

How much are companies worth in the Support Services sector?

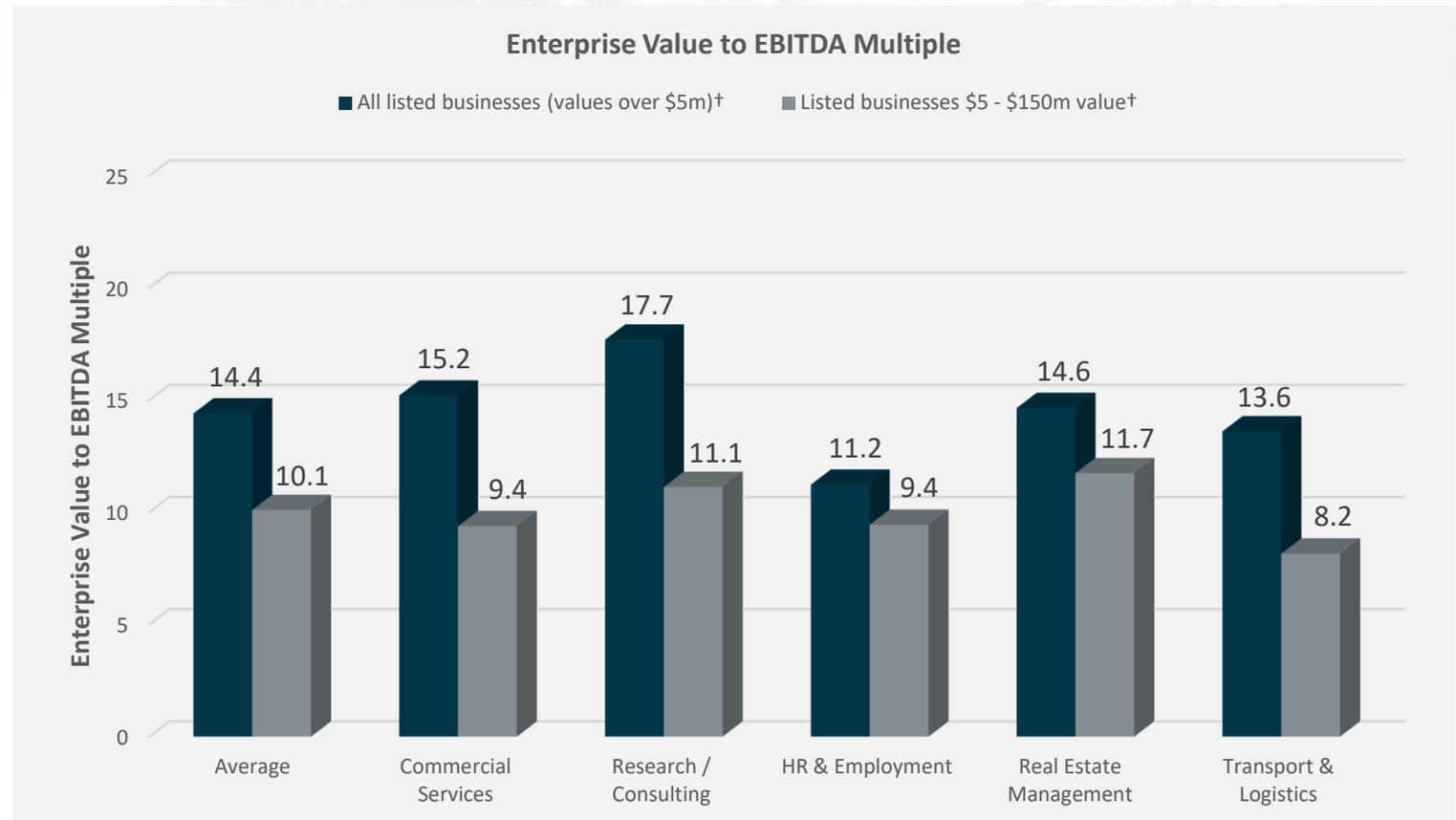
3 key factors can give private business owners an indication of their valuation:

The **Enterprise Value to EBITDA*** multiples on which comparable listed companies are trading.

The **multiple of EBITDA paid by acquirers** of comparable businesses.

The **volume of M&A transactions** and acquisitions.

At the end of H1 2022, the global, all market average Enterprise Value to EBITDA multiple for listed Support Services companies was **14.4x**.† This is a slight decrease on the previous six months, when listed Support Services companies were trading on a multiple of 14.8x. Within the Support Services sector, trading multiples for all listed businesses varied between 11.2x and 17.7x across the range of sub-sectors. Smaller businesses generally traded on lower multiples.



* EBITDA is Earnings Before Interest, Tax, Depreciation and Amortisation

† Note, the Enterprise Value to EBITDA multiples above are for listed businesses. By comparison **privately owned businesses are generally valued at a discount**. Listed company data was accurate at 05/07/2022.

The average multiple† of EBITDA* paid globally in Support Services transactions has increased over the past six months. It currently stands at **13.2x**.

When reviewing these multiples we break out businesses in the range \$5-150m, as they tend to have unique attributes which affect their valuation. The multiple for these lower mid-market transactions has sharply decreased over the past six months, currently standing at 4.1x.

Multiple of EBITDA paid by acquirers



* EBITDA is Earnings Before Interest, Tax, Depreciation and Amortisation.

† Note, the transaction multiples above are calculated from raw historic data. This typically understates profits and therefore **valuations actually achieved are generally at lower multiples of "normalised" profits.**

In H1 2022, there were 3,535 transactions globally in the Support Services sector. This is a decrease on the preceding six months, when there were 4,060 transactions.



Corbett Keeling's Global Support Services Sector Specialists:



Rufus Boyd



Rob Riddleston



Tim Robinson



John Toppin



Tim Wait



Paul Willmott

Contact **Jim Keeling**
CEO and Chairman of Corbett Keeling:

020 7626 6266

Jim.Keeling@corbettkeeling.com