

News To Share

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UCM is a proven model of success for our portfolio companies and shareholders alike.

Message From The President

Welcome to the premier edition of UCMT's newsletter. We hope you consider this a helpful vehicle that keeps you abreast of what is happening with Universal Capital Management and ultimately informed about your current investments.

We are pleased to announce record increases in our year-end financials for the second consecutive year. (UCMT's year-end is currently April 30th. We intend to change that to a fiscal year in the coming months.) We believe these results just verify that UCMT is a proven model of success for our portfolio companies and shareholders alike:

Financial Highlights for the Year:

- Revenue from management services for the year ended April 30, 2008 was \$3,845,715 vs. \$3,294,637 for the year ending April 30, 2007, an increase of approximately 17%.
- Income from operations for the year ended April 30, 2008 was \$2,681,514 vs. \$1,047,883 for the year ending April 30, 2007, an increase of over 156%.
- Total assets at April 30, 2008 were \$8,265,499 vs. \$6,736,345 at April 30, 2007, an increase of approximately 23%.
- Net assets at April 30, 2008 were \$5,599,232 vs. \$4,097,464 at April 30, 2007, an increase of approximately 37%.
- Net asset per share at April 30, 2008 was \$.98 vs. \$.75 at April 30, 2007 an increase of over 30%.
- Our revenue and income is derived from the receipt of unregistered shares of stock and warrants from our portfolio companies.

Like our portfolio companies, we continue to develop. Therefore, we foresee even greater potential in these financials over the next several years. With the progressive nature of our current portfolio and the quality and potential of our planned additions, we believe UCMT remains a valuable long term investment.

Dividend Spinout Policy – What it means to you

Pursuant to its business plan as a Business Development Company, Universal intends to dividend shares of its portfolio companies to Universal shareholders upon the effectiveness of the S-1 registration statements that the companies expect to file with the Securities and Exchange Commission to enter the public marketplace. We believe this dividend policy increases UCMT's value which results in potential multiple earnings power for UCMT's shareholders.

Portfolio Company News

Look who's joined UCM...

Micco World offers a celebrity entertainment service designed to utilize a unique content distribution system via mobile phones and web based software platforms. In its developmental stage, the company intends to tap into an already lucrative wireless and internet market while anticipating new consumer demand. One of Micco World's unique services is "celebrity text messaging". Unlike a fan club, subscribers will receive exclusive, direct communication with entertainment celebrities on a regular basis with numerous opportunities for interaction. Celebrities in turn will generate revenues and maintain awareness. Micco World is poised to take advantage of the text messaging boom worldwide. With an experienced technology, marketing and software development team, Micco World anticipates tremendous growth in 2009 and beyond.

iVolution Medical Systems provides a unique combination of advanced, user-friendly, highly-secure and affordable healthcare technology solutions to both physicians and consumers. For physicians, the suite of solutions and services facilitates the automation of virtually all interaction with patients, insurers, labs and pharmacies, as well as provides valuable tools to monitor and optimize the financial and administrative aspects of the doctors' businesses. iVolution will also offer resources to assist such businesses in conducting basic marketing activities, as well as sophisticated consulting services tailored to the needs of such individual practice clients. Patients benefit from a complete healthcare portal for consolidating medical histories for quick, secure Internet access.

www.ivolutionmedical.com

Multi View Technologies, Inc. ("MVT") is a development stage, company whose technology enables it to provide three-dimensional autostereo solutions to end-user viewers that eliminate the need for 3D glasses. The primary targets for this technology are consumer and business-to-business product and service companies. Independent sources estimate *the 3D market sub-segment "3D displays and related software" at nearly USD 500 million in 2006, growing up to USD 3 billion by 2010, i.e. a CAGR 2006 - 2010 of nearly 60%*. Multi-View's exclusive access to intellectual property meets market demands for realistic, universally applicable software and hardware to embed in currently available products. These products include 3D casino gaming, digital advertising signage, PC gaming and film production. Multi-View's turn-key offering encompasses a full gamut of market-specific, cost-efficient services ranging from installation and customized programming and creative production to post-production, licensing, training and support. Their niche will lie in providing the only content training facility in the U.S. to offer full production capabilities and certification programs. www.multiviewtech.com

Dominion Capital Management Corporation is a development stage company that has licensed a proprietary risk-mitigating process to offer contract and purchase order financing solutions to small business contractors nationwide. The company will offer its credit facilities through a national network of factoring companies that will provide commercial credit facilities to small businesses. The company will issue short-term standby letters of credit to participating factoring companies or suppliers to induce the extension of commercial credit or funding to meet contracted delivery expenses. Dominion will manage its investment fund by leveraging existing pools of 0% risk rated government agency securities as hedge against credit risk.

www.ar2credit.com



...and who's still with us



Creative Energy Solutions, Inc. ("CES") CES utilizes alternative energy technologies to alleviate the national electrical grid congestion. CES focuses on a systems solution to create a distributed power generation infrastructure allowing every household the opportunity to be part of the solution to grid congestion while reducing costs for both consumer and producer. CES is developing unique product lines such as the Home Energy Backbone™, the Green Energy Ready™, and DMFC consumer products to stage the introduction of this system solution. CES is well versed with military and as well as commercial electrical power applications.



Lightwave Logic, Inc. is a publicly traded company trading under the symbol ("LWLG") on the OTC.BB market. In its development stages, Lightwave aims to usher in a new era of computing. The company's innovative lightwave computing chips manipulate light instead of electrons and hold the potential to be one hundred thousand times more powerful than their silicon counterparts. Billions of dollars were spent on developing lightwave computing techniques, most of which are in the public domain, in anticipation of the nanotechnology breakthrough that never occurred. For more than three decades, researchers have pursued an electro-optic nanoparticle that, when dispersed within a polymer, would be the technology platform for manufacturing inexpensive lightwave computing chips. Lightwave Logic's chips are made of polymer that is mixed with the company's breakthrough electro-optic nanoparticle. This combination will meet the global demand for increased bandwidth and speed in fiber-optic telecommunications and optical computing applications.



SIVOO Holdings, Inc. was founded in 2000 and trades under the symbol ("SIVO") on the OTC.PK market. SIVOO has created a powerful, multi-cultural brand called **SIVOO** to provide foreign-language entertainment (movies, TV, sports, games and music) to the top 10 language groups in the U.S. It has positioned itself as a key player in the IP video space with solutions that enable the movement and management of video in electronic format across all three screens: TV, computer and mobile device. SIVOO's management team anticipates exceptional growth in the market adoption for streaming video content and advertising through both the Internet and IPTV distribution channels. eMarketer projects that *spending on Internet video ads will reach \$1.5 billion by 2009.*



Theater Xtreme Entertainment Group, Inc. trades under the symbol ("TXEG") on the OTC.BB. Theater Xtreme designs, builds and installs high-quality home theater systems with a retailing approach comparable to Apple and Bose. The first design center opened in 2003 and is now one of 14 locations with another 11 in various stages of opening. It is the only chain store concept in the U.S. specializing exclusively in this emerging market. Theater Xtreme corporate and franchise sales orders of front projection theater systems have topped the 2000 mark in less than four years of operation. Since April 1, 2006, over 1000 system orders were taken, with overall combined sales orders in all categories exceeding \$10 million. System prices range from \$3,000 to \$25,000 making them an affordable, customizable home improvement option for families.



Vystar Corporation is an innovative biotech/specialty chemical company that has developed a patented process to chemically treat natural rubber latex ("NRL") to produce a virtually non-allergenic NRL which the company calls "Vytex". Vystar is the exclusive owner of this innovative technology which has over 40,000 applications globally. The Vytex technology reduces allergenic protein in NRL products to virtually undetectable levels in both liquid NRL and finished latex products such as medical gloves and condoms.

In The Know

Now it's your turn. Do you have a question you always wanted to ask, but didn't want to appear foolish or didn't know who to direct it to? Each issue we will feature questions sent in by our shareholders that will benefit everyone.

Q: Can I invest in the portfolio companies and get in before the company goes public?

A: If you are an accredited investor and would like to invest in our portfolio companies, please call our Delaware office and get the details.

Q: What is a better investment – buying UCMT or one of its portfolio companies?

A: When you buy UCMT you limit your risk. UCMT has a stake in all of our portfolio companies. If one goes bad you still have the others to fall back on. If you individually invest in a portfolio company and it goes bad, you could lose everything. UCMT allows you to go after potential high returns while limiting risk.

Q: How many companies will UCMT have in its portfolio?

A: If we continue to grow as we have done in the past, we can see many more companies included in our fund. Our Atlanta office is doing extremely well under the direction of Ched Hoover. It is likely we will open other offices throughout the country and continue to grow assets as long as we have the capital resources to do so.



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At Your Service

At Universal Capital Management, we're here for you. We value your loyalty and will do our best to address any questions or comments you may have. *Please write to our corporate office or call during East Coast business hours.*

Management:

Michael D. Queen
Director, President and CEO

Joseph T. Drennan
Director, Vice President and Treasurer

Charles "Ched" Hoover
Vice President

Theresa Q. Hoffman
Sr. Corporate Controller
Portfolio Company Accounting Mgr

Julieann M. Malewski
Communications Director
Investor Relations

Independent Directors

Jeffrey Muchow
Steven P. Pruitt, Jr.
Thomas Pickard, Sr.