

# RESILIENCE

CAPITAL PARTNERS



Focus on People  
Deliver Results

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## About us

Headquartered in Cleveland, Ohio, Resilience Capital Partners is a leading private equity firm specializing in investing in lower middle market companies. Resilience's value oriented investment strategy is to acquire companies with solid business prospects in a wide variety of special situations, including underperformers, corporate divestitures, turnarounds and orphan public companies. We bring both operational and capital resources to our portfolio companies. Our in-house operating professionals have decades of experience across numerous industries, bringing large company resources to the lower middle market. Consistently achieving impressive results has allowed us to see a growing number of potential investment opportunities.



We've built a nimble organization, as we understand the value of a quick transaction process. Our investment and operating professionals are oriented towards being responsive to our deal sources, investment targets, professional advisors and limited partners. We pride ourselves on completing transactions in a timely fashion while maintaining a robust due diligence process focusing on business plan creation and implementation.

Steve H. Rosen  
*Co-Chief Executive Officer*

Bassem A. Mansour  
*Co-Chief Executive Officer*

## Adding value

*“Resilience is full of bright, focused operations and management pros that have identified a market niche and remain committed to it. They’ve produced phenomenal returns quickly and consistently. They’re very good at what they do.”*

Malachi (Mal) Mixon  
Chairman of the Board,  
Chief Executive Officer  
Invacare Corporation

### INVESTMENT PHILOSOPHY

We believe in partnering with management to upgrade operations, strategy and finance. We approach the opportunity with a long-term view to ensure that these improvements last beyond our involvement with the business, providing benefits to managers and subsequent owners. Focusing on short-term financial engineering is not at the core of our investment philosophy.

## Targeted investing

### INVESTMENT CRITERIA

**Company situation** — We invest in companies with solid business prospects that fall into a wide range of business circumstances including:

- structural or cyclical industry downturns
- excessive liabilities
- lack of access to capital
- need for management focus or resources
- non-core subsidiary or business unit of a corporate parent
- “orphan” public company – micro cap

**Company size** — We prefer to work with companies or operations with \$25 to \$250 million in revenue, typically under \$15 million EBITDA.

**Company location** — We target companies headquartered in North America with operations anywhere in the world.

**Industry focus** — We invest opportunistically and actively follow trends and investment activity across a broad range of industries.



Aerospace



Automotive



Building products



Communication



Distribution



Manufacturing



Metals and metal fabrication



Packaging



Plastics



Specialty chemicals



Transportation

## Value creation

### INVESTMENT STRATEGY

The core of our business model lies in the creation of economic value inside our portfolio companies. By helping targeted companies achieve profitability and growth, the firm multiplies the value of its investments and generates superior returns for its limited partners.

Co-investing with other private equity firms or investors is an approach that has allowed us to become involved with a wider range of investment targets. Having partners in our transactions provides us with a broader range of industry backgrounds and more flexibility in transaction sizes.

Our investment strategy often includes acquiring a company's assets while assuming only select obligations or liabilities. We have a track record of completing transactions in situations including chapter 11, UCC article 9 secured party sales, purchases of debt, and out-of-court restructurings. These transaction approaches provide flexibility to accommodate the requirements and needs of sellers and their advisors.

Our firm's access to attractive investment opportunities is a critical factor in our success. Since our inception, we have focused on the lower middle market and have cultivated an extensive network of unique deal sources. We believe in working closely with regional commercial lenders (special asset and workout bankers), restructuring advisors, turnaround consultants, investment bankers, attorneys, accountants, and directly with management teams. The development of this network has resulted in a robust deal flow for our firm through varying economic cycles.

### 2007 Deal Flow

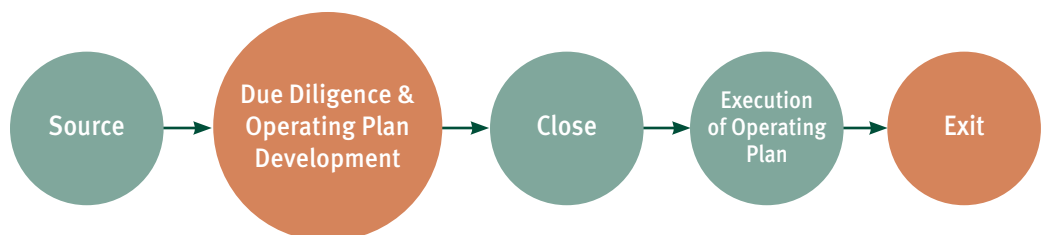


## Taking action

### OPERATING STRATEGY

As part of our due diligence, we identify operational improvements based on a portfolio company's strengths, weaknesses, and competitive position. Then we develop a comprehensive operating plan that is ready to implement when the transaction closes. Because our team is comprised of people who were successful operators themselves, we are able to develop these plans quickly. We believe in only making an investment if we are confident that we will be successful in executing our plans.

From the start of every transaction, we work toward a variety of potential exit scenarios to meet the high return expectations of our investors.



## The Resilience difference

*“Resilience’s expertise makes a huge difference for a bank looking to work on these types of transactions...they are very bright, energetic young people who are backed by a wealth of experience in managing and financing troubled companies.”*

Michael Bickerton  
Executive Vice President  
of Credit Administration  
KeyBank

### OUR STRENGTHS

We distinguish ourselves from other private equity firms by our ability to close transactions quickly; our in-house operating professionals; our experienced board of advisors; and by always acting in an ethical and principled fashion. All have contributed to our success in enhancing the performance of companies in a variety of special situations, resulting in impressive results for our investors, as well as maintaining an excellent reputation within the business and financial communities. Our commitment to this market niche has enabled us to become experts in the assessment, purchase and sale of these types of businesses.

#### Nimble

Many companies we consider would benefit from our nimble approach to contributing to strategy and operations. We add tremendous value as our professional transaction and operations teams work hand-in-hand with management teams. Our ability to quickly assemble high-caliber advisory boards and formulate detailed operating plans has enabled us to win significant investment opportunities.

Deal sources, portfolio company management and investors have all told us that they value our expedient investment process.

#### Connected

We have successfully built an extensive network to source attractive investment opportunities. The special situation market is unlike any other since sellers often prefer not to advertise their upcoming sale. In addition, company owners frequently have little time to approach potential investors since many feel pressure to complete a transaction quickly. Corporate sellers of divisions or business units in many cases prefer to quietly approach a narrow audience of buyers. Creating this strong, loyal network of deal sources for these low profile business opportunities further sets us apart from the competition.

#### Involved

Grounded in the trustworthy and professional values that come with our Midwestern heritage, our firm is passionate about the power of teamwork. We understand that success relies on our hands-on approach. Everyone involved with a transaction benefits from combining our expertise and dedication with that of the portfolio company’s management.



## FOUNDING PARTNERS

**Sheldon Adelman**  
Adelman Capital

**Nicholas Berggruen**  
Berggruen Holdings

**Edward Crawford**  
Park Ohio Holdings

**David Goldberg**  
AmTrust Bank

**Larry Goldberg**  
The Goldberg  
Companies

**Joseph Gorman**  
TRW (former)

**Malachi (Mal) Mixon**  
Invacare Corporation

**Larry Pollock**  
Cole National (former)

**Albert Ratner**  
Forest City  
Enterprises

**Bill Sanford**  
Symark LLC

**James Wert**  
Clanco Management  
Corporation

**Xenophon Zapis**  
Zapis Capital Group

## EXECUTIVE COMMITTEE

**James Boland**  
Ernst & Young (former)

**Lyle Ganske**  
Jones Day

**Kenn Ricci**  
Directional Aviation  
Capital

**Scott Wolstein**  
Developers Diversified  
Realty Corporation

## Proven success

### TRACK RECORD

Our expedient and judicious approach to investing and implementing operating plans has proven to be a replicable strategy, resulting in consistent success for our portfolio companies' managers and our investors. As an investment firm that has successfully enhanced the performance of a number of companies, we enjoy the trust of our deal sources, financial partners, professional advisors and portfolio company managers. In the end, our success is a team effort with contributions from many.

## Resilience by the numbers

Portfolio companies employ more than **3,500 people**

Portfolio companies' revenue topped **\$1.5 billion** in 2008

Deal flow has **increased 67%** since 2005

**92% of investors** have been involved with multiple funds

*"In a very short period, we saw dramatic improvements in profitability due to Resilience's hands-on, collaborative approach to improving our operations."*

**Robert Potokar**  
President & CEO

**Steel Parts Manufacturing**

A Resilience portfolio company  
Date of investment: December 2006



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