

Competitive Edge

- HPS is unique in the business
 - engineering skills and resources
 - multi-national manufacturing facilities
 - broadest product range in North America
 - multiple channels to market
 - quality and experience for demanding applications
 - fast turn around capabilities for highly engineered custom products
 - strategically located warehousing
- Strong organic growth potential
- Largest dry-type transformer manufacturer in the industry

Technical & Design Leadership

- Largest engineering group in the dry transformer industry
 - Thousands of custom new designs generated per year
 - Broadest product range in North America
 - Superior “application” knowledge
 - Quick turn around time from design to shipment of finished products
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Capabilities

Strengths

- The Company has adapted a “natural hedge” business strategy through:
 - Market segment diversity – not dependant on any one market segment
 - Reduces drastic sales wings during recessionary times as not all markets follow the same business cycle
- Multi-national Manufacturing
 - Manufacturing facilities in Canada, the United States, and Mexico
 - The ability to shift products between plants which provides an advantage for delivery, flexible capacity management, disaster proofing, and balancing foreign content

Capabilities Continued...

Strengths

- Breadth of Product
 - HPS' product breadth enables “one stop shopping” for our customers (from small hand-sized control transformers to large room-sized power transformers)
 - Conducive to supplier consolidation and ease of purchasing
- Workforce
 - Very low turnover at all facilities
 - Empowered employees
 - Long term seniority
- Strategic Planning Process
 - Detailed analytical approach 3 years out
 - Alignment of our company goals with employee objectives (vertically integrated)