

Power Electronics Index Outperforms S&P in Q2 2010

Winner's Circle*

Company	Change	Tier
Sanken Electric Co. Ltd.	41%	I
Chloride Group plc	103%	II
SL Industries Inc.	43%	III

Worst Performers*

Company	Change	Tier
Lite-On Technology Corp.	(27%)	I
Eltek ASA	(28%)	II
Magnetek Inc.	(40%)	III

* Based on quarter-over-quarter share price performance

Power Electronics Highlights

- Overall Index value decreased 9.5% from last quarter
- Large Index value decreased 10.4% from last quarter
- Mid Index value increased 6.6% from last quarter
- Small Index value decreased 0.8% from last quarter

Valuations

From last quarter:

Multiples for large power electronics companies decreased due to a decrease in equity values and higher EBITDA results.

Mid size power electronics company multiples decreased slightly due to an increase in EBITDA results.

Small tier power electronics company multiples decreased due to a decrease in equity values and an increase in EBITDA results.

Power Electronics Size Guide

(Sales Dollars)

Large (Tier I)

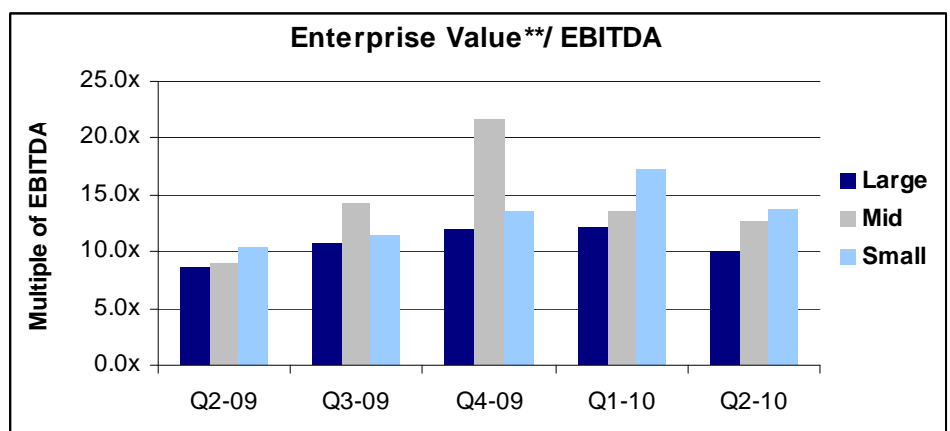
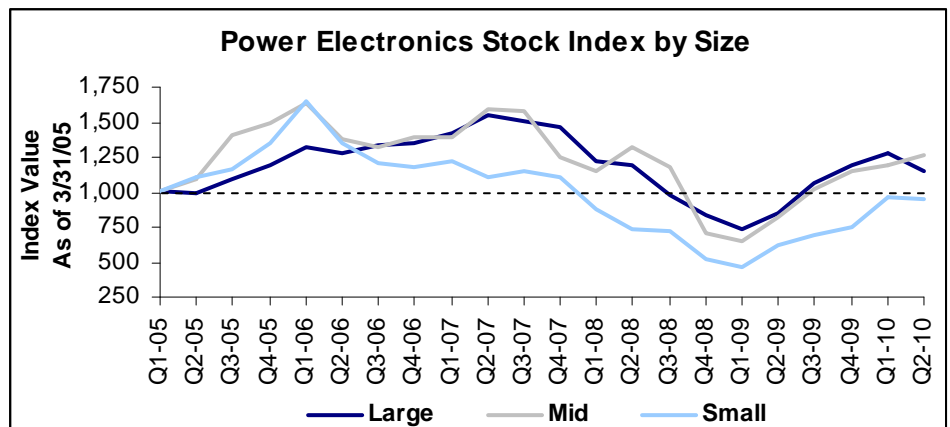
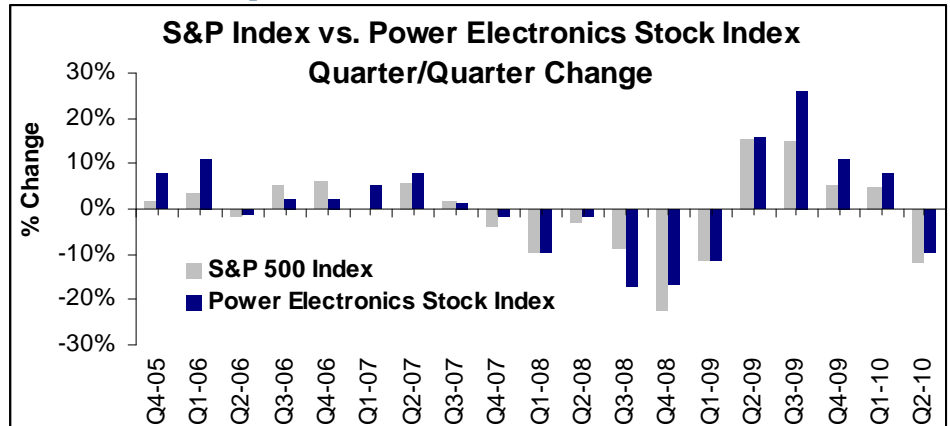
Greater than \$1 billion

Mid (Tier II)

\$250 million to \$1 billion

Small (Tier III)

Below \$250 million



** Enterprise Value is calculated as Market Cap on June 30, 2010 plus debt, preferred equity and minority interest less cash

About the Power Electronics Stock Index

Similar to the S&P 500 Index, the Power Electronics Stock Index is a market cap weighted composite index. The index is prepared by first selecting a base period, in this case, Q1 2005, and totaling the market caps of the companies for each tier in this period. This period and total market cap is set to a base index, in this case, 1,000. Next, for each tier, the current period's total market cap is calculated, divided by the base period's total market cap and then multiplied by the base index (1,000). The result is the index value used for plotting in the graph above.

Power Electronics Stock Index Data

Company	Exchange	Stock		Diluted		Ave. Cash		EV/ Sales	EV/ EBITDA	Market Cap (\$M)	Net Debt (\$M)
		Price	LTM Sales (\$M)	EPS	Conversion Cycle (days)	Current Ratio					
Large											
Delta Electronics Inc.	Taiwan	\$ 3.21	\$ 4,154	\$ 0.18	30.6	2.04	11.6x	1.6x	\$ 7,664	\$ (1,380)	
Eaton Corporation	New York	65.44	12,163	3.48	76.7	1.62	9.2x	1.1x	10,968	2,953	
Emerson Electric Co.	New York	43.69	20,568	2.28	69.8	1.42	9.3x	1.8x	32,906	3,691	
Lite-On Technology Corp.	Taiwan	1.10	6,347	0.12	7.1	1.51	3.4x	0.3x	2,430	(933)	
Murata Manufacturing Co. Ltd.	Osaka	48.98	6,082	1.32	128.7	4.93	7.9x	1.4x	10,513	(1,810)	
Sanken Electric Co. Ltd.	Tokyo	3.98	1,537	(1.79)	134.0	1.37	23.1x	0.7x	483	541	
Schneider Electric S.A.	Euronext	105.57	19,934	4.32	77.1	1.58	9.7x	1.6x	27,456	3,452	
TDK Corp.	Tokyo	56.32	9,268	1.20	88.0	2.14	6.1x	0.8x	7,264	536	
Average - Large			10,007		76.5	2.08	10.0x	1.2x	12,461	881	
Mid											
Acbel Polytech Inc.	Taiwan	\$ 0.66	\$ 578	\$ 0.06	36.9	1.77	5.9x	0.5x	\$ 333	\$ (82)	
Advanced Energy Industries, Inc.	Nasdaq	12.29	235	(0.40)	146.1	5.73	nmf	1.6x	531	(163)	
Bel Fuse Inc.	Nasdaq	16.51	195	(0.79)	126.1	5.17	27.5x	0.6x	193	(80)	
Chloride Group plc	London	5.86	510	0.12	74.7	1.59	22.0x	3.1x	1,503	62	
Eltek ASA	Oslo	0.41	861	(0.12)	36.6	1.34	9.5x	0.3x	135	84	
FRIWO AG	Frankfurt	6.44	92	0.00	28.9	1.32	16.5x	0.6x	50	3	
FSP Technology Inc.	Taiwan	1.19	528	0.13	18.2	1.64	3.6x	0.3x	261	(98)	
Microsemi Corp.	Nasdaq	14.63	448	(0.05)	180.5	5.50	14.7x	2.1x	1,214	(261)	
Power-One Inc.	Nasdaq	6.75	486	(0.01)	77.7	2.05	9.5x	1.2x	597	(27)	
Powerwave Technologies Inc.	Nasdaq	1.54	532	(0.09)	75.0	2.59	13.9x	0.8x	204	212	
Shindengen Electric Manufacturing Co. Ltd.	Tokyo	3.45	893	(0.05)	97.1	2.29	4.5x	0.6x	355	175	
Average - Mid			487		81.6	2.82	12.8x	1.1x	489	(16)	
Small											
Cosel Co. Ltd.	Tokyo	\$ 15.66	\$ 192	\$ 0.56	135.4	5.99	11.8x	2.7x	\$ 608	\$ (97)	
Magnetek Inc.	New York	0.92	76	(0.14)	99.1	3.24	nmf	0.2x	29	(12)	
SL Industries Inc.	American	12.00	153	0.66	96.6	2.62	6.2x	0.4x	73	(5)	
Vicor Corp.	Nasdaq	12.49	199	0.17	106.5	4.63	24.8x	2.4x	521	(42)	
XP Power Ltd.	London	8.81	102	0.60	72.4	1.70	11.9x	1.9x	166	29	
Average - Small			145		102.0	3.63	13.7x	1.5x	279	(26)	
Power Electronics Average			3,589		84.2	2.74	11.9x	1.2x	4,436	281	

Note: Data in table above is sourced from press releases, Capital IQ and Bloomberg as of June 30, 2010 or latest available.

Stock price adjusted for dividends and splits.

Contact

Lincoln International's Electronics Group is led by a former CEO of a public EMS company. The firm's Electronics team provides transactional, financial and strategic advisory services to electronics companies and private equity groups.

For more information, please contact:

Jack Calderon, Managing Director (Chicago)
jcalderon@lincolnternational.com

Iván Marina, Managing Director (Madrid)
i.marina@lincolnternational.es

Chaim Lubin, Associate (Chicago)
clubin@lincolnternational.com

Géraud Estrangin, Director (Paris)
g.estrangin@lincolnternational.fr

Tetsuya Fujii, Managing Director and President (Tokyo)
tfujii@lincolnternational.com

Hideyuki Fujisawa, Director (Tokyo)
hfujisawa@lincolnternational.com

Matthias Norweg, Director (Frankfurt)
m.norweg@lincolnternational.de

About Lincoln International

Lincoln International specializes in merger and acquisition advisory services, private capital raising and restructuring advice on mid-market transactions. Lincoln International also provides fairness opinions, valuations and pension advisory services on a wide range of transaction sizes. With ten offices in Asia, Europe and North America, and strategic partnerships with leading institutions in China and India, Lincoln International has strong local knowledge and contacts in the key global economies. The organization provides clients with senior-level attention, in-depth industry expertise and integrated resources. By being focused and independent, Lincoln International serves its clients without conflicts of interest. More information about Lincoln International can be obtained at www.lincolnternational.com.

Lincoln International LLC

500 West Madison, Suite 3900
Chicago, IL 60661
(312) 580-8339



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Contributors

Cynthia Goulet, Associate: cgoulet@lincolnternational.com
Michael Son, Analyst: mson@lincolnternational.com