Distressed Debt Case Study:
Dayton Superior Corporation

Dayton Superior Case Study: Company Overview

- Founded in 1994, Dayton Superior is one of the leading North American providers of specialized products consumed in non-residential, concrete construction and the largest concrete forming and shoring rental company serving the domestic, non-residential construction market. Dayton specializes in infrastructure, institutional and commercial construction markets. The company doubled its revenue between 1994-2000 through 16 acquisitions
- On June 16 2000 Dayton Superior completed a recapitalization through a merger with Stone Acquisition Corp subsidiary of Odyssey Investment Partners Fund, LP for $27 per share in a transaction value at $322mm including the assumption of $154mm in liabilities. Dayton (NYSE DSD) was majority owned by Ripplewood Holdings
    - Transaction Valuation:
        - TEV / LTM Revenue: .98x
        - TEV / LTM EBITDA: 5.5x
- Odyssey bolted on several acquisitions through the issuance of additional debt and by March 31, 2006 had $320mm of debt outstanding and a $95mm on an undrawn revolver. LTM leverage was about 7x and 13% senior subordinated notes were trading at distressed prices - 75% of face value

Dayton Superior Capitalization	**Amount**
$95mm Revolving Credit Facility:	$0
Capital Leases	$2.3mm
2nd Lien Senior Secured Note	$165mm
Various Senior Unsecured Notes	$7.7mm
13% Senior Sub Notes	$155mm
Dayton Superior Capital Corp Debentures	$1.1mm

- On September 29, 2006 Dayton entered into amendment to its revolving credit facility with GECC that extended maturities from January 30, 3007 to May 31, 2008

Dayton Superior Case Study: IPO

- On December 19, 2006 in an IPO Dayton issued 7.85mm shares at $12 per share and received $85.0 million, net of issuance costs. In January 2007, the Underwriters: Robert W. Baid & Co., CIBC World Markets, KeyBank Capital and BB&T Capital exercised their over-allotment option for additional 0.25mm shares and net proceeds of $2.7 million
- IPO proceeds were intended to:
  - Repay $10.0 million of outstanding debt under revolving credit facility, which was scheduled to mature on July 31, 2008 and had a weighted average interest rate of 8.3%
  - Repurchase or redeem $68.9 million 13% Senior Subordinated Notes due on June 15, 2009, and to pay accrued interest, fees and expenses of $6.5 million.

Dayton Superior Capitalization as of September 29, 2006	Amount
$95mm Revolving Credit Facility	$79.3
Capital Leases	$2.9
10 3/4% 2nd Lien Senior Secured Notes	$161.4
Notes payable to the former owner of business acquired in 2003	$8.1
13% Senior Sub Notes	$149.6
Fixed Rate Long Term Debt	$1.1
Total Long Term Debt, including current portion	$402.4

- IPO proceeds were used to repay debt under revolving credit facility and for working capital needs

Dayton Superior Capitalization as of December 31, 2006	Amount
Capital Leases	$2.3
10 3/4% 2nd Lien Senior Secured Notes	$161.8
Notes payable to the former owner of business acquired in 2003	$7.3
13% Senior Sub Notes	$150.0
Fixed Rate Long Term Debt	$1.1
Total Long Term Debt, including current portion	$322.5

Dayton Superior Case Study: Post IPO - Refinancing by GECC

- In June 2007, Dayton announced the intention to refinance Senior Notes and Senior Subordinated Notes: $165mm face value of 10 ¾% of Senior Second Secured Notes due 2008 and $155mm face value of 13.00% Senior Subordinated Notes due 2009. Concurrent with the new senior credit facility, Dayton wanted to amend and restate its existing revolving credit facility

Dayton Superior Capitalization as of June 29, 2007	Amount
Capital Leases	$1.9
10 3/4% 2nd Lien Senior Secured Notes	$162.7
Notes payable to the former owner of business acquired in 2003	$7.7
13% Senior Sub Notes	$150.8
Fixed Rate Long Term Debt	$1.1
Total Long Term Debt, including current portion	$324.2

- On March 3, 2008, Dayton entered into a $150mm revolving credit facility and into a $100mm term loan with GECC. Both were set to mature on March 14, 2009, but to be automatically extended to March 2014 if $154.7mm senior subordinated notes are paid off prior to initial maturity. Revolver interest rate: Prime with floor of Fed Funds Rate plus 0.5% and 1 - 1.5% margin based on Borrowing Availability or LIBOR plus 2 – 2.5% margin based on Borrowing Availability. Term Loan terms covenants: Leverage ratio 6.5x in June 2008 - 4.0x in December 2013; Coverage ratio 1.55x in June 2008 - 2.55x in December 2013. Term Loan interest rate: Prime with floor of Fed Funds Rate plus 0.5% and 2.75% margin or LIBOR with 3.25% floor plus 3.75%

Sources:	
Issuance of $100 million term loan, net of discount	$94.3
Initial draw on new revolving credit facility	$88.7
	$182.9
Uses:	
Repayment of 10 3/4% Senior Second Secured Notes	$165.0
Prepayment premium on 10 3/4% Senior Secured Notes	$4.6
Accured Interest	$9.8
Financing cost paid at closing	$3.4
	$182.9

Dayton Superior Case Study: Post IPO

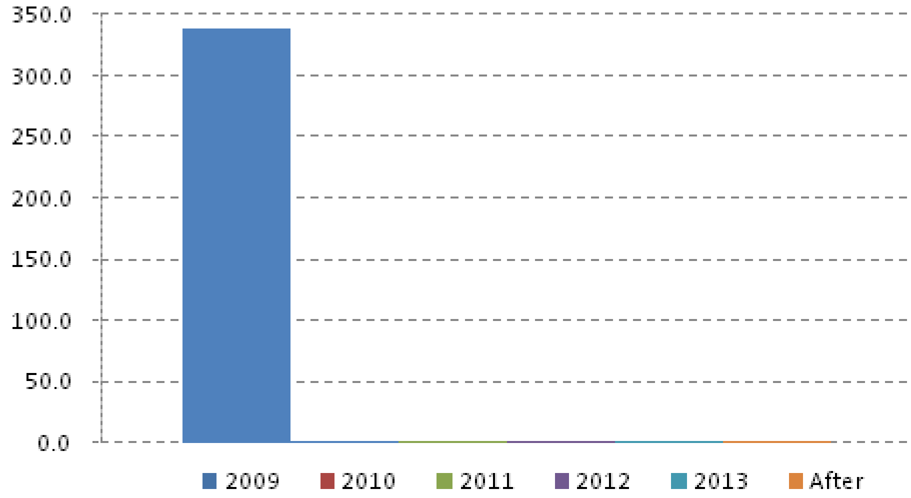
- Dayton's Capitalization post refinancing:

Dayton Superior Capitalization as of March 28, 2008	Amount
Capital Leases	$1.1
Term Loan, interest rate of 7.1%	$94.6
Notes payable to the former owner of business acquired in 2003	$6.3
13% Senior Sub Notes	$152.1
Fixed Rate Long Term Debt	$1.0
Total Long Term Debt, including current portion	$255.2
Revolving Credit Facility	
Average Borrowings	$38.2
Maximum Borrowing	$104.7
Weighted Average Interest Rate	7.6%

- High volatility in raw material prices (steel particularly) and collapse in residential and commercial construction impacted Dayton's bottom line. Net sales decreased by 1.5% to $475.9mm and net loss for the fiscal 2008 was $12.0mm, or $0.64 per share, compared to $6.7 mm, or $0.37 per share, in 2007. This poor results coupled with the downturn in the economy and subsequent liquidity crisis in the financial markets made it difficult for Dayton to refinance its maturing debt. Dayton Superior continued drawing on its revolver to finance working capital needs.
  - Under the revolving credit facility, borrowings were limited to 85% of eligible accounts receivable and 60% of eligible inventories and rental equipment. At December 31, 2008, $107.9mm was available, of which $84.8mm was outstanding at a weighted average interest rate of 5.3%. Outstanding letters of credit were $9.0mm, resulting in available borrowings of $14.1mm. The revolving credit facility was secured by substantially all of Dayton's assets

Dayton Superior Case Study: Key Events Leading to Bankruptcy

- Dayton Superior Debt Maturities as of December 31,2008 (in $ millions):



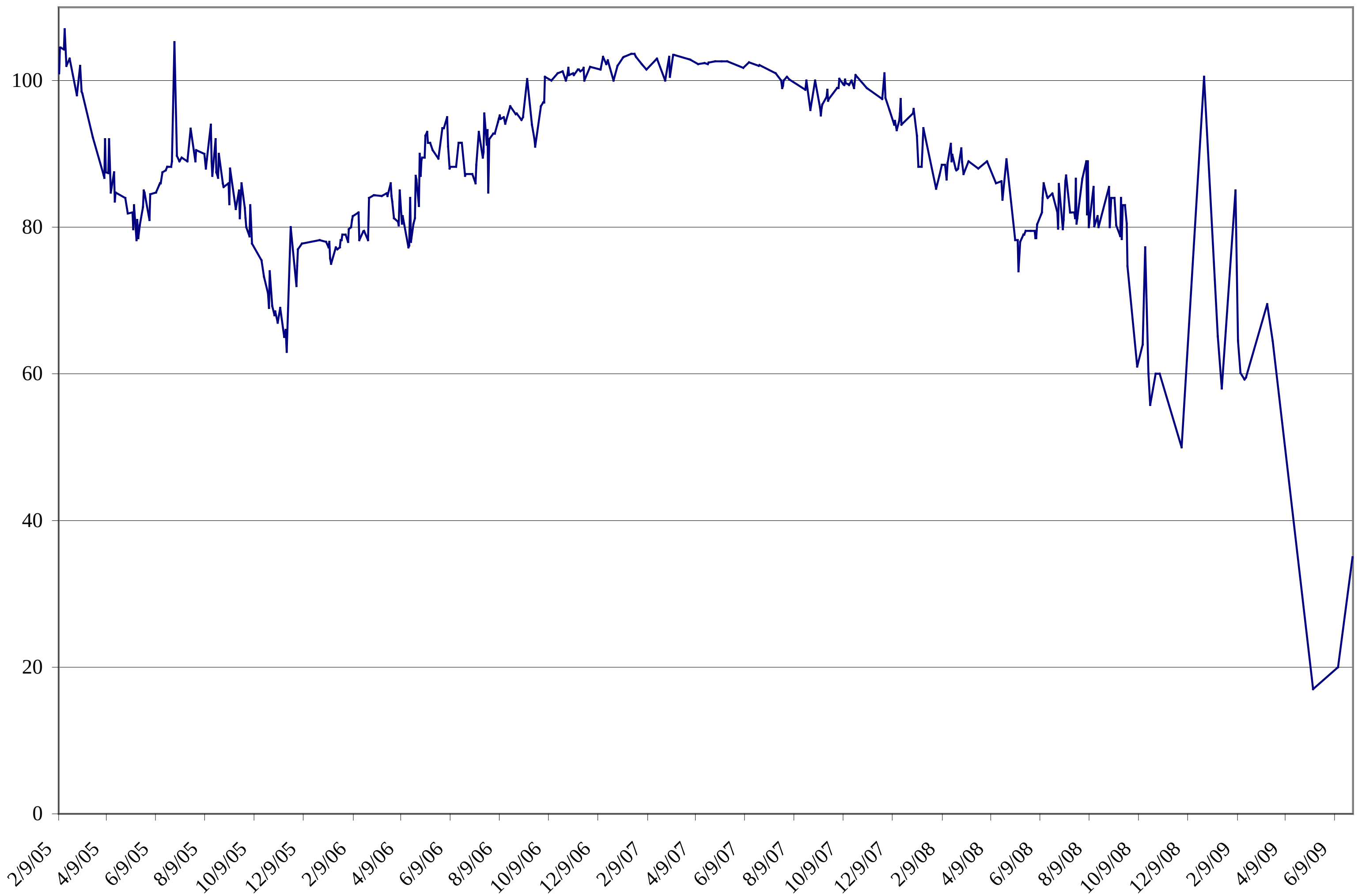
- Seeking opportunities in distressed investing Oaktree Capital acquired substantial portion of Dayton’s 13% Senior Subordinated Notes in 2008
- In July 2008, in attempt to resolve its liquidity crisis Dayton initiated coercive exchange offer for 13% Senior Subordinated Notes due 2009. The exchange offer failed after being extended several times to March 2009
  - The exchange offer was structured as a private placement for an equal amount of newly issued Senior Secured Notes due September 30, 2014 with interest in cash at a rate per annum equal to the greater of 12% or three-month LIBOR plus 9.00% or, at Dayton's option, in kind at a rate per annum equal to the greater of 12.75% or three-month LIBOR plus 9.75%
  - Dayton was also soliciting consents to amend the indenture governing existing 13% notes which will eliminate most of the restrictive covenants. The exchange offer was to go through if least 95% of the aggregate principal amount of the notes outstanding tendered

Dayton Superior Case Study: Key Events Leading to Bankruptcy

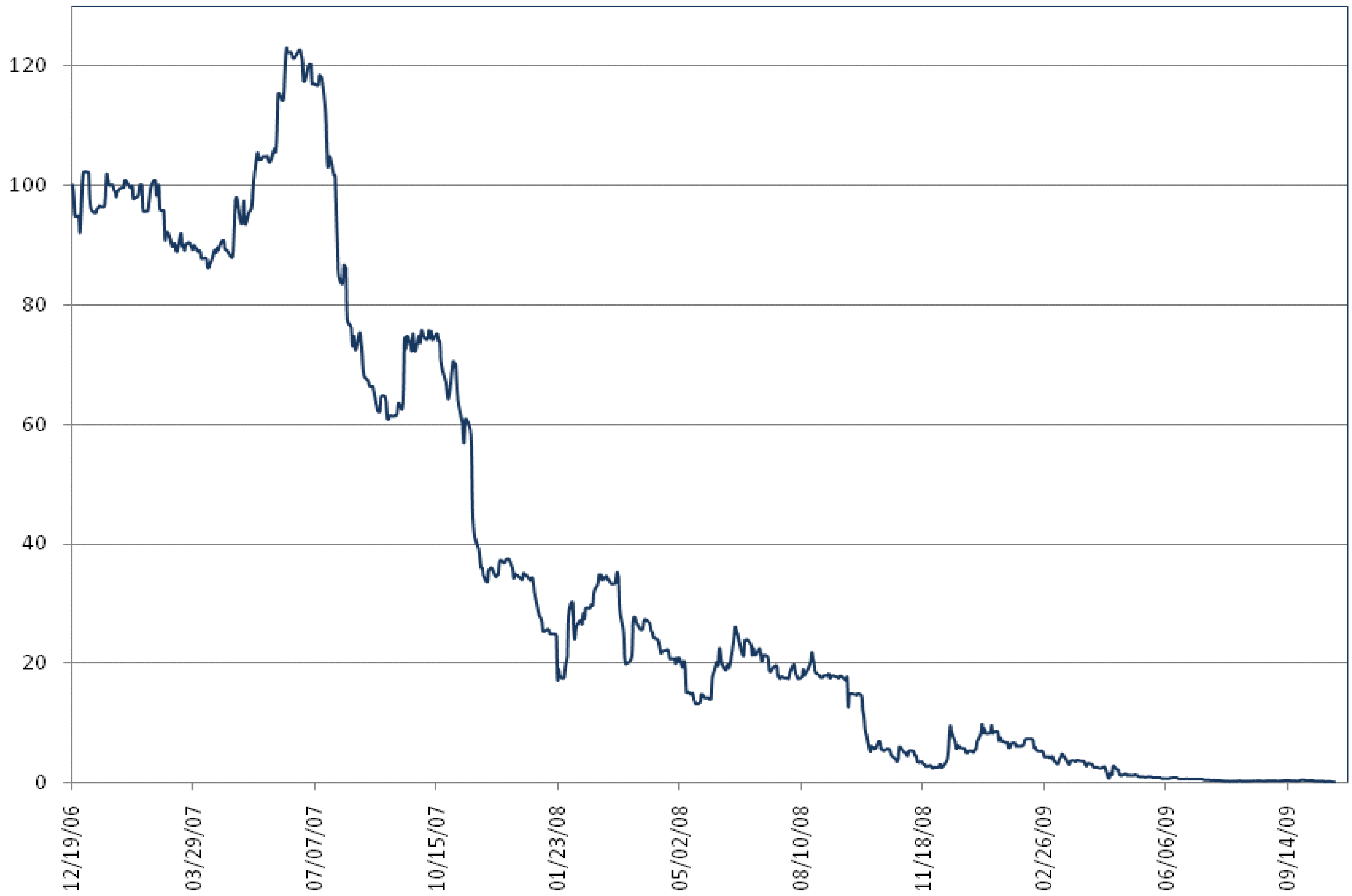
- Simultaneously with the exchange offer Dayton hired advisors to help restructure its debts or get acquired by strategic or financial player
    - In November 2008, Dayton hired Morgan Stanley to advice on restructuring of its debts. Morgan Stanley was subsequently fired in February 2008. Moelis & Co. came on board in March 2009 to advice Dayton on restructuring process in Chapter 11
    - In January 2009, Dayton retained Harris Williams to advise on the strategic sale
- Not being able to resolve its liquidity crisis Dayton kept extending maturities on the revolving credit facility and term loan with GECC
    - On March 16, 2009 Dayton amended its term loan and revolving credit facility agreements. Maturities have been extended until March 23, 2009 and the interest rates under the Credit Agreements will be increased as follows:
        - Revolving Credit Agreement: the new interest – ABR plus 5.50% or LIBOR plus 6.50% (with up to 4.00% of the total interest rate paid-in-kind), plus an additional 1.50% on Special Overadvances
        - Term Loan Credit Agreement: the new interest – ABR plus 11.50% or LIBOR plus 12.50% (with up to 8.00% of the total interest rate paid-in-kind)
    - On March 23, 2009 Dayton amended its term loan and revolving credit facility agreements to extend maturities until April 9, 2009 and to increase interest rates under the Credit Agreements as follows:
        - The company agreed to pay fees and expenses to its senior lenders, the minimum "Adjusted Base Rate" was increased to 4.25%, and, under the revolving credit facility, the interest rate on “Additional Special Overadvances” was at the company’s option, ABS plus 11.00% or LIBOR plus 10.00% (with up to 5.00% of the total interest rate payable in-kind)
    - On April 9, 2009 Dayton amended its term loan and revolving credit facility agreements again. Maturities have been extended until April 20, 2009
- Not being able to execute exchange offer, secure additional funding or further extend maturities with GECC, Dayton filed for Chapter 11 reorganization on April 19, 2009

Wolf Capital Advisors

Dayton Superior Case Study: 13% Senior Subordinated Note Historical Pricing



Dayton Superior Case Study: Historical Equity Price



Dayton Superior Case Study: Overview of Credit Agreement

- **Revolver**

"Borrowing Base" means, as of any date of determination by the Administrative Agent, an amount equal to the sum at such time of: (a) 85% of the net amount of Eligible Accounts of the Borrower and its Domestic Subsidiaries which are not more than 120 days past invoice date and 80% of the net amount of Eligible Accounts of the Borrower and its Domestic Subsidiaries which are more than 120 and not more than 150 days past invoice date, in each case, at such time (such percentages being subject to adjustment as provided in Section 2.19); plus (b) (i) the lesser of (x) 60% of the cost of Eligible Inventory (other than Rental Fleet) or (y) 85% of the Net Orderly Liquidation Value of Eligible Inventory (other than Rental Fleet) of the Borrower and its Domestic Subsidiaries (such percentages being subject to adjustment as provided in Section 2.20), plus (ii) the lesser of (x) 60% of the cost of the Rental Fleet or (y) 85% of the Net Orderly Liquidation Value of the Rental Fleet

Dayton Superior Case Study: Overview of Credit Agreement

- **Revolver**

"Borrowing Availability" means as of any date of determination the least of (i) the aggregate Commitments less the sum of (a) any Revolving Loans then outstanding (including, without duplication, the outstanding balance of L/C Obligations then outstanding), and (b) any Swing Loans then outstanding, (ii) the Borrowing Base, less the sum of (a) any Revolving Loans then outstanding (including, without duplication, the outstanding balance of L/C Obligations then outstanding), and (b) any Swing Loans then outstanding, and (iii) for so long as any Senior Subordinated Notes are outstanding, the maximum amount that if advanced on such date under this Agreement, whether as a Revolving Loan or a Letter of Credit, would constitute "Permitted Indebtedness" (under and as such term is defined in the Senior Subordinated Notes Indenture as in effect at such date).

Dayton Superior Case Study: Overview of Credit Agreement

- **Term Loan**

Mandatory Prepayments: (a) The Borrower shall pay within 5 Business Days after the last date Financial Statements are required to be delivered beginning with the Fiscal Year ending December 31, 2009, an amount equal to 75% of the Excess Cash Flow for such Fiscal Year, should the Consolidated Leverage Ratio of the Borrower on the last day of such Fiscal Year be (i) less than 4:1 and greater than or equal to 3.5:1, such percentage shall be reduced to 50%; or (iii) less than 3.5:1, such percentage shall be reduced to 25%. (b) Upon receipt on or after the Closing Date by any Loan Party or any of its Subsidiaries of Indebtedness of the type specified the Borrower shall immediately pay an amount equal to 50% of such Net Cash Proceeds. (c) Upon receipt on or after the Closing Date by any Loan Party or any of its Subsidiaries of Net Cash Proceeds arising from (i) any Sale by any Group Member of any Collateral, to the extent that such Net Cash Proceeds exceed $1,000,000 in any Fiscal Year, other than Sales of property through any Property Loss Event with respect to any Collateral of any Group Member to the extent resulting, in the aggregate with all other such property Loss Events, in the receipt by any of them of Net Cash Proceeds in excess of 1,000,000, the Borrower shall immediately pay an amount equal to 100% of such Net Cash Proceeds

Dayton Superior Case Study: Overview of Credit Agreement

- **Term Loan**

Permitted Refinancing Means Indebtedness constituting a refinancing or extension that (a) has an aggregate outstanding principal amount not greater than the aggregate principal amount of such Permitted Indebtedness outstanding at the time of such refinancing or extension, together with accrued interest, and fees (including any prepayment fees or premiums) (b) has a weighted average maturity (measured as of the date of such refinancing or extension) no shorter than that of such Permitted Indebtedness and, in the case of any refinancing of the Senior Subordinated Notes has no scheduled amortization prior to maturity and matures no earlier than 6 months after the 6th anniversary of the Closing Date, (c) is not entered into as part of a Sale and Leaseback transaction, (d) is not secured by any property or any Lien other than those securing such Permitted Indebtedness, and if such Permitted Indebtedness is subordinated to the Obligations, such Indebtedness is subordinated to the Obligations to the same extent as such Permitted Indebtedness and in the case of any refinancing of the Senior Subordinated Notes, such Indebtedness may rank pari passu in right of payment with the Obligations if such Indebtedness is either unsecured or is secured on a junior priority basis (that is junior both to the Liens securing the Obligations and to the Liens securing the Revolving Obligations)

Dayton Superior Case Study: Overview of Credit Agreement and 13% Indenture

- **13% Senior Subordinated Notes**

Senior subordinated notes were issued together with warrants that allow the holder to purchase 254,172 shares of the common stock. The notes were issued at a discount, which is being accreted to face value using the effective interest method and is reflected as interest expense. Interest on the notes is payable semi-annually and in arrears on June 15 and December 15 of each year. The notes are guaranteed by all of the domestic subsidiaries of Dayton Superior Corporation.

The notes are senior subordinated obligations and rank equally in right of payment with all of the existing and future senior subordinated indebtedness and junior in right of payment with all of the existing and future senior indebtedness that is not subordinated. The guarantees on the notes are senior subordinated obligations of the guarantors and rank equally in right of payment with all existing and future senior subordinated indebtedness of the guarantors and junior in right of payment with all existing and future senior indebtedness of the guarantors that is not subordinated.

Dayton Superior Case Study: Pre-Petition Capital Structure

	Face Amount	**Market Price**	**YTW**	**12/31/2009 EBITDA Multiple Face**	**12/31/2009 EBITDA Multiple Market**
Cash	$0.4				
Revolver[1] L+225	$101.7			3.3x	2.8x
Term Loan B L+375 (LIBOR floor 3.25%)	103.0	70.0		3.3x	2.8x
Sr Secured Seller Note	6.3			3.3x	2.8x
Capital Lease/Other	1.1			3.3x	2.8x
Total Secured Debt	212.1			3.3x	2.8x
13% Sr Sub Notes due June 1, 2009	154.7	50.0		5.7x	4.5x
Other Senior Debt	6.8			5.7x	4.5x
Total Senior Debt	366.8			5.7x	4.5x
9.1% Dayton Superior Capital Trust Debentures	1.0				
Shares Out	19.1				
Price	$0.10				
Equity Value	1.9				
Enterprise Value	369.3			5.7x	5.7x
Liquidity					
Cash	0.4				
LCs Outstanding	8.9				
Revolver	13.4				
Total Liquidity	13.8				

Dayton Superior Case Study: First Day Motions and Objections

- On April 19, 2009 Dayton Superior filed Chapter 11 Voluntary Bankruptcy Petition
    - Attorney for debtor: Richard, Layton & Finger, P. A
    - Financial advisor for debtor: Moelis and Company, LLC
    - Dayton listed assets of $286 million against liabilities of $413 million. Liabilities included approximately $161 million in principal and accrued interest on the Company's 13% Senior Subordinated Notes due 2009 and $213 million in outstanding borrowings under the Company's senior secured credit facilities
    - In conjunction with Chapter 11 Filing, Dayton Superior filed First Day Motions granting use of cash collateral to pay pre-petition obligations and outlining DIP financing terms by GECC. Edward Puisis, CFO of Dayton Superior and Mark Hootnick, a managing director of Moelis & Company filed declarations in support of the First Day Motions and DIP financing by GECC
        - DIP Motion outlined Senior Secured Priming and Superpriority Debtor-in-Possession Revolving Credit Agreement (the "DIP Credit Agreement") with GECC as letter of credit issuer. The DIP Credit Agreement provided for initial aggregate borrowings of up to $165 million for 12 month and included a dollar-for-dollar roll-up of outstanding obligations under the Company's existing Revolving Credit Agreement.
- On April 20, 2009 Bondholders Committee (OCM Principal Opportunities Fund VI – "Oaktree", Whippoorwill Associates and Solus Alternative Asset Management) and Pre-Petition Term Loan Lenders (DK Acquisition Partners and Silver Point Capital) filed objections to DIP Motion in support of Oaktree DIP proposal
- On April 21, 2009, Bankruptcy Court granted interim approval of the DIP Credit Agreement. Based on such interim approval, Dayton entered into the DIP Credit Agreement on April 22, 2009, subject to final approval of the Bankruptcy Court

Dayton Superior Case Study: GECC and Oaktree DIP proposals - Comparison

Terms	GECC	Oaktree
New Money	$54.5mm reduced by Block and Reserves	$55.0mm
Roll-up of Pre-Petition	$110.7mm	None
Total DIP	$165.0mm which could be reduced by borrowing base and any limit on new money	$55.0mm
Interim Amount	$35mm plus the amount of Roll-Up	Availability as needed under the DIP budget
Block	$5mm until 7/31, $10mm after until 10/15 and $15mm thereafter	No block
Reserves	Agent's discretion	No reserves
Letters of Credit	$25mm total, including $8.9mm existing	None
Lien on ABL Collateral	Superpriority to all existing liens	Pari pasu lien with revolving lender
Lien on non-ABL Collateral	Junior lien to the term loan lenders on priority collateral	Junior lien to the term loan lenders on priority collateral; Pari pasu lien to revolver lender's liens on term lender priority collateral
Professional Fee Carveout	$1.0mm	$2.0mm
Maturity	12 month	12 month
Interest		
Interest Rate	LIBOR + 12.0%	LIBOR + 4.5%
LIBOR Floor	3.25%	3.00%
Current Effective Rate	15.25% on up to $165.0mm	7.5% on up to $55.0mm
Fees		
Letters of Credit	12%	N/A
Unused Line	1.00%	0.38%
Commitment/Funding Fees	Total $6.6mm: $1.65mm - commitment fee, plus 4.0% facility fee (net of commitment)	Total $1.7mm: 3% Front-End purchase price adjustment
Administrative	$200,000	$150,000

Dayton Superior Case Study: Creditor's Committee and approval of DIP Financing

- On April 30, 2009 the US Trustee for the District of Delaware appointed the Committee to represent unsecured creditors as following:
    - OCM Principal Opportunities Fund IV (Oaktree Capital Management); Whipporwill Distressed Opportunity Fund; The Bank of New York Melon (trustee for 13% unsecured notes due 2009); US Bank National Association (trustee for 10% Convertible Notes due 2029); Ulma Form Works, Inc.; Alsona Forms Co. and Keystone Steel and Wire Co.
    - The committee retained Stroock & Stroock & Lavan LLP as legal counsel; Morris, Nichols, Arsht & Tunnell LLP, as Delaware councel; Conway, Del Genio, Gries & Co., LLC as financial advisor and Epiq Bankruptcy Solutions as its web-site administrative agent
- On May 19, 2009 Unsecured Creditor Committee filed preliminary objection to the Debtor DIP motion and continued negotiation on the terms of DIP Credit agreement with GECC
- On June 3, 2009 GECC filed response to in support of DIP motion and modified pricing and fees for DIP facility resulting in $1.9 million savings on facility fees, elimination of the covenants and reduction of the interest rate to LIBOR + 7.5%
    - The Bondholders have withdrawn their alternative financing proposal ("Oaktree DIP") and the Bondholder and Term Lender have withdrawn their objections to the DIP facility, leaving only the Committee's Objection remaining
- On June 5, 2009 Bankruptcy Court approved amended DIP motion, authorizing DIP financing by GECC and overruled objection by Unsecured Creditor Committee

Dayton Superior Case Study: Reorganization plan

- On July 23, 2009 Dayton filed Plan of Reorganization under Chapter 11, that was amended on August 14, 2009 and approved on October 14, 2009. Term Loan Facility, Subordinated Note and General Unsecured Claimants were entitled to vote on the plan and voted in favor. Under the plan claim holders were granted the following recovery:

Claim Holders	Pre-Petition	Treatment	Recovery	Post-Petition
Administrative Tax Claims	$0.0	Paid in full in cash	100%	$0.0
DIP Facility Claims	$0.0	Paid in full in cash	100%	$0.0
Priority Tax Claims	$0.0	Paid in full in cash	100%	$0.0
Pre-Pettion Term Loan	$103.2	Pro-rata share of (1) Prepetitiom Term Loan Payment Amount and (2) The notes issued in connection with the Term Loan Exit Facility	100%	$103.2
Subordinate 13% Notes	$161.6	Pro-rata share of the New Stock subject to dilution as a result of Rights Offering	19%	$30.7
General Unsecured Claims	$8.9	Pro-rata share of the General Unsecured Claims Cash Amount of $1,787,323	20%	$1.8
Junior Convertible Note Clams	$1.0	Will be deemed cancelled	0%	$0.0
Equity Interest	na	Will be deemed cancelled	0%	$0.0

- In connection with the Restructuring Plan DIP facility are to be paid out in cash on the termination date and the loans to be rolled up to the $100.0mm Exit Revolver and $103.1mm Exit Term Loan. The Debtor will commence a $100.0mm Rights Offering of New Stock. Following the effective date Dayton will implement a Post-Effective Date director and office equity incentive program representing in the aggregate up to 10% of the common equity on a fully-diluted basis

Dayton Superior Case Study: Reorganization plan

- Revolver Exit Facility

Revolver Exit Facility will consist of a revolving credit of up to $110mm with a $20mm letter of credit sub-facility and a $10mm swing line loan sub-facility. The facility will mature four (4) years from the Effective Date. Borrowings under the credit facility will bear LIBOR plus 5.5% interest rate with 3.0% LIBOR floor

- Term Loan Exit Facility

The principal amount of the Term Loan Exit Facility will be approximately $103.2mm plus fees and expenses and post petition interest accrued under the Prepetition Term Loan Payment Agreement minus the sum of (1) the Prepetition Term Loan Payment Amount and (2) any transactional fees and expenses. The facility will mature four (4) years from the Effective Date. Closing fees were 1.0% of the outstanding principal balance with no amortization for the first 18 month. A first lien on substantially all assets of the Borrower and a second lien on the working capital assets

Borrowings under the credit facility will bear the following interest rate:

- Before total principal repayments of $20mm: First 12 month after closing date: LIBOR plus 9.0%; Month 13-18: LIBOR plus 9.5%; After 18 month: LIBOR plus 8.5%
- After total principal repayments of $20mm: First 12 month after closing: LIBOR plus 8.0%; After month 18: LIBOR plus 7.0%
- LIBOR floor of 3.0% in all cases

Dayton Superior Case Study: Reorganization plan

- Rights Offering

On the Effective Date, Reorganized Debtor would issue 1.0mm shares of the New Stock that is subject to dilution by the rights offering. On the Subscription date, the Debtor will commence $100.0mm Rights Offering of shares on New Stock. Each rights offering participant would be able to subscribe to its pro rata share of the new stock. The number of rights offering shares would be determined by dividing $100.0mm by the “Subscription Price”. The “subscription price” will be determined on the effective date of the rights offering.

  - Backstop parties (Oaktree and Solus) have agreed to purchase all rights offering shares that are not otherwise purchased in the rights offering. Oaktree and Solus were to become the largest shareholders of reorganized privately-held Company

- Equity Incentive Plan

Equity Incentive Plan would be adopted after the Effective Date and would provide for director and officer equity incentive programs that translate to issuance from time to time, as approved by the board of managers, equity interest up to ten percent (10%) of the common equity on a fully-diluted basis

Dayton Superior Case Study: Summary Financials

	2005	2006	2007	2008	1Q09E	2Q09E	3Q09E	4Q09E	2009E	2010E
Revenues	$419.0	$479.3	$483.0	$475.9	$61.5	$85.5	$93.1	$76.8	$316.9	$318.1
COGS	320.4	341.2	331.2	316.1	43.6	58.5	63.3	51.5	216.8	216.1
Gross Profit	$98.6	$138.1	$151.8	$159.7	$17.9	$27.0	$29.8	$25.4	$100.1	$101.9
margin	*23.5%*	*28.8%*	*31.4%*	*33.6%*	*29.1%*	*31.6%*	*32.0%*	*33.0%*	*31.6%*	*32.1%*
SG&A	$94.0	$104.3	$105.4	$109.1	$18.7	$29.1	$34.4	$26.9	$109.1	$76.2
% of Sales	*22.42%*	*21.76%*	*21.83%*	*22.94%*	*30.50%*	*34.00%*	*37.00%*	*35.00%*	*34.44%*	*23.95%*
Restructuring					(3.7)	(3.7)	(3.7)	(3.7)	(14.8)	
Other	(0.6)	(2.2)	(1.5)							
EBIT	$4.1	$31.7	$44.9	$50.6	($4.6)	($5.7)	($8.3)	($5.2)	($23.9)	$25.8
margin	*0.97%*	*6.61%*	*9.29%*	*10.63%*	*-7.46%*	*-6.71%*	*-8.95%*	*-6.81%*	*-7.54%*	*8.10%*
D&A	33.4	26.5	25.4	24.0	6.0	6.0	6.0	6.0	24.0	24.0
Adjustments					3.7	3.7	3.7	3.7	14.8	
Adj. EBITDA	37.5	58.2	70.2	74.6	5.1	4.0	1.4	4.5	14.9	49.8
margin	*8.95%*	*12.13%*	*14.54%*	*15.67%*	*8.33%*	*4.63%*	*1.47%*	*5.82%*	*4.71%*	*15.65%*
Cash Interest	48.0	50.1	46.5	50.0	3.2	3.2	3.2	3.2	12.8	0.0
Cash Taxes	0.6	0.6	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Capex	6.69	13.24	19.94	12.3	1.8	0.9	2.3	3.8	8.9	9.5
NWC (Increase) Decrease	(21.3)	(6.1)	9.12	(16.8)	25.8	(21.3)	(1.8)	19.3	22.0	(0.4)
Free Cash Flow	$3.5	$0.3	($7.4)	$27.1	($27.7)	$19.2	($4.4)	($23.9)	($30.8)	$38.7

Dayton Superior Case Study: Recovery Waterfall

Estimated Revenue		**$316.9**	**$316.9**	**$316.9**	**$316.9**	**$316.9**	**$316.9**	**$316.9**
Revenue Distributions								
Product Sales	***81.4%***							
Equipment Rental	***14.6%***							
Used Equipment Sales	***4.1%***							
D&A	$24.0							
Product Sales	Revenue	$257.8	$257.8	$257.8	$257.8	$257.8	$257.8	$257.8
	Gtoss Profit Margin	*28.3%*	*28.3%*	*28.3%*	*28.3%*	*28.3%*	*28.3%*	*28.3%*
	Allocated D&A	19.5	19.5	19.5	19.5	19.5	19.5	19.5
	EBITDA	92.4	92.4	92.4	92.4	92.4	92.4	92.4
	Multiple	4.00x	4.25x	4.50x	4.75x	5.00x	5.25x	5.50x
	Value	$369.4	$392.5	$415.6	$438.7	$461.8	$484.9	$508.0
Equiptment Rental	Revenue	$46.1	$46.1	$46.1	$46.1	$46.1	$46.1	$46.1
	Gtoss Profit Margin	*44.1%*	*44.1%*	*44.1%*	*44.1%*	*44.1%*	*44.1%*	*44.1%*
	Allocated D&A	3.5	3.5	3.5	3.5	3.5	3.5	3.5
	EBITDA	23.8	23.8	23.8	23.8	23.8	23.8	23.8
	Multiple	5.50x	5.75x	6.00x	6.25x	6.50x	6.75x	7.00x
	Value	$131.1	$137.1	$143.0	$149.0	$154.9	$160.9	$166.9
Used Equipment Sales	Revenue	$12.9	$12.9	$12.9	$12.9	$12.9	$12.9	$12.9
	Gtoss Profit Margin	*53.2%*	*53.2%*	*53.2%*	*53.2%*	*53.2%*	*53.2%*	*53.2%*
	Allocated D&A	1.0	*98.0%*	*98.0%*	*98.0%*	*98.0%*	*98.0%*	*98.0%*
	EBITDA	7.9	7.9	7.9	7.9	7.9	7.9	7.9
	Multiple	6.00x	6.05x	6.10x	6.15x	6.20x	6.25x	6.30x
	Value	$77.6	$78.3	$78.9	$79.6	$80.2	$80.9	$81.5
Total Segment EBITDA		$124.1	$124.1	$124.1	$124.1	$124.1	$124.1	$124.1
Less Coropoate & Adjustments		(78.1)	(78.1)	(78.1)	(78.1)	(78.1)	(78.1)	(78.1)
Consolidated EBITDA		45.9	45.9	45.9	45.9	45.9	45.9	45.9
Corporate 5x		(390.7)	(390.7)	(390.7)	(390.7)	(390.7)	(390.7)	(390.7)
Value of Foreign Subs		10.0	10.0	10.0	10.0	10.0	10.0	10.0
Enterpise Value		**$187.5**	**$217.2**	**$246.9**	**$276.6**	**$306.3**	**$336.0**	**$365.6**
Implied Multiple		*4.08x*	*4.73x*	*5.38x*	*6.02x*	*6.67x*	*7.32x*	*7.96x*

Wolf Capital Advisors

Dayton Superior Case Study: Recovery Waterfall

Beginning Cash	$0.4	$0.4	$0.4	$0.4	$0.4	$0.4	$0.4
Plus Cash Build (Burn) [1]	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Plus NOL	49.7	49.7	49.7	49.7	49.7	49.7	49.7
Estate Value	**227.6**	**257.3**	**287.0**	**316.7**	**346.4**	**376.1**	**405.7**
Estate Fees	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
20 Days Payable Reclamation Claim	(11.7)	(11.7)	(11.7)	(11.7)	(11.7)	(11.7)	(11.7)
Residual Value after Estate Fees	205.9	235.6	265.3	295.0	324.7	354.4	384.1
Less: DIP Balance at Exit (Excluding Estate Fees)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
Less: Capital Leases	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Less Other Unimpaired Secured Debt	6.3	6.3	6.3	6.3	6.3	6.3	6.3
Distributable Value	215.9	245.6	275.3	305.0	334.7	364.4	394.1
Residual Value Attributable to First Lien Term Loan							
TLA	204.7	204.7	204.7	204.7	204.7	204.7	204.7
Pre-petition Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Post-petition Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Claim (Principal of $204.7)	204.7	204.7	204.7	204.7	204.7	204.7	204.7
Deficiency Claim	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Recovery % Face	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
Recovery % Claim	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
Present Value at @ 15%	*87%*	*87%*	*87%*	*87%*	*87%*	*87%*	*87%*
Residual Value Available For Unsecured	$11.2	$40.9	$70.6	$100.3	$129.9	$159.6	$189.3
TL Deficiency Claim	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
13% Senior Notes	154.7	154.7	154.7	154.7	154.7	154.7	154.7
Pre-petition Interest	6.9	6.9	6.9	6.9	6.9	6.9	6.9
Post-petition Interest	20.1	20.1	20.1	20.1	20.1	20.1	20.1
Total Claim (Principal of $181.7)	181.7	181.7	181.7	181.7	181.7	181.7	181.7
Trade/Rejection Damages,Other GUCs	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total GUC	181.7	181.7	181.7	181.7	181.7	181.7	181.7
Recovery % Face	*7%*	*26%*	*46%*	*65%*	*84%*	*100%*	*100%*
Present Value at @ 15%	*6%*	*23%*	*40%*	*56%*	*73%*	*87%*	*87%*
Recovery % Claim	*6%*	*22%*	*39%*	*55%*	*72%*	*88%*	*100%*
Recovery w/100% Equity	*6%*	*22%*	*39%*	*55%*	*72%*	*88%*	*104%*
Residual Value for Unsecured Debt Subject to Subordiantion Agreement	*$0.0*	*$0.0*	*$0.0*	*$0.0*	*$0.0*	*$0.0*	*$7.6*
9.1% Dayton Superior Capital Trust Debentures	$1.04	$1.04	$1.04	$1.04	$1.04	$1.04	$1.04
Pre-petition Interest							
Post-petition Interest							
Total Claim (Principal of $1.0)	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Recovery % Face	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*100%*
Present Value at @ 15%	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*87%*
Residual Value Available to Equity Holders	*$0.0*	*$0.0*	*$0.0*	*$0.0*	*$0.0*	*$0.0*	*$6.6*
Shares Outstanding	19.1	19.1	19.1	19.1	19.1	19.1	19.1
Price Per Share	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.34

Dayton Superior Case Study: Hypothetical Plan Valuation

Plan Valuation:	
Estate Value for Plan Strike	316.7
Distibutable Value	305.0
Drawn Revolver at Exit	0.0
Exit Term Loan to Repay Pre-petion Bank Debt	156.0
Prepetion Bank Debt	204.7
Recovery	*76%*
Implied Equity Value Available to Sr Sub Notes	149.0
13% Sr Sub Note Claim (pre/post-petition interest)	181.7
Recovery	*82%*
Recovery w/10% shares held back for mgmt other	*74%*

Pro Forma Valuation:	
2010E EBITDA	48.0
Implied Multiple	6.4x
EV	305.0
Revolver	0.0
Equity Value	149.0
Shares Issued (mm)	10.0
Value Per Share	$14.90
FCF Yield	*8.2%*

Exit Debt Capacity	
2010E EBITDA	48.0
Revolver Interest	0.0
Normalized Capex	(10.3)
WC	(10.0)
Free Cash Flow for Interest	27.7
3x EBITDA/Interest Coverage	16.0
Interest	*10.3%*
Debt Capacity	156.0
Pro Forma Interest	(15.5)
Pro Forma FCF	12.2
Pro Forma EBITDA/Interest	3.1x
Pro Forma Debt/EBITDA	3.3x

Recovery Sensitivity w/90% Equity to Subs

EBITDA	5.5x	5.8x	6.0x	6.3x	6.5x
60.0	*95.7%*	*104.0%*	*112.2%*	*120.5%*	*128.7%*
65.0	*110.9%*	*119.8%*	*128.7%*	*137.7%*	*146.6%*
70.0	*126.0%*	*135.6%*	*145.3%*	*154.9%*	*164.5%*
75.0	*141.1%*	*151.4%*	*161.8%*	*172.1%*	*182.4%*
80.0	*156.3%*	*167.3%*	*178.3%*	*189.3%*	*200.3%*
85.0	*171.4%*	*183.1%*	*194.8%*	*206.5%*	*218.2%*

Dayton Superior Case Study: Recovery Matrix

Equity Value Based on FCF Yield

	FCF Yield									
FCF	*15.0%*	*14.0%*	*13.0%*	*12.0%*	*11.0%*	*10.0%*	*9.0%*	*8.0%*	*7.0%*	*6.0%*
9.7	64.9	69.6	74.9	81.2	88.6	97.4	108.2	121.8	139.2	162.3
16.3	108.5	116.2	125.2	135.6	147.9	162.7	180.8	203.4	232.5	271.2
27.7	184.7	197.9	213.1	230.9	251.9	277.1	307.9	346.3	395.8	461.8
44.6	297.2	318.4	342.9	371.5	405.3	445.8	495.3	557.2	636.8	743.0
56.7	377.8	404.8	436.0	472.3	515.2	566.8	629.7	708.5	809.7	944.6

Recovery Based on FCF Yield

	FCF Yield									
FCF	*15.0%*	*14.0%*	*13.0%*	*12.0%*	*11.0%*	*10.0%*	*9.0%*	*8.0%*	*7.0%*	*6.0%*
21.9	*35.7%*	*38.3%*	*41.2%*	*44.7%*	*48.7%*	*53.6%*	*59.6%*	*67.0%*	*76.6%*	*89.3%*
25.3	*59.7%*	*64.0%*	*68.9%*	*74.6%*	*81.4%*	*89.5%*	*99.5%*	*111.9%*	*127.9%*	*149.2%*
29.2	*101.6%*	*108.9%*	*117.3%*	*127.0%*	*138.6%*	*152.5%*	*169.4%*	*190.6%*	*217.8%*	*254.1%*
33.6	*163.5%*	*175.2%*	*188.7%*	*204.4%*	*223.0%*	*245.3%*	*272.5%*	*306.6%*	*350.4%*	*408.8%*
38.4	*207.9%*	*222.8%*	*239.9%*	*259.9%*	*283.5%*	*311.9%*	*346.5%*	*389.8%*	*445.5%*	*519.8%*

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- *The companies in which Wolf Capital will invest (directly or indirectly) will be subject to the risks associated with the businesses in which they are engaged, including market conditions, changes in regulatory requirements, interest rate fluctuations, general economic downturns and other factors. The funds will be subject to all of the risks associated with the purchase and sale of securities generally, including, among others, economic, political, interest rate and other risks (including fraud and terrorism), any of which could result in an adverse change in the performance of the financial markets as a whole or a fund in particular.*

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