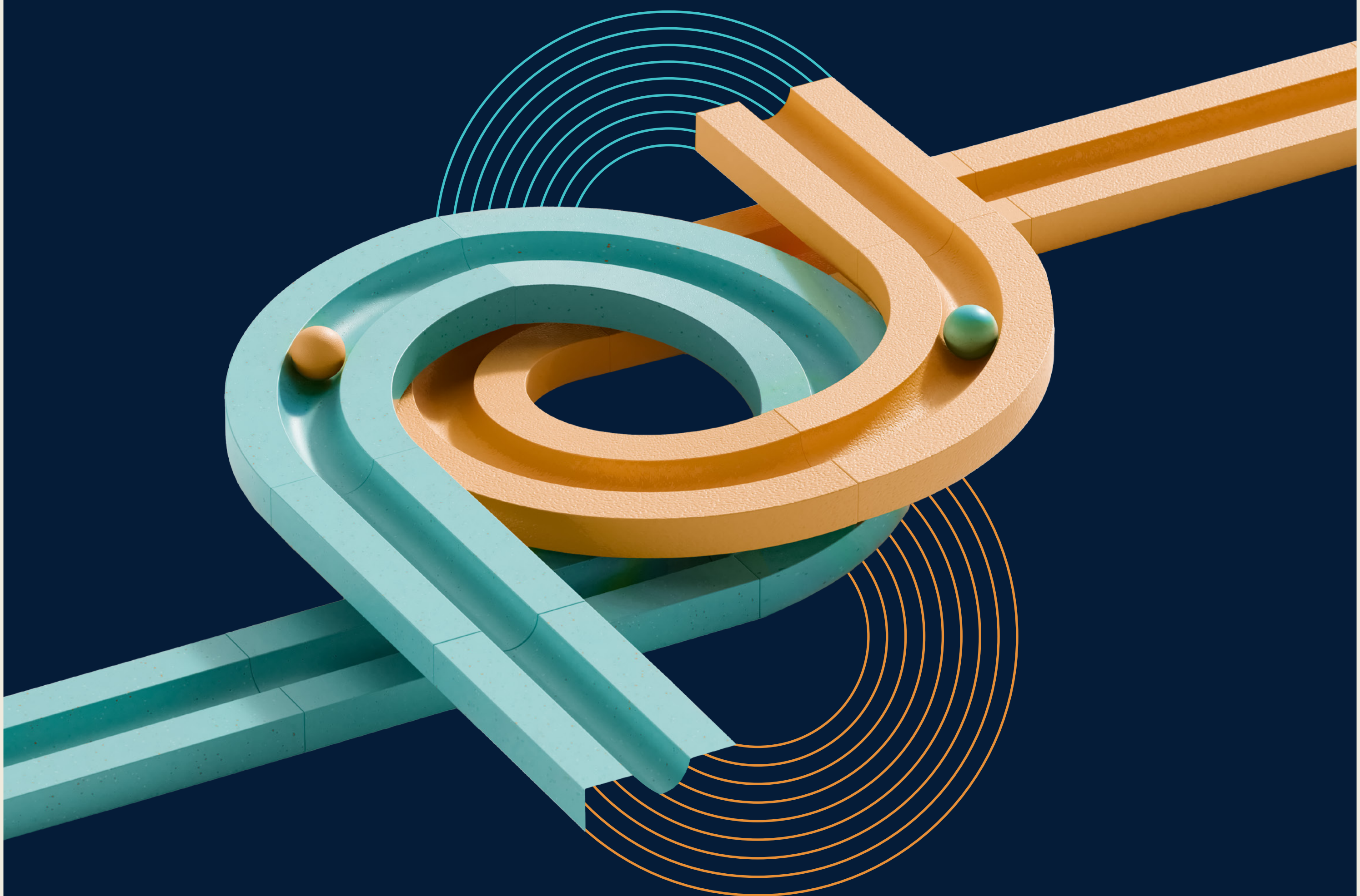
PitchBook

Q1 2025

GLOBAL M&A Report



Sponsored by

Liberty Global Transaction Solutions

Contents

Sponsored by

PitchBook Data, Inc.

Nizar Tarhuni Executive Vice President of Research and Market Intelligence

Marina Lukatsky Global Head of Research, Credit and US Private Equity

Institutional Research Group

Analysis

Garrett Hinds
Senior Research Analyst, Private Equity
garrett.hinds@pitchbook.com

Jinny Choi
Senior Research Analyst, Private Equity
jinny.choi@pitchbook.com

Kyle Walters
Research Analyst, Private Equity
kyle.walters@pitchbook.com

Aaron DeGagne
Senior Research Analyst, Healthcare
aaron.degagne@pitchbook.com

Nicolas Moura, CFA
Senior Research Analyst, EMEA Private Capital
nicolas.moura@pitchbook.com

Data

Nick Zambrano
Data Analyst

pbinstitutionalresearch@pitchbook.com

Publishing

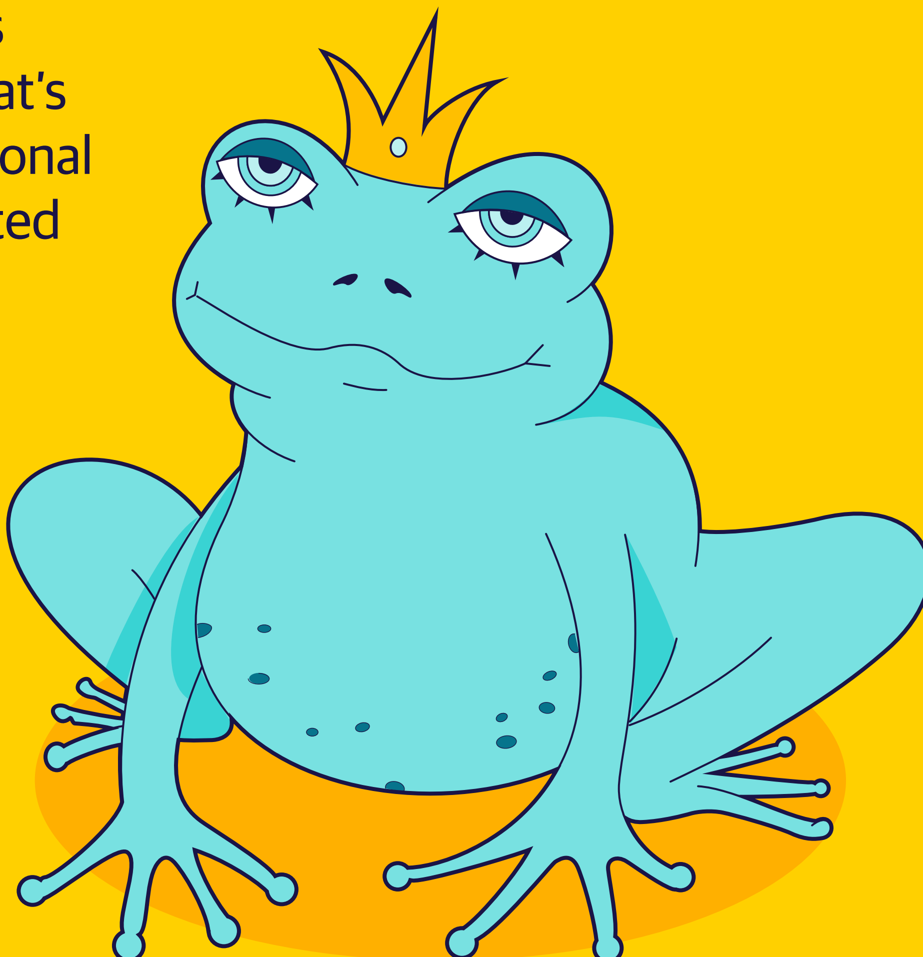
Report designed by **Josie Doan** and **Drew Sanders**

Published on April 29, 2025

Click here for PitchBook's report methodologies.

Not every frog is a Prince

Savvy deal-makers know that stories don't always have happy endings. That's why they need transactional risk insurance from trusted advisers. Kiss wisely.



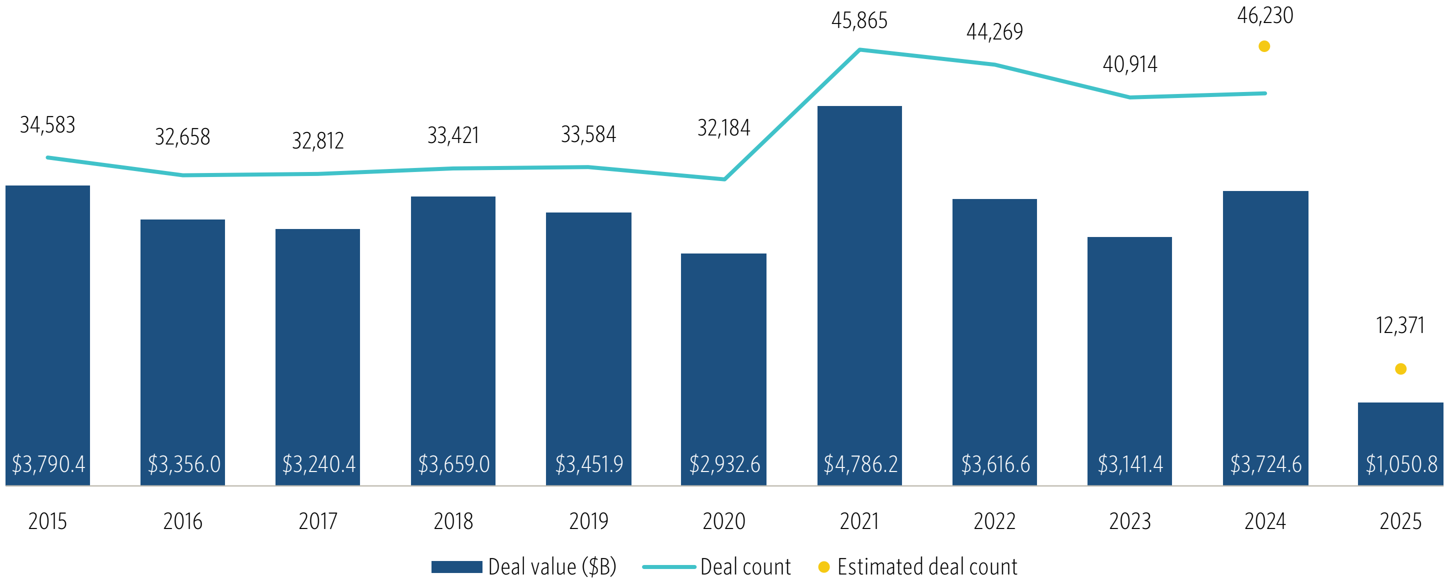
Liberty Global Transaction Solutions™

Your world is our world

www.libertygts.com

Overview

M&A activity



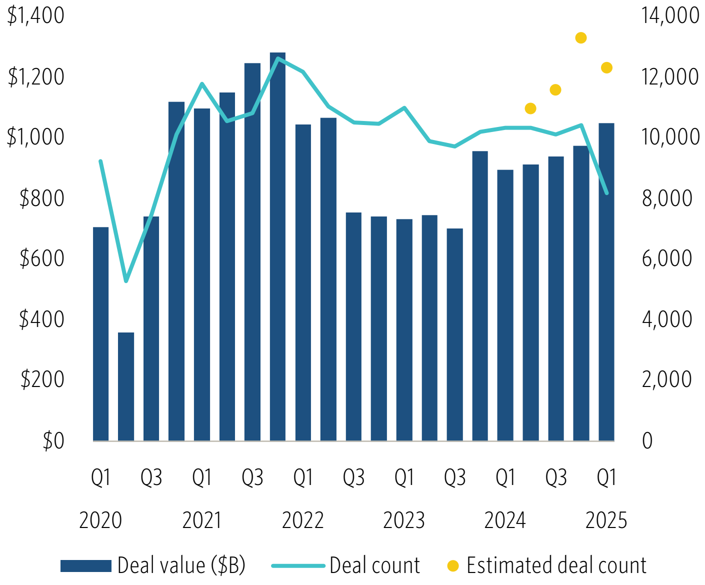
Source: PitchBook • Geography: Global • As of March 31, 2025

Garrett Hinds
Senior Research Analyst, Private Equity

Global M&A activity achieved robust growth in Q1 2025, as larger deals pushed total deal value to $1,050.8 billion across 12,371 transactions, including estimates for undisclosed values and late-reported deals. North America dominated the top 10 leaderboard, securing 80% of deals, with additional notable transactions in Asia and Central America—including the geopolitically significant Panama Ports deal. Nonetheless, considerable uncertainty remains regarding the outlook for the remainder of the year, given persistent recession risks and ongoing volatility in global trade relations.

Transaction multiples in North America and Europe maintained a steady trajectory, continuing the stable recovery seen throughout 2024. Median enterprise value (EV)/EBITDA multiples for deals announced or closed during the trailing 12-month (TTM) period ending Q1 2025 remained nearly flat at 9.6x compared with 9.7x in 2024. Similarly, EV/revenue multiples remained consistent at 1.6x. This stable valuation environment, now closely aligned with pre-pandemic levels of 2017 to 2019, suggests the post-pandemic valuation reset is complete. Although current multiples remain lower than their 2021 peaks—10.6x EBITDA and 2x revenue—their firming indicates market normalization in the face of elevated interest rates.

M&A activity by quarter

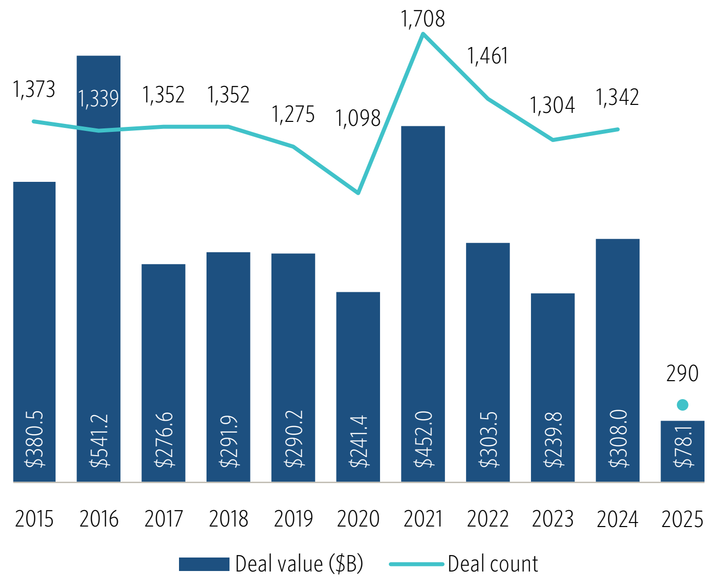


Source: PitchBook • Geography: Global • As of March 31, 2025

European M&A activity with non-European acquirer

Source: PitchBook • Geography: Europe • As of March 31, 2025

North American M&A activity with non-North American acquirer



Source: PitchBook • Geography: North America • As of March 31, 2025

Public trading multiples mirrored the flat performance of M&A multiples, sustaining a meaningful gap between the public and private markets. Public multiples for S&P 500 companies slightly declined to 14.1x EBITDA and 3.9x revenue. This ongoing disparity historically narrows through increased M&A activity or IPO market openings. Although early 2025 appeared promising for IPOs, recent market volatility in April has likely dampened this momentum, potentially suppressing public multiples further into Q2.

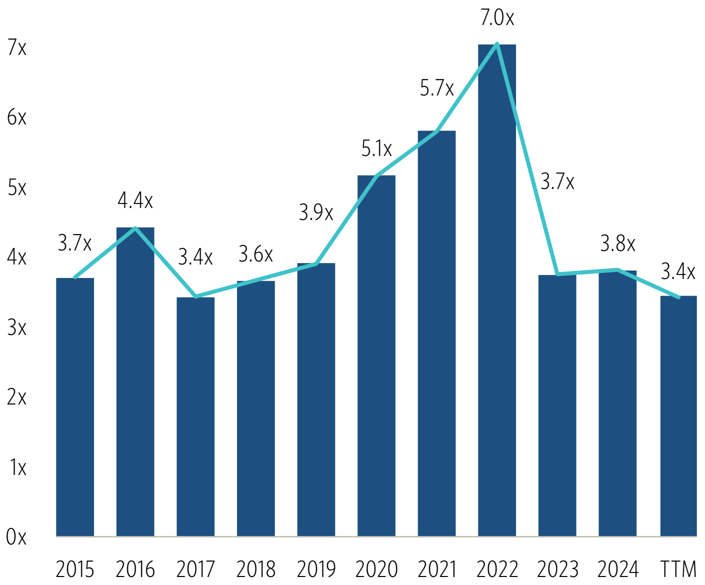
European M&A witnessed robust activity relative to historical averages, despite sequential declines from a particularly strong Q4 2024. Geopolitical shifts, including the inauguration of US President Donald Trump and subsequent tariff threats, reshaped market dynamics, leading investors to favor European equities. The valuation gap between European and US multiples persisted, with Europe's median EV/EBITDA at 8.9x compared with the US at 9.5x in Q1 2025. The largest European deal, Prosus' €4.1 billion acquisition of Just Eat Takeaway.com, underscores ongoing consolidation pressures within the food delivery market, driven by profitability concerns amid higher interest rates and lowered tech valuations.

North American M&A surged with total value reaching $613.8 billion across 4,934 deals, driven by large-scale transactions. Despite optimistic beginnings, the mid-quarter saw heightened market caution due to tariff and recession fears, potentially marking Q1 as the year's peak if uncertainties intensify. However, economic stabilization could sustain strong deal momentum. The top 10 North American deals, totaling $182.6 billion, underscored diverse sector participation, with technology prominently featured in the two largest deals. PE-backed transactions accounted for 50% of these top deals.

In the technology sector, notable transactions highlighted an evolution toward social media for AI training and cybersecurity solutions. Alphabet's $32 billion acquisition of cybersecurity innovator Wiz exemplified strategic prioritization amid increasing cloud security demands. Meanwhile, Crown Castle divested its small cells and fiber solutions businesses for $8.5 billion to EQT and Zayo,[1] using proceeds strategically to reduce debt and reinforce its financial strength. Despite governmental threats of digital service tariffs, the sector is expected to adapt rapidly through strategic adjustments, maintaining resilience.

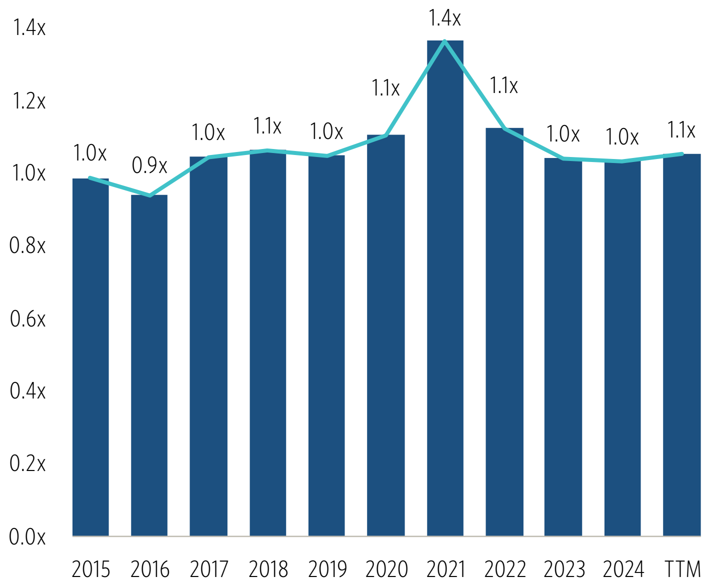
1: "Crown Castle Announces Agreement To Sell Fiber Segment to EQT and Zayo, Reports Fourth Quarter and Full Year 2024 Results, and Provides Outlook for Full Year 2025," Crown Castle, March 13, 2025.

M&A megadeal EV/revenue multiples



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025
Note: Megadeals are deals that are $5 billion or larger.

M&A EV/revenue multiples on deals below $100M



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

Overall, sector momentum scores illustrated significant shifts. IT emerged strongly, driven by sustained subsector strength—particularly in semiconductors. Conversely, materials & resources, previously leading in deal momentum, experienced a sharp decline. Healthcare and B2C sectors showed mixed momentum influenced by valuation trends and market dynamics. As global uncertainties persist, sector-specific factors will increasingly dictate deal flows and valuation movements, shaping the remainder of 2025.

Valuations

North America and Europe transaction multiples moved sideways in Q1 2025, extending the stable trend and rebound that characterized most of 2024. The median EV/EBITDA multiple for M&A transactions announced or closed in the TTM period ending Q1 2025 was relatively unchanged at 9.6x versus 9.7x in 2024. EV/revenue multiples were also unchanged at a median of 1.6x in Q1 2025, which was identical to 2024's median.

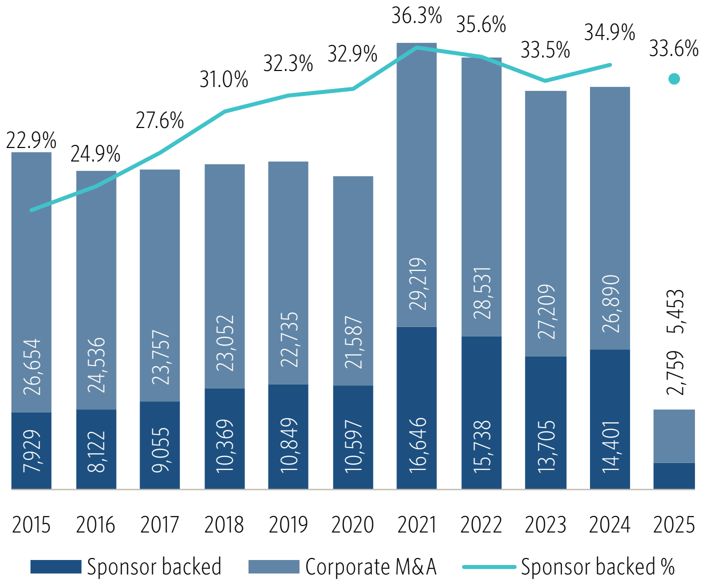
While multiples are still a full turn removed from 2021's all-time peak of 10.6x of EBITDA and 2x of revenue, the extended firming trend indicates that a valuation reset is now complete. Present multiples have come to rest in line with the pre-pandemic average from 2017 to 2019, which stands to reason, given that interest rates are currently much higher.

Both North America and Europe fell by similar degrees, with the latter bottoming at slightly lower multiples. The median EV/revenue multiple in Europe currently has a TTM median of 1.4x revenue, or 24.1% below the North American multiple of 1.9x revenue. The gap in EV/EBITDA multiples is slightly lower at 9.1x for Europe and 10.8x for North America, a 16.1% difference.

When M&A multiples moved sideways, public trading multiples also moved sideways; as a result, a gap between the two sides remains. As measured by S&P 500 companies, trading multiples declined immaterially in 2024 and roughly 2% in Q1 2025 to a median of 14.1x EBITDA and 3.9x revenue. Similarly, M&A deal multiples—albeit mostly on much smaller private companies—have remained relatively flat at a TTM median of 9.6x EBITDA and 1.6x revenue. Historically, a bullwhip effect has taken hold of M&A multiples, propelling them higher and narrowing the gap with public multiples. Heading into 2025 with the momentum of 2024's rebound, we expected the widening gap between public and private markets to eventually pry open a tight IPO window. Better sentiment in public markets often ushers in or reinforces an M&A recovery, as it sets the tone for would-be sellers. However, the recent market turbulence has seemingly shut the IPO window for now and will likely see public multiples decline in Q2 amid April's recent volatility.

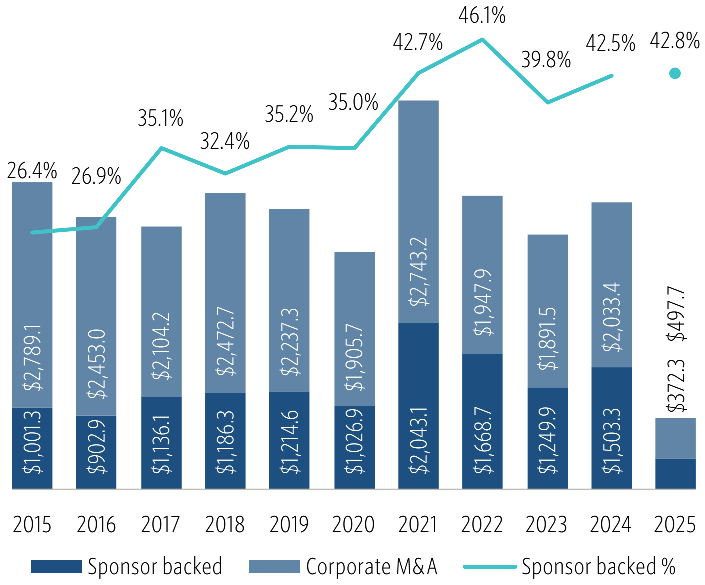
Deal metrics

M&A count by acquirer type



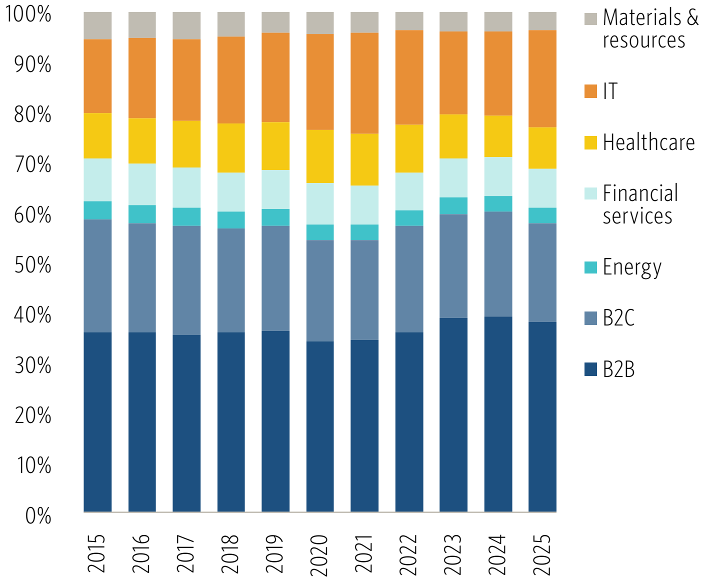
Source: PitchBook • Geography: Global • As of March 31, 2025

M&A value ($B) by acquirer type



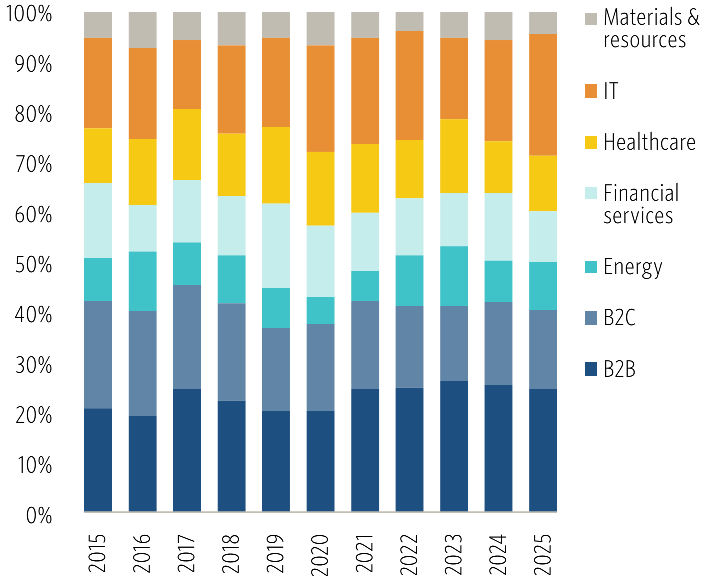
Source: PitchBook • Geography: Global • As of March 31, 2025

Share of M&A count by sector



Source: PitchBook • Geography: Global • As of March 31, 2025

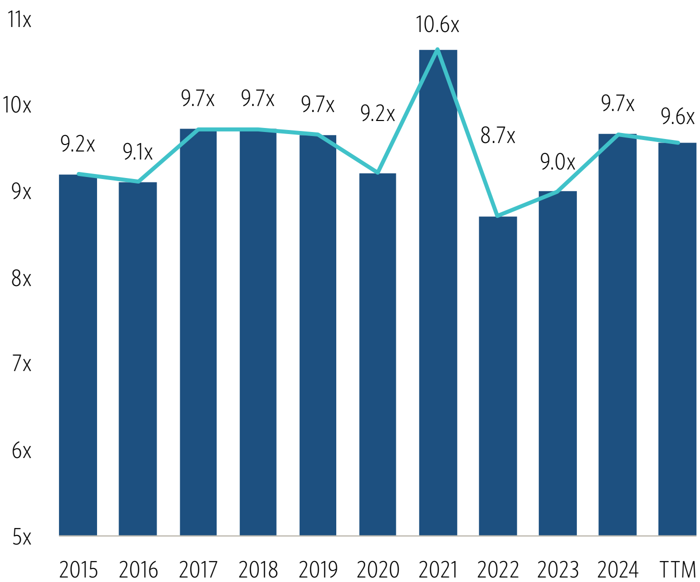
Share of M&A value by sector



Source: PitchBook • Geography: Global • As of March 31, 2025

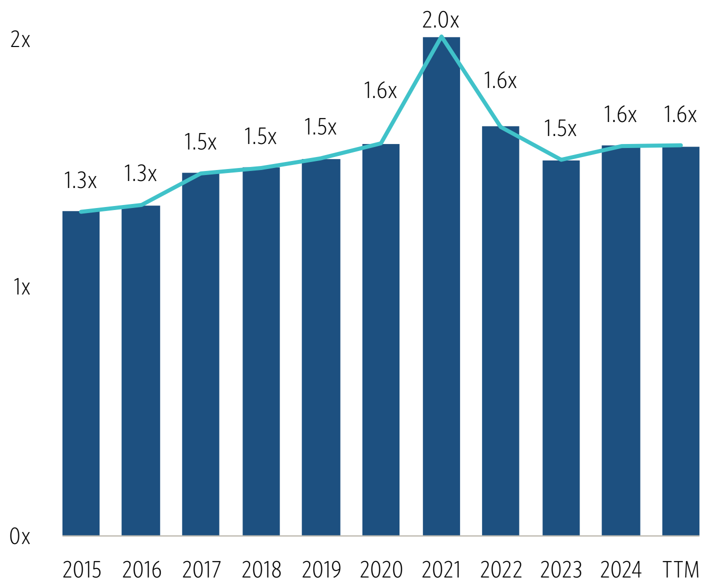
Valuation metrics

Median M&A EV/EBITDA multiples



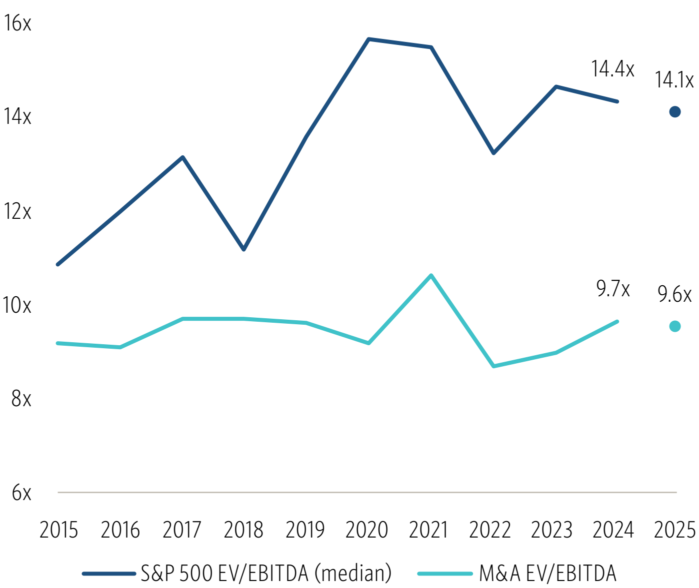
Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

Median M&A EV/revenue multiples



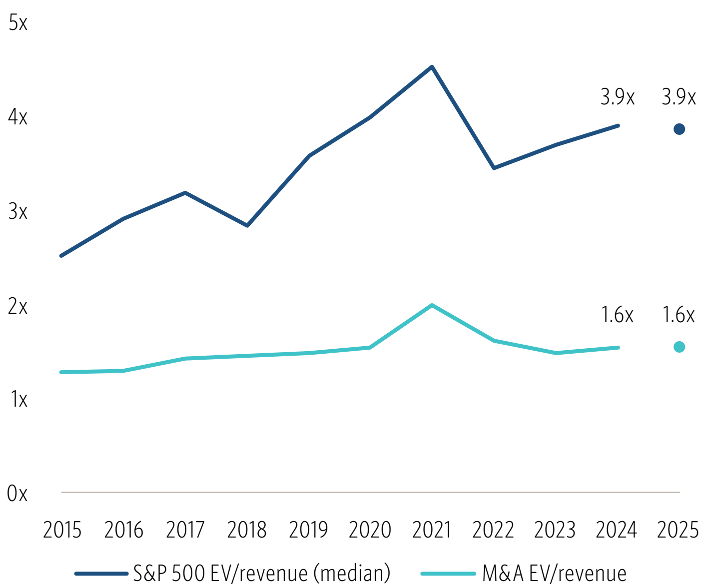
Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

Public company trading multiples versus M&A multiples (EV/EBITDA)



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

Public company trading multiples versus M&A multiples (EV/revenue)



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

A WORD FROM LIBERTY GTS

Canadian M&A market outlook for 2025

Jordan Kluckow
Senior Underwriter
Liberty GTS

Jordan Kluckow is a senior underwriter on the Liberty GTS Canadian team. Before moving to Canada, Kluckow worked on the London and Emerging Markets team for three years, focusing on leading towers of insurance on large-cap transactions—particularly in the Middle East and Africa. Prior to joining Liberty, Kluckow was an associate at Hogan Lovells, based in London and New York.

Following record inflation in 2023 that drove up interest rates and raised the cost of borrowing, Canada experienced a slowdown in its M&A market—in common with many other jurisdictions—dashing any hopes of a steady return to the previous highs in 2021.

While 2024 also saw a slow start to M&A business, when the Bank of Canada cut interest rates in June 2024, there was a corresponding uptick in M&A transactions in the second half of the year, as acquirers made the most of the reduced cost of raising debt.

Consequently, there were widespread expectations that 2025 would be a busy year for Canadian M&A, with a backlog of deals and abundant capital waiting to be deployed. However, the dynamic, evolving international policy conversation on tariffs has impacted momentum.

Despite a backlog of portfolio companies widely expected to be on the market at the start of 2025, in January, domestic M&A activity in Canada was down 37% compared with the same period last year—a nine-year low for the sector. At the same time, deals involving US acquirers of Canadian companies were at a 22-year low, with only 19 such transactions in January.[2]

Optimism for H2 2025

Tariff-related conversations are giving investors pause because, historically, a unique selling proposition for acquiring businesses in Canada has been the ability for investors to use those acquisitions as a platform for expanding into the US. Tariffs, however, could potentially increase import-export costs, creating greater uncertainty about future profit margins and customer/supplier relations.

However, there is also a positive outlook for the year as a whole. Some view the current lull in activity as a short-term pause, with the likelihood of a very busy second half of the year once there is more certainty around the political and economic situation and when investors will be in a hurry to get deals done.

This does not imply that when deals come through, they will likely be transacted more quickly—as they were in the post-pandemic return to M&A activity. We have recently seen deal timelines become more stretched due to greater geopolitical and regulatory complexities, increased caution among buyers about how to deploy their capital, and a stronger focus on the pricing of target companies.

Are changes in RWI market dynamics on the way?

The market dynamics for representations and warranty insurance (RWI) are similarly uncertain in early 2025. While prices increased toward the end of last year as the M&A market got busier following the interest rate cut, the slowdown in January 2025 has caused prices to drop to mid-2024 levels. Therefore, it remains a buyer's market, with retentions typically low and extremely broad coverage on offer.

However, it is our view that this trend will not continue throughout the year. Insurers are already under pressure to increase rates, and when the floodgates open once more for dealmaking—as is widely expected toward the middle of the year—pricing is likely to steadily increase. Though it remains to be seen whether it reaches the levels experienced in 2021 and 2022.

2: "M&A Craters in Canada as Trump's Threats Loom," The Logic, Aimée Look, February 13, 2025.

Regardless of the slowdown in M&A business, and an already competitive environment for RWI coverage, we saw a few new entrants entering the Canadian market last year and more appetite from the managing general agents sector for RWI market share. That increased competition has contributed to rate suppression and sharpened the desire for a strong start to 2025 for M&A transactions. Despite this, an increase in paid claims and large potential payments in the market is likely to bring a renewed focus on the ability of carriers to fulfill their obligations to their insureds—demonstrating the increasing importance of choosing a carrier with longevity.

While the relatively modest size of the Canadian M&A market makes it difficult to identify clear trends in terms of RWI claims, across the global market for transactional risks, there has been a high proportion of third-party claims relating to compliance with laws, intellectual property, and wage and hour disputes; and we saw some substantial RWI claims being paid in Canada in 2024.

Key takeaways for RWI buyers

Overall, our outlook for the underlying M&A market is positive for the latter half of 2025. With an additional interest rate cut by the Bank of Canada in January and predictions by financial analysts of a possible further cut later this year, valuations between buyers and sellers are narrowing. With strategic investors and PE firms sitting on capital that they are keen to invest this year, the market conditions are highly conducive to dealmaking if governmental agreements are reached to reduce tariff impacts.

Another positive for RWI buyers is that, while deals may be taking slightly longer to transact and profit margins are likely to be a little tighter, we are seeing increased due diligence in certain areas. If that trend continues, it will enable insurers to continue to provide broad coverage. However, we expect to see an increased focus by underwriters on diligence for import-export matters, given the current uncertainty around tariffs.

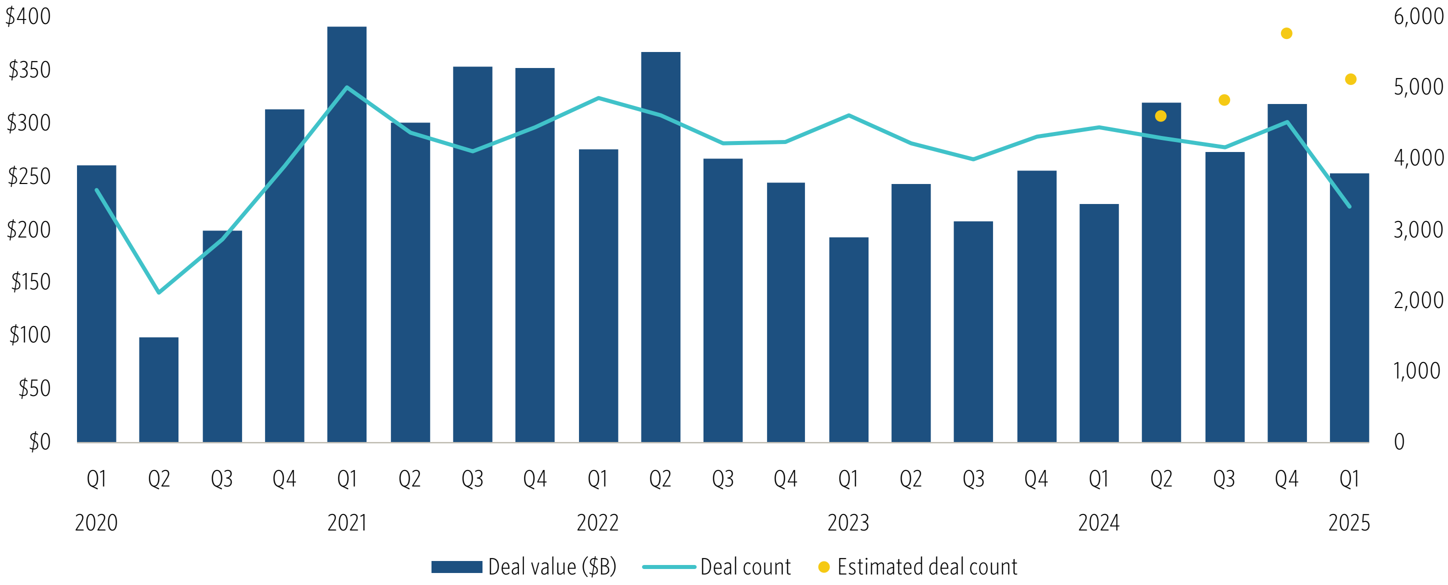
As the Canadian M&A market picks up, the pipeline of stalled deals will likely begin flowing again quite rapidly. Working with a carrier that has experience with the speed at which deals can happen is critical to structuring an effective RWI policy.

In this current soft market lull, buyers will also be looking for an RWI offering that provides a high degree of certainty around the reliability and scope of coverage, the ease of making claims, and the efficiency of claims handling. Liberty GTS is well positioned to meet these needs, having written this class of business since 2010 and with a proven track record of paying valid claims. Choose wisely.

Sponsored by Liberty Global Transaction Solutions

European M&A

M&A activity by quarter



Source: PitchBook • Geography: Europe • As of March 31, 2025

Nicolas Moura, CFA
Senior Research Analyst, EMEA Private Capital

Q1 European M&A activity was up double-digits compared with Q1 2024 but was down double-digits sequentially. Seen another way, Q1 was in line with the average quarter over the past 10 years in terms of value but 36.4% higher than the average quarter in terms of count. Given recent geopolitical turmoil, M&A activity has held up well in Europe, outpacing North America in deal count.

Q1 saw US President Trump enter office, and his various policies led to a rotation in public markets favoring undervalued European stocks over overpriced US stocks. In our 2024 Annual Global M&A Report, we argue that the valuation gap between Europe and the US widened in 2024. Early signs in 2025 confirm that this valuation gap persists when looking at M&A EV/EBITDA multiples, which stood at 9.5x for the US and 8.9x for Europe. President Trump's tariffs announced in April could further lower multiples on both sides of the Atlantic and would overshadow M&A activity that had, until then, been on a path of recovery.

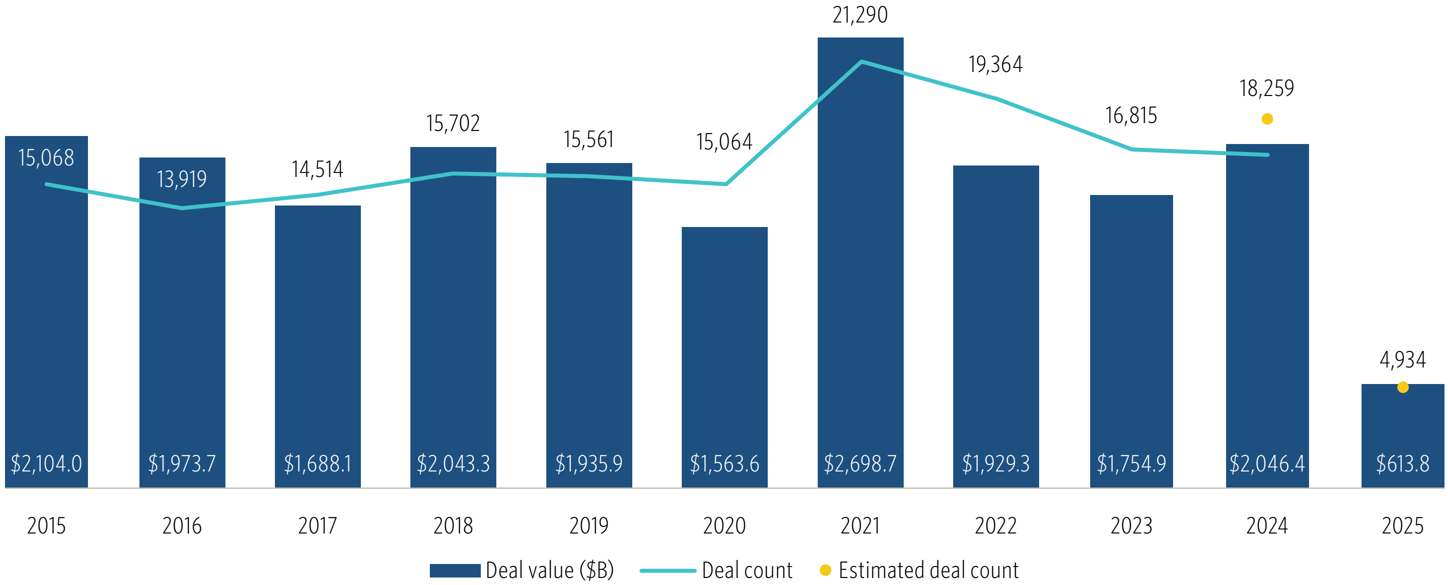
In Q1, the largest resilience came from the B2C and healthcare sectors, while energy and materials & resources saw the largest sequential slump in M&A deal value.

In the biggest European M&A deal of Q1, Prosus announced its €4.1 billion acquisition of Just Eat Takeaway.com, highlighting the ongoing consolidation in the food delivery space. Since the pandemic-fueled boom, food delivery platforms have faced mounting pressure to chart a path to profitability in a crowded, competitive market. Back in 2020, the sector was thriving—marked by major deals like the Just Eat Takeaway.com merger, Uber's acquisition of Postmates, and Delivery Hero's purchase of Glovo's Latin American operations. But more recently, the industry has been grappling with higher interest rates and a slump in tech valuations. In 2024, Just Eat Takeaway.com sold off Grubhub, while Getir was acquired by Mubadala Investment Company following a corporate restructuring. Now, Prosus—the investment arm of South Africa's Naspers—adds Just Eat Takeaway.com to a growing portfolio of food delivery assets, including Brazil's iFood. The acquisition also marks the culmination of Prosus' multiyear pursuit of the business.

Q2 M&A activity will likely suffer from uncertainty surrounding President Trump's tariffs and what they mean for global trade, GDP growth, and inflation. For further reading on the impact of tariffs on Europe, please read our Q2 2025 PitchBook Analyst Note: The Impact of Tariffs on European PE.

North American M&A

M&A activity



Source: PitchBook • Geography: North America • As of March 31, 2025

Garrett Hinds
Senior Research Analyst, Private Equity

In Q1 2025, North American M&A activity advanced robustly, reaching a total deal value of $613.8 billion across 4,934 announced or closed transactions, inclusive of our estimates for late-reporting deals and nondisclosed values. Driven by an influx of large-scale transactions, total value surged by 28.3% QoQ and 10.3% YoY, while deal volume saw a modest decline of 1.9% QoQ but a solid increase of 19.8% YoY. Market sentiment started optimistically, fueled by expectations of continued growth; however, the landscape shifted dramatically mid-quarter, marked by heightened caution amid intensifying concerns over tariffs and recession risks. Looking ahead, Q1 could represent the peak of M&A activity for the year if economic uncertainties persist or deepen. Conversely, stabilization in the macroeconomic environment could catalyze further significant dealmaking, sustaining the growth trajectory observed early in the year.

The top 10 North American deals in Q1 collectively amounted to an impressive $182.6 billion—more than doubling QoQ, though still down 3.7% YoY compared with Q1 2024, which featured several sizable all-stock mergers. Technology emerged prominently, headlining the two largest deals of the quarter. Sector representation among these major transactions was diverse, with technology accounting for three deals, energy securing two, and single deals distributed across B2C, healthcare, materials & resources, and financial services. PE sponsors were active in underwriting large deals in Q1, and the PE-backed share of the top 10 deals was 50%, up from 30% last quarter and 20% in Q1 2024.

The largest deal was the $33 billion all-stock merger of social media platform X with xAI.[3] Initially, we considered excluding this transaction because both companies share a prominent investor; however, we decided to include it given the extensive and diversified investor base supporting xAI. Elsewhere, in the IT sector, cloud security platform developer Wiz agreed to be acquired by Alphabet for $32 billion in an all-cash transaction.[4] As modern enterprise IT systems increasingly span multiple cloud providers in addition to on-premises IT infrastructure, the attack surface is more challenging to defend. Wiz employs a novel AI-enabled approach to protect these complex IT systems across cloud providers and developer environments. Google will integrate Wiz with its existing cybersecurity platform to enhance its capabilities.

3: "@xAI has acquired @X in an all-stock transaction…" X, Elon Musk (@elonmusk), March 28, 2025.
4: "Google Announces Agreement To Acquire Wiz," Google, March 18, 2025.

Antitrust M&A update

Pending deals

Update	Agency	Action	Deal target	Deal acquirer	Deal value ($M)	Deal announcement date	Elapsed time (years)
April 14, 2025	DOJ	The Department of Justice (DOJ) will head to mediation with UnitedHealth Group and Amedisys on April 18 as part of an ongoing antitrust lawsuit. In February, UnitedHealth and Amedisys outlined plans to divest a significant number of home health and hospice locations as they seek to close the merger.	Amedisys	UnitedHealth Group	$3,700.0	June 26, 2023	1.8
April 8, 2025	EC	Liberty Media is set to secure unconditional EU antitrust approval for its acquisition.	Dorna Sports	Liberty Media	$4,570.0	April 1, 2024	1.0
April 7, 2025	DOJ	President Trump ordered the Committee on Foreign Investment to conduct a new review of the deal.	United States Steel	Nippon Steel	$14,900.0	December 18, 2023	1.3
April 3, 2025	DOJ	Capital One received approval from the DOJ. The Office of the Comptroller of the Currency and the Federal Reserve will review the merger with input from the DOJ.	Discover Financial Services	Capital One	$35,000.0	February 16, 2024	1.1
January 30, 2025	EC and DOJ	The European Commission (EC) unconditionally approved the deal, but the DOJ sued to block the acquisition.	Juniper Networks	Hewlett Packard Enterprises	$14,000.0	January 9, 2024	1.1
January 15, 2025	EC	Canada alongside the EC have approved the acquisition, but the deal still awaits approval from China.	Viterra	Bunge	$18,000.0	June 13, 2023	1.6
December 5, 2024	CMA	The Competition and Markets Authority (CMA) approved the combination of Vodafone and Three in the UK. The deal is expected to formally close in H1 2025.	Three UK	Vodafone Group	$3,660.0	June 14, 2023	1.5

Source: PitchBook • Geography: US and Europe • As of March 31, 2025

Canceled deals

Last update (2024)	Agency	Action	Deal target	Deal acquirer	Deal value ($M)	Deal announcement date	Elapsed time (years)
December 10	FTC and 9 state AGs	A US judge blocked the pending merger of the two grocery chains, ruling it would be anticompetitive.	Albertsons Companies	Kroger	$25,000.0	October 13, 2022	2.2
November 14	FTC	Capri and Tapestry mutually agreed to terminate the merger agreement, as US regulatory approvals were unlikely to be met by the merger agreement's date of February 10, 2025.	Capri Holdings	Tapestry	$8,500.0	August 10, 2023	1.3
August 1	EC	In the beginning of August, IAG announced it was terminating the proposed takeover.	Air Europa	International Consolidated Airlines Group	$538.7	February 23, 2023	1.2
April 22	DOJ	The deal was terminated after the DOJ moved to block and TopBuild elected not to challenge.	Specialty Products and Insulation	TopBuild	$960.0	July 27, 2023	0.7
March 28	DOJ	The deal was terminated after the DOJ moved to block and Chiquita elected not to challenge.	Dole Food Company	Chiquita Brands International	$293.0	January 30, 2023	1.2
March 11	FTC	The deal was terminated prior to the Federal Trade Commission (FTC) completing its review.	Wyndham Hotels & Resorts	Choice Hotels	$9,800.0	October 17, 2023	0.4
March 4	DOJ	The deal was terminated following a court ruling in favor of the DOJ.	Spirit Airlines	JetBlue Airways	$7,600.0	July 28, 2022	1.6
January 19	EC	The EC moved to block the deal.	iRobot	Amazon	$1,700.0	August 4, 2022	1.5
January 3	FTC	The deal was terminated following a court ruling in favor of the FTC.	Propel Media	IQVIA Holdings	$800.0	December 1, 2022	1.1

Source: PitchBook • Geography: US and Europe • As of March 31, 2025

Completed deals

Last update	Agency	Action	Deal target	Deal acquirer	Deal value ($M)	Deal announcement date	Elapsed time (years)
February 27, 2025	FTC and CMA	IBM completed its acquisition of HashiCorp following approval from UK regulators.	HashiCorp	IBM	$6,400.0	April 24, 2024	0.8
February 5, 2025	FTC	The deal was approved and closed subject to the agreed-upon divestiture of 73 Mattress Firm stores and the chain's Sleep Outfitters subsidiary.	Mattress Firm	Tempur Sealy International	$4,000.0	May 9, 2023	1.7
January 16, 2025	CMA	Carlsberg completed its acquisition of Britvic following clearance from the CMA.	Britvic	Carlsberg	$4,180.0	July 8, 2024	0.5
June 26, 2024	EC	The deal was closed following conditional clearance from the EC.	Viatris	Cooper Consumer Health	$2,170.0	October 2, 2023	0.7
June 24, 2024	FTC	The company was spun out of Illumina in a public listing for $580 million.	GRAIL	Illumina	$8,000.0	September 20, 2020	3.8
May 31, 2024	EC and CMA	The deal was closed following conditional clearance by both regulators.	Thales GTS	Hitachi Rail	$1,754.0	October 31, 2023	0.6
May 30, 2024	EC	The deal was closed following unconditional approval by the EC.	Telecom Italia	KKR	$23,784.3	November 5, 2023	0.6
February 29, 2024	EC	The deal was closed following conditional clearance by the EC.	Bolloré Logistics	CMA CGM	$5,312.7	May 8, 2023	0.8

Source: PitchBook • Geography: US and Europe • As of March 31, 2025

Sector metrics

Jinny Choi
Senior Research Analyst, Private Equity

Methodology

Our cross-sector momentum scores provide insight into how changes in M&A deal activity and median valuations compare across sectors. The scores range from -2.0 to 2.0 and establish a relative evaluation for each sector. The basis of these scores is the percentage change over the prior quarter and TTM period, which are equally weighted. In the case of the valuation score, just the TTM change is considered versus the prior calendar year, using both EV/EBITDA and EV/revenue multiples. The deal momentum scores encompass both deal count and volume, which are also equally weighted. Prior to calculating deal volume growth rates, the data is winsorized—meaning it is clipped—at the 98th percentile to mitigate the impact of outliers. To establish the final sector momentum scores, we employ Z-score calculations using the mean and standard deviation of the cross-sector growth rates.

Sector overview

As detailed above, our deal momentum scores reflect each sector's relative strength to overall M&A deal flow using three-month and 12-month rates of change (in deal count and deal value).

There were three meaningful reversals in deal momentum scores from Q4 2024 to Q1 2025. Materials & resources fell from the top spot with a score of 0.82 to last place with a score of -0.86, as the sector's sharp decrease in deal activity during Q1 dragged down its momentum score. Q4 2024 was a strong quarter for the materials & resources sector, with the highest deal value and a close second in deal count, and M&A activity in Q1 2025 came down more in line with the levels seen before Q4.

B2C also flipped from a positive score of 0.42 to -0.14, driven mainly by the weakness in commercial transportation and consumer nondurables. In contrast, financial services moved into a positive score of 0.38 from -0.01 the quarter before. Despite the sector's weak Q1 activity compared with each quarter in 2024, the increase in Q1 deal value and healthy TTM activity supported its deal momentum score.

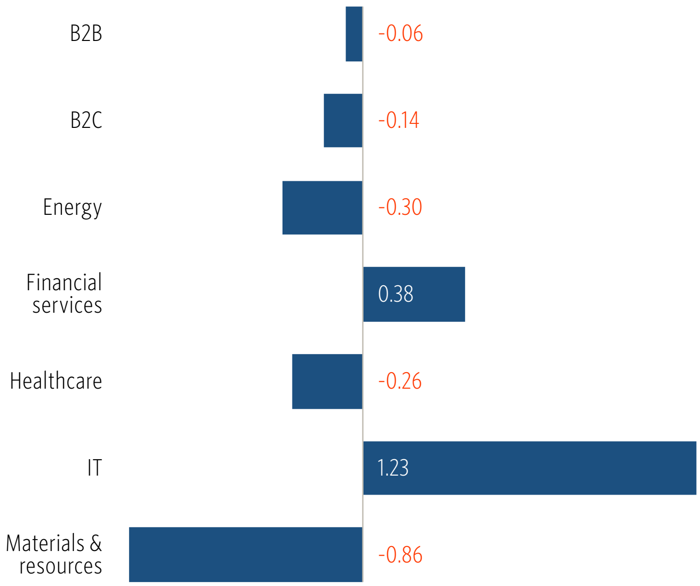
IT had the strongest deal momentum score in Q1 by a long shot, as previous contenders succumbed to QoQ volatility. IT ended 2024 with a score of 0.58 and surged to 1.23 by the end of Q1, thanks to sustained strength across its subsectors. Semiconductors had the highest deal momentum out of IT's subsectors in Q1.

Healthcare experienced its fifth consecutive negative deal momentum score as the sector's slow recovery dragged it downward. But the good news is that the sector is seeing growth in both deal count and deal value momentum on a quarterly basis. Improved deal activity in healthcare devices and healthcare technology boosted the momentum score, while healthcare services showed relative weakness. On the other hand, the sector's valuation momentum score fell from first place with 0.84 in Q4 2024 to second-to-last place with -0.66 in Q1 2025. This was driven by the decrease in TTM multiples, which, combined with other sectors, dampened the valuation momentum score despite the absolute uptick in Q1 multiples.

Our valuation momentum scores reflect each sector's relative strength to overall M&A multiple trends using TTM rates of change to the prior year (for both EV/EBITDA and EV/revenue). Along with healthcare, B2C flipped from a positive to a negative valuation momentum score in Q1. B2B and financials improved their valuation momentum scores QoQ.

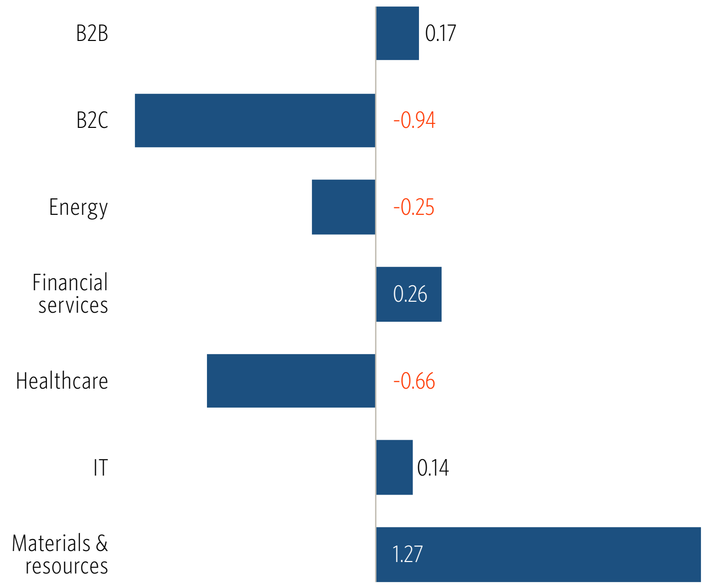
Deal and valuation momentum scores can also be analyzed together to discern trends in market sentiment. For example, materials & resources registered the second-strongest valuation momentum score, which could have impeded improving deal flow, as evidenced by the sector having the weakest deal momentum of the seven. Meanwhile, IT deal momentum accelerated with improved valuation momentum, suggesting that strong demand for IT deals has lifted multiples higher.

Deal momentum score



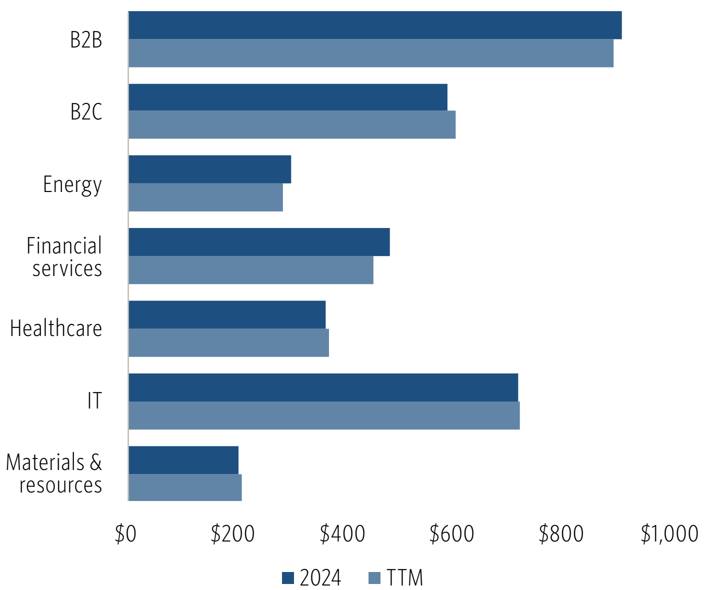
Source: PitchBook • Geography: Europe and North America • As of March 31, 2025

Valuation momentum score



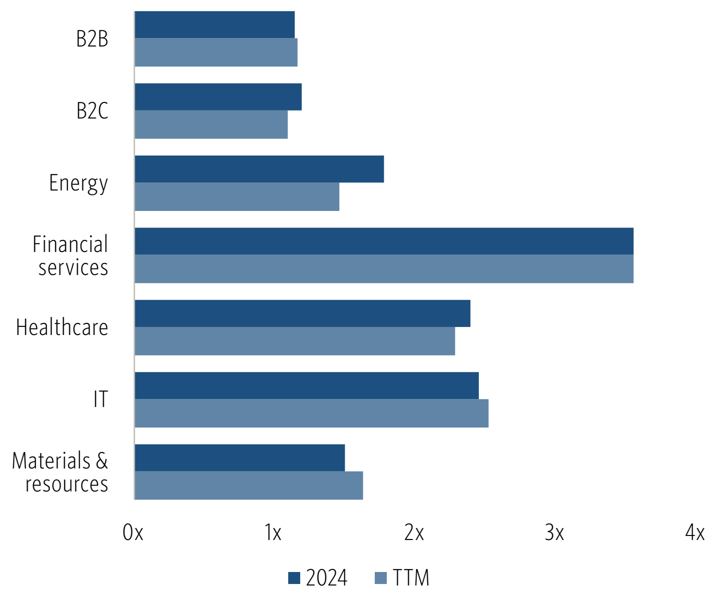
Source: PitchBook • Geography: Europe and North America • As of March 31, 2025

Sector rank by deal value ($B)



Source: PitchBook • Geography: Global • As of March 31, 2025

Sector rank by deal multiples (EV/revenue)



Source: PitchBook • Geography: Europe and North America • As of March 31, 2025

Industry metrics

M&A heatmap

Segment	Subsegment	Deal value momentum: Three months	Deal value momentum: 12 months	Deal count momentum: Three months	Deal count momentum: 12 months	Score
Materials	Agriculture	27.7%	-25.2%	110.1%	-61.8%	0.13
	Chemicals & gases	-118.1%	28.6%	-72.2%	-47.5%	-0.52
	Construction (nonwood)	-170.1%	-9.3%	-205.9%	1.1%	-0.96
	Containers & packaging	-37.5%	180.7%	-11.0%	-63.9%	0.17
	Forestry	-42.8%	-64.0%	-39.0%	-92.4%	-0.60
	Metals, minerals & mining	-146.4%	2.9%	-143.1%	-55.6%	-0.86
	Other materials	N/A	N/A	N/A	N/A	N/A
	Textiles	-70.4%	126.0%	-0.6%	100.1%	0.39
Technology	Communications & networking	19.7%	215.4%	46.8%	-27.4%	0.64
	Computer hardware	7.7%	38.2%	15.0%	-0.7%	0.15
	IT services	-33.6%	18.3%	36.9%	25.0%	0.12
	Other IT	N/A	N/A	N/A	N/A	N/A
	Semiconductors	276.8%	-81.6%	162.4%	30.4%	0.97
	Software	32.5%	49.6%	122.8%	61.7%	0.67
Healthcare	Healthcare devices & supplies	208.5%	42.1%	54.5%	-20.6%	0.71
	Healthcare services	-31.9%	-38.4%	-10.6%	-43.1%	-0.31
	Healthcare technology systems	91.5%	88.6%	1.7%	111.6%	0.73
	Other healthcare	N/A	N/A	N/A	N/A	N/A
	Biotech & pharma	106.8%	-143.1%	62.5%	-25.8%	0.00
Financial services	Capital markets/institutions	86.7%	87.7%	50.2%	53.7%	0.70
	Commercial banks	-132.3%	276.8%	146.4%	109.5%	1.00
	Insurance	15.0%	-49.8%	-2.1%	-19.6%	-0.14
	Other financial services	131.9%	21.9%	-59.6%	-12.0%	0.21

Source: PitchBook • Geography: Global • As of March 31, 2025
Note: "N/A" indicates an insufficient sample size.

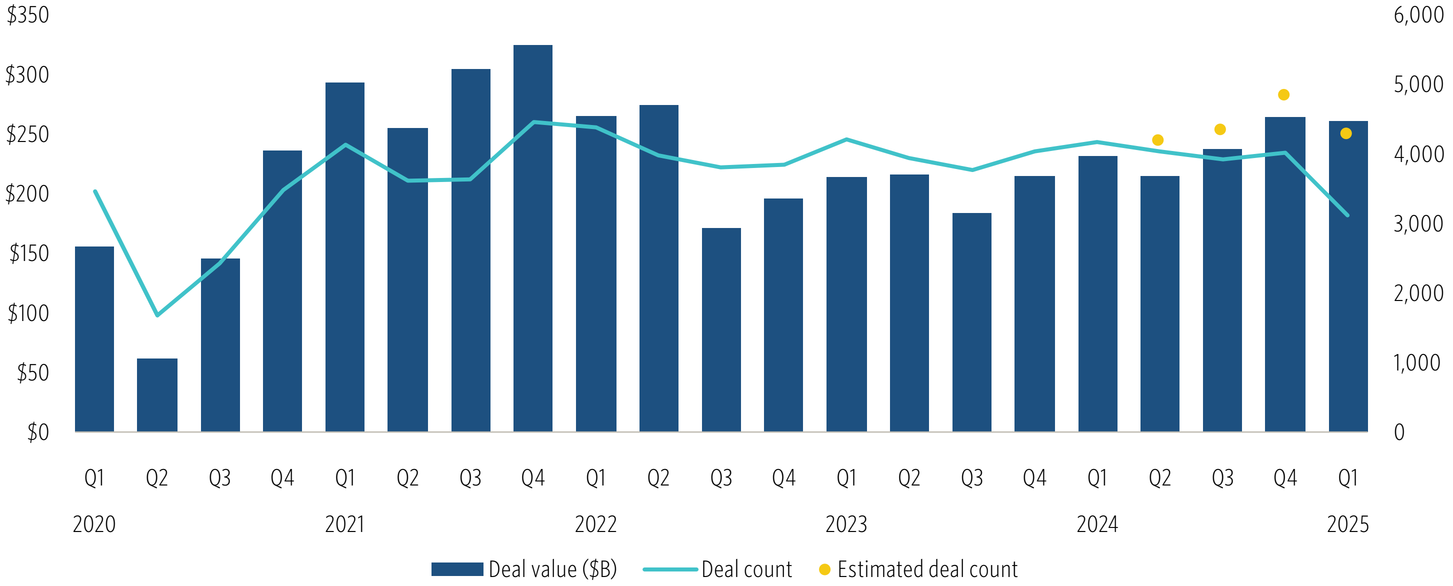
M&A heatmap (continued)

		Deal value momentum		Deal count momentum		
Segment	Subsegment	Three months	12 months	Three months	12 months	Score
Energy	Energy equipment	83.7%	5.5%	166.2%	-60.7%	0.49
	Energy services	15.8%	-31.7%	-130.8%	-50.7%	-0.49
	Exploration, production & refining	177.3%	-127.8%	56.8%	-137.2%	-0.08
	Other energy	46.6%	-61.6%	197.6%	-65.0%	0.29
	Utilities	N/A	134.1%	-117.9%	87.9%	N/A
B2C	Apparel & accessories	46.3%	-9.5%	106.4%	-36.2%	0.27
	Consumer durables	-37.3%	14.4%	-21.4%	43.7%	0.00
	Consumer nondurables	-62.1%	-31.0%	-38.6%	-35.8%	-0.42
	Media	-29.0%	-42.1%	64.1%	-70.5%	-0.19
	Other B2C	N/A	N/A	N/A	N/A	N/A
	Restaurants, hotels & leisure	-24.8%	-16.5%	15.3%	50.4%	0.06
	Retail	29.5%	-10.1%	-10.5%	-33.5%	-0.06
	Services (nonfinancial)	-29.6%	-11.3%	-10.6%	12.1%	-0.10
	Transportation	55.4%	-5.9%	17.0%	58.6%	0.31
B2B	Commercial products	-14.6%	-20.8%	10.1%	-38.1%	-0.16
	Commercial services	-14.1%	-3.8%	32.3%	3.6%	0.04
	Commercial transportation	-85.0%	-41.4%	37.0%	2.1%	-0.22
	Other B2B	-131.2%	-153.6%	-164.9%	-217.6%	-1.67

Source: PitchBook • Geography: Global • As of March 31, 2025
Note: "N/A" indicates an insufficient sample size.

B2B

B2B M&A activity by quarter



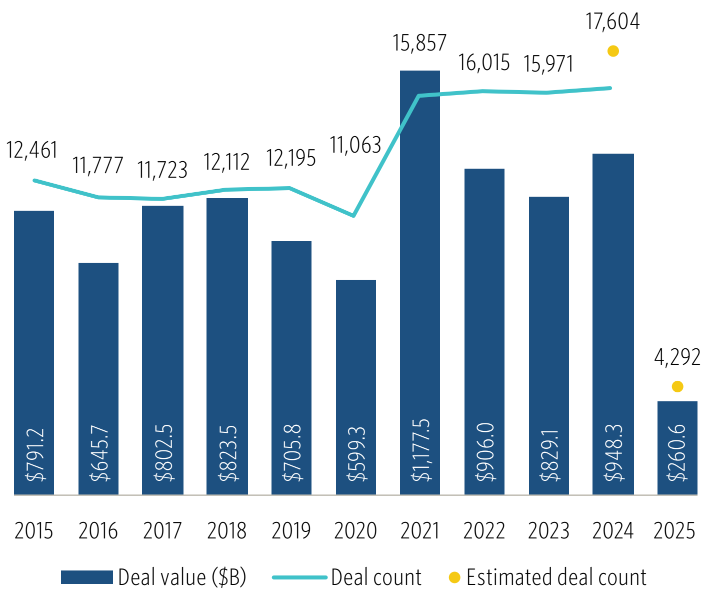
Source: PitchBook • Geography: Global • As of March 31, 2025

Kyle Walters
Research Analyst, Private Equity

Jinny Choi
Senior Research Analyst, Private Equity

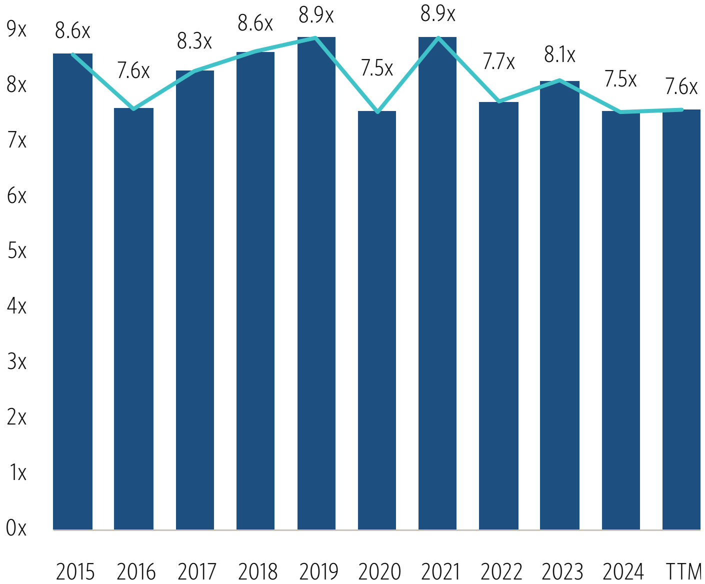
B2B activity remains healthy despite increased uncertainty: The sector sustained elevated M&A activity throughout the first quarter of 2025, continuing the momentum seen at the end of Q4 2024. In Q1, there were an estimated 4,292 deals announced or closed worth an aggregate value of $260.6 billion. However, we expect Q2 to turn, as the back half of Q1 was flooded with market uncertainty amid threats of tariffs, which will undoubtedly impact several areas of the sector, including the vast industrials sector that falls under the B2B umbrella. For example, in the aerospace & defense industry, many products use steel, aluminum, titanium, and other metals, and the sector will likely be impacted by rising materials costs throughout the production process. Many components and subcomponents are also made outside the US and may cross borders several times during production—as mentioned in our note, The Potential Impact of Tariffs on the Aerospace & Defense Sector.

B2B M&A activity



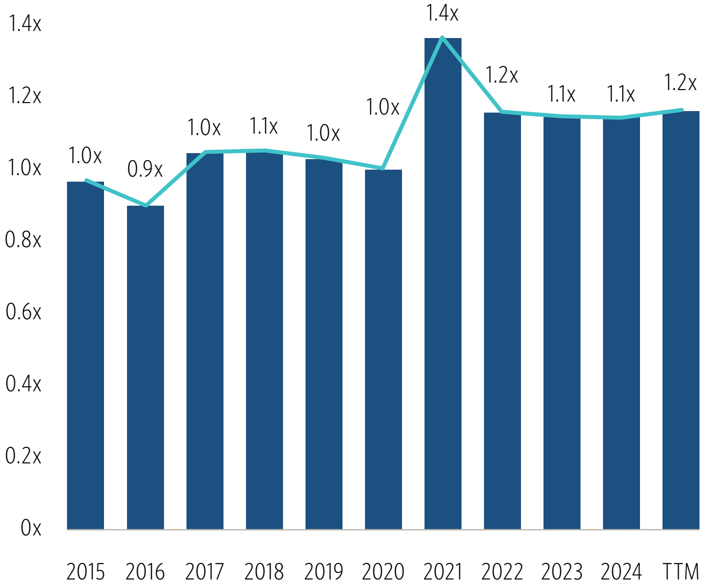
Source: PitchBook • Geography: Global • As of March 31, 2025

B2B M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

B2B M&A EV/revenue multiples



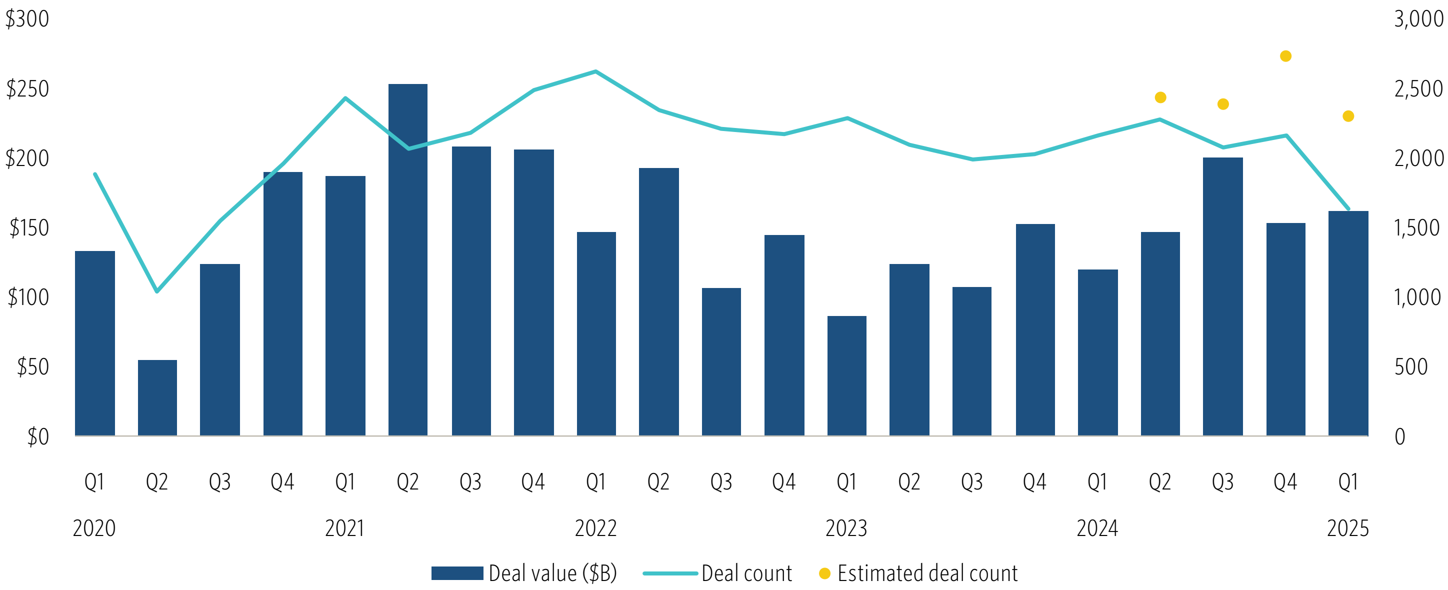
Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

Geopolitical tensions are elevated even without the tariffs: The largest B2B deal in Q1 was BlackRock and its recently acquired Global Infrastructure Partners' $22.8 billion acquisition of Panama Ports from Hong Kong-based firm CK Hutchison. The deal includes an agreement to buy 43 ports, including two in Panama. It showcases recent geopolitical tensions brought forth by the new administration's focus on controlling the Panama Canal and fear of Chinese influence in the region. The deal has faced delays past its original signing date on April 2, as China's market regulator launched a review of the deal, and Panama's audits posed additional challenges.

Megadeals help support Q1 activity: The sector saw 24 megadeals—deals of $1 billion or more—in the first quarter, with four deals worth $5 billion or more, including the previously mentioned Panama Ports deal. The large-scale deals have been a mix of strategic- and sponsor-backed activity, signaling that sponsors are taking advantage of the lower cost of capital for the time being and opening back up the LBO playbook to include more deals over $1 billion. In March, Clearlake Capital Group announced it would take Dun & Bradstreet, provider of business decisioning data and analytics, private for $7.7 billion in one of the largest take-privates seen YTD.

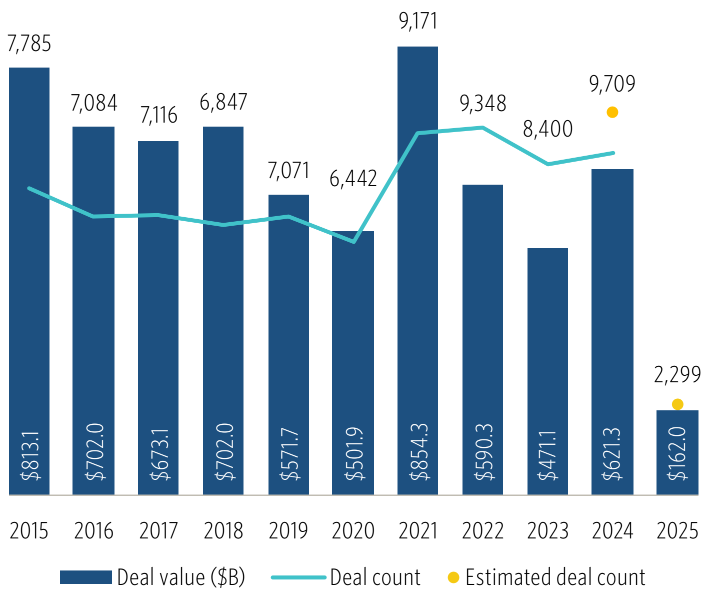
B2C

B2C M&A activity by quarter



Source: PitchBook • Geography: Global • As of March 31, 2025

B2C M&A activity



Source: PitchBook • Geography: Global • As of March 31, 2025

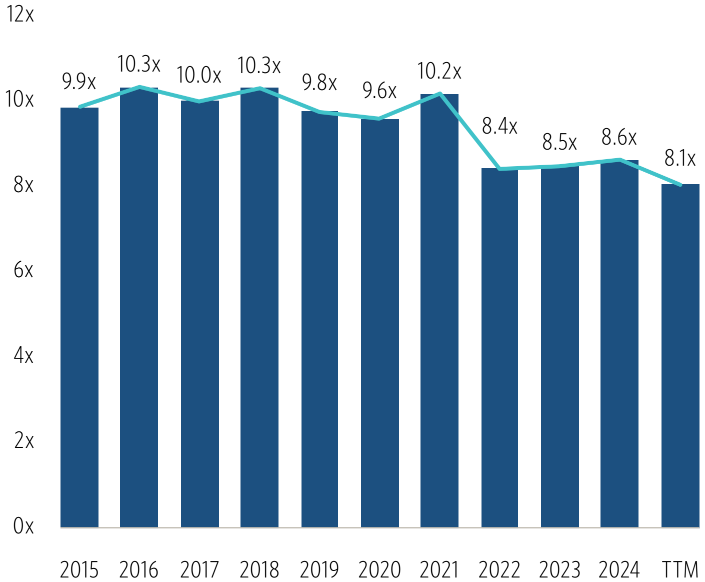
Kyle Walters
Research Analyst, Private Equity

Jinny Choi
Senior Research Analyst, Private Equity

Global consumer strength sustains B2C M&A activity for now: Elevated consumer and executive confidence at the beginning of the year helped the B2C sector secure another quarter of recovered M&A activity. In Q1, the sector saw the announcement or closing of an estimated 2,299 deals worth $162 billion. However, consumer spending is likely to be hit by tariffs passing the cost to consumers, while companies face uncertainty in navigating a constantly changing regulatory environment. Still, M&A will be an important strategy for growth and portfolio and supply chain adjustments, especially to navigate regulatory changes. The pipeline of PE-backed companies expected to come to market will also boost optimism for M&A activity ahead.

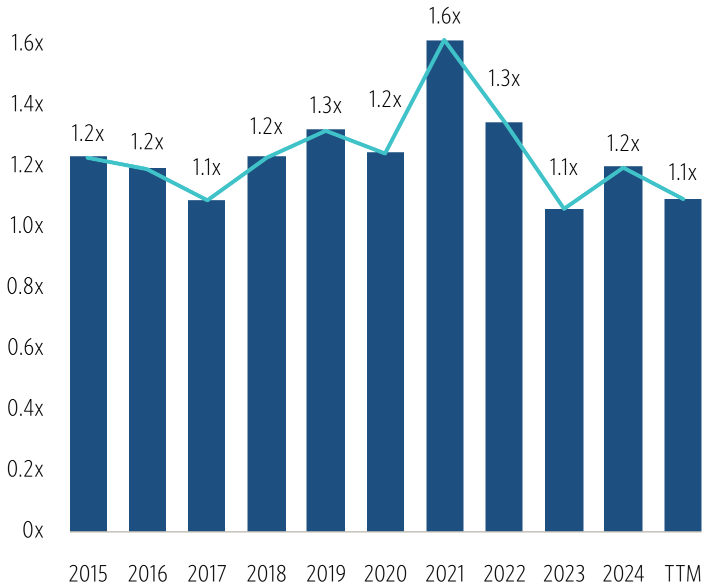
In Q1, the B2C sector witnessed one of the largest take-privates in the past decade: One of the quarter's marquee transactions involved Walgreens Boots Alliance (WBA). Sycamore Partners agreed to acquire WBA, a global retail, healthcare, and pharmacy giant with over

B2C M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

B2C M&A EV/revenue multiples



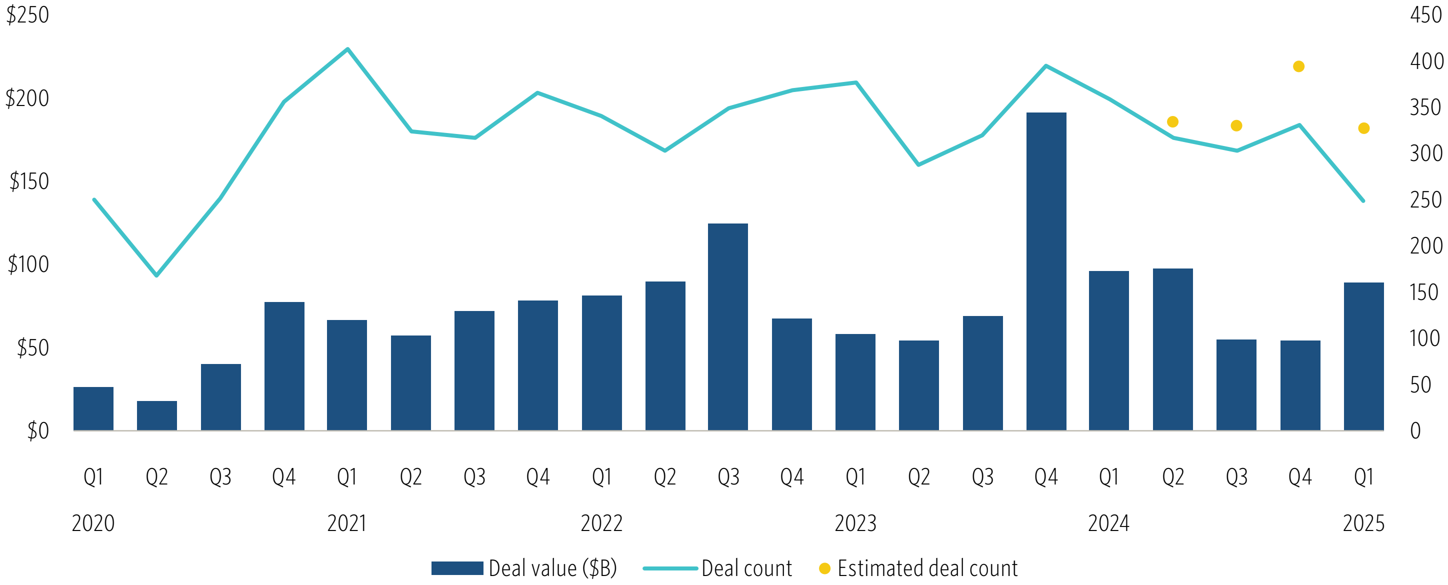
Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

12,500 locations, for a total consideration of $23.7 billion. This transaction marks one of the largest PE-backed take-private deals since the global financial crisis, underscoring PE's readiness to leverage abundant liquidity in pursuit of megadeals. Privatization enables WBA to execute critical long-term strategic transformations, free from the short-term pressures of public market scrutiny. Under PE ownership, WBA will likely prioritize rigorous cost management, accelerated store closures, and focused optimization of profitable locations to maximize cash flow generation.

The consumer nondurable space sees multiple $1 billion-plus deals: The subsector is known for its resilience and stability, particularly during economic uncertainty. Demand in this sector remains relatively constant regardless of economic conditions, making it an attractive option for PE and corporates alike, in addition to its ability to capitalize on popular or thriving brands. In February, Dutch technology investor Prosus agreed to buy Just Eat Takeaway.com for €4.1 billion. The acquisition would significantly impact the European food delivery market and make Prosus one of the largest food delivery companies in the world. In March, PepsiCo agreed to acquire poppi, a fast-growing prebiotic soda brand, for $1.7 billion. The deal allows PepsiCo to evolve its beverage portfolio and offer more positive choices amid many consumers becoming more health- and wellness-oriented.

Energy

Energy M&A activity by quarter



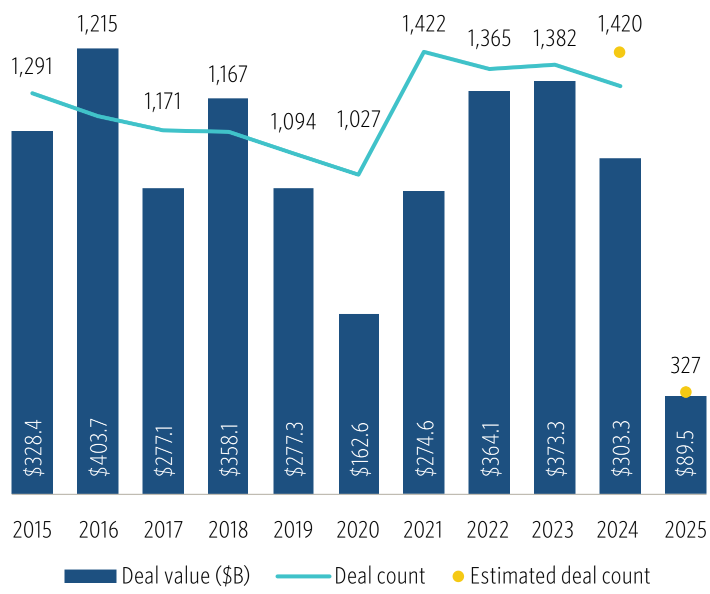
Source: PitchBook • Geography: Global • As of March 31, 2025

Kyle Walters
Research Analyst, Private Equity

Energy M&A activity remains upbeat despite a less predictable outlook: M&A activity in the energy sector was higher than in each of the previous two quarters, with 327 deals announced or closed for a total value of $89.5 billion. However, recent market uncertainty and volatility have seen oil prices fall considerably since the beginning of the year, which could create further uncertainty and lead investors to be more conservative regarding their M&A appetite amid lower sentiment. That being said, it could prompt further M&A activity in renewable energy as firms look to diversify energy sources or seek stability.

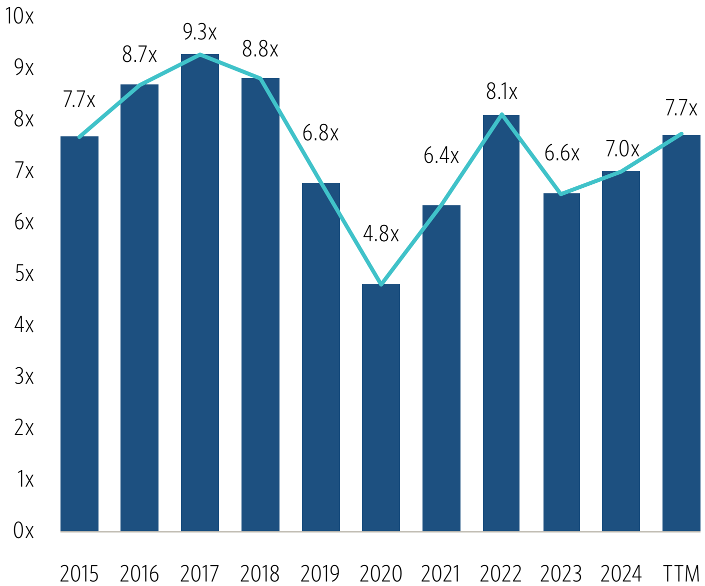
Clean energy drives deal flow in Q1: Despite the recent resurgence in oil & gas M&A, clean energy deals continued to account for a healthy mix of deal flow, and in Q1, clean energy saw the sector's two largest deals. In January, Constellation Energy agreed to acquire Calpine for $26.6 billion. The agreement creates the US' largest clean energy provider and opens opportunities to serve more customers nationwide and meet the growing demand with a broader array of energy

Energy M&A activity



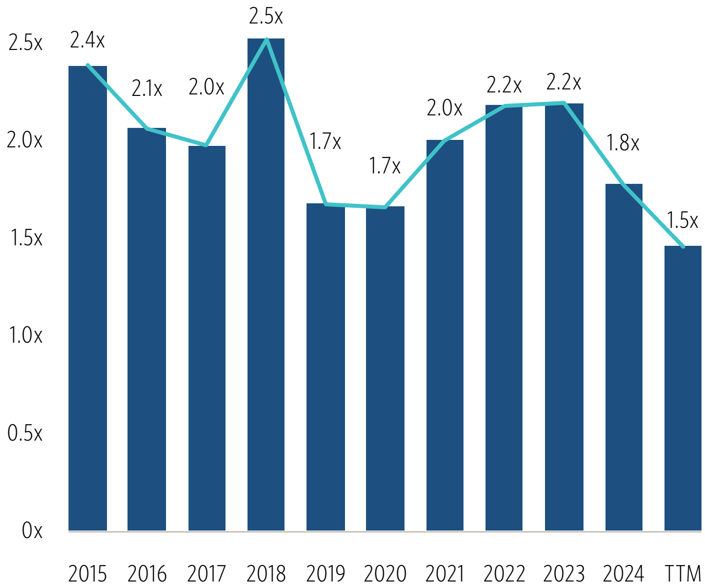
Source: PitchBook • Geography: Global • As of March 31, 2025

Energy M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

Energy M&A EV/revenue multiples



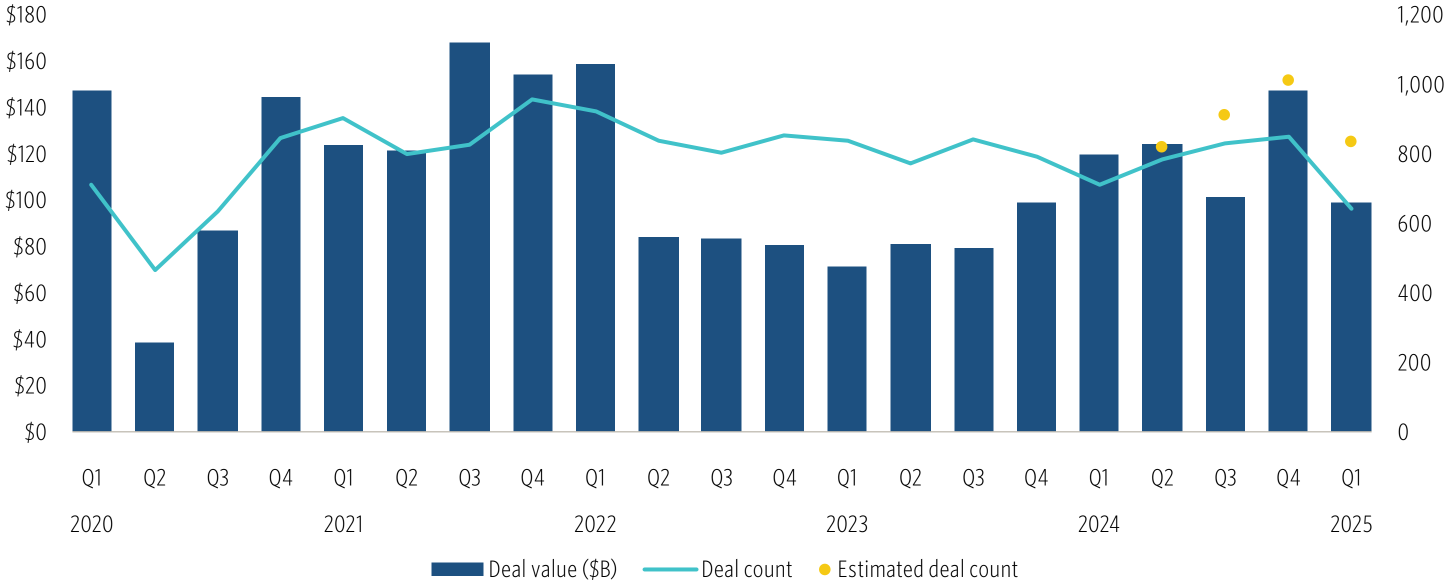
Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

and sustainability products. In February, Innergex Renewable Energy, producer and operator of hydroelectric, wind, and solar farms across Canada, was taken private by Canadian pension fund Caisse de dépôt et placement du Québec (CDPQ) for $10 billion. The deal will allow both sides, which are Québec-based, to focus on the continued growth of Innergex and its role in the energy transition efforts.

Carveouts see elevated activity in Q1: The first quarter saw carveouts account for a healthy portion of energy deals, including several among Q1's largest deals. Acquirers were a mix of corporations and GPs, capitalizing on firms identifying and divesting assets that no longer fit their growth strategies. Moreover, this divestiture process is a strategic move for parent companies to improve financial performance by shedding underperforming or nonstrategic divisions, allowing for a clearer and more positive financial narrative for investors. Notable Q1 deals include Eversource Energy's sale of Aquarion Water Company to the Aquarion Water Authority for $2.4 billion. The proceeds from the sale will enable Eversource to pay down parent-company debt while efficiently reinvesting capital into its core electric and natural gas businesses. In February, National Grid announced its agreement to sell its US onshore renewables business to Brookfield Asset Management for $1.7 billion. The sale allows National Grid to refocus its investments on its energy network business, while Brookfield shows growing interest in renewable assets.

Financial services

Financial services M&A activity by quarter



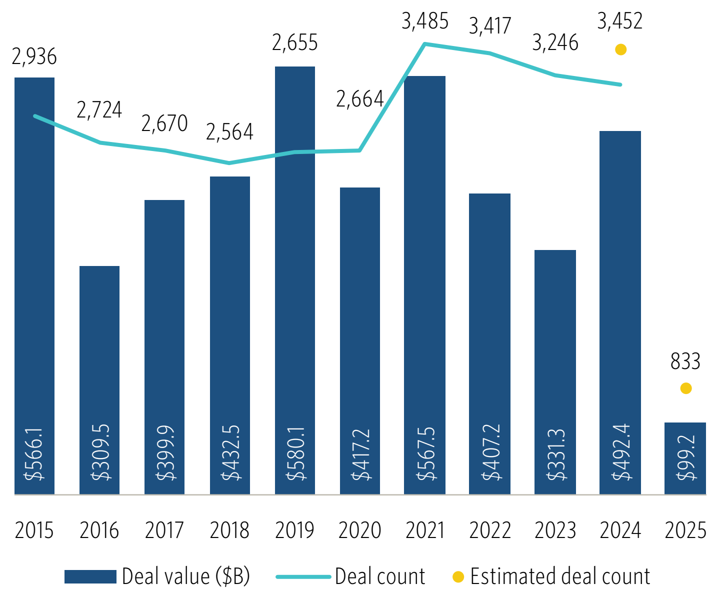
Source: PitchBook • Geography: Global • As of March 31, 2025

Kyle Walters
Research Analyst, Private Equity

Financial services M&A activity has slow start after a rebound in 2024: 2024 M&A activity for the sector saw a welcomed rebound from both sponsors and corporations. However, the broader market uncertainty has slowed the momentum seen at the end of last year, with Q1 deals totaling 833 worth an aggregate value of $99.2 billion. Both metrics fall short of the activity levels seen in every quarter of 2024, but when including late-reporting deals, the sector could fall more in line with last year's activity. However, the quarters ahead remain unpredictable, as market volatility could impact valuations and bid-ask spreads for M&A activity.

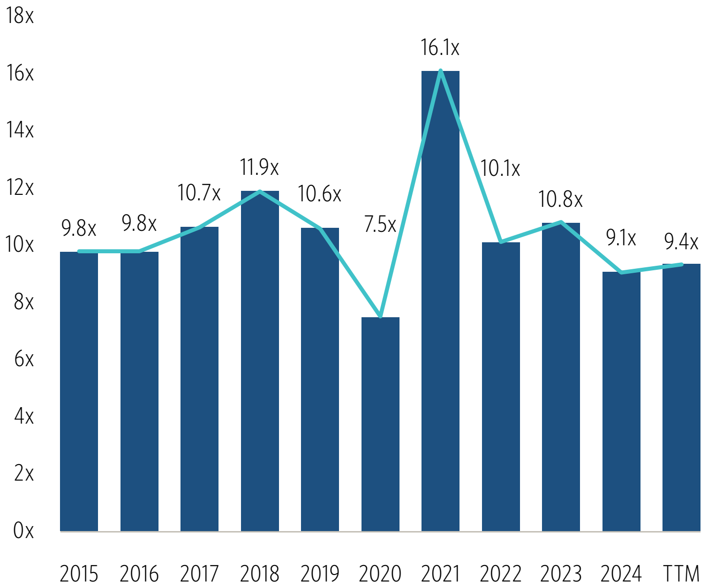
Asset manager consolidation picks up where it left off: Consolidation of asset managers has been common for traditional asset managers, and over the past couple of years, the same trend has accelerated in the alternative asset manager space. The end goal is almost always the same: building out offerings to scale the business. In March, Ares Management finalized its acquisition of GCP International,

Financial services M&A activity



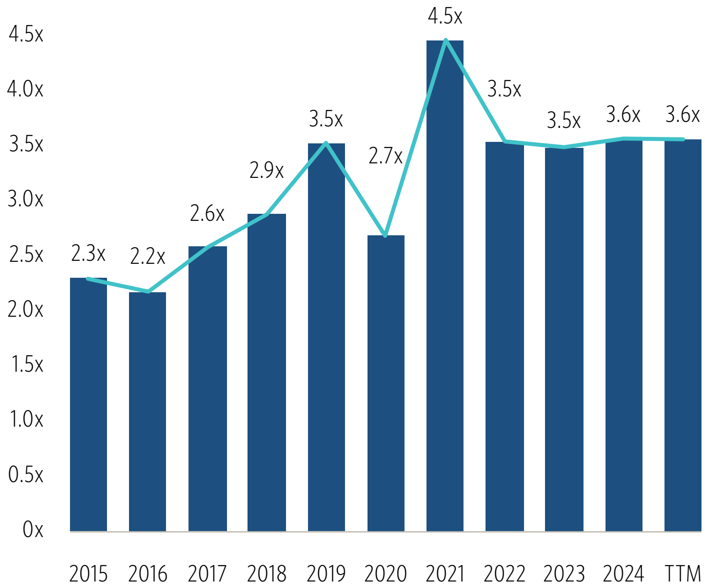
Source: PitchBook • Geography: Global • As of March 31, 2025

Financial services M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

Financial services M&A EV/revenue multiples



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

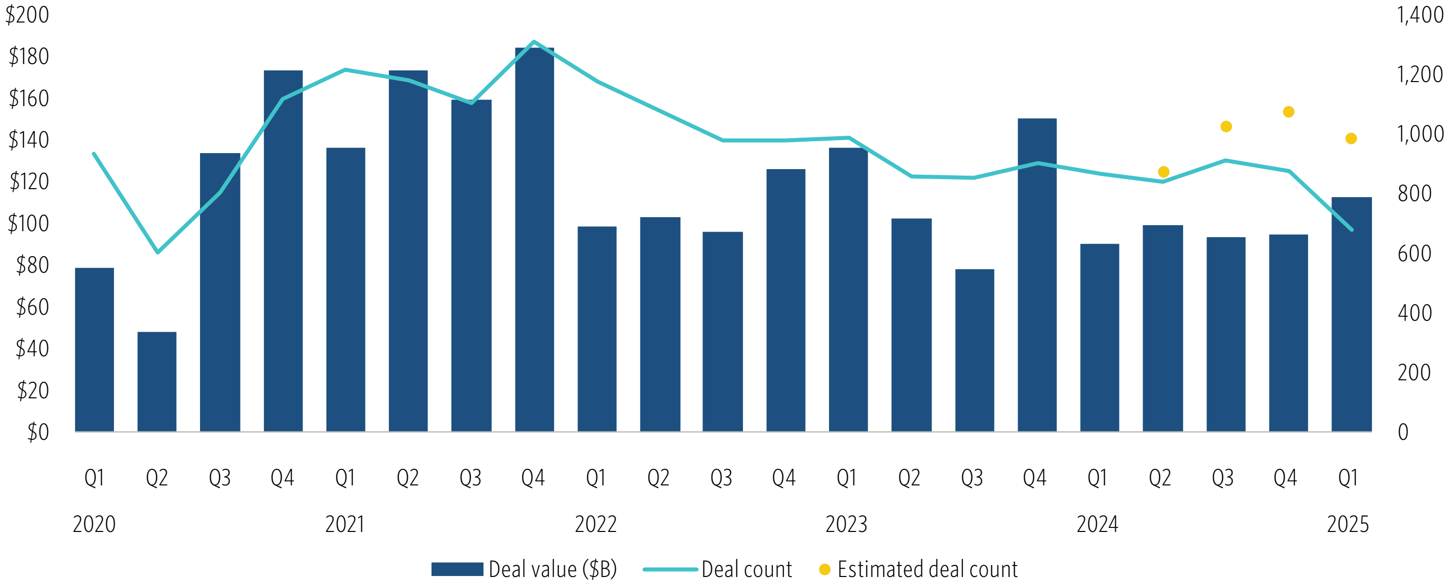
the international business of GLP Capital Partners, excluding its operations in Greater China. The acquisition of GCP, which has $44 billion in AUM, will create a real estate alternative asset manager with approximately $96 billion in AUM. This deal helps Ares cement itself as a key player in the alternative real estate space. In February, Apollo agreed to acquire Bridge Investment Group for $1.5 billion in a deal that will see Apollo add approximately $50 billion in AUM in real estate products targeting institutional and wealth clients. This will immediately scale its real estate equity platform and enhance its origination capabilities in both real estate equity and credit.

Rocket Companies had a busy first quarter: Rocket Companies, a fintech platform including mortgage, real estate, title, and personal finance businesses, announced it would acquire home loan service provider Mr. Cooper Group for $9.4 billion in a deal that boosts its mortgage business. The deal will lead to a combined servicing book of $2.1 trillion across nearly 10 million clients, representing one in every six mortgages in America.[5] Moreover, this acquisition comes just a few weeks after Rocket agreed to acquire real estate listing firm Redfin for $1.8 billion. Both acquisitions allow Rocket to accelerate its AI-powered platform and help streamline today's homebuying process.

5: "Mr. Cooper, America's Largest Servicer, Joins Rocket, the Nation's Largest Lender," PR Newswire, Rocket Companies, March 31, 2025.

Healthcare

Healthcare M&A activity by quarter

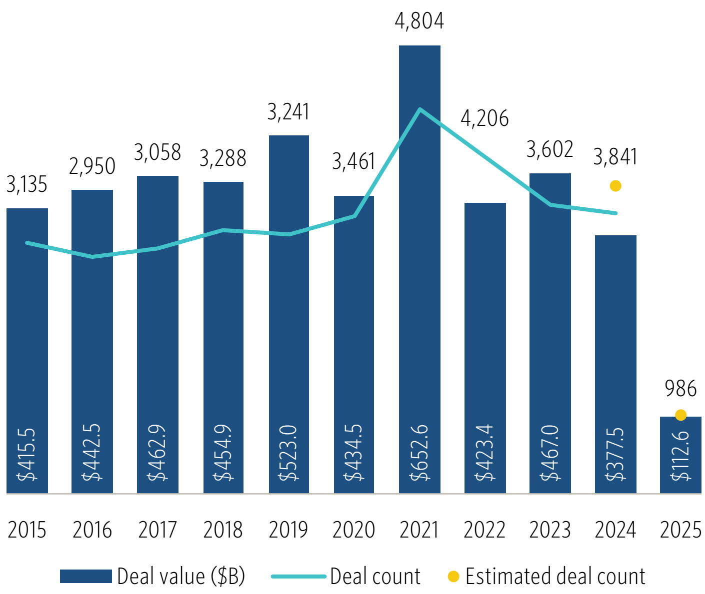


Source: PitchBook • Geography: Global • As of March 31, 2025

Aaron DeGagne
Senior Research Analyst, Healthcare

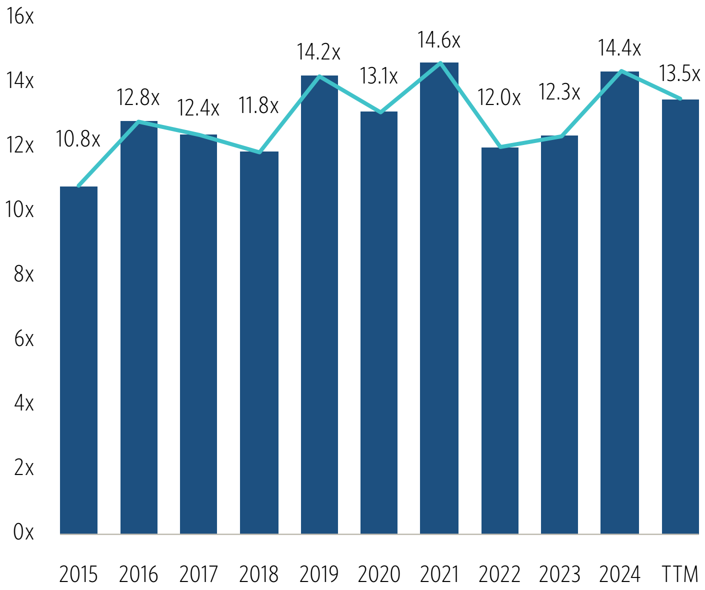
M&A momentum fades after a strong start: In Q1, healthcare represented 8% of global M&A deal volume and 10.7% of overall deal value at $112.6 billion. While the sector's share of deal count was stable compared with Q4, its contribution to total deal value rose by 100 basis points, up from 9.7%. The standout deal of the quarter—and the highlight transaction from JPM week in early January—was Johnson & Johnson's $15 billion acquisition of Intra-Cellular Therapies. Beyond that, no healthcare M&A deal exceeded the $5 billion mark; the next largest was Stryker's acquisition of Inari Medical. Deal activity was heavily front-loaded, with five of the six largest transactions announced by February 11—further evidence that market sentiment weakened significantly as the quarter went along. Looking ahead, we expect the volatility around April's tariff announcements (and reversals) to further dampen deal momentum in Q2.

Healthcare M&A activity



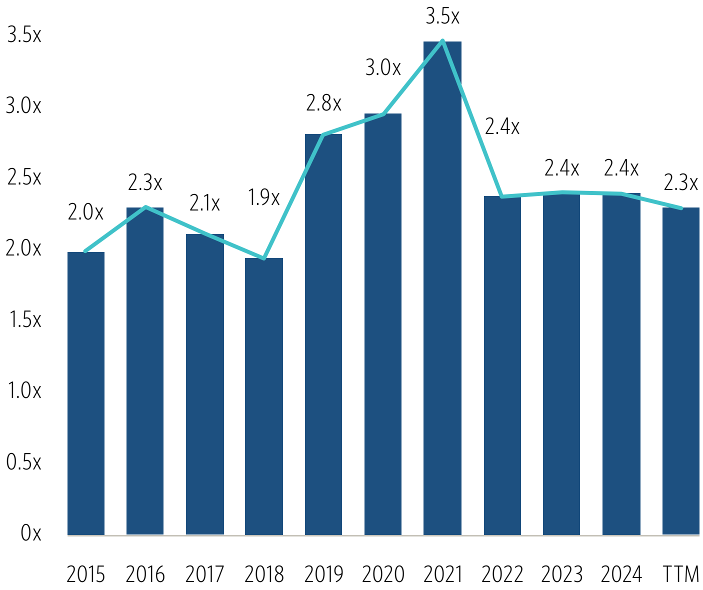
Source: PitchBook • Geography: Global • As of March 31, 2025

Healthcare M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

Healthcare M&A EV/revenue multiples



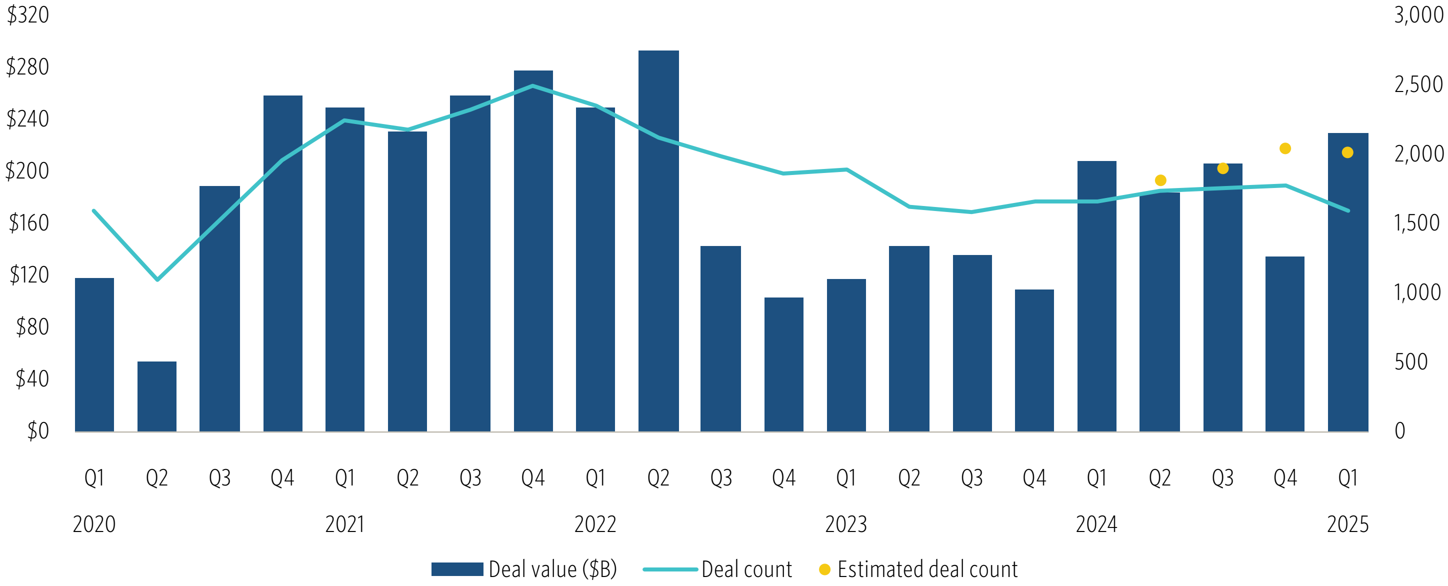
Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

Boston leads medtech M&A resurgence: While the $4.9 billion acquisition of Inari Medical stood out as the largest medtech transaction announced in Q1, Boston Scientific has also emerged as one of the most active strategics. Notable deals include its acquisition of the remaining stake in Bolt Medical (up to $664 million) and its purchase of renal denervation devicemaker SoniVie (up to $540 million). Boston also committed $175 million in a strategic investment in 4C Medical to accelerate innovation in transcatheter mitral valve replacement—an increasingly hot investment area within medtech. Outside of Boston's flurry of dealmaking, another key medtech transaction in the quarter was Zimmer Biomet's $1.2 billion take-private of foot and ankle orthopedics devicemaker Paragon 28.

Digital health sees creative consolidation: In January, VC-backed startup Transcarent announced a deal to take care navigator Accolade private. This was a unique transaction, as VC-backed startups do not often acquire more-established public firms, and the financial structure behind the deal was complex, with backing led by Transcarent investor General Catalyst and Transcarent CEO Glen Tullman's 62 Ventures. The deal valued Accolade at $621 million, a more than 100% premium to its pre-announcement share price, though this valuation was down significantly from Accolade's 2020 IPO valuation north of $1 billion. Looking ahead, we expect to see increased M&A activity in the care and benefits navigation space, as scale can provide significant advantages, including stronger pricing power and deeper enterprise customer relationships.

IT

IT M&A activity by quarter



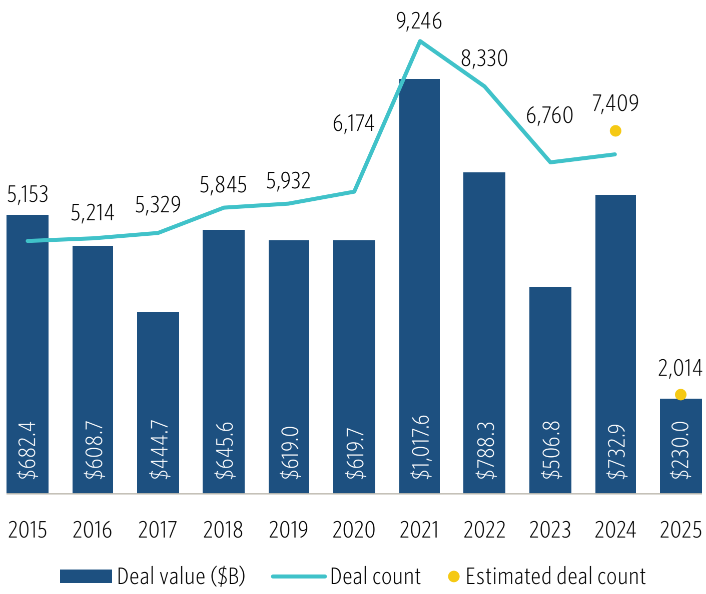
Source: PitchBook • Geography: Global • As of March 31, 2025

Garrett Hinds
Senior Research Analyst, Private Equity

Tech leads Q1 2025 deal activity: Kicking off 2025, IT deal value reached its highest level in 10 quarters. For Q1, IT deal value reached $230 billion, up 10.6% QoQ and 71.2% YoY, across 2,014 deals. Deal count was modestly lower by 1.1% QoQ, yet up 21% YoY, as larger transactions were prominent. Value and count figures are inclusive of estimates for nondisclosed values and late-reported transactions. Application software was not in the spotlight this quarter, but social media to enable AI training and cybersecurity were the headliners instead.

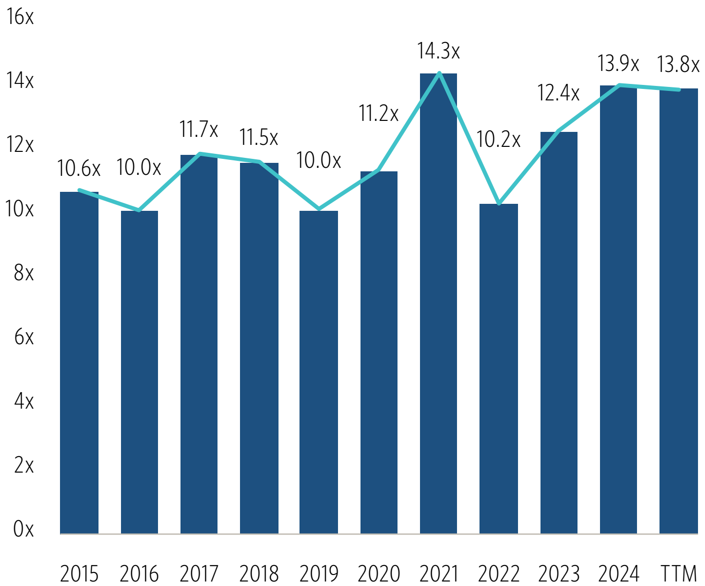
We expect technology dealmaking to be a resilient cornerstone of activity in 2025, whether we see a rainy-day scenario or a blue-sky scenario. While there is saber-rattling from governments, including Europe, about additional tariffs on digital services, we expect it will be difficult to achieve these policy goals, as governments typically move slowly in crafting and passing new laws. In contrast, tech companies

IT M&A activity



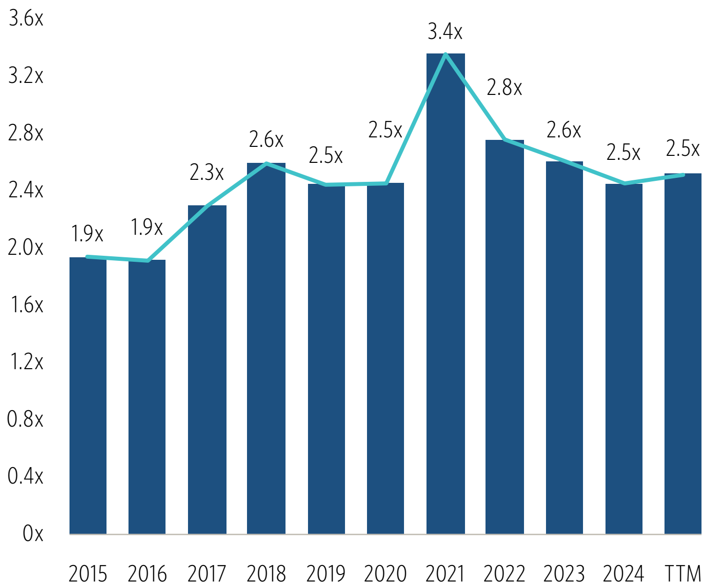
Source: PitchBook • Geography: Global • As of March 31, 2025

IT M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

IT M&A EV/revenue multiples



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

can rapidly adapt by establishing foreign subsidiaries, leveraging transfer pricing strategies, and restructuring IP licensing agreements to circumvent regulatory burdens. Consequently, we remain unconcerned about the long-term impact of potential tariffs on tech-sector dealmaking.

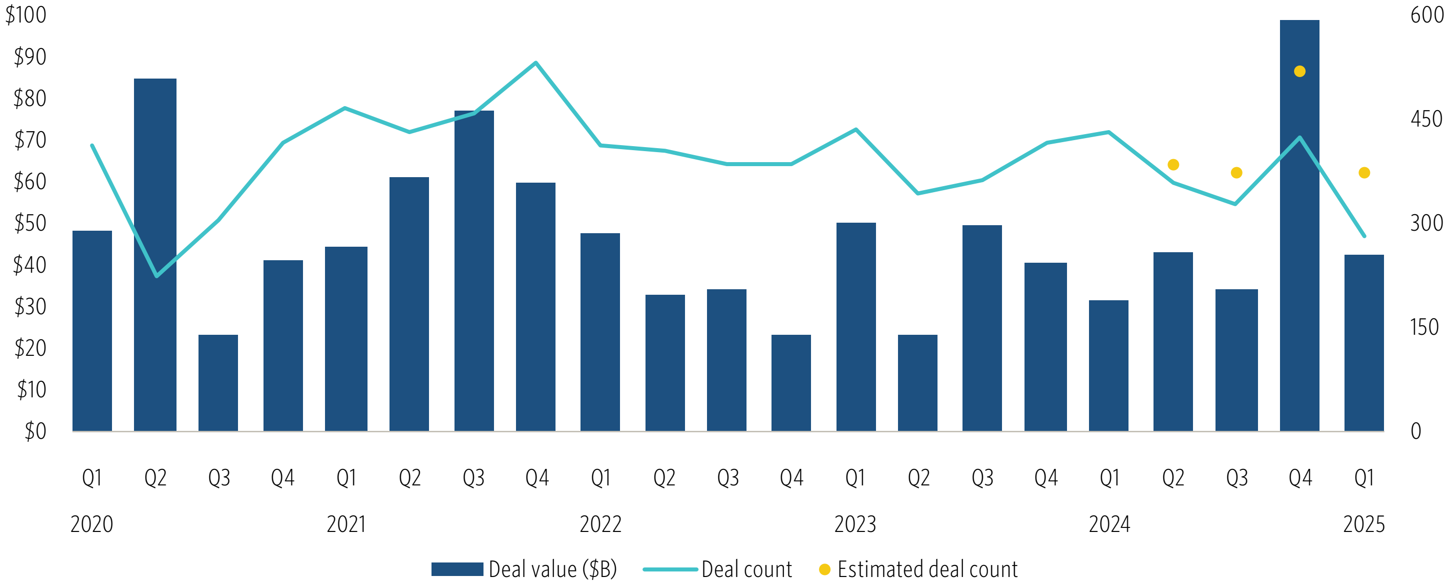
IT secures first place in deal momentum: The IT sector's share of global M&A deal value stepped up to 24.2%, the third-highest share over the past decade and well above the five-year average of 20%. This strong growth trend is reflected in the sector's deal momentum score of 1.23, moving it to first place among the seven sectors. This is an increase from the previous quarter, when IT had a score of 0.58, putting it in second place.

Social, cyber, and infra megadeals: In addition to the headline Q1 2025 deals mentioned in the "North American M&A" section, the sector featured a significant IT infrastructure transaction. Crown Castle, a leading provider of cellular and terrestrial network infrastructure in the US, divested its small cells and fiber solutions segments in an $8.5 billion deal.[6] EQT will acquire Crown Castle's small cells business, while Zayo will take over its fiber solutions operations. Crown Castle intends to utilize the sale proceeds to pay down existing debt—thereby preserving its investment-grade credit rating—and to initiate a substantial $3 billion share repurchase program. This strategic repositioning followed the company's announcement of a comprehensive review of these segments in December 2023.

6: "Crown Castle Announces Agreement To Sell Fiber Segment to EQT and Zayo, Reports Fourth Quarter and Full Year 2024 Results, and Provides Outlook for Full Year 2025," Crown Castle, March 13, 2025.

Materials & resources

Materials & resources M&A activity by quarter



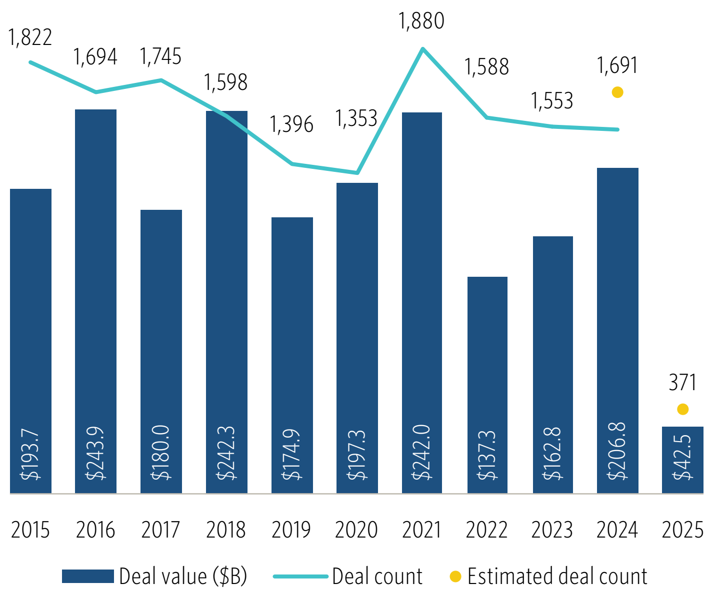
Source: PitchBook • Geography: Global • As of March 31, 2025

Kyle Walters
Research Analyst, Private Equity

M&A activity comes back down to reality: Heading into 2025, the materials & resources sector was coming off its best quarter in the past decade, with 513 deals for a total deal value of $98.7 billion. Fast forward to the first quarter of 2025, and M&A activity was much more in line with the quarters preceding Q4 2024. Through March, the sector saw an estimated 371 transactions announced or closed worth $42.5 billion. Despite the return to normalcy, the recently announced tariffs could impact the industry, leading to higher costs for materials and resources that are typically imported. This could result in slowed deal activity, or deal activity focused on an area less impacted by tariffs, such as acquisitions of domestic producers.

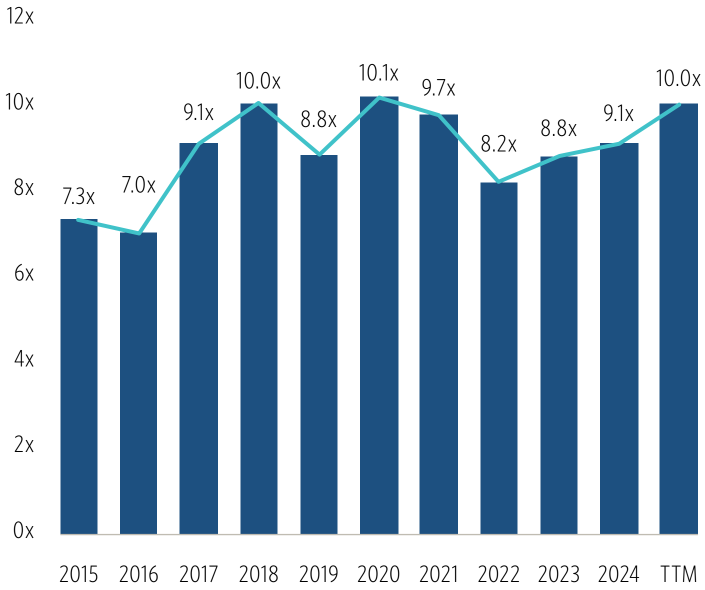
The container and packaging industry sees the sector's largest deals: In the biggest Q1 materials & resources deal, Abu Dhabi National Oil Company (ADNOC) and Austrian company OMV will merge their polyolefin businesses to create a $60 billion chemical business. Additionally, the

Materials & resources M&A activity



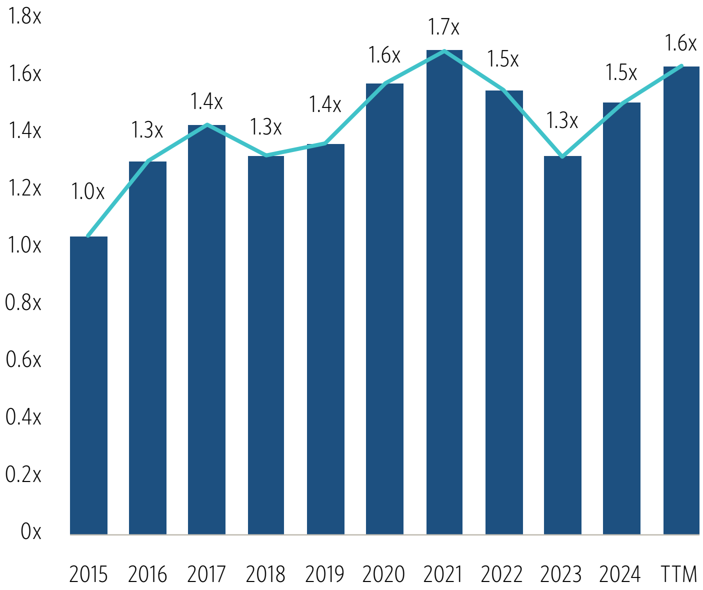
Source: PitchBook • Geography: Global • As of March 31, 2025

Materials & resources M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

Materials & resources M&A EV/revenue multiples



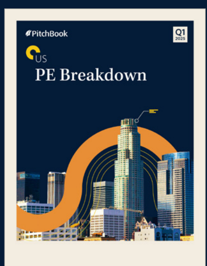
Source: PitchBook • Geography: North America and Europe • As of March 31, 2025

merged entity, Borouge Group, will acquire Nova Chemicals for $13.4 billion in a deal that expands its footprint in North America. Moreover, the acquisition represents ADNOC's second $10 billion-plus deal in as many quarters, following its $16.3 billion acquisition of Covestro in Q4 2024. The other notable deal in Q1 took place in Japan with Dai Nippon Printing and JIC Capital's $5.2 billion acquisition of Shinko Electric Industries.

Chemicals & gases subsector fills the void left by metals, minerals & mining: The materials & resources sector had grown accustomed to the metals, minerals & mining subsector accounting for the largest portion of its M&A activity. In Q1, however, the subsector did not represent any substantial deals. The chemicals & gases subsector took its place with prominent deals, including WE Soda's $1.4 billion acquisition of Genesis Alkali. The acquisition establishes WE Soda as one of the world's largest producers of sodium carbonate—also known as soda ash—in terms of production and sustainability. Elsewhere, Sherwin-Williams announced its acquisition of BASF's Brazilian Architectural Paints Business for $1.2 billion. The acquisition complements Sherwin-Williams' existing business in Latin America and adds a well-known brand to its portfolio.

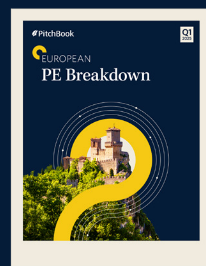
Additional research

Private markets



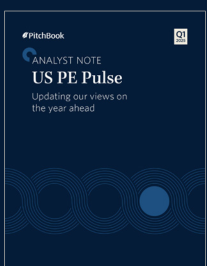
Q1 2025 US PE Breakdown

Download the report here



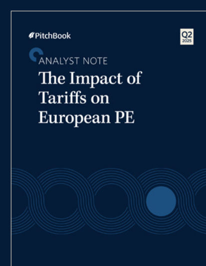
Q1 2025 European PE Breakdown

Download the report here



Q1 2025 Analyst Note: US PE Pulse

Download the report here



Q2 2025 Analyst Note: The Impact of Tariffs on European PE

Download the report here

2024 Annual Global M&A Report

Download the report here

Q4 2024 Analyst Note: Corporate Buyers Maintain an Advantage in Upcoming M&A Recovery

Download the report here

More research available at pitchbook.com/news/reports