

DEFENSIBILITY OF SERVICE DEMAND FUELS STEADY M&A ACTIVITY

INDUSTRIAL & ENVIRONMENTAL SERVICES SECTOR UPDATE | DECEMBER 2023



**CAPSTONE
PARTNERS**

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Capstone Partners, a subsidiary of Huntington Bancshares Incorporated (NASDAQ:HBAN), has been a trusted advisor to leading middle market companies for over 20 years, offering a fully integrated range of expert investment banking and financial advisory services uniquely tailored to help owners, investors, and creditors through each stage of the company's lifecycle.

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Industrial & Environmental Services

Defensibility of Service Demand Fuels Steady M&A Activity

KEY SECTOR TAKEAWAYS

Capstone Partners' [Industrials Group](#) is pleased to share its Industrial & Environmental Services (I&ES) report. Optimism for growth prospects in the I&ES space has been driven by aging U.S. infrastructure and the need for increasingly specialized manufacturing services. Several key takeaways are outlined below, followed by an in-depth overview of sector dynamics.

1. Merger and acquisition (M&A) volume has kept pace with previous years as sector participants have sought bolt-on acquisitions to bolster product portfolios in an exceedingly specialized, highly capital-dependent sector.
2. Much of the infrastructure in the U.S. has surpassed its life expectancy, sparking government programs committed to the redevelopment and maintenance of critical structures, which is anticipated to drive future activity in the I&ES sector.
3. Elevated corporate profits and tightened safety restrictions have provided a favorable backdrop for contract demand for I&ES sector participants.
4. Sector participants have sought bolt-on acquisitions to bolster product portfolios in an exceedingly specialized, highly capital-dependent sector.
5. Private equity firms have showcased strong interest in platform acquisitions, add-on deals, and equity financing opportunities.
6. Sector backlogs appear to be growing nicely and ample funding is available to support new investments.

Capstone Partners has developed a full suite of corporate finance solutions, including, financial advisory services, merger and acquisition advisory, debt advisory, and equity capital financing to help privately owned businesses and private equity firms navigate through each stage of a company's lifecycle.

To learn more about Capstone's wide range of advisory services and Industrial & Environmental Services sector knowledge, please [contact us](#).

AGING INFRASTRUCTURE A BOON FOR HEALTHY SERVICE DEMAND

Demand for industrial and environmental services has appreciated as the average age of infrastructure in the U.S. has begun to surpass its life expectancy. Government programs have sought to redevelop and maintain critical structures to ensure societal safety and efficiency. The Infrastructure Investment and Jobs Act (IIJA) has allocated \$10.8 billion to the U.S. Department of the Interior’s (DOI’s) Bureau of Reclamation (BOR) for 12 programs and activities during fiscal years (FY) 2022 through 2026, according to a 2021 IIJA report from the U.S. DOI.¹ Notably, \$8.3 billion has been allocated for water storage and dam safety, with approximately 90% of these structures built before 1970.

Although infrastructure improvement has been a longstanding issue, I&ES services have recently experienced elevated demand. Notably, repairs have begun on the 69,000 miles of roads and 3,700 bridges outlined by President Biden according to a White House press release.² In addition, approximately \$1 billion has been committed to improving airport infrastructure, according to a White House press release.³ Nuclear energy solutions have also seen greater interest amid heightened demand for cleaner, more efficient energy sources. Of note, nuclear reactor Plant Vogtle 3 was connected to the power lines in July, contributing 1,000 megawatts of clean energy. In addition, TerraPower, X-Energy, and NuScale (NYSE:SMR) have made significant strides in demonstrating nuclear designs, according to a report from the Department of Energy (DOE).⁴ Further advancements such as high-assay low-enriched uranium (HALEU) production, are expected to support future nuclear reactor developments in the U.S.

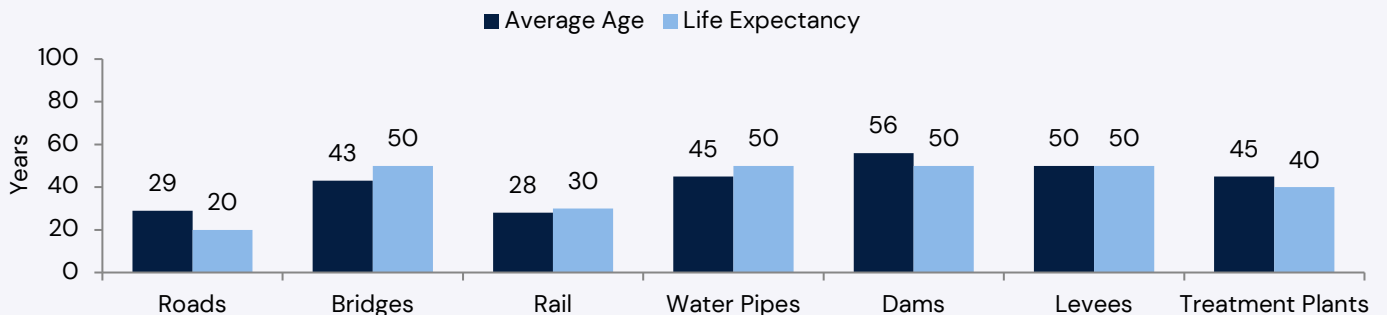


Timm Kuechle, Senior Director

“I&ES firms are set to benefit in a myriad of ways from the various government programs. This will continue to drive private equity investments as the market offers attractive growth and consolidation opportunities across various sub-sectors.”

Backlogs among sector participants have grown as an increasing number of infrastructure contracts have been awarded. The Infrastructure segment has led year-over-year (YOY) backlog growth, rising 1.4 months to 8.6 months in September, according to Associated Builders and Contractors (ABC).⁵ As a result, contractors expect sales, profit margins, and staffing levels to expand over the next six months. SNC-Lavalin Group (TSX:ATRL), a leading global engineering services company, stated that generational investments in infrastructure by the U.S. have led to secured wins in transportation and building contracts, according to its earnings transcript.⁶ Public players have reported YOY revenue expansion, attributable to a robust project backlog and resilient merger and acquisition (M&A) pipelines. Namely, Fluor (NYSE:FLR) reported a second straight quarter of 20% revenue growth YOY (\$3.9 billion) with a project backlog of \$25.5 billion, led by its Energy, Urban, and Mission Solutions segments, according to its most recent earnings transcript.⁷

Average Age and Life Expectancy of U.S. Infrastructure



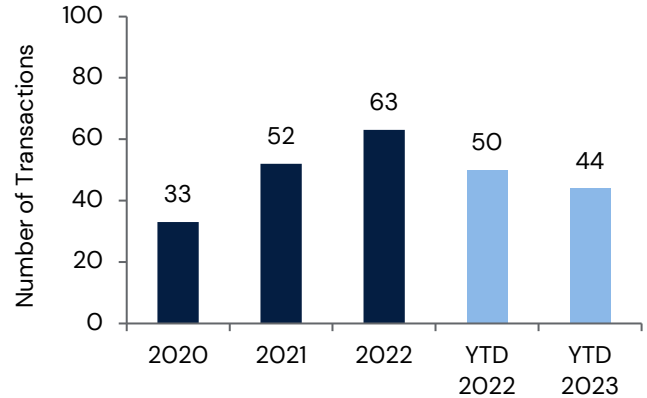
Source: American Society of Civil Engineers and Capstone Partners

MISSION CRITICAL SOLUTIONS DRIVE PREMIUM M&A VALUATIONS

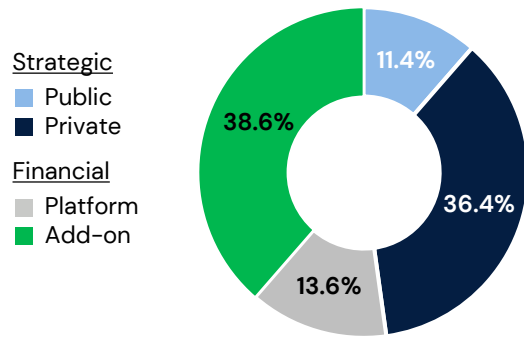
Sector M&A volume has kept pace with previous years, with 44 deals announced or completed year-to-date (YTD) compared to 50 transactions in the prior year period. Sector participants have sought bolt-on acquisitions to bolster product portfolios in an exceedingly specialized, highly capital-dependent sector. Private strategics and sponsors have commanded the bulk of deal activity to-date (36.4% and 52.2%, respectively). Defensible margins and the lack of cyclicality of many sector players have attracted private equity buyers to the space. The fragmentation of the I&ES sector has encouraged sponsors to deploy buy-and-build strategies. Through YTD 2023, M&A transactions have averaged 7.4x EV/EBITDA. Acquisition targets with equipment expertise, mission critical end market exposure, favorable safety ratios with low accident rates, and robust profit margins have commanded premium valuations. Less specialized corrosion and scaffolding players have obtained lower valuations but have still garnered significant buyer interest.

Despite public strategic buyers comprising just 11.4% of deal activity YTD, leading companies in the I&ES sector have indicated interest in leveraging the M&A market in the near-term. “As we have done in the past, adding to our self-perform capabilities through tuck-in acquisitions is an essential piece of our strategy. We have taken the existing self-perform capabilities at Bird and newly acquired self-perform capabilities and diversified into new markets leveraging cross-selling and our One Bird approach,” commented Terrance L. McKibbon, CEO of Bird Construction (XTSE:BDT), in an earnings transcript.⁸

Buyer Appetite Remains Strong as M&A Volume Paces Previous Years



Private Strategics and Sponsors Command Lion’s Share of M&A Activity



Year-to-date (YTD) ended October 10
Source: Capital IQ, PitchBook, FactSet, and Capstone Partners



Ted Polk, Managing Director, Co-Head of Industrials

“Infrastructure investment is straining the capacity of industrial service firms. Those with strong access to talent are going to be richly rewarded in today’s marketplace.”



KLH CAPITAL REINFORCES INDUSTRIAL SERVICES PORTFOLIO



Headquarters: Tampa, Florida

Markets: Industrial & Environmental Services

Assets Under Management: \$719.0 Million

Current Investments: 12 Holdings

Industrial & Environmental Services Portfolio Activity

Founded in 2005, KLH Capital is a private equity firm serving family- and founder-owned, lower middle-market companies. The firm seeks to make majority investments in U.S. businesses with an excess of \$4 million in EBITDA in the Distribution, Service, and Manufacturing industries, according to its website.⁹

KLH Capital has built upon its Industrial and niche Manufacturing Services investment thesis completing 11 deals including six platform acquisitions in the I&ES sector from 2020 through YTD. The platform acquisitions of eTECH Environmental & Safety Solutions (September 2023, undisclosed) and Thorpe Specialty Services (August 2022, undisclosed) have demonstrated KLH Capital's continued commitment to the I&ES vertical. In addition, KLH acquired Victory Equity Construction (VECI) in November 2022 (undisclosed), gaining complementary service capabilities and a knowledgeable, tenured staff, according to a press release.¹⁰ KLH Capital has realized two I&ES exits since 2020, including the recent sale of D&H United Fueling Solutions to Churchill Asset Management, Wind Point Partners, and Yukon Partners in September 2022 (\$136 million).

With its industry expertise and diversified portfolio, KLH Capital is well positioned to continue its verticalized investment strategy through platform acquisitions, add-on deals, and equity financing opportunities in the Industrial Services space, according to its website.

KLH's Industrial & Environmental Services Deal Activity, 2020–YTD 2023

Holding	Announce Date	Deal Type	Business Description
Miller Integrated Solutions	09/28/23	Platform Acquisition	Provides industrial cleaning and environmental services.
eTECH Environmental & Safety Solutions	09/01/23	Platform Acquisition	Provides environmental and safety concerns services.
Victory Equity Construction	11/01/22	Add-On Acquisition	Offers infrastructure services.
Thorpe Specialty Services	08/26/22	Platform Acquisition	Provides refractory services.
Cochise Petroleum Equipment	04/04/22	Add-On Acquisition	Provides petroleum-related services.
The Warehouse Rentals & Supplies	11/11/21	Platform Acquisition	Manufactures abrasive blasting and paint.
Valley Tank Testing	11/11/21	Add-On Acquisition	Offers tank testing services.
Precision Impacts	09/08/21	Platform Acquisition	Provides aluminum fabrication, finishing and assembly.
B. Jackson Construction and Engineering	12/11/20	Platform Acquisition	Provides infrastructure and construction services.
Bay Area Environmental Services	10/29/20	Add-On Acquisition	Offers pipeline maintenance services.
Insulations	08/26/20	Platform Acquisition	Offers industrial insulation services.
DataWatt Solutions	06/01/20	Add-On Acquisition	Provides fiber optic construction services.

Source: Company websites, PitchBook, KLH Holdings, and Capstone Partners

NOTABLE TRANSACTIONS



Acquires



J.F. Lehman & Company (JFLCO) has acquired Heritage-Crystal Clean (Nasdaq:HCCI) in July for an enterprise value of \$1.3 billion. The purchase price represents 1.7x EV/Revenue and 7.2x EV/EBITDA. JFLCO, a major private equity investment firm, adds a leading provider of parts cleaning, hazardous and nonhazardous waste services to its investment portfolio, bolstering its established investments in the Aerospace, Defense, Maritime, and Environmental sectors.

The acquisition was spurred Crystal Clean's strategy to provide maximized value to shareholders. The \$45.5 per share in an all-cash transaction represents a 24.9% premium compared to Crystal Clean's 60-day volume-weighted average price, according to a press release.¹¹ "As a private company, we will have added flexibility and a deeply knowledgeable partner in JFLCO that understands our strengths and employee-empowered culture," Crystal Clean CEO, Brian Recatto, added in the press release.



Acquires



Limbach Holdings (Nasdaq:LMB) acquired Chattanooga, Tennessee-based ACME Industrial Piping for an enterprise value of \$7.5 million (July), representative of 0.8x EV/Revenue and 7.5x EV/EBITDA. ACME specializes in performing industrial maintenance, capital project work, and emergency services for specialty chemical and manufacturing clients, and is a leading mechanical solutions provider for hydroelectric producers.

The deal is expected to drive \$10 million in revenue and \$1 million in EBITDA, on average, according to a press release.¹² The synergy created from the acquisition aligns with Limbach's desire to expand its Owner Direct Relationship (ODR) segment, increasing exposure to Fortune 500 caliber clients. "I'm confident that the addition of Limbach's engineering and design capabilities and corporate services platform, together with our collective focus on revenue synergies and gross profit optimization, will allow us to maximize the opportunities in our market," commented ACME owner, Jim Bailey in the press release.



Acquires



In March, leading industrial and environmental service provider, Clean Harbors (NYSE:CLH), acquired Thompson Industrial Services for an enterprise value of \$100 million. The deal combines a leader in Environmental Services with a top industrial service provider on the East Coast.

Through the transaction, Thompson gains access to Clean Harbors' 700+ service locations, increased transportation capacity, and greater use of automation and technology innovation, according to a press release.¹³ The acquisition provides Clean Harbors with a more diversified service portfolio and a stronger foothold in the market that is expected to become immediately accretive to revenue.



RECENT TRANSACTIONS

Date	Target	Acquirer	Target Business Description	Enterprise Value (mm)	EV / LTM Revenue	EBITDA
10/02/23	Herbert Recovery Systems	Miller Environmental	Provides environmental remediation services.	-	-	-
09/22/23	Sabden	Specialty Drilling	Provides geotechnical, environmental, exploration, and water well drilling services.	-	-	-
09/20/23	American Calibration	Concept Machine Tool Sales	Offers calibration repair services.	-	-	-
09/18/23	White Lake Dock & Dredge	JF Lehman & Co.; ENTACT	Specializes in environmental dredging.	-	-	-
09/14/23	The Intelligence Group	Verdantas LLC	Offers environmental forensics, remedial cost allocation, data analytics, and management services.	-	-	-
09/12/23	Petroltecnica	Wolf tank-Adisa (XTRA:WAH)	Provides environmental consulting services.	-	-	-
09/07/23	Fluor (NYSE:FLR)	Bilfinger (XTRA:GBF)	Comprises stork business in Belgium, Germany, Netherlands and turbo blading manufacturing in U.S.	-	-	-
08/24/23	Williams Industrial Services	EnergySolutions	Provides construction, maintenance, and support services.	-	-	-
08/23/23	The Tarp Depot	Impact Environmental	Manufactures spill-prevention containment systems.	-	-	-
08/10/23	Professional Pipe	PremiStar	Designs and installs process piping to manufacturing facilities.	-	-	-
08/01/23	Hayes Business Group	Ranew's Companies	Offers industrial coating services.	-	-	-
07/27/23	Norgalv	Sandvik Mining and Rock Technology	Offers steel products and steel pipe galvanizing services.	-	-	-
07/19/23	Crystal Clean (Nasdaq:HCCI)	J.F. Lehman and Co.	Provides parts cleaning, hazardous and non-hazardous waste, and used oil collection services.	\$1,321.8	1.7x	7.2x
07/06/23	Tiepolo	Hera (BIT:HER)	Designs and builds high, medium, and low voltage electrical systems for industrial activities.	-	-	-
07/05/23	ACME Industrial Piping	Limbach Holdings (Nasdaq:LMB)	Provides piping and equipment installation services in various industrial settings.	\$7.5	0.8x	7.5x
07/05/23	Cason Environmental & Demolition	EIS Holdings	Provides environmental and demolition services.	-	-	-
06/07/23	Blue Wolf	Conco Services	Offers industrial cleaning and maintenance services.	-	-	-
05/30/23	MEI Rigging and Crating	Olympus Advisors	Equipment manufacturer of wet benches, wet processing systems, and spin rinse dryers.	-	-	-
03/10/23	Heavy Metal Recyclers	Allmetal Recycling	Recycles copper, brass, aluminum, scrap and offers metals demolition and roll-off services.	-	-	-
03/01/23	Thompson Industrial Services	Clean Harbors (NYSE:CLH)	Provides industrial cleaning and maintenance services.	\$111.9	-	-
02/28/23	Clean Rite	Smith Industrial Service	Provides industrial, environmental and emergency support services.	-	-	-
02/09/23	QualaWash	Boasso Global	Provides cleaning, testing, and repair services.	-	-	-
01/17/23	Eagle Remediation & Demolition	Pacific West	Provides environmental and facilities maintenance service.	-	-	-

Source: Capital IQ, PitchBook, FactSet, and Capstone Partners



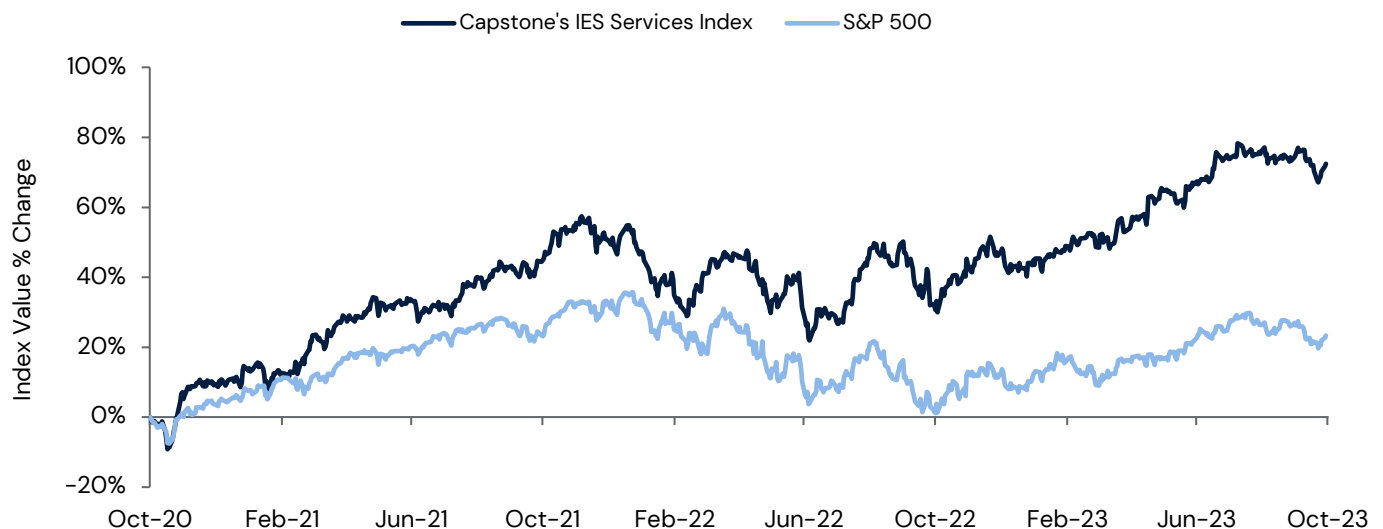
PUBLIC COMPANY DATA

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV/LTM	
	10/10/23	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
APi Group Corporation	\$26.59	89.9%	\$6,269.5	\$9,535.5	\$6,872.0	\$900.0	13.1%	1.4x	10.6x
Bird Construction Inc.	\$7.87	96.4%	\$423.3	\$449.5	\$1,924.3	\$75.3	3.9%	0.2x	6.0x
Casella Waste Systems, Inc.	\$78.09	81.5%	\$4,526.3	\$5,151.1	\$1,177.1	\$270.7	23.0%	NM	19.0x
Caverion Oyj	\$9.22	95.9%	\$1,264.1	\$1,585.8	\$2,718.3	\$154.0	5.7%	0.6x	10.3x
Clean Harbors, Inc.	\$165.31	92.7%	\$8,951.7	\$11,209.2	\$5,349.1	\$1,218.2	22.8%	2.1x	9.2x
EMCOR Group, Inc.	\$207.20	91.1%	\$9,766.4	\$9,833.0	\$12,093.5	\$1,176.1	9.7%	0.8x	8.4x
Enviri Corporation	\$7.04	70.4%	\$561.5	\$2,023.8	\$2,008.7	\$357.2	17.8%	1.0x	5.7x
Fluor Corporation	\$37.30	96.0%	\$5,347.6	\$4,194.6	\$15,014.0	\$378.0	2.5%	0.3x	11.1x
GFL Environmental Inc.	\$33.04	86.6%	\$12,196.9	\$18,248.1	\$5,510.2	\$1,302.4	23.6%	3.3x	14.0x
Matrix Service Company	\$11.99	96.9%	\$326.2	\$306.8	\$795.0	\$12.5	1.6%	0.4x	24.5x
Mistras Group, Inc.	\$5.39	64.9%	\$163.3	\$389.6	\$690.7	\$65.7	9.5%	0.6x	5.9x
Montrose Environmental Group, Inc.	\$28.36	51.6%	\$855.2	\$1,209.7	\$560.4	\$32.1	5.7%	2.2x	NM
Primoris Services Corporation	\$31.25	86.3%	\$1,666.5	\$2,905.5	\$5,283.5	\$438.2	8.3%	0.5x	6.6x
Republic Services, Inc.	\$146.39	93.5%	\$46,307.0	\$58,585.6	\$14,662.7	\$4,318.0	29.4%	4.0x	13.6x
Séché Environnement SA	\$108.57	83.5%	\$847.4	\$1,472.1	\$1,134.2	\$193.4	17.1%	1.3x	7.6x
SNC-Lavalin Group Inc.	\$32.10	92.8%	\$5,634.8	\$7,304.1	\$5,999.2	\$411.8	6.9%	1.2x	17.7x

Mean	12.5%	1.2x	11.3x
Median	9.5%	1.0x	9.7x
Harmonic Mean	6.7%	0.7x	9.3x

EV = enterprise value; LTM = last twelve months
\$ in millions, except per share data

Capstone's I&ES Index Value Growth Outpaces S&P 500 in the Last Three Years



I&ES Index includes: APG, BDT, CWST, CAVIV, CLH, EME, NVRI, FLR, GFL, MTRX, MG, MEG, PRIM, RSG, SCHP, ATRL
Source: CapitalIQ and Capstone Partners as of October 10, 2023

BUYER UNIVERSE

Capstone has built relationships with and tracked buyers that have been highly acquisitive in the Industrials industry, particularly those that have completed notable Industrial and Environmental Services transactions. Our industry expertise and network provides us with unique insights into this buyer universe and industry and growth drivers for the companies within it.

Leading Strategic Buyers



Leading Financial Buyers



Source: Capstone Partners

INDUSTRIAL & ENVIRONMENTAL SERVICES REPORT CONTRIBUTORS



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Ted is a Managing Director at Capstone Partners. Prior to joining Capstone in 2010, Ted ran the corporate finance practice in the Central region for Morgan Stanley Smith Barney's Capital Strategies Group and its predecessor, Citi Capital Strategies. He has over 25 years of experience working with businesses across a variety of industrial and tech-enabled markets and has focused interest in working with HVAC and energy management related businesses. Early in his career, Mr. Polk also provided valuation advisory services for an entity now owned by Duff & Phelps and was a lender to the Utility industry in the Corporate Banking Group at The Bank of New York and its predecessor Irving Trust Company.

Ted is an active public speaker on the topic of business exits and recapitalizations of privately owned businesses and is a frequent recipient of industry awards for his advisory services. Ted was recognized by the Global M&A Network for his participation in both the Canadian Deal of the Year in 2022 and the Aerospace and Defense Deal of the Year in 2021. He was similarly recognized in 2018 for his involvement in the USA Recapitalization Deal of the Year, in 2017 for his participation in the U.S. Corporate M&A Deal of the Year and in 2015 for USA Recapitalization Deal of The Year. Previously, he was also recognized by the M&A Advisor in 2016 for his role on the Professional Services Deal of the year and was also previously recognized by this organization for his role on transactions awarded the Middle-Market M&A Deal of the Year, the Middle-Market M&A Financing Deal of the Year and the Cross-Border Middle-Market Deal of the Year.



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Timm is a Senior Director in Capstone Partners' Industrials Investment Banking Group, where he focuses on advising companies on mergers, acquisitions, recapitalizations, divestitures, and other corporate finance mandates.

Prior to Capstone, Timm was a Director in the Industrials team at KPMG Corporate Finance, where he worked on transactions in Industrial verticals such as Industrial & Environmental Services, Automotive, and Diversified Industrials. For the first seven years at KPMG Corporate Finance, he was based in Frankfurt am Main (Germany), advising strategic and financial investors across Europe on numerous buy- and sell-side transactions. In 2015, he joined the Chicago office.



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Neve serves as a Market Intelligence Analyst at Capstone Partners covering the Industrials industry. Prior to joining the firm's Market Intelligence Team, Neve was an intern at the Bank of New York Mellon and Gray Private Wealth. Neve graduated with a Bachelor's of Science degree in Finance from Bentley University.



FIRM TRANSACTIONS IN MARKET

IN MARKET

CONFIDENTIAL, Project Excellence:

The Company provides specialty welding and utility contracting services.

CONFIDENTIAL, Project Six:

The Company offers crane rentals for utility and infrastructure projects.

CONFIDENTIAL, Project Aqua:

The Company provides water treatment products and services.

CONFIDENTIAL, Project Blueprint:

The Company provides engineering, design, project support, procurement, and construction management services.

IN CLOSING

CONFIDENTIAL, Project Poseidon:

The Company provides water well drilling services.

CONFIDENTIAL, Project Pipeline:

The Company provides trenchless technology products.

To learn more about these opportunities, please contact Theodore Polk at: tpolk@capstonepartners.com or 708-921-8961



FIRM TRACK RECORD

Capstone’s Industrial & Environmental Services Practice is a dedicated effort serving business owners in North America. The group has deep transactional experience across the full spectrum of industrial and environmental services sectors, uniquely qualifying the team to develop compelling investment theses, understand key issues to address, and maximize value throughout the M&A process. The team has an extensive network of industry relationships and is consistently monitoring the interest of all buyer groups, both financial and strategic. It regularly completes transactions in this sector and has a strong track record of achieving outstanding results for Capstone’s clients.

<p>Energy grid modernization solutions provider</p>  <p>HAS BEEN ACQUIRED BY</p>  <p>a portfolio company</p> 	<p>Critical pipeline sealing manufacturer</p>  <p>a portfolio company of</p>  <p>HAS BEEN ACQUIRED BY</p>  <p>and executed facility sale & leaseback with</p> 	<p>Innovative energy provider</p>  <p>HAS BEEN ACQUIRED BY</p>  <p>A portfolio company of</p> 	<p>Solar control & data acquisition services</p>  <p>Strategic and Transaction Advisory Services</p>
<p>Pipe installation, millwright, rigging, & contracting services</p>  <p>a portfolio company of</p>  <p>HAS BEEN ADVISED ON A DEBT FINANCING BY</p> <p>CAPSTONE PARTNERS</p>	<p>Specialty site development solution provider</p>  <p>HAS BEEN ACQUIRED BY</p> 	<p>HVAC equipment full-service contractor</p>  <p>HAS BEEN ACQUIRED BY</p>  <p>Building Efficiency and Sustainability</p> <p>A PORTFOLIO COMPANY OF</p> 	<p>Water distribution services</p>  <p>HAS BEEN ACQUIRED BY</p> 
<p>Septic, Sludge, & Wastewater Management</p>  <p>HAS BEEN ACQUIRED BY</p> 	<p>Refractory Installation Services*</p>  <p>HAS BEEN ACQUIRED BY</p>  <p>a portfolio company of</p> 	<p>Steel Mill Services*</p>  <p>HAS BEEN ACQUIRED BY</p> 	<p>Refractory, Slag, and Scale Removal Services*</p>  <p>HAS BEEN ACQUIRED BY</p> 

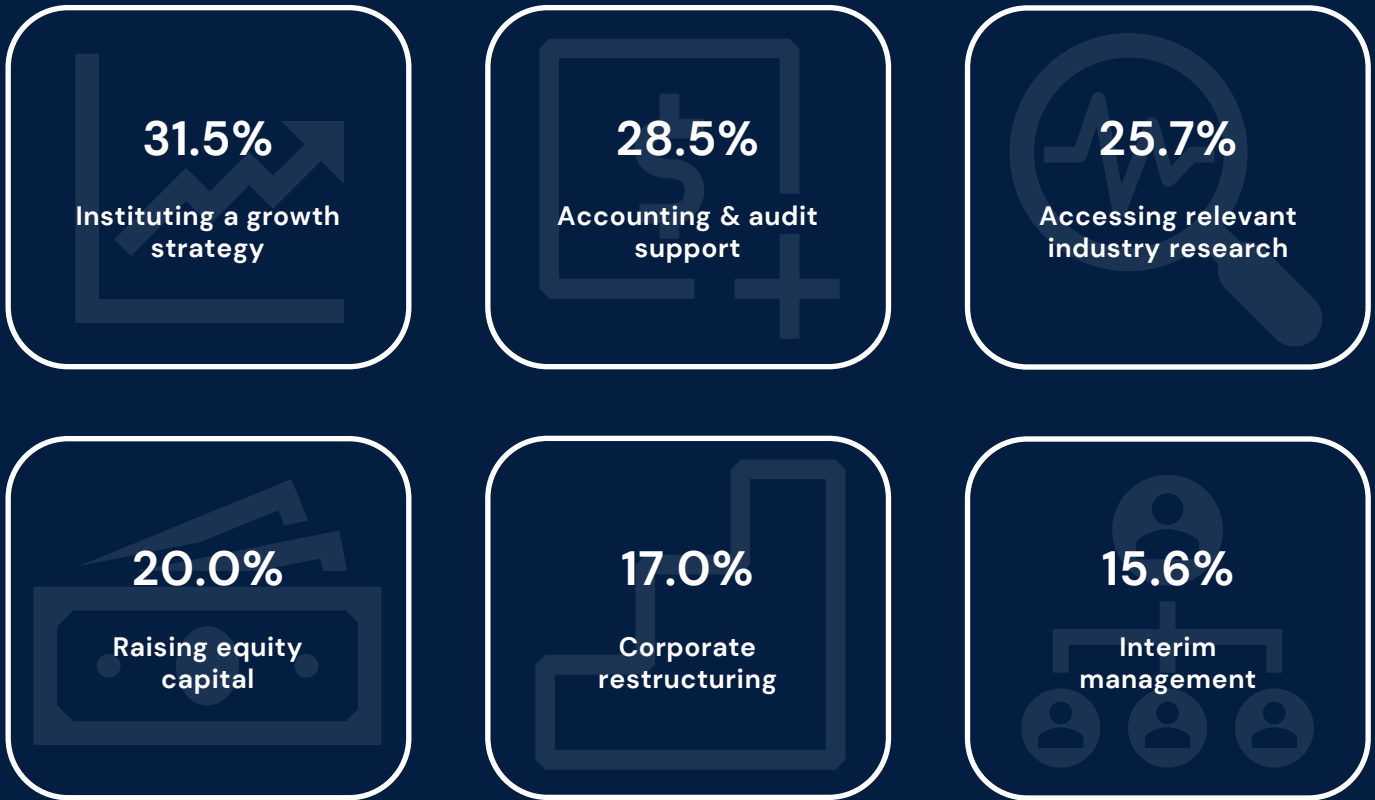
* These transactions were completed by Capstone professionals on other platforms

CAPSTONE’S PROPRIETARY RESEARCH REVEALS TOP SERVICES IN DEMAND

The current stage and initiatives of a business often dictates which financial services are in demand. As the majority of CEOs polled in Capstone’s 2023 Middle Market Business Owners Survey indicated growth strategies are a priority for 2024, the lion’s share (31.5%) of owners anticipate a need for growth strategy support services. Similarly, 28.5% of owners require accounting and audit support to shore-up cash flows and establish financial stability. In addition, more than one-fourth of CEOs demonstrated an interest in accessing relevant industry research to keep up with emerging industry trends, complete competitor analyses, and track capital markets activity in their space.

Capstone has developed a full suite of [corporate finance solutions](#) to help privately owned businesses and private equity firms through each stage of the company’s lifecycle, ranging from growth to an ultimate exit transaction. In addition, we developed a specialty consulting practice to provide financial advisory services to companies experiencing distress or performance challenges. All of these capabilities are supported by 16 industry groups, an active sponsor coverage group, and a dedicated market intelligence team.

Top Financial Services Required by Business Owners in 2024



Question: Have you ever had, or do you anticipate having, a need for any of the following services?
 Source: Capstone Partners’ Middle Market Business Owner Survey, Total Sample Size (N): 435



ENDNOTES

1. Office of Inspector General, "Infrastructure Investment and Jobs Act," https://www.doioig.gov/sites/default/files/2021-migration/Flash%20Report_DOI_Western%20Water_Aging%20Infrastructure%20and%20Dam%20Safety_Public.pdf, accessed October 6, 2023.
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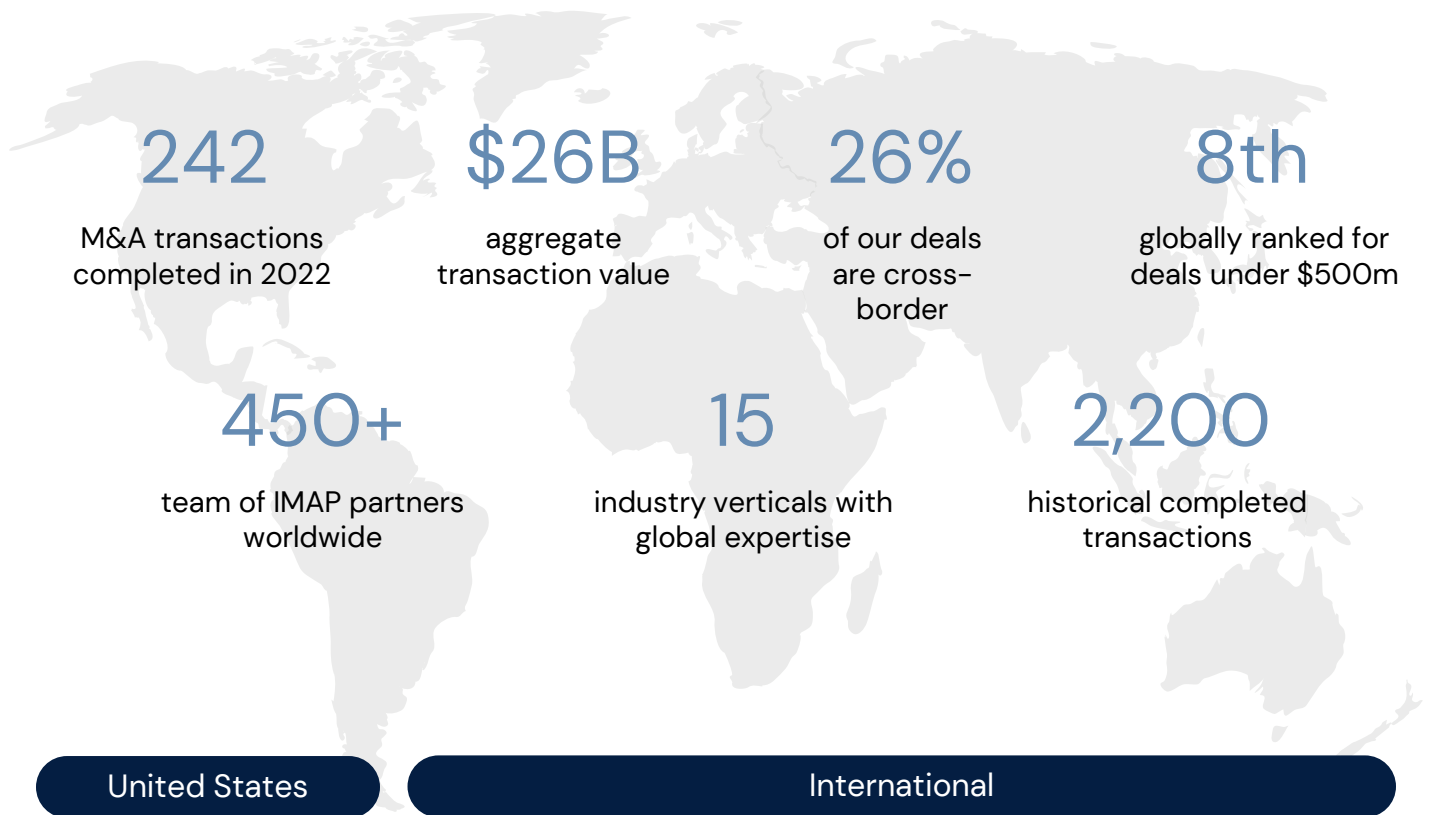
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