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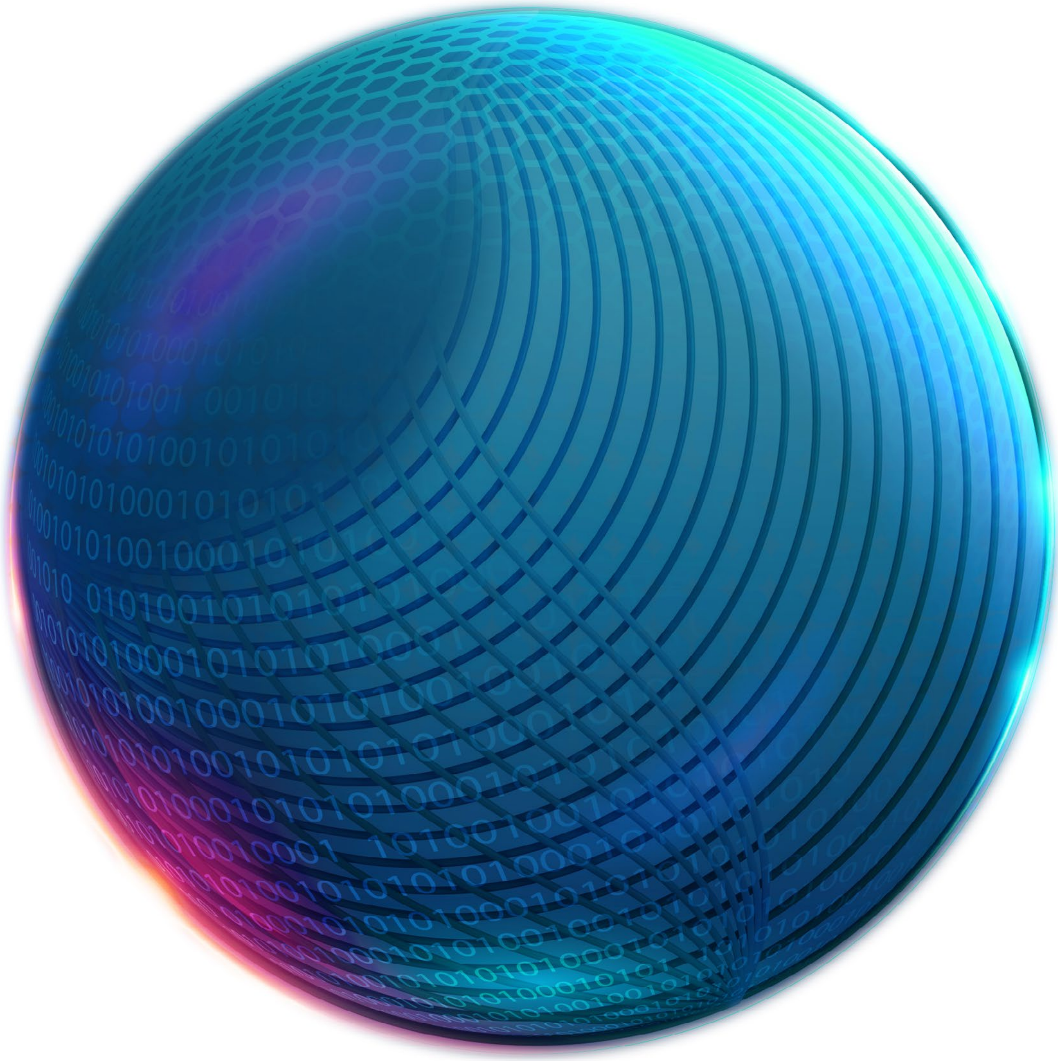


Valuation Multiple Screening
September 2025 edition

Spotlight on recent developments on the capital market.

We are delighted to issue our seventh edition of the Multiple Screening

In the world of Mergers & Acquisitions, or more broadly speaking, strategic capital decisions, it is important to consider empirical market data about the mood within an industry and/or region when it comes to value creation and transaction pricing.

To assess the indicative and achievable market price of an asset, analysts often use multiples derived from comparable listed companies. We are aware of the broader discussion as to whether the multiple approach is useful and/or valuable; however, we believe that an analysis of multiples per industry and region can help you make sound strategic capital decisions. In addition, comparing multiples of different analysis dates can provide insights into your industry-specific trends.

In Q2–Q3 2025, the global equity markets mostly experienced a rebound, overcoming the early-year volatility driven by trade policy shocks. In North America the indices recovered from April's sell-off triggered by tariff announcements and continued higher in Q3 powered by investments in AI and semiconductor industries as well as the Fed rate cut in September. The bond markets remained relatively volatile due to political uncertainty and fiscal sustainability concerns in the US.

In Europe, the equity indices showed modest growth caused by the mixed economic signals across the region, with German equities underperforming the global indices amid the economic slowdown and political uncertainties. The ECB key interest rates remained unchanged since the cut in June with the debt yields also staying relatively stable.

The equity markets in the Asia-Pacific region rallied powered by tech-heavy indices in China and Taiwan, a development driven by AI optimism as well as by initially easing trade tensions with the US. However, the US trade policy is still one of the main risk factors for the APAC markets.

Overall, this has led to some shifts in multipliers on the equity markets, as the results of this quarter's multiple screening show.

If you would like to take a closer look at the multiples presented in this study, you can also access the results online in our interactive dashboard. Find out how to register for access to the dashboard on page 24.

Data sampling and industry classification

The main objective of our multiples analysis is to help you understand a particular industry or region in financial terms.

Below we provide a brief overview of EBITDA and EBIT multiples, broken down into three regions (Europe, North America, Asia-Pacific) and ten industries, including sub-segments.

We hope that our analysis will make a valuable contribution to your strategic capital decisions.

An interactive version of the screening is available online, where you can run your own analyses and utilize our up-to-date market data for future decision-making. Details on how to register for access to the dashboard are on page 24.

If you would like more information about the analysis or a meeting to discuss it further, our experts are standing by to assist you.

Data sources and sample sizing

Drawing on the S&P Europe BMI (S&P Capital IQ ticker ^SPCBMIREUUSD), S&P North America BMI (^SBBMNAU) and S&P Asia Pacific BMI (^SPCBMIRAPUSD) indices, we analyzed companies across the European, North American and Asia-Pacific (developed countries) regions using data sourced from S&P Capital IQ, an S&P Global Market Intelligence product.

We assigned the companies to a specific region based on the location of the company's headquarters (as referred to by the CIQ data item IQ_COUNTRY_NAME), and not based on the location of the primary stock exchange where their shares are listed. As a result, any companies with a primary listing on an exchange outside the region of the respective index were excluded from further analyses of this index. We did not reallocate these companies to another index population.

We used three reference dates to calculate the EBITDA (IQ_EBITDA) and EBIT (IQ_EBIT) multiples for these quarterly analyses: the end of the most recent quarter, the end of the preceding quarter and the end of month five quarters prior to publication of this newsletter. Duplicate listings of companies on the respective index were excluded from the resulting data sets used to calculate the aggregates shown. In our calculation of the EBITDA multiples, we have excluded from the sample those companies with insufficient (i.e., less than four observations – also considering the (unpublished) observations at the end of the month prior to the publication of this newsletter) as well as non-positive total enterprise value (IQ_TEV) and EBITDA figures across all reference dates. Similarly, we also excluded companies with insufficient (i.e., less than four observations) or non-positive total enterprise value and EBIT figures across all reference dates from the sample used to calculate the EBIT multiples.

Industry classification

The remaining companies in our samples were grouped into different industries and industry subsectors. This breakdown is based on the sectors and industry groups of the Global Industry Classification Standard (GICS), a standard developed by MSCI and Standard & Poor's and structured as outlined below. The GICS also recognizes a financials sector (with the industry groups banks, financial services and Insurance) as well as the equity Real Estate Investment Trusts (REITs) group within the real estate sector. However, we excluded this sector and industry group from our analysis, as we do not believe EBIT(DA) multiples for companies typically found within these segments provide particularly meaningful insights.

Fig. 1 – Industry classifications applied in the analysis

Energy	Materials	Industrials	Consumer discretionary	Consumer staples
Energy	Materials	Capital goods	Automobiles & components	Consumer staples distribution & retail
		Commercial and professional services	Durables & apparel	Food, beverage & tobacco
		Transportation	Consumer services	Household & personal products
			Consumer discretionary distribution & retail	

Health care	Information technology	Communication services	Utilities	Real estate
Health care equipment & services	Software & services	Telecommunication services	Utilities	Real estate management & development
Pharmaceuticals, biotechnology & life sciences	Technology hardware & equipment	Media & entertainment		
	Semiconductors & semiconductor equipment			

Source: MSCI, see also https://www.msci.com/our-solutions/indexes/gics.

Calculation and use of EBITDA and EBIT multiples

Calculation of EBIT(DA) multiples

Enterprise value is the starting point for the calculation of EBIT(DA) multiples. We use the S&P Capital IQ data item IQ_TEV to obtain the enterprise value of each company within the data sample described above. This data item reports the enterprise value as the sum of the observable market capitalization, net debt and minority interest as follows:

Enterprise value = market capitalization + net debt + minority interest

Net debt, as shown in the formula above, corresponds to the definition provided by S&P Capital IQ and includes the following balance sheet items:

Net debt = current portion of long term debt + long-term debt + current portion of leases + long-term leases – total cash and short-term investments

As the S&P Capital IQ definition of net debt does not include pension obligations, we add the total pension obligations (as obtained from S&P Capital IQ data item IQ_PENSION) to calculate the adjusted enterprise value.

Since IFRS 16 came into effect, both finance leases and operating leases are recognized on the balance sheet, which has an impact on net debt. However, not all companies prepare their accounts in accordance with IFRS, so we had to first analyze the accounting standards of each company in the sample. The majority of companies in the dataset report under IFRS, US GAAP or Japan GAAP. Both US GAAP and Japan GAAP treat leases similarly to IFRS, so there is no need to adjust net debt in these cases. The resulting enterprise value is divided by the company specific EBIT(DA) to calculate the multiple. We use the S&P Capital IQ data items IQ_EBITDA and IQ_EBIT for the preceding LTM period of the respective reference date to calculate EBITDA and EBIT for each company.

$$\textbf{EBIT(DA) Multiple} = \frac{\textbf{enterprise value}}{\textbf{EBIT(DA)}}$$

The results are shown in the form of the 25th to 75th percentile range of multiples by GICS industry group for each index sample and reference date, highlighting a range between the median and the mean (which only applies to the 25th to 27th percentile bandwidth to exclude frequent extreme outliers). If there were no observations for certain GICS industry groups because of these exclusions (as outlined in **Data sources and sample size)**, the charts do not include these industry groups. We have neither applied any additional adjustments (e.g., size premiums/discounts, minority discounts) nor present them in the graphs.

Why use EBITDA and EBIT multiples?

EBITDA multiples provide a reasonable basis for comparing companies with similar properties and are not impacted by accounting policies (e.g., depreciation and amortization schedules, which may vary in different countries), and EBITDA is a good indicator of a company's cash flow potential. EBIT multiples may provide a more reasonable estimate in certain industries. D&A is an important factor in asset-intensive industries, so EBIT could be a better parameter here for determining a company's value. EBIT multiples also have the advantage that they are unaffected by the company's financing structure or tax rate.

When EBITDA and EBIT are measured in relation to enterprise value, we derive multiples that can be used to estimate a potential target price for an M&A transaction. These multiples allow investors to make an effective comparison of the valuation and earnings yields of companies with different accounting policies, debt levels and tax rates in various industries.

How to use EBITDA and EBIT multiples

A European company in the automotive sector generates EBITDA of EUR 80m in 2024. The EBITDA multiple is 10x. The enterprise value is calculated as follows:

Enterprise value = EBIT(DA) * Multiple

i.e., EUR 80m * 10 = EUR 800m

Net debt and minority interest are subtracted to calculate the equity value:

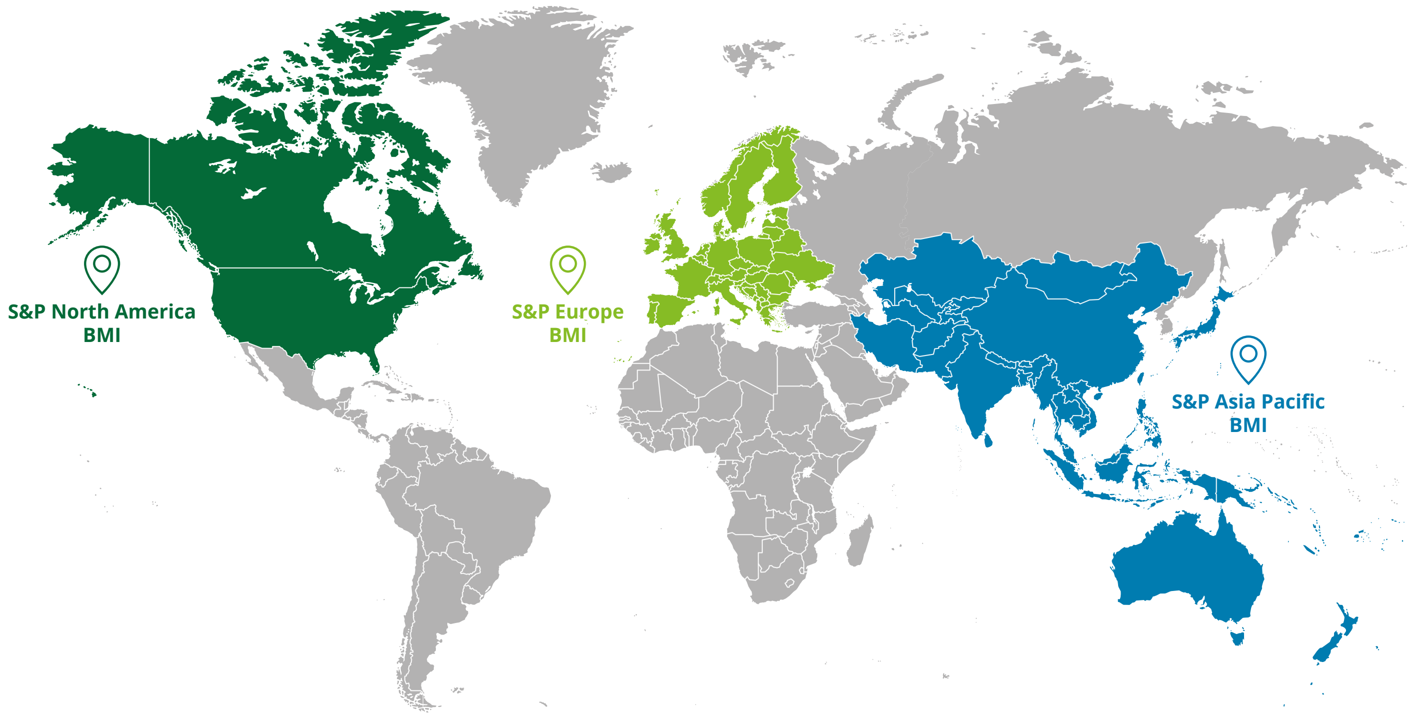
Equity value = enterprise value – net debt – minority interest

Grouping by region

Overview of the regions included in the data sample

Based on the three indices, our analyses cover a wide range of countries grouped into three regional clusters as shown on the world map below:

Fig. 2 – Regional coverage in our analysis



Sources: S&P Capital IQ, Deloitte analyses

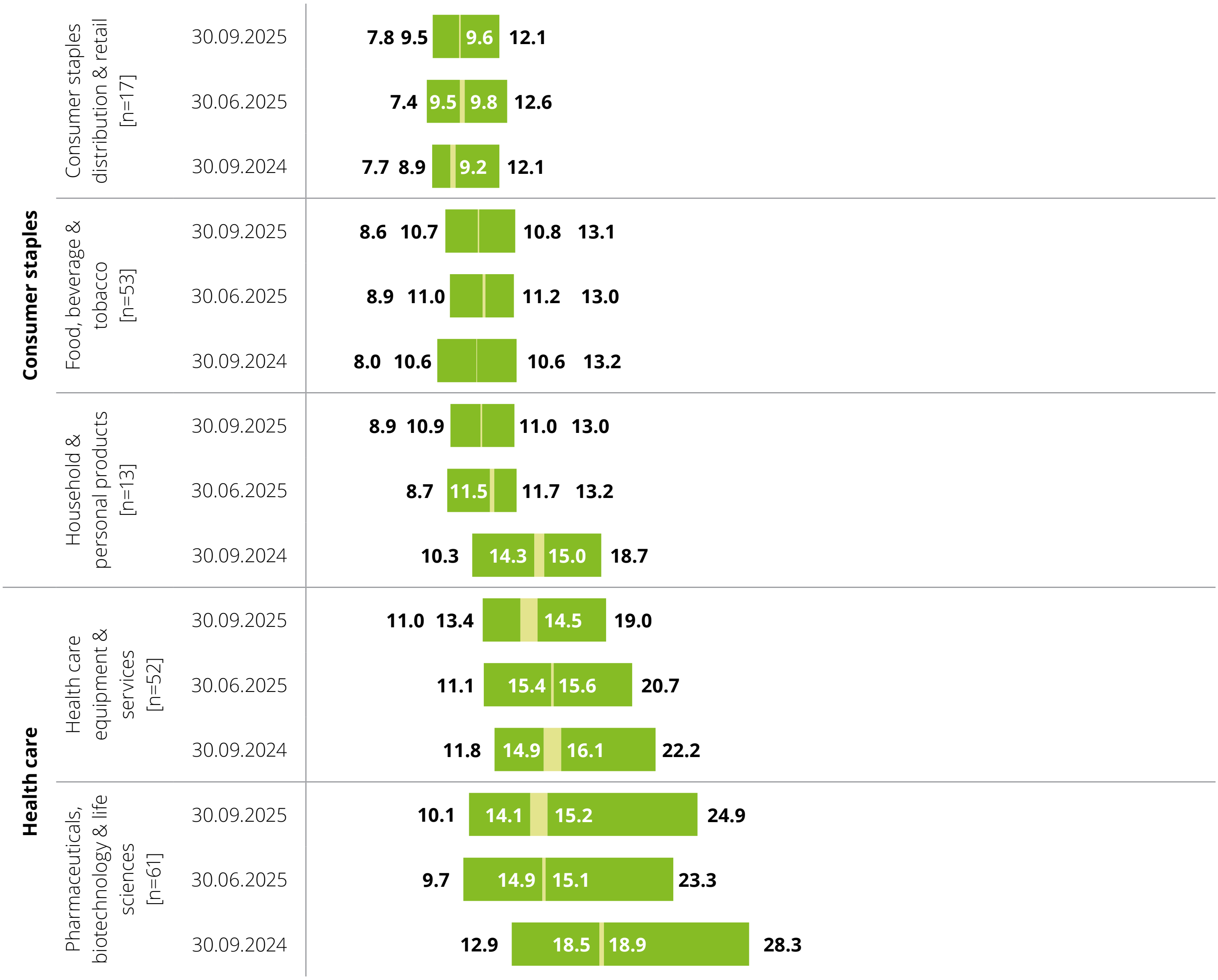
EBITDA multiples – Europe | Full sector overview Q3/2025

Fig. 3 – EBITDA multiples – Europe – historic comparison (1/3)

Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

EBITDA multiples – Europe | Full sector overview Q3/2025

Fig. 4 – EBITDA multiples – Europe – historic comparison (2/3)



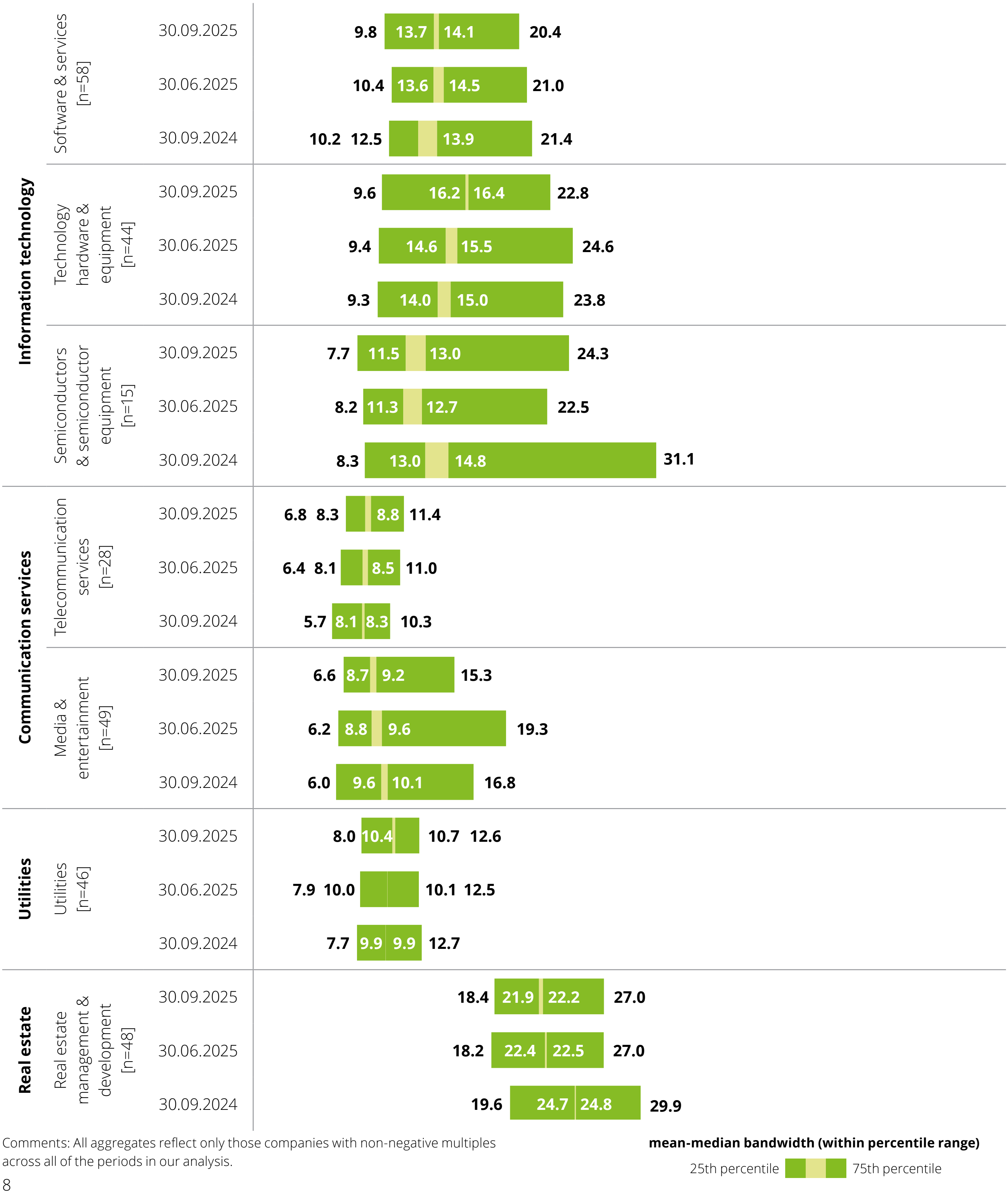
Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

mean-median bandwidth (within percentile range)

25th percentile 75th percentile

EBITDA multiples – Europe | Full sector overview Q3/2025

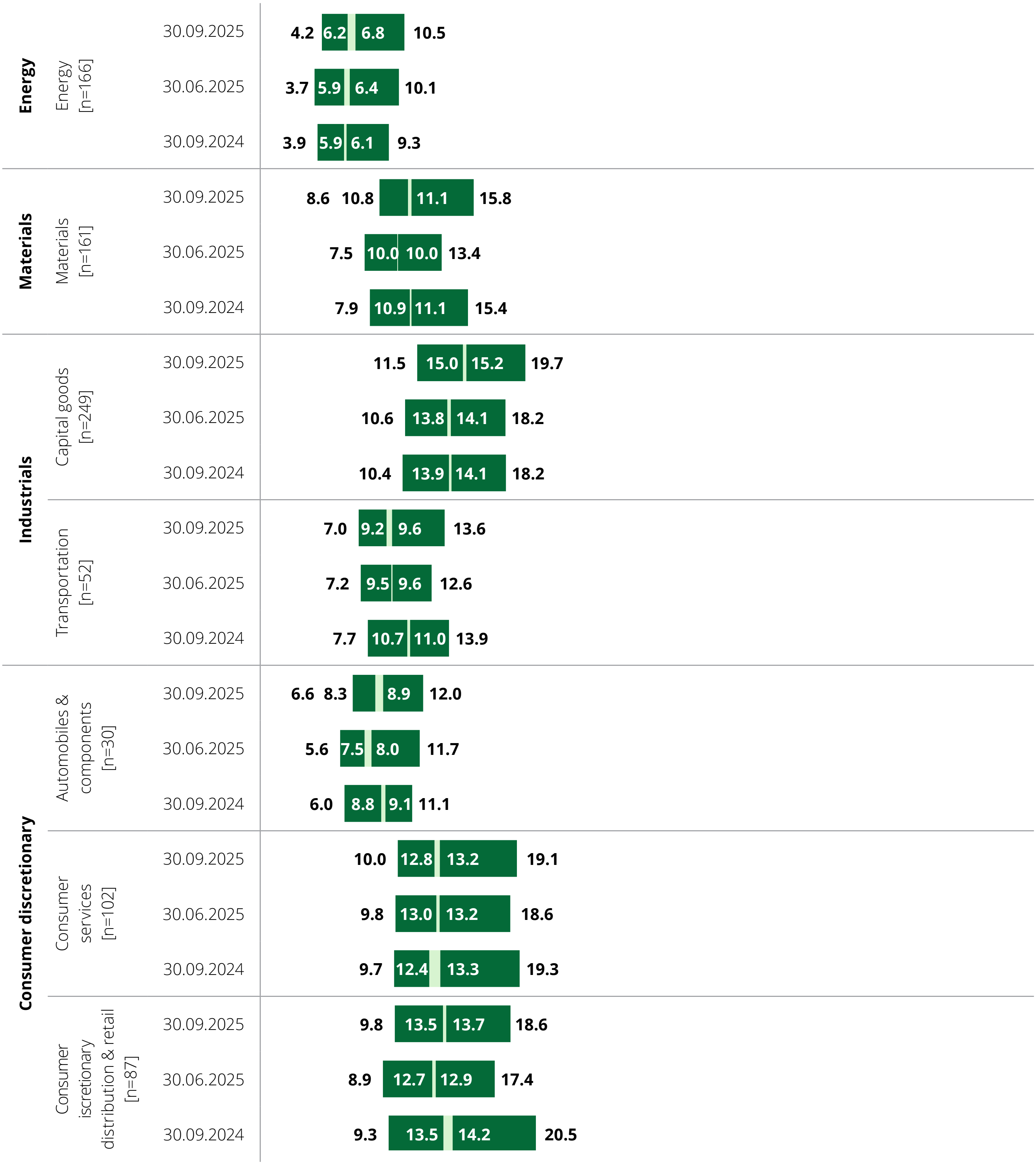
Fig. 5 – EBITDA multiples – Europe – historic comparison (3/3)



Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

EBITDA multiples – North America | Full sector overview Q3/2025

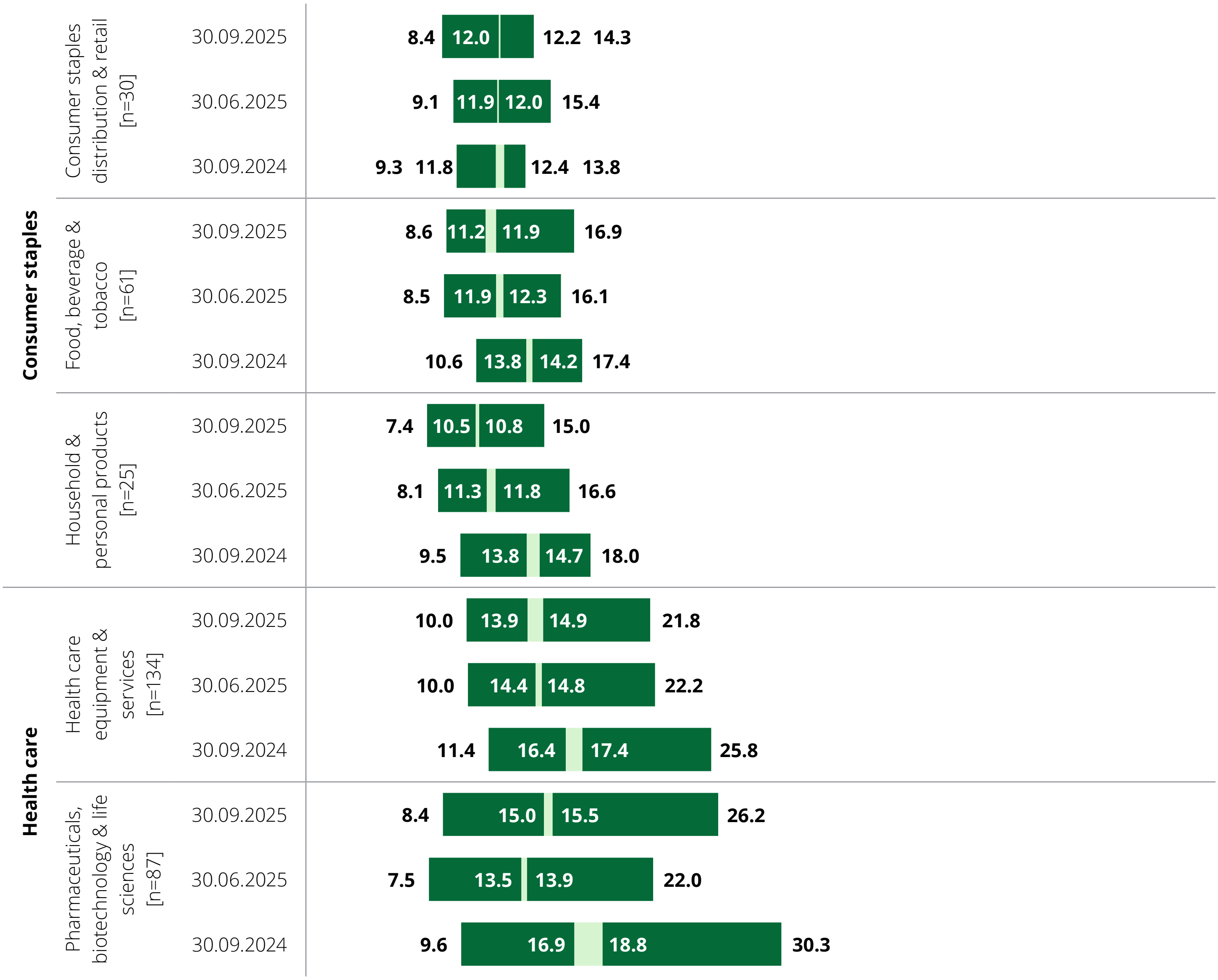
Fig. 6 – EBITDA multiples – North America – historic comparison (1/3)



Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

EBITDA multiples – North America | Full sector overview Q3/2025

Fig. 7 – EBITDA multiples – North America – historic comparison (2/3)



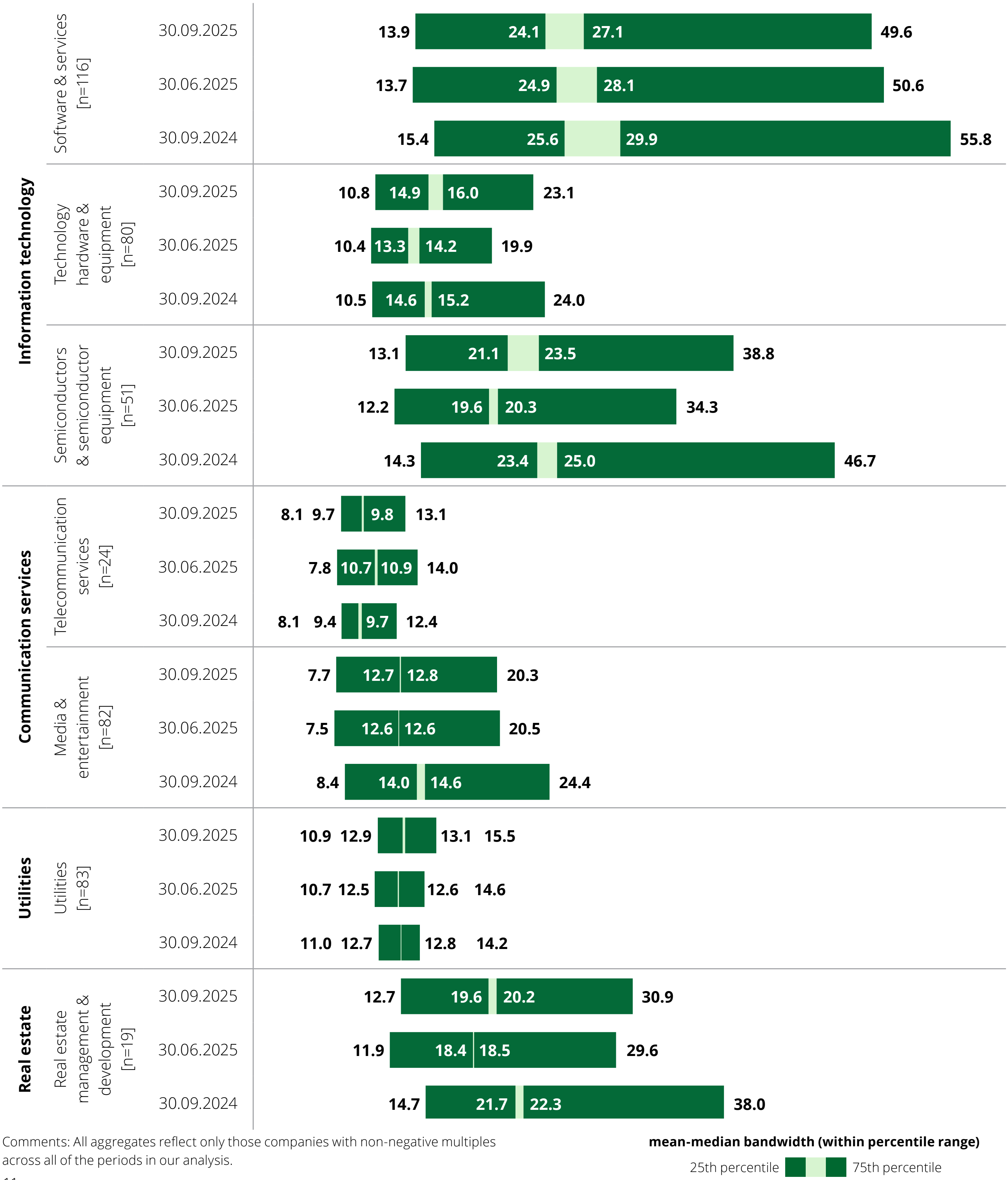
Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

mean-median bandwidth (within percentile range)

25th percentile 75th percentile

EBITDA multiples – North America | Full sector overview Q3/2025

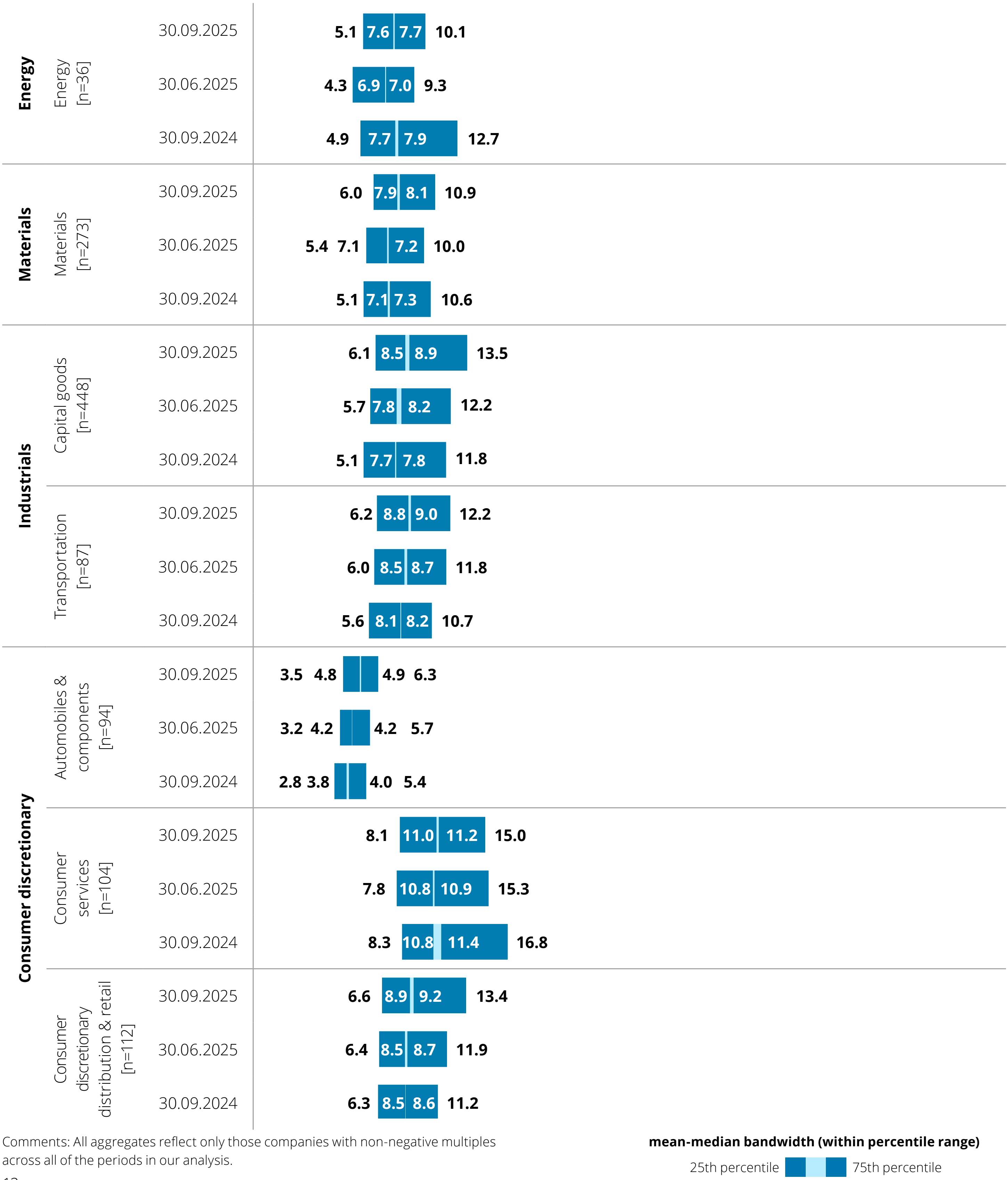
Fig. 8 – EBITDA multiples – North America – historic comparison (3/3)



Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

EBITDA multiples – Asia-Pacific | Full sector overview Q3/2025

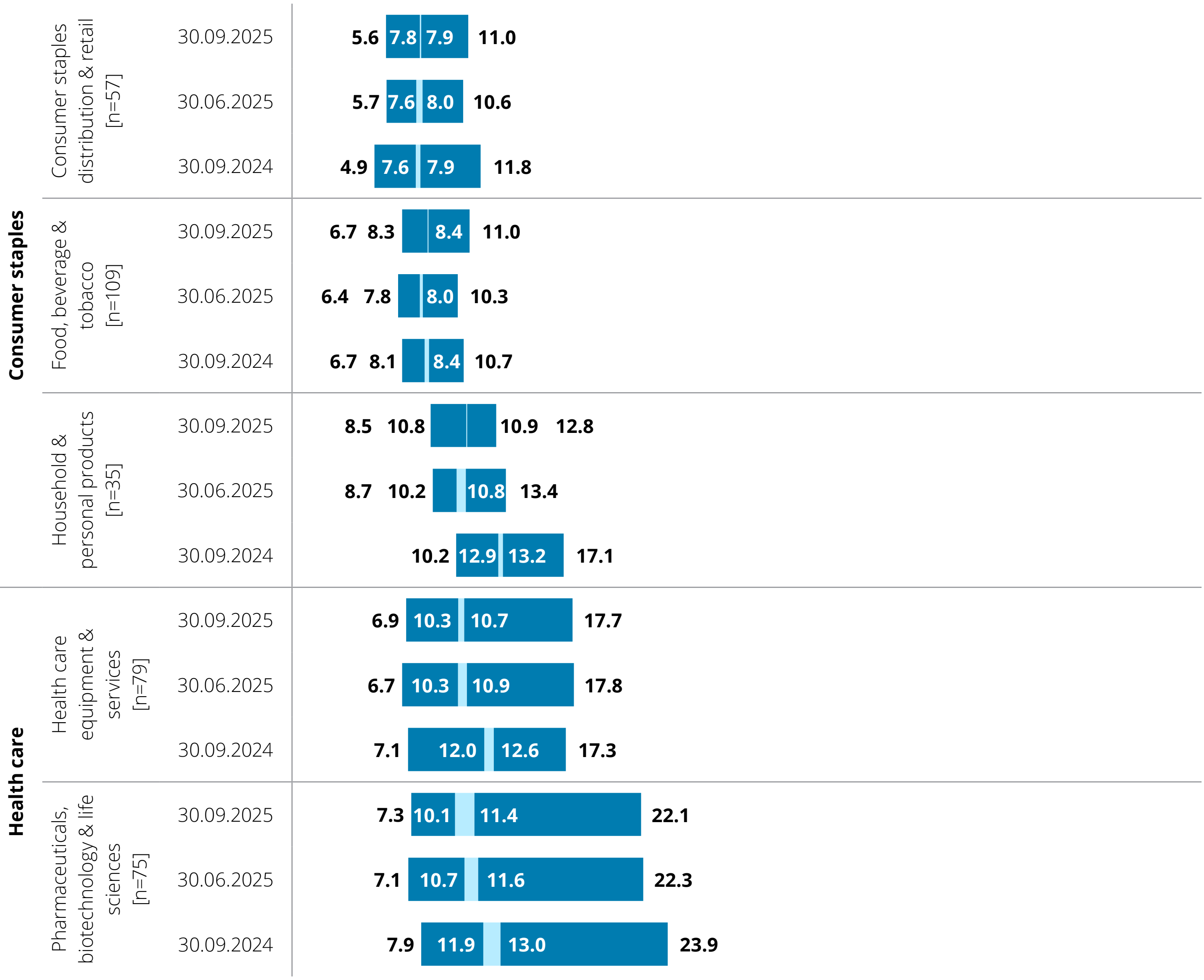
Fig. 9 – EBITDA multiples – Asia-Pacific – historic comparison (1/3)



Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

EBITDA multiples – Asia-Pacific | Full sector overview Q3/2025

Fig. 10 – EBITDA multiples – Asia-Pacific – historic comparison (2/3)



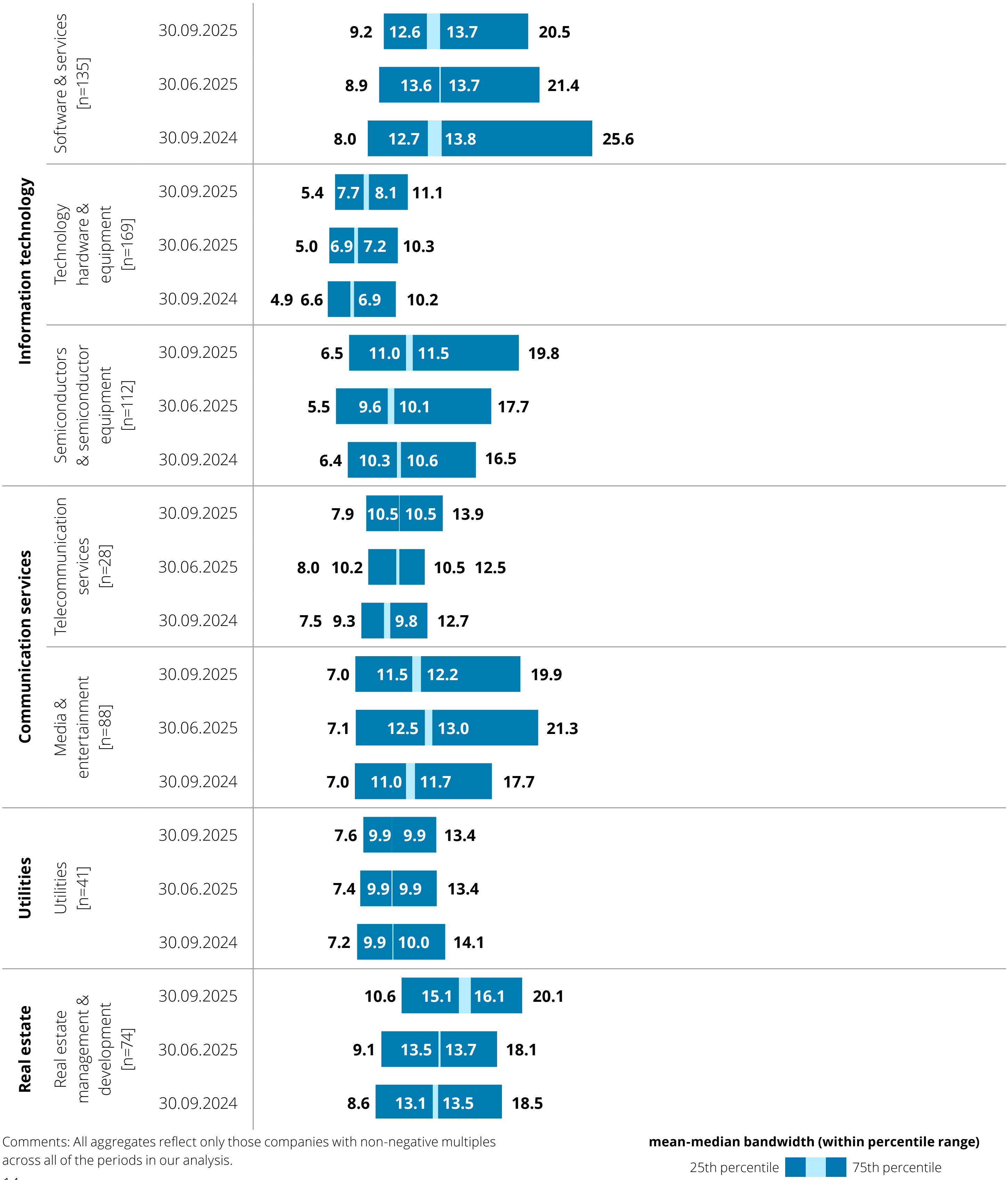
Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

mean-median bandwidth (within percentile range)

25th percentile 75th percentile

EBITDA multiples – Asia-Pacific | Full sector overview Q3/2025

Fig. 11 – EBITDA multiples – Asia-Pacific – historic comparison (3/3)



Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

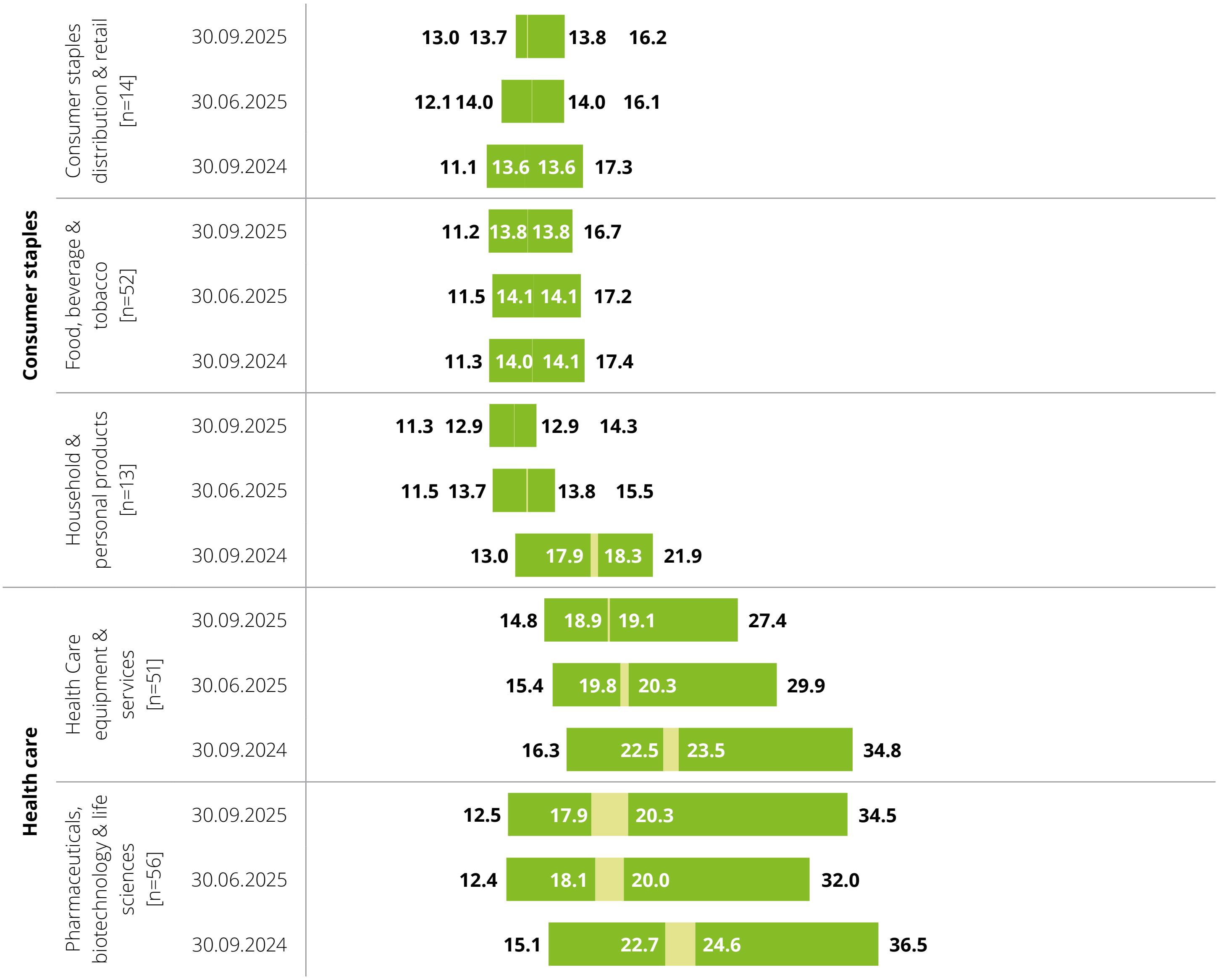
EBIT multiples – Europe | Full sector overview Q3/2025

Fig. 12 – EBIT multiples – Europe – historic comparison (1/3)

Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

EBIT multiples – Europe | Full sector overview Q3/2025

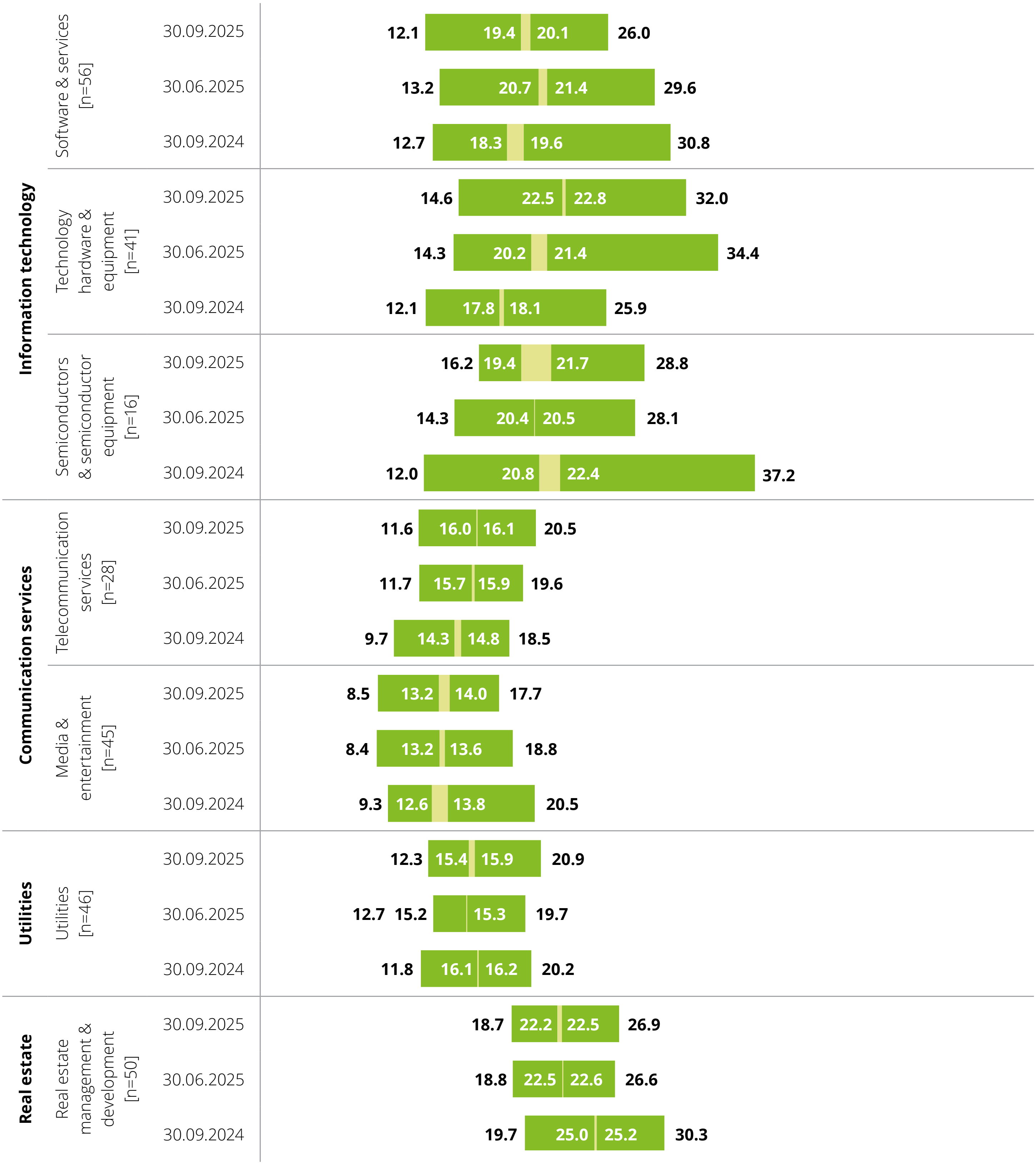
Fig. 13 – EBIT multiples – Europe – historic comparison (2/3)



Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

EBIT multiples – Europe | Full sector overview Q3/2025

Fig. 14 – EBIT multiples – Europe – historic comparison (3/3)



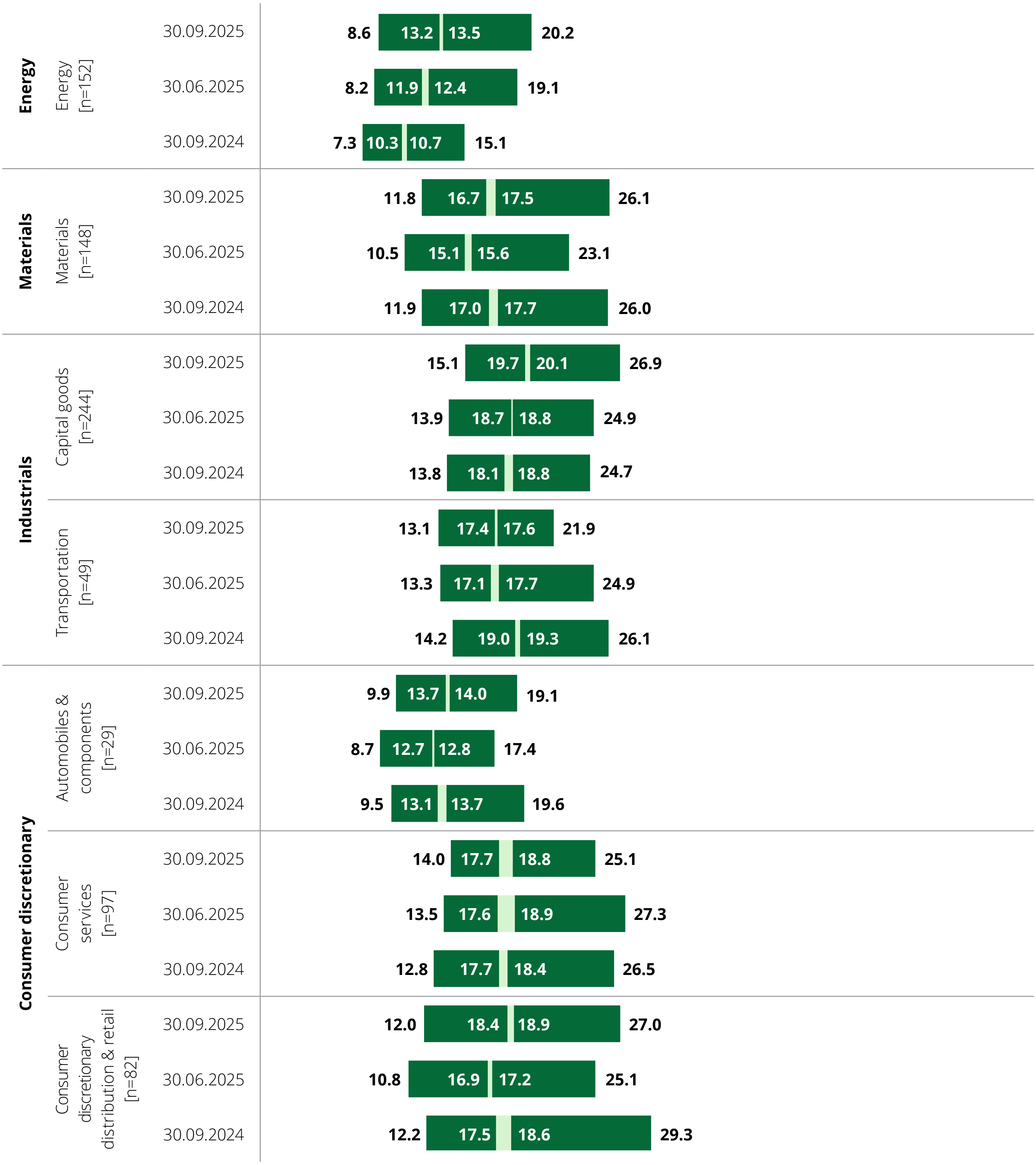
Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

mean-median bandwidth (within percentile range)

25th percentile | 75th percentile

EBIT multiples – North America | Full sector overview Q3/2025

Fig. 15 – EBIT multiples – North America – historic comparison (1/3)



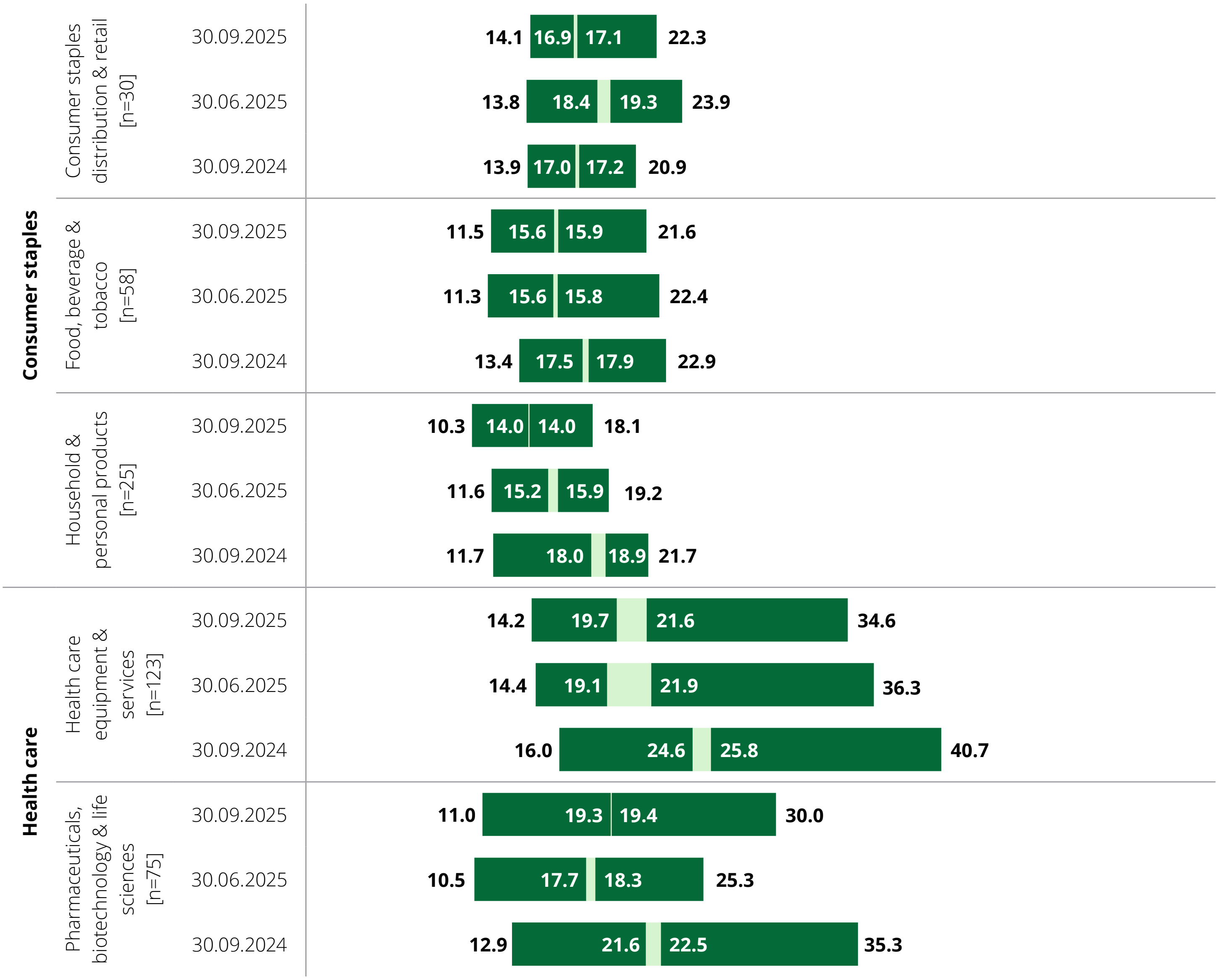
Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

mean-median bandwidth (within percentile range)

25th percentile 75th percentile

EBIT multiples – North America | Full sector overview Q3/2025

Fig. 16 – EBIT multiples – North America – historic comparison (2/3)



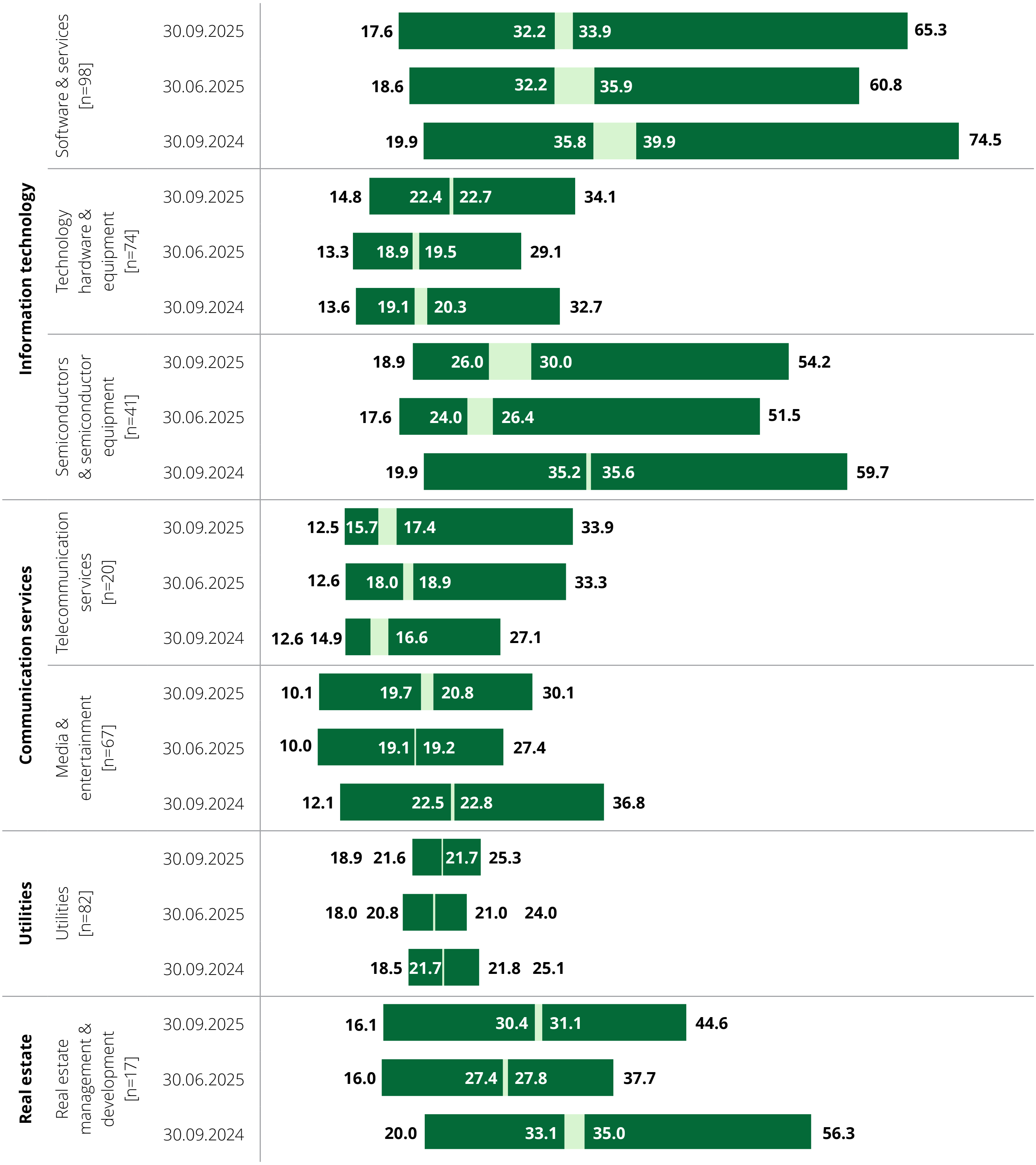
Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

mean-median bandwidth (within percentile range)

25th percentile 75th percentile

EBIT multiples – North America | Full sector overview Q3/2025

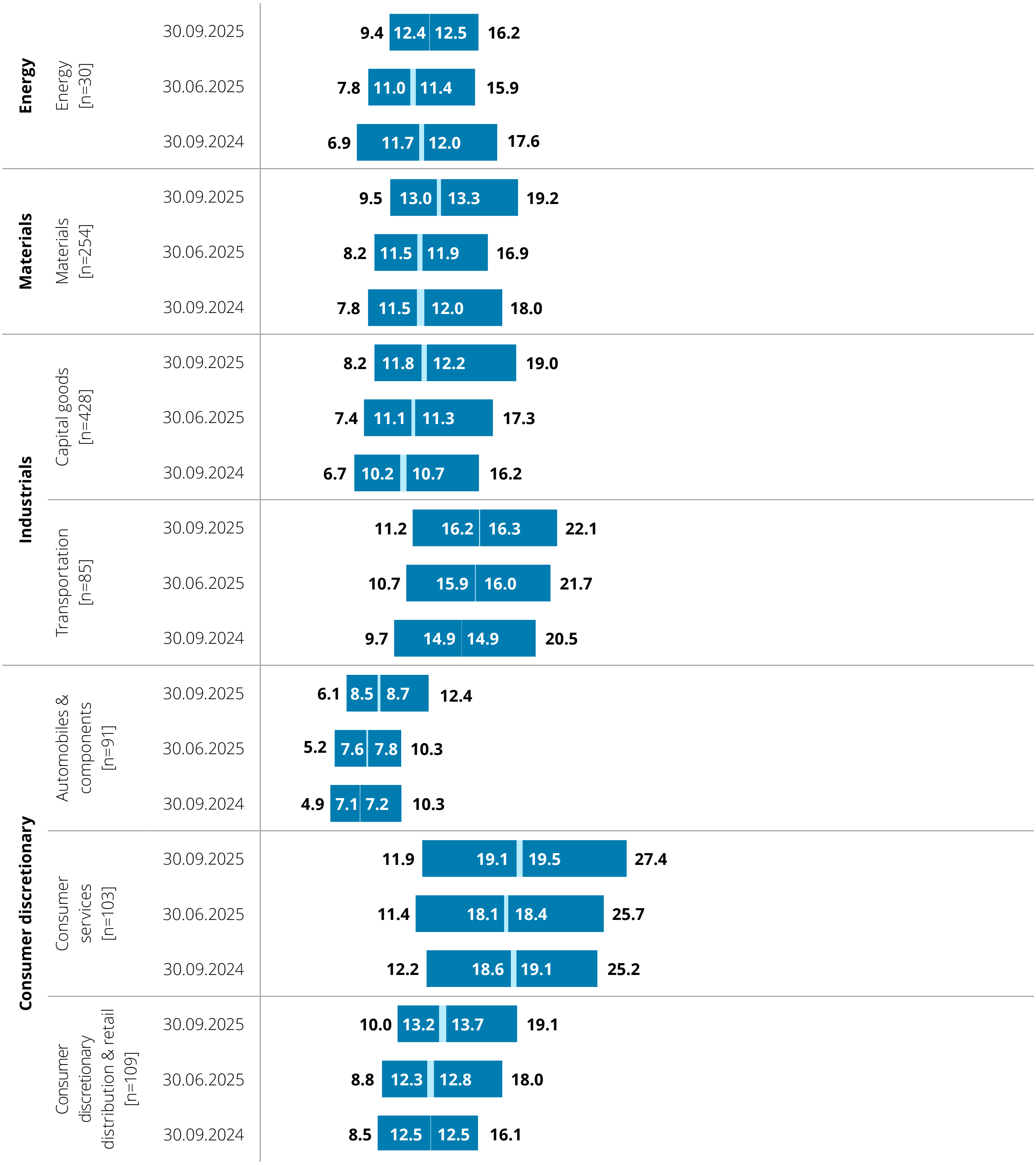
Fig. 17 – EBIT multiples – North America – historic comparison (3/3)



Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

EBIT multiples – Asia-Pacific | Full sector overview Q3/2025

Fig. 18 – EBIT multiples – Asia-Pacific – historic comparison (1/3)



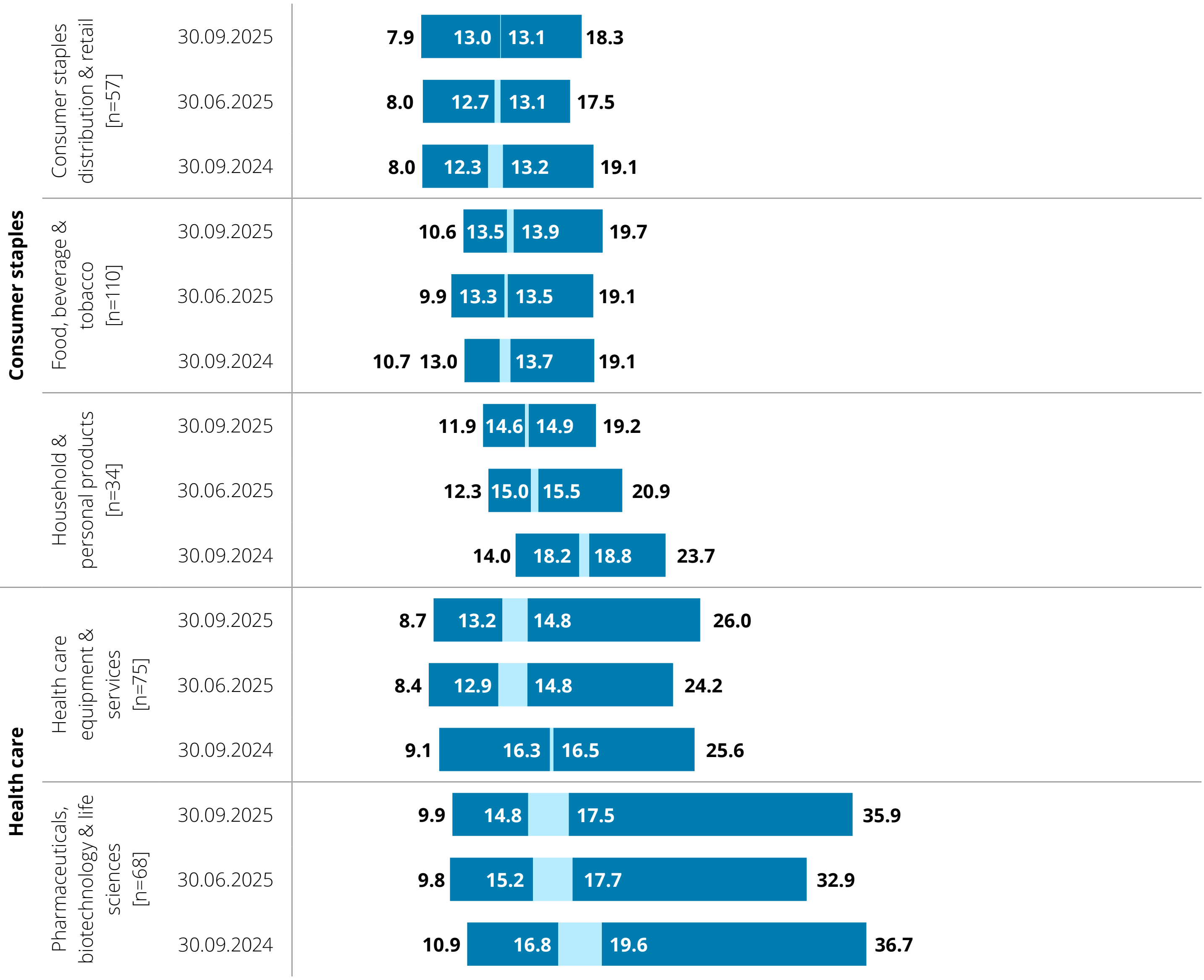
Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

mean-median bandwidth (within percentile range)

25th percentile | 75th percentile

EBIT multiples – Asia-Pacific | Full sector overview Q3/2025

Fig. 19 – EBIT multiples – Asia-Pacific – historic comparison (2/3)



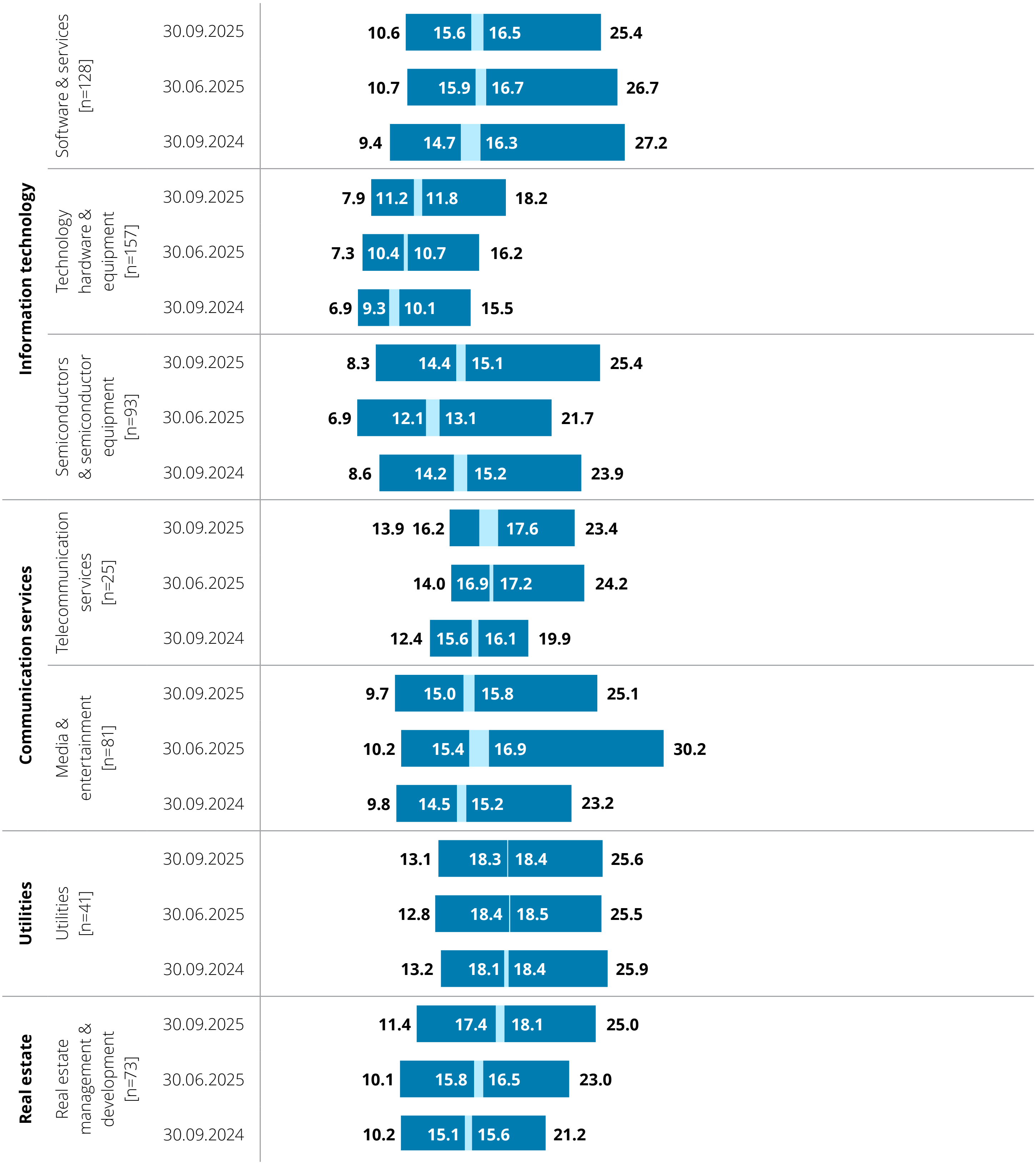
Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

mean-median bandwidth (within percentile range)

25th percentile 75th percentile

EBIT multiples – Asia-Pacific | Full sector overview Q3/2025

Fig. 20 – EBIT multiples – Asia-Pacific – historic comparison (3/3)



Comments: All aggregates reflect only those companies with non-negative multiples across all of the periods in our analysis.

mean-median bandwidth (within percentile range)

25th percentile 75th percentile

Registration information for free access to the interactive Valuation Multiple Screener

How it works

Please use the form on the website to register free of charge for both the Valuation Multiple Screener and the Deloitte Global Consulting Services Digital Hub (the Deloitte platform that hosts the screener).

You will receive a separate registration email for the Deloitte Global Consulting Services Digital Hub, usually from the address UsFaDigitalHubSvc@deloitte.com, to confirm your email address. As soon as we have received such confirmation, you will have access to the Deloitte Global Consulting Services Digital Hub.

For technical reasons — and despite what it says in the confirmation email — our team still has to manually activate your access to the Valuation Multiple Screener (as one of the tools in the Deloitte Global Consulting Services Digital Hub. We will do our best to activate your access within 72 hours – please check your email for notification.

Register for the Valuation Multiple Screener
here

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