

BASIC VALUATION MULTIPLES

2-5x Adjusted EBITDA¹

2-3.5x SDE² + Inventory



KEY VALUATION CONSIDERATIONS

BUYER CONCERNS

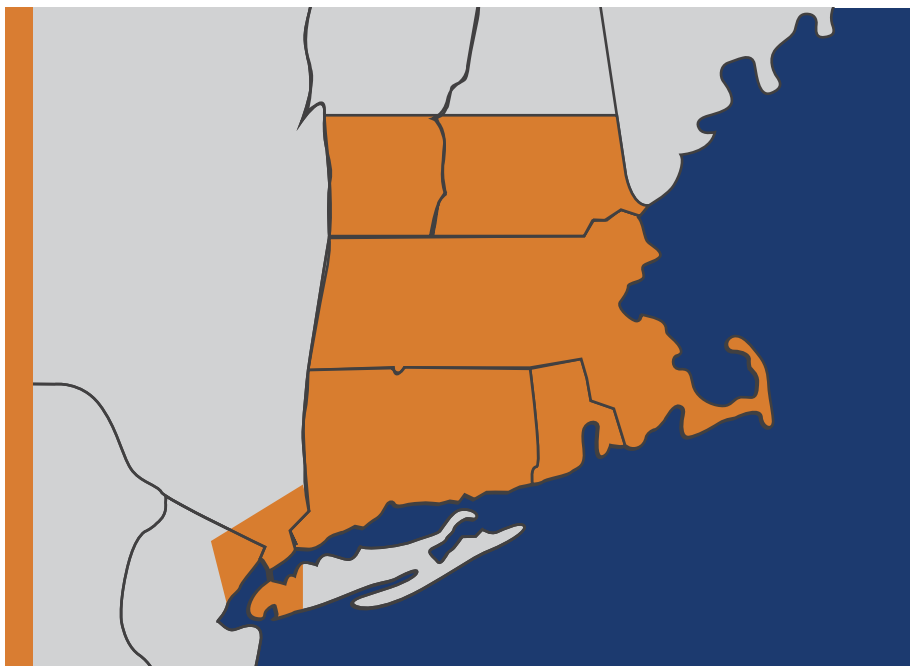
IMPACT ON SALE

MANAGEMENT	Strong management is critical for profitability, revenues per employee reflect success.	<ul style="list-style-type: none"> Well-rounded management teams increases multiples Higher multiples for printers with revenues per employee above \$180,000 Overdependence on owner lowers multiples
CUSTOMER RETENTION & CONCENTRATION	Retention rates, long-term contracts and customer concentration are critical to remain competitive.	<ul style="list-style-type: none"> Higher retention rates and dedicated sales staff improves multiples Long-term contracts offset concerns of customer loss Higher multiples when no customer accounts for more than 10% of sales
DESIGN & RELATED SERVICES	Offering in-house graphic design, promotional items and large format printing are increasingly important to profitability.	<ul style="list-style-type: none"> Companies with such competencies can demand higher multiples Value added services increase multiples
SOFTWARE & EQUIPMENT	Variety of capabilities, including digital formats, are needed to remain competitive.	<ul style="list-style-type: none"> Up-to-date equipment and software with a variety of capabilities improves multiples Extraordinary CapEx investments post sale will negatively impact multiples
OTHER IMPORTANT CONSIDERATIONS	Other Value Added Services Exclusive Relationships Industries Served	Local/Regional Market Share Reputation Geographical Concentration


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.



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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.

