

DevSecOps Valuation : Q1 2026

JANUARY 2026

Executive Summary: Q1 2026 DevSecOps Valuation Highlights

WINDSOR DRAKE

Durable growth premium returns. ASPM and Agentic AI drive top-tier multiples; sector re-rates vs Q1'25.



Median EV/Rev: 8.4x; top decile at **14.5x+** as leaders balance growth and profitability ([J.P. Morgan](#)).



ASPM premium: integrated risk platforms command **12–18x** vs legacy tools ([Gartner](#); [SkyQuest](#)).



Agentic AI remediation is the primary driver of rarity premiums and re-rating ([Agentic AI](#); [Morningstar](#)).



Sector up **~35% vs Q1'25** amid rate stabilization and platform migrations ([Barclays](#); [Solganick](#)).

MEDIAN MULTIPLE

8.4x

EV/Revenue (Q1'26) [J.P. Morgan](#)

TOP DECILE

14.5x+

High-growth leaders [Finbox](#)

RECOVERY VS Q1'25

+35%

U-shaped re-rating [Barclays](#)

ASPM PREMIUM

12–18x

Valuation range [Gartner](#)

See detailed tables for segment multiples and methodology in later sections.

Note: Figures reflect sector-level medians/top deciles derived from public comps and referenced research.

Sources: [J.P. Morgan Global Research](#); [Barclays](#); [Gartner](#); [SkyQuest](#); [Finbox](#); [Agentic AI](#); [Morningstar](#).

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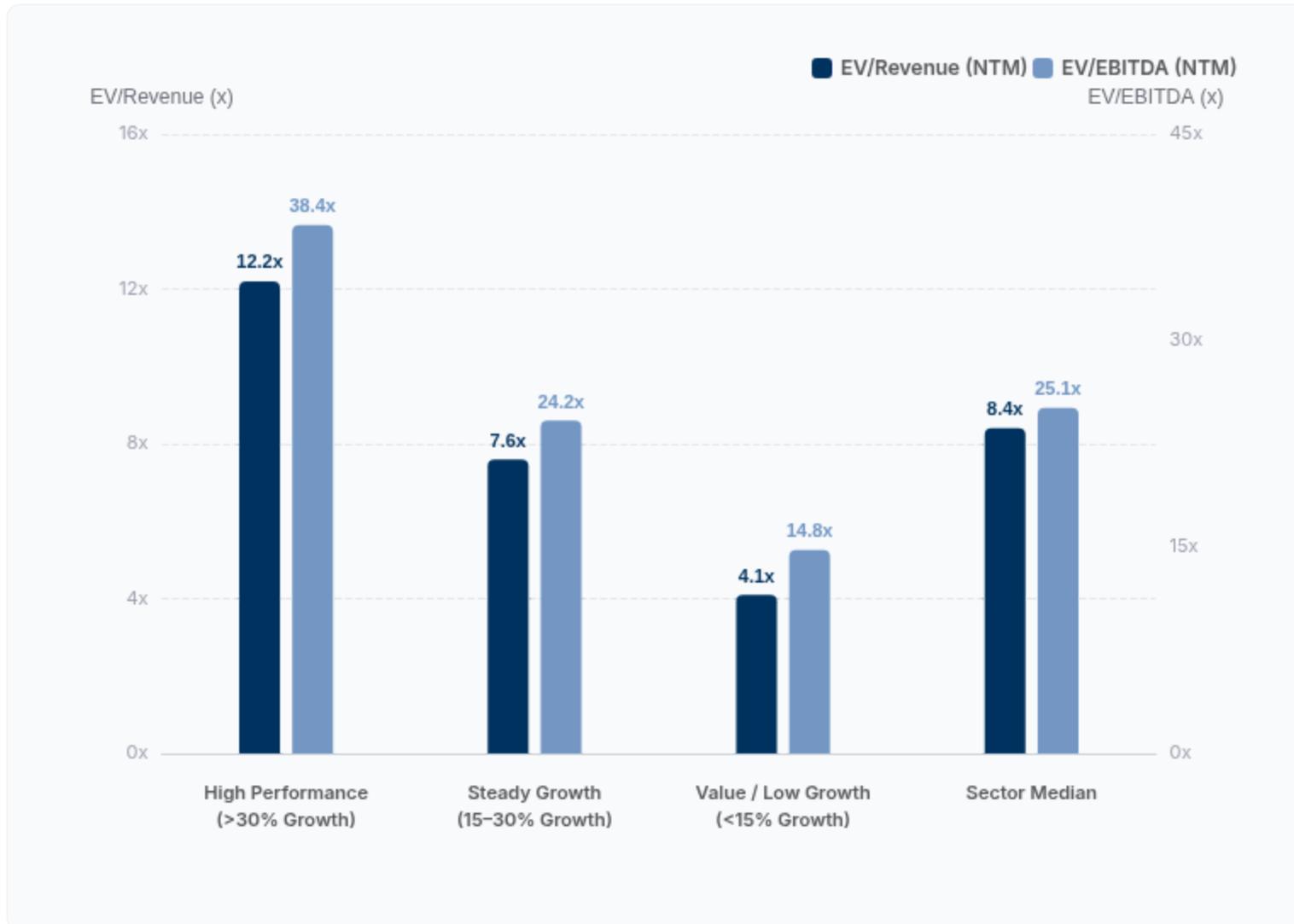
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Public Market Valuations: Q1 2026 – Performance Tiers

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Institutional comps show clear premium for efficient growth and platform leadership.



- **Efficiency-Driven Re-Rating**

Investors reward durable growth and a path to profitability; multiples correlate with Rule of 40/60 discipline and strong unit economics.

- **Platform Premium Persists**

Platform leaders that own the lifecycle command the upper tiers, while legacy/feature assets compress into lower bands.

- **Implication for Strategy**

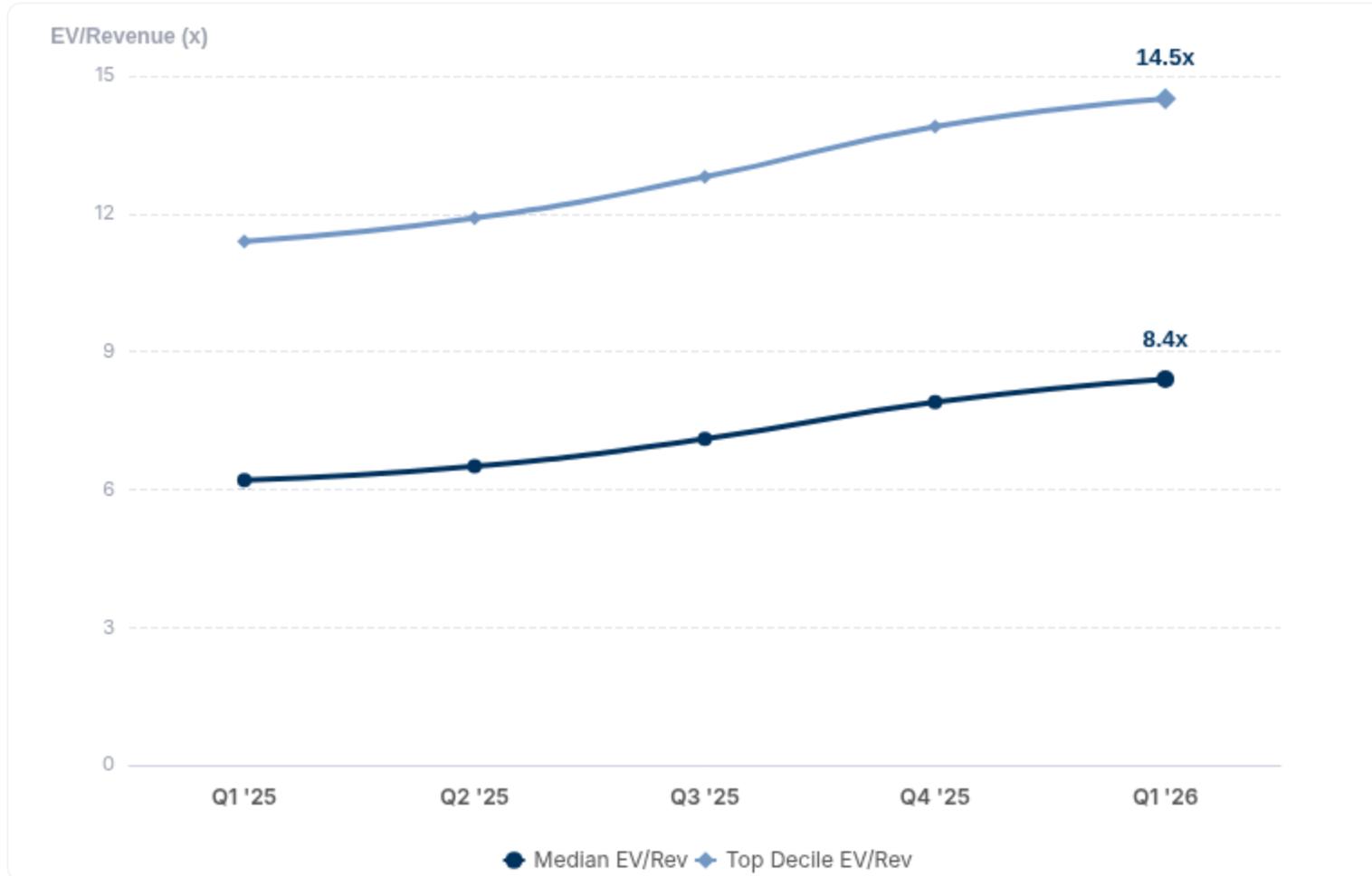
To move up-tier: improve NRR, gross margin, and payback; expand platform breadth to capture premium valuation turns.

Sources: [S&P Capital IQ](#); [J.P. Morgan Global Research](#).

Quarterly Valuation Re-Rating: Q1 2025 – Q1 2026

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Median EV/Revenue multiples recover from 6.2x to 8.4x; top decile from 11.4x to 14.5x.



- **U-Shaped Recovery**

Multiples re-rate from the Q1'25 trough to 8.4x by Q1'26 as confidence rebuilds.

- **Rates Stabilize**

Reduced macro volatility supports risk appetite and public re-openings.

- **Platform Migration**

Enterprise consolidation to platforms drives premium for top-decile leaders (14.5x).

Q1 '25

High Risk Aversion

Q2 '25

Neutral / Waiting

Q3 '25

Early Recovery

Q4 '25

Bullish on Platforms

Q1 '26

Strategic Maturation

Sources: [Barclays Investment Bank](#); [Solganick M&A Updates](#).

Q1 2026 M&A Transaction Overview

Strategic buyers prioritize ASPM and Agentic AI; premiums reflect data-layer control and autonomous remediation.

TARGET / CATEGORY	SEGMENT	ACQUIRER TYPE	IMPUTED EV/REV	STRATEGIC REASONING
AI Remediation Agents Autonomous Fixes	Agentic AI	DevTools Giant	16.0x	Developer speed via autonomous fixes; eliminating toil.
ASPM / Risk Scoring Unified Visibility	ASPM	Platform Leader	13.2x	Unified risk visibility across code-to-cloud; correlation.
Supply Chain / SBOM Compliance Ops	Supply Chain	Cloud Provider	11.5x	Compliance automation and federal audit readiness.
API Security Edge Protection	API Sec	Network Security	9.4x	Edge protection expansion and runtime defense.

Note: Multiples reflect Implied EV/Revenue per disclosed and inferred transaction data for Q1 2026.

Sources: [Infosecurity Magazine](#); [Solganick M&A Reports](#).

- Dealmaking Renaissance**

Strategics reactivated M&A at premium multiples, concentrating on ASPM and Agentic AI assets with clear ROI.

- Premiums for Autonomy (10-16x)**

Deals for ASPM and AI remediation typically clear at 10-16x EV/Rev, reflecting scarcity and criticality to platform roadmaps.

- Data Layers & AI Agents**

Buyers prioritize control of risk graphs, SBOM pipelines, and AI agents that autonomously remediate issues in code and cloud.

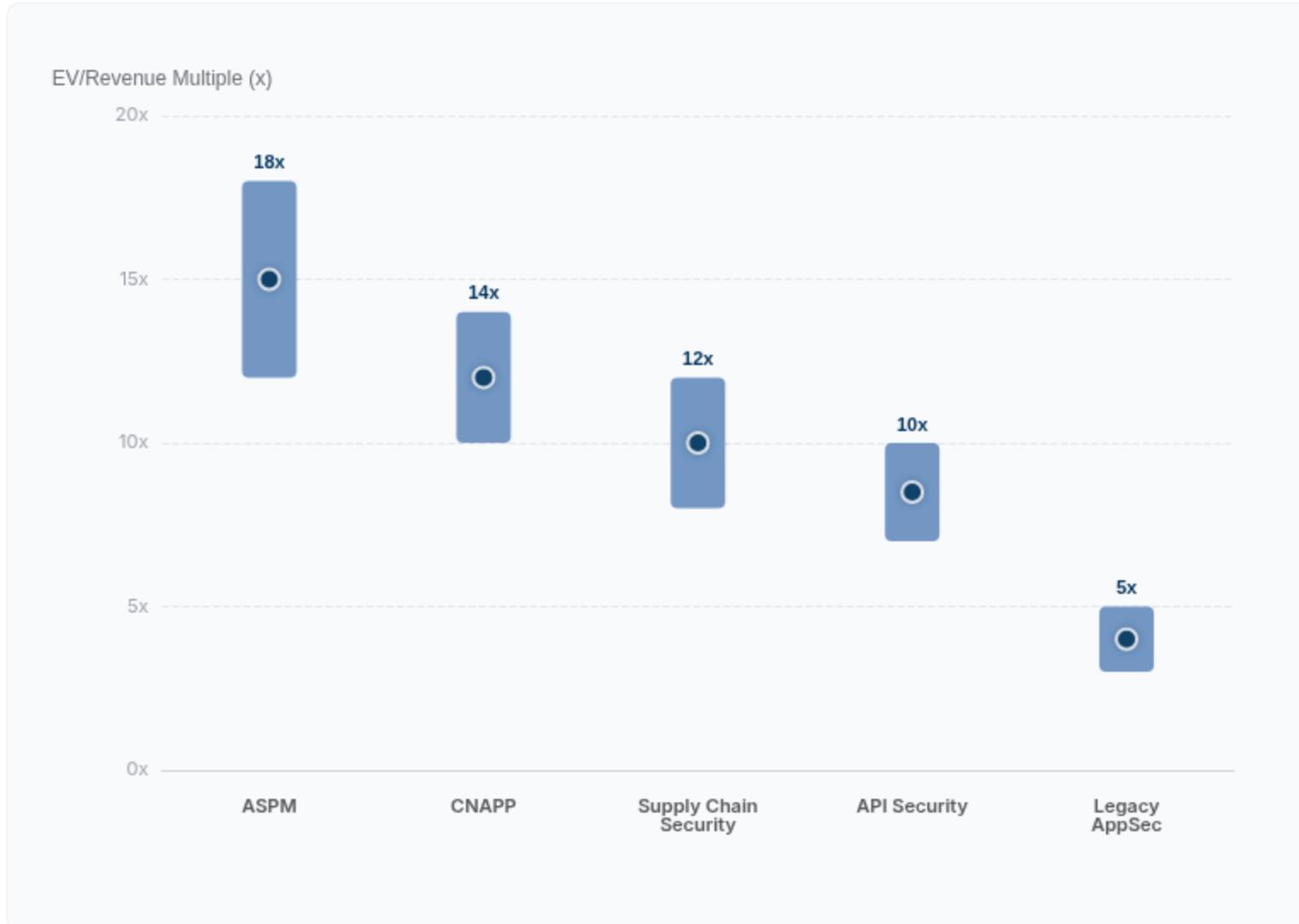
STRATEGIC IMPLICATION

Platform leaders are paying premiums to own the "remediation layer" rather than just the "detection layer."

Segment Valuation Premiums: ASPM and CNAPP Lead

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ASPM earns scarcity premium; standalone scanners re-rate to feature multiples.



- **ASPM "Darling" Status**

Centralized brain of AppSec prioritizes exploitable risk and reduces alert noise - commanding the highest scarcity premium (12-18x).

- **CNAPP Premium**

Unified code-to-cloud coverage and consolidation benefits sustain double-digit multiples (10-14x).

- **Legacy Compression**

Shift from standalone scanners: SAST/DAST re-rated as features (3-5x) within broader platforms.

Key Valuation Drivers: Rule of 40, NRR, Unit Economics

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Efficiency-led re-rating in Q1 2026; elite metrics command premium multiples.

Valuation Metric Thresholds (Q1 2026)

METRIC	HEALTHY BASELINE	ELITE THRESHOLD
 Rule of 40 Score Growth + FCF Margin	~30%	>50%
 Net Revenue Retention Dollar-based NRR	105-115%	>125%
 Gross Margin Subscription Non-GAAP	70-75%	>82%
 CAC Payback Months to recover CAC	18-24 mo	<12 mo

What Drives Premium Multiples in 2026

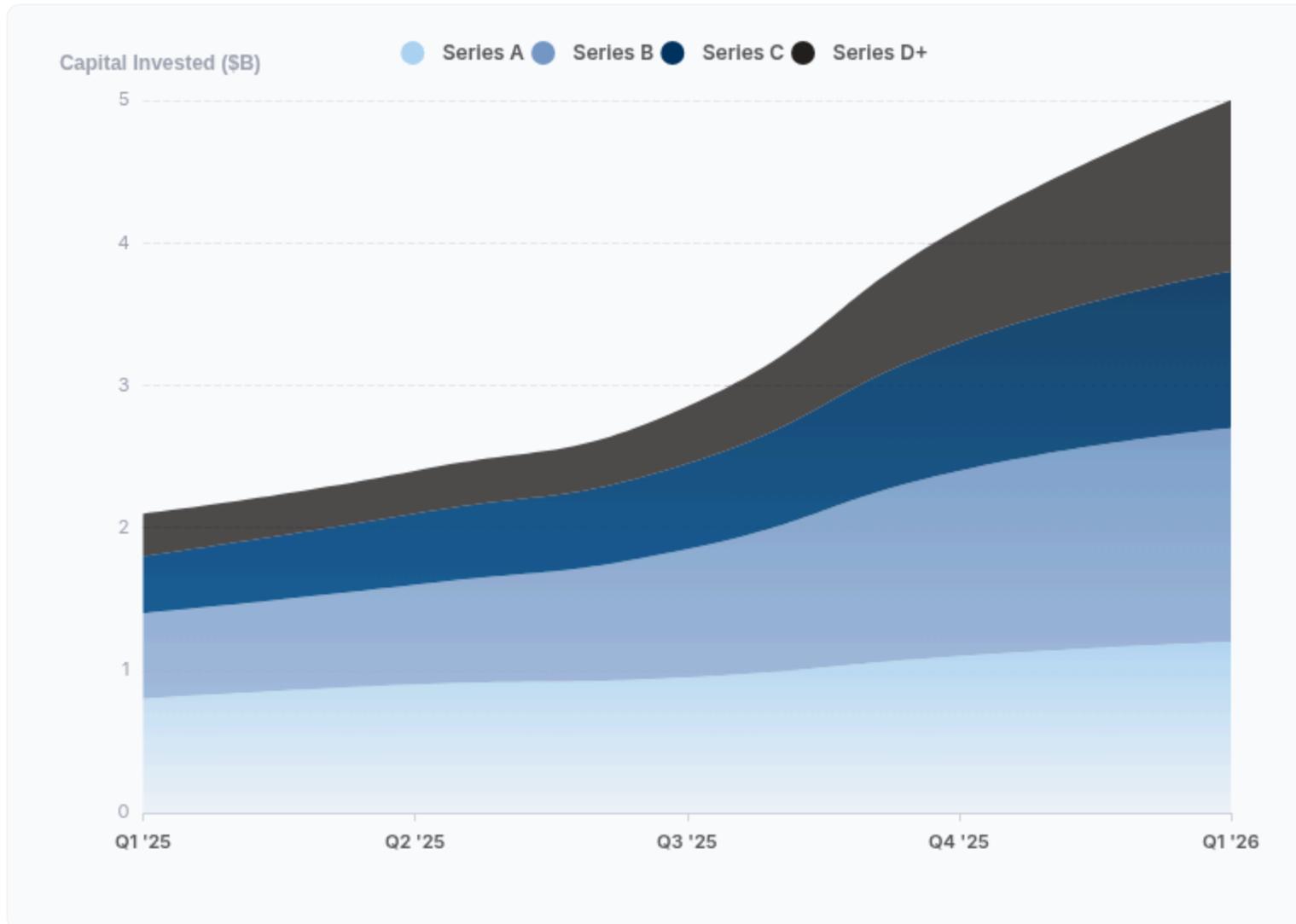
- **Rule of 40/60 + NRR** are primary drivers; leaders sustain durable growth with high retention.
- Investors prioritize **high-margin, efficient revenue** over raw expansion.
- **Burn multiples** under scrutiny; sub-1.5x preferred for private rounds.
- **Elite metrics** support **+20-30%** multiple premiums vs. peers.

➤ Valuation Impact: **+3-5 turns** on EV/Revenue

VC Funding Trends: Flight to Quality & Late-Stage Thaw

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Capital deployment accelerates in Q1 2026 driven by AI-native Series B rounds and pre-IPO late-stage activity.



- **Late-Stage Thaw (Series D+)**

After an 18-month freeze, late-stage capital returns in Q4'25/Q1'26, validating pre-IPO candidates with Rule of 40 metrics.

- **The "AI Premium" in Series B**

Mid-stage funding spikes as AI remediation startups mature. Investors pay 30-50% valuation premiums for autonomous capabilities.

- **Seed Stability**

Seed activity remains the durable bedrock, though bar for technical differentiation has risen significantly.

Sources: [Pinpoint Search Group](#); [Strategy of Security \(Q1 2026 Data\)](#).

Performance Benchmarks: Elite vs Median vs Laggard

Comparative analysis across five dimensions reveals the "Elite Premium" separation.

KEY METRIC	ELITE (TOP 10%)	MEDIAN	LAGGARD (BOTTOM 25%)
 YoY Growth	>60%	~22%	<10%
 Net Revenue Retention (NRR)	130%	112%	98%
 Gross Margin	82%	72%	60%
 Rule of 40 Score	75+	30	<5
 Payback Speed	<9 mo	16 mo	>24 mo

 **Elite Profile (>50% Premium)**

Top performers combine hyper-growth (>60%) with elite retention (130% NRR) and efficient payback (<9 mo), driving outsized valuation multiples.

 **The Median Trap**

Median players show decent margins but struggle with "leaky bucket" retention (~110% NRR) and slower payback cycles (16 mo), capping upside.

 **Operational Imperative**

To graduate to elite status, DevSecOps firms must prioritize NRR and Payback efficiency over raw top-line growth at all costs.

Cross-Category Valuation: DevSecOps vs Adjacent Cyber

Detailed comparison of valuation multiples, growth profiles, and market maturity across key cybersecurity segments.

CATEGORY	MEDIAN	TOP DECILE	GROWTH	KEY DRIVERS
DevSecOps ASPM, Code Sec	8.4x ↑	14.5x	22%	Shift-left adoption, ASPM consolidation, AI remediation.
CNAPP Cloud Security	9.1x ↑	15.8x	26%	Cloud migration, unified visibility, platform convergence.
IAM / Identity Auth, PAM, IGA	7.2x —	11.2x	16%	Zero Trust architecture, machine identity growth.
EDR / XDR Endpoint Sec	6.8x ↓	10.5x	18%	Market saturation, pricing pressure, SIEM displacement.
Network Sec FWaaS, SASE	4.8x —	7.5x	11%	Legacy hardware drag, SASE transition stabilization.

- The "Shift-Left" Premium**

Top-decile DevSecOps players command a **14.5x** premium, nearly matching CNAPP. Investors pay up for code-to-cloud prevention over reactive detection.

- Spread Indicates Upside**

The widened gap between Median (8.4x) and Top Decile (14.5x) in DevSecOps suggests immense re-rating potential for vendors who successfully consolidate ASPM.

- Legacy Compression**

Network and EDR categories show compressed spreads (4-7x range), indicating mature pricing power compared to the "blue ocean" of autonomous application security.

💡 STRATEGIC IMPLICATION

DevSecOps and CNAPP remain the only categories supporting >12x revenue multiples at scale, driving disproportionate M&A interest from legacy acquirers seeking growth.

↑ Expanding — Stable ↓ Compressing

Sources: [Meritech Capital Public Comps](#); [Gartner Magic Quadrant Data \(Q1 2026\)](#).

Note: Multiples reflect NTM EV/Revenue. "Top Decile" represents 90th percentile valuation. Trend arrows indicate QoQ direction.

Strategic Valuation Boosters: 2026 Multipliers

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Capabilities that add turns to EV/Revenue by enabling autonomous security and platform consolidation.

STRATEGIC CAPABILITY	MULTIPLIER BUMP	HOW TO IMPLEMENT
Agentic Remediation Autonomous Fixes	+3.5x to +5.0x	Use AI agents to autonomously write and merge pull requests for critical bugs.
ASPM Consolidation Unified Risk View	+2.0x to +3.0x	Integrate third-party scanning tools into a single prioritized risk dashboard.
Reachability Analysis Exploitability Context	+1.5x to +2.0x	Prove which bugs are actually exploitable in runtime to reduce alert noise.
Auto-Compliance Audit Automation	+1.0x to +1.5x	Automate SBOM generation and SOC2 evidence collection pipelines.

Note: "Multiplier Bump" reflects incremental EV/Revenue turns observed in 2026 market comps.

- **Agentic AI Is the Biggest Driver**

Autonomous remediation demonstrably adds 3-5 turns by reducing human-in-the-loop toil and accelerating time-to-fix via AI agents.

- **Platform Consolidation Premium**

ASPM-led unification eliminates vendor sprawl; enterprises pay for a one-stop platform that prioritizes exploitable risk over raw volume.

- **Layering Reachability & Compliance**

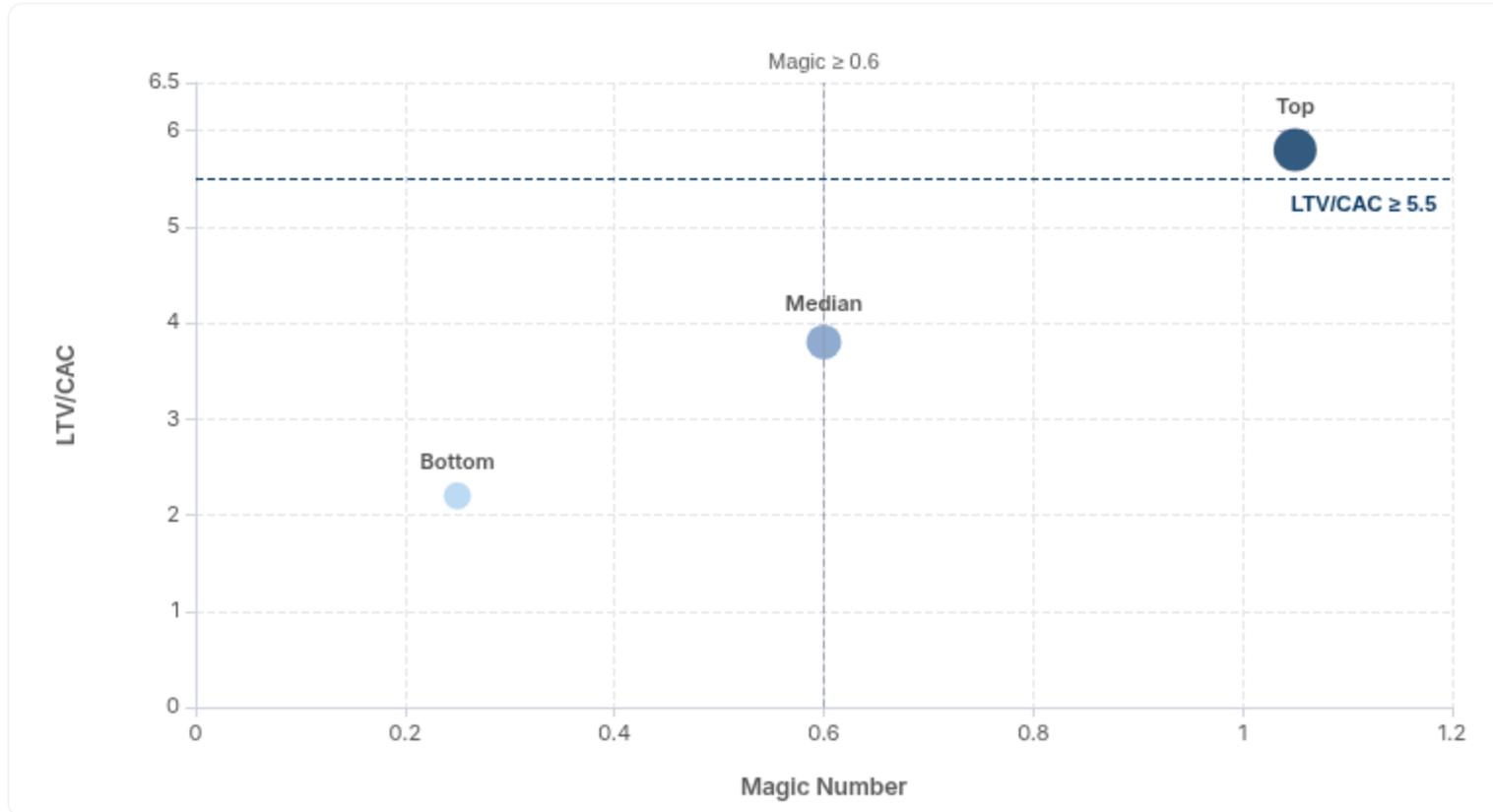
Reachability analysis and automated compliance add incremental turns by proving ROI quickly and reducing the audit burden for SBOM/SOC2.

STRATEGIC IMPLICATION

Shift roadmap from "detection" features to "autonomous fix" capabilities to maximize valuation.

Sales Efficiency Benchmarks: Q1 2026

Magic Number, LTV/CAC, Sales Cycle, and Churn across performance quartiles.



- **Threshold for Public Premium**

Magic Number > 0.6 aligns with ~8.4x sector median EV/Rev; > 1.0 supports top-quartile outcomes.

- **Unit Economics Signal**

Elite LTV/CAC ≥ 5.5 indicates durable, scalable growth and commands valuation uplifts.

- **AI-Driven Efficiency**

AI automation in prospecting and closing shortens cycles and lowers CAC, improving Magic Number.

QUARTILE

Bottom

Median

Top

SALES CYCLE (DAYS)

> 210

180

< 120

ANNUAL CHURN

> 15%

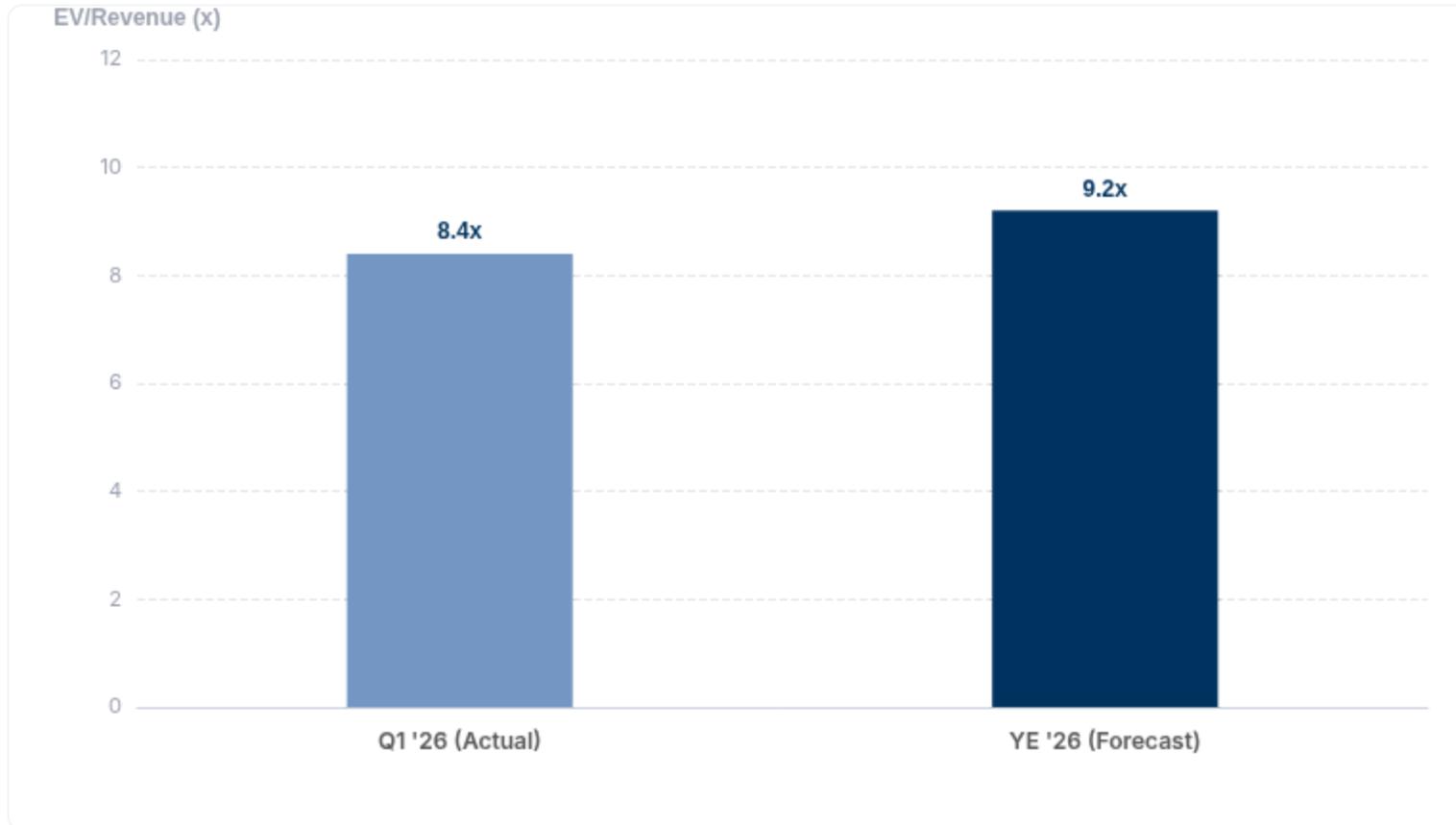
8%

< 4%

2026 Year-End Forecast: Multiples, M&A, IPOs, AI Premium

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Forecast signals continued multiple expansion for leaders, active M&A, selective IPOs, and widening AI premium.



- **Expansion for Winners**

Leaders extend premium as market re-rates toward 9.2x median by year-end.

- **Consolidation Year**

Laggards likely acquired for talent and data; platforms strengthen moats.

- **From Remediation to Design**

Focus shifts toward prevention-by-design as autonomous testing scales.

- **AI Foundations Matter**

Companies proving AI-driven efficiency command widening 16x+ premiums.

MEDIAN MULTIPLE

9.2x

EV/Rev YE'26

M&A DEAL COUNT

45+

Major Deals

IPO ACTIVITY

4-6

Selective, Quality

AI PREMIUM

16x+

Leaders' EV/Rev

Sources: [Gartner Market Guides](#); [Morgan Stanley Technology forecasts](#).

ASPM Deep Dive: Centralized Risk, Premium Multiples

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ASPM is the "brain" of AppSec: unified risk, measurable ROI, and premium valuations.

ASPM Positioning & Value Signals



MARKET POSITION

Centralized Brain of AppSec

Unifies signals across SAST/DAST/SCA, CI/CD, and runtime environments.



VALUATION RANGE (EV/REV)

12x - 18x Premium Segment

Significant premium vs. legacy scanning tools (3-5x).



KEY VALUE DRIVER

Alert Dedup + Prioritization

Focus on exploitable, production-impacting issues; removes noise.



STRATEGIC RARITY

Very High

Primary target for platform consolidation plays; scarce category leaders.

Why ASPM Commands a Premium

- **Unified Risk View**

ASPM is the current "darling," correlating fragmented signals into a single posture dashboard across code-to-cloud, solving the visibility gap.

- **Clear ROI via Toil Reduction**

Filters non-actionable noise (reports cite ~95% reduction) to unblock developers and accelerate mean-time-to-remediation (MTTR).

- **Productivity to Multiples**

Valuation premiums tie directly to measurable engineering efficiency improvements and durable Net Revenue Retention (NRR).

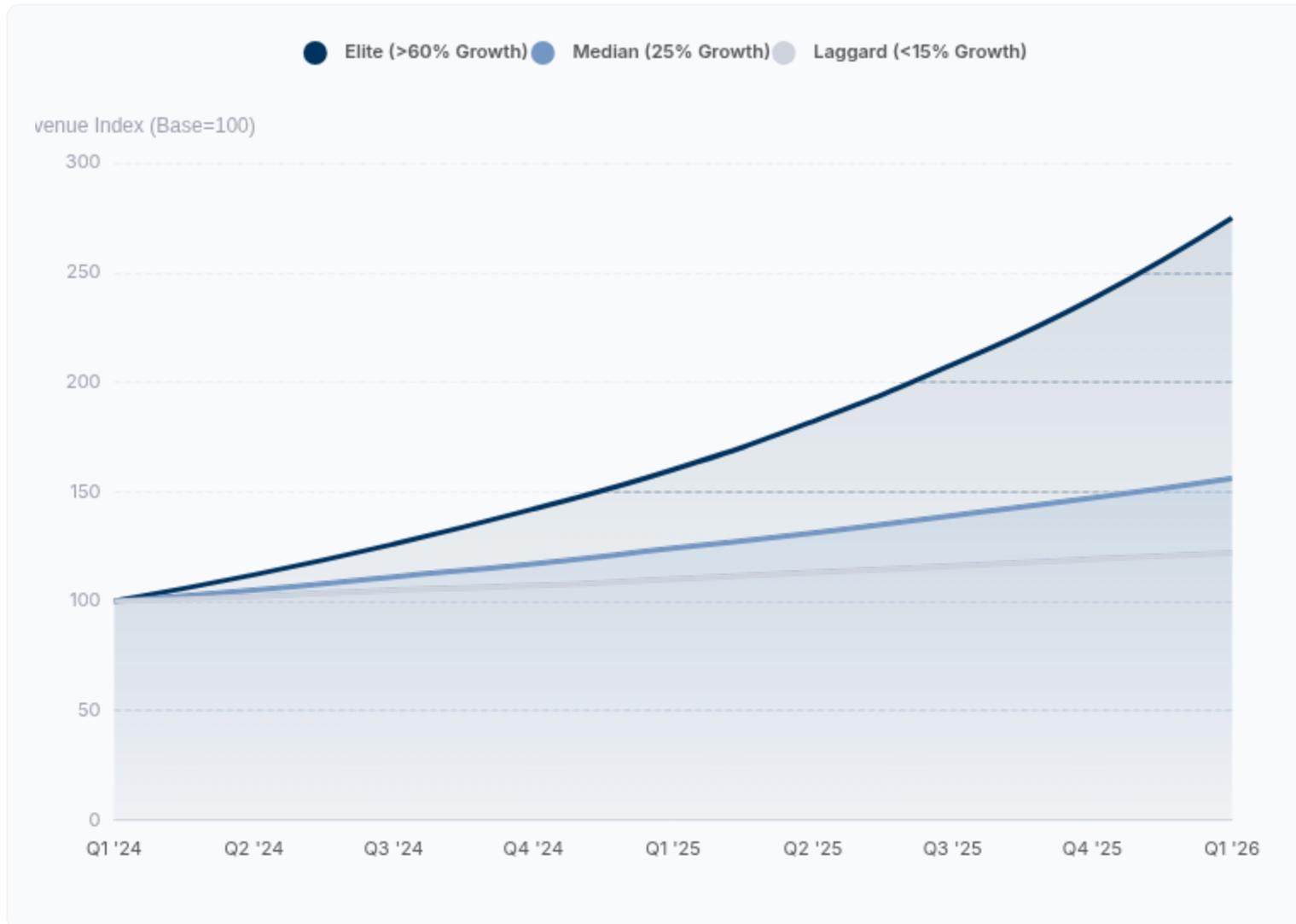
- **Legacy Compression**

SAST/DAST as standalone tools are re-rating to 3-5x EV/Rev as they become commoditized features within broader ASPM platforms.

Revenue Growth Benchmarks: Efficiency-Led Re-Rating

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Elite operators (60%+ growth) earn structural valuation premiums; sales velocity drives multiples.



- **Elite Trajectory (14x+ EV/Rev)**

Top-tier firms maintain >60% YoY growth with Magic Number >1.0, signaling highly efficient capital deployment.

- **The "Good" Median (8.4x)**

Median performers stabilize at ~25% growth. Valuation holds steady if FCF margins improve to offset slowing top-line expansion.

- **Laggard Compression (<5x)**

Growth below 15% without significant profitability (Rule of 40 fail) leads to rapid multiple compression and exit pressure.

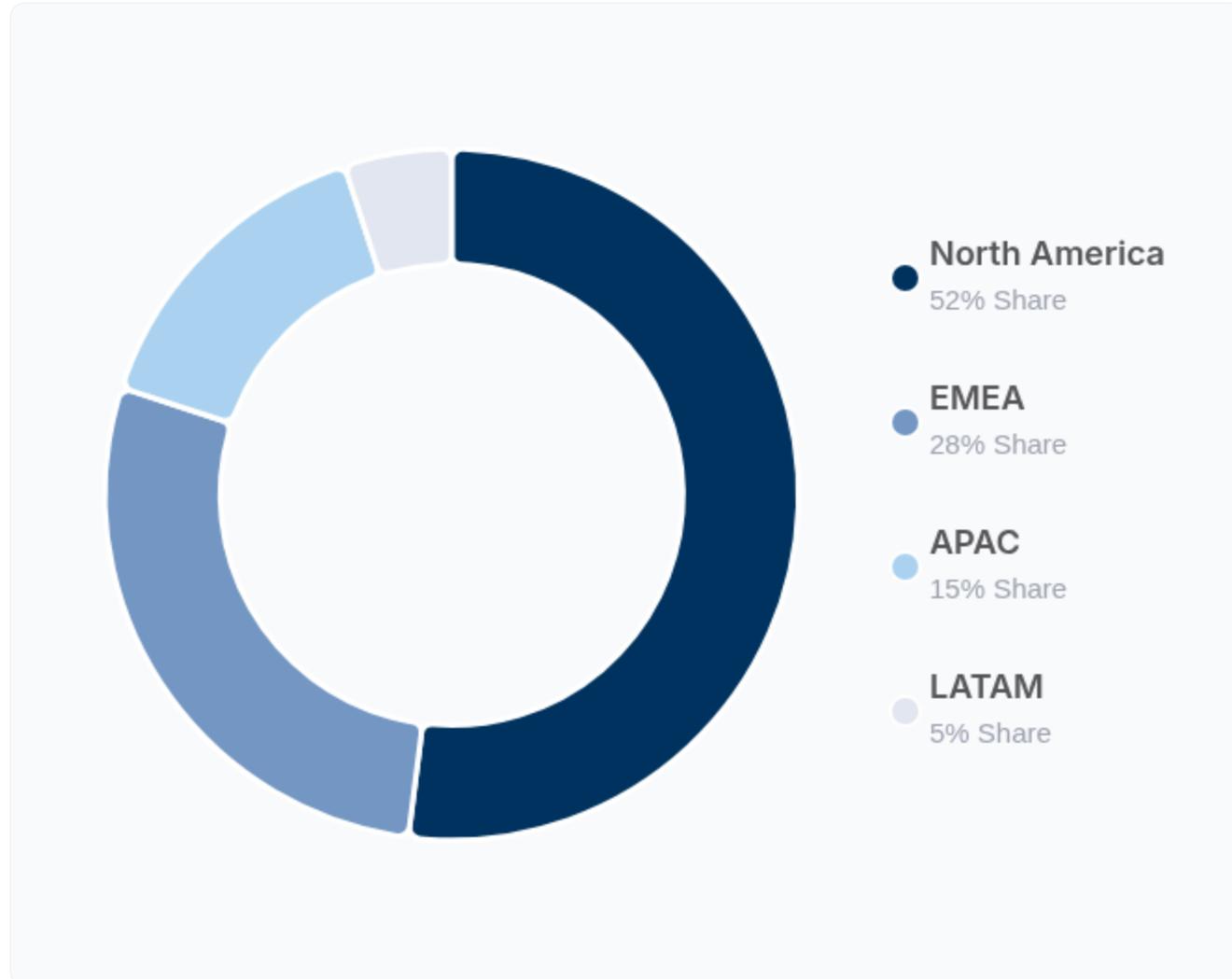
Benchmark Data Q1 '26

Sources: [SaaS Capital Index](#); [Public Company Filings \(Q1 2026\)](#).

Global Demand Broadening: Geographic Distribution

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Regional revenue mix shifts as EMEA and APAC accelerate adoption driven by regulation.



- **North America (52%)** Optimization Phase

Dominant market fueled by early ASPM adoption and large enterprise consolidation. Focus shifting from tool acquisition to platform ROI and toil reduction.

- **EMEA Acceleration (28%)** Compliance Driver

NIS2 deadlines (Oct 2025) force budget allocation into auditable security. Key markets: UK, Germany, and Nordics prioritizing data sovereignty.

- **APAC Emerging Hubs (15%)** Greenfield

India and Singapore drive demand with digital-native businesses leaping straight to cloud-native security. High willingness to adopt autonomous agents.

Sources: [Gartner Market Guide](#); [IDC Worldwide Security Spending Guide](#); [Forrester State of Application Security](#).

Buyer Dynamics: Strategic vs. PE (Q1 2026)

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Strategics dominate value (74%) driven by premium multiples; PE focuses on mid-market efficiency plays.

Capital Deployment Profile



STRATEGIC DEAL VOLUME

68%

Dominating platform consolidation



STRATEGIC DEAL VALUE

~74%

Driven by 10-16x EV/Rev premiums



PE / FINANCIAL VOLUME

32%

Focus on Rule of 40 turnarounds



VALUATION SPREAD

4.5x Turn

Avg. premium paid by Strategics vs PE

Market Behaviors & Deal Drivers

- **The "Strategic Premium" Reality**

Platform leaders (CrowdStrike, Palo Alto, Google) are paying 10-16x EV/Revenue to acquire technical moats in Agentic AI and Data Layers. They prioritize time-to-market over immediate accretion.

- **PE's Discipline Dilemma**

Private Equity remains priced out of "trophy assets." Thoma Bravo and Vista focus on sub-8x assets where operational efficiency (Rule of 40) can unlock value, avoiding bidding wars with Strategics.

- **Death of the "Acqui-Hire"**

The bar has raised significantly. Buyers now demand \$5M+ ARR and proven Product-Market Fit. Engineering teams without commercial traction are seeing valuations compress to <2x invested capital.

- **The "Missing Middle"**

Deal activity is barbell-shaped: huge platform consolidations or small tuck-ins. Mid-sized assets (\$100M-\$500M EV) face a liquidity crunch unless they possess unique AI IP.

Integration Priorities Post-Deal: Data & Automation

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Realize platform value through unified data layers and embedded AI remediation.

Critical Focus Areas (Post-Deal)



Data Layer Unification

Integrate security data across tools to create a single source of truth.



Risk Correlation

Connect ASPM with cloud/endpoint telemetry for end-to-end risk context.



Developer Workflow Integration

Embed remediation in IDE/CI/CD to meet engineers where they work.



Automation Acceleration

Deploy AI agents for auto-fix and policy-driven, low-touch remediation.

Data

Correlation

Dev Workflow

Automation

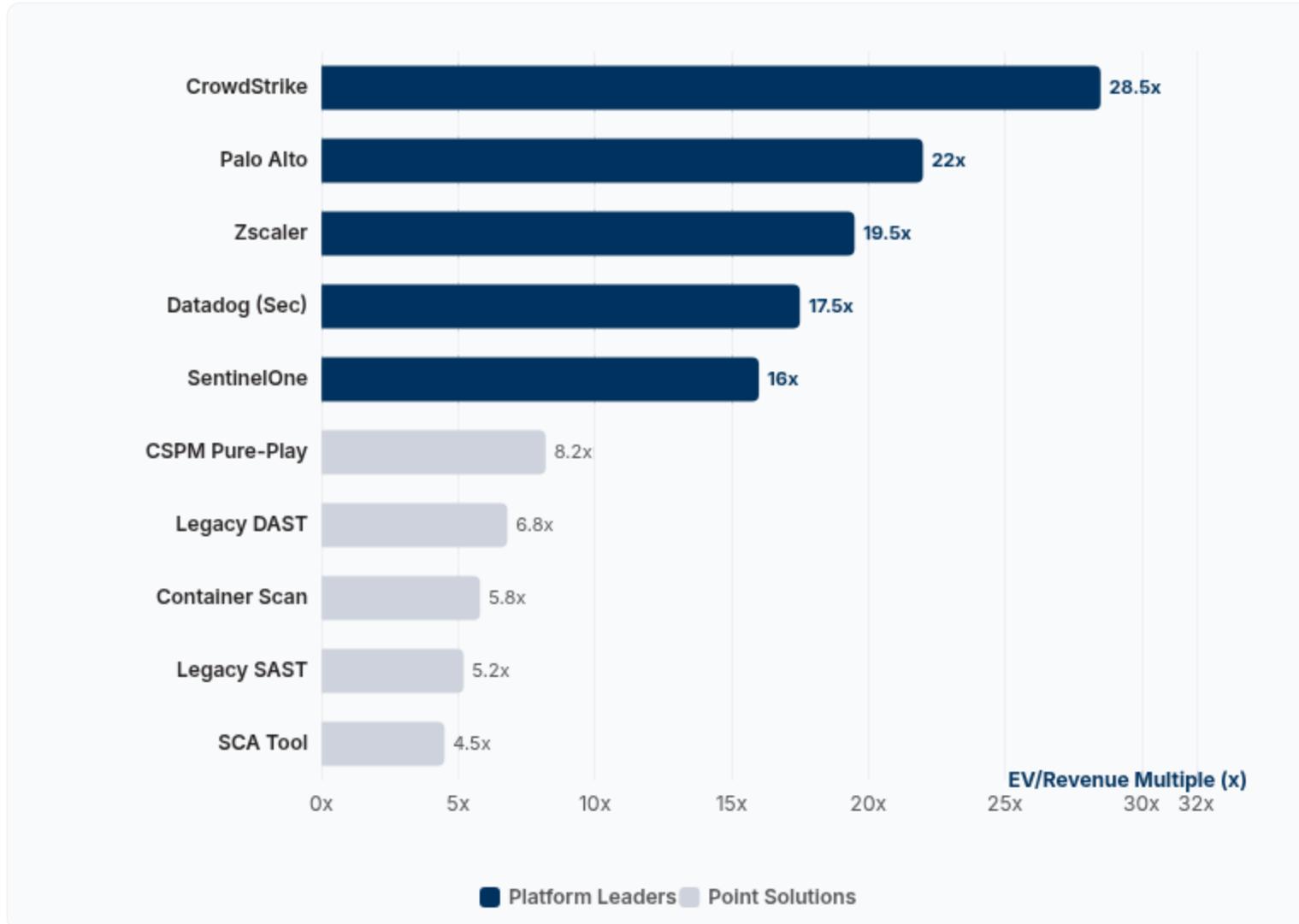
How to Realize Platform Value

- **Prioritize data gravity** over feature consolidation; centralize telemetry before adding new modules.
- Use **reachability-driven prioritization** to prove ROI quickly by focusing on exploitable risks.
- Accelerate time-to-value by deploying **quick-win integrations** (IDE plugins, Slack alerts) before full platform migration.
- Embed **AI remediation** into developer workflows to drive adoption and long-term stickiness.
- Measure success via KPIs: % **exploitable vulns remediated**, MTTR reduction, and developer NPS for tooling.
- Platform value is realized via **unified visibility**, not sheer tool count; reduce alert noise and handoffs.

Competitive Landscape: Platforms vs Point Solutions

Platform owners maximize valuation multiples; point solutions face compression.

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- **Platform Premium (12x+)**

Platform leaders like CrowdStrike and Palo Alto dominate the upper tier, commanding premium multiples due to unified code-to-cloud control.

- **Point Solution Squeeze**

Legacy scanners and standalone tools cluster below the 12x threshold, valued as features rather than strategic platforms.

- **Scale Drives Valuation**

Market share and revenue scale correlate strongly with multiple expansion, favoring consolidators over niche players.

Sources: [Multiples.vc](#); [Finbox Public Peers](#).

Compliance & Supply Chain Multipliers

Auto-compliance capabilities drive significant valuation premiums as regulatory pressure mounts.

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COMPLIANCE CAPABILITY	MULTIPLIER IMPACT	STRATEGIC VALUE & RATIONALE
 SOC2 Auto-Evidence Continuous Compliance	+2.0x EV/Rev	Replaces Manual Audits Eliminates expensive manual evidence collection cycles; highly valued by enterprise procurement teams as a trust signal.
 SBOM Automation Software Supply Chain	+1.8x EV/Rev	AI Risk Mitigation Critical for managing AI-generated code risks; meets requirements of US Exec Order 14028 and EU CRA.
 ISO / NIST Mapping Framework Alignment	+1.5x EV/Rev	Audit Readiness Automated mapping of security controls to regulatory frameworks reduces GRC overhead.
 Supply Chain Attestation Third-Party Risk	+1.3x EV/Rev	Vendor Trust Provides verifiable proof of secure development practices to downstream customers.

Note: Multiplier Impact reflects estimated incremental EV/Revenue turns observed in Q1 2026 M&A transactions for platforms possessing these specific capabilities.

The "Auto-Evidence" Premium

Automating SOC2 and ISO evidence collection commands the highest premium (**+2.0x**). It transforms compliance from a cost center into a continuous, automated feature.

Supply Chain Criticality

As AI-generated code proliferates, SBOM automation (**+1.8x**) becomes a non-negotiable enterprise requirement for managing legal and operational risk.

Regulatory Tailwinds

Framework mapping (ISO/NIST) and attestation features provide durable valuation floors, driven by hard deadlines like NIS2, DORA, and SEC mandates.

Strategic Implication

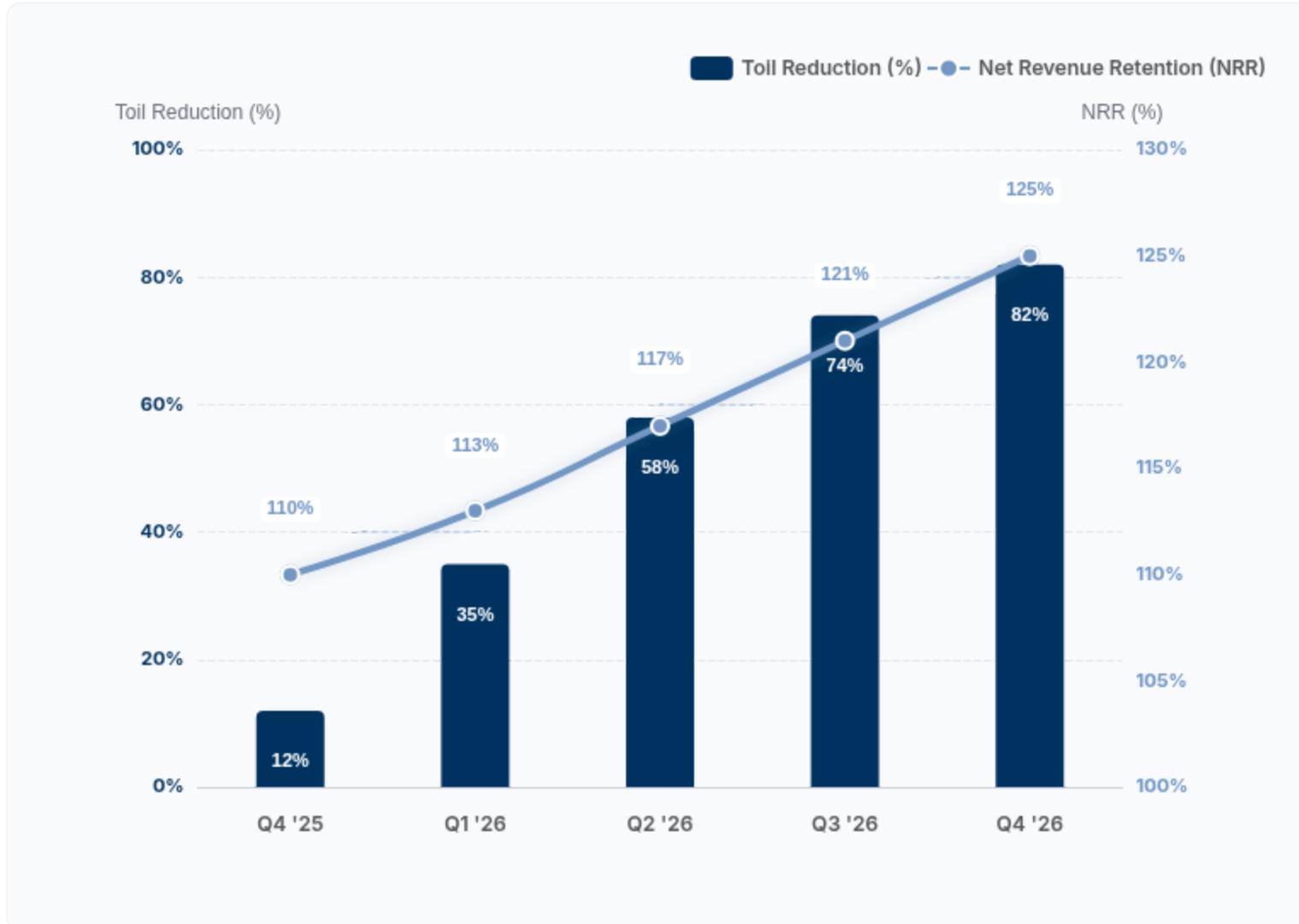
Compliance features are no longer "check-the-box" add-ons but core valuation drivers. Platforms that can prove **continuous audit readiness** replace external consulting spend, justifying higher platform fees.

Sources: [CrowdStrike Agentic AI \(2026\)](#); [Morningstar 2026](#); [Solganick Q4 2025](#).

Talent & Productivity: Reducing Developer Toil Drives NRR

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Correlation analysis shows a direct link between AI-driven toil reduction and Net Revenue Retention expansion.



- **Toil Reduction = Retention**

As AI agents assume repetitive triage tasks (reducing toil from 10% to 82%), engineering satisfaction rises, directly correlating with a 15-point lift in NRR to elite levels (125%).

- **The "DevEx" Premium**

Platforms that filter 95% of alert noise become embedded in workflows. Customers pay premium prices not just for security, but for the developer productivity gains.

- **ROI-Led Upsell**

Measurable time savings (hours per vuln) provide the quantitative evidence needed to justify expansion deals and pricing increases in Q3-Q4.

Sources: [McKinsey Developer Productivity](#); [ICON Corporate Finance](#).

Risk Factors & Mitigations: 2026 Outlook

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Prioritize platform-first, AI-native execution while maintaining efficiency to avoid valuation compression.



Execution Risk

High Priority

- High burn without growth leads to down-rounds.
- Multiple compression if NRR declines.
- Integration failures post-acquisition.
- Key talent departure erodes momentum.

MITIGATION

Enforce Rule of 40/60 discipline; target CAC payback <18 months; stand-up Day-1 integration office; craft retention packages for pivotal talent.



Feature Risk

Structural

- Point solutions without platform path face valuation ceiling.
- Commoditization by larger platforms.
- Difficult to defend pricing and margins.
- Limited exit options at premium multiples.

MITIGATION

Pursue platform-first strategy (ASPM/CNAPP alignment); build unique data layer; prove ROI via productivity/NRR lift; partner integrations to expand control plane.



Market Consolidation

External

- Winner-take-all dynamics emerging.
- Mid-market squeeze intensifying.
- Capital concentrating in top performers.
- Laggards risk fire-sale exits.

MITIGATION

Accelerate category leadership via selective M&A; double down on attach/cross-sell; focus geographies/verticals with high win rates to compound NRR.



Technology Obsolescence

Emergent

- Rapid AI evolution risks legacy architectures.
- Static defenses become outdated quickly.
- Continuous R&D investment required.
- Agentic shift disrupts traditional models.

MITIGATION

Allocate roadmap to agentic remediation and reachability; run rapid ship cycles; acquire AI-native capabilities; embed security into developer workflows.

Investment Playbook 2026: Priorities & Valuation Impact

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Action plan to earn premium multiples in DevSecOps (Q1 2026 baseline).

PRIORITY	TACTICAL RECOMMENDATIONS	EXPECTED VALUATION IMPACT
P1 • Agentic AI Autonomous Remediation	<ul style="list-style-type: none">• Build/acquire AI agents that open PRs• Prove manual work reduction in pilots• Report % issues auto-remediated	+3.5x - +5.0x Top-tier valuation driver
P2 • Platform-First Own Data/Control Planes	<ul style="list-style-type: none">• Unify risk in ASPM; integrate 3rd-party tools• Quantify tool sprawl reduction (25-40%)• Own ingestion and correlation layers	Path to 12x+ Premium platform multiple
P3 • Efficiency Durable Growth Metrics	<ul style="list-style-type: none">• NRR \geq120%; CAC payback <18 months• Rule of 40/60 discipline• Maintain burn multiple <1.5x	+20-30% vs peers Multiple uplift for leaders
P4 • Clear ROI Productivity Evidence	<ul style="list-style-type: none">• Measure toil reduction & track exploitability• Use CS data to prove productivity lift• Quantify developer throughput gains	Defensible Premium Supports pricing & NRR

• Agentic AI = Biggest Turn Adder

Ship real auto-fix PRs in production pilots; report % issues auto-remediated and mean-time-to-fix improvements.

• Platformize via ASPM

Make ASPM the unified risk view; own data ingestion and correlation to demonstrate lifecycle coverage.

• Operational Excellence

Tune packaging and CS motions to push NRR \geq 120% and bring CAC payback below 18 months to clear premium screens.

• Prove ROI with Dev Metrics

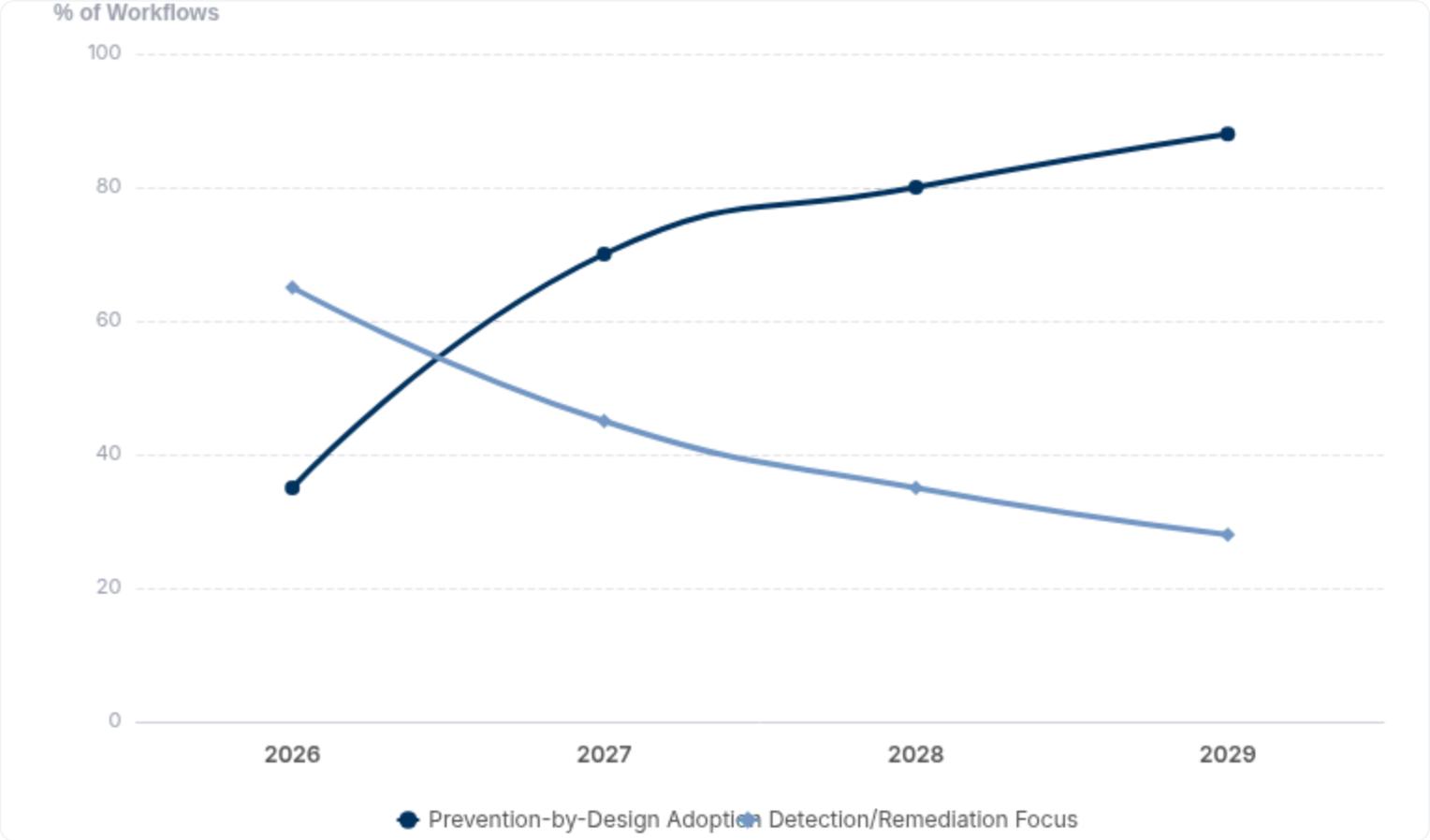
Quantify toil reduction, exploitability-driven triage, and developer throughput; use ROI proofs in pricing and renewals.

Sources: Report Table "Strategic Valuation Boosters"; [CrowdStrike Agentic AI](#); [Morningstar](#); [ICON Corporate Finance](#); [SentinelOne Investor Presentation](#).

Multipliers reflect Q1 2026 strategic drivers from report analysis.

Beyond 2026: Prevention-by-Design and Autonomous Testing

Evolution from remediation to prevention-by-design; AI-enabled autonomous security embedded in development.



- **Shift to Prevention-by-Design**

Market transitions from detection/remediation to secure-by-default development workflows.

- **Autonomous Testing at Scale**

By 2027, ~70% of development involves autonomous security testing (Gartner), accelerating adoption.

- **AI Foundations = Premiums**

Companies building credible AI remediation and prevention today earn outsized valuation premiums.

- **Legendary Leaders**

Prevention-by-design platforms are positioned for sustained multiple expansion through 2028+.

2026 Focus

Remediation & Autonomous Fixing

2027 Shift

Prevention-by-Design • ~70% Autonomous Testing

2028+ Vision

Security-Native Dev • IDE-Embedded AI

Sources: [Gartner \(Predictions\)](#); [J.P. Morgan 2026 Outlook](#).

Appendix: Sources & Methodology

Tier-1 references used in this DevSecOps Valuation Q1 2026 analysis; all hyperlinks reference sources cited in the report.

WINDSOR DRAKE

Organization	Citation (hyperlinked)	Use in Report
S&P Global	Global Economic Outlook Q1 2026	Macro backdrop, AI tailwinds context
J.P. Morgan Global Research	2026 Market Outlook	Sector outlook, valuation framing
Goldman Sachs	Investment Backdrop Heading into 2026	Durable growth vs. burn, M&A backdrop
Barclays Investment Bank	Q1 2026: As goes AI...	Quarterly trend, sentiment re-rating
Gartner	Information Security Spending	Security spend growth, category trends
Morningstar	Palo Alto Networks analysis	Company valuation perspective
Finbox	Public comps (EV/Rev)	Public multiples and peer metrics
Strategy of Security	Cybersecurity IPO Pipeline	IPO pipeline & private markets
Solganick	Cybersecurity M&A Update	M&A activity, multiples context
ICON Corporate Finance	Cybersecurity Sector Benchmarks	Rule of 40/60, efficiency benchmarks
Pinpoint Search Group	Vendor Funding Report	VC round sizes & valuation medians
Infosecurity Magazine	Major Cybersecurity M&A	Deal references & narratives
Cybersecurity Ventures	2026 Market Report	Market size & growth forecasts
McKinsey (as cited)	-	Strategic insights on developer toil

Methodology

Data aggregation: Consolidated public comps, disclosed M&A, and funding datasets from the cited sources.

Public comps: EV/Revenue and growth tiers based on sector medians and peer multiples referenced in the report.

M&A synthesis: Deal lists and imputed multiples compiled from Infosecurity Magazine and Solganick updates.

VC datasets: Stage-level medians derived from Pinpoint and Strategy of Security IPO pipeline references.

Disclosure & Standards

This appendix reflects only materials cited in the provided report. No external research beyond the listed sources was introduced. Analysis follows institutional research conventions for sourcing, consistency, and transparency.

Tier-1 All links included are cited in the report's source list.

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