





CORPORATE FINANCE

Deal Announcement

ADVISORY

KPMG Corporate Finance advised Paulson Reporting & Litigation Services, Inc. on its sale to Alexander Gallo Holdings LLC.



Paulson Reporting & Litigation Services, Inc.

KPMG Corporate Finance
acted as financial adviser to
Paulson Reporting & Litigation Services,
Inc. on its sale to
Alexander Gallo Holdings LLC

Value not disclosed

April 2006

AUDIT ■ TAX ■ ADVISORY

"We were impressed by KPMG Corporate Finance's responsiveness, insight, and diligence. By allowing them to guide us through the entire process, we were able to focus on running our company. KPMG Corporate Finance helped us achieve a transaction that fully recognized the value of our business while being a great success for all parties."

Susan Paulson, President
Paulson Reporting & Litigation Services, Inc.

AUDIT ■ TAX ■ ADVISORY

The Company

Paulson Reporting & Litigation Services, Inc. (Paulson or the Company) is a full-service litigation support firm that provides court reporting, legal videography, videoconferencing, trial presentation support, litigation document management, and depository services. Founded in 1986 in San Diego, California, Paulson was one of the largest privately held court reporting and litigation support services firms in the United States. Setting a new standard in its industry, the Paulson business model is centered on providing a high level of personal and distinguished service in a comfortable and productive office environment.

The Situation

The shareholders of Paulson retained KPMG Corporate Finance as its exclusive adviser in the sale. The shareholders' objectives were to partner the Company with a buyer that was committed to the business model and employees while placing an appropriate value on the business.

The Transaction

KPMG Corporate Finance conducted a competitive but limited sale process focused on working with only those parties that might provide the best fit with the shareholders' objectives. KPMG developed buyer interest, coordinated management meetings, and negotiated with the potential acquirers. After receiving significant interest, the shareholders ultimately chose to partner with Alexander Gallo Holdings LLC (Gallo). Gallo is a private court reporting, document management, and litigation support company. Gallo received mezzanine financing in support of the transaction from Veronis Suhler Stevenson Mezzanine Partners LLP and New York Life Capital Partners. KPMG Corporate Finance's knowledge of the industry, relationships with both strategic and financial buyers, and deal experience resulted in the accelerated closing of a transaction that met or exceeded all shareholder objectives.

KPMG Corporate Finance: Objectivity. Insight. Experience.

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Trust KPMG Corporate Finance with Your Next Transaction

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 52 countries, KPMG's Corporate Finance practice comprises more than 1,600 professionals who are able to meet the needs of KPMG's firms' clients across the globe. In 2005, KPMG's Corporate Finance practice was ranked the number one financial adviser for completing the highest number of transactions globally (429 deals totaling US\$40.3 billion), according to Thomson Financial's global M&A league tables.

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

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