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Thompson Street Capital Partners Acquires Broadcast Electronics

St. Louis, Missouri, January 29, 2004– Thompson Street Capital Partners, a private equity fund based in St. Louis, Missouri, announced today that it has acquired Broadcast Electronics, Inc., of Quincy, Illinois, in partnership with management. Hoak Capital, a private equity firm based in Dallas, Texas, was the seller. Terms of the transaction weren't disclosed.

According to John Pedlow, President & CEO of BE, "This is an important move for BE. We have enjoyed our successful 7-year relationship with the Hoak organization and we believe that this acquisition reflects a high level of confidence by Thompson Street in both the future of BE and the growth of the radio market."

Broadcast Electronics (www.bdcast.com) is the leading manufacturer of transmission and broadcast automation systems sold to radio stations. BE's broadcast equipment products include AM and FM transmitters and remote broadcasting units. The company's market-leading digital automation systems are sold under the *AudioVAULT*[™] brand name, which has an estimated installed base of over 3,000 systems worldwide. BE's manufacturing facility and headquarters are located in Quincy.

This is the fifth platform investment for Thompson Street Capital Partners (www.thompsonstreet.net), founded by James Cooper and Peter Finley. "We're very pleased to be associated with BE," said Finley, "which we believe is well positioned to benefit from radio stations' expected conversion from analog to digital non-subscription radio over the next five years. Digital radio will provide significant upgrades in radio transmission quality, bringing AM stations up to FM quality and FM stations up to CD quality. In addition, the company has some exciting opportunities to build from its strengths in radio broadcast automation to provide internet transmission of digital media to other market sectors."

Thompson Street Capital Partners, which raised \$145 mm for its inaugural fund in September 2002, makes private equity investments in middle-market companies with sales ranging from \$30 mm to \$200 mm. The firm focuses on buying companies in manufacturing, service, and distribution industries. "We were fascinated to learn during this acquisition process that Quincy, Illinois is the principal global location for broadcast equipment technology," said Finley, "like most people, we didn't know there was such a center of excellence in our area. While this is the first business we've bought near our headquarters in St. Louis, we are very interested in making additional investments in the region."