



Clinical and specialty laboratories provide a critical diagnostic role in the healthcare industry. The industry runs the gamut from specialty labs with cutting edge technology to small pathologist run clinical laboratories. Despite recent reimbursement cuts, labs tend to generate solid margins and returns on capital.

KEY FACTORS THAT INFLUENCE LABORATORY VALUATIONS

- Diversification and sustainability of referral sources
- Reliance on out-of-network payments
- Size of the facility or company
- Test mix
- Payer mix
- Growth opportunities
- Age and condition of facility & equipment
- Control-level of subject interest

MARKET DATA FROM CONTROLLING INTEREST TRANSACTIONS

	Size Characteristics			Benchmarks		
	Price (EV)	Revenue	EBITDA	EBITDA Margins	Revenue Multiple	EBITDA Multiple
10th Percentile	\$ 10,701,500	\$ 9,500,000	\$ 1,450,000	11.0%	1.2	4.8
25th Percentile	\$ 20,863,250	\$ 17,800,000	\$ 3,200,000	15.3%	1.5	7.8
Median	\$ 244,537,000	\$ 99,300,000	\$ 16,000,000	19.3%	2.0	10.5
75th Percentile	\$ 610,250,000	\$ 242,725,000	\$ 49,200,000	30.1%	2.5	12.3
90th Percentile	\$ 1,000,000,000	\$ 347,960,000	\$ 88,062,500	31.6%	3.4	16.1

Source: Scope Research.

Contact BFMV at info@buckheadfmv.com for more details related to laboratory market data, answers to questions regarding valuation issues, or a proposal. BFMV is committed to providing fast, affordable and pain-free valuation services to healthcare organizations and their representatives. Visit buckheadfmv.com for more segment summaries.