Dresner Partners

Middle Market Metrics

Spring 2007

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We are coming off a phenomenal year in 2006 for mergers and acquisitions, in which a number of records were broken. The $30 billion RJR Nabisco buyout, which had stood as the largest LBO since its completion in 1989, was eclipsed twice in sequence: first by the $33 billion take private of HCA by an investor group led by Bain and KKR, and then a few months later by the $36 billion LBO of Equity Office Properties Trust by Blackstone Group. The year finished up with a record 11,750 M&A transactions for a record $1.5 trillion in value. An interesting observation that we would make is that the private equity community comprises an increasing share of the overall volume, representing 18% of 2006 transaction volume, up from 6% in 2001.

First quarter 2007 activity continued to be robust with approximately 3000 transactions. We continue to experience elevated deal flow and transaction volume, and have not seen any measurable slow down in the markets. We would expect this to continue through the year, as the private equity funds are investing at a record rate, and the debt markets remain aggressive, lending at historically high levels of leverage.

There are some leading indicators to which we are paying attention. Credit spreads in the riskiest loans have shown several months of a widening trend, which historically has been a leading indicator of a market slowdown. The recent disruption in the subprime mortgage market holds some concern, as this could lead to a slowdown in consumer spending. The Bureau of Economic Analysis reports growth in corporate profits has slowed materially over the last year. We have not seen any material slowdown in our own clients' performance sufficient enough to delay transaction decisions.

Certain industry sectors are showing real strength in middle market M&A and capital formation. Healthcare continues to be a bright spot, as the industry exhibits solid sector trends and capital market interest. Certain manufacturing sectors, such as aerospace and defense which we highlight in this issue, are performing very well and pulling in significant capital and interest from the capital markets. These, along with other select sectors, should ensure that the M&A and capital markets will remain robust through 2007.

Regards,

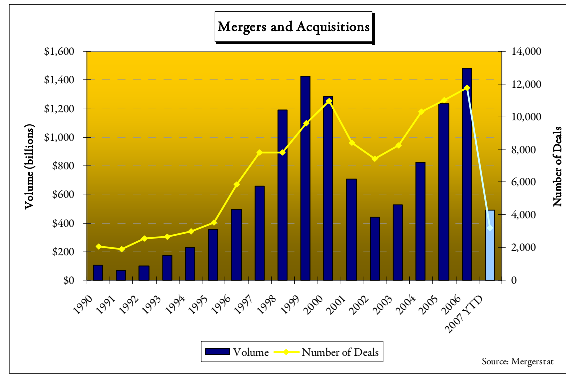
Steven Dresner
sdresner@dresnerco.com

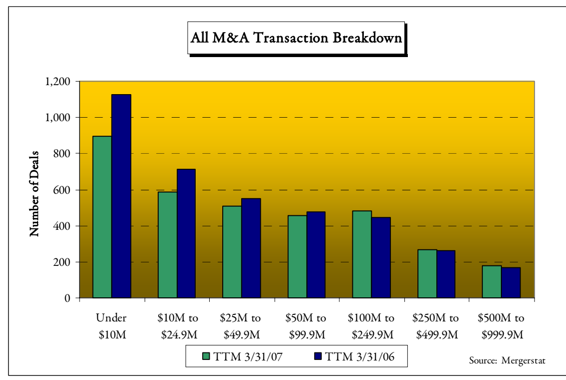
Timothy Coleman
tcoleman@dresnerco.com

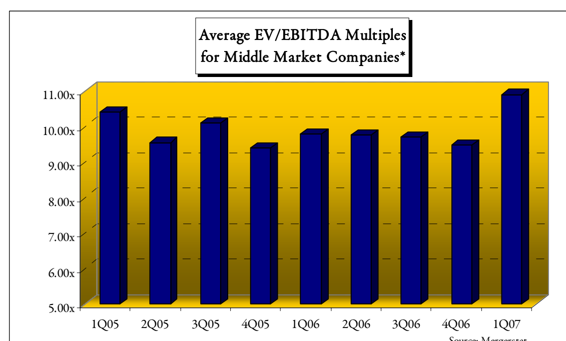
John Riddle
johnriddle@dresnerco.com

Gregg Pollack
gpollack@dresnerco.com

Michael McCoy
mmccoy@dresnerco.com







*Deals valued between $1 Million and $500 Million, plus undisclosed deals
Ratios considerd ranges: 0-25

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SVS VISION

Has been acquired by

Farstan Investment Corporation

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Dresner Partners is a leading investment banking firm advising private and corporate clients on middle market transactions. Dresner provides sophisticated solutions in mergers and acquisitions, private placements, financial restructuring, and valuation opinions. Dresner Partners is a registered broker-dealer and NASD member firm.

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Middle-Market Metrics

The Aerospace & Defense Industry Long Term Forecast: Skyrocketing

By Joe Kacergis, Vice President

"This first flight lasted only 12 seconds, but it was nevertheless the first in the history of the world in which a machine carrying a man had raised itself by its own power into the air in full flight.....Wilbur started the fourth and last flight (that day)...the time of the flight, 59 seconds."

Orville Wright, December 13, 1903

In their first day, the Wright brothers increased their flight time by 392% - quite an accomplishment. Today, aerospace and defense companies continually seek to improve flight performance, enhance quality, and introduce new and innovative aircraft.

Both the commercial and general aviation manufacturers are experiencing strong growth. According to Boeing's 2006 Outlook, the global market for commercial airplanes is $2.6 trillion and the market will require over 27,000 new planes through 2025. According to the Honeywell Forecast on general aviation, the 2007 to 2011 global demand is estimated at 4,000 aircraft. With record backlogs, many general aviation manufacturers have fully utilized plant capacity beyond 2008. This demand may be boosted by the new very light jet category ("VLJ") with several players such as Eclipse, Cessna Mustang, and Hondajet, among others.

Many manufacturers have thousands of suppliers for a single aircraft. The supplier base to the industry is diverse, fragmented and at the early stages of consolidation. In this sector, we are witnessing increased activity from both strategic and financial buyers. Strategic acquirers include Triumph Aerospace Systems Group, Transdigm Group, and GKN. Financial buyers include Graham Partners and Highland Capital, among others.

Recently, on the strategic buyer front, Triumph has acquired Grand Prairie Accessory (engine and airframe accessory services to aviation customers) Allied Aerospace (manufactures aerospace prototype systems for ground test and flight applications), and Excel Manufacturing (precision machining). In January 2006, Transdigm acquired Aviation Technologies, a manufacturer of electrical and electro-mechanical aircraft components such as flight deck audio, power components, lighting and controls, indicators, displays, panels, and motion controls. Recently, GKN acquired Stellex from The Carlyle Group. Stellex provides engineered subsystems, and components for the aerospace, defense, and space industries.

On the financial buyer front, Philadelphia-based Graham Partners has established its first aerospace investment platform with acquisitions of Atlas Aerospace and Vitron Manufacturing that closed last month. Atlas and Vitron are value-added manufacturers of new and replacement OEM parts for corporate, regional, commercial and defense aircraft. Earlier this month, Highland Capital acquired Nex-Tech Aerospace (formerly known as Thayer Aerospace), a manufacturer of complex structural airframe components and assemblies. Numerous private equity groups have invested in the sector including Aeroequity, CHB Capital, ONCAP, and Onex Capital, among others.

Dresner Partners has provided investment banking services to a variety of aerospace and defense companies including a manufacturer of complex structural assemblies, a manufacturer of precision components, airport ground support services and equipment, high precision bearings, and electronic display and imaging companies, among others. Armed with aerospace and defense industry experience, Dresner advises and guides successful companies through their strategic options. Please contact Joe Kacergis (jkacergis@dresnerco.com) at 312-780-7217 or John Riddle (johnriddle@dresnerco.com) at 312-780-7203 if you would like to learn more about the trends and opportunities in the aerospace and defense industry.

Dresner Partners Advises SVS Vision in Sale of Company to Management Team

Dresner Partners acted as the exclusive financial advisor to SVS Vision Holding Company ("SVS") in its sale to Farstan Investment Corporation ("Farstan"). Farstan is a company formed by members of the SVS management team. Terms of the transaction were not disclosed. SVS is an integrated provider of vision care, including benefit plans, optical examinations and retail eyecare products and services.

Kelvin Pennington, managing partner of SVS's former controlling shareholder, PENMAN Private Equity and Mezzanine Fund, L.P., added, "We are extremely pleased with the outcome of this transaction, and we look forward to Farstan's success in continuing to build this outstanding company over the coming years. The Dresner team did an excellent job on this transaction, and we appreciate the efforts of Gregg Pollack, Steve Dresner and the other Dresner professionals who helped to bring this opportunity to fruition."