

## Chris • A • Baltes

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### Summary

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- Currently a managing partner of One Eighty Capital. Responsible for identifying target acquisitions and then structuring and executing the operational and strategic transformation of portfolio companies.
- Formerly a Partner at a top quartile private equity firm
- Proven track record of success across multiple deals - Created in excess of \$495 million of realized returns or 4.9X invested capital across nine different portfolio companies
- Productive, driven, ethical professional who is fact based, adaptable, and logical

### Experience

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#### One Eighty Capital (OEC), Private Capital Investors • Chicago, IL

Jan. 2009 - Present

**Founding Partner** - Identify new acquisitions, strategically and operationally transform portfolio companies & manage exit transactions

- Utilized industry knowledge to develop an investment thesis and identify target acquisitions
- Negotiated acquisition agreements with two medical equipment services support companies that had not been for sale
- Structured and led the strategic and operational transformation of the acquired companies - created \$23 million of realized investor returns while realizing a 65% IRR - (see *Portfolio Company Turnaround Overview for details*)
- Managed portfolio company sale processes and negotiated sale agreement
- Served as board member for portfolio company

#### Three Cities Research (TCR), Inc., Private Capital Investors • New York, NY

Jan. 1998 - 2008

**Partner** - Focused on transforming and overseeing distressed or underperforming portfolio companies

Nov. 2004 - 2008

- Structured and led the strategic and operational transformation of a medical equipment services company - created \$320 million of realized investor returns (see *Portfolio Company Turnaround Overview for details*)
- Implemented three reductions in force and nine facility closures while redesigning organizational structures to align portfolio company resources with newly developed strategic plans
- Increased EBITDA by a total of \$59 million between two portfolio companies
- Managed portfolio company sale processes and negotiated sale agreements
- Served as board member for multiple portfolio companies
- Hired, trained and mentored numerous TCR principals and associates

**Principal** - Focused on transforming and overseeing distressed or underperforming portfolio companies

2000 - Nov 2004

- Structured and led the strategic and operational turnaround of a railroad products and services conglomerate with three stand alone divisions - created \$157 million of realized investor returns (see *Portfolio Company Turnaround Overview for details*)
- Analyzed internal capabilities and competitive landscape and developed a comprehensive strategic plan for each division
- Structured and negotiated the sale of an unprofitable division - Identified optimal strategic owner and utilized a unique transaction structure which has yielded \$71 million of cash
- Implemented three reductions in force and five facility closures yielding \$28 million of annual cost savings while increasing revenue from \$110 million to \$160 million
- Managed sale process and negotiated sale agreements for each division

**Senior Analyst** - Analyzed and executed transactions and oversaw portfolio company operations

Jan. 1998 - 2000

- Developed cost analysis models to forecast financial impact of operational changes
- Analyzed add-on acquisitions, evaluating strategic fit and financial standing, and projecting pro-forma financial statements
- Developed and executed operational integration plans for multiple acquisitions
- Served as board member

#### Deloitte & Touche • Chicago, IL

Aug. 1995 - Jan. 1998

**Senior Auditor**

- Designed and executed analysis to determine the accuracy and reliability of financial statements
- Analyzed the effectiveness of client designed internal control systems and developed proposed improvements
- Structured and led multiple audit engagements for manufacturing, distribution and service companies

### Education

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- University of San Diego – Bachelor of Accountancy May 1995
- Special Assistant to the President of the University 1993 - 1995
- Passed Certified Public Accountants Exam 1996

### Other Interests

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- Distance running and Military history

**AllParts Medical (One Eighty Capital Portfolio Company) • Nashville, TN**

2009 - 2011

*Transformation of a \$20 million medical equipment services support company (details below).*

- Merged two acquired companies - Consolidated operations into a new location and eliminated duplicate overhead
- Transformed consolidated company into the lowest cost and highest quality provider of repair parts by developing the ability to remanufacture parts as opposed to a one-turn and sourcing business model
- Identified optimal owner, a competitor with the potential for significant synergies, negotiated sale for 22X EBITDA
- Sold after 22 month for \$23 million realizing 3.0X invested capital and a 65% IRR while using no leverage

**Masterplan (TCR Portfolio Company) • Chatsworth, CA**

1999 - 2007

*Transformation of a \$150 million revenue medical services conglomerate. A public company purchased in December 1999 for \$26 million and divided into two separate legal entities (details below).*

- Purchase Connection, a group purchasing organization (GPO)
  - Analyzed competitive landscape and assessed GPO's strategic position as poor and not improvable
  - Determined division had the potential for significant synergies with a competitor.
  - Identified optimal owner, a roll-up with a superior value proposition, and negotiated a sale.
  - Sold GPO in August of 1999 for \$65 million (or 9.2X EBITDA), netting \$34 million for TCR.
- Masterplan, a medical equipment service organization
  - Assessed division's strategic position as poor but improvable: Developed comprehensive strategic plan.
  - Raised capital, via a private placement, to partially fund transformation. Negotiated a \$50 million enterprise value even though division had negative book value and had never achieved profitability.
  - Implemented three reductions in force and seven facility closures while investing \$59 million in infrastructure and acquisitions.
  - Achieved industry leading cost structure and capabilities.
  - Grew EBITDA from negative \$16 million in 1998 to a positive \$28 million in 2007.
  - Sold in 2007 for \$335 million (or 12.0X EBITDA), netting \$219 million for TCR.
- **Total realized value creation: \$384 million (Total TCR investment return: \$243 million - 9.3X invested capital)**

**Meridian Rail (TCR Portfolio Company) • Chicago, IL**

2002 - 2004

*Transformation of a \$300 million revenue rail products and services conglomerate. Three operating divisions purchased out of bankruptcy in January 2002 for \$60 million (details below).*

- Corporate Overhead
  - Eliminated entire corporate overhead and simultaneously decentralized management to the division level.
  - Restructuring took less than 60 days and yielded \$12 million per year of savings.
- Railroad Products Foundry Division
  - Analyzed internal operating processes, competitor cost structures and industry demand trends - determined that the US based foundry was not economically viable.
  - Utilized knowledge of competitors to identify optimal owner of the foundry operations.
  - Negotiated unique sale agreement balancing Justice Department concerns, purchaser's risk profile and the potential for significant variations in post merger value creation.
  - Agreement signed March 2003: yielded \$71 million cash. Division was losing \$5 million of EBITDA at time of sale.
- Railroad Track Products Division
  - Implemented one reduction in force, one facility closure and hired new management team. Improved EBITDA from negative \$2 million to positive \$3 million.
  - Analyzed internal capabilities and competitive landscape - determined division had no strategic differentiators.
  - Identified competitor with greatest potential synergies and negotiated sale.
  - Sold in February 2004 for \$22 million (or 7.1X EBITDA).
- Railroad Remanufacturing Services Division
  - Enhanced strategic position by developing IT capability that provided customers with real time visibility of operations - this significantly improved customer economics by increasing rail car utilization.
  - Improved cost structure: rationalized operating footprint and invested \$2.5 million in equipment upgrades.
  - Grew EBITDA from \$8.5 million (in 2002) to \$18.5 million (in 2004).
  - Increased RONA from 17% (in 2002) to 72% (in 2004).
  - Sold in November 2004 for \$124 million (or 6.2X run-rate EBITDA).
- **Total realized value creation: \$157 million (Total investment return: \$217 million - 3.6X invested capital)**