



Letter From the President Jim Merrill

Welcome to the Summer 2018 edition of our Star America Capital Advisors Newsletter. Our team has been off to a quick start in 2018 as we recently closed on the Sale of Moretrench American Corporation to Keller. This transaction was a great example of the hard work that our team put in during 2017, despite some deals that didn't close, we stuck to the process and had a nice win in early 2018..

We have also been working very hard to develop and publish industry data that is available on our website for all to see. We continued to develop and provide the industry with sector reporting, including key transportation studies on various states, where winning bidders, bid spreads, upcoming key transportation projects and state transportation budgets are outlined. In addition, we have developed summary overviews on domestic and international public companies, including financial highlights and news. Our website and LinkedIn pages are always updated with our reports and any recent news.

I personally have logged some serious frequent flyer miles touring the country and Europe. In my travels I have had the opportunity to speak with many industry leaders and it amazes me how positive the conversations are regarding the industry and it's prospects in the near future. Many international companies continue to look to the U.S. in light of their softening markets; and many U.S. based firms are beginning to see increasing margins as their local markets find renewed sources of funding for increased infrastructure spending.

Acquisitions continue to be a preferred method of growth for firms and the market has been very active during the first 5 months. Our Moretrench deal was a great win for both companies as they seek to find ways to leverage size and labor efficiencies to develop national companies capable of servicing the entire US market.

Our team is very active with many new opportunities and we look forward to announcing more exciting news as the year progresses. As part of this summer newsletter we have highlighted the GDOT MMIP program that will provide approximately \$10B of new construction over the next 10 years. This program should offer great opportunities as various procurement methods are utilized to deliver this exciting program.

We look forward to hearing from you in 2018.

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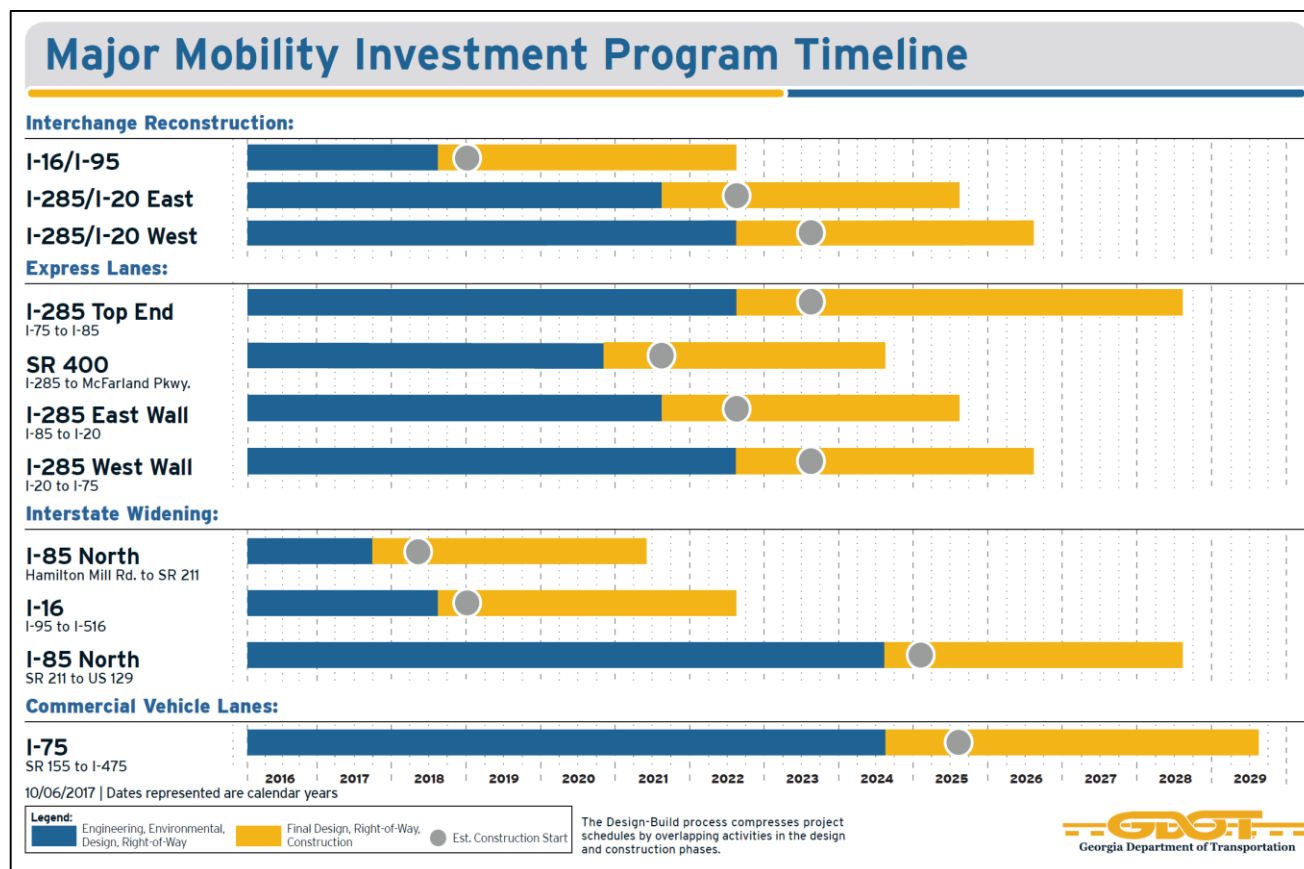
**Star America represented
Moretrench American
Corporation in its \$90M
sale to Keller**



Market Highlight: Georgia Transportation Program By Mit Jha

The leadership at GDOT and the Governor's office has recently placed a significant focus on improving overall mobility in Georgia, most notably because of the passing of the Transportation Funding Act of 2015 (HB-170). Georgia has not been able to meet transportation project requirements in last decade or at least until 2016 due to severe funding shortfalls. HB-170 provided a much-needed source of revenue to clear project backlog in Georgia and catch up with the transportation needs posed by a higher than average US population growth. A perfect combination of a transportation system that is in a dire need of improvement, the passage of a much-needed new revenue source, and a total commitment by the GDOT leadership makes Georgia one of the hottest transportation markets in the country.

At the center of GDOT's Capital plan is the Major Mobility Investment Program (MMPI). There are eleven mega projects that are included in MMIP and expected to be completed before 2030. It is an ambitious program that needs full support not only from the GDOT but also by the contracting community. As evident from the schedule below, GDOT has embarked on an intensive capital improvement plan that will deliver more than \$10 Billion worth of construction projects in the next twelve years or so. The project delivery methods include Design Bid Build, Design Build,



Source: GDOT

Design-Build-Finance and Design-Build-Finance-Operate-Maintenance. MMPI presents tremendous opportunities, matched by only a few others in the rest of the United States, for all types of firms in transportation for next more than ten years.

Author: Dr. Mit Jha, Senior Advisor to Star, has led a number of projects for GDOT, MARTA and other clients in Georgia.

Star America Capital Advisors in the Industry

By Mara Johnston

Star Hosts Joint Event in Miami with Peckar and Abramson and American Global in March 2018

Star America hosted a joint event in Miami, Florida with Peckar and Abramson and American Global. The event was well attended by colleagues, clients and prospects and meaningful conversation and a good time was had by all. Star hopes to keep the tradition alive in the years to come.

Mara Johnston Published Article on Public Private Partnerships in CFMA's National Magazine

The article included detail on the history of P3's and the United States position over the years, the different type of P3's, a legislative update, and how financing and funding works when contemplating a P3 project among other important items

To read the full article, please visit CFMA's online archive.

Star America Co-Hosts "State of the Union Construction Market" Seminar in Houston, TX

Star America Capital Advisors, Peckar & Abramson, and American Global held a 'State of the Construction Market' seminar on May 23 in Houston, Texas. The panel discussion included relevant topics to the construction industry such as the current labor shortage, new and innovative technologies, and the need to effectively collaborate between both private organizations and the government.



Star America Capital Advisors acts as the exclusive financial advisor in sale of Moretrench to Keller.

Star America Capital Advisors, LLC is pleased to announce that Keller has acquired Moretrench Inc. for \$90 Million. Star America Capital Advisors acted as the exclusive financial advisor to Moretrench.

Keller released the following statement post acquisition:

“Moretrench has a strong heritage of complex geotechnical projects and in the year ended 31 December 2017 had revenue of US\$168.3m, operating profit of US\$11.3m and EBITDA of US\$15.8m (both excluding US\$2.8m of charges relating directly to the Employee Share Ownership Plan and the transaction). Moretrench’s net assets as at 31 December 2017 were US\$66.4m. The acquisition was funded wholly in cash from Keller’s existing borrowing facilities.

Following the acquisition, Keller will be by far the most capable geotechnical solutions provider on the east coast and will be very well positioned for the expected long-term renewal of infrastructure in the region. In addition, the acquisition gives Keller access to new niche geotechnical products as well as new industrial customers and should result in good revenue and cost synergies. Keller and Moretrench have partnered on a number of successful project JVs in the past which gives confidence in the mutual compatibility of culture and management approaches.”

MORETRENCH



Star America represented Moretrench American Corporation in its \$90M sale to Keller

Star America Capital Advisors
390 North Broadway, 3rd Floor
Jericho, NY 11753

516-882-4100
www.staramericap.com

Star America Capital Advisors - Service Offerings

Mergers & Acquisitions

We have a strong track record in both domestic and cross-border M&A advisory roles. We operate both negotiated processes and auctions, assist in deal structuring, and provide impartial advice about the merits of transactions in our industry of focus.

PPP Financial Advisory

Star provides financial advisory services to companies and consortia seeking to participate in alternative procurement processes. We advise on debt capital raising in the bank and bond markets, and help structure competitive bids for our clients.

Management Consulting

We work with clients to formulate and pursue strategic and tactical goals. Star provides true business solutions, including identifying potential management hires, developing and implementing marketing plans, and increasing operational efficiencies.

Business Development

Star is well qualified to assist clients in developing their business plans in the U.S. Given the depth of experience of its partners and operating professionals, the company offers access to thought leadership of C-Level executives.

Strategic & Financial Analysis

Industry analytics form the core of a successful financing or business development strategy. With our significant industry knowledge, we assess companies’ current and projected financial and competitive positions to provide actionable recommendations.

Capital Raising

We maintain contacts at banks, hedge funds, equipment finance companies, and other financial firms. These are sources of capital for clients desiring funds for expansionary capital expenditures or general operating cash flow needs.