

Two Rail-Based Waste Transfer Stations in Philadelphia Area

Investment Summary: Two new environmental-friendly rail-based waste transfer facilities with attractive margins are being developed to serve the municipal and private waste haulers in the Philadelphia area. Both facilities will handle municipal solid waste and construction & demolition debris, with each contributing 50% of annual revenue. Management is currently securing necessary building and site permits, planning construction, meeting with potential customers and developing marketing plans. In its first full year of operation, the stations are projected to achieve \$14.3 million in revenue with projected EBITDA of nearly \$3 million.

As landfills in the Northeast increasingly reach the end of their lifecycle (20-30 years), the cost of waste disposal continues to rise. At the same time, there exists an abundance of lower priced disposal options by rail in Western PA, Ohio, Virginia, West Virginia and Kentucky. More of these are becoming available each year – but it is not economically feasible to reach these locations by truck transport.

Swanson and Aramingo are rail-based facilities serving the Philadelphia metropolitan area, the sixth largest in the U.S. with roughly 5.9 million people. The stations are nine miles apart from each other serving different ends of the City and southern New Jersey, and each is roughly 5-7 miles from central Philadelphia. Both sites enjoy easy access to major highways providing short drive times for collection trucks from surrounding towns and counties. Both sites are served by Conrail with direct access to CSX Transportation lines and the Norfolk Southern Railway. Each station will initially have a 2,500-ton per day capacity and the possibility to expand.

Development Stage	Swanson	Aramingo
Land Ownership	✓	✓
Conrail/CSX/Norfolk Southern direct rail access	✓	✓
Transfer station permit	✓	Application submitted expect permits 11/30/2010
Building permit	Application submitted expect permits 7/31/2010	Expect permit 3/1/2011
Construction begins	10/1/2010	5/1/2011
Construction complete	10/1/2011	5/1/2012
Operational	11/1/2011	6/1/2012

The development process is on track to have Swanson operational in late-2011 and the Aramingo operational in mid-2012. The projects enjoy wide community support due to the anticipated reduction in trucking traffic and greenhouse emissions, and the potential for increased price competition. In addition, the facilities are closer to the concentration of solid waste generators and have greater direct highway access than existing transfer stations. This convenient access is attractive to waste haulers seeking return-to-route efficiency.

Consolidated Projections	Build Out Period		Estimates of Future Operating Results				
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenue (\$)	0	0	14,305,500	28,772,782	31,050,251	35,923,494	41,190,824
EBITDA (\$)	(266,000)	(399,500)	2,952,079	7,191,318	8,058,471	10,152,851	12,502,362
EBITDA Margin (%)	0.0%	0.0%	20.6%	25.0%	26.0%	28.3%	30.4%

For more information on this exceptional acquisition opportunity, please contact Dimitar Frangov at Woodbridge Europe. +31 (0) 548 659035. Visit us at www.woodbridgegrp.eu.