



CapitalValue Advisors Represents Combat Training Solutions in Sale to Cyalume Technologies

CapitalValue Advisors is pleased to announce the acquisition of Combat Training Solutions, Inc. (CTS) of Colorado Springs, Colo., by Cyalume Technologies Holdings, Inc. CapitalValue Advisors served as the exclusive financial advisor to Combat Training Solutions. “CTS has a rich history as an award-winning market leader in providing innovative solutions to help train our soldiers,” said David Tolson, CapitalValue Advisors Managing Director. “We are excited for this business transition and continued success of the company as a part of Cyalume Technologies.” Combat Training Solutions is a 2009 Colorado Companies to Watch winner, which recognizes growing second stage companies in the state of Colorado.

CTS provides customers with realistic training simulation devices and their associated consumables. The products allow military and law enforcement professionals to maintain operational readiness through safe, live-training and hands-on situational exercises through the use of non-pyrotechnic devices. CTS has been awarded a number of military contracts in recent years including the U.S. Army PEO STRI's CARTS (Common Army Ranges and Target Systems) contract, and the 120th Infantry Support Brigade program management and exercise support services contract. “CapitalValue made my goals their goals and guided me through difficult negotiations,” said Tony Colon, founder of Combat Training Solutions. “That dedication and devotion led to the successful sale of my company and will ensure Combat Training Solutions' continued growth.”

The acquisition of CTS augments Cyalume's market-leading position in the non-explosive training and munitions market by introducing a collection of new technologies, as well as complementary products that can be enhanced through the integration of Cyalume's unique chemical-light technology. Together, the companies will continue developing new products that safely and realistically simulate non-pyrotechnic explosions for training and tactical applications. The opportunity to increase its presence in the training and tactical markets supplements Cyalume's long-term strategy of expanding its business into related fields where its technical expertise can be fully leveraged. With increased access to end-users through CTS' contract vehicles and customer base, Cyalume will be better positioned to introduce its innovative technology directly to military and law enforcement agencies.

"We are very excited to join forces with Tony Colon and his team at CTS to form a leading, non-pyrotechnic battlefield training and tactical solutions provider," said Derek Dunaway, president and CEO of Cyalume. "With CTS, we will be able to expand and leverage the applications we have developed for non-pyrotechnic munitions into the broader training and simulation market. The CTS acquisition represents an extension and acceleration of Cyalume's strategy to bring our technology into a wide array of products that allow for safer yet still highly realistic training to our armed forces."

"This transaction represents a landmark opportunity for CTS to gain access to the resources necessary to capture the emerging opportunities we are seeing in the global battlefield simulation training market,"

said Tony Colon, president and CEO of CTS. "The combined organizations' technology platform and sales channels will ensure that we are well-positioned for continued growth."

About Cyalume Technologies, Inc.

Cyalume Technologies is the world leader in chemiluminescent (chemical-light) technology, producing different variations of chemical-light products in all light wavelengths for the ammunition, military and public safety markets. The products provide dependable light solutions for training and battlefield operations, safety and emergency demands and non-toxic munitions alternatives. Cyalume is the exclusive supplier to the U.S. and NATO-country militaries for all of their chemical-light needs and operates manufacturing facilities in the U.S. and France. Through its subsidiary Cyalume Specialty Products, Cyalume manufactures all of its active chemical components in the U.S. The Company has strategic partnerships with Rheinmetall Waffe Munition, GmbH, General Dynamics and Focchi Ammunition.

The testimonials contained in this press release may not be representative of the experience of other clients and are no guarantee of future performance or success.