



Technology Services 2023 Full-Year Industry Update

Cloud Software Platforms
Fueling Growth of Cloud
Services Ecosystems in 2024

February 2024

[kpmg.com](https://www.kpmg.com)



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Introduction

Introduction: Technology Services Sector Update

Despite headwinds in overall M&A across all sectors, coupled with macroeconomic uncertainty, Technology Services M&A market remained robust in 2023, driven by a number of key sector themes, such as Cloud Enablement, Digital Transformation, Data / Analytics, and AI. Share prices for publicly-traded Technology Services companies recovered in 2023 versus experiencing significant declines in 2022. Valuations similarly increased over the last twelve months from an average EV / LTM EBITDA multiple of 13.5x at the beginning of the year to 15.4x by the end of 2023.



Major Cloud Platforms Driving Cloud Enablement Services Spend

- The overall spend on Cloud Platforms is nearly \$260 billion
- The hyperscalers – AWS, Azure, and GCP, comprise the majority of Cloud Platform spend, at 67% of the total market share in 2023
- Other Cloud Platforms of most interest to Technology Services acquirers include Adobe, Atlassian, Databricks, IBM, Oracle Cloud, Salesforce, SAP, ServiceNow, Snowflake, UiPath, and Workday



Key 2023 Investment Themes Among Technology Services Acquirers

Capability

Digital Transformation

Cloud Enablement

Data / Analytics / AI

Managed Services

Cybersecurity

End-Market

Banking / Financial Services

Healthcare / Life Sciences

Manufacturing

Client Size

Mid-to-Large Enterprises



Technology Services M&A Update: 2023

- M&A volume in the Technology Services sector exceeded last year with an increase of 3.5% in 2023, driven by a number of key investable themes
- High-quality assets continue to garner interest from strategic and financial acquirers, due to industry tailwinds and a significant amount of capital sitting on the sidelines
- Accenture remained the most active acquirer of Technology Services assets in 2023, completing 27 deals. Other significant acquirers included The 20 MSP Group, Bechtle, VAR Group, and Globant



Key Valuation Trends

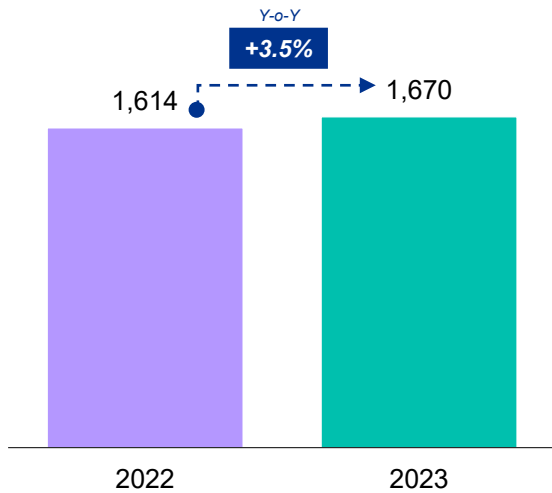
- Valuation multiples (EV / LTM EBITDA) of publicly-traded Technology Services companies expanded in 2023
 - Median multiples expanded in 2023 to 15.4x, up from 13.5x at the beginning of 2023
- The Technology Services index appreciated 19.6% in 2023, reversing the compressions seen in 2022

Technology Services Strategic Dashboard

M&A volume in the Technology Services sector increased 3.5% in 2023 to 1,670 deals. M&A value in the sector increased from \$36.4B in 2022 to \$38.9B in 2023. Publicly-traded Technology Services share prices appreciated in 2023, recording a gain of 19.6% as of December 2023. Public market valuation multiples increased 14.0% in 2023 as compared to 2022.

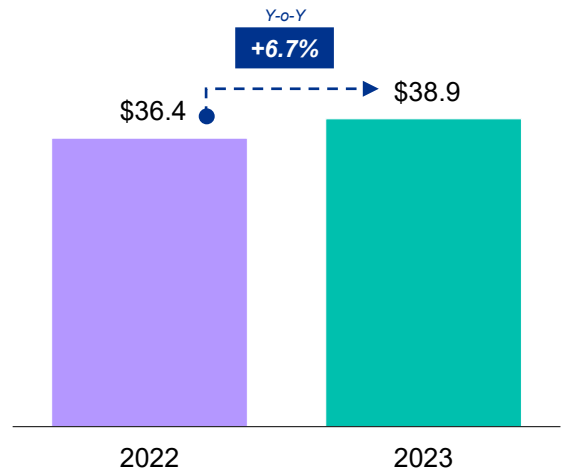
Technology Services M&A Transactions – by Volume (1)

(# of deals)

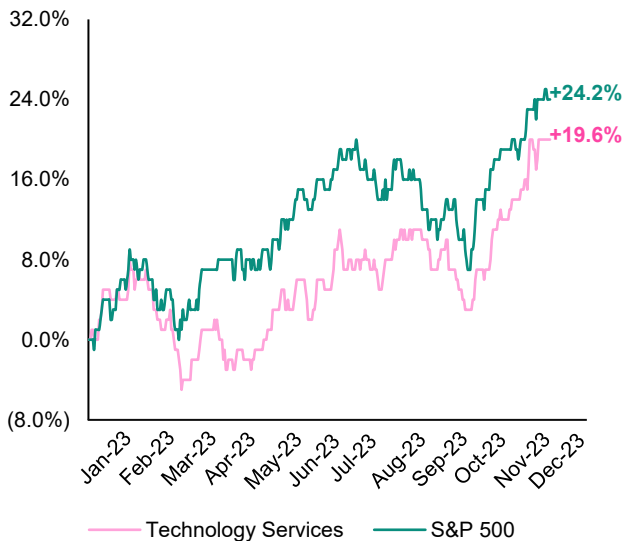


Technology Services M&A Transactions – by Value (1)

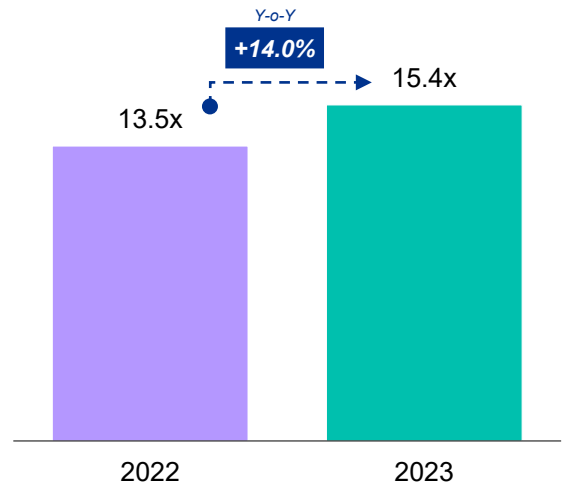
(\$'s in billions)



Share Price Performance (Jan 2023 – Dec 2023) (2)



Valuation (EV / LTM EBITDA) (2)



Source: 451 Research, KPMG analysis, Capital IQ as on 12.31.23.

(1): M&A transactions consists of select 451 defined sectors and sub-sectors including Datacenter Services, Hosted / Managed Services, IT Services & Distribution, IT Outsourcing, Infrastructure Management - Integration and Systems Management, and Storage - Data Protection and Data Management.

(2): Share price performance and EV / LTM EBITDA multiples of publicly-traded Technology Services firms highlighted on page 37.



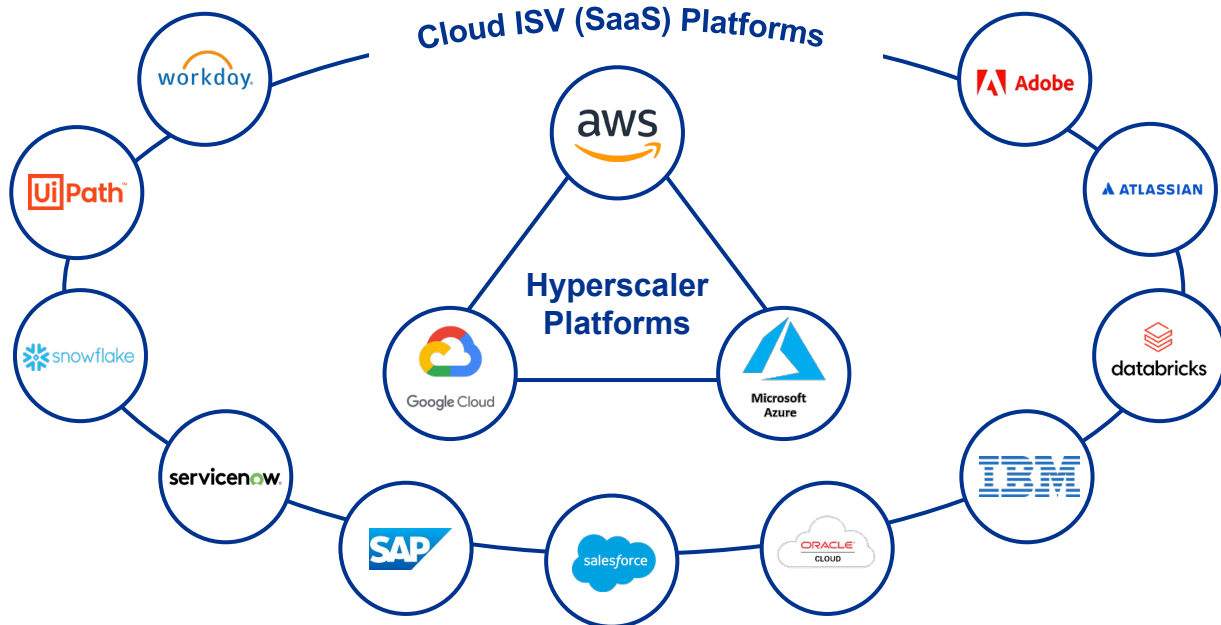
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Overview of Key Cloud Software and Services Ecosystems

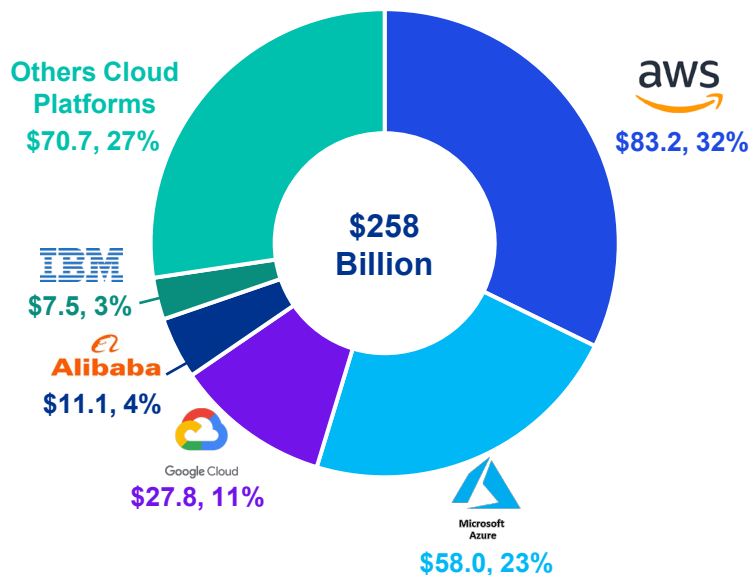
Key Cloud Ecosystems Focused on by Strategic Acquirers

A significant ecosystem of leading Cloud Platforms has emerged over the past decade. Each of these Platforms have spawned massive Technology Services ecosystems of Platform partners. The most important cloud ecosystems to strategic acquirers are highlighted below.



Cloud Ecosystem Market Share (1)

(\$ in billions)



(1): As of Q3 2023.

Source: [Synergy Research Group](#).

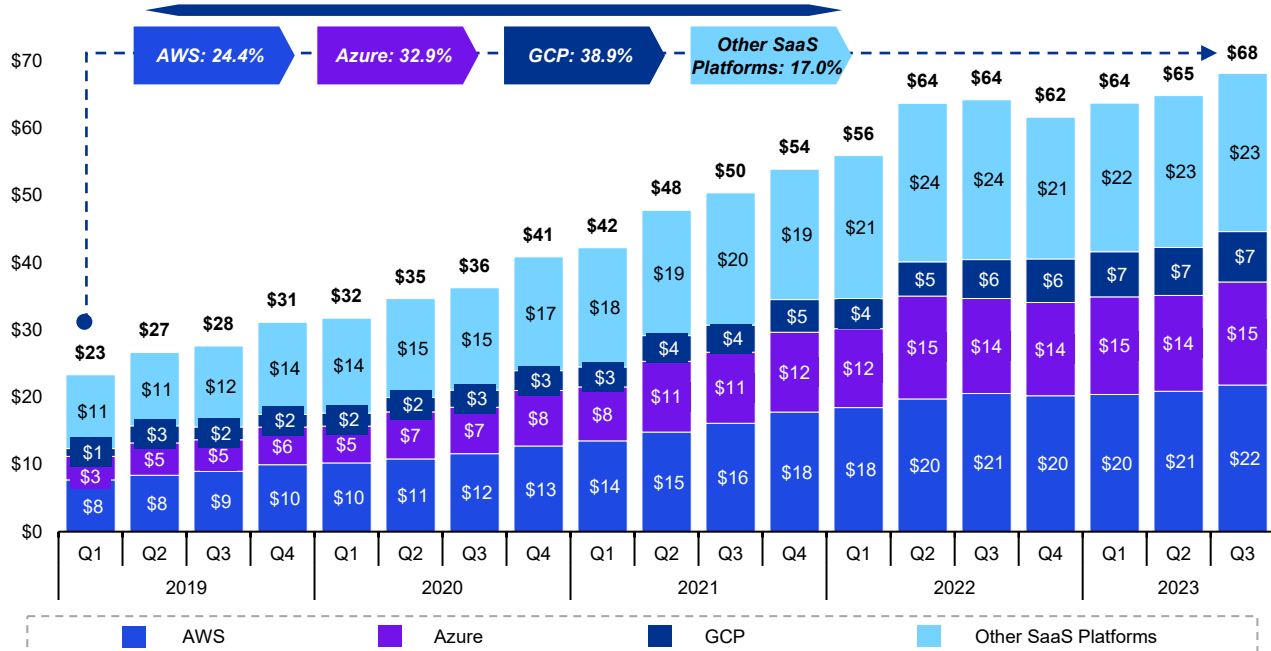
Cloud Ecosystem Market Share and Growth Dynamics

The major cloud platforms have grown at a CAGR of 24.2% from 2019 to LTM 2023⁽¹⁾

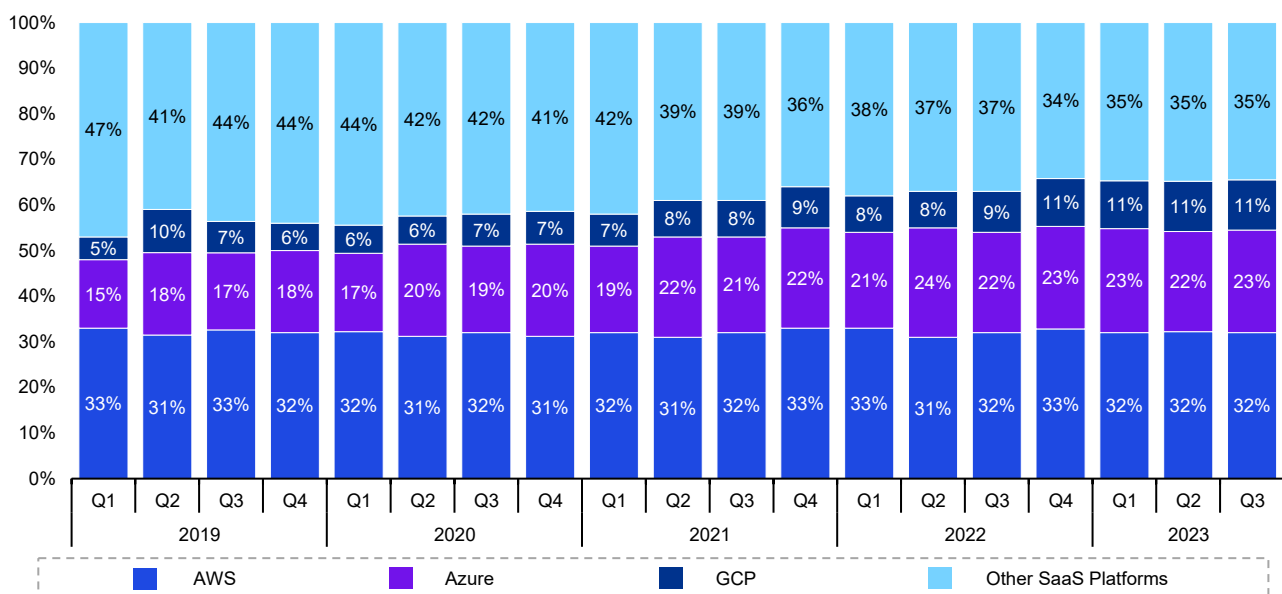
Growth of Key Cloud Platforms

(\$ in billions)

CAGR Growth by Platform (2019 – LTM 2023)



Market Share of Key Cloud Platforms



(1): As of 09.30.23

Source: [Synergy Research Group](#)



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Key Cloud Partner Ecosystems (1/7)



Amazon Web Services (AWS) offers computing power, storage, databases, analytics, and security solutions. AWS helps businesses and organizations migrate their IT systems and applications to the cloud.

AWS Premier Partners*

accenture

Capgemini

DXC
TECHNOLOGY

HITACHI

Infosys

L&T Infotech

rackspace

Smartronix

tcs
TATA
CONSULTANCY
SERVICES

virtusa

*AWS Premier Partners is the highest tier representing the most experienced partners and recognized leaders in their respective geographical, vertical, or horizontal markets.

Select Other AWS Partners

AllCloud

BeyondID

CloudHesive
securing your enterprise in the cloud

Cloudwick

[deft]

Stratus10
CLOUD COMPUTING SERVICES

mission

Synoptek

TEKSTREAM
The People to Power Your Success

trek10



Azure offers a comprehensive set of cloud services, including computing, analytics, storage, databases, networking, identity and access management, IoT, and security.

Azure Expert MSP Partners*

accenture

Atos

avanade

Capgemini

cognizant

DATAKOM

DXC
TECHNOLOGY

FUJITSU

Insight

NAVISITE

one

tcs
TATA
CONSULTANCY
SERVICES

wipro

*Azure Expert MSP Partners is the highest tier representing partners that are expert in delivering comprehensive Azure services to their customers, including migration, management, optimization, and security.

Select Other Azure Partners

atmosera

BeyondID

bitscāpe

cloudmoyo™

CORETEK
Services

HensonGroup
Azure Expert MSP Gold Partner

LUNAVI

myCloudDoor

Protera

Source: Company websites and press releases.



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Key Cloud Partner Ecosystems (2/7)



Google Cloud provides a range of cloud computing services such as computing, storage, networking, machine learning, IoT, data management, and security to businesses and individuals.

Google Premier Partners*



*Google Premier Partners is the highest tier representing partners who have demonstrated exceptional performance in their Google Cloud practice, including technical expertise, customer satisfaction, and Google Cloud adoption and growth.

Select Other Google Partners



Adobe offers its customers access to tools and services such as Adobe Creative Cloud, Adobe Experience Cloud, and Adobe Document Cloud. These cloud-based products allow users to create, manage, and deliver content across multiple channels and devices.

Adobe Platinum Partners*



*Adobe Platinum Partner is the highest level of partnership that a company can achieve in the Adobe Solution Partner Program. To become a Platinum Partner, a company must demonstrate a deep understanding of Adobe's products and solutions, as well as a proven track record of delivering exceptional digital experiences and business outcomes using Adobe technologies.

Select Other Adobe Partners



Source: Company websites and press releases.

Key Cloud Partner Ecosystems (3/7)



Atlassian offers a wide range of cloud solutions that help teams collaborate, track, and manage workflows and projects. Atlassian's cloud platform services include Jira, Confluence, Trello, and Bitbucket that assist in project management, collaboration, secure data storage, and software development services.

Atlassian Platinum Solution Partners*



*Platinum Solution Partners are companies that have met Atlassian's highest training criteria and have a proven practice that can scale from small to large customers. They have an established run rate of Atlassian business and are suitably resourced to manage a wide range of customer solutions.

Select Other Atlassian Partners



Databricks offers a unified analytics platform for data engineering, machine learning, and analytics. Databricks' cloud platform services include Delta Lake, MLflow, and Koalas.

Databricks Global Elite Partners*



*Databricks Global Elite Partners is the highest tier representing partners those who have extensive expertise and demonstrated the ability to deliver exceptional implementations of the Databricks platform for their clients. Global Elite partners have a proven track record of driving innovation and value to customers with Databricks technology.

Select Other Databricks Partners



Source: Company websites and press releases.



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Key Cloud Partner Ecosystems (4/7)



IBM offers a range of cloud services including Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS) and Software-as-a-Service (SaaS). IBM's cloud platform is named IBM Cloud, and it offers a range of services including compute, storage, networking, security, data and analytics, artificial intelligence (AI), Internet of Things (IoT) and blockchain.

IBM Platinum Partners*



*The IBM Platinum Partner level is reserved for partners with the ability to deliver high value transformative solutions and who have achieved the utmost levels of customer satisfaction, technical and sales certifications, sales success, and verified client references.

Select Other IBM Partners



Oracle helps businesses transition to the cloud. Its cloud services include Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS), and Software-as-a-Service (SaaS). Oracle's suite of cloud applications, includes Oracle ERP Cloud and Oracle HCM Cloud.

Oracle Cloud Elite Partners*



*Oracle's Cloud Elite is the highest level of partnership within the Oracle Partner Network program, reserved for partners who have demonstrated exceptional expertise and a successful track record of delivering cloud solutions built on Oracle technologies.

Select Other Oracle Partners



Source: Company websites and press releases.



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Key Cloud Partner Ecosystems (5/7)



Salesforce provides cloud-based CRM solutions and automation tools, including Sales Cloud, Service Cloud, Marketing Cloud, Commerce Cloud, and Community Cloud, allowing businesses to manage customer interactions and automate sales, marketing, and service processes.

Salesforce Summit Partner (Platinum)

**Salesforce Summit Partner (Platinum) is the highest level of partnership within the Salesforce Partner Program. This status is achieved by demonstrating a high level of success and expertise in delivering comprehensive Salesforce solutions to clients and meeting strict partner requirements in various areas.*

Select Other Salesforce Partners



SAP offers cloud services and software solutions to businesses across a wide range of industries. SAP's cloud platform services include SAP S/4HANA Cloud, SAP Ariba, SAP SuccessFactors, SAP Customer Data Cloud, SAP HANA Cloud, and others.

SAP Global Strategic Service Partners*

**SAP Strategic Partner level is considered the highest level of partner tiering within the SAP PartnerEdge program. This level is typically reserved for the strategic partners who have demonstrated a high level of commitment to SAP and a proven track record of delivering high-quality solutions to customers.*

Select Other SAP Partners

Source: Company websites and press releases.

Key Cloud Partner Ecosystems (6/7)

servicenow

ServiceNow offers a range of cloud-based IT service management and business process automation solutions. ServiceNow's cloud platform services include IT service management, IT operations management, security operations, HR service delivery, customer service management, and others.

ServiceNow Global Elite Partners*



*ServiceNow Global Elite Partners is the highest level of partnership representing partners that have demonstrated exceptional delivery capabilities on a global level across multiple geographies. Partners at this level have deep product expertise and a track record of delivering innovative solutions at scale, with a focus on digital transformation initiatives.

Select Other ServiceNow Partners



snowflake

Snowflake offers a cloud-based data platform that enables businesses to store, process, and analyze massive amounts of data. Snowflake's cloud platform services include Cloud Data Warehousing, Cloud Data Lakes, Data Engineering, Data Science, and others.

Snowflake Elite Partners*



*Snowflake Elite Partners is the highest tier representing partners that have demonstrated proven expertise and customer success through experience in Snowflake implementation and insight into data warehousing and data analytics. They must also provide high levels of customer service, support, training and have a proven track record of sales success.

Select Other Snowflake Partners



Source: Company websites and press releases.



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Key Cloud Partner Ecosystems (7/7)



UiPath offers a range of cloud-based robotic process automation solutions. Its cloud platform services include UiPath Studio, UiPath Orchestrator, UiPath Robots, and others.

UiPath Platinum Partners*



*UiPath Platinum Partners is the highest partner level, reserved for the most elite UiPath partners. To become a Platinum Partner, companies must demonstrate exceptional expertise in UiPath products and solutions, as well as a proven track record of delivering successful customer implementations.

Select Other UiPath Partners



Workday offers cloud-based human capital management (HCM), financial management, and analytics solutions. Its cloud platform services include Workday Financial Management, Workday HCM, Workday Adaptive Planning, Workday Prism Analytics, and others.

Workday Service Partners*



*Workday does not have a tiering-based partner classification, instead have different partner categories basis partner type – including Service Partners, Channel Partners, Advisory Partners, and others. The Services Partners provide consulting, implementation, and related services and may have expertise in areas such as HCM, Financials, Payroll, and others.

Select Other Workday Partners



Source: Company websites and press releases.



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Innovators Spotlight: Select Cloud Enablement Partners

Innovators Spotlight: Select Cloud Enablement Partners (1/8)

The Technology Services companies highlighted below represent emerging implementation partners⁽¹⁾ in the cloud space.

<p>AWS</p>	<p>Azure</p>
<p>Google Cloud</p>	<p>Adobe</p>
<p>Atlassian</p>	<p>Databricks</p>
<p>IBM</p>	<p>Oracle</p>
<p>Salesforce</p>	<p>SAP</p>
<p>ServiceNow</p>	<p>Snowflake</p>
<p>UiPath</p>	<p>Workday</p>

(1) The partners shown above is a representative list only.

To discuss the opportunity for your company to be included in future lists, please reach out to one of our bankers noted on page 40.

Innovators Spotlight: Select Cloud Enablement Partners (2/8)

Company	HQ Location	Approx. # of Employees ⁽¹⁾	Key Cloud Ecosystems ⁽²⁾	Business Description
 A3 Driving Digital Transformations	Pleasanton, CA	263		A global services company specialized in multi-cloud transformations and offering advisory services, data governance, change management, integration, and managed services.
 accelalpha	Bellevue, WA	596		Provides business and IT consulting services including cloud migration, digital transformation, managed services, implementation and integration of Oracle cloud applications.
 ACTIVECYBER	Dallas, TX	91		A cloud consultancy firm, providing digital transformation, cybersecurity, enterprise planning, and data & analytics solutions.
 AD VICTORIAM SOLUTIONS	Alpharetta, GA	113		A Salesforce implementation partner, offering consulting, implementation, and development services.
 ADAPTURE THINK FORWARD.	Atlanta, GA	113		A technology solutions provider offering expertise in IT infrastructure, cloud services, cybersecurity, and data center management.
 ADSWERVE	Denver, CO	283		Provider of digital and analytics solutions, using Google's cloud-based technologies.
 ADVANCE SOLUTIONS	Alpharetta, GA	341		A technology consulting and services company, providing custom software development, digital transformation, cloud computing, data analytics, and IT staffing services.
 AE BUSINESS SOLUTIONS	Madison, WI	189		Provider of IT and consultancy services including data intelligence, security, cloud & DevOps, infrastructure solution, and workforce management.
 ALCOR ENABLING CLOUD	Dublin, CA	247		Provider of cloud advisory and implementation services catering to Fortune 500 companies, government agencies, and multiple industry verticals.
 AllCloud	Denver, CO	476		Provides solutions for cloud enablement and transformation.
 Anika Systems Engage Innovate Empower	Leesburg, VA	90		A technology consulting firm, offering services and solutions spanning data and analytics, intelligent automation, IT modernization, application development, and cloud engineering.
 anm	Albuquerque, NM	387		An IT solutions provider specializing in network services, data center, collaboration, and managed services.
 apps associates	Acton, MA	1,517		A digital transformation enterprise application services company, offering solutions for cloud migration, data & analytics, managed services, and advisory services.
 atmosera	Portland, OR	87		Provider of public, private, and hybrid cloud solutions encompassing cloud migration, operations, management, and optimization backed by security and data protection.

Source: Company Websites (1) As per LinkedIn (2) Represents major cloud platforms only.

Innovators Spotlight: Select Cloud Enablement Partners (3/8)

Company	HQ Location	Approx. # of Employees ⁽¹⁾	Key Cloud Ecosystems ⁽²⁾	Business Description
 AURITAS	Sanford, FL	150		Provider of SAP IT consulting and implementation services including SAP Information Lifecycle Management, Enterprise Content Management, and SAP HANA Optimization.
 avaap	Columbus, OH	456		An industry-focused management and technology consulting firm with experience in Workday, Tableau, and other applications.
 BeyondID	San Francisco, CA	191		A managed identity services provider, offering cloud migration, implementation services, app modernization, and security services.
 bitscāpe	Santa Fe Springs, CA	170		Provides digital and cloud-enabling services, business intelligence and strong infrastructural architecture for enterprises.
 Blue.cloud	Tampa, FL	400		Provider of cloud technology services like data engineering, analytics, digital transformation and cloud operations to expand cloud strategy and empower digital transformation.
 centroid <small>simplifying the cloud</small>	Troy, MI	203		A technology consulting and engineering company that specializes in delivering end-to-end solutions for the manufacturing, aerospace and defense, automotive, and high-tech industries.
 CLEARTELLIGENCE	Newton, MA	100		Operates as a data analytics services business, offering modern data architecture, cloud data integration, data governance, and data visualization services and implementation.
 CLOUD 9 INFOSYSTEMS, INC. <small>Technology Empowering Business</small>	Downers Grove, IL	62		Provider of cloud solutions and services like cloud managed services, cloud migration, and modern cloud security.
 CloudHesive	Fort Lauderdale, FL	95		Provider of cloud and managed services including cloud consulting, DevOps, and managed security.
 cloudmoyo™	Bellevue, WA	400		Provider of cloud and AI solutions including application engineering, application integration, data engineering, decision analytics, advisory services, project implementation support, and managed services.
 Cloudwick	Newark, CA	500		A data and analytics solutions provider, offering expertise in data lake and cloud migration, modern data architecture, cybersecurity, and managed services.
 CoastalCloud	Palm Coast, FL	503		A Salesforce multi-cloud expert partner providing consulting, implementation, and managed services.
 CONCORD	Hopkins, MN	449		Provider of technology consulting and digital transformation services including cloud applications and integration, data solutions and analytics, information security, user experience, and advisory services.
 CONTENDER SOLUTIONS	Tampa, FL	87		Operates as an IT consultancy provider offering service management, operations management, asset management, integrated risk management, business management, and security operations.

Source: Company Websites (1) As per LinkedIn (2) Represents major cloud platforms only.

Innovators Spotlight: Select Cloud Enablement Partners (4/8)

Company	HQ Location	Approx. # of Employees ⁽¹⁾	Key Cloud Ecosystems ⁽²⁾	Business Description
 CORETEK Services	Farmington Hills, MI	189	 Microsoft Azure	Provider of IT consulting and system integration services, offering data center migration, app monetization, DevOps and automation, complex infrastructure migration, and security compliance.
 cosourcing partners	Westmont, IL	32	 UiPath	An intelligent automation and IT staffing company offering RPA Solutions that includes private RPA cloud, advisory services, and IT solutions that includes contract services, and managed services.
 costrategix	Cincinnati, OH	201	 snowflake	Provider of IT and business consultancy services such as data and analytics, digital platforms development, digital platforms, software development, and web development services.
 Crossfuzer The Workflow Company	Minneapolis, MN	1,000	 servicenow	An IT services provider specializing in ServiceNow platform consulting, implementation, and managed services, focusing on driving digital transformation and enhancing customer experience.
 DS42	New York, NY	60	 snowflake	Provider of cloud-based data analytics consulting and professional services including data collection, cloud-based data warehouses, and data analytics platforms.
 DATASTREAM	Williamsburg, VA	64	 SAP	Provider of SAP consulting services including project management, integration, product development, independent software vendor enablement, and other IT support services.
 [deft]	Elk Grove Village, IL	131	 aws	A provider of managed IT services including colocation, cloud, disaster recovery, and network services for data centers.
 demandblue	Irvine, CA	143	 salesforce	A technology consulting firm, providing implementation services, cloud solutions, analytics, and AI-driven solutions.
 Denovo	Boulder, CO	248	 Google Cloud	Provider of IT consulting, ticket management, disaster recovery, and managed hosting services to commercial and public sector clients.
 Dextara Experience Digital	Boulder, CO	248	 salesforce	A Salesforce only service company, offering digital transformation, multi-cloud implementation, CPQ, integrations, and analytics services.
 dito	Reston, VA	100	 ORACLE CLOUD	A full-service cloud and Google solution provider including cloud deployments, workspace management, security assessments, and application development services.
 E7 SOLUTIONS	Troy, MI	40	 ATLASSIAN	Provider of cloud migration and ITSM transformational services, advisory services, license management, and incident management.
 ERPA	Dublin, OH	444	 workday	Provides enterprise application managed services, cloud hosting, and consulting services.
 GAC	Schaumburg, IL	86	 SAP	An IT services provider specializing in cloud migration and management, application development, Microsoft Dynamics 365, and digital marketing.

Source: Company Websites (1) As per LinkedIn (2) Represents major cloud platforms only.

Innovators Spotlight: Select Cloud Enablement Partners (5/8)

Company	HQ Location	Approx. # of Employees ⁽¹⁾	Key Cloud Ecosystems ⁽²⁾	Business Description
 Hakkōda	New York, NY	224	 ATLASSIAN 	A data engineering and analytics consultancy offering data strategy, architecture, engineering, and visualization services.
 Henson Group <small>Azure Expert MSP Gold Partner</small>	New York, NY	203		A Microsoft certified Azure cloud solution MSP partner focused on deploying Microsoft technologies, OpenAI solutions, and managed services.
 Hero DIGITAL	Chicago, IL	435	 	A digital experience consulting firm, providing services in strategy, design, engineering, analytics, customer-centric design, and digital transformation.
 HERZUM	Chicago, IL	91		Provider of software consulting services, specializing in Atlassian consulting, custom development, IT and enterprise architectures, cloud migrations, and DevOps services.
 Highstreet <small>EXPERTISE BUILT-IN™</small>	Rockville, MD	500		Provides enterprise application, cloud enablement, and managed services – on premises, in the cloud or hybrid.
 HUBER & ASSOCIATES <small>Smarter IT Solutions</small>	Jefferson City, MI	88		An IT solutions provider specializing in cloud services, managed services, network security, and IT consulting for customized IT infrastructure implementation and maintenance.
 INFOFOLOB	Irving, TX	447		Provider of IT services, including application development, cloud computing, mobile app development, AI and analytics, cybersecurity, and enterprise software integration.
 InfoSystems	Chattanooga, TN	168		An IT company delivering tailored technology solutions, including IT infrastructure, managed services, cloud services, and cybersecurity.
 INTEGRITYPRO™	Woodbridge, VA	40		Offers IT professional services leveraging the ServiceNow Platform to assist enterprises in both public and private sectors.
 interworks	Stillwater, OK	298		Offers data management, data analytics, custom training, analytics strategy, data architecture, and data engineering.
 ISOS technology	Tempe, AZ	119		An Atlassian platinum solution partner, specializing in IT security management, cloud, and Agile at Scale, to provide business transformation to customers.
 LOGIC 20/20	Seattle, WA	242		A technology consulting firm, offering solutions and services in cloud enablement, digital transformation, software development, and data analytics.
 LUNAVI	Cheyenne, WY	123		Provider of cloud and managed services intended to help the digital transformation and scale up business operations.
 Mainline INFORMATION SYSTEMS	Tallahassee, FL	535		An IT solutions provider offering expertise in IT infrastructure, cloud services, data center services, and advanced technology solutions, focused on driving digital transformation and innovation.

Source: Company Websites (1) As per LinkedIn (2) Represents major cloud platforms only.

Innovators Spotlight: Select Cloud Enablement Partners (6/8)

Company	HQ Location	Approx. # of Employees ⁽¹⁾	Key Cloud Ecosystems ⁽²⁾	Business Description
 maryville CONSULTING GROUP	Saint Louis, MO	104	 servicenow	Offers technology transformations by providing product development, digital operations, multi-cloud transformation, and technology business management services.
 MERIDIAN PARTNERS	Miami Beach, FL	54	 workday	A Workday partner, SAP services partner, and a VAR company, catering public sector agencies, commercial entities, and multinational organizations.
 mission	Beverly Hills, CA	342	 aws	Offers strategic cloud consulting, architectural guidance, cloud optimization, and enterprise support, enabling cloud infrastructure transformation.
 myCloudDoor	Fort Lauderdale, FL	77	 Microsoft Azure	Provider of information technology consulting services intended to help clients adopt, migrate, and implement cloud solutions.
 MYTHICS	Virginia Beach, VA	400	 ORACLE CLOUD	Provider of cloud deployment models, managed, and consulting services.
 onix	Lakewood, OH	341	 Google Cloud	Provider of cloud computing services including cloud containerization, cloud migration, disaster recovery, managed services, and workplace cloud collaboration.
 OPFOCUS	Boston, MA	32	 salesforce	Provider of implementing, customizing and managing cloud-based applications such as Salesforce, Pardot, CPQ, Einstein Analytics, and other integrated tools.
 Præcipio Consulting	Austin, TX	210	 ATLASSIAN	Offers product licensing, training, managed services, product services, and business process consulting services, helping clients in developing digital transformation strategies.
 ProActive Solutions, Inc.	Mission, KS	45	 IBM	An IT services company specializing in data center infrastructure, cloud computing, cybersecurity, and professional consulting.
 Protera	Westchester, IL	227	 Google Cloud Microsoft Azure SAP	Provider of cloud-based information technology outsourcing services intended to serve (systems, applications, and products) SAP-centric organizations.
 qBotica	Phoenix, AZ	127	 UiPath	Operates as an automation managed services firm, focusing on serving end-to-end intelligent automation and document processing.
 REDCLAY	Atlanta, GA	142	 ORACLE CLOUD	A technology consulting firm, offering systems integration, managed services, cloud solutions, and analytics, specializing in Oracle Utilities and Customer Cloud Services.
 redpath	Minneapolis, MN	39	 salesforce	A technology consulting firm, providing cloud solutions, data analytics, application development, and business intelligence.
 SDI SDI PRESENCE LLC	Chicago, IL	351	 servicenow	An IT consultancy firm providing managed services, IT infrastructure, cybersecurity, and technology deployment for public sector, utilities, and commercial clients.









Source: Company Websites (1) As per LinkedIn (2) Represents major cloud platforms only.

Innovators Spotlight: Select Cloud Enablement Partners (7/8)

Company	HQ Location	Approx. # of Employees ⁽¹⁾	Key Cloud Ecosystems ⁽²⁾	Business Description
 Service Rocket	Palo Alto, CA	303	 ATlassian	Provider of cloud transformation, cloud migration, managed services, licensing, implementation, and advisory services.
 SMART ERP Solutions	Pleasanton, CA	300		Provides ERP systems to meet specific business process needs including managed services, professional services, and an on-demand platform services.
 Smartbridge	Houston, TX	94		A digital transformation and business consulting firm offering cloud services, data & analytics, digital innovation, systems modernization, intelligent automation, AI & ML and applications integration.
 spr	Chicago, IL	455		Provider of cloud, data, user experience, custom software development services to develop and modernize digital products and platforms.
 Stratus10 CLOUD COMPUTING SERVICES	San Diego, CA	50		A cloud consulting firm specializing in AWS cloud services, including architecture, DevOps, containerization, migration, automation, application modernization, and scalability.
 Sycomp SECURITY TECHNOLOGY ENABLERS	Foster City, CA	308		A technology services provider specializing in IT infrastructure, cloud computing, security, storage, and networking solutions.
 Synoptek	Irvine, CA	1,031		A systems integrator and managed IT services provider, offering comprehensive IT management, consultancy services, cloud migration, and cloud transformation.
 Technogent	Irvine, CA	316		An IT solutions provider offering expertise in cloud, data center, managed services, and security.
 TEKSTREAM The People to Power Your Success	Atlanta, GA	164		Provider of business consulting, implementation, managed services, digital transformation, and cloud services.
 Terillum	Cincinnati, OH	200		Provider of IT consulting services including enterprise resource planning, managed services, cloud implementation, and supply chain management cloud services.
 torrent CONSULTING	Charlotte, NC	156		A Salesforce Consulting partner, providing managed services, planning, implementation, and Salesforce management solutions.
 trek10	South Bend, IN	83		An AWS platform service provider, offering app modernization, consulting services, migration solutions, managed services, monitoring, and IT support.
 unify	Kirkland, WA	530		A management and technology consulting firm focused on providing IT services, such as digital transformation, data analytics, cloud, and AI driven solutions.
 VISCOSITY NORTH AMERICA	Carrollton, TX	58		Provides cloud solutions including data transformation, emerging technology, high availability & scalability solutions, cloud migrations, performance tuning, and data integrations.

Source: Company Websites (1) As per LinkedIn (2) Represents major cloud platforms only.

Innovators Spotlight: Select Cloud Enablement Partners (8/8)

Company	HQ Location	Approx. # of Employees ⁽¹⁾	Key Cloud Ecosystems ⁽²⁾	Business Description
 wavicle DATA SOLUTIONS	Oak Brook, IL	443	 databricks	A data analytics consultancy offering end-to-end data solutions, including strategy, architecture, cloud migration, and data engineering services.
 WinWire Technologies	Santa Clara, CA	794	 databricks	A data-driven digital engineering company that delivers cloud, app modernization, and data & generative AI solutions.
 zennify	Sacramento, CA	500	 salesforce	Provider of consulting, implementation, integration, and customization of Salesforce products as well as other cloud-based technologies.
 zirous	West Des Moines, IA	85	 Google Cloud Adobe	Provider of IT solutions including cloud, data analytics, identity & access management, managed services, and security intelligence.

Source: Company Websites (1) As per LinkedIn (2) Represents major cloud platforms only.



2023 Technology Services M&A Update

Technology Services M&A Market Commentary

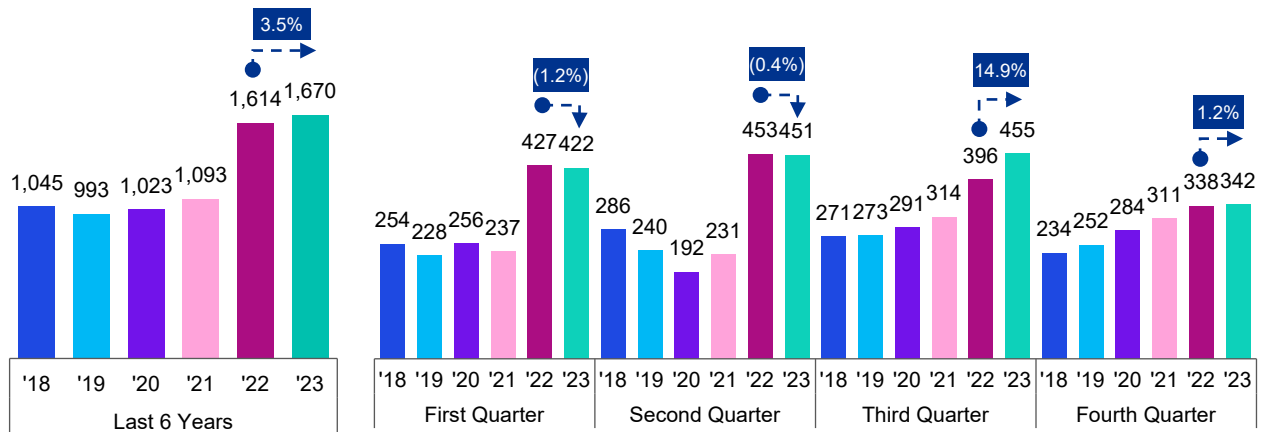
- **The M&A market in Technology Services remained robust with growth in deal activity**
 - 1,670 deals announced in 2023, representing an increase of 3.5% as compared to last year
- **New deals coming to market in the sector are garnering significant interest from strategic and financial buyers**
 - Dearth of deal flow for high quality opportunities has resulted in increased competition for coveted assets
- **'A-quality' assets exposed to key themes including Digital Transformation, Cloud Enablement, Managed Services, Data / Analytics / AI, and Cybersecurity continue to garner premium valuations in the market**

Global Technology Services Announced Deal Volume (# of Transactions) Comparative Analysis

2018 – 2023 (Annual)

2018 – 2023 (Quarterly)

Represents Y-o-Y Change (%)

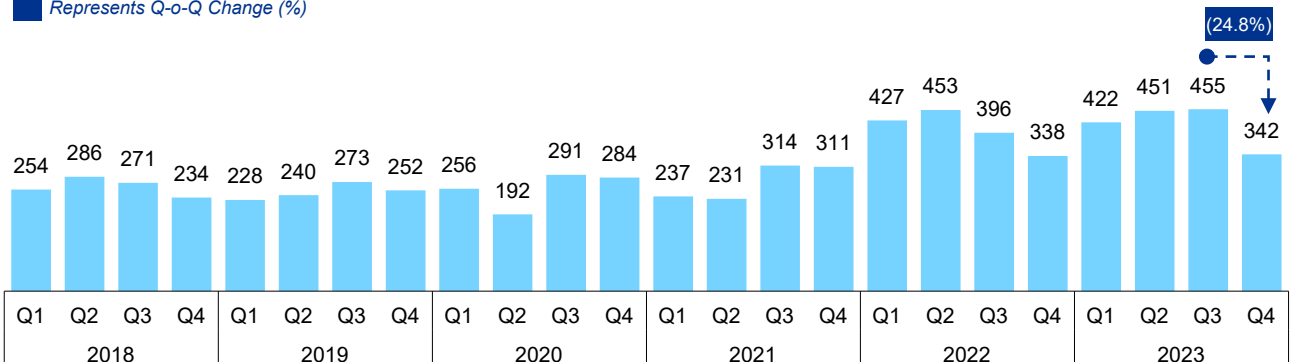


Global Technology Services Announced Deal Volume and Value

(\$'s in billions)



Represents Q-o-Q Change (%)



Deal Volume (# of transactions) Transaction Value (\$'s in billions)

Source: 451 Research, KPMG analysis.



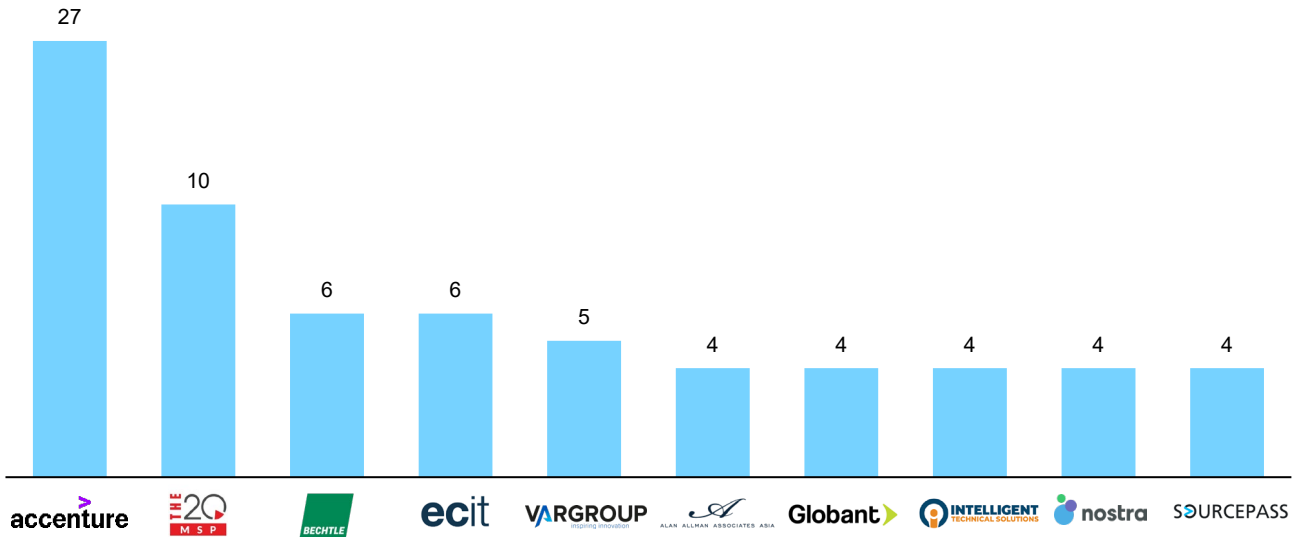
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Most Active Acquirers in Technology Services

Industry leaders and financial buyers continue invest significant capital in the Technology Services space. The most significant acquirers in the sector are highlighted below. Accenture continues to be the most active acquirer, having completed 27 deals in 2023.

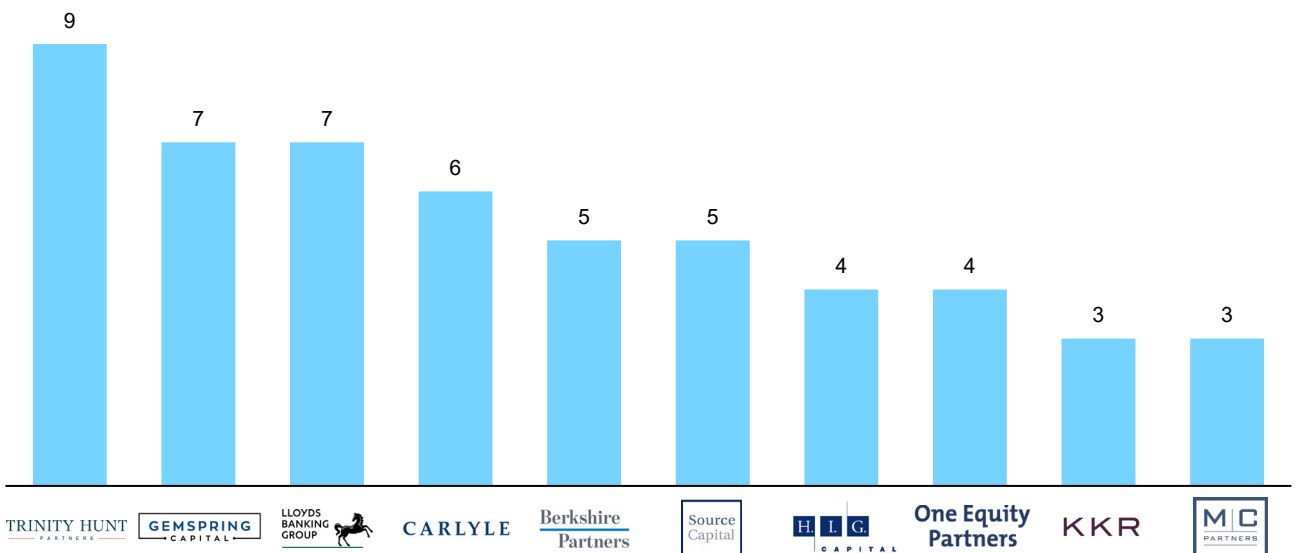
Strategic Acquirers (2023)

(# of transactions)



Financial Buyers (2023)⁽¹⁾

(# of transactions)



Source: 451 Research.

(1): Investments include add-ons and co-investments.

Significant Technology Services Deals in 2023

<p>Dec-23   EV: \$410</p> <p>Insight Enterprises, a value-added reseller and managed services provider, has acquired SADA Systems, a U.S.-based cloud services provider. <u>The acquisition will strengthen Insight's digital transformation capabilities and accelerates the growth of Insight's cloud services and solutions.</u></p>	<p>Nov-23   EV: \$5,300</p> <p>Bain Capital Private Equity, a U.S.-based private equity firm, has acquired Guidehouse, a U.S.-based provider of consulting and managed services to public sector and commercial clients. <u>The acquisition supports the fast-growing Guidehouse's strategic growth plans.</u></p>
<p>Oct-23   EV: \$775</p> <p>Apax Partners, a U.K.-based private equity advisory firm, has acquired Kin & Carta, a London-based public company providing digital transformation services. <u>The acquisition will assist Kin & Carta to accelerate its growth plans, scale the business, develop technology partnerships, and create strong portfolio of enterprise clients.</u></p>	<p>Oct-23   EV: \$132</p> <p>Mphasis, an IT services and consulting company, has acquired Silverline, a U.S.-based digital transformation consultancy and Salesforce partner. <u>The acquisition strengthens Mphasis' position as an end-to-end Salesforce enterprise cloud solutions and services provider.</u></p>
<p>Jul-23   EV: \$1,067</p> <p>Wendel, a France-based investment firm, has acquired Scalian, a France-based consulting firm in digital transformation, project management, and operational performance. <u>Wendel will bring strategic direction, experience, and international footprint that will accelerate Scalian's strategy and growth plans to achieve €1.5 billion in revenue by 2028.</u></p>	<p>Mar-23   EV: \$4,752</p> <p>Concentrix, a customer experience services and technology company, has combined with Webhelp, a France-based BPO and consultancy firm. <u>The combined entity will operate as 'Concentrix + Webhelp' with an expanded breadth of generative AI solutions, digital capabilities, and high-value services.</u></p>
<p>Mar-23   EV: \$2,231</p> <p>EQT, a Sweden-based private equity firm, has acquired SK Shieldus, a South Korean-based security service provider. <u>The acquisition marks EQT's first investment in South Korea. SK Shieldus will leverage EQT's sector experience within physical and cyber security to enable tailored and digitized security service offerings for its customers.</u></p>	<p>Jan-23    EV: \$360</p> <p>Goldman Sachs Asset Management in partnership with Everstone Capital Partners, has acquired Cprime, a U.S.-based strategy and technology consultancy. <u>The acquisition will further accelerate Cprime's growth and expansion strategy in new markets and digital technologies.</u></p>

Source: Company websites and press releases.

Select Technology Services Transactions with Disclosed Multiples (1/3)

Date	Buyer	Target	Target Description	EV (\$mm) ⁽¹⁾	EV / LTM Revenue	EV / LTM EBITDA
Dec-23	Insight Enterprises	SADA Systems	A Google Cloud-partner, offering IT consulting, systems integration, managed, and cloud migration services.	\$410	3.2x	-
Oct-23	Telstra	Versent	Provides digital transformation and IT consulting services, including cloud, managed security, data warehousing, and support services.	\$171	2.0x	-
Sep-23	GXO Logistics	PFSweb	Provides SCM, CRM, EDI and payment processing business process outsourcing (BPO) services, related managed services and marketing services.	\$169	0.6x	-
Aug-23	Cegeka	Computer Task Group	Provides IT and digital transformation services including IT consulting, data & analytics, cloud, managed service, systems integration, and IT staffing.	\$182	0.6x	10.7x
Jul-23	Wendel	Scalian	Provides digital transformation and consulting services including project management, IT infrastructure, engineering, systems development and integration.	\$1,067	1.9x	13.7x
Apr-23	CANCOM	K-Businesscom	Provides digitization, ICT services, digital transformation, IT consulting, and managed services.	\$181	0.3x	6.1x
Mar-23	Sopra Steria	Ordina	Provides application and BPO, agile transformation, data migration, consulting, cybersecurity testing and reporting, cloud computing, application management.	\$585	1.2x	11.5x
Mar-23	EQT	SK Shieldus	Provides security systems and cybersecurity integration services including professional security, access control, and cloud security.	\$2,231	1.6x	6.8x
Nov-22	Blackstone	R Systems International	Provides IT & big data analytics, AI, cloud computing, mobility, IoT, RPA, and systems integration.	\$314	1.6x	12.0x
Sep-22	Berkshire Partners	AHEAD	Provider of consulting and enterprise cloud services intended to create a platform for digital businesses.	\$3,000	1.2x	13.0x
Sep-22	WESCO International	Rahi Systems	Delivers datacenter, network, security, storage integration, managed hosting and security services.	\$217	0.5x	-
Aug-22	QinetiQ North America	Avantus Federal	Offers data, cybersecurity, space, and IT services for defense and intelligence community clients.	\$590	2.0x	16.6x
Jun-22	ASGN	GlideFast Consulting	Provides ServiceNow-based integrated IT and managed services including advisory, implementations, cloud hosting, and managed support services.	\$352	3.7x	-
Jul-22	Mastek	MST Solutions	Offers Salesforce-based consulting, systems integration, software engineering, and mobile testing.	\$77	2.6x	-
Jun-22	Ratos	Knightec	Provides IT, design, and digitalization consulting services including cloud computing, information security, cybersecurity, and risk management.	\$160	1.7x	11.1x

Source: 451 Research.

(1): Deals with disclosed multiples (revenue or EBITDA) with enterprise value >\$40M from 2021-2023.



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Select Technology Services Transactions with Disclosed Multiples (2/3)

Date	Buyer	Target	Target Description	EV (\$mm) ⁽¹⁾	EV / LTM Revenue	EV / LTM EBITDA
May-22	Wipro	Rizing	Provider of SAP functional and technical consulting services intended for commercial enterprises.	\$540	2.8x	-
May-22	Converge Technology Solutions	PC Specialists	Provides IT consulting, network design, cybersecurity, asset management, and software development.	\$74	0.2x	6.2x
May-22	The Carlyle Group	ManTech International	Delivers systems integration, software development, and network solutions for intelligence and defense agencies.	\$4,339	1.7x	13.7x
Apr-22	Converge Technology Solutions	Creative Breakthroughs	An IT security services provider focused on cybersecurity strategy, assessments, managed services, and incident response.	\$64	0.7x	8.9x
Mar-22	Sangoma Technologies	NetFortris	Provider of unified communications as a service and managed IT network services .	\$80	0.2x	-
Mar-22	Persistent Systems	Data Glove	Provides systems and network integration, support, managed, web hosting, colocation, and BPO services.	\$91	1.9x	-
Mar-22	Akamai Technologies	Linode	Provide cloud hosting services intended to serve the domestic and international market.	\$899	9.0x	-
Mar-22	HelpSystems (TA Associates)	Alert Logic	Provides Security-as-a-Service, focusing on protecting businesses' applications, systems, and data in cloud and hybrid environments.	\$700	5.0x	-
Feb-22	Hudson Hill Capital, Ocean Avenue Capital	Blue.cloud	Provider of cloud technology services intended to simplify, modernize, digitalize and transform businesses.	\$120	5.0x	-
Feb-22	HelpSystems (TA Associates)	Tripwire	A cybersecurity solutions provider offering vulnerability management, security configuration management, and asset discovery services.	\$350	3.3x	-
Jan-22	Converge Technology Solutions	Paragon Development Systems	Provides system and security integration, support, and staffing for various sectors.	\$56	0.3x	6.2x
Dec-21	Unisys	CompuGain	Offers cloud, DevSecOps, data governance, and IT infrastructure services for businesses.	\$87	1.5x	-
Nov-21	Quisitive Technology Solutions	Catapult Systems	Provides IT consulting, custom application development, systems management, and data analysis services.	\$52	1.0x	-
Oct-21	Amentum	PAE	Provides outsourced operational, security, and intelligence support, analysis, and business process services.	\$1,913	0.6x	8.7x
Aug-21	Manpower-Group	ettain Group	Provides enterprise IT staffing, recruiting, managed application, and security services.	\$925	1.3x	11.5x

Source: 451 Research.

(1): Deals with disclosed multiples (revenue or EBITDA) with enterprise value >\$40M from 2021-2023.



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Select Technology Services Transactions with Disclosed Multiples (3/3)

Date	Buyer	Target	Target Description	EV (\$mm) ⁽¹⁾	EV / LTM Revenue	EV / LTM EBITDA
Aug-21	Swiss Post Solutions	Mitie (Document Management Business)	Provides digital information, document management, and document process outsourcing services.	\$55	0.8x	9.5x
Jul-21	Learning Technologies Group	GP Strategies	Provides BPO technical performance services, consulting, and business improvement services.	\$406	0.8x	9.5x
Jul-21	Crayon Group	rhipe	Operates as a value-added reseller, cloud system integration, licensing, and cloud migration services.	\$267	5.3x	24.7x
Jul-21	Telefónica	Cancom (UK)	An IT consulting and solutions provider, offering digital transformation services, including IT solutions, cloud infrastructure, and managed services	\$479	4.4x	-
Jun-21	Sitel Group	Sykes Enterprises	Provides call center, outsourced customer care, and technical support services for businesses.	\$2,327	1.3x	9.0x
May-21	Knowit	Cybercom Group	Offers IT consulting, advisory, security, and implementation services for Nordic region and globally.	\$261	1.3x	-
Apr-21	Tech Mahindra	DigitalOnUs	Provides hybrid cloud, DevOps automation, SAP automation, and cloud managed services to businesses.	\$120	3.9x	-
Apr-21	Volaris Group	Adapt IT Holdings	Offers systems integration and development services for businesses in South Africa.	\$70	-	0.3x
Mar-21	Wipro	The Capital Markets Company (UK)	Provides IT systems integration and business consulting for finance, insurance, and energy sectors.	\$1,450	2.1x	-
Feb-21	Serco Group	Whitney, Bradley & Brown	Provides defense and security program management and consulting services for federal government agencies.	\$295	1.4x	10.2x
Feb-21	Accenture	Future State	Offers IT management consulting services: digital transformation, process management, and learning.	\$45	2.3x	-
Jan-21	Peraton	Perspecta	Provides systems integration and engineering services for various sectors.	\$7,273	1.6x	11.3x
Mean					1.6x	10.5x
Median					2.1x	10.5x

Source: 451 Research.

(1): Deals with disclosed multiples (revenue or EBITDA) with enterprise value >\$40M from 2021-2023.



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Public Market Observations and Valuation Benchmarking

Publicly-Traded Company Analysis: Summary Observations



The Technology Services composite index appreciated significantly in 2023, reversing 2022's decline

- 2023 performance of +19.6% versus 2022 decline of -28.3%



All sub-sectors of Technology Services traded higher in 2023 as compared to last year

- The IT Commercial sub-sector was the best performer in 2023, with share price performance of +28.5%
- The Government Consulting sub-sector was a laggard in 2023, with share price performance of +14.2%



In-line with share price appreciation, valuations (EV / LTM EBITDA) in Technology Services have similarly increased

- EV / LTM EBITDA multiples have increased from to 15.4x in 2023, from 13.5x at the beginning of the year
- EV / LTM Revenue multiples have increased from to 2.4x in 2023, from 2.2x at the beginning of the year



Valuation multiples vary depending on sub-sector

- Offshore Services represents the high-end of the range, at an EV / 2023 EBITDA multiple of 17.9x
- Consulting Services represents low-end of the range, at an EV / 2023 EBITDA multiple of 11.7x



Growth and EBITDA margins are the key drivers of valuation multiples

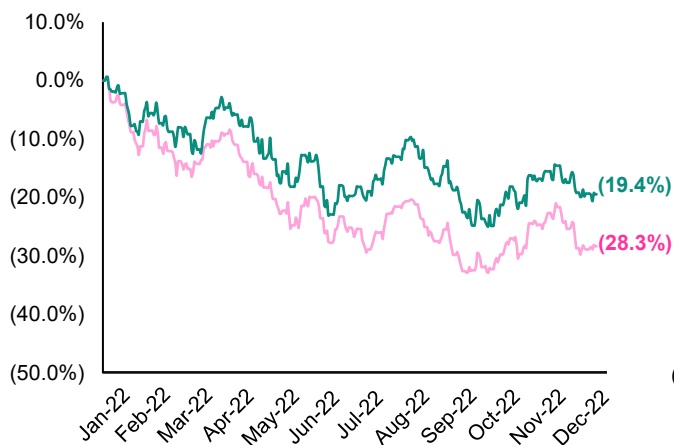
Sector	Revenue Growth % ⁽¹⁾	EBITDA Margin % ⁽¹⁾
Government Consulting	10.2%	10.3%
Offshore Services	3.4%	18.7%
Consulting	2.7%	12.3%
IT Commercial Services	2.2%	16.2%
Managed Services	2.1%	18.2%

(1): Revenue growth estimate for CY2022-2023E; EBITDA margin for 2023E.
Source: Capital IQ, KPMG Analysis.

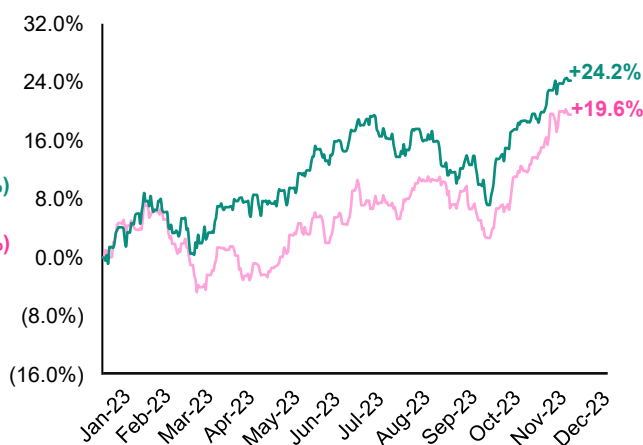
Technology Services Public Market Observations (1/3)

The Technology Services sector price index closed at **+19.6% 2023**, representing a recovery relative to 2022. The IT Commercial sub-sector was the strongest performer, with share price appreciation of **28.5%**; Government Consulting represented the weakest performance, with indexed share price appreciation of **14.2%** through 2023.

2022 Indexed Stock Price Performance⁽¹⁾

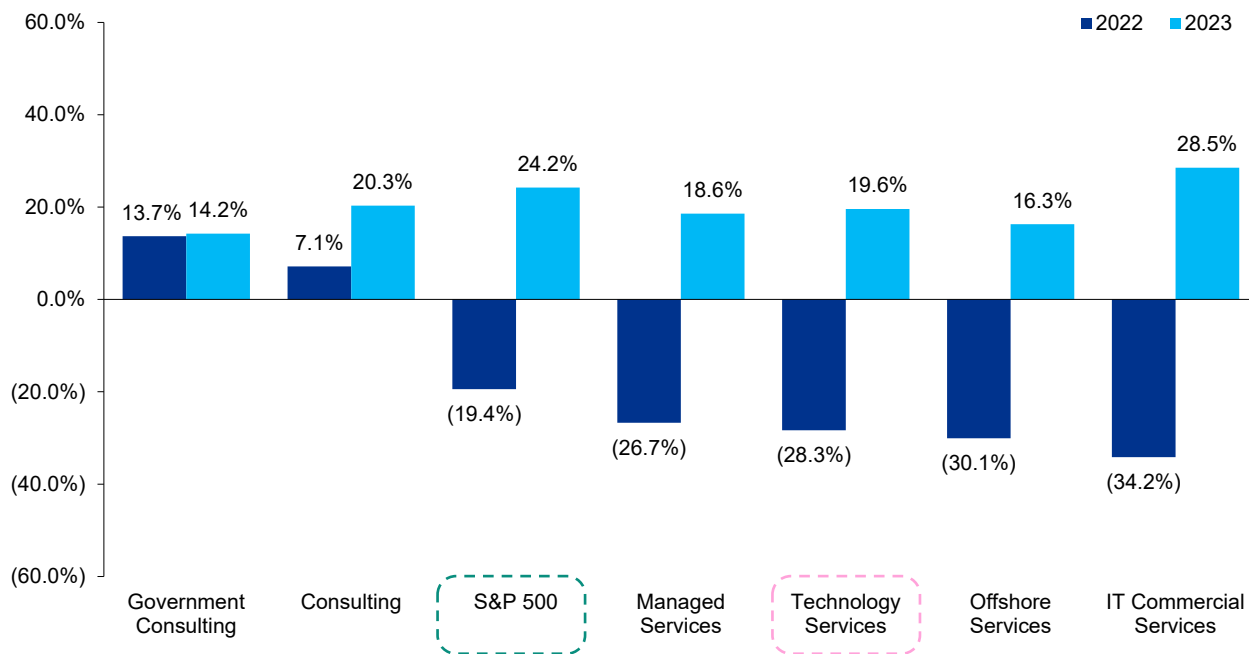


2023 Indexed Stock Price Performance⁽¹⁾



Technology Services S&P 500

Share Price Performance by Technology Services Sub-sector

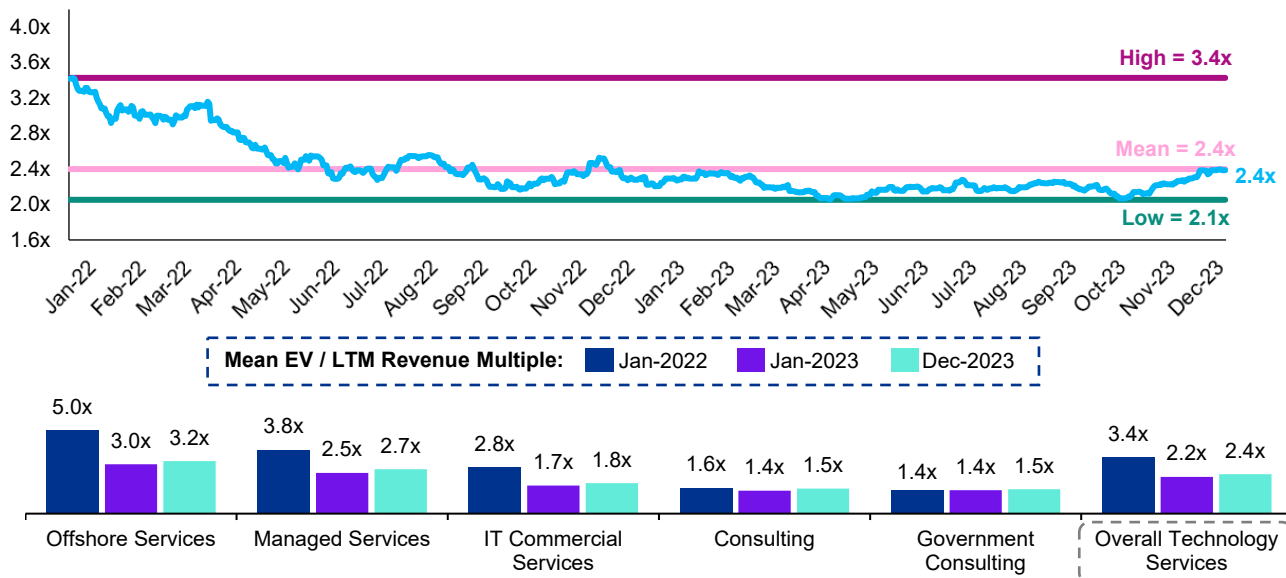


(1): Market statistics sourced from Capital IQ as on 12.31.23. Detailed listing of companies that comprise each peer group is located on page 37, "Select Publicly-Traded Technology Services Companies". Indexed Stock Price Performance calculated using market-cap weighted methodology.

Technology Services Public Market Observations (2/3)

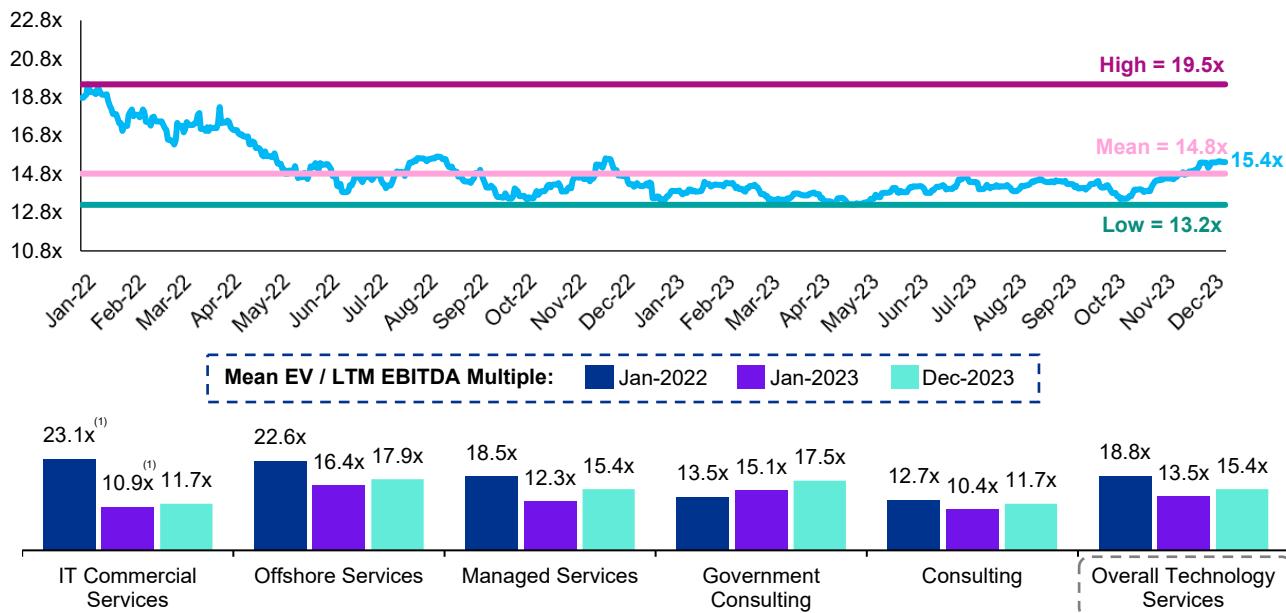
2022 – 2023 EV / LTM Revenue Performance

Average EV / LTM Revenue multiples in the Technology Services sector increased to 2.4x in 2023, 6.3% above a multiple of 2.2x at the beginning of the year.



2022 – 2023 EV / LTM EBITDA Performance

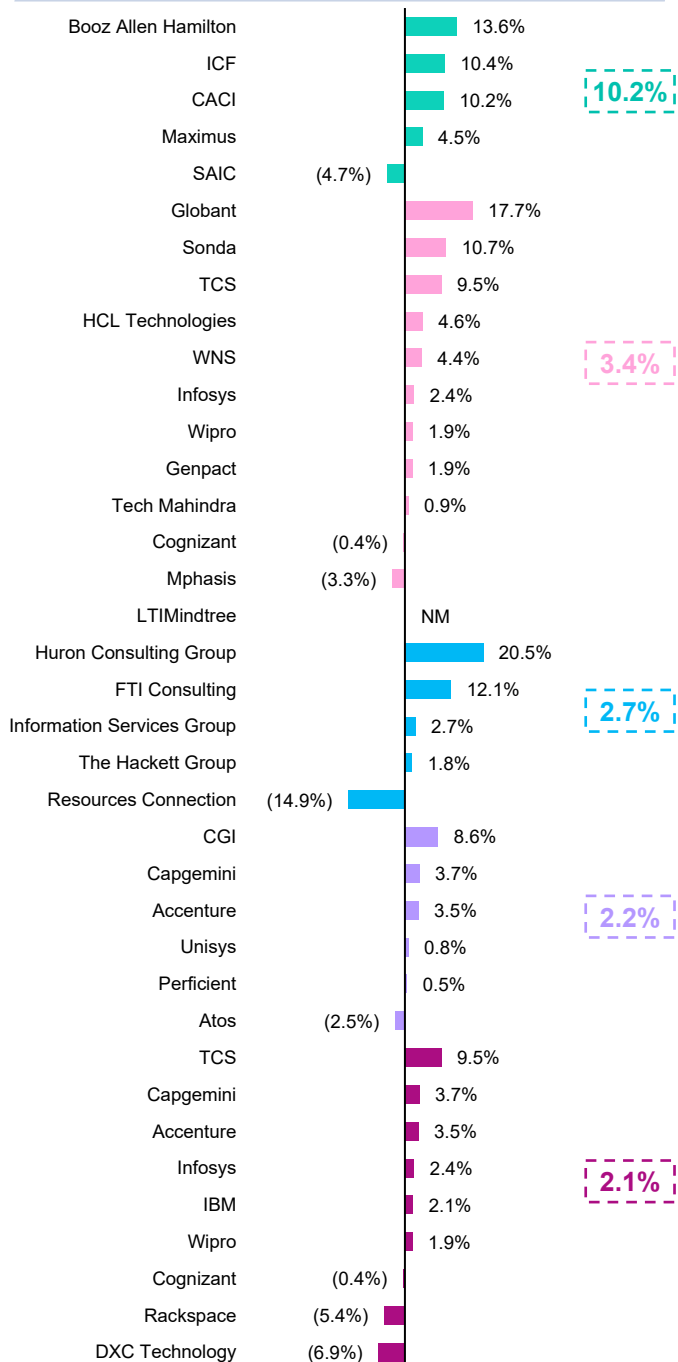
Average EV / LTM EBITDA multiples in the Technology Services sector, increased to 15.4x, 14.3% above a multiple 13.5x at the beginning of the year.



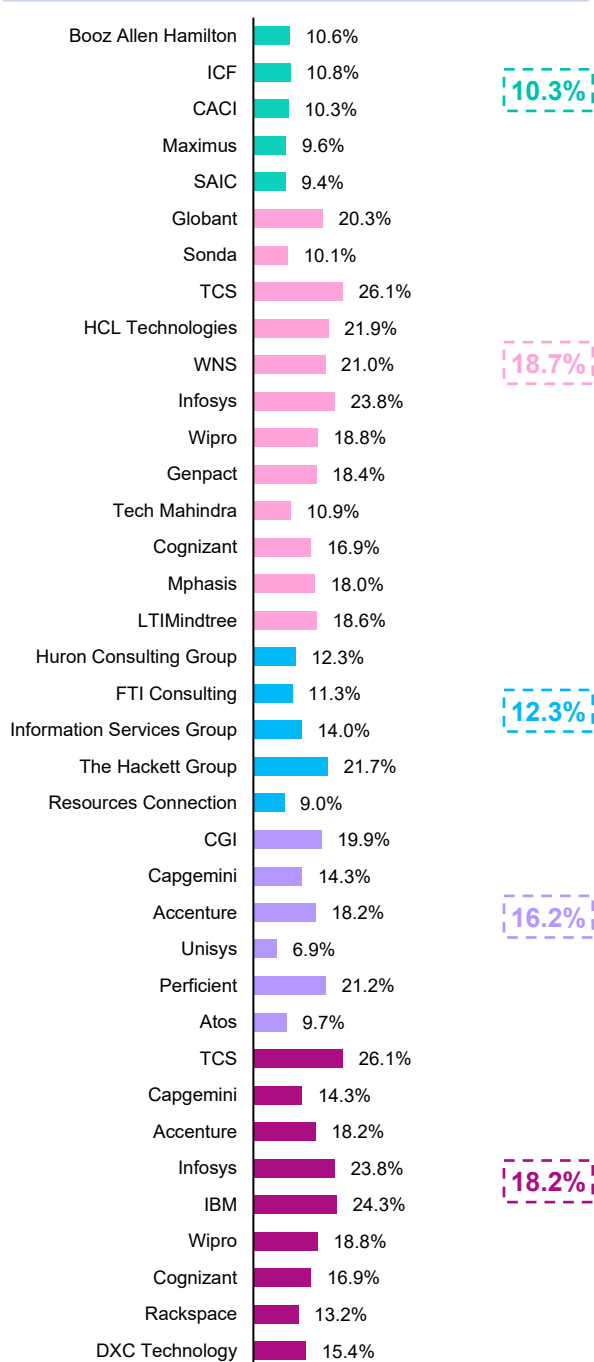
(1): Jan 2022 & Jan 2023 EV / LTM EBITDA for IT Commercial Services excludes multiple for Unisys since they have a negative EBITDA. Source: Capital IQ as on 12.31.23.

Technology Services Public Market Observations (3/3)

CY 2022-2023E Revenue Growth (%)



CY 2023E EBITDA Margin (%)



Represents Sector Median (40.0%) (20.0%) 0.0% 20.0% 40.0%

Represents Sector Median 0.0% 20.0% 40.0% 60.0% 80.0%

■ Consulting ■ Government Consulting ■ IT Commercial Services
■ Managed Services ■ Offshore Services

Source: Capital IQ data calculated as of 12.31.23.



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Select Publicly-Traded Technology Services Companies

Company	HQ Country	Market Data				LTM Financials				Valuation Multiples		
		Market Cap (\$mm) ⁽¹⁾⁽²⁾	Enterprise Value (\$mm) ⁽³⁾	Share Price ⁽²⁾	% 52 Wk High	Revenue	Revenue Growth	Gross Margin %	EBITDA % ⁽⁴⁾	LTM EBITDA	CY 2023 Revenue	CY 2023 EBITDA
Offshore Services												
Tata Consultancy Services Limited	IN	\$164,884	\$159,298	\$45.57	96.5%	\$28,691	10.1%	40.8%	25.6%	21.7x	5.6x	21.7x
Infosys Limited	IN	\$76,717	\$74,996	\$18.54	95.3%	\$18,552	3.4%	29.7%	22.9%	17.6x	4.0x	17.6x
HCL Technologies Limited	IN	\$47,695	\$45,686	\$17.61	97.1%	\$13,075	5.9%	36.2%	20.6%	16.9x	3.5x	16.9x
Cognizant Technology Solutions Corporation	US	\$37,872	\$36,949	\$75.53	98.3%	\$19,434	0.4%	34.8%	17.7%	10.8x	1.9x	11.3x
Wipro Limited	IN	\$29,563	\$27,669	\$5.67	98.8%	\$10,901	2.9%	28.6%	18.1%	14.0x	2.5x	14.0x
LTIMindtree Limited	IN	\$22,379	\$21,639	\$75.62	99.0%	\$4,203	96.2%	27.6%	16.9%	30.5x	5.1x	27.5x
Tech Mahindra Limited	IN	\$13,484	\$13,117	\$15.29	95.5%	\$6,436	8.2%	31.4%	11.3%	18.0x	2.1x	19.2x
Globant S.A.	LU	\$10,059	\$10,061	\$237.98	95.0%	\$2,006	20.2%	36.6%	15.3%	32.7x	4.8x	23.7x
Genpact Limited	BM	\$6,297	\$7,293	\$34.71	71.4%	\$4,433	2.1%	35.1%	16.2%	10.1x	1.6x	8.9x
Mphasis Limited	IN	\$6,213	\$6,074	\$32.92	98.3%	\$1,612	0.5%	40.8%	16.5%	22.8x	3.8x	21.1x
WNS (Holdings) Limited	IN	\$3,003	\$3,108	\$63.20	66.6%	\$1,282	8.2%	36.4%	17.5%	13.8x	2.5x	12.0x
Sonda S.A.	CL	\$381	\$676	\$0.44	83.4%	\$1,333	16.0%	16.4%	8.1%	6.3x	0.5x	5.0x
Offshore Services Mean					91.3%		14.5%	32.9%	17.2%	17.9x	3.2x	16.6x
Offshore Services Median					96.0%		7.0%	34.9%	17.2%	17.3x	3.0x	17.3x
Consulting												
FTI Consulting, Inc.	US	\$6,936	\$7,270	\$199.15	85.8%	\$3,339	13.9%	32.1%	11.8%	18.4x	2.1x	18.9x
Huron Consulting Group Inc.	US	\$1,776	\$2,167	\$102.80	90.7%	\$1,337	25.3%	30.8%	11.6%	14.0x	1.6x	12.9x
The Hackett Group, Inc.	US	\$620	\$656	\$22.77	91.7%	\$289	(0.6%)	40.4%	20.4%	11.2x	2.2x	10.2x
Resources Connection, Inc.	US	\$477	\$382	\$14.17	75.6%	\$705	(14.7%)	39.4%	7.4%	7.3x	0.5x	7.3x
Information Services Group, Inc.	US	\$230	\$294	\$4.71	80.2%	\$299	6.2%	38.9%	10.6%	9.3x	1.0x	7.1x
Consulting Mean					84.8%		6.0%	36.3%	12.4%	12.0x	1.5x	11.3x
Consulting Median					85.8%		6.2%	38.9%	11.8%	11.2x	1.6x	10.2x
IT Commercial Services												
Accenture plc	IE	\$220,018	\$216,761	\$350.91	98.7%	\$64,588	3.5%	32.5%	17.5%	19.2x	3.4x	19.2x
Cappgemini SE	FR	\$35,664	\$40,898	\$208.63	96.0%	\$24,818	12.9%	26.5%	13.5%	12.2x	1.6x	11.5x
CGI Inc.	CA	\$24,981	\$26,622	\$107.49	97.3%	\$10,568	11.1%	30.6%	17.5%	14.4x	2.4x	12.3x
Perficient, Inc.	US	\$2,289	\$2,630	\$65.82	67.9%	\$918	3.5%	37.5%	18.5%	15.5x	2.9x	13.7x
Atos SE	FR	\$865	\$4,605	\$7.79	44.7%	\$12,365	3.2%	4.4%	6.9%	5.4x	0.4x	3.9x
Unisys Corporation	US	\$384	\$557	\$5.62	92.7%	\$2,015	2.7%	29.0%	7.2%	3.8x	0.3x	4.1x
IT Commercial Services Mean					82.9%		6.2%	26.7%	13.5%	11.7x	1.8x	10.8x
IT Commercial Services Median					94.4%		3.5%	29.8%	15.5%	13.3x	2.0x	11.9x
Government Consulting												
Booz Allen Hamilton Holding Corporation	US	\$16,677	\$19,763	\$127.91	97.4%	\$10,031	13.8%	22.8%	6.6%	29.7x	1.9x	18.1x
CACI International Inc	US	\$7,215	\$9,209	\$323.86	90.1%	\$6,947	10.0%	33.5%	10.3%	12.9x	1.3x	12.6x
Science Applications International Corporation	US	\$6,472	\$8,556	\$124.32	91.4%	\$7,675	2.1%	11.8%	9.1%	12.2x	1.2x	12.4x
Maximus, Inc.	US	\$5,115	\$6,479	\$83.86	93.5%	\$4,905	5.9%	21.0%	8.5%	15.5x	1.3x	13.6x
ICF International, Inc.	US	\$2,523	\$3,263	\$134.09	92.2%	\$1,960	15.8%	35.7%	9.6%	17.3x	1.7x	15.4x
Government Consulting Mean					92.9%		9.5%	24.9%	8.8%	17.5x	1.5x	14.4x
Government Consulting Median					92.2%		10.0%	22.8%	9.1%	15.5x	1.3x	13.6x
Managed Services												
Accenture plc	IE	\$220,018	\$216,761	\$350.91	98.7%	\$64,588	3.5%	32.5%	17.5%	19.2x	3.4x	19.2x
Tata Consultancy Services Limited	IN	\$164,884	\$159,298	\$45.57	96.5%	\$28,691	10.1%	40.8%	25.6%	21.7x	5.6x	21.7x
International Business Machines Corporation	US	\$149,341	\$196,963	\$163.55	98.3%	\$61,171	1.1%	55.0%	22.3%	14.4x	3.2x	13.1x
Infosys Limited	IN	\$76,717	\$74,996	\$18.54	95.3%	\$18,552	3.4%	29.7%	22.9%	17.6x	4.0x	17.6x
Cognizant Technology Solutions Corporation	US	\$37,872	\$36,949	\$75.53	98.3%	\$19,434	0.4%	34.8%	17.7%	10.8x	1.9x	11.3x
Cappgemini SE	FR	\$35,664	\$40,898	\$208.63	96.0%	\$24,818	12.9%	26.5%	13.5%	12.2x	1.6x	11.5x
Wipro Limited	IN	\$29,563	\$27,669	\$5.67	98.8%	\$10,901	2.9%	28.6%	18.1%	14.0x	2.5x	14.0x
DXC Technology Company	US	\$4,429	\$8,666	\$22.87	75.6%	\$14,039	(8.7%)	22.4%	3.4%	18.0x	0.6x	4.1x
Rackspace Technology, Inc.	US	\$433	\$3,783	\$2.00	56.1%	\$3,024	(2.8%)	22.9%	11.0%	11.3x	1.3x	9.7x
Managed Services Mean					90.4%		2.5%	32.6%	16.9%	15.5x	2.7x	13.6x
Managed Services Median					96.5%		2.9%	29.7%	17.7%	14.4x	2.5x	13.1x
Selected Public Technology Services Companies Mean					89.1%		8.4%	31.2%	14.8%	15.5x	2.4x	13.9x
Selected Public Technology Services Companies Median					95.3%		3.5%	32.1%	16.2%	14.4x	2.1x	13.1x

Source: Capital IQ.

(1) Market Capitalization based on closing share prices as of 12.31.23.

(2) Market Capitalization and Share Prices may be based on foreign exchange listed securities and converted to USD.

(3) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents.

(4) EBITDA equals Earnings before Interest Expense, Income Taxes, Depreciation and Amortization.

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KPMG Technology Services Investment Banking Overview

Enterprise-Class Service Delivered to the Middle-Market*

The KPMG Technology Services team has advised on over \$15.1 billion of Technology Services M&A and Capital Markets activity over a 15-year period.

Managed Services / Cloud

<p>Appirio</p> <p><i>Capital raise from</i></p> <p>Fidelity Investments</p> <hr/> <p>\$40mm</p>	<p>Ensono</p> <p><i>Sale to</i></p> <p>Charlesbank</p> <hr/> <p>\$150mm</p>	<p>Evolve IP</p> <p><i>Sale to</i></p> <p>Great Hill Partners</p> <hr/> <p>\$225mm</p>
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Digital Transformation

<p>Accenture</p> <p><i>Acquisition of</i></p> <p>Acquity Group</p> <hr/> <p>\$320mm</p>	<p>Publicis Groupe</p> <p><i>Acquisition of</i></p> <p>Razorfish</p> <hr/> <p>\$530mm</p>	<p>Sapient</p> <p><i>Sale to</i></p> <p>Publicis Groupe</p> <hr/> <p>\$3.7bn</p>
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Offshore Services / BPO

<p>Infosys</p> <p><i>Secondary ADS Offering</i></p> <hr/> <p>\$1.6bn</p>	<p>WNS</p> <p><i>IPO</i></p> <hr/> <p>\$255mm</p>	<p>Xerox</p> <p><i>Acquisition of</i></p> <p>Affiliated Computer Services (ACS)</p> <hr/> <p>\$8.3bn</p>
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*Represents transactions completed by KPMG CF professionals at predecessor firms





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A Leading Global Middle-Market Investment Banking Platform

Mid-Market Deals Over Past 20 Years ⁽¹⁾			Mid-Market TMT Deals Over Past 20 Years ⁽¹⁾		
Firm		No. of deals	Firm		No. of deals
1	KPMG*	9,173	1	Houlihan Lokey	1,897
2	PricewaterhouseCoopers	8,905	2	KPMG*	1,767
3	Houlihan Lokey	6,581	3	PricewaterhouseCoopers	1,611
4	Deloitte	6,111	4	Deloitte	1,285
5	Ernst & Young LLP	5,564	5	UBS	1,235
6	UBS	5,457	6	Ernst & Young LLP	1,182
7	Rothschild & Co	5,364	7	Goldman Sachs & Co	932
8	Lazard	3,774	8	Rothschild & Co	882
9	Goldman Sachs & Co	3,729	9	Morgan Stanley	821
10	JP Morgan	3,604	10	Lazard	787

Select KPMG CF LLC Technology Services Transactions

 <p>Acquired by</p> 	 <p>Acquired by</p> 	 <p>Has divested its North American technical maintenance services business to</p> 	 <p>A portfolio company of</p>  <p>Has acquired</p> 	 <p>Has received a majority investment from</p> 	 <p>Acquired by</p> 
 <p>Has received an investment from</p> 	 <p>Has received an investment from</p> 	 <p>Acquired by</p>  <p>A portfolio company of</p> 	 <p>Acquired by</p> 	 <p>Has received an investment from</p> 	 <p>Acquired by</p> 
 <p>Acquired by</p> 	 <p>Has Sold</p>  <p>To</p> 	 <p>Has diversified its Japanese operations to</p> 	 <p>Acquired by</p> 	 <p>Has received an investment from</p> 	 <p>Has Sold</p>  <p>To</p> 

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⁽¹⁾: Thomson Reuters SDC; Each set of figures is taken from the league table press releases issued for that year. Middle-market is defined as deals less than US\$500 million. *Represents the global Corporate Finance practice of KPMG International's network of independent member firms.





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