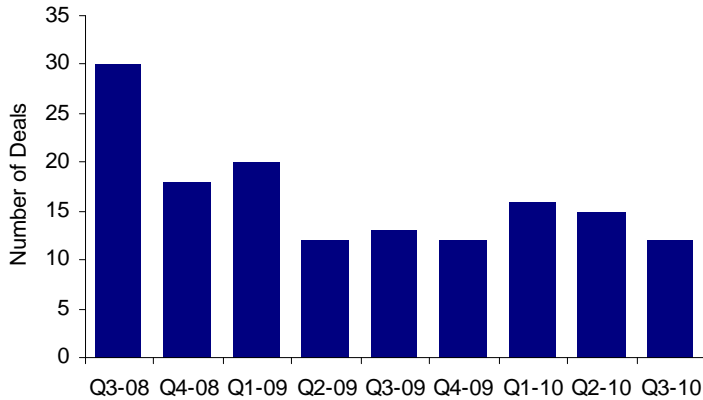
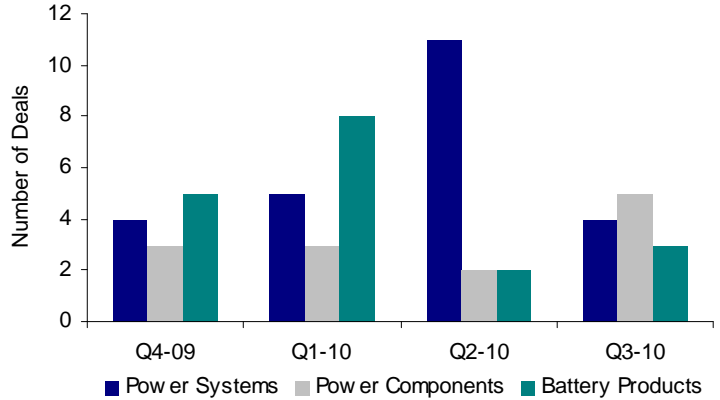


Q3-2010 Deal Volume Comparison

Chart A: Completed Power Electronics Transactions

Chart B: Quarter Comparison—Power Electronics M&A by Category


Announcements

- Ametek, Inc. (NYSE:AME) acquired American Reliance, Inc. from AMREL Corporation (August-10)
- Aeroflex Holding Corp. acquired Advanced Control Components, Inc. from Emrise Electronics Corporation (August-10)
- Emerson Electric Co. (NYSE:EMR) acquired Chloride Group plc (September-10)
- Tincum Capital Partners and JP Asia Capital acquired Electrical Contact Products Group from Technitrol Inc. (NYSE:TNL) (September-10)

Sources: All information contained in this newsletter including charts was obtained from company websites, Lincoln International's internal data and CapitalIQ

There were 12 completed transactions in the power electronics industry in Q3 2010, a 20% decrease over the Q2 2010 total of 15 transactions and an 8% decrease from the 13 transactions recorded in Q3 2009.

There were five transactions in the power components category in Q3 2010, or 42% of the total, compared to two in Q2 2010 and four a year ago. The next category was power systems with four transactions in Q3 2010, or approximately 33% of transactions. This represents a dramatic decrease from the 11 transactions in Q2 2010 and eight a year ago. Finally, battery products had three transaction in Q3 2010, or approximately 25% of the total, which represents a slight increase from the two transactions in Q2 2010 and the one transaction recorded a year ago.

As illustrated in Chart C below, of the total deals in Q3 2010, four were cross-border transactions. Three each came from Europe and Asia while only two came from U.S./Canada. As a

percentage of Q3 2010 total transactions, this translates into 33% Cross-Border, 25% from Europe, 25% from Asia and 17% from U.S./Canada.

As illustrated in Chart D below, of the total deals in Q3 2010, 10 were classified as small transactions, one was a mid size transaction and one was a large transaction. In light of the recent economic environment, larger transactions continue to be scarce. As M&A volume increases and the broader economy continues to recover, there may be an increase in the number of large and mid size transactions.

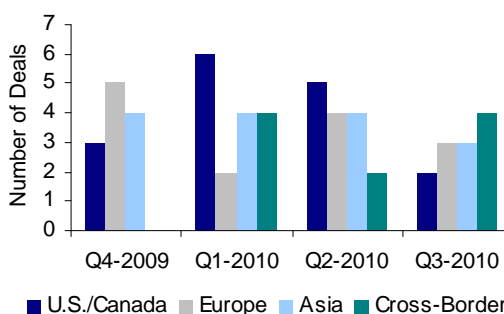
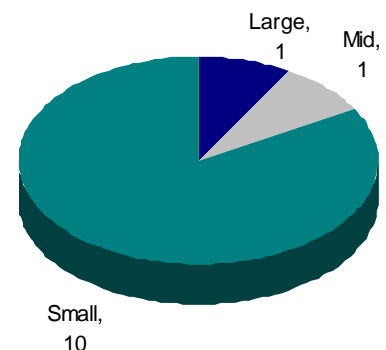
Overall transaction activity in the power electronics industry continues to be relatively flat through Q3 2010. This level of activity could be a result of the modest growth expectations for the industry with analysts forecasting a CAGR of 3% to 5% through 2013 for power electronics. However, the industry is still highly fragmented and ripe for a future consolidation.

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

Chart C: Quarter Comparison - Power M&A by Geography

Chart D: Mergers & Acquisition by Size


Power Electronics Stock Index Data

Company	Exchange	Stock		Diluted		Ave. Cash		EV/ EBITDA	EV/ Sales	Market Cap	Net Debt
		Price	LTM Sales (\$M)	EPS	Conversion Cycle (days)	Current Ratio					
Large											
Delta Electronics Inc.	Taiwan	\$ 4.23	\$ 5,214	\$ 0.21	32.9	1.82	13.9x	1.9x	\$ 10,111	\$ (1,222)	
Eaton Corporation	New York	88.47	13,183	5.08	71.7	1.62	9.5x	1.3x	14,890	2,616	
Emerson Electric Co.	New York	55.97	21,118	2.54	66.9	1.37	10.7x	2.2x	42,112	3,452	
Lite-On Technology Corp.	Taiwan	1.33	6,828	0.13	7.1	1.39	3.8x	0.3x	2,961	(1,017)	
Murata Manufacturing Co. Ltd.	Osaka	54.35	6,404	2.31	124.8	4.76	6.6x	1.4x	11,664	(1,696)	
Sanken Electric Co. Ltd.	Tokyo	3.46	1,608	(1.22)	130.0	1.35	8.1x	0.6x	420	519	
Schneider Electric S.A.	Euronext	144.09	20,395	5.93	88.2	1.40	10.6x	1.9x	37,904	4,812	
TDK Corp.	Tokyo	57.26	10,355	3.57	84.5	1.92	4.8x	0.8x	7,386	593	
Average - Large			10,638		75.8	1.95	8.5x	1.3x	15,931	1,007	
Mid											
Acbel Polytech Inc.	Taiwan	\$ 0.90	\$ 696	\$ 0.07	34.9	1.49	8.1x	0.6x	\$ 452	\$ (70)	
Advanced Energy Industries, Inc.	Nasdaq	12.58	393	0.96	115.2	3.00	8.1x	1.1x	544	(112)	
Bel Fuse Inc.	Nasdaq	22.27	268	1.51	0.0	4.75	7.2x	0.7x	263	(78)	
Eltek ASA	Oslo	0.45	892	-	61.4	1.40	7.4x	0.3x	150	107	
FRIWO AG	Frankfurt	15.69	101	(0.20)	45.0	1.63	nmf	1.1x	121	4	
FSP Technology Inc.	Taiwan	1.28	555	0.14	22.6	1.50	3.8x	0.3x	287	(100)	
Microsemi Corp.	Nasdaq	19.97	477	0.27	183.7	6.01	18.9x	3.1x	1,659	(188)	
Power-One Inc.	Nasdaq	9.53	823	0.75	58.7	1.85	4.1x	1.1x	1,013	(155)	
Powerwave Technologies Inc.	Nasdaq	2.16	558	(0.04)	72.5	2.03	12.1x	0.9x	288	204	
Shindengen Electric Manufacturing Co. Ltd.	Tokyo	4.08	956	0.42	95.6	2.18	3.4x	0.5x	420	119	
Average - Mid			572		69.0	2.58	8.1x	1.0x	520	(27)	
Small											
Cosel Co. Ltd.	Tokyo	\$ 12.86	\$ 229	\$ 0.77	128.2	6.92	6.7x	1.7x	\$ 500	\$ (88)	
Magnetek Inc.	New York	1.16	81	(0.16)	84.7	2.41	nmf	0.4x	37	(8)	
SL Industries Inc.	American	15.60	166	0.90	89.1	2.42	6.3x	0.5x	95	(7)	
Vicor Corp.	Nasdaq	17.53	227	0.59	104.2	4.48	22.0x	3.0x	731	(47)	
XP Power Ltd.	London	15.99	112	0.78	97.3	1.59	14.6x	2.8x	300	29	
Average - Small			163		100.7	3.56	12.4x	1.7x	332	(24)	
Power Electronics Average			3,984		78.2	2.58	9.1x	1.2x	5,839	333	

Note: Data in table above is sourced from press releases, Capital IQ and Bloomberg as of November 1, 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@lincolninternational.com

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

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

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

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

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

Matthias Norweg, Director (Frankfurt)
m.norweg@lincolninternational.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.lincolninternational.com.

Lincoln International LLC

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



AMSTERDAM | CHICAGO | FRANKFURT
LONDON | LOS ANGELES | MADRID
NEW YORK | PARIS | TOKYO | VIENNA

Results you can rely on

Contributors

Cynthia Goulet, Associate: cgoulet@lincolninternational.com
Michael Son, Analyst: mson@lincolninternational.com
Matt Halverson, Analyst: mhalverson@lincolninternational.com