced Composites is based in York, England.
- Acquired by Marshall of Cambridge Aerospace Limited, a provider of engineering and aviation solutions to the defense and aerospace industries in the United Kingdom. Marshall of Cambridge Aerospace Limited was incorporated in 1930 and is based in Cambridge, England with an additional office in Leiden, the Netherlands, and operations in Australia and Canada.



- Sell-side transaction (December 2009)
- Load King Trailers is leading designer and manufacturer of highly-engineered, specialized low-bed, heavy-haul, bottom-dump, and platform trailers and hauling systems used for transporting heavy equipment. Load King is headquartered in Elk Point, South Dakota.
- Terex Corporation (NYSE:TEX) manufactures machinery products, equipments, and related replacement parts and components for the construction, infrastructure, quarrying, shipping, transportation, power, and energy industries. Terex was founded in 1925 and is based in Westport, Connecticut.
- Acquired by Manitex International, Inc. (NASDAQ: MNTX), a leading designer, manufacturer, and distributor of engineered lifting solutions, including boom trucks, sign cranes, rough terrain forklifts, and heavy material handling transporters. Manitex International was founded in 1993 and is based in Bridgeview, Illinois.



- Sell-side transaction (February 2010)
- Storsack Group is a leading global manufacturer of flexible intermediate bulk containers (FIBCs) with more than 3,000 employees, 4,000 customers in more than 80 countries, and 18 globally located production facilities. Storsack Group designs, manufactures and distributes 1-1/2- and 4-loop "big bags" to blue-chip customers in the chemical, fertilizer, raw material and food industries. Storsack Group is headquartered in Viernheim, Germany.
- Acquired by Greif, Inc. (NYSE:GEF), a U.S.-based global leader in industrial packaging and services. Greif produces steel, plastic, fiber, corrugated and multiwall containers, protective packaging and containerboard, and provides blending and packaging services for a wide range of industries. Greif, Inc. is headquartered in Delaware, Ohio.

## What's New at Lincoln International: Q1 2010

### Lincoln International Launches Healthcare Practice

On January 19, 2010, Lincoln International announced today that it has launched a new practice focused exclusively on serving the healthcare industry. To lead this practice, Lincoln has appointed a team of seasoned healthcare bankers led by Shahab Fatheazam, a veteran investment banker with more than 20 years of experience representing healthcare companies in the United States, Europe and Asia. Combined, Fatheazam and the rest of Lincoln's Healthcare team have more than 40 years healthcare expertise, adding substantial knowledge and global experience in healthcare M&A to Lincoln International's already strong international, multi-industry footprint.

### Lincoln International Opens Office in Amsterdam

On March 1, 2010, Lincoln International announced the opening of its Amsterdam office, marking another important step in our global expansion. The addition of Amsterdam expands Lincoln's footprint to the important Benelux region in Europe, which includes Belgium, the Netherlands and Luxembourg, and adds to the firm's strong connections in North America, Germany, France, the UK and Asia.

More information on Lincoln's Healthcare practice and Amsterdam office can be found at [www.lincolninternational.com](http://www.lincolninternational.com)

# Lincoln International's Global Footprint



More than 70 professionals in the United States

More than 60 professionals plus a 24-person advisory board in Europe

Office in Japan and strategic partnerships in China and India

- ★ Indicates Lincoln International office
- ★ Indicates strategic partnership and/or Lincoln International personnel

## About Lincoln International

Lincoln International specializes in merger and acquisition advisory services, private capital raising, and restructuring advice on mid-market transactions. Lincoln International also provides fairness opinions, valuations and pension advisory services on a wide range of transaction sizes. With 10 offices in Asia, Europe and North America, and strategic partnerships with leading institutions in China and India, Lincoln International has strong local knowledge and contacts in the key global economies. The organization provides clients with senior-level attention, in-depth industry expertise and integrated resources. By being focused and independent, Lincoln International serves its clients without conflicts of interest. More information about Lincoln International can be obtained at [www.lincolninternational.com](http://www.lincolninternational.com).

## Industry Groups

Lincoln International dedicates teams headed by senior professionals in each of its global offices to the following industries:

- Aerospace and Defense
- Automotive and Truck
- Building and Infrastructure
- Business Services
- Chemicals
- Consumer
- Electronics
- Healthcare
- Industrials
- Packaging
- Renewable Energy
- Technology

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