

TRANSACTION ADVISORY SERVICES

Fairness Opinions

INTRODUCTION

Ankura's transaction advisory services experts offer clients a full range of financial advisory and valuation services including fairness opinions; buy-side and sell-side advisory; private placement of debt and equity capital; enterprise valuations and financial reporting; and regulatory and tax valuations. Our transaction advisory services professionals are experienced in all facets of capital markets transactions and are skilled at providing defensible and well reasoned opinions of value.

ARE YOU CONTEMPLATING A MERGER, ACQUISITION, SALE OF A BUSINESS, OR DIVISION?

Mergers and acquisitions have been receiving increasing scrutiny by activist investors and dissenting shareholders that do not believe they are receiving a fair price for their shares or believe a transaction will not be accretive to shareholder value. It is imperative that boards of directors meet their fiduciary duties and can show that they have used sound business judgement in executing a transaction. Most investment banks that are engaged to advise the board in a transaction will render a fairness opinion as part of their engagement. However, an opinion stating that the financial terms are, fair from a financial perspective, where the firm rendering the opinion will collect a substantial success fee upon close, may not provide clear evidence of an independent perspective. As a result, we are seeing an increasing number of transactions where the board will engage an independent firm to review the transaction and render an independent fairness opinion.

WHAT IS A FAIRNESS OPINION?

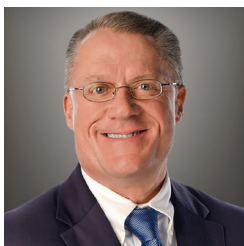
A fairness opinion is a letter that is typically directed to the board of directors or a special committee of the board, stating that the provider of the opinion has reviewed the financial terms of a transaction, and that they are deemed to be fair. Fairness does not mean that the price received was necessarily the "best or highest price," but rather that the terms of the transaction fall within a reasonable range of fairness. A fairness opinion provides evidence that the board met its fiduciary responsibilities to its shareholders.

TRANSACTION ADVISORY SERVICES

OUR RECENT EXPERIENCE:

1. Provided a fairness opinion to a publicly-traded bank located in the southwest region. The transaction was a stock-for-stock merger and our opinion was presented to the board of directors and was disclosed in the proxy statement.
2. Rendered a fairness opinion to the board of directors of a technology company that received an offer to take the company private. We were engaged by a special committee to the board to assess the fairness of the offer on behalf of the board minority shareholders.
3. Provided a fairness opinion to the board of directors of a holding company on behalf of the unsecured creditors committee related to the divestiture of a subsidiary. The subsidiary was an operating company in the alternative banking space targeting the under-banked.
4. A not-for-profit healthcare company located in the southeast that had a not-for-profit insurance subsidiary, received an offer from a third party to acquire a fifty percent interest in the insurance company, and establish a joint venture. Ankura professionals were engaged to review the financial terms of the offer and render an independent fairness opinion.

We offer our clients a diverse team of professionals with strong skills in valuation investment banking, and capital markets activities with extensive industry knowledge. All senior members of our team have extensive "Big-4" valuation and/or investment banking experience.



RICHARD D. HITT
Senior Managing Director
and Practice Leader

richard.hitt@ankura.com
+1.312.583.2621 Direct

OUR INDUSTRY EXPERIENCE

The breadth and depth of our collective industry experience includes, among others:

- Construction
- Consumer business
- Consumer products
- Energy and utilities
- Entertainment and sports
- Financial services
- Government/municipal
- Healthcare
- Life sciences
- Manufacturing
- Private equity and hedge fund
- Real estate
- Recreation and leisure
- Technology
- Telecommunications and media
- Transportation
- Oil and gas

FINRA registered activities are all executed through Ankura's wholly-owned broker dealer subsidiary, Ankura Capital Advisors, LLC.

ABOUT US

Ankura is a business advisory and expert services firm defined by *HOW* we solve challenges. Whether a client is facing an immediate business challenge, trying to increase the value of their company or protect against future risks, Ankura designs, develops, and executes tailored solutions by assembling the right combination of expertise. We build on this experience with every case, client, and situation, collaborating to create innovative, customized solutions, and strategies designed for today's ever-changing business environment. This gives our clients unparalleled insight and experience across a wide range of economic, governance, and regulatory challenges. At Ankura, we know that **collaboration drives results.**