Morgan Business Sales Releases 2026 M&A Report on Australia's Telecommunications Services Sector

Australia's telco sector is seeing its strongest mid-market M&A activity since 2021, with 51 verified transactions and four ASX-listed consolidators acquiring.

Morgan Business Sales

SYDNEY, NSW, AUSTRALIA, August 10, 2026 /EINPresswire.com/ -- Morgan Business Sales, a licensed business brokerage specialising in mid-market mergers and acquisitions, has published the 2026 Australian Telecommunications Services Sector M&A Overview, available in full at https://morganbusinesssales.com/2026-australian-telecommunication-services-sector-ma-report/

The report documents deal activity, valuation benchmarks, buyer profiles, and the structural forces reshaping one of Australia's most actively transacted industry sectors.

The Australian telecommunications sector generates A$34.7 billion in annual revenue across approximately 2,896 businesses. Mid-market deal activity rose eight percent in 2025, and the first half of 2026 recorded its strongest M&A performance since 2021. MSP Awards Australia has forecast between 45 and 55 telco and managed services transactions for the full calendar year, having already recorded 14 managed services acquisitions in the first quarter alone. Technology, media, and telecommunications led cross-border deal activity in early 2026, with inbound transactions valued at US$2.2 billion.

Four ASX-listed companies are simultaneously and actively acquiring across the sector. Aussie Broadband completed the acquisition of AGL Telco for A$115 million in June 2026, positioning it as the third-largest NBN retail provider in Australia with more than 1.3 million connections. Superloop acquired Lightning Broadband for A$165 million in May 2026 at approximately 15 times forecast FY27 EBITDA, securing 54,000 contracted fibre-to-the-premises lots. Atturra has completed more than ten bolt-on acquisitions since 2023, with FY25 revenue exceeding A$300 million. Accenture's acquisition of CyberCX for over A$1 billion in August 2025 and MaxoTel's contested takeover of Vonex at a A$34.1 million enterprise value in October 2025 further illustrate the depth of buyer appetite across telecommunications, cloud communications, and cybersecurity.

The report documents valuation multiples across each sub-segment of the sector. Internet service providers and telco resellers are transacting at three to twelve times EBITDA depending on scale and strategic fit. Unified communications and cloud PBX businesses command four to nine times EBITDA at the mid-market level, with premium platforms achieving multiples of twelve to twenty-two times. Managed network services and MSP businesses range from five to ten times EBITDA, rising to ten to fifteen times for platform-scale operators. Data centre connectivity and contracted wholesale fibre assets are attracting multiples exceeding twenty times EBITDA in the most competitive processes. Businesses with seventy percent or more of revenue derived from recurring contracted sources typically achieve two to five times higher multiples than comparable project-based operators.

Several structural forces are driving consolidation. NBN wholesale prices increased by approximately 3.63 percent from 1 July 2026, placing further margin pressure on smaller resellers and accelerating exit decisions among owner-operators. Australia's cloud communications market, valued at A$2.16 billion in 2024, is forecast to reach A$6.27 billion by 2030. Australian cybersecurity spending reached A$6.2 billion in 2025, a 14.4 percent year-on-year increase, with further growth to A$7.5 billion forecast for 2026. Australia is now the world's second-largest data centre investment destination, with a forward pipeline exceeding A$155 billion. Microsoft has committed US$25 billion and AWS has committed US$20 billion to Australian infrastructure, driving sustained demand for fibre connectivity, structured cabling, and network services businesses capable of servicing hyperscale facilities.

Approximately 1,288 internet service providers, 855 telecommunications resellers, and 710 MVNOs are currently operating across the country. Industry analysts Venture Insights describe the sector as having split into four distinct camps: incumbents managing decline, challengers growing through acquisition, infrastructure platforms targeting enterprise and government customers, and a new data centre and fibre layer attracting global investment at premium valuations. Private equity firms including Pemba Capital Partners, Potentia Capital, and BGH Capital are active in the A$3 million to A$20 million EBITDA range, alongside offshore buyers from the United States, Canada, and Japan.

Mid-market business owners and operators in the telecommunications services sector who would like a confidential discussion about current market conditions, valuation benchmarks, or exit options are invited to contact Morgan Business Sales directly at 1300 577 297, by email at support@morganbusinesssales.com, or through the firm's website at www.morganbusinesssales.com

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