

A blue-tinted photograph of a business meeting. In the foreground, a person's hand is pointing at a tablet. In the background, another person in a suit is writing on a document. Several laptops and tablets are open on the desk. The overall scene is professional and focused on technology and business analysis.

**C&M**  
**ANALYSES**

***IT Services \_ Key trends***

***Executive Summary***

***May 2024***

---

**We can help you developing your business through strong values of expertise, respect, fairness and transparency**

## Why these trends?

---

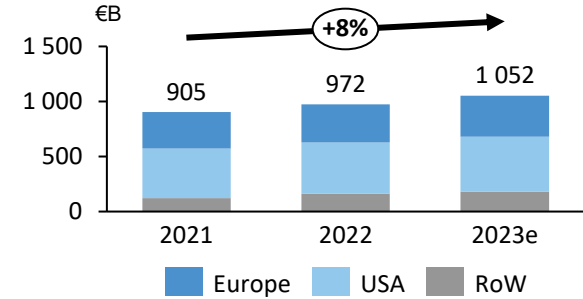
1. Trends create **change**
2. Change leads to **strategic development**
3. Strategy drives **acquisitions**
4. Good companies get **sold**

# IT services : executive summary

The industry will keep growing. More than 6 800 deals in 2023

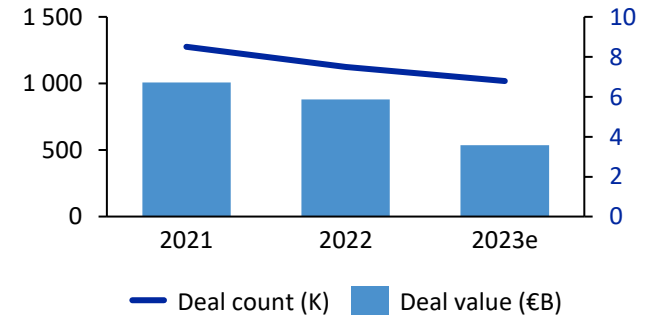
## Market overview

- The industry will keep growing in 2023 (+8%) thanks to a high demand in new digital technologies (for business transformation)
- Growing need for cybersecurity solutions, as company worried about the protection of their digital infrastructure
- Market growth is expected to be under 8% in 2024 due to the uncertain economic climate and longer decision-making times
- IT companies aims to preserve their margins: price increase, deployment of generative AI tools in the organizational processes
- Engineering wages remain the most important factor



## Industry Drivers

- Big data, IoT and AI have increased the connectivity and complexity of systems and network demands
- Security and privacy remains the key issues due to the BYOD adoption
- Digitalization of the economy and the rise of cloud computing

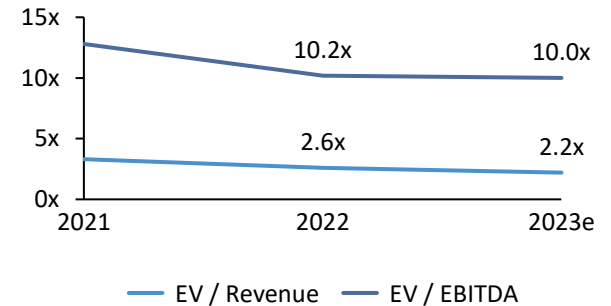


## M&A deals

- 2023 was marked by a second decrease in the deal counts, estimated at 6 800 representing c.€540B
- 2024: rebound will be driven by Corporate buyers stepping up
- Tax is increasingly at the forefront of negotiations

























## Main acquirers

- Capgemini: BTC (2023), Knowledge Expert (2022), Quorsus (2022)
- Sopra Steria: CS Group (2023), Ordina (2023), Tobania (2022)
- Alten: Solvit (2023), Volansys (2022), Afour
- Accenture: Optimind (2023), Solvera (2022), Eclipse, ARZ, Sentia



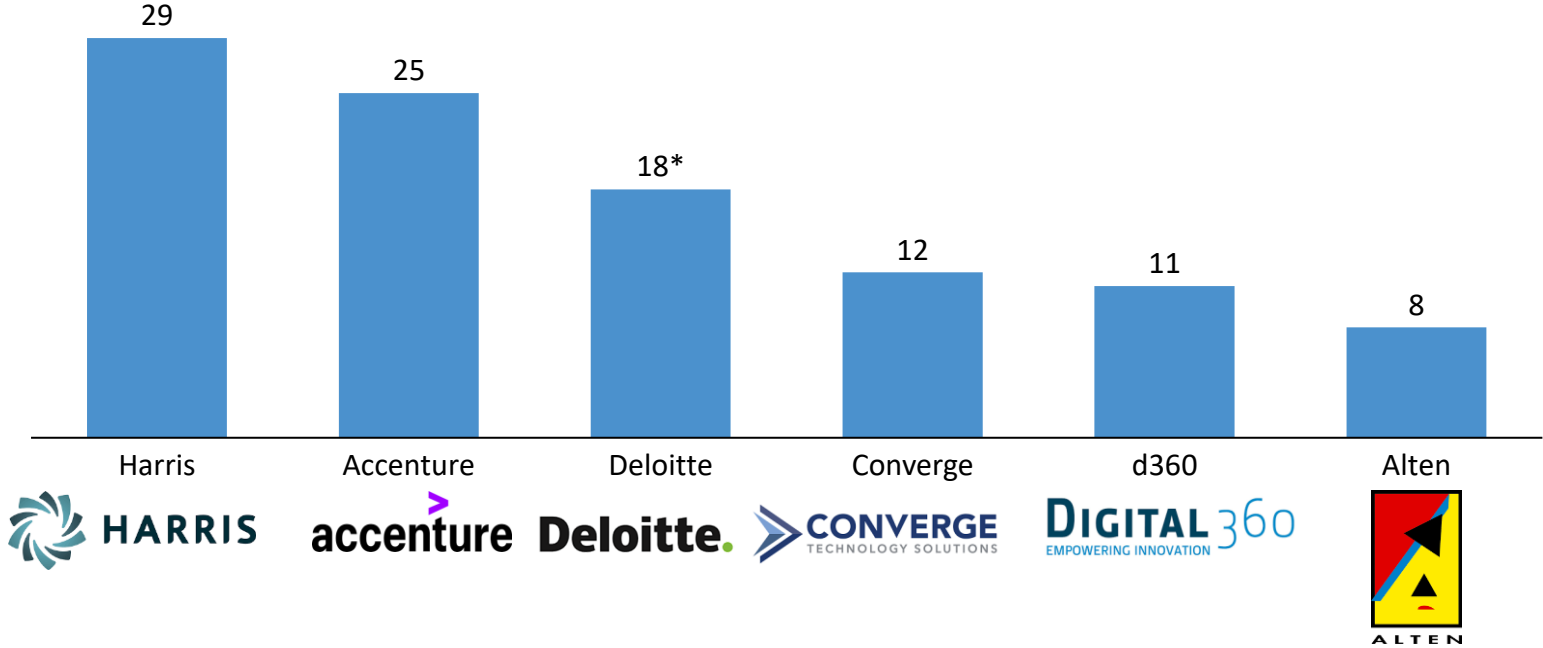
Source: Companies' annual reports, Pitchbook. Data reprocessed by C&M Analyses

# 2023 Tech Valuations

Sector SW	EV/Sales	EV/EBITDA	Examples
Security IT	▼ 4.8x	▼ 18.2x	  
Digital marketing	▼ 2.8x	▼ 18.6x	  
Enterprise Sw	▲ 5.6x	▲ 23.2x	  
Fintech	▼ 4.6x	▼ 18.0x	  
FoodTech	▲ 2.6x	▲ 14.1x	  
HRTech	▲ 3.2x	▲ 14.0x	  
Manufacturing	▼ 2.3x	▼ 14x	  
Others	▼ 2.0x	▼ 9.2x	  

Note: average multiples compiled  
sources: C&M Analyses database, Pitchbook, Crunchbase

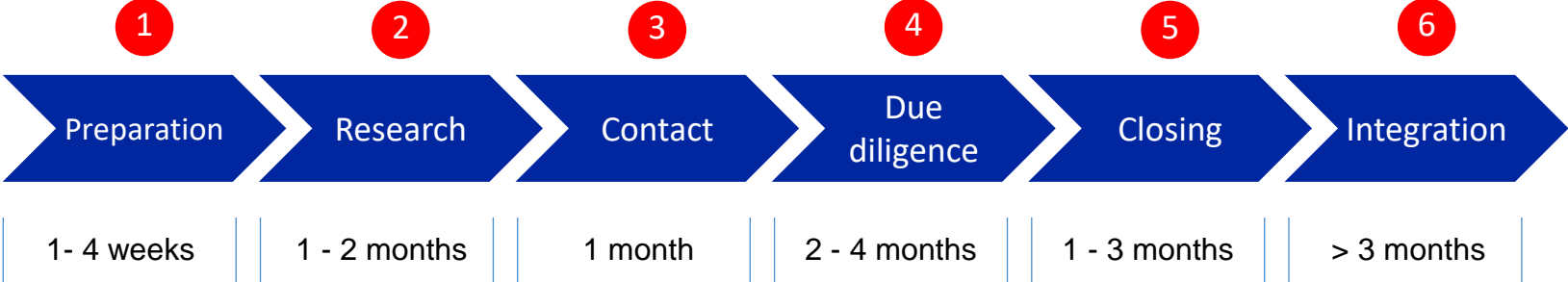
# Top Strategic acquirers in our network




Note: Donnée 2022

# Stages for an optimal outcome

---





**C&M**  
**ANALYSES**

We welcome your questions!

**Email : [thierry.fogue@cm-analyses.fr](mailto:thierry.fogue@cm-analyses.fr)**