

Gulf & Western Company, Inc.

Guiding Companies to Their Full Potential



Integrity. Experience. Reputation. Resources.

Gulf & Western Company's building blocks for success represent the cornerstones for long-term value creation, backed by business savvy and time-proven expertise of the company's shareholders and directors.

Who we are

Houston-based Gulf & Western Company, formed in spring 2006, is the successor entity to a previous publicly traded company. Gulf & Western's current executive team successfully reorganized the company by eliminating its debts, simplifying its ownership and retaining some of its key assets, including the existing tax structure. The team is comprised of CEOs and other top-tier executives with decades of experience in starting and running business ventures, acquiring and selling companies, and successfully guiding managements through bull and bear markets alike.

Our experience and resources, coupled with integrity and a respected reputation, represent an ideal equation for small- to middle-market companies seeking to realize their full potential.

What we do

In a nutshell, Gulf & Western acquires businesses — typically owned by private equity firms, individuals, financial institutions, large conglomerates — positioned to generate stable earnings growth and cash flows.

How we operate

Gulf & Western's business model is solid, above-board and time-proven. Our team is drawn to people who can manage the day-to-day operations of their businesses while seeking opportunities to maximize their operating potential and shareholder value.

We provide capital for a company's management team to execute growth strategies. Specifically, we:

- allocate capital,
- provide cost-efficient administrative services, and
- offer Board expertise as a consulting tool for growth plans.

What we offer

Every aspect of Gulf & Western's service spectrum is focused on delivering superior returns, whether through more efficient operations or heightened revenues. Importantly, our executives have the necessary resources and proven ability — a polished track record — to provide timely financing and pay fairly for sound business deals.

Who we assist

Gulf & Western specifically targets ventures with these key attributes:

- companies with revenues of \$5 million to \$100 million positioned to generate stable cash flows and consistent growth in earnings,

- profitable businesses with three to five years of positive cash flow history and an EBITA margin of at least 10%,
- companies with little or no debt on their balance sheets,
- relatively simple operations we can understand,
- businesses with a sound management team in place, and
- companies in industries with which we are familiar.

Industries we target

Gulf & Western Company specifically targets companies in industries we know and understand and in which our Executive Team has experience:

- communications
- energy
- environmental
- financial services
- healthcare
- real estate
- retail



About our investments strategy

Investment criteria — To acquire companies with leading positions in diversified niche markets that show favorable long-term performance fundamentals, as well as strong, motivated management teams.

Investment posture — Gulf & Western considers the mergers and acquisitions market for small- to mid-sized companies to be highly fragmented because of fewer potential acquirers, limited availability to third-party acquisitions financing and a greater number of negotiated transactions.

Our expertise to your advantage

We invite you to contact us to learn more about Gulf & Western Company's operational and financial leadership. Our team of experienced business strategists welcomes the opportunity to talk with you personally to determine how we might help your company achieve its full potential and maximize shareholder value.



Meet our executive team

Each member of Gulf & Western's founding executive team is a business leader with decades of proven management experience.

PETER W. BADGER (713.993.4655, toll-free 877.907.3558, peter.badger@smhgroup.com) has more than 30 years of experience in financial services and real estate. He is President of the Fixed Income Division of publicly traded Sanders Morris Harris Group (SMHG), transacting and/or managing billions annually for institutional clients. Mr. Badger serves on several Boards and investment and advisory committees, and is a frequent author and lecturer on institutional investment topics. An entrepreneur, Mr. Badger co-founded and successfully sold or merged several financial services companies. He has a Bachelor of Science in mathematics from the University of Houston and a Master of Business Administration in finance from the University of Missouri.

RICHARD A. BEAN (713.551.0304, beanrichard@sbcglobal.net), a certified public accountant, has an extensive breadth of experience in financial services, energy and real estate. He is Executive Vice President and on the Board of Pearce Industries, Inc., a privately held company that markets oilfield equipment and machinery, where he has also served as Chief Financial Officer. Mr. Bean also serves on the Boards and as Chairman of the Audit Committees of publicly traded Sanders Morris Harris Group Inc., First City Financial Corporation, where he is also Chairman, and WCA Waste Corporation, and he is a Director of several closely held corporations. Prior to joining Pearce, Mr. Bean worked as a Tax Manager at Arthur Andersen & Co. He served as Chairman of the Official Committee of Equity Security Holders in connection with the Bankruptcy Reorganization of First City Bancorporation of Texas, as a Member of the Portfolio Administration Committee of First City Bancorporation Liquidating Trust and on the Board of TransAmerican Waste Industries. He is involved in numerous civic organizations such as the Houston Livestock Show and Rodeo where he serves as a Director and member of the Audit Committee. Mr. Bean received a Bachelor of Business Administration in finance and a Master of Business Administration in accounting from the University of Texas.

DONALD R. CAMPBELL (713.557.5200, campbelldrc@aol.com) has proven expertise in the financial services, real estate and energy industries. He is currently on the Boards of publicly traded CenterPoint Energy and SCI-owned Hilcrest Memorial Park and has served on the Boards and various committees of Texas Genco Holdings, SMHG, Pinnacle Global Group, TEI, Service Corporation International and Family Service Life Insurance Company. Highlights of Mr. Campbell's impressive career include Chief Financial Officer of Sanders Morris Harris Group, various executive positions with funeral industry giant Service Corporation International and Senior Auditor with Arthur Young & Company. A veteran of the United States Air Force, Mr. Campbell earned a Bachelor of Business Administration in accounting from Lamar University.

ROBERT E. "BOB" GARRISON II (713.993.4680, r.e.garrison@smhgroup.com) is a Chartered Financial Analyst with deep roots in financial services, healthcare, real estate and communications. He is a Director, President and former CEO of Sanders Morris Harris Group. Mr. Garrison's management expertise is reflected in his participation on the Boards and committees of FirstCity Financial Corporation, wireless infrastructure

giant Crown Castle International, Prosperity Bank, Somerset House Publishing, Memorial Hermann Hospital Systems and PTC-Houston Investors, the general partner of Proton Therapy Center – Houston, a venture of M. D. Anderson Cancer Center. An entrepreneur as well as a business leader, he has co-founded several investment firms, including Harris Webb & Garrison, Salient Trust and Healthcare Capital Group. Additional career highlights include President and CEO of Medical Center Bank & Trust, Managing Partner of Lovett Mitchell Webb & Garrison, a division of Kemper Securities Group, and Director of Research for Underwood Neuhaus and Co. Mr. Garrison earned a Bachelor of Business Administration and a Master of Business Administration from the University of Texas.

JAMES R. “JIM” HAWKINS (254.399.8405, jhawkins@j-hawk.com) has extensive experience in the financial services, retail, healthcare and real estate sectors. He is currently Chairman of J-Hawk Funding Corporation, which he has also served as CEO, and was previously Chairman and CEO of FirstCity Financial Corporation. Mr. Hawkins has won numerous awards over the course of his career, including the W.R. White Meritorious Award, the James Huckins Medallion, the Judge R.E. Baylor Award, the Waco ISD Distinguished Alumni Award, 1997 Philanthropist of the Year and the Distinguished Service Award in 1996. He earned a Bachelor of Business Administration from Baylor University and obtained his Certified Public Accountant certificate in 1963.

JOHN H. STYLES (713.303.1092, john@stylesco.com) is recognized as an entrepreneur and business leader in healthcare ventures and has additional specialties in financial services and real estate. He is a member of the Board of Managers of Ethicus Healthcare Group and Ethicus Healthcare Management, and is Chairman of The Styles Company, one of two general partners in the \$130 million University of Texas M. D. Anderson Cancer Center Proton Therapy Center, the world’s largest such facility. With his partner, Mr. Styles owns and operates Medical Business Management Services. For more than 25 years, he has served in an executive capacity for various hospitals and healthcare companies, including Lifemark Corporation, Mid-American Healthcare Group, which he co-founded, Outpatient Healthcare, of which he was founder and principal shareholder, and Ambulatory Hospitals of America, which he founded and led as Chairman and CEO. Styles has a Bachelor of Business Administration from Baylor University.

STEVEN WEBSTER (713.328.1051, webster@avistacap.com) has a keen eye for venture capital and investment activities, with particular focus on the energy sector and coupled with experience in financial services and real estate. He is Co-Managing Partner and President of Avista Capital Partners, which recently raised \$1 billion for a private equity transaction. Reflecting his widespread Board participation, Mr. Webster currently serves as Chairman of Carrizo Oil and Gas, Basic Energy, Pinnacle and Crown Resources, is a Director of Brigham Exploration, Geokinetics, Enduring Resources, Frontier Drilling, Hercules Offshore, Laramie Energy, SEACOR Holdings, Grey Wolf and Goodrich Petroleum, and serves as Trust Manager of Camden Properties Trust. Mr. Webster previously led three energy companies as Chairman, served on an extensive range of energy-related Boards of Directors, and an offshore drilling contractor company, which he guided through an IPO. He earned a Bachelor of Science in Industrial Management with distinction from Purdue University and a Master of Business Administration with high distinction from Harvard University, where he was a Baker Scholar.

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