



TRANSLINK

C O R P O R A T E F I N A N C E TM

IT SERVICES VALUATION INDEX

H2 2025

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This report is designed to provide an overview of valuation trends in the IT services sector and should not be used as a definitive view on individual company valuations, which can vary based on a range of factors that are specific to individual businesses. Please contact a member of the Translink CF team who would be delighted to talk to you about the specific circumstances of your business.

References: sources used in this report include Mergermarket, Capital IQ, Megabyte, individual company data and Translink CF research

Confidence rising as momentum starts to build for 2026

H2 FY25 was another period of contrasting fortunes across the three sub-sectors, with DX and Transformation showing positive signs of recovery, compared to no significant change, or a decline in valuations across the other sub-sectors

While sentiment remained cautious, improving macro visibility enabled mid-sized providers to re-engage with clients whose discretionary spend had been subdued earlier in the year. Buyers increasingly prioritised practical, ROI-driven initiatives - especially those tied to automation, AI-enabled productivity enhancements and cybersecurity resilience - areas where mid-market firms often hold niche strengths.

Across the sector, investment momentum continued to centre around AI and cybersecurity, with global AI spend expected to surpass €2.1 trillion in 2026 as organisations expand AI-integrated infrastructure and embed use cases. Similarly, cybersecurity budgets are forecast to rise in 2026. This has in part been impacted by tighter procurement, prolonged sales cycles and some pricing pressures in the sub-sector.

Deal activity remained selective but supportive. While mega-cap M&A dominated headlines, mid-market transactions saw renewed momentum, supported by private equity deploying capital into high-quality technology and security-focused acquisitions. As we head into 2026, the outlook is broadly optimistic, supported by robust levels of demand across the sector.

75

IT Services companies included in our index

DX and Trans EV from **9.4x LTM EBITDA**

(Q2 2025)

up to

10.0x LTM EBITDA

(Q4 2025)

IT Services EV from **15.9x LTM EBITDA**

(Q2 2025)

down to

14.2x LTM EBITDA

(Q4 2025)

Cyber EV from **21.0x LTM EBITDA**

(Q2 2025)

down to

18.9x LTM EBITDA

(Q4 2025)

Meet the team



MARC IRISSON
PARTNER, HEAD OF TMT GROUP

Marc is a M&A professional with more than 15 years of experience. He started his career as an analyst with MK Finance and then completed his financial expertise with an MBA from Georgia State University, Atlanta, USA. In 2011, he co-founded Financiere Monceau, now Translink CF France, and heads up the Technology, Media and Telecommunication (TMT) sector.

He has completed dozens of transactions, both buy and sell-side, with French and foreign clients. He has participated in various deals within the IT sector.



ANDY HAIGH
PARTNER

Andy has been providing corporate finance and deal making advice to privately owned businesses for nearly 20 years, both within the M&A and Private Equity team of one of the large consulting firms, and now at Translink CF. Andy is a proven deal leader and has a track record of delivering exceptional results for clients.

Andy has worked on a broad range of deals in the TMT sector, particularly in SaaS and IT Services.



AARON LOWERY
DIRECTOR

Aaron has over 10 years' experience in mid-market M&A, across Corporate Finance, Big 4 Transaction Support and as a Private Equity investor.

He has worked on several deals in the TMT sector, both domestic and cross-border, with trade and private equity clients.

Translink CF's valuation index

Understanding our sub-sectors

IT services presents a broad and complex landscape, with many of the participants of scale having activities that fall across several sub-sectors. Clearly this raises challenges when seeking to analyse their activities and sub-categorise them. We've categorised participants by what we've identified as their primary activity.

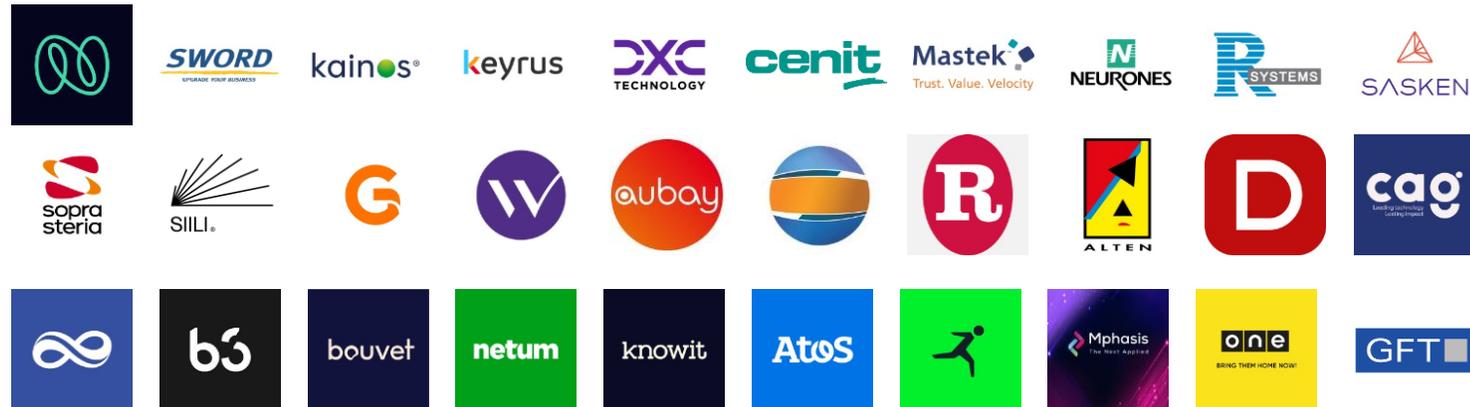
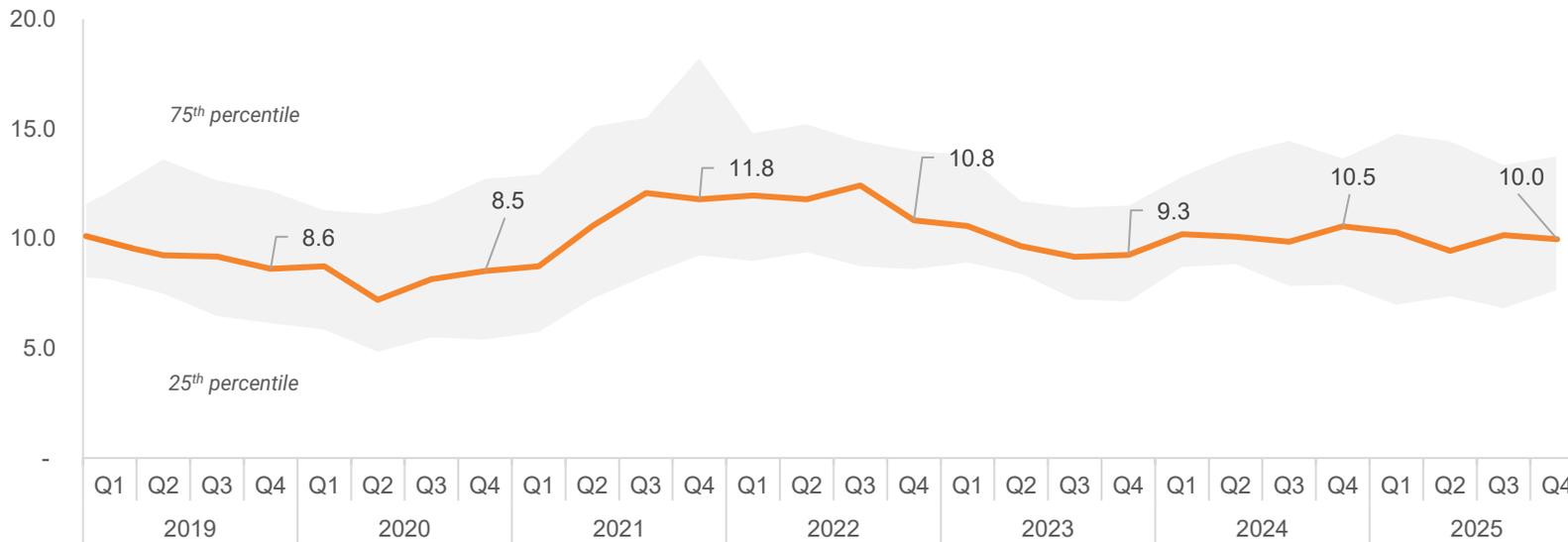
Ultimately, our goal is to provide an overview of the overall trends of company valuations in the sector. Each company, whether one of those being used in the index or a market participant wishing to use the index as a benchmark, will have unique characteristics that drive its own valuation, and this should be considered in conjunction with expert advice.

The index comprises listed businesses from countries across the Translink CF network, with a market capitalisation of c.€50m up to c.€5bn.



02 IT SERVICES VALUATION INDEX

DIGITAL CONSULTANCY & TRANSFORMATION - QUARTERLY EV / LTM EBITDA MULTIPLE (SAMPLE MEDIAN)



The Digital Consultancy and Transformation sub-sector focuses on businesses whose primary activities are advisory and consulting services, in a technology context, digital implementation and software integration.

The challenging start to FY25 persisted in the second half of the year, as ongoing macroeconomic uncertainty, geopolitical tensions and cautious corporate spending continued to delay larger transformation programmes.

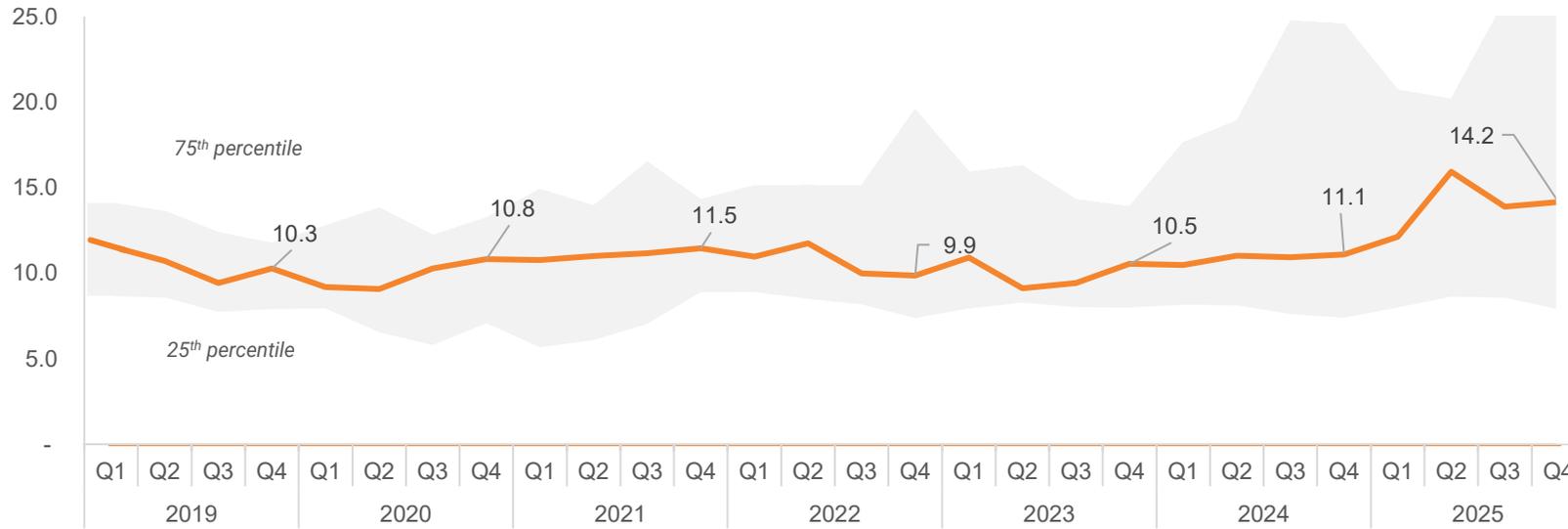
Trading was flat for the majority of the DX and transformation cohort due to continued delays and elongated procurement cycles, which is reflected by relatively stagnant valuations.

In an effort to accelerate revenue growth, some of the larger businesses are doubling down on the development of AI and Fast Track solutions, which are posing increasing levels of challenge to the traditional consulting model. Other key areas of investment continued to be focused on digital strategy and cloud modernisation.

M&A activity remained measured, with buyers concentrating on businesses demonstrating proven delivery capability, recurring services and differentiated offerings in fast-growing areas such as AI, data engineering and advanced analytics.

02 IT SERVICES VALUATION INDEX

GENERAL IT SERVICES - QUARTERLY EV / LTM EBITDA MULTIPLE (SAMPLE MEDIAN)



The General IT Services sub-sector focuses on businesses providing mission-critical IT infrastructure, systems and software on an outsourced basis.

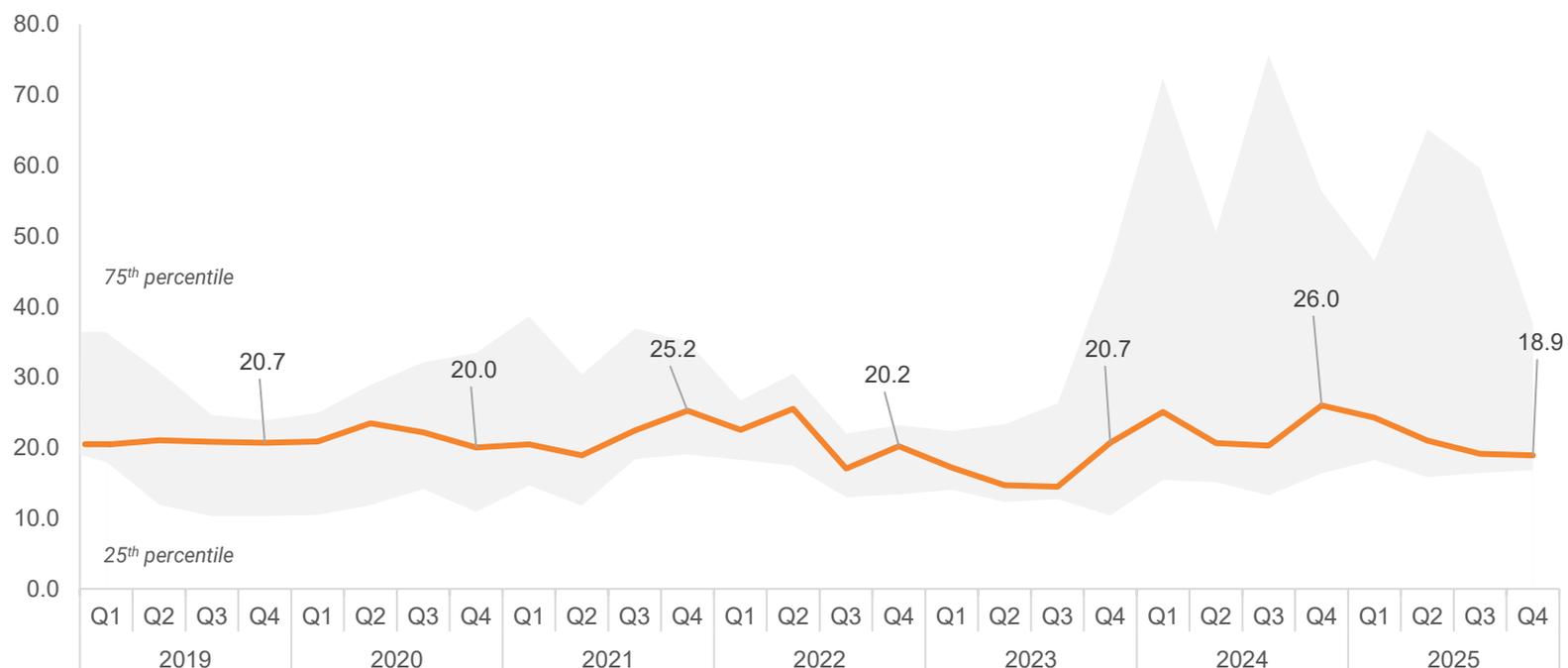
General IT Services continued to demonstrate resilience in H2 FY25, declining slightly from the peak in Q2 FY25, but continuing on an upward trajectory compared to FY24. The strong performers were generally supported by high levels of recurring revenues and deeper areas of expertise, such as end customer sector focus or specific product offerings. The cohort in the lower quartile incurred margin pressures, weak new logo sales and poor conversion of pipeline, which impacted growth.

M&A activity was steady but disciplined, with platforms prioritising acquisitions that enhance customer density, cloud capability and cross-sell potential. Private equity interest remained firm, though deployment remained selective amid tighter financing conditions and ongoing valuation alignment.

We expect 2026 to be more positive than 2025, with investor focus expected to continue favouring providers with diversified service portfolios, strong renewal economics and operational resilience.

02 IT SERVICES VALUATION INDEX

CYBER & DATA - QUARTERLY EV / LTM EBITDA MULTIPLE (SAMPLE MEDIAN)



The cyber & data sub-sector comprises providers of cybersecurity, data analytics, AI, GRC, cloud security and identity services, addressing escalating digital and regulatory risks.

After a number of years of strong trading and increasing valuations, the cyber & data sub-sector started to show some signs of a slowdown, as valuations began to drop off during FY25. Whilst demand remained, the market felt the impact of tighter procurement, prolonged sales cycles and some pricing pressures during competitive tenders.

Escalating threat activity, heightened regulatory expectations and the growing adoption of AI-enabled security tools continued to support demand across enterprise and mid-market buyers. As a result, cyber security budgets should be relatively robust in 2026, even if there is a slowdown in spending compared to previous years.

Despite the resilience of underlying demand, M&A activity remained relatively steady, with transactions concentrated on high-quality, differentiated assets that offer strategic importance and scarcity value, with deal volumes boosted by smaller, low-risk bolt-ons.

IT Services

The global perspective

NEW YORK CITY, UNITED STATES 

Exchanges: **NYSE, Nasdaq**
 Number of companies: **13**
 Mean Market Cap: **€2011.3m**
 Median Market Cap: **€1204.7m**
 Mean EBITDA Multiple: **48.1x**
 Median EBITDA Multiple: **16.5x**

LONDON, UNITED KINGDOM 

Exchanges: **LSE, AIM**
 Number of companies: **8**
 Mean Market Cap: **€876.1m**
 Median Market Cap: **€387.5m**
 Mean EBITDA Multiple: **14.8x**
 Median EBITDA Multiple: **16.6x**

PARIS, FRANCE 

Exchange: **Euronext Paris**
 Number of companies: **9**
 Mean Market Cap: **€1064.8m**
 Median Market Cap: **€799.5m**
 Mean EBITDA Multiple: **8.0x**
 Median EBITDA Multiple: **9.0x**

OSLO, NORWAY 

Exchange: **Oslo Børs**
 Number of companies: **1**
 Mean Market Cap: **€576.9m**
 Median Market Cap: **€576.9m**
 Mean EBITDA Multiple: **12.7x**
 Median EBITDA Multiple: **12.7x**

HELSINKI, FINLAND 

Exchange: **Nasdaq Helsinki**
 Number of companies: **6**
 Mean Market Cap: **€459.6m**
 Median Market Cap: **€255.2m**
 Mean EBITDA Multiple: **7.9x**
 Median EBITDA Multiple: **7.5x**

STOCKHOLM, SWEDEN 

Exchange: **Nasdaq Nordic**
 Number of companies: **4**
 Mean Market Cap: **€124.0m**
 Median Market Cap: **€94.0m**
 Mean EBITDA Multiple: **7.7x**
 Median EBITDA Multiple: **7.9x**

MADRID, SPAIN 

Exchange: **BME**
 Number of companies: **1**
 Mean Market Cap: **€5995.4m**
 Median Market Cap: **€5995.4m**
 Mean EBITDA Multiple: **11.0x**
 Median EBITDA Multiple: **11.0x**

MILAN, ITALY 

Exchange: **BIT**
 Number of companies: **1**
 Mean Market Cap: **€4569.5m**
 Median Market Cap: **€4569.5m**
 Mean EBITDA Multiple: **13.2x**
 Median EBITDA Multiple: **13.2x**

TEL AVIV, ISRAEL 

Exchange: **TASE**
 Number of companies: **3**
 Mean Market Cap: **€719.1m**
 Median Market Cap: **€637.3m**
 Mean EBITDA Multiple: **8.5x**
 Median EBITDA Multiple: **7.4x**

MUMBAI, INDIA 

Exchanges: **NSE, BSE**
 Number of companies: **21**
 Mean Market Cap: **€785.2m**
 Median Market Cap: **€158.6m**
 Mean EBITDA Multiple: **38.9x**
 Median EBITDA Multiple: **21.1x**

FRANKFURT, GERMANY 

Exchange: **Deutsche Börse**
 Number of companies: **9**
 Mean Market Cap: **€392.3m**
 Median Market Cap: **€466.1m**
 Mean EBITDA Multiple: **8.4x**
 Median EBITDA Multiple: **8.7x**

Key impacts shaping the sector in FY26 and beyond...

FY25 key takeaways

Overall, FY25 was a challenging year for the IT Services sector, with the year playing out against familiar themes of macroeconomic uncertainty, geopolitical tensions and cautious corporate spending slowing major transformation programmes.

While economic and regulatory uncertainty continued to influence client behaviour, spending discipline became more predictable (if not slower in some sub-sectors), allowing previously deferred initiatives - particularly around resilience, cloud optimisation and cybersecurity - to move forward.

AI remained a defining theme, driven by rapid integration of AI features within incumbent software and infrastructure platforms rather than net-new standalone systems. This trend benefitted mid-market providers offering practical implementation, integration and managed services adjacent to AI adoption.

M&A activity remained selective but constructive, supported by ample private equity capital and sustained interest in acquiring specialist cloud, cyber and data capabilities. Overall, the mid-market demonstrated resilience, supported by long-term structural demand, even as clients continued to scrutinise discretionary spend.

Outlook for H1 FY26 (and beyond)

There are some early signs of optimism for 2026 across the sector, particularly for the General IT Services sub-sector. While ongoing geopolitical and macroeconomic uncertainties will continue to shape client priorities, the sector is supported by strong long-term demand for AI-enabled productivity, cybersecurity resilience and cloud-modernisation programmes.

AI adoption is expected to deepen and will be the key driver for the sector during 2026, as businesses shift from experimental pilots toward integrated, operational use cases embedded within existing platforms.

Spending may remain selective, with large discretionary programmes advancing slowly, but recurring and mission-critical services - managed detection and response, cloud operations, data governance and automation-led infrastructure support - are expected to provide a stable base of mid-market growth.

Investor appetite is likely to persist, with both strategic acquirers and private equity sponsors targeting high-quality mid-market assets that expand technical capability and delivery scale. Overall, the sector enters 2026 with relatively robust levels of demand, albeit balanced against the backdrop of tough trading conditions.

Spotlight on: Translink CF landmark deal

Translink CF advised French digital transformation consultancy MC2i on its acquisition of Tasmane, an independent strategy and transformation consulting firm, along with its subsidiaries Ogures and Inditto Consulting.

Tasmane is an independent consulting firm focused on strategy and transformation, comprising two division - Inditto Consulting, an industrial sector digital specialist, and Ogures, specialising in the management and efficiency of IT & Digital projects.

MC2i is a leading digital transformation consulting firm, with a turnover of €181M in 2024. MC2i supports more than 120 clients, both private and public, in the management, design, implementation and deployment of their major digital transformation projects.

Combining the expertise of both groups offers integrated end-to-end advisory and support, from strategic vision to operational implementation. The enlarged group is well positioned to meet the growing demand from large companies and public bodies by combining strategic vision and operational excellence.

The logo for MC2i, with 'mc' in blue, '2' in red, and 'i' in blue.

Acquired

The logo for Tasmane, in a dark blue, bold, sans-serif font.

Advisor to the buyer

September 2025 | France

04 ABOUT TRANSLINK CF AND IT SERVICES SECTOR EXPERTISE

Translink CF

Recent IT Services sector deals

For more information on Translink's expertise in TMT, visit:

www.translinkcf.com/industry-sectors/TMT/

<p>TMT</p> <p>NOVEMBER 2025</p> <p>SWEDEN UNITED KINGDOM</p> <p>Eye World The leading cybersecurity service with AI</p> <p>acquired</p> <p>SafeWeb</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the buyer</p>	<p>TMT</p> <p>OCTOBER 2025</p> <p>THE NETHERLANDS</p> <p>Translink acted as the financial advisor in the ownership restructuring of</p> <p>Clever Republic</p> <p>TRANSLINK CORPORATE FINANCE Certified advisor</p>	<p>TMT</p> <p>AUGUST 2025</p> <p>FINLAND NORWAY</p> <p>HAWK</p> <p>acquired</p> <p>NORDIC BIM GROUP a portfolio company of</p> <p>EVOLVER</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>	<p>TMT</p> <p>APRIL 2025</p> <p>THE NETHERLANDS</p> <p>TECHONE</p> <p>acquired</p> <p>NETGROEP » PERFORMANCE IT</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>	<p>TMT</p> <p>DECEMBER 2024</p> <p>ITALY</p> <p>GRUPPO FOS soluzioni ad alta tecnologia</p> <p>acquired</p> <p>rtc INFORMATION TECHNOLOGY</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>
<p>TMT</p> <p>OCTOBER 2024</p> <p>DENMARK</p> <p>DIGITAL GROUP</p> <p>acquired</p> <p>XDC GRUPPEN</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>	<p>TMT</p> <p>SEPTEMBER 2024</p> <p>UNITED STATES</p> <p>magna⁵ a portfolio company of</p> <p>NEWSPRING acquired</p> <p>FULLSCOPE IT</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the buyer</p>	<p>TMT</p> <p>AUGUST 2024</p> <p>SWEDEN NORWAY</p> <p>Miss Group</p> <p>acquired</p> <p>domeneshop</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the buyer</p>	<p>TMT</p> <p>AUGUST 2024</p> <p>FINLAND DENMARK</p> <p>twoday</p> <p>acquired</p> <p>KAITOJ</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>	<p>TMT</p> <p>APRIL 2024</p> <p>GERMANY</p> <p>COHEM a portfolio company of SILVER INVESTMENT PARTNERS</p> <p>acquired</p> <p>syncor IT Solutions GmbH a subsidiary of</p> <p>syncor GmbH</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>

04 ABOUT TRANSLINK CF AND IT SERVICES SECTOR EXPERTISE

Translink CF

Recent TMT sector deals

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<p>TMT</p> <p>DECEMBER 2025</p> <p>SPAIN</p> <p>DIVISADERO CAPITAL</p> <p>acquired</p> <p>VISUAL COUNTER</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>	<p>TMT</p> <p>OCTOBER 2025</p> <p>SPAIN</p> <p>Alerce Group</p> <p>a portfolio company of</p> <p>Oakley Capital</p> <p>acquired</p> <p>proxium esp solution</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>	<p>TMT</p> <p>SEPTEMBER 2025</p> <p>UNITED KINGDOM UNITED STATES</p> <p>Cordance.</p> <p>acquired</p> <p>AppsAnywhere</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>	<p>TMT</p> <p>MAY 2025</p> <p>THE NETHERLANDS</p> <p>stipter</p> <p>acquired</p> <p>BLINQ.T Autogramation</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>	<p>TMT</p> <p>MAY 2025</p> <p>FINLAND SWEDEN</p> <p>NORDTECH</p> <p>acquired</p> <p>FinMeas</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>
<p>TMT</p> <p>MARCH 2025</p> <p>SWEDEN</p> <p>EyeonGroup</p> <p>acquired</p> <p>safestate</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the buyer</p>	<p>TMT</p> <p>FEBRUARY 2025</p> <p>THE NETHERLANDS</p> <p>Yonamy B.V.</p> <p>acquired</p> <p>AMYYON</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>	<p>TMT</p> <p>FEBRUARY 2025</p> <p>FINLAND</p> <p>HARTWALL CAPITAL</p> <p>invested in</p> <p>LINKITY</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>	<p>TMT</p> <p>JANUARY 2025</p> <p>NORWAY FRANCE</p> <p>VISMA</p> <p>acquired</p> <p>evoliz</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the buyer</p>	<p>TMT</p> <p>DECEMBER 2024</p> <p>FINLAND SWEDEN THE NETHERLANDS</p> <p>HUSKY INTELLIGENT FRIDGES</p> <p>acquired</p> <p>Selfly Store</p> <p>TRANSLINK CORPORATE FINANCE Advisor to the seller</p>

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The dynamic landscape of the IT services sector

A summary of the key technological trends shaping the future of the sector

	Artificial Intelligence (AI) and Machine Learning (ML)	Blockchain technology	Cloud computing	Internet of Things (IoT)	Cybersecurity mesh	Quantum computing	Big data and analytics
Impact	<ul style="list-style-type: none"> Automates repetitive tasks, enhances decision-making and helps drive innovation and new business models 	<ul style="list-style-type: none"> Enhances transparency and security in transactions, and increases efficiency 	<ul style="list-style-type: none"> Provides scalable IT resources, driving cost optimisation and agility 	<ul style="list-style-type: none"> Enables interconnected devices for efficient operations and data analytics 	<ul style="list-style-type: none"> Provides a transformative approach by decentralising and distributing security perimeters 	<ul style="list-style-type: none"> Promises efficient solutions for complex problems, affecting fields like cryptography 	<ul style="list-style-type: none"> Enables data-driven decision making, improving efficiency, customer experiences, and innovation
Adoption rate	<ul style="list-style-type: none"> Increasingly widespread across numerous industries 	<ul style="list-style-type: none"> Growing, especially in financial services, healthcare and supply chain management 	<ul style="list-style-type: none"> Continues to soar, pivotal for digital transformation 	<ul style="list-style-type: none"> Growing with advancements in connectivity and sensor technology 	<ul style="list-style-type: none"> Gaining momentum for enhanced security posture 	<ul style="list-style-type: none"> Early stages but growing interest and investment 	<ul style="list-style-type: none"> Widespread, with significant momentum
Implications	<ul style="list-style-type: none"> Requires workforce upskilling and infrastructure updates; raises privacy and ethical concerns 	<ul style="list-style-type: none"> Faces challenges such as regulatory clarity and technical complexity 	<ul style="list-style-type: none"> Necessitates attention to security, compliance, privacy, and data sovereignty 	<ul style="list-style-type: none"> Raises data security and privacy concerns; needs interoperable standards 	<ul style="list-style-type: none"> Requires comprehensive security strategies and ongoing investment 	<ul style="list-style-type: none"> Could revolutionise various industries; necessitates new cybersecurity measures 	<ul style="list-style-type: none"> Presents challenges to data privacy, security and technical complexities



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