

Full-Service Dental Laboratory

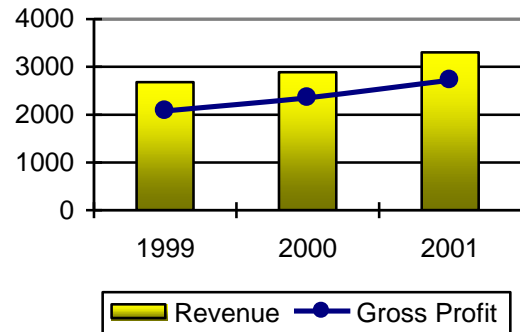
The Company

Our client operates a full-service dental laboratory manufacturing dental prosthetics primarily for the local region. The company offers a comprehensive line of products and services, including dentures (39% of 2000 revenues), crowns and bridges (26.5%), chrome partials (25%), repairs and orthodontics (3.7%), valplast partials (3.4%), and implants (2.4%). Product prices typically range from \$110 to \$200.

The Company's three-year historical gross profitability has averaged 78% to 81% of sales. In addition, revenue has grown approximately 6% annually since 1998 and should continue to increase by approximately 14% in 2001. Upward pricing adjustments that have been standard in the industry coupled with our client's competitive advantage, strong management and skilled technical staff, support the forecast for future revenue and profitability growth.

An excellent industry reputation, knowledgeable technicians and a high degree of professionalism have resulted in an 85% rate of repeat business. The owner has ten years of experience managing the company and, along with the company's management, has exceptional contacts. The seller is extremely motivated and is willing to provide transitional assistance to a new owner.

Revenue Growth* (\$000)



The Opportunity

Key acquisition notes include:

- *Profitability:* EBIT is forecast at 10.5% in 2001.
- *Critical Mass:* Sales of \$3.3 million will be attractive to buyers looking to establish a foothold or increase market share.
- *Outstanding Name and Reputation:* The Company has an established presence (22 years) in the Mid-Atlantic region as a top provider of dental prosthetics.
- *Customer Base:* With over 400 clients and no customer concentration, the company is not adversely affected by a downturn in any single customer's business nor has business been affected by downward economic cycles.