



FORCE PROTECTION, INC.

FRPT (03/03/08): \$3.58

New Leadership for the Post-MRAP World; Lowering Price Target to \$3.50

MARKET WEIGHT

Company Update

INDUSTRIAL GROWTH

Defense & Security

NEUTRAL

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FRPT Index Weighting
Russell 2000: 0.021%
Russell 3000: 0.002%

Please see analyst certification and other important disclosures starting on page 5 and continuing through page 7.

Key Data		FY	2006	2007	2008
52-Week Range:	\$3-\$31	EPS			
Market Cap. (mn):	\$246.8	Q1	(\$0.02)A	\$0.04A	\$0.20E
Shares Out. (mn):	68.9	Q2	\$0.03A	\$0.14A	\$0.26E
Avg. Daily Vol.:	3,391,802	Q3	\$0.01A	\$0.16A	\$0.29E
Fiscal Year-End:	31-Dec	Q4	\$0.32A	\$0.20E	\$0.26E
Dividend (Ind. Annual):	NA	Year	\$0.39A	\$0.55E	\$1.01E
Yield:	NA	P/E	9.14x	6.56x	3.53x
Debt/Total Capital:	0%	Rev. (mn)			
Price/TTM Sales:	0.5x	Q1	\$34.8A	\$100.2A	\$185.4E
Net Cash/Share:	NM	Q2	\$56.1A	\$134.7A	\$202.8E
Book Value/Share:	\$3.54	Q3	\$42.2A	\$173.0A	\$211.7E
Price/Book Value:	1.0x	Q4	\$63.0A	\$220.2E	\$161.5E
3-5 Year EPS Growth:	10%	Year	\$196.0A	\$628.1E	\$761.4E
Price Target:	\$3.50	TEV/Sales	0.9x	0.3x	0.2x

Note: Price is as of the close on the date indicated. All monetary figures are in the same currency as noted in market price. Any price target displayed in the data box above represents either a specific price target or the midpoint of a range.

Executive Summary

Cleaning house: Monday after the close Force Protection named Michael Moody Chief Executive Officer, President and Chairman. In addition the company announced the departure of the remaining two executives who had ushered Force Protection through the MRAP competition, with Michael Durski being replaced by interim CFO Francis E. Scheuerell, Jr. and departing COO Ray Pollard's responsibilities being assumed by Michael Moody.

CEO and CFO changes not unexpected: Moody's appointment comes as no surprise, following his appointment as interim CEO upon the former CEO's (Gordon McGilton) announced retirement on January 8th, 2008. Given the ongoing financial control weaknesses, the departure of Michael Durski as CFO is not a tremendous surprise either. Mr. Scheuerell's experience is well suited to Force Protection given his 26 year background in accounting and significant involvement with numerous public company restatements.

COO departure a surprise, but logical: We had not been expecting the departure of Ray Pollard as COO, but given that the company has ramped to full production, which we expect to ramp-down later in 2008 when MRAP deliveries are completed, and the Cheetah facility has been stood up, we believe the folding in of COO responsibilities into the CEO position makes sense for a company of this size.

Concerns remain: While these changes are a potential long-term positive for FRPT, we remain cautious on the name due to our concerns regarding reduced market share, intense competition for the JLTV, very limited visibility beyond MRAP deliveries ending in 3Q08, lack of orders for the Cheetah vehicle and uncertain ability to sustain profitability as MRAP production volume declines.

Lowering price target: As a result of these continued concerns, we are reducing our price target from \$5.75 to \$3.50 based on current book value. Our rating remains Market Weight.

INVESTMENT HIGHLIGHTS
Force Protection Comparable Company Analysis (Dated March 3, 2008)

Force Protection Comparison Company Analysis (Data as of March 3, 2008)												CY 2008E						
Company	Ticker	Price	52 Week		Revenue (CY)			GAAP EPS (CY)			Mkt. Cap. (\$mn)	Ent. Value (\$mn)	EV/ Rev.	EV/ EBITDA(P)	GAAP P/E	Relative	FCFLO Yield	
			Low	High	2008E	2009E	% Chg	2008E	2009E	% Chg								
Defense suppliers																		
Alliant Techsystems* - M	ATK	105.83	86	-	121	4,816	5,330	11%	7.15	8.44	18%	3,750	6,512	1.4x	10.1x	14.8x	1.08x	7.2%
DRS Technologies* - O	DRS	57.28	44	-	61	3,468	3,755	8%	4.01	4.52	13%	2,375	3,987	1.1x	8.7x	14.3x	1.04x	5.1%
L-3 Communications* - O	LLL	107.23	82	-	115	14,409	15,132	5%	6.59	7.29	11%	13,607	17,364	1.2x	9.8x	16.3x	1.19x	8.8%
Rockwell Collins* - O	COL	58.10	53	-	76	4,912	5,248	7%	4.17	4.55	9%	9,604	9,851	2.0x	8.5x	13.9x	1.02x	7.3%
Averages/Totals						\$27,604	\$29,465	7%			13%	\$29,337	\$37,713	1.4x	9.3x	14.8x	1.08x	7.1%
Defense primes																		
Boeing* - M	BA	80.67	74	-	108	68,947	75,111	9%	6.12	7.04	15%	61,390	51,259	0.7x	5.7x	13.2x	0.96x	1.1%
General Dynamics* - O	GD	81.75	71	-	95	29,609	31,487	6%	5.80	6.35	9%	33,264	33,164	1.1x	8.5x	14.1x	1.03x	7.4%
Lockheed Martin* - O	LMT	104.00	89	-	114	43,027	45,152	5%	7.40	8.11	9%	44,034	45,460	1.1x	8.3x	14.0x	1.02x	7.6%
Northrop Grumman* - M	NOC	82.57	71	-	85	33,273	34,848	5%	5.75	6.20	8%	28,990	32,082	1.0x	8.5x	14.4x	1.05x	7.5%
Raytheon* - M	RTN	65.50	51	-	67	22,644	24,022	6%	3.90	4.25	9%	28,610	28,223	1.2x	9.0x	16.8x	1.23x	5.6%
Averages/Totals						\$197,501	\$210,619	7%			10%	\$196,288	\$190,188	1.0x	8.0x	14.5x	1.06x	5.8%
Force Protection* - M	FRPT	\$3.58	3	-	31	\$761	\$469	-38%	1.01	0.53	-48%	\$247	\$175	0.2x	1.3x	3.5x	0.26x	45.8%
Major Indices:																		
NASDAQ Composite	COMP	2,259	2,203	-	2,862													
S&P 500	SPX	1,331	1,061	-	1,229				\$97.07	\$112.57						13.7x	1.00x	

Rating: O = Overweight, M = Market Weight, U = Underweight, SR = Suspended Rating
 Note: EBITDA(P) - Large-cap defense adjusted to exclude non-cash FAS/CAS pension income/(expense)
 Source: Bridge, Baseline, company reports and (*) Thomas Weisel Partners LLC estimates

Company Description: Force Protection, Inc. engages in the manufacture of ballistic and blast protected vehicles. The company's products are used to protect personnel during transport, removal of unexploded ordnance, route clearance, humanitarian de-mining, and other missions that require protection from landmines and hostile fire.

Force Protection Income Statement (\$mn) (excludes vehicles delivered by GDLS)

FY DEC	2004	2005	1Q06	2Q06	3Q06	4Q06	2006	1Q07A	2Q07A	3Q07A	4Q07E	2007E	2008E	2009E
Net Sales	10.3	49.7	34.8	56.1	42.2	63.0	196.0	100.2	134.7	173.0	220.2	628.1	761.4	468.9
Cost of Sales	11.3	44.4	28.2	45.9	34.2	50.7	159.0	78.4	101.9	132.4	169.1	481.9	558.9	353.2
Gross Profit	(1.0)	5.3	6.6	10.2	7.9	12.3	37.0	21.8	32.8	40.6	51.1	146.2	202.5	115.7
SGA	9.1	16.6	5.9	7.5	6.8	7.1	27.2	14.4	15.5	20.0	24.6	74.6	78.0	52.2
R&D	0.0	1.7	0.7	0.6	0.5	1.4	3.2	4.8	3.3	2.5	4.4	15.1	7.6	4.7
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Income	(10.1)	(12.9)	0.1	2.0	0.6	3.9	6.6	2.5	14.0	18.1	22.1	56.6	116.9	58.8
Other income	0.6	(1.9)	0.0	0.0	0.1	0.8	1.0	1.8	1.1	0.6	0.5	4.0	3.0	6.8
Interest expense	(0.7)	(1.7)	(0.8)	(0.8)	(0.1)	0.0	(1.7)	(0.0)	(0.0)	(0.1)	(0.0)	(0.1)	(7.0)	(7.0)
Income (loss) from continued operations	(10.2)	(16.6)	(0.7)	1.2	0.6	4.7	5.9	4.3	15.0	18.6	22.6	60.5	112.8	58.6
Loss from discontinued operations/deferred tax benefit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pre-tax income	(10.2)	(16.6)	(0.7)	1.2	0.6	4.7	5.9	4.3	15.0	18.6	22.6	60.5	112.8	58.6
Tax benefit (expense)	0.0	0.0	0.0	0.0	0.0	12.3	12.3	(1.8)	(5.4)	(7.2)	(8.6)	(23.0)	(42.9)	(22.3)
Net income (loss)	(10.2)	(16.6)	(0.7)	1.2	0.6	17.0	18.2	2.5	9.6	11.4	14.0	37.5	69.9	36.3
Dilute Earnings/(Loss) per Share	(\$0.53)	(\$0.49)	(\$0.02)	\$0.03	\$0.01	\$0.32	\$0.39	\$0.04	\$0.14	\$0.16	\$0.20	\$0.55	\$1.01	\$0.53
Diluted Shares	19.4	33.9	37.5	44.9	51.7	51.7	46.4	68.0	68.9	68.9	68.9	68.7	68.9	68.9
EBIT	(10.1)	(12.9)	0.1	2.0	0.6	3.9	6.6	2.5	14.0	18.1	22.1	56.6	116.9	58.8
Depreciation and Amortization	0.2	0.4	0.2	0.2	0.2	0.2	0.8	0.8	1.6	2.2	2.7	7.2	13.4	15.5
EBITDA	(9.9)	(12.6)	0.3	2.2	0.8	4.1	7.4	3.3	15.5	20.3	24.8	63.9	130.3	74.3
<u>Margin Analysis</u>														
Gross margin	(9.7%)	10.7%	19.1%	18.1%	18.8%	19.5%	18.9%	21.7%	24.3%	23.5%	23.2%	23.3%	26.6%	24.7%
SG&A	88.9%	33.4%	16.8%	13.3%	16.1%	11.2%	13.9%	14.4%	11.5%	11.6%	11.2%	11.9%	10.2%	11.1%
R&D	0.0%	3.3%	1.9%	1.1%	1.3%	2.1%	1.6%	4.8%	2.5%	1.5%	2.0%	2.4%	1.0%	1.0%
EBITDA margin	(96.6%)	(25.3%)	0.9%	3.9%	2.0%	6.5%	3.8%	3.3%	11.5%	11.7%	11.2%	10.2%	17.1%	15.8%
EBIT margin	(98.6%)	(26.0%)	0.3%	3.6%	1.4%	6.2%	3.4%	2.5%	10.4%	10.4%	10.0%	9.0%	15.3%	12.5%
Effective tax rate		nm	nm	nm	nm	nm	nm	41.7%	35.9%	38.9%	38.0%	38.0%	38.0%	38.0%
Net margin	(99.7%)	(33.3%)	(1.9%)	2.2%	1.4%	27.0%	9.3%	2.5%	7.1%	6.6%	6.4%	6.0%	9.2%	7.7%
<u>Y/Y growth</u>														
Net sales	64%	384%	495%	206%	353%	287%	294%	188%	140%	310%	250%	220%	21%	(38%)
EBITDA			NM	NM	NM	NM	NM	NM	NM	NM	NM	762%	104%	(43%)
EBIT			NM	NM	NM	NM	NM	NM	NM	NM	NM	753%	106%	(50%)
Net income			NM	NM	NM	NM	NM	NM	NM	NM	NM	106%	86%	(48%)
EPS			NM	NM	NM	NM	NM	NM	NM	NM	NM	39%	86%	(48%)
<u>Q/Q growth</u>														
Net sales			114%	61%	(25%)	49%		59%	34%	28%	27%			
EBITDA			NM	633%	(61%)	384%		(19%)	371%	31%	22%			
EBIT			NM	1673%	(71%)	558%		(35%)	450%	29%	22%			
Net income			NM	(285%)	(51%)	2725%		(85%)	283%	18%	23%			
EPS			NM	(215%)	(54%)	2681%		(89%)	278%	18%	23%			

Source: Company reports and Thomas Weisel Partners LLC estimates

Force Protection Cash Flow (\$mn)

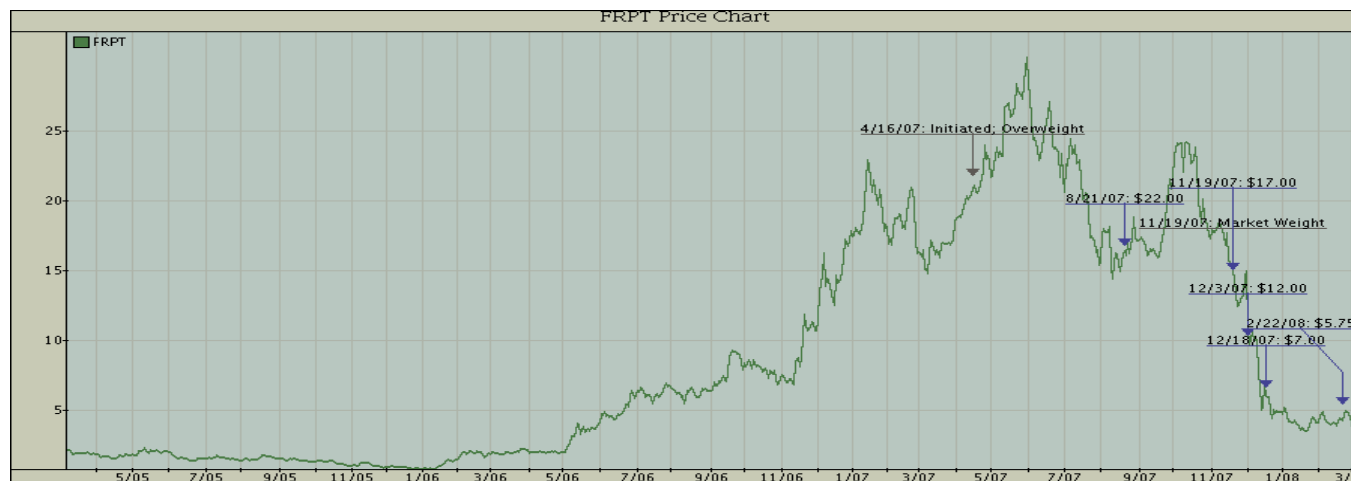
FY DEC	2004	2005	1Q06	2Q06	3Q06	4Q06	2006	1Q07A	2Q07A	3Q07A	4Q07E	2007E	2008E	2009E
Net income (loss) from operations	(12.0)	(13.5)	(0.7)	1.2	0.6	17.0	18.2	2.5	9.6	11.4	14.0	37.5	69.9	36.3
Depreciation and amortization	0.2	0.4	0.2	0.2	0.2	0.2	0.8	0.8	1.6	2.2	2.7	7.2	13.4	15.5
Deferred tax expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.5	1.3	0.0	4.8	0.0	0.0
Common stock issued for services	3.7	(0.3)	0.3	0.1	0.2	0.0	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Stock based compensation	0.0	0.1	0.0	0.0	0.4	0.9	1.3	0.4	0.4	0.4	0.3	1.6	1.3	1.3
Issuance of stock	0.0	0.2	0.0	0.0	0.0	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other - Net	0.0	(2.8)	0.0	0.0	0.0	(12.3)	(12.3)	2.3	9.8	2.2	0.0	14.3	0.0	0.0
Change in asset and liabilities	(3.9)	(2.0)	7.4	(4.7)	(13.8)	(24.2)	(35.3)	(33.2)	(96.0)	30.8	(65.2)	(163.5)	62.3	(1.2)
Decrease (increase) in accounts receivable	(0.9)	(2.6)	2.6	(6.7)	(8.5)	(19.8)	(32.3)	(8.5)	(52.9)	49.9	(47.9)	(59.5)	21.6	10.0
Decrease (increase) in inventories	(8.2)	(23.5)	(1.1)	12.2	(12.2)	(26.8)	(27.9)	(37.2)	(54.0)	(32.2)	(52.7)	(176.1)	90.5	4.6
Decrease (increase) in other assets	(0.2)	(0.0)	(0.1)	0.0	(0.1)	0.0	(0.1)	(2.2)	0.9	(14.6)	1.7	(14.2)	5.9	4.0
Increase (decrease) in accounts payable	1.2	12.7	4.9	2.3	0.4	16.4	24.0	16.2	13.2	(20.2)	27.3	36.5	(11.1)	(13.5)
Increase (decrease) in other accrued liabilities	1.3	0.5	0.4	(0.4)	0.4	0.4	0.7	6.3	(3.9)	1.5	10.7	14.6	(4.7)	(3.2)
Increase (decrease) in contract liabilities	0.5	1.0	(0.4)	1.3	(0.8)	(0.0)	0.2	0.0	0.0	0.0	3.9	3.9	(2.3)	(1.6)
Increase (decrease) in deferred revenue	2.4	10.0	1.1	(13.5)	7.0	5.7	0.2	(7.7)	0.7	46.4	(8.3)	31.2	(37.6)	(1.6)
Net cash from (used in) operations	(11.9)	(18.0)	7.2	(3.2)	(12.3)	(18.2)	(26.5)	(27.2)	(71.2)	48.4	(48.2)	(98.1)	146.9	51.9
Purchase of property and equipment	0.0	(1.5)	(0.6)	(1.7)	(2.0)	(3.2)	(7.6)	(16.7)	(8.8)	(18.8)	(20.0)	(64.4)	(34.0)	(20.0)
Process from the sale of property and equipment	(0.9)	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash used in investing activities	(0.9)	(1.4)	(0.6)	(1.7)	(2.0)	(3.2)	(7.6)	(16.7)	(8.8)	(18.8)	(20.0)	(64.4)	(34.0)	(20.0)
Proceeds from issuance of preferred stock	0.0	15.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from issuance of common stock	11.1	0.7	(0.4)	6.3	40.3	139.6	185.8	0.0	1.3	0.1	0.0	1.3	0.0	0.0
Proceeds from stock commitments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from convertible debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payments on short term debts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payment on capitalized lease obligations	0.0	(0.1)	0.0	0.0	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	0.0	(0.1)	0.0	0.0
Preferred stock dividends paid	0.0	(0.8)	0.0	(0.4)	(0.2)	0.1	(0.4)	0.0	0.0	0.0	0.0	0.0	(0.4)	(0.4)
Proceeds from (payments on) borrowings, net	3.7	3.1	(1.3)	(3.8)	(2.5)	0.0	(7.5)	0.0	0.5	(0.5)	0.0	(0.0)	100.0	0.0
Other	(0.1)	0.0	0.0	(0.0)	0.0	11.3	11.3	1.0	(1.0)	0.0	0.0	0.0	0.0	0.0
Net cash provided by financing activities	14.8	18.3	(1.6)	2.2	37.6	151.0	189.2	1.0	0.7	(0.5)	0.0	1.2	99.6	(0.4)
Net increase (decrease) in cash	2.0	(1.0)	4.9	(2.7)	23.3	129.6	155.1	(42.9)	(79.3)	29.1	(68.2)	(161.2)	212.5	31.5
Net cash from continuing operations	(11.9)	(18.0)	7.2	(3.2)	(12.3)	(18.2)	(26.5)	(27.2)	(71.2)	48.4	(48.2)	(98.1)	146.9	51.9
Capex	0.0	(1.5)	(0.6)	(1.7)	(2.0)	(3.2)	(7.6)	(16.7)	(8.8)	(18.8)	(20.0)	(64.4)	(34.0)	(20.0)
Free cash flow	(11.9)	(19.5)	6.6	(4.9)	(14.3)	(21.4)	(34.1)	(43.9)	(80.0)	29.6	(68.2)	(162.4)	112.9	31.9
<u>Capital structure</u>														
Cash	2	1	6	3	27	156	156	113	38	72	4	4	217	248
Debt	0	8	6	3	0	0	0	1	1	1	1	1	101	101
Net debt	(2)	6	0	(1)	(27)	(156)	(156)	(113)	(37)	(72)	(4)	(4)	(116)	(148)
Equity	3	1	1	8	50	218	218	222	232	244	258	258	328	363
<u>Analysis</u>														
Debt/capital	16%	84%	84%	23%	0%	0%	0%	0%	0%	0%	0%	0%	23%	22%
Net debt/capital	(59%)	70%	1%	(9%)	(54%)	(72%)	(72%)	(51%)	(16%)	(29%)	(1%)	(1%)	(27%)	(32%)
Return on equity (ROE)	(400.5%)	(372.6%)					32.7%					16.0%	24.0%	10.5%
Return on invested capital (ROIC)	(315.5%)	(164.0%)					33.8%					16.0%	20.0%	9.2%
Equity/share	\$0.13	\$0.04	\$0.03	\$0.18	\$0.96	\$4.21	\$4.69	\$3.26	\$3.37	\$3.54	\$3.74	\$3.76	\$4.75	\$5.27

Source: Company reports and Thomas Weisel Partners LLC estimates

ADDITIONAL INFORMATION IS AVAILABLE UPON REQUEST.
ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES:

The Research Analyst(s) principally responsible for the analysis of any security or issuer included in this report certifies that the views expressed accurately reflect the personal views of the Research Analyst(s) about the subject securities or issuers and certifies that no part of his or her compensation was or is or will be, directly or indirectly, related to the specific recommendations or views expressed by the Research Analyst(s) in this report.

Our European Conflicts Management Policy is available on our website at <http://www.tweisel.com>



Notes: Price chart updated as of 2/29/2008. All price targets displayed in the chart above represent either a specific price target or the midpoint of a range. Prior to November 16, 2006, Thomas Weisel Partners LLC used a three-tier rating system with different rating names and definitions: Outperform, Peer Perform and Underperform.

Source: First Call, FactSet and Thomas Weisel Partners LLC

Thomas Weisel Partners LLC makes a market in the securities of the following company or companies mentioned in this report and may sell any of the securities to or buy them from customers on a principal basis: Force Protection, Inc.

Force Protection, Inc.: Our 12-month price target of \$3.50 is based on current book value of the shares. Our Market Weight rating on Force Protection reflects our expectation that (1) MRAP production should tail off at the end of 2008, (2) International markets will not be as robust as the U.S. market for mine resistant vehicles (3) Force Protection and partners MRAP market share may continue to drop, and (4) Cheetah will ramp to 500 vehicle deliveries in 2009 to US and/or international customers, either within an interim JLTV program or outside of it. Risks to our price target include a reduction in planned MRAP purchases, funding/order delays that cause a production gap in mid-to-late 2008, execution on the planned production ramp, and market acceptance of the Cheetah vehicle.

The following table outlines the Thomas Weisel Partners LLC stock rating system, along with the relevant definitions, effective November 16, 2006.

STOCK RATING	STOCK RATINGS DEFINITIONS	PCT. OF SECURITIES RATED IN EACH CATEGORY	PCT. FOR WHICH IB SERVICES HAVE BEEN PROVIDED
Overweight (O)	When an analyst rates a stock Overweight, he/she is advising our clients to carry a position in the stock that is in excess of its weighting relative to the stocks either in that analyst's coverage or an index identified by the analyst that includes, but is not limited to, stocks covered by that analyst.	47.7%	39.9%
Total Buy		47.7%	39.9%
Market Weight (M)	When an analyst rates a stock Market Weight, he/she is advising our clients to carry a position in the stock that is in line with its weighting relative to the stocks either in that analyst's coverage or an index identified by the analyst that includes, but is not limited to, stocks covered by that analyst.	50.0%	10.8%
Total Hold		50.0%	10.8%
Underweight (U)	When an analyst rates a stock Underweight, he/she is advising our clients to carry a position in the stock that is below its weighting relative to the stocks either in that analyst's coverage or an index identified by the analyst that includes, but is not limited to, stocks covered by that analyst.	2.3%	10.0%
Total Sell		2.3%	10.0%
Suspended Rating (S)	The stock rating has been suspended.		
Not Rated (NR)	The stock is not rated, but it is covered by a Thomas Weisel Partners LLC analyst.		
Not Covered (NC)	The stock is not covered by a Thomas Weisel Partners LLC analyst.		

Notes: The percentage of investment banking services is calculated as of 12/31/2007. The percentage of securities rated in each category is calculated as of 3/3/2008. The new rating system is effective 11/16/2006. An analyst's coverage universe is defined as all of the stocks within the analyst's industry that reasonably are part of his/her potential coverage, not necessarily the stocks specifically covered. "Buy", "Hold" and "Sell" are not ratings categories defined by Thomas Weisel Partners LLC and should not be interpreted as investment opinions. We show these categories for illustrative purposes in accordance with NASD and NYSE regulations. The above table includes Thomas Weisel International stocks.

Source: FactSet and Thomas Weisel Partners LLC

The following grid outlines the Thomas Weisel Partners LLC industry rating system, along with the relevant definitions, effective November 16, 2006.

INDUSTRY RATINGS	INDUSTRY RATINGS DEFINITIONS
Favorable	When an analyst assigns a Favorable rating to an industry that means he/she believes that, generally, the industry's fundamentals or stock prospects are improving.
Neutral	When an analyst assigns a Neutral rating to an industry that means he/she believes that, generally, the industry's fundamentals or stock prospects are stable.
Unfavorable	When an analyst assigns an Unfavorable rating to an industry that means he/she believes that, generally, the industry's fundamentals or stock prospects are deteriorating.

Source: Thomas Weisel Partners LLC

The following grid outlines the Thomas Weisel Partners LLC stock rating system, along with the relevant definitions, in effect from April 4, 2003, to November 16, 2006.

COMPANY RATING	RATINGS DEFINITION
Outperform (O)	The stock is expected to outperform the median performance of the Analyst's coverage universe over the next six to 12 months.
Peer Perform (P)	The stock is expected to perform in line with the median performance of the Analyst's coverage universe over the next six to 12 months.
Underperform (U)	The stock is expected to underperform the median performance of the Analyst's coverage universe over the next six to 12 months.
Suspended Rating (S)	The stock rating has been suspended.
Not Rated (NR)	The stock is not rated, but it is covered by a Thomas Weisel Partners LLC analyst.
Not Covered (NC)	The stock is not covered by a Thomas Weisel Partners LLC analyst.

SECTOR RATING	SECTOR RATING DEFINITION
Overweight (OW)	The Analyst's coverage universe is expected to outperform the S&P 500 over the next six to 12 months.
Market Weight (MW)	The Analyst's coverage universe is expected to perform in line with the S&P 500 over the next six to 12 months.
Underweight (UW)	The Analyst's coverage universe is expected to underperform the S&P 500 over the next six to 12 months.

Source: Thomas Weisel Partners LLC

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