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CHILDS News and Events

3/1/11 – 3/3/11

CHILDS sponsors Staffing Industry Executive Forum in Miami, Florida

2/21/11 – 2/24/11

CHILDS attends Healthcare IT conference in Orlando, Florida

2/9/11

CHILDS is an exhibitor and sponsor at ACG Atlanta Capital Connection

12/2/10

CHILDS advises The Johnson Group on its sale to PRGX Global

11/22/10

CHILDS advises VCG on its sale to Bond International Software

11/04/10

CHILDS hosts its 2nd Annual IT Services and Outsourcing Summit in Atlanta, Georgia

10/19/10

CHILDS advises ABeam Consulting, a division of NEC in Japan, on its acquisition of Hazelwood Partners

07/28/10

CHILDS advises The Centre for High Performance Development (a subsidiary of Capital H Group LLC) on its sale to Kenexa Corporation

07/12/10

CHILDS Advises CSI on its Sale to Recruit, the largest staffing firm in Japan

For additional information, please visit www.childsadvisorpartners.com

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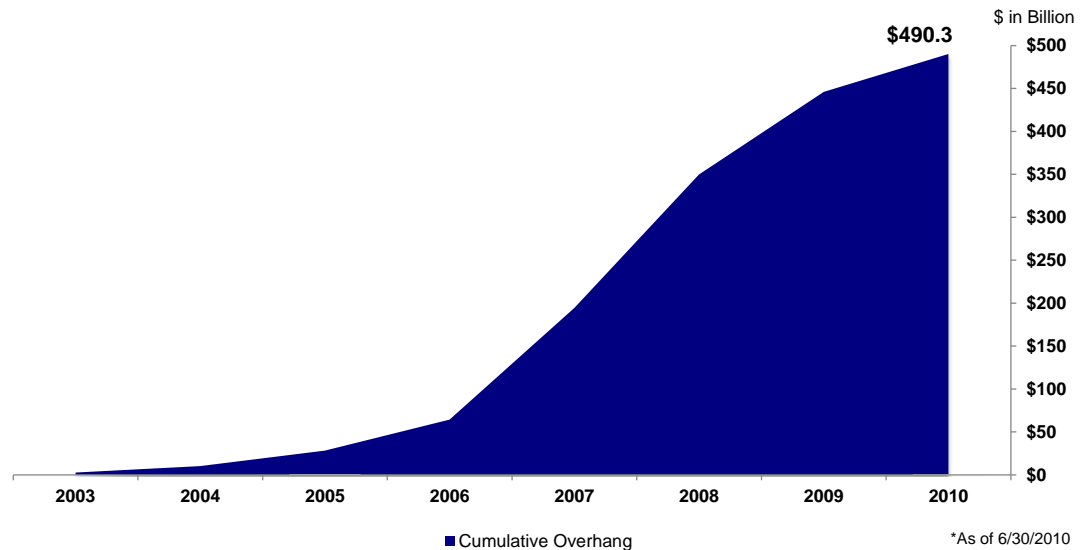
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Private Equity Alternatives for High Growth Services Firms

Typically a company owner's largest asset is his or her company. Oftentimes, the most successful entrepreneurs feel the need to diversify their wealth, but don't want to sell the company or exit themselves. A great alternative for these owners is a private equity recapitalization (known as a "recap").

A recap is when a private equity group (a "PEG") buys a portion of the company's stock from the owners but allows the company and the existing management to continue running as usual. For many services firms with greater than \$5mm in adjusted EBITDA (earnings before interest, taxes, depreciation and amortization adjusted for excess expenses or non-recurring items), selling a majority of the stock in a "control recap" is the preferred transaction.

As the following chart shows, there has been a large increase in the amount of private equity capital available to invest.



This availability of cash, coupled with the improving lending markets, has allowed PEGs to offer very attractive valuations. This is therefore a market that should not be ignored by potential sellers and their advisors.

Here is how a typical control recap works:

Let's assume Company A has \$10 million in EBITDA and is valued at \$70 million. Let's further assume that the owners will "roll" equity valued at \$10 million. (Most PEGs want owners to own 15%-40% of the company post-deal.)

The PEG borrows \$35 million (3.5x EBITDA), writes a check for \$25 million and the owner's "roll" of \$10 million rounds out the deal to \$70 million.

Post-deal, the equity value of the company is \$35 million (\$70 million less the money borrowed); and is owned 25/35 (71.4%) by the PEG and 28.6% by the original owners. The owners take home \$60 million before any expenses and taxes yet they retain almost 30% ownership in the company. The owners also no longer personally guarantee any debt or lease agreements.

In addition to the cash transaction, many PEGs set up management equity incentive plans for non-owner managers so they can participate in the value creation. Oftentimes, these plans allow for 10%-15% of the upside to go to the management team. Thus, a PEG recap can be very attractive to senior management who have not had the opportunity to own equity. Typically, there are no external signs that any transaction has occurred (no branding change, etc). Internally, the PEG will often drive a more formal information reporting flow in the form of monthly reviews and quarterly Board meetings.

Playing the math out to conclusion, let's assume that the company operates for five years and doubles EBITDA to \$20mm and becomes worth \$160 million. Along the way, they paid down the \$35 million of debt so at time of sale there is no debt remaining. The shareholders and option holders would split the \$160 million pro rata. Excluding the management plan, the owners' 28.6% is now worth about \$45.8 million, nearly the amount of proceeds they received in the initial transaction. This is the classic "second bite of the apple."

The above illustration is obviously a great outcome. Of course, not all recaps work out so well. The down side to a recap is that if the company is overleveraged and results decline, it could lead to a restructuring transaction where the banks either force the sale of the company, convert their debt to equity or require investors to fund a "down round" thereby wiping out the original investors.

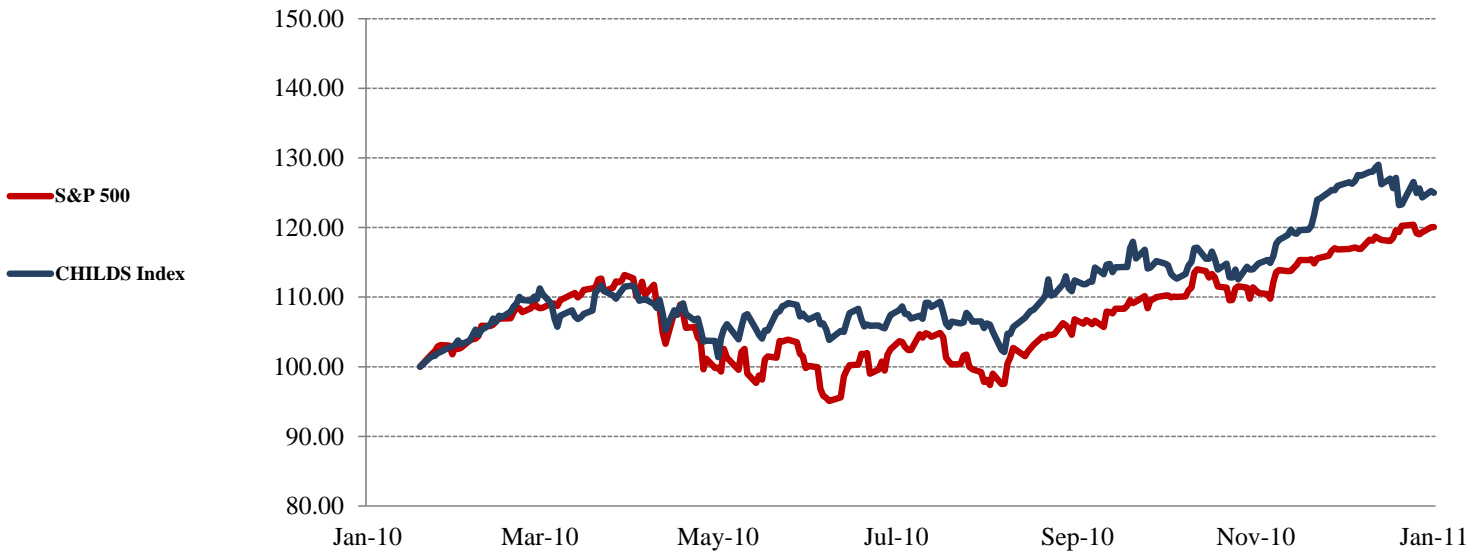
Because owners have a material stake in the go-forward enterprise it is vitally important that they choose their PEG partner carefully. Owners should consider the culture and personalities of their potential partners as well as their industry knowledge and track record. Every PEG firm should allow a potential seller to call one or all of their former CEOs to get an independent check on how it is to work with that particular group.

At our firm, we have a group specifically dedicated to following the PEG universe and building relationships with this important constituency. With approximately 1,900 PEGs in the U.S., it is vitally important to know not only the size and target industry segments for the various PEGs, but it is just as important to know the personality and style of the firms as well when advising owners on the most important transaction of their life.



Business & Technology Services Market Update

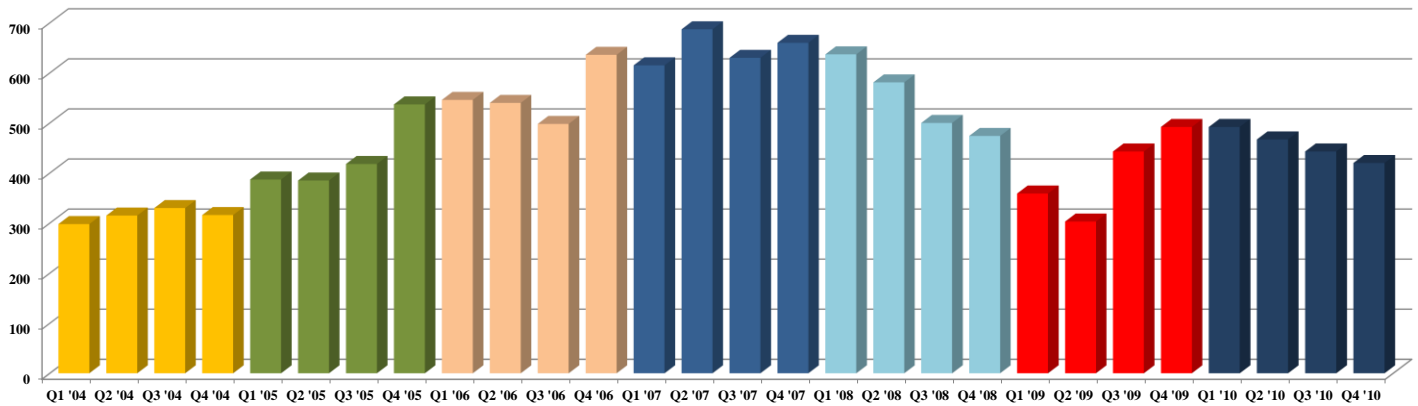
CHILDS Advisory Partners (“CHILDS”) tracks a list of publicly traded companies in the sectors we follow to gain a better understanding of each sector’s performance. In the fourth quarter of 2010, the CHILDS Business & Technology Services Index continued to outperform the S&P 500 Index.



Note: The CHILDS Business & Technology Services Index is made up of select public companies in the following sectors: IT Services, Professional Services, Staffing, Marketing & Information Services, and Industrial Services

Business & Technology Services M&A Deals by Quarter (2004 – Q4 2010)

Business & Technology Services M&A volume was down slightly in Q4 vs. Q3 and year-over-year. We’ve noted a total of 420 transactions in Q4 2010 compared to 492 transactions noted in the same period of the prior year and 443 in Q3 2010.

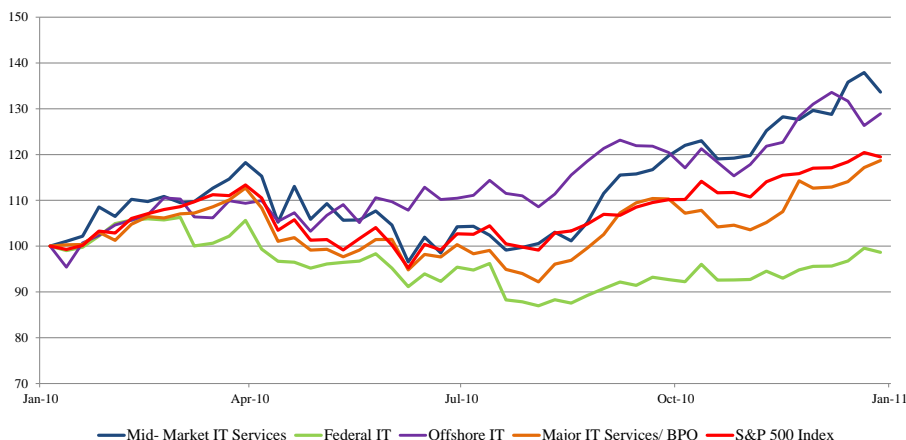


Source: CHILDS database and Capital IQ

Sector Update: IT Services

Public Company Stock Performance

The IT Services stock indices continue to show positive performance in the fourth quarter of 2010. Offshore IT and Mid-Market IT Services have continued to outperform. Federal IT stocks are very cheap by historical standards.



IT Services Comparable Public Company Analysis

Mid-Market IT Services

The average LTM EBITDA multiple is 15.9x, compared to 17.4x last quarter.

| Company Name | Stock Price | % of 52 Wk High | Enterprise Value / | |
|-----------------------------|-------------|-----------------|--------------------------|-------------------------|
| | | | LTM Revenue ¹ | LTM EBITDA ¹ |
| CIBER, Inc. | \$4.44 | 85.1% | 0.3x | 8.9x |
| Edgewater Technology Inc. | \$2.30 | 67.3% | 0.3x | 16.1x |
| eLoyalty Corp. | \$6.92 | 90.9% | 1.2x | NM |
| Huron Consulting Group Inc. | \$27.08 | 97.7% | 1.3x | 8.1x |
| Perficient Inc. | \$12.49 | 94.9% | 1.7x | 23.2x |
| Resources Connection Inc. | \$19.92 | 90.8% | 1.5x | 20.8x |
| Sapient Corp. | \$13.24 | 98.5% | 2.0x | 20.8x |
| The Hackett Group, Inc. | \$3.72 | 82.9% | 0.7x | 13.4x |
| Average | | 88.5% | 1.1x | 15.9x |

Major IT/BPO

The average LTM EBITDA multiple is 6.7x this quarter, up from 6.0x in the third quarter of 2010.

| Company Name | Stock Price | % of 52 Wk High | Enterprise Value / | |
|-------------------------------|-------------|-----------------|--------------------------|-------------------------|
| | | | LTM Revenue ¹ | LTM EBITDA ¹ |
| Accenture plc | \$52.41 | 98.4% | 1.3x | 8.6x |
| Cap Gemini S.A. | \$52.90 | 97.4% | 0.6x | 7.5x |
| CGI Group, Inc. | \$19.89 | 96.6% | 1.6x | 8.4x |
| Computer Sciences Corporation | \$47.66 | 84.2% | 0.5x | 3.8x |
| Convergys Corporation | \$14.25 | 95.0% | 0.8x | 6.3x |
| Logica PLC | \$2.31 | 96.8% | 0.7x | 8.6x |
| Genpact Ltd. | \$14.53 | 77.7% | 2.2x | 11.0x * |
| Unisys Corporation | \$39.81 | 98.5% | 0.4x | 3.7x |
| Average | | 93.1% | 1.0x | 6.7x |

Federal IT Services

The average LTM EBITDA multiple has increased to 9.3x from 8.2x in the third quarter of 2010.

| Company Name | Stock Price | % of 52 Wk High | Enterprise Value / | |
|-----------------------------------|-------------|-----------------|--------------------------|-------------------------|
| | | | LTM Revenue ¹ | LTM EBITDA ¹ |
| CACI International Inc. | \$57.47 | 96.9% | 0.6x | 7.9x |
| DCP Midstream Partners LP | \$41.60 | 98.4% | 2.0x | 18.0x |
| Dynamics Research Corp. | \$14.16 | 97.7% | 0.5x | 5.4x |
| ICF International Inc. | \$23.57 | 83.8% | 0.7x | 8.1x |
| ManTech International Corporation | \$42.72 | 82.4% | 0.7x | 7.0x |
| NCI, Inc. | \$20.46 | 66.9% | 0.6x | 7.2x |
| SAIC, Inc. | \$16.40 | 83.0% | 0.6x | 6.2x |
| SRA International Inc. | \$27.78 | 90.1% | 0.9x | 10.1x |
| Tier Technologies Inc. | \$6.07 | 70.7% | 0.3x | NM |
| Tyler Technologies, Inc. | \$21.23 | 95.7% | 2.4x | 13.6x |
| Average | | 86.6% | 0.9x | 9.3x |

Offshore IT Services

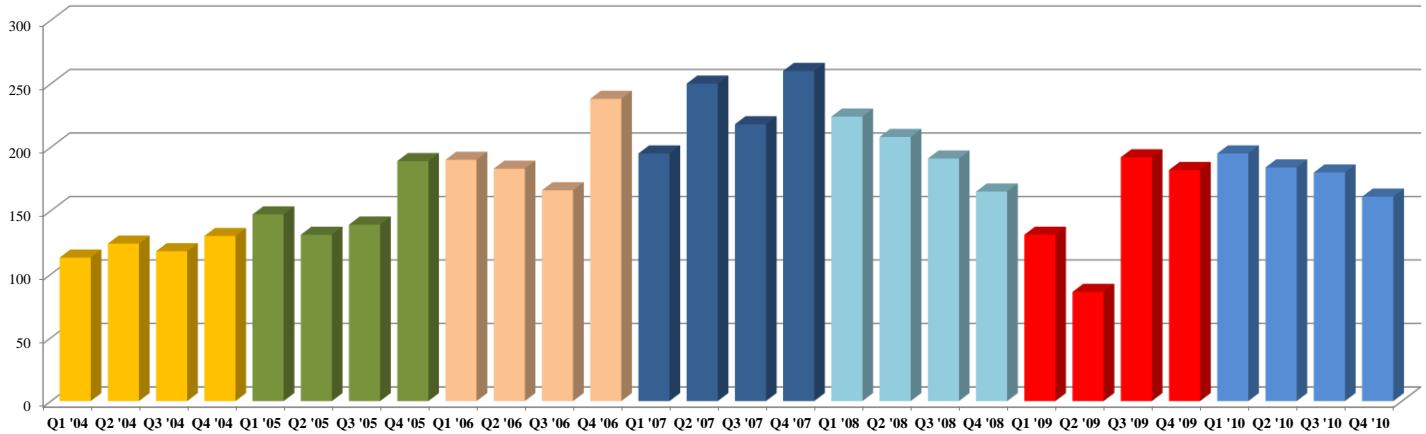
The average LTM EBITDA multiple has increased to 14.1x from 12.3x last quarter.

| Company Name | Stock Price | % of 52 Wk High | Enterprise Value / | |
|-------------------------------------|-------------|-----------------|--------------------|--------------|
| | | | LTM Revenue | LTM EBITDA |
| Cognizant Technology Solutions Corp | \$76.38 | 99.1% | 4.6x | 21.6x |
| HCL Technologies Ltd. | \$10.62 | 93.3% | 2.5x | 19.2x |
| iGATE Corporation | \$18.09 | 72.4% | 3.1x | 14.1x |
| Infosys Technologies Limited | \$68.26 | 88.9% | 6.3x | * 19.1x |
| Ness Technologies Inc. | \$6.33 | 86.7% | 0.5x | 8.1x |
| Patni Computer Systems Limited | \$10.11 | 73.7% | 1.8x | 11.6x |
| Satyam Computer Services Ltd. | \$1.42 | 56.8% | 0.9x | 11.2x |
| Syntel, Inc. | \$57.92 | 97.1% | 4.3x | 15.0x |
| VanceInfo Technologies Inc. | \$34.29 | 83.5% | 7.4x | * 38.2x * |
| Virtusa Corp. | \$16.81 | 94.9% | 1.6x | 12.5x |
| WNS (Holdings) Ltd. | \$10.10 | 64.7% | 0.9x | 8.6x |
| Average | | 82.8% | 2.2x | 14.1x |

*Excluded from mean and median calculations. LTM = Latest Twelve Months. Data obtained from Capital IQ. Stock price as of February 14, 2011.

IT Services M&A Deals by Quarter (2004 – Q4 2010)

In 2010, we noted a total of 684 IT services deals, compared with 591 in 2009, an increase of approximately 15.7%.



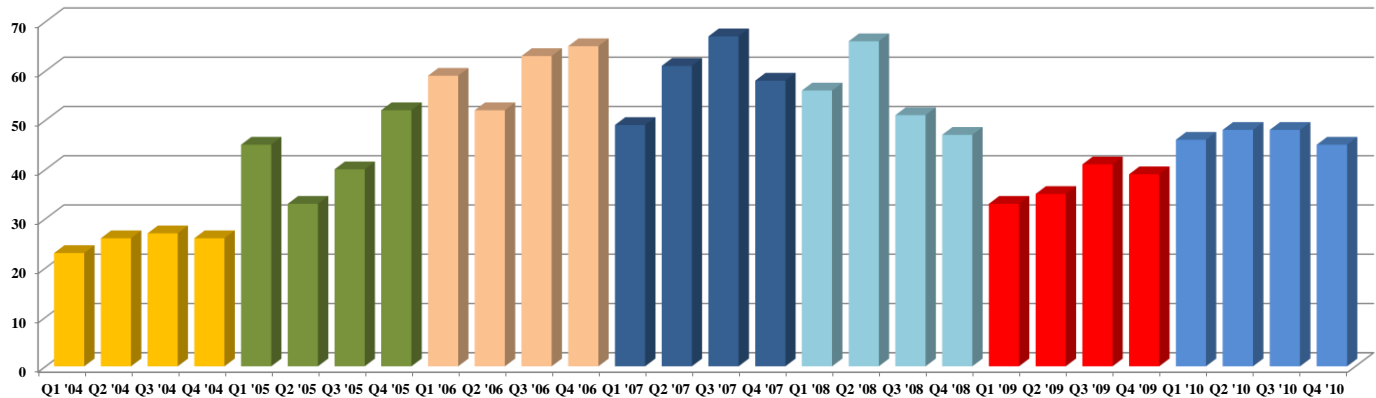
Source: CHILDS database and Capital IQ

Notable Transactions

| Date Announced | Buyer | Seller | Enterprise Value (\$mm) | Target Description/Comment |
|----------------|-------------------------------------|--|-------------------------|--|
| 12/15/2010 | Stanley Black & Decker | InfoLogix | 52.4 | Provides enterprise mobility workforce technology solutions including electronic medical record system implementation and support, enterprise assessment planning, and SAP supply chain execution |
| 12/14/2010 | Atos Origin | Siemens AG (IT Solutions and Services) | 1,149.2 | Provides information technology solutions and services |
| 11/23/2010 | Veritas Capital | Lockheed Martin (Enterprise Integration Group) | NA | Provides system engineering services, architecture and integration services to a broad range of government customers |
| 11/22/2010 | Zensar Technologies | PSI Holding Group | 66.0 | Provides IT solutions that enable companies to optimize, secure, manage and support their infrastructure |
| 11/10/2010 | Stefanini IT Solutions | Tech Team Global | 90.3 | Offers information technology outsourcing and business process outsourcing services to middle market companies and government organizations |
| 11/04/10 | Global Defense Technology & Systems | Signature Government Solutions | 52.5 | Operates as an IT professional services company, provides IT and other solutions-based professional services to government agencies and system integrators in the U.S. |
| 11/04/2010 | Windstream Corporation | Hosted Solutions | 310.0 | Provides infrastructure as a service solutions such as managed hosting services and dedicated server solutions to retail financial services, pharmaceuticals technology and government organizations |
| 10/29/2010 | NTT Data Corporation | Keane | 1,230.0 | Provides information technology consulting and outsourcing services such as business consulting, business process outsourcing, strategy and program and performance management services |

Sector Update – Professional Services

In the fourth quarter of 2010, CHILDS noted a total of 45 Professional Services M&A transactions compared to 39 transactions in the same period last year.



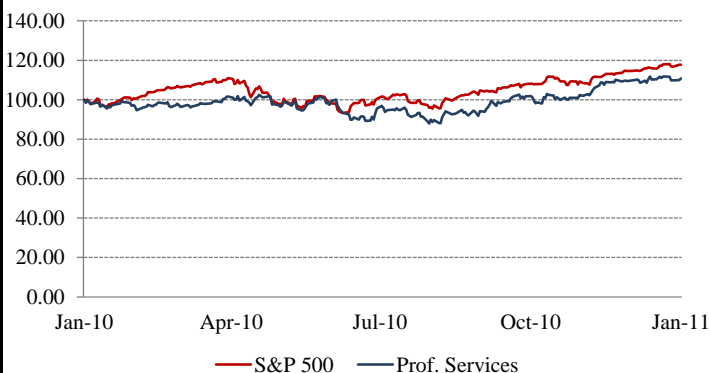
Source: CHILDS database and Capital IQ

Notable Transactions

| Date Announced | Buyer | Seller | Enterprise Value (\$mm) | Target Description/Comment |
|----------------|------------------------|-----------------------|-------------------------|--|
| 12/23/10 | Dycom Industries | NeoCom Solutions | 27.5 | Offers professional services such as program and construction management, site acquisition/property management, professional and technical staff augmentation and warehousing/logistics management |
| 12/20/10 | Assa Abloy | LaserCard Corporation | 42.6 | Provides secure identity solutions and associated professional services to governments and commercial clients |
| 12/02/10 | Costain Group | Mouchel Group | 414.3 | Provides consulting and business services to public-sector customers in the UK and internationally |
| 11/10/10 | Chandler Macleod Group | Ross Human Directions | 57.4 | Provides HR related services including HR consulting, temporary contract, permanent recruitment services, career management and technology consulting |

Professional Services Stock Index

The Professional Services stocks continued to underperform compared to the S&P 500 this quarter.



Professional Services Comparable Company Analysis

EBITDA multiples stayed relatively consistent at around 8.0x.

| Company Name | Stock Price | % of 52 Wk High | Enterprise Value / | |
|-----------------------------|-------------|-----------------|--------------------|-------------|
| | | | LTM Revenue | LTM EBITDA |
| Advisory Board Co. | \$48.68 | 96.1% | 2.8x | 18.3x * |
| CRA International Inc. | 24.29 | 84.1% | 0.6x | 7.4x |
| Exponent Inc. | \$36.61 | 88.7% | 1.7x | 9.3x |
| FTI Consulting, Inc. | 37.02 | 80.5% | 1.6x | 7.6x |
| Huron Consulting Group Inc. | \$26.15 | 94.4% | 1.2x | 7.9x |
| LECG Corporation | 1.51 | 40.9% | 0.4x | NM * |
| Navigant Consulting Inc. | \$10.03 | 69.2% | 1.0x | 7.5x |
| Resources Connection Inc. | 20.54 | 93.6% | 1.5x | 21.6x * |
| Towers Watson & Co. | \$53.77 | 98.0% | 1.3x | 8.1x |
| Average | | 82.8% | 1.4x | 8.0x |

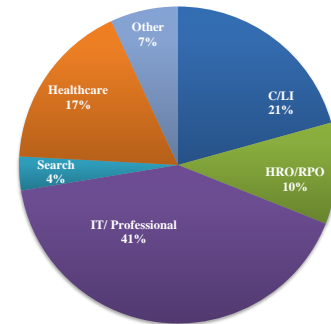
*Excluded from mean and median calculations. LTM = Latest Twelve Months. Data obtained from Capital IQ. Stock price as of February 14, 2011.

Sector Update – Staffing

Mergers and Acquisitions:

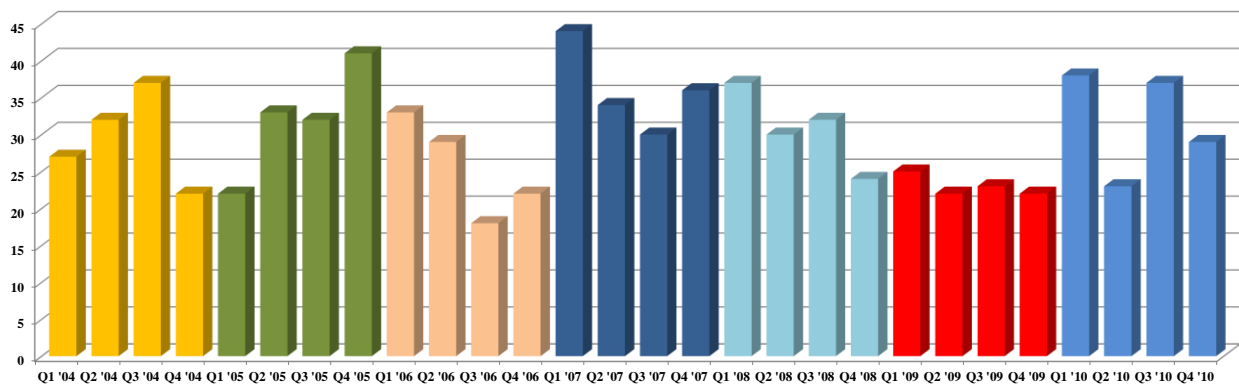
The IT/Professional segment led M&A activity in the Staffing sector, representing 41% of the M&A deals in the fourth quarter of 2010. We expect this level of activity to continue in 2011 as the economy continues to improve.

Q4 2010 Staffing M&A Deal Volume by Subsector



Staffing M&A Deals by Quarter (2004 – Q4 2010)

In the fourth quarter of 2010, CHILDS noted a total of 29 Staffing M&A transactions compared to 22 transactions in the same period of the prior year.



Source: CHILDS database and Capital IQ

M&A Commentary – Managed Services

The development, complexity, and client acceptance of Master Service Provider (MSP) relationships and the concomitant development and use of Vendor Management Software (VMS) and services as a tool of MSPs has grown exponentially over the last five years. One of the surest signs of MSP/VMS maturity is the focused interest of private equity groups in companies offering these services. The operating leverage of the software-as-a-service (SaaS) MSP/VMS model is particularly attractive to financial sponsors.

In the last 60 days, two major MSP/VMS companies have been purchased by private equity players and we expect to see more in the future.

Notable Transactions

| Date Announced | Buyer | Seller | Enterprise Value (\$mm) | Target Description/Comment |
|----------------|----------------------------|---|-------------------------|--|
| 12/31/10 | Riverside Partners | Eliassen Group/ Lineage Capital | NA | Operates as a technology staffing company that offers contract and direct-hire staffing solutions to corporations, state governments, and non-profit organizations |
| 12/07/10 | Global Employment Holdings | Headway Corporate Resources (Staffing Services Business Unit) | NA | Offers direct hiring and temporary corporate recruitment and staffing services |
| 11/29/10 | Harvest Partners | Bartlett Holdings | NA | Provides technical and professional project and staffing solutions to the energy market |

CHILDS Quarterly Update: Q4 2010

Notable Transactions (Continued)

| | | | | |
|----------|------------------------|-----------------------|-------|--|
| 11/26/10 | Healthcare Locums | Healthcare Australia | 118.2 | Provides nursing workforce, health and homecare, aged care staff, and medical specialist placements services for the health, hospital, aged and community care sectors |
| 11/10/10 | Chandler Macleod Group | Ross Human Directions | 58.2 | Provides human resources related services such as recruitment services, HR consulting, career management and technology consulting services |
| 11/01/10 | Abry Partners | Comforce | 153.6 | Provides outsourced staffing management services and operates in three segments: Human Capital Management Services, Staff Augmentation and Financial Outsourcing |

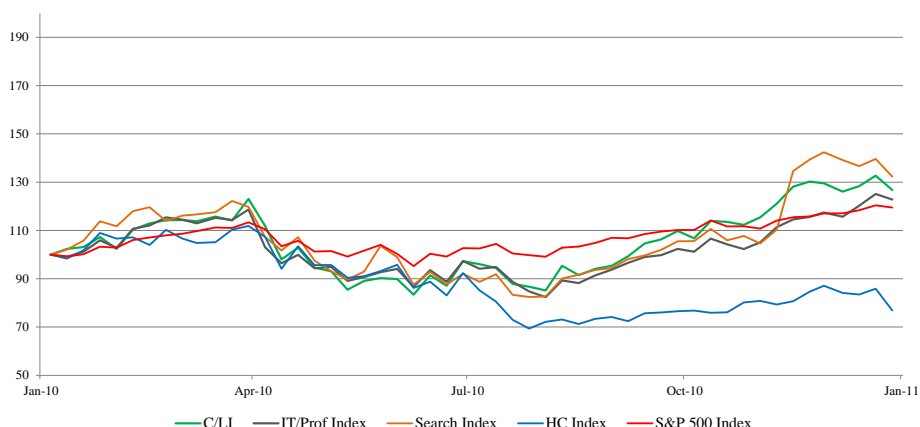
Staffing Comparable Public Company Analysis

Public Company Stock Performance

All Staffing sub-segments, with the exception of Healthcare, showed substantial gains in the fourth quarter of 2010.

We believe that this is due to the increasingly positive economic outlook for 2011. Many Light Industrial staffing firms (typically the first to rebound) saw revenue gains of 25%-40% in 2010.

As the search sector rebounded, CTPartners filed its S-1 in September and went public on December 8, 2010.



Industrial Staffing

The average LTM EBITDA multiple is 11.9x, compared to 13.5x last quarter.

| Company Name | Stock Price | % of 52 Wk High | Enterprise Value / | |
|---------------------|-------------|-----------------|--------------------|--------------|
| | | | LTM Revenue | LTM EBITDA |
| Kelly Services Inc. | \$22.60 | 98.3% | 0.2x | 10.1x |
| Manpower Inc. | 68.11 | 97.8% | 0.3x | 13.1x |
| Spherion Corp. | 13.35 | 99.0% | 0.3x | 10.9x |
| TrueBlue, Inc. | 17.34 | 89.0% | 0.5x | 13.4x |
| Average | | 96.0% | 0.3x | 11.9x |

IT & Professional Staffing

The average LTM EBITDA multiple is 15.8x this quarter, down from 16.2x in the third quarter of 2010.

| Company Name | Stock Price | % of 52 Wk High | Enterprise Value / | |
|--------------------------------|-------------|-----------------|--------------------|--------------|
| | | | LTM Revenue | LTM EBITDA |
| Kforce Inc. | 18.04 | 93.8% | 0.7x | 17.1x |
| On Assignment Inc. | 8.98 | 97.6% | 0.9x | 15.5x |
| RCM Technologies Inc. | 4.58 | 86.4% | 0.2x | 4.1x |
| Robert Half International Inc. | 32.83 | 95.8% | 1.4x | 26.4x |
| Average | | 93.4% | 0.8x | 15.8x |

Search

The average LTM EBITDA multiple increased to 10.8x, up from 8.7x in the third quarter.

| Company Name | Stock Price | % of 52 Wk High | Enterprise Value / | |
|---|-------------|-----------------|--------------------|--------------|
| | | | LTM Revenue | LTM EBITDA |
| Heidrick & Struggles International Inc. | \$27.43 | 87.4% | 0.7x | 8.6x |
| Korn/Ferry International | 24.17 | 97.6% | 1.4x | 13.0x |
| Average | | 92.5% | 1.0x | 10.8x |

Healthcare Staffing

The average LTM EBITDA multiple has increased to 9.2x from 7.4x in the third quarter.

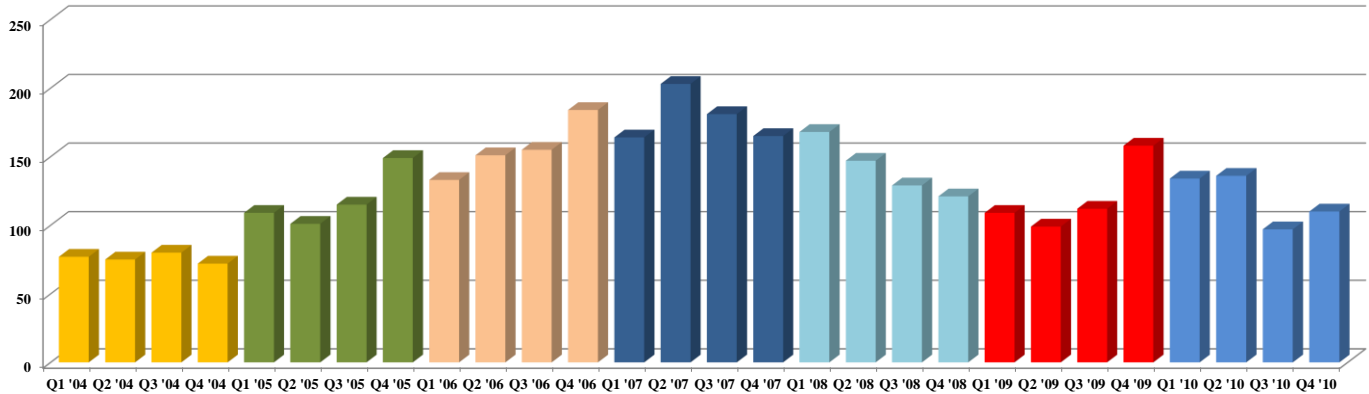
| Company Name | Stock Price | % of 52 Wk High | Enterprise Value / | |
|--------------------------------------|-------------|-----------------|--------------------|-------------|
| | | | LTM Revenue | LTM EBITDA |
| Allied Healthcare International Inc. | \$2.21 | 71.3% | 0.2x | 3.7x |
| AMN Healthcare Services Inc. | 6.89 | 68.9% | 0.8x | 16.0x |
| Cross Country Healthcare Inc. | 7.84 | 71.1% | 0.6x | 11.5x |
| Sun Healthcare Group Inc. | 13.97 | 93.1% | 0.3x | 5.5x |
| Average | | 76.1% | 0.5x | 9.2x |

*Excluded from mean and median calculations. LTM = Latest Twelve Months. Data obtained from Capital IQ. Stock price as of February 14, 2011.

Sector Update – Marketing & Information Services

Marketing & Information Services M&A Deals by Quarter (2004 – Q4 2010)

We noted a total of 110 transactions in the fourth quarter of 2010, compared to 97 transactions in the prior quarter and 158 transactions in Q4 2009. Overall deal volume in the sector decreased in the second half of the year.



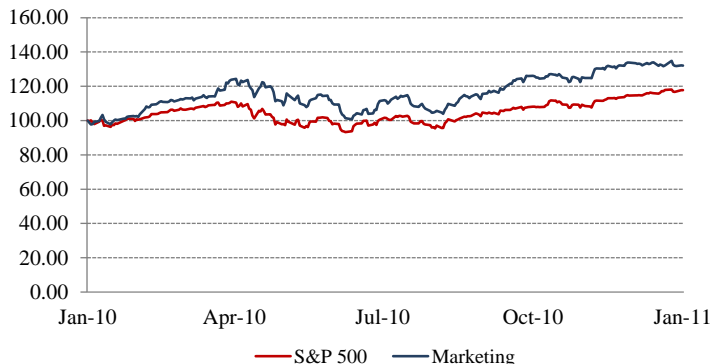
Source: CHILDS database and Capital IQ

Notable Transactions

| Date Announced | Buyer | Seller | Enterprise Value (\$mm) | Target Description/Comment |
|----------------|--------------------------|-------------------------------|-------------------------|--|
| 12/16/10 | American Express Company | Loyalty Partner | 654.7 | Provides customizable customer management solutions, including: data analysis, database management, strategic consulting and software development |
| 12/01/10 | United Drug | World Events Group | 25.2 | Provides event management solutions such as, consultancy, event themes, message delivery, speakers and entertainers, logistics, venue sourcing, and online registration services |
| 12/01/10 | MidOcean Partners | Olympus Media | NA | Provides outdoor advertising services through billboard advertising in Georgia, Indiana, Missouri, Pennsylvania, and Tennessee |
| 11/25/10 | Apax Partners Worldwide | Advantage Sales and Marketing | NA | Operates as a sales and marketing agency that specializes in outsourced sales, merchandising, category management, and marketing services |
| 11/19/10 | Young & Rubicam | Taxi Canada | NA | Provides strategic planning, advertising, design, interactive, relationship marketing, content solutions and branded development services |

Stock Index

The Marketing Services stock index continued to outperform the S&P 500 index this quarter.



Marketing Services Public Company Comparables

EBITDA multiples are relatively higher at 9.8x compared to 8.8x last quarter.

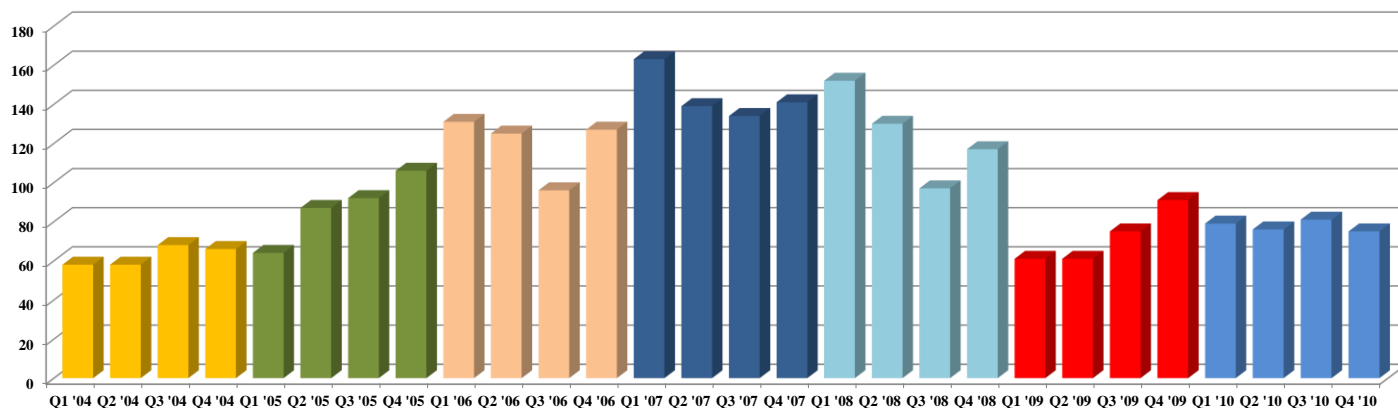
| Company Name | Stock Price | % of 52 Wk High | Enterprise Value / | |
|---------------------------------------|-------------|-----------------|--------------------|------------|
| | | | LTM Revenue | LTM EBITDA |
| Axiom Corporation | \$17.62 | 88.1% | 1.5x | 6.9x |
| Harte-Hanks Inc. | \$13.42 | 84.7% | 1.2x | 8.4x |
| Havas | \$5.20 | 90.8% | 1.2x | 8.1x |
| The Interpublic Group of Companies, I | \$10.89 | 96.0% | 0.9x | 7.2x |
| MDC Partners Inc. | \$16.82 | 90.6% | 1.3x | 20.5x |
| Omnicom Group Inc. | \$45.91 | 95.9% | 1.3x | 9.0x |
| Publicis Groupe SA | \$51.21 | 94.6% | 1.5x | 8.6x |
| Average | | 91.5% | 1.3x | 9.8x |

LTM = Latest Twelve Months. Data obtained from Capital IQ. Stock price as of February 14, 2011.

Sector Update – Industrial Services

Industrial Services M&A Deals by Quarter (2004 – Q4 2010)

We noted a total of 75 transactions this quarter, down slightly from the 81 transactions noted in Q3.



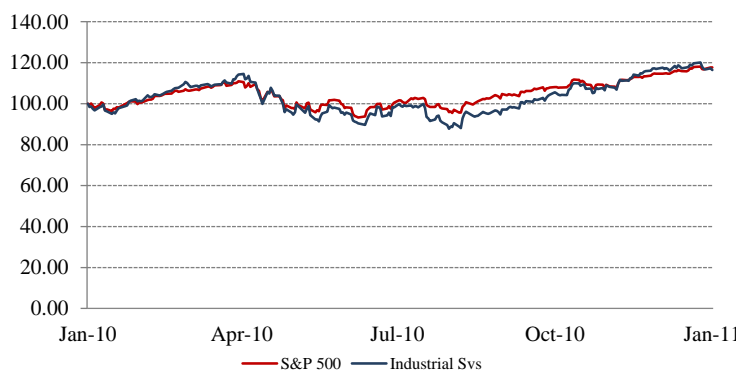
Source: CHILDS database and Capital IQ

Notable Transactions

| Date Announced | Buyer | Seller | Enterprise Value (\$mm) | Target Description/Comment |
|----------------|--------------------------|---------------------------|-------------------------|---|
| 12/21/10 | Groupe Viadom | Merci Plus Groupe | 13.9 | Provides home maintenance, childcare, and gardening services |
| 12/21/10 | Command Holdings | Comwezi Security Services | 8.6 | Provides national guarding and security services to government, and corporations |
| 12/06/10 | Ascent Media Corporation | Monitronics Security | 1,191.0 | Provides security monitoring services to residential customers and commercial clients |
| 12/03/10 | Securitas AV | Alarm West Group | 16.7 | Specializes in guarding and security services |
| 10/15/10 | Oil States International | The MAC Services Group | 679.8 | Engages in the provision of accommodation services to the coal mining, construction, resource and tourism industries in Australia |

Industrial Services Stock Index

The Industrial Services Stock Index continues to be closely correlated with the S&P 500 Index.



Industrial Services Comparable Company Analysis

The average LTM EBITDA multiple increased from 7.7x in the third quarter to 8.0x in the fourth quarter of 2010.

| Company Name | Stock Price | % of 52 Wk High | Enterprise Value / | |
|----------------------------|-------------|-----------------|--------------------|-------------|
| | | | LTM Revenue | LTM EBITDA |
| ABM Industries Inc. | \$25.33 | 93.8% | 0.4x | 9.4x |
| Brinks Co. | \$27.49 | 92.9% | 0.5x | 5.1x |
| Command Security Corp. | \$1.90 | 69.1% | 0.2x | 5.6x |
| EMCOR Group Inc. | \$29.17 | 96.8% | 0.3x | 5.5x |
| Garda World Security Corp. | \$9.12 | 76.6% | 0.8x | 6.8x |
| G4S plc | \$2.67 | 93.6% | 0.8x | 8.5x |
| Johnson Controls Inc. | \$38.61 | 93.1% | 0.8x | 10.7x |
| Pike Electric Corporation | \$8.67 | 78.5% | 0.8x | 12.4x |
| Rentokil Initial plc | \$1.05 | 74.7% | 1.2x | 7.6x |
| Average | | 85.5% | 0.6x | 8.0x |

LTM = Latest Twelve Months. Data obtained from Capital IQ. Stock price as of February 14, 2011.

About CHILDS Advisory Partners

CHILDS Advisory Partners is the most active investment banking and strategic advisory firm focused on high growth business and technology services companies. We combine the experience and resources of a major investment bank with the sector focus and service of a boutique. Our goal is to advise high growth companies in the sector to create and realize maximum value for their owners.

Our Services

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 ability 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 Alternatives Assessment project provides insight to the options available for company owners to maximize value and liquidity. Finally, we provide valuations and fairness opinions.

Q4 2010 Activity

In November 2010, we hosted our second annual IT Services & Outsourcing Summit at the St. Regis Hotel in Atlanta. Over 100 C-level executives and investors attended. Discussion items included:

- Outsourcing Trends
- M&A Activity and Future Outlook
- Evolution of Outsourcing (panel)
- Hot sectors: Healthcare IT, Federal IT, & Interactive Marketing (panel)
- Lessons Learned from Successful Entrepreneurs (panel)

Please click the following link to read more about this event: <http://www.childsadvisorypartners.com/pdfs/2010-IT-Services-Outsourcing-Summit.pdf>

We also completed the following three transactions in the fourth quarter:



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Selected CHILDS Transactions


has been acquired by

 December 2010


has been acquired by

 November 2010


has been acquired by



 October 2010


has been acquired by

 July 2010


has been acquired by

 June 2010


has been acquired by

 March 2010


has been acquired by

 September 2009


has been acquired by

 May 2009


has been recapitalized by



 January 2009


has been acquired by

 December 2008


has been acquired by

 September 2008


has been acquired by

 July 2008


has been acquired by

 May 2008


has been acquired by

 October 2007


has been recapitalized by

 July 2007


has been acquired by

 July 2007