CV Holdings,Inc.

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION
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Press Release

CV Holdings, Inc. Update and Financial Statements for Year Ended December 31, 2018.

NEWPORT BEACH, Calif., May 1, 2019 (GLOBE NEWSWIRE) -- CV Holdings, Inc. (Other OTC:CVHL) (the "Company") today reported a net loss for the year ended December 31, 2018 of $(9,354,600) or $(0.16) per common share with weighted average common shares of 57,202,825 issued and outstanding during 2018. Taking into account the December 31, 2018 balance of 61,213,784 common shares issued and outstanding and 9,422,774 warrants and stock options outstanding, the net loss was $(0.13) per diluted common share based on 70,636,558 common shares outstanding on a fully-diluted basis.

The net loss for the year ended December 31, 2018 was primarily due to: interest expense on preferred equity of $8,690,140, as well as general and administrative expenses of $2,580,435. For comparative purposes, for the year ended December 31, 2017, the Company reported a net loss of $(8,658,577) or $(0.16) per common share with a weighted average of common shares issued and outstanding of 54,538,429. The interest expense on preferred equity during 2017 were $6,426,998, and administrative expenses were $2,314,595. Taking into account the December 31, 2017 balance of 55,213,784 common shares issued and outstanding and 9,422,774 warrants and stock options outstanding, the net loss was $(0.13) per diluted common share based on 64,636,558 common shares outstanding on a fully-diluted basis.

Liquidity

As of December 31, 2018, the Company had total cash of $9,226,658, as compared to $20,040,407 of cash, as of December 31, 2017. The Company's primary sources of cash flow consisted of interest earned on loans, mortgages or equipment finance contracts and other investments in its various businesses, namely CV Capital Funding, LLC ("CVCF"), Centra Funding, LLC ("Centra") and VenSource Holdings, LLC ("VenSource"). Additionally, the Company earned various fees from its investment management activities in its non-performing residential loan business (the "NPL Business'' or "LongVue"), as well as from return of principal from its investment in the same. As of March 31, 2019, the Company had total cash of $11,223,062.

In January 2019, the Company paid out the remaining $1,125,000 from the 2017 negotiated transaction to retire the entire outstanding amount of its Series A Preferred Stock, which was issued in 2013. The aggregate purchase price was $1,500,000, of which $375,000 was paid in 2017.

As of March 31, 2019, the Company and its subsidiaries (including the CVCF-JV as described further below) had bank line commitments of $70,000,000, of which approximately $27,100,000 remained undrawn, and each such entity was in compliance with all of its covenants, which are further discussed in the applicable business update sections.

Tricadia Investment Update

Since its first investment in 2015, Tricadia has funded a total of $50,000,000 in capital, fulfilling its $50,000,000 commitment in the form of a $20,000,000 investment in the Company's Senior Non-Convertible Preferred Stock and a $30,000,000 investment in the Company's Senior Perpetual Preferred (together the "Tricadia Preferred Stock"). In August 2018, Tricadia redeemed 5,993 shares of the Company's Senior Perpetual Preferred Stock for 5,625 shares of Senior Non-Convertible Preferred Stock and 6,000,000 common shares. As of December 31, 2018, the Company has issued a total of 18,745,365 common shares to Tricadia related to the Tricadia Preferred Stock, and Tricadia was still entitled to another 30,822,907 common shares upon redemption of its remaining Senior Perpetual Preferred Stock.

On a pro forma basis, assuming the full $30,000,000 Tricadia Senior Perpetual Preferred Stock investment will be subsequently converted into Tricadia Senior Non-Convertible Preferred Stock and associated common stock (as more fully described in the Company's April 2015 press release), the Company's outstanding fully-diluted shares of common stock would increase from the current fully diluted amount of 70,636,558 to 101,459,465, and Tricadia will own, through Company-issued stock, approximately 50% of the total shares outstanding. The Company has also approved unrelated open-market third-party purchases by Tricadia from third-party shareholders, which when combined with the aforementioned shares will result in Tricadia owning over 60% of the total shares outstanding.

Financial Reporting

Included in this press release are the audited consolidated balance sheets, statements of operations, and statements of cash flows of CV Holding, Inc. and its subsidiary entities as of and for the years ended December 31, 2018 and December 31, 2017.

Update on the Business

<u>Consolidated Update</u>

In 2018, the Company made several strategic decisions regarding its various businesses. The Company decided that the best allocation of its capital would be to focus on its fastest growing businesses, namely CVCF and Centra, on a going-forward basis. As part of this decision, operations were discontinued at VenSource and the existing VenSource investment became a liquidating portfolio. As of December 31, 2018, the Company has now invested in, through CVCF, the CVCF-JV (as described further below), Centra, and the remaining VenSource portfolio, approximately $71,600,000 in loans, mortgages or equipment finance contracts across all such investments. This compares with approximately $29,000,000 as of the end of December 31, 2017. From an operating cash flow standpoint, as can be seen in the table below, excluding one-time gains from the purchase of the Company's Series A Preferred and the pay-in-kind dividends on the Tricadia Preferred Stock, the Company had Adjusted EBITDA of $(855,938) in the year ended December 31, 2018 compared to $(3,308,268) in the year ended December 31, 2017. The Company thus made great strides in its operations increasing Adjusted EBITDA by $2,452,330 and narrowing its loss position by nearly 75% in 2018 as a result of the growth in its existing remaining businesses as well as the recognition of $1,078,025 in accrued management fees related to its NPL Business. As of March 31, 2019, loans outstanding held by the Company (including the loans held by CVCF-JV) have increased further to approximately $99,500,000. It is our expectation that, as loans continue to grow, administrative expenses as a percentage of revenues will continue to decline, driving the company toward positive EBITDA.

	Year Ended December 31, 2018	Year Ended December 31, 2017
Net loss	$ (9,354,600)	$ (8,658,577)
Interest expense on preferred equity	8,690,140	6,426,998
Taxes	52,342	33,017
Depreciation	56,180	24,294
EBITDA	(555,938)	(2,174,268)
Preferred stock redemption	(300,000)	(1,134,000)
Adjusted EBITDA	$ (855,938)	$ (3,308,268)

The Company has made significant progress in growing its two core businesses, CVCF and Centra. Because the Company is focused on growing its core businesses through re-investments, it has made the decision to not pay any cash dividends related to the Tricadia Preferred Stock at this time. While the Company is pleased with the progress of CVCF and Centra, (a) the slower-than-planned growth, due to the start-up nature of the businesses, (b) the lack of VenSource to achieve critical mass (as described further below), and (c) the continued growth of the amount owed on the Tricadia Preferred Stock, which is senior to its common shares, has created a dilutive effect to shareholders. Additional dilution could be further increased if the Company decides in the future to pay some or all of the Tricadia paid-in-kind dividends in common shares to both preserve cash and manage the increase of liabilities ahead of the common shares.

NPL Business

The Company's original core business operation, prior to the Company entering new finance businesses, was in the investment and management of non-performing residential loans and real estate owned properties (together "NPL"). Since it began in this business, the NPL industry has matured, and the Company has found it difficult to find attractive risk-adjusted returns for new investments. The Company, in its capacity as the sponsor of WestVue NPL Ventures, LLC, successfully completed its first securitization on November 6, 2015. The highlights of the securitization can be found in our press release of November 9, 2015. The Class A note of the securitization, which had an original balance of $61,000,000, was paid off in August 2018, and

LongVue received $1,078,025 of accrued management fees that had been deferred until after such payoff.

As of December 31, 2018, the Company's NPL assets under management consisted of 92 assets with a purchase price of $18,000,000 with $30,800,000 of unpaid principal balance secured by underlying real estate with a market value of approximately $30,200,000. This compares to 325 assets with a purchase price of $51,300,000 with $87,600,000 of unpaid principal balance secured by underlying real estate with a market value of approximately $76,000,000 as of December 31, 2017. The determination not to purchase any additional NPL portfolios since 2017, combined with the reduction of assets under management, is due to the decision by the Company's previous institutional investor (the "Previous Institutional Investor") to not invest any additional funds above its initial commitment of $50,000,000, which was fully invested by the Company. The $100,000,000 warehouse facility associated with the WestVue joint venture, with the Company's Previous Institutional Investor, has since been repaid in full and terminated. The Company was successful at investing and asset managing a $10,000,000 separate account dating back to 2016. That separate account was mostly liquidated during 2018.

The Company made a strategic decision during 2018 to exit the NPL business in 2019 and is expected to terminate its last servicing contract as of June 15, 2019 and will only provide certain administrative functions to assist its Previous Institutional Investor while they liquidate a portfolio expected to be less than 25 assets after April 2019.

VenSource Holdings, LLC

On April 7, 2016, the Company made a capital commitment to invest up to $15,000,000 into a newly-created joint venture entity between an affiliate of the Company and VSC Partners LLC. The joint venture entity operated as VenSource Management, LLC or VenSource Capital, LLC and managed the Company's invested capital in an entity indirectly owned entirely by the Company, VenSource Holdings, LLC (such entities and transactions collectively, "VenSource") and was based in Wilton, CT. VenSource was focused on the venture leasing and equipment finance business.

In 2018 the Company decided that VenSource was unable to scale to a level that was sufficient to warrant any further allocation of capital. A separation agreement was executed with the management team in May 2018 providing, among other items, for the team to continue to operate on their own using the VenSource name. At that time, the remaining portfolio was approximately $8,600,000. The portfolio as of March 31, 2019 had $5,200,000 outstanding and was performing satisfactorily. The Company believes that, upon liquidation of this portfolio, it will have recaptured its entire investment.

Centra Funding, LLC

On November 28, 2016, the Company, through a newly-formed subsidiary, Centra Funding, LLC closed on its acquisition of Centra Leasing, Inc., which was more fully described in the November 28, 2016 press release. Centra's business is focused on commercial "small-ticket" equipment leases or finance contracts. Originations utilize a vendor-based model. Centra's business is nationwide and across multiple industries, with leases or finance contracts typically for less than $100,000. On May 1, 2017, Centra successfully closed on a $20,000,000 warehouse debt facility with an affiliate of Wells Fargo Bank and on December 12, 2018 increased the line to $30,000,000. The debt facility allows Centra to borrow up to 85% of eligible collateral under its borrowing base and has a maturity of 3 years. As of December 31, 2018, Centra had approximately $14,000,000 of borrowings under this line. As of March 31, 2019, Centra had closed on transactions totaling approximately $41,700,000 since inception and maintains an active backlog of greater than $13,000,000 of approved transactions.

<u>CV Capital Funding, LLC</u>

On December 14, 2016, the Company committed $20,000,000 to a commercial real estate bridge lending business, which operates under the name CV Capital Funding, LLC. CVCF provides capital for a wide range of real estate asset classes on a nationwide basis. CVCF specializes in offering bridge loans secured by first mortgages on commercial real estate and other assets, Property types for consideration include: multi-unit residences, industrial, office, hospitality and other commercial properties.

From inception through March 31, 2019, CVCF had closed on 26 loans, totaling $75,153,500 in principal with a total outstanding amount of $62,787,500. On January 17, 2018 the CVCF successfully closed on a $20,000,000 warehouse debt facility with Northeast Bank which was further increased to $30,000,000 on January 30, 2019. CVCF also successfully closed on a $10,000,000 debt facility with Western Alliance Bank on May 4, 2018. On December 26, 2018 the CVCF entered into a joint venture with a real estate credit-oriented investment fund (the "CVCF-JV Partner" and for the joint venture, the "CVCF-JV") to invest up to $50,000,000 of equity in a newly-formed entity to continue the expansion of the real estate bridge lending business. CVCF agreed to contribute 20% of the equity, and the CVCF-JV Partner agreed to contribute 80% of the equity of the CVCF-JV. The initial investment of $25,000,000 was committed to in December 2018 with the second investment of $25,000,000 to be invested once the initial investment is fully funded and all parties agree to continue the venture. Additionally, the CVCF-JV Partner provided a $5,000,000 subordinated line of credit for CVCF's origination entity. On April 30, 2019, the CVCF-JV closed on a $30,000,000 term facility with Pacific Western Bank and is working towards closing another $10,000,000 term facility for CVCF's origination entity.

Additional details on each business are available by visiting our website at: www.cvhldgs.com.

<u>Annual Meeting of Stockholders</u>

On October 1, 2018, CV Holdings held an annual meeting of its stockholders. At such meeting the following items were passed by a vote of the majority of the outstanding common shares of the Company:

1. The election of Ricardo Koenigsberger, Kenneth Witkin, and James Crystal as directors of the Company.
2. An amendment to increase the authorized shares of common stock to 200,000,000.

3. An amendment to provide for limitations on the transferability of common stock in certain circumstances in order to preserve the Company's ability to utilize its NOLs.
4. An amendment to decrease the limitations of ownership of common shares from 9.8% to 4.9% and to permit a change in the limitations of the ownership of common shares which would result in five or fewer persons to beneficially own 50% or more of the value of the shares of the Company's outstanding common stock.
5. An amendment to the Company's charter to permit action by written consent of stockholders in lieu of a stockholders meeting.

Change to REIT status

The Company ceased qualifying as a REIT in 2018 and is now a C Corporation as a result of (a) its non-real estate finance businesses, (b) the change of the tax rules in 2018 applicable to certain REIT rule provisions, and (c) the Company recognizing REIT-disqualifying income.

Non-Core Discontinued Businesses

Collateralized Debt Obligations

In 2006 and 2007, the Company issued two different series of collateralized debt obligations ("CDOs"). The CDO bonds are non-recourse to the Company. The CDO bonds contain interest coverage and asset over-collateralization covenants that must be met in order for the Company to receive cash flow distributions from its investment in the CDOs as well as a portion of its collateral management fee. As previously announced, both CDOs have failed the over-collateralization tests. As a result of these failures, net cash flows (other than the senior collateral management, advancing agent and special servicing fees from CDO I and advancing agent fees from CDO II) from both CDOs continues to be diverted to pay down principal to the senior bondholders.

The Company's investment in CDO I (2006) at the time of its formation was $91,500,000. As of December 31, 2018, approximately $69,200,000 of outstanding third-party debt was senior to the Company's investment in CDO I. Such debt exceeds the market value as determined by the Company of CDO I's underlying assets. CDO I has realized losses well in excess of the Company's investment, and the Company does not expect to recover any of its $91,500,000 investment in CDO I. The Company continues to act as the collateral manager and special servicer for CDO I.

The Company's investment in CDO II (2007) at the time of its formation was $120,000,000. As of December 31, 2018, $328,800,000 of outstanding third-party debt within CDO II was senior to the Company's investment. Such debt exceeds the market value as determined by the Company of CDO II's underlying assets. This CDO has realized losses well in excess of the Company's investment, and the Company does not expect to recover any of its $120,000,000 investment in CDO II. In July 2009, the Company was removed as the collateral manager for CDO II by MBIA, the controlling class of CDO II bondholders.

Given that virtually all assets in CDO I and CDO II have been disposed or written off, the CDOs are not expected to generate any meaningful income in the future.

Dividends

The Company suspended dividends on shares of its outstanding common stock since the fourth quarter of 2008, and dividends are expected to continue to be suspended for the foreseeable future.

Litigation

As of December 31, 2018, the Company did not have any litigation other than regular course of business litigation involving the NPL portfolios.

Financial Statements

Prior to the year ended December 1, 2010, the Company consolidated the CDOs into its financial statements. However, based on the guidance provided by the Consolidations Topic (Topic 810) of the Financial Accounting Standards Board Accounting Standards Codifications, when an entity that was previously consolidated as a variable interest entity, or VIE, has events which potentially change the primary beneficiary, the Company needs to evaluate whether or not the entity is still a VIE and therefore whether the entity should be shown as part of the Company's consolidated financial statements. As of December 31, 2010, and as of the date hereof, the Company had, and continues to have, no reasonable prospect or right to recover any of its investment in either or the CDOs discussed above, nor is it obligated to absorb any further CDO losses beyond its initial investment. As such, the Company no longer had the risks or rewards typically associated with ownership. Therefore, beginning as of December 2010, the Company was no longer the primary beneficiary of either CDO and does not include the CDO's assets, liabilities, revenues or expenses, as part of its financial statements. As a result, the accompanying consolidated financial statements do not consolidate the assets, liabilities, revenues or expenses of the CDOs. In years prior to 2010, the Company's consolidated financial statements included the assets, liabilities, revenues or expenses of the CDOs.

Below are summary audited financial statements of the Company including its consolidated balance sheets, statements of operations and statements of cash flows.

CV HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Balance Sheets
December 31, 2018 and 2017

	2018	2017
ASSETS		
Cash	$ 9,226,658	$ 20,040,407
Restricted cash	370,774	-
Management fees receivable from affiliates	46,642	22,205
Prepaid expenses and others assets	996,655	862,172
Loans receivable, net	60,615,617	28,994,568
Investment in real estate joint venture	4,010,661	4,010,661
Investments in opportunity funds	2,911,644	2,315,354
Total assets	$ 78,178,651	$ 56,245,367
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued expenses	$ 1,533,597	$ 1,079,713
Due to affiliates	1,125,000	1,444,503
Lines of credit	24,470,329	2,325,869
Total current liabilities	27,128,926	4,850,085
Mandatorily redeemable senior non-convertible preferred stock	33,794,138	24,465,356
Mandatorily redeemable senior perpetual preferred stock	32,332,406	33,339,245
Total liabilities	93,255,470	62,654,686
Commitments and Contingencies		
Stockholders' Deficit		
Common stock, $0.01 par value; 200,000,000 shares authorized; 61,213,784 and 55,213,784 issued and outstanding at December 31, 2018 and 2017, respectively	612,136	552,136
Additional paid-in capital	9,747,964	9,439,765
Accumulated deficit	(26,552,177)	(17,197,577)
Total CV Holdings, Inc. stockholders' deficit	(16,192,077)	(7,205,676)
Noncontrolling interests	1,115,258	796,357
Total stockholders' deficit	(15,076,819)	(6,409,319)
Total liabilities and stockholders' deficit	$ 78,178,651	$ 56,245,367

CV HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Operations
For the Years Ended December 31, 2018 and 2017

	2018	2017
REVENUES		
Management fees from affiliates	$ 2,318,684	$ 2,206,467
(Loss) gain from unconsolidated entities	(313,896)	19,471
Interest income on loans receivable	6,237,847	2,065,573
Broker, breakage and miscellaneous income	398,751	205,408
Realized loss on sale of real estate assets, net	-	(94,419)
Total revenues	8,641,386	4,402,500
OPERATING EXPENSES		
Salaries and related payroll	5,096,342	4,974,001
General and administrative	2,580,435	2,314,595
Provision for loan losses	602,405	342,900
Total operating expenses	8,279,182	7,631,496
INCOME (LOSS) FROM OPERATIONS	362,204	(3,228,996)
INTEREST EXPENSE AND OTHER		
Interest on senior preferred stock	-	(106,098)
Interest on senior non-convertible preferred stock	(3,704,121)	(2,981,655)
Interest on senior perpetual preferred stock	(4,986,019)	(3,339,245)
Interest on debt	(1,202,994)	(77,445)
Preferred stock redemption	300,000	1,134,000
Total interest expense and other	(9,593,134)	(5,370,443)
LOSS BEFORE INCOME TAX PROVISION	(9,230,930)	(8,599,439)
INCOME TAX PROVISION	(52,342)	(33,017)
NET LOSS	(9,283,272)	(8,632,456)
Less: net income attributable to noncontrolling interests	71,328	26,121
NET LOSS ATTRIBUTABLE TO CV HOLDINGS, INC.	$ (9,354,600)	$ (8,658,577)

CV HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2018 and 2017

		2018		2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss	$	(9,283,272)	$	(8,632,456)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:				
Provision for loan losses		602,405		342,900
Depreciation		56,180		24,294
Amortization of debt discount and financing costs		727,725		620,351
Paid in-kind interest on mandatorily redeemable preferred stock		8,139,006		5,769,565
Realized loss on sale of real estate assets		-		94,419
Loss (gain) from unconsolidated entities		313,896		(19,471)
Stock-based compensation		-		7,110
Preferred stock redemption		(300,000)		(1,134,000)
Changes in operating assets and liabilities:				
Management fees receivable from affiliates		(24,437)		248,575
Prepaid expenses and other assets		(38,509)		(179,506)
Accounts payable and accrued expenses		(168,406)		601,700
Due to affiliates		(19,503)		1,517
Net cash provided by (used in) operating activities		5,085		(2,255,002)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of property and equipment		(56,800)		(140,816)
Funding of loans receivable		(64,681,812)		(26,885,328)
Principal payments on loans receivable		31,037,966		4,171,524
Purchase and additions to real estate assets		-		(69,419)
Proceeds from sale of real estate assets		-		441,500
Investments in opportunity funds		(12,118)		(497,287)
Contributions to investment in real estate joint venture		-		(47,250)
Distributions from opportunity funds		1,144,614		1,289,671
Net cash used in investing activities		(32,568,150)		(21,737,405)
CASH FLOWS FROM FINANCING ACTIVITIES				
Distributions to noncontrolling interests		-		(20,488)
Contributions from noncontrolling interests		247,573		604,809
Financing costs		(171,943)		(171,983)
Proceeds from issuance of mandatorily redeemable senior perpetual preferred stock		-		30,000,000
Redemption of mandatorily redeemable senior preferred stock		-		(1,761,408)
Redemption of preferred stock		-		(375,000)
Borrowings on lines of credit		39,005,312		3,770,000
Payments on lines of credit		(16,960,852)		(1,444,131)
Net cash provided by financing activities		22,120,090		30,601,799
Net (decrease) increase in cash and restricted cash		(10,442,975)		6,609,392
CASH AND RESTRICTED CASH - beginning of year		20,040,407		13,431,015
CASH AND RESTRICTED CASH - end of year	$	9,597,432	$	20,040,407
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION				
Cash paid during the year for:				
Interest	$	963,263	$	158,923
Income taxes	$	52,342	$	33,017
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES				
Conversion of senior perpetual preferred stock to senior non-convertible preferred stock	$	5,992,859	$	-
Issuance of common stock in connection with conversion of senior perpetual preferred stock	$	368,199	$	-
Deferred financing costs paid through borrowings on line of credit	$	100,000	$	-
Investments in opportunity funds	$	2,042,682	$	-

About CV Holdings, Inc.

CV Holdings, Inc. is a specialty finance company with ownership in finance platforms across multiple businesses, including residential non-performing loans, venture leasing, small-ticket equipment financing and commercial real estate bridge lending.

Our common stock is currently quoted on the OTC Markets Group, or OTC Markets. While not a requirement, the OTC Markets encourages companies having their securities quoted thereon to provide adequate current information in accordance with its disclosure guidelines. We will evaluate the need to issue press releases containing information similar to such information disclosed herein. We do not undertake any obligation, nor do we give any assurance that we will provide timely periodic disclosures or any public disclosure at all.

The Company ceased to qualify as a REIT in 2018 and will be taxed as a C-Corp. We conduct our operations so as to not be or become regulated as an investment company under the Investment Company Act of 1940. The Company has not had federal taxable income since 2007 and does not expect any federal taxable income in the foreseeable future.

Forward-Looking Information and Other Information

This press release contains forward-looking statements based upon the Company's beliefs, assumptions and expectations of its future performance, taking into account all information currently available. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to the Company or are within its control. If a change occurs, the Company's business, financial condition, liquidity and results of operations may vary materially from those expressed in its forward-looking statements.

The factors that could cause actual results to vary from the Company's forward-looking statements include: the U.S. general economy; the Company's liquidity and ability to continue to cover its operating cash requirements; the Company's ability to redeem the outstanding shares of its preferred stock when and as its obligations to do so mature; the growth of its Centra and CVCF businesses; the Company's ability to raise and deploy capital in support of its current operations; the Company's future operating results; its business operations and prospects; availability, terms and deployment of short-term and long-term capital; availability of qualified employees; changes in interest rates; adverse development in the debt securities, credit and capital markets, adverse developments in the commercial finance and real estate markets; adverse developments in the venture capital business, adverse development in the leasing business, performance and financial condition of borrowers, lessees and corporate customers; any future litigation that may arise; the ultimate resolution of the Company's numerous defaulted loans; the performance of the Company's joint venture investments; the ability to continue as a going concern. The Company undertakes no obligation to publicly update or revise any of the forward-looking statements.

In addition, this press release contains summary financial information about the Company. This summary financial information does not represent the entire audited financial statements of the Company.