



ACQUISITION PROFILE

HIGHLY PROFITABLE EXCAVATION CONTRACTOR

EXECUTIVE SUMMARY

Burley & Associates has been retained to identify an acquirer for a company headquartered in the Baltimore, MD metropolitan region. The Company is a strong performer within the heavy construction industry with a well-known brand and appreciable earnings.

The Company is involved in three primary business lines: excavation, trucking and hauling, and pile driving and marine construction. Of these three, the Company focuses most heavily on the excavation part of the business with strong revenues also coming from the trucking/hauling division.

The core business line for the Company is the excavation business and they target mid-size projects in specialty areas where it has found a profitable niche. Types of projects most typical of the work the Company performs in this area include: stream restoration (imbricated rock walls, cobble weirs, core logs, retaining walls), wetland mitigation, storm water management, ponds, grading, site work (clearing and grubbing, erosion control), and similar work. Much of this work is done with municipalities and various commercial enterprises. The Company also does work with governmental organizations working on transportation projects and the like.

The excavating and trucking/hauling businesses greatly complement each other on an operations basis and also with regard to cash management. The Company benefits from being able to offer turnkey services to its customers and the stability of the trucking/hauling cash flows help to frontload the necessary capital and operational investment into the larger excavating projects, with positive impact to the Company's earnings.

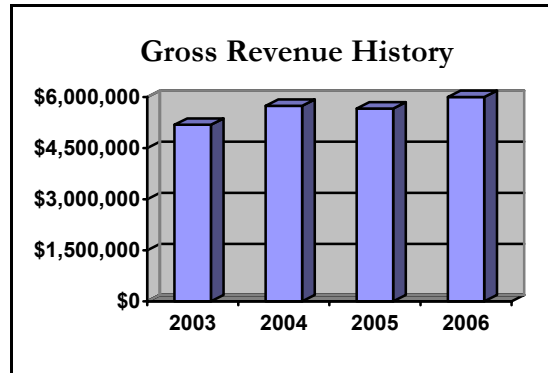
FINANCIAL SUMMARY

The Company has been a strong financial performer. The firm has generated consistently strong revenues with long-term growth, exceptional cash flow due to high margins, oncoming projects that now totals more than one year's revenues, and the only debt it carries on its books directly relate to fixed assets that possess considerable market value in excess of book. The Company's financial position is strong and its outlook is quite positive.

The revenues of the Company have grown to the \$6 million level with stable performance in each of the last three years, with exceptional earnings. As measured by Seller's Discretionary Cash Flow (SDCF), the firm generated between \$1.5 and \$1.9 million for three straight years converting a high percentage of its revenues into cash flow.

The Company's balance sheet is quite clean and solid and the Company carries only debt associated with its equipment. Its Current Ratio is in excess of 2.0 and its working capital position is exceptionally strong. The Company also owns considerable equipment with significant market value.

The outlook for this business is quite positive with management expecting 2007 to outpace 2006 in revenues and cash flow. In fact, looking at major jobs only, the Company has a backlog of projects – both booked and high-confidence prospects – that will contribute well over \$6 million in future revenues over the next year.



ACQUISITION TERMS

The seller will entertain offers of varying financial and legal structures. Each offer will be evaluated on its own merits and in relation to other offers. It is expected that potential acquirers may propose several scenarios and that the structure of each proposal will vary. What ultimately constitutes an acceptable offer will vary based on the percentage of the deal that is cash, notes, or other consideration.

In all cases, proposals and Letters of Intent are expected to support a 3.00x to 3.75x multiple over a reasonable weighted average of its last few years' Seller's Discretionary Cash Flow (SDCF).

CONTACTS

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All inquiries will be held in the strictest of confidentiality.