

Midwest M&A Quarterly Update

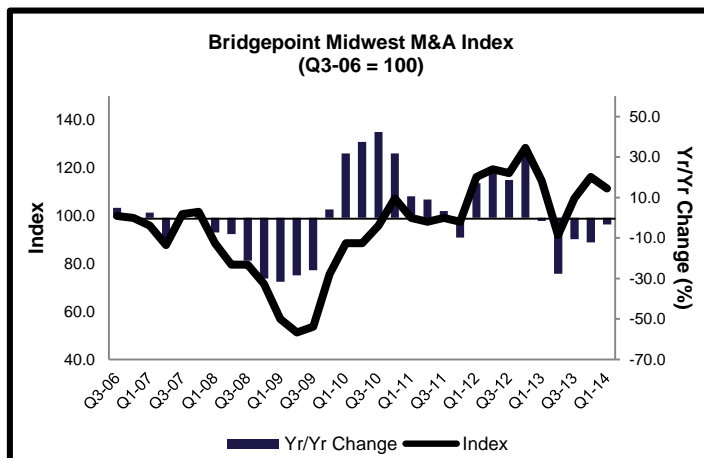
First Quarter 2014

Midwest M&A Quarterly Update

Bridgepoint Midwest M&A Index

Midwest M&A Environment Holds Pace in Q1-14

- Index Summary:** The Bridgepoint Midwest M&A Index, a measure of corporate merger and acquisition activity in the U.S. Midwest region, decreased by 4.9% in Q1-14 after having increased 8.9% in Q4-13. On a year-over-year basis, the index decreased 3.3% from Q1-13. Despite the quarter-to-quarter decrease, the index remained well above the baseline at 111.4 (Q3-06=100)
- Perspective:** The index declined Qr/Qr, Q1-14 deal making activity remained robust and shows signs that momentum is building. The broader U.S. deal environment also saw a slowdown for the quarter, with Pitchbook.com reporting a 7.0% decrease in private equity deals across the country in Q1-14 compared to the previous quarter. M&A professionals expect overall transactions to increase over the remainder of the year. Median valuations remain strong locally, supported by aggressive capital markets support
- Key Drivers:** Buyers and sellers picked up the pace of closings in the latter half of 2013 which have continued into 2014. The appetite for acquisitions remains strong amid record cash stockpiles at companies and financial buyers. Fueled by high demand, low supply of quality deals and easy access to debt with historically aggressive terms, valuations have remained at robust levels.
- Outlook:** As confidence returns to corporate boardrooms, buyers and sellers will continue to pursue meaningful opportunities with a focus on protecting, supplementing and enhancing top-line growth. Bridgepoint expects very strong deal-making activity in the region and a robust financing environment to continue through 2014



- What the Index Means for You:** Deal volumes continued to be robust in the latest quarter while M&A valuations remained at strong levels (on a TEV/EBITDA basis). The current environment represents an attractive opportunity for Midwest companies, management teams and business owners to:
 - ✓ *Take advantage of the strong capital markets environment to finance growth, acquisition, liquidity or refinance* – substantial private equity, institutional financing and junior capital interest in the Midwest provide additional optionality for companies, management teams and business owners, including recapitalizations
 - ✓ *Evaluate strategic options and your company value* – Midwest companies continue to garner premium valuations and strong M&A interest from both strategics and sponsors
 - ✓ *Explore nontraditional deal-making opportunities* – with a high level of dry powder, growth / expansion transactions can supplement traditional buy-outs

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

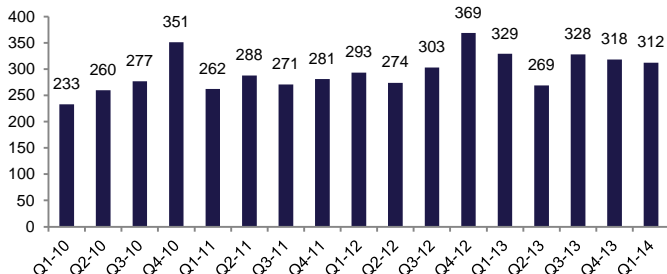
Buyer, target and/or seller must be located in the Midwest, and the Midwest participant must have purchased or sold majority control. Total Enterprise Value must be \$10mm or greater. Midwest defined as Iowa, Kansas, Missouri, Nebraska, North Dakota, Oklahoma, and South Dakota.

Source: Bridgepoint Merchant Banking, Capital IQ (3/31/14), www.Pitchbook.com

Midwest M&A Quarterly Update

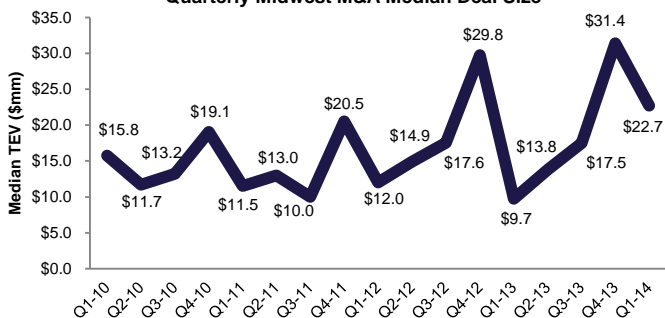
Selected Midwest Q1-14 M&A Transaction Statistics^(a)

Quarterly Midwest M&A Transaction Volume



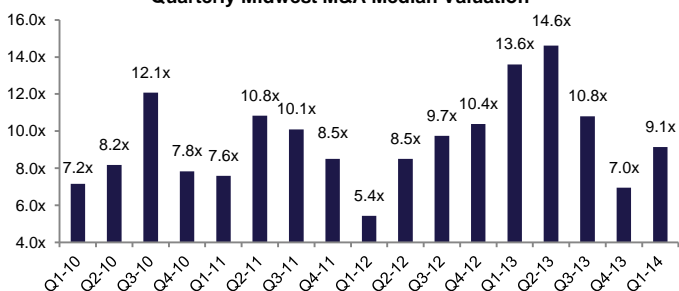
- Quarterly Midwest M&A volume remained relatively unchanged decreasing by 1.9% from 318 transactions in Q4-13 to 312 transactions in Q1-14. On a year-over-year basis, quarterly Midwest M&A volume decreased 5.2% from Q1-13
- From a long-term perspective, Midwest deal flow continues to reflect a stable trend; 2013 total volume represented the highest level of yearly activity since index inception in 2006

Quarterly Midwest M&A Median Deal Size



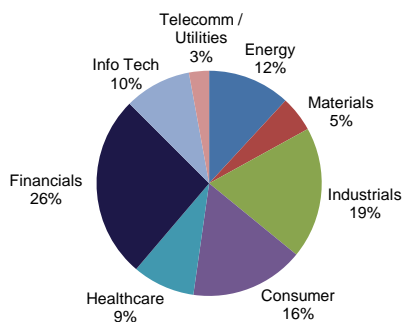
- Of the Midwest M&A transactions with available transaction values, quarterly median deal size decreased from \$31.4mm in Q4-13 to \$22.7mm in Q1-14
- After recording one of the lowest median deal sizes in Q1-13, Q1-14 recorded the third highest median deal size since 2009. Midwest median deal size continues to increase to an above average level over the past 4 years. Corporates and sponsors are refocusing their attention on larger targets with strong capital markets support

Quarterly Midwest M&A Median Valuation



- On a TEV/EBITDA basis, median Midwest M&A valuations increased from 7.0x in Q4-13 to 9.1x in Q1-14. On a TEV/sales basis, median Midwest M&A valuations decreased from 1.5x to 1.4x
- Multiples remain at historically strong levels, indicating that corporates and private equity firms, supported by record cash stockpiles and easy access to debt, are still very hungry to put substantial firepower to work

Q1-14 Midwest M&A Transaction Volume by Sector



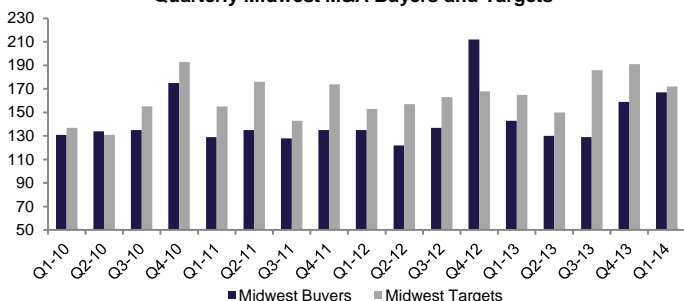
- Core industries (including Industrials, Materials and Consumer) accounted for 40% of total Midwest M&A transaction volume in Q1-14, a slight 3% decrease from Q4-13
- The Information Technology sector had the biggest increase in Q1-14; up 5% from Q4-13. The Consumer sector deal share saw the biggest decrease in Q1-14, down 5% from Q4-13



Midwest M&A Quarterly Update

Selected Midwest Q1-14 M&A Transaction Statistics (Continued)^(a)

Quarterly Midwest M&A Buyers and Targets



- Quarterly M&A transactions with Midwest buyers increased to 167 in Q1-14 from 159 in Q4-13. Transactions with Midwest targets decreased to 172 from 191
- Although lower, transactions with Midwest targets remained in line with previous quarters and reiterates the strong buyer appetite for Midwest companies

Selected Midwest Q1-14 M&A Transactions ^(a)

Announced	Target	Target Location	Buyer	Buyer Location	Target Sector	TEV (\$mm)
03/31/2014	Performance Chemicals & Ingredients LLC	MO	Balchem Corp. (NasdaqGS:BCPC)	NY	Consumer	\$ 567.0
03/20/2014	Wolf Trax Inc.	Canada	Compass Minerals International Inc. (NYSE:CMP)	KS	Materials	84.5
03/18/2014	Anchor Drilling Fluids USA, Inc.	OK	Calumet Lubricants Co., Limited Partnership	IN	Energy	234.0
03/17/2014	Jason Incorporated	WI	Quinpario Acquisition Corp. (NasdaqCM:QPAC)	MO	Industrials	538.7
03/17/2014	Aclara Technologies LLC	MO	Sun Capital Partners	FL	Info Tech	129.8
03/14/2014	Franco Sarto Inc.	MO	Brown Shoe Co. Inc. (NYSE:BWS)	MO	Consumer	65.0
03/13/2014	GemGroup Inc.	MO	Gaming Partners International Corporation (NasdaqGM:GPIC)	NV	Industrials	22.5
03/12/2014	WPLG-TV 10	FL	Berkshire Hathaway Inc. (NYSE:BRK.A)	NE	Telecomm / Utilities	-
03/10/2014	HIFX Plc	United Kingdom	Euronet Worldwide Inc. (NasdaqGS:EEFT)	KS	Financials	241.2
03/05/2014	Gum Technology Corporation	AZ	Penford Products Co.	IA	Materials	10.2
03/03/2014	Nave Communications Company	MD	ADDvantage Technologies Group Inc. (NasdaqGM:AEY)	OK	Info Tech	13.1
02/26/2014	Williams Energy Canada ULC	Canada	Williams Olefins, L.L.C.	OK	Energy	1,200.0
02/25/2014	Peoples Service Company	-	Southern Missouri Bancorp, Inc. (NasdaqGM:SMBC)	MO	Financials	27.3
02/21/2014	Long Haul Holding Corp.	CA	Wells Fargo Bank, National Association	SD	Financials	151.5
02/20/2014	CEGeneration	NE	MidAmerican Renewables, LLC	IA	Telecomm / Utilities	193.5
02/12/2014	Victor Technologies Group Inc	MO	Colfax Corporation (NYSE:CFX)	MD	Industrials	947.3
02/11/2014	Forwardthink Group, Inc.	NY	Perficient Inc. (NasdaqGS:PRFT)	MO	Industrials	46.0
02/10/2014	Nichols Aluminum, LLC	IA	Aleris Corporation	OH	Materials	110.0
02/07/2014	Fox & Hound Restaurant Group	KS	Cerberus Capital Management, L.P	NY	Consumer	129.8
02/03/2014	Adams Global Communications, LLC	KS	Adams Cable Equipment Inc.	KS	Info Tech	2.0
02/03/2014	Musashi Pty Ltd. and PowerBar, Inc.	CA	Post Holdings, Inc. (NYSE:POST)	MO	Consumer	150.0
01/30/2014	FTW Holdings, Inc.	IN	Continental Commercial Products, LLC	MO	Materials	11.5
01/22/2014	REG Life Sciences, LLC	CA	Renewable Energy Group, Inc. (NasdaqGS:REGI)	IA	Energy	61.9
01/17/2014	CherryBerry Enterprises, LLC	OK	U-Swirl, Inc. (OTCPK:SWRL)	NV	Consumer	7.1
01/13/2014	Rosewood Care Center Holding Company Inc.	MO	The Cahill Group	IL	Healthcare	250.0
01/06/2014	Okapi Sciences NV	Belgium	Aratana Therapeutics, Inc. (NasdaqGM:PETX)	KS	Healthcare	45.3
01/06/2014	Parature, Inc.	-	Microsoft Dynamics Inc	ND	Info Tech	100.0
01/02/2014	Dakota, Minnesota & Eastern Railroad Corporation, West End Operations	SD	Genesee & Wyoming Inc. (NYSE:GWR)	CT	Industrials	210.0

(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: Bridgepoint Merchant Banking, Capital IQ (3/31/14)

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
 515.325.7615

Joe Liss
 Transaction Principal
 jliss@bridgepointmb.com
 515.325.7616

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 throughout the corporate lifecycle by providing merger and acquisition and corporate finance advisory services.

With more than 35+ years of cumulative experience, Bridgepoint Merchant Banking professionals have completed over \$104 billion of merger and acquisition and capital raising transactions across a wide range of industries. Bridgepoint also manages capital and invests 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, the Principals of Bridgepoint Merchant Banking, through our broker dealer relationship, can help you to achieve your personal and business goals. 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.

Selected Bridgepoint Merchant Banking Transactions

<p>USD1.9 million convertible Debt and Preferred Equity Placement</p> <p>Sole Financial Advisor</p>	<p>NOT DISCLOSED Buy-side advisory on its potential acquisition of publicly traded technology services company and related acquisition financing</p> <p>Sole Financial Advisor</p>	<p>NOT DISCLOSED Sell-side Advisor and Buy-side acquisition financing</p> <p>Sole Financial Advisor</p>	<p>USD1.0 million Follow-on equity offering</p> <p>Senior Co-Manager</p>	<p>USD300 million Joint Bookrunner and Joint Arranger for new revolving credit facility and senior note offering</p> <p>Bookrunner</p>	<p>USD266 million Exit financing facilities</p> <p>Bookrunner</p>	<p>USD3.0 billion Joint Bookrunner on senior notes offering</p> <p>Joint Bookrunner</p>	<p>USD300 million Secondary equity offering</p> <p>Joint Lead Bookrunner</p>	<p>USD100 million Bridgepoint/Monroe Capital Investors, LLLP</p> <p>Lead Bookrunner & Sole Financial Advisor</p>
<p>SD1.9 billion prior secured credit facilities</p> <p>Joint Bookrunner</p>	<p>USD1.17 billion Buy-side Advisor to private equity consortium on ES acquisition Cooper Standard Automotive</p> <p>Sole Financial Advisor</p>	<p>Not Disclosed Buy-side advisory and acquisition financing for management buyout</p> <p>Sole Financial Advisor</p>	<p>USD5.1 million Secured Promissory offering</p> <p>Lead Bookrunner</p>	<p>Not Disclosed M&A advisory</p> <p>Sole Financial Advisor</p>	<p>USD10 million+ Preferred stock offering</p> <p>Joint Bookrunner</p>	<p>USD20 billion Joint Lead Arranger for the financing supporting Koch's acquisition of Georgia-Pacific</p> <p>Joint Lead Arranger</p>	<p>USD200 million Convertible notes offering</p> <p>Joint Bookrunner</p>	
<p>SAHI TEC Buy-side Advisor to Asahi Tec (business automotive supplier) in its acquisition of N.A. automotive supplier</p> <p>Financial Advisor</p>	<p>ScanMed Not Disclosed M&A advisory</p> <p>Sole Financial Advisor</p>	<p>LKO USD765 million Senior secured credit facilities (financing for LKO's acquisition of top competitor)</p> <p>Joint Bookrunner</p>	<p>bridgepoint USD10.2 million Bridgepoint Investing Partners L.L.P. offering</p> <p>Lead Bookrunner & Sole Financial Advisor</p>	<p>Not Disclosed M&A advisory</p> <p>Sole Financial Advisor</p>	<p>T-STONE USD10 million Senior secured credit facilities</p> <p>Joint Bookrunner</p>	<p>METLCAST Not Disclosed Buy-side advisory and financing on acquisition of metal foundry</p> <p>Sole Financial Advisor & Sole Financing Arranger</p>	<p>Powderhook Not Disclosed Unsecured Promissory Note</p> <p>Financial Advisor</p>	<p>FleetPride USD375 million Senior secured credit facilities/senior notes</p> <p>Joint Bookrunner</p>
<p>WCC</p>	<p>YORK LABEL</p>	<p>Hertz</p>	<p>Manitowoc</p>	<p>WVCO DIRECT</p>	<p>SOHO DEVELOPMENT</p>	<p>ACCURIDE</p>	<p>Wynn Resorts</p>	<p>NAVTEQ</p>

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 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.

