

Exit Engineered Execution

Leveraging Global Resources to Engineer
Value-based Exits in Difficult Markets



Montreal, Canada

- Bio Technology
- Life Sciences
- Software



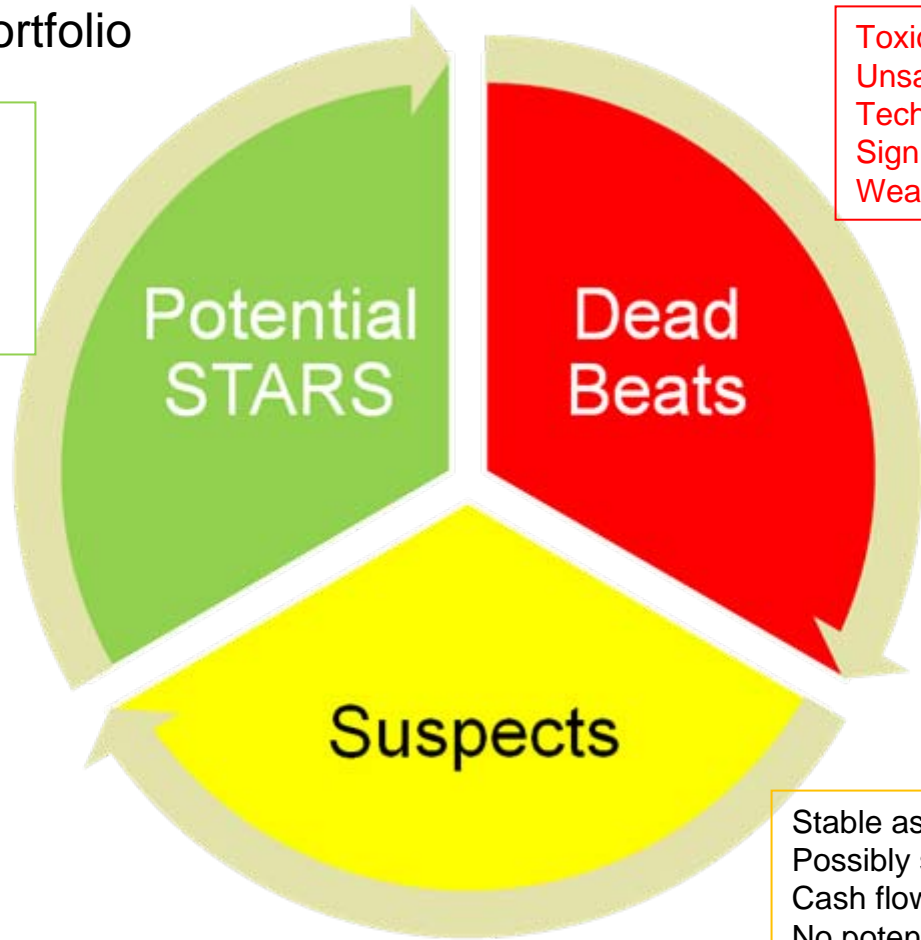
Silicon Valley

- Semiconductor
- Cleantech

Utilizing our **Exit Engineered Execution**” (E³) operational philosophy, our experience and success in turnarounds / M&A /Strategic Exits allows entrepreneurs, management teams and investors to deliver value and returns, especially in the current capital constrained markets

Typical Investment Portfolio

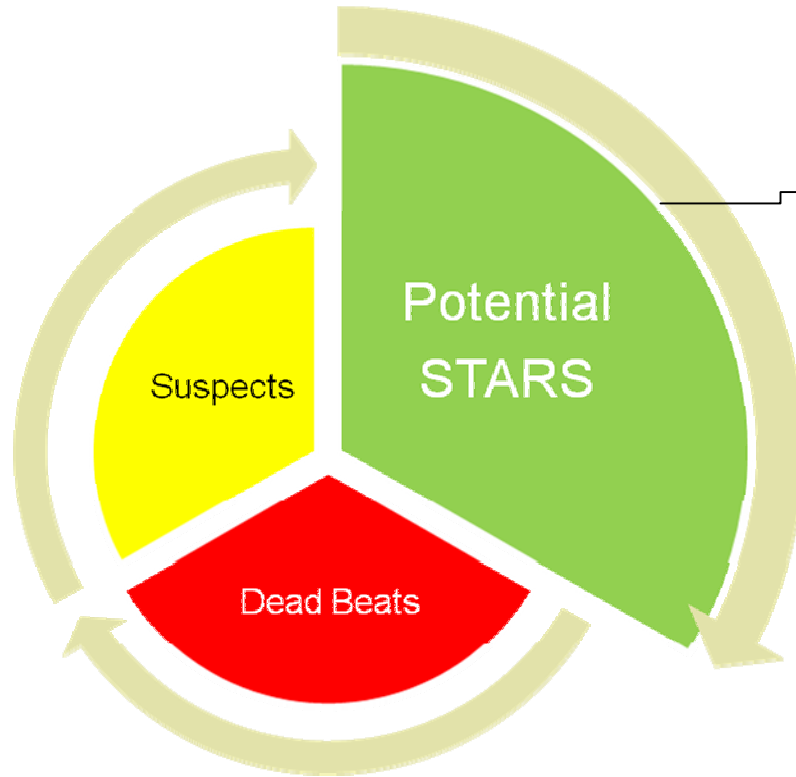
Troubled but salvageable assets
Leading-edge technology
No access to global markets
Committed investor base
Neutral to some positive cash flow
Potential for leadership position



Toxic assets
Unsalvageable
Technology obsolescence
Significant negative cash flow
Weak market position

Stable assets; some problems
Possibly salvageable
Cash flow neutral to negative
No potential for home run
Weak market position

Knowledge, Wisdom, Passion, Focus and Drive



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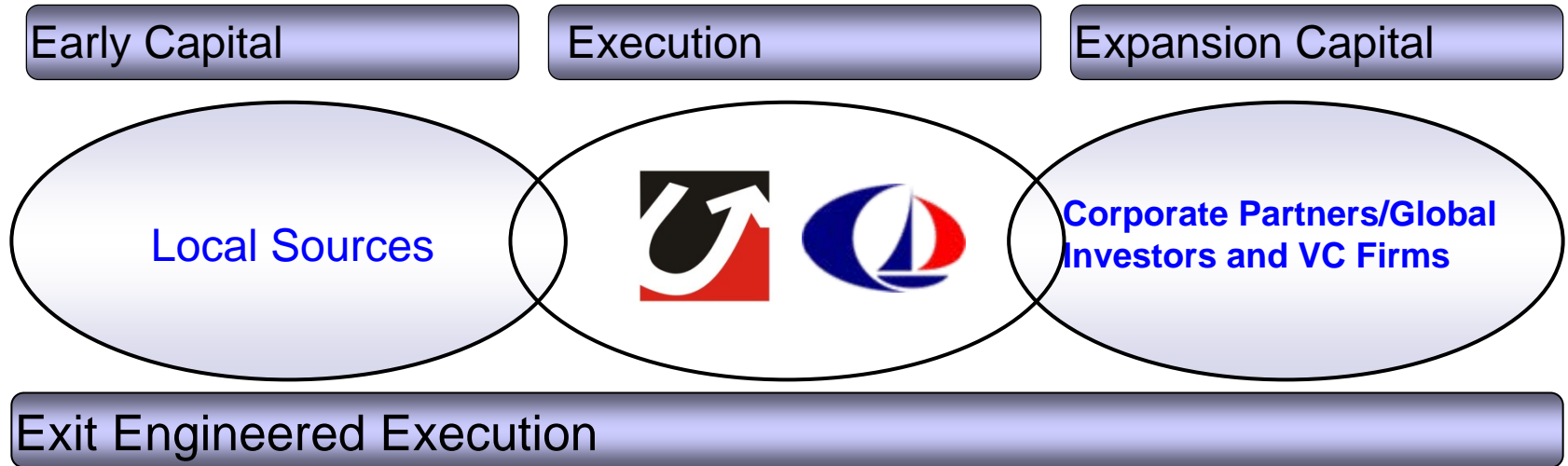
RECOMMENDATION

- **Provide additional capital resources**
- **Engage with 3rd party to execute turnaround, growth and liquidity**

We engage with both investors and management teams to develop an exit-engineered strategic plan to maximize shareholder value

Knowledge, Wisdom, Passion, Focus and Drive

E3 – Philosophy



- E³ is a unique partnership serving the global business community with offices in Montreal, Canada and Silicon Valley, USA
- Experienced business leaders with a proven track record of pioneering and building world class businesses
- Focused on assisting companies within our sphere of knowledge in complex international transactions
- Compensated on performance

Knowledge, Wisdom, Passion, Focus and Drive

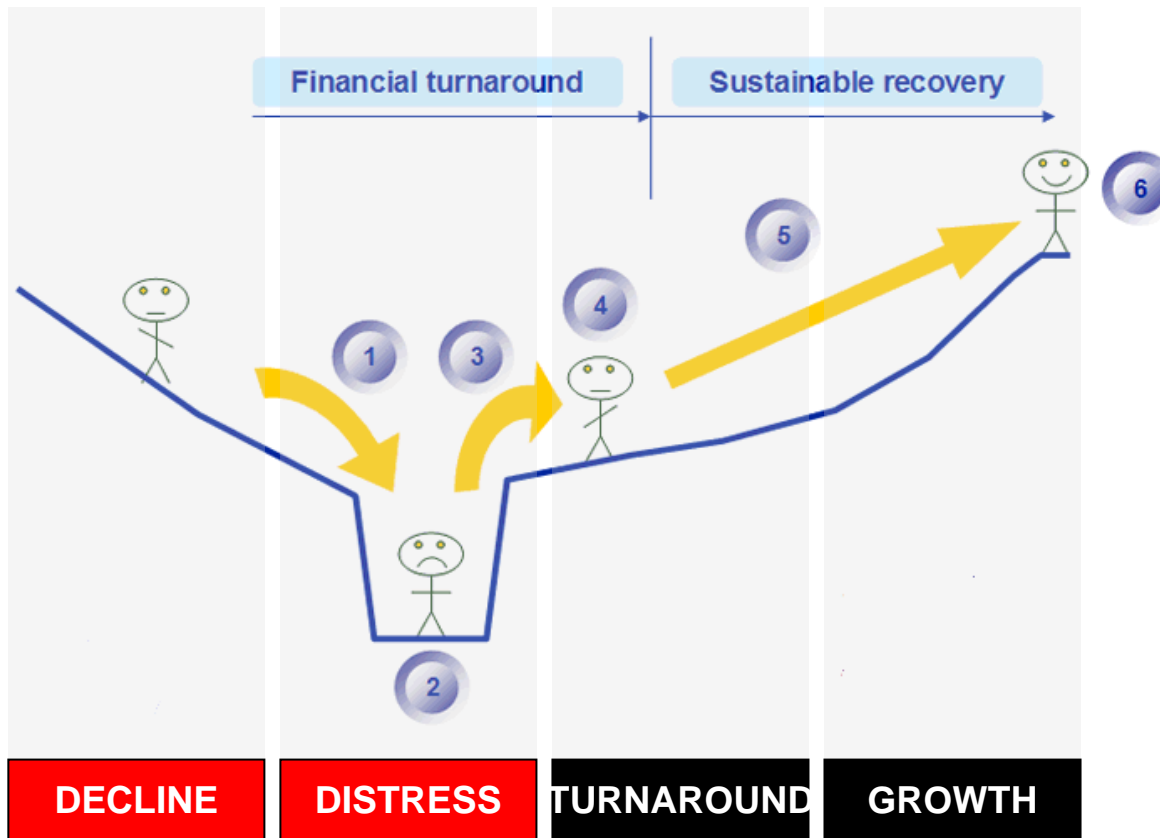
E³ – Candidate Profile



- Success driven, hungry entrepreneurs
- Innovative technology
- Unclear market focus
- Capital access constrained by debt and cash flow
- Existing business infrastructure insufficient to capture global market opportunity
- Founders, management and investors open to third-party assistance and willing to partner

Knowledge, Wisdom, Passion, Focus and Drive

E³ – Execution process



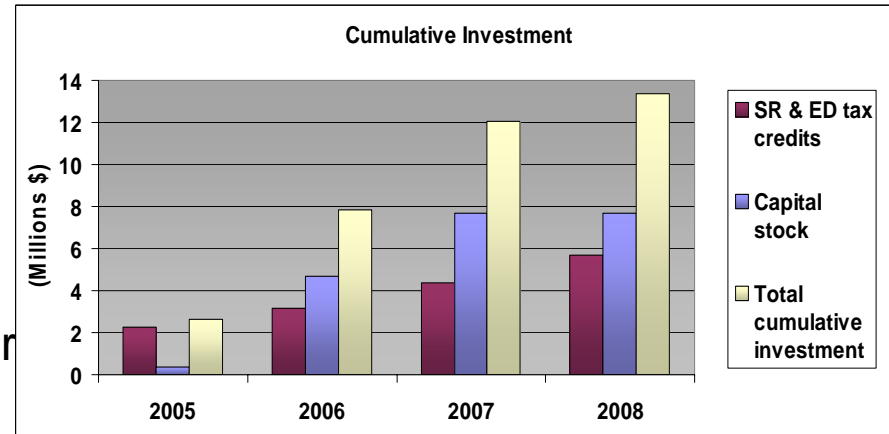
1. Analyze cause s of distress
-turnaround plan
-exit roadmap
2. Analyze severity of distress
-120-day rebuild plan
-bridge / early capital
3. Reduce cash burn
-eliminate debt
-streamline ops
4. Expansion capital
-corporate partnerships
5. Explore alternative markets
-enhance mgmt team
6. Vision / long-term strategy
-detailed exit roadmap

Knowledge, Wisdom, Passion, Focus and Drive

E3 – Aceris 3D



- Leading provider of 3D/2D metrology and visual defect detection systems to the semiconductor industry
- Incorporated in 2001.
- World Class Management Team.
- HQ in Montreal, Canada.
- Branches: USA, Taiwan.
- 12 International Distributors/OEM Partners
- Staff: 28, engineers and scientists.
- Invested \$13M, Private, Government and Institutional.
- Revenue: \$1.5M in 2007, \$4.4M in 2008, Projected \$8M in 2009, and \$17M in 2010.
- Product ready and proven.
- Seeking \$8M in 2009 to fund growth.
- Most important Technological Advantage: High Speed production worthy 3D inspection for the emerging bumping and packaging markets.



Knowledge, Wisdom, Passion, Focus and Drive



Vistec Semiconductors

- Partner: Golden Gate Capital
 - Revenues \$120M; EBITDA \$3M (2006)
 - Purchase Price: \$17M plus \$10M debt assumption
- Papken Der Torrosian, a Ugroup Principal, led the transaction and was appointed Chairman of the acquired company
- Secured \$50M investment from State of New York
- Turned around operations; built solid profitability
- Partial exit to KLA Tencor in October 2008 \$100M
- Exit for remaining 40% under negotiations

Over 10x Return on Investment

Knowledge, Wisdom, Passion, Focus and Drive

E3 – Value proposition



Leverage

Driven by exit

Staged capital investments

Change in business model

Change in market positioning

Location-specific incentives and cost enhancement

Global Resources

Capital resources

Corporate partners

Sales/marketing infrastructure

Margin improvement

Globally recognized team

Value-based exit

Compatible businesses

Critical mass

Multi-market exits

Accretive acquirers

Diversification mergers

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E³ – Benefits of a Third Party



- Unaffected by the historical conflicts of products, management, and investors
- Able to create an unbiased focus on the exit strategy
- Fairness to elimination of debt and balance sheet clean up to all parties involved
- Able to approach corporate partners and investors with a redefined business strategy
- Creates operational compatibility with existing management due to exit focus
- Performance based compensation designed to ensure all interests are aligned

Knowledge, Wisdom, Passion, Focus and Drive



Feedback Forums

- The Forums are 1-2 hour informal discussions attended by diverse groups of highly experienced executives in technology, engineering, marketing, finance, capital sourcing, IP protection
- The Feedback Forum is a partnership undertaken between The Ugroup, LLC and Bay Stream Ventures, Inc.

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