usbancorp Piper Jaffray®

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Wall Street's Endangered Species

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Many well-run and profitable public companies in the $50-250 million market capitalization range are now trading at a significant discount to the rest of the stock market. Is this a temporary, cyclical weakness in small stocks that is likely to reverse soon? No, these stocks have been permanently impaired by a shift in the economics of small cap investing. This persistent under-valuation is sure to be followed by a rise in M&A activity in the sector. We have already seen an uptick in the number of "going private" transactions and strategic mergers involving these companies. Management teams that identify this trend, and respond to it, will thrive. The inactive face extinction.

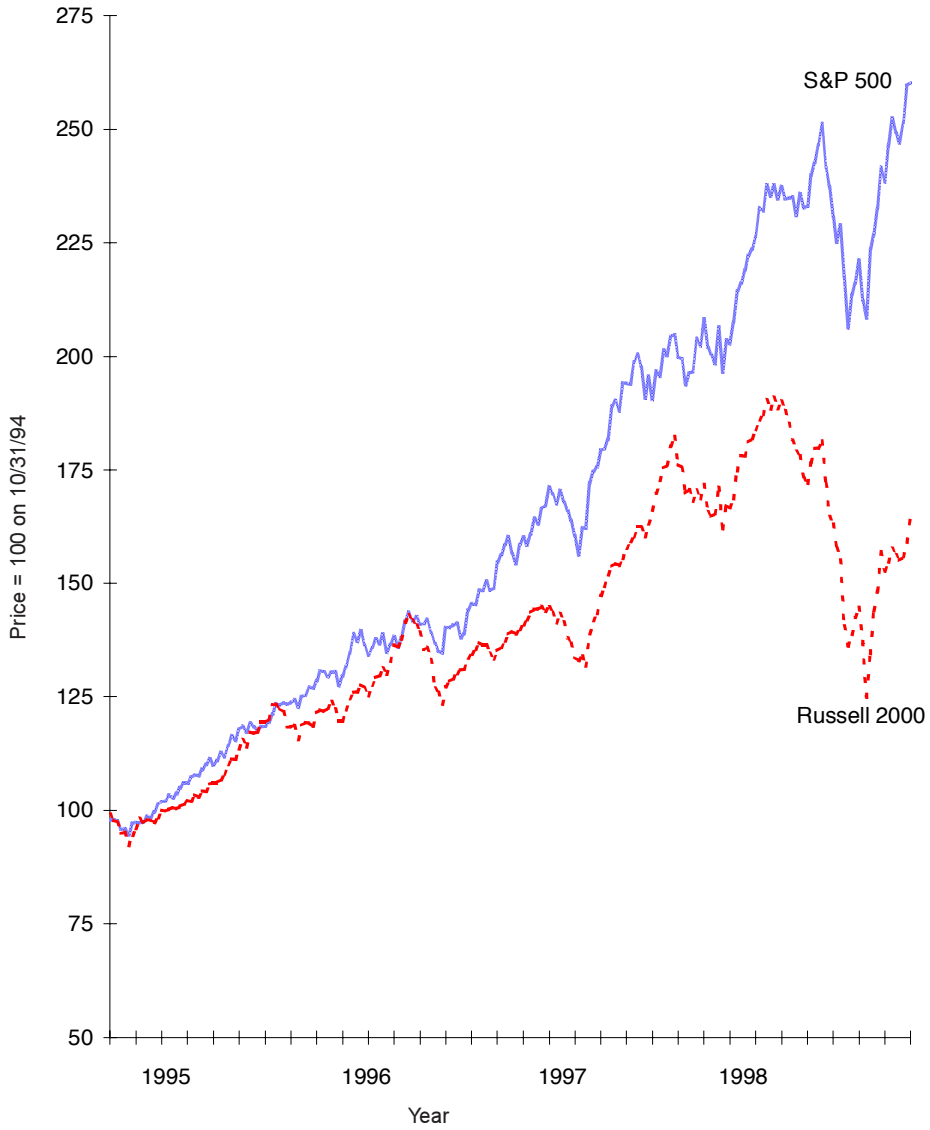
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Threatened and Vulnerable

Everyone knows that small cap stocks significantly underperformed the market in 1998. The accompanying graph, labeled Exhibit I, illustrates just how miserably the Russell 2000 lagged the S&P 500 not only last year but in 1996 and 1997 as well. Granted, small cap returns have tended to run in cycles. Since the Depression, there have been five periods during which small cap stocks have outperformed the S&P 500 (1932-37, 1940-45, 1963-68, 1975-83, and 1991-94). It is reasonable to believe that small caps, in general, will once again have their day in the sun.

Exhibit I

RELATIVE SMALL CAP PERFORMANCE



Source: U.S. Bancorp Piper Jaffray M&A research

However, a closer look at the smallest companies within the Russell 2000 reveals a secular decline in valuations that is not likely to be reversed. The table in Exhibit II divides the Russell 2000 into deciles according to market capitalization. Immediately noticeable is the disparity between the top decile, with a median market capitalization of $1.5 billion, and the tenth decile at less than $125 million. Even more striking is the comparison of compounded annual returns for the past ten years. The data clearly demonstrates that it is not the commonly tracked small cap universe as a whole that is plagued by poor stock performance but rather the smallest of the small: companies less than about $250 million in value.

Exhibit II

BREAKDOWN OF THE RUSSELL 2000[1]

	Mean Market Capitalization ($ in millions)	Compounded Annual Return [2] 1 Year	3 Year	5 Year	10 Year
Decile 1:	$1,518.36	73.4%	31.4%	24.6%	14.9%
2:	960.46	28.7%	22.6%	17.4%	14.2%
3:	734.68	19.6%	14.8%	12.3%	12.3%
4:	581.73	8.1%	15.3%	13.1%	12.2%
5:	475.84	-0.7%	13.3%	10.6%	10.0%
6:	393.26	-0.1%	13.4%	10.1%	8.8%
7:	330.11	-10.7%	10.3%	8.6%	9.4%
8:	263.32	-11.6%	7.3%	6.5%	9.6%
9:	203.99	-29.1%	-2.1%	3.7%	6.1%
10:	123.65	-54.3%	-11.1%	-3.5%	1.4%
Total Russell:	$557.84	2.3%	11.8%	10.7%	10.3%

[1] The 1,853 companies comprising the Russell 2000 as of December 31, 1998, ranked by equity market capitalization and divided into 10 deciles.
[2] Compounded Annual Returns exclude dividends.

Source: U.S. Bancorp Piper Jaffray M&A research

The Case for the African Wild Dog

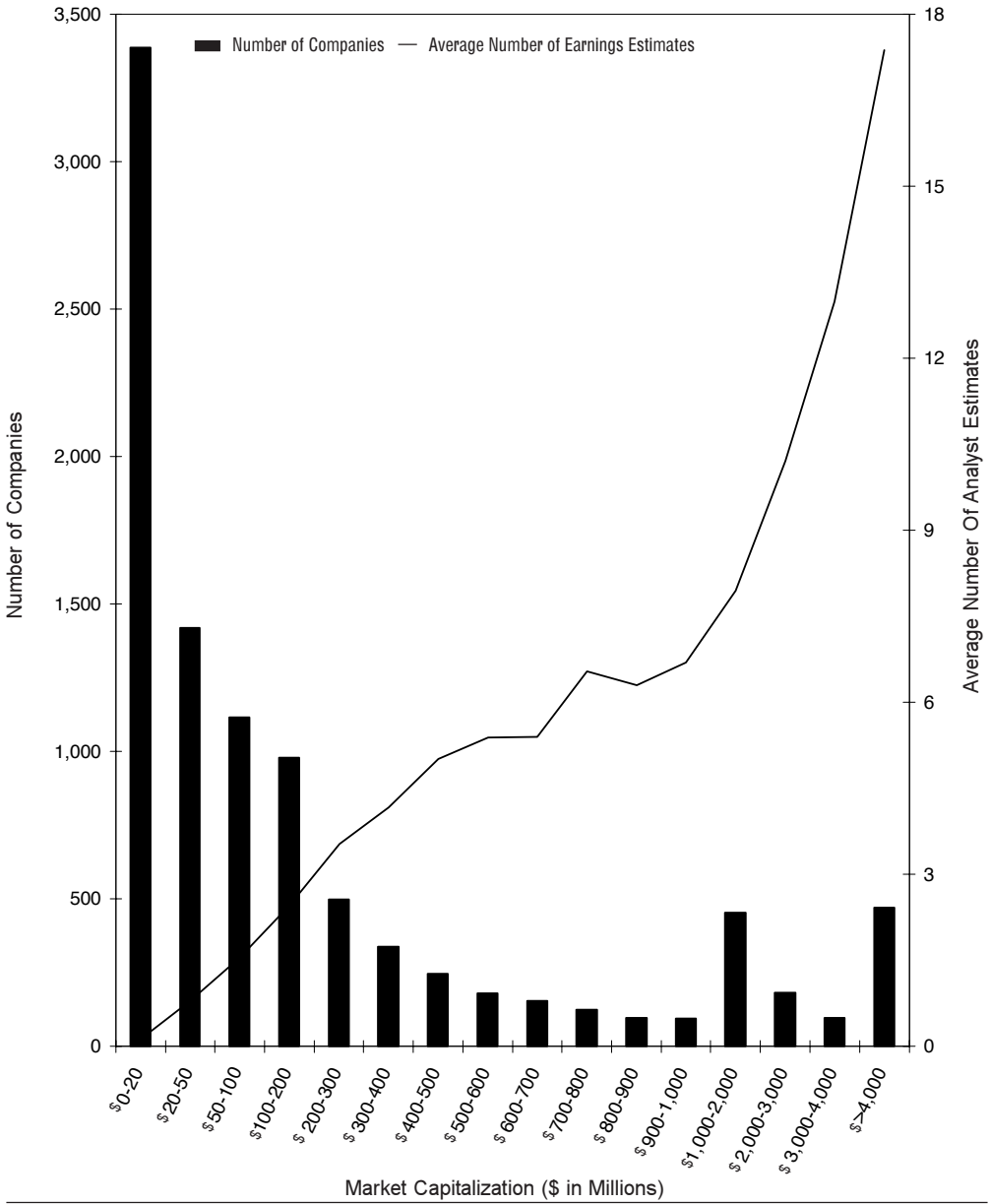
For these smaller companies, stock market neglect is not a temporary condition. Here is the logic:

- the pool of investment capital in the United States has grown significantly as a result of sustained economic growth, an improved retirement savings rate, and a shift in retail investing toward professionally managed funds;
- to put this money to work as efficiently as possible, institutional money managers focus on larger cap stocks where there is ample trading liquidity and a large enough capital base to avoid dominating the ownership of any one company;
- Wall Street analysts and traders, seeking to cash in on the institutional money flows, are abandoning the smaller cap stocks where there are sparse opportunities for trading commissions or underwriting fees.

The lack of analyst coverage exacerbates the liquidity issue, reinforcing the movement away from these stocks. Exhibit III plots the average number of equity analysts providing earnings estimates on companies in sequential market capitalization sizes. Companies in the $50-250 million market capitalization range have approximately 2.5 analysts covering their stocks versus 10 analysts for companies over $250 million. Furthermore, the analysts following the smaller companies are not always the all-stars of their profession, meaning they have minimal impact on valuation.

Exhibit III

ANALYST COVERAGE



Source: U.S. Bancorp Piper Jaffray M&A research

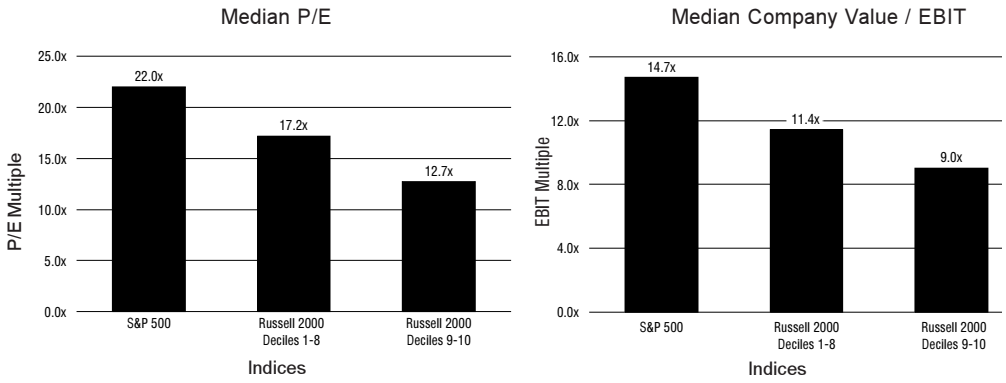
Simply put, as the overall size of the stock market has grown, investors, analysts and market-makers have set their sights on larger companies. Ten years ago the total market capitalization of publicly-held firms was $2.7 trillion versus $12.1 trillion today. In 1988, firms with market capitalization below $1 billion accounted for 20% of the market versus only 11% now. It is no longer the case that small cap stocks can hope to grow out of this situation. To catch up, these firms would have to double in size every year for four or five years in a row. Such an undertaking is completely unrealistic.

Breeding in Captivity

Obscurity in the stock market translates into sub-par valuations. As shown in Exhibit IV, the smaller of the Russell 2000 companies significantly lag the S&P 500 in earnings and EBIT multiples. It is startling to find that with an average EBIT multiple of 9.0 times, many of these firms are valued below the acquisition prices of private companies.

Exhibit IV

VALUATION COMPARISONS



Source: U.S. Bancorp Piper Jaffray M&A research

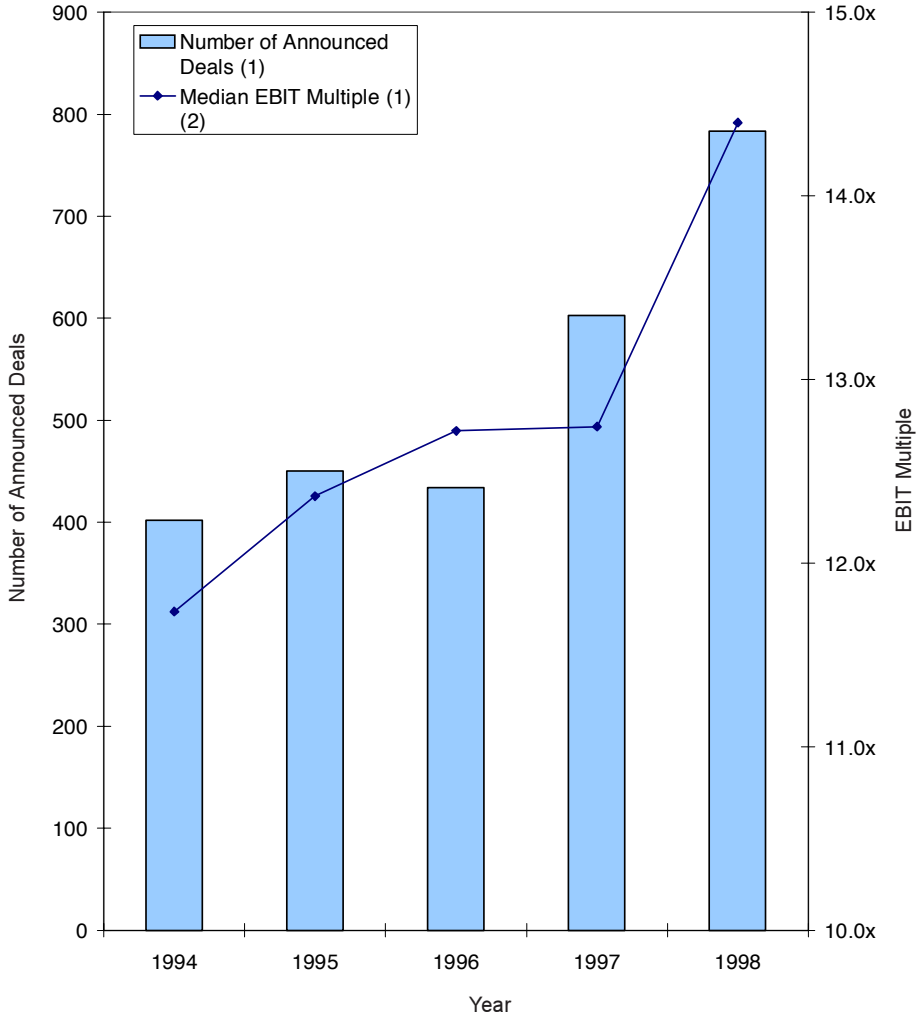
Reviving shareholder value requires a fundamental change in ownership structure. Equity must be transferred out of the hands of an unadoring public, and into those of either: 1) management backed by private capital, or 2) larger companies that can capture strategic benefits. Either remedy breathes new life into these companies by providing cheaper sources of capital, and by shifting the focus away from quarterly EPS to long-term growth.

Exhibit V highlights the growth in acquisitions of small cap firms and the increasing valuations they are commanding in these transactions. This trend is in its infancy, riding the crest of the fifth major M&A wave of the century. Since the early 1990s, the M&A market has experienced ever-rising valuations as a means of luring sellers into a market flooded with takeover capital. Only recently have acquirers taken notice of the vast pool of "orphan" public targets. An increasing number of private equity firms are now calling on public small caps to discuss "going private" deals. Corporate acquirers are becoming more proactive about making overtures to these companies, as well.

Exhibit V

PUBLIC SMALL CAP ACQUISITIONS

$50 - 250 Million Market Capitalization



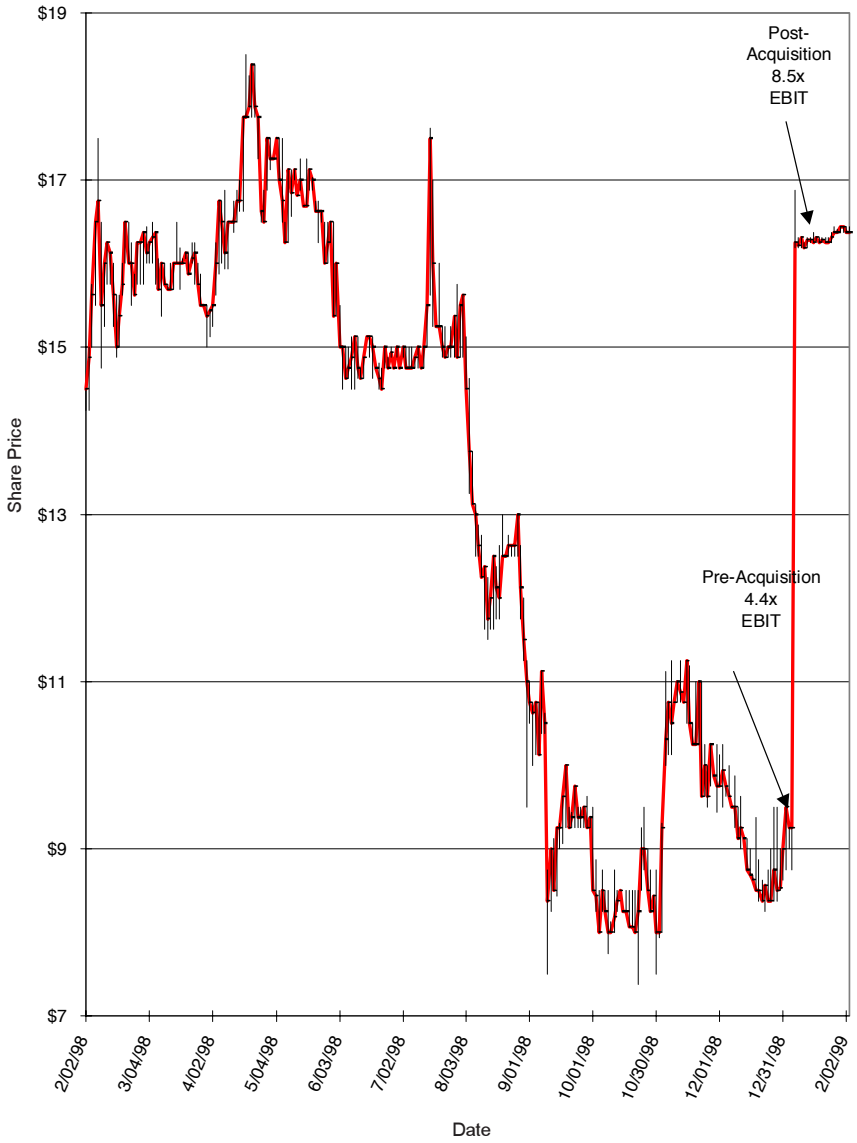
(1) Acquisitions of greater than 50% interest.
(2) Excludes transactions with a multiple less than 2.0x or greater than 20.0x.

Source: U.S. Bancorp Piper Jaffray M&A research

A perfect example is the recent tender offer by Illinois Tool Works Inc. (ITW) for Trident International Inc. (see Exhibit VI) Trident is a supplier of component parts to commercial printing equipment manufacturers. The company went public in 1996 at $16 per share. Despite continued growth and profitability, by late 1998 the stock slid to about $10 and had very little research coverage. Trident had no debt and $20 million in cash and marketable securities. The resulting enterprise value of $45 million was 4.4 times trailing EBIT. ITW approached Trident on an unsolicited but friendly basis. They struck a deal at $16.50 or 8.5 times EBIT.

Exhibit VI

TRIDENT INTERNATIONAL INC.



Source: U.S. Bancorp Piper Jaffray M&A research

Darwin's Darlings

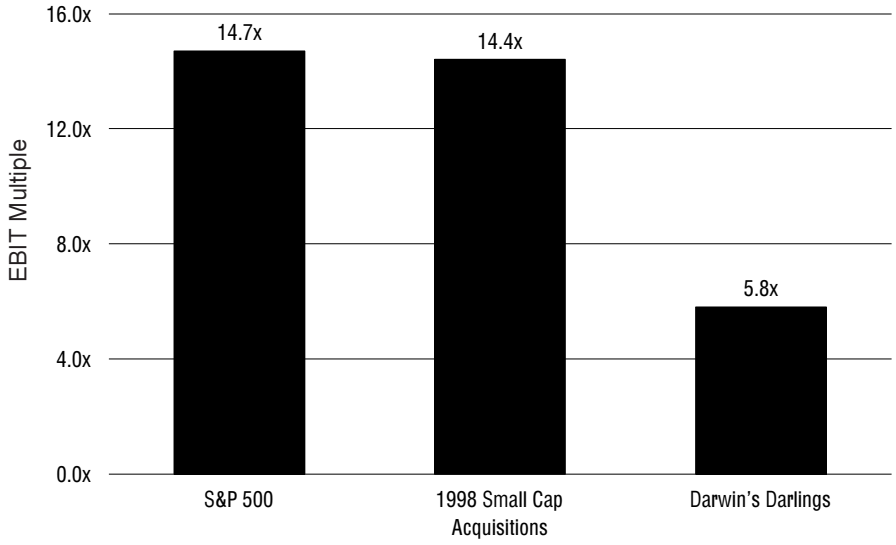
Despite the acceleration of orphaned public company acquisitions in 1997 and 1998, there remains a very large universe of attractive public small cap firms. We sifted through the public markets, focusing on the $50-250 million market capitalization range, to construct a list of the most appealing companies. We narrowed our search by eliminating certain non-industrial sectors and ended up with over 1500 companies.

We analyzed their valuations relative to the S&P 500. The disparity is so wide that the typical S&P 500 company could pay a 50% premium to acquire the average small cap in this group without incurring earnings dilution. Those dynamics appear to be exactly what is driving small cap takeover values. The median EBIT multiple paid for small caps in 1998 was roughly equal to where the typical S&P 500 trades.

We honed in on those companies with multiples that are positive, but even more deeply discounted at less than 50% of the S&P 500. Finally, we selected only those with compounded annual EBIT growth of over 10% for the past five years. As shown in Exhibit VII, these 110 companies, "*Darwin's Darlings*," have a median valuation of only 5.8 times EBIT despite a compounded annual growth rate in EBIT of over 30% for the past five years.

Exhibit VII

COMPANY VALUE / EBIT



Source: U.S. Bancorp Piper Jaffray M&A research

Pirates in the Galapagos?

As detailed in the description of our "*Darwin's Darlings*" in Exhibit VIII, management ownership varies widely among these companies. For recent IPOs of family-held businesses, management stakes are generally high. For those that were corporate spin-offs, management ownership tends to be low. We frequently find large blocks of these stocks held by small cap investment funds focused on likely take-over targets, leading to a surprisingly high percentage of total insider ownership (management plus holders of more than 5%).

Regardless of ownership structure, these companies typically have the customary defensive mechanisms in place. They are also protected by the fact that they are so thinly traded. In most cases it takes more than six months to accumulate a 5% position in the stock without moving the market. Hence, we expect virtually all acquisitions in this sector to be friendly. There is no question that some very attractive targets cannot be acquired on a friendly basis. However, coercing these companies into a change of control means being prepared to launch a full proxy fight and tender offer.

Adapting to New Surroundings

The small cap sector is loaded with undervalued companies that are fundamentally strong and have solid growth prospects. The only thing our "*Darwin's Darlings*" lack is a competitive auction for their shares. Patience and strong market conditions have failed to reward these shareholders.

There are two ways these companies can close their value gap. Management buy-outs can provide shareholders with the attractive control premiums currently experienced in the private M&A market. Alternatively, strategic mergers can immediately deliver large cap multiples to the small cap shareholder. These opportunities are real and should be seized. Otherwise, these companies simply go the way of the pterodactyl.

For an updated list visit http://acquirersmultiple.com/

Exhibit VIII

DARWIN'S DARLINGS

Company	Industry Name	Market Capitalization ($ in Millions)	EBIT Multiple	5-Year EBIT CAGR [1]	5-Year Stock Price CAGR [1]	Held by Mgmt.	Held by Insiders	Daily Trading Volume as a % of Shares Outstanding	Analyst Coverage
1	SPORTING & ATHLETIC GDS,NEC	70.1	2.3x	11.3%	-21.55%	16.5%	32.4%	0.8%	1
2	FUNCTIONS REL TO DEP BKE,NEC	53.9	2.8x	43.6%	141.01%	NA	56.1%	0.4%	0
3	OIL & GAS FIELD MACHY, EQUIP	90.2	3.1x	140.5%	-3.98%	35.1%	44.1%	1.0%	4
4	TELE & TELEGRAPH APPARATUS	108.7	3.1x	110.4%	18.00%	22.9%	62.8%	2.3%	6
5	PREPACKAGED SOFTWARE	78.2	3.3x	15.8%	-13.61%	23.7%	51.6%	1.1%	5
6	METAL FORGINGS AND STAMPINGS	104.2	3.5x	33.4%	8.83%	25.2%	61.4%	0.1%	0
7	COMPUTER PERIPHERAL EQ, NEC	88.9	3.5x	39.1%	3.23%	17.4%	19.1%	2.4%	4
8	INDUSTRIAL MEASUREMENT INSTR	95.7	3.7x	38.7%	NA	NA	88.2%	0.3%	3
9	OIL & GAS FIELD MACHY, EQUIP	159.6	3.9x	85.6%	-65.17%	73.4%	73.4%	0.3%	4
10	ROLLING & DRAW NONFER METAL	138.5	3.9x	18.1%	-27.22%	0.0%	76.7%	0.1%	6
11	STEEL WORKS & BLAST FURNACES	53.2	4.0x	65.3%	-1.17%	19.1%	23.7%	0.4%	1
12	AIRCRAFT ENGINE,ENGINE PARTS	116.4	4.0x	117.4%	NA	0.0%	54.0%	0.6%	2
13	FABRICATED PLATE WORK	181.5	4.2x	89.0%	24.44%	33.8%	39.9%	0.4%	3
14	PUMPS AND PUMPING EQUIPMENT	121.1	4.4x	80.6%	0.83%	14.5%	14.5%	0.2%	1
15	CMP AND CMP SOFTWARE STORES	249.4	4.4x	29.9%	3.29%	5.7%	33.8%	0.9%	7
16	EATING PLACES	227.6	4.5x	61.3%	-8.97%	11.0%	35.1%	1.9%	6
17	MISC PRIMARY METAL PRODUCTS	53.4	4.5x	36.2%	15.11%	9.4%	35.3%	0.3%	2
18	ELEC MEAS & TEST INSTRUMENTS	214.2	4.5x	23.9%	18.13%	5.1%	11.7%	0.8%	3
19	MANAGEMENT SERVICES	54.9	4.6x	80.2%	0.46%	28.3%	32.6%	0.9%	4
20	PHOTOFINISHING LABORATORIES	77.6	4.7x	22.4%	9.87%	12.6%	36.0%	0.9%	1
21	FOOTWEAR, EXCEPT RUBBER	96.2	4.7x	26.1%	-1.11%	30.6%	58.7%	1.0%	5
22	BOLT,NUT,SCREW,RIVETS,WASHRS	54.0	4.7x	25.0%	25.47%	40.0%	54.0%	0.1%	0
23	TELE & TELEGRAPH APPARATUS	79.8	4.8x	62.9%	4.16%	7.7%	21.6%	2.3%	11
24	FARM MACHINERY AND EQUIPMENT	98.5	4.8x	29.5%	20.46%	10.3%	34.4%	0.3%	5
25	AIRCRAFT PARTS, AUX EQ, NEC	153.9	4.8x	36.9%	43.75%	28.6%	43.4%	0.2%	2
26	PLASTICS PRODUCTS, NEC	74.8	4.8x	42.0%	-2.06%	56.8%	75.3%	0.0%	0
27	ROLLING & DRAW NONFER METAL	159.0	4.8x	27.2%	9.38%	17.8%	84.6%	0.1%	1
28	DIRECT MAIL ADVERTISING SVCS	84.2	4.8x	45.3%	42.21%	32.3%	38.1%	0.5%	0
29	PREPACKAGED SOFTWARE	127.0	4.8x	20.0%	15.02%	4.2%	26.0%	3.3%	5
30	CMP PROGRAMMING,DATA PROCESS	61.9	4.9x	28.8%	-34.81%	54.2%	70.0%	0.6%	6
31	SHOE STORES	187.8	4.9x	22.1%	16.36%	3.4%	31.8%	2.1%	14
32	GENERAL INDUSTRIAL MACH & EQ	238.4	4.9x	57.1%	45.04%	5.6%	32.8%	0.3%	4
33	STEEL WORKS & BLAST FURNACES	162.7	4.9x	26.5%	20.98%	7.1%	36.8%	0.1%	1
34	TRANSPORTATION SERVICES	146.2	5.0x	47.4%	6.42%	44.2%	49.6%	0.5%	2
35	MISC INDL, COML, MACHY & EQ	184.6	5.0x	14.4%	-0.16%	10.7%	22.2%	0.2%	2
36	ROLLING & DRAW NONFER METAL	146.2	5.1x	54.9%	13.09%	31.0%	54.0%	1.1%	4
37	SPECIAL INDUSTRY MACHY, NEC	51.0	5.1x	20.1%	6.63%	11.1%	36.7%	0.1%	0
38	GENERAL INDUSTRIAL MACH & EQ	58.5	5.1x	22.6%	1.19%	29.2%	47.1%	0.1%	0
39	GLASS,GLASSWR-PRESSED,BLOWN	52.1	5.1x	19.8%	0.36%	19.4%	46.5%	0.6%	4
40	APPAREL AND ACCESSORY STORES	62.2	5.2x	43.6%	-19.26%	32.4%	58.7%	1.3%	4
41	FAMILY CLOTHING STORES	153.2	5.2x	11.1%	-1.33%	49.9%	68.3%	0.1%	1
42	INDL PROCESS FURNACES, OVENS	80.0	5.2x	63.5%	33.93%	37.2%	37.3%	0.7%	2
43	MOTOR VEHICLE PART,ACCESSORY	129.9	5.3x	40.5%	-18.78%	13.6%	20.2%	1.4%	2
44	PREFAB WOOD BLDGS & COMPONTS	79.6	5.3x	10.3%	-9.46%	14.9%	32.0%	0.4%	2
45	WOMEN'S CLOTHING STORES	140.7	5.4x	28.5%	0.47%	25.5%	67.2%	0.6%	0
46	SPORTING & ATHLETIC GDS,NEC	57.5	5.4x	16.1%	20.86%	34.8%	48.5%	0.1%	0
47	ELECTRONIC COMPONENTS, NEC	73.5	5.4x	16.3%	-6.92%	6.4%	28.8%	0.4%	5
48	TRUCKING, EXCEPT LOCAL	55.9	5.4x	15.2%	-16.14%	61.2%	65.7%	0.2%	2
49	MISC FABRICATED METAL PRODS	88.4	5.4x	13.6%	13.56%	58.2%	58.2%	0.0%	0
50	MISC INDL, COML, MACHY & EQ	207.2	5.6x	18.0%	-35.63%	NA	63.1%	0.3%	3
51	TOBACCO PRODUCTS	240.1	5.7x	46.5%	-38.54%	87.8%	87.8%	0.3%	4
52	COMPUTERS & SOFTWARE-WHSL	164.3	5.7x	12.8%	-4.85%	5.1%	67.0%	0.5%	6
53	SPECIAL INDUSTRY MACHY, NEC	157.4	5.7x	47.5%	3.09%	3.1%	48.0%	0.6%	5
54	SEMICONDUCTOR,RELATED DEVICE	217.2	5.8x	12.2%	23.81%	4.9%	5.3%	2.8%	6
55	CONSTRUCTION MACHINERY & EQ	136.7	5.8x	21.5%	11.81%	52.6%	80.1%	0.2%	3
56	TELE & TELEGRAPH APPARATUS	221.5	5.8x	81.5%	-16.81%	6.4%	48.0%	3.0%	8
57	APPAREL AND ACCESSORY STORES	119.1	5.9x	60.3%	7.36%	55.9%	61.0%	0.2%	2
58	MISC NONDURABLE GOODS-WHSL	108.0	5.9x	57.8%	31.61%	36.3%	66.3%	0.2%	1
59	PHOTOGRAPHIC EQUIP & SUPPL	54.9	5.9x	115.3%	23.85%	22.2%	50.1%	0.6%	0
60	INDL TRUCKS,TRACTORS,TRAILRS	214.1	5.9x	61.0%	1.71%	6.9%	31.3%	0.8%	6
61	SPECIAL INDUSTRY MACHY, NEC	76.4	5.9x	15.8%	-1.27%	54.9%	55.0%	0.3%	3
62	DRAWNG,INSULATNG NONFER WIRE	245.2	5.9x	64.0%	50.79%	23.0%	48.1%	0.3%	1
63	BOLT,NUT,SCREW,RIVETS,WASHRS	170.1	6.0x	16.6%	-15.96%	52.6%	52.6%	0.0%	2
64	SEMICONDUCTOR,RELATED DEVICE	52.5	6.0x	72.1%	-28.67%	30.9%	48.9%	0.9%	1
65	INDUSTRIAL MEASUREMENT INSTR	107.8	6.0x	63.0%	29.59%	12.7%	26.4%	1.3%	4
66	STEEL PIPE AND TUBES	85.9	6.0x	32.6%	2.67%	1.8%	2.2%	1.9%	6
67	INDUSTRIAL MEASUREMENT INSTR	70.2	6.0x	17.8%	-32.18%	2.3%	61.6%	0.2%	1

DARWIN'S DARLINGS (CONTINUED)

Company	Industry Name	Market Capitalization ($ in Millions)	EBIT Multiple	5-Year EBIT CAGR [1]	5-Year Stock Price CAGR [1]	Held by Mgmt.	Held by Insiders	Daily Trading Volume as a % of Shares Outstanding	Analyst Coverage
68	MISC AMUSEMENT & REC SERVICE	65.8	6.1x	32.9%	-47.55%	32.4%	60.0%	0.3%	4
69	SHIP & BOAT BLDG & REPAIRING	213.7	6.1x	31.5%	11.65%	65.2%	75.2%	0.0%	1
70	SWITCHGEAR & SWITCHBOARD APP	106.2	6.1x	33.7%	11.70%	37.4%	65.3%	0.1%	1
71	CONVRT PAPR,PAPRBRD,EX BOXES	105.9	6.1x	43.7%	21.01%	7.7%	34.4%	0.2%	4
72	GENERAL INDUSTRIAL MACH & EQ	70.6	6.1x	14.0%	-0.51%	51.9%	81.2%	0.1%	3
73	METAL DOORS,FRAMES,MOLD,TRIM	126.9	6.2x	30.6%	4.37%	45.4%	67.4%	0.0%	0
74	HELP SUPPLY SERVICES	136.3	6.2x	34.1%	-6.36%	31.2%	63.9%	0.7%	7
75	TRUCKING, EXCEPT LOCAL	84.2	6.3x	41.2%	-41.95%	54.0%	77.6%	0.4%	2
76	DOLLS AND STUFFED TOYS	51.2	6.3x	38.6%	-23.62%	34.5%	50.5%	0.7%	3
77	RADIO,TV BROADCAST, COMM EQ	53.0	6.4x	28.3%	-4.35%	9.6%	47.8%	0.7%	4
78	WATER TRANSPORTATION	99.3	6.4x	100.4%	-54.93%	6.3%	6.8%	2.3%	8
79	PUBLIC BLDG & REL FURNITURE	178.3	6.4x	25.8%	40.77%	11.4%	19.1%	0.1%	2
80	RADIO,TV BROADCAST, COMM EQ	54.4	6.4x	20.8%	-12.09%	65.1%	65.1%	0.2%	1
81	METAL DOORS,FRAMES,MOLD,TRIM	131.9	6.4x	29.1%	22.66%	27.6%	50.4%	0.1%	2
82	PREPACKAGED SOFTWARE	58.5	6.4x	17.6%	-3.67%	15.9%	32.4%	0.4%	4
83	HOTELS,MOTELS,TOURIST COURTS	90.0	6.5x	39.5%	-10.28%	3.6%	20.8%	1.2%	3
84	FABRICATED PLATE WORK	59.8	6.5x	77.7%	-16.31%	11.9%	21.9%	1.4%	4
85	BLANKBOOKS,BINDERS,BOOKBIND	172.3	6.5x	14.3%	-5.62%	33.0%	55.4%	0.5%	4
86	MISC MANUFACTURNG INDUSTRIES	84.8	6.5x	14.1%	-17.22%	18.2%	18.3%	0.4%	4
87	MISC FURNITURE AND FIXTURES	107.2	6.5x	19.0%	-3.38%	22.1%	41.8%	0.2%	3
88	HELP SUPPLY SERVICES	91.9	6.5x	68.3%	1.53%	1.0%	29.1%	0.9%	5
89	SPECIAL INDUSTRY MACHY, NEC	76.7	6.6x	24.1%	-20.02%	12.5%	28.9%	1.1%	7
90	SEMICONDUCTOR,RELATED DEVICE	145.5	6.6x	12.0%	32.51%	12.4%	22.2%	0.5%	4
91	PREFAB METAL BLDGS & COMP	130.0	6.6x	31.0%	19.63%	11.8%	54.8%	0.3%	2
92	SEMICONDUCTOR,RELATED DEVICE	129.5	6.6x	19.8%	18.29%	10.8%	59.4%	0.5%	1
93	BOLT,NUT,SCREW,RIVETS,WASHRS	138.1	6.6x	52.5%	30.50%	32.2%	70.4%	0.8%	2
94	WOOD HSHLD FURN, EX UPHOLSRD	131.0	6.6x	34.0%	22.24%	12.5%	61.0%	0.5%	5
95	ELECTRIC LIGHTING,WIRING EQ	50.6	6.7x	19.5%	12.94%	6.2%	16.5%	0.3%	1
96	FAMILY CLOTHING STORES	68.9	6.7x	26.5%	-10.66%	4.3%	59.5%	3.2%	7
97	COMPUTER COMMUNICATION EQUIP	164.9	6.7x	94.6%	32.04%	18.3%	23.1%	2.4%	3
98	COMPUTERS & SOFTWARE-WHSL	86.9	6.7x	330.1%	8.04%	7.0%	49.1%	0.8%	3
99	VARIETY STORES	67.4	6.7x	18.5%	8.04%	3.5%	48.9%	0.3%	2
100	WATER,SEWER,PIPE LINE CONSTR	64.6	6.9x	38.8%	18.91%	31.1%	73.3%	0.1%	1
101	FOOTWEAR, EXCEPT RUBBER	107.2	6.9x	23.9%	9.90%	13.7%	33.3%	0.2%	0
102	RAILROADS,LINE-HAUL OPERATNG	63.1	6.9x	40.2%	-14.75%	11.6%	59.6%	0.4%	2
103	HEALTH SERVICES	58.6	6.9x	21.7%	13.23%	10.2%	48.6%	0.3%	1
104	CUTLERY,HAND TOOLS,GEN HRDWR	122.7	7.0x	11.1%	2.90%	40.6%	56.3%	0.1%	0
105	DEEP SEA FRN TRANS-FREIGHT	127.9	7.0x	51.7%	4.22%	11.4%	65.5%	0.2%	2
106	COMPUTER COMMUNICATION EQUIP	218.7	7.0x	30.2%	2.92%	4.9%	24.1%	0.7%	5
107	ELECTRIC LIGHTING,WIRING EQ	138.0	7.0x	15.9%	7.83%	8.6%	25.7%	0.3%	4
108	WOOD HSHLD FURN, EX UPHOLSRD	181.0	7.0x	10.9%	8.53%	6.7%	66.1%	0.1%	3
109	INDUSTRIAL MEASUREMENT INSTR	56.2	7.0x	34.3%	12.69%	8.1%	50.3%	0.2%	1
110	MISC ELEC MACHY,EQ,SUPPLIES	73.6	7.0x	46.5%	5.45%	20.7%	34.7%	0.4%	2
	Mean	115.2	5.6x	41.7%	4.0%	23.1%	46.8%	0.7%	3.1
	Median	105.0	5.8x	31.2%	3.3%	17.4%	48.7%	0.4%	3.0

[1] Data from earliest available date but no longer than five years prior.

Source: U.S. Bancorp Piper Jaffray M&A research

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