



NEWS & TRENDS

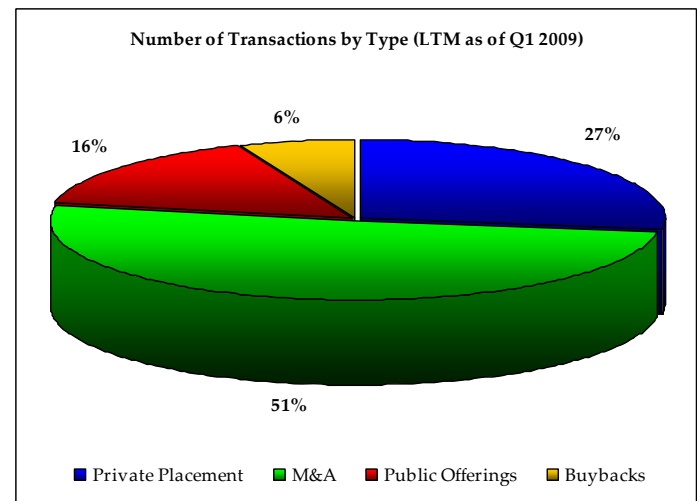
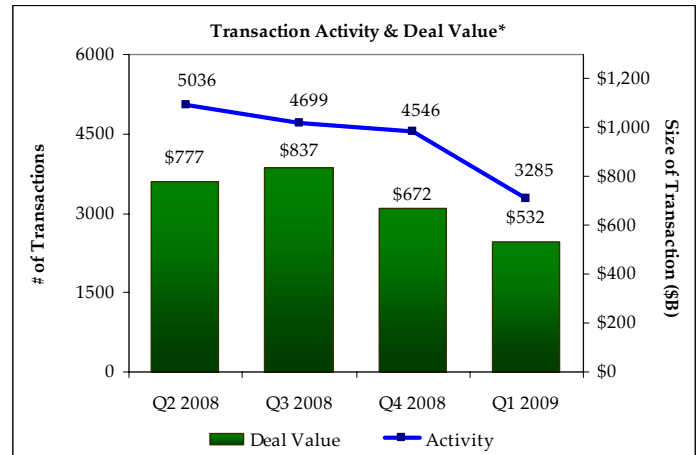
The downward momentum of 2008 was felt through much of Q1 2009 in business services as public valuations remained relatively flat. However, Q2 has seen a significant uptick as security valuations have increased by approximately 17.5%. The business services industry continues to be a market stalwart as each sector of the industry have outperformed the S&P and the NASDAQ in 2009.

More than 7.5 million jobs have been lost since the beginning of the recession 20 months ago. In 2009 the industry will have to deal with skyrocketing unemployment, which is over 9.4%, a 25-year high. Also, most corporate budgets have been trimmed, leaving fewer dollars available for outsourced services. The economic crisis, growing Federal deficit and stimulus plan (\$800+B) will further increase the calls for cuts to large security programs overseas.

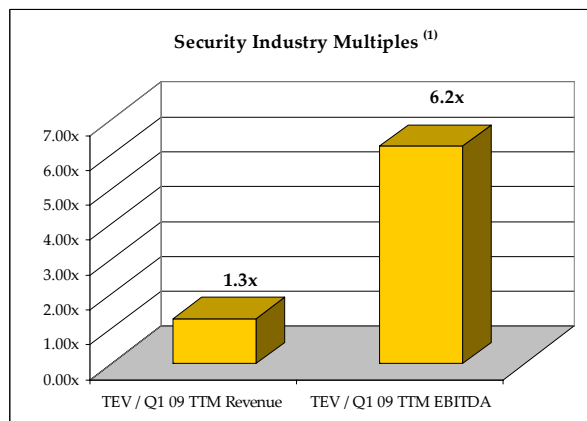
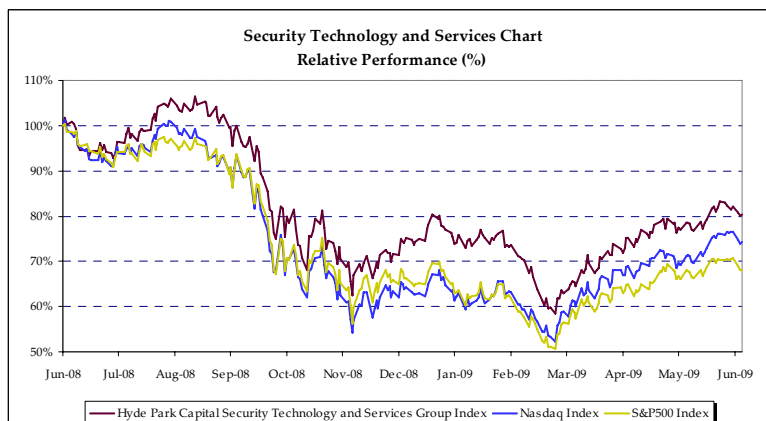
Despite the economic slowdown, the outlook for the security technology and services industry is brighter than the broader market due to the stickiness of the products and services offered. Technology and infrastructure is becoming more and more critical of an issue, and companies are proactively taking steps to update systems in order to compete with developing security threats.

Capital market and M&A transactions decreased in Q1 & Q2 2009 as compared to Q1 & Q2 2008. However, many potential acquirers have a war chest of cash and will look to take advantage of the attractive valuations of target companies in today's market. Look for companies overburdened with debt to be the first companies merged or acquired.

US MARKET TRANSACTIONS



SECURITY TECHNOLOGY & SERVICES: MARKET TRENDS & STATISTICS



Hyde Park Capital Security Technology & Services Index includes: BCO, CA, CHK, CXW, LLL, LMT, MFE, COL, SYM, UTX.

(1) LTM revenue and EBITDA data is as of Q1 2009 for public companies in the Hyde Park Capital Security Technology & Services Index.

STRATEGIC BUYERS SEEKING ACQUISITIONS IN SECURITY TECHNOLOGY AND SERVICES²

Company	Specifics
4C Controls, Inc. (OTCBB:FOUR)	Provides high technology integrated security solutions.
Alliant Techsystems, Inc. (NYSE:ATK)	Supplies aerospace and defense products to the U.S. government agencies.
BAE Systems, plc (LSE:BA.)	Engages in the development and support of defense and aerospace systems.
Boeing Co. (NYSE:BA)	Engages in the sale of commercial jetliners, satellites, missile defense, etc.
Brinks Co. (NYSE:BCO)	Provides secure transportation, logistics, and other security-related services.
CA, Inc. (NasdaqGS:CA)	Engages in the support of IT management & security software products.
Ceradyne, Inc. (Nasdaq:CRDN)	Produces lightweight ceramic armor for soldiers and other military applications.
Check Point Software Technologies (Nasdaq:CHKP)	Develops and supports a range of software and hardware products.
DynCorp International, Inc. (NYSE:DCP)	Operates programs in enforcement training and security services.
EMC Corp. (NYSE:EMC)	Develops, delivers, and supports information infrastructure technologies.
HEICO Corp. (NYSE:HEI)	Engages in the sale of aerospace, defense, and electronics related products.
Iron Mountain Inc. (NYSE:IRM)	Provides information protection and storage services for data protection, etc.
McAfee, Inc. (NYSE:MFE)	Operates as a security technology company that secures network systems.
Moog, Inc. (NYSE:MOG.A)	Manufactures and integrates precision control components and systems.
Northrop Grumman Corporation (NYSE:NOC)	Supports various electronic systems for surveillance, defense, detection, etc.
Novell, Inc. (Nasdaq:NOVL)	Development and integration of mixed information technology environments.
Symantec Corporation (NasdaqGS:SYMC)	Provides software and services that protect and manage information risks.

(2) Announced during Q1 & Q2 2009.

SECURITY COMPANY M&A TRANSACTIONS AND PRIVATE PLACEMENTS - Q1 & Q2 2009

Date	Target	Target Description	Buyer / Investor	Private Placement / M&A	Transaction Price (\$MM)	EV / Revenue	EV / EBITDA
5/20/2009	Data Domain, Inc.	Provides deduplication storage for disk-backup, archiving, and network recovery	NetApp, Inc.	Merger/Acquisition	\$2,380.7	7.1x	83.5x
6/1/2009	Data Domain, Inc.	Provides deduplication storage for disk-backup, archiving, and network recovery	EMC Corporation	Merger/Acquisition	\$2,307.1	7.1x	83.5x
6/2/2009	BAE Systems Holdings, Inc.	Engages in the support of advanced defense and aerospace systems	Sr. Debt Notes	Private Placement	\$1,500.0	NA	NA
6/4/2009	Axsys Technologies, Inc.	Designs precision optical solutions for defense, homeland security, etc	General Dynamics Advanced Information Systems, Inc.	Merger/Acquisition	\$640.1	2.4x	12.6x
4/1/2009	DataPath, Inc.	Produces customized satellite earth terminals and networks for the U.S. DoD	Rockwell Collins Inc.	Merger/Acquisition	\$129.6	0.5x	NA
1/20/2009	Mazu Networks, Inc.	Offers solutions that enable IT organizations to manage and optimize business services	Riverbed Technology, Inc.	Merger/Acquisition	\$97.5	3.2x	NM
2/23/2009	Hifn, Inc.	Provides network and storage security, and data reduction products	Exar Corp.	Merger/Acquisition	\$63.2	0.8x	NM
5/15/2009	Solidcore Systems, Inc.	Provides change control software, which enables OEM to secure and control devices	McAfee, Inc.	Merger/Acquisition	\$47.0	NA	NA
2/13/2009	Videolarm, Inc.	Manufactures and distributes video surveillance systems	Moog, Inc.	Merger/Acquisition	\$45.0	2.3x	NA
1/22/2009	Varonis Systems, Inc.	Provides data governance solutions	Accel Partners; EMC Corp.; et al.	Private Placement	\$15.0	NA	NA
3/9/2009	Veracode, Inc.	Offers application security testing solutions	.406 Ventures, LLC; Atlas Venture, LLP; et al.	Private Placement	\$5.0	NA	NA
5/1/2009	Asempra Technologies, Inc.	Provides instant recovery and data protection solutions	Bakbone Software Inc.	Merger/Acquisition	\$1.9	NA	NA
3/4/2009	Collexis Holdings, Inc.	Develops software that supports the knowledge intensive market	Alpha Capital AG	Private Placement	\$0.7	NA	NA
3/13/2009	Wave Systems Corp.	Produces and markets products for hardware-based digital security	Certain Purchasers	Private Placement	\$0.4	NA	NA

Source: Capital IQ.

HYDE PARK CAPITAL RECENT BUSINESS SERVICE ENGAGEMENTS



empower™
SOFTWARE SOLUTIONS
WE WORK FOR YOU™

HR Software &
Services


Orlando, FL
Purchase of Sage
Compliance Services, Inc.



empower™
SOFTWARE SOLUTIONS
WE WORK FOR YOU™

HR Software &
Services

Orlando, FL
Recapitalization by At-
lanta Equity Investors



The **NELCO** Companies

Top 25 U.S.
Professional Employer
Organization

Bradenton, FL
Sale to CoAdvantage, Inc.



ORION
INTERNATIONAL
America's Leadership Solution®

Permanent Placement
Agency Specializing in
Military Veterans

Raleigh, NC
Sale to Centre Partners
Management LLC



ABLEST

Premium Staffing
Agency


Tampa, FL
Sale to SelectRemedy, Inc.



EMERALD
BENEFITS, INC.

Emerald Benefits,
Inc.

Weston, FL
Sale to Brown & Brown,
Inc. (NYSE:BRO)



CyLex

CyLex Systems, Inc.

Boca Raton, FL
Sale to
Ricoh Corporation Ltd.



DMI

Decision Manage-
ment International,
Inc.

Bradenton, FL
Private Placement

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