

Available for Acquisition

Plastic Injection Molded Products Manufacturer

Texas

Est. 2008 Revenue: \$2.2MM

Est. 2008 Recast EBITDA: \$302K

- Superior Reputation: This company enjoys a long-standing (10+ year+) reputation for meeting and exceeding the expectations of its diverse customers
- Global Reach: This company serves clients throughout the United States and abroad,
- Customer Diversification: No customer exceeds 15% of gross revenues
- Excellent Client Retention Rates: The Company enjoys an 85% customer retention rate.
- Strong Equity Position: The Company's unadjusted balance sheet shows \$601,000 in assets and \$88,000 in liabilities, resulting in shareholder's equity of \$513,000
- Impressive Liquidity Ratios: The Company's current ratio based on unadjusted financials for 2007 was 5.7 compared to the industry average of 1.6. In addition, the Company's quick ratio was 3.8 compared to the industry average of 1.0, thus reflecting in superior liquidity ratios compared to the industry average.



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Client # **52352**

Business Summary

The Company manufactures plastic injection molded products for use in various industries domestically & internationally. The Company makes close tolerance parts, thin-wall, insert, and structural foam molding. The Company sources injection molds both locally and with a key supplier in China as dictated by quality, price, and delivery requirements. The Company's growth through the years reflects the Company's quality service, expertise, and customer service orientation. In 2007, the Company's sales of \$2,035,000 were derived from production of custom injection molded products (83% of sales) and from development of injection molds (17%)

(Financial Summary on Reverse Side)

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Who should buy this company?: Economically, this company represents a sound investment opportunity as a stand alone purchase, however, buyers that can bring substantial expertise or existing marketing channels will be able to add substantial value to this attractive Company. According to management, an area for tremendous growth for is in product development. Currently, the Company is developing a sports training aid, which is forecasted to provide high profit margins revenue potential. There are also opportunities in customized storage units, sleep aids, and dental devices.

Financial summary: During the last three years, EBIT decreased due to increased material, electricity, and utilities, which resulted in a rise in cost of sales. In addition, operating expenses increased due to the addition of workers' compensation insurance, hiring of more office personnel, and extra miscellaneous costs related to the transition to a the new facility. However, EBIT for the base year 2008 is projected to increase to 11.5% of sales due to current backlogs and anticipated new orders for the remainder of the year. During the pro forma period, EBIT is projected to increase due to the continued benefit from stabilized cost structure, as well as operational efficiencies as a result of economies of scale.

Recast Historical and Pro Forma Statement of Income^(a)									
<i>For the Fiscal Years Ended December 31</i>									
<i>(\$000)</i>									
	<i>Historical</i>			<i>Est. 2008</i>	<i>Projected</i>				
	<i>2005</i>	<i>2006</i>	<i>2007</i>		<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
Sales	1,730	2,418	2,035	2,200	2,700	3,200	3,700	4,200	4,700
% Growth	--	39.8%	-15.9%	8.1%	22.7%	18.5%	15.6%	13.5%	11.9%
EBIT	184	196	100	253	335	426	526	678	799
% of Sales	10.6%	8.1%	4.9%	11.5%	12.4%	13.3%	14.2%	16.1%	17.0%
EBITDA	264	263	169	302	395	496	607	727	856
% of Sales	15.2%	10.9%	8.3%	13.7%	14.6%	15.5%	16.4%	17.3%	18.2%

(a) See Schedule 2 in the Financial Analysis section

Adjusted Balance Sheet^(b)				
<i>As of December 31, 2007</i>				
<i>(\$000)</i>				
Current Assets		394	Current Liabilities	90
Net Fixed Assets		176	Non-Current Liabilities	--
Other Assets		--	Equity	480
Total Assets		570	Total Liability & Equity	570

(d) See Schedule 3 in the Financial Analysis section



Client # 52352

For additional information regarding:
Please approve and return the accompanying GWEquity Confidentiality Agreement to Martha Fouts via fax at: 469-519-0133