

**Core Capital Group**  
*is celebrating our 18th year in investment banking services for middle market technology companies.*

*Whatever the stage of your company's lifecycle, we have the expertise and resources to deliver superior results for you.*

[www.corecapital.net](http://www.corecapital.net)

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Core Capital Group is a partner firm in the International Network of M&A Partners (IMAP). With 55 partner offices located in 40 countries, IMAP partners closed 252 transactions in 2008 with a combined value of \$13 billion.



## Getting Deals Done!

Take a look at some of the transactions we and our IMAP Partners have completed so far this year:

- ◆ 313% growth in total value of completed transactions since 2000;
- ◆ 280% increase in average transaction size over the last 3 years;
- ◆ 252 completed transactions by IMAP in 2008 of which 75 were cross border deals.



## Who says transactions can't get done in this economy?


IMAP is closing deals in 2009. Here's a sample:

Buyer/Investor	Seller/Divestor	IMAP's Role
Inveni Life Sciences Fund I Ky (Finland)	MIACOM Diagnostics GmbH (Germany)	Advised the Seller
Cheques Dejeuner (France)	SOLWAY (France)	Advised the Seller
Frutarom (Israel)	Flavor Specialties (U.S.)	Advised the Seller
Companhia Brasileira de Bebidas (CBB) (Brazil)	Maguary (Kraft Foods subsidiary) (Brazil)	Advised the Buyer
Vexve Group Oy (Finland)	Amixo Oy (Finland)	Advised the Seller
K-Develop Oy (Finland)	Teräskonttori Oy (Finland)	Advised the Seller
Gemserv Limited (U.K.)	Red Island Consulting (U.K.)	Advised the Buyer
MBO Team (U.K.)	Projen plc (U.K.)	Advised the Seller
Intertek Group plc (LSE: ITRK) (U.K.)	APTECH Engineering Services, Inc. (U.S.)	Advised the Seller
Frutarom Industries Ltd. (Israel)	Oxford Chemicals Ltd. (U.K.)	Advised the Seller
EMKA Biotech (France)	EMKA Technologies (France)	Advised the Seller
ChinaGrowth South Acquisition Corp. (China)	Olympia Media Holdings Ltd. (China)	Advised the Buyer
ChinaGrowth North Acquisition Corp. (China)	UIB Group Ltd. (China)	Advised the Buyer
Fibernet Zrt (Hungary)	Dunaweb Kft (Hungary)	Advised the Seller

**WHAT THESE TRANSACTION CLOSINGS TELL US**

- ▶ Some banks are still delivering funding for conservatively geared "conventional" MBOs.
- ▶ Strategic buyers are actually acquiring smaller companies that fit their growth strategy, in particular regarding cross-border transactions.
- ▶ Good quality, growing niche businesses can still be sold at attractive valuations.

Can M&A transactions get closed today?  
These IMAP-advised deals show they can.

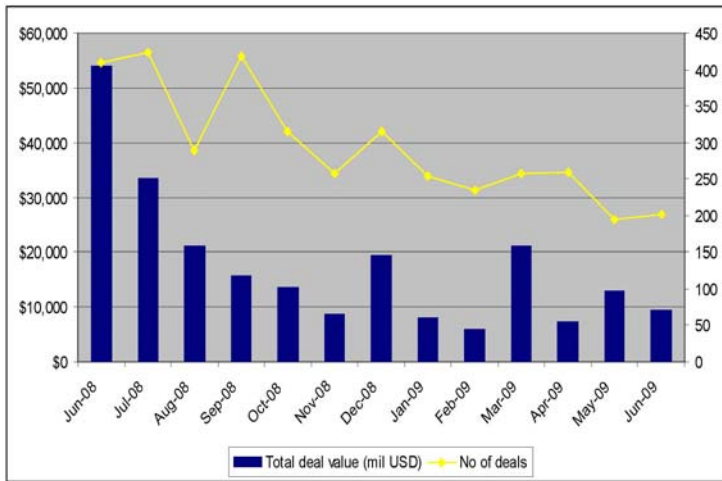


AS AN IMAP PARTNER, WE ARE PART OF A GLOBAL TEAM OF M&A ADVISORS THAT GETS THE DEAL DONE

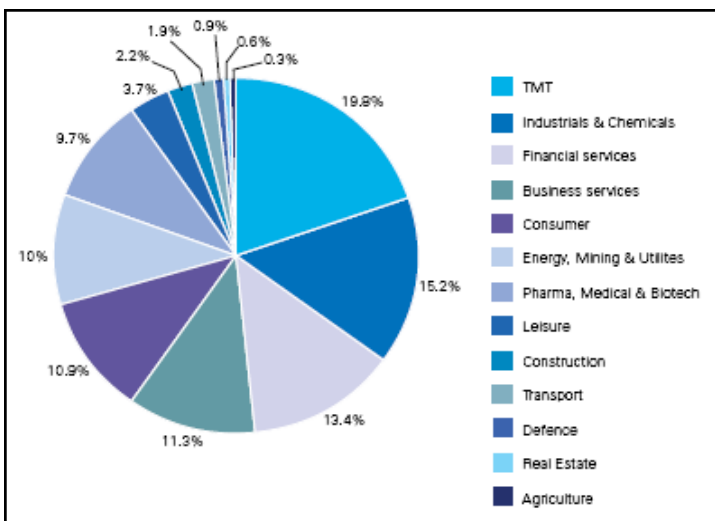
IMAP provides strategic merger, acquisition, divestiture and related corporate finance services. With more than 70 offices in over 35 countries, we offer local expertise with unparalleled global connections. In 2008, IMAP advisors worked together to close more than 250 M&A transactions with an aggregate transaction value of \$13 billion.

IMAP is an organization of independent member firms and is not liable for the actions of its members. Members are individually governed by the rules and regulations of their jurisdictions and legal forms of organization.

## M&A Statistics/Trends YTD June '09



### North American M&A Sector Breakdown by Volume



Source: mergermarket.com Global M&A Round-up for H1 2009

## Proposed Changes in Tax Code May Impact Seller Proceeds

**Capital Gains Taxes Will Increase.** The current administration proposes increasing capital gains rates from a historic low of 15% up to 20% on long-term capital gains and qualified dividends. This rate would apply to married taxpayers filing jointly with income over \$250,000 and for single taxpayers with income over \$200,000.

**Ordinary Income Tax Rates Will Increase.** Beginning after 2010, the current administration proposes increasing the ordinary income tax rate in the top income bracket from 35.0% to 39.6%. The highest tax bracket will start at taxable income of approximately \$373,000.

**Itemized Deductions Will Be Limited.** Beginning after 2010, the current administration proposed to limit the value of all itemized deductions to 28% if they would otherwise reduce taxable income in the two highest tax brackets. A similar limitation also would apply under the AMT.

**Estate Taxes Will Be Retained.** The current administration proposes to continue most of the tax reductions (with the exclusion of the changes noted above for higher income individuals) enacted under the Bush Administration.

## Recent Transactions

Through August of 2009, the number of merger and acquisition announcements targeting US information and communication companies totaled 993, compared to 1,069 for the same period in 2008. In August, the Software sector accounted for 44% of all announced transactions followed by Hardware & Systems (29%), IT Services (21%) and Telecom Services (6%). During the month of August, there were 5 transactions over US\$100 million, with an aggregate value of US\$1,093 million.

The largest transaction in August was VMware's acquisition of SpringSource, Inc. for US\$420 million. The second largest transaction was the US\$216 million agreement by NYSE Technologies Limited to acquire NYFIX, Inc. US buyers accounted for 87% of the announced transactions. Countries with two or more announced transactions include Canada (5), the United Kingdom (2) and Switzerland (2).

**EMC Corporation acquired FastScale Technology, Inc.** EMC Corporation acquired FastScale Technology, Inc., a company which provides software virtualization and provisioning solutions for enterprise-class Web farms and data centers, from ATA Ventures, Leapfrog Ventures, and Hunt Ventures, L.P.

**Actimize, Inc. acquired Fortent, Inc.** Actimize, Inc. acquired Fortent, Inc., a company which provides risk and compliance solutions to financial institutions, government agencies, and compliance professionals in the US and internationally.

**World Wide Technology, Inc. acquired Server Centric Consulting.** World Wide Technology, Inc. acquired Server Centric Consulting, a company which provides information technology solutions.

**Cray Inc. acquired the PathScale Compiler Suite assets of SiCortex Inc.** Cray Inc., a manufacturer and wholesaler of computer systems and supercomputers acquired the PathScale Compiler Suite assets of SiCortex Inc., a Maynard-based manufacturer and wholesaler of computer systems and peripherals.

**Fluke Networks Inc. acquired AirMagnet Inc.** Fluke Networks Inc., a developer of network management software, acquired AirMagnet Inc., a Sunnyvale-based developer of wireless security software.

**ORBIT Systems Inc. acquired Voyageur IT.** ORBIT Systems Inc., a provider of information technology services and Voice over Internet Protocol (VoIP) services, acquired Voyageur IT, a Saint Paul-based provider of online branding, web design and search engine optimization services.

**TIBCO Software Inc. acquired DataSynapse Inc.** TIBCO Software Inc., a developer of enterprise software, focusing on products that enable businesses to link internal operations, business partners, and customer channels, acquired DataSynapse Inc., a New York-based developer of Internet-based application virtualization software.

**Camber Corp, acquired i2S Inc., a Columbia-based provider of information technology services.** Camber Corp, a provider of information technology, education, training, acquisition management, and engineering services to federal government agencies, acquired i2S Inc., a Columbia-based provider of information technology services.