



CORNERSTONE CAPITAL HOLDINGS

BACKGROUND

Since 2000, Cornerstone has been investing in established, middle-market manufacturing and industrial service businesses located throughout the United States. We look to partner with strong, experienced management teams and collectively develop strategies to enhance shareholder value over time. As a holding company, we maintain long-term investment horizons.

SUMMARY TARGET CRITERIA

- Privately-held business or division of a larger corporation
- Manufacturing or low-tech industrial service company
- Management team preferred but not required
- Proprietary products and/or specialized, niche capabilities
- Mature, non-cyclical industry – preferably fragmented
- Diversified product or service offering

BASIC FINANCIAL METRICS

- Annual revenues of \$5 to \$50 million
- Adjusted EBITDA of \$1 to \$10 million
- Minimum Adjusted EBITDA margin of 10%
- Net working capital less than 35% of annual revenues
- No single customer greater than 30% of annual revenues
- Prefer non-seasonal companies

MANUFACTURING AREAS OF INTEREST

- Aerospace – commercial and military
- Packaging equipment and supplies
- Branded or highly engineered products
- Specialized machinery
- Aftermarket parts and accessories

INDUSTRIAL SERVICE AREAS OF INTEREST

- Maintenance, repair and operations (MRO)
- Oilfield service companies
- Electronic repair and re-design
- Niche processing/coating services
- Health care services

CURRENT CORNERSTONE COMPANIES



Tempe, AZ. Leading manufacturer of close tolerance, critical turbine engine blades, vanes and related components for aircraft and commercial propulsion systems.

Corporate Divestiture / 2016



Richmond, VA. Positioned as the leader in digital engraving technology, providing customized texturing solutions for various consumer and industrial applications.

Add On: Decorative Technologies (RotaDyne)
Corporate Divestiture / 2016



Long Beach, CA. Design and builds satellite propellant tanks, domes and ancillary space products. In addition, sole source to refurbish AWACS bearing assembly.

Corporate Divestiture / 2013



Simi Valley, CA. Designs and builds aircraft ducting for engine, anti-ice, APU and airflow management systems. Also sells proprietary line of ozone converters.

Corporate Divestiture / 2012



Fair Lawn, NJ. Produces proprietary RF products, electronic assemblies and PCB's for aerospace, defense and industrial applications.

Add Ons: Broadband Wireless & Aldetec Inc.
Private Buyout / 2004



Ft. Worth, TX. Manufactures CNC machined and sheet metal components and assemblies for use on both commercial and military aircraft.

Combined with R-V Metal Fabricating.
Private Buyout / 2001

REALIZED INVESTMENTS



Albuquerque, NM. Designs and builds UAV Payload Pods as well as automated "Iron Bird" test and measurement systems.

Corporate Divestiture / 2015
Strategic Exit / 2017



Fairfield, NJ. Manufactures proprietary plastic bottle unscrambling and handling systems for food, beverage and pharmaceutical industries.

Private Buyout / 2001
Strategic Exit / 2014

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