

BASIC VALUATION MULTIPLES

3-6x Adjusted EBITDA¹

2.5-3.5x SDE²

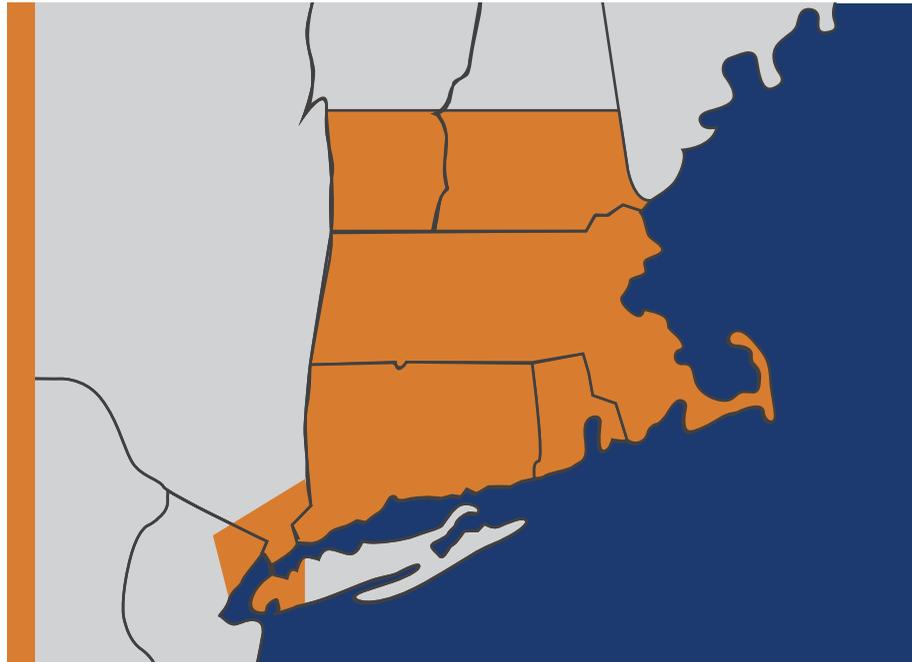
KEY VALUATION FACTORS

	BUYER CONCERNS	IMPACT ON SALE
PRODUCTS & SERVICES	Types of products and services offered drive business value.	<ul style="list-style-type: none"> • Recurring revenues from service agreements and software subscriptions increase multiples • Higher multiples for companies offering a variety of products and services
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
MANAGEMENT	Quality of management teams 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
MARKETING	Modern software and strong web presence are important.	<ul style="list-style-type: none"> • Optimized website with analytics increases multiples • Outdated software and equipment decreases multiples
OTHER IMPORTANT CONSIDERATIONS	<ul style="list-style-type: none"> • Certifications • Customer Service • Revenue Growth 	<ul style="list-style-type: none"> • Proprietary Products and Processes • Value Added Services • Capital Expenditures

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.



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

