

# ACCESS VALUE

- BUSINESS VALUATION CONSULTING
- FINANCIAL ADVISORY SERVICES

SPRING 2012

## Valuation Trends

### Business Owners and Transaction Advisors,

Transaction activity took a double dip across most sectors in 2009 and 2011 – the result of a prolonged economic downturn, delayed revenue and earnings growth, and the lack of credit available for growth capital or acquisition financing. When fewer comparable transactions are present in the relevant marketplace, outlier pricing multiples can further skew statistical analyses. That's why, in current market conditions, buyers and sellers can benefit even more substantially from professional, independent appraisers, for purchase price development, valuation fairness opinions, and transaction negotiations.

In analyzing the internal and external value drivers and specific risk/return attributes of a company, a qualified business appraiser can effectively identify and incorporate relevant industry and market segment considerations as of the valuation date. The industry and market segment considerations are of particular relevance in assessing long-term growth, risks, and returns of companies serving niche market segments, such as trade or special interest publishing, exhibitions, information, and software providers. Contact The Access Group today to assess your business value or acquisition opportunities.

#### 4-YEAR MICRO CAP TRANSACTION ANALYSIS

Sector	# Transactions				Price/Revenue Multiples				Price/EBITDA Multiples			
	2008	2009	2010	2011	2008	2009	2010	2011	2008	2009	2010	2011
Construction	68	39	31	36	0.75	0.53	0.57	0.42	4.03	4.12	5.63	4.03
Manufacturing - Non-Durable Goods	77	49	50	39	1.13	0.77	1.80	0.99	8.19	5.76	7.95	5.56
Manufacturing - Durable Goods	126	73	72	64	2.18	1.21	1.90	1.79	15.41	5.36	10.08	13.33
Transportation, Communications, Energy	74	47	46	50	1.00	0.74	0.72	1.04	5.84	4.10	9.39	5.77
Wholesale/Distribution	655	359	448	346	0.47	0.42	0.43	0.44	4.45	4.30	6.55	4.16
Financial Services & Property Management	52	48	56	47	1.08	1.02	1.44	1.23	5.54	5.63	5.93	5.41
Business & Personal Services	407	246	264	226	0.89	0.82	0.84	1.10	5.72	5.52	7.66	6.38
Health & Medical	129	75	101	71	0.79	0.89	1.07	1.93	14.60	11.01	10.07	12.52
TOTAL TRANSACTIONS	1588	936	1068	879								

**Carolyn Armbrust, MBA, AIBA, ASA**

*Serving Small Businesses & Their Professional Advisors  
Since 2001*

Tel 203.226.3064 ■ Fax 203.286.1919  
Info@Accessvalue.com

[www.Accessvalue.com](http://www.Accessvalue.com)

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