



CORPORATE FINANCE

Deal Announcement

ADVISORY

KPMG Corporate Finance advised Electro-Component Assembly Company, a leading medical contract manufacturer, on its sale to American Capital Strategies, Ltd.



Stamping Specialties, Inc. doing business as

**Electro-Component
Assembly Company**

KPMG Corporate Finance
acted as financial adviser to the
shareholders of Electro-Component
Assembly Company on its sale to
American Capital Strategies, Ltd.

US\$46 million

April 2005

AUDIT ■ TAX ■ ADVISORY

"KPMG Corporate Finance coordinated a smooth and fast transaction and added significant value throughout all steps of the process. We are extremely pleased with the work done by their team and would not hesitate to recommend KPMG Corporate Finance to other business owners."

Henry Garcia, President
Stamping Specialties, Inc.

The Company

Stamping Specialties Corporation, doing business as Electro-Component Assembly Company (ECA), is the leading medical contract manufacturer specializing in the design, development, and manufacture of disposable torque wrenches, hexagon keys, and solid wrenches used in pacemakers, defibrillators, and other implantable medical devices. Based in Newbury Park, California, ECA distributes its products to leading pacemaker and defibrillator OEMs that then package the appropriate wrench or key with their own implantable cardiac devices. ECA sells more than 1.5 million wrenches per year to the world's largest manufacturers of implantable cardiac devices, including Medtronic Inc., Guidant Corporation, and St. Jude Medical Inc.

The Situation

ECA's shareholders sought to sell the business in order to provide liquidity as they reach retirement. ECA retained KPMG Corporate Finance as its exclusive adviser to facilitate the sale of 100 percent of its stock. Simultaneously with the sale, the shareholders sought to carve out a non-core subsidiary of the holding company to a related party.

The Transaction

KPMG Corporate Finance conducted a competitive sale process to identify the optimal buyer that would enable the shareholders to exit the business. KPMG Corporate Finance developed significant interest in ECA through a controlled auction, coordinated management meetings and due diligence, and assisted the shareholders in successfully negotiating the sale to American Capital Strategies, Ltd. (Nasdaq:ACAS), a buyout and mezzanine investment company. KPMG Corporate Finance negotiated a valuation and structure that significantly exceeded the shareholder's expectations. KPMG Corporate Finance's knowledge of the industry and strong relationships with financial investors was fundamental to its ability to deliver superior financial advice.

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KPMG Corporate Finance: Objectivity. Insight. Experience.

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KPMG Corporate Finance LLC provides a full suite of investment banking and strategic advisory services to its domestic and international clients. Our professionals have the experience and depth of knowledge in global M&A to advise clients on mergers and acquisitions, sales and divestitures, buyouts, financings, restructurings, fairness opinions, and other strategic initiatives. In addition, we remain independent of financing sources, helping to ensure that our efforts are objective and aligned with the goals of KPMG's firms' clients. Operating in 51 countries, KPMG's Corporate Finance practice comprises more than 1,500 professionals who are able to meet the needs of KPMG's firms' clients across the globe. In 2004, KPMG's Corporate Finance practice was ranked the number one financial adviser for completing the highest number of transactions globally (361 deals totaling US\$18.9 billion), according to Thomson Financial's global M&A league tables.

We welcome the opportunity to meet you, learn more about your company's objectives, and discuss our people and capabilities.

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