Valuation Data Factsheet
Private equity and private infrastructure

March 2024

privateMetrics®

- USD45Tr+ Market Capitalisation*
- 1.3M+ private companies
- 150+ countries
- 12 activity sectors
- 10-year track record
- 75M+ prices computed
- 80+ metrics
- 1,000+ PECCS® segment combinations
- 6M+ accessible datapoints (equity)
- Updated monthly

privateMetrics provides investors in private equity with timely, representative, robust and transparent market valuation metrics that can be customized to create the most relevant anchor point for private equity investment valuations.

PE Market EBITDA Multiples, Feb. 2024

Activities	Q1	Q2	Q3	Obs. (th)	1M Chg	12M Chg
Education & public	16.7x	23.1x	30.8x	15.4	▲ 20 bps	▲ 50 bps
Financials	15.9x	20.2x	26.9x	37.7	▲ 10 bps	▲ 120 bps
Health	19.6x	22.7x	27.2x	21.6	▲ 10 bps	▲ 20 bps
Hospitality & entertainment	13.2x	18.4x	24.2x	30.7	▲ 10 bps	▼ -10 bps
Information & communication	16.7x	21.3x	29.8x	15.1	▲ 10 bps	▲ 120 bps
Manufacturing	14.1x	18.8x	26.7x	132.8	▲ 10 bps	▼ -10 bps
Natural resources	11.9x	16.4x	24.9x	28.4	▲ 10 bps	▼ -350 bps
Professional & other services	12.9x	16.9x	23.x	88.3	▲ 10 bps	▲ 20 bps
Real estate & construction	15.8x	19.x	23.8x	104.2	▲ 10 bps	▬ 0 bps
Retail	15.4x	19.4x	25.8x	192.1	▬ 0 bps	▼ -30 bps
Transportation	19.7x	29.6x	37.7x	19.6	▲ 30 bps	▲ 70 bps
Utilities	12.5x	16.x	24.6x	3.4	▲ 20 bps	▲ 60 bps
Indices & Regions						
Private 2000*	12.2x	16.9x	23.6x	2	▬ 0 bps	▼ -200 bps
Private 3000*	12.5x	17.2x	23.5x	3	▬ 0 bps	▼ -240 bps
United States	15.4x	18.7x	22.8x	467.8	▲ 10 bps	▲ 10 bps
Europe	12.1x	20.6x	35.1x	177.9	▲ 10 bps	▲ 10 bps
Asia	15.5x	24.2x	42.6x	98.9	▬ 0 bps	▬ 0 bps

12-month trailing multiples, also available by Sub-sector, Customer Model, Value Chain Class, Lifecycle Phase, Revenue Model, equity style,150+ countries, etc. % Total represents the proportion of all companies valued. Estimates exclude multiples that are negative or over 100 * privateMetrics universe: 700K+ active private companies in 2023, not majority government-owned, not publicly listed, not infra companies in inframetrics, no geography or sector restriction, 1M$ min revenue. Private2000 and Private3000 are global large - cap and middle-market flagship indices that include private companies with the highest valuation in each activity-country according to their economic contribution.

DATA SEGMENTS *

by geo	9 regions, 150+ countries available
by PECCS class	Indus. Activity (63 subclasses avail.) Lifecycle Phase (3 classes avail.) Revenue Model (4 classes avail.) Cust. Model (2 classes avail.) Value Chain (3 classes avail.)
by style	Large Cap Mid-Market Small Cap Thematic Growth or Value

AVAILABLE METRICS PER SEGMENT

Valuation Metrics
Price-to-Sales
Price-to-Earnings)
EV/EBITDA**
EV-to-Sales**
Price-to-Book
EBITDA-to-Sales
EBIT**-to-Sales
Net Income**-to-Sales
Net Debt-to-Assets
Revenue growth**
Dividend/Revenue

Performance Metrics
Return on Assets
Return on Equity
Return on Capital Employed
Net Operating Income
Net Debt-to-Equity

Risk Metrics
Return volatility (3Y, 5Y, 10Y)
Value-at-Risk 97.5%, 99.5% (3Y, 5Y, 10Y)
Max Drawdown (3Y, 5Y, 10Y)

CUSTOMISATION OPTIONS

Risk Factor	Adjustment available
Size	level of revenue
Revenue Growth	revenue growth level
Leverage	level of debt to rev.
Profitability	Ebitda margin level
Firm Maturity	Company age
Country risk	Term spread level

Each valuation metrics can be customized within its segment to correspond to a given quintile or user–defined interval matching the risk factor profile of the asset of interest.

* data as of Feb 2024 ** trailing values

"Anchoring" Valuation Data with privateMetrics & infraMetrics

Problem statement: We know that using contributed or listed data leads to poor results because these datasets are typically not representative of the market segment of interest in terms of activity, business model or risk profile, and because they are not robust i.e., they contain too few data points to provide a good starting point for private market valuations that is not too noisy or biased.

The market anchoring approach: Asset pricing model cannot predict prices perfectly, but a good model calibrated with data coming from the relevant (private) market can provide a robust starting point or Market Valuation Anchor (MVA). Moreover, this MVA can be updated easily as it is recalculated each month, based on new market conditions, eliminating the staleness issues found in private valuations. Because the model is calibrated using private market prices, no illiquidity premium needs to be added to the valuation exercise, which removes a frequent contributor to valuation staleness since illiquidity premia a usually ad hoc and impossible to update.

A **Market Valuation Anchor** is characterized by three key features:
1. **Granular** sector and geography
2. **Representative** risk profile in terms of risk factor exposures
3. **Robust** in terms of number of data points used to produce an average value

Once the MVA is obtained, it can be adjusted for asset- or deal-specific characteristics, which are clearly distinguished from the market effect on prices.

In practice: To create a valuation Anchor for a market multiple of discount rate, select a period, and start from a combination of activity and asset type segments and a region or country

STEP 1 **Pick geography & market segments (TICCS® or PECCS®)**
Combine segments like activity and business model for more granularity.

STEP 2 **Customize βs for Asset *i***
For each known risk factor, the company fits into a peer group by risk exposure.

STEP 3 **Compute Valuation Anchor**
Because each factor is independent, the multiples can be averaged across factors to get the Anchor multiple.

Data and functionalities available in MSEXCEL

Find out more
Our classifications & data standards [link]
Our methodologies [link]

Example MVA for a US healthcare equipment B2B company in April 2022

|		April 2022	Data points
Global Market Ebitda Multiple		23.6x	4.9M
MARKET SEGMENTS			
	United States	17.7x	374k
	B2B	24.2x	82k
	Health Equipment		
RISK FACTOR PROFILE		within the segments	
Size	Low Exposure	28.9x	8k
Growth	High Exposure	23.1x	12k
Leverage	Neutral Exposure	27.7x	32k
Profitability	Med-Low Exposure	24.3x	26k
Maturity	Low Exposure	28.9x	4k
	MVA Multiple	**24.9x**	

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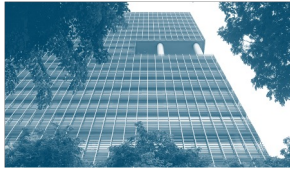
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