



Winning Through Excellence.



Operational Excellence: The Inside Track To Victory!

To win in business, peak performance at every link in the value chain is a must. Too often, however, shifting business realities keep that peak out of reach.

Today, established business models are being toppled by the financial turmoil and economic unrest gripping the globe. The world's capital markets are frozen. Marketing to consumers has never been more challenging. New competition from mature and emerging markets is unrelenting. Add internal inefficiencies, underperforming assets, the distractions of M&A and outsourcing, with competing stakeholder demands, and achieving operational excellence seems more like wishful thinking than a value-building imperative. Operational inefficiencies can also paint a bull's-eye on an organization, making it an attractive acquisition target, a paradigm of "unlocked value" for keen-eyed investors and competitors.

Today, operational excellence is Job One for many CEOs and an unheralded driver of ROI for savvy investors. And that's where Olympia Group can help you.

We're an exceptional team of accomplished C-level executives with the operational, financial, technological, and transactional experience needed to help a company break away from the pack. Unique to Olympia is our perspective: we view a business through the lenses of operations as well as investment. One informs the other. Our mission is unearthing value-creation opportunities — whether through strategic M&A or achieving operational excellence.

And taking the prize for operational excellence yields tremendous benefits: higher efficiency, lower costs, increased revenues, better and more sustainable returns on investment and assets, greater adaptability, faster responsiveness, and as a result — and perhaps most importantly — a stronger competitive advantage in the marketplace. To keep pace with a changing world, operational excellence is no longer a luxury but an imperative for most organizations.

Problem is, high-level strategies often don't easily translate into actionable initiatives. That's where we come in. Olympia builds the bridge between ideas and execution. We've done it before, many times, and have an enviable track record of accomplishments — from start-ups to restructurings and turn-arounds. Throughout the often-challenging journey, our approach instills confidence in the strategy and provides comfort in the execution.

Financials — In The Right Light

Achieving operational excellence is often cast as a numbers game — cut here, spend more there, and optimize elsewhere. But pure financial plays have tired. Sure, projections and models are important, but they're no longer sufficient. And throwing money at slick PowerPoints, hoping that they

someday translate into reality, is and always has been a deeply flawed strategy. As recent events have so clearly demonstrated, when things go wrong, the ability to get to bottom of the problem tends to be missing —even from once-enviable business models. As executives shift their focus away from financial engineering, they are being forced to rethink the business — and to find new, improved ways of doing business.



We believe what's needed is a return to the core of what makes a business hum. Today, it's no longer good enough for you to do the same for less cost; more important is to derive the most gain from what you've already deployed. The "new normal", we predict, will be boosting returns the old-fashioned way — through real productivity growth.

And how does Olympia help with that? When analyzing an organization — whether as a client or a potential acquisition target — we make no assumptions about its capabilities. Rather, we perform an opportunity assessment — a diagnostic that examines the value chain from one end to the other and identifies not only the obstacles but also the opportunities. With better visibility into the operations, we then ask, "what should this look like at best practice?" To close the performance gap, we recommend suitable interventions, or, working closely with the principals, actually implement them. Having carried out many such systematic health checks, we have found — more often than not — that enormous unrealized value lurks inside an organization. And we can help bring that to light.

Laying bare such inefficiency-induced untapped value also lets us pinpoint attractive acquisition targets, where operational gains can increase — even accelerate — ROIs, beyond the formulaic projections of other financial investors.

In any competition, it's the numbers that let you keep score. We evaluate operational transformation with benchmarking (where appropriate) and core operational and cash-based metrics — free cash flow, increases in margins (and, likely, revenues as well), and other pertinent KPIs .

About Olympia

Olympia brings over sixty years of combined C-level and senior management experience to each engagement. Our

- proficiency in global operations,
- mastery in managing multi-billion dollar revenue streams and tens of billions of dollars of M&A transactions,
- deep experience in a variety of both mature and developing industries and markets worldwide, and
- established, seamless working relationship

provide us with unique knowledge and skills to effectively

- **advise** companies and investors on new ways of doing business,
- **assist** with or perform M&A-related financial and legal due diligence,
- **acquire** and/or operate challenged businesses, and
- **identify** and create value opportunities.

Drawing on our many years working together, we seek opportunities created by

- the historically unprecedented pressures placed by today's capital markets on businesses that otherwise have fundamentally sound business models, and/or
- the application of new technologies to existing businesses.

Our years in the business trenches have taught us that there are no canned problems nor canned solutions. We have overcome regulatory hurdles and class actions, and have juggled global hypercompetition and operational challenges in 30 countries. We know that there is no simple spreadsheet for durable success.

As a trusted advisor to our clients, we bring a wealth of experience to bear on operational issues, becoming intimately involved with our client's organization. We can insert ourselves at any point along a capacities continuum — from a straightforward advisory role, through hands-on, daily operational and management functions, to executive decision-making responsibility.

Our target clientele spans investment banks and other strategic investors with underperforming portfolios to frustrated controlling shareholders looking for a quiet exit or dramatic upswing in returns. And our sterling reputation and broad network allows us to deploy the needed resources to take control of an opportunity, or we can simply work with existing owners and executives to change a holding's trajectory.

Whatever the challenge, Olympia offers a collaborative, tailored, and flexible approach to performance improvement that supports the quest for operational excellence. We apply our skills, knowledge, and insight to your unique circumstances realize near-term victories with lasting advantages. And our fee structure is based on our success, not on our effort.

To find out how Olympia Group can help you win the contest for operational excellence, call Motti Lichtenstein, Managing Member, at 201-716-1552.

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Olympia Group LLC

201-716-1552

www.OlympiaGroup.net

Our Track Record

- Profitably managed TMT and Consumer Products and Services businesses;
- Utilized technology to improve operating efficiencies, broaden product functionalities, and bring new products to market;
- Restructured operations to reduce costs and improve productivity, through top-to-bottom improvements in operating models — not simply by reductions in headcount;
- Built sales forces, both employee-based and agent-based, domestically and internationally, whether consumer, SME, or large enterprise focused;
- Managed credit risk and successfully served the credit-challenged marketplace;
- Identified opportunities for growth in foreign markets and built cost-effective infrastructures to support global operations;
- Leveraged governmental agencies, both legislative and executive, to create opportunities and improve prospects;
- Controlled operational risks from IP, labor, and governmental challenges; and
- Nurtured nascent opportunities to maximize potential while controlling capital investment and managing downward earnings pressure.

Our portfolio also features experience with:

- Various distribution models, from grass-roots, bricks-and-mortar direct-to-consumer channels, to master relationships with leading retailers and distributors;
- A broad range of marketing channels, including broadcast, radio, print, online, call-center and direct mail — including supporting programs and technologies (such as affinity programs, sweepstakes, data mining, and IVR systems); and
- Effective, timely, and tax-efficient acquisitions and divestitures of businesses, including handling all aspects of due diligence, structuring, execution, and integration of M&A transactions.



Discovering Value-Creation Opportunities

Even though the current global economic crisis is fraught with great uncertainty, we believe these conditions actually create once-in-a-generation opportunities. The business landscape is littered with companies trying to adjust to — even survive — the realities of today's paralyzed capital markets. The toxic mix of over-leverage when capital markets were relaxed, and a lack of liquidity today, has bred a fertile setting for investment opportunities. Operating companies struggling to meet financial burdens, and private equity or debt holdings of financial institutions needing balance sheet liquidity because of recent market meltdowns, are prime candidates for divestiture and/or investment transactions — at advantageous terms.

As the painful de-leveraging process continues, investors are parting with existing holdings and companies are shedding even well performing — but non-core — assets. And wisely so: companies are resuming focus on their core business; casting the net wide is a luxury few can afford.

But in their rush to liquidity, distressed sellers are casting off undervalued assets that, with the proper operational attention, could become powerful businesses in their own right.

These divestitures are, and will be, priced at multiples dramatically discounted from recent historical levels. Furthermore, we foresee terms of issuer debt and equity financing being more favorable than at any time in recent memory.

The upshot: there will be a large and growing supply of attractive assets in the marketplace, driven into liquidation by a near-desperation to raise cash. We believe that this new reality will allow us to cost-effectively secure positions of influence and apply our mix of operational expertise, financial acumen, and technological savvy to greatly increase the likelihood of near-term profitability.



We will leverage our operational and transactional expertise to identify these opportunities, in the \$5 to \$50 million range — opportunities we believe are well positioned to generate strong ROI within a two- to five-year timeframe. Our perspective and experience doesn't allow us to just passively buy and sell companies. Rather, we will actively participate in the management of these entities, to derive the maximum benefit from the investments.

We will specifically focus on:

- Assets with purchase prices significantly below sum-of-the-parts, cash flow, or other measurable value indicia;
- Non-core assets of companies struggling under the new realities of the capital markets; and
- Companies with viable business plans — but needing managerial assistance to handle the pressures of today's crippled capital markets.

In each case, we will aim to find entities that present

- the opportunity to control and/or exert significant operational influence,
- currently positive, neutral, or marginally negative cash flows,
- significant revenue and cash-flow growth potential,
- a motivated seller, and
- an exit or monetization window within a five-year timeframe.

We will also be particularly interested in opportunities with any of the following characteristics:

- TMT and Consumer Products and Services (including supporting technologies);
- The ability to improve existing business models through technology;
- Global potential;
- Market roll-up potential; and/or
- Ethnic or other demographic niche application.

The Team

Complementing their independent and diverse backgrounds, the Team has extensive shared operational and transactional experiences at IDT Corporation, a diverse telecommunications, media and technology conglomerate. The Team's common operational experience over many years represents a significant advantage for Olympia when compared to other entities, which are typically comprised of executives who, despite their strong resumes, have not previously worked together in an operational environment.



Mikhail Leibov

Managing Member

mikhail.leibov@olympiagroup.net

Mikhail has over thirty years of management and technology experience. Upon immigrating to the United States in 1976, Mikhail began his career with IBM as a software and systems engineer.

IDT Experience: Most recently, Mikhail was President of IDT Telecom, the primary operating subsidiary of IDT Corporation, a publicly-traded, NYSE-listed company.

Prior Experience: Prior to IDT, Mikhail was founder and Chairman of the Board of Moscow-based Corbina Telecom, which he sold to IDT Corporation in 2000.

Accomplishments: From 2000-2006, under Mikhail's stewardship, Corbina grew from a modest long-distance resale company into a leading provider of voice and data services to small businesses, and finally into a significant player in consumer broadband and fiber technologies in Russia. In 2006, IDT sold Corbina to a group of Russian investors for \$150 million, generating a 15X return on IDT's original investment. At the time, Corbina employed over 4,500 people in over 50 regions throughout Russia.

Education: Mikhail received his M.S. in Applied Mathematics from Moscow University.



Motti Lichtenstein

Managing Member

motti@olympiagroup.net

Motti has two decades of corporate experience ranging from controller to C-Level positions. With his background in accounting and finance, Motti has combined formidable negotiating skills, cross-industry relationships, and a committed focus on cost controls and efficiencies to successfully operate and monetize businesses for significant profit.

IDT Experience: Most recently, Motti was CEO of IDT Telecom. In prior years, he served as IDT's COO, Treasurer, EVP of Business Development, and Controller, as well as CEO of IDT Media.

Prior Experience: Controller of Mademoiselle, a leading wholesale manufacturer of apparel.

Accomplishments: During his tenure at IDT, Motti grew IDT's worldwide wholesale and retail Telecom business from under \$1 billion in annual revenues to over \$2 billion, and more importantly, from (\$50 million) EBITDA to over \$150 million EBITDA; and he managed the building of telecom infrastructure in over 30 countries on 5 continents. He led a team that sold a stake in IDT's then-public NetzPhone division to AT&T for \$1.1 billion, realizing approximately \$1 billion in profit; he architected and executed the sale of IDT's Entertainment Division for approximately \$500 million, which returned to IDT almost 100% on its investment; and he was the primary architect, negotiator, and executor of dozens of smaller transactions and investments in a variety of industries.

Education: Motti received his B.A. in Accounting from Touro College.



Ely D. Tandler, Esq.

Managing Member

elydtandler@olympiagroup.net

Ely has fifteen years of private practice and corporate legal and operations experience, and provides a unique marriage of strong legal skills and practical business and operational acumen.

IDT Experience: From 2003 to 2008, Ely provided IDT with executive legal and strategic guidance as General Counsel and Executive Vice President of IDT Telecom, and, for two of those years, as Chief Legal Officer of parent IDT Corporation as well.

Prior Experience: Prior to IDT, Ely spent over eight years with Kramer Levin Naftalis & Frankel LLP, specializing in complex M&A and securities transactions on behalf of clients ranging from Tyco and Bear, Stearns to start-ups seeking private and/or public financing.

Accomplishments: During his tenure at IDT, Ely was a key member of executive management, and played a primary role in all operational and strategic initiatives worldwide, including all M&A, financing, regulatory, and lobbying initiatives and restructuring activities globally. Ely has participated in over \$50 billion in M&A, corporate finance, and securities transactions.

Education: Ely received his B.A. in Economics from Yeshiva University and his J.D. from Yale Law School.



Morris Smith

Special Capital Markets Advisor

Morris's reputation in the investment world is legendary, having succeeded Peter Lynch at the Magellan Fund from May 1990 through September 1992.

IDT Experience: Morris was a financial advisor to IDT from 1999 to 2008, providing strategic and capital market advice to IDT's executive management.

Prior Experience: In 1992, Morris left Magellan and he has been a private investor and consultant ever since, dedicating a substantial amount of his time to advising charitable institutions.

Accomplishments: During his tenure running the world's then-largest mutual fund, Morris generated impressive returns for Magellan's investors, beating the market by more than 7%, and assets under management at Magellan increased by \$7 billion.

Education: Morris has a B.A. in Accounting and Economics from Queens College and a M.B.A. in Finance from the Wharton School of Business.