



Summer 2008 Edition

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Recently Closed Southeast U.S. Merger & Acquisition Transactions (Includes Transactions in the Carolinas, Georgia, Florida and Tennessee)

Closed	Seller	Target City	Buyer	Buyer City	Target Business Description	EV in \$mm	EV / EBITDA	EV / Revenue
1-Apr-08	Technical Concepts Holdings LLC	Mundelein	Newell Rubbermaid, Inc.	Atlanta	Designs, manufactures and distributes touch-free automated systems used in washrooms	\$445.00		4.05x
1-Apr-08	Timberstar Southwest LLC	Atlanta	Manulife Financial Corp.	Toronto	Manages a geographically diverse portfolio of timber properties	\$1,710.00		
1-Apr-08	Fidelity National Information Services, Inc.	Jacksonville	Global Cash Access Holdings, Inc.	Las Vegas	Provides fund transfer services to casino customers	\$17.03	4.23x	.67x
1-Apr-08	Great Pee Dee Bancorp, Inc.	Charaw	First Bancorp (North Carolina)	Troy	State commercial bank with 3 branches in northeastern South Carolina	\$74.22	6.77x	4.74x
2-Apr-08	Southwest Arizona Heart & Vascular Center LLC	Phoenix	MedCath Corp.	Charlotte	Provides cardiac catheter lab services	\$31.02		
2-Apr-08	Century Steel, Inc.	Las Vegas	Gerdau AmenSteel Corp.	Tampa	Manufactures over 200,000 tons of flat-rolled steel each year	\$151.50		
3-Apr-08	INBONE Technologies, Inc.	Berkeley	Wright Medical Group, Inc.	Arlington	Manufactures joint replacement products for the ankle	\$27.70		
3-Apr-08	Centex Corp.	Dallas	Rollins, Inc.	Atlanta	Constructs and sells detached and attached single-family homes	\$345.01		2.57x
7-Apr-08	France Medica SAS	Illkirch Graffenstaden, France	ExacTech, Inc.	Gainesville	Distributes orthopedic products and surgical supplies	\$11.00		
8-Apr-08	Hosted Solutions LLC	Raleigh	ABRY Partners LLC	Boston	Provides web hosting services through 5 data centers in North Carolina and Boston	\$140.00		5.83x
9-Apr-08	Cardinal State Bank	Durham	Yadkin Valley Financial Corp.	Elkin	State commercial bank that operates 30 branches in North Carolina	\$24.93	3.39x	1.28x
9-Apr-08	Electroconductor SAC	Central Andean, Peru	Nevrah Capital Management Corp.	Palm Beach Gardens	Distributes electricity, with a large contract to power several mineral exploration firms	\$22.52		
10-Apr-08	The Somers-Pardue Agency, Inc.	Burlington	First Financial Holdings, Inc. (South Carolina)	Charleston	Personal and commercial insurance firm with 45 employees	\$18.80		
11-Apr-08	Bank of America Corp.	Charlotte	Invista Real Estate Investment Management Holdings	London	Owns and operates freehold properties	\$102.52		
18-Apr-08	LongLeaf Community Bank	Rockingham	Four Oaks FinCorp, Inc.	Four Oaks	State commercial bank with 2 branches in southern North Carolina	\$13.77		3.31x
21-Apr-08	Optio Software, Inc.	Alpharetta	Bottomline Technologies, Inc.	Portsmouth	Provides software that enables organizations to customize and deliver information	\$27.81		1.02x
23-Apr-08	Carmichael Cashway Pharmacy, Inc.	Crowley	SunLink Health Systems, Inc.	Atlanta	Owns and operates pharmacies at 2 locations in Louisiana	\$23.54	18.85x	1.27x
29-Apr-08	Strategos, Inc.	Chicago	UTEK Corp.	Tampa	Provides innovation and strategy consulting services	\$18.50		
29-Apr-08	Carlyle, Inc.	Tulwila	Cardile Cos., Inc.	Charlotte	Provides innovative cabling products and solutions	\$200.00		
30-Apr-08	Consolidated Theatres Management Holdings, Inc.	Charlotte	Regal Entertainment Group	Knoxville	Operates 28 megaplex movie theaters along the East Coast	\$210.00		
1-May-08	GB&T Bancshares, Inc.	Gainesville	SunTrust Banks, Inc.	Atlanta	State commercial bank that operates 27 branches in Georgia	\$101.06	1.43x	.67x
1-May-08	H&R Block, Inc.	Kansas City	INVESCO Ltd.	Atlanta	Provides home mortgage loans	\$1,300.00		1.08x
2-May-08	Enigma LLC	Cary	Nufarm Ltd.	Laverton North	Supplies chemicals and pesticides for agriculture and turf management	\$69.00		2.03x
5-May-08	Wave7 Optics, Inc.	Alpharetta	Enablence Technologies, Inc.	Ottawa	Develops and manufactures optical fibre access systems	\$13.56		
9-May-08	Waste Industries USA, Inc.	Raleigh	Waste Industries USA, Inc. /Management/	Raleigh	Provides refuse collection and disposal services	\$695.03	8.62x	2.06x
9-May-08	Matria Healthcare, Inc.	Manetta	Inverness Medical Innovations, Inc.	Walham	Provides disease management to health plans and employers	\$1,106.84	13.64x	3.14x
14-May-08	Taiyuan Rongan Business Trading Co.	Taiyuan	Teeka Tan Products, Inc.	Boca Raton	Owns and leases shopping center properties	\$53.13	9.6x	4.04x
18-May-08	Scibona AB	Solna	Tech Data Corp.	Clearwater	Manufactures and distributes computers, operating systems, servers, and network products	\$311.71		.23x
19-May-08	MedCath Corp.	Charlotte	Catholic Health Initiatives	Denver	Operates 10 hospitals, 635 licensed beds, across the U.S.	\$55.00		
20-May-08	Yumie-Wide Corp.	South Korea	Polycore International, Inc.	Charlotte	Manufactures computer battery components	\$22.96		
29-May-08	NuCo2, Inc.	Stuart	Aurora Capital Group LP	Los Angeles	Supplies bulk carbon dioxide	\$471.51	12.53x	3.5x
2-Jun-08	Croda International PLC	Goole	H.I.G. Capital Management, Inc.	Miami	Manufactures oleo chemicals for personal care products	\$92.10		
3-Jun-08	Texor Petroleum Co., Inc.	Riverside	World Fuel Services Corp.	Miami	Distributes petroleum products	\$104.00		.25x
3-Jun-08	Welch, Causen, Anderson & Stowe	New York	MedAssets, Inc.	Alpharetta	Provides hospitals and ancillary healthcare providers with technology-enabled services	\$381.70		6.82x
3-Jun-08	Pumpco, Inc.	Giddings	MasTec, Inc.	Coral Gables	Specializing in midstream oil and gas pipeline construction	\$44.00		
6-Jun-08	Ocean Design, Inc.	Daytona Beach	Teledyne Technologies, Inc.	Thousand Oaks	Provides subsea electrical and fiber-optic interconnects systems	\$166.67		
6-Jun-08	First Charter Corp.	Charlotte	Fifth Third Bancorp	Cincinnati	National commercial bank with 62 branches in North Carolina Georgia	\$1,929.08	8.28x	5.2x
10-Jun-08	ChoicePoint, Inc.	Alpharetta	Silver Lake Partners	Menlo Park	Develops software with nearly 50 locations	\$185.00		
10-Jun-08	AirNet Systems, Inc.	Columbus	H.I.G. Capital Management, Inc.	Miami	Provides air carrier services for time-sensitive deliveries	\$29.54	2.51x	.18x
16-Jun-08	Recycle South LLC	Spartanburg	Steel Dynamics, Inc.	Fort Wayne	Scrap metal processing company with 22 locations in the Southeast	\$696.58		
24-Jun-08	Dolphin Digital Media LLC	Miami	Logica Holdings, Inc.	Toronto	Provides television broadcasting services	\$15.64		
26-Jun-08	Central Vermont Public Service Corp.	Rutland	Duke Energy Corp.	Charlotte	Produces wind and renewable energy, serving 152 communities	\$240.00		
26-Jun-08	The Coca-Cola Co.	Atlanta	Coca-Cola FEMSA SAB de CV	Mexico City	Bottles soft drinks	\$436.46		
1-Jul-08	Vurv Technology, Inc.	Jacksonville	Taleo Corp.	Dublin	Provides talent management software solutions	\$116.82		2.38x
1-Jul-08	Countryside Financial Corp.	Calabasas	Bank of America Corp.	Charlotte	Purchases, sells and services mortgage loans	\$90,954.05		15.01x
7-Jul-08	Orderman GmbH	Salzburg	Radiant Systems, Inc.	Alpharetta	Manufactures wireless ordering and payment devices for the hospitality industry	\$30.86		
8-Jul-08	Contemporary Computer Services, Inc.	Bohemia	QSGI, Inc.	Palm Beach	Provides IT solutions and services, including network telecommunications services	\$10.60		.77x
9-Jul-08	Kintera, Inc.	San Diego	Blackbaud, Inc.	Charleston	Provides Internet fundraising and communication software solutions for nonprofits	\$44.37		1.03x

EV = Enterprise Value
\$mm = dollars in millions

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Steepening Yield Curve Means Higher Fixed Borrowing Rates for Longer Maturities

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	91-Day T-Bills	10-Year Treasuries	Dow Jones Spread	Dow Jones Industrial Avg,	NYSE S&P 500 Composite	NASDAQ Composite	
	<i>(Average in %)</i>			<i>(End of Period)</i>			
July '08	1.66	4.01	2.35	11,378.02	1,267.38	8,438.64	2,325.55
June '08	1.89	4.10	2.21	11,350.01	1,280.00	8,660.48	2,292.98
May '08	1.76	3.88	2.12	12,638.32	1,400.38	9,401.08	2,522.66
April '08	1.31	3.68	2.36	12,820.13	1,385.59	9,299.60	2,412.80
March '08	1.30	3.41	2.11	12,262.89	1,322.70	8,797.29	2,279.10
February '08	1.84	3.54	1.70	12,266.39	1,330.63	8,962.46	2,271.48
January '08	2.82	3.74	0.92	12,650.36	1,378.55	9,126.16	2,389.86
December '07	3.07	4.10	1.03	13,264.82	1,468.36	9,740.32	2,652.28
November '07	3.35	4.15	0.80	13,371.72	1,481.14	9,856.85	2,660.96
October '07	4.00	4.53	0.53	13,930.01	1,549.38	10,311.61	2,859.12
September '07	3.99	4.52	0.53	13,895.63	1,526.75	10,039.28	2,701.50
August '07	4.20	4.67	0.47	13,357.74	1,473.99	9,596.98	2,596.36
July '07	4.82	5.00	0.18	13,211.19	1,455.27	9,554.50	2,545.57
June '07	4.61	5.10	0.49	13,408.62	1,503.35	9,873.02	2,603.23
May '07	4.73	4.75	0.02	13,627.64	1,530.62	9,978.64	2,604.52
3 Months (May '07 - July '07)	4.72	4.95	0.23	13,415.82	1,496.41	9,802.05	2,584.44
3 Months (May '08 - July '08)	1.77	4.00	2.23	11,788.78	1,315.92	8,833.40	2,380.40
Percentage Change				-12.13%	-12.06%	-9.88%	-7.90%

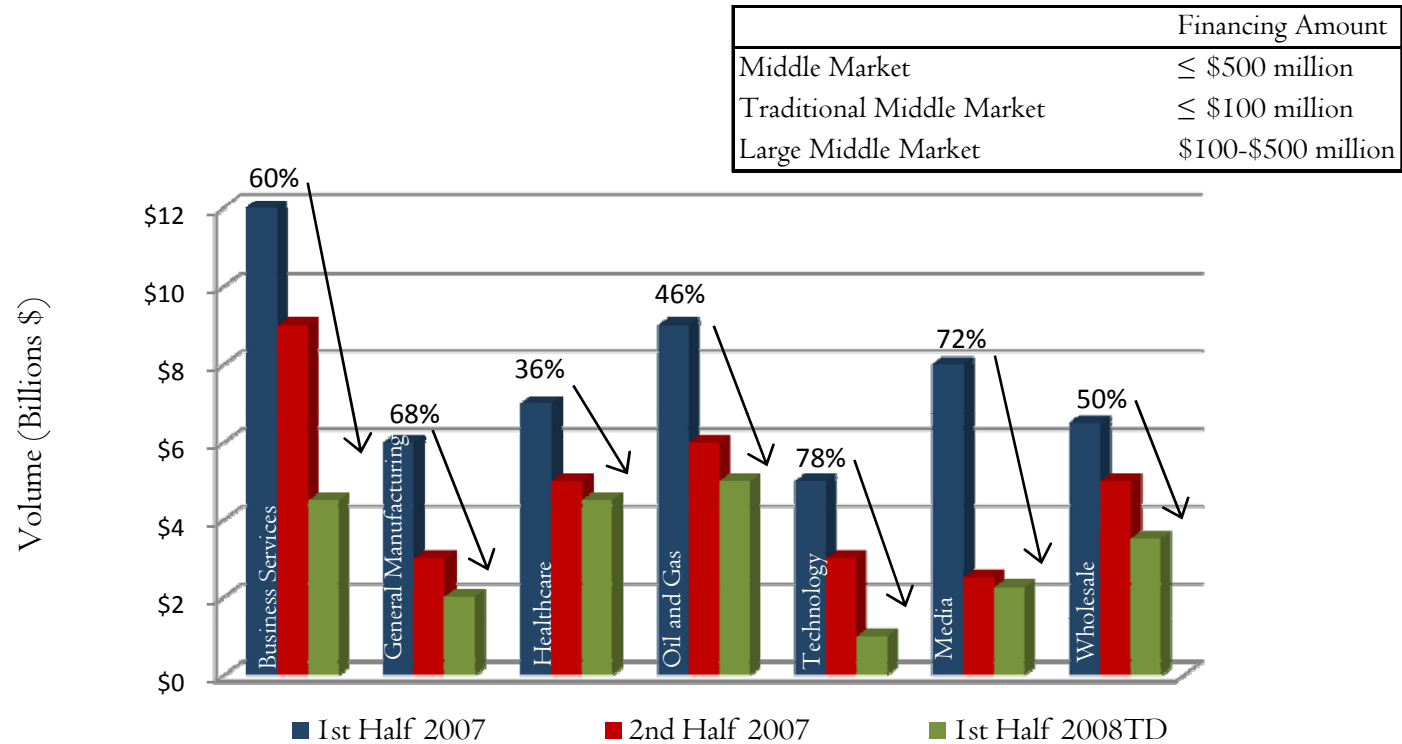


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Decreasing Loan Issuance from IH07-IH08

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- Throughout the credit crunch, the middle market has been less impacted than the large market, but has still been affected a softened economy.
- The middle market reported \$42 billion in loan issuance for June Year to Date 2008.
 - Expected to finish IH08 with approximately half of the \$101 billion in issuance from the same period in 2007.
- IH07 through IH08, the top seven industries for the middle market have seen a large drop in loan issuance.



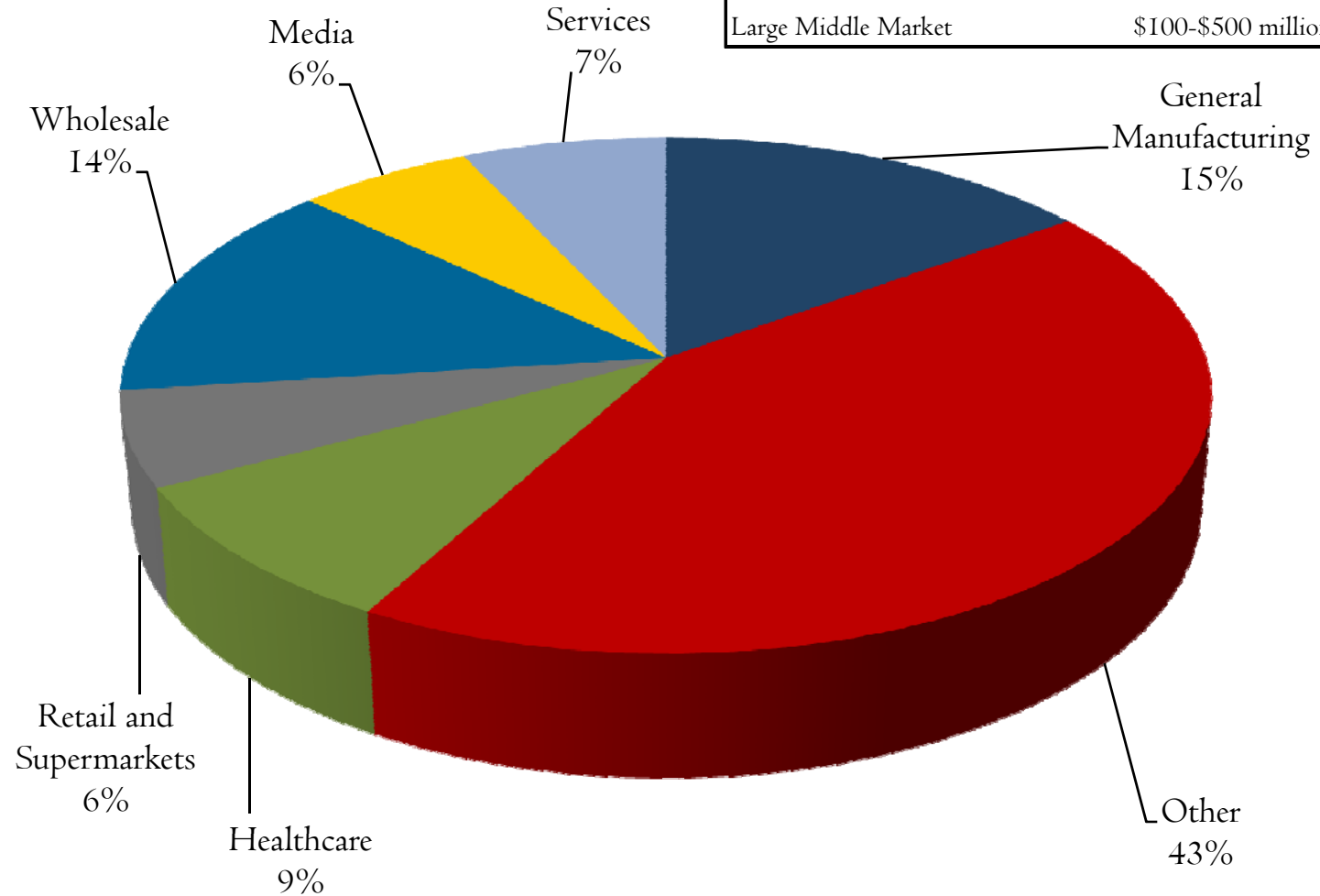
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Traditional Middle Market Loan Issuance by Industry, June Year to Date 2008

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	Financing Amount
Middle Market	≤ \$500 million
Traditional Middle Market	≤ \$100 million
Large Middle Market	\$100-\$500 million



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Southeast Reports Tightening Credit Markets and Rising Energy Prices

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Consumer Spending

Sales continued to be subdued in June and early July, but contacts as a whole did not report inventory increases. Vehicle sales continued to remain weak, as both sales and traffic were lower than the previous year. Hotel and Tourism performance remained mixed as hotel owners reported increased cancellations and shorter stays. While June convention attendance remained strong, there were slight decreases in future bookings compared to the previous year.

Real Estate

Homebuilders and realtors reported decreased sales for new and existing homes in June and early July compared to the year before. Throughout the Southeast, home prices declined and inventories increased. The majority of Southeast commercial contractors reported declines in construction activity versus the same period the year before. Weaknesses were most evident in Florida. Retail development slowed significantly and vacancy for all commercial property types increased. Outlook for the remainder of 2008 and 2009 remains negative as further softening is anticipated.

Banking and Finance

The Southeast banking industry saw an increase of commercial and industrial lines of credit, while some businesses reported the use of credit cards, personal borrowing, or delaying payments in order to manage cash flows. While banks reported a decreased willingness to finance construction projects, there is increased competition for commercial clients with a strong credit history.



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Southeast Reports Tightening Credit Markets and Rising Energy Prices

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Manufacturing and Transportation

Industrial production and volume of shipments decreased in June from previous year levels, and many contacts noted higher costs for raw materials and energy. Manufacturers also reported cuts in employment or hours. Automobile production throughout the region remained weak. Rising fuel costs continued to weaken the transportation industry, and most trucking contacts reported decreased revenues for the first quarter, compared to the year before. Rail activity in the Southeast declined as the market noticed significant decreases in shipments of automotive and construction materials despite small gains in shipments of coal and farm products. Intermodal shipments were also lower than the year before.

Employment and Prices

Employment was weaker during June and early July than noted in previous years. A shortage of certain types of skilled labor continued, and many employers said that highly skilled workers were kept on the payrolls because of concerns to hire them back when the market strengthens. Contacts also reported wage increases in energy and healthcare industries.

The region continued to see increases in input costs, especially for energy-related goods and services. An increasing number of businesses attempted to pass costs onto the consumer but only with limited success. Many firms predict they will not be able to increase prices further if costs continue to rise.



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Business Descriptions – Manufacturing – Automotive Parts Suppliers

Company Name	Business Description	Recent News
Dorman Products, Inc. Colmar, PA	Dorman Products, Inc. supplies original equipment dealer automotive replacement parts, automotive hardware, brake products, and household hardware to the automotive aftermarket and mass merchandise markets.	<p>Aug 1, 2008 Dorman Products reported a 6% increase in revenues for six months ended June 28th, compared to the year before.</p> <p>May 15, 2008 Dorman Products sold its catalytic converter business unit to Eastern Manufacturing, Inc.</p>
Hayes Lemmerz International, Inc. Northville, MI	Hayes Lemmerz International's principal activity is to supply wheels, wheel-end attachments, aluminum structural components and automotive brake components. It also designs and manufactures wheels and brake components for commercial highway vehicles and power train components and aluminum non-structural components for the automotive, commercial highway, heating and general equipment industries.	<p>May 14, 2008 James A. Yost CFO of Hayes Lemmerz resigned to accept at similar position at Dana Holding Corporation.</p> <p>May 12, 2008 Hayes Lemmerz announced plans to close its aluminum wheel facility in Gainesville, GA due to increasing wheel imports from low cost countries.</p>
Noble International, Ltd. Warren, MI	Noble International, Ltd., through its subsidiaries, supplies automotive parts, component assemblies, and value-added services to the automotive industry. The company provides prototype, design, engineering, laser welded blanks and tubes, roll-formed products, and other automotive component services.	<p>Aug 6, 2008 Noble International reported second quarter net sales of \$314.9 million, up 72.4% versus a year ago.</p> <p>Jul 16, 2008 The Board of Directors decided to suspend dividends to common shareholders given the weak automotive market in North America.</p>
Standard Motor Products, Inc. Long Island City, NY	Standard Motor's principal activity is to manufacture and distribute replacement parts in the automotive aftermarket industry. The Engine Management segment manufactures ignition and emission parts, on-board computers, ignition wires, battery cables and fuel system parts. The Temperature Control segment manufactures and remanufactures air conditioning parts and heating parts.	<p>Aug 4, 2008 Standard Motor Products posted a second quarter net loss of \$1.1 million compared with a profit of \$5.4 million the year before.</p> <p>Jun 30, 2008 Standard Motor Products was removed from the Russell 2000 small-cap index.</p>
Amerigon Inc. Northville, MI	Amerigon Incorporated engages in the design, development, and marketing of electronic components and systems for sale to car and truck original equipment manufacturers in the United States and internationally. Its principal product includes Climate Control Seat, which provides comfort by providing heating and cooling to seat occupants.	<p>Aug 6, 2008 Roth Capital downgraded Amerigon Inc. from buy to hold.</p> <p>Jun 10, 2008 Amerigon's stock reached its lowest level in more than a year as demand for larger vehicles slows.</p>
Commercial Vehicle Group, Inc. New Albany, OH	Commercial Vehicle's principal activities are to provide interior systems, vision safety solutions and other cab-related products. The products include suspension seat systems, interior trim systems, mirrors, wiper systems, controls and switches specifically designed for applications in commercial vehicle cabs.	<p>July 23, 2008 Commercial Vehicle earned \$3.1 million the second quarter, versus a loss of \$231,000 for the same quarter in 2007.</p>



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Trading Analysis – Manufacturing – Automotive Parts Suppliers

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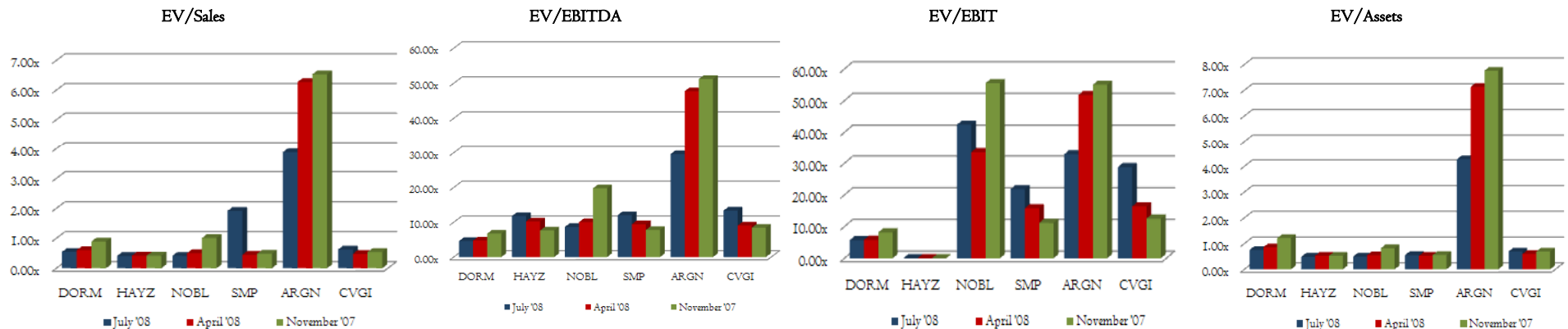
Company	Margin Analysis						Enterprise Value /											
	P/E	F P/E	Gross			July '08	April '08	November '07	July '08	April '08	November '07	July '08	April '08	November '07	July '08	April '08	November '07	
			Profit	EBITDA	EBIT	Sales	Sales	Sales	EBITDA	EBITDA	EBITDA	EBIT	EBIT	EBIT	Assets	Assets	Assets	
Dorman Products, Inc.	8.98	9.20	33.4%	11.8%	9.5%	0.54x	0.60x	0.89x	4.60x	4.73x	6.74x	5.73x	5.81x	8.19x	0.75x	0.86x	1.21x	
Hayes Lemmerz International, Inc.	N/A	N/A	9.8%	3.5%	-1.6%	0.41x	0.42x	0.42x	11.78x	10.24x	7.64x	n.m.	n.m.	n.m.	0.49x	0.53x	0.53x	
Noble International, Ltd.	N/A	2.89	6.6%	4.8%	1.0%	0.41x	0.50x	1.01x	8.66x	10.02x	19.77x	42.44x	33.51x	55.53x	0.50x	0.55x	0.82x	
Standard Motor Products, Inc*	12.62	7.34	24.6%	15.9%	8.8%	1.92x	0.45x	0.48x	12.06x	9.43x	7.81x	21.84x	15.82x	11.18x	0.55x	0.52x	0.55x	
Amerigon Incorporated**	18.99	13.54	33.5%	13.1%	11.8%	3.88x	6.27x	6.53x	29.62x	47.76x	51.22x	32.89x	51.82x	55.04x	4.27x	7.13x	7.76x	
Commercial Vehicle Group, Inc.	N/A	8.86	10.2%	4.7%	2.2%	0.62x	0.48x	0.54x	13.36x	9.06x	8.42x	28.81x	16.40x	12.54x	0.69x	0.59x	0.69x	

Median	17.4%	8.3%	5.5%	0.58x	0.49x	0.72x	11.92x	9.73x	8.12x	28.81x	16.40x	12.54x	0.62x	0.57x	0.75x
Mean	19.7%	9.0%	5.3%	1.30x	1.45x	1.65x	13.34x	15.21x	16.93x	26.34x	24.67x	28.50x	1.21x	1.70x	1.93x
Min	6.6%	3.5%	-1.6%	0.41x	0.42x	0.42x	4.60x	4.73x	6.74x	5.73x	5.81x	8.19x	0.49x	0.52x	0.53x
Max	33.5%	15.9%	11.8%	3.88x	6.27x	6.53x	29.62x	47.76x	51.22x	42.44x	51.82x	55.53x	4.27x	7.13x	7.76x

* High EV/EBIT multiple due to dramatic decrease in second quarter EBIT.

** Low EV/EBIT multiple due to decrease in stock price from \$19.33 in the first quarter to \$11.45 in the second.

Not Material ("n.m.") signifies a net loss.



P/E = Price to earnings ratio

F P/E = Forward price to earnings ratio

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Business Descriptions – Banking/Finance – Commercial Banks

Company Name	Business Description	Recent News
SCBT Financial Corp. Columbia, SC	SCBT Financial Corporation operates as a holding company for South Carolina Bank and Trust, N.A. and South Carolina Bank and Trust of the Piedmont, N.A., which offer retail and commercial banking services, mortgage lending services, trust and investment services, and consumer finance loans.	Jul 17, 2008 SCBT declared a quarterly dividend of 17 cents, the same for the previous five periods. Jul 15, 2008 SCBT reported second quarter revenues of \$6.1 million, up 10.4% from the previous year.
First Financial Holdings, Inc. Charleston, SC	First Financial Holdings, Inc. operates as the holding company for First Federal Savings and Loan Association of Charleston that provides various banking and other related financial services like brokerage activities and insurance sales.	Jun 20, 2008 First Financial Holdings, Inc. board of directors approved plan to repurchase 350,000 shares by September 2009.
Pinnacle Financial Partners, Inc. Nashville, TN	Pinnacle Financial Partners, Inc. operates as the holding company for Pinnacle National Bank that provides commercial banking services to individuals, small-to medium-sized businesses, and professional entities in Tennessee. It also offers telephone and internet banking, direct deposit, cash management services, and insurance products, as well as a range of investment products.	Jul 21, 2008 Pinnacle Financial Partners Inc. downgraded by Janney Mntgmy Scott from buy to neutral. Jul 2, 2008 Pinnacle Financial Partners Inc. buys Beach & Gentry Insurance.
BankAtlantic Bancorp, Inc. Fort Lauderdale, FL	BankAtlantic Bancorp, Inc. operates as the holding company for BankAtlantic, which offers consumer and commercial banking services in Florida. The bank's deposit products include commercial and retail demand deposit accounts, savings accounts, money market accounts, certificates of deposit, various negotiable order of withdrawal accounts and individual and Keogh retirement accounts. Its lending portfolio comprises commercial real estate and business loans, standby letters of credit and commitments, and consumer, small business, and residential loans.	Jun 6, 2008 Mercantile Bank finalized its acquisition of five BankAtlantic branches in central Florida. Jul 30, 2008 BankAtlantic Bancorp reported a \$19.4 million loss in the second quarter, compared to a profit of \$11.6 million the year before.
First Charter Corporation Charlotte, NC	First Charter's principal activities are to provide financial services, which include banking products, comprehensive financial planning and annuity sales. The banking products includes interest bearing and non-interest bearing checking accounts, certificate of deposits, individual retirement accounts, overdraft protection and commercial, consumer, agriculture, real estate, residential mortgage and home equity loans; personal and corporate trust services and other loans.	Jun 6, 2008 First Charter Corporation merged with Fifth Third Bancorp under the ticker symbol "FITB." May 28, 2008 Mercantile Bank Corp. sold 164,012 shares of First Charter Corporation.



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Trading Analysis – Banking/Finance – Commercial Banks

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Company	P/E	F P/E	LTM Sales	Market Capitalization	July '08	April '08	November '07	July '08	April '08	November '07
					Price to Book (Equity)	Price to Book (Equity)	Price to Book (Equity)	Price to Sales (LTM)	Price to Sales (LTM)	Price to Sales (LTM)
SCBT Financial Corp.	13.13	11.09	\$189,650,000	\$360,914,230	1.64x	1.49x	1.68x	1.90x	1.79x	1.66x
First Financial Holdings, Inc.	9.24	8.04	\$228,815,000	\$297,007,984	1.59x	1.43x	1.82x	1.30x	1.27x	1.56x
Pinnacle Financial Partners, Inc.	19.65	13.16	\$195,216,339	\$614,850,683	1.29x	1.01x	0.20x	3.15x	2.72x	2.63x
BankAtlantic Bancorp, Inc.	N/A	N/A	\$507,544,000	\$219,409,663	0.51x	0.54x	0.49x	0.43x	0.47x	1.07x
First Charter Corporation*	N/A	N/A	\$380,368,000	\$1,059,494,350	2.29x	1.80x	2.27x	2.79x	2.18x	2.71x
Median					1.59x	1.43x	1.68x	1.90x	1.79x	1.66x
Mean					1.46x	1.25x	1.29x	1.91x	1.69x	1.92x
Min					0.51x	0.54x	0.20x	0.43x	0.47x	1.07x
Max					2.29x	1.80x	2.27x	3.15x	2.72x	2.71x

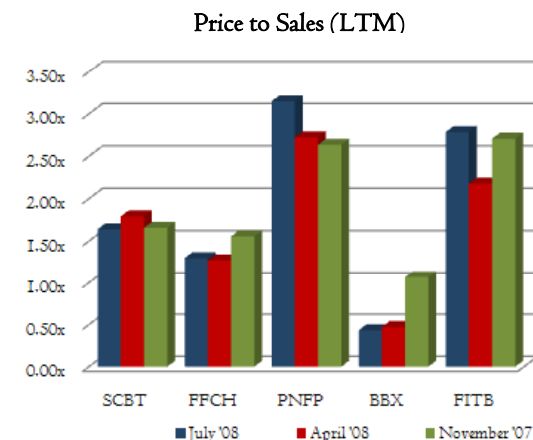
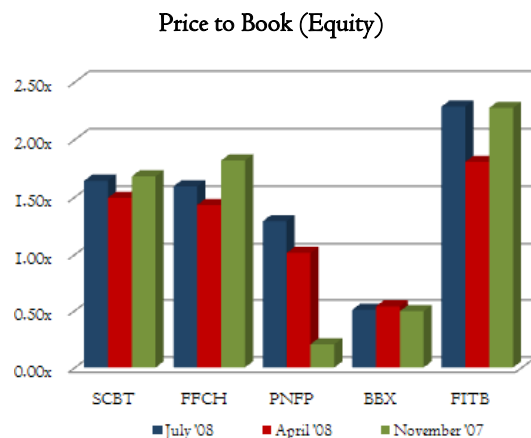
* On June 6, 2008, First Charter Corporation merged with Fifth Third Bancorp under ticker "FITB"

"Price" is derived from Market Capitalization

"Sales" includes interest income and noninterest income

P/E = Price to earnings ratio

F P/E = Forward price to earnings ratio



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Business Descriptions – Business Services – Staffing

Company Name	Business Description	Recent News
Kforce, Inc. Tampa, FL	The principal activity of Kforce Inc. is to provide professional and technical specialty staffing services. It operates in three segments: Information Technology, Finance and Accounting and Health and Life Sciences.	<p>Jul 29, 2008 Kforce reported second quarter net income of \$8.7 million, an 18% decrease from year before.</p> <p>April 29, 2008 Net income for the first quarter was \$7.2 million, an 18% decrease from the year before.</p>
TrueBlue, Inc. Tacoma, WA	TrueBlue, Inc.'s principal activity is to provide temporary staffing and related services for manual labor jobs. The customers of the group consist of businesses in transportation, warehousing, hospitality, landscaping, construction, light manufacturing, retail, wholesale and sanitation industries.	<p>Jul 22, 2008 Merrill Lynch & Co downgraded TrueBlue stock from neutral to sell as it expects cyclical pressures to intensify for the staffing industry.</p> <p>April 16, 2008 TrueBlue reported \$8.8 million in first quarter earnings compared to \$10.3 million in the previous year. The company said the lower net earnings were due to higher expenses and difficult economic climate.</p>
MPS Group, Inc. Jacksonville, FL	MPS Group's principal activity is to provide staffing, consulting and business solutions to industries. The company operates in two divisions, Professional Services and Information Technology (IT) Services. Professional Services segment provides specialized staffing and recruiting in the field of accounting, finance, law, engineering and healthcare.	<p>Jul 30, 2008 MPS Group reported second quarter net income of \$20.7 million, compared to \$22.9 million the year before.</p> <p>Jul 24, 2008 TSC downgrades MPS Group from buy to hold due to marginal performance compared to industry's average net income.</p>
On Assignment, Inc. Calabasas, CA	On Assignment's principal activity is to provide skilled temporary professionals to clients in the healthcare and science industries. It operates in two segments: Healthcare Staffing and Lab Support. Healthcare staffing segment provides both locally-based and traveling contract professionals to healthcare, medical, financial and allied occupations.	<p>Aug 4, 2008 Second quarter net income rose from \$6.1 million to from \$2.9 million the year before.</p>
Robert Half International Inc. Menlo Park, CA	Robert Half International's principal activities are to provide specialized staffing and risk consulting services. It operates in three segments: Temporary and Consultant Staffing, Risk Consulting and Internal Audit Services and Permanent Placement Staffing.	<p>Jul 29, 2008 Robert Half International declared an 11 cent dividend, up from the 10 cent dividend the year before.</p>



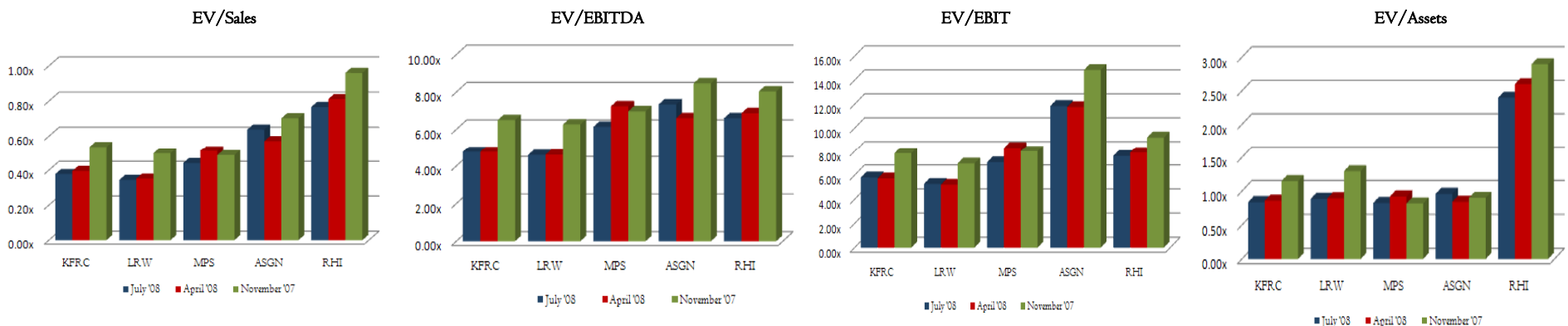
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Trading Analysis – Business Services – Staffing

MEMBER FINRA/SIPC

Company	Margin Analysis						Enterprise Value /											
	P/E	F P/E	Gross Profit	EBITDA	EBIT		July '08 Sales	April '08 Sales	November '07 Sales	July '08 EBITDA	April '08 EBITDA	November '07 EBITDA	July '08 EBIT	April '08 EBIT	November '07 EBIT	July '08 Assets	April '08 Assets	November '07 Assets
Kforce Inc.	8.94	9.59	35.7%	7.9%	6.5%		0.38x	0.40x	0.54x	4.76x	4.77x	6.50x	5.81x	5.73x	7.84x	0.84x	0.86x	1.15x
TrueBlue, Inc.	9.17	11.48	31.5%	7.5%	6.5%		0.34x	0.35x	0.50x	4.59x	4.61x	6.26x	5.27x	5.21x	6.98x	0.89x	0.89x	1.29x
MPS Group Inc.	11.62	11.09	28.9%	7.2%	6.2%		0.44x	0.51x	0.49x	6.14x	7.24x	6.97x	7.08x	8.32x	8.01x	0.82x	0.92x	0.82x
On Assignment Inc.	26.53	12.56	31.7%	8.7%	5.4%		0.64x	0.57x	0.70x	7.34x	6.60x	8.47x	11.84x	11.75x	14.85x	0.96x	0.84x	0.90x
Robert Half International Inc.*	12.79	13.82	42.5%	11.6%	10.1%		0.77x	0.81x	0.96x	6.60x	6.87x	8.04x	7.61x	7.90x	9.21x	2.40x	2.60x	2.90x
Median			31.7%	7.9%	6.5%		0.44x	0.51x	0.54x	6.14x	6.60x	6.97x	7.08x	7.90x	8.01x	0.89x	0.89x	1.15x
Mean			34.1%	8.6%	6.9%		0.51x	0.53x	0.64x	5.89x	6.02x	7.25x	7.52x	7.78x	9.38x	1.18x	1.22x	1.41x
Min			28.9%	7.2%	5.4%		0.34x	0.35x	0.49x	4.59x	4.61x	6.26x	5.27x	5.21x	6.98x	0.82x	0.84x	0.82x
Max			42.5%	11.6%	10.1%		0.77x	0.81x	0.96x	7.34x	7.24x	8.47x	11.84x	11.75x	14.85x	2.40x	2.60x	2.90x

* High EV/Assets reflect the company's low asset levels.



P/E = Price to earnings ratio
 F P/E = Forward price to earnings ratio

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MEMBER FINRA/SIPC

Business Descriptions - Enterprise Resource Planning Software

Company Name	Business Description	Recent News
Actuate Corporation South San Francisco, CA	Actuate's principal activity is to provide enterprise reporting application software platform for organizations and packaged software companies to develop and deploy self-service customers.	Jun 23, 2008 Actuate Ranked 37 th on the Fortune Small Business Top 100 List of Fastest Growing Companies.
Ariba, Inc. Sunnyvale, CA	Ariba's principal activity is to provide enterprise management solutions. The solutions include software applications, network access and professional services and expertise. The solutions are designed to provide enterprises with technology and business process improvements.	Jul 8, 2008 Ariba signed Wipro, who will now offer Ariba enterprise software solutions to its customers. Wipro is an IT provider to global corporations. Jun 23, 2008 Forrester Research names Ariba a leading vendor in accounts payable electronic invoice presentment and payment (AP-EIPP).
Compuware Corporation Detroit, MI	Compuware's principal activities are to develop, market and support an integrated set of systems software products. It operates in two segments: software products and professional services. The software products segment is designed to support five key activities within the application development process: IT governance, development and integration, quality assurance, production readiness and performance management.	May 15, 2008 Compuware Corporation's fourth quarter earnings exceeded analyst expectations at \$63 million, or 23 cents a share when analysts only expected 21 cents per share.
Epicor Software Corporation Irvine, CA	Epicor's principal activity is to design, develop, market and support integrated enterprise business software solutions. It has four reportable segments: license fees, consulting, maintenance and others.	Apr 29, 2008 Epicor said its disappointing first quarter earnings are partially due to firm's failure to communicate its retail product strategy to the market.
Fair Isaac Corporation Minneapolis, MN	The Group's principal activity is to provide analytic, software and data management products and services to automate and improve decisions. It operates through four segments. The scoring solutions segment includes the scoring services distributed through major credit reporting agencies.	Jul 23, 2008 Fair Isaac reported third quarter revenues from continuing operations of \$183.3 million versus \$196.6 million in 2007. The company said it reached targeted results despite weaknesses in their primary market – U.S. financial services.



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Trading Analysis – Enterprise Resource Planning Software

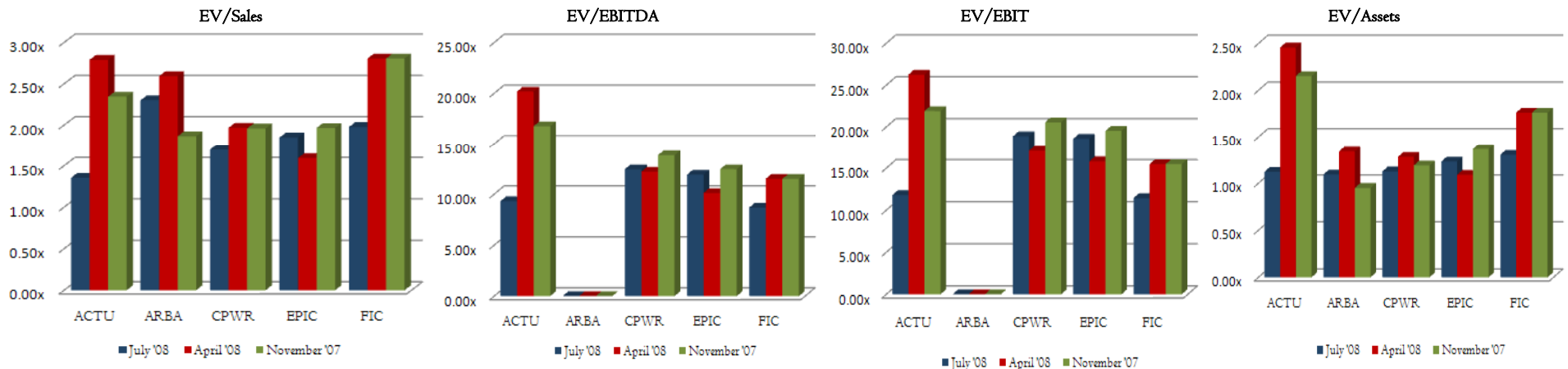
MEMBER FINRA/SIPC

Company	Margin Analysis						Enterprise Value /											
	P/E	F P/E	Gross			July '08	April '07	November '07	July '08	April '07	November '07	July '08	April '07	November '07	July '08	April '07	November '07	
			Profit	EBITDA	EBIT	Sales	Sales	Sales	EBITDA	EBITDA	EBITDA	EBIT	EBIT	EBIT	Assets	Assets	Assets	
Actuate Corp.*	12.65	10.55	80.6%	12.9%	9.9%	1.64x	1.35x	2.79x	12.73x	20.17x	16.75x	16.67x	26.26x	21.91x	1.39x	2.46x	2.15x	
Ariba Inc.	N/A	22.47	49.9%	n.m.	n.m.	2.98x	2.30x	2.59x	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	1.48x	1.34x	0.95x	
Compuware Corp.	20.69	12.55	60.1%	16.3%	11.8%	1.97x	1.70x	1.97x	12.09x	12.21x	13.83x	16.70x	17.09x	20.56x	1.20x	1.28x	1.19x	
Epicor Software Corp.**	13.64	6.37	49.3%	12.5%	6.2%	1.78x	1.85x	1.59x	14.24x	10.12x	12.45x	28.68x	15.81x	19.53x	0.92x	1.09x	1.36x	
Fair Isaac Corp.	12.80	10.85	62.5%	21.3%	16.0%	2.02x	1.98x	2.81x	9.46x	11.51x	11.51x	12.59x	15.48x	15.48x	1.34x	1.76x	1.76x	
Median			60.1%	14.6%	10.8%	1.97x	1.85x	2.59x	12.41x	11.86x	13.14x	16.69x	16.45x	20.04x	1.34x	1.34x	1.36x	
Mean			60.5%	15.7%	11.0%	2.08x	1.84x	2.35x	12.13x	13.50x	13.63x	18.66x	18.66x	19.37x	1.27x	1.59x	1.48x	
Min			49.3%	12.5%	6.2%	1.64x	1.35x	1.59x	9.46x	10.12x	11.51x	12.59x	15.48x	15.48x	0.92x	1.09x	0.95x	
Max			80.6%	21.3%	16.0%	2.98x	2.30x	2.81x	14.24x	20.17x	16.75x	28.68x	26.26x	21.91x	1.48x	2.46x	2.15x	

* Low EV/EBITDA multiple due to lack of debt and negative EBIT.

** High EV/EBITDA multiple due to dramatic decrease in second quarter EBIT.

Not Material (“n.m.”) signifies a net loss.



P/E = Price to earnings ratio

F P/E = Forward price to earnings ratio

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MEMBER FINRA/SIPC

Business Descriptions – Restaurants

Company Name	Business Description	Recent News
Dine Equity Glendale, CA	Dine Equity's principal activity is the development, operation and franchise of International House of Pancakes and Applebee's restaurants primarily in the United States.	May 8, 2008 Michael Archer, COO of T.G.I. Fridays named president of Applebee's International, a subsidiary of IHOP Cop. Apr 28, 2008 IHOP Corp. reported a 22% increase in first quarter earnings due to sales growth and lower effective tax rate.
J. Alexander Corp. Nashville, TN	J. Alexander's Corporation operates full-service, casual dining restaurants in the United States. The company provides an American menu with a full-service bar in its restaurants.	May 28, 2008 J. Alexander Corp. moves stock listing from Amex to Nasdaq.
Luby's Inc. Houston, TX	Luby's principal activity is to own and operate cafeteria-style restaurants. These restaurants are situated in close proximity to retail centers, business developments and residential areas. The Group's restaurants cater primarily to seniors, shoppers, travelers and business people at lunch and to families at dinner.	Jul 8, 2008 Luby Inc.'s COO buys 31,900 shares in addition to the 59,800 shares purchased in June. Jun 10, 2008 Luby Inc.'s third quarter profits decreased by 72% compared to the previous year due to difficult restaurant environment.
Morton's Restaurant Group Inc. Chicago, IL	Morton's Restaurant Group, Inc., together with its subsidiaries, engages in the ownership and operation of restaurants in the United States.	Apr 30, 2008 First quarter earnings for Morton's Restaurant group fell by 53% to \$2.4 million as food prices rose and fewer customers visited upscale steakhouses.
Ruth's Hospitality Group Inc. Heathrow, FL	Ruth's Hospitality Group Inc., together with its subsidiaries, operates a steakhouse company. It operates company-owned and franchisee-owned restaurants in the United States. The company's restaurants offer food, beverages, and other services.	May 23, 2008 Ruth's Chris Steak House changed its corporate name to Rush's Hospitality Group to include February acquisitions of Mitchell's Fish Markets and Columbus Fish Markets.

J. ALEXANDER'S



RUTH'S
HOSPITALITY GROUP



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Trading Analysis – Restaurants

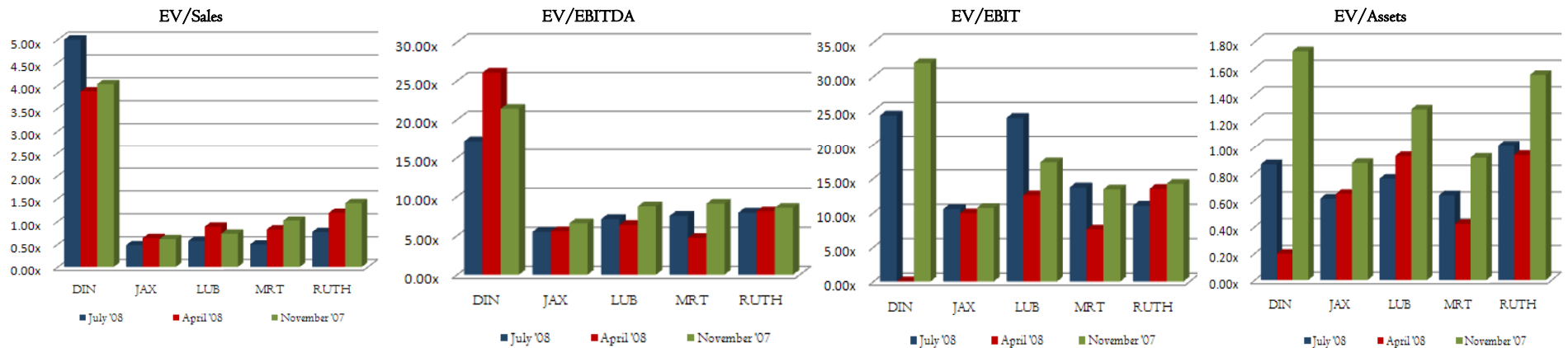
MEMBER FINRA/SIPC

Company	Margin Analysis					Enterprise Value /											
	P/E	F P/E	Gross Profit	EBITDA	EBIT	July '08 Sales	April '08 Sales	November '07 Sales	July '08 EBITDA	April '08 EBITDA	November '07 EBITDA	July '08 EBIT	April '08 EBIT	November '07 EBIT	July '08 Assets	April '08 Assets	November '07 Assets
DineEquity*	N/A	8.02	30.5%	22.6%	16.0%	3.89x	1.56x	3.87x	17.18x	26.05x	21.39x	24.28x	n.m.	31.96x	0.87x	0.20x	1.73x
J. Alexander Corp.	11.67	N/A	35.5%	8.1%	4.3%	0.45x	0.48x	0.63x	5.49x	5.55x	6.56x	10.50x	9.92x	10.69x	0.61x	0.65x	0.88x
Luby's Inc.**	19.97	54.75	16.0%	7.7%	2.3%	0.55x	0.68x	0.88x	7.11x	6.37x	8.73x	23.93x	12.53x	17.31x	0.76x	0.93x	1.29x
Mortons Restaurant Group Inc	9.53	8.73	19.0%	7.3%	4.0%	0.55x	0.37x	0.82x	7.53x	4.69x	9.07x	13.66x	7.57x	13.40x	0.64x	0.42x	0.92x
Ruth's Chris Steak House Inc.	5.26	5.24	24.2%	13.5%	9.7%	1.07x	0.77x	1.18x	7.93x	8.11x	8.56x	11.01x	13.48x	14.20x	1.02x	0.94x	1.55x
Median			24.2%	8.1%	4.3%	0.55x	0.88x	1.01x	7.53x	6.37x	8.73x	13.66x	11.23x	14.20x	0.76x	0.65x	1.29x
Mean			25.0%	11.8%	7.3%	1.30x	1.48x	1.56x	9.05x	10.15x	10.86x	16.68x	10.87x	17.51x	0.78x	0.63x	1.27x
Min			16.0%	7.3%	2.3%	0.45x	0.63x	0.61x	5.49x	4.69x	6.56x	10.50x	7.57x	10.69x	0.61x	0.20x	0.88x
Max			35.5%	22.6%	16.0%	3.89x	3.87x	4.03x	17.18x	26.05x	21.39x	24.28x	13.48x	31.96x	1.02x	0.94x	1.73x

* After their acquisition of Applebee's, IHOP Corp. formally changed its name to DineEquity.

** High EV/EBIT multiple due to dramatic decrease in second quarter EBIT.

Not Material ("n.m.") signifies a net loss.



P/E = Price to earnings ratio

F P/E = Forward price to earnings ratio

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MEMBER FINRA/SIPC

Business Descriptions – Senior Living Facilities

Company Name	Business Description	Recent News
Brookdale Senior Living Inc. Chicago, IL	Brookdale Senior Living's principal activity is to operate senior living facilities in the United States. Brookdale Living Segment includes Independent living facilities: Designed for middle to upper income senior citizens age 70 and older who desire a residential environment providing the highest quality of service.	<p>Aug 7, 2008 Brookdale Senior Living reported loss of \$3.5 million in the second quarter compared to a loss of \$18.7 million the year before.</p> <p>May 7, 2008 Brookdale Senior Living reported a loss of \$55.1 million for the first quarter.</p>
Capital Senior Living Corporation Dallas, TX	Capital Senior Living's principal activity is to develop, own, operate and manage senior living communities throughout United States. The services rendered by the Group include senior living services, independent living services, assisted living, skilled nursing and home care services.	May 29, 2008 Capital Senior Living hired Banc of America Securities as a financial advisor to investigate the company's strategic alternatives.
Emeritus Corporation Seattle, WA	Emeritus Corporation is a national operator of assisted living and Alzheimer's and related dementia residential communities. Assisted living communities provide a residential housing alternative for senior citizens who need help with the activities of daily living, with an emphasis on assisted living and personal care services.	<p>Jul 7, 2008 Emeritus Corporation retired \$10.5 million of its convertible subordinated debentures.</p> <p>Jul 1, 2008 Emeritus Corp. acquired 19 assisted living facilities in addition to the 29 it purchased in June.</p>
National HealthCare Corporation Murfreesboro, TN	National HealthCare's principal activities are to operate health care centers and to provide home health care programs in the United States. The health care centers provide subacute, skilled and intermediate nursing and rehabilitative care, senior living services, home health care services, management services, accounting and financial services and insurance services.	<p>Jun 2, 2008 National HealthCare Corporation reported second quarter income of \$7,318,000 compared to \$11,892,000 the year before.</p> <p>May 1, 2008 National HealthCare reported a 16.1% increase in net income and 14.3% increase in dividends for the first quarter of 2007.</p>
Assisted Living Concepts, Inc. Milwaukee, WI	The Group's principal activity is to own, lease and operate assisted living residences, which provide housing to older persons. It provides personal care and support services and makes available routine nursing activities designed to meet the personal and health care needs of residents. These residences offer residents a supportive setting and assistance with activities of daily living.	Jun 2, 2008 New Jersey's public advocate investigates charges that Assisted Living Concepts is wrongfully discharging Medicare patients. Assisted Living Concepts denies the charges.



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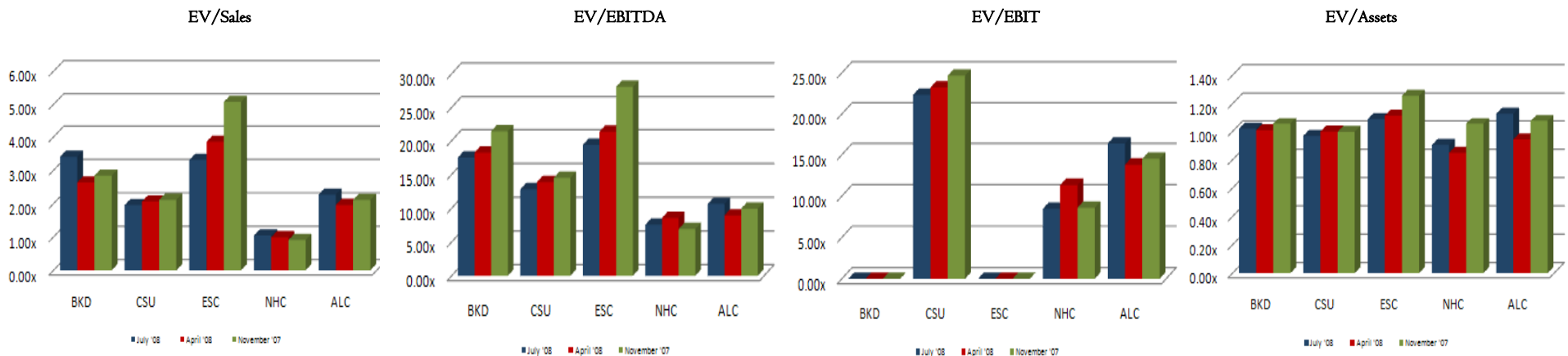
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Trading Analysis – Senior Living Facilities

MEMBER FINRA/SIPC

Company	Margin Analysis					Enterprise Value /												
	F		Gross				July '08	April '08	November '07	July '08	April '08	November '07	July '08	April '08	November '07	July '08	April '08	November '07
	P/E	P/E	Profit	EBITDA	EBIT	Sales	Sales	Sales	EBITDA	EBITDA	EBITDA	EBIT	EBIT	EBIT	Assets	Assets	Assets	
Brookdale Senior Living Inc.	N/A	N/A	34.0%	19.4%	-1.8%	3.40x	2.64x	2.84x	17.51x	18.25x	21.41x	n.m.	n.m.	n.m.	1.02x	1.01x	1.06x	
Capital Senior Living Corp.	38.70	22.38	30.8%	15.3%	8.8%	1.96x	2.06x	2.12x	12.81x	13.88x	14.50x	22.34x	23.24x	24.67x	0.97x	1.00x	1.00x	
Emeritus Corp.*	N/A	N/A	25.7%	17.1%	0.8%	3.31x	3.85x	5.07x	19.39x	21.35x	28.06x	n.m.	n.m.	n.m.	1.09x	1.12x	1.26x	
National Healthcare Corp.	14.30	N/A	45.3%	13.8%	12.4%	1.05x	0.99x	0.91x	7.56x	8.56x	6.92x	8.46x	11.34x	8.59x	0.90x	0.85x	1.06x	
Assisted Living Concepts Inc.	22.95	18.67	27.5%	21.3%	13.9%	2.27x	1.96x	2.11x	10.65x	8.95x	9.94x	16.37x	13.80x	14.51x	1.13x	0.94x	1.08x	
Median			30.8%	17.1%	8.8%	2.27x	2.06x	2.12x	12.81x	13.88x	14.50x	16.37x	13.80x	14.51x	1.02x	1.00x	1.06x	
Mean			32.6%	17.4%	6.8%	2.40x	2.30x	2.61x	13.58x	14.20x	16.17x	15.72x	16.13x	15.92x	1.02x	0.98x	1.09x	
Min			25.7%	13.8%	-1.8%	1.05x	0.99x	0.91x	7.56x	8.56x	6.92x	8.46x	11.34x	8.59x	0.90x	0.85x	1.00x	
Max			45.3%	21.3%	13.9%	3.40x	3.85x	5.07x	19.39x	21.35x	28.06x	22.34x	23.24x	24.67x	1.13x	1.12x	1.26x	

* High EV/EBIT multiple due to dramatically increased depreciation.
Not Material ("n.m.") signifies a net loss.



F P/E = Forward price to earnings ratio

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MEMBER FINRA/SIPC

Business Descriptions – Education & Training (Facility-Based)

Company Name	Business Description	Recent News
Career Education Corporation, Hoffman Estates, IL	Career Education Corporation is an educational services company offering for-profit, post-secondary education focused on career-oriented learning. The Company's schools, which refer to branded educational institutions owned by CEC, including its campus locations, are segregated into two segments: College, Schools and Universities (CSU), and Online Education Group (OEG).	Jul 15, 2008 Career Education Corp. announced extension of licensing agreement with Le Cordon Bleu International through 2013. Le Cordon Bleu is the world's largest culinary arts and hospitality education institution.
Corinthian Colleges, Inc., Santa Ana, CA	Corinthian Colleges, Inc. is one of the largest post-secondary education companies in North America. They provide career program training primarily in the healthcare, electronics, information technology, criminal justice, automotive repair and diesel technology.	Jul 23, 2008 Merrill Lynch upgrades Corinthian Colleges from neutral to buy due to operations improvement and its potential for operating leverage.
DeVry Inc., Oakbrook Terrace, IL	DeVry operates an international system of degree-granting, career-oriented higher education schools and a leading international training firm. DeVry University includes undergraduate degree programs in technology, business and healthcare technology, and graduate degree programs in management offered through Keller Graduate School of Management. Ross University is a provider of medical and veterinary medical education.	Jul 8, 2008 DeVry University, a unit of DeVry, Inc., opened a new location in Daly City, CA. Jun 26, 2008 DeVry Inc. launched four new online degree programs to meet the growing demand for distance education.
ITT Educational Services, Inc., Carmel, IN	ITT offers technology-oriented postsecondary degree programs. Their bachelor and master degrees and non-degree diploma programs help graduates prepare for careers in various areas within the technology sector.	Apr 24, 2008 ITT Educational Services Inc.'s EPS increased by 63.6% to \$1.08 million for the first quarter of 2008 compared to the year before.
Strayer Education, Inc., Arlington, VA	Strayer Education is a for-profit, post-secondary education services corporation. The Strayer University is an institution of higher learning that offers undergraduate and graduate programs in business administration, accounting, information technology education, and public administrations at 35 campuses.	Jun 30, 2008 Strayer Educational Services, Inc. was placed on the Russell 1000® and removed from the Russell 2000®.



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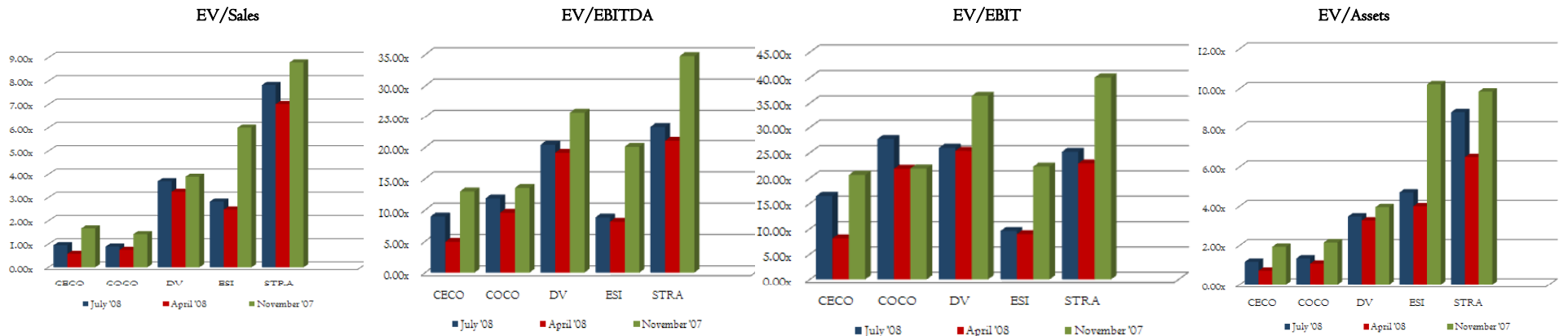
Trading Analysis – Education & Training (Facility-Based)

MEMBER FINRA/SIPC

Company	Margin Analysis					Enterprise Value /											
	P/E	F P/E	Gross Profit	EBITDA	EBIT	July '08 Sales	April '08 Sales	November '07 Sales	July '08 EBITDA	April '08 EBITDA	November '07 EBITDA	July '08 EBIT	April '08 EBIT	November '07 EBIT	July '08 Assets	April '08 Assets	November '07 Assets
Career Education Corp.	38.34	26.36	63.9%	10.6%	5.8%	0.95x	0.58x	1.67x	8.97x	4.91x	12.95x	16.46x	8.10x	20.61x	1.17x	0.71x	1.93x
Corinthian Colleges, Inc.	103.73	29.94	41.5%	7.5%	3.2%	0.89x	0.75x	1.43x	11.86x	9.57x	13.53x	27.72x	21.81x	21.88x	1.34x	1.07x	2.15x
DeVry, Inc.	34.32	24.59	52.7%	18.1%	14.3%	3.70x	3.25x	3.90x	20.41x	19.13x	25.73x	25.96x	25.36x	36.42x	3.47x	3.27x	3.95x
ITT Education Services Inc.	19.41	16.43	60.0%	32.1%	29.6%	2.83x	2.48x	6.01x	8.82x	8.14x	20.11x	9.55x	8.93x	22.25x	4.70x	3.99x	10.21x
Strayer Education Inc.*	43.37	32.85	65.9%	33.7%	31.1%	7.83x	7.02x	8.80x	23.27x	21.04x	34.79x	25.17x	22.88x	40.02x	8.81x	6.49x	9.85x

Median	60.0%	18.1%	14.3%	2.83x	2.48x	3.90x	11.86x	9.57x	20.11x	25.17x	21.81x	22.25x	3.47x	3.27x	3.95x
Mean	56.8%	20.4%	16.8%	3.24x	2.82x	4.36x	14.67x	12.56x	21.42x	20.97x	17.42x	28.24x	3.90x	3.11x	5.62x
Min	41.5%	7.5%	3.2%	0.89x	0.58x	1.43x	8.82x	4.91x	12.95x	9.55x	8.10x	20.61x	1.17x	0.71x	1.93x
Max	65.9%	33.7%	31.1%	7.83x	7.02x	8.80x	23.27x	21.04x	34.79x	27.72x	25.36x	40.02x	8.81x	6.49x	10.21x

* Trading multiples are temporarily inflated due to high projected earnings



P/E = Price to earnings ratio
 F P/E = Forward price to earnings ratio

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Business Descriptions – Education & Training (Software-Based)

Company Name	Business Description	Recent News
TWL Corporation, Carrollton, TX	TWL Corporation provides technology-enabled learning and certification solutions for corporations, organizations, and individuals primarily in the United States. It offers integrated learning solutions for compliance, safety, emergency preparedness, continuing education, and skill development in the workplace.	May 15, 2008 TWL Corporation reported a first quarter net loss of \$2.8 million compared with a loss of \$2.2 million the year before.
SmartPros, Ltd., Hawthorne, NY	SmartPros provides learning solutions for accounting/finance, legal, and engineering professionals in the United States. It provides products in various formats, such as print, videotape, and digital format, which include CD-ROM, DVD, or the Internet.	Jul 7, 2008 SmartPros, Ltd. announced the acquisition of Loscalzo Associates for \$4.4 million. Loscalzo Associates is a leading provider of live accounting and auditing related CPE programs, conferences, and seminars.
thinkorswim Group, Inc., New York, NY	thinkorswim Group, Inc. provides investor education, and brokerage and related financial products and services for self-directed investors in the United States. It operates in two segments, Investor Education and Brokerage Services.	Jun 6, 2008 Thinkorswim group announced the completion of name conversion from Investools in an effort to rebrand the company.
Apollo Group, Inc., Phoenix, AZ	Apollo Group provides various educational programs and services at high school, college, and graduate levels. Its subsidiaries include University of Phoenix, Inc., Institute for Professional Development, Inc., The College for Financial Planning Institutes Corporation, Western International University, Inc., and Insight Schools, Inc.	Aug 5, 2008 A federal courts overturned a \$280 million verdict against the Apollo Group Inc., deciding there wasn't enough evidence to prove it committed securities fraud.
Princeton Review, Inc., New York, NY	The Princeton Review provides classroom-based, print, and online products and services for students, parents, educators, and educational institutions. It operates in three divisions: Test Preparation Services, Supplemental Education Services, and K-12 Services.	Jun 12, 2008 Princeton Review, Inc. agreed to acquire the operator of several of its franchises in Southern California for \$31 million in cash and stock.



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Trading Analysis – Education & Training (Software-Based)

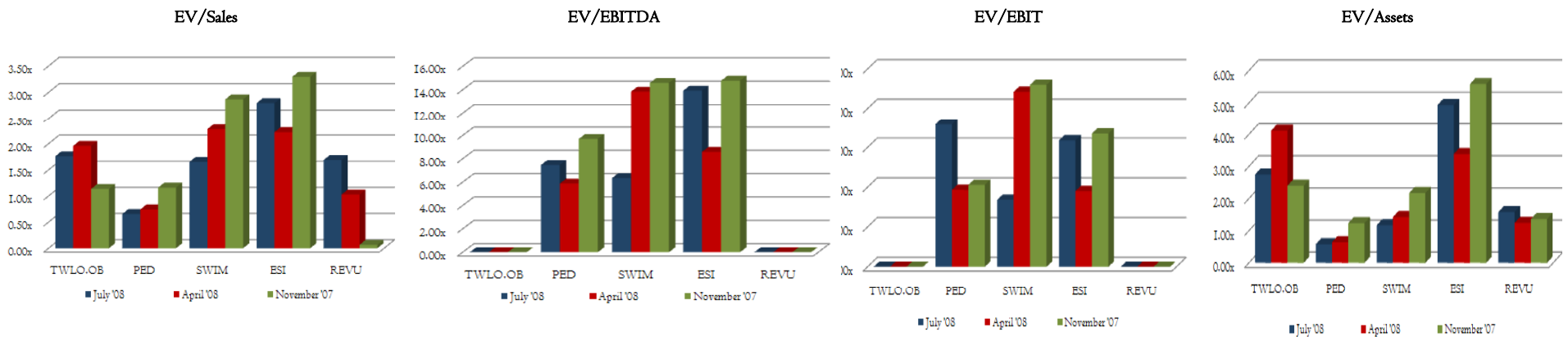
MEMBER FINRA/SIPC

Company	Margin Analysis					Enterprise Value /											
	P/E	F P/E	Gross Profit	EBITDA	EBIT	July '08 Sales	April '08 Sales	November '07 Sales	July '08 EBITDA	April '08 EBITDA	November '07 EBITDA	July '08 EBIT	April '08 EBIT	November '07 EBIT	July '08 Assets	April '08 Assets	November '07 Assets
TWL Corporation	N/A	N/A	73.2%	-28.1%	-34.7%	1.76x	1.96x	1.13x	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	2.75x	4.12x	2.40x
SmartPros Ltd.	12.07	N/A	58.2%	8.8%	3.7%	0.66x	0.74x	1.16x	7.47x	5.88x	9.71x	17.92x	9.66x	10.30x	0.58x	0.64x	1.24x
thinkorswim Group Inc.*	N/A	N/A	58.9%	26.0%	19.6%	1.65x	2.28x	2.87x	6.36x	13.84x	14.59x	8.42x	22.12x	23.02x	1.17x	1.42x	2.17x
Apollo Group Inc.	26.72	16.82	55.8%	20.1%	17.6%	2.80x	2.22x	3.30x	13.92x	8.59x	14.78x	15.89x	9.51x	16.76x	4.94x	3.39x	5.59x
Princeton Review Inc.	N/A	28.40	59.1%	-9.5%	-14.9%	1.69x	1.03x	0.06x	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	1.58x	1.24x	1.36x
Median			58.9%	8.8%	3.7%	1.69x	1.96x	1.16x	7.47x	8.59x	14.59x	15.89x	9.66x	16.76x	1.58x	1.42x	2.17x
Mean			61.0%	3.4%	-1.8%	1.71x	1.65x	1.70x	9.25x	9.44x	13.02x	14.08x	13.77x	16.69x	2.20x	2.16x	2.55x
Min			55.8%	-28.1%	-34.7%	0.66x	0.74x	0.06x	6.36x	5.88x	9.71x	8.42x	9.51x	10.30x	0.58x	0.64x	1.24x
Max			73.2%	26.0%	19.6%	2.80x	2.28x	3.30x	13.92x	13.84x	14.78x	17.92x	22.12x	23.02x	4.94x	4.12x	5.59x

* On February 9, 2007, Investools acquired thinkorswim Group Inc. and changed its ticker symbol to "SWIM"

* Low EV/EBIT multiple due to dramatic increase in EBIT.

Not Material ("n.m.") signifies a net loss.



P/E = Price to earnings ratio

F P/E = Forward price to earnings ratio

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Business Descriptions – Infrastructure

Company Name	Business Description	Recent News
Sterling Construction Co. Inc., Houston, TX	Sterling Construction Company operates as a heavy civil construction company. It specializes in the building, reconstruction, and repair of transportation and water infrastructure.	Jul 16, 2008 Sterling Corporation filed to periodically sell up to \$80 million in debt securities, stock, and other securities to fund working capital, CAPEX, and general corporate purposes.
Harsco Corp., Camp Hill, PA	Harsco Corporation provides industrial services and engineered products primarily to steel, construction, railways, and energy industries worldwide. It operates in two segments, Access Services and Mill Services, and Minerals & Rail Services and Products.	Jul 3, 2008 Harsco Corp. entered India through new access services contracts with global steel producer Tata Steel.
Granite Construction Inc., Watsonville, CA	Granite Construction operates as a heavy civil contractor and a construction materials producer for public and private sector clients in the United States. The company operates through two segments, Granite West and Granite East.	Jul 3, 2008 Granite Construction, Inc. awarded \$39.2 million road work contract by California Department of Transportation.
Chicago Bridge & Iron Company N.V., Netherlands	Chicago Bridge & Iron Company N.V. operates as an engineering, and procurement and construction company worldwide. It offers conceptual design, engineering, procurement, fabrication, construction, commissioning, and related maintenance services. The company engages in the production, handling, storage, and distribution of liquefied gases, as well as provision of liquefaction and regasification facilities consisting of terminals, tanks, and related systems for oil and gas companies; and provides liquefied natural gas tanks on a stand-alone basis. In addition, the company constructs steel structures, including above ground storage tanks, elevated storage tanks, pressure vessels, and other specialty structures, such as processing facilities for oil and gas companies.	Jun 30, 2008 Chicago Bridge & Iron won \$90 million contract to supply hydrogen plant for California refinery. Jun 17, 2008 Chicago Bridge & Iron awarded \$40 million contract to engineer, fabricate, and construct petroleum storage tanks associated with Trans-Panama pipeline expansion project.
Meadow Valley Corp., Phoenix, AZ	Meadow Valley Corporation operates in the construction industry in the United States. It operates in three segments: Construction Services, Construction Materials, and Construction Materials Testing. The Construction Services segment engages in the construction of structural concrete highway bridges and overpasses, and the paving of highways and airport runways. The Construction Materials segment manufactures and distributes ready-mix concrete, sand, and gravel products. The Construction Materials Testing segment provides geotechnical, environmental, field, and laboratory technical services.	May 8, 2008 Meadow Valley Corp. first quarter net income increased by 75.5% to \$0.18 per share compared to the year before. Apr 16, 2008 Meadow Valley Corp. won \$57 million job for Las Vegas freeway.



Harsco



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MEADOW VALLEY
CORPORATION



Source: www.yahoo.com, www.wsj.com

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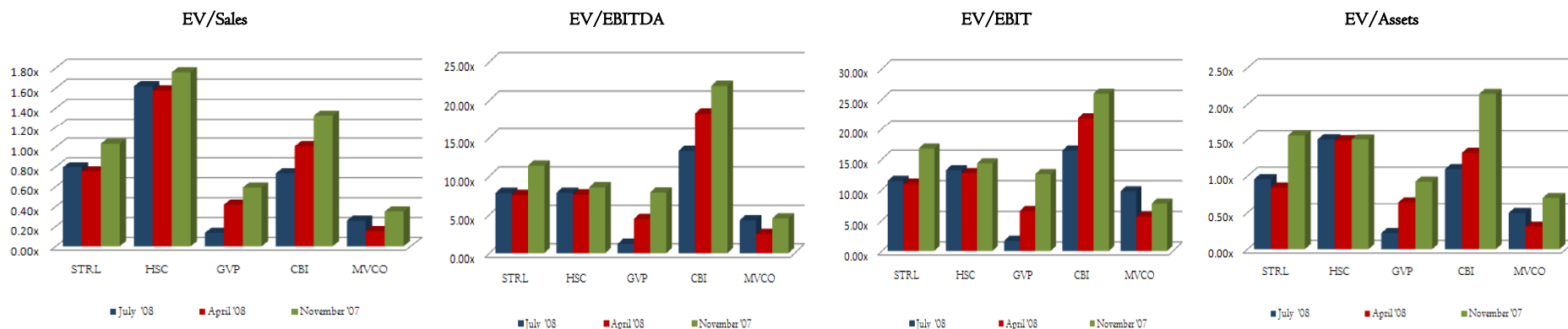
Trading Analysis – Infrastructure

MEMBER FINRA/SIPC

Company	Margin Analysis					Enterprise Value /							
	P/E	F P/E	Gross Profit	EBITDA	EBIT	July '08 Sales	April '08 Sales	July '08 EBITDA	April '08 EBITDA	July '08 EBIT	April '08 EBIT	July '08 Assets	April '08 Assets
Sterling Construction Co. Inc.	16.30	11.93	11.2%	10.2%	6.9%	0.79x	0.75x	7.82x	7.56x	11.45x	10.99x	0.96x	0.84x
Harsco Corp.	14.55	13.18	27.2%	20.6%	12.3%	1.62x	1.58x	7.85x	7.61x	13.20x	12.71x	1.50x	1.49x
Granite Construction Inc.*	11.21	12.19	17.1%	11.3%	8.1%	0.13x	0.42x	1.20x	4.45x	1.66x	6.54x	0.22x	0.64x
Chicago Bridge & Iron Company N.V.	17.35	9.95	8.1%	5.5%	4.5%	0.73x	1.01x	13.30x	18.28x	16.42x	21.90x	1.09x	1.32x
Meadow Valley Corp.	10.73	N/A	8.0%	6.1%	2.7%	0.26x	0.15x	4.27x	2.48x	9.76x	5.61x	0.50x	0.31x

	Median	Mean	Min	Max
Gross Profit	11.2%	14.3%	8.0%	27.2%
EBITDA	10.2%	10.7%	5.5%	20.6%
EBIT	6.9%	6.9%	2.7%	12.3%
July '08 Sales	0.73x	0.71x	0.13x	1.62x
April '08 Sales	0.75x	0.78x	0.15x	1.58x
July '08 EBITDA	7.82x	6.89x	1.20x	13.30x
April '08 EBITDA	7.56x	8.07x	2.48x	18.28x
July '08 EBIT	11.45x	10.50x	1.66x	16.42x
April '08 EBIT	10.99x	11.55x	5.61x	21.90x
July '08 Assets	0.96x	0.85x	0.22x	1.50x
April '08 Assets	0.84x	0.92x	0.31x	1.49x

* Lower EV/EBIT multiple due to dramatic increase in EBIT.

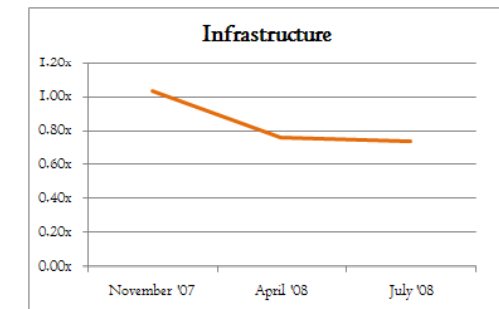
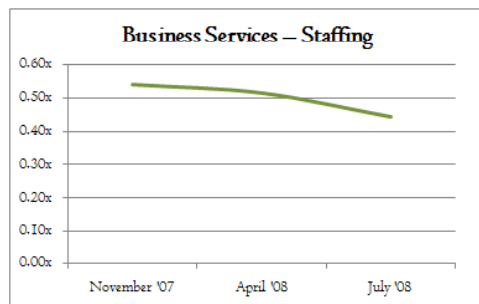
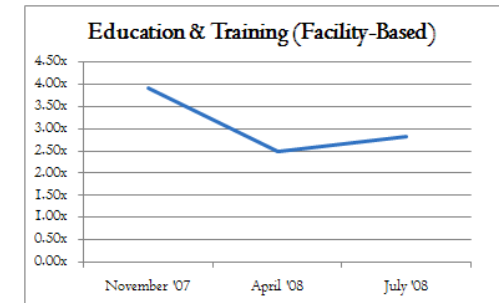
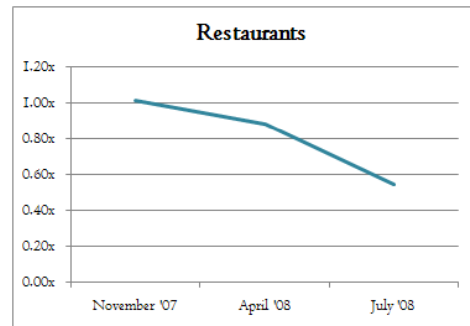
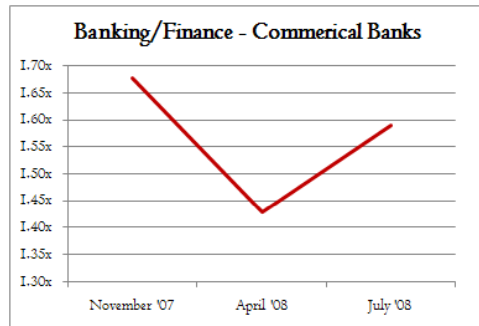
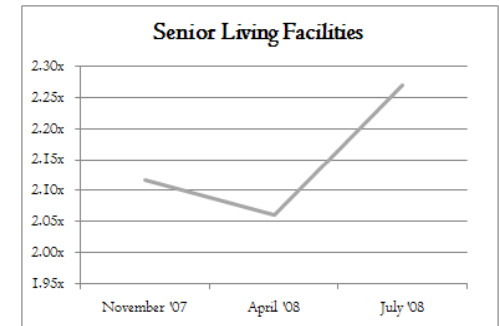
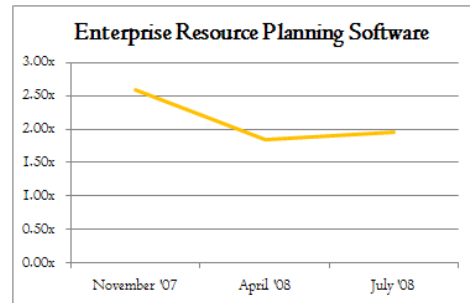
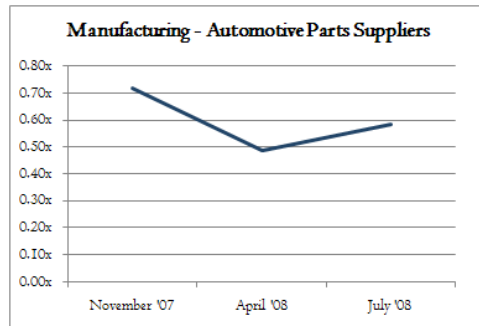


P/E = Price to earnings ratio
 F P/E = Forward price to earnings ratio

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EV/Sales Multiples Show Mixed Trends Since November 2007

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Southeast Economy Performs Above Average Compared to National Economy

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Watermark interviewed **Toby Stansell**, president of apparel designer and manufacturer OOBE, **Mark Knight** from the Nexsen Pruet law firm, and **Ben Wallace** from the private equity firm Azalea Capital. From the viewpoints of their varied industries, these professionals provide further insight into the Southeast economy and the opportunities available for leaders in the business community.



Founded in the mid 1990's and headquartered in Greenville, South Carolina, OOBE is a full service apparel provider with roughly 25 employees. Specializing in the design and production of innovative and stylish lifestyle and corporate apparel, OOBE offers a range of products and services for both consumer and corporate markets. Partnering with companies such as Great Wolf Resorts and Chick-fil-A, OOBE offers exclusive design and build services to create and strengthen customer brands. Before becoming President of OOBE, Toby Stansell was Vice-President of Sales and led the company to its partnership with Chick-fil-A.

Nexsen Pruet is a multi-specialty law firm headquartered in Columbia, South Carolina, with more than 170 attorneys. Mark Knight practices primarily in the securities, mergers and acquisitions, corporate, and partnership areas. He has served as M&A counsel in nearly \$1 billion worth of business acquisitions and combinations, and has handled more than 50 capital formation transactions.



Azalea Capital is an investment firm providing strategic equity capital to privately owned, middle-market firms in the Southeast to facilitate management buyouts, business recapitalizations, and growth plans. Typical investment candidates have annual revenues ranging from \$10 million to \$50 million (EBITDA of \$2-8 million) in the focus industries of manufacturing, distribution, business services, consumer products, and healthcare. Ben Wallace, Vice President of Azalea Capital, is involved in identifying, evaluating, and executing new investments as well as monitoring current portfolio companies.



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What are your views on how 2008 has unfolded for the business community thus far?

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MK: So far, the climate for business transactions in my practice area, such as middle market M&A, has been surprisingly resilient, despite all the gloom and doom in the media. Deal flow is consistent with 2006 and 2007. But there is some softening at work, and it is starting to show up in the financing for deals. Some clients, especially those in or highly dependent on manufacturing, transportation, and construction, have been severely challenged. It is reminiscent of 2000, when we still had a hangover of expectations from the overly optimistic 1990s, but harsh reality was starting to settle and impact financing of deals. If we can avoid the catastrophic, the momentum might push us through to the up-tick.

BW: A number of significant challenges that were forming in late 2007 began to fully materialize in the first half of this year – rising and volatile commodity prices (oil, gas, wheat, etc.), declining home values, and continued contraction in the banking industry. For small to medium-sized companies, these events can certainly have negative implications whether it's higher fuel costs or raw material price volatility. However, there are positive implications as well, including record low interest rates and capital available for well managed companies.

At a minimum, these challenges have created a great deal of uncertainty in the marketplace. Some companies will adopt a hunker-down strategy, but there are still great opportunities for disciplined companies to take advantage of the uncertainty and come out ahead when the skies clear.

TS: 2008 has unfolded quite well for OOBE, although I am fairly certain that is not the case for many industry verticals these days. OOBE's revenues are ahead of last year's by approximately 10%, but we are having to be very diligent in order to attain profit targets, as margins are getting squeezed due to inflation and the escalating cost profile of product that we manufacture and/or procure in Asian and Middle East geographies. Significant increases in fuel and food prices have put unprecedented pressure on the consumer and are creating a series of consequences that are cascading into all sectors of our economy... banking, real estate, retail... you name it. One key to survival is to identify and participate in *sub-markets*... markets within or underneath the most visible or competitive market spaces...that represent emerging new trends and demands that have not been capitalized upon or significantly mined by any clear market leader. These sub-markets provide opportunities for a Small-to-Medium Enterprise (SME) to participate as an early mover and capture a lion's share of the early revenue stream. And... some of these sub-markets generate such momentum that they develop into significant market trends, catapulting some small businesses into hyper-growth mode with the result being an exponential increase in shareholder value.

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Do you think economic conditions in the Southeast are mirroring broader headlines?

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MK: Perhaps the Southeast economy has not mirrored the broader economy yet. Many sectors in the Southeast are still doing fine. But we usually lag behind on both up-tick and down-turns. The commercial real estate industry is hurting, and the Southeast is highly dependent on this sector, so we are feeling the effects across the board, just not as sharply in other sectors.

BW: The Southeast seems to be performing above average compared to the overall U.S. economy, where broader headlines have been very pessimistic. The downturn in the housing market has dramatically affected certain areas of the Southeast (Florida, Atlanta, and now Charlotte), while other areas have seen a much more gradual decline.

The business climate in the Southeast is still very attractive - one reason why it's the third fastest growing region in the U.S. The turmoil in the credit markets and mortgage industry has undoubtedly slowed this growth somewhat. However, the long term projections of population growth and demographic shift within the Southeast bode well for businesses located in the region.

TS: I do think that economic conditions in the Southeast mirror broader headlines, but somewhat less severely. Because our cost of labor has traditionally been lower than other U.S. geographies, we have benefited from diversification in our commercial, industrial, and economic base that has allowed us to sustain many of our manufacturing and service operations when their sister operations are closing in other parts of the country. Obviously, the textile industry is in a real struggle for survival and is undergoing tremendous shrinkage, especially apparel textiles. Real estate also continues to hold up reasonably well in our geography as we continue to experience population growth at a manageable pace. The influx of retirees to this area has also increased the economic and tax base and the per capita income in many counties. So, all in all, we are weathering the storm better than other parts of the country, but the challenge may get bigger before it turns.



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Mark, are you seeing an increase in bankruptcies or do you anticipate bankruptcies to pick up as we continue in 2008?

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MK: Yes, bankruptcy filings are definitely increasing, especially among the commercial real estate ventures. Many pre-sales are defaulting and projects are unable to obtain permanent financing. These bankruptcy filings are also starting to impact other sectors as preference payments are being recovered. There is some ripple effect from the bankruptcies starting to impact the economy across the board.

These problems in bankruptcies are also mirroring a trend that is noticeable in most sectors - many clients are reporting that their customers are stretching payment terms and putting pressure on payables as a way to manage cash flow. The ripple effect of this "involuntary financing" is an unfortunate trend and a scary omen of a weakening economy.



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Ben, private equity firms have a great deal of capital to put to work in companies these days. Describe the current climate to identify great companies to invest in and what changes, if any, you have seen in the past twelve months.

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BW: The economic slowdown and effect of rising costs are exposing whether or not a company has built a sustainable business model. The ability to pass along raw material price increases to customers or scale operations to match a slowdown in demand highlights whether past performance is a result of company's strong value proposition or just a rising tide. Underperforming companies will be greatly challenged in this environment while well-managed companies should continue to shine.

The volume and quality of investment opportunities has remained about the same compared to this time last year. There are still a number of interesting prospects, but for the most part, growth rates and profitability for the trailing twelve months are down year over year.

The tightening of the credit markets will likely mean that transactions will be funded with more equity on the front end. Valuation expectations may not have aligned yet with the current environment, which will cause some owners to sit on the sidelines for now.

Azalea is a long-term investor, so we're excited to have capital to invest over the next few years. For company owners seeking an outside investor or a complete sale, it's probably still a good time to maximize their after-tax proceeds even if they aren't seeing valuations on par with the peak of 2007. The historically low capital gains tax rates may be targeted for an increase in the coming years, which may prompt owners to act sooner rather than later in exiting their business.



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What bright spots are you seeing in business now, and do you anticipate, in the near term?

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MK: Private equity funds are willing to invest more equity, and are so far not letting the tightening debt market prevent deals from being pursued. New business starts, at least in our practice, are holding steady as compared to recent years. Entrepreneurs still cling to optimism, and are willing to employ risk-capital in new ventures. The hardships in the building industries have not infected other sectors with fatal illness yet, so if the turn-around is soon enough, we can probably escape recessionary conditions in the sectors that are still healthy. However, the economy is clearly cautious and spotty.

BW: For Azalea, we continue to see opportunities driven by the overall demographic shift in ownership. The Southeast remains a very attractive place to live and conduct business which is why we are optimistic about future prospects here. Certain segments of the market, such as food manufacturers or chemical companies, show steady growth if they have pricing power while other industries facing a significant drop in demand, such as residential building products, will continue to face a headwind in the near term.

TS: My observations are that business bright spots are those organizations that provide infrastructure, hardware, support resources, or automation tools that when deployed allow businesses utilizing those products and/or services to operate more efficiently both from a resource consumption and cost standpoint. Today, two key criteria for sustaining or growing your business model are to operate “lean” and to be very agile at the same time. Any tool or service that allows me to free up “captive capital” tied up in excess inventory, shorten lead times, more efficiently manage and adjust my supply chain (elements of which I do not own), or make more efficient use of transportation or freight resources is worth a look. The businesses that I see growing, therefore, are generally *enablers* of other businesses. In an era when it appears that it is going to be a real challenge to achieve significant top-line revenue growth and sustain profitability numbers, anything that helps me squeeze every last penny out of my operations cost profile is worth considering and possibly utilizing if my justification process indicates an appropriate Return-On-Investment (ROI).



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Where do you see the greatest opportunities to improve in the current environment? Cutting cost? Rationalizing through investment in technology? Consolidating acquisitions? Top line growth in new markets through acquisition?

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MK: Cost-cutting seems most effective in the short run, although bold entrepreneurs and professional buyers, like many private equity funds, should be able to find some good bargains. With sufficient capital to be patient and weather a storm or two, these entities should be able to gain a lot of market share during the periods of economic weakness. Foreign capital is clearly seizing on the opportunities in the US, and the Southeast, using the weak dollar as an advantage to buy up US assets at bargain prices in light of the exchange rates. We are seeing more foreign investment in acquisitions of US companies in the Southeast lately than has usually been the case.

BW: Each of our portfolio companies will have a different response to the current environment. For example, one company whose gross margins are predominantly driven by raw material costs (which are rising) has heightened their focus on eliminating waste in the production process and implementing price increases. Another company who has seen a slowdown in demand by the end users of its products is actively looking to increase its market share through an acquisition or add-on investment. Overall, though, whether it's an investment in new equipment or the addition of new personnel, all of our companies are looking to maximize the return on invested capital in their business. In other words, we hope to take advantage of softness in the market to make investments in industries that will rebound.



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Where do you see the greatest opportunities to improve in the current environment? Cutting cost? Rationalizing through investment in technology? Consolidating acquisitions? Top line growth in new markets through acquisition?

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TS: My perspective is that the greatest opportunities for increasing effectiveness and efficiency and sustaining growth are 1), through investment in *focused* technology (applied automation) and 2), market entry through acquisition. When I say *applied* automation, I do not mean the grand ERP projects that most businesses have been through in the last 20 years, but the deployment of *point solutions* that are targeted at a specific business challenge or opportunity, carry a reasonable acquisition cost, and help me execute now, not five years from now after a massive and costly implementation project. We look for automation tools that help facilitate more effective sales processes, freight management, and collaboration for development projects. Collaboration tools provide an exciting new medium through which to accelerate development projects and improve execution as well. If I can enable teams of geographically-dispersed individuals to work together in a more efficient manner (enabling work to proceed on a 24/7 basis if the team is global) by providing collaboration tools and a virtual collaborative workspace, while reducing travel time and costs, then I am making progress and achieving increased effectiveness and efficiency at the same time. So we are deploying smaller, more manageable automation and collaboration tools that have reasonable acquisition and implementations costs, can be implemented quickly, and generate near-term ROI.

Secondly, we are always looking for markets that are tangential to markets in which we already participate. If we produce custom apparel collections for restaurants, resorts, or theme parks that are worn by their staff/employees, and the brand has a significantly-sized public following, we may decide to pursue their promotional products and apparel that they sell to their clientele. Also, markets are so fragmented these days because it is essential that every supplier provide spot-on guidance, products, and services to customers by being absolute experts in the markets that we serve. This creates an effect whereby the way that we define our business models and market focus is becoming narrower because we can no longer operate as business generalists. I will use the medical field as an analogy in this case. Much like specialization in health care services has become the norm, there is so much *business* skill, knowledge, and experience required to be an expert in just one aspect of the supply chain or distribution channel today that we now have to be able to perform micro-surgery to “ply our craft”. Conversely, that implies that the most effective way to enter a market that is directly tangential to the markets that my company serves may be to acquire a firm that is already participating in that market and has an evolved value proposition and set of execution processes that provide it a competitive advantage in a very clearly defined market space. I will opt for buying more land rather than grinding up enough rocks to make more dirt. I believe that it gets me there quicker.



Watermark Advisors
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What is the scarcest resource for business in the current environment: capital, people or other?

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MK: In South Carolina especially, the scarcest resource is still people at management levels, especially CFO, CIO, and even CEO talent, but all levels of human capital remain a challenge. Certain sectors need more technical and scientific talent, others more sales and marketing quantity and quality. A close second challenge is seed and early stage growth capital, and a third scarcity right now might be credit management, or at least it is starting to seem this way.

BW: Regardless of the business climate, strong business leaders are always a scarce resource. We would rather invest in an average business with a great management team that can execute as opposed to a great business with mediocre leadership. We have capital; however, we are looking for opportunities to deploy it in partnership with great leaders.

TS: Today, the scarcest resource appears to be capital. People and skills are available in today's market and economy, maybe more so than at any time that I have been in the workplace. However, money is tight and the qualifications to acquire it are high. Even if the source of need is being driven by growth, the equity and debt markets are challenging.



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Describe a President/CEO that you have worked with that you hold in very high regard. What company policies or decisions did they make that you most admire?

MEMBER FINRA/SIPC

MK: I admire the CEOs and other business leaders who in the current difficult environment have found ways to hold the company together even when their markets were collapsing around them. They are making hard, rapid choices with less than adequate information, in uncertain and dynamic conditions, and are adjusting on the fly in a nimble, smart fashion. They are not panicking, but they are reacting swiftly and decisively. They are not paralyzed by deteriorating conditions. They are surviving and some even thriving, gaining market share while less decisive, less nimble competitors stumbled and froze. Others hunkered down, but have survived, and that in itself is admirable in some sectors. I also admire the entrepreneurs who are seeing and seizing on opportunities, optimistically anticipating the upturn that is sure to come, but planning for the hard days between now and then, and doing so creatively. Some of these entrepreneurs are individuals starting new enterprises, and others are large companies seeking to grow through acquisitions and new initiatives.

BW: In recent years we've invested in over 16 companies and have been fortunate to partner with some very gifted business leaders, so it's difficult to single out just one person. However, there are some leadership traits that we look for when we recruit a new CEO, which we've done in four out of our last five investments.

The most effective CEOs that we have worked with are leaders who:

- Are team builders who create a collaborative atmosphere within the business.
- Make well reasoned decisions based on facts and a realistic assessment of the company's capabilities and the environment it operates in. They do not just rely upon gut feel or experience, although instincts are important.
- Proactively and effectively communicate with employees, customers, suppliers, and shareholders.
- Take an ownership perspective in the business, which is why we ask every CEO to invest their own capital in the business alongside Azalea.
- Have unquestioned integrity and a sense of treating others as they wish to be treated.



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Watermark Windows

Describe a President/CEO that you have worked with that you hold in very high regard. What company policies or decisions did they make that you most admire?

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TS: Since I left IBM 20+ years ago, most of my career has been invested in starting, growing, and selling entrepreneurial businesses. Most of the business leaders with whom I have worked have been individuals who are experts at “guerilla warfare.” By that, I mean they personally help grow the business by selling key and large accounts while simultaneously and quickly assembling and leading the work teams that execute the business that has been sold. This role demands a very high degree of intelligence, insight, effort, and focus. And you must be decisive. One local individual that comes to mind that embodies all of these characteristics is John Black, President of Catalyst Telecom here in Greenville. John and I worked at IBM and Right Source together, and I can tell you that the word that best describes John is focus. For his entire career, and even before that when younger, John has been able to identify what success looks like in each academic, athletic, or business opportunity and direct all of his thoughts, resources, and energy toward the achievement of that one, singular objective, that if achieved, equates to unqualified success. I have learned a lot from watching John over the years and he and I still discuss our business approaches regularly even though we are now in different companies. So I continue to learn from John.



Watermark Advisors
The High Mark in Mergers & Acquisitions

Vision

THE VISION OF WATERMARK ADVISORS IS TO BE THE PREFERRED INVESTMENT BANKING ADVISORY FIRM SERVING PRIVATELY OWNED MIDDLE MARKET COMPANIES.

Mission

WATERMARK ADVISORS SEEKS TO AID BUSINESS OWNERS LOOKING TO GROW OR HARVEST VALUE FROM THEIR COMPANIES BY PROVIDING SUPERIOR:

- VALUATION SERVICES
- STRATEGIC AND FINANCIAL MODELING
- MERGER AND ACQUISITION ADVISORY SERVICES
- PRIVATE DEBT AND EQUITY FINANCINGS



A WATERMARK IS AN INTERNAL IMPRESSION MADE ON PAPER OR CURRENCY THAT IS VISIBLE WHEN HELD UP TO THE LIGHT. IT IS A SYMBOL OF AUTHENTICITY, QUALITY AND EXCELLENCE.

Watermark Advisors

THE HIGH MARK IN MERGERS & ACQUISITIONS

WATERMARK ADVISORS PROVIDES THE QUALITY AND EXCELLENCE OF SERVICE THAT MAKES A DISTINCTIVE AND LASTING IMPRESSION ON EACH CLIENT, LONG AFTER THE ASSIGNMENT IS COMPLETED.

"HE WHO IS FAITHFUL IN A VERY LITTLE THING
IS FAITHFUL ALSO IN MUCH"
LUKE 16:10

Culture

WATERMARK ADVISORS CULTIVATES AN ENVIRONMENT OF PROFESSIONALISM, INTEGRITY, AND SERVANT LEADERSHIP BY ADHERING TO THE FOLLOWING DEFINING VALUES:

- PLACE OUR CLIENTS' INTERESTS AHEAD OF OUR OWN
- DEMONSTRATE A SENSE OF URGENCY IN EXECUTION WITHOUT ARROGANCE
- PASSIONATELY STRIVE TO ACHIEVE THE BEST RESULT WITHOUT LOSING COMPASSION FOR THE PEOPLE WHO HELP MAKE IT HAPPEN
- EMBRACE A TEAM APPROACH TO BUSINESS, WHERE EACH PROFESSIONAL IS ACCOUNTABLE FOR CONTRIBUTING TO SUCCESSFUL EXECUTION FOR CLIENTS
- ALWAYS ACT WITH HONOR AND INTEGRITY
- ENCOURAGE OUR PEOPLE TO GROW IN CAREER, FAMILY, AND COMMUNITY