



CAPSTONE PARTNERS EXPANDS NATIONALLY WITH THE ACQUISITION OF MORGAN STANLEY SMITH BARNEY'S CAPITAL STRATEGIES GROUP

Boston, MA - Capstone Partners LLC, a leading middle market investment banking firm, today announced that it has successfully completed the acquisition of the Capital Strategies Group from Morgan Stanley Smith Barney. The transaction will expand Capstone's geographic footprint from Boston to include Chicago, Los Angeles and Philadelphia. The transaction marks the third major growth initiative from Capstone during 2010. Earlier in the year, Capstone formed a merchant banking arm to make direct investments and launched a dedicated valuation practice.

"The addition of the Capital Strategies Group and their senior talent represents a significant strategic move for Capstone. It broadens our presence nationally, expands our industry capabilities and greatly enhances our leadership team," commented John Ferrara, President and Managing Partner of Capstone. "These are top-caliber bankers that have dedicated their entire careers to serving the capital market needs of middle market business owners and investors. Their addition represents an exciting extension for our Firm," added Ferrara.

With the addition of the Capital Strategies Group, Capstone gains three regional offices in key markets across the country. These offices, which will serve as regional platforms for Capstone's planned future growth, will be managed by the following bankers:



Ted Polk joins Capstone as a Managing Director and Head of the Central Region, based out of Chicago. Prior to Capstone, Ted ran the corporate finance practice in the Central region for Morgan Stanley Smith Barney's Capital Strategies Group and its predecessor, Citi Capital Strategies. He has over 20 years of experience, having completed strategic sale and recapitalization transactions across a variety of industries. Ted is a frequent public speaker on the topic of business exits and recapitalizations of privately owned businesses. In 2008, Ted was recognized by The M&A Advisor for the Cross-Border Middle-Market Deal of the Year. In 2009, another one of his transactions was recognized as the Middle-Market M&A Financing Deal of the Year. Previously, Mr. Polk worked at Valuemetrics, Inc. and in the Corporate Banking Group at The Bank of New York. Ted received his BSBA degree from Georgetown University and MBA from the University of Chicago. He is a Chartered Financial Analyst (CFA), a Series 7 and 63 Registered Securities Representative, and a Series 24 Registered Securities Principal.



David Bench is joining Capstone as a Managing Director in charge of the Western Region, based out of Los Angeles. Prior to Capstone, David managed the Western region for Morgan Stanley Smith Barney's Capital Strategies Group and its predecessor, Citi Capital Strategies. David has focused on middle market investment banking for over 23 years and has been the lead banker in over 250 M&A transactions involving both domestic and foreign corporate buyers, as well as leveraged recaps with private equity sponsors. David's achievements in the investment banking industry have gained national recognition by The M&A Advisor: in 2008, one of his transactions was awarded the "Energy Deal of the Year" and, in 2007, he was awarded Middle Market Financing Professional of the Year. Mr. Bench holds a BS and an MBA in Finance from Brigham Young University. He is a Series 7 and 63 Registered Securities Representative and a Series 24 Registered Securities Principal.



Eric Williams will serve as Managing Director and Head of the Eastern Region for Capstone, based out of Philadelphia. Prior to Capstone, Eric was responsible for managing the Eastern region for Morgan Stanley Smith Barney's Capital Strategies Group and its predecessor, Citi Capital Strategies. Eric has 20 years of experience managing strategic sale assignments and leveraged recapitalizations for owners of privately held companies. He has successfully completed over 100 transactions in a wide range of industries including health care services, medical technology outsourcing, defense, pharmaceutical services, and education and training. He has also executed complex cross-border transactions with foreign buyers based in London, Germany, Sweden, and Switzerland and has structured deals with leading private equity groups and strategic corporate buyers. Previously, Mr. Williams worked as a senior executive with Newport Securities Corporation. He graduated cum laude from the University of California and is a Series 7 and 63 Registered Securities Representative as well as a Series 24 Registered Securities Principal.

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