
Imageone Industries, Inc.

Arizona ★ Pennsylvania

Manufacturing & Installations Coast to Coast | Excellence, Whatever it takes.

Confidential Business Review



The **imageone** industries Companies



Everingham & Kerr, Inc.



1300 Route 73, Suite 103

Mt. Laurel, NJ 08054

Tel. [REDACTED]

Fax [REDACTED]

www.everkerr.com

Table of Contents

I.	Introduction	1
II.	Confidential Business Summary	2
III.	The Proposed Transaction Process	3
IV.	Company Description	
	Background.....	4
	Services and Products	5
	Divisions	7
	Marketing.....	14
	Company Websites	22
	Customers	23
	Locations and Facilities	24
	Personnel.....	27
	Market Analysis	30
	Growth Opportunities	30
V.	Financial Performance	
	Highlights.....	31
	Income Statement & Normalized Income Statement.....	32
	Balance Sheet.....	33
	Trailing Twelve Month Balance Sheet (2014).....	34
	Normalized Balance Sheet.....	35

CONFIDENTIAL BUSINESS REVIEW



INTRODUCTION

Imageone Industries, Inc. (the “Company” or “Imageone”) has engaged Everingham & Kerr, Inc. (“E&K”) as its exclusive Financial Advisor to examine strategic alternatives for the Company.

This Confidential Business Review (“CBR”) has been prepared for distribution on a Confidential basis to selected entrepreneurs and/or companies solely for the purpose of evaluating the proposed transaction. The information contained in this CBR has been furnished by the Company, or secured from other sources considered reliable. E&K has no reason to doubt the accuracy or integrity of the information provided, but neither the Company, nor E&K makes any representations or warranties, expressed or implied, as to the accuracy or completeness of any of the information in this report. By acceptance hereof, each recipient agrees to assume responsibility for verification of all information and figures supplied prior to consummating a purchase.

Each recipient agrees that without prior written consent of the Company, it will not copy, reproduce or use information in this CBR in whole or in part for any purpose other than for review and evaluation of the proposed transaction. The information contained herein must be kept Confidential and disclosed only to those advisors who need to know such information for the purpose of reviewing and evaluating the proposed transaction, and only after the advisor has agreed to comply with the terms for secrecy and confidentiality agreed to in the prior Confidentiality Agreement executed between E&K and the recipient of this CBR.

Each recipient further agrees that in the event a transaction is not consummated with the Company, all copies of this CBR and related materials will be destroyed.

BUSINESS SUMMARY

Industry: Diversified Provider of Exterior & Interior Identity Solutions

Locations: Arizona & Pennsylvania

Business Highlights:

- Company designs, engineers, manufactures, installs, services, and provides interior & exterior identity solutions for large commercial, retail, and financial organizations.
 - Diversified business made up of multiple divisions offering a wide range of products and services including:
 - Custom Signage, Storefronts & Fascia Systems.
 - Facilities Maintenance.
 - A.T.M. Environments.
 - Graphics & Imaging.
 - Specialty Contracting.
 - L.E.D. Lighting.
- Marquis customer base including top Fortune 500 companies.
- Superb management team and vastly experienced, seasoned workforce.
- High net margin business experiencing rapid growth with outstanding short-term and long-term future growth opportunities.

Financial History & Projections:

	<i>For the Fiscal Years Ended December 31,</i>		<i>Projected,</i>	
	2012	2013	2014	2015
Revenue	\$25,499,326	\$31,056,382	\$46,232,266	\$51,500,000
<i>Growth (%)</i>		21.8%	48.9%	11.4%
Gross Profit	10,584,351	13,072,027	20,478,081	21,630,000
<i>Percent (%)</i>	41.5%	42.1%	44.3%	42.0%
Normalized EBITDA	4,499,791	5,979,187	11,767,439	12,052,000
<i>Percent (%)</i>	17.6%	19.3%	25.5%	23.4%

THE PROPOSED TRANSACTION PROCESS

Everingham & Kerr and our clients **do not** have asking prices on any represented companies. The information contained in this CBR has been provided to enable the prospective buyer to make an informed decision as to the price to be paid for the business based on the preliminary information contained in this CBR albeit without having conducted a thorough due diligence investigation. In addition to the narrative describing the business, E&K normalized the Income Statements and Balance Sheet to provide prospective buyers with specific assets and liabilities that will be included in the transaction as well as the historical and current cash flow of the business.

If you have no further interest: If upon review of the CBR it is decided that there is no further interest in acquiring the company, the CBR should be destroyed. Such parties are reminded that they will continue to be bound by all provisions of the Confidentiality Agreement.

If you have further interest: **Interested buyers are asked to advise E&K of their interest in the form of a non-binding Indication of Value. This can be provided by email or letter. The Indication of Value should include the following:**

1. A preliminary value for the proposed transaction.
2. The anticipated transaction structure that includes:
 - a. Whether the price will be paid in all cash.
 - b. How much of the price will be borrowed from institutions and what portion will be in the form of invested equity?
 - c. Any other terms that would be material to the seller and its advisors in determining which prospective buyers it will select for further discussions.
3. A suggested time frame for closing a transaction that takes into account due diligence and legal documentation.
4. Financial documentation that validates the buyer's capability to perform as proposed.
5. Information about the buyer's company or person that describes the fit with the business.

Letter of Intent: Potential acquirers submitting Indications of Value within an acceptable range will be invited to meet the management team. If after meeting with the seller there is still interest in consummating a transaction a non-binding Letter of Intent will be requested for negotiation of the salient business terms of the transaction. In addition to price, the seller will consider other factors when selecting the buyer including terms, timing, tax structure and the buyer's ability to obtain the funds required to close.

Due Diligence, Purchase Agreement, Closing: After the Letter of Intent is signed, the buyer will be given the opportunity, together with its legal, financial and other advisors, to conduct further due diligence with respect to the seller, its business and prospects. Concurrent with due diligence review, it is expected that the parties and their counsel will negotiate the Purchase Agreement and proceed to a Closing.

Contact Information: Please contact Daniel R. Everingham at [REDACTED] or via email at [REDACTED].

Under no circumstances should any employees, vendors, customers or shareholders of the Company be contacted without prior approval of Everingham & Kerr.

COMPANY DESCRIPTION

BACKGROUND

Imageone is a national, full-service, Diversified Company that designs, engineers, manufactures, installs, services, and provides interior & exterior identity solutions for large commercial, retail, and financial organizations including top Fortune 500 companies.

The Company is made up of multiple divisions offering a wide range of products and services including custom signage, storefronts & fascia systems, graphics & imaging, lighting, [REDACTED] environments, specialty contracting, maintenance, and consulting.

Imageone is headquartered in Bensalem, Pennsylvania (*approximately 20 miles northeast of Philadelphia*) with additional facilities in Goodyear, Arizona (*approximately 20 miles west of Phoenix*).

The business is an “S” Corporation.

Imageone was incorporated in Pennsylvania in April 2007 as the fulfillment of a vision of its owner, Jim Mikula, who personally has over 30 years of industry experience. Imageone has grown rapidly as Mr. Mikula has assembled a team of corporate officers, senior management staff and an employee pool that shares his passion and vision of quality performance and superior customer service. The Imageone team is a well-matured group of professionals with over 500 years of cumulative experience. The Company has and continues to grow rapidly by leveraging the team’s existing relationships as well as word-of-mouth referrals and in 2014 is also launching an aggressive marketing campaign.

In 2015, the Company is conservatively projecting over \$50 million in sales with over \$12 million in Normalized EBITDA. Management believes they can grow the Company to \$100 million in revenue within the next 36-48 months.

The Company’s founder and 100% shareholder, Jim Mikula, is seeking to partner with a qualified acquirer at this time. Imageone’s platform has been built and the Company is poised to go to the next level. Following a transaction, Mr. Mikula is interested in remaining with Imageone and expects his management team to be retained by the acquirer. Mr. Mikula is interested in re-investing alongside the buyer (*on a pari passu basis of course*) for a 20% (+/-) ownership stake in the Company going forward.

This acquisition opportunity is ideal for a private equity firm and our client has a strong preference to partner with a private equity firm. This will afford the owner the opportunity to have a liquidity event now while maintaining ownership to take advantage of the projected dramatic growth over the next few years positioning him for the proverbial “second bite.”

SERVICES & PRODUCTS

Imageone assists growing organizations by providing high quality and cost effective products through an efficient, organized approval, manufacturing, and installation process, with relentless dedication to customer satisfaction.

The Company is recognized for its leadership in the development and introduction of numerous new sign concepts, innovative designs, manufacturing techniques and project management of multi-location and national programs.

Imageone's focus is to meet its customers' objectives in identification, strengthening visual image and product branding.

Below is a breakdown of the primary services provided by Imageone followed by a breakdown of the Company's expansive product offering:

Services:

- **Design**
- **Value Engineering**
- **Process Management**
 - Permit Procurement
 - Zoning / Due Diligence
 - Surveys
- **Manufacturing & Installation**
 - Steel
 - Aluminum
 - Plastic
 - Specialty Metals
 - Stainless / Copper
- **Finishes**
 - Polyurethane Paints (*Matthews, DuPont*)
 - Dryvit / Stucco
 - Brick
- **Lighting**
 - Fluorescent
 - Neon
 - LED
- **Maintenance Management**

Products:

- **Exterior / Interior Signs**
 - Illuminated / Non-Illuminated
 - Retail
 - Corporate
 - Financial
 - Entertainment
 - Architectural
 - Food / Beverage
 - Petroleum
 - Stadium
 - Travel Plaza
 - Airport
- **Building Systems**
 - Fascia Systems
 - Store Fronts
 - Entryways
 - Canopy Systems
- **Graphics and Imaging**
- **ATM Environments**
 - Surrounds
 - Interior / Exterior Kiosks
 - Buildings
- **Illuminated Walls / Interior**
 - LED Illumination

Services & Products Performed In-House vs. Outsourced:

Fabrication:

- Depending on Imageone's capacity and workload at a given time, the Company handles approximately 80% to 90% of the manufacturing in-house.
- Custom fabrication especially is done in-house.
- Management is always focused on the bottom-line; therefore, the Company will outsource the fabrication of commodity products whenever it makes sense.

Installation:

- The Company outsources 100% of national installations throughout the country with an Imageone field manager present.

Maintenance:

- Imageone outsources 100% of the maintenance work through its extensive vendor network.

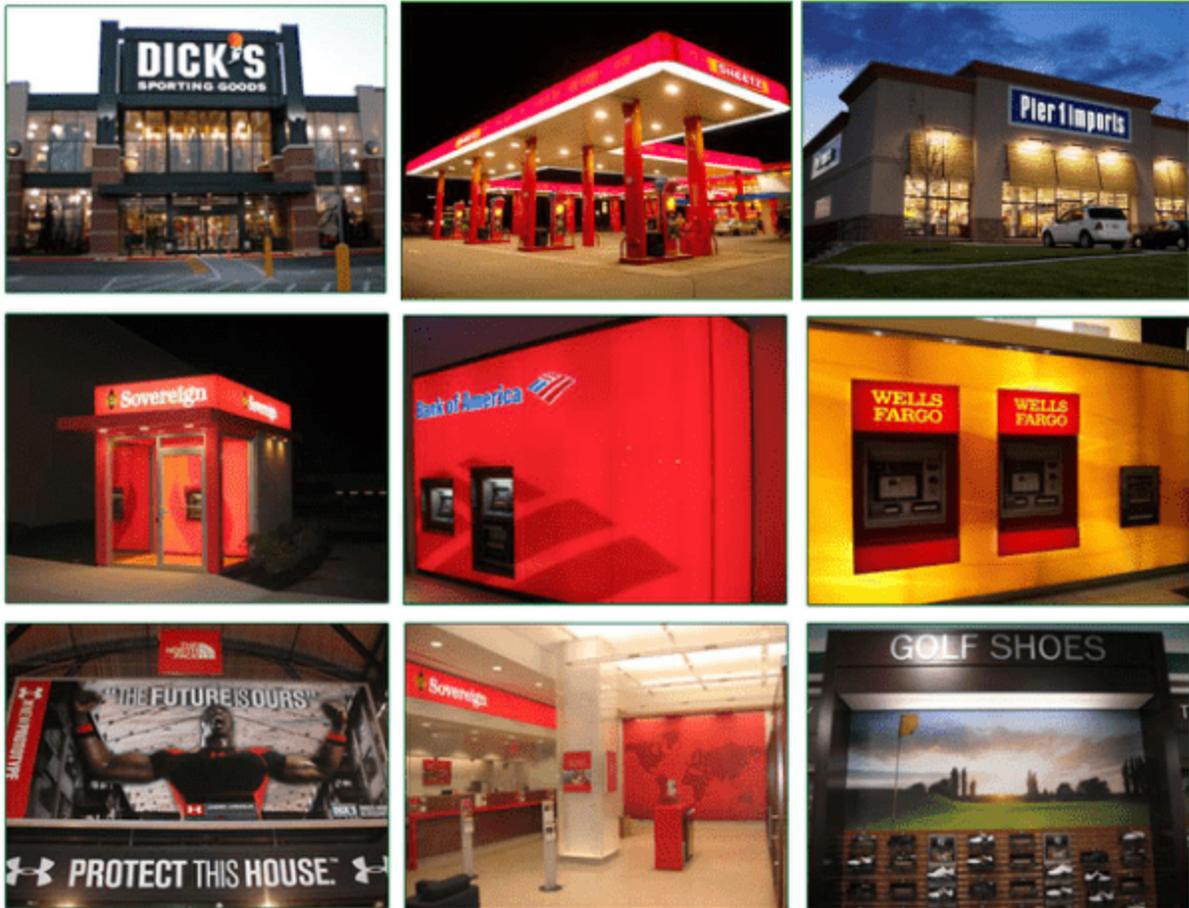


DIVISIONS

Imageone is a Diversified Company made up of multiple divisions:

- **Identification Specialists**
- **Facilities Maintenance**
- **Banking Environments**
- **Graphics & Imaging**
- **Storefronts & Fascia Systems**
- **Lighting Specialists**

On the following pages, we have provided a breakdown of the Company's core divisions:



Identification Specialists Division:

Imageone's Identification Specialists division provides exterior and interior identity solutions and signage consulting for many of the top Fortune 500 companies. The Company's goal is to offer a cost effective solution for its customers' interior and exterior signage needs for large or small projects. Its expertise is in major sign and identity conversion projects as well as new signage and identity projects for nationally and internationally recognized commercial and retail customers. Imageone ensures that its customers' image is represented in the manner it deserves.



Facilities Maintenance Division:

Imageone's Facilities Maintenance division effectively integrates its customers' existing contractors into the Company's extensive vendor management system. The Company offers on-site inspection and manages operations for the following services: HVAC, Electrical, Masonry, Flooring, Sign Maintenance, Carpentry and more.



Banking Environments Division:

The Company's Banking Environments division is on the cutting edge of innovation and design and is currently the only sign company that has successfully developed and deployed the fully illuminated (*floor to ceiling and wall to wall*) ATM Wall of Light. Imageone is well versed in all aspects of the ATM Environment from ATM Bezels to Remote Walk-Up and Drive-Up buildings to completely enclosed (*heated and air conditioned*) structures. Imageone has the experience, design capability and manufacturing expertise to deliver ultra-high quality products, on-time and within budget.



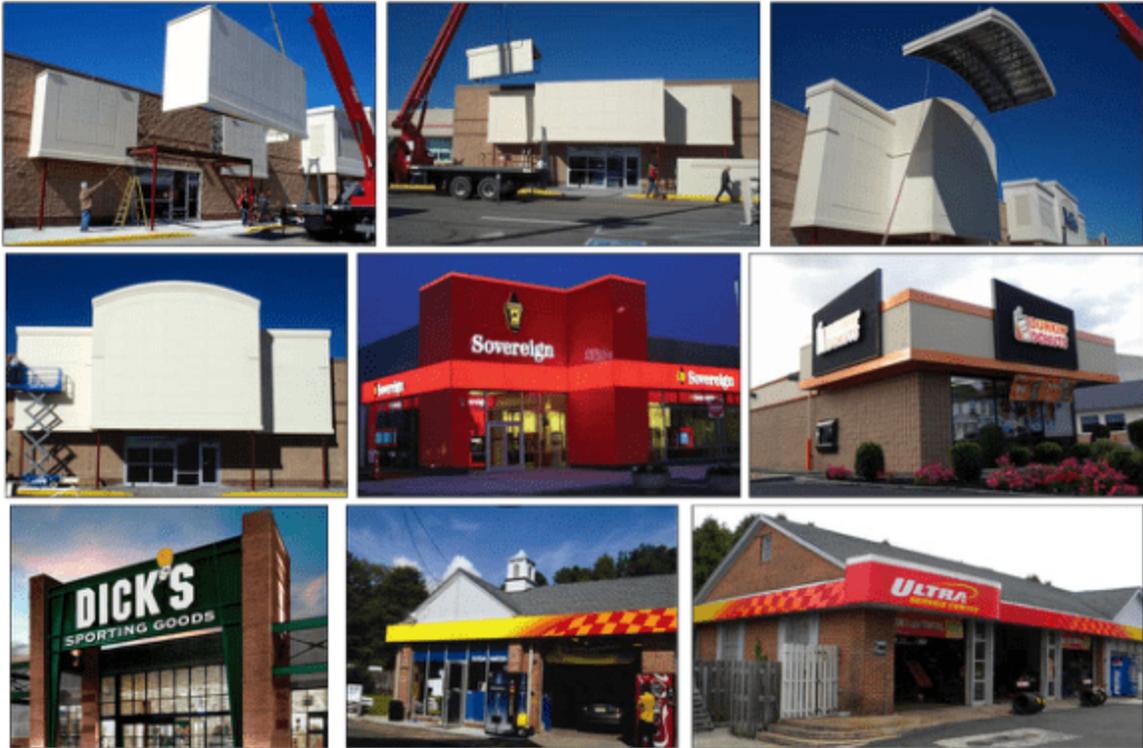
Graphics & Imaging Division:

Imageone's Graphics and Imaging division supplies the highest quality digital graphics. The Company handles all of its customers' imaging needs from large format wall, window, and floor graphics to point-of-purchase displays. Imageone's design and illustration team works closely with its customers' marketing and display departments to produce images (either direct to substrate or on self-adhesive vinyl) whether it be a "one-off" large format window or wall display or hundreds of point-of-purchase prints.



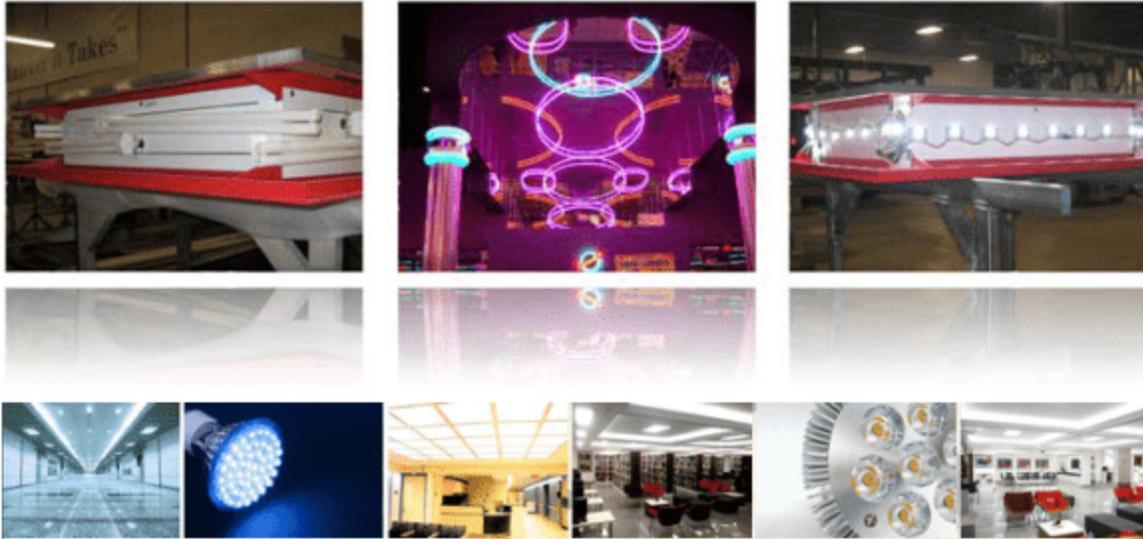
Storefronts & Fascia Systems Division:

The Company's Contracting division handles all levels of projects from interior and exterior storefront renovations to ground-up, new build fascia systems. Imageone ensures a smooth transition from design through opening day to make sure that, no matter how large, or small the project, the job is completed on-time and on-budget.



Lighting Specialists Division:

The Company's Lighting division focuses on interior and exterior lighting retrofits (*Fluorescent to LED*). In addition, Imageone handles parking lot fixtures and conversions, security lighting, energy consumption audits, and more.



MARKETING

Since inception, the Company has grown rapidly primarily by leveraging its team's existing relationships as well as word-of-mouth referrals. The significant growth of the Company to-date has been achieved primarily without formal advertising and marketing.

Imageone's platform is now built and the Company is ready to go to the next level and begin marketing and growing each division aggressively. Imageone's business model is designed to allow its sales force to go into a prospective new customer either as a diversified company that can provide a wide range of products and services or as a focused specialist, depending on the needs of each particular prospective new customer.

On the following pages are some examples of marketing materials:





The **imageone** industries Companies



imageone

Identification Specialists

- Exterior Branding & Signage
- Architectural Features
- Directories & Wayfinding
- Pylon & Monument Signage
- Custom Signage & Displays
- Commodity Signage
- Modular / Fascia System Signage
- Canopies & Structural Signage
- Value Engineering & Design
- Program Management
- Preventative & Emergency Maintenance

Nationwide Service with locations
from **coast to coast.**

Branding & Signage Services and Solutions
that will **enhance** the image of your brand.



TOTAL SUPPORT

FACILITIES MAINTENANCE

- Signage Service & Maintenance
- General Facilities Repair & Maintenance
- Flooring / Roofing
- Electrical
- Commercial Kitchen Repair & Installation
- Landscaping & Groundskeeping
- Snow & Ice Removal
- HVAC
- Plumbing
- Janitorial
- Disaster Relief

Nationwide Service with locations
from **coast to coast.**

Total Support Services and Solutions that will
maintain & enhance the image of your facility.



677 Dunksferry Road, Bensalem, PA 19020 // 978 S. Camino Oro Drive, Goodyear, AZ 85338

What can we do for you?
855-881-4999

www.totalfmservices.com



NATIONAL

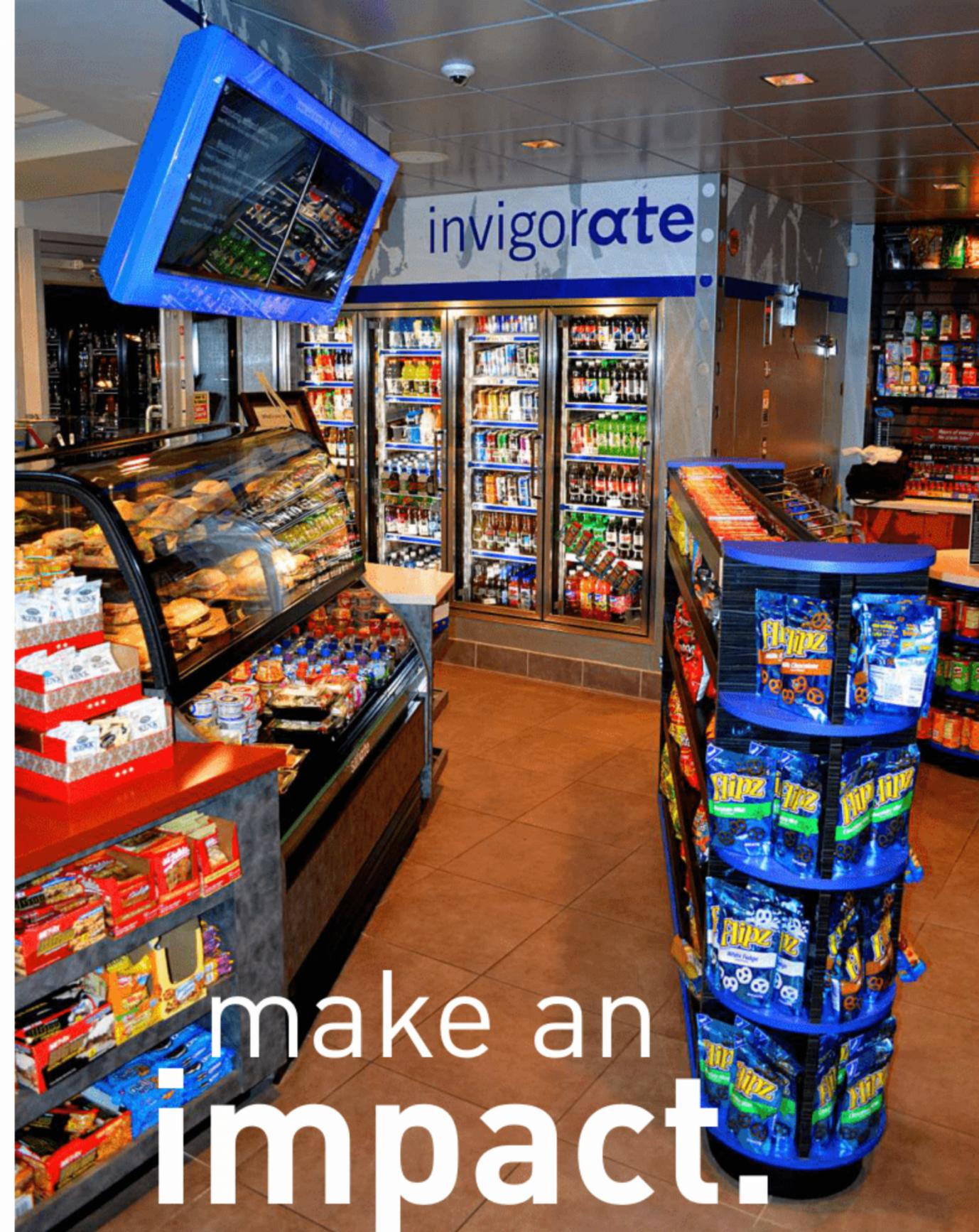
Banking Environments

- Exterior & Interior Signage
- Drive-Thru Area / Canopy Signage
- Entry/Exit Signage & Directionals
- ATM Toppers & Kiosks
- ATM Surrounds & Enclosures
- Illuminated LED Walls
- Climate Controlled Stand-Alone Buildings
- Walk-Up/Drive-up Buildings
- Digitally Printed Graphics & Multimedia Displays

Nationwide Service with locations from **coast to coast.**

Innovative Banking Environment Solutions
that will **enhance** the image of your institution.





- Digitally Printed Graphics
- Interior Accents & Decor
- Large Format Wall Coverings
- Multimedia Displays
- Point of Purchase Displays
- Interactive Touch Screen Displays
- Millwork & Fixtures
- Floor Graphics
- Interior Accent Lighting
- Digitally Printed Banners
- Internally Illuminated Columns
- Window Graphics & Vinyl

Nationwide Service with locations from **coast to coast.**

make an
impact.



Innovative Construction Services & Solutions that will **enhance** the image of your brand.

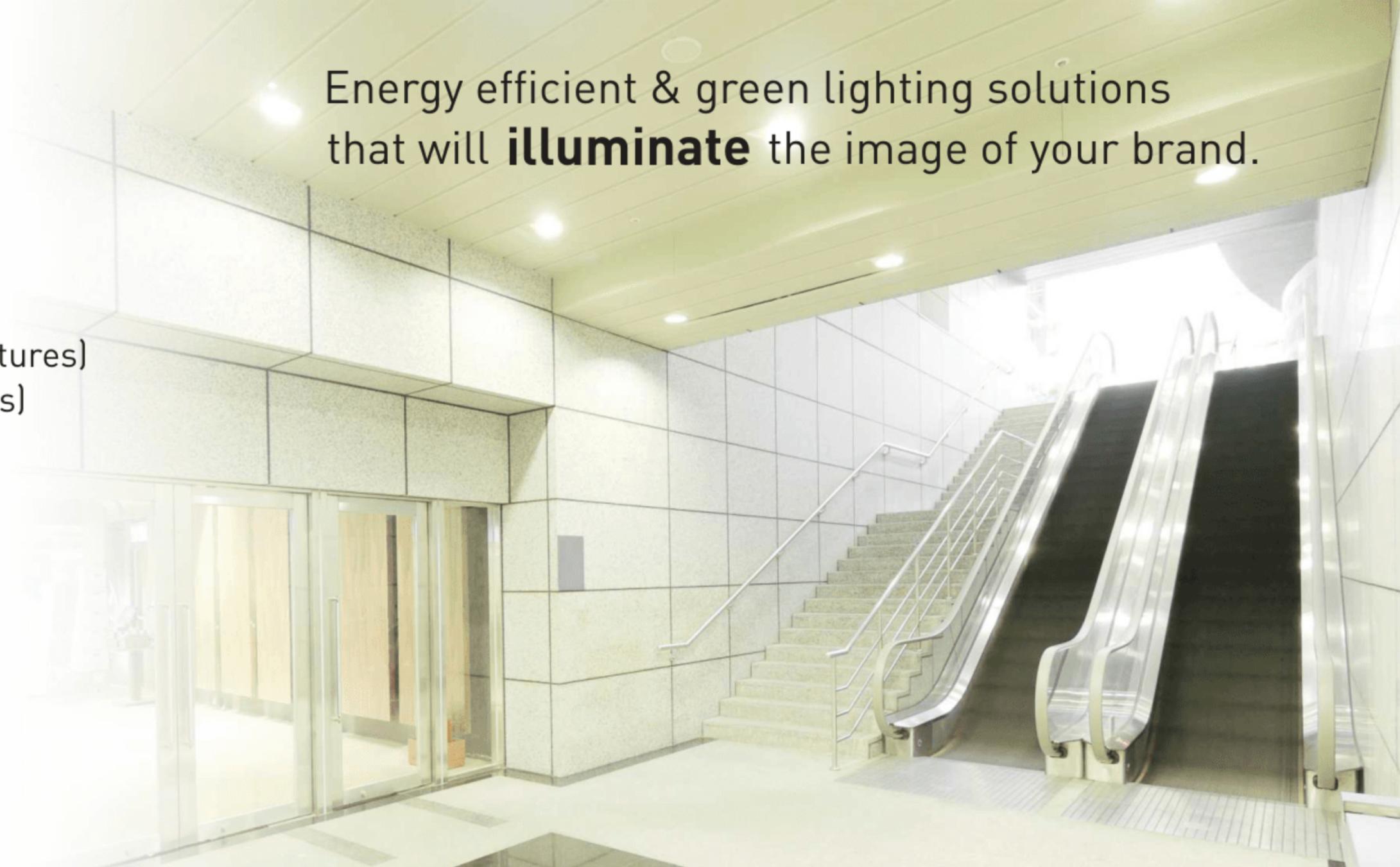
- Modular Fascia Systems
- Fabrication & Installation
- Fascia & Storefront Restoration
- Full Exterior / Interior Renovations
- Carpentry
- Interior & Exterior Finishing
- Construction & Demolition
- Plumbing
- Architectural Elements

Nationwide Service with locations from **coast to coast.**



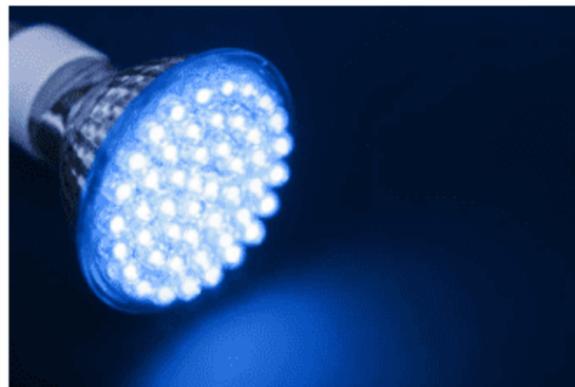


Energy efficient & green lighting solutions that will **illuminate** the image of your brand.



- LED Conversions
- LED Flat Panel Retrofits (2x2 & 2x4 Fixtures)
- LED Tube Lamps (Replace Fluorescents)
- Self Ballasted LED PAR Lamps
- Wall Packs
- Parking Lot Fixtures & Conversions
- Security Lighting
- Energy Consumption Audits

Nationwide Service with locations from **coast to coast.**



COMPANY WEBSITES

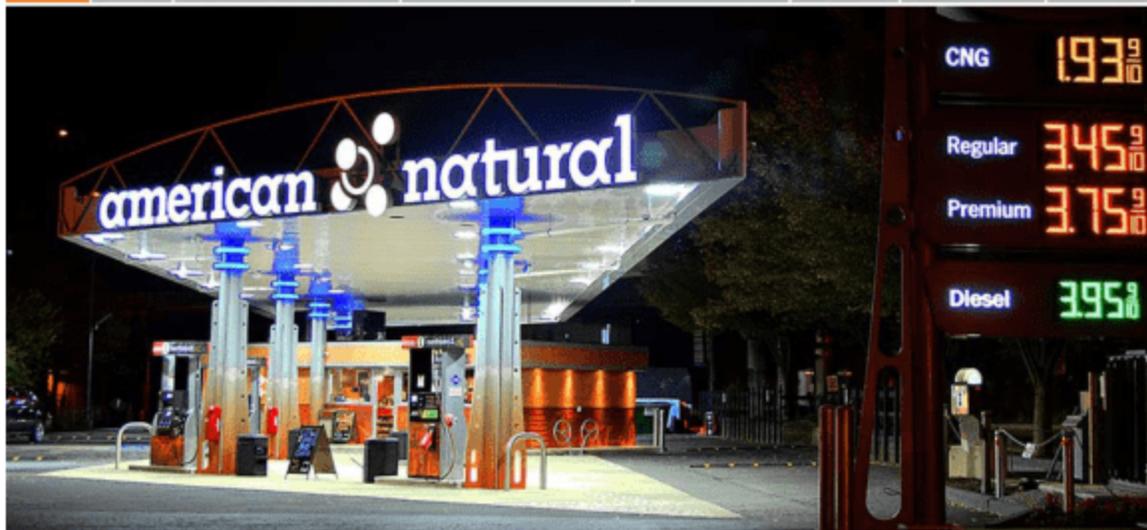
To learn more about Imageone, please visit the Company’s informative, interactive website which allows customers to view services, products, divisions, work completion photographs, and other important information online:



FTP

Excellence, Whatever it takes.

Home Signs Bank Environments Graphics & Imaging Maintenance Lighting Contracting Contact



featured project

who we are

emergency service

In addition to the above website, Imageone is launching separate websites for each division of the Company. This will further support its sales force with the ability to go into a prospective new customer either as a diversified company that can provide a wide range of products and services (*if needed*) or as a focused specialist (*if needed*), depending on what each particular prospective new customer is seeking. The websites include:

- Imageone Identification Specialists - www.i1ids.com (*site under construction*)
- Total Support Facilities Maintenance – www.totalfmservices.com (*site up and running*)
- National Banking Environments – www.nationalbe.com (*site up and running*)
- Impact Graphics – www.impactil.com (*site under construction*)
- One Construction – www.onecsc.com (*site under construction*)
- Greenlife Lighting Solutions – www.greenlifelighting.com (*site under construction*)

CUSTOMERS

With over 500 years of collective experience in-house, Imageone provides design / value engineering, manufacturing, installation and service of custom identity solutions for many of America’s largest corporations, retail and financial organizations.

The Company currently services the entire continental United States as well as Canada.

Imageone has a laser focus on working with recurring, perpetual clients that the Company does work for on a year-in and year-out basis.

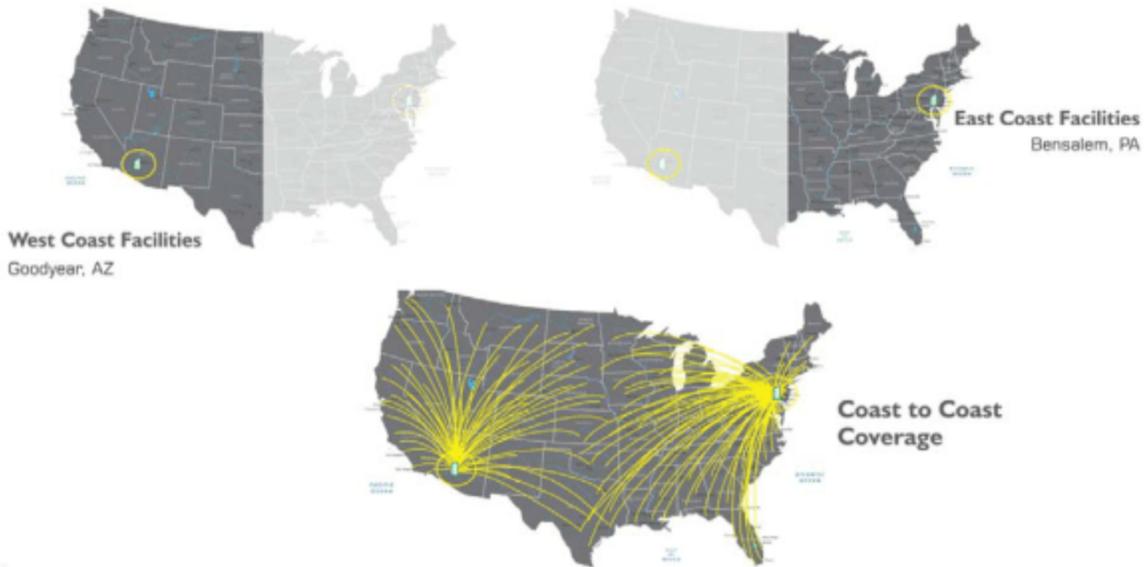
The Company also participates in major rebranding / sign conversion projects when the opportunities arise. These types of conversion projects tend to have lower margins; therefore, these projects are not the core focus at Imageone.

Imageone’s marquis customer base includes national and international commercial and retail customers such as Bank of America, Wells Fargo, Sovereign Bank / Santander, Dick’s Sporting Goods, Staples, Pier One Imports, NHL, MLB, Rite Aid, Walgreens, University of Phoenix and more (*below is a partial list of the Company’s marquis customer base*).



LOCATIONS AND FACILITIES

Imageone is headquartered in Bensalem, Pennsylvania (*approximately 20 miles northeast of Philadelphia*) with additional facilities in Goodyear, Arizona (*approximately 20 miles west of Phoenix*). Illustrated below is a map highlighting the locations of the Company's facilities:



Below and on the following pages is a detailed breakdown of Imageone's facilities by square footage, function, ownership, etc.:

East Coast –

Building #1 - In May 2011, the owner of Imageone purchased and moved the Company into a new, state-of-the-art facility / headquarters comprising approximately 60,000 square feet of manufacturing space, 5,000 square feet of warehouse space, and 14,000 square feet of offices, which sits on approximately 3 acres of land (*with room for expansion*).

Building #2 - In 2012, the owner of Imageone purchased the building located directly behind building #1, which provides an additional 30,000 square feet of manufacturing and 4,000 square feet of warehouse space.

Building #3 – Imageone leases building #3 from an independent third party. It is located directly behind building #2, which provides an additional 75,000 square feet of manufacturing and 8,000 square feet of warehouse space.

West Coast –

Building #4 - In 2013, the owner of Imageone purchased a facility in Arizona comprising approximately 35,000 square feet of manufacturing, 3,000 square feet of warehousing, and 4,500 square feet of offices, which sits on approximately 5 acres of land (*with room for expansion*).

East Coast - Building 1



Building #1 - Main Facility

14,000 Sq Ft Offices

60,000 Sq Ft Manufacturing

5,000 Sq Ft Raw Materials/
Finished Goods Storage

79,000 Sq Ft Total

East Coast - Building 2



Building #2 - Structural
Steel Fabrication &
Weld Shop

30,000 Sq Ft Manufacturing

4,000 Sq Ft Raw Materials/
Finished Goods Storage

34,000 Sq Ft Total

East Coast - Building 3



Building #3 - Manufacturing
and Finished Goods Storage

75,000 Sq Ft Manufacturing

8,000 Sq Ft Raw Materials/
Finished Goods Storage

83,000 Sq Ft Total

West Coast Facility



- Building #4 - Main Facility
 - 4,500 Sq Ft Offices
 - 35,000 Sq Ft Manufacturing
 - 3,000 Sq Ft Raw Materials/
Finished Goods Storage
 - 5 Acre Lot for Expansion
- 42,500 Sq Ft Total**



Total Facilities Capability

Total Manufacturing Square Footage: 200,000 sq. ft.

Total Raw Materials/Finished Goods Storage: 20,000 sq. ft.

Total Exterior Finished Goods Storage: 7.5 Acres

All of the buildings and land (*except for building #3*) are commonly owned by the sole shareholder of Imageone, held in a separate entity, and leased to the Company.

The estimated fair market value of the real estate is \$6.6 million and the estimated fair market annual rent is \$500,000.

The owner is willing to sell the real estate in conjunction with the business; however, he is also willing to consider a long-term lease.

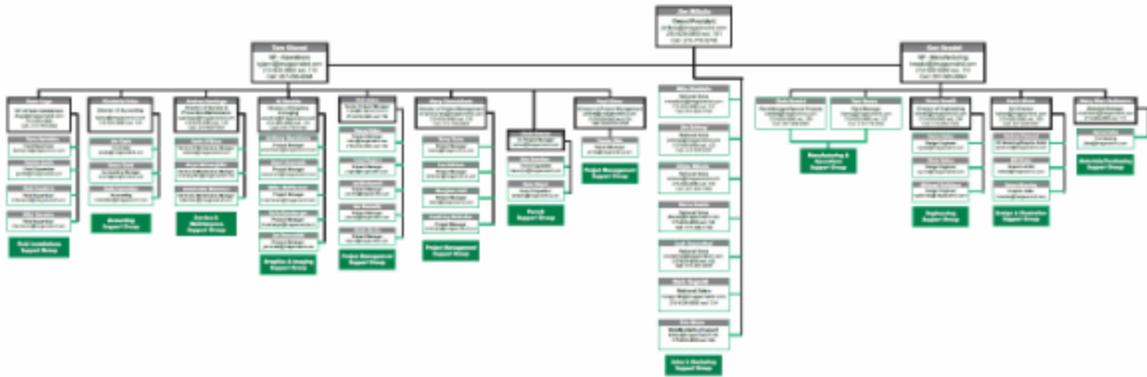
PERSONNEL

The Company employs a highly-seasoned senior management team which leads a total staff of approximately 104 professionals that have over 500 years of collective experience.

The Imageone staff includes skilled manufacturing technicians, a complete engineering and design department, a well-schooled project management department, an outstanding sales team and a well-rounded group of support personnel.

Imageone offers comprehensive employee benefits including full health insurance coverage. The Company also has a contributory 401(K) Profit Sharing Plan which is available to all full time employees with one year or more of continuous service. Contributions under the Plan are at the discretion of the Company.

Below and on the following pages is an approximate breakdown of the personnel by department / function:



Sales & Marketing -

- **Jim Mikula (Owner/President)**
 - **Director of National Sales & Marketing**
 - National Sales & Marketing
 - Sales & Marketing Support Group

Manufacturing & Operations, Engineering, Design & Illustration, and Materials / Purchasing -

- **EVP of Manufacturing**
 - **Plant Manager / Special Projects**
 - **Plant Manager**
 - *Manufacturing & Operations Support Group*
 - **Director of Engineering**
 - **Design Engineer**
 - **Design Engineer**
 - **Design Engineer**
 - *Engineering Support Group*
 - **Art Director**
 - **3D Modeling / Graphic Artist**
 - **Graphic Artist**
 - **Graphic Artist**
 - *Design & Illustration Support Group*
 - **Materials Manager / Director of Purchasing**
 - **Purchasing**
 - *Materials / Purchasing Support Group*

Field Installations, Accounting, Service & Maintenance, Graphics & Imaging, Project Management and Permits -

- **EVP of Operations**
 - **Director of Accounting**
 - **Controller**
 - **Accounting Manager**
 - **Accounting**
 - *Accounting Support Group*
 - **VP – Field Installations**
 - **Field Supervisor**
 - **Field Supervisor**
 - **Field Supervisor**
 - **Field Supervisor**
 - *Field Installations Support Group*

Continued from previous page...

- **Director of Service & Preventative Maintenance**
 - Service & Maintenance Manager
 - Service & Maintenance Manager
 - Service & Maintenance Manager
 - *Building Maintenance & Services Support Group*
- **Director of Graphics & Imaging**
 - Project Manager
 - *Graphics & Imaging Support Group*
- **Director of Project Management**
- **Director of Project Management**
 - Sr. Project Manager
 - Sr. Project Manager
 - Sr. Project Manager
 - Project Manager
 - *Project Management Support Group*
- **Senior Project Manager**
 - Permit Expediter
 - Permit Expediter
 - *Permit Support Group*

MARKET ANALYSIS

Imageone competes directly with other national signage suppliers throughout the country. The Company is able to successfully compete on a national level due to its unwavering dedication to Quality and Customer Service. Management believes some of its primary competitors are the following companies:

- **Icon Identity Solutions** (*Elk Grove Village, IL*)
- **Philadelphia Sign Company** (*Palmyra, NJ*)
- **Blair Companies** (*Altoona, PA*)
- **Chandler Signs** (*Dallas, TX*)
- **Coast Sign** (*Anaheim, CA*)

Imageone and its divisions also compete with other facilities maintenance, graphics & imaging, lighting, ATM, etc. companies.

GROWTH OPPORTUNITIES

Management believes there are numerous opportunities for continued rapid growth:

- Since inception, the Company has grown rapidly by leveraging the Imageone team's existing relationships as well as word-of-mouth referrals. The significant growth of the Company to-date has been achieved primarily without formal advertising and marketing. With the implementation of its aggressive advertising campaign and marketing strategy, Imageone expects to continue to increase sales and exposure.
 - The Company can increase revenue by continuing to hire additional sales personnel.
 - Imageone can continue to develop and grow its divisions under the Imageone "umbrella".
- The Company realized significant growth throughout the recession. Imageone is well-positioned to continue on its growth path as the economy continues to recover.
- Imageone's core customer base is projecting significant growth in the near future.
- The Company recently expanded out west and is poised to grow and continue to service the United States and Canada in a cost effective manner.
- There are numerous new perpetual clients that have been added and are currently in development stages. Some of the new customers are potentially very large.
 - Imageone is currently in discussions with numerous prospective new clients.
- There are several types of strategic acquisitions that make sense for Imageone.

FINANCIAL PERFORMANCE

HIGHLIGHTS

Sales, Gross Profit, & EBITDA History & Projections: In 2015, the Company is conservatively projecting over \$50 million in sales with over \$12 million in Normalized EBITDA. Management believes they can grow the Company to \$100 million in revenue within the next 36-48 months.

	<i>For the Fiscal Years Ended December 31,</i>		<i>Projected,</i>	
	2012	2013	2014	2015
Revenue	\$25,499,326	\$31,056,382	\$46,232,266	\$51,500,000
<i>Growth (%)</i>		21.8%	48.9%	11.4%
Gross Profit	10,584,351	13,072,027	20,478,081	21,630,000
<i>Percent (%)</i>	41.5%	42.1%	44.3%	42.0%
Normalized EBITDA	4,499,791	5,979,187	11,767,439	12,052,000
<i>Percent (%)</i>	17.6%	19.3%	25.5%	23.4%

Working Capital: The Company experiences seasonality with Q1 being the slowest time of year due to weather and other factors. The amount of working capital conveyed in the transaction will need to be mutually agreed upon.

Equipment: The Company utilizes state-of-the-art technology and equipment. The book value of the major equipment included in the transaction is approximately \$2 million. Of course, this does not reflect the higher market value of these assets.

Financial Statements: On the following pages we have provided spreadsheets of Imageone's financial statements.

Income Statement								
	<i>For the Fiscal Years Ended December 31,</i>				<i>Projected,</i>			
	2012		2013		2014		2015	
<i>Revenue</i>	\$25,499,326	100.0%	\$31,056,382	100.0%	\$46,232,266	100.0%	\$51,500,000	100.0%
<i>Cost of Goods Sold</i>								
Cost of Goods Sold	14,914,975	58.5%	17,984,355	57.9%	25,754,185	55.7%	29,870,000	58.0%
Total Cost of Goods Sold	14,914,975	58.5%	17,984,355	57.9%	25,754,185	55.7%	29,870,000	58.0%
Gross Profit	\$10,584,351	41.5%	\$13,072,027	42.1%	\$20,478,081	44.3%	\$21,630,000	42.0%
<i>Overhead Expenses</i>								
Officer's Salary	600,000	2.4%	600,000	1.9%	600,000	1.3%	600,000	1.2%
Payroll	2,802,751	11.0%	3,553,022	11.4%	4,476,738	9.7%	4,924,000	9.6%
Payroll Taxes	254,399	1.0%	334,520	1.1%	444,427	1.0%	522,000	1.0%
Employee Benefits	277,916	1.1%	313,378	1.0%	271,819	0.6%	300,000	0.6%
Sales	626,641	2.5%	718,700	2.3%	772,244	1.7%	840,000	1.6%
Auto and Truck Expense	43,072	0.2%	46,657	0.2%	79,190	0.2%	84,000	0.2%
Shop Supplies	109,087	0.4%	84,601	0.3%	126,810	0.3%	144,000	0.3%
Depreciation	295,435	1.2%	210,440	0.7%	299,605	0.6%	300,000	0.6%
Office Expense	327,665	1.3%	353,248	1.1%	347,126	0.8%	420,000	0.8%
Telephone	51,044	0.2%	55,245	0.2%	65,246	0.1%	72,000	0.1%
Utilities	73,353	0.3%	76,371	0.2%	122,002	0.3%	126,000	0.2%
Rent	295,500	1.2%	361,250	1.2%	492,000	1.1%	492,000	1.0%
Insurance	101,726	0.4%	138,672	0.4%	200,359	0.4%	216,000	0.4%
Legal and Accounting	58,736	0.2%	35,584	0.1%	116,389	0.3%	108,000	0.2%
Taxes	82,696	0.3%	39,480	0.1%	113,687	0.2%	108,000	0.2%
Union	46,336	0.2%	52,094	0.2%	67,455	0.1%	70,000	0.1%
Other	333,638	1.3%	330,018	1.1%	915,151	2.0%	552,000	1.1%
Total Overhead Expenses	6,379,995	25.0%	7,303,280	23.5%	9,510,247	20.6%	9,878,000	19.2%
Operating Income	\$4,204,356	16.5%	\$5,768,747	18.6%	\$10,967,834	23.7%	\$11,752,000	22.8%
Normalized Income Statement								
<i>Normalization</i>	<i>For the Fiscal Years Ended December 31,</i>				<i>Projected,</i>			
	2012		2013		2014		2015	
Operating Income	\$4,204,356	16.5%	\$5,768,747	18.6%	\$10,967,834	23.7%	\$11,752,000	22.8%
Depreciation	295,435	1.2%	210,440	0.7%	299,605	0.6%	300,000	0.6%
Non-Recurring One-Time Expense	-		-		500,000	1.1%	-	
Normalized EBITDA	\$4,499,791	17.6%	\$5,979,187	19.3%	\$11,767,439	25.5%	\$12,052,000	23.4%

Balance Sheet

	<i>As of the Fiscal Year Ending December 31,</i>					
	2011		2012		2013	
Assets						
<i>Current Assets</i>						
Cash	\$ 548,551	6%	\$ 3,981,906	36%	\$ 409,682	2%
Accounts Receivable	4,106,137	48%	3,198,895	29%	9,391,017	52%
Inventories	1,998,235	23%	2,306,517	21%	6,412,189	36%
Prepaid Expenses	23,638	0%	41,651	0%	71,580	0%
Total Current Assets	6,676,561	77%	9,528,969	87%	16,284,468	91%
<i>Fixed Assets</i>						
Fixed Assets	2,425,637	28%	2,478,472	23%	2,981,277	17%
Less Accumulated Depreciation	(794,764)	-9%	(1,090,200)	-10%	(1,300,640)	-7%
Total Fixed Assets	1,630,873	19%	1,388,272	13%	1,680,637	9%
<i>Other Assets</i>						
Other Assets (Deposits, Employee Advances, etc.)	336,475	4%	47,018	0%	2,000	0%
Total Other Assets	336,475	4%	47,018	0%	2,000	0%
Total Assets	\$ 8,643,908	100%	\$ 10,964,259	100%	\$ 17,967,105	100%
Liabilities & Equity						
<i>Liabilities</i>						
Accounts Payable	\$ 966,443	11%	\$ 840,854	8%	\$ 2,723,753	15%
Accrued Expenses	341,672	4%	166,814	2%	519,006	3%
Sales Taxes Payable	893,496	10%	1,025,930	9%	1,130,839	6%
Customer Deposits	250,737	3%	275,416	3%	2,548,978	14%
Total Current Liabilities	2,452,348	28%	2,309,014	21%	6,922,576	39%
<i>Debt Liabilities</i>						
Debt Liabilities	44,217	1%	327,546	3%	2,557,155	14%
Total Debt Liabilities	44,217	1%	327,546	3%	2,557,155	14%
<i>Shareholder's Equity</i>						
Retained Earnings	2,910,781	34%	6,142,343	56%	8,322,699	46%
Shareholder Distributions	(3,123,244)	-36%	(2,024,000)	-18%	(5,609,060)	-31%
Capital Stock	5,000	0%	5,000	0%	5,000	0%
Net Income	6,354,805	74%	4,204,357	38%	5,768,735	32%
Total Shareholder's Equity	6,147,343	71%	8,327,700	76%	8,487,374	47%
Total Liabilities & Equity	\$ 8,643,908	100%	\$ 10,964,259	100%	\$ 17,967,105	100%

Balance Sheet

Assets	Trailing Twelve Months as of September 30, 2014											
	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14
Current Assets												
Cash	\$ 448,531	\$ 1,158,268	\$ 312,877	\$ 1,692,725	\$ 2,804,780	\$ 2,448,704	\$ 891,135	\$ 2,051,239	\$ 1,318,963	\$ 335,994	\$ 1,864,598	\$ 1,215,917
Accounts Receivable	6,005,757	8,037,760	9,391,017	6,437,194	3,597,619	4,918,328	5,255,890	6,574,196	6,829,293	7,274,577	5,739,051	8,732,197
Inventories	7,756,192	6,625,379	6,412,189	7,294,558	7,111,612	7,020,098	6,540,646	5,156,565	6,401,310	6,765,162	7,980,623	6,374,139
Prepaid Expenses	79,182	76,950	71,580	85,248	83,278	63,029	101,041	69,571	46,614	55,787	53,817	108,879
Total Current Assets	14,289,662	15,898,358	16,187,464	15,509,726	13,597,289	14,450,159	12,788,712	13,851,572	14,596,180	14,431,520	15,638,068	16,431,133
Fixed Assets												
Fixed Assets (Net of Depreciation)	1,334,084	1,353,646	1,680,636	1,652,064	1,657,073	1,659,209	1,614,231	1,983,875	2,043,928	2,037,783	2,052,721	1,984,128
Total Fixed Assets	1,334,084	1,353,646	1,680,636	1,652,064	1,657,073	1,659,209	1,614,231	1,983,875	2,043,928	2,037,783	2,052,721	1,984,128
Other Assets												
Other (Deposits, Employee Advances)	392,591	739,693	99,005	96,414	99,627	166,852	258,270	189,525	173,335	306,418	132,491	147,576
Total Other Assets	392,591	739,693	99,005	96,414	99,627	166,852	258,270	189,525	173,335	306,418	132,491	147,576
Total Assets	\$ 16,016,338	\$ 17,991,697	\$ 17,967,105	\$ 17,258,205	\$ 15,353,989	\$ 16,276,220	\$ 14,661,213	\$ 16,024,972	\$ 16,813,443	\$ 16,775,721	\$ 17,823,280	\$ 18,562,837
Liabilities & Equity												
Liabilities												
Accounts Payable	\$ 2,085,421	\$ 1,695,319	\$ 1,860,890	\$ 1,680,877	\$ 1,157,967	\$ 1,550,860	\$ 1,567,929	\$ 1,356,759	\$ 2,814,676	\$ 2,586,899	\$ 3,006,172	\$ 3,001,276
Accrued Expenses	3,619,683	3,315,519	3,059,001	479,842	504,312	518,658	511,575	470,759	439,345	377,772	405,491	361,695
Sales Taxes Payable	865,228	1,052,201	1,130,839	994,346	861,485	840,973	904,694	941,072	939,953	843,019	856,366	1,003,170
Customer Deposits	14,585	17,198	8,982	2,175,513	1,605,302	1,010,100	692,763	588,586	454,287	502,732	594,046	325,417
Total Current Liabilities	6,584,918	6,080,237	6,059,712	5,330,578	4,129,066	3,920,592	3,676,960	3,357,175	4,648,262	4,310,423	4,862,074	4,691,558
Debt Liabilities												
Debt Liabilities	1,729,227	1,942,352	2,557,155	1,999,667	494,562	532,854	525,029	517,818	541,716	535,086	527,710	518,975
Total Debt Liabilities	1,729,227	1,942,352	2,557,155	1,999,667	494,562	532,854	525,029	517,818	541,716	535,086	527,710	518,975
Shareholder's Equity												
Retained Earnings	9,197,473	9,197,473	9,197,473	9,345,238	9,345,238	9,345,238	9,345,238	9,345,238	9,345,238	9,345,238	9,345,238	9,345,238
Shareholder Distributions	(4,789,060)	(5,009,060)	(5,009,060)	-	-	-	(1,600,000)	(1,710,000)	(3,373,000)	(3,373,000)	(3,373,000)	(4,018,500)
Capital Stock	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Net Income	3,288,780	5,775,695	5,756,825	577,721	1,380,123	2,472,536	2,708,987	4,509,741	5,646,228	5,952,974	6,456,258	8,020,566
Total Shareholder's Equity	7,702,193	9,969,108	9,350,238	9,927,959	10,730,361	11,822,774	10,459,224	12,149,979	11,623,466	11,930,212	12,433,495	13,352,304
Total Liabilities & Equity	\$ 16,016,338	\$ 17,991,697	\$ 17,967,105	\$ 17,258,205	\$ 15,353,989	\$ 16,276,220	\$ 14,661,213	\$ 16,024,972	\$ 16,813,443	\$ 16,775,721	\$ 17,823,280	\$ 18,562,837

Normalized Balance Sheet

Assets	<i>As of September 30, 2014</i>		
	2014	Adjustments	Proforma 2014
<i>Current Assets</i>			
Cash	\$ 1,215,917	\$ (1,215,917) ^(a)	\$ -
Accounts Receivable	8,732,197	(2,166,126) ^(b)	6,566,072
Inventories	6,374,139	412,400 ^(b)	6,786,539
Prepaid Expenses	108,879	(34,298) ^(b)	74,581
Total Current Assets	<u>16,431,133</u>		<u>13,427,192</u>
<i>Fixed Assets</i>			
Fixed Assets (Net of Depreciation)	1,984,128		1,984,128
Total Fixed Assets	<u>1,984,128</u>		<u>1,984,128</u>
<i>Other Assets</i>			
Other Assets (Deposits, Employee Advances, etc.)	147,576	(147,576) ^(a)	-
Total Other Assets	<u>147,576</u>		<u>-</u>
Total Assets	<u><u>\$ 18,562,837</u></u>		<u><u>\$ 15,411,321</u></u>
Liabilities & Equity			
<i>Liabilities</i>			
Accounts Payable	\$ 3,001,276	\$ (1,625,595) ^(b)	\$ 1,375,681
Accrued Expenses	361,695	(44,827) ^(b)	316,868
Sales Taxes Payable	1,003,170	(153,140) ^(b)	850,030
Customer Deposits	325,417	587,758 ^(b)	913,176
Total Current Liabilities	<u>4,691,558</u>		<u>3,455,755</u>
<i>Debt Liabilities</i>			
Debt Liabilities	518,975	(518,975) ^(c)	-
Total Debt Liabilities	<u>518,975</u>		<u>-</u>
<i>Shareholder's Equity</i>			
Retained Earnings	9,345,238		
Shareholder Distributions	(4,018,500)		
Capital Stock	5,000		
Net Income	8,020,566		
Total Shareholder's Equity	<u>13,352,304</u>		
Total Liabilities & Equity	<u><u>\$ 18,562,837</u></u>		<u><u>\$ 15,411,321</u></u>
		Net Business Assets on Proforma Basis	\$ 11,955,566
		Estimated Fair Market Value of Real Estate (d)	\$ 6,600,000
		Total Net Assets on Proforma Basis	\$ 18,555,566

^(a) Remove cash and other assets.

^(b) Adjust to the trailing 12 month average.

^(c) Remove debt.

^(d) The real estate is commonly owned - \$3.3M headquarters / building #1, \$1.7M building #2, \$1.6M Arizona building #4.