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Zacks Small-Cap Research

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Revolution Lighting Technologies, Inc. (RVLT-NASDAQ)

RVLT: After Restructuring, RVLT is Poised For Growth in 2018

Using a blended valuation of PE and multiple of EBITDA versus its peers, we come up with an average price target of $4.60 by next year should our estimates prove accurate.

Current Price (03/09/18)	$3.93
Valuation	**4.60**

OUTLOOK

Revolution Lighting is a pure play in commercial, industrial, and government LED end-user lighting products and services. It has no legacy technology dragging down growth and is projected to grow as customers reap increasingly attractive paybacks. To date, only 15% of installed lighting is LED in the US, providing extensive growth opportunity. Its sales channel has been greatly enlarged and the company in now qualified by the Navy and is bidding contracts. It also has product made in America that is having great success with the new emphasis to Buy American.

SUMMARY DATA

52-Week High	**$8.94**
52-Week Low	**$3.09**
One-Year Return (%)	**-36.1**
Beta	**1.2**
Average Daily Volume (sh)	**244,221**
Shares Outstanding (mil)	**22**
Market Capitalization ($mil)	**$88**
Short Interest Ratio (days)	**10.2**
Institutional Ownership (%)	**43**
Insider Ownership (%)	**42**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**80.3**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/M**
P/E using 2018 Estimate	**26.2**
P/E using 2019 Estimate	**14.6**
Zacks Rank	**N/A**

Risk Level	**High**
Type of Stock	**Small Value**
Industry	**Bldg Prod-Ltg Fixtur**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2016	27.6 A	43.1 A	50.2 A	51.2 A	172.1 A
2017	30.6 A	43.4 A	43.1 A	35.3 A	152.3 A
2018	34.0 E	38.0 E	42.0 E	46.0 E	160.0 E
2019					173.0 E

Earnings Per Share
(Adjusted Non-GAAP EPS before non-recurring items)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2016	-$0.06 A	$0.07 A	$0.11 A	$0.14 A	$0.29 A
2017	-$0.15 A	-$0.03 A	-$0.03 A	-$0.15 A	-$0.34 A
2018	-$0.06 E	$0.02 E	$0.05 E	$0.10 E	$0.15 E
2019					$0.27 E

Zacks Projected EPS Growth Rate - Next 5 Years % **N/A**

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WHAT'S NEW

Revolution Lighting Restructures To Improve Profitability

Sweeping the slate clean, Revolution Lighting took large one-time write offs of costs and impairment charges totally $41.5 million to position the company for 2018 and beyond. Of this $41.5 million, $38.1 million were non-cash charges. The company had restructuring costs of $16.9 million, wrote down intangibles ($10.5 million) and goodwill ($10.7 million), and claimed another $6.1 million in acquisition, severance, and transition costs. Actions taken included reducing warehouses locations, consolidating three divisions into one, and exiting certain product lines and related operations. The company has now consolidated eight businesses into four operating units, replaced management, and reduced the employee count from 310 to 268 people during the course of the year. With these changes Revolution expects breakeven to be at $115 – 120 million in annual revenues and $27 – 30 million in quarterly revenues.

Inline with its preannouncement, the company reported revenues of $35.3 million for Q4 2017 versus $51.2 million in Q4 2016, however its non-cash charge was far below the $65 million it had expected to take, "due primarily to (its) overall market capitalization."

The main reason for the revenue decline was from projects pushed out to the future from both the hurricanes and we believe, uncertainty from the effect of new tax laws on construction. Projects were pushed out, particularly at Value Lighting, and the company is beginning 2018 with a record backlog. Initial guidance given for **Q1 2018 was $33 to $35 in revenues, with gross profit margin of 32% and adjusted EBITDA of 3%.**

In Q4 2017, the company had a gross margin of 9.8% including a restricting cost of $9.3 million. Without the restructuring, gross margin would have been 36.0%. This compares with gross margin of 34.4% in Q4 2016 and 32.2% in Q3 2017. The company continues its push to higher margin lamps, fixtures, and controls.

Operating expenses were $19.0 million versus $15.4 a year ago when acquisition, severance, and transition costs are included. Without those in both quarters, operating costs were $15.7 million versus $14.7 million in 2017.

Interest expense increased $739,000 for the quarter a year ago and increased $406,000 from Q3 2017.

Without the charges, the net loss would have been $4.3 million versus a profit of $2.3 million a year ago. The company pays no taxes and has a federal tax loss carry forward of $49.9 million and a state tax loss carry forward of $36.3 million.

GAAP EPS loss per share was $2.17 versus a profit of $0.08 per share in 2016. Excluding charges and stock based compensation the non-GAAP EPS loss was $0.16 versus a profit of $0.14 per share in Q4 2016.

2017 Year

The 2017 year did not turn out at all as expected primarily due to the three hurricanes disrupting construction as well as due to competitive forces. Industry prices declined somewhat in 2017 but it has remained stable in the past six to nine months. In 2018 the company expects possible price declines of 5-6% depending on the product.

Revenues for the year came in at $152 million, down 12% from the $172 million reported in 2016 as revenue growth rapidly decelerated when the hurricanes hit and the company never recovered. Not including the restructuring charge, gross margin increased to 33.4% versus 32.5% in 2016. Operating

expenses increased by $6.8 million as Revolution invested heavily in sales and marketing and distribution. The company had an operating loss of $5.9 million not including one-time charges versus a profit of $5.8 million a year ago.

GAAP EPS for the year was a loss of $2.59 versus a loss of $0.03 a year ago. Non-GAAP EPS was a loss of $0.32 versus a profit of $0.29 on 9.5% more shares outstanding.

EBITDA for the year was $4.7 million down from $14.1 million a year ago.

Forecast Guidance

The company is expecting 2018 to be within "$165 - $175 million in revenues, an increase of 9% - 15% over 2017, gross profit margin of 32% - 33% and adjusted EBITDA in the 8% - 10% range with positive free cash flow in the 6% - 7% range."

Revolution is entering 2018 with a record backlog, in excess of $40 million caused in part by the delay of projects in 2017 and as a result, expects a strong rebound in growth this year. Its Lighting As a Service business—when a bank lends the cash to pay for a retrofit while the customer pays the bank back from energy savings—should begin to book revenues in Q2 of 2018. Also in Q2, the company will begin shipping phase two of an order from a big box retailer.

The North American market for LED lighting solutions continues to increase as its market share goes from approximately 15% of today's total installed lighting base, to 35% by 2020 and 65% by 2025. The industry growth, combined with a strong US economy should provide Revolution with solid growth in 2018 however we remain conservative in our forecasts due to past disappointments.

INVESTMENT THESIS

- In 2017 Revolution was hit with a **sales disruption from three hurricanes** providing investors with a unique opportunity to invest. While the company did not lose business, sales were pushed out of the second half of 2017 into 2018 as construction projects were halted and damage was repaired. The company should be able to recover and return to growth in Q1 2018.

- Revolution Lighting Technology is a **pure play in the LED lighting products and services space, selling to the commercial, and industrial and government sectors.**

- Replacing incandescent and fluorescent lighting with LED fixtures and/or lamps typically produces measurably **significant payback** for customers. The industry is now at a point where LED prices are so low that significant savings are possible and deal sizes and opportunities are growing and easier to close. The payback period is often lowered as utility and state incentives further reduce overall project costs.

- Unlike competitors, it has **no legacy fluorescent lighting** sales to cannibalize. The company growth reflects LED sales and installations alone. The company **does not compete in the consumer market** or direct to consumers, where extensive competition exists.

- The company is a **consolidation play in an extremely fragmented market.** It has brought together product companies, distributors, and turnkey solution providers who cross-pollinate and complement each other.

- Revolution has **two opportunities that could provide big upsides to sales** near term that are not in estimates. These are: increasing sales to the Navy and/or other military or government agencies,

and sales based on the Buy America Act. The company has reached compliance for both programs. The Buy America products have record backlog and the company is expanding its Simi Valley plant by 70% to fulfill orders. The company just won and shipped its first very first Navy contract and will deliver further product in Q1; it continues to bid new contracts.

- After growing 33% in 2017 revenue declined in 2017 by 12%. Hurricanes contributed greatly to the sales decline in 2017, we believe opportunities could be even more than before due to rebuilding. Also cost cutting and write-downs should reduce costs at least $4 million for the year. We predict growth of 5% to $160 million in sales in 2018 and fully diluted adjusted non-GAAP EPS of $0.15 versus a loss of $0.32 in 2017.

OVERVIEW

RVL LLC acquired revolution Lighting Technologies in September of 2012. RVL LLC is an investment company created by Ashton Capital and is owned primarily by Robert LaPenta and principals of Aston Capital. Since 2012, the company has acquired eight more companies in LED lighting products, full service turnkey operations and LED distribution, all of which target commercial, industrial or government end users. Its operating divisions include Energy Source, Value Lighting, Tri-State LED, E-Lighting, All-Around Lighting, and TNT Energy. At year end the company 268 full-time employees.

VALUATION

In the public markets the average of the three lighting company with positive earnings trades at a PE of 59.8 times calendar year 2018 EPS. CREE (CREE) trades at 140xs, Acuity Brands (AYI) trades at 16.1xs, and LSI Industries trades at 22.8xs. The average of Acuity's and LSI's PE multiple of 17.9XS for 2019 and a **2019 EPS estimate of $0.27 for RVLT gives us a value of $4.83.**

Alternatively, we could value the company on enterprise value to trailing 12-month EBITDA as management runs the business based on EBITDA goals. If we average all the company peers together, they trade at 11.6 times EV/EBITDA. Using RVLT's estimated 2019 adjusted EBITDA of $12.4 million would value the company at an enterprise value of $144 million. **This equates to a stock price of $4.39 per share by 2018.**

Using an average of the two valuations of $4.83 and $4.39, RVLT stock is estimated to be worth **$4.60.**

Calendar years

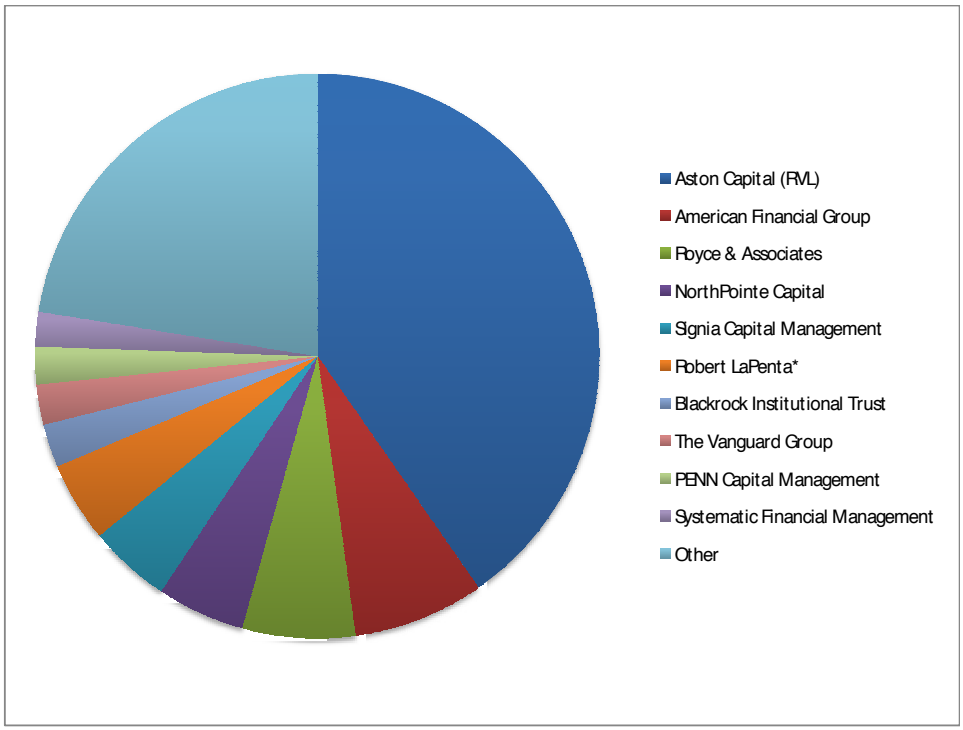
	Ticker	EPS 18	EPS 19	Price	PE 2018	PE 2019	Gr Rate	EBITDA	EV	EV/EBITDA
Company										
Acuity Brands	AYI	9.39	10.30	151.03	16.1	14.66	10%	598	6,330	10.6
Capstone Companies	CAPC	NA	NA	0.51	NA	NA	NA	4	22	5.8
Cree	CREE	0.30	2.00	42.27	140.4	21.14	564%	63	3,630	57.2
Energy Focus	EFOI	-0.52	-0.29	2.81	-5.4	-9.7	-44%	-9	22	-2.6
Lighting Science Group Corp.	LSCG	NA	NA	0.02	NA	NA	NA	-16	42	-2.5
LSI Industries	LYTS	0.36	NA	8.19	22.8	NA	NA	18	259	14.0
Orion Energy Systems	OESX	-0.22	NA	0.87	-4.0	NA	NA	-14	19	-1.4
Average					59.8	NA	NA		All	11.6
									Profitable	24.5

RISKS

- LED lighting products had experienced rapid declines in price due to extraordinary competition here and in China. While prices are currently stable, the company must be able to maintain parity in pricing and generate margin in order to be profitable.
- The industry is highly fragmented and currently undergoing consolidation.
- Management may not be able to manage so many separately operating companies and channel conflict and overlap may be a problem in growing internally.
- Governments and utilities may stop offering subsidies and rebates making LED installation less cost effective. Alternatively given the price of oil, electricity prices may come down in some markets with the same effect.
- The production facility in California may not be able to easily scale to meet demand or costs to produce there might be uncompetitive.

OWNERSHIP

Aston Capital owns RVL 1 LLC and owns 41% of RVLT. Certain management and directors of Revolution Lighting including Robert LaPenta and James DePalma are also owners of Aston Capital. Robert LaPenta's position shown below is shares owned by him in addition to shares owned by RVL 1 LLC. As of March 8, 2018 the company had 21.3 million shares outstanding.



INCOME STATEMENT

Revolution Lighting Technologies	Q1 2016 31-Mar	Q2 2016 30-Jun	Q3 2016 30-Sep	Q4 2016 31-Dec	Q1 2017 31-Mar	Q2 2017 30-Jun	Q3 2017 30-Sep	Q4 2017 31-Dec	Q1 2018E 31-Mar	Q2 2018E 30-Jun	Q3 2018E 30-Sep	Q4 2018E 31-Dec	2016	2017	2018E	2019E
Total revenue	**27.6**	**43.1**	**50.2**	**51.2**	**30.6**	**43.4**	**43.1**	**35.3**	**34.0**	**38.0**	**42.0**	**46.0**	**172.1**	**152.3**	**160.0**	**173.0**
Yr-to-yr Growth	36%	58%	33%	16%	11%	1%	-14%	-31%	11%	-12%	-3%	30%	32.8%	-11.5%	5.0%	8.1%
Cost of services	18.5	29.8	34.3	33.6	20.5	29.1	29.2	22.6	23.1	25.5	28.2	30.8	116.3	101.4	106.4	115.0
Restructuring costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9.3	0.0	0.0	0.0	0.0	0.0	9.3	0.0	0.0
Gross profit	9.1	13.3	15.9	17.6	10.1	14.2	13.9	3.5	10.9	12.5	13.8	15.2	55.9	41.7	53.6	57.9
Gross Margin	32.8%	31.0%	31.6%	34.4%	33.0%	32.8%	32.2%	9.8%	32.1%	32.9%	32.9%	33.0%	32.5%	27.4%	33.5%	33.5%
Operating expenses:																
Acquisition, severance and transition costs	1.1	1.9	0.1	0.7	0.7	0.9	1.2	3.3	0.0	0.0	0.0	0.0	3.9	6.1	0.0	0.0
Amortization and depreciation	1.3	1.6	1.6	1.6	1.9	1.8	1.5	0.8	1.2	1.2	1.2	1.2	6.1	6.1	3.0	3.0
Stock-based compensation	0.4	0.6	0.5	0.7	1.1	0.5	0.6	0.8	0.7	0.7	0.7	0.7	2.1	3.0	2.8	2.8
Other SG&A	7.6	9.3	10.6	12.0	10.1	10.4	11.0	12.6	9.0	9.1	9.5	10.0	39.4	44.0	40.0	42.0
R&D	0.6	0.6	0.7	0.4	0.4	0.7	1.1	1.5	1.0	1.0	1.0	1.0	2.4	3.7	3.5	3.5
Total operating expenses	11.1	13.9	13.5	15.4	14.2	14.2	15.5	19.0	11.9	12.0	12.4	12.9	53.9	62.9	49.3	51.3
Operating income:	(2.1)	(0.5)	2.4	2.2	(4.2)	0.0	(1.6)	(15.5)	(1.0)	0.5	1.4	2.3	2.0	(21.2)	4.3	6.6
Operating margin	-7.4%	-1.3%	4.7%	4.3%	-13.6%	0.1%	-3.7%	-44.0%	-3.1%	1.2%	3.2%	4.9%	1.2%	-13.9%	2.7%	3.8%
Other income:																
Interest expense, net	(0.6)	(0.6)	(0.7)	(0.6)	(0.8)	(0.8)	(0.9)	(1.3)	(1.0)	(0.8)	(0.9)	(0.9)	(2.5)	(3.9)	(3.9)	(3.0)
Write off of intangibles, goodwill, restructuring					-	-	-	(28.8)	-	-	-	-	-	(28.8)	-	-
Total other income	(0.6)	(0.6)	(0.7)	(0.6)	(0.8)	(0.8)	(0.9)	(30.2)	(1.0)	(0.8)	(0.9)	(0.9)	(2.5)	(32.7)	(3.9)	(3.0)
Income before income taxes	(2.6)	(1.1)	1.6	1.6	(5.0)	(0.7)	(2.5)	(45.7)	(2.0)	(0.3)	0.4	1.4	(0.5)	(53.9)	0.4	3.6
Pretax Margin	-9.5%	-2.6%	3.2%	3.1%	-16.2%	-1.7%	-5.8%	-129.5%	-6.0%	-0.8%	1.0%	3.1%	0%	-35%	0%	2%
Income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0.0%	0.0%	0.0%	0.0%
Net income	(2.6)	(1.1)	1.6	1.6	(5.0)	(0.7)	(2.5)	(45.7)	(2.0)	(0.3)	0.4	1.4	(0.5)	(53.9)	0.4	3.6
Stk based compensation	0.4	0.6	0.5	0.7	1.1	0.5	0.6	0.8	0.7	0.7	0.7	0.7	2.1	3.0	2.8	2.8
One-time expenses	1.1	1.9	0.1	0.7	0.7	0.9	1.2	41.5	-	-	-	-	3.9	44.2	-	-
Non-GAAP Income from continuing	(1.0)	1.3	2.2	3.0	(3.2)	0.6	(0.7)	(3.5)	(1.3)	0.4	1.2	2.2	5.5	(6.7)	3.2	6.4
Net Margin	-3.8%	3.1%	4.4%	5.8%	-10.4%	1.5%	-1.6%	-9.8%	-3.8%	1.2%	2.8%	4.7%	3.2%	-4.4%	2.0%	3.7%
Yr-to-yr Growth	-14%	-427%	64%	43%	204%	-52%	-131%	-217%	-59%	-30%	-269%	-162%	139.2%	-222.5%	-148.5%	98.4%
Net income per share:																
EPS	(0.16)	(0.06)	0.08	0.08	(0.24)	(0.04)	(0.12)	(2.17)	(0.09)	(0.01)	0.02	0.06	(0.03)	(2.59)	0.02	0.16
EPS Diluted	(0.16)	(0.06)	0.08	0.08	(0.24)	(0.04)	(0.12)	(2.17)	(0.09)	(0.01)	0.02	0.06	(0.03)	(2.59)	0.02	0.16
Adjusted Non-GAAP Diluted	**(0.06)**	**0.07**	**0.11**	**0.14**	**(0.15)**	**0.03**	**(0.03)**	**(0.16)**	**(0.06)**	**0.02**	**0.05**	**0.10**	**0.29**	**(0.32)**	**0.15**	**0.27**
	-26.5%	-342.1%	25.8%	20.7%	138.5%	-55.3%	-129.8%	-217.4%	-62.3%	-35.4%	-257.9%	-158.4%	229.3%	-212%	-145%	89%
Shares																
Basic	16.1	18.9	20.5	20.5	20.6	20.8	20.9	21.1	22.4	22.4	22.4	22.4	19.0	20.8	22.4	23.5
Diluted	16.7	19.4	20.5	21.2	20.6	20.8	20.9	21.1	22.4	22.4	22.4	22.4	19.0	20.8	22.4	23.5
	5.2%	17.7%	16.7%	18.8%	23.7%	7.1%	2.2%	-0.5%	8.5%	7.7%	6.8%	6.0%	12.4%	9.5%	7.2%	5.0%
Adjusted EBITDA	0.8	3.5	4.6	5.2	(0.4)	3.2	2.3	0.4	0.9	2.4	3.8	4.2	14.1	4.7	10.1	12.4
EBITDA Margin	3.0%	8.1%	9.2%	10.1%	-1.4%	7.3%	5.3%	1.1%	2.6%	6.3%	9.1%	9.1%	8.2%	3.1%	6.3%	7.2%
	6800%	212%	52%	16%	-153%	-8%	-50%	-92%	-305%	-25%	66%	950%	63%	-67%	115%	23%

BALANCE SHEET

	Dec. 31, 2017	Sept 30, 2017	% Change Dec-Sept	Dec. 31, 2016	Yr-Yr % Change
Current assets					
Cash and equivalents	**$945**	**$917**	3%	**$883**	7%
Accounts receivable, net	34,972	47,970	-27%	53,347	-34%
Unbilled contract receivable	6,083	5,511	10%	10,167	-40%
Inventories, net	26,164	18,638	40%	26,678	-2%
Other current assets	9,510	12,087	-21%	8,363	14%
Total current assets	77,674	85,123	-9%	99,438	-22%
Property and equipment, net	1,603	1,802	-11%	1,474	9%
Other assets					
Goodwill	61,508	17,210	257%	72,074	-15%
Intangible assets, net of accumulated amortization	28,372	39,821	-29%	43,809	-35%
Other assets	1,077	979	10%	704	53%
Total other assets	90,957	58,010	57%	116,587	-22%
Total assets	170,234	144,935	17%	217,499	-22%
Current liabilities					
Accounts payable	28,833	26,451	9%	32,409	-11%
Notes payable	**1,796**	**2,360**	-24%	**2,360**	-24%
Related party payable	**1,000**	**1,000**	0%	**1,500**	-33%
Accrued and other current liabilities	11,570	11,636	-1%	10,541	10%
Purchase price obligations, current	**130**	**168**	-23%	**1,327**	-90%
Total current liabilities	43,329	41,615	4%	48,137	-10%
Long-term liabilities					
Revolving credit facility	**38,633**	**40,659**	-5%	**25,993**	49%
Related party payable	**11,720**	**9,565**	23%	**2,565**	357%
Note payable	**270**	**1,796**	-85%	**12,066**	-98%
Purchase price obligations, non-current	**0**	**0**	0%	**1,716**	-100%
Other liabilities	419	325	29%	1,309	-68%
Total Liabilities	94,371	93,960	0%	91,786	3%
Stockholder's equity					
Common stock	21	21	0%	21	0%
Additional paid-in capital	204,944	204,351	0%	200,887	2%
Accumulated deficit	(129,102)	(155,797)	-17%	(75,195)	72%
Total stockholders' equity	75,863	48,575	56%	125,713	-40%
Total liabilities and stockholders' equity	$170,234	$142,535	19%	$217,499	-22%
Current ratio	1.8	2.0	-12%	2.1	-13%
Quick ratio	1.2	1.6	-26%	1.5	-21%
Working Capital	34,345	43,508	-21%	51,301	-33%
Net Cash as % of assets	1%	1%	-12%	0%	37%
Cash per share	$0.00	$0.00	1%	$0.00	-5%
Debt % of assets	31%	38%	-18%	22%	44%
Inventory Turnover	2.0	2.9	-31%	3.4	-41%
Days Sales	104	115	-9%	71	46%

CASH FLOWS

$ in Thousands	3 Months Ended March 31, 2016	3 Months Ended June 30, 2016	3 Months Ended Sept. 30, 2016	3 Months Ended Dec. 31, 2016	3 Months Ended March 31, 2017	3 Months Ended June 30, 2017	3 Months Ended Sept 30, 2017	3 Months Ended Dec 31, 2017	Year Ended Dec 31, 2017
Cash Flows from Operating Activities:									
Net loss	$ (2,616)	$ (1,127)	$ 1,629	$ 1,592	$ (4,955)	$ (727)	$ (2,520)	$ (45,705)	$ (53,907)
Adjustments to reconcile net loss to net cash used in operating activities:									
Amortization and depreciation	100	98	109	82	126	135	NA	7,549	7,549
Amortization of intangibles and other assets	1,210	1,467	1,518	1,531	1,813	1,658	2,080	(5,812)	0
Reacquired common stock issued for acquisition	0	0	0	0	0	0	0	0	0
Change in fair value of contingent consideration	377	455	(901)	(2,179)	(785)	(860)	43	169	(1,433)
Deferred income tax benefit	0	0	0	0	0	0	0	0	0
Stock-based compensation	430	593	462	656	1,118	478	601	779	2,976
Impairment of goodwill	0	0	0	0	0	0	0	10,702	10,702
Impairment of intangible assets	0	0	0	0	0	0	0	10,480	10,480
Restructuring expense	0	0	0	0	0	0	0	16,908	16,908
Other non-cash items affecting net loss	0	0	181	1,168	21	(124)	41	(123)	(185)
Changes in operating assets and liabilities, net of the effect of acquisitions (Note 2):									
Increase in trade accounts receivable, net	5,119	(5,532)	(4,908)	(6,459)	7,161	(4,478)	2,694	8,236	13,613
Increase in unbilled contract receivables	1,064	(154)	(3,836)	(2,298)	1,841	2,071	744	(572)	4,084
Increase in inventories, net	(3,734)	691	1,321	(2,708)	(3,571)	(985)	(2,404)	(411)	(7,371)
Increase in other assets	(222)	(1,130)	(1,073)	(2,397)	(1,549)	(445)	(3,270)	407	(4,857)
Decrease in accounts payable and other liabilities	(1,751)	3,732	2,357	8,878	(5,432)	(947)	810	10	(5,559)
Decrease in accrued compensation and benefits	116	(116)	0	0	0	0	0	0	0
Net cash used in operating activities	93	(1,023)	(3,322)	(3,302)	(4,212)	(4,224)	(1,181)	2,617	(7,000)
Cash Flows from Investing Activities:									
Acquisition of businesses, net of cash acquired	0	(9,464)	(949)	(947)	0	0	0	(530)	(530)
Payment of acquisition obligations	0	(1,015)	0	0	0	(284)	0	0	(284)
Purchase of property and equipment	(46)	(64)	(110)	(335)	(231)	(421)	(309)	(98)	(1,059)
Proceeds from the sale of assets	0	0	2	(2)	0	0	0	0	0
Net cash used in investing activities	(46)	(10,543)	(1,103)	(11,827)	(231)	(421)	(309)	(628)	(1,873)
Cash Flows from Financing Activities:									
Fee pertaining to the issuance of common stock	(60)	(11)	71	0	0	0	0	0	0
Fee pertaining to the issuance of debt	0	0	0	0	0	0	603	0	0
Issuance of common stock, net of fees and expenses	0	16,191	1	0	0	0	0	0	0
Repayments of short-term borrowings and notes payable	(60)	(120)	(90)	(90)	(10,090)	(90)	(90)	(2,090)	(12,360)
Proceeds of loans from related party note payable	0	0	0	0	0	7,000	0	3,655	10,655
Repayments of loans from affiliates of controlling stockholder	0	0	0	0	0	0	(500)	(1,500)	(2,000)
Proceeds from revolving credit facility, net	1,144	(594)	2,937	480	14,819	(2,072)	1,919	(2,026)	12,640
Net cash provided by financing activities	1,024	15,466	2,919	390	4,729	4,838	1,932	(1,961)	8,935
(Decrease) increase in Cash and Cash Equivalents	(4,398)	3,900	(1,506)	(14,739)	286	193	442	28	62
Cash and Cash Equivalents, beginning of period	219	1,290	5,190	3,911	883	1,169	475	917	883
Cash and Cash Equivalents, end of period	1,290	5,190	3,911	883	1,169	1,362	917	945	945

HISTORICAL STOCK PRICE



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