

Midwest M&A Quarterly Update

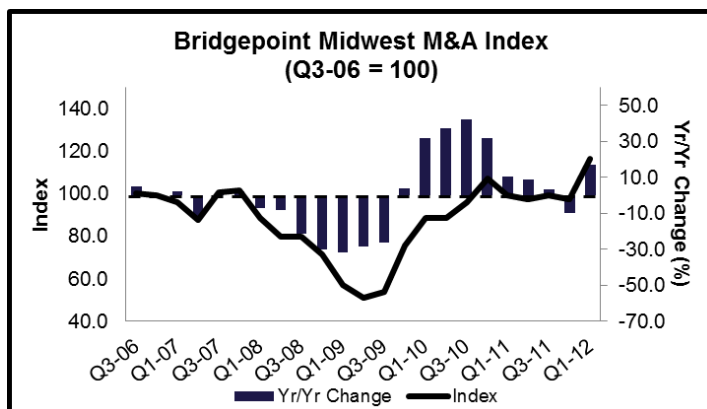
First Quarter 2012

Midwest M&A Quarterly Update

Bridgepoint Midwest M&A Index

Bridgepoint Midwest M&A Index Increased to New High in Q1-12

- Index Summary:** The Bridgepoint Midwest M&A Index, a measure of corporate merger and acquisition activity in the U.S. Midwest region, increased 18.7% in Q1-12 after decreasing 1.6% in Q4-11. On a year-over-year basis, the index increased 17.1% from Q1-11. The latest increase put the index at a new high of 116.3 (Q3-06 = 100), up from the Q4-11 level of 97.6
- Perspective:** Index reflects accelerating Midwest M&A deal volumes in the face of a relatively stable local economy. Current index level of 116.3 reflects a much improved corporate deal volume environment in the Midwest, after volume has remained relatively flat in recent quarters. Q1-12 deal volume was also particularly strong on a seasonal basis – Q1-12 year-over-year index increase of 17.1% represented the highest year-over-year change since Q3-10 while quarter-over-quarter growth of 18.7% was the highest since Q4-09. Despite deal volume acceleration, median Midwest M&A deal size declined from \$20.5mm in Q4-11 to \$12.0mm in Q1-12
- Key Drivers:** A stable regional economy, a large stockpile of corporate cash, and a strong equity market drove M&A and private equity volumes in the first quarter of 2012. Corporates and sponsors are increasing their M&A focus on the Midwest, and increasingly on smaller companies. The threat of an increased capital gains tax rate is also driving deals, although generally remains a secondary consideration
- Outlook:** A continued economic recovery and recent equity market momentum suggest a continued particular strength of the Midwest deal environment



- What the Index Means for You:** Deal volumes have accelerated with increased appetite for smaller companies. The current environment represents an attractive opportunity for Midwest companies and business owners to:
 - ✓ *Evaluate strategic options & your company value* – Recent lower valuations for M&A deals in the Midwest potentially indicate a shortage of good assets in the market, providing a unique opportunity for healthy companies
 - ✓ *Opportunistically explore acquiring complementary assets at potentially attractive prices* – infrequent access to capital for smaller companies provides unique buying opportunities for those companies with firepower
 - ✓ *Explore attractive financing opportunities to finance growth, acquisition, or liquidity* – substantial private equity and junior capital interest in the Midwest and core industries provides additional optionality for healthy companies and business owners

Index Definition

Q3-06 = 100. As defined by Bridgepoint Merchant Banking, the Bridgepoint Midwest M&A Index is assembled by summing the number of transactions (for transactions that meet the Transaction Requirements below, as sorted by announced date) announced over the latest two quarters. Year-over-year and quarter-over-quarter percent change is calculated and then applied to the index number for the previous applicable period.

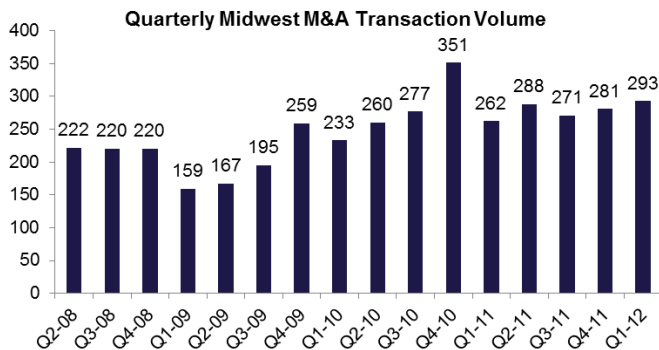
Transaction Requirements

Buyer, target and/or seller must be located in the Midwest, and the Midwest participant must have purchased or sold majority control. Total Enterprise Value must be \$10mm or greater. Midwest defined as Iowa, Kansas, Missouri, Nebraska, North Dakota, Oklahoma, and South Dakota.

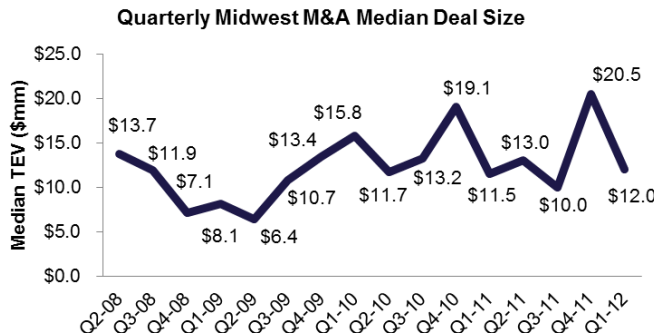
Source: Bridgepoint Merchant Banking, Capital IQ (3/31/12)

Midwest M&A Quarterly Update

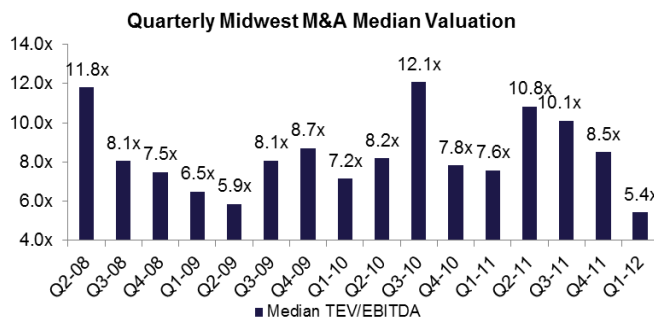
Selected Midwest Q1-12 M&A Transaction Statistics^(a)



- Quarterly Midwest M&A volume increased 4.3% from 281 transactions in Q4-11 to 293 transactions in Q1-12. Year-over-year quarterly Midwest M&A volume increased 11.8% from 262 deals in Q1-11 to 293 deals in Q1-12
- Recent deal flow continues its rally for the second quarter in a row on a quarter-over-quarter basis. Year-over-year change shows signs of acceleration due to improving macro and equity market conditions compared to 2011

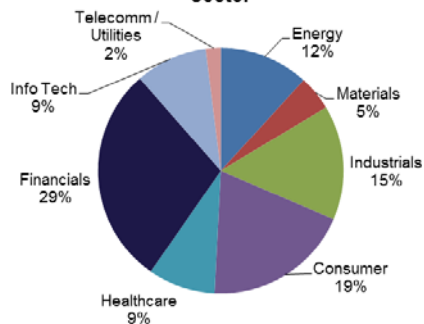


- Of the Midwest M&A transactions with available transaction values, quarterly median deal size declined from \$20.5mm in Q4-11 to \$12.0mm in Q1-12
- A higher volume and lower median deal size marks a shift from Q4-11 (higher median deal size). Smaller companies were the dominant driver of the volume increase in Q1-12



- Median Midwest M&A valuations (on a TEV/EBITDA basis) declined from 8.5x in Q4-11 to 5.4x in Q1-12
- Median Midwest M&A valuations (on a TEV/sales basis) increased from 0.95x in Q4-11 to 1.24x in Q1-12
- Decline in TEV/EBITDA multiples likely indicative of limited data vs. pervasive valuation decline

Q1-12 Midwest M&A Transaction Volume by Sector



- Core industries (including Industrials, Materials and Consumer) accounted for 39% of total Midwest M&A transaction volume in Q1-12, up 1% from the previous quarter
- Energy and Consumer retain the same share as Q4-11 with 12% and 19%, respectively. Financials saw a 2% share decline while Information Technology had a 1% share increase from Q4-11. Other sectors remained flat



Midwest M&A Quarterly Update

Selected Midwest Q1-12 M&A Transaction Statistics (Continued)^(a)



- Quarterly M&A transactions with Midwest buyers remained constant in Q1-12 from Q4-11 at 135, while quarterly transactions with Midwest targets declined -12.1% from 174 deals in Q4-12 to 154 deals in Q1-12
- Midwest targets continue to be the top U.S. region for private equity investment, accounting for 21% of U.S. private equity deal flow (by count) in Q1-12 (according to Pitchbook.com)

Selected Midwest Q1-12 M&A Transactions ^(a)

Announced	Target	Target		Buyer	Local	Target Sector	TEV (\$mm)
		Local	Buyer				
03/29/2012	F3 Brands, LLC	OK	Hopkins Manufacturing Corporation	KS	Consumer	\$15.5	
03/27/2012	Duke Energy Renewables LLC, Kansas Wind Farms	KS	Sumitomo Corporation of America		Utilities	353.0	
03/19/2012	Nolij Corporation		Perceptive Software, Inc.	KS	Info Tech	31.9	
03/14/2012	Demco Printing	IA	Colorfx, Inc.	IA	Industrials	-	
03/14/2012	Éclat Pharmaceuticals, L.L.C.	MO	Flamel Technologies SA (NasdaqGM:FLML)		Healthcare	12.0	
03/13/2012	North Central Bancshares, Inc.	IA	Great Western Bancorporation Inc.	NE	Financials	41.5	
03/05/2012	Genesis Ltd.		Kemin Industries, Inc.	IA	Consumer	-	
03/05/2012	Bag 'n Save, Inc.	NE	U Save Foods, Inc.	NE	Consumer	29.7	
03/05/2012	Renda Broadcasting Corporation, KH TT-FM and KBEZ-FM	OK	Journal Broadcast Corporation		Consumer	11.8	
03/02/2012	GoTime, Inc.		InfoGROUP Inc.	NE	Info Tech	-	
03/02/2012	Emerson & Cuming Microwave Products NV		Laird Technologies, Inc.	MO	Materials	29.7	
03/02/2012	Summit Data Communications, Inc.		Laird Technologies, Inc.	MO	Info Tech	30.0	
02/28/2012	eScreen, Inc.	KS	Alere Inc. (NYSE:ALR)		Healthcare	340.0	
02/28/2012	The Andersons Denison Ethanol LLC	IA	The Andersons, Inc. (NasdaqGS:ANDE)		Materials	68.0	
02/24/2012	Simcyp Ltd.		Certara, L.P.	MO	Healthcare	32.4	
02/09/2012	Pointbridge Solutions, LLC		Perficient Inc. (NasdaqGS:PRFT)	MO	Info Tech	22.0	
02/06/2012	DMS Health Technologies, Inc.	ND	Platinum Equity, LLC		Healthcare	28.3	
01/26/2012	Seneca Landlord LLC		Renewable Energy Group, Inc. (NasdaqGM:REGI)	IA	Energy	12.6	
01/26/2012	OBCORP LLC	MO	Ametek Inc. (NYSE:AME)		Industrials	175.0	
01/24/2012	Allrecipes.com, Inc.		Meredith Corp. (NYSE:MDP)	IA	Info Tech	175.0	
01/20/2012	Medico Insurance Group	NE	American Enterprise Mutual Holding Company	IA	Financials	-	
01/18/2012	AgJunction LLC	IA	Hemisphere GPS Inc (TSX:HEM)		Info Tech	9.0	
01/18/2012	Aviation Manufacturing Group, LLC (The Freeman Company)	SD	JLL Partners		Industrials	-	
01/17/2012	Del Monte Canada Inc.		ConAgra Foods, Inc. (NYSE:CAG)	NE	Consumer	185.6	
01/16/2012	Burlington Basket Company	IA	LaMont Limited	IA	Consumer	-	
01/12/2012	Frontier Bank	NE	Cornerstone Bank	NE	Financials	-	
01/10/2012	SolutionPro, Inc.		Involta LLC	IA	Info Tech	-	
01/09/2012	Advanced Network Technologies, Inc.	IA	Internet Solver, Inc.	IA	Info Tech	-	
01/09/2012	Bold Software, LLC	KS	LogMeIn, Inc. (NasdaqGS:LOGM)		Info Tech	15.3	
01/09/2012	2nd Story Software, Inc.	IA	Blucora, Inc. (NasdaqGS:BCOR)		Info Tech	287.5	
01/07/2012	Elliott Aviation, Inc., Omaha, Nebraska FBO and Maintenance Facility at Eppley Field, Omaha	NE	Signature Flight Support Corporation		Industrials	-	
01/06/2012	Renewable Power Markets Access, Inc., 103.5 Megawatt Vienna Wind Project	IA	MidAmerican Energy Company	IA	Utilities	-	
01/06/2012	Clipper Windpower Development Co., Inc., Eclipse Wind Project and Morning Light Wind Project	IA	MidAmerican Energy Holdings Company	IA	Utilities	-	
01/04/2012	FamilyFun		Meredith Corp. (NYSE:MDP)	IA	Consumer	12.0	
01/04/2012	Blue Flint Ethanol LLC	ND	Great River Energy		Energy	64.4	
01/03/2012	Iowa Laser Technology, Inc.	IA	O'Neal Manufacturing Services		Materials	-	
01/01/2012	GME Inc. International		Vanmark Equipment, LLC	IA	Industrials	-	
01/01/2012	Universal Engineering Corp.	IA	McLanahan Corporation		Industrials	-	

(a) Bold companies are located in the Midwest. Midwest defined as Iowa, Kansas, Missouri, Nebraska, North Dakota, Oklahoma and South Dakota. Either buyer, target, or seller must be located in the Midwest, and the Midwest participant must have purchased or sold majority control.

Source: Capital IQ (3/31/12), Bridgepoint Merchant Banking

Midwest M&A Quarterly Update

Bridgepoint Merchant Banking Contact Information

Matt Plooster
Managing Principal
 mplooster@bridgepointmb.com
 402.817.7900

Adam Claypool
Managing Principal
 aclaypool@bridgepointmb.com
 515.491.9009



Nebraska Office
 816 P Street, Suite 200
 Lincoln, NE 68508

Iowa Office
 601 E. Locust Street, Suite 104
 Des Moines, IA 50309

About Bridgepoint Merchant Banking

Bridgepoint Merchant Banking, a Division of Bridgepoint Holdings, LLC, is a lower and middle market investment banking and private equity firm that serves clients over their corporate lifecycles by providing merger and acquisition and corporate finance advisory services.

Bridgepoint Merchant Banking professionals have completed more than \$41 billion of merger and acquisition and capital raising transactions across a wide range of industries over their 20+ years of cumulative investment banking industry experience. Bridgepoint Merchant Banking also invests and manages capital directly into operating companies through its private equity and venture capital funds.

When considering a sale of your business, the acquisition of a business, and/or raising capital for a business or transaction, Bridgepoint Merchant Banking can help you to achieve your goals by structuring and executing a well-run, highly organized process. Our specialized expertise helps our clients achieve better value, identify better transaction partners, reach smarter decisions, and negotiate more favorable outcomes. Please reach out to us at the contact information above to discuss how we can help you to achieve your personal and business goals.

Selected Bridgepoint Merchant Banking Transactions

Cloud Computing Company

\$10,000,000+
 Not Disclosed

Lead Bookrunner
 Lead Placement Agent
 Sole Financial Advisor

Pending

Healthcare Company

\$20,000,000+
 Not Disclosed

Sell-Side Advisor

March 2012

Business Services Company

\$50,000,000+
 Not Disclosed

Sell-Side Advisor

August 2011

Monroe Capital

\$4,000,000
 Bridgepoint Monroe Capital
 Investors, LLLP

Lead Bookrunner
 Sole Financial Advisor

February 2011

This update is for informational use only. Information contained in this update is based on data obtained from sources believed to be reliable. Nothing in this publication is intended as investment advice. Use of any of the included proprietary information for any purpose without the written permission of Bridgepoint Merchant Banking is prohibited. The list contained herein represents selected transactions completed by Bridgepoint Managing Principals while associated with Bridgepoint Merchant Banking, as well as securities transactions on which they advised in their capacity as investment bankers registered with various broker-dealers.

