

Pressure Sensitive Tapes and Vinyl Film Distributor and Exporter

3M Authorized Exporter For 3 Different Major Divisions of 3M and.....
an Exclusive Overseas Distributor For a Major Vinyl Film Company

Est. 2003 Sales: \$5,000,000

Est. 2003 EBIT: \$532,000

- Exclusive distribution rights: The Company is an authorized exporter for 3 divisions of 3M and a major European vinyl film manufacturer.
- Brand-name products: The Company has established three well recognized brand names in addition to manufacturer brand names.
- Broad customer base: With 101 accounts, and only one "major" customer representing only 13.6% of 2002 revenues, the Company is minimally exposed to negative consequences from a downturn in a single customer's business.
- Broad product line: The Company's diverse product line includes over 500 products.
- Limited competition: 3M authorization is a highly sought after designation. Few companies have been granted this right.
- Product/Market Expansion: The Company's international vendor and customer relationships are primed for introduction of new product for either import or export.

For further information regarding Client # P1611 please contact:

eMerge M&A

*eMerge M&A, Inc.
295 Madison Avenue, 12th Floor
New York, NY 10017
212.804.8282
www.eMerge-MA.com*

Business Summary

Our client Company exports and distributes over 500 different types of pressure-sensitive tapes and vinyl films. The Company exports industrial adhesive tapes used in manufacturing, aviation maintenance, automotive, electronics and other industries. A large portion of our client's customers are distributors who will stock and resell the merchandise utilizing one of the Company's registered trademarks. Customers known as converters who purchase "jumbo rolls" of tape and convert them into smaller rolls to sell to the retail markets are another significant part of the customer base as well.

In addition, our client exports vinyl films used in the sign industry for vehicle markings, road signs, promotional banners, special effects and advertising displays.

The Company has 101 active accounts with customers in Latin America (39%), Europe (27%), Asia (25%), in addition to Africa and the Middle East (9%). Our client has relationships ranging from 8 to 16 years with its largest customers. The Company's commitment to excellence generates a 98% rate of repeat business and an average annual sale per customer of \$86,000 for commercial tapes, \$48,000 for vinyl tapes, and \$24,000 for industrial tapes.

Adjusted Historical and Five-Year Projected Statement of Income^(a)
For the Fiscal Years Ended December 31
(\$000)

	<i>Historical</i>			<i>Est.</i>			<i>Projected</i>			
	<i>2000</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>20071</i>	<i>2008</i>	<i>2009</i>
Sales	6,205	5,003	4,770	5,000	5,175	5,356	5,544	5,738	5,938	6,146
Gross Profit	876	701	733	840	870	900	932	965	998	1,033
% of Sales	14.1%	14.0%	15.4%	16.8%	16.8%	16.8%	16.8%	16.8%	16.8%	16.8%
EBIT ^(b)	526	398	434	532	551	570	594	617	638	665
% of Sales	8.5%	7.9%	9.1%	10.6%	10.6%	10.6%	10.7%	10.8%	10.7%	10.8%

Adjusted Balance Sheet^(c)
As of December 31, 2002
(\$000)

Current Assets	1,458	Current Liabilities	380
Net Fixed Assets	24	Non Current Liabilities	0
Other Assets	3	Equity	1,105
Total Assets	1,485	Total Liability & Equity	1,485

(a) See Schedule 3 in the Financial Analysis section for more detail