

The Powell 50 Report

Q1 2012

The Powell 50 Report is an exclusive quarterly report documenting the activities of those whom we believe to be Georgia's 50 most accomplished investment banking firms, intermediaries and private equity firms.

The following list represents only the *Powell 50* firms with transaction activity reported to PGC during the quarter.

Firms with no activity reported to PGC were not included.

For a full list of all *Powell 50* firms or an electronic copy of *The Powell 50 Report* please visit www.powellgrowthcapital.com

Georgia Private Equity Activity (Private Equity firms either headquartered or with offices in Georgia)

Arcapita	March 2012: Arcapita Bank B.S.C. (c) and several of its affiliates, including Arcapita Investment Holdings Limited, have filed voluntary cases in the United States under Chapter 11 with the goal of developing and confirming a plan of reorganization.
HIG Ventures	February 2012: Apollo Endosurgery, Inc., a company focused on the development of devices that advance therapeutic endoscopy to enable an entirely new generation of minimally invasive, scarless surgical procedures, announced a \$47.6 million financing. New investors Novo A/S, Remeditex Ventures, and CPMG, Inc. joined existing investors PTV Sciences and H.I.G. BioVentures in this latest round of financing for the Austin-based medical device company.
MSouth Equity Partners	February 2012: In partnership with management, MSouth completed the acquisition of Eagle Quest International. Eagle Quest International is based in Spring Lake, MI and is a global supply-chain management company specializing in the procurement and distribution of metal components and sub-assemblies.
Navigation Capital Partners	March 2012: Formed Stratos Management Systems, Inc., a platform designed to acquire and integrate IT solutions providers and managed services firms focused on building and maintaining hybrid IT environments, including private cloud, virtualization, storage, security and networking elements. Stratos has completed its first acquisition, Nexus Information Systems, an IT provider of virtualization, storage and managed services.
Noro Moseley	March 2012: Virtualization startup Virtustream has raised \$15 million in funding from Intel Capital, Columbia Capital, Noro-Moseley Partners, TDF and QuestMark Capital. This brings Virtustream's total funding raised to \$75 million.
	February 2012: PeopleMatter, provider of the fastest-growing talent management solution (TMS) specifically designed for hourly workforces in the service industry, announced today a \$14 million Series C round of venture funding led by Morgenthaler Ventures. This financing will continue to accelerate PeopleMatter's product-innovation and customer-acquisition strategies. Existing investors Noro-Moseley Partners, C&B Capital, Intersouth Partners and Harbert Ventures also participated in the round.
	February 2012: Dillard's, Inc. (DDS: NYSE) announced an investment with Acumen Brands, an ecommerce company based in Fayetteville, Arkansas. Founded in 2009, Acumen Brands is a rapidly growing ecommerce company that operates twelve online retailers supported by proprietary software and advanced fulfillment systems. Under the agreement, Dillard's invested \$4.0 million in Series B preferred stock of Acumen Brands leading a \$5 million round of growth financing which also included participation from existing investors Noro-Moseley Partners, BLH Venture Partners, the Gravity Fund and the Arkansas Risk Capital Matching Fund.
Riverside Capital	March 2012: Acquired Milwaukee-based Specialized Medical Services, Inc. (SMS) as a combination with RCS Management Corporation (RCS). Both companies provide respiratory equipment, oxygen and related products and services to nursing homes and hospices throughout the U.S. The combination establishes the largest provider in the nation, covering more than 40 states and nearly 1,800 facilities, including 12 of the 20 largest nursing home chains in the country.
	March 2012: Acquired DentalPlans.com Inc., a direct-to-consumer marketing and e-commerce platform for dental savings plans. Based in Plantation, Florida, the company provides online tools that help consumers select the best dental savings plans for them. As the clear leader in the market, its members have access to discounts of 10% to 60% on most dental care procedures at 100,000-plus dentists nationwide.
	February 2012: Signed a definitive purchase agreement to acquire Cleveland-based BrandMuscle, a provider of full-service distributed marketing technology. BrandMuscle will join Riverside's platform Centiv Services, which develops and executes localized marketing campaigns.

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January 2012: Acquired YourMembership.com Inc., a software company that develops web-based membership management software for member-based organizations of all types and sizes around the world. Based in St. Petersburg, Florida, YourMembership.com serves nearly 1,000 customers that span all seven continents and range from small-staff associations to multinational corporations.

January 2012: Added EagleOne Logistics to its platform company Express Courier. Both companies provide time-sensitive regional delivery services in the Southeast United States. EagleOne is based in Ft. Smith, Arkansas and serves customers in nine states, primarily in the Southeast.

January 2012: Acquired TradeOne Marketing, an Austin, Texas-based provider of marketing services that help companies design, manage and administer channel marketing programs. TradeOne will join Riverside platform Centiv Services, a company dedicated to building designing and executing localized marketing campaigns.

Georgia Investment Banking/Intermediary Activity (Firms either headquartered or with offices in Georgia)

Breckenridge Group	January 2012: Avnet, Inc. and Avnet (Holdings), Ltd. acquired Canvas Systems, LLC and Canvas Systems UK Limited (collectively "Canvas"), respectively. Breckenridge served as financial advisors to Canvas.
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Brookwood Associates	Q1 2012: Advised Sticky Ribhouse, LLC ("Sticky Fingers") on the sale of the Company's restaurant operations to a newly formed entity, Sticky Fingers Restaurants, LLC, and the sale of the retail barbecue sauce distribution business to Ken's Foods, Inc.
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Q1 2012: Advised Bravo Food Group, LLC on the sale of the company to Celebration Restaurant Group, LLC. Bravo is a well-respected operator within the Yum! Brands system, with 40 units operating across three states primarily under the Taco Bell brand.

Q1 2012: Advised One Source Equipment Rentals on a \$39 million senior debt financing with Regions Business Capital. One Source is a leading provider of aerial equipment rental services to industrial, commercial, and non-residential construction companies in the Midwest. The transaction provides One Source and its management team with substantial financial flexibility to maintain and grow its equipment fleet and pursue additional growth opportunities

Q1 2012: Advised Morgan's Foods, Inc. (OTCBB: MRFD) in the company's recapitalization and sale/leaseback transaction with Fortress Investment Group (NYSE: FIG). Morgan's Foods is one of the largest operators within the Yum! Brands system, with 76 restaurants across six states primarily under the KFC brand.

Q1 2012: Advised Nth Degree, Inc., a leading provider of outsourced trade show and event services, in its sale to Gen Cap America. Selling owners included lead financial sponsor Frontenac Company and co-investors PPM America Capital Partners, One Equity Partners, and Svoboda Capital Partners. The transaction provides Nth Degree and its management team a valuable new partner to support growth while allowing its owners to realize an attractive return on its investment in Nth Degree.

Cary Street Partners	Q1 2012: Served as a financial advisor to the management team of Northpoint Commercial Finance, LLC. On March 8, 2012, the management team and affiliates of Perella Weinberg Partners' Asset Based Value strategy announced the formation of Northpoint, a new company providing inventory financing to manufacturers and their distribution and dealer networks throughout the US.
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CCG Advisors	March 2012: Advised Church Services in its sale to Pine Tree Equity. Houston, Texas-based Church Services, founded in 1990, is a highly recognized and leading regional provider of residential maintenance, repair and replacement services with a focus on HVAC, plumbing, electrical and foundation repair.
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Edge Healthcare Partners	January 2012: Advised EnduraCare Therapy Management, Inc., a portfolio company of MedEquity Capital and Halpern Denny & Co., in its sale to Select Rehabilitation, Inc. EnduraCare is a leading provider of comprehensive rehabilitation management services to approximately 165 long-term care and senior living facilities in over 20 states in the Eastern and Central United States
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Focus LLC	March 2012: Takata Corporation has acquired BAE Safety Products, Inc and Schroth Safety Products GmbH for \$32M. FOCUS represented Takata in the transaction.
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January 2012: SecurAmerica, LLC has acquired Aeropoint Security Enterprises. FOCUS represented SecurAmerica in the transaction

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Houlihan Lokey	March 2012: Houlihan Lokey was recently announced as financial advisor to JPS Industries, Inc., engaged to help explore potential strategic alternatives for the company.
Mazzone & Associates	Q1 2012: Represented CAB Incorporated in securing a new senior debt facility from PNC and UPS Capital. CAB Incorporated is a leader in international supply chain and quality management, specializing in supplying waterworks flanges, industrial castings and forgings, and wind tower components.
	Q1 2012: Advised Mike Kraft, owner of JK Foods, Inc., which owns and operates Economart and Food Pride grocery retail stores in the Bakken Shale in North Dakota, in the sale of ownership interests in JK Foods, Inc. to Terico, LLC, which is controlled by Coborn's Inc.
Murphy Business and Financial Services	January 2012: Matt Slappey of Murphy Business & Financial Corp facilitated the sale of REVELL Flooring Inc, a 51 year old specialty flooring firm specializing in gymnasium floors for churches, high schools, and many colleges in the Southeast U.S. Terms of the deal remain confidential.
	March 2012: Matt Slappey of Murphy Business & Financial Corp performed buy-side representation on the purchase of Dr. Roof Atlanta; a well-known Atlanta based residential roofing company. State Bank & Trust provided senior financing.
TM Capital	Q1 2012: Served as exclusive financial advisor to PowerSteering Software, a leading cloud-based provider of Project and Portfolio Management (PPM) software, owned by Advent and Hudson Ventures
	March 2012: Advised C.B. Fleet Company, Inc. in arranging a \$75 million senior secured revolving credit facility provided by Wells Fargo Bank
Triton Value Partners	January 2012: Dynasty Healthcare, a leading outsourced medical billing firm, announced today a strategic partnership with Triton Value Partners. Triton will advise Dynasty on the expansion of their current business, including strategy, growth initiatives, service development and capital formation.
VRA Partners	March 2012: Bijoux Turner, LLC, a leading designer, supplier, and merchandiser of luxury apparel and accessories primarily to the travel retail market, has secured a new revolving credit facility with Wells Fargo Capital Finance.
	March 2012: Theragenics Corporation ® (NYSE:TGX), a medical device company serving the surgical products and prostate cancer treatment markets, has acquired the Prostate Brachytherapy Customer Base of Core Oncology, Inc., a Washington-based provider of specialized prostate and breast brachytherapy products to customers in the U.S. and Canada. VRA Partners acted as the exclusive financial advisor to Theragenics for this transaction.

Powell Growth Capital is the result of four generations dedicated to building businesses. PGC specializes in growing privately owned companies with beginning EBITDA of \$500,000 - \$2,000,000. Post-close, we partner with experienced chief executive officers and provide them with the resources they need in order to produce significant organic growth. We purchase businesses that meet the following criteria:

- Within a 2 hour driving radius of Atlanta
- 500,000 - \$2,000,000 in EBITDA;
- Traditional (low technology) Industries
- No start-ups
- Control positions
- Proven/Profitable



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