

August 13, 2015



# **CES Synergies Reports Second Quarter 2015 Financial Results and Provides Business Update**

## **Revenue Increases 9.4% to \$5.1 Million; Remediation Revenue Increases 81.7% to \$2.8 Million**

CRYSTAL SPRINGS, FL -- (Marketwired) -- 08/13/15 -- **CES Synergies, Inc.** (OTC PINK: CESX) ("**CES**" or the "**Company**"), a full service environmental, asbestos abatement and demolition company, today announced financial results for the second quarter ending June 30, 2015 and provided a general business update.

### ***Second Quarter 2015 Highlights:***

- Revenue increased 9.4% to \$5.1 million versus \$4.7 million for the quarter ended June 30, 2014;
- Remediation segment net sales increased 81.7% to \$2.8 million versus \$1.6 million for the quarter ended June 30, 2014;
- Company files application for NASDAQ Capital Market listing

John Tostanoski, CEO of CES Synergies, commented, "Total revenue for the second quarter of 2015 increased 9.4% to \$5.1 million, which included an 82% increase in Remediation segment sales. Growth in our Remediation segment was partially offset by a decline in sales in the Demolition segment due to fewer contracts put out for bid in 2015 compared to 2014. However, during the second quarter of 2015, we won 25 new demolition contracts in the state of Florida that are expected to commence in the third quarter of 2015. Two of these contracts alone are valued at a combined \$1.6 million. Our total backlog of demolition contracts at the end of the second quarter was approximately \$4.1 million. Given the seasonality of our business, combined with our growing backlog, we anticipate improvement in both revenue and profitability in the second half of the year and currently project \$22 million in revenue and positive EBITDA by the end of the fourth quarter of 2015.

"We also continue to diversify our revenue streams and believe there are significant growth opportunities at the federal and other government levels. As an example, we recently announced that we received the first demolition and abatement task order related to the military housing privatization at an Air Force base. The initial task order is worth \$742,000 and the overall potential of that contract under the Master Service Agreement is

\$10.0 million over the next three years. Similarly, we were awarded an additional \$500,000 to provide further demolition services at the Naval Air Station Jacksonville, Florida.

"We continue to strengthen our corporate governance and have added two new independent board members that bring extensive experience in corporate finance, banking and capital markets. We have also filed an application to uplist to the NASDAQ Capital Market. We believe that uplisting to the NASDAQ will help broaden our shareholder base and raise our profile within the investment community.

"Revenue for the three months ended June 30, 2015 increased 9.4% \$5.1 million versus \$4.7 million for the quarter ended June 30, 2014. The increase in revenue is due to increased remediation segment sales in the second quarter of 2015, partially offset by a decline in Demolition Segment sales. Gross margin in the second quarter of 2015 was \$859,025 or 17% of revenue versus \$1.3 million or 23% of revenue for the same period in 2014. The decline in gross margin percentage in the quarter ended June 30, 2015 was the result of higher material and labor costs in our contracts. We anticipate gross margins to increase in the coming months."

#### ***About CES Synergies Inc.***

CES Synergies, Inc., through its subsidiary, Cross Environmental Services, Inc., is a specialty environmental services company providing quality environmental contracting solutions, demolition and remediation services to commercial and industrial customers, as well as federal, state and municipal entities. More information may be found at the Company's website: [www.crossenv.com](http://www.crossenv.com).

SAFE HARBOR STATEMENT: This press release may contain "forward-looking statements" that are made pursuant to the "safe harbor" provisions as defined within the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words including "anticipates," "believes," "intends," "estimates," and similar expressions. These statements are based upon management's current expectations as of the date of this press release. Such forward-looking statements may include statements regarding the Company's future financial performance or results of operations, including expected revenue growth, cash flow growth, future expenses and other future or expected performances. The Company cautions readers there may be events in the future that the Company is not able to accurately predict or control and the information contained in the forward-looking statements is inherently uncertain and subject to a number of risks that could cause actual results to differ materially from those indicated in the forward-looking statements. Further information on these and other potential factors that could affect the Company's financial results is included in the Company's filings with the SEC.

(tables follow)

***CES SYNERGIES, INC.***  
***CONSOLIDATED BALANCE SHEETS (Unaudited)***

	<u>June 30, 2015</u>	<u>December 31, 2014</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 193,276	\$ 149,455
Advances to Employees	14,136	14,006
Contracts Receivable (net of allowance for bad debt)	3,408,232	6,365,274
Inventory	163,987	152,772
Cost and Estimated Earnings in Excess of Billings on Uncompleted Contracts	1,165,328	229,437
<b>Total current assets</b>	<u>4,944,959</u>	<u>6,910,944</u>
<b>Property and Equipment</b>		
Furniture, Fixtures, and Equipment	13,184,537	12,767,975
Less: accumulated depreciation	(10,904,641)	(10,650,758)
<b>Net property &amp; equipment</b>	<u>2,279,896</u>	<u>2,117,217</u>
<b>Other assets</b>		
Goodwill	1,446,855	1,446,855
Other assets	5,648	6,531
<b>Total other assets</b>	<u>1,452,503</u>	<u>1,453,386</u>
<b>TOTAL ASSETS</b>	<u>\$ 8,677,358</u>	<u>\$ 10,481,547</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 2,095,870	\$ 2,570,259
Accrued payroll/expenses	27,329	82,391
Billings in Excess of Costs and Estimated Earnings on Uncompleted Contracts	268,362	598,645
Notes payable	1,925,300	1,750,300
Current Portion Long-term Debt	595,757	595,757
<b>Total current liabilities</b>	<u>4,912,618</u>	<u>5,597,352</u>
<b>Long-term liabilities</b>		
Long-term debt, net of current portion	3,418,980	3,337,166
<b>Total long-term liabilities</b>	<u>3,418,980</u>	<u>3,337,166</u>
<b>Stockholders' equity</b>		
Common Stock, \$0.001 par value, authorized 250,000,000 shares, June 30, 2015 and December 31, 2014		
Issued: 46,860,500 shares at June 30, 2015; and 46,730,500 shares at December 31, 2014	46,861	46,730
Additional Paid in Capital	1,299,018	1,281,048
Retained earnings	(1,000,119)	219,251
<b>Total stockholders' equity</b>	<u>345,760</u>	<u>1,547,029</u>

**TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY** \$ 8,677,358 \$ 10,481,547

**CES SYNERGIES, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
*(Unaudited)*

	<u>Three Months ended</u>		<u>Six Months ended</u>	
	<u>June 30,</u> <u>2015</u>	<u>June 30,</u> <u>2014</u>	<u>June 30,</u> <u>2015</u>	<u>June 30,</u> <u>2014</u>
Revenues	\$ 5,122,135	\$ 4,680,854	\$ 8,645,492	\$ 8,493,439
Cost of sales	4,263,110	3,353,800	7,113,149	6,513,875
Gross profit	859,025	1,327,054	1,532,343	1,979,564
General & administrative expenses	1,275,290	1,265,463	2,594,169	2,441,107
Net operating profit/(loss)	(416,265)	(61,591)	(1,061,826)	(461,543)
Other income/ (expenses), net	(88,227)	(76,563)	(157,544)	(24,441)
Net profit/(loss)	<u>\$ (504,492)</u>	<u>\$ (138,154)</u>	<u>\$ (1,219,370)</u>	<u>\$ (437,102)</u>
Earnings per share				
Basic and diluted	\$ (0.011)	\$ (0.003)	\$ (0.026)	\$ (0.009)
Shares used in computing earnings per share				
Basic and diluted	46,755,170	46,549,000	46,755,170	46,549,000
Cash distributions declared per common share	\$ -	\$ -	\$ -	\$ -

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