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## Highly Probable Activist Investing Targets

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Damien Park and Jon Heller do not own any of the stocks mentioned in this report

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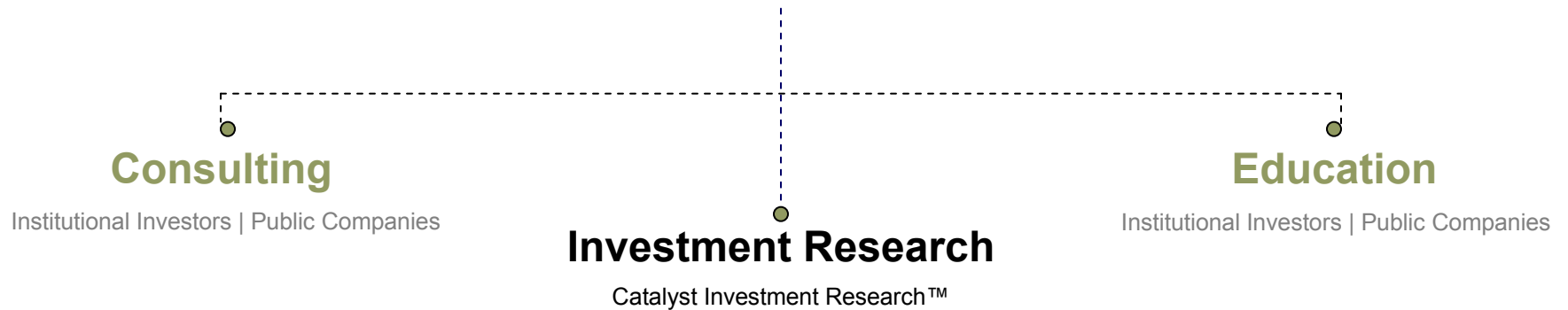


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## Activist Investing Specialists



## Today's Discussion Topic

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*This research examines companies where top activist investors have been aggressively increasing ownership between January 1, 2010 and March 31, 2010 and may engage with the board and/or management to unlock value*

# Prime Activist Targets: Companies Under \$1 Billion MV

	Company Name	Ticker	Price	52 Week		Δ from 52-Wk High	MV (M)	EV (M)	EBITDA (M)	EV/ EBITDA	P/ BVPS	Total Activist Ownership	Total # of Activist Investors	Activist Position
				Low	High									
1	Hain Celestial Group Inc	HAIN	22.69	14.45	23.56	-3.7%	929	1,110	87.6	12.70	1.27	15.0%	3	N + ↑
2	EnergySolutions Inc	ES	5.80	5.22	9.70	-40.2%	513	995	169.6	5.87	1.04	9.0%	2	N + ↑
3	Pinnacle Entertainment Inc	PNK	12.01	7.07	14.57	-17.6%	718	1,700	123.1	13.81	1.34	7.8%	4	N + ↑
8	Oxigene Inc	OXGN	0.58	0.54	2.42	-76.0%	40	26	N/A	N/A	N/A	3.5%	1	New
9	Ducommun Inc	DCO	18.30	13.50	24.30	-24.7%	192	225	44.9	5.00	0.81	2.0%	1	New
10	BOFI Holding Inc	BOFI	15.64	5.51	19.27	-18.8%	157	468	N/A	N/A	1.30	1.7%	1	New
17	Skyline Corporation	SKY	18.63	15.74	26.48	-29.6%	157	80	-21.1	N/A	1.22	14.0%	2	↑
18	Keynote Systems Inc	KEYN	9.81	7.25	12.18	-19.5%	146	90	10.3	5.69	1.40	6.0%	2	↑
19	Retail Opportunity Investments	ROIC	9.52	9.34	11.04	-13.8%	401	68	N/A	N/A	1.00	4.6%	1	↑

Complete Research Report Includes  
23 Companies under \$1B MV and 21 Companies over \$1B MV

# Prime Activist Target: EnergySolutions (ES)

EnergySolutions is a world leader in the safe recycling, processing and disposal of nuclear material

## Activists Increase Ownership



### Company Fundamentals

Current Stock Price:	5.80
Change from 52WK High:	-40.2%
Market Value:	513M
Enterprise Value:	995M
LT Debt (Due 2013):	479.5M
ST Debt:	28.5M
EBITDA:	170M
EV/EBITDA:	5.87
P/BVPS:	1.04
Quarterly Dividend:	0.025
Dividend Yield:	1.7%

### Current Ownership Profile

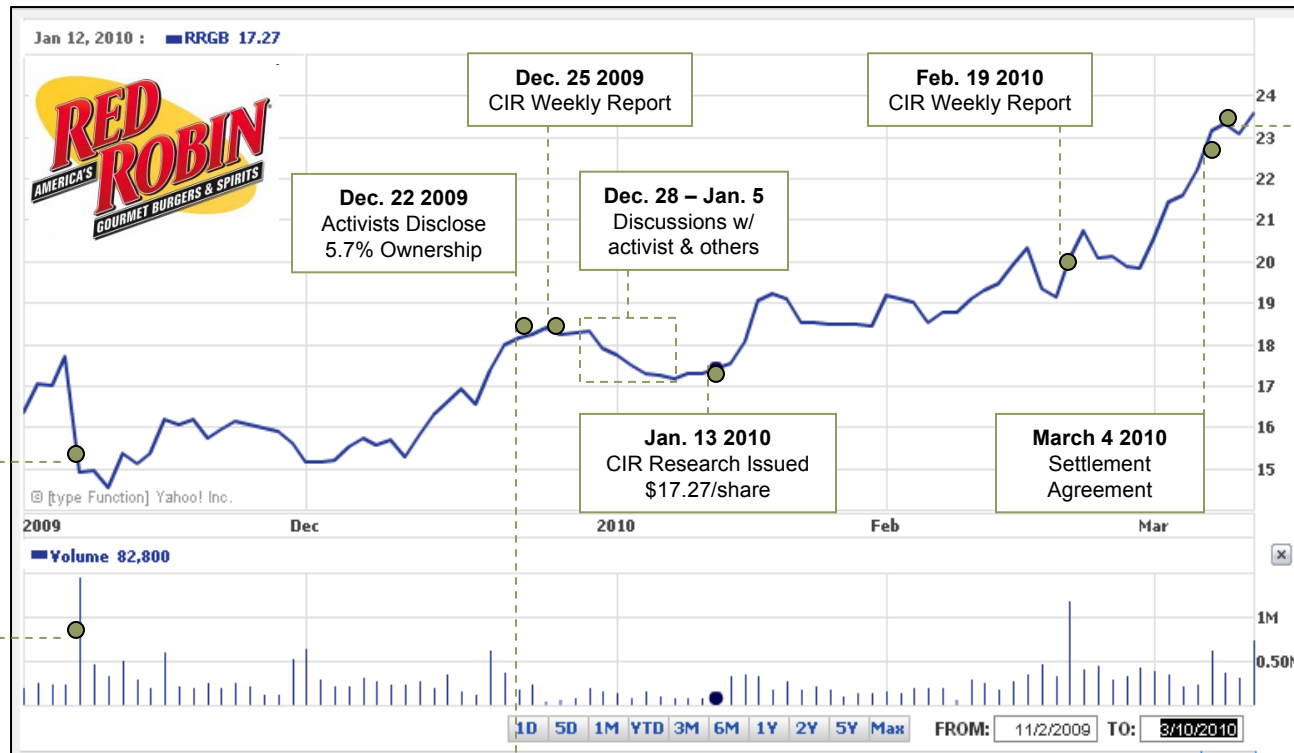
Activist Investors:	13.5%
Board & Mgt Ownership:	2.1%



Top Significant Shareholders					
31-Dec-2010			15-Jun-10		
	Shares	%		Shares	%
LGB	10,437,249	11.75%	ValueAct	8,76,1470	9.90% <b>Increase</b>
Alethia	7,809,044	8.82%	Sound Energy	5,811,937	6.57% <b>Increase</b>
Alydar	5,599,400	6.30%	Scopia Capital	3,492,241	3.90% <b>New</b>
ValueAct	3,535,037	3.90%	SAC Capital	3,025,625	3.40% <b>Increase</b>
SAC Capital	529,900	0.50%	Tocqueville	2,932,567	3.31% <b>Increase</b>
<b>Total</b>		<b>31.27%</b>	<b>Total</b>		<b>27.08%</b>

# Catalyst Investment Research™ Report

## RECENT SAMPLING OF SUCCESSFUL CALLS



**Nov. 11 2009**  
Activist Investors  
Clinton Group &  
Spotlight Advisors  
Start Buying

**Dec. 22 2009**  
Activists Disclose  
5.7% Ownership

**Dec. 25 2009**  
CIR Weekly Report

**Dec. 28 – Jan. 5**  
Discussions w/  
activist & others

**Jan. 13 2010**  
CIR Research Issued  
\$17.27/share

**Feb. 19 2010**  
CIR Weekly Report

**March 4 2010**  
Settlement  
Agreement

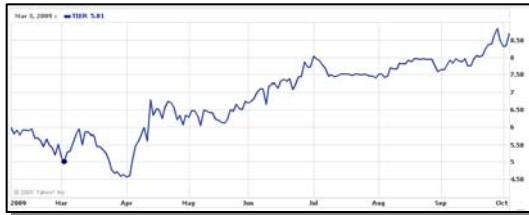
**March 8 2010**  
CIR Research  
Note Issued  
\$23.17/share

**Dec. 22 2009**  
**Activist Discloses Concerns:**  
Rigidity of business strategy  
Operational issues  
Returns on invested capital  
Executive compensation  
Board & management accountability  
Management – in general

**OUTCOME:**  
Approx. 3 Months  
**65% Return**

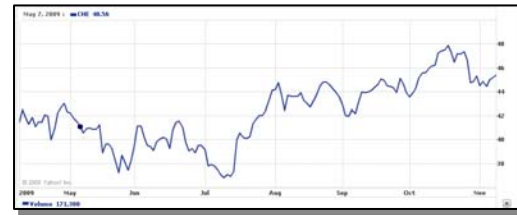
# Catalyst Investment Research™ Report

## SAMPLING OF SUCCESSFUL CALLS



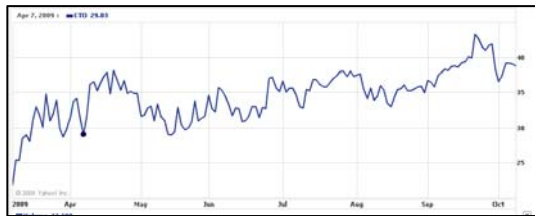
**4 Months  
60% Increase**

**Company:** Tier Technologies, Inc. (TIER)  
**Activist Investor(s):** Discovery Capital & Parthenon Investors  
**Research Issued:** March 4, 2009  
**Results:** 60% increase in share value within 4 months



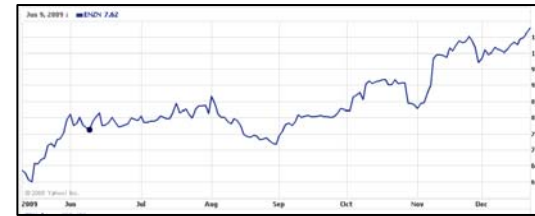
**6 Months  
17% Increase**

**Company:** Chemed Corp. (CHE)  
**Activist Investor(s):** MMI Investors  
**Research Issued:** May 8, 2009  
**Results:** 17% increase in share value within 6 months



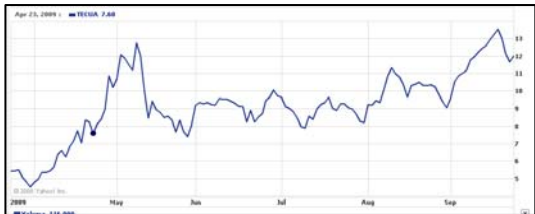
**6 Months  
49% Increase**

**Company:** Consolidated Tomoka Land Co. (CTO)  
**Activist Investor(s):** Wintergreen Advisers  
**Research Issued:** April 8, 2009  
**Results:** 49% increase in share value within 6 months



**6 Months  
41% Increase**

**Company:** Enzon Pharmaceuticals Inc. (ENZN)  
**Activist Investor(s):** DellaCamera Capital Management  
**Research Issued:** June 10, 2009  
**Results:** 41% increase in share value within 6 months



**1 Month  
47% Increase**  
  
**5 Months  
78% Increase**

**Company:** Tecumseh Products Company (TECUA)  
**Activist Investor(s):** Herrick Foundation  
**Research Issued:** April 24, 2009  
**Results:** 47% increase in share value within 1 month;  
 78% Increase in share value within 5 months

Special Report on Steel Partners Portfolio -- Catalyst Realized						
Company	Research Date	Share Price (Research Date)	Catalyst Realized	Catalyst Realized (Close Price)	% Gain	# Days to Catalyst Realized
CNO	July 20, 2009	1.96	August 19, 2009	3.25	66%	30
ADPT	July 20, 2009	2.45	August 19, 2009	3.01	23%	30
GY	July 20, 2009	2.11	August 19, 2009	4.40	109%	30
NATH	July 20, 2009	12.11	August 19, 2009	13.06	8%	30
SLI	July 20, 2009	5.56	August 19, 2009	6.27	13%	30
WXCO	July 20, 2009	1.55	August 19, 2009	1.60	3%	30
CUO	July 20, 2009	8.10	August 19, 2009	9.19	13%	30
PBSO.PK	July 20, 2009	0.20	August 19, 2009	0.76	280%	30
DGTC.OB	July 20, 2009	0.56	August 19, 2009	0.50	39%	30
RONC.PK	July 20, 2009	0.05	August 19, 2009	0.17	240%	30
					<b>79.30%</b>	<b>30</b>

**1 Month  
79% Increase**

**Situation:** Special Report on Activist Investor Steel Partners  
 The distribution of in-kind securities to LPs on July 15 caused a temporary but dramatic reduction in value at a few portfolio companies.

**Research Issued:** July 20, 2009  
**Results:** Avg. 79% increase in share value within 1 month



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## Company Specific: Deep Value + Activist Catalyst Catalyst Investment Research™ Report



## Quarterly Buying Analysis Top 50 Activists

A screenshot of a spreadsheet showing quarterly buying analysis for the top 50 activists. The spreadsheet has columns for ticker, company name, shares, price, and value. The data is sorted by value in descending order.

Ticker	Company Name	Shares	Price	Value
WBA	Walgreens	1,974,000	12.50	24,675,000
WFC	Wells Fargo	1,974,000	12.50	24,675,000
WMT	Walmart	1,974,000	12.50	24,675,000
WY	Weyerhaeuser	1,974,000	12.50	24,675,000
WV	West Virginia	1,974,000	12.50	24,675,000
WU	Wu	1,974,000	12.50	24,675,000
WV	West Virginia	1,974,000	12.50	24,675,000
WU	Wu	1,974,000	12.50	24,675,000
WV	West Virginia	1,974,000	12.50	24,675,000
WU	Wu	1,974,000	12.50	24,675,000

## Special Reports Uncovering Hidden Value



## The Shareholder Activism Report & Shareholder Activism Resource Portal





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