

FOR SALE: High Precision CNC Machining Company

Well-Established and Highly Profitable Machining Business with Specialty In-House Capabilities

Asking Price:	\$ 14,300,000		
Revenue:	\$ 7,385,198		
Adj EBITDA:	\$ 2,556,667		
FF&E:	\$ 3,885,000	Included?	Yes
Working Capital:	\$ 2,750,000	Included?	Yes
Real Estate:	Owned	Included?	No
Asking Price:	\$ 1,500,000	Size:	25,000 SF
Employees:	26 FT / 2 PT (including 2 owners)		
Location:	Ohio		



Business Summary: NEO Business Advisors represents a well-established, high precision CNC machining business in Northeast Ohio with an almost 70-year history. The business has state-of-the-art CNC machining centers, many with options for live tooling, 5-axis capabilities, pallet changers, dedicated tooling at each machine, and inspection probes in the machining centers. The company is uniquely positioned with specialty in-house fabrication capabilities that give them a defensible, high-margin position in the end-market industries they serve. There is moderate customer concentration with the top customer approximately 50% of sales with a 50+ year history, the second largest customer is about 35% of sales with a 20+ year history, and the balance of customers make up the remaining 15% of sales. The husband-and-wife owners are semi-absentee and have established a strong, stable, and cross trained team of employees and management to where they can run the business remotely, spending several months traveling each year and being involved in other business endeavors. This rare opportunity will not last long with a consistent history of **over 30% Adjusted EBITDA Margins**. This is an excellent opportunity for an individual buyer looking to acquire a business with high profit margins, extensive capabilities, a strong management team, an excellent brand reputation, and a defensible market position. The business is also an excellent strategic acquisition for an established company in the same or adjacent industry looking to grow their market share, expand their geographic reach, add capabilities, diversify customers and end markets, or acquire highly skilled personnel.

Financial Overview:

	2022	2023	Proforma 2024
Revenue	\$5,152,625	\$7,384,448	\$7,385,198
Adj EBITDA	\$1,580,939	\$2,418,031	\$2,974,333
% Margin	30.68%	32.74%	40.27%
3 Year Weighted Ave EBITDA	\$2,556,667		

Furniture, Fixtures, and Equipment (FF&E): FF&E of \$3,885,000 is included in the asking price including a significant asset base of high-precision CNC machining centers including lathes, vertical mills, horizontal mills, EDM, grinders, saws and specialty fabrication capabilities. Equipment is all well maintained with several new machines added each of the last few years. The company has an extensive inventory of tooling, fixtures, and support equipment along with pallet racking and shelving for storage and two company owned trucks for local pickups and deliveries. The office and shop are fully computerized with an enterprise resource planning (ERP) software system managing the production environment.

Working Capital: Inventory, Accounts Receivable, and Accounts Payable are included in the asking price as part of a normal level of Working Capital of \$2,750,000 with the final sale price to be adjusted up or down for actual amount of Working Capital at time of closing.

Real Estate: Real Estate is owned by the Company and available for sale or lease with the business. Estimated value is \$1,500,000 not included in the Asking Price of the business. The building is approximately 25,000 SF of manufacturing and office space with three overhead cranes and over a dozen jib and pedestal cranes.

Growth and Expansion: The owner does not currently do any outbound sales and marketing and relies entirely on repeat business from existing customers with whom they are turning work down because of capacity constraints. Investing in people would be the best way to continue to grow the business because the opportunities for more work are already there. Sales and marketing efforts could be implemented to diversify the customer concentration if a buyer felt this was a risk factor.

Reason for Selling: The owner is seeking a sale for retirement.

Support & Training: The owner is willing to stay on for a reasonable time after a sale to ensure a smooth transition.