

SERVING COMPANIES IN FINANCIAL DISTRESS

Are you a business owner, or an advisor to a business, facing significant financial pressure in the current economic and market environment? We can help.

At Janney, we provide a wide range of restructuring solutions for buyers and sellers of distressed companies and assets, creditors and debtors, and financially troubled companies both in and out of bankruptcy. Acting as a strategic advisor, we can provide advice and expertise to swiftly deliver creative solutions to guide you through challenging times.

Our experienced team uses a proactive approach incorporating bankruptcy and restructuring process expertise, detailed analysis of business operations, financial and cash flow projections, comprehensive strategic guidance, and an understanding of potential sale or financing alternatives. We work with you in a hands-on manner and as a trusted partner throughout the entire restructuring process.

LOAN WORKOUTS AND DEBT RESTRUCTURING

Many borrowers are faced with crippling debt obligations that cannot be met, while most lenders are faced with both internal and or external pressures for resolution. We believe the only solution is a dialogue that identifies potential alternatives, outlines a way forward, and sets a realistic timetable for achieving an acceptable outcome.

Janney helps facilitate this discussion and promotes realistic solutions by:

- Analyzing and valuing a borrower's existing assets and liabilities
- Projecting 13-week cash flow requirements
- Formulating a debt restructuring or asset divestment proposal to address the immediate issues affecting the borrower
- Developing a longer-term plan that will result in an acceptable resolution for both the lender and the borrower

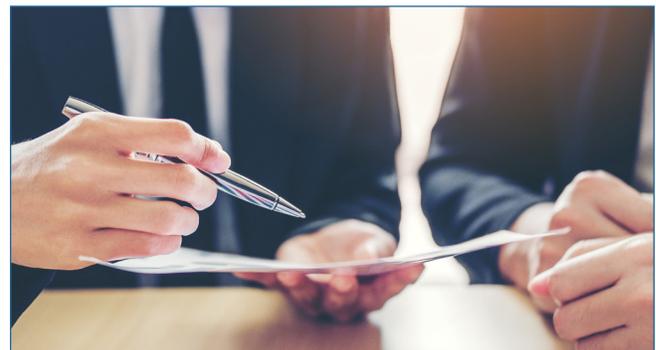
We focus on the objectives of the borrower and the lender, the results that can be attained, and the time frame over which these results can be expected.

DISTRESSED ASSET AND COMPANY SALES

A company does not become distressed overnight. The seeds of distress may be present for years as secular or structural changes in the economy and the company's end-markets render its business model dated, or worse, obsolete. These subtle, longer-term changes are often then exacerbated by a one-time event that pushes the company from "healthy" or "a going concern" to a distressed business facing questions about its ability to survive as a going concern. Some examples of these one-time events include:

- A slowdown in sales due to a cyclical downturn
- Product technological obsolescence
- Maturing debt obligations in an over-leveraged balance sheet
- Covenant defaults
- Loss of a key employee, customer, or supplier
- Health or lifestyle challenges of a key executive

This can create a time of confusion and disbelief for company owners and their executive team. Decision makers and their advisors may think "if we can just have more time," when in reality more time is not the answer. A more strategic approach is to use the time available to preserve as much value as possible.



Janney's approach to distressed assets and company sales offers these benefits:

- Faster resolution of contentious and often litigious circumstances allows stakeholders to “move on”
- Faster action will maximize the number of available options—time will eliminate these options due to employee, customer, supplier, or creditor defections. Once options are eliminated, bankruptcy and liquidation are inevitable
- Faster action allows for creative negotiations and structuring of alternative outcomes before creditors or other stakeholders force the least desirable result
- Faster action provides more time to communicate with adverse parties, reducing the possibility of hostility, and thereby allowing the company and its advisors a better chance to gain consensus on the preferred course of action

SPECIAL SITUATIONS

We recognize that the only thing “special” about being labeled a distressed or troubled company is the level of advice and consultation needed to emerge from the restructuring process. We assist clients both in and out of bankruptcy by assessing and providing recommended solutions to the unique challenges being faced.

Our approach is insightful, fact-based in its foundations and assumptions, and incorporates the assessment of four key elements:

1. Current liquidity/financial position
2. Current and near-term business operating environment and its impact on financial condition
3. Anticipated future strategic position, based on industry, competitor, secular, and structural trends
4. Restructuring and/or transactional options available

Our broad range of restructuring services includes:

- Chapter 11 restructurings
- Out-of-court workouts
- Equity or distressed debt recapitalizations
- Debtor-in-possession (DIP) financings
- Strategic alternative analysis
- Liquidity/cash management planning
- Alternative financings

We are positioned to mobilize rapidly. If your company is facing financial distress, contact one of our experienced team members listed below.

ABOUT JANNEY INVESTMENT BANKING

Janney's Investment Banking practice is a leader in middle-market M&A and financing solutions for public and private companies. They place a high value on their consistent track record of delivering solutions to clients. Since 2009, Janney's Investment Banking team has completed 812 transactions aggregating \$110B in transaction value, working with clients on a highly-personalized basis, providing exceptional service, commitment, and senior level attention.

OUR SENIOR PROFESSIONALS:

Matthew Veneri
Head of Investment Banking
404.601.7222 | mveneri@janney.com

Stephen Gaines
Managing Director
443.478.1970 | sgaines@janney.com

John Putrino
Managing Director
215.665.6436 | jputrino@janney.com