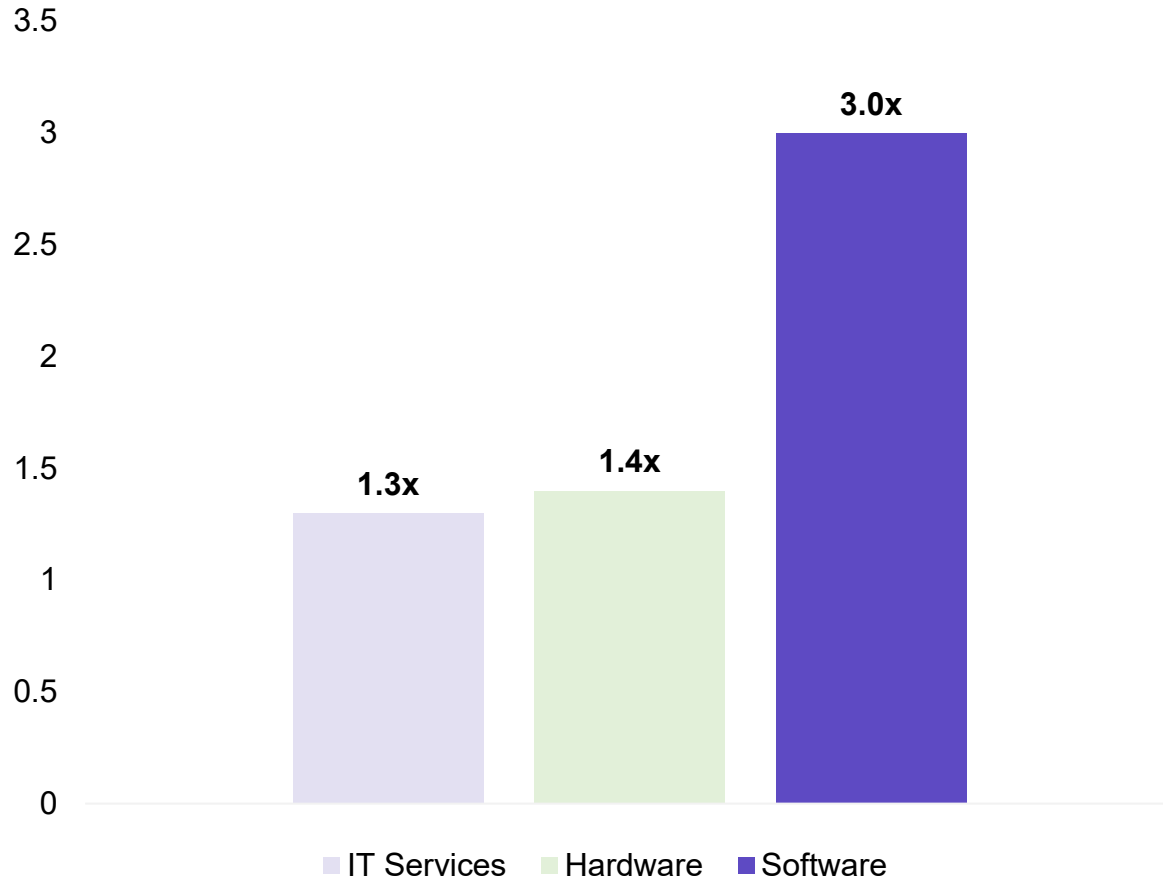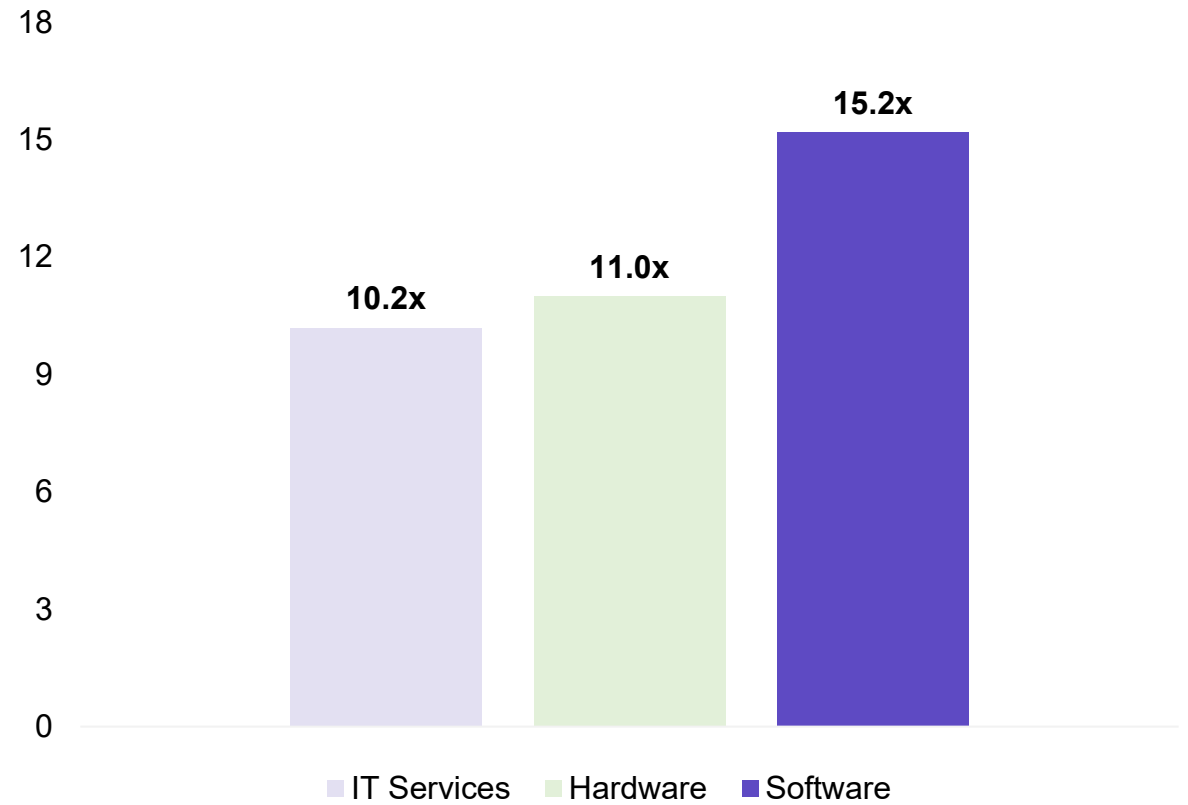# *Tech companies valuation:* IT Services, Hardware, and Software

IT services and hardware trade at similar multiples, while software commands higher valuations

Median EV/Revenue multiples, 2015 – H1 2025

- 3.0x (Software)
- 1.4x (Hardware)
- 1.3x (IT Services)

Median EV/EBITDA multiple, 2015 – H1 2025

- 15.2x (Software)
- 11.0x (Hardware)
- 10.2x (IT Services)

Legend: IT Services | Hardware | Software

Source: Mergermarket

Tech companies valuation: IT Services valuation multiples

Over the past 10 years, IT services companies have been valued at around 10.2x EBITDA or 1.3x revenue

Multiple	Sample (n)	1st quartile	Median	3rd quartile
EV/Revenue	628	0.7x	1.3x	3.6x
EV/EBITDA	363	6.8x	10.2x	25.8x
EV/EBIT	349	9.8x	15.4x	37.6x

Search criteria:
Target Sector is Data processing or Hardware maintenance or IT consulting or IT training, followed by manual classification
as either IT Services or not
Deal value is disclosed
Period: 01.01.2015 – 01.07.2025
N=628 transactions

Aventis *Advisors*

Source: Mergermarket

Tech companies valuation: Hardware valuation multiples

Over the past 10 years, hardware companies have been valued at around 11.0x EBITDA or 1.4x revenue

Multiple	Sample (n)	1st quartile	Median	3rd quartile
EV/Revenue	420	0.6x	1.4x	3.0x
EV/EBITDA	265	5.8x	11.0x	21.3x

Search criteria:
Target Sector is Computer mainframes or Computer peripherals or Laptops or Minicomputers or Optical scanning equipment or PDA/hand-held devices or Voice synthesis/recognition equipment or Computer: Hardware
Deal value is disclosed
Period: 01.01.2015 – 01.07.2025
N=420 transactions

Aventis *Advisors*

Source: Mergermarket

Tech companies valuation: Software valuation multiples

Over the past 10 years, software companies have been valued at around 15.2x EBITDA or 3.0x revenue

Multiple	Sample (n)	1st quartile	Median	3rd quartile
EV/Revenue	2,172	1.5x	3.0x	6.4x
EV/EBITDA	936	9.5x	15.2x	25.3x
EV/EBIT	776	11.4x	18.7x	33.3x

Search criteria:
Industry is Application software or Operating systems and systems-related software
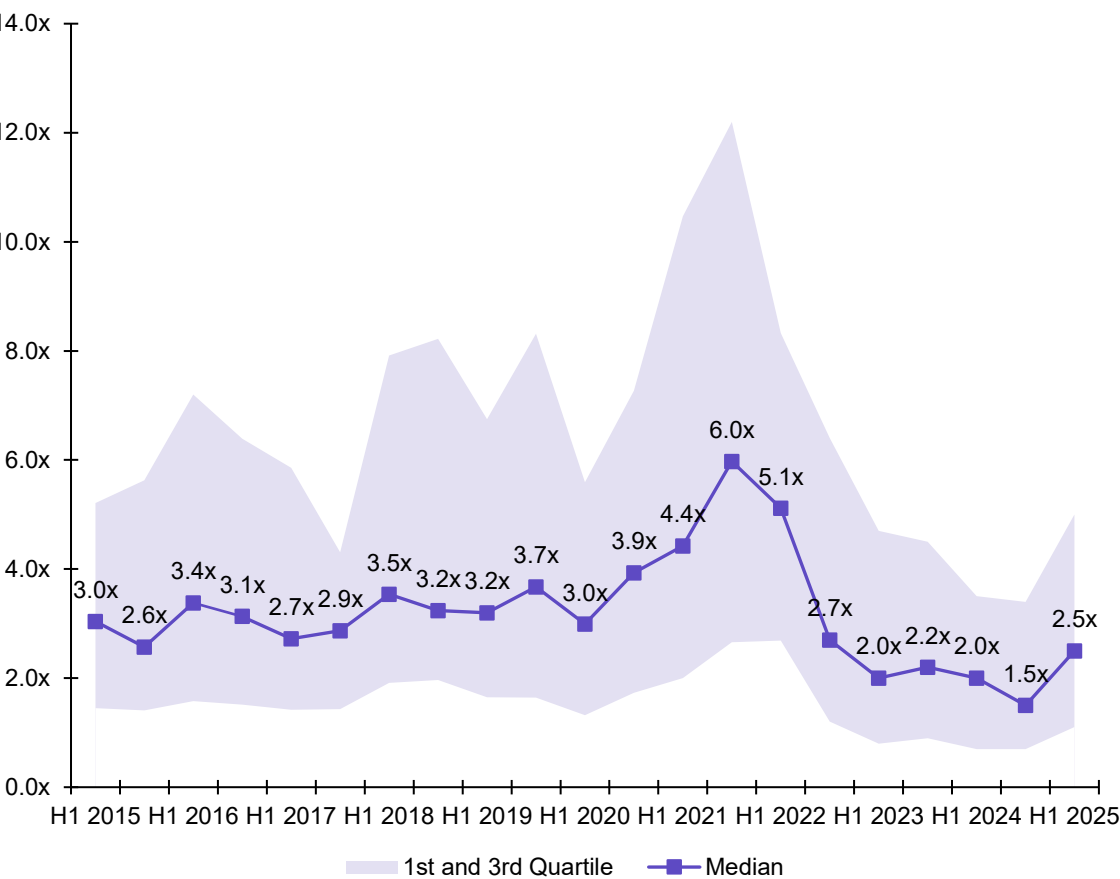Deal value is disclosed
Period: 01.01.2015 – 01.07.2025
N=2,172 transactions

Aventis *Advisors*

Software Valuations

The valuations have had a recent deceleration over the years, hovering at around 2.0x revenue, following its peak right around the pandemic

Median EV/Revenue multiple, 2015-2025 (n=2,172)

Median EV/EBITDA multiple, 2015-2025 (n=936)

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Source: Mergermarket