PRIVATE EQUITY INVESTMENTS IN ACCOUNTANCY FIRMS

Trends and insights in European markets

Information paper

FACTS.

PROFESSIONAL MATTERS
JUNE 2025

HIGHLIGHTS

This publication provides an overview of how private equity (PE) investment has shaped the European accountancy sector between 2015 and 2025. It explores the key drivers behind this trend, investment strategy types used and countries where PE activity has been most concentrated.

In the accountancy sector, PE is not only reshaping firm structures and growth models but also influencing how firms deliver critical services such as financial reporting, assurance and advisory. These services are essential to help businesses and investors make informed, responsible decisions, ultimately supporting more transparent, resilient, and sustainable economies across Europe.

This paper highlights the sharp rise in PE transactions in recent years, particularly in Belgium, France, Ireland, the Nordic region, the Netherlands and UK, based on publicly available data. It offers a neutral, fact-based perspective on how PE is transforming the accountancy profession across Europe through real-world examples.

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INTRODUCTION

The accountancy profession has traditionally been characterised by partnership structures and organic growth. Firms have expanded through internal development, long-term client relationships, and reputational strength, rather than external investment or acquisition.

However, fast-moving technological developments, digitalisation and increasing competition have led firms to invest more heavily to remain competitive. At the same time, PE investors have identified opportunities to invest in accountancy firms, attracted by their recurring revenues, cash flows and growth potential. There has been a notable increase in PE investments in the accountancy sector in recent years.

This trend first emerged in the United States, but soon extended to the United Kingdom and continental Europe. In this paper, Accountancy Europe focuses on the trends and insights related to PE investments in accountancy firms across Europe.

OBJECTIVE

This information paper aims to present a neutral overview of key trends in PE investment in the accountancy sector across Europe between 2015 and 2025. We provide insights on the evolution of PE activity in the accountancy sector in Europe for stakeholders such as:

- the accountancy profession including professional accountancy organisations and firms
- policymakers including regulators and supervisory organisations
- investors and users of accountancy services

DISCLAIMER

Our analysis aims to present the scale and focus areas of PE involvement, without promoting or discouraging such investments. We outline key developments, investment models, and strategic approaches in PE-backed accountancy firms, without evaluating the desirability or risks of such activity.

The information provided in this document is based on publicly available information and stakeholder outreach, combined with Accountancy Europe's own research and analysis. It includes data from sources we consider reliable; however, it is not intended to be exhaustive nor fully up to date.[1] The content reflects our best understanding as of the date of writing and should not be considered definitive or conclusive. Nevertheless, it reflects the actual trends observed through consistent and recurring public disclosures. Further work may explore these models in more depth, alongside a balanced discussion on opportunities and potential risks that PE investment poses for the profession, its independence, the quality of services offered, and its legal and tax implications.

PRIVATE EQUITY HISTORY

PE investors are not a new concept in European markets. In fact, PE as a concept has evolved over several decades. Its roots can be traced back to the mid-20th century, where the first notable PE investments occurred in the United States. The early days of PE were marked by venture capital, where investors provided funding to start-ups and emerging businesses.

The modern era of PE began in the 1980s, with the rise of leveraged buyouts (LBOs); transactions in which PE firms used a combination of debt and equity to acquire established companies.

During this time, large PE firms such as Kohlberg Kravis Roberts & Co. (KKR) and Blackstone began acquiring companies in a wide range of industries, including manufacturing, retail, and technology. PE investors would

[1] Figures for 2025 in all graphs are based on the first 4 months of the year

typically restructure or streamline these companies to improve profitability, often through cost-cutting measures and operational improvements.

In the 1990s and 2000s, PE expanded beyond the US to other markets, particularly in Europe and Asia. This period saw a wave of consolidations across sectors, with PE firms acquiring smaller businesses to create larger, more competitive entities.

PRIVATE EQUITY MODELS AND STRATEGIES

PE investors use different models and strategies depending on the nature of the target company, market environment, and their investment objectives. In the accountancy sector, several distinct approaches are observed, often used individually or in combination to maximise the value of their investments.

GROWTH CAPITAL

Growth capital investments involve providing funding to accountancy firms to support organic expansion and internal development. These investments typically target firms that are already profitable and high-growth but need capital to:

- enhance digital capabilities (e.g. through new software, client platforms, or automation)
- develop new service lines (such as ESG reporting or cybersecurity assurance)
- open new offices or enter adjacent markets
- recruit specialised talent

Unlike consolidation, growth capital does not involve mergers or acquisitions and usually leaves the firm's ownership and governance structure largely intact.

BUYOUTS

Buyouts are a core PE strategy, where investors acquire the majority ownership of a firm. In the context of accountancy firms, buyouts often focus on helping firms restructure, professionalise management structures, and optimise operations. Buyouts may also provide a solution for succession planning in firms where founding partners seek an exit strategy.

CONSOLIDATION STRATEGIES

Consolidation is a common strategy given the fragmented nature of the accountancy market, especially among small and mid-sized firms. PE investors acquire multiple firms and integrate them into larger platforms to achieve synergies, create economies of scale and increase market share. Generally, consolidation:

- enables firms to expand geographically, broaden service offerings, and compete more effectively with larger players
- allows for operational efficiencies by centralising functions like IT, Human Resources (HR), and compliance across the group

MANAGEMENT BUYOUTS (MBOS) AND LEVERAGED BUYOUTS (LBOS)

While traditionally presented as distinct concepts, MBOs and LBOs often overlap in practice. A management buyout (MBO) refers to a transaction where the existing management team acquires the company, frequently with the financial backing of a PE firm. A leveraged buyout (LBO) involves the acquisition of a company using a significant amount of borrowed funds, typically relying on the company's own cash flows to service the debt.

Over time, the distinction between the two terms has blurred, as it is common for PE firms to partner with incumbent management teams in a leveraged buyout structure. In this context, MBOs can be viewed as a specific type of LBO where management plays a central role in the acquisition. Therefore, these terms are not mutually exclusive, and MBOs are often structured as LBOs in practice.

THE POWER OF LEVERAGE IN PRIVATE EQUITY INVESTMENTS

Leverage is a key feature of many PE investments. It refers to borrowed funds used to finance a significant portion of a firm's acquisition cost. By using leverage, PE investors can increase the potential return on their invested capital. In the accountancy sector, where firms often have stable and predictable cash flows, leverage can be an attractive strategy. The acquired firm's future earnings are typically used to repay the debt over time. While leverage can amplify returns, it also introduces higher financial risk, especially if cash flows weaken or market conditions deteriorate.

The example below provides a basic explanation of how leverage typically works in PE investments**.** In reality, PE financing structures are often far more complex, involving different layers of debt, varying interest rates, covenants, equity instruments, and deal-specific terms.

	Equity financed (100%)	**Debt and equity financed**
Purchase	Company A is purchased for €10M using equity only	A company is purchased for €10M using debt and equity • €6M of debt • €4M of equity
Annual profit generated	€1M	€1M
Annual debt repayment (interest)	None as it is 100% equity financed	€300K annual interest cost[2]
Return on Investment (ROI)[3]	10% (€1M / €10M)	17.5% (€0.7M / €4M)
Flexibility	Less flexibility as it is 100% equity financed	High flexibility, can be tailored to specific needs[4]

Hybrid financing instruments are also sometimes used in PE transactions in addition to standard leverage. These combine characteristics of both debt and equity, offering flexibility in structuring and repayment. Common examples include:

- **convertible bonds** – debt that can convert into equity later
- **preferred shares** – equity with fixed dividends and priority over common shares
- **mezzanine financing** – subordinated debt with equity-like features, often used in mid-market deals

Accountancy Europe acknowledges that the choice for a certain leveraged- and/or hybrid financing model has tax implications. Tax effects and tax (planning) strategies are not in scope in this publication.

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[2] In some countries, part of interest expenses are tax deductible. We have not calculated this impact for simplifying the example

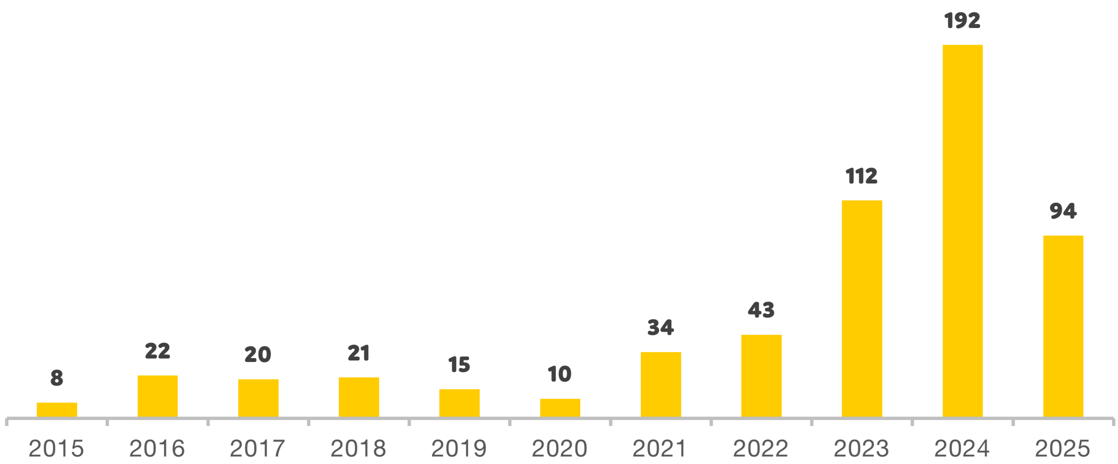
[3] Return on Investment (ROI) is calculated as the profit generated from the investment divided by the equity capital used

[4] Flexibility refers to the structuring options available in a leveraged (debt and equity) deal, such as tailoring repayment terms, leveraging interest tax shields, and adjusting ownership and risk exposure to fit investor goals and market conditions

PE ACTIVITY IN EUROPE BETWEEN 2015-2025

GENERAL OVERVIEW

PE transactions in the European accountancy sector (2015–2025)



PE investment in the European accountancy sector has grown significantly over the past decade. Accountancy Europe gathered and analysed public data on PE investment transactions related to accountancy firms across Europe between 2015 and 2025.

From 2015 to 2020, PE activity in the sector was limited, with annual transactions ranging between 10 and 20. Most of these deals involved small firms, primarily located in the United Kingdom[5], with a smaller number in France, the Netherlands, and the Nordic countries.

In 2021 and 2022, activity remained at similar levels but saw a slight increase. The geographic focus of PE investors continued to centre around the same countries, with limited expansion into new markets. However, a true inflection point occurred in 2023, when the number of PE transactions surged to over 100, nearly triple the previous year's figure. This upward trajectory accelerated further in 2024, reaching around 200 transactions, almost 5 times the number recorded in 2022.

Over the past 10 years, around 150 PE firms have invested in the accountancy sector in Europe. Accountancy Europe's analysis is performed on a transaction level meaning one PE firm can have been involved with more than one transaction in more than one country.

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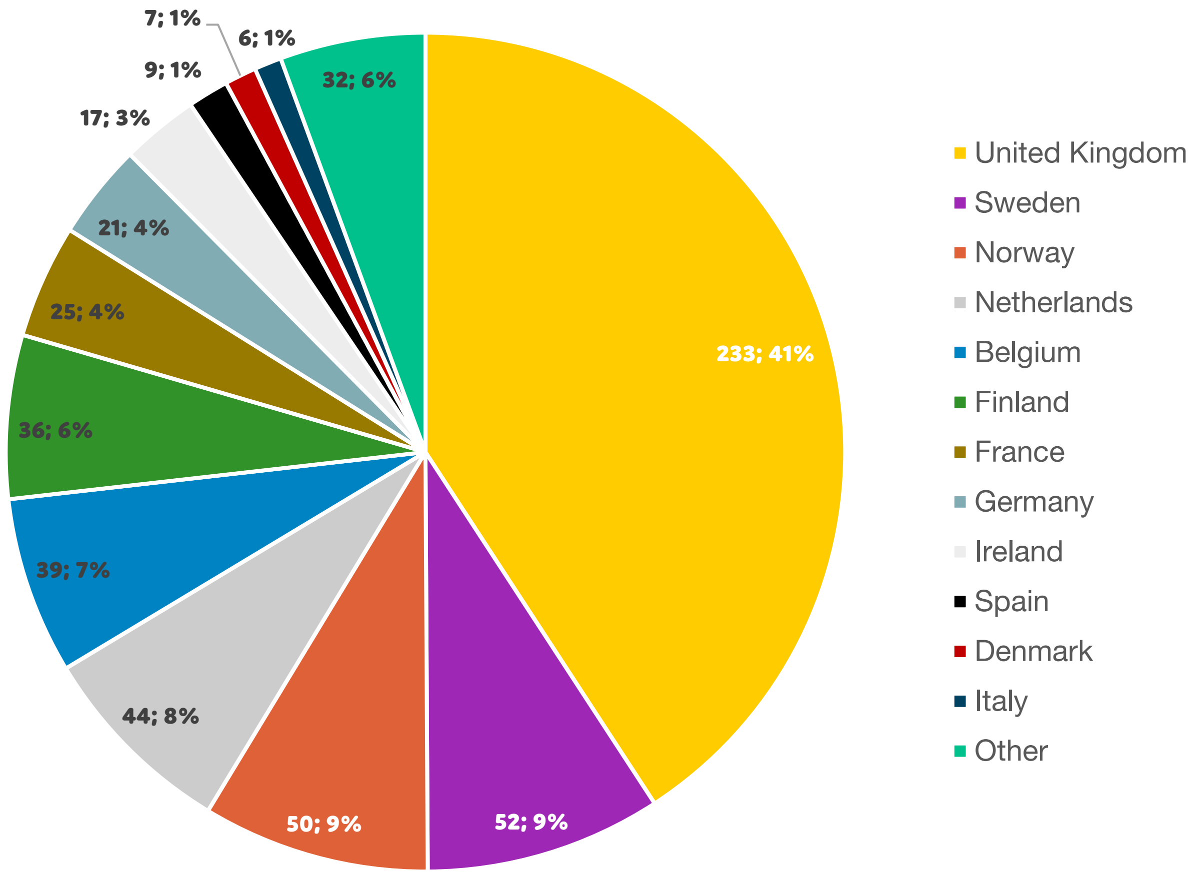
[5] UK is the largest PE market in Europe

PE transactions number and percentage in Europe

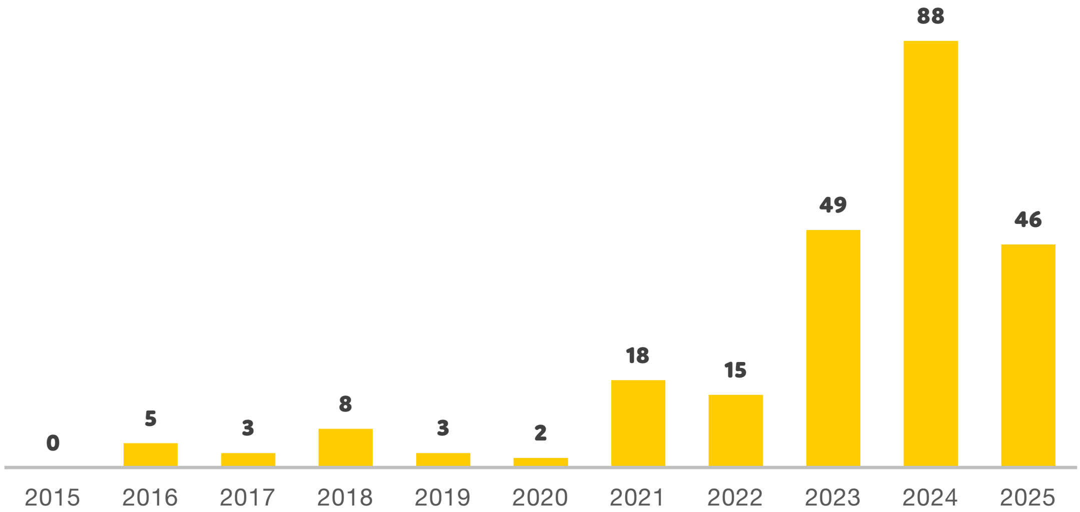


While the United Kingdom continued to dominate the PE landscape, notable increases in deal activity were observed in Belgium and Ireland during this recent boom. In addition to the higher number of deals, larger and more established accountancy firms also began to attract PE interest, marking a shift from the earlier focus on small, local practices.

Regarding service lines, between 2015 and 2022, most acquired firms operated in accounting, bookkeeping, tax, and general advisory services. Audit and assurance firms were much less frequently targeted, and typically smaller in size. However, in the past three years, the number of transactions involving audit and assurance firms has grown significantly, tripling in 2023 and quadrupling in 2024 compared to prior years. Early figures for 2025 suggest this upward trend is continuing.

PE INVESTMENT IN AUDIT FIRMS

Audit and assurance firms acquired by PE Investors in Europe (2015-2025)



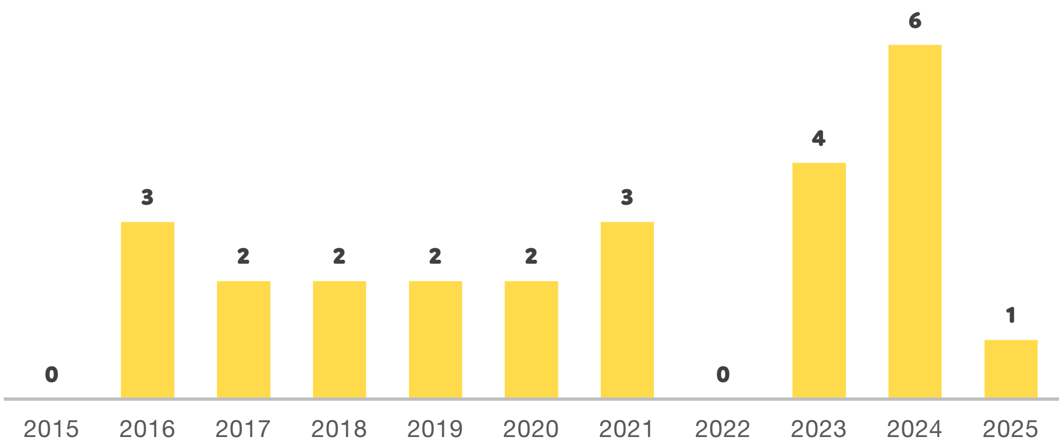
More than half of the deals (60%) involve primarily local accounting, tax, and advisory firms, while approximately 40% of the deals are in firms that also provide audit and assurance related services. Under Article 3 of the EU Statutory Audit Directive (2006/43/EC), audit firms must be majority-owned by statutory auditors or other audit firms. In addition, statutory auditors or audit firms must make up the majority, up to a maximum of 75%, of the firm's administrative or management body. This regulatory framework makes it significantly more difficult for PE firms to acquire controlling stakes in audit firms, limiting their ability to influence governance and strategic decisions. As a result, PE investors often face legal and structural barriers when targeting audit firms compared to other professional accountancy firms.

COUNTRY ACTIVITY

As mentioned above, PE activity in the European accountancy sector is more concentrated in certain countries while remaining limited in others. Based on the volume and size of transactions observed, we have identified and analysed the top countries or regions where PE involvement has been most significant.

FRANCE

PE transactions in the French accountancy sector (2015-2025)



PE investment in the French accountancy sector has intensified, driven by consolidation opportunities and the demand for digital transformation. One of the most prominent transactions was Waterland PE's minority investment in COGEP in 2023. COGEP, the 7th largest accounting and auditing firm in France and an independent member of the HLB global network, partnered with Waterland to accelerate its growth and innovation strategy while retaining partner control. The €200 million deal was supported by a syndicate of financial institutions including BNP Paribas, Crédit Agricole, Société Générale, and others. The investment aims to enhance COGEP's geographical coverage, develop a data platform for digital invoicing (FacturX), and broaden its multidisciplinary service offerings. With 2,000 professionals across 120 offices and a 2023 turnover of €220 million, COGEP primarily serves SMEs.

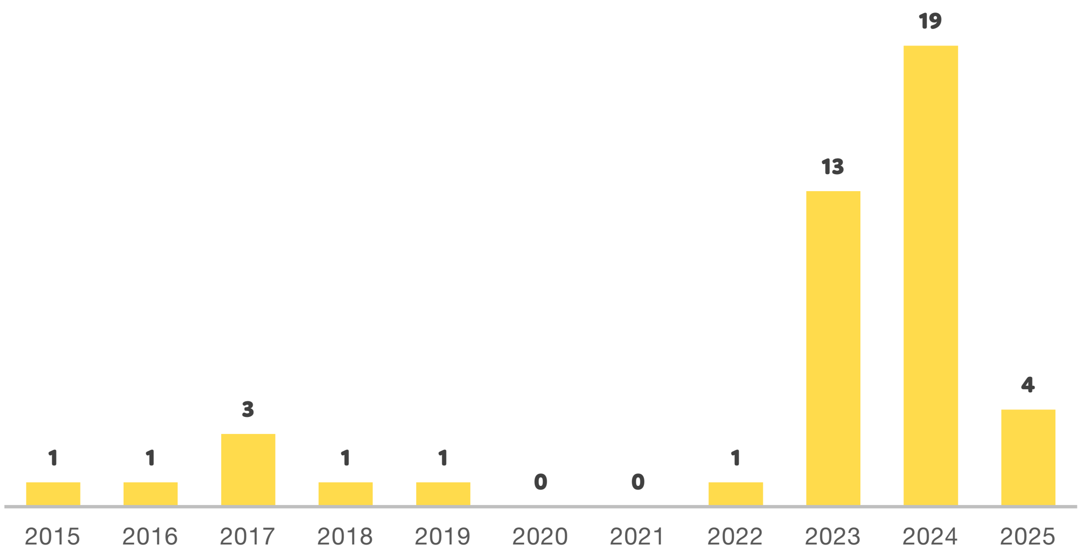
Another significant development was the transformation of In Extenso. Formerly part of Deloitte France, In Extenso became independent in 2019 through a partner-led buyout - with financing from Carvest, the PE arm of Crédit Agricole Centre-Est. Initially, the bank held a 30% minority stake, which was partially repurchased by In Extenso's partners in 2023, increasing their collective ownership to 90%. In Extenso, headquartered in Lyon, operates 255 offices and serves over 100.000 clients across France, Belgium, and Luxembourg. The firm specialises in services for very small businesses and SMEs.

Similarly, in 2021, PwC pour les Entrepreneurs, the SME division of PwC France and Maghreb, spun off to become PKF Arsilon. This transition was supported by Crédit Mutuel Equity, which acquired a 20% stake. PKF Arsilon employs around 800 professionals in 25 offices across France, serving more than 8,000 companies with expertise in performance management, accounting, payroll, and wealth strategy.

Based on our research the PE activity in France is more linear compared to other countries with less than 5 transactions per year, beside 2024.

THE NETHERLANDS

PE transactions in the Dutch accountancy sector (2015-2025)



PE interest in the Dutch accountancy space has grown in line with broader European trends, especially as mid-sized and regional firms seek external capital to scale operations, modernise services, and manage succession planning. Between 2022 and 2024, the number of PE transactions involving Dutch accountancy firms rose notably. In April 2025, the Netherlands Authority for the Financial Markets (AFM) issued a report on PE activity in the Dutch market. Based on this report, in 2024, 21% of the non-PIE audit firms in the Netherlands are backed by PE firms. This percentage has risen from 11% in 2023 and it is foreseen to rise further to 30% by the end of 2025.

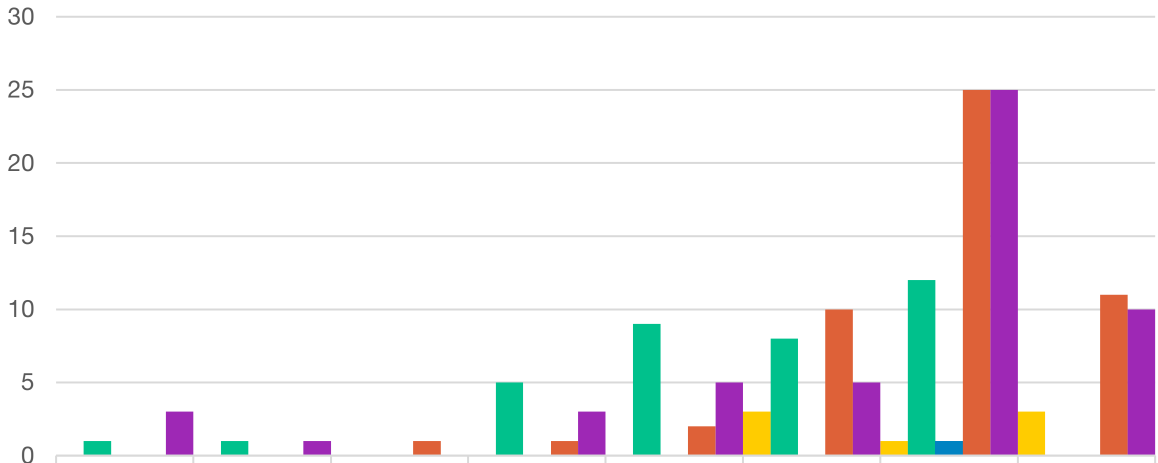
During the first months of 2025, PE firms acquired three major players in the Dutch accountancy market. In January 2025. AnaCap acquired a majority stake in DK Accountants & Adviseurs, a fast-growing firm serving

SMEs across the Netherlands through 12 offices. That same month, Inflexion took a 48% minority stake in Baker Tilly Netherlands, one of the country's largest mid-sized audit, accounting and advisory firms. With approximately €150 million in revenue and 1,000 employees, the deal is considered the largest PE investment ever in the Dutch accountancy sector. In February 2025, Rivean Capital invested in Crowe Foederer, a member of the Crowe Global network, with €90 million in revenue and 700 employees across nine offices.

In 2024 Waterland acquired Moore DRV and De Jong and Laan, two of the top 10 Dutch accounting, audit and advisory firms, with respectively a turnover of €30 million (2024) and €104 million (2023).

NORDIC REGION

PE transactions in the Nordic accountancy sector (2015-2025)



	2018	2019	2020	2021	2022	2023	2024	2025
Denmark	0	0	0	0	0	3	1	3
Finland	1	1	0	5	9	8	12	0
Iceland	0	0	0	0	0	0	1	0
Norway	0	0	1	1	2	10	25	11
Sweden	3	1	0	3	5	5	25	10

The activity of PE in the Nordic region (Denmark, Finland, Iceland, Norway and Sweden) began to emerge in 2021-2022 but like in the rest of Europe, PE activity surged in 2023 and 2024. A key driver behind the rising PE interest in the region lays in its openness to digitalisation and innovation within professional services, as well as the prevalence of small and mid-sized firms ripe for consolidation.

In 2024, European private equity firm Castik Capital acquired a 55% stake in Aider Konsern AS, one of Norway's fastest-growing tech-enabled accounting and consulting firms. Founded in 2019, Aider had completed over 50 acquisitions by 2024, employing around 1.100 people and projecting revenues of NOK 1,5 billion. The deal, which valued the company between NOK 4–5 billion.

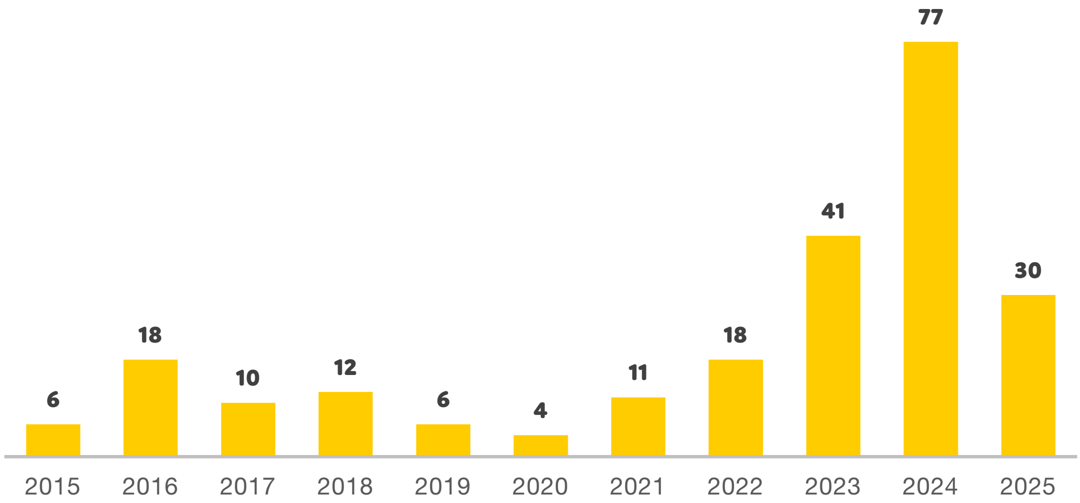
Most transactions in the Nordic region have involved small and mid-sized firms, with PE investors playing a key role in consolidating these businesses into larger platforms. A major turning point occurred in 2018 when IK Investment Partners acquired the Business Services divisions of both PwC and KPMG Sweden. These transactions represented the first significant instances of Big 4-related deals involving PE in the region. The acquired divisions were later merged and rebranded as Aspia, a leading provider of accounting, payroll, and advisory services for SMEs.

More recently, in 2025, both PwC and KPMG Sweden continued this trend by divesting its SME audit division. PwC Sweden sold its SME division to CEDRA, a new platform backed by Adelis Equity Partners, while KPMG Sweden agreed to transfer its SME and public sector services to Azets.

Based on our research the Icelandic accountancy market has seen only one PE transaction. In 2024, ECIT AS, backed by TowerBrook Capital, acquired KPMG's accountancy and payroll unit.

UNITED KINGDOM

PE transactions in the UK accountancy sector (2015-2025)



The United Kingdom has consistently been the most active market for PE investment in the European accountancy sector. More than 40% of the transactions occurred in the UK. With its mature professional services industry and large number of mid-sized firms, the UK has attracted substantial PE interest over the last decade. UK-based firms have driven nearly half of all PE-backed accountancy transactions in Europe between 2015 and 2025.

From 2015 to 2020, PE activity in the UK remained relatively stable but modest, with annual transactions ranging from 4 to 18 deals per year followed by a drop during 2019 and 2020. Economic and political uncertainty, including Brexit and the COVID-19 pandemic, likely caused the decline. However, activity rebounded steadily from 2021 onwards, accelerated significantly in 2023 and peaked in 2024 with 77 transactions, four times the number recorded just two years prior.

The UK has seen some of the largest PE transactions in the accountancy sector. In 2024, Cinven, a global PE firm with over €50 billion raised across multiple funds, acquired Grant Thornton UK, a large audit and advisory firms. The deal ranks among the largest of its kind in Europe's professional services market.

Prior to this, in July 2023, Waterland PE invested in Moore Kingston Smith, a top 20 UK accounting and advisory firm and the London member of the Moore Global network, marking one of the first significant PE transactions of that scale in the European accountancy space.

Another major consolidation has come from Hg Capital, which has backed Azets growth formerly Baldwins. Azets has rapidly expanded through a series of acquisitions to become one of the largest SME-focused accounting networks in Northern Europe.

OTHER EUROPEAN COUNTRIES

While the countries mentioned above have led the way in PE activity within the accountancy sector, other European countries have also seen significant and growing PE investment.

Since 2019, Belgian PE firm Baltisse has built a majority stake in the Partners in Accountancy (PIA) Group, a network of accountancy, advisory, and audit firms across Belgium, the Netherlands, and Luxembourg. The group comprises around 50 independent offices, employs between 900 and 1,100 staff members and serves 30,000 clients. It claims to be the third largest accountancy group in Belgium, with €80 million in turnover in 2023. In 2024, Bureau Fiduciaire Lermininaux in Brussels and THG, an accountancy firm in Brussels and Wallonia, joined the PIA Group in Belgium to extend its coverage of the Belgian market from Flanders to Brussels and Wallonia.

Waterland PE invested in Moore Belgium, one of the country's leading mid-size audit, accountancy and advisory networks. Moore Belgium is a market leader in mid-market and SME segment.

The Irish accountancy market has also seen some big names acquired by PE firms. In March 2023, Azets, a PE-backed accountancy group supported by Hg Capital, acquired Baker Tilly Ireland, which has since been rebranded as Azets Ireland. This marked the group's formal entry into the Irish market. In June 2023, PAI Partners joined Hg as co-controlling shareholders in Azets.

In July 2024, Moore Kingston Smith (MKS), backed by Waterland, took a majority stake in Moore Ireland, part of the Moore Global network. In late 2023, backed by KKR, ETL Global, a German-headquartered professional services group, entered the Irish market by acquiring Noone Casey, a Dublin-based accounting and advisory firm.

In October 2024, Grant Thornton Ireland and Grant Thornton Advisors LLC in the United States combined their operations. The transaction is supported by New Mountain Capital, a U.S.-based PE firm. This transaction is one of the biggest in the Irish accountancy market.

In March 2025, Waterland PE acquired a significant stake in Auren, a leading Spanish professional services firm specialising in audit, legal advisory, consulting, and corporate finance. This transaction represents the first instance of a PE fund investing in a multidisciplinary professional services firm in Spain.

In Germany, only auditors (audit firms) and members of other so called "freie Berufe" such as tax advisors and lawyers, are allowed to be shareholders in an audit firm, which limits external investment opportunities. Consequently, PE involvement in German audit firms has been minimal. However, a notable development occurred in April 2025 when EQT, through its EQT X fund, entered into a strategic partnership with WTS Group, a leading tax and financial advisory firm based in Munich.

OUTLOOK AND NEXT STEPS

PE investment in the accountancy sector is no longer a niche trend but a growing part of the European professional services landscape. As consolidation accelerates and digitalisation reshapes business models, PE firms are likely to continue playing a significant role, especially in markets with fragmented firm structures and a strong SME focus.

At the same time, this evolution might raise important considerations around governance, independence, and the long-term impact on service quality.

Accountancy Europe will continue monitoring developments in this area and considers exploring:

- risks and opportunities associated with PE activity in future work
- a platform for dialogue on the evolving role of PEs in the audit and accountancy sector.

We welcome input and perspectives from stakeholders to support a balanced, informed discussion. Please feel free to contact us at endrin@accountancyeurope.eu.

APPENDIX: LITERATURE

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