

ACQUISITION OPPORTUNITY

Precision Surgical Instrument Mfg.

SUPERIOR REPUTATION / STRONG CUSTOMER RELATIONSHIPS

RESURGENT DEMAND FOR PRODUCTS

NICHE LEADER

SELLER WILLING TO REMAIN AFTER A TRANSACTION

WHY SHOULD A STRATEGIC ACQUIRER **LOOK AT THIS OPPORTUNITY?**

2013 Est. Revenue - \$4.2MM

Location – Northeast

2013 Est. EBITDA - \$1.0MM

THE COMPANY IS A FULL-SERVICE PRECISION CONTRACT MANUFACTURER OF HAND-FINISHED FORGED & STANDARD MACHINED SURGICAL INSTRUMENTS FOR THE SPINAL & ORTHOPEDIC SURGICAL MARKETS.

- ✓ Highly skilled workforce known for quality & unmatched responsiveness
- ✓ Spinal and orthopedic surgical markets are large and rapidly growing
- ✓ Dominant domestic supplier of hand-finished forged surgical instruments (60% of volume)
- ✓ Possess the largest palette of surgical instrument forgings in the United States
- ✓ Attractive growth opportunities in standard machined instruments (40% of volume)
- ✓ Strong demand being driven by customer innovation, technology & patient demographics
- ✓ Price inelastic – company will grow 40% this year & prices have risen 38% since 2010
- ✓ Excess capacity will support almost 50% revenue growth without additional capital investment

THIS IS A TREMENDOUS OPPORTUNITY TO ACQUIRE A WELL-ESTABLISHED COMPANY WITH AN EXCELLENT REPUTATION FOR QUALITY & RESPONSIVENESS LEADING TO CUSTOMER CONFIDENCE & LOYALTY, AND POISED FOR CONTINUED GROWTH!

The Company is a full-service precision contract manufacturer of hand-finished forged & standard machined surgical instruments. The Company's highly skilled workforce, cutting edge technology, and service-oriented culture have allowed it to build long standing excellent customer relationships that are leading to significant growth and enhanced profitability. The Company is experiencing resurgence in demand for its products driven by increased customer innovation, technology & strong patient demographics that are expected to continue for many years to come. Revenues are projected to grow approximately 40% this year, while prices have been increased almost 38% since 2010 resulting in very high profit margins.

Financial Highlights

	2013Est.	2014PF	2015PF	2016PF	2017PF	2018PF
Revenues	\$4,200	\$4,830	\$5,190	\$5,580	\$6,000	\$6,450
% Growth	39.0%	15.0%	7.5%	7.5%	7.5%	7.5%
Gross Profit	\$1,839	\$2,211	\$2,388	\$2,609	\$2,849	\$3,109
Operating Expenses	(\$672)	(\$745)	(\$787)	(\$831)	(\$877)	(\$927)
EBITDA	\$912	\$1,304	\$1,474	\$1,662	\$1,870	\$2,095
% of Revenues	27.8%	30.4%	30.8%	31.9%	32.9%	33.8%