

**MORGAN  
JOSEPH**

**The Middle Market Investment Bank<sup>sm</sup>**

## **Firm Overview**

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Morgan Joseph & Co. Inc. is a 120 person investment banking firm serving middle market companies. The firm's primary focus is on providing financial advisory and capital raising services, including mergers and acquisitions services, and equity and debt private placements, and public offerings. In addition, Morgan Joseph provides research and trading services for institutional equity and high yield clients.

Morgan Joseph is the successor to Morgan Lewis Githens & Ahn, Inc. which was co-founded over 20 years ago by our Chairman, John A. Morgan.

In 2001, Morgan Joseph significantly expanded its investment banking practice with a focus on middle market companies – filling a void created in recent years by heavy consolidation in our industry.

## **Client Commitment**

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Morgan Joseph is distinguished by its commitment to client service and by the thoughtful and professional advice and execution it provides every client.

Our commitment to clients is evidenced by:

- having one or more principals actively involved in every client engagement,
- making the full resources of the firm available to every client,
- a culture which actively supports middle market clients and their transactions with the intent of developing long-term relationships.

## **Partnering with Middle Market Companies**

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Morgan Joseph seeks to create a partnership with middle market companies that have outstanding management teams and business strategies that will allow them to be the growth companies of the future. We recognize that good management teams are a scarce resource in the business world. As our clients grow, our goal is to provide them with value added services and flow of information regarding financial markets and opportunities through our investment banking, equity research, and high yield capabilities.

## **Investment Banking**

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Morgan Joseph's 60 investment bankers provide a broad range of investment banking services to middle market companies and private equity firms, including:

### **Financial Advisory**

Morgan Joseph possesses the knowledge and expertise necessary to provide companies with a broad range of financial advisory services. Our general advisory business is particularly sought after by middle market companies that prefer the hands-on approach of our senior bankers in helping them grow their companies. Services range from strategic alternatives and growth capital raising to advisory restructuring assignments.

### **Capital Raising**

Morgan Joseph has positioned itself to help finance the growth of middle market companies through access to private capital providers and public securities markets, including public offerings and private placements of preferred, common or convertible equity, and senior, mezzanine and high yield debt. Within the high yield debt sector, our firm has specific focus on high yield offerings exchangeable into public securities of less than \$150 million, and expertise in structuring debt at all levels.

### **Mergers & Acquisitions**

As our clients expand and mature, Morgan Joseph is well positioned to provide a variety of merger and acquisition related services. Our services include buy side and sell side advisory assignments, exclusive sales, corporate divestitures, fairness opinions, takeover defense, management and leveraged buyouts and recapitalizations.

### **Industry Focus Areas**

Morgan Joseph is distinguished by the depth and breadth of experience of its senior bankers. Our senior investment bankers have transaction experience covering a myriad of industries including: business services, chemicals, construction and engineering, consumer, environmental, gaming, healthcare, industrial manufacturing, lodging, media, restaurants, retail and telecom.

## **Restructurings**

Our restructuring effort utilizes a combination of Morgan Joseph's capital raising and mergers and acquisitions capabilities as well as our restructuring expertise to provide a full range of services to our clients who seek to alter their capital structure or participate in transactions with financially distressed entities.

## **High Yield**

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Our 16 person high yield group is a full service capital markets, sales, trading, and research department.

## **Capital Markets**

The capital markets effort specializes in the origination of public and private high yield securities. Our team of capital markets investment bankers also focuses on providing clients with current information on market trends, flows and financing structures.

## **Sales & Trading**

Morgan Joseph believes that the high yield market today is broader and deeper than ever and includes many private investment funds in addition to the insurance companies and mutual funds who have been purchasers since the market's formation. Our sales and trading department is active in both highly liquid and less well known securities, providing market information critical to placement of high yield and convertible debt with over 300 institutions.

## **Research**

Morgan Joseph houses an experienced high yield research department. The research team focuses on unique investment opportunities throughout several industry sectors. Research is focused on smaller to mid-sized issues that are not widely covered and are often trading at a relative discount in the market.

## **Equity**

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Our equity group is a middle market focused capital markets, sales and trading, and research department.

### **Capital Markets**

Morgan Joseph's industry investment bankers and capital markets team specialize in the origination of public and private equity securities.

### **Sales & Trading**

Our sales and trading team makes markets in select stocks and provides additional secondary market sales and trading activities to institutions in equity and convertible securities.

### **Research**

Morgan Joseph provides equity research primarily for middle market companies with limited research coverage. Our senior research analysts are responsible for developing compelling investment themes and stock picking.

## **Our People**

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Morgan Joseph is distinguished by the depth and breadth of experience of its principals. Our 30 senior investment bankers have, on average, well over 20 years of Wall Street experience, including six officers who have previously headed major investment banking firms or their corporate finance departments.

### **Board of Directors**

John A. Morgan  
*Chairman*

Mr. Morgan co-founded the firm in 1982 and currently serves as Chairman. Mr. Morgan has more than 40 years of investment banking experience in both the U.S. and Europe, and was Vice Chairman of Smith Barney, responsible for the Corporate Finance Department prior to founding the firm in 1982.

The following senior management and members of the Board of Directors joined the firm in 2001 as part of the firm's redirection toward the middle market.

Frederick H. Joseph

*Managing Director, Co-Head of Investment Banking*

Mr. Joseph has more than 40 years of investment banking experience, beginning his career at E.F. Hutton in 1963. Mr. Joseph has been Chief Operating Officer of Shearson Hammill and Chief Executive Officer of Drexel Burnham Lambert. Prior to joining Morgan Joseph, Mr. Joseph was a Managing Director of ING Barings LLC.

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John F. Sorte

*President, Chief Executive Officer*

Mr. Sorte has more than 30 years of investment banking experience which includes Co-Head of Corporate Finance at Drexel Burnham Lambert and CEO of Drexel during its reorganization. After Drexel, Mr. Sorte co-founded New Street Advisors, a private equity firm.

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Steven D. Blecher

*Vice Chairman and Chief Operating Officer*

Mr. Blecher has more than 40 years of financial experience at a wide variety of companies such as Lehman Brothers, Neuberger & Berman and Standard & Poor's Corp. Mr. Blecher was most recently Vice Chairman of ING Barings Furman Selz.

Roger T. Briggs, Jr.

*Vice Chairman, Co-Head of Investment Banking*

Mr. Briggs is responsible for Morgan Joseph's merger and acquisition efforts. He has over 25 years of investment banking experience, beginning his career at Salomon Brothers. Mr. Briggs later joined Bankers Trust Co. as a Managing Director and Head of Mergers and Acquisitions for the United States and Japan. He then headed the Investment Banking Group at Equitable Securities Corporation and SunTrust Equitable Securities Corporation, its successor.

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In addition, the Board of our parent company, Morgan Joseph Holdings Inc., includes:

Edmund A. Hajim

*Chairman and Chief Executive Officer of  
MLH Capital, L.L.C.*

Mr. Hajim is the CEO of MLH Capital, LLC. Mr. Hajim has more than 40 years experience in the financial markets. Prior to starting his own investment firm in 2002 and joining Morgan Joseph, Mr. Hajim had been Chairman and Chief Executive Officer of Furman Selz LLC and was the Chairman and Chief Executive Officer of ING Aeltus Group, an asset management firm.

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Keith S. Wellin

*Director*

Mr. Wellin has extensive experience in the brokerage industry, having served as President and Vice Chairman of E.F. Hutton, President of Reynolds Securities Inc., and then Chairman of DW Intercapital Inc. and Vice Chairman of Dean Witter Reynolds. Mr. Wellin is retired.

**Morgan Joseph & Co. Inc.**

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