

Midwest M&A Quarterly Update

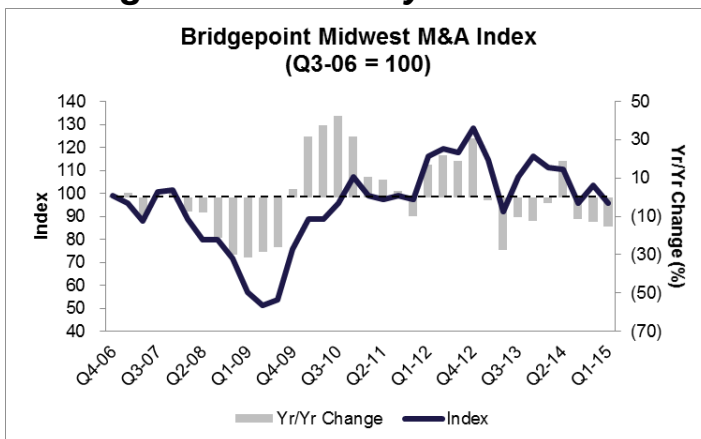
First Quarter 2015

Midwest M&A Quarterly Update

Bridgepoint Midwest M&A Index

Midwest M&A: Good start following a robust 2014 year

- Index Summary:** The Bridgepoint Midwest M&A Index, a measure of corporate merger and acquisition activity in the U.S. Midwest region, decreased slightly in Q1-15 to 95.9, back to where it was in Q3-14. Year-over-Year Q1-15, the index is down 15.4% compared to YoY Q4-14. Quarter-over-Quarter, the index decreased 7.3% relative Q4-14
- Perspective:** In the latest quarter, the index went down 7.2 points to 95.9, where it was in Q3-14. Nationally, coming off a record year in 2014, corporations and PE's continue to invest heavily in the early innings of 2015 with more than \$382.2 billion invested across 1,780 deals. Valuations remain at all-time highs in many sectors and elevated across the market, driven by abundant cheap debt for acquirors and record cash stockpiles
- Key Drivers:** Continuing strength in the economy, low interest rates, rising competition among buyers, and increased pressure on corporations to generate growth are some of the key drivers of increased M&A activity according to the Wall Street Journal. The trends for 2014 and Q1-15 show that PE firms display more interest for the higher middle markets, preferring to invest in less but bigger transactions. If and when the debt becomes more expensive, we may see some changes in the middle market figures.
- Outlook:** The latest Midwest M&A data available suggests sustained momentum through 2015 – premium valuations push the sellers to sell while extremely low rates on debt encourage the buyers to heavily invest. We expect the deal volume to go up and a robust pipeline of M&A engagements and opportunities to happen throughout the year. In the corporate sector we predict companies remain motivated and active acquirers, with ample reserves of cash, cheap and advantageous debt markets



- What the Index Means for You:** Deal volumes decreased slightly from the highs experienced in the latest quarter; however, M&A valuations and deal sizes remain strong relative to historical levels. The current environment represents an attractive opportunity for Midwest companies, management teams and business owners to:
 - ✓ *Review Capital Structure and Financing Options* – Take advantage of the strong capital markets environment to refinance or to finance growth, acquisition or liquidity. Given the strong current market conditions, companies should evaluate their capital structure and options available to ensure they are well positioned relative to their strategic and financial priorities
 - ✓ *Evaluate the strategic options impacting your company's value* – Midwest companies continue to garner premium valuations and strong M&A interest from both strategics and sponsors; cyclical sector valuations are at or near all-time highs, potentially representing an opportunity that may not be matched for years
 - ✓ *Explore nontraditional deal-making opportunities* – Growth / expansion and recapitalization transactions can supplement traditional buy-out options given current market conditions

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

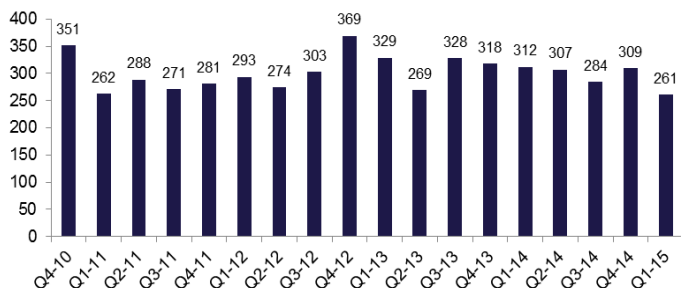
Buyer, target and/or seller must be located in the Midwest, and the Midwest participant must have purchased or sold majority control. Total Enterprise Value must be \$10mm or greater. Midwest defined as Iowa, Kansas, Missouri, Nebraska, North Dakota, Oklahoma, and South Dakota.

Source: Bridgepoint Merchant Banking, Capital IQ (3/31/2015), www.axial.net, www.bloomberg.com, www.deloitte.com, www.Pitchbook.com

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Selected Midwest Q1-15 M&A Transaction Statistics^(a)

Quarterly Midwest M&A Transaction Volume



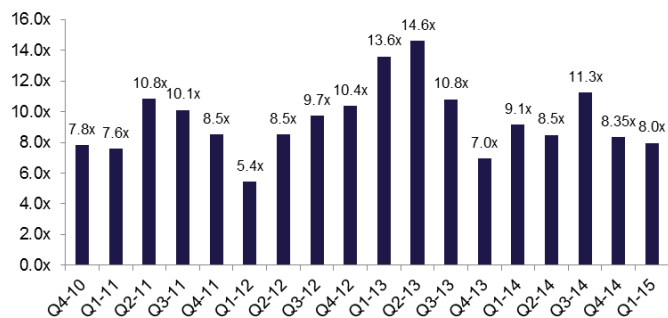
- Quarterly Midwest M&A volume declined by 15.5% from 309 transactions in Q4-14 to 261 transactions in Q1-15. On a year-over-year basis, quarterly Midwest M&A volume decreased by 16.3% from Q1-15
- From a long-term perspective, Midwest deal flow continues to reflect an upward trajectory; 2014 aggregate transaction volume is consistent with previous historically high levels

Quarterly Midwest M&A Median Deal Size



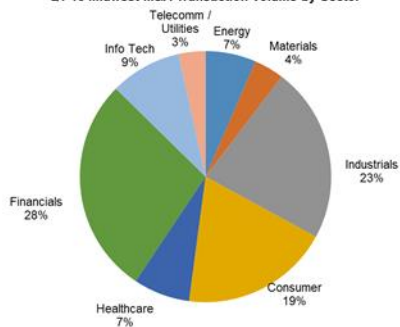
- Of the Midwest M&A transactions with transaction values, quarterly median deal size decreased from \$20.55mm in Q4-14 to \$16.5mm in Q1-15
- Midwest owners have increasingly explored M&A monetization due to valuation trends in the lower middle market; however, buyers are waiting patiently for high quality deals
- As the supply of high quality firms is reduced, corporates and sponsors have shown a willingness to pay a premium to close deals

Quarterly Midwest M&A Median Valuation



- On a TEV/EBITDA basis, median Midwest M&A valuations dropped from 8.4x in Q4-14 to 8.0x in Q1-15. On a TEV/sales basis, median Midwest M&A valuations went down slightly to 1.2x
- Lower middle market multiples in the Midwest remain elevated relative to broader market historical average figures of approximately 5.5x – 7.5x EBITDA

Q1-15 Midwest M&A Transaction Volume by Sector



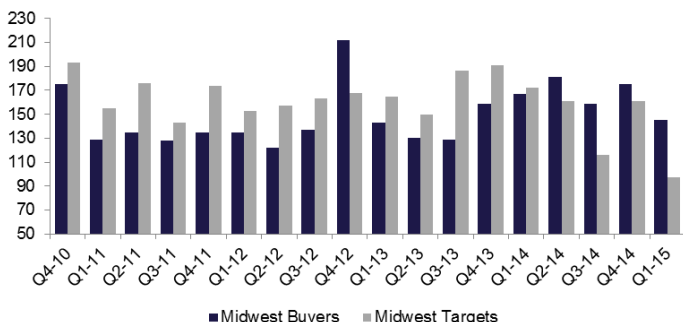
- Top targeted industries (Financial Services, Industrials, and Consumer Products & Services) accounted for 70% of total Midwest M&A transaction volume in Q1-15
- Transaction volume share by sector in Q1-15 is largely unchanged relative to Q4-14. The Industrial sector saw the biggest increase in Q1-15, up 4% from Q4-14



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Selected Midwest Q1-15 M&A Transaction Statistics (Continued)^(a)

Quarterly Midwest M&A Buyers and Targets



- Quarterly M&A transactions with Midwest buyers decreased to 145 in Q1-15 from 175 in Q4-14. Transactions with Midwest targets decreased 39.7% to 97 at Q1-15 from 161 at Q4-14
- The demand for Midwest targets is undoubtedly strong with the decrease in the number of transactions being caused by the low supply of quality deals

Selected Midwest Q1-15 M&A Transactions^(a)

Announced	Target	Target Location	Buyer	Buyer Location	Target Sector	TEV (\$mm)
03/31/2015	Bright House Networks, LLC	NY	CCH I, LLC	MO	Telecommunication Services	\$10,439.0
03/31/2015	Clinton County Bio Energy, LLC	IA	Tenaska Inc.	NE	Energy	-
03/27/2015	The Dow Chemical Company, Chlor-Alkali and Downstream Derivatives Businesses	MI	Olin Corp. (NYSE:OLN)	MO	Materials	5,105.0
03/18/2015	Buck's Engines LP	OK	Power Solutions International, Inc. (NasdaqCM:PSIX)	IL	Consumer Discretionary	9.7
03/16/2015	Novariant, Inc.	CA	AgJunction Inc. (TSX:AJX)	KS	Information Technology	21.4
03/10/2015	Streamline Inc.	MN	Medovex Corp. (NasdaqCM:MDVX)	GA	Healthcare	9.58
03/09/2015	Chapman Metering, LLC	IA	Kriz-Davis Co.	NE	Industrials	-
03/05/2015	Ikaria, Inc.	NJ	Mallinckrodt Enterprises LLC	MO	Healthcare	2,300.0
02/24/2015	Midwest Medical Transport Company, LLC	NE	Panorama Point Partners Limited	NE	Industrials	-
02/23/2015	Sterne Agee Group, Inc.	AL	Stifel Financial Corp. (NYSE:SF)	MO	Financials	150.2
02/20/2015	Detlev Louis Motorradvertriebs GmbH	Germany	Berkshire Hathaway Inc. (NYSE:BRK.A)	NE	Consumer Discretionary	454.3
02/12/2015	Aetna Life Insurance Company, Inc., Olympic Place	CT	Altus Properties, LLC	MO	Financials	7.75
02/09/2015	Magnum NGLS, LLC	UT	NGL Energy Partners LP (NYSE:NGL)	O	Energy	280.0
02/04/2015	Ram International, Inc.	MO	Flat World Supply Chain, LLC	MO	Industrials	2.0
02/04/2015	Case Funding Inc.	NY	Javlin Capital LLC	NE	Financials	4.4
02/04/2015	Farmers Bancshares, Inc.	NE	Premier Bancshares, Inc.	NE	Financials	-
02/03/2015	Sterling Frisco	AR	Principal Real Estate Investors, LLC; GMH Capital Partners, Inc.	IA	Financials	49.0
02/02/2015	Coronado Midstream Holdings LLC	CO	EnLink Midstream Partners, LP (NYSE:ENLK)	TX	Energy	600.0
01/31/2015	Dahl's Foods Inc.	IA	Hy-Vee, Inc.	IA	Consumer Staples	0.5
01/28/2015	KCG Hotspot FX LLC	NJ	BATS Global Markets, Inc.	KS	Information Technology	435.0
01/28/2015	Weider Publications, LLC	CA	Meredith Corporation (NYSE:MDP)	IA	Consumer Discretionary	120.0
01/26/2015	Regency Energy Partners LP (NYSE:RGP)	TX	Energy Transfer Partners, L.P. (NYSE:ETP)	TX	Energy	18,823.29
01/26/2015	MOM Brands Company	MN	Post Holdings, Inc. (NYSE:POST)	MO	Consumer Staples	1,151.7
01/08/2015	Agrisoft Development Group, LLC	MO	Surna Inc. (OTCPK:SRNA)	CO	Information Technology	4.0
01/07/2015	West Asset Management, Inc.	GA	Alorica Inc.	CA	Industrials	128.5

(a) 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

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MERCHANT
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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

USD1.9 million Investible Debt and Preferred Equity Placement Sole Financial Advisor	NOT DISCLOSED Buy-side Advisory on its potential acquisition of publicly traded technology services company and related acquisition financing Sole Financial Advisor	NOT DISCLOSED Sell-side Advisor and Buy-side acquisition financing Sole Financial Advisor	USD1.0 million Follow-on equity offering Senior Co-Manager	USD300 million Joint Bookrunner and Joint Arranger for new revolving credit facility and senior note offering	USD200 million Exit financing facilities Bookrunner	USD3.0 billion Joint Bookrunner on senior notes offering Joint Bookrunner	USD300 million Secondary equity offering Joint Lead Bookrunner	USD200 million BridgepointMonroe Capital Investors, LLLP Lead Bookrunner & Sole Financial Advisor
GOOD YEAR SD1.9 billion Senior secured credit facilities Joint Bookrunner	THE EXPRESS GROUP USD1.17 billion Buy-side Advisory to private equity consortium on its acquisition Coogen Standard Automotive Sole Financial Advisor	INTEGRITY'S Not Disclosed Buy-side advisory and acquisition financing for management buyout Sole Financial Advisor	VALUE PLACE USD5.1 million Secured Promissory offering Lead Bookrunner	Not Disclosed M&A Advisory Sole Financial Advisor	US\$10 million+ Preferred stock offering Joint Bookrunner	US\$20 billion Joint Lead Arranger for the financing supporting Koch's acquisition of Georgia Pacific Joint Lead Arranger	KOCH INDUSTRIES INC USD200 million Convertible notes offering Joint Bookrunner	Constar redbox USD200 million Convertible notes offering Joint Bookrunner
SARI TEC SD1.2 billion Buy-side Advisor to Sachi Tec (Chinese automotive supplier) in its acquisition of N.A. automotive supplier Sole Financial Advisor	Consumer Products Company Not Disclosed M&A Advisory Sole Financial Advisor November 2014	LKQ USD765 million Senior secured credit facilities (financing for LKQ's acquisition of top competitor) Joint Bookrunner	BirdDog Not Disclosed Equity Capital Raise Sole Bookrunner June 2014	Not Disclosed M&A Advisory Sole Financial Advisor	T-STONE 100 million Senior secured credit facilities Joint Bookrunner	METLCAST PRODUCTS, INC. Not Disclosed Buy-side advisory and financing on acquisition of metal foundry Sole Financial Advisor & Sole Financing Arranger	Powderhook Not Disclosed Unsecured Promissory Note Financial Advisory	ScanMed Not Disclosed M&A advisory Sole Financial Advisor
WCC	YORK LABEL	Hertz	Manitowoc	IWCODIRECT	SOHO DEVELOPMENT	ACCURIDE	KamDham	NAVTEQ

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