

# Appendix D: Cessation Valuation Exercise

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## Vulcan Materials Van Dorn Yard

### Price/Sales Ratio Methodology

Firmwide Price/Sales Ratio as of 5/27/09	1.31
Van Dorn Yard Estimated Revenues (a)	\$12,750,000
<b>Unadjusted Value based on Price/Sales Ratio</b>	<b>\$16,702,500</b>

### Enterprise Value Multiple Methodology

Firmwide Trailing 12 Month Revenues	\$3,430,000,000
EBITDA (b)	\$733,420,000
EBITDA Margin (as % of Revenues)	21%
Van Dorn Yard Estimated Revenues (a)	\$12,750,000
Estimated EBITDA based on firm EBITDA margin	\$2,726,270
Industry Avg EV/EBITDA (c)	6.00
<b>Estimated Enterprise Value based on firm EV/EBITDA Multiple</b>	<b>\$16,357,618</b>

## Virginia Paving

### Price/Sales Ratio Methodology

Granite Construction (GVA) (d)	
Price/Sales Ratio	0.56
Virginia Paving Van Dorn Estimated Revenues	\$43,199,431
<b>Unadjusted Value based on Comparable Firm Price/Sales Ratio</b>	<b>\$24,392,403</b>

### Enterprise Value Multiple Methodology

Firmwide Trailing 12 Month Revenues	\$2,674,240,000
EBITDA (b)	\$277,290,000
EBITDA Margin (as % of Revenues)	10%
Virginia Paving Van Dorn Estimated Revenues	\$43,199,431
Estimated EBITDA based on firm EBITDA margin	\$4,479,318
Industry Avg EV/EBITDA (c)	6.00
<b>Estimated Enterprise Value based on firm EV/EBITDA Multiple</b>	<b>\$26,875,905</b>

#### Notes:

- (a) Assumes 500,000 tons of aggregate sold (based on interviews with Vulcan Materials) at \$25.50 per ton
- (b) EBITDA = earnings before interest, taxes, depreciation, and amortization
- (c) EV = Enterprise Value = Market Cap plus debt minus cash; represents theoretical takeover value
- (d) This is a publicly-traded comparable in a similar business as Virginia Paving

Sources: Vulcan Materials, 2009; Virginia Paving, 2009; Yahoo! Finance, 2009; Credit Suisse First Boston 2009; BAE, 2009