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## ACQUISITION PROFILE

### SEMICONDUCTOR AND OPTICAL SENSOR TECHNOLOGY COMPANY

#### EXECUTIVE SUMMARY

Burley & Associates and The Thor Group have been retained to identify an acquirer for a semiconductor and optical sensor technology company. The goal of the acquisition is to accomplish the Company's long term goal of commercializing its proprietary products with the help of a parent company or merger partner.

The Company a global developer and producer of the next generation of compound semiconductors (phosphides and antimonides), providing wafer, chip foundries and wireless and optical components to developers and manufacturers of broadband telecommunications equipment. With the proliferation of fiberoptic telecommunications, military and commercial laser radar, the need for ultrasensitive photoreceiver components is currently just being realized, and thus the Company is positioned as an early player before this exciting, high-potential technology field reaches its maturity.

The Company has several proprietary products in technical and product development stages, which will allow its customers to achieve breakthrough components, including, among others, higher-speed, more sensitive and bandwidth-efficient radio frequency and optical wireless telecommunications devices.

The Company will commercialize its ultra-sensitive photoreceiver technologies, and produce and sell photoreceivers that will enhance the range and speed of fiberoptic networks, free space optical networks, laser radar, and medical diagnostic systems, while reducing the cost. These technologies, originally funded by major defense agencies, are based on patented optical amplification techniques, which enable the measurement of the power of a single photon of light in a chip. These technologies are unique, they are not available in the market and can produce the most sensitive detectors pound-for-pound at costs as low as \$40 per unit.

#### HISTORY & GROWTH

Incorporated in 1997, the Company has gradually increased its revenue, became profitable and increased its number of employees from 2 at inception to 9 today. With the help of a prior state government loan, which it has paid off, the Company expanded its facility and workforce so that it could serve larger customers and execute bigger government contracts. As a result, the Company has in its customer base, Company's such as Northrop Grumman, Lockheed Martin, Motorola, Rockwell and Lucent and has several opportunities to team and bid with other Companies like Boeing, ITT and Raytheon. Overall, the Company has handled over 66 accounts and served 37 customers.

## FINANCIAL SUMMARY

Since inception, the Company has generated revenue by providing contract R&D and wafer foundry services to government and commercial customers while at the same time developing the technologies for products such as the photoreceiver. The Company has steadily grown its revenue and has been profitable since 2001, with healthy gross margins throughout this period.

Revenues in 2006 were \$1.4 million. With the proper resources of a parent company, the Company forecasts revenues of \$107 million with net profits of \$14 million and gross margins of 61% within 5 years post acquisition.

## ACQUISITION SUMMARY

The objective of the acquisition is to accomplish the Company's long term goal of commercializing its proprietary products with the help of a parent company or merger partner.

It is expected, that the acquiring company will have certain resources that will assist the Company in implementing its plan and reaching its projections. These resources will vary from company to company, but may include some combination of technical resources, equipment and facilities, human resources, sales personnel, market and marketing capabilities, infrastructure, and management talent. Therefore, the amount of capital investment required to implement the plan to its fullest will vary depending on the acquiring company.

Management will entertain offers of varying financial and legal structures. Each offer will be evaluated on its own merits and in relation to other offers. Management will consider various types of consideration, including cash, notes, earnouts, and stock.

## CONTACTS

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All inquiries will remain confidential.