



Dogwood Equity Announces Investment in Compact Power, Inc.

Raleigh, North Carolina – Dogwood Equity, manager of the North Carolina Economic Opportunities Fund, is pleased to announce the completion of a \$5,450,000 financing round for Compact Power, Inc. (“CPI”) in a combination of subordinated debt and equity. CPI is a Fort Mill, SC based national wholesale distributor of compact utility equipment that was founded by industry veteran Roger Braswell. As a condition of the funding, the company will relocate its headquarters and manufacturing operations to a North Carolina county that meets Dogwood’s geographic requirements.

As a result of this transaction, CPI combines three well-established brands within the compact hydraulic equipment market, PowerHouse, Kanga and Boxer, representing the third largest market share of industry sales behind the Toro and Bobcat brands. CPI’s products – highly compact, hydraulic power systems on tracks or wheels and other construction equipment under 50 horsepower or 5,000 lbs. in weight – service a broad spectrum of industries including, landscape contracting, telecommunications, general construction, irrigation, and utilities. On the market for less than a decade, the fledgling product category has experienced significant growth and by 2007, the nationwide market is estimated to be between \$500 million and \$625 million.

Dogwood Equity served as the lead investor in structuring and negotiating the transaction. St. Cloud Capital of Los Angeles, CA was a significant co-investor along with the founder and other individual investors and manufacturing partners.

About Dogwood Equity

Dogwood Equity manages the North Carolina Economic Opportunities Fund, a licensed Small Business Investment Company with \$74 million available for investment in high-growth North Carolina businesses. Dogwood Equity invests exclusively in companies that are located in the rural and smaller metropolitan areas of North Carolina and will consider investment opportunities in growth, expansion and late stage manufacturing, technology, service and distribution companies.