

CHILDS

ADVISORY PARTNERS

Quarterly Business Services Update

Q2 2009

INSIDE THIS ISSUE

| | |
|-----------------------|-------|
| Letter from Jim | 1 |
| Market Update | 2 |
| Sector Update | 3-10 |
| Transaction Highlight | 6 |
| About CHILDS | 11-12 |

News and Events

10/20 – 10/23

CHILDS is attending ASA Staffing World in Orlando (visit our website below for details.)

10/11 – 10/15

CHILDS is attending Oracle OpenWorld conference in San Francisco (visit our website below for details.)

10/7 – 10/9

CHILDS is sponsoring the TechServe Alliance conference in Las Vegas. To register now, please go to www.techservealliance.org/conference.

9/15 – 9/16

CHILDS is sponsoring the Healthcare Staffing Summit in Washington, D.C. (visit our website below for details.)

9/9 – 9/11

CHILDS is sponsoring the Southern Capital Conference in Lake Oconee, GA (visit our website below for details.)

7/08

Cooper Mills, former Managing Director at SunTrust Robinson-Humphrey joins CHILDS as partner (visit our website below for details.)

For additional information, please visit www.childsadvisorypartners.com

CHILDS Advisory Partners

10 Glenlake Parkway
Suite 300, South Tower
Atlanta, GA 30328

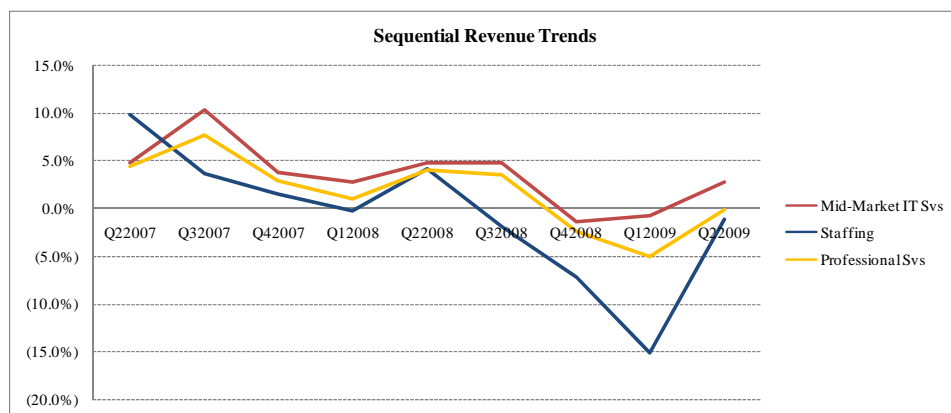
Phone: 770.500.3646
Fax: 770.500.3626

Letter from Jim:

Stabilization is the Theme

M&A activity in our core sectors remained low in Q2 2009 but we are seeing renewed interest by both buyers and sellers as markets and results stabilize.

In Q2 we saw stabilization in terms of public company revenues. As the graph below shows, sequential (Q2 2009 vs. Q1 2009) revenue trends are improving and most public firms are anticipating Q3 to be as good as or better than Q2. Given this, it does appear that results may have bottomed out in the services sector. This sign means two things to potential buyers: they can start playing some offense again and that this could be the ideal time to buy.



Private companies are subject to similar dynamics as the publics and are predicting that Q3 and beyond may be better. Anecdotally we have been hearing this theme for the last several weeks from private company owners. Many potential sellers have delayed a transaction thus there may be some pent-up demand in terms of M&A.

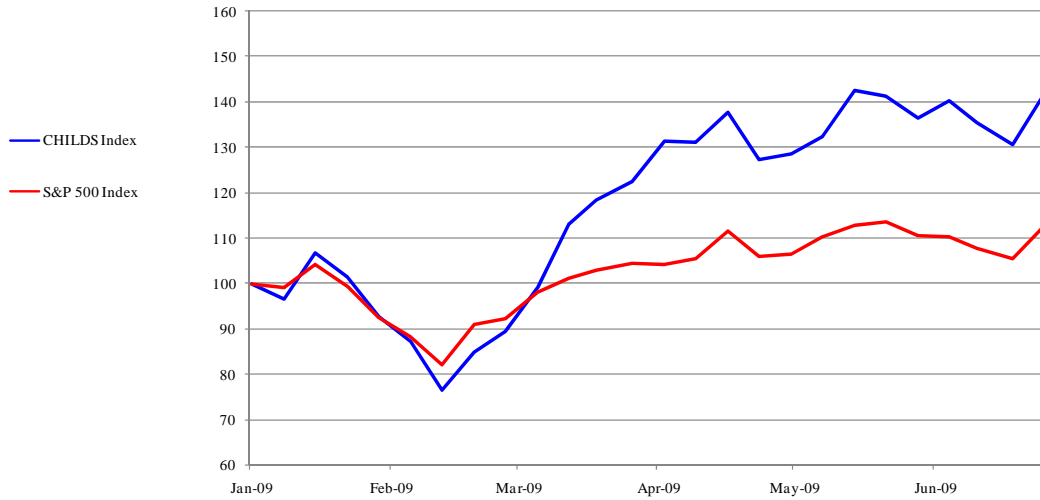
How has this downturn been different than the last

IT services firms, which are certainly feeling some pain, have not had nearly as steep a decline as they had in the 2000-2002 downturn. IT spending was growing at 20% annually in 1999 due to the dot-com boom and Y2K. Post 9-11, IT spending declined by 20% (probably the biggest swing ever). In this downturn spending has gone roughly from +4% a year to -4% a year, thus the "swing" is much less dramatic. The last downturn was the perfect storm for IT services whereas financial services firms have felt the brunt of this one. Non-IT professional services and staffing firms may be feeling more distress in this recession as unemployment approaches 10%.

In Q2, we saw some key mergers resulting from distress including Select's acquisition of Butler, Watson Wyatt's merger with Towers Perrin, and the sale of BearingPoint to Keane. In the coming quarters, we expect to see distressed M&A and an increasing number of "healthy" deals as well.

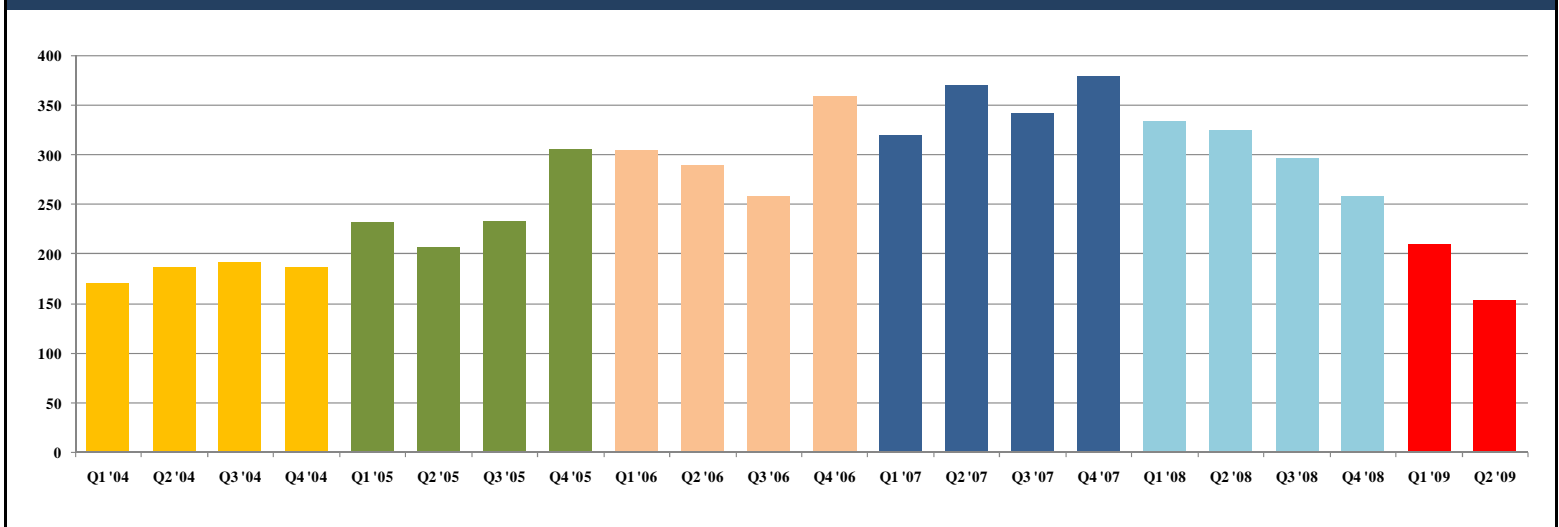
Business Services Market Update

CHILDS Advisory Partners (“CHILDS”) tracks a list of publicly traded companies in the sectors we follow to gain a better understanding of each sector’s performance. In the second quarter of 2009, the business services sectors we follow outperformed the S&P 500; another indication that prospects for these segments are improving.



Overall, CHILDS noted a decrease in M&A activity in our primary sectors as a continued effect from weak market conditions. We believe 2009 M&A activity will remain relatively light while capital raising and distressed M&A activities will continue. We expect to see an increase in M&A activity in 2010.

Business Services M&A Deals by Quarter (2004 – Q2 2009)



Sector Update –IT Services

Mergers and Acquisitions:

In the second quarter of 2009, CHILDS noted a total of 86 IT services deals, compared to 208 transactions in the same period of the prior year.

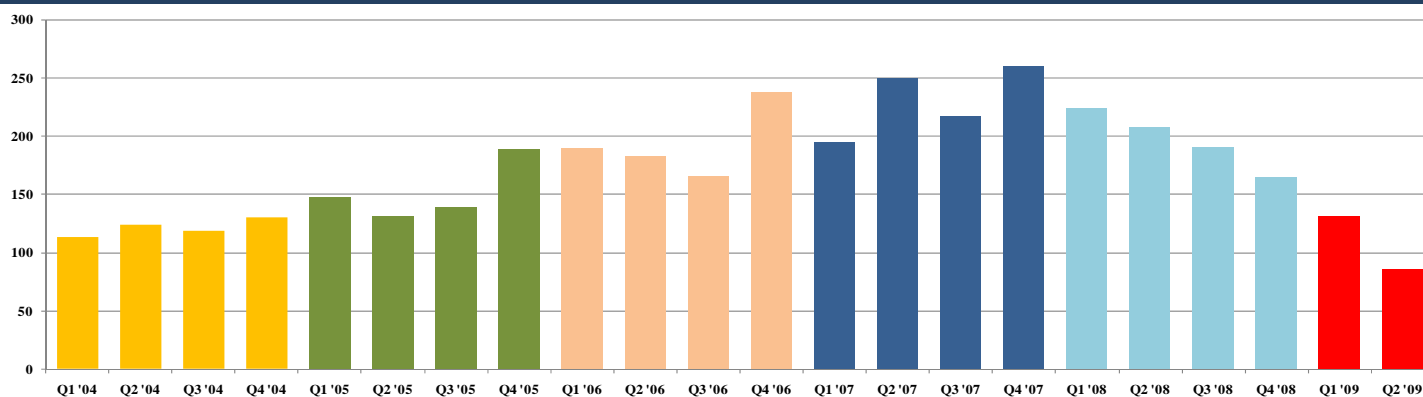
On a sub-sector level, enterprise resource planning was the most active area with 25 announced transactions this quarter (or 29% of total deal volume). Followed closely behind was IT solutions transactions (9 announced deals or 10% of total deal volume). IT infrastructure and Federal IT also showed decent M&A activities.

As noted below, BearingPoint continued its sell-off. Additionally, in July, Software AG signed a contract to acquire 48% of IDS Scheer, an IT services firm with approximately \$565 million in sales.

Highlighted Transactions:

| Date Announced | Seller | Buyer | Enterprise Value (\$mm) | Target Description/Comment |
|----------------|--|------------------------------------|-------------------------|---|
| 4/6/2009 | BearingPoint (Japan Business) | PwC Advisory Co., Ltd. (PwC Japan) | 45 | both parties signed a sale agreement in which PwC will purchase BearingPoint's Japan business thru purchase of all outstanding stocks |
| 4/17/2009 | BearingPoint Inc. (majority of the N.A. Commercial Business) | PwC | 44 | the sale included BearingPoint's financial services segment and associated global delivery centers |
| 5/8/2009 | BearingPoint Inc. (majority of the N.A. Public Svs Business) | Deloitte LLP | 350 | transaction completed on 5/8; Robin Lineberger, EVP of public svcs, and his management team have joined Deloitte |
| 5/19/2009 | Pomeroy IT Solutions Inc. | Heron LLC | 39 | provides information technology solutions including outsourcing and out-tasking services |
| 6/23/2009 | BearingPoint (portion of the N.A. Public Svs Business) | Keane Inc | Not Disclosed | the sale included BearingPoint's New York practice |
| 7/08/2009 | BearingPoint (portion of the N.A. Commercial Business) | Keane Inc | Not Disclosed | combined with the purchase of the N.A. public svcs, Keane added over 100 BearingPoint professionals to its team |
| 7/10/2009 | BearingPoint (Albany, NY Public Svs) | Currier McCabe & Associates | Not Disclosed | 14 BearingPoint employees joined CMA as a result of the acquisition |
| 7/10/2009 | BearingPoint (Brazilian Operation) | Computer Sciences Corporation | Not Disclosed | the transaction is subject to approval of the court overseeing BearingPoint's corporation reorganization |

IT Services M&A Deals by Quarter (2004 – Q2 2009)

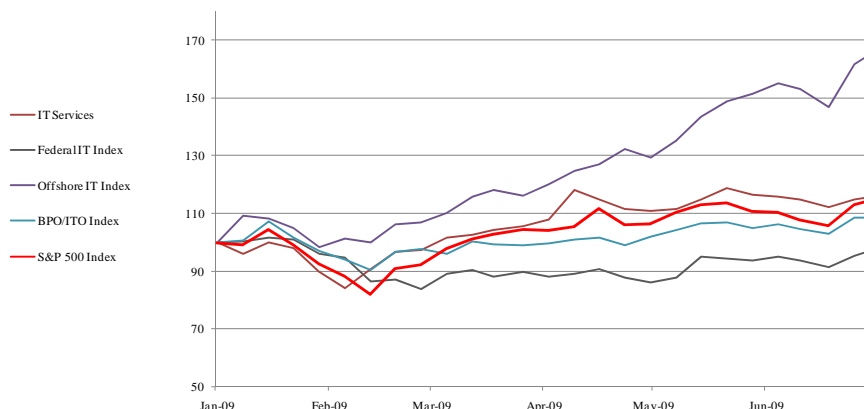


Source: capital IQ and CHILDS database.

Sector Update – IT Services (cont'd)

Public Company Stock Performance:

To the right is a summary of the selected public mid-market IT services companies' stock performance. In general, the IT services stock index has outperformed the S&P 500 index since the beginning of this year.



Mid-Market IT Services

Business for the mid-market IT services firms began to pick up during the second quarter of 2009. EBITDA multiples are up slightly from 6.3x in the first quarter of 2009 to 6.8x this quarter.

| Company Name | Stock Price ⁽²⁾ | % of 52 Wk High | Enterprise Value / | |
|---------------------------------------|----------------------------|-----------------|----------------------------|---------------------------|
| | | | LTM Revenue ⁽¹⁾ | LTM EBITDA ⁽¹⁾ |
| CIBER, Inc. | \$3.35 | 37.3% | 0.3x | 5.2x |
| Diamond Mgmt & Technology Consultants | \$5.03 | 79.5% | 0.5x | NM * |
| Edgewater Technology Inc. | \$2.64 | 51.5% | 0.1x | 2.2x |
| eLoyalty Corp. | \$8.73 | 83.5% | 1.3x | NM * |
| Helios & Matheson North America, Inc. | \$1.48 | 56.9% | 0.3x | 3.3x |
| Intelligroup Inc. | \$43.79 | 65.9% | 1.8x | 9.8x |
| Management Network Group Inc. | \$53.89 | 67.4% | 2.4x | 11.1x |
| Perficient Inc. | \$14.73 | 58.3% | 0.8x | 9.9x |
| Sapient Corp. | \$7.20 | 66.1% | 0.9x | 9.4x |
| TechTeam Global Inc. | \$6.15 | 61.0% | 0.3x | 3.6x |
| Average | | 62.7% | 0.9x | 6.8x |

Federal IT

The federal IT services sector continues to trade at healthy levels. DynCorp reported results above expectation due to its recent Afghan contract win. EBITDA multiples are around 8.8x this quarter, compared to 9.3x at the beginning of the year and 8.6x at the end of the first quarter 2009.

| Company Name | Stock Price ⁽²⁾ | % of 52 Wk High | Enterprise Value / | |
|-----------------------------|----------------------------|-----------------|----------------------------|---------------------------|
| | | | LTM Revenue ⁽¹⁾ | LTM EBITDA ⁽¹⁾ |
| CACI International Inc. | \$45.16 | 86.8% | 0.7x | 8.0x |
| Dynamics Research Corp. | \$10.92 | 99.3% | 0.5x | 5.8x |
| DynCorp International Inc. | \$20.31 | 97.4% | 0.5x | 6.5x |
| ManTech International Corp. | \$43.10 | 69.4% | 0.9x | 9.1x |
| NCI, Inc. | \$29.91 | 87.4% | 1.1x | 12.1x |
| SAIC, Inc. | \$18.21 | 86.8% | 0.7x | 8.3x |
| SRA International Inc. | \$19.40 | 78.3% | 0.7x | 8.7x |
| Stanley, Inc. | \$30.30 | 77.7% | 1.2x | 11.7x |
| Average | | 85.4% | 0.8x | 8.8x |

Offshore IT

Offshore IT services stocks had exceptionally strong gains compared to the prior quarter. This is a direct result of the continuously improved environment for offshore and increased comfort on stability in packaged software sales (Oracle and SAP). EBITDA multiples improved from 8.0x in the first quarter of 2009 to 9.6x this quarter.

| Company Name | Stock Price ⁽²⁾ | % of 52 Wk High | Enterprise Value / | |
|--------------------------------------|----------------------------|-----------------|----------------------------|---------------------------|
| | | | LTM Revenue ⁽¹⁾ | LTM EBITDA ⁽¹⁾ |
| Cognizant Technology Solutions Corp. | \$29.13 | 91.9% | 2.6x | 12.4x |
| HCL Technologies LTD | \$217.15 | 83.2% | 1.7x | 7.9x |
| iGATE Corp. | \$6.85 | 57.0% | 1.5x | 8.6x |
| Infosys Technologies Ltd. | \$1,919.20 | 94.8% | 4.5x | 13.2x |
| Ness Technologies Inc. | \$4.76 | 36.6% | 0.3x | 5.7x |
| Patni Computer Systems Ltd. | \$274.80 | 91.3% | 0.0x | NM * |
| Satyam Computer Services Ltd. | \$91.15 | 20.8% | 0.6x | 2.6x |
| Syntel Inc. | \$35.14 | 97.1% | 3.3x | 11.1x |
| VanceInfo Technologies Inc. | \$15.61 | 98.5% | 4.5x | 24.7x |
| Virtusa Corp. | \$9.10 | 95.9% | 0.8x | 10.3x |
| Wipro Ltd. | \$451.15 | 91.3% | 0.0x | 0.0x |
| WNS (Holdings) Ltd. | \$12.86 | 70.3% | 1.3x | 9.5x |
| Average | | 77.4% | 1.8x | 9.6x |

BPO/ITO

Valuations have slightly improved for the BPO group. EBITDA multiples went from 5.9x in the first quarter of 2009 to 6.3x this quarter. Demand in this sector remains stable and contracts are generally long-term in nature. Although business activity remains slow (bookings are down cross the board), analysts believe the near-term outlook is positive (mostly in 2010).

| Company Name | Stock Price ⁽²⁾ | % of 52 Wk High | Enterprise Value / | |
|------------------------------------|----------------------------|-----------------|----------------------------|---------------------------|
| | | | LTM Revenue ⁽¹⁾ | LTM EBITDA ⁽¹⁾ |
| Accenture Ltd. | \$33.80 | 78.5% | 0.7x | 5.0x |
| Affiliated Computer Services, Inc. | \$44.93 | 82.6% | 1.0x | 6.1x |
| Automatic Data Processing, Inc. | \$35.40 | 77.0% | 1.8x | 7.8x |
| CGI Group, Inc. | \$9.99 | 85.5% | 0.8x | 5.3x |
| Computer Sciences Corporation | \$46.43 | 94.0% | 0.5x | 3.6x |
| Convergys Corporation | \$10.01 | 58.9% | 0.6x | 5.9x |
| DST Systems Inc. | \$40.26 | 60.6% | 1.4x | 6.5x |
| Genpact Ltd. | \$12.41 | 81.2% | 2.3x | 11.0x |
| Perot Systems Corp. | \$15.37 | 81.7% | 0.6x | 6.3x |
| Unisys Corporation | \$1.64 | 38.2% | 0.2x | 5.1x |
| Average | | 73.8% | 1.0x | 6.3x |

* Has not been included in Mean or Median. LTM: Latest Twelve Months. ⁽¹⁾ Data obtained from Capital IQ. ⁽²⁾ Stock price as of July 22, 2009.

Sector Update – Professional Services

Mergers and Acquisitions:

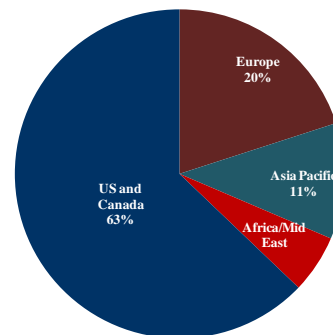
In the second quarter of 2009, CHILDS noted a total of 35 professional services M&A deals compared to 66 transactions in the same period of the prior year and 33 transactions in the first quarter of 2009.

On the regional level, the United States and Canada continue to be the leader in M&A activity representing approximately 63% of total deal flow. Europe also showed moderate activity level accounting for approximately 20% of deal flow in the second quarter of 2009.

The most notable deal in this quarter was Watson Wyatt Worldwide's acquisition of Towers Perrin for approximately \$1.9 billion. The deal, structured as a merger of equals, highlighted the softness in the HR and management consulting sector. Other news of note was Huron Consulting's announcement that it will restate earnings due to accounting issues with several acquisitions. The entire senior management is leaving and the stock immediately declined by over 70%.

Chart A:

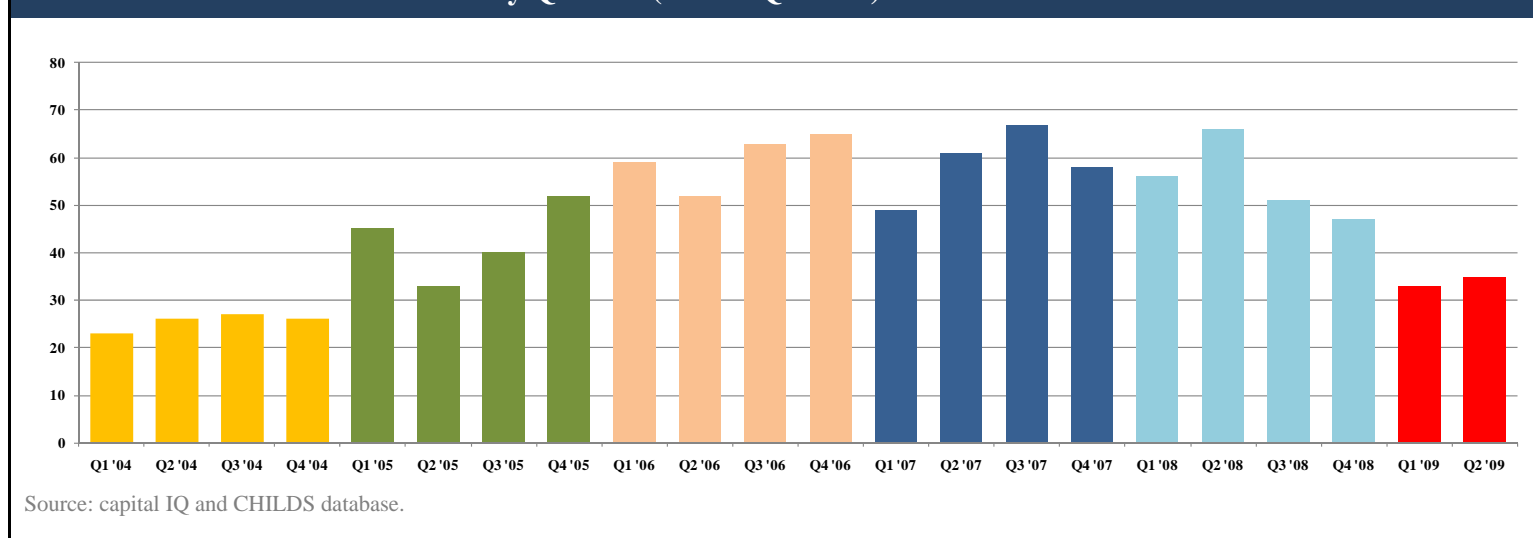
Q2 Professional M&A Deal Volume by Region



Highlighted Transactions:

| Date Announced | Seller | Buyer | Enterprise Value (\$mm) | Target Description/Comment |
|----------------|-------------------------|-----------------------------------|-------------------------|--|
| 5/13/2009 | Sword Group SA | The Amor Group | 36 | Provides business process improvement solutions in France and internationally |
| 6/26/2009 | Gruppo Vitrociset S.p.A | Enterprise Digital Architects Spa | 28 | Provides information and communication consulting services for private business and public administrations |
| 6/26/2009 | Towers Perrin, Inc | Watson Wyatt Worldwide | 1,871 | Provides human capital strategy, program design and management, risk and capital management, and insurance and reinsurance intermediary services |

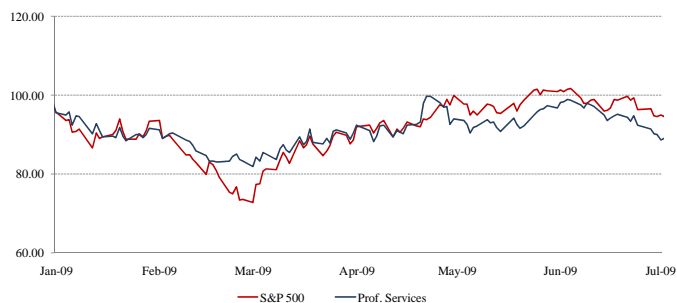
Professional Services M&A Deals by Quarter (2004 – Q2 2009)



Sector Update – Professional Services (cont'd)

Professional Services Stock Index

After bottoming out in late Feb./Mar. 2009, professional services stocks appeared to be in-line with the S&P 500. Investors are becoming more optimistic about the macro environment and it is clearly reflected in the stock indices.



Professional Services Public Company Comparables

Public companies in this sector have shown some performance improvements during the second quarter of 2009. A large part of it is due to improvements in gross margins (resulting from internal cost control/reduction) and better bill rates. Revenues grew some but remained low compared to the prior year.

| Company Name | Stock Price ⁽²⁾ | % of 52 Wk High | Enterprise Value / | |
|------------------------------|----------------------------|-----------------|----------------------------|---------------------------|
| | | | LTM Revenue ⁽¹⁾ | LTM EBITDA ⁽¹⁾ |
| Advisory Board Co. | \$23.79 | 59.9% | 1.5x | 9.5x |
| CRA International Inc. | \$24.83 | 55.2% | 0.8x | 6.7x |
| Exponent Inc. | \$26.60 | 76.0% | 1.3x | 7.7x |
| FTI Consulting, Inc. | \$53.80 | 67.3% | 2.4x | 10.9x |
| Hewitt Associates Inc. | \$29.86 | 70.7% | 0.9x | 5.3x |
| Huron Consulting Group Inc. | \$43.95 | 66.1% | 1.8x | 9.8x |
| LECG Corp. | \$3.25 | 30.4% | 0.3x | NM * |
| Navigant Consulting Inc. | \$12.45 | 54.7% | 1.1x | 8.3x |
| Resources Connection Inc. | \$14.77 | 58.4% | 0.8x | 9.5x |
| Watson Wyatt Worldwide, Inc. | \$36.15 | 58.3% | 0.8x | 5.0x |
| Average | | 59.7% | 1.2x | 8.1x |

* Has not been included in Mean or Median. LTM: Latest Twelve Months.
⁽¹⁾ Data obtained from Capital IQ. ⁽²⁾ Stock price as of July 22, 2009.

Q2 Transaction Highlight – Watson Wyatt



Transaction Description: Towers Perrin and Watson Wyatt will combine in a merger of equals to form a new listed company named Towers Watson. The shareholders of Watson Wyatt and Towers Perrin will receive 50% of the shares of Towers Watson

Seller Description: Towers Perrin, Inc. operates as a professional services company. The company offers human capital strategy, program design and management, risk and capital management, and insurance and reinsurance intermediary services.

Acquiror Description: Watson Wyatt Worldwide provides human capital and financial management consulting services worldwide. Watson Wyatt has 4 major segments: Benefits, Human Capital, Technology and Administration, Investment Consulting, Insurance and Financial Services.

Transaction Rationale: To create the leading HR/professional services firm in the world and to drive cost efficiency in a soft market.

EV: \$1,871MM
LTM Revenue: 1.1x
LTM EBITDA: 7.0x

Sector Update – Staffing

Mergers and Acquisitions:

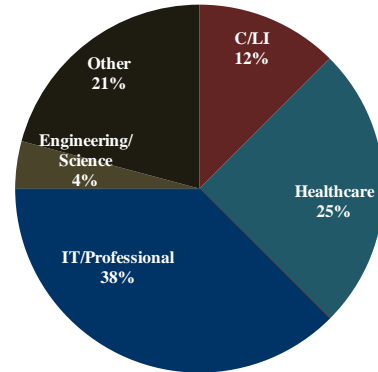
In the second quarter of 2009, CHILDS noted a total of 24 staffing M&A deals compared to 30 transactions in the same period of the prior year and 25 transactions in the first quarter of 2009.

On the sub-segment level, IT/professional M&A activity became the leader in staffing M&A with a total of 9 announced deals this quarter. Healthcare staffing followed behind with 6 announced deals (including 2 Home Health deals). Transaction values remain small compared to the same period of the prior year.

Most notable deals in this quarter include the closing of Butler by Select and Korn/Ferry International's acquisition of Whitehead Mann.

Chart B:

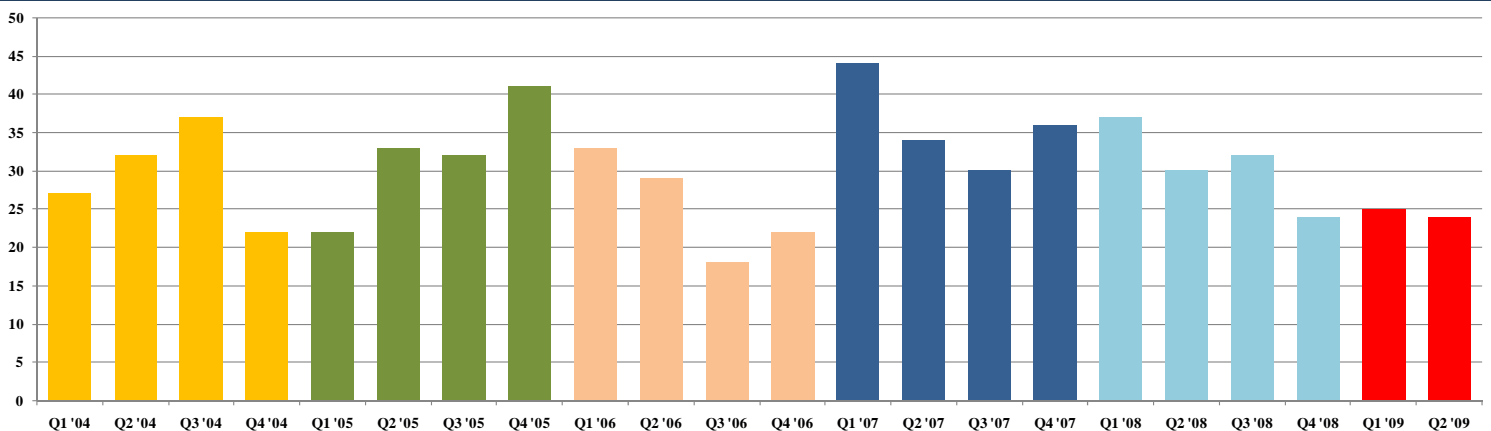
Q2 Staffing M&A Deal Volume by Subsector



Highlighted Transactions:

| Date Announced | Seller | Buyer | Enterprise Value (\$mm) | Target Description/Comment |
|----------------|---------------------------------|---|-------------------------|--|
| 5/29/2009 | Contractors Employment Services | The Eastridge Group of Staffing Companies | Not Disclosed | a temporary staffing company focusing specifically on supporting small and mid-sized recruiting firms with their contract staffing arrangements |
| 6/2/2009 | Butler International Inc | Butler America LLC (Select) | 27 | provides outsourcing, project management, and technical staff augmentation services mostly in the United States |
| 6/11/2009 | Whitehead Mann | Korn/Ferry International | Not Disclosed | provides executive search and leadership development services in France, the United Kingdom, and internationally |
| NA | General Employment Enterprises | PSQ LLC | Not Disclosed | provides placement and contract staffing services specializing in the placement of information technology, engineering, and accounting professionals |

Staffing M&A Deals by Quarter (2004 – Q2 2009)

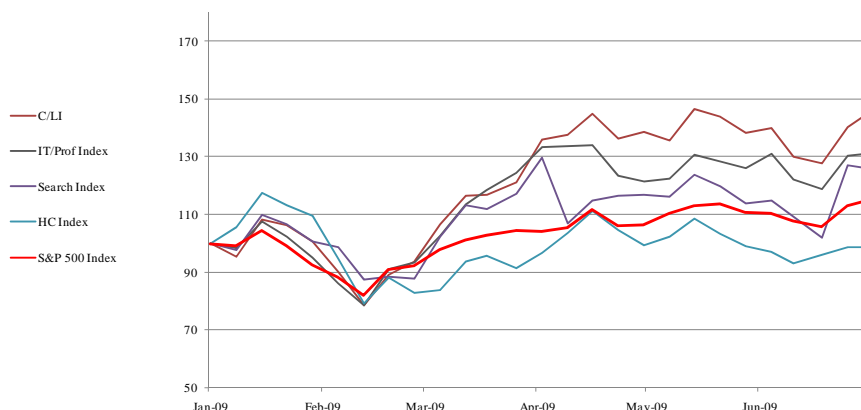


Source: CHILDS database.

Sector Update – Staffing (cont'd)

Public Company Stock Performance:

In the second quarter of 2009, staffing stocks experienced healthy growth (returning to its performance level at the beginning of the year). Investors continue to be optimistic about the macro environment.



Commercial & Industrial Staffing

Overall, companies in the commercial & industrial staffing sub-segment experienced stable to positive revenue growth compared to the prior quarter. EBITDA Multiples stayed flat around 6.4x compared to the prior quarter.

| Company Name | Stock Price ⁽²⁾ | % of 52 Wk High | Enterprise Value / | |
|---------------------|----------------------------|-----------------|----------------------------|---------------------------|
| | | | LTM Revenue ⁽¹⁾ | LTM EBITDA ⁽¹⁾ |
| Kelly Services Inc. | \$12.29 | 57.1% | 0.1x | 9.5x |
| Manpower Inc. | \$44.35 | 83.9% | 0.2x | 4.9x |
| Spherion Corp. | \$4.23 | 68.2% | 0.1x | 6.1x |
| TrueBlue, Inc. | \$8.93 | 51.0% | 0.2x | 4.9x |
| Average | | 65.1% | 0.1x | 6.4x |

IT & Professional Staffing

Robert Half reported an 8.9% revenue decline in the second quarter of 2009. EBITDA Multiples declined to around 5.9x, a very low multiple by historical standards.

| Company Name | Stock Price ⁽²⁾ | % of 52 Wk High | Enterprise Value / | |
|--------------------------------|----------------------------|-----------------|----------------------------|---------------------------|
| | | | LTM Revenue ⁽¹⁾ | LTM EBITDA ⁽¹⁾ |
| Hudson Highland Group Inc. | \$1.92 | 16.1% | 0.0x | 4.8x |
| Kforce Inc. | \$8.62 | 74.6% | 0.4x | 7.8x |
| MPS Group Inc. | \$8.31 | 65.0% | 0.3x | 6.0x |
| On Assignment Inc. | \$4.31 | 44.4% | 0.4x | 4.1x |
| RCM Technologies Inc. | \$2.17 | 56.2% | 0.1x | 4.1x |
| Robert Half International Inc. | \$22.76 | 75.9% | 0.8x | 8.4x |
| Average | | 55.4% | 0.3x | 5.9x |

Search

After a disappointing first quarter, Heidrick & Struggles began an aggressive cost-cutting program and generated earnings of around \$1.00 per share versus breakeven results for most other firms in this group. EBITDA Multiples continued to rise from 4.5x in May to around 5.4x in July.

| Company Name | Stock Price ⁽²⁾ | % of 52 Wk High | Enterprise Value / | |
|---|----------------------------|-----------------|----------------------------|---------------------------|
| | | | LTM Revenue ⁽¹⁾ | LTM EBITDA ⁽¹⁾ |
| Heidrick & Struggles International Inc. | \$18.28 | 52.2% | 0.4x | 5.5x |
| Korn/Ferry International | \$12.56 | 61.2% | 0.5x | 5.3x |
| Average | | 56.7% | 0.4x | 5.4x |

Healthcare Staffing

Within healthcare staffing, home health stood out as one of the strongest performers along with allied healthcare and other specialty healthcare staffing. EBITDA Multiples stayed at about 5.1x which is exceptionally low for this group and indicates weakness in this sector.

| Company Name | Stock Price ⁽²⁾ | % of 52 Wk High | Enterprise Value / | |
|--------------------------------------|----------------------------|-----------------|----------------------------|---------------------------|
| | | | LTM Revenue ⁽¹⁾ | LTM EBITDA ⁽¹⁾ |
| Allied Healthcare International Inc. | \$2.19 | 75.5% | 0.3x | 4.2x |
| AMN Healthcare Services Inc. | \$6.49 | 31.8% | 0.3x | 4.1x |
| Cross Country Healthcare Inc. | \$6.89 | 39.7% | 0.4x | 5.9x |
| Sun Healthcare Group Inc. | \$9.16 | 50.9% | 0.5x | 6.1x |
| Average | | 49.5% | 0.4x | 5.1x |

* Has not been included in Mean or Median. LTM: Latest Twelve Months. ⁽¹⁾ Data obtained from Capital IQ. ⁽²⁾ Stock price as of July 22, 2009.

Sector Update – Collections and Teleservices

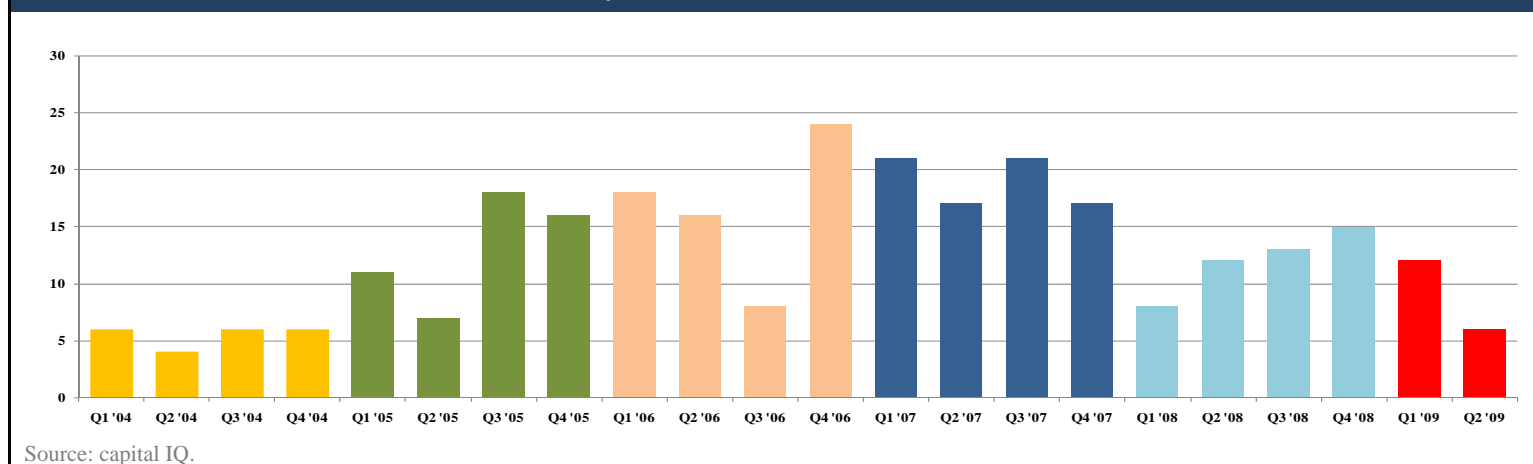
Mergers and Acquisitions:

Collections and Teleservices deal flow remains slow in the second quarter of 2009. Notable deals during this period include NTT's acquisition of Oak Lawn Marketing, Silvio Santos' acquisition of Braspag, and Group 21/Quadrivio SGR SpA's acquisition of RGI SpA.

Highlighted Transactions:

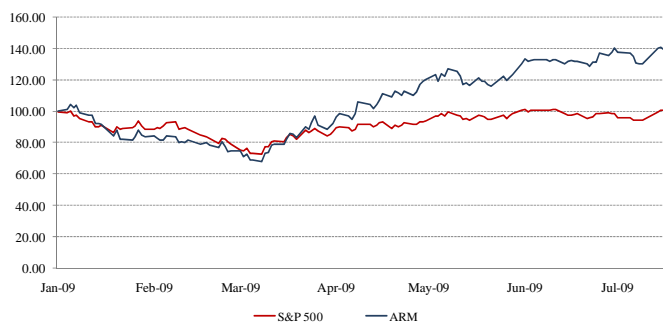
| Date Announced | Seller | Buyer | Enterprise Value (\$mm) | Target Description/Comment |
|----------------|--------------------------|---------------------------------------|-------------------------|--|
| 4/6/2009 | Oak Lawn Marketing, Inc. | NTT DoCoMo, Inc. | 308 | provides direct marketing, call center, Internet and catalog marketing services |
| 6/5/2009 | Braspag | Silvio Santos Participacoes S/c Ltda. | 13 | provides Pagador for Internet and call center billing |
| 6/12/2009 | RGI SpA | Groupe 21; Quadrivio SGR SpA | 75 | specializes in the automation of sales processes through distribution channels, such as the Internet, corporate Intranets, call centers, agencies, and banks |

Collections and Teleservices M&A Deals by Quarter (2004 – Q2 2009)



Collections and Teleservices Stock Index

The collections and teleservices stock index consistently outperformed the S&P 500 index during the second quarter of 2009 as investors continue to believe that economic recovery is in the near future.



Collections and Teleservices Public Company Comparables

Stock prices and valuations are up again for this sector. Valuations are also up as business momentum continues. EV/LTM EBITDA improved from 6.6x in the first quarter of 2009 to 8.0x today.

| Company Name | Stock Price ⁽²⁾ | % of 52 Wk High | Enterprise Value / | |
|------------------------------------|----------------------------|-----------------|----------------------------|---------------------------|
| | | | LTM Revenue ⁽¹⁾ | LTM EBITDA ⁽¹⁾ |
| Asset Acceptance Capital Corp. | \$8.49 | 63.5% | 1.8x | 10.6x |
| Asta Funding Inc. | \$5.87 | 58.2% | 3.0x | NM |
| Encore Capital Group Inc. | \$12.60 | 88.8% | 2.2x | 13.9x |
| ICT Group Inc. | \$9.80 | 94.3% | 0.3x | 4.6x |
| Portfolio Recovery Associates Inc. | \$40.84 | 77.5% | 3.3x | 9.8x |
| Velocity Asset Management Inc. | \$4.15 | 18.9% | 1.2x | NM |
| APAC Customer Services Inc. | \$5.25 | 82.0% | 1.0x | 8.4x |
| Convergys Corporation | \$9.99 | 58.8% | 0.6x | 5.9x |
| eTelecare Global Solutions, Inc. | \$350.00 | 79.5% | 0.6x | 6.7x |
| StarTek Inc. | \$8.31 | 87.2% | 0.4x | 8.4x |
| Sykes Enterprises, Incorporated | \$19.69 | 88.7% | 0.7x | 6.2x |
| TeleTech Holdings Inc. | \$15.74 | 95.4% | 0.7x | 5.7x |
| Average | | 74.4% | 1.3x | 8.0x |

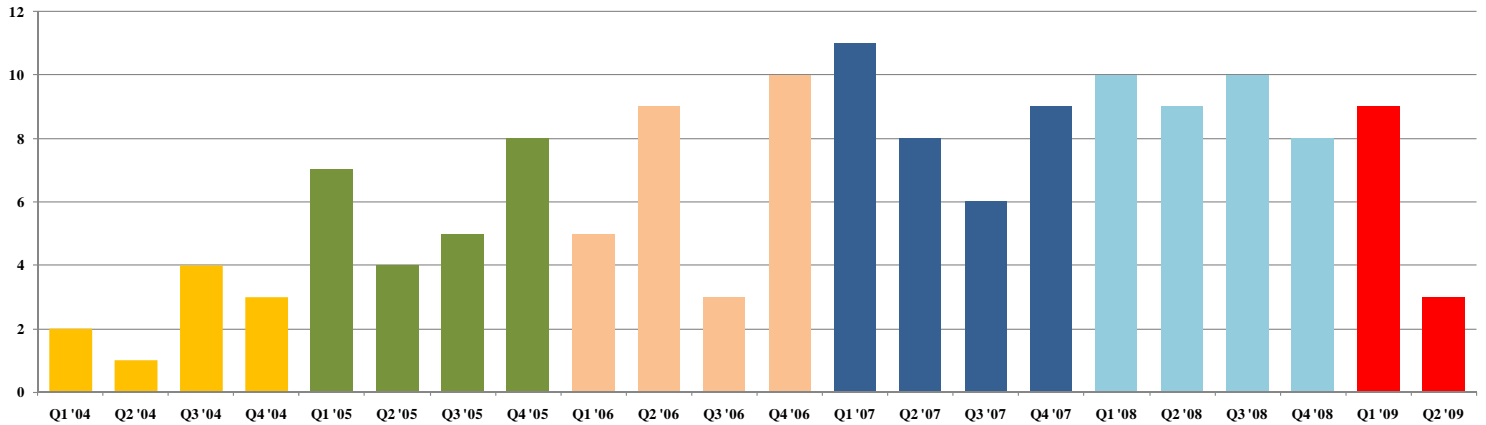
* Has not been included in Mean or Median. LTM: Latest Twelve Months. ⁽¹⁾ Data obtained from Capital IQ. ⁽²⁾ Stock price as of July 22, 2009.

Sector Update – Industrial Services

Mergers and Acquisitions:

We noted a significant decrease in M&A activity during the second quarter of 2009.

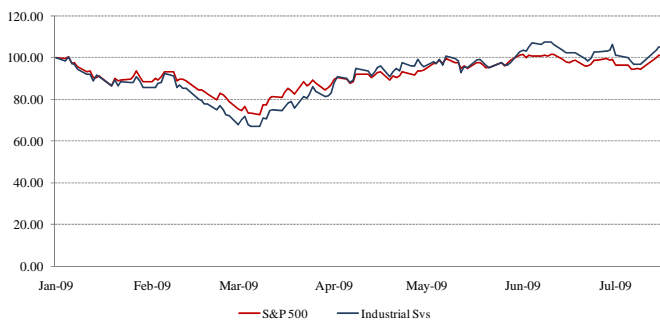
Industrial Services M&A Deals by Quarter (2004 – Q2 2009)



Source: capital IQ.

Industrial Services Stock Index

The industrial services stock index followed closely with the S&P 500 index.



Industrial Services Public Company Comparables

EV/LTM EBITDA is around 6.4x, the same level as the beginning of the year. Within this sector, security services companies showed stronger performance compared to other general industrial services firms.

| Company Name | Stock Price ⁽²⁾ | % of 52 Wk High | Enterprise Value / | |
|----------------------------|----------------------------|-----------------|----------------------------|---------------------------|
| | | | LTM Revenue ⁽¹⁾ | LTM EBITDA ⁽¹⁾ |
| ABM Industries Inc. | \$19.56 | 71.2% | 0.3x | 8.4x |
| Brinks Co. | \$29.86 | 41.8% | 0.5x | 4.6x |
| Command Security Corp. | \$3.32 | 81.4% | 0.4x | 12.5x |
| EMCOR Group Inc. | \$21.07 | 58.4% | 0.2x | 3.2x |
| Garda World Security Corp. | \$4.98 | 34.9% | 0.7x | 6.6x |
| Group 4 Securicor Ltd | \$2.21 | 93.0% | 0.8x | 8.9x |
| Johnson Controls Inc. | \$24.82 | 68.9% | 0.0x | 0.0x |
| Pike Electric Corporation | \$11.17 | 58.1% | 0.8x | 4.8x |
| Rentokil Initial plc | \$0.89 | 84.0% | 1.2x | 8.1x |
| Average | | 65.8% | 0.5x | 6.4x |

* Has not been included in Mean or Median. LTM: Latest Twelve Months. ⁽¹⁾ Data obtained from Capital IQ. ⁽²⁾ Stock price as of July 22, 2009.

About CHILDS Advisory Partners

CHILDS Advisory Partners provides investment banking and strategic consulting services to growing services companies globally. We have assembled a team of experienced professionals that has both industry and transaction advisory experience to assist company owners in creating and realizing maximum value for their businesses. Collectively, our Partners have executed over 150 transactions in the sector totaling over \$9 billion.

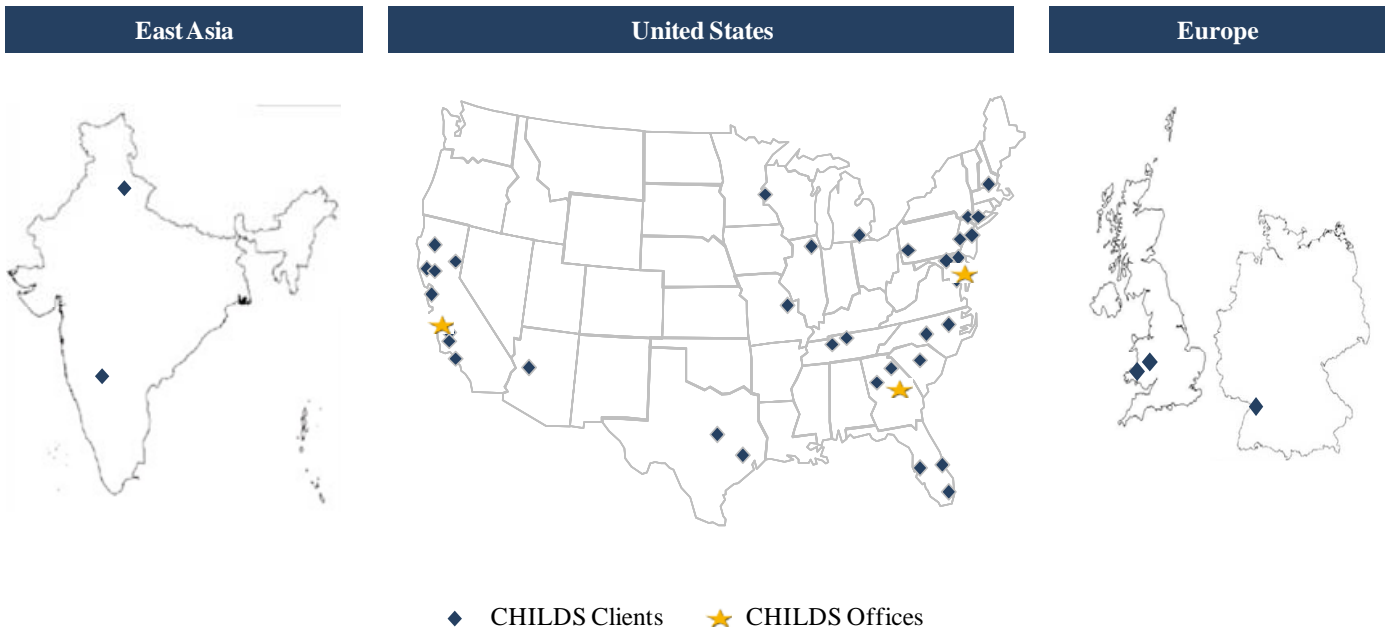
What We Do

Sell-side Advisory: When you desire to sell or merge your business we help you prepare, position and execute the process with confidentiality and speed to obtain maximum results.

Buy-side Assistance: CHILDS can help you source deals, qualify them and negotiate them. Our sourcing “engine”, market knowledge and experience in creative deal structures will ensure that you see as many deals as possible and have the capacity to get them done.

Debt/Equity Financing & Restructuring: We advise companies seeking equity or debt capital for growth, recapitalization or restructuring. We can also help with buyouts of partners or other key transactions. CHILDS can help you negotiate with your existing lenders to renew or restructure debt facilities. If needed, we can tap our many banking relationships to solicit and negotiate term sheets with other potential lenders as well.

Strategic Consulting and Valuation: Our Roadmap Process brings an objective and disciplined methodology to help your team develop a winning plan for short-term performance and long-term value creation. Our strategic alternative assessment project provides insight to the options available for company owners to maximize value and liquidity. Finally, we provide valuations as needed for private companies.



Selected CHILDS Transactions


has been acquired by

December 2008

manifest digital
has been recapitalized by

January 2009


has been acquired by

July 2008


has been acquired by

June 2008


has been acquired by

September 2008


has been acquired by

June 2008

LucasGroup
Recruiting Excellence Since 1970
has been recapitalized by

July 2007


has been acquired by

October 2007


has been acquired by

April 2007


has been acquired by

January 2008


has been acquired by

June 2007


has been acquired by

December 2007

Contact Information:

Jim Childs
Managing Partner
jchilds@childsadvisorypartners.com
770.500.3611

Melanie McFaddin
Partner
mmcfaddin@childsadvisorypartners.com
571.282.3617

Don Holbrook
Partner
dholbrook@childsadvisorypartners.com
949.276.8715

Cooper Mills
Partner
cmills@childsadvisorypartners.com
770.500.3629