



**TRIMAS**  
CORPORATION

# **Third Quarter 2008 Earnings Presentation**

**November 10, 2008**

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# Safe Harbor Statement

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This document contains “forward-looking” statements, as that term is defined by the federal securities laws, about our financial condition, results of operations and business. Forward-looking statements include certain anticipated, believed, planned, forecasted, expected, targeted and estimated results along with TriMas’ outlook concerning future results. The words “estimates,” “expects,” “anticipates,” “projects,” “plans,” “intends,” “believes,” “forecasts,” or future or conditional verbs, such as “will,” “should,” “could,” or “may,” and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including, without limitation, management’s examination of historical operating trends and data are based upon our current expectations and various assumptions. Our expectations, beliefs and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs and projections will be achieved. These forward-looking statements are subject to numerous assumptions, risks and uncertainties and accordingly, actual results may differ materially from those expressed or implied by the forward-looking statements. We caution readers not to place undue reliance on the statements, which speak only as of the date of this document. The cautionary statements set forth above should be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. We do not undertake any obligation to review or confirm analysts’ expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Risks and uncertainties that could cause actual results to vary materially from those anticipated in the forward-looking statements included in this document include general economic conditions in the markets in which we operate and industry-based factors such as: technological developments that could competitively disadvantage us, increases in our raw material, energy, and healthcare costs, our dependence on key individuals and relationships, exposure to product liability, recall and warranty claims, work stoppages at our facilities, or our customers or suppliers, risks associated with international markets, protection of or liability associated with our intellectual property, lower cost foreign manufacturers, compliance with environmental and other regulations, and competition within our industries. In addition, factors more specific to us could cause actual results to vary materially from those anticipated in the forward-looking statements included in this document such as our substantial leverage, limitations imposed by our debt instruments, our ability to successfully pursue our stated growth strategies and opportunities, including our ability to identify attractive and other strategic acquisition opportunities and to successfully integrate acquired businesses and complete actions we have identified as providing cost-saving opportunities.

# Agenda

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- Third Quarter 2008 Results
- Segment Highlights
- Financial Highlights
- Outlook and Summary
- Questions and Answers
- Appendix



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## **Third Quarter 2008 Results**

# Overview

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- Strong performance in a difficult environment
  - Grew net sales 7.1% for the quarter
  - Increased income from continuing operations by 53.1%
  - Delivered Q3-2008 EPS from continuing ops of \$0.25<sup>(1)</sup>
- Effective management of balance sheet
  - Total debt pay-down in the quarter of \$22.6 million and \$42.0 million compared to Q3-2007
  - \$146.2 million in aggregate availability and cash at quarter end
  - No significant debt maturities until 2012
- Accelerated execution of Profit Improvement Plan
  - Plan of \$30 million in annualized fixed cost savings; projected savings of approx. \$15 million in 2009
  - Decisive steps to strengthen TriMas in a tough environment
  - Designed to reduce overall cost structure and improve productivity
- Continued execution of business strategy
  - Focused on the specialty packaging, energy, aerospace and medical markets
  - Positioned for long-term growth – growing list of commercial opportunities
  - Growth initiatives driving channel, geographic and end market diversity

<sup>(1)</sup> Including (\$0.01) per share in severance and facility closure costs.

# 2008 Third Quarter Results

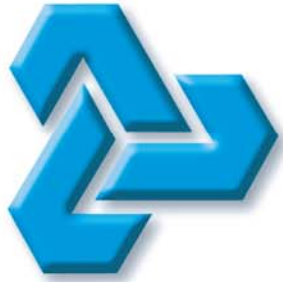
(\$ in millions, except EPS)

<i>(from continuing operations)</i>	Q3 2008	Q3 2007	% Chg
<b>Revenue</b>	\$ 276.9	\$ 258.6	7.1%
<b>Adjusted EBITDA<sup>(1)</sup></b>	\$ 38.1	\$ 35.1	8.5%
<b>Income<sup>(1)</sup></b>	\$ 8.3	\$ 5.4	53.1%
<b>Diluted EPS<sup>(1)</sup></b>	\$ 0.25	\$ 0.16	56.3%
<b>Debt and AR Securitization</b>	\$ 626.8	\$ 668.8	-6.3%

- Quarterly sales increased 7.1% to \$276.9 million
  - Packaging Systems, Energy Products and Industrial Specialties sales increased 21.0% combined
  - Strong relative performance in RV & Trailer Products and Recreational Accessories - Sales declined 10.2%, but end markets down approximately 20%
- Adjusted EBITDA increased 8.5% due to the strength in our Aerospace and Energy businesses
- Income and Diluted EPS improved 53.1% and 56.3%, respectively
- Total indebtedness decreased by \$42.0 million compared to Q3 2007
- Ended the quarter with \$4.6 million in cash and \$141.6 million in aggregate availability under revolving credit and receivables securitization facilities

(1) Special Items to consider in evaluating quality of earnings include \$0.7 million of severance and facility closure costs in Q3-2008.



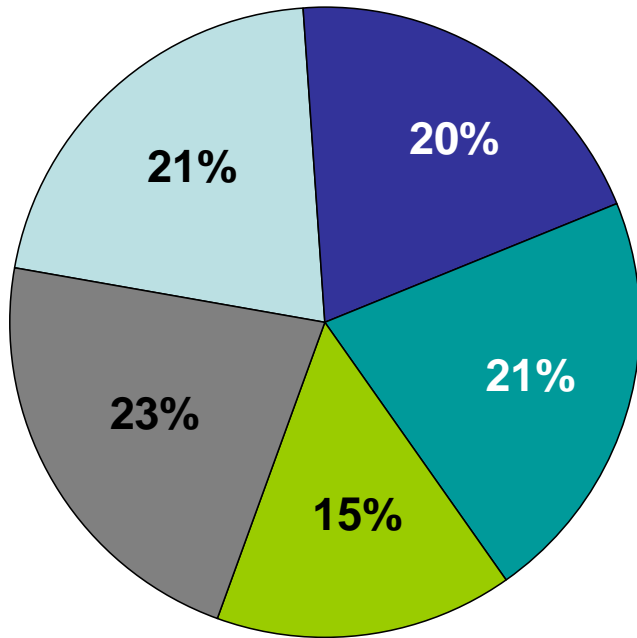


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## **Segment Highlights**

# Segment Breakout – Third Quarter

% of Revenue

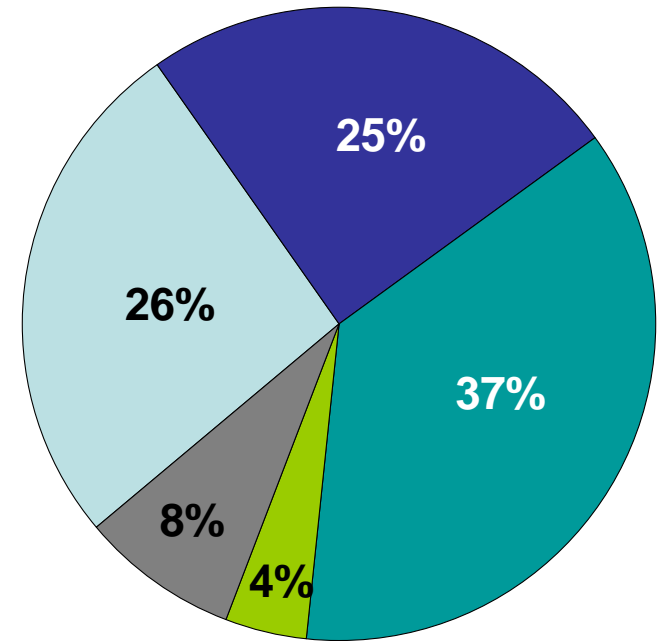


3 Months Ended September 30, 2008

Segment Key

- Packaging Systems
- Energy Products
- Industrial Specialties
- RV & Trailer Products
- Recreational Accessories

% of Segment Operating Profit



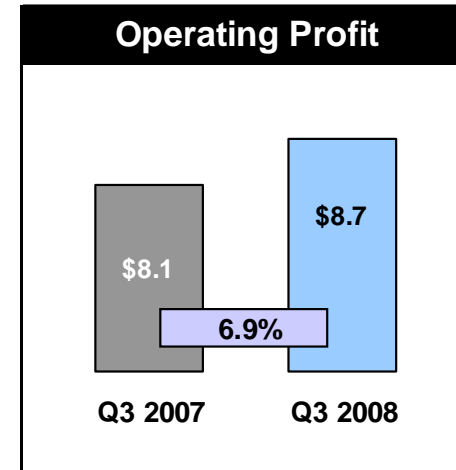
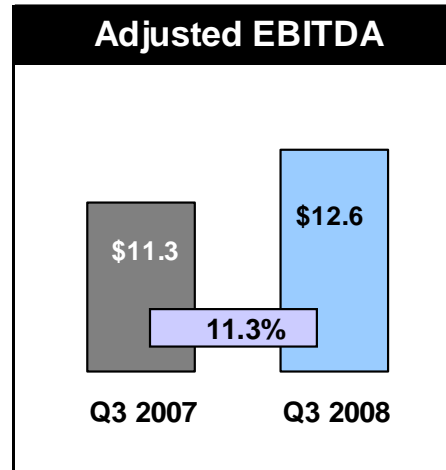
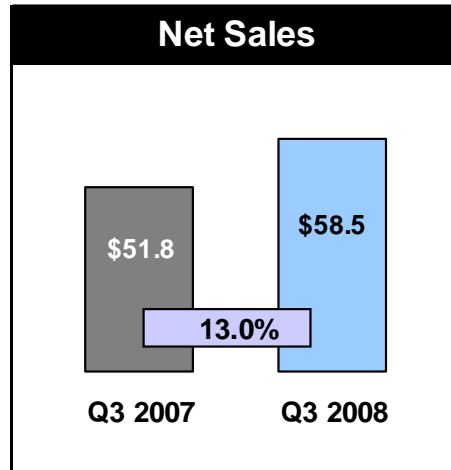
3 Months Ended September 30, 2008

**Approximately 88% of Q3 Segment Operating Profit is from the Packaging Systems, Energy Products and Industrial Specialties segments**

# Packaging Systems



(\$ in millions)

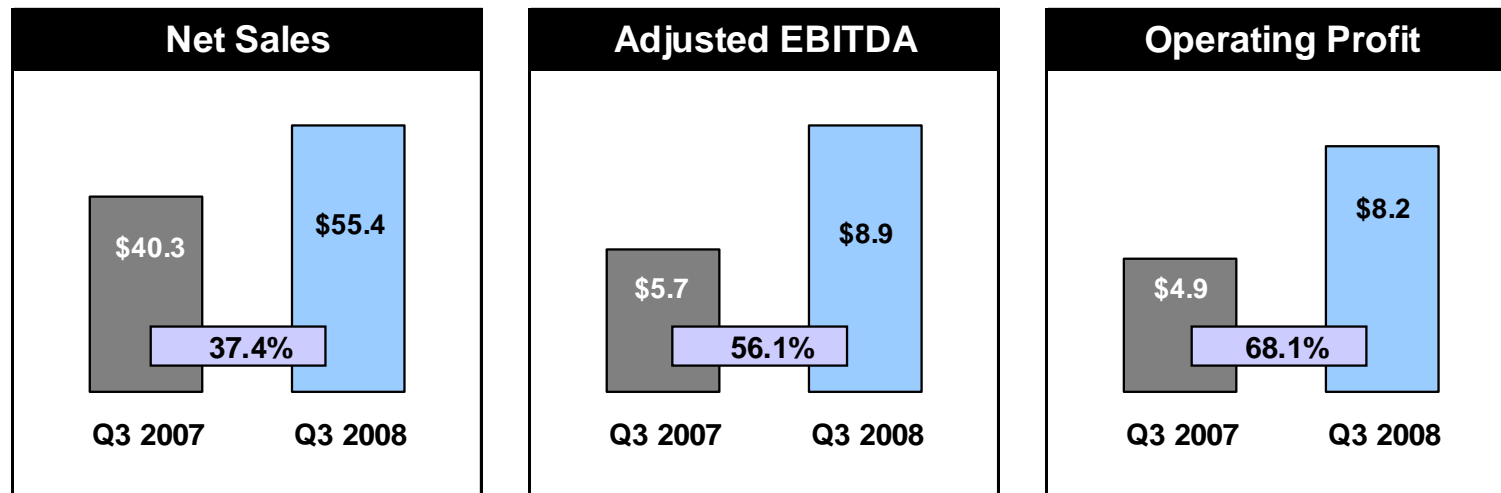


- Sales of core industrial closure products and specialty dispensing products to pharmaceutical, food/beverage and personal care end markets were up year-over-year
- Laminate and insulation product sales were essentially flat with increases in new specialty tape products offsetting the decline in traditional products sold into the continued weak North American commercial construction markets
- Adjusted EBITDA and operating profit improved due to increased sales volumes, partially offset by increases in raw material costs and expenses incurred to support sales growth initiatives
- Develop specialty dispensing product applications for growing end markets and expand geographically to drive growth

# Energy Products



(\$ in millions)

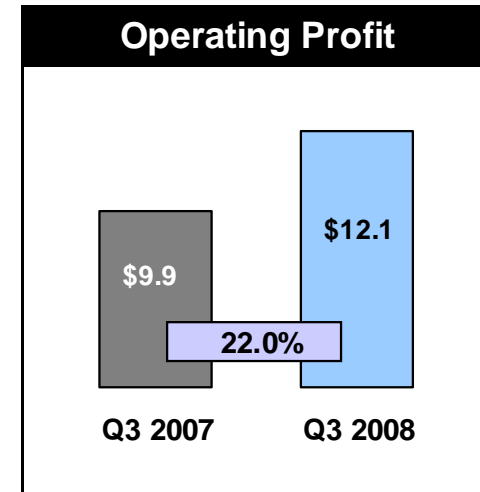
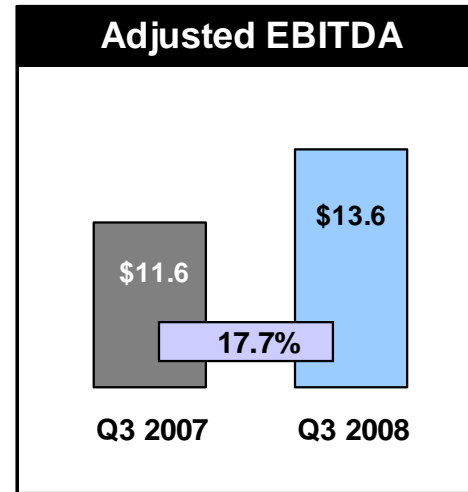
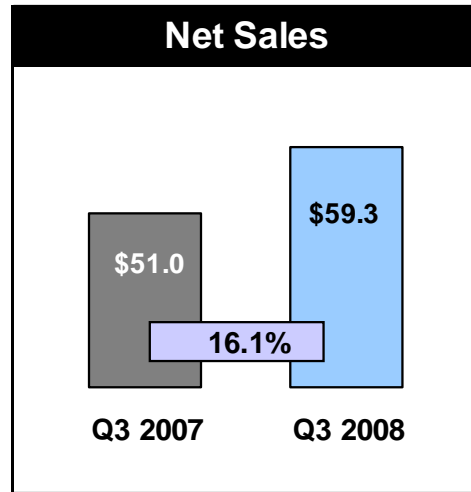


- New product initiatives to add content at the well-site and increased engine demand drove sales increases of engine and related products year-over-year
- Product expansion efforts, a superior service model and continued high levels of capacity utilization increased specialty gasket sales to refinery and petrochemical industries
- Adjusted EBITDA and operating profit improved with strong conversion
- Introduce additional products complementary to engine business – compressors and gas production equipment
- Further expand gasket business with major customers into Southeast Asia, Europe and South America

# Industrial Specialties



(\$ in millions)

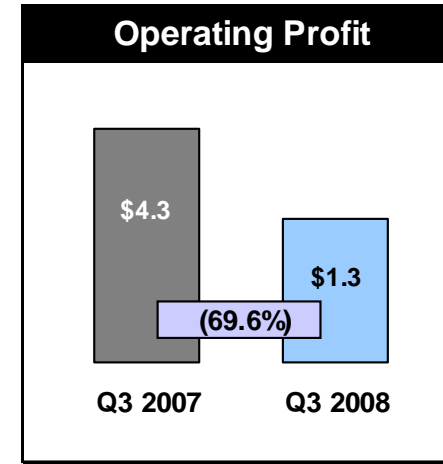
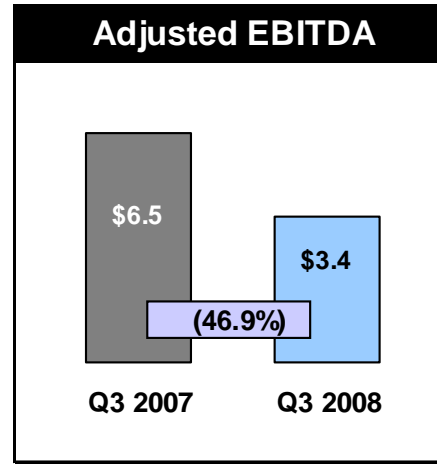
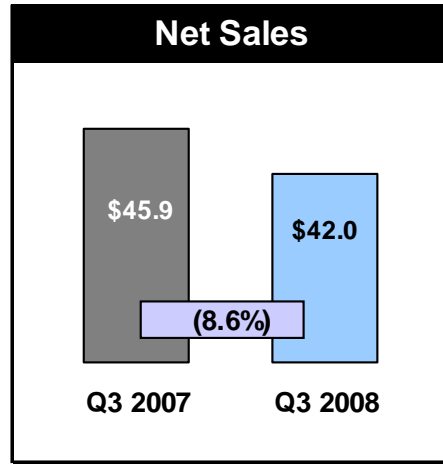


- Sales of aerospace fasteners were robust due to the introduction of new products and a strong market
- International initiatives drove growth of industrial cylinders
- Specialty fittings business experienced a softening driven by reduced automotive demand
- Adjusted EBITDA and operating profit increased due to higher sales volumes and improved margins in the specialty tools, defense and aerospace businesses, which were partially offset by lower absorption of fixed costs in the specialty fittings business
- Develop specialty products for growing end markets such as aerospace and medical and continue to expand international sales efforts

# RV & Trailer Products



(\$ in millions)

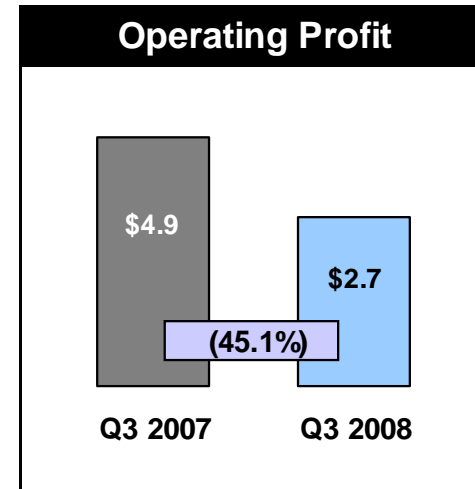
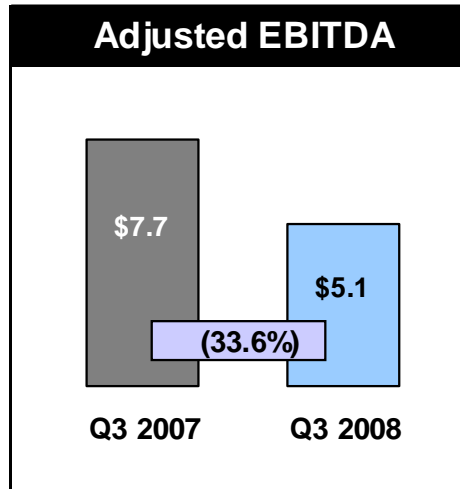
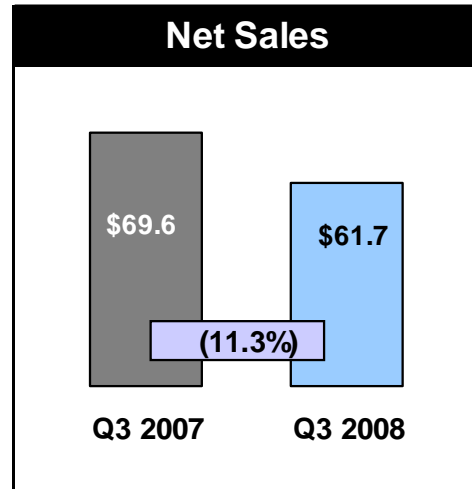


- Sales decreased due to continued weak demand in U.S. end markets resulting from the decline in consumer discretionary spending, consumer confidence and credit availability
  - Sales in Australia and Southeast Asia increased year-over-year
- Adjusted EBITDA and operating profit decreased due to the decline in sales, lower absorption of fixed costs as the Company reduced production to manage inventory levels
- Continued aggressive reduction of fixed costs and inventory management
- Drive growth by leveraging strong brand names for additional market share and introducing new products

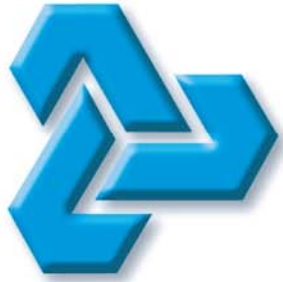
# Recreational Accessories



(\$ in millions)



- Sales decreased due to continued weak demand resulting from the decline in consumer discretionary spending, consumer confidence and credit availability
- Adjusted EBITDA and operating profit declined as a result of lower sales volumes and a less favorable sales mix
- Aggressively reduce fixed cost footprint and working capital investment
- Drive growth by leveraging strong brand names for additional market share and introducing new products



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## **Financial Highlights & Outlook**

# Statement of Operations

(\$ in thousands)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2008	2007	2008	2007
Net sales.....	\$ 276,900	\$ 258,650	\$ 853,540	\$ 830,760
Cost of sales.....	(205,150)	(188,730)	(629,700)	(603,190)
Gross profit.....	71,750	69,920	223,840	227,570
Selling, general and administrative expenses.....	(43,910)	(42,650)	(137,820)	(133,510)
Advisory services agreement termination fee.....	-	-	-	(10,000)
Costs for early termination of operating leases.....	-	-	-	(4,230)
Gain (loss) on dispositions of property and equipment.....	50	(1,790)	(170)	(1,680)
Operating profit.....	27,890	25,480	85,850	78,150
Other expense, net:				
Interest expense.....	(13,570)	(15,720)	(42,160)	(52,920)
Debt extinguishment costs.....	-	-	-	(7,440)
Other, net.....	(480)	(1,230)	(3,010)	(3,450)
Other expense, net.....	(14,050)	(16,950)	(45,170)	(63,810)
Income from continuing operations before income tax expense .....	13,840	8,530	40,680	14,340
Income tax expense.....	(5,540)	(3,110)	(15,210)	(5,230)
Income from continuing operations .....	\$ 8,300	\$ 5,420	\$ 25,470	\$ 9,110
Income (loss) from discontinued operations, net of income taxes.....	20	1,160	170	1,330
Net income.....	\$ 8,320	\$ 6,580	\$ 25,640	\$ 10,440

# Statement of Operations (cont'd)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2008	2007	2008	2007
<b>Earnings per share - basic:</b>				
Continuing operations .....	\$ 0.25	\$ 0.16	\$ 0.76	\$ 0.34
Discontinued operations, net of income taxes....	-	0.04	0.01	0.05
Net income per share .....	<u>\$ 0.25</u>	<u>\$ 0.20</u>	<u>\$ 0.77</u>	<u>\$ 0.39</u>
Weighted average common shares - basic .....	<u>33,420,560</u>	<u>33,409,500</u>	<u>33,413,214</u>	<u>26,843,749</u>
<b>Earnings per share - diluted:</b>				
Continuing operations .....	\$ 0.25	\$ 0.16	\$ 0.76	\$ 0.34
Discontinued operations, net of income taxes....	-	0.04	0.01	0.05
Net income per share .....	<u>\$ 0.25</u>	<u>\$ 0.20</u>	<u>\$ 0.77</u>	<u>\$ 0.39</u>
Weighted average common shares - diluted .....	<u>33,469,027</u>	<u>33,409,500</u>	<u>33,441,448</u>	<u>26,843,749</u>

Note: Special Items to consider in evaluating quality of earnings include \$0.7 million in severance and facility closure costs in Q3-2008, \$2.3 million of restructuring charges in Q2-2008 and \$14.2 million in costs and expenses related to the use of IPO proceeds in Q2-2007. Please see slides **29** and **30** for additional information regarding these Special Items.

# Balance Sheet

(\$ in thousands)

	September 30, 2008	December 31, 2007
<b>Assets</b>		
Current assets:		
Cash and cash equivalents .....	\$ 4,650	\$ 4,800
Receivables, net .....	136,500	89,370
Inventories, net .....	198,690	190,590
Deferred income taxes .....	18,860	18,860
Prepaid expenses and other current assets .....	8,730	7,010
Assets of discontinued operations held for sale .....	2,860	3,330
Total current assets .....	<u>370,290</u>	<u>313,960</u>
Property and equipment, net .....	191,630	195,120
Goodwill .....	377,450	377,340
Other intangibles, net .....	205,300	214,290
Other assets .....	21,340	27,280
Total assets .....	<u>\$ 1,166,010</u>	<u>\$ 1,127,990</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Current maturities, long-term debt .....	\$ 12,440	\$ 8,390
Accounts payable .....	127,150	121,860
Accrued liabilities .....	72,310	71,830
Liabilities of discontinued operations .....	1,250	1,450
Total current liabilities .....	<u>213,150</u>	<u>203,530</u>
Long-term debt .....	603,350	607,600
Deferred income taxes .....	83,990	73,280
Other long-term liabilities .....	34,870	35,090
Total liabilities .....	<u>935,360</u>	<u>919,500</u>
Preferred stock \$0.01 par: Authorized 100,000,000 shares; Issued and outstanding: None .....	-	-
Common stock, \$0.01 par: Authorized 400,000,000 shares; Issued and outstanding: 33,445,841 shares at September 30, 2008 and 33,409,500 shares December 31, 2007 .....	330	330
Paid-in capital .....	527,120	525,960
Accumulated deficit .....	(348,330)	(373,970)
Accumulated other comprehensive income .....	51,530	56,170
Total shareholders' equity .....	<u>230,650</u>	<u>208,490</u>
Total liabilities and shareholders' equity .....	<u>\$ 1,166,010</u>	<u>\$ 1,127,990</u>



# Capitalization

(\$ in thousands)

	September 30, 2008	December 31, 2007
Cash and Cash Equivalents.....	\$ 4,650	\$ 4,800
Senior Secured Bank Debt.....	278,710	279,020
9.875% Senior Sub Notes due 2012.....	337,080	336,970
Total Debt.....	\$ 615,790	\$ 615,990
Total Shareholders' Equity.....	\$ 230,650	\$ 208,490
Total Capitalization.....	\$ 846,440	\$ 824,480
Memo: A/R Securitization.....	\$ 11,000	\$ 41,500
Total Debt + A/R Securitization.....	\$ 626,790	\$ 657,490
<b>Key Ratios:</b>		
Bank LTM EBITDA.....	\$ 153,680	\$ 161,040
Interest Coverage Ratio.....	2.66x	2.21x
Leverage Ratio.....	4.08x	4.08x
<b>Bank Covenants:</b>		
Interest Coverage Ratio.....	2.00x	1.90x
Leverage Ratio.....	5.00x	5.25x

*As of September 30, 2008, TriMas had \$4.6 million in cash and approximately \$141.6 million of available liquidity under its revolving credit and receivables securitization facilities.*



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## **Outlook and Summary**

# 2008 Outlook – Full Year

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- During first 9 months of 2008, performed well against the objectives incorporated into outlook provided at the beginning of the year
- Anticipated softened demand resulting from the economic events of October
- Proactively moved to reduce production levels and inventory position in Q4
- Impact of volatile commodity costs
- TriMas updated 2008 earnings guidance:
  - EPS range from continuing operations of \$0.71 per share to \$0.75 per share, excluding Special Items<sup>(1)</sup> and any charges related to the Profit Improvement Plan

Note: Special Items to consider in evaluating quality of earnings include \$0.7 million in severance and facility closure costs in Q3-2008, \$2.3 million of restructuring charges in Q2-2008 and \$14.2 million in costs and expenses related to the use of IPO proceeds in Q2-2007. Please see slides 29 and 30 for additional information regarding these Special Items.

# Profit Improvement Plan

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## ***Description***

- Accelerate existing plan
- Across all TriMas segments
- Leverage previously made low-cost country investments
  - China
  - Mexico
  - Thailand
- Match production and staffing to commercial expectations
- Execute “lean” manufacturing and continuous improvement initiatives
- Minimize cash outlay - Focus capex spending on growth initiatives with quick returns

## ***Areas of Focus***

- Manufacturing consolidations
- Distribution center consolidations
- Increased sourcing initiatives
- Consolidation of business activities
- Reduced staffing levels

***Expect approximate \$15 million of savings in fixed costs in 2009; \$30 million annualized savings plan in total***

# TriMas Priorities

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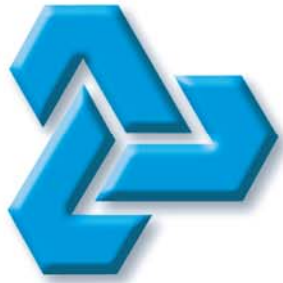
- Drive operating profit improvement in businesses
  - Reduce fixed costs
  - Improve productivity
- Effectively manage the balance sheet
  - Protect liquidity
  - Deploy capital prudently
  - Pay-down debt
- Focus capital on strategic growth
  - Specialty packaging, energy, aerospace, medical components and geographic expansion

# Summary

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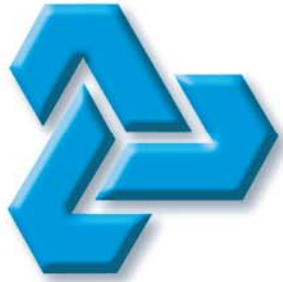
- Solid Q3 results driven by growth initiatives in Packaging Systems, Energy Products and Industrial Specialties
- Certain end-markets are challenged and less predictable – but we know what we need to do
- Constrained credit markets, but limited near-term exposure
- Proactively taking action to mitigate risk and position TriMas for long-term growth
- Prioritization of and focus on strategic growth initiatives

*Balance between growth and cost management*



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## **Questions and Answers**



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# Appendix

# Third Quarter 2008 Results

(\$ in thousands)

	Three months ended September 30,			Nine months ended September 30,		
	2008	2007	Change	2008	2007	Change
<b>Net Sales</b>						
Packaging Systems.....	\$ 58,520	\$ 51,770	13.0%	\$ 170,500	\$ 162,220	5.1%
Energy Products .....	55,430	40,330	37.4%	157,390	122,930	28.0%
Industrial Specialties .....	59,250	51,030	16.1%	168,930	154,470	9.4%
RV & Trailer Products .....	41,970	45,940	-8.6%	142,370	152,420	-6.6%
Recreational Accessories .....	61,730	69,580	-11.3%	214,350	238,720	-10.2%
Net sales from continuing operations.....	<u>\$ 276,900</u>	<u>\$ 258,650</u>	<u>7.1%</u>	<u>\$ 853,540</u>	<u>\$ 830,760</u>	<u>2.7%</u>
<b>Operating Profit</b>						
Packaging Systems.....	\$ 8,670	\$ 8,110	6.9%	\$ 26,700	\$ 27,930	-4.4%
Energy Products .....	8,170	4,860	68.1%	24,670	16,930	45.7%
Industrial Specialties .....	12,110	9,930	22.0%	34,750	32,370	7.4%
RV & Trailer Products .....	1,300	4,270	-69.6%	6,110	16,740	-63.5%
Recreational Accessories .....	2,700	4,920	-45.1%	11,820	17,420	-32.1%
Corporate expenses and management fees.....	(5,060)	(6,610)	-23.4%	(18,200)	(33,240)	-45.2%
Operating profit from continuing operations.....	<u>\$ 27,890</u>	<u>\$ 25,480</u>	<u>9.5%</u>	<u>\$ 85,850</u>	<u>\$ 78,150</u>	<u>9.9%</u>
% Margin.....	<u>10.1%</u>	<u>9.9%</u>	<u>2.0%</u>	<u>10.1%</u>	<u>9.4%</u>	<u>7.4%</u>
<b>Adjusted EBITDA<sup>(1)</sup></b>						
Packaging Systems.....	\$ 12,580	\$ 11,300	11.3%	\$ 38,250	\$ 37,690	1.5%
Energy Products .....	8,850	5,670	56.1%	26,670	19,030	40.1%
Industrial Specialties .....	13,590	11,550	17.7%	39,190	36,050	8.7%
RV & Trailer Products .....	3,440	6,480	-46.9%	11,910	22,840	-47.9%
Recreational Accessories .....	5,120	7,710	-33.6%	19,030	25,130	-24.3%
Segment Adjusted EBITDA.....	43,580	42,710	2.0%	135,050	140,740	-4.0%
% Margin.....	15.7%	16.5%	-4.8%	15.8%	16.9%	-6.5%
Corporate expenses, management fees and other....	(5,470)	(7,580)	-27.8%	(19,910)	(35,810)	-44.4%
Adjusted EBITDA <sup>(1)</sup> from continuing operations.....	<u>\$ 38,110</u>	<u>\$ 35,130</u>	<u>8.5%</u>	<u>\$ 115,140</u>	<u>\$ 104,930</u>	<u>9.7%</u>
% Margin.....	<u>13.8%</u>	<u>13.6%</u>	<u>1.5%</u>	<u>13.5%</u>	<u>12.6%</u>	<u>7.1%</u>

<sup>(1)</sup> The Company defines Adjusted EBITDA as net income (loss) before cumulative effect of accounting change, interest, taxes, depreciation, amortization, non-cash asset and goodwill impairment write-offs, and non-cash losses on sale-leaseback of property and equipment. Lease expense and non-recurring charges are included in Adjusted EBITDA and include both cash and non-cash charges related to restructuring and integration expenses. In evaluating our business, management considers and uses Adjusted EBITDA as a key indicator of financial operating performance and as a measure of cash generating capability. Management believes this measure is useful as an analytical indicator of leverage capacity and debt servicing ability, and uses it to measure financial performance as well as for planning purposes. However, Adjusted EBITDA should not be considered as an alternative to net income, cash flow from operating activities or any other measures calculated in accordance with U.S. GAAP, or as an indicator of operating performance. The definition of Adjusted EBITDA used here may differ from that used by other companies.



# Statement of Cash Flows

(\$ in thousands)

	Nine months ended	
	September 30,	
	2008	2007
Net income .....	\$ 25,640	\$ 10,440
Adjustments to reconcile net income to net cash provided by operating activities, net of acquisition impact:		
Loss on dispositions of property and equipment .....	40	1,570
Depreciation .....	20,740	18,730
Amortization of intangible assets .....	11,700	11,650
Amortization of debt issue costs .....	1,840	4,580
Deferred income taxes .....	9,360	700
Non-cash compensation expense .....	1,160	340
Net proceeds from (reductions in) sale of receivables and receivables securitization .....	(26,730)	28,610
Increase in receivables .....	(19,270)	(30,970)
Increase in inventories .....	(7,640)	(10,790)
Decrease in prepaid expenses and other assets .....	4,370	2,320
Increase in accounts payable and accrued liabilities .....	4,690	8,090
Other, net .....	(3,110)	1,610
Net cash provided by operating activities, net of acquisition impact .....	<u>22,790</u>	<u>46,880</u>
<b>Cash Flows from Investing Activities:</b>		
Capital expenditures .....	(20,100)	(22,520)
Acquisition of leased assets .....	-	(29,960)
Acquisition of businesses, net of cash acquired .....	(6,350)	(13,540)
Net proceeds from disposition of businesses and other assets .....	2,260	6,150
Net cash used for investing activities .....	<u>(24,190)</u>	<u>(59,870)</u>
<b>Cash Flows from Financing Activities:</b>		
Proceeds from sale of common stock in connection with the Company's initial public offering, net of issuance costs .....	-	126,460
Repayments of borrowings on senior credit facilities .....	(4,270)	(2,600)
Proceeds from term loan facilities .....	490	-
Proceeds from borrowings on revolving credit facilities .....	346,160	399,580
Repayments of borrowings on revolving credit facilities .....	(341,130)	(409,890)
Retirement of senior subordinated notes .....	-	(100,000)
Net cash provided by financing activities .....	<u>1,250</u>	<u>13,550</u>
<b>Cash and Cash Equivalents:</b>		
Increase (decrease) for the period .....	(150)	560
At beginning of period .....	4,800	3,600
At end of period .....	<u>\$ 4,650</u>	<u>\$ 4,160</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest .....	<u>\$ 32,240</u>	<u>\$ 40,880</u>
Cash paid for taxes .....	<u>\$ 6,460</u>	<u>\$ 6,840</u>

# Reconciliation of Non-GAAP Measure Adjusted EBITDA

(\$ in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
<b>Net income</b> .....	\$ 8,320	\$ 6,580	\$ 25,640	\$ 10,440
Income tax expense (benefit).....	5,560	3,850	15,310	6,960
Interest expense.....	13,630	15,720	42,320	52,920
Debt extinguishment costs.....	-	-	-	7,440
Depreciation and amortization .....	10,740	10,920	32,440	30,380
Adjusted EBITDA <sup>(1)</sup> .....	38,250	37,070	115,710	108,140
Adjusted EBITDA <sup>(1)</sup> , discontinued operations.....	140	1,940	570	3,210
<b>Adjusted EBITDA <sup>(1)</sup>, continuing operations.....</b>	<b>\$ 38,110</b>	<b>\$ 35,130</b>	<b>\$ 115,140</b>	<b>\$ 104,930</b>

<sup>(1)</sup> The Company defines Adjusted EBITDA as net income (loss) before cumulative effect of accounting change, interest, taxes, depreciation, amortization, non-cash asset and goodwill impairment write-offs, and non-cash losses on sale-leaseback of property and equipment. Lease expense and non-recurring charges are included in Adjusted EBITDA and include both cash and non-cash charges related to restructuring and integration expenses. In evaluating our business, management considers and uses Adjusted EBITDA as a key indicator of financial operating performance and as a measure of cash generating capability. Management believes this measure is useful as an analytical indicator of leverage capacity and debt servicing ability, and uses it to measure financial performance as well as for planning purposes. However, Adjusted EBITDA should not be considered as an alternative to net income, cash flow from operating activities or any other measures calculated in accordance with U.S. GAAP, or as an indicator of operating performance. The definition of Adjusted EBITDA used here may differ from that used by other companies.

# Additional Information Regarding Special Items Impacting Reported GAAP Financial Measures

<i>(dollars in thousands)</i>	Three months ended		Nine months ended	
	September 30,		September 30,	
	2008	2007	2008	2007
<b>Operating profit from continuing operations, as reported.....</b>	\$ 27,890	\$ 25,480	\$ 85,850	\$ 78,150
<b>Special Items to consider in evaluating quality of earnings:</b>				
Advisory services agreement termination fee.....	\$ -	\$ -	\$ -	\$ (10,000)
Costs for early termination of operating leases.....	-	-	-	(4,230)
Restructuring activities.....	(710)	-	(2,970)	-
<b>Total Special Items.....</b>	\$ (710)	\$ -	\$ (2,970)	\$ (14,230)

<i>(dollars in thousands)</i>	Three months ended		Nine months ended	
	September 30,		September 30,	
	2008	2007	2008	2007
<b>Adjusted EBITDA from continuing operations, as reported.....</b>	\$ 38,110	\$ 35,130	\$ 115,140	\$ 104,930
<b>Special Items to consider in evaluating quality of earnings:</b>				
Advisory services agreement termination fee.....	\$ -	\$ -	\$ -	\$ (10,000)
Costs for early termination of operating leases.....	-	-	-	(4,230)
Restructuring activities.....	(710)	-	(2,970)	-
<b>Total Special Items.....</b>	\$ (710)	\$ -	\$ (2,970)	\$ (14,230)

# Additional Information Regarding Special Items Impacting Reported GAAP Financial Measures

*(dollars in thousands, except per share amounts)*

	Three months ended September 30, 2008		Three months ended September 30, 2007	
	Income	EPS	Income	EPS
Income and Diluted EPS from continuing operations, as reported.....	\$ 8,300	\$ 0.25	\$ 5,420	\$ 0.16
After-tax impact of Special Items to consider in evaluating quality of income (loss) and diluted EPS from continuing operations:				
Restructuring activities.....	\$ (430)	\$ (0.01)	\$ -	\$ -
<b>Total Special Items.....</b>	<b>\$ (430)</b>	<b>\$ (0.01)</b>	<b>\$ -</b>	<b>\$ -</b>
Weighted-average diluted shares outstanding at September 30, 2008 and 2007		33,469,027		33,409,500

*(dollars in thousands, except per share amounts)*

	Nine months ended September 30, 2008		Nine months ended September 30, 2007	
	Income	EPS	Income	EPS
Income and Diluted EPS from continuing operations, as reported.....	\$ 25,470	\$ 0.76	\$ 9,110	\$ 0.34
After-tax impact of Special Items to consider in evaluating quality of income and diluted EPS from continuing operations:				
Advisory services agreement termination fee.....	\$ -	\$ -	(6,300)	\$ (0.23)
Costs for early termination of operating leases.....	-	-	(2,660)	(0.10)
Debt extinguishment costs.....	-	-	(4,690)	(0.17)
Restructuring activities.....	(1,870)	(0.06)	-	-
<b>Total Special Items.....</b>	<b>\$ (1,870)</b>	<b>\$ (0.06)</b>	<b>\$ (13,650)</b>	<b>\$ (0.50)</b>
Weighted-average diluted shares outstanding at September 30, 2008 and 2007		33,441,448		26,843,749

# LTM EBITDA as Defined in Credit Agreement

(Unaudited - \$ in thousands)

Reported net loss for the twelve months ended September 30, 2008 .....	\$ (143,230)
Interest expense, net (as defined) .....	57,690
Income tax expense (benefit) .....	(2,060)
Depreciation and amortization .....	43,410
Extraordinary non-cash charges.....	178,450
Interest equivalent costs.....	3,240
Non-cash expenses related to equity grants.....	1,380
Other non-cash expenses or losses.....	4,040
Non-recurring expenses or costs for cost savings projects.....	8,750
Permitted dispositions.....	1,890
Permitted acquisitions.....	120
<b>Bank EBITDA - LTM Ended September 30, 2008 <sup>(1)</sup>.....</b>	<b>\$ 153,680</b>

<sup>(1)</sup> As defined in the Amended and Restated Credit Agreement dated August 2, 2006.