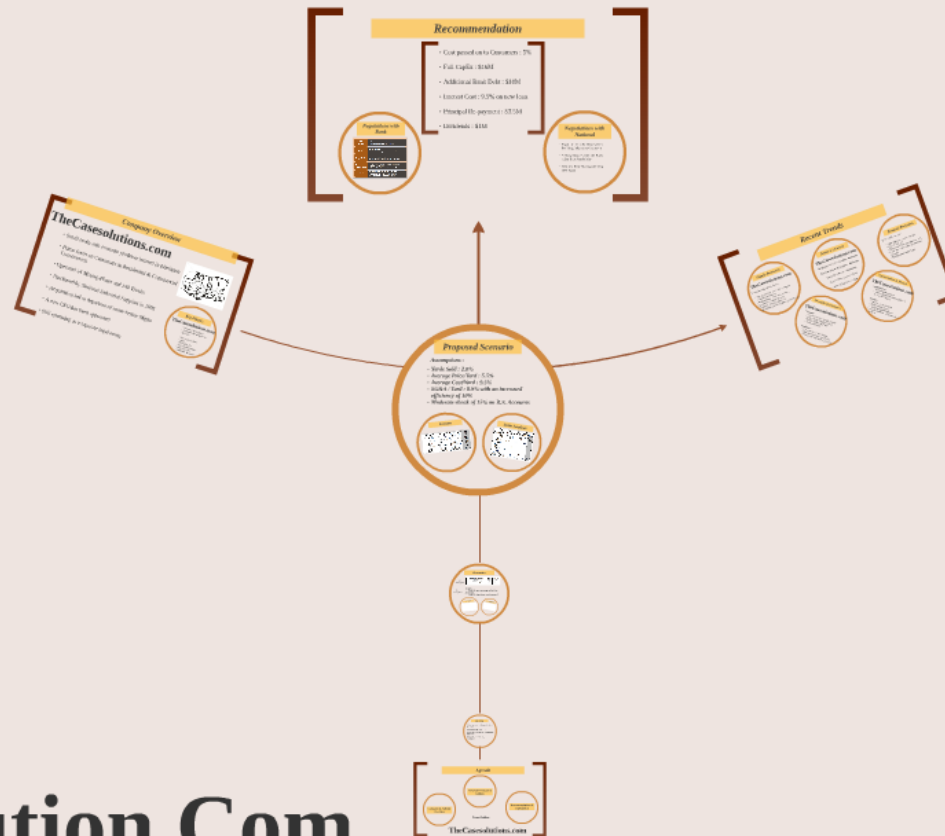




Note on Postmerger Integration



TheCaseSolution.Com

Note on Postmerger Integration

Agenda

*Financial Forecast &
Analysis*

*Company & Industry
Overview*

*Recommendations &
Negotiations*

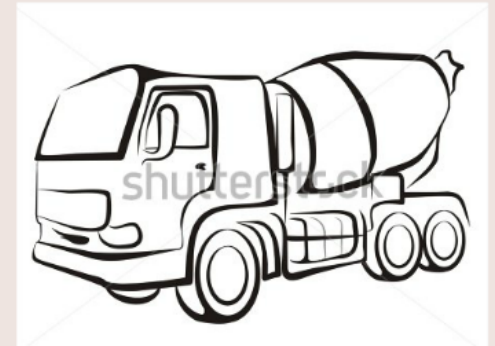
Team Gekkos

TheCasesolutions.com

Company Overview

TheCasesolutions.com

- Small ready-mix concrete producer located in Michigan
- Prime focus on Customers in Residential & Commercial Construction
- Operated 14 Mixing-Plants and 240 Trucks
- Purchased by National Industrial Supplies in 2005
- Acquisition led to departure of some Senior Mgmt
- A new CFO has been appointed
- Still operating as a separate legal entity



Key Players

TheCasesolutions.com

- National's Management
- National's Current Investors
- Analysts
- Martin Harris, CFO
- Bank
- Sales Manager
- Operations Manager
- Plant Manager
- Ex-Senior Managers

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Porter's 5 Forces

TheCasesolutions.com

Bargaining Power of Customers - **Moderate**

Bargaining Power of Suppliers - **Moderate**

Competitive Rivalry - **Moderate**

Threat of New Entrants - **Low**

Threat of Substitutes - **Low**

Supply Pressures

TheCasesolutions.com

Increasing Input Costs due to -

- Rising Cement Costs : 11% - input to concrete production
- Rising energy Costs : Diesel Fuel
- Exposure to exchange rates
- Stagnant Cement production
- Substantial rise in Imports : 22.7% to 25%

Strengths & Weakness

TheCasesolutions.com

Strengths -

- Stable revenue & income growth
- Extensive geographical reach
- Strong margins & returns
- Standalone brand

Weakness -

- Operating in a Cyclic Industry
- Prone to equipment breakdowns
- Departure of experienced Sr. Mgmt.

Opportunities & Threats

TheCasesolutions.com

Opportunities -

- International Exposure
- Vertical Integration using support of the parent company

Threats -

- Increase in cement costs
- Rising Energy Prices
- Transportation Disruptions
- Increased reliance on imported raw material