

BASIC VALUATION MULTIPLES

4-7x Adjusted EBITDA¹

3-6x SDE² + Inventory for
Certain Products



KEY VALUATION FACTORS

BUYER CONCERNS

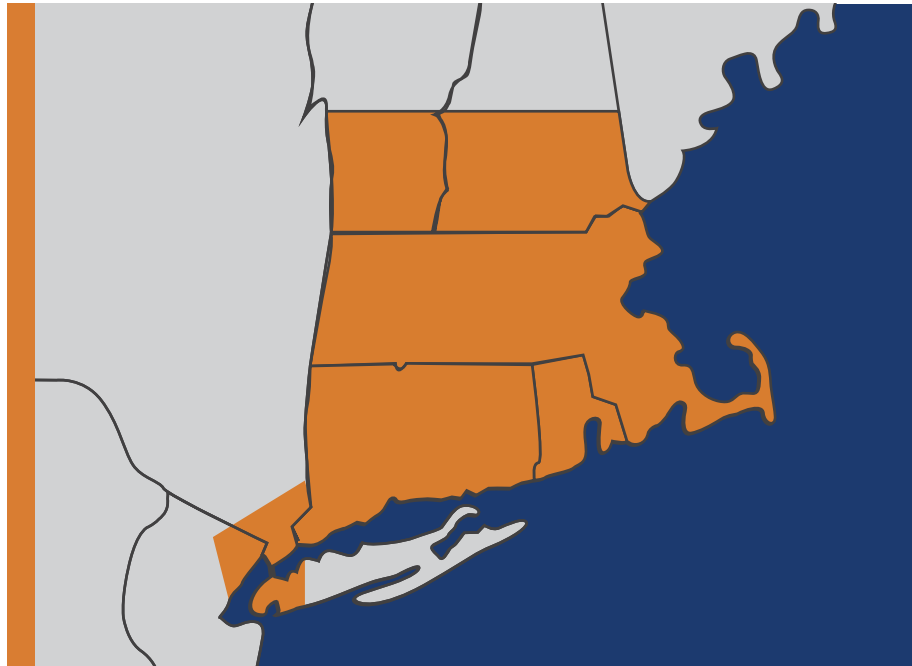
IMPACT ON SALE

INDUSTRIES SERVED	Revenue margins and product demand are dependent on client industries.	<ul style="list-style-type: none"> Poor outlook for product demand or small margins decrease multiples Medical devices and aerospace manufacturing command the highest multiples Revenues over \$2 million, generally higher multiples
CUSTOMER CONCENTRATION	Revenues rely on a few customers and key relationships are dependent on owner.	<ul style="list-style-type: none"> High customer concentration, lower multiples Deferred payment terms Fewer willing buyers Mitigate concerns with long-term contracts
EQUIPMENT	Type, age and condition of equipment meet operating and growth needs.	<ul style="list-style-type: none"> Modern technology and automation increases multiples Extraordinary CapEx investments post sale will negatively impact multiples Design and prototyping capabilities are in demand
MANAGEMENT	Quality of management team and systems.	<ul style="list-style-type: none"> Well-rounded management increases multiples Overdependence on owners lowers multiples Good financial management and reporting systems increase multiples
OTHER IMPORTANT CONSIDERATIONS	Market Share Certifications Reputation	Proprietary Products & Processes Geographical Concentration Value Added Services


These are only a few variables and do not constitute a complete valuation. Contact us for a no charge, no obligation **Opinion of Value** that defines our view on the current business valuation and the terms under which it would be sold.

COMPANY OVERVIEW

VR Business Sales New Haven represents owners of businesses valued between \$500,000 and \$25 million or with annual revenues from \$1 million to \$25 million. Operating within a wide range of industry segments, the office provides exceptional merger and acquisition advisory services to companies in Connecticut, Southern New England and Metro NY. Independently owned and operated, the office consistently ranks within the Top 10 of over 50 offices worldwide within the VR franchise network.



Jeff Swiggett, CBI, M&AMI

 (203) 772-3773

 jeffs@vrnewhaven.com

 www.vrnewhaven.com

 941 Grand Ave, New Haven, CT 06511

Jeff has over thirty years of business experience including positions in engineering, manufacturing, marketing, business startup and acquisition. He owned and operated an import/export firm as well as a manufacturing company. Jeff offers a wealth of practical experience when advising clients on selling or buying a business and brings a level of professionalism to the process that makes him one of the best recognized and most admired business intermediaries in Connecticut. Jeff is one of the few business brokers in New England that has secured the prestigious designations of Certified Business Intermediary (CBI) from the International Business Brokers Association (IBBA) and a Mergers & Acquisition Master Intermediary (M&AMI) from M&A Source.

