



February 2008 Edition

	<u>Page</u>
• Southeast U.S. Recently Closed Mergers & Acquisitions Transactions November 2007 – January 2008	2
• Average Treasury Yields Fall 26% in Trailing 3 months Jan. 08 versus Jan. 07 and Stock Indices Increase by 4%	4
• U.S. Overall Middle Market Lending Volume by Industry and Volume by Purpose – 2007	5
• So What is Actually Happening in the Capital Markets in 2008?	
Senior Bank Lending Market Update	6
Asset Based Lending Market Update	8
Mezzanine Debt Market Update	10
Private Equity Market Update	12
M&A Market Update	14

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Southeast U.S. Recently Closed Southeast U.S. Merger & Acquisition Transactions

MEMBER FINRA/SIPC (Includes Transactions in the Carolinas, Georgia, Florida and Tennessee)

Closed	Seller	Target City	Buyer	Buyer City	Target Business Description:	EV in \$mm	EV/ Revenue
1-Nov-07	Memphis Managed Care Corp.	Memphis	AMERIGROUP Corp.	Virginia Beach	Provides family care health plans	\$12.00	
1-Nov-07	Crispin Porter + Bogusky	Miami	MDC Partners, Inc.	Toronto	Provides public relations, advertising and direct marketing services	\$99.39	
1-Nov-07	National Health Realty, Inc.	Murfreesboro	National HealthCare Corp.	Murfreesboro	Engages in the ownership and operation of real estate properties	\$245.77	12.21X
2-Nov-07	JenQuest, Inc.	Ocean City	Ebix, Inc.	Atlanta	Provides outsourced Certificate of Insurance tracking services	\$12.60	
5-Nov-07	The Lamson & Sessions Co.	Cleveland	Thomas & Betts Corp.	Memphis	Manufactures thermoplastic enclosures, fittings, conduit and pipe, and wiring devices	\$447.58	.86X
7-Nov-07	KnowledgeStorm, Inc.	Alpharetta	TechTarget, Inc.	Needham	Provides online information services	\$58.25	
7-Nov-07	Blue Tree Wireless Data, Inc.	Lachine	Sixnet Holdings LLC	Chapel Hill	Develops and manufactures wireless modems and software solutions	\$17.54	3.26X
8-Nov-07	NetConnect Systems AS (Meet 24 AS)	Oslo	Premiere Global Services, Inc.	Atlanta	Provides conferencing and web collaboration services	\$26.61	
9-Nov-07	Ceridian Corp.	Minneapolis	Thomas H. Lee Partners	Jacksonville	Analyzes data for human resources, transportation, and electronic media markets	\$4,911.45	3.10X
12-Nov-07	Microtek Medical Holdings, Inc.	Alpharetta	Ecolab, Inc.	St. Paul	Manufactures and sells surgical and medical supplies and equipment	\$258.77	1.75X
13-Nov-07	Sirenza Microdevices, Inc.	Broomfield	RF Micro Devices, Inc.	Greensboro	Designs and supplies radio frequency components for the telecommunications market	\$831.24	5.12X
14-Nov-07	OneSource Services, Inc.	Atlanta	ABM Industries, Inc.	San Francisco	Provides commercial cleaning services and landscaping services	\$391.20	.47X
16-Nov-07	Florida Rock Industries, Inc.	Jacksonville	Vulcan Materials Co.	Birmingham	Mines, processes, and distributes construction aggregates	\$4,128.47	3.04X
19-Nov-07	Stationary Power Services, Inc.	Clearwater	Ultralife Batteries, Inc.	Newark	Manufactures batteries and power solutions	\$10.00	
20-Nov-07	ROK Entertainment Group Ltd.	Albrighton	Cyberfund, Inc.	Boca Raton	Develops mobile technology and content applications	\$832.11	
20-Nov-07	Nilram Corp.	Miami	Venquest Capital Management LLC	Dallas	Manufactures custom retail store fixtures and case work	\$30.00	
30-Nov-07	North Atlanta National Bank Georgia	Alpharetta	Shinhan Financial Group Co., Ltd.	Seoul	State commercial bank	\$30.28	3.06X
30-Nov-07	WNUE-FM	Altamonte Springs	Entravision Communications Corp.	Santa Monica	Operates a Spanish broadcast radio station	\$24.00	
30-Nov-07	Coast Financial Holdings, Inc.	Bradenton	First Banks, Inc.	Clayton	State commercial bank	\$21.84	.46X
30-Nov-07	TSB Financial Corp.	Charlotte	SCBT Financial Corp.	Columbia	State commercial bank	\$51.24	3.77X
30-Nov-07	Miami Square Garden One, Inc.	Miami	Rick's Cabaret International Inc.	Houston	Operates an adult cabaret	\$25.00	
30-Nov-07	Burt's Bees, Inc.	Morrisville	The Clorox Co.	Oakland	Manufactures and markets personal care products	\$925.00	
30-Nov-07	Mid-America Bancshares, Inc.	Nashville	Pinnacle Financial Partners, Inc.	Nashville	Operates state commercial banks	\$194.87	2.81X
3-Dec-07	Morris Publishing Group LLC (17 Newspapers)	Augusta	GateHouse Media, Inc.	Fairport	Publishes and prints newspapers	\$115.00	
3-Dec-07	Kropp Holdings, Inc. (AVCARD)	Hunt Valley	World Fuel Services Corp.	Miami	Provides contract fuel sales and charge card services to the aviation industry	\$55.00	
3-Dec-07	Perry Equipment Corp	Mineral Wells	CLARCOR, Inc.	Franklin	Manufactures engineered filtration products and technologies	\$163.00	

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3-Dec-07	CheckFree Corp.	Norcross	Fiserv, Inc.	Brookfield	Provides financial electronic commerce services and products	\$4,462.84	4.59X
3-Dec-07	IntelliMark Holdings, Inc. (Technisource, Inc.)	Saint Louis	Spherion Corp.	Fort Lauderdale	Provides information technology and engineering services	\$140.00	
4-Dec-07	Nabi Biopharmaceuticals (Biologics Division)	Boca Raton	Biotest AG	Dreieich	Manufactures biopharmaceutical products	\$185.00	
4-Dec-07	MedCath Corp. (Heart Hospital of Lafayette)	Charlotte	Heart Hospital of Lafayette/Private Group	Lafayette	Operates hospital	\$49.02	
5-Dec-07	TECO Energy, Inc. (TECO Transport Corp.)	Tampa	TECO Transport Corp./Private Group	Tampa	Provides transportation of commodities	\$405.00	
7-Dec-07	Tecumseh Products Co. (Automotive & Specialty B	Tecumseh	Sun Capital Partners, Inc.	Boca Raton	Manufactures automotive parts	\$10.00	
10-Dec-07	Nationwide Card Services, Inc.	Memphis	Bankrate, Inc.	North Palm Beach	Provides marketing services	\$33.40	
11-Dec-07	James River Group, Inc.	Chapel Hill	D. E. Shaw & Co., Inc.	New York	Provides property and casualty insurance	\$547.30	2.18X
14-Dec-07	C-COR, Inc.	State College	Arris Group, Inc.	Suwanee	Manufactures electronic equipment for communications systems	\$613.14	2.21X
17-Dec-07	Procuri, Inc.	Atlanta	Ariba, Inc.	Sunnyvale	Provides strategic sourcing and contract management software	\$101.00	4.41X
17-Dec-07	CCS Financial Services, Inc. (82 Stores)	Fort Lauderdale	Dollar Financial Corp.	Berwyn	Owns and operates check cashing stores	\$100.00	
18-Dec-07	Boasso America Corp.	Chalmette	Quality Distribution, Inc.	Tampa	Provides bulk transportation and related services	\$60.00	
19-Dec-07	Billing Services Group Ltd.(Luxembourg and Asia	CGlenview	Syniverse Technologies, Inc.	Tampa	Provides financial solutions for communications service providers	\$290.00	
20-Dec-07	Eclipsys Corp. (CPM Resource Center)	Boca Raton	Reed Elsevier PLC	London	Provides consulting to the healthcare industry	\$25.00	
27-Dec-07	Andrew Corp.	Westchester	CommScope, Inc.	Hickory	Manufactures communications equipment, software, and antennas	\$2,577.23	1.19X
28-Dec-07	InfoSpace, Inc. (Mobil Services Business)	Bellevue	Motricity, Inc.	Durham	Provides managed services infrastructure for mobile carriers	\$135.00	
28-Dec-07	All Points Industries, Inc.	Pompano Beach	The Hillman Cos., Inc.	Cincinnati	Makes commercial and residential fasteners	\$10.50	
28-Dec-07	Digital Angel Corp.	South St. Paul	Applied Digital Solutions, Inc.	Delray Beach	Develops and deploys sensor and communications technologies	\$41.64	.65X
31-Dec-07	Invensys PLC (AVP Ltd.)	London	SPX Corp.	Charlotte	Supplies process engineering and automation solutions to multiple industries	\$519.34	.63X
31-Dec-07	Cargo Holdings International, Inc.	Orlando	ABX Air, Inc.	Wilmington	Provides airline cargo services	\$332.00	
1-Jan-08	Telstra Corp. Ltd. (eBusiness Division)	Melbourne	Ebix, Inc.	Atlanta	Provides e-business solutions	\$43.49	
2-Jan-08	Optimus Solutions LLC	Norcross	Softchoice Corp.	Toronto	Provides information technology consulting services	\$45.10	.50X
3-Jan-08	DiscoCare, Inc.	Margate	ArthroCare Corp.	Austin	Provides third-party billing and reimbursement services	\$25.00	
3-Jan-08	Darden Restaurants, Inc.(Smokey Bones Barbeque &	Orlando	Sun Capital Partners, Inc.	Boca Raton	Operates restaurant chain	\$80.00	
3-Jan-08	Lighthouse Partners LLC	Palm Beach Gardens	HFA Holdings Ltd.	Darlinghurst	Provides fund management services	\$573.67	
4-Jan-08	Graceba Total Communications, Inc.	Ashford	Knology, Inc.	West Point	Provides residential and business class Information technology	\$75.00	
7-Jan-08	Millennium Brokerage Group LLC	Nashville	Enterprise Financial Services Corp.	St. Louis	Provides insurance advisory and brokerage services	\$23.75	

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Average Treasuries Yields Fall 26% in Trailing 3 months Jan. '08 versus Jan. '07 while Stock Indices Increase by 4%

MEMBER FINRA/SIPC

Month	91-Day T-Bills	10-Year Treasuries	Spread	Dow Jones Industrial Avg.	S&P 500	NYSE Composite	NASDAQ Composite
	<i>(Average in %)</i>			<i>(End of Period)</i>			
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
April '07	4.87	4.69	-0.18	13,062.91	1,482.37	9,627.73	2,525.09
March '07	4.94	4.56	-0.38	12,354.35	1,420.86	9,261.82	2,421.64
February '07	5.03	4.72	-0.31	12,268.63	1,406.82	9,124.54	2,416.15
January '07	4.98	4.76	-0.22	12,621.69	1,438.24	9,254.73	2,463.93
December '06	4.85	4.56	-0.29	12,463.15	1,418.30	9,139.02	2,415.29
November '06	4.94	4.60	-0.34	12,221.93	1,400.63	8,969.00	2,431.77
October '06	4.92	4.73	-0.19	12,080.73	1,377.94	8,774.98	2,366.71
September '06	4.76	4.63	-0.13	11,679.07	1,335.85	8,469.65	2,258.43
August '06	4.81	4.72	-0.09	11,381.15	1,303.82	8,388.56	2,183.75
July '06	4.95	5.09	0.14	11,185.68	1,276.66	8,242.12	2,091.47
June '06	4.79	5.11	0.32	11,150.22	1,270.20	8,169.07	2,172.09
3 Months (Nov '06 - January '07)	4.92	4.64	-0.28	12,435.59	1,419.06	9,120.92	2,437.00
3 Months (Nov '07 - January '08)	3.08	4.00	0.92	13,095.63	1,442.68	9,574.44	2,567.70
				5.31%	1.66%	4.97%	5.36%



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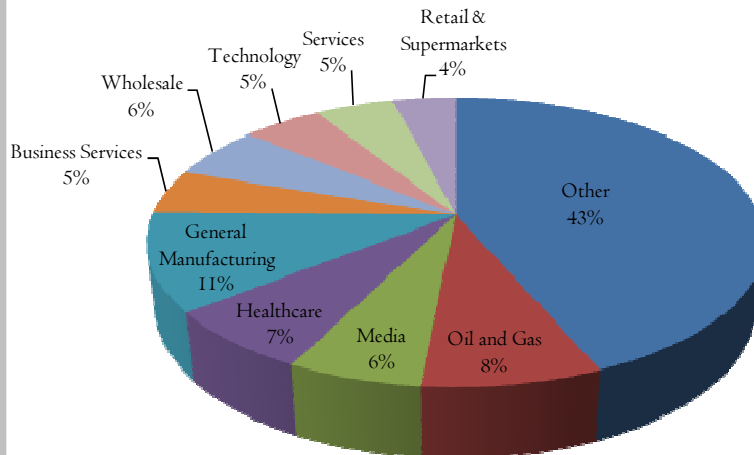
U.S. Overall Middle Market Lending Volume by Industry and Volume by Purpose - 2007

MEMBER FINRA/SIPC

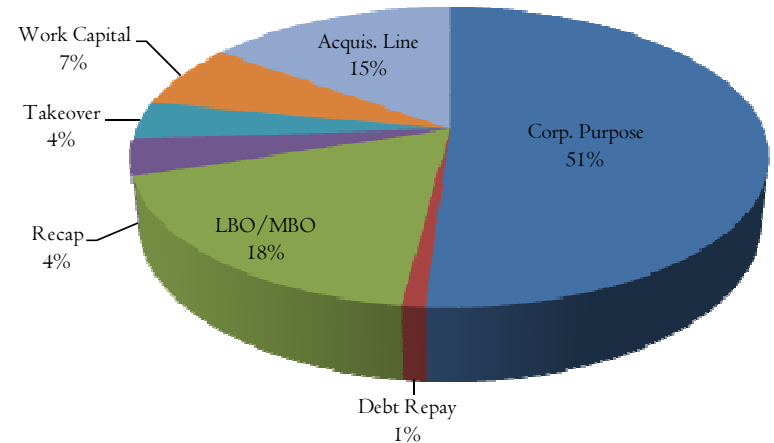
Source:

January 2008 Gold Sheets

Middle Market Lending Volume by Industry



Middle Market Lending Volume by Purpose



The charts show middle market* lending volume in the U.S. by industry and purpose for 2007.

*Middle market: between \$100 million and \$500 million.



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The High Mark in Mergers & Acquisitions

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Healthy Southeast companies with \$10 to \$150 million in revenues have experienced a muted impact from the disruption in the broader loan market, thus far.

MEMBER FINRA/SIPC

In this expanded advisory section, we cut through the chatter on what changes have and haven't occurred in the capital markets as they relate to companies with revenues up to \$150 million. How have the capital markets reacted? We now take a closer look at the following markets: private equity, asset based lending, mezzanine financing, senior bank lending and mergers & acquisitions. The following views are from Southeast financial services providers. We thank each for their time and thoughtful responses: Dogwood Equity, Greenfield Commercial Credit, Kiawah Capital, and First Tennessee Corporate Banking. Where do the markets stand right now and where will they be likely to head as we move further into 2008?

First Tennessee Corporate Banking – Senior Bank Lending Market Update

First Tennessee, based in Memphis, Tennessee, provides financial services through four business segments: Retail/Commercial Banking, Mortgage Banking, Capital Markets and Corporate. Watermark Advisors interviewed Rotcher Watkins a Senior Vice President from Atlanta working in the Corporate Banking division, on his perspectives regarding the current senior bank lending market. More information about First Tennessee can be found on their website located at www.firsttennessee.com.

What has the choppiness in the credit markets meant for private company borrowers in 2008 thus far?

For companies with consistent operating performance and moderate to low leverage, senior debt financing continues to be easily accessible at competitive prices and structures. For highly leveraged companies, the lower demand from institutional lenders has resulted in the need for more equity/equity-like capital, higher pricing, and possibly tighter covenants. Many economically impacted companies are likely to see more of an asset based lending (ABL) collateral coverage approach to structuring a credit facility.

Have issues in the broader loan market affected borrowers with revenues from \$10 million to \$150 million in the Southeast? Why or why not?

The \$10MM to \$150MM segment has historically relied primarily on regional banks for capital, resulting in a somewhat muted impact on this segment from the broader loan market. We have seen some tightening in loan structures and slightly higher pricing for the segment but not nearly as much as the larger middle market segment.

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Senior Bank Lending Update, Continued.

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Compare financial covenants today versus one year ago. How have they changed?

The competitive pressures for covenant light structures appear to have passed for now. More normalized leverage and cash flow controls seem to provide the structure required by senior lenders. Operating cushions within the covenant limits have tightened slightly.

Compare pricing for term loans and revolvers for borrowers today versus one year ago.

There is little change in pricing for companies whose credit profiles remain strong and unchanged from last year. However, acquisition financing which takes leverage up to maximum levels is bringing an extra 50 basis points or more based on the uncertainty of the economy and visibility of synergies to be obtained. In larger more leveraged transactions that rely on non-bank/institutional investors, we are seeing “Libor floors” appearing in term loan structures.

Are default rates rising?

Based on many of the banks’ recent announcements, it appears default rates are rising. One of the rating agencies recently reported syndicated bank loan default rates were down in both number and aggregate loan amounts from 2006 to 2007, but forecasts a dramatic increase in 2008.

Senior debt lending was hyper-competitive in 2006 and 2007. Describe the competitiveness in the marketplace now in 2008. What, if anything, has changed? What are main demand drivers for the market?

In 2006 and part of 2007, the economic environment appeared to be strong with limited signs of disruption. As a result, senior debt lending had more participation from non-bank and institutional lenders along the full credit risk spectrum. Today, with limited institutional investor demand, more traditional bank financing is filling the gap but with more traditional structuring and pricing.

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Lower middle market asset based lending practices largely unchanged in the past year.

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Greenfield Commercial Credit – Asset Based Lending Market Update

Greenfield Commercial Credit, based in Bloomfield Hills, Michigan, is a privately held commercial finance company that lends money to businesses that are unable to obtain the financing they need from a conventional bank. They offer asset based lines of credit, factoring, mezzanine financing, and foreign exchange services. The asset based lending division of the company provides lines of credit to businesses that use their tangible assets as collateral. Watermark Advisors interviewed Lunelle Siegel, the Southeast Regional Manager from her Tampa, Florida office on the current Asset Based Lending market. More information about Greenfield Commercial Credit can be found on their website located at www.greenfieldcredit.com.

Has the choppiness in the capital markets impacted asset based lending?

Yes, but I think mostly in the larger dollar market, though there is some 'nibbling' in the smaller size ABL market. Some entrepreneurs are thinking 'big' and are contemplating giving up equity for the big play rather than leveraging with slower growth.

In general, what pricing changes can borrowers expect today versus 1Q'07?

In my market it has remained about the same.

Describe an ideal client for Greenfield.

A company that has growth plans, but that isn't a fit at the bank right now, either because they've had under performance, are 'too new' or are growing 'too fast'.



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Asset Based Lending Update, Continued.

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What type of assets would you exclude in determining borrowing capacity?

Work in progress inventory, fixed assets if they represent a disproportionate amount of the transaction and intangible assets.

What is concerning asset based lenders?

I'm concerned by borrower's dogged sense that time is on their side, when their business is collapsing around them. The analogy of the frog in the boiling water not noticing until its too late hasn't been truer on a wholesale basis since I started in this field 20+ years ago.

Are defaults increasing in general with asset based lenders?

I can't speak to others, but ours continue to be good.



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Mezzanine debt sees increased quantity and quality of deal flow as some larger funds move up market.

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Kiawah Capital – Mezzanine Debt Market Update

Kiawah Capital, located in Charleston, South Carolina, provides equity and debt funding as well as management support to privately owned, small to middle market enterprises based in the Carolinas, Georgia, and Florida for purposes of facilitating growth plans, recapitalizations and buyouts. Watermark Advisors interviewed Ron Owens, CPA, CFA and President of Kiawah Capital, on his perspectives regarding the current mezzanine debt market. Mr. Owens has been involved in structuring, financing and providing expertise for a number of start-up and early stage companies for over 15 years. More information about Kiawah Capital can be found by emailing Ron_Owens@KiawahIsland.com or looking at www.banyanmezzanine.com.

How has the broader disarray in the credit markets impacted your market?

The credit spreads, the spread over LIBOR or Treasury, for larger deals have widened sending larger funds back upstream. Over the last couple of years we saw traditional and non-traditional mezzanine providers enter the lower middle market to pick up yield, which increased competition and diluted the opportunities. We have not seen our spreads widen out much in this market, but we are seeing higher quality deals. The pricing for small mezzanine lenders \$2 million to \$10 million remains stable throughout most credit cycles.

Has mezzanine debt reemerged as a popular option to finance private companies? If so, why has this been the case recently?

Mezzanine is a great source of capital for private equity groups, management led buyouts and strategic buyers. It allows a buyer to lower the amount of equity capital required to complete a financing transaction. This in turn, allows for greater diversification within the fund and high net worth individuals are able to close larger transactions. Many equity funds and management groups look at mezzanine providers as true partners; we focus on cash flow and don't require guarantees from the Fund or individuals.

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Mezzanine Debt Update, Continued.

MEMBER FINRA/SIPC

Compare and contrast current pricing expectations to IQ'07.

In the middle market, \$15 million + of mezzanine debt, leverage is about a half turn lower on EBITDA and pricing is wider by 100+ basis points versus this time last year. Pricing for smaller deals, \$2-10 million, of mezzanine debt is about the same. The cost of capital overall is slightly higher because there is less credit available from banks, resulting in a little more mezzanine debt and equity in the capital structure versus last year.

What capital market do you find yourself competing against in 2008? Why?

Most of our competition comes from smaller mezzanine funds, primarily SBICs. The one-stop funds and non-traditional lenders like hedge funds seem to be moving back upstream as pricing improves in larger deals. Most of the larger funds have tightened their underwriting.

Do you see any particular trends on the horizon in mezzanine financing?

We are seeing things move back to the norm, total leverage of 3-4x EBITDA, less competition from banks to stretch on the senior debt and better quality deal flow. This is an exciting time to be a mezzanine lender or a smaller equity fund. Capital remains available for companies that have a defensible market position, consistent cash flow and good management. It is a very difficult time if a company is experiencing operating problems or seeking to refinance with over-leveraged assets.



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Private Equity deal flow remains fairly active.

MEMBER FINRA/SIPC

Dogwood Equity – Private Equity Market Update

Dogwood Equity, based in Raleigh, North Carolina, is a private equity fund that makes equity investments in control buyouts and select non-control investments in closely-held companies located in the Southeastern United States. The company focuses exclusively on the small cap market, which Dogwood defines as companies with less than \$75 million in revenues. Our interview is with Dabney Smith, general partner with Dogwood Equity. Mr. Smith has over 25 years of experience in venture capital, corporate finance, and small business banking. More information about Dogwood Equity can be found on their website located at www.dogwoodequity.com.

Do you expect more or less exits in 2008? Why?

Dogwood Equity expects to have one or two more exits in 2008 than in 2007. This is a result of having several mature investments in the portfolio that have continued to improve their performance during the past 12 months.

Are you experiencing differing leverage commitments from lenders for transactions? If so, how much versus IQ'07? How has this impacted your efforts to finance transactions?

Dogwood Equity focuses on lower middle market transactions. Lenders to that market have not tightened as dramatically as has been reported for larger transactions. Our experience is that credit availability and pricing for top quality deals in the lower middle market space has not changed in any significant way. However, we have seen a slight tightening of deal terms, particularly in the area of more restrictive financial covenants.

Are you experiencing more or less competition from strategic buyers in 2008?

Competition from strategic buyers always seems to vary on a case-by-case basis and Dogwood Equity has not noted any significant change to that pattern in the past year. Higher pricing from a strategic buyer on a specific deal is a function of whether the buyer sees clear opportunities to realize cost savings and/or sales synergies in combination with their existing operations. These are opportunities that financial buyers do not have on a stand-alone basis.



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Private Equity Update, Continued.

MEMBER FINRA/SIPC

Compare overall deal flow to IQ'07.

Deal flow remains fairly active and is in line with IQ '07.

What is concerning about the buyout market right now? What bright spots do you see?

Company valuation multiples appear to have retreated somewhat from the peaks in 2006 and early 2007 and are closer to historic averages. That single factor is the chief concern if you are selling a company today and is also the primary bright spot if you are buying.

Are there more non-control transactions taking place in the marketplace? What is driving this?

We have not seen any significant change in the number of non-control transactions in the marketplace. However, we would not be surprised to see a slight easing in this segment of the market until the current uncertainty in the U.S. economy is resolved. Our experience suggests that entrepreneurs are more likely to seek growth capital when overall economic trends are positive.

What are your goals with Fund II? What type of prospects are you seeking and where?

Dogwood Equity II will make investments in buyout transactions as well as later stage growth equity investments. Dogwood will continue its highly successful Fund I strategy of targeting businesses located in non-urban and smaller metropolitan markets and will look for opportunities throughout the Southeastern U.S.. Dogwood will continue to focus on four primary sectors: manufacturing, consumer products, distribution, and services. Dogwood targets companies with \$10 - \$75 million in revenue and transactions with enterprise values less than \$50 million. The Fund will generally make initial investments in the \$4 - \$8 million range.



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M&A in the Southeast slows, but international acquirers and strategics could positively impact the market in 2008.

MEMBER FINRA/SIPC

Watermark Advisors – Mergers & Acquisitions Market Update

Watermark Advisors provides mergers & acquisition financial advisory services to clients. Hagen Rogers, Managing Director at Watermark Advisors, answers questions about M&A activity in the current market.

Has there been a slowdown in M&A activity in the lower middle since the second half of 2007?

From January until July 2007, M&A activity for transactions with an enterprise value \$50 million or less in the Carolinas, Georgia, Florida, and Tennessee was steady while the second half brought a slight decline. The first half of 2007 saw 169 deals close in these states while the second half produced 127. The same trend was also seen nationally as the first half produced much stronger numbers. We haven't seen any more of a drop off since the end of the 2007 and deal flow should remain steady.

Going forward into 2008, which industries have seen the most M&A activity and which ones will see increases later on into the year?

Any industries that are not closely tied to the general performance of the economy should not be as affected. Early in 2008 we have already seen much consolidation in Energy and Natural Resource Companies. Other industries that likely to be highly active are Technology, Materials, Telecom, and certain Business Process Outsourcing (BPO) sectors. On the other end, Commercial Banking has seen deal multiples decrease since the first half of 2007 and therefore we may see fewer interested sellers for the time being.



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M&A Update, Continued.

MEMBER FINRA/SIPC

What will drive middle market M&A activity moving further into 2008?

With the value of the U.S. dollar currently low, foreign investors will be willing to pay premiums to enter the U.S. market. The best way for them to do this is through the acquisition of an existing American company and we have already seen this in the beginning of this year. Also, we should see operating companies increasing buy-side acquisition strategies.

How large of a role will the overall health of the economy play in M&A transactions in 2008?

It will not play as big of a role as it would if you go higher upstream in the market. However, if we enter a recession, we may see a slowdown as sellers wait it out. However, there is even more private capital today looking to invest in companies and more operating companies seeking to grow via acquisitions, so a slowdown will still have a steady pace of transactions.



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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.

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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