

Lincolnshire Overview

- Founded in 1986. Over 70 acquisitions in 24 years.
- Lincolnshire Equity Fund IV, 2009, \$835 million.
- Investment Criteria
 - **Size** - Revenues \$50-\$500 million, historical operating cash flow/EBITDA \$10-\$50 million . Exceptions: Historically profitable with depressed earnings and/or liquidity needs. Add-on investments of all sizes.
 - **Transaction Profile** - Stand-alone companies, orphaned corporate subsidiaries, under-managed businesses.
 - **Company Characteristics** - Recurring revenue models, predictable cash flows, sustainable competitive advantages, strong margins, diversification in customers, products or markets.
 - **Transaction Structure** - Flexible. Typically majority. Align interests with management.
 - **Management** - Typically back existing team to execute consensus plan. Deep operating experience available from Lincolnshire to support & supplement management.

Strategies for Completing & Maximizing Transactions

- **Combine two smaller companies.** Partner with a company to:
 - Acquire a competitor: standalone private or public, or a corporate carve-out.
 - Acquire a strategically adjacent company
- **Work with a seasoned executive** on the same strategy.
- **Acquire a company with depressed earning** due to recession or cyclicity. EBITDA <\$10 million or negative cash flow.
 - Provide equity infusion
 - Acquire distressed debt