



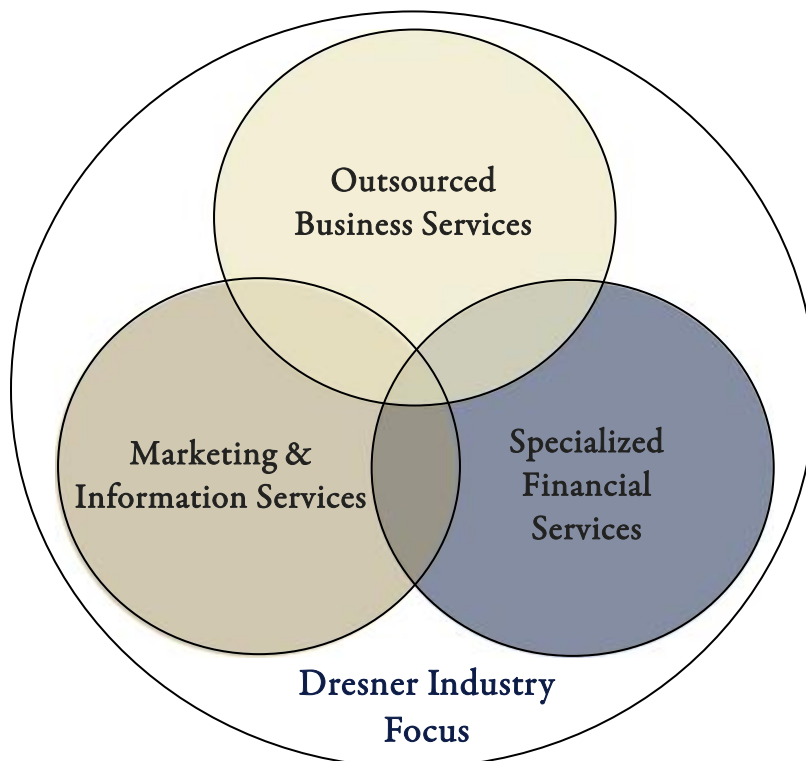
**In this Issue...**

- ▶ **Dresner Partners:**  
*Business Services Industry Focus.....1*
- ▶ **On the Street:**  
*Recent transactions.....2*
- ▶ **In Focus:**  
*Genpact Ltd. IPO.....2*
- ▶ **Middle-Market M&A Statistics:**  
*Update.....2*
- ▶ **Business Services:**  
*Investment Thesis.....3*
- ▶ **Dresner Partners:**  
*Business Services Group and Transaction Experience.....4*

**Business Services Industry Focus**

Dresner Partners has served business services clients for over 15 years, completing many transactions in sub-sectors such as staffing, business process outsourcing, market research and information services. In recognition of the large and growing opportunity in the \$6 trillion Business Services sector, we have recently formed the Dresner Partners Business Services Group. We believe that there is a compelling economic opportunity for business owners and capital providers in the middle market who are focused on the Business Services sector due to:

- Large, diverse and fast-growing industry
- Employment driver in the new economy
- Services is the largest single sector of the U.S. economy in the middle market
- Attractive investment characteristics are driving investment in the public and private equity markets



Dresner Partners leverages its in-depth sector knowledge, experienced team of investment bankers and network of relationships to serve our clients in the Business Services sector. We target companies in (i) outsourced business services, (ii) marketing and information services and (iii) specialized financial services that have recurring revenue, sustainable profit margins, high switching costs and economies of scale or other unique strengths. We look forward to continuing to assist privately-owned firms, public companies and private equity groups operating in this sector to grow and achieve their long-term objectives.

# BUSINESS SERVICES: INDUSTRY DEVELOPMENTS

## On the Street: Recent Transactions

- On September 13, 2007 **Medical Staffing Network Holdings Inc. (NYSE:MRN)**, a temporary healthcare staffing company, acquired **AMR ProNurse**, another temporary healthcare staffing company, for **\$11 million**.
- On August 30, 2007 **Apollo Health Street Limited**, a provider of business process outsourcing and information technology (IT) solutions and services to health care market agreed to acquire **Zavata, Inc.**, a provider of business process outsourcing services for **\$169 million**.
- On July 18, 2007 **Multiband Corp. (Nasdaq:MBND)**, a provider of software and integrated billing services was acquired by **DirecTECH Holding Corp.** a provider of electronic home products, for **\$32.1 million**.
- On July 3, 2007 **Barrett Business Services, Inc. (Nasdaq: BBSI)**, a national provider of human resource management services, completed its acquisition of **Strategic Staffing, Inc.**, a provider of staffing to professional service firms, for **\$12 million**.
- On June 8, 2007 **SelectRemedy, Inc.**, a national provider of employment solutions, acquired **Ablest Inc. (Amex: AIH - News)**, a national staffing services company, for **\$32.2 million**.
- On June 6, 2007 **Ocwen Financial Corp. (NYSE: OCN)**, a provider of servicing and origination processing solutions to the loan industry agreed to acquire **Nationwide Credit, Inc.**, an accounts receivable management company for **\$55 million**.
- On April 20, 2007 **J.C. Flowers & Co. and FPK Capital** signed a definitive agreement to acquire 25% stake in **Encore Capital Group Inc.**, a company specializing in purchasing and managing charged-off consumer receivable portfolios, for **\$55.9 million**.
- On October 30, 2006 **Norwest Equity Partners**, completed the recapitalization of **Production Services Associates, Inc.**, a leader in production services for the direct mail and plastic card industries, for an undisclosed amount.

Source: FactSet, company press releases and reports, various national news sources, and Dresner Partner estimates.

## In Focus: Genpact Limited IPO

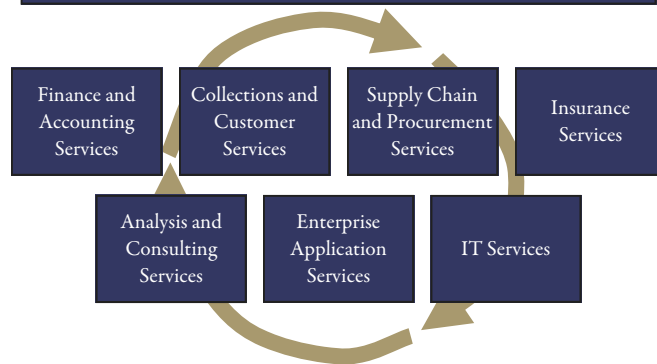
Genpact Limited (NYSE:G) is an India-based business process management company, providing business process outsourcing (BPO) and software implementation solutions to its clients worldwide. It began in 1997 as a captive business process services operation for General Electric (NYSE:GE), and became an independent company at the beginning of 2005. On August 2, 2007, the company executed its initial public offering, valuing the company at \$3.3 billion.

### IPO Snapshot

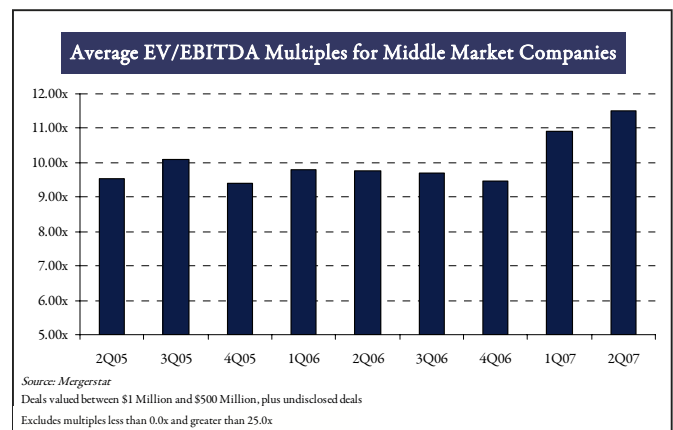
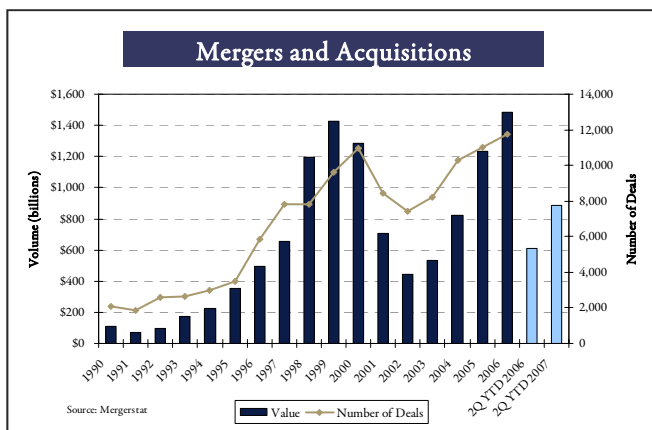
Total Proceeds:	\$494 million
Market Cap :	\$3.3 billion
Revenue:	\$657.1 million
EBITDA:	\$141.8 million
EV/Revenue <sup>(1)</sup> :	4.3x
EV/EBITDA <sup>(1)</sup> :	19.8x

(1): Multiples calculated using pre-IPO valuation of \$2.8 billion.

### A Model for an International BPO Services Company

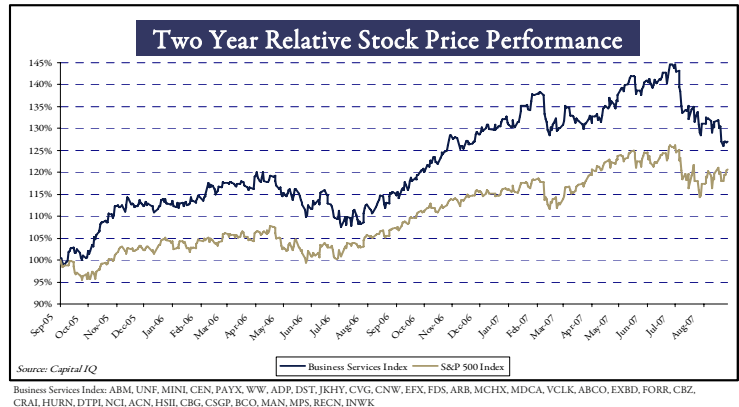
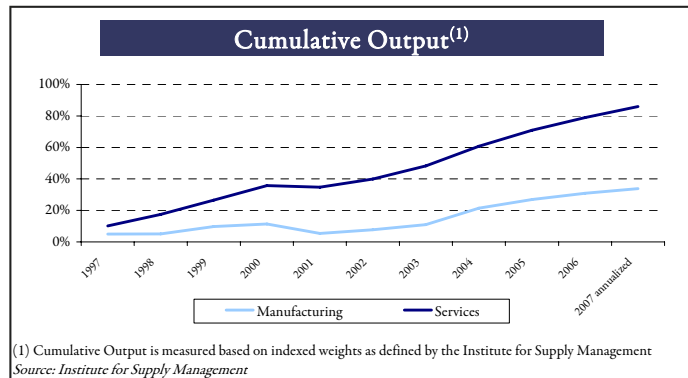


## M&A Statistics



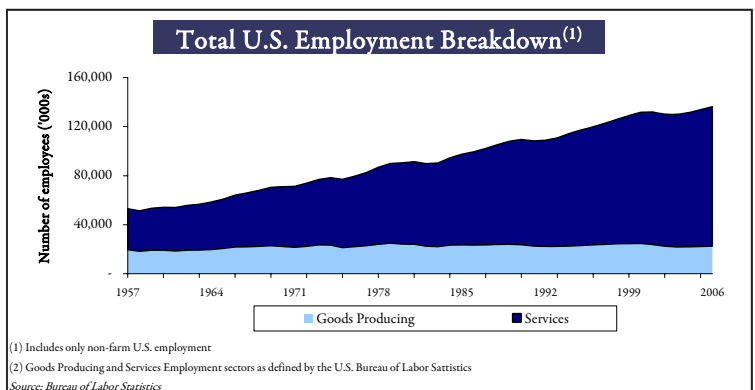
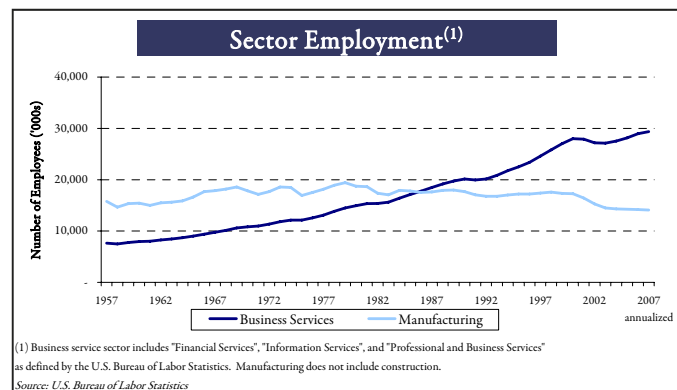
# BUSINESS SERVICES: INVESTMENT THESIS

## Business Services is a Large, Diverse and Fast Growing Industry

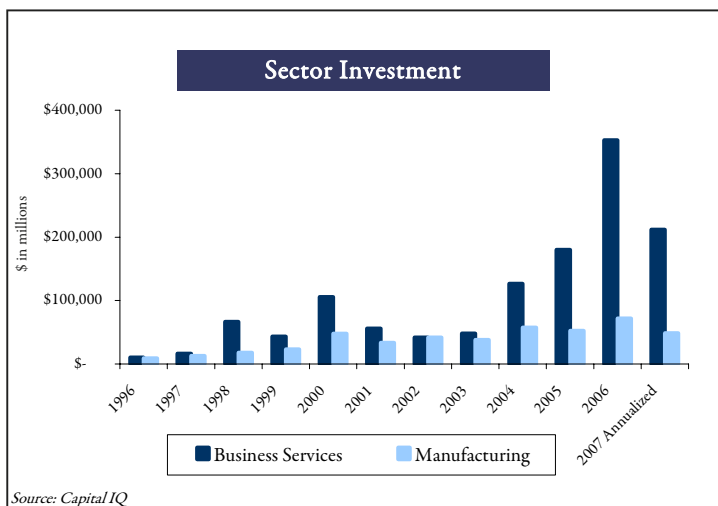
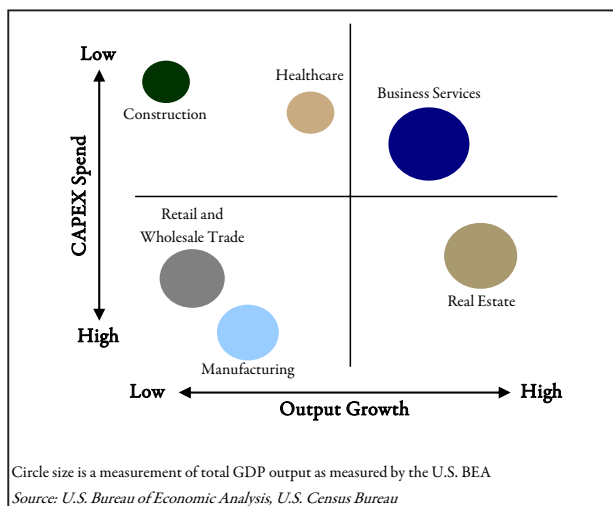


- Nominal gross output for Services firms is more than \$6.0 trillion
- There are more than 50,000 companies in the business services industry with revenue between \$20 million and \$300 million
- Services firms grew 50% faster than non-services firms from 1997-present and have outperformed the S&P 500 over the past two years

## Employment Driver in the New Economy



## Favorable Financial Characteristics are Attracting Investment Capital



- Frequently have high recurring revenue, sustainable profit margins, high switching costs, and low capital expenditures
- Many Services business can "scale" more rapidly than traditional industrial companies
- In every year since 1996 investment in business services has exceeded investment in manufacturing businesses
- Many private equity firms focus solely on service businesses today

# DRESNER PARTNERS: BUSINESS SERVICES GROUP

## Dresner Partners Business Services Industry Group

Dresner Partners has advised many privately-owned businesses, public companies, and private equity firms in the Business Services sector in executing strategic transactions such as a company sale, strategic acquisition, or a private capital raise. We provide financial and tactical advice that enables clients to make informed decisions about their options and maximize value. We assist business owners and management teams in achieving their financial and strategic goals.

Our role as financial advisor requires independent and objective advice and seasoned execution. Please contact one of our Business Services Industry Group professionals to discuss how we can help you achieve your long-term objectives:

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## Transaction Experience



Deerfield, Illinois

*has been recapitalized by*



Minneapolis, MN

DRESNER PARTNERS | *Dresner Partners acted as exclusive financial advisor to PSA*



*has been acquired by*



Boca Raton, FL

DRESNER PARTNERS | *Dresner Partners acted as exclusive financial advisor to AMR*



*has been acquired by*

**PGA, Inc.**

*a corporation formed by*



selling shareholders and management

DRESNER PARTNERS | *Dresner Partners acted as a financial advisor to Press Ganey in the above acquisition*



*has acquired*



DRESNER PARTNERS | *Dresner Partners acted as a financial advisor to GE Rail Services in the above acquisition*



Dresner Partners is currently advising on multiple transactions within the business services sector and is actively working with both buy-side and sell-side clients. For additional information, please reach out to one of the members of the Business Services team.

### Disclaimer

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