

**Recent acquisition activity viewed as a positive sign for M&A of power services and contracting companies...**

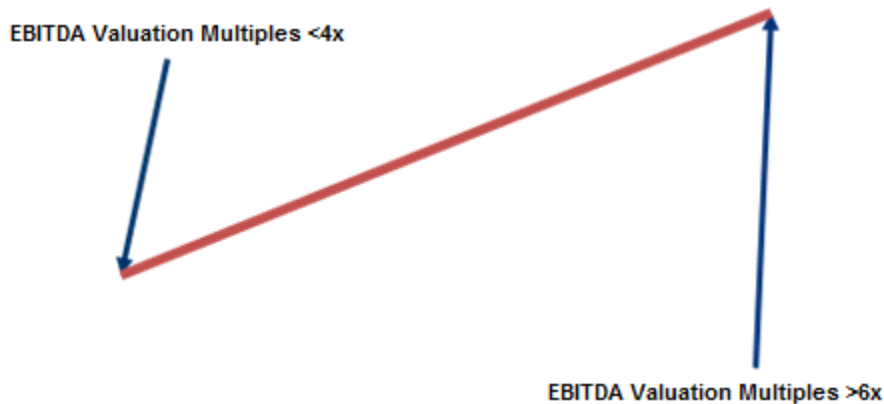
**First Mergers Group retained to locate acquisition opportunities in the power services space...**

Industry consolidation, public market valuations, and available capital has created opportunities for business owners of power services and contracting companies to create liquidity. With multiple acquirers, liquidity options are numerous and complex for EPC contracting companies and power facility services contractors.

**Who is buying contracting companies and why...**

Multiples for contractors hit the bottom in March of 2009 with the rest of the market. One year later we are seeing a dramatic improvement in multiples. Buyer demand for quality companies is increasing from a diverse group of buyers including strategic buyers and private equity groups with their eye on the public market valuations. We believe this influx of capital is a positive sign for owners of privately held contracting companies that are considering divestiture strategies. Further, based on an exhaustive search of sellers from M&A subscriptions, we believe that there is a lack of strong sellers that will also increase valuations of highly attractive properties.

## VALUATION TRENDS



## Summary of Power Facility Construction and Services Trends

- Billions of dollars will be spent on power facility construction in the coming years. Power facility construction, which tends to lag the overall economy, remains in a growth mode.
- Coal-fired power plants provide largest share of electricity supply. To meet regulations upgrades to such plants are numerous.
- Most new capacity uses natural gas as fewer coal-fired plants are added with least expensive technology options likely choices for new capacity.
- Biomass and wind lead projected growth in renewable generation.
- M&A activity in the power facility construction and services space to continue as large EPC and engineering firms add capabilities and look for growth via acquisition.
- Lack of targets will increase demand and drive valuation multiples higher.



NYSE: EME

has acquired

**PPM**

MOR Power Plant Maintenance, Inc.

First Mergers Group, LLC initiated this transaction and acted as intermediary on behalf of PPM



## ACQUISITION SEARCH

First Mergers Group has been retained by a investment group to locate power plant design build contractors and power plant builders with expertise in engineering, design, procurement and construction expertise. Traditional energy plants as well as biomass and alternative energy. Consideration given to US local, regional or national in scope.

EPC Candidates in the \$75 million to \$350 million revenue range that are active in the power space are encourage to confidentially contact us via e-mail or telephone mp@firstmergers.com or 1-800-538-0415.

First Mergers Group is a middle market M&A consulting firm with a proven record of providing superior results for our M&A clients since 1996. Our mission is to "Unlock the Value" of middle market companies.

