

BASIC VALUATION MULTIPLES

40-45% Annual Revenues

3-6x Adjusted EBITDA¹

2.5 - 3x SDE²



KEY VALUATION FACTORS

BUYER CONCERNS

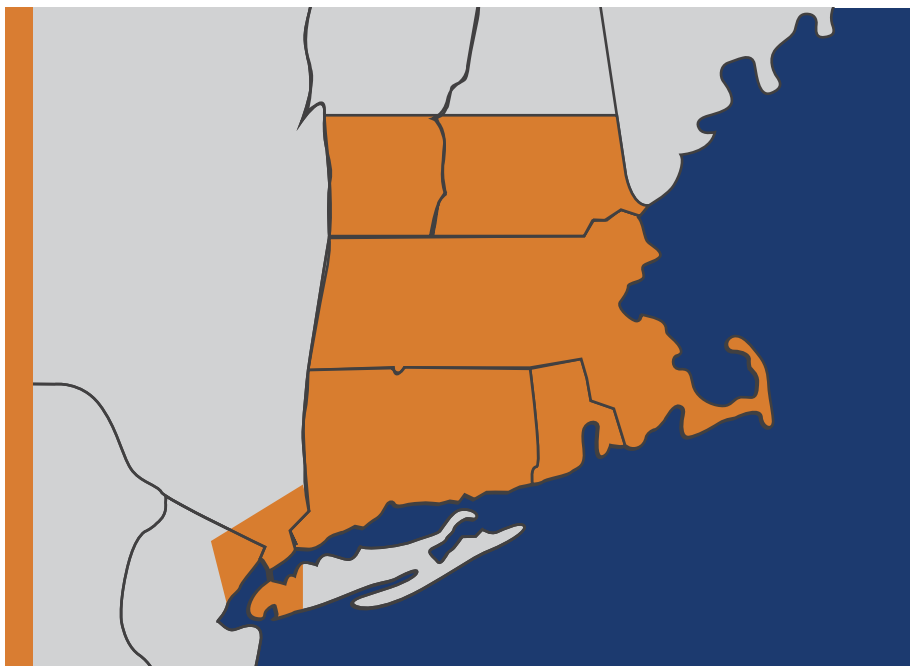
IMPACT ON SALE

SPECIALIZED TALENT	Retention of qualified engineers is critical, increasingly difficult. Niche specialties needed to expand capabilities.	<ul style="list-style-type: none"> High employee retention rates for skilled labor increases multiples Understaffing or lack of PEs will decrease multiples Niche specialties increase multiples
REPUTATION	Strong relationships with clients, architects, construction companies and other engineering firms are a source of referrals and growth.	<ul style="list-style-type: none"> Relationships dependent on owner will decrease multiples High referral rates and repeat customers will increase multiples
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
SOFTWARE & TECHNOLOGY	Strong systems are needed to help control expenditures, create accurate estimates and improve efficiencies.	<ul style="list-style-type: none"> Up-to-date design software and technology increase multiples Frequent project cost overruns decrease multiples Extraordinary CapEx investments post sale will negatively impact multiples
OTHER IMPORTANT CONSIDERATIONS	<p>Industries Served</p> <p>Local/Regional Market Share</p> <p>Customer Concentration</p>	<p>Value Added Services</p> <p>Backlog</p> <p>Revenue Growth</p>


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 operating within a wide range of industry segments in Connecticut, Southern New England and Metro NY. Independently owned and operated.



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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. He is also a member of the Board of Directors for M&A Source.

