

Aventis Advisors

MSP Valuations

Research report

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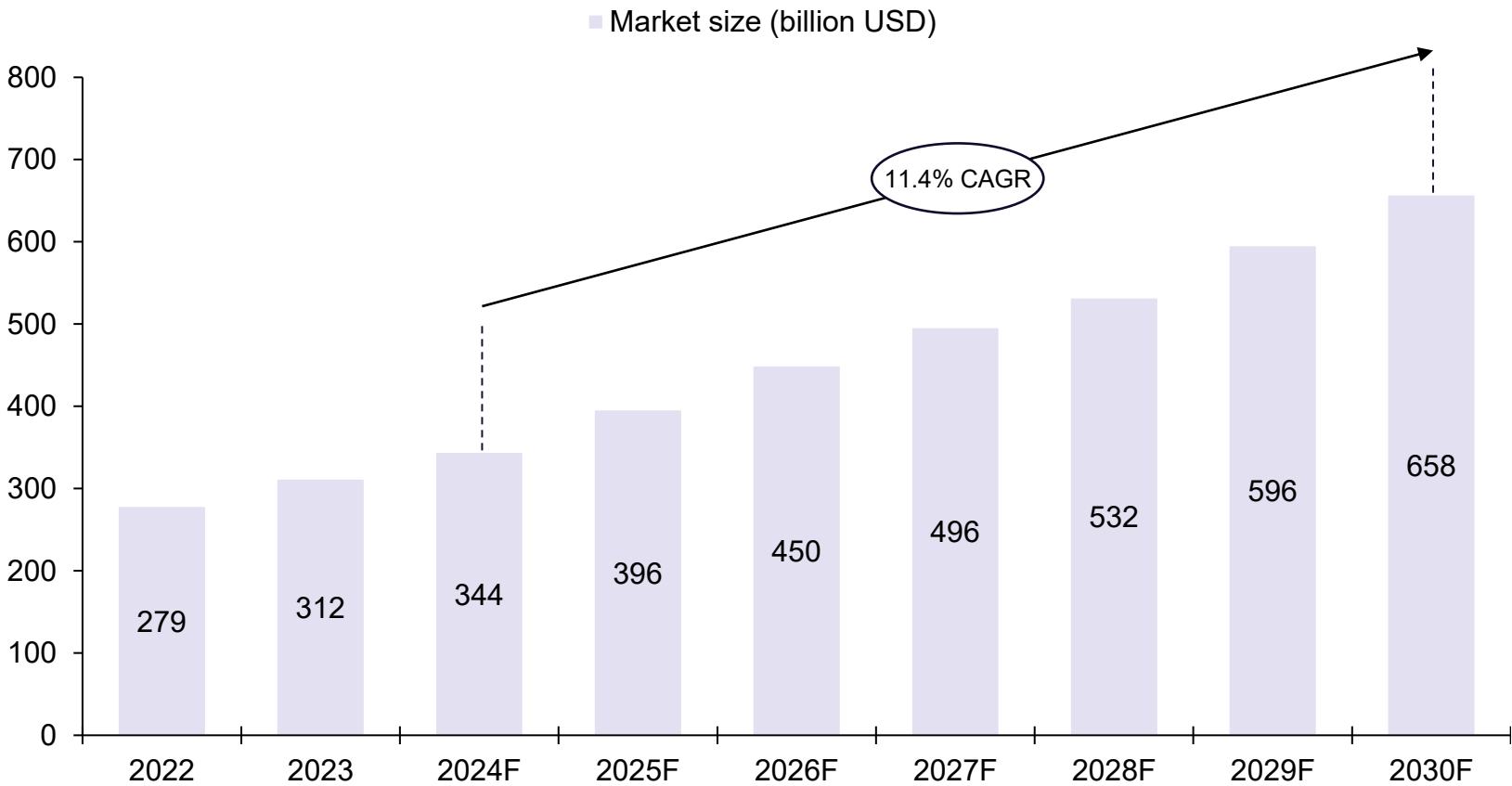
1. [MSP Market](#)
2. MSP Valuations – Listed
3. MSP Valuations - Private



MSP: Global Market Size

The Size of Global Managed Services is expected to grow at 11.4% CAGR until 2030

Market size, 2022-2030F (B USD)

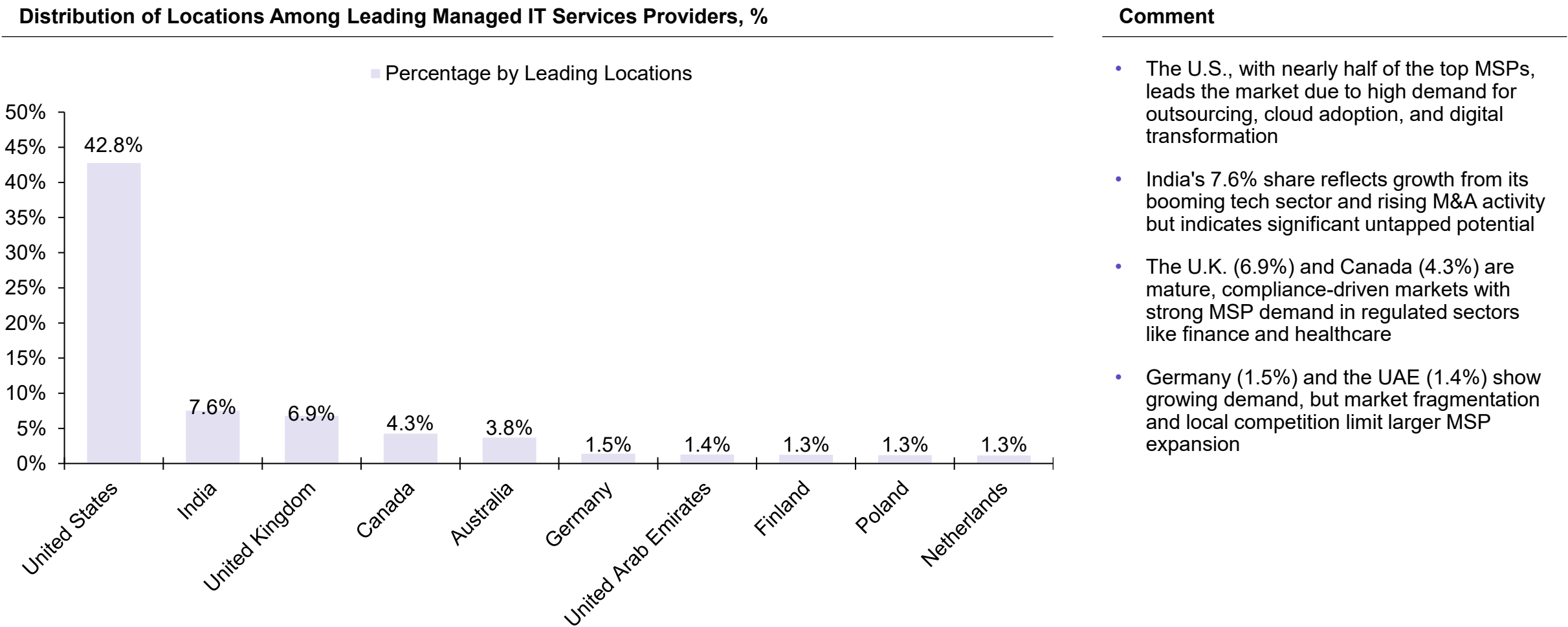


Comment

- The MSP market is set to grow from \$344.4B to **\$657.5B by 2030**, driven by an **11.4% CAGR**, reflecting the rising demand for outsourced IT management
- The market is split between large tech firms integrating managed services into broader solutions and specialized MSPs offering end-to-end IT management
- Key growth drivers include the acceleration of cloud adoption, the rising complexity of cybersecurity threats, and the need for scalable IT solutions amid evolving business demands
- SMEs are a growing customer base, leveraging MSPs to reduce operational costs, access cutting-edge technology, and improve IT efficiency without heavy internal investments

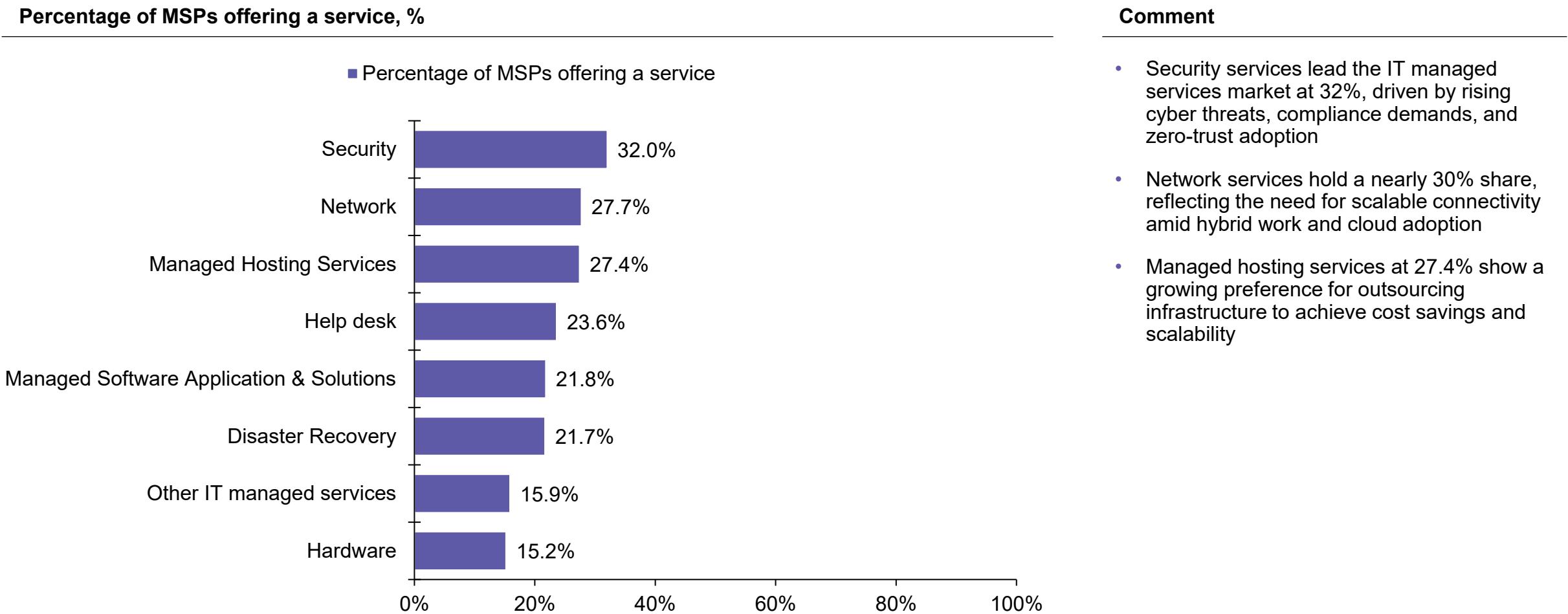
MSP: Geographic Distribution of Leading Managed IT Services Providers

The United States dominates the MSP market, with a significantly higher percentage of Leading companies compared to other countries



MSP: IT Managed Services Focus

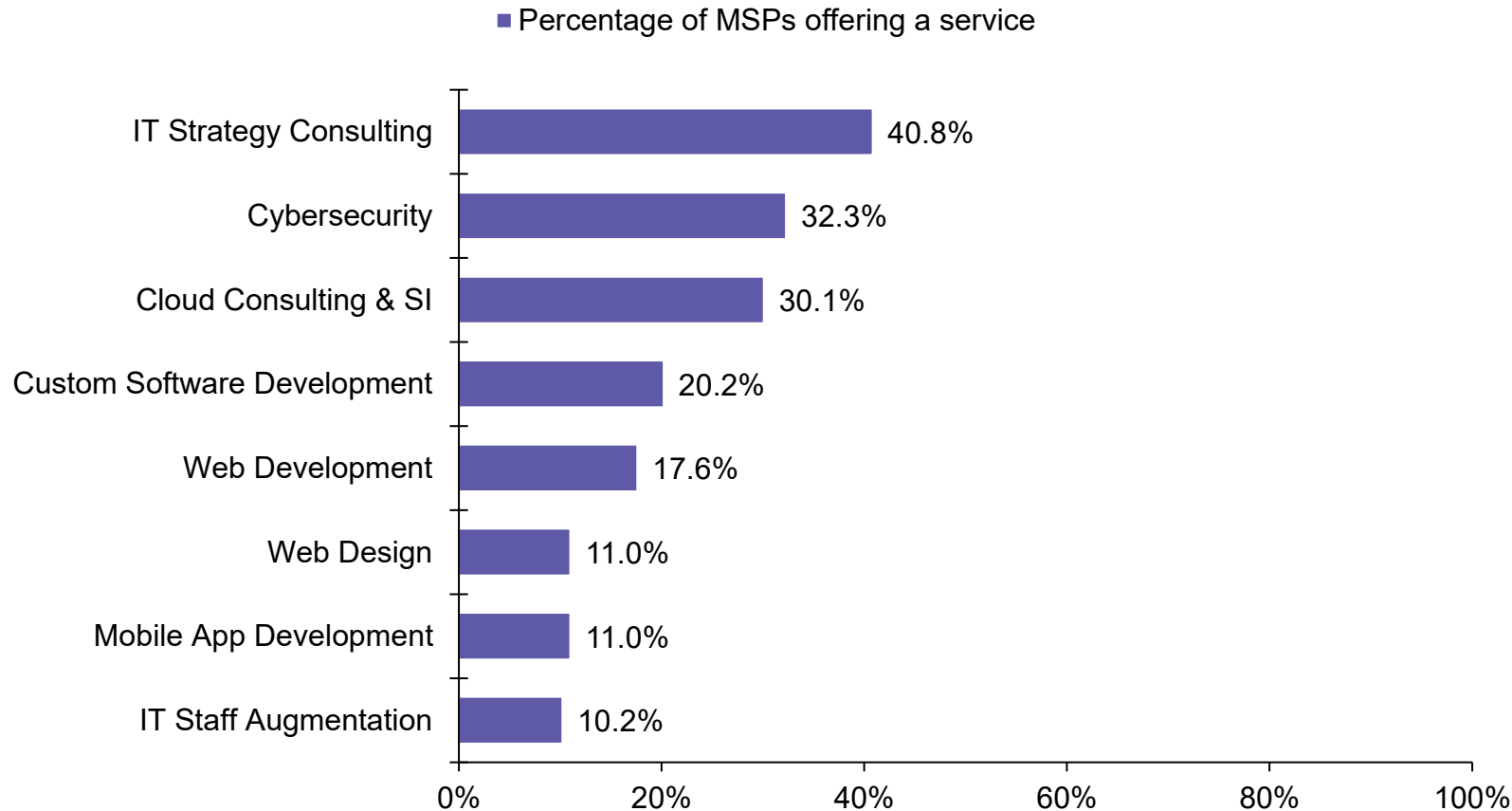
MSPs offer a comprehensive suite of IT services designed to optimize, secure and support business IT infrastructure and operations



MSP: Services delivered on top of Managed IT Services

MSPs offer a comprehensive suite of IT services designed to optimize, secure and support business IT infrastructure and operations

Percentage of MSPs offering a service, %



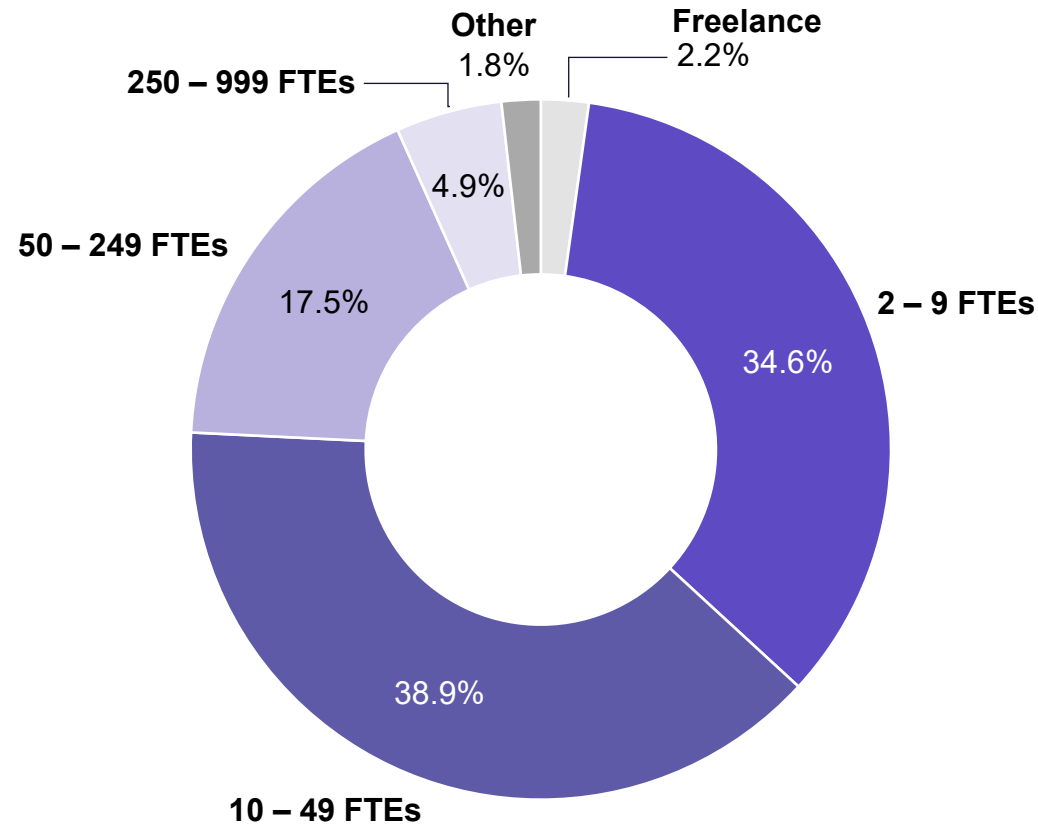
Comment

- 40.8% of MSPs offer IT strategy consulting, showing strong demand for aligning IT infrastructure with business goals
- Cybersecurity services, provided by 32.3% of MSPs, highlight the growing need to protect against evolving threats
- Cloud consulting and systems integration, at 30.1%, reflect businesses' focus on optimizing operations and scalability
- Custom software development, offered by 20.2% of MSPs, underscores the demand for tailored solutions to meet specific business needs

MSP: Typical company size

Typical Managed IT Service Provider employs between 2 and 49 FTEs

Percentage of MPSs size, %



Comment

- Most MSPs are small (2-49 employees), reflecting a market focused on serving SMBs with agile, personalized solutions
- Mid-sized MSPs (10-49 employees) form the largest segment, balancing scalability with tailored service
- Larger MSPs (50+ employees) are less common, indicating fewer enterprise-level service providers in the market
- The landscape shows a gap between smaller, flexible providers and larger, specialized MSPs, with many relying on automation to scale efficiently

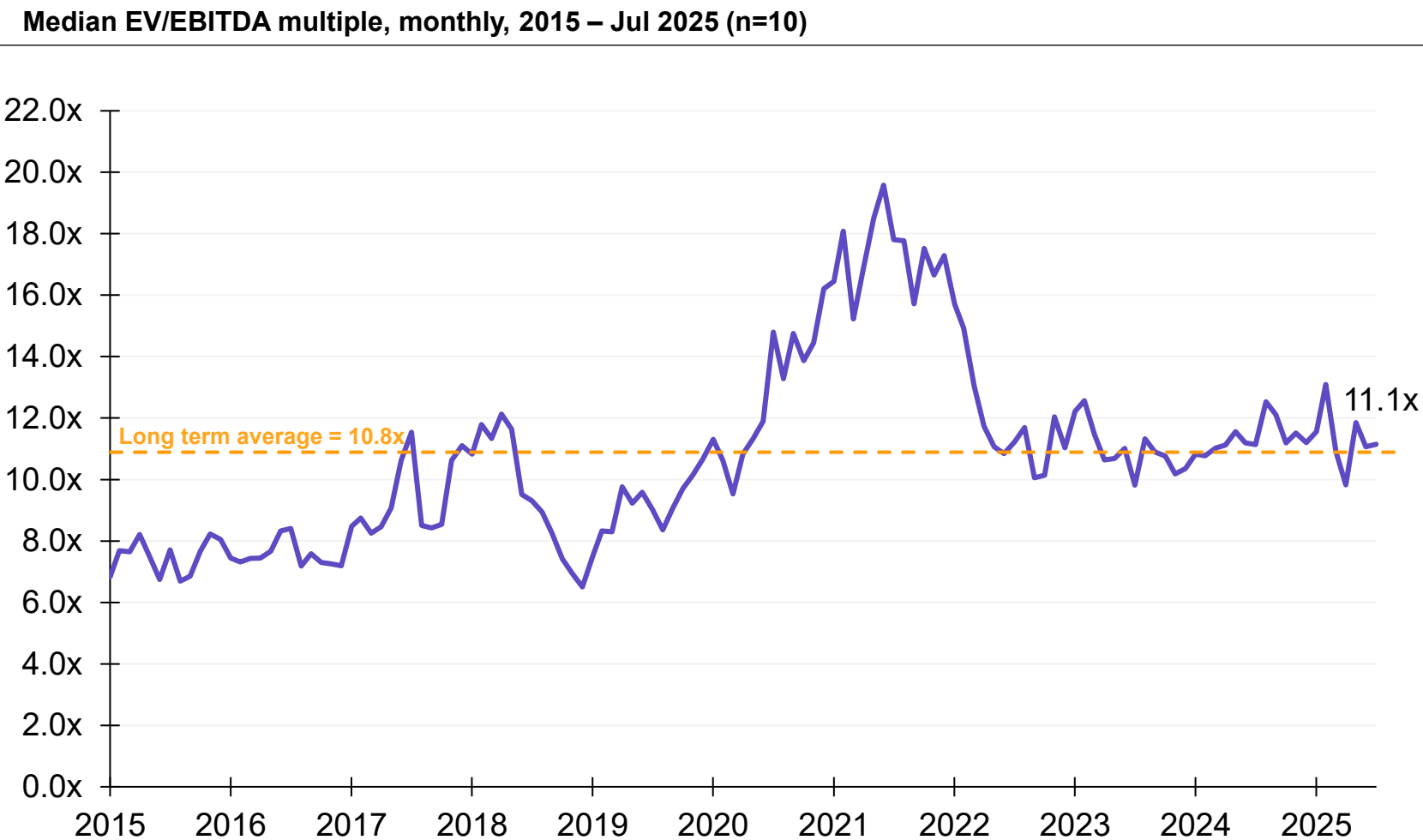
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EV/EBITDA multiples

The EBITDA multiple skyrocketed in 2021 to 9.6x but has declined by almost half in 2025. The current median EV/EBITDA of MSPs is 11.1x



- Comment
- Median EV/EBITDA multiple of MSPs, on average, was **10.8x over the last decade**
 - The EBITDA multiple experienced significant fluctuations during 2020-21
 - This was influenced by the market crash due to onset of COVID-pandemic and the subsequent recovery due to the high demand for IT managed services providers during this period

MSPs in our sample

Data#3

software one

seSa

WIIT
THE PREMIUM CLOUD

SONATA
PIANO

rackspace
technology.

PROACT

NEURONES

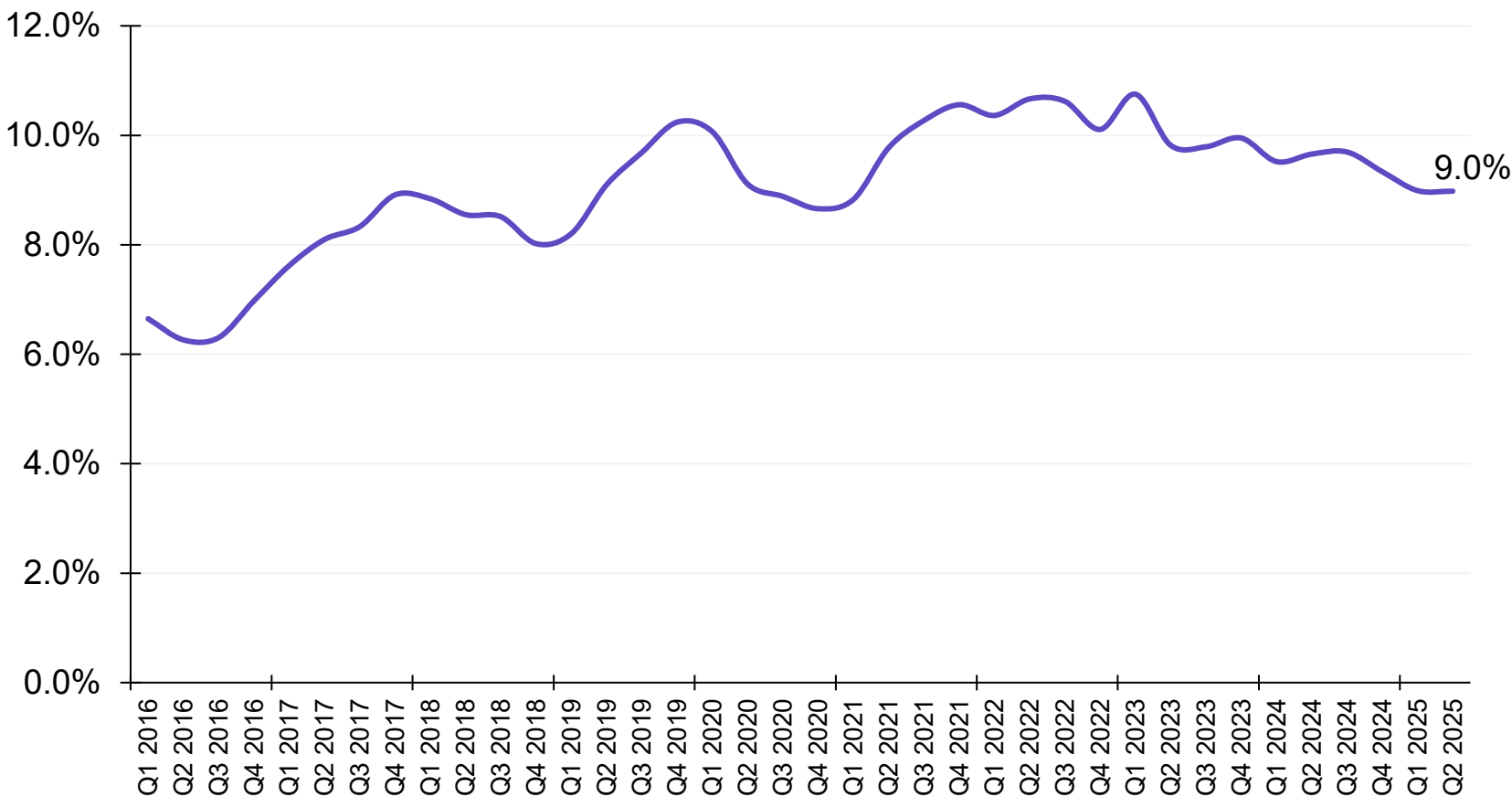
redcentric

Softchoice

EBITDA margin

In our analysis, median EBITDA margin of a managed service provider has been in the range of 6-11% in last nine years

4 quarter rolling average EBITDA margin, 2016-2024



Comment

- As of Q2 2025, the margin stands at 9.0%, slightly down from recent highs but still above the long-term average
- Specialized MSPs have benefited with growth in demand for cybersecurity, remote IT, and hybrid infrastructure support which allows the specialized payers to charge more
- Despite the downward trend in recent two years, MSPs that grow customer volume without linear cost increases will likely sustain healthy margins long-term

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MSP: Private Transaction Multiples

Over the past 10 years, Managed IT Services Providers have been valued at around 8.9x EBITDA or 1.0x Revenue

Multiple	Median deal value, \$M	Sample (n)	1st quartile	Median	3rd quartile
EV/Revenue	\$36M	117	0.5x	1.0x	1.8x
EV/EBITDA	\$32M	80	6.7x	8.9x	12.6x
EV/EBIT	\$48M	53	10.1x	15.6x	24.6x

Search criteria:
Deal value is disclosed
Period: 01.01.2015 – 31.07.2025
N=120 transactions

MSP: Size effect on multiples

Larger IT services companies command higher valuations due to lower default risk and greater stability

IT Services overall				MSP (implied)
Deal size, m USD	Number of deals	Median EV/EBITDA	EV/EBITDA discount (relative to 500+)	Median EV/EBITDA
<5	89	5.9x	(54%)	5.2x
5-20	189	7.9x	(39%)	6.8x
20-50	89	10.3x	(21%)	8.9x
50-100	78	11.5x	(11%)	9.9x
100-500	114	11.6x	(11%)	10.0x
500+	65	13.0x	-	11.2x
Total	624	10.2x		

Search criteria:

Industry is Data processing or Hardware maintenance or IT consulting or IT training; transaction type – excludes minority-stake deals; sector filter – non-IT companies manually removed

Deal value is disclosed, including non-qualifying deals

Period: 01.01.2015 – 31.07.2025

N=624 transactions

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