



Advanced Disposal Services, Inc.



Company Profile

HEADQUARTERS:

Jacksonville, FL

INDUSTRY:

Value-added Distribution

TRANSACTION TYPE:

Minority Recap

INVESTMENT DATE:

September 2002

EXIT DATE:

August 2006

FUND:

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Overview

Advanced Disposal Services, Inc. is a regional solid waste company providing integrated, non-hazardous solid waste collection, transfer, and disposal services in the Southeastern U.S.

Transaction Dynamics

A partnership with management to provide growth equity to fund a series of acquisitions.

Investment Thesis

- ▶ Strong management team led by seasoned entrepreneur in the solid waste industry
- ▶ Platform business with a well-defined growth strategy including vertical integration and multiple acquisition targets
- ▶ High barriers to entry due to limited number of permitted landfills
- ▶ Favorable market conditions in Southeastern US including privatization of county owned landfill
- ▶ "Reverse" distribution business with opportunity to become leader in its markets
- ▶ Opportunity to leverage prior investment experience in the waste industry

Incline Value Enhancement

- ▶ Completed 47 acquisitions to become a top 3 market leader in Atlanta, Jacksonville and East Alabama
- ▶ Opened Eagle Point Landfill; built out Alabama market; stabilized Atlanta market
- ▶ Achieved Revenue Compound Annual Growth Rate (CAGR) of 51.6% over three years thru both acquisitions and organic growth initiatives
- ▶ Grew EBITDA from \$1.1mm in 2002 to \$42.6mm at exit
- ▶ Sold to AIG Highstar in 2006