

 GLOBAL
M&A Report



Contents

Overview	4
Valuation metrics	7
Deal metrics	9
A word from Liberty GTS	10
European M&A	12
North American M&A	13
A word from RSM	14
Antitrust M&A update	16
Sector metrics	20
Industry metrics	22
B2B	24
B2C	26
Energy	28
Financial services	30
Healthcare	32
IT	34
Materials & resources	36

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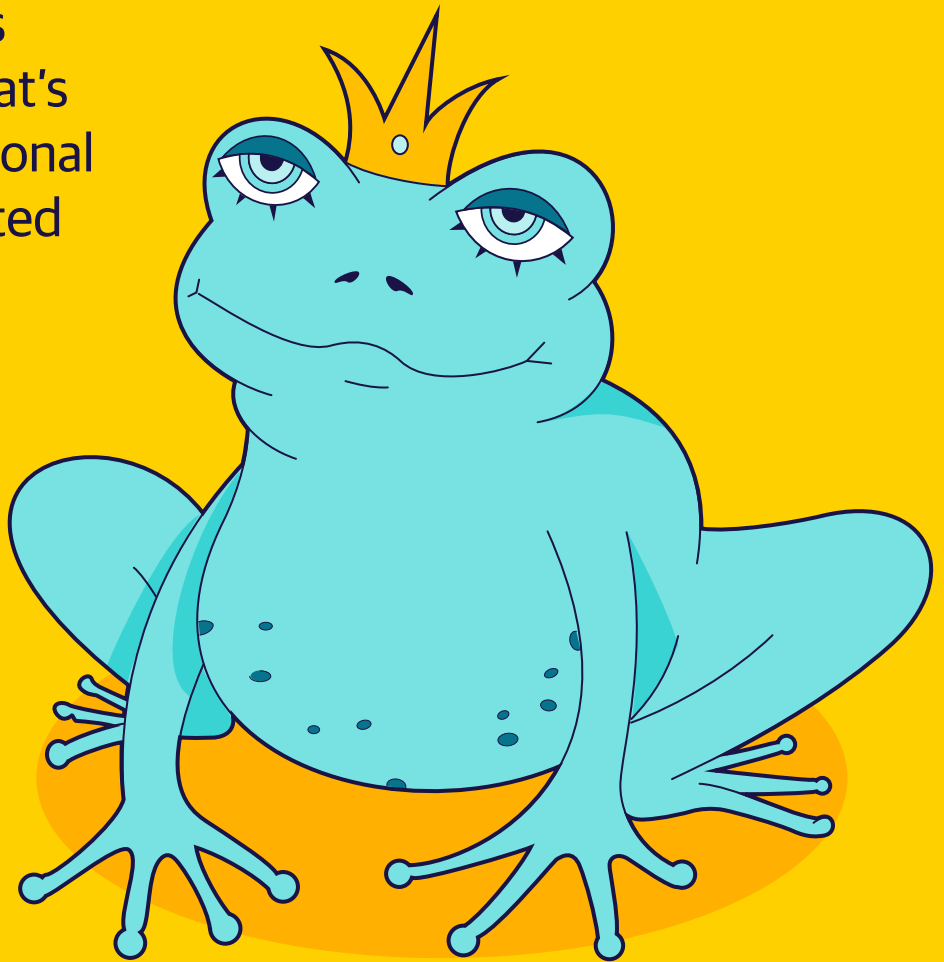
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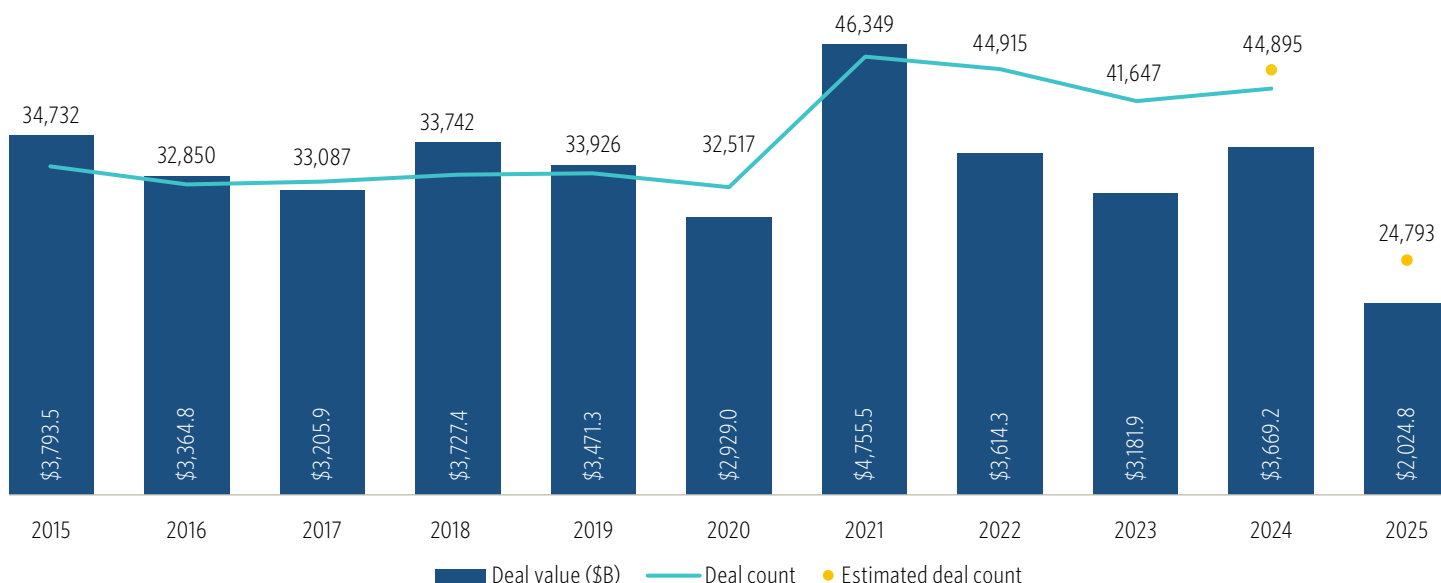


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Overview

M&A activity



Source: PitchBook • Geography: Global • As of June 30, 2025

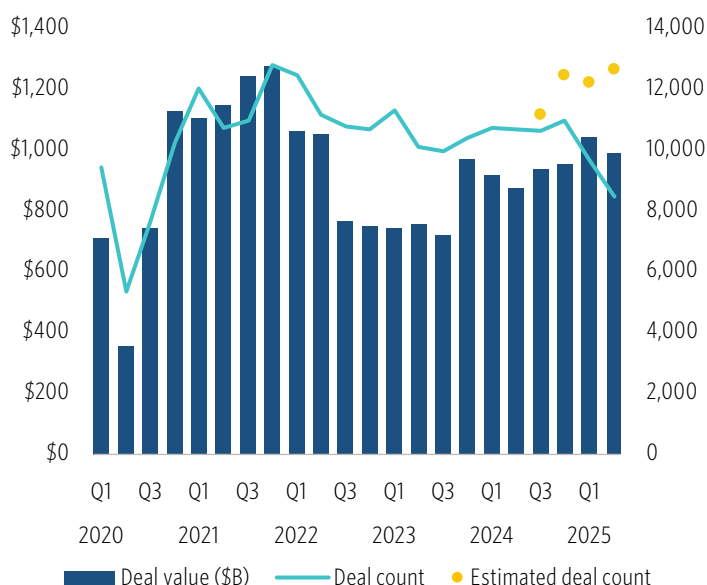
Garrett Hinds

Senior Research Analyst, Private Equity

Despite persistent macroeconomic headwinds—including elevated recession risk, geopolitical instability, and renewed trade friction—global M&A remained remarkably resilient in the first half of 2025. Total deal value reached \$2.0 trillion across 24,793 transactions in H1 2025, representing YoY increases of 13.6% and 16.2%, respectively. Homing in specifically on Q2 2025, global deal value was \$988 billion, down 4.7% QoQ yet up a strong 13.4% YoY. This was across 12,605 transactions, an increase of 3.4% QoQ and 18.6% YoY. Dealmakers pressed ahead despite volatility, driving a robust second quarter characterized by strategic cross-border consolidation, rebalanced sector exposure, and greater alignment on valuations between buyers and sellers. Activity was especially strong in North America, where large-cap deals lifted aggregate value, while Europe saw higher deal counts, aided by looser monetary conditions and attractive valuations.

M&A activity across sectors reflected a rotation in investor priorities. IT once again led the field, contributing

M&A activity by quarter



Source: PitchBook • Geography: Global • As of June 30, 2025

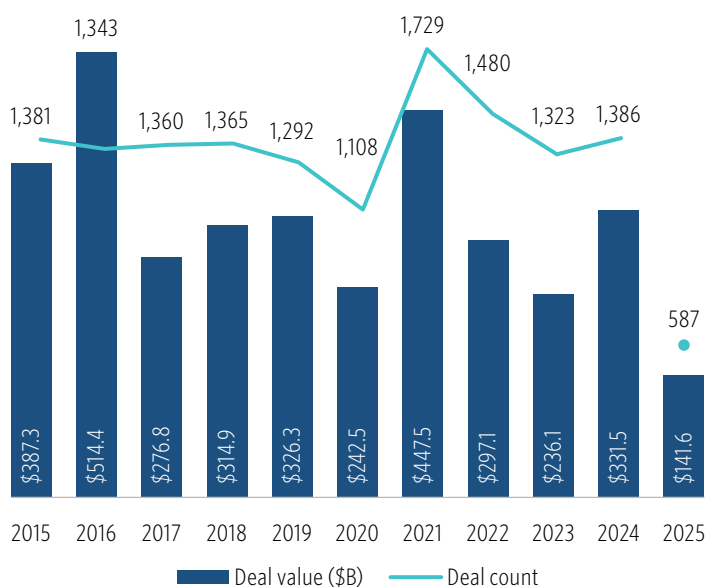
\$255.1 billion to deal value in Q2—a 37.1% YoY surge—driven by a large-cap consolidation deal in the network infrastructure space. IT retained the top deal momentum score of 0.99. Materials & resources staged a sharp reversal, climbing from last place to second in momentum, buoyed by robust activity in mining and chemicals. In contrast, energy plummeted to the bottom of the sector rankings, hampered by price volatility and a decline in exploration & production activity. Financials showed mixed performance. While the sector's deal value was flat QoQ at \$103.4 billion, it was held back by macro ambiguity, though optimism is mounting after the passage of the One Big Beautiful Bill Act. The healthcare and B2C sectors lagged, with dealmakers exercising caution amid trade uncertainties and subdued consumer sentiment.

One of the quarter's defining narratives was the contrasting M&A profiles of Europe and North America. European acquirers deployed \$113.2 billion in North American targets year-to-date, outspending their US counterparts by \$20.7 billion, though US firms closed nearly 200 more deals. This value-versus-volume

divide is partially explained by the euro's appreciation against the US dollar and by policy divergence between the European Central Bank (ECB) and the Federal Reserve (the Fed). With the ECB cutting rates twice in Q2 and the Fed holding firm, European M&A is enjoying a relatively lower cost of capital—a favorable backdrop for both PE and corporate buyers.

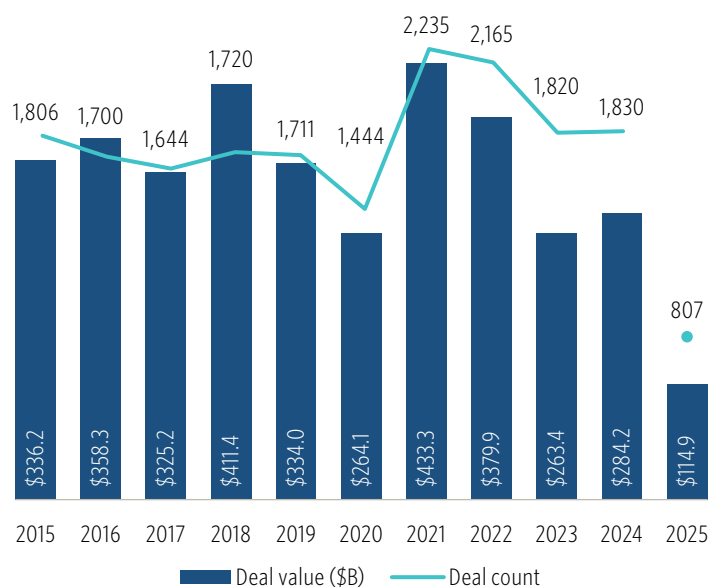
The quarter featured a wide array of high-profile deals that underscored a trend toward consolidation and strategic repositioning. North American M&A totaled \$596.8 billion in Q2, with standout deals including Cox Communications' \$34.5 billion merger with Charter Communications, and Global Payments' \$24.3 billion acquisition of Worldpay. In the financial sector, Brown & Brown's \$9.8 billion acquisition of Accession Risk Management and Coinbase's \$2.9 billion purchase of Deribit showcased the expanding scope in insurance and crypto derivatives. In Europe, deals like DoorDash's \$3.8 billion acquisition of Deliveroo and Proofpoint's \$1.6 billion takeover of Hornetsecurity illustrate US firms' continued appetite for European assets.

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



Source: PitchBook • Geography: North America • As of June 30, 2025

European M&A activity with non-European acquirer



Source: PitchBook • Geography: Europe • As of June 30, 2025

Cross-border M&A

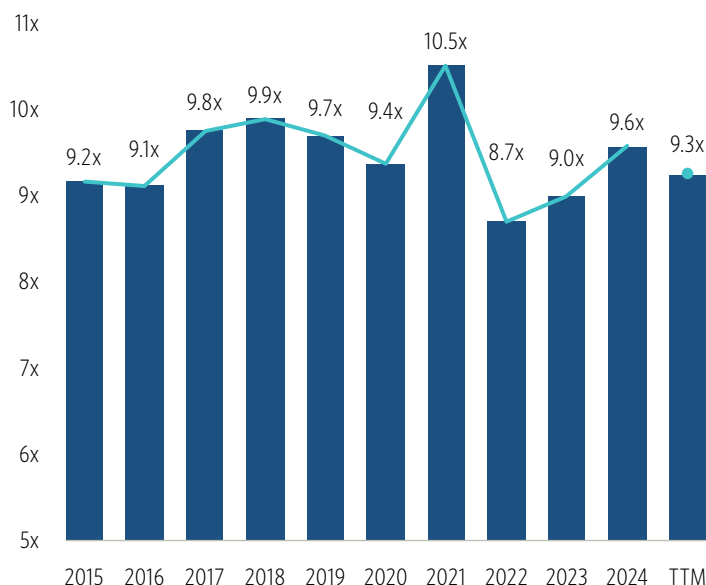
2025 is shaping up to be a relatively strong year for European acquirers investing in North America. Year-to-date, they have deployed \$113.2 billion—\$20.7 billion more than North-American buyers have spent on European targets, which stands at \$92.5 billion. We see a reverse trend in deal volume, where North American bidders have announced 587 European acquisitions, 171 more than the 416 deals closed by their European peers in North America. Put simply: Europe is writing bigger checks, so North America is commanding larger deal sizes, but North America is writing more checks so Europe is seeing more deals. This size-versus-count split is supported

by the US dollar drifting lower against the euro, sliding from near parity, around €0.97 at the start of the year, to €0.86 in July—helping euros go further in America.

Widening the aperture to M&A with a nondomestic buyer from any country, the charts above show that North America attracted \$141.6 billion across 611 deals, equal to 3.2% of global activity by count—just shy of its 10-year average of 3.7%. Europe, by contrast, lured \$114.6 billion across 807 deals, capturing 4.5% of worldwide deal flow, below its decade norm of 4.8%. The narrative echoes the transatlantic trend. North America commands the larger ticket sizes; Europe wins on sheer frequency.

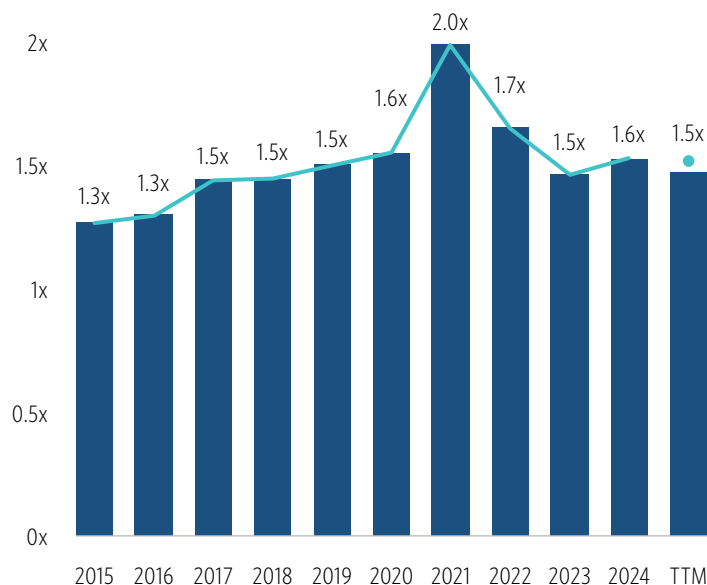
Valuation metrics

Median M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Median M&A EV/revenue multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

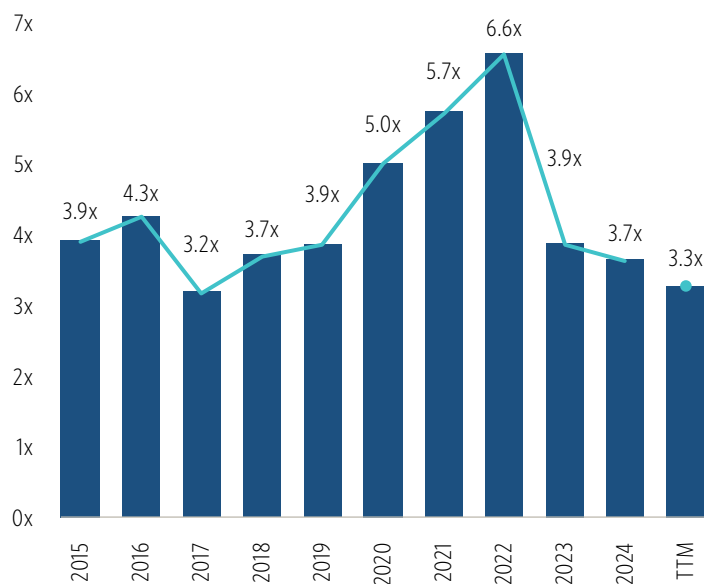
Valuations

Valuation multiples are mostly up relative to recent troughs and are generally consistent with the 2017-2019 norms, excluding the pandemic-era outliers. 2024 saw a flight to quality, with an elevated mix of technology-sector deals, which often command higher valuation multiples. In the trailing 12-month (TTM) figures as of Q2 2025, we are seeing a broader recovery, including more value-oriented deals with lower multiples, which we view as a healthy trend. We expect multiples to be flat to down in the coming year as the PE ecosystem works through sales of its sizable backlog of aged holdings. If base rates or credit spreads were to decrease more than present market expectations, of course there could be some upside to present valuation levels.

PitchBook global M&A multiples draw on a comprehensive deal-level sample size encompassing a wide range of transaction values and involving both PE and corporate

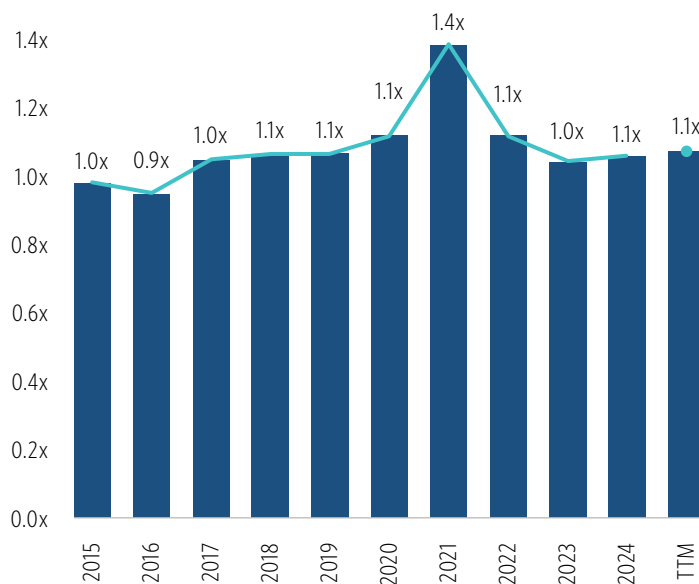
buyers. Over the past decade, our average sample size for a given year exceeds 1,000 for EV/EBITDA and 2,100 for EV/revenue. The TTM EV/EBITDA multiple for global M&A is 9.3x, just below 2024 and ahead of the 8.7x trough of 2022. This is below the 2017-2019 range, and the annual average of 9.5x over the past decade. With 2024 data featuring an outsized mix of technology deals commanding higher multiples, it could mark the near-term top, as we are now seeing a broader range of companies transacting in 2025. Shifting to the lens of EV/revenue multiples, the global median figure sits at 1.5x in the TTM period, slightly below 2024. This is in line with 2017-2019 levels and materially below the outlier highs of 2021 and 2022. Note that our EV/revenue multiples typically have an 80% larger sample size relative to EV/EBITDA multiples, causing differences in trends, so we recommend running sector-specific analysis.

M&A megadeal EV/revenue multiples



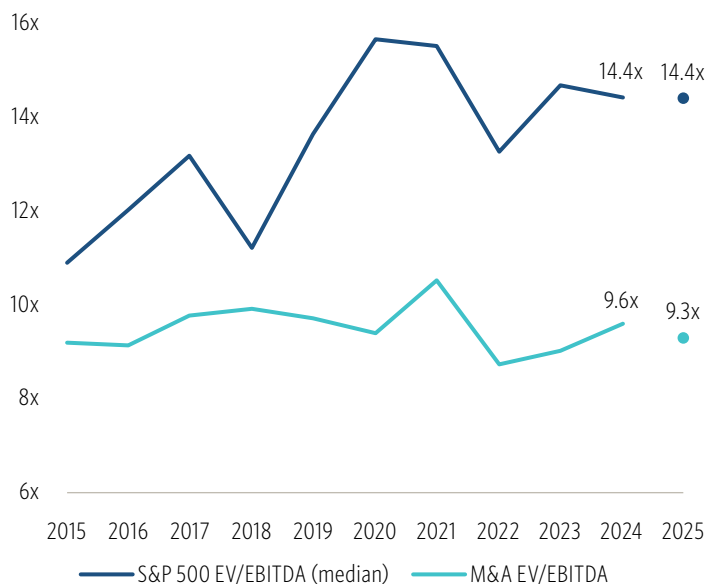
Source: PitchBook • Geography: North America and Europe • As of June 30, 2025
Note: Megadeals are deals that are \$5 billion or larger.

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



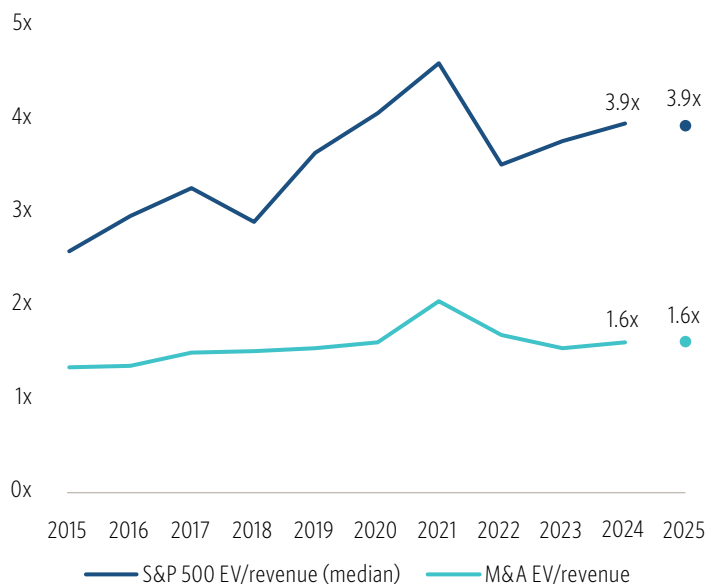
Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

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



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

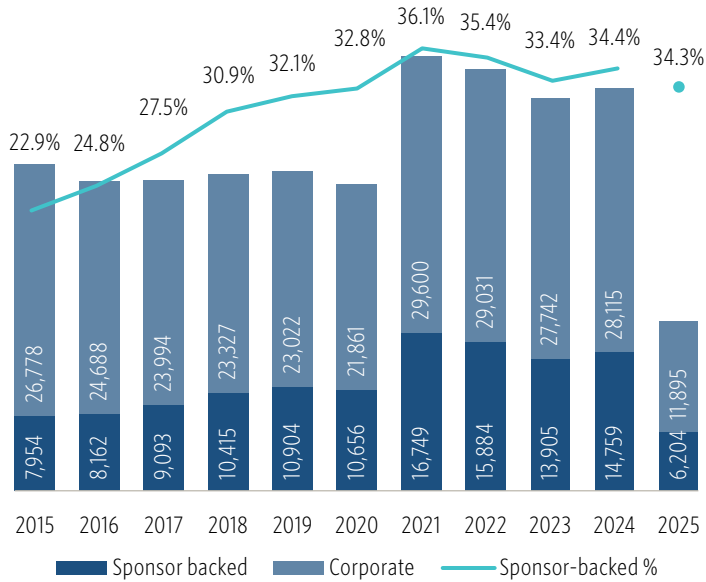
Public company trading multiples versus M&A multiples (EV/revenue)



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

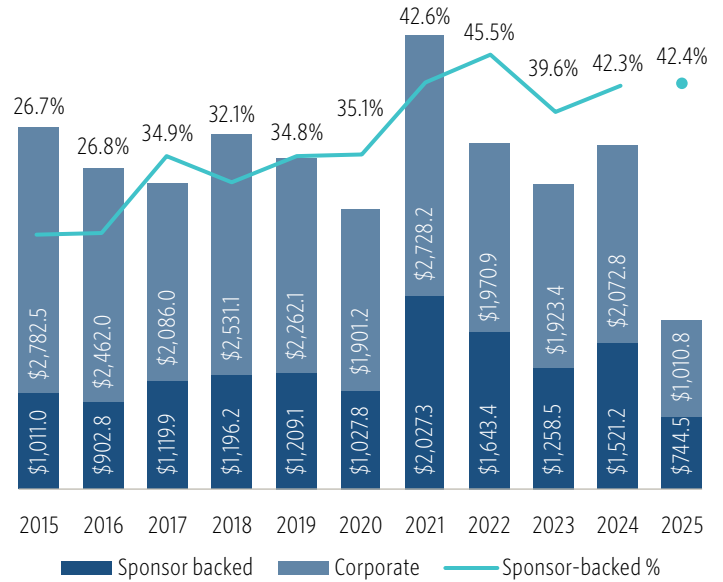
Deal metrics

M&A count by acquirer type



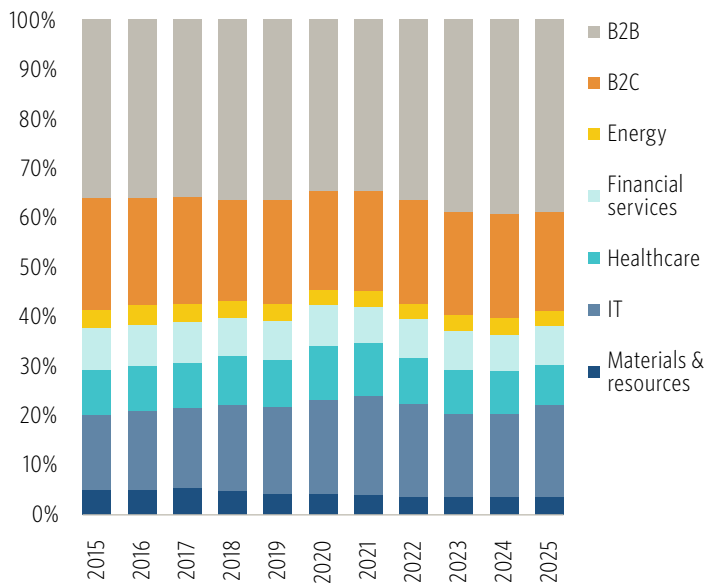
Source: PitchBook • Geography: Global • As of June 30, 2025

M&A value (\$B) by acquirer type



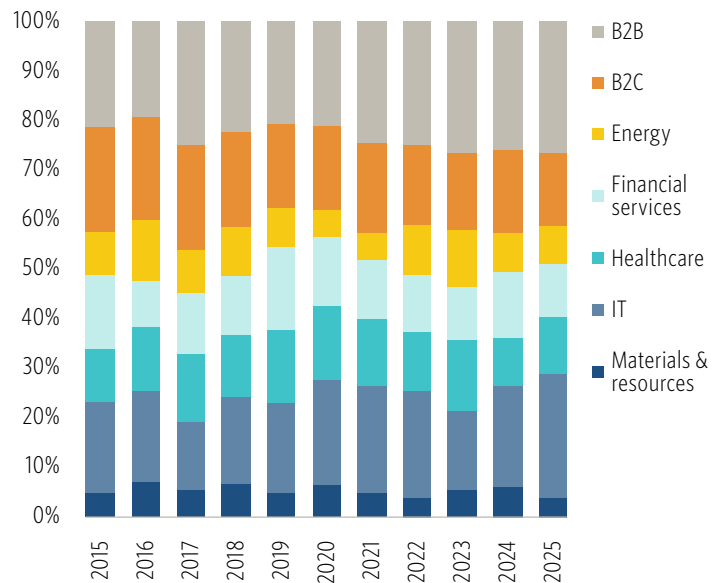
Source: PitchBook • Geography: Global • As of June 30, 2025

Share of M&A count by sector



Source: PitchBook • Geography: Global • As of June 30, 2025

Share of M&A value by sector



Source: PitchBook • Geography: Global • As of June 30, 2025

A WORD FROM LIBERTY GTS

Increased appetite for corporate carveouts is driving warranty & indemnity growth

Expectations of an uptick in corporate carveouts in 2025 have been borne out by increased activity this year in the UK M&A market,¹ which is likely to grow as the year progresses. The rising number of these deals has been accompanied by appetite from corporate clients for warranty & indemnity (W&I) coverage for these complex transactions.

In the current uncertain economic climate, with many corporates under pressure to return value to shareholders and seeking ways to streamline their businesses, there has been an increase in companies looking to divest noncore assets.²

At the same time, private equity appetite has remained steady over the past few years for acquiring corporate assets that are being spun off,³ and it is likely to grow in the second half of 2025. This appetite is typically seen in sectors where acquirers have developed a specialty and are looking to “buy and build”—combining assets from different businesses to create a single entity and add value through realizing synergies.

Significant carveouts have been seen recently in the healthcare sector, such as Mallinckrodt Pharmaceuticals’ sale of Therakos to CVC,⁴ and in manufacturing, with Reckitt announcing a multibillion-dollar carveout of its portfolio of leading homecare brands.⁵

We have also witnessed a trend of global businesses carving out entities in specific territories in order to limit their exposure to more challenging markets or to consolidate business in other countries. Corporates are also being challenged by an increased regulatory burden in certain jurisdictions, which is driving sentiment for territory-specific carveouts.

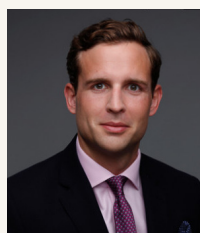
Alongside this, PE firms under pressure to return capital to their investors, but not seeing buyer appetite for certain businesses in their portfolio, may instead be looking to sell the most attractive portions of those businesses.



Jamie Atherton

Senior Underwriter, UK, Central and Eastern Europe & the Middle East and Africa
Liberty GTS

Jamie is a senior underwriter for Liberty GTS. He underwrites transactions across a wide variety of jurisdictions and sectors, from renewable energy and real estate through manufacturing and TMT. Prior to joining Liberty GTS in 2020, Jamie worked in the insurance due diligence and the warranty & indemnity broking teams of a global insurance brokerage.



Thomas Rainey

Senior Underwriter, UK, Central and Eastern Europe & the Middle East and Africa
Liberty GTS

Tom is a senior underwriter for Liberty GTS. He joined in 2021. Prior to this, Tom worked as a senior associate for Philadelphia-based law firm Duane Morris LLP, specializing in M&A transactions across multiple jurisdictions and sectors, advising institutional investors, corporates, and management teams. Tom read law at Newcastle University (LLB), The University of Edinburgh (LLM), and London College of Law.

Key considerations for carveouts

With a higher proportion of corporates looking to buy W&I coverage for carveouts, the insurance market has become increasingly familiar with such deals and more comfortable with underwriting these complex risks. However, there are some key risk areas that are of particular focus on such transactions:

- One of the complexities of underwriting corporate carveout risks is that the assets being sold often do not have standalone accounts. Insurance carriers are commonly reliant on financial advisors to produce either

1: “Carve-Out Activity Set to Increase in 2025,” AURELIUS, 2025.

2: “Unlocking Hidden Value: Corporate Carve-Outs,” Travers Smith, January 21, 2025.

3: “A Carveout Can Cut a Path to a Brighter Future,” Grant Thornton, April 18, 2024.

4: “CVC Completes Acquisition of Therakos From Mallinckrodt,” CVC, December 2, 2024.

5: “Reckitt and Unilever Join the Consumer Giants Slimming Down,” Financial Times, Madeleine Speed, July 26, 2024.

a reconciliation for the carveout from the company's consolidated financials or a set of special purpose accounts prepared to a limited audit standard.

- Separation points are another key consideration for underwriters—in terms of dividing up the assets and/or separating out commercial contracts. Some contracts might not be assignable or there may be burdensome change-of-control provisions to be satisfied. Any restrictions on assigning and subcontracting contractual obligations to third parties may require the consent of the counterparty—as will the novation of contracts—all of which will require careful diligence.
- There are also important tax considerations that arise from business separations. Underwriters typically take the position that, provided there has been robust tax due diligence into the separation and steps for the tax plan have been agreed by both parties, they are comfortable with covering those risks—so long as both parties follow the agreed steps.
- Regulatory considerations add further complexity to these types of deals. For example, who holds the regulatory licenses that the carved-out business requires to carry out day-to-day operations? If licenses are held by the parent company, will the parent get them restated and are they transferable?
- Across all M&A transactions, one of the most important elements for W&I underwriters to get comfortable with is the quality and adequacy of the target company's current insurance program. A significant complexity for carveouts is whether that insurance program, which will typically be held by the parent company, will be available to the carved-out business and/or have a retrospective effect after the transaction is complete.
- The transfer of existing employees to a new standalone entity can add an additional layer of complexity in determining which roles remain with the seller and which go to the buyer with the carved-out business. Any such transfer must be undertaken in compliance with local labor laws to avoid liabilities arising.

Carveouts are also commonly accompanied by transitional services agreements between buyer and seller for shared functions such as finance, IT, and human resources. These will need to be carefully scrutinized by the underwriter alongside the primary transaction documents to ensure that the W&I

insurance is not being used as a “stopgap” for insufficiently robust separation planning.

Insurers will want to determine if the sale and purchase agreement includes a “wrong pockets” clause, enabling the parties to the deal to transfer assets between themselves, after completion, in a predetermined manner. With larger, more complex carveouts, there is a strong possibility that some assets may be unintentionally retained by the seller or erroneously transferred to the buyer, which will need to be remedied after completion using a mechanism agreed upon in advance that each party is comfortable with.

Outlook for carveouts in 2025

As we approach Q3, there may be a flood of pent-up demand for W&I coverage on carveout transactions, as deals that have been slowed or paused amid the current economic uncertainty regain momentum.

Looking to the future, there is likely to be continued appetite for new carveouts. Businesses experiencing suppressed share prices and under pressure from shareholders and investors to add value are increasingly viewing carveouts as an attractive solution to these challenges.

From the insurance buyer's perspective, they need to be certain ahead of the deal that all their key insurance advisors are experienced with carveouts and that an appropriate level of due diligence has been done on the transaction to enable accurate and efficient underwriting of the risks.

From the carrier's perspective, the three key elements we would expect to see from the beginning of the process are: one, the plan for the accounts and how the buyer is conducting due diligence on them; two, due diligence on the existing insurance program for the target company and its availability after closing; and three, a clear, detailed, and agreed upon plan and documentation for the carveout and separation of the relevant businesses (including a fulsome tax separation plan).

Given the complexity of carveout deals and the time that may be required to iron out details around contracts, debt, and taxation, our advice to insurance buyers is to get their carrier and preferred broker involved as early as possible in the process and well in advance of the proposed signing date. In an ideal scenario, initial instructions to insurers would come from the seller, allowing a hard or soft staple policy to be negotiated and ready to be finalized once bidders for the target business are engaged.

European M&A

M&A activity by quarter



Source: PitchBook • Geography: Europe • As of June 30, 2025

Nicolas Moura, CFA, CAIA

Senior Research Analyst, EMEA Private Capital

Q2 European M&A remained very resilient despite the volatile market conditions imposed by the US tariff announcements in early April. M&A value is down a percentage point QoQ but up two percentage points in terms of count. In fact, M&A count in Europe is pacing for its best year in over a decade if it can repeat the number of deals completed in H1. Since 2023, Europe has enjoyed more M&A deals than North America. There are several reasons for this. First, European companies continue to trade at a discount to their North American peers, which has attracted the attention of many US buyers looking to expand their footprint in Europe. One such example has been the acquisition of Hornetsecurity by Proofpoint for \$1.6 billion in Q2. Another would be the acquisition of Deliveroo by DoorDash for \$3.8 billion. We have also seen US sponsors target specific industries such as the UK insurance market: Apollo bought into UK-based Pension Insurance Corporation and GTCR bought JMG Group.

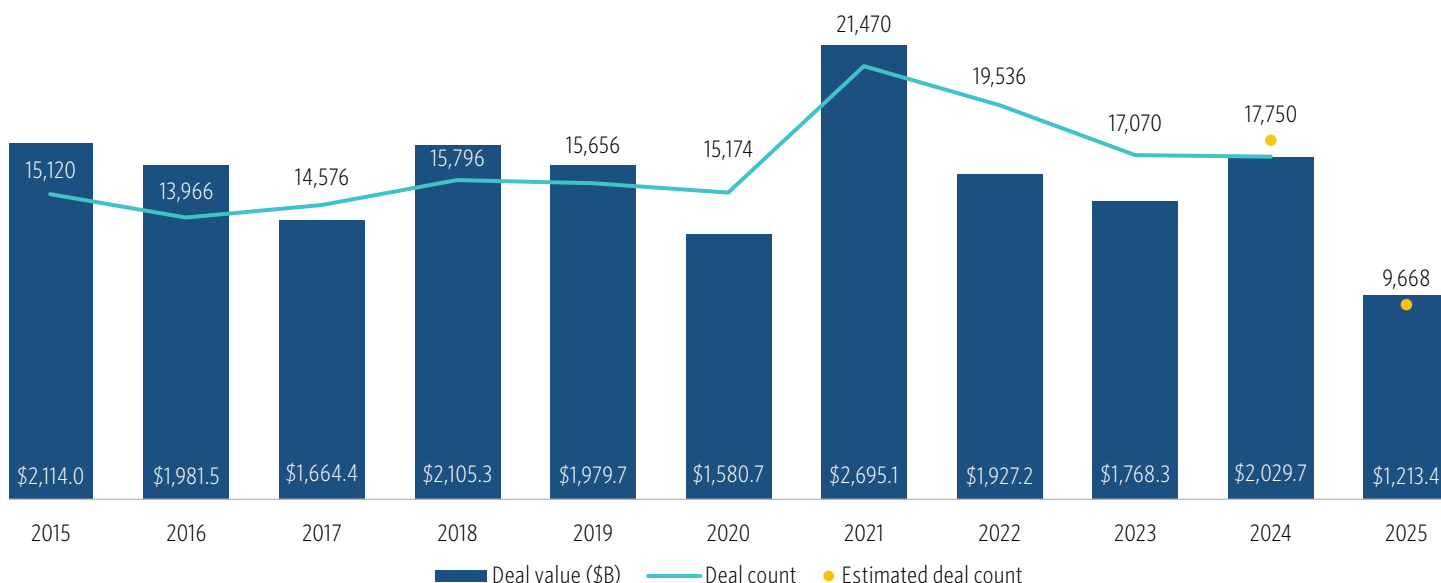
In addition to the widening valuation gap between Europe and the US, central bank policy divergence has further tilted the playing field. In Q2, the ECB continued its monetary easing cycle, cutting rates twice amid easing inflation pressures and a stagnating growth outlook. In contrast, the US Federal

Reserve held rates steady, citing persistent core inflation and heightened uncertainty tied to trade policy and new tariffs. As a result, the policy rate differential has widened, with the Fed's benchmark rate more than double that of the ECB. This divergence has created a more favorable backdrop for M&A activity in Europe. Lower interest rates not only reduce the cost of debt for acquirers, particularly PE sponsors, but also support equity valuations by compressing discount rates. At the same time, European corporates are taking advantage of more stable macro conditions and attractive domestic opportunities, especially in sectors less exposed to US trade risk.

In Q2, the IT sector was the only area to record a QoQ increase in M&A value, rising by 36.6%. In contrast, the energy sector experienced the steepest decline, with deal value falling by 56.4% QoQ. Against the backdrop of widespread US tariffs targeting multiple countries and industries, sector selection has become increasingly critical for both financial sponsors and strategic buyers. We expect to see consolidation in margin-squeezed sectors, such as automobiles and chemicals, where cost pressures and global trade disruptions are forcing players to scale. Meanwhile, sectors like aerospace & defense may benefit from increased spending and national security tailwinds, making them attractive targets for growth-oriented M&A.

North American M&A

M&A activity



Source: PitchBook • Geography: North America • As of June 30, 2025

Garrett Hinds

Senior Research Analyst, Private Equity

In Q2 2025, North American M&A cooled sequentially but is up by double digits relative to last year, reaching a total deal value of \$596.8 billion across announced or closed transactions, inclusive of our estimates for late-reporting deals and nondisclosed values. While total value fell 3.2% QoQ, it was up 31.3% YoY, bolstered by large transactions. Deal count declined by 0.8% QoQ but increased 10.7% YoY. Dealmakers found common ground despite the volatility and elevated recession concerns. In April, public markets gave back December highs due to trade and recession concerns, then surged back toward previous highs in June. M&A activity was relatively slow in April, but momentum built back up in May.

The top 10 North American deals in Q2 collectively amounted to an impressive \$155.5 billion. While this was below the sizable \$168.8 billion total last quarter, it was up 53.2% YoY

compared with Q2 2024. IT emerged prominently, headlining the two largest deals of the quarter. Sector representation among these major transactions was diverse, with technology accounting for three of the top 10 deals, financial services and B2B both accounting for two, then energy, healthcare, and B2C accounting for one each. PE sponsors fell behind corporates in underwriting large deals in Q2, and the PE-backed share of the top 10 deals was 30%, down from 50% in both the prior quarter and in Q2 2024.

Among the top three transactions in Q2, each drove greater scale between the deal participants and companies in similar markets. Cox Communications agreed to merge with Charter Communications in a \$34.5 billion deal announced May 16.⁶ Global Payments agreed to acquire Worldpay from GTCR and FIS for a total value of \$24.3 billion, including anticipated tax assets.⁷ This transaction also involves Global Payments divesting its Issuer Solutions business to FIS for \$13.5 billion. Additionally, Flowserve will merge with Chart Industries in an all-stock deal valued at \$19 billion.⁸

6: "Charter Communications and Cox Communications Announce Definitive Agreement to Combine Companies," Charter Communications, May 16, 2025.

7: "Global Payments Announces Agreements to Acquire Worldpay and Divest Issuer Solutions," Global Payments Inc., April 17, 2025.

8: "Chart Industries and Flowserve Corporation to Combine in All Stock Merger of Equals, Creating a Differentiated Leader in Industrial Process Technologies," Flowserve Corporation, June 4, 2025.

A WORD FROM RSM

Seal the deal: Insist on an accounting review of the SPA to sidestep disputes and safeguard value

As deal structures become more complex and disputes become more frequent after closing, the role of accounting professionals in shaping the sale and purchase agreement (SPA) has never been more critical. Precise financial definitions and carefully negotiated terms can be the difference between a smooth closing and a costly legal battle.

As seen in recent years, several high-profile postacquisition disputes have stemmed from disagreements over SPA language. One notable example is the recent acquisition of a large regional grocery store operator, where a dispute led to a prolonged legal battle that ultimately required the seller to pay the buyer \$77 million—despite having sold the business. In that case, and others like it, insufficient attention to the accounting provisions in the SPA led to commercially unreasonable outcomes, with arbitrators forced to abide by the “four corners”—the written text—of the agreement.

Accounting advisors are not merely supporting players—they are essential to protecting and maximizing deal value through well-crafted SPA language. While legal teams typically lead the drafting process, they are not certified public accountants and may overlook seemingly minor changes to key financial definitions that carry significant accounting consequences. These nuances—often buried in schedules or footnotes—can materially shift outcomes at closing or in true-ups after closing.

Once the agreement is signed, the parties are bound by its terms—even if results are commercially unreasonable. This underscores the importance of integrating accounting experience early and often as well as having a dedicated SPA advisory team to help optimize outcomes.

Closing statements

As demonstrated by the grocery store operator transaction, the inclusion or exclusion of just a few words in key SPA definitions can lead to millions of dollars in purchase price adjustments after a deal closes. According to the 2025 SRS Acquiom M&A Deal Terms Study, more than 90% of private-target deals include adjustment mechanisms after closing.⁹ Yet,

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Ryan Branon is a partner at RSM US LLP, specializing in financial and accounting due diligence for private equity funds and strategic buyers. With more than 25 years of experience, he brings deep expertise in transactions across the manufacturing, distribution, retail, and business services sectors. Ryan also heads the firm's SPA Advisory Team, helping clients navigate transactions by mitigating downside risk and driving value creation aligned with their strategic objectives.

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Director, RSM US LLP

Matt Twomey is a director at RSM US LLP, specializing in M&A advisory, disputes, and investigations. With over 12 years of experience, Matt serves as both a consultant to buyers and sellers as well as an independent arbiter in matters involving net working capital, earnouts, and representations and warranties. Matt also regularly consults on key purchase agreement language as part of RSM's SPA Advisory practice.

during this process, buyers and sellers rarely align perfectly on how to quantify these adjustments. Instead, ambiguity around the application of accounting principles and defined terms often leads to differing interpretations, with each party potentially seeking to secure additional value.

Traditionally, closing statements have been governed by either generally accepted accounting principles (GAAP) alone or GAAP applied in a manner consistent with the target's historical accounting practices. More recently, however, SPAs increasingly include bespoke accounting policies that prescribe the treatment of certain GAAP exceptions, nonrecurring transactions, or judgmental areas such as accounts receivable and inventory reserves. These tailored policies should be analyzed in the context of how the working capital target—or “peg”—was calculated.

9: “2025 M&A Deal Terms Study,” SRS Acquiom, Kip Wallen, 2025.

To further reduce ambiguity, parties should include a detailed illustrative working capital exhibit that clearly maps trial balance accounts to what is included or excluded from current assets and liabilities. Additional key considerations include:

- **Indebtedness:** Clarify treatment of payroll liabilities, customer deposits, deferred revenue, aged accounts payable, leases, and other obligations.
- **Cash:** Address how to treat deposits in transit, outstanding checks, credit card receivables, and restricted cash.
- **Transaction expenses:** Define treatment of professional fees, change-of-control payments, transaction bonuses, and directors' and officers' insurance premiums.
- **Dispute resolution:** Establish clear procedures, including arbiter selection, thresholds for materiality, cost allocation, and timing considerations.

A well-structured closing statement framework, supported by thoughtful and precise language, is critical to avoiding disputes and preserving deal value after closing.

Earnouts

As we enter the second half of 2025—a year marked by ongoing concerns around trade policy, recession risks, and broader geopolitical and economic uncertainty—earnouts will remain a popular tool for bridging valuation gaps between buyers and sellers. With significant dry powder still on the sidelines, earnouts allow parties to balance risk by deferring a portion of the purchase price, thereby facilitating transactions in uncertain markets.

Earnouts agreed to in prior years are now coming due in a market that may differ significantly from expectations at signing—often resulting in lower payouts and increased disputes.

Earnouts are particularly prone to disputes because they often rely on financial metrics such as adjusted EBITDA—calculations that are highly susceptible to differing interpretations, especially regarding add-backs. As with closing statements, a best practice is to include an illustrative exhibit detailing the methodology, key inputs, and applicable accounting principles. Commonly disputed language such as “recurring” versus

“one-time” revenue or “unusual, extraordinary, or nonrecurring expenses” should be defined clearly to reduce ambiguity.

Additional factors worth addressing in the agreement include changes in control prior to the conclusion of the earnout period, treatment of bolt-on transactions subsequent to the closing date, and language to protect accounting decisions made by the buyer after closing that affect the performance of the acquired entity.

Sellers may also consider protective language that limits the buyer's ability to take actions after closing that materially affect the likelihood of achieving an earnout. Well-defined earnout provisions with clear guardrails help reduce disputes and better align party incentives.

Representations and warranties

Nearly all mergers & acquisitions include seller representations attesting to the accuracy of the acquired company's historical financial statements, typically prepared in accordance with GAAP or another applicable accounting standard. This representation is especially important for buyers, as transaction values are often based on a multiple of EBITDA. In the event of a breach, buyers frequently apply that same multiple when calculating damages and asserting claims under representation and warranty (R&W) provisions.

In addition to the financial statement representation, several other key representations warrant close attention during SPA negotiations, including undisclosed liabilities, top customers and suppliers, accounts receivable, and inventory.

These representations often undergo intense negotiation and scrutiny, particularly by R&W insurance providers. Clear drafting and complete disclosures help reduce postclosing disputes and strengthen protections.

Beyond the fine print

Every word in an SPA matters. Accounting advisors don't just interpret numbers—they shape outcomes. Their ability to clarify definitions and align financial mechanics with strategy can transform a good deal into a great one.

This article reflects contributions from Scott Richter, senior director, and Emily McCarthy, manager

Antitrust M&A update

Pending deals

Last update (2025)	Agency	Action	Deal target	Deal acquirer	Deal value (\$M)	Deal announcement date	Elapsed time (years)
June 30	DOJ	The deal has received merger clearance in every jurisdiction other than China and will work with the State Administration for Market Regulation in China for final regulatory approval.	Ansys	Synopsis	\$34,760.0	January 16, 2024	1.5
June 24	FTC/EC	The FTC has approved the acquisition, but the EC has launched an in-depth antitrust investigation.	Kellanova	Mars	\$35,900.0	August 14, 2025	0.9
June 23	FTC	The FTC is allowing the deal to proceed on the condition that the new company does not enter agreements with others to steer ad dollars toward or away from publishers based on political content.	Interpublic Group	Omnicom Group	\$13,500.0	December 9, 2024	0.5
June 13	DOJ	The DOJ is currently reviewing Google's planned acquisition of Wiz.	Wiz	Alphabet	\$32,000.0	March 18, 2025	0.2
May 12	DOJ	The DOJ rejected Amedisys' proposed divestiture, which was aimed to address the DOJ's antitrust concerns. The case is set to go to a mediation conference on August 18.	Amedisys	UnitedHealth Group	\$3,700.0	June 26, 2023	1.9

Source: PitchBook • Geography: US and Europe • As of June 30, 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 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 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 June 30, 2025

Completed deals

Last update (2025)	Agency	Action	Deal target	Deal acquirer	Deal value (\$M)	Deal announcement date	Elapsed time (years)
July 2	EC	Canada, the EC, and China have all approved the acquisition.	Viterra	Bunge	\$18,000.0	June 13, 2023	2.1
June 30	EC and DOJ	The DOJ and Hewlett Packard Enterprises (HPE) have settled the relevant lawsuit. The combined company agreed to divest HPE's Instant On wireless networking business and license the source code for Juniper's Mist AI software used in Juniper's wireless local area network products.	Juniper Networks	Hewlett Packard Enterprises	\$14,000.0	January 9, 2024	1.5
June 23	EC	The EC granted unconditional approval for the deal.	Dorna Sports	Liberty Media	\$4,570.0	April 1, 2024	1.2
June 18	DOJ	The United States Steel merger with Nippon Steel was finalized after US President Donald Trump approved it via executive order.	United States Steel	Nippon Steel	\$14,900.0	December 18, 2023	1.5
June 2	CMA	The CMA approved the combination of Vodafone and Three in the UK, subject to legally binding commitments to invest in a combined 5G network across the UK.	Three UK	Vodafone Group	\$3,660.0	June 14, 2023	2.0
May 18	DOJ	Capital One received approval from the DOJ and US banking regulators.	Discover Financial Services	Capital One	\$35,000.0	February 16, 2024	1.3
February 27	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	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	CMA	Carlsberg completed its acquisition of Britvic following clearance from the CMA.	Britvic	Carlsberg	\$4,180.0	July 8, 2024	0.5

Source: PitchBook • Geography: US and Europe • As of June 30, 2025

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Sector metrics

Kyle Walters

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 two meaningful reversals in deal momentum scores from Q1 2025 to Q2 2025. Materials & resources went from last place, with a score of -0.86, to second place, with a score of 0.69, trailing only the tech sector. The positive momentum seen in the industry was driven by activity in the textiles, metals, and minerals & mining subsectors. B2C surprisingly followed a similar trend, where the sector flip-flopped for the second consecutive quarter, going from a score of -0.14 in Q1 to a score of 0.16 in Q2. Despite the broader market uncertainty, large deals transpired, with momentum seen in the consumer nondurables and restaurants, hotels & leisure subsectors.

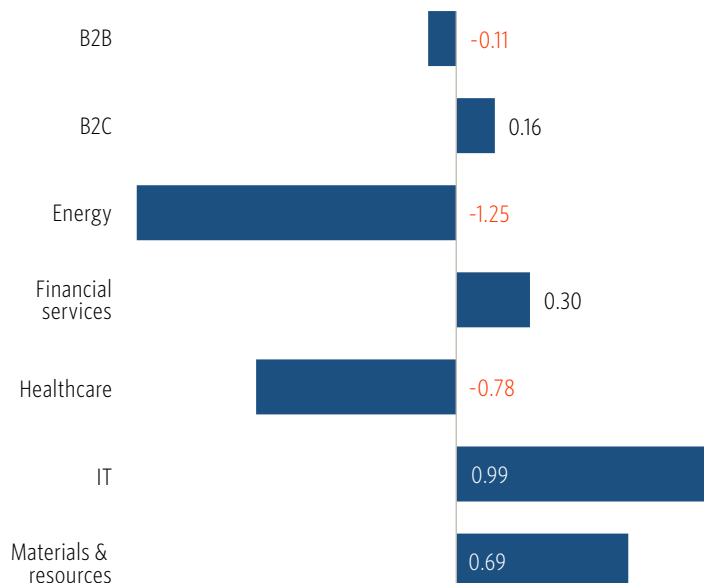
Three sectors—B2B, energy, and healthcare—all saw their scores decline QoQ, sinking further into negative territory. B2B declined from -0.06 in Q1 to -0.11, while healthcare and energy saw more substantial declines. Healthcare went from -0.26 to -0.78, driven primarily by negative momentum in healthcare devices & supplies alongside persisting negative momentum in healthcare services. However, the largest decline in the quarter belonged to the energy sector, which declined from a score of -0.30 in Q1 to -1.25 in Q2, primarily driven by negative momentum in the exploration, production & refining subsector over the past three months and 12 months.

IT had the strongest deal momentum score in Q1 by a wide margin, and the sector held the top spot once again in Q2, though its margin shrank in Q2 due to a substantial turnaround seen in the materials & resources sector. The sector ended Q1 with a score of 1.23. By the end of Q2, that score had declined to 0.99, but IT once again retained the top spot, with continued momentum in the semiconductors and computer hardware subsectors.

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). Financial services and IT were the only two sectors that saw their valuation momentum scores flip from negative in Q1 to positive in Q2. At the same time, materials & resources improved its valuation momentum score QoQ.

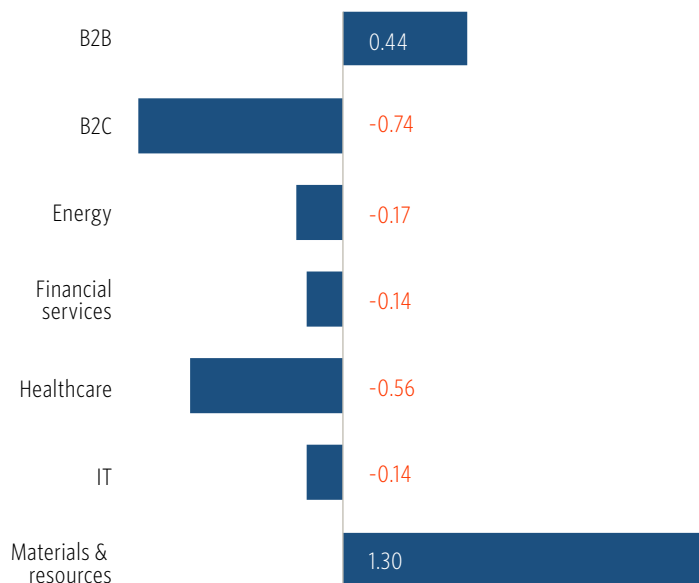
Deal and valuation momentum scores can also be analyzed together to discern trends in market sentiment. For example, the lower valuation momentum scores in the financial services sector allowed for more deal activity as sponsors and corporates took advantage of favorable valuations and got deals done. In the materials & resources sector, deal momentum accelerated QoQ with sustained valuation momentum, suggesting that deal activity was supported by the quantity of higher-quality companies, given the higher multiples, helping to lift deal activity.

Deal momentum score



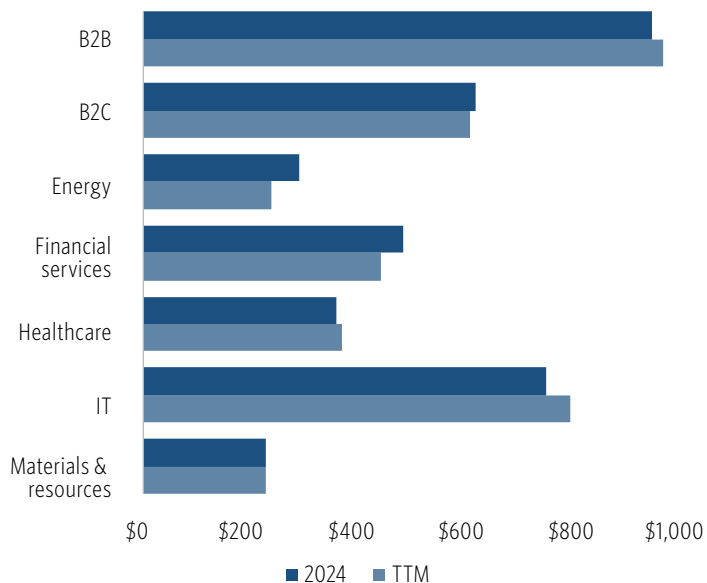
Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Valuation momentum score



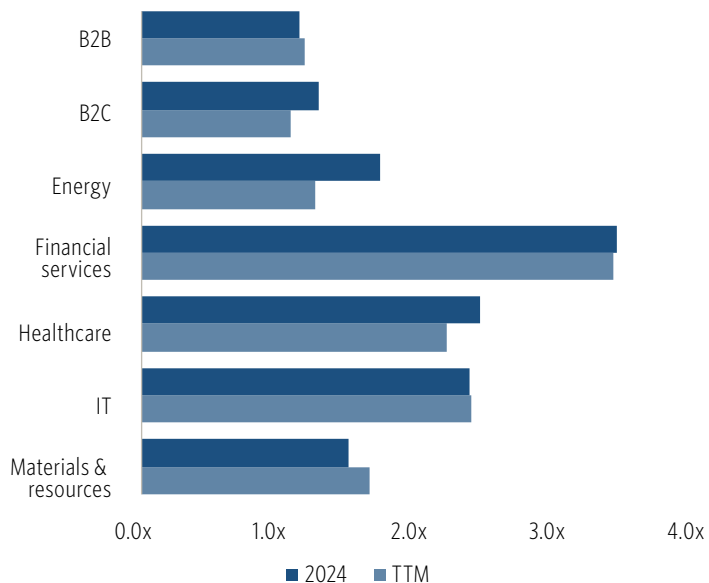
Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Sector rank by deal value (\$B)



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Sector rank by deal multiples (EV/revenue)



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Industry metrics

M&A heatmap

Segment	Subsegment	Deal value momentum		Deal count momentum		Score
		Three months	12 months	Three months	12 months	
Materials	Agriculture	-5.6%	26.8%	-82.7%	7.8%	-0.13
	Chemicals & gases	-0.2%	58.1%	9.7%	-14.5%	0.13
	Construction (nonwood)	N/A	33.0%	180.5%	34.7%	N/A
	Containers & packaging	-43.4%	1.6%	44.7%	-24.6%	-0.05
	Forestry	N/A	N/A	-265.7%	N/A	N/A
	Metals, minerals & mining	N/A	70.2%	144.9%	-25.8%	N/A
	Other materials	N/A	N/A	N/A	N/A	N/A
	Textiles	23.7%	191.6%	70.3%	171.5%	1.14
Technology	Communications & networking	242.8%	97.2%	50.0%	-59.9%	0.82
	Computer hardware	284.4%	151.7%	48.5%	58.4%	1.36
	IT services	16.2%	10.8%	-24.8%	19.7%	0.05
	Other IT	N/A	N/A	N/A	N/A	N/A
	Semiconductors	N/A	277.1%	121.4%	96.3%	N/A
	Software	16.1%	61.3%	7.1%	84.0%	0.42
Healthcare	Healthcare devices & supplies	-70.5%	-40.6%	-50.8%	-1.3%	-0.41
	Healthcare services	-32.3%	-21.8%	-34.4%	-10.6%	-0.25
	Healthcare technology systems	-63.5%	74.6%	15.6%	117.5%	0.36
	Other healthcare	N/A	N/A	N/A	N/A	N/A
	Biotech & pharma	-82.1%	-33.4%	-50.4%	16.8%	-0.37

Source: PitchBook • Geography: Global • As of June 30, 2025
Note: N/A indicates insufficient sample size

M&A heatmap (continued)

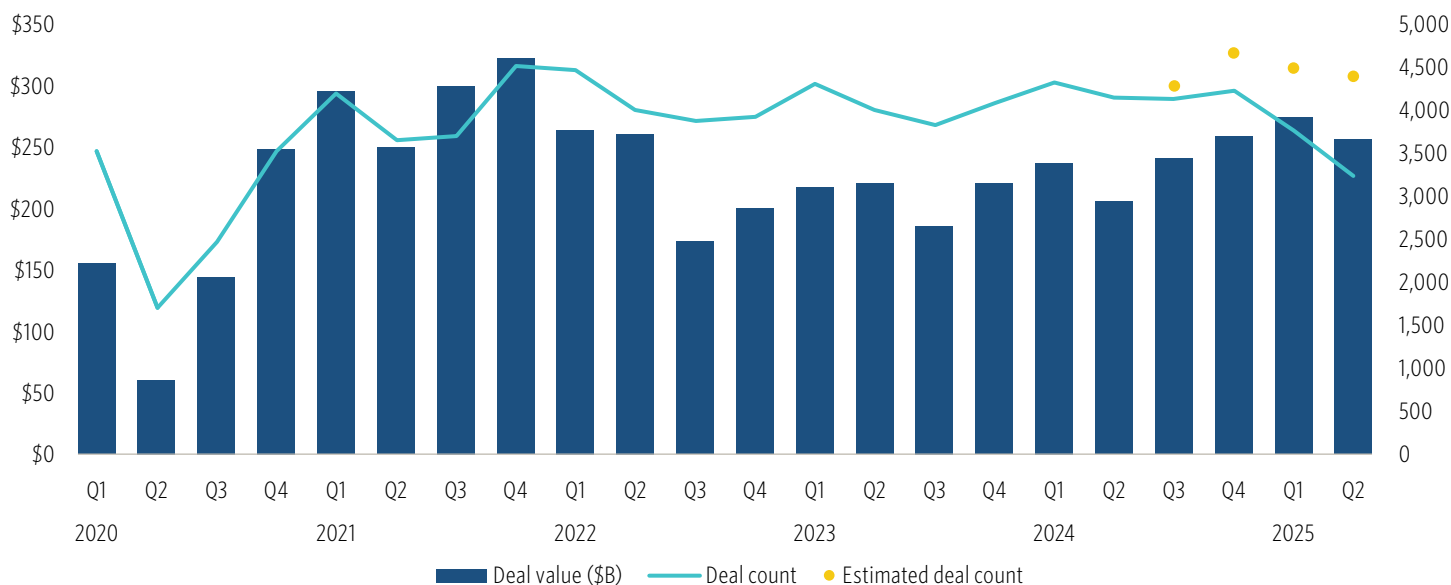
Segment	Subsegment	Deal value momentum		Deal count momentum		Score
		Three months	12 months	Three months	12 months	
Financial services	Capital markets/institutions	-28.7%	84.2%	-9.3%	90.1%	0.34
	Commercial banks	12.7%	-43.2%	-84.9%	68.3%	-0.12
	Insurance	1.4%	-30.5%	4.2%	4.9%	-0.05
	Other financial services	-8.6%	51.1%	22.7%	21.4%	0.22
Energy	Energy equipment	-20.6%	-84.9%	-55.7%	-32.5%	-0.48
	Energy services	-18.3%	-21.9%	221.4%	-37.3%	0.36
	Exploration, production & refining	-138.8%	-144.5%	-133.9%	-108.6%	-1.31
	Other energy	-81.0%	-26.4%	-79.4%	-18.1%	-0.51
	Utilities	38.9%	126.4%	-11.8%	102.7%	0.64
B2C	Apparel & accessories	16.2%	0.5%	20.7%	-22.4%	0.04
	Consumer durables	-24.9%	24.9%	26.9%	72.5%	0.25
	Consumer nondurables	74.0%	-17.3%	102.8%	-3.9%	0.39
	Media	11.0%	-12.4%	38.8%	-25.1%	0.03
	Other B2C	N/A	N/A	N/A	N/A	N/A
	Restaurants, hotels & leisure	48.4%	34.0%	27.6%	50.5%	0.40
	Retail	-88.2%	25.9%	-10.8%	-20.5%	-0.23
	Services (nonfinancial)	-19.0%	-26.1%	-38.8%	-9.8%	-0.23
	Transportation	-66.0%	-15.6%	-30.5%	49.3%	-0.16
B2B	Commercial products	46.7%	17.7%	-10.0%	2.5%	0.14
	Commercial services	-14.0%	16.1%	-20.8%	19.7%	0.00
	Commercial transportation	261.1%	34.8%	-10.3%	28.4%	0.79
	Other B2B	70.9%	-160.5%	154.2%	-178.8%	-0.29

Source: PitchBook • Geography: Global • As of June 30, 2025

Note: N/A indicates insufficient sample size

B2B

B2B M&A activity by quarter



Source: PitchBook • Geography: Global • As of June 30, 2025

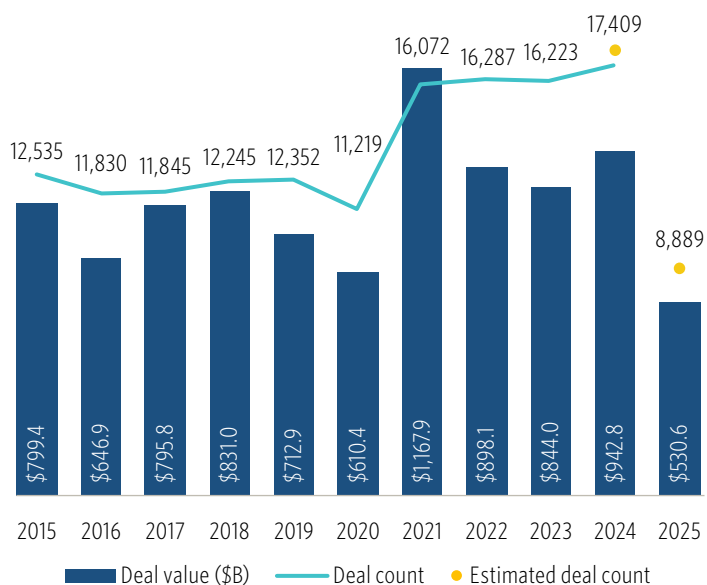
Kyle Walters

Research Analyst, Private Equity

B2B activity remains at elevated levels despite increased uncertainty:

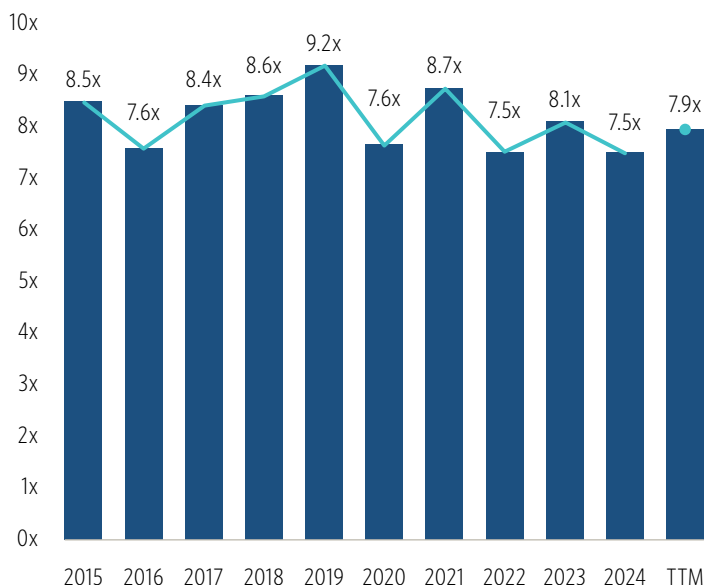
Lower expectations for Q2, attributed to market uncertainty amid threats of US-imposed tariffs, were expected to impact several areas of the B2B sector, including the vast industrials sector that falls under the B2B umbrella. The B2B sector is more vulnerable to the potential impact of these tariffs, as many businesses in the space have greater exposure to global supply chains, which could result in higher input and production costs as well as possible supply chain bottlenecks. Despite the laundry list of concerns, sponsors and corporates alike secured deals at levels higher than those seen in Q2 of 2023 and 2024. Through the first six months of 2025, the B2B sector saw an estimated 8,889 deals take place worth an aggregate value of \$530.6 billion, representing YoY increases of 5% and 19.7%, respectively. Shifting to Q2, the industry saw 4,390 deals worth \$256 billion announced or closed.

B2B M&A activity



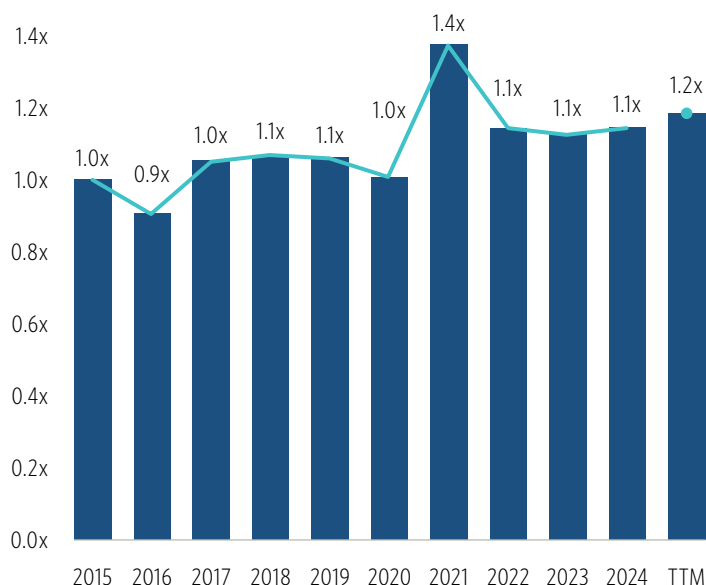
Source: PitchBook • Geography: Global • As of June 30, 2025

B2B M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

B2B M&A EV/revenue multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Commercial products keep deal activity at healthy levels:

During the more challenging and uncertain Q2, commercial products produced the sector's three largest deals, totaling \$38.7 billion, with each deal larger than \$9 billion. The largest belonged to Chart Industries and its \$19 billion merger with Flowserve Corporation. The merger will create a combined company that addresses the full customer life cycle within the industrial equipment market from process design through aftermarket support. Elsewhere, Boeing sold portions of its Digital Aviation Solutions business to Thoma Bravo for \$10.6 billion in a deal that strengthens Boeing's capital structure and allows the firm to focus on its core business. The final of the three gargantuan deals was Sunoco's acquisition of fuel distributor and convenience retailer Parkland Corporation for \$9.1 billion, which will see Sunoco diversify its portfolio and geographic footprint.

Consolidation takes shape in the accounting industry:

Moss Adams, a regional accounting firm based in Seattle, agreed to combine with Baker Tilly in a \$7 billion deal backed by Hellman & Friedman. The combined firm will become the sixth-largest advisory CPA firm in the US, enhancing collaboration among employees as well as expanding expertise and the capacity for servicing middle-market clients.¹⁰ The deal came just over a year after Baker Tilly itself was acquired by Hellman & Friedman. Moreover, this deal follows a trend of consolidation in the accounting industry observed in 2024, including CBIZ's \$2.3 billion acquisition of Marcum, which resulted in the two companies becoming the seventh-largest accounting and advisory services provider in the US.

¹⁰: "Baker Tilly and Moss Adams to Combine to Create an Industry-Defining Advisory and Accounting Firm in a Strategic Merger Backed by Hellman & Friedman," Moss Adams LLP, April 21, 2025.

B2C

B2C M&A activity by quarter



Source: PitchBook • Geography: Global • As of June 30, 2025

Kyle Walters

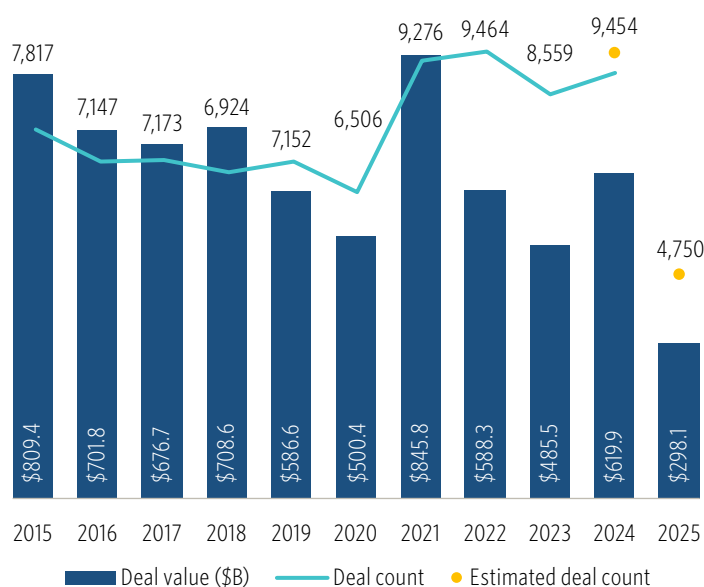
Research Analyst, Private Equity

Several large deals were not enough to buoy B2C deal

activity: The B2C sector, like the B2B sector, is more vulnerable to any first-order impacts from tariffs. Moreover, 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. This has resulted in QoQ declines in deal activity as many more sponsors and corporates exercise more caution in their appetite for M&A. Through the first half of 2025, the B2C sector saw an estimated 4,750 deals announced or closed worth an aggregate value of \$298.1 billion, of which 2,385 deals totaling \$134.8 billion transpired in the second quarter.

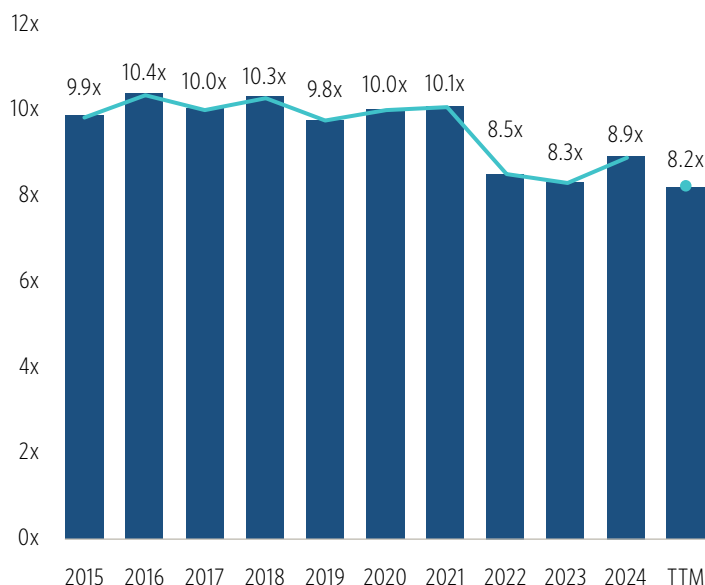
Footwear inked the two largest B2C deals in Q2: The largest B2C deal of the quarter came when 3G Capital announced it would take Skechers private for \$9.4 billion. The second-largest deal of the quarter came 10 days later when Dick's Sporting Goods announced it would acquire Foot Locker for \$5.2 billion, giving Dick's access to a broader range of customers and a global presence in the sports retail

B2C M&A activity



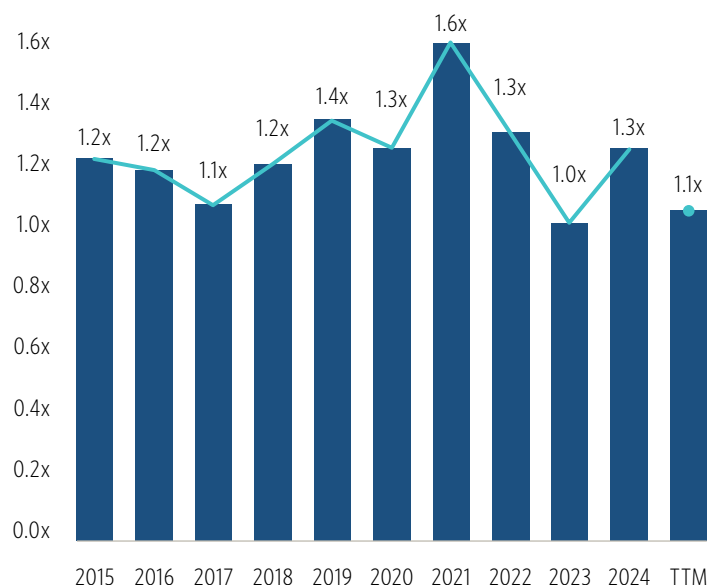
Source: PitchBook • Geography: Global • As of June 30, 2025

B2C M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

B2C M&A EV/revenue multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

industry. Both of these companies are in the apparel and retail industries and both deals transpired in May despite the increased uncertainty surrounding tariffs. Both of these companies would no doubt be impacted by the potential tariffs, as Skechers imports a significant portion of its shoes from China and Vietnam, while Foot Locker gets its shoes from brand-name suppliers, which predominately import shoes and apparel from similarly impacted countries. For Skechers, the deal was bolstered by brand recognition and the fact that the company is still in a growth environment and [winning market share](#), something that sponsors and lenders alike value in a portfolio company.

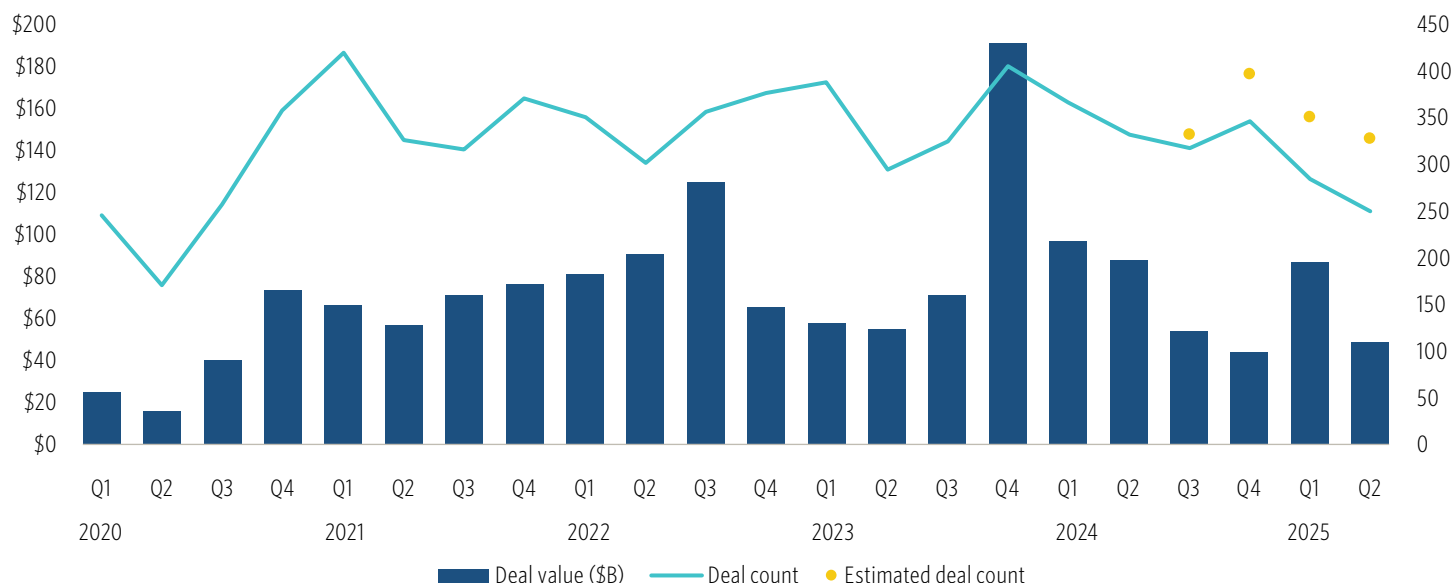
Restaurants, hotels & leisure see increased deal activity:

Despite the recent market uncertainty, certain areas of the restaurants, hotels & leisure industry group continue

trading hands and doing so for multiple billions of dollars. Sustained activity in the space reflects corporations and sponsors capitalizing on changing consumer and lifestyle trends, such as an increasing number of consumers opting for convenience-driven options. In May, DoorDash agreed to acquire Deliveroo for \$3.8 billion in a deal that will see DoorDash now service more than 40 countries with a combined population of more than 1 billion people. In June, PAI Partners agreed to buy a majority stake in hotel chain Motel One for \$3.2 billion. PAI is acquiring an 80% stake in the operating business and will look to increase international growth outside the Germany, Austria & Switzerland region.

Energy

Energy M&A activity by quarter



Source: PitchBook • Geography: Global • As of June 30, 2025

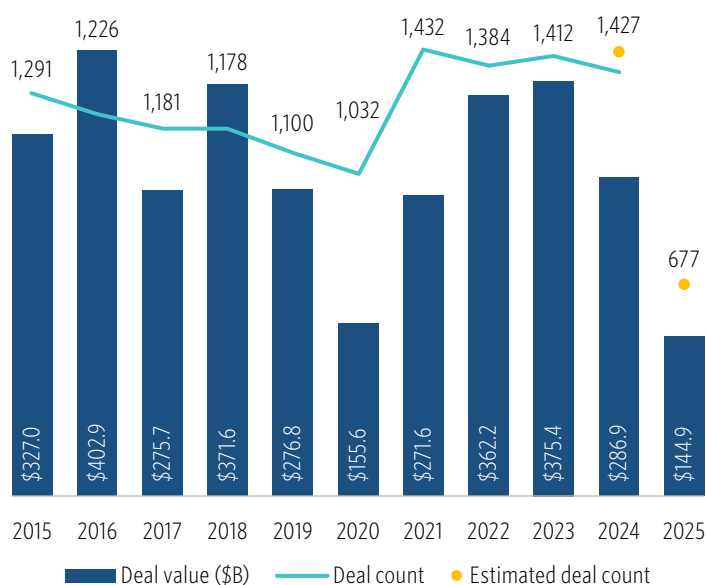
Kyle Walters

Research Analyst, Private Equity

Energy M&A falters QoQ and YoY: The less predictable outlook for oil prices has helped to limit energy M&A activity. YTD, the sector has seen an estimated 677 deals worth \$144.9 billion, with Q2 accounting for 327 of these deals for a total of \$53.9 billion. This represents a YoY decline in deal count and value of 1.5% and 38.7%, respectively. The recent market uncertainty and volatility that has left oil prices considerably lower since the beginning of the year has seemingly created further uncertainty and led investors to be more conservative regarding their M&A appetite amid a more cautious sentiment. Moreover, this uncertainty around oil prices has yet to spark increased M&A activity in other energy sources, such as renewable energy in its various forms.

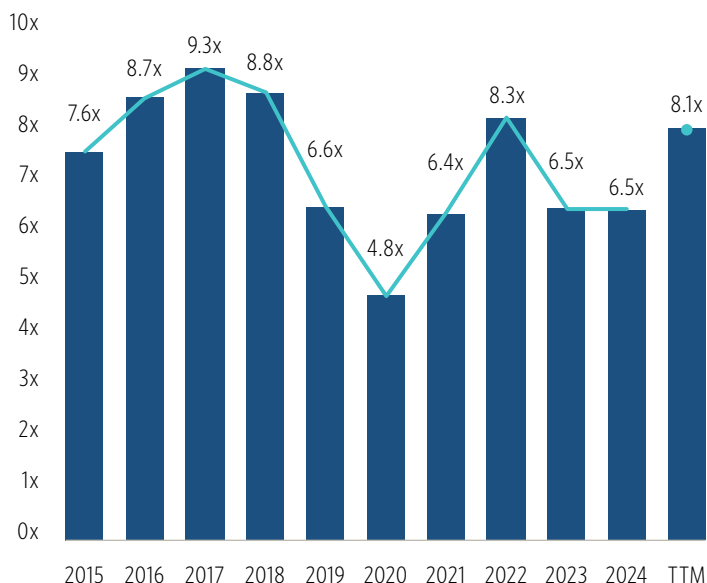
Pipelines trade hands in multibillion-dollar deals: The largest such deal came when Brookfield Infrastructure Partners acquired Colonial Pipeline from a consortium of sponsors, including KKR and CDPQ, for \$9 billion. Colonial operates the largest fuel pipeline in the US. The acquisition builds on Brookfield's global pipeline portfolio and continues the trend of investors targeting essential infrastructure assets. In June, Canadian-based energy infrastructure business Keyera

Energy M&A activity



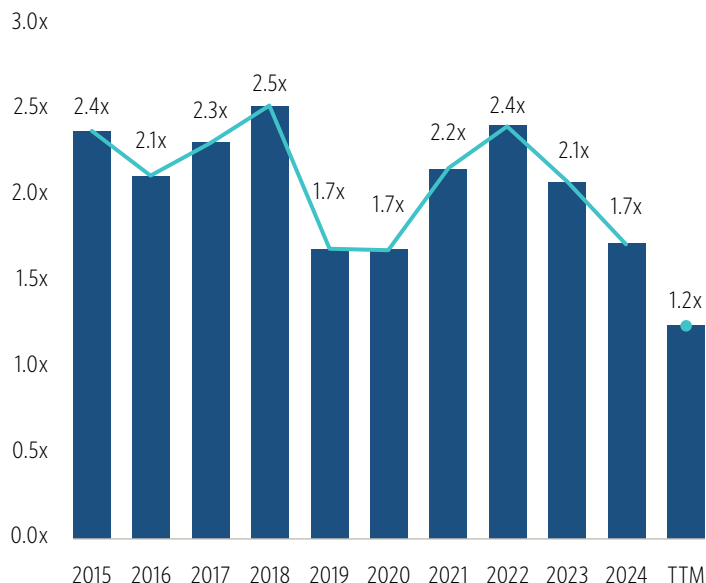
Source: PitchBook • Geography: Global • As of June 30, 2025

Energy M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Energy M&A EV/revenue multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

agreed to acquire Plains All American Pipeline's Canadian natural gas liquids business for \$3.7 billion. The transactions will see Keyera significantly expand its liquids infrastructure platform across eastern and western Canada, including over 1,500 miles of pipeline infrastructure, with an aggregate throughput capacity of over 575,000 barrels per day.¹¹

Consolidation in oil & gas production persists, supported by a large deal:

The oil & gas industry saw a wave of consolidation in 2023 and the first half of 2024 as companies looked to bolster reserves and benefit from economies of scale. However, consolidation in the space died down at the end of 2024 and the beginning of 2025 given the recent uncertainty around oil prices. In Q2, a few deals showed there is still some activity in the space. In March, Whitecap Resources announced it would merge with Veren in an all-stock deal valued at \$10.4 billion. YTD, this is the largest Canadian deal in the oil & gas space and a deal that creates one of the largest Canadian oil & gas producers with concentrated assets in the Montney and Duvernay basins in Alberta, Canada.

11: "Keyera to Acquire Plains' Canadian NGL Business in a Transformative \$5.15 Billion Transaction," Keyera, June 17, 2025.

Financial services

Financial services M&A activity by quarter



Source: PitchBook • Geography: Global • As of June 30, 2025

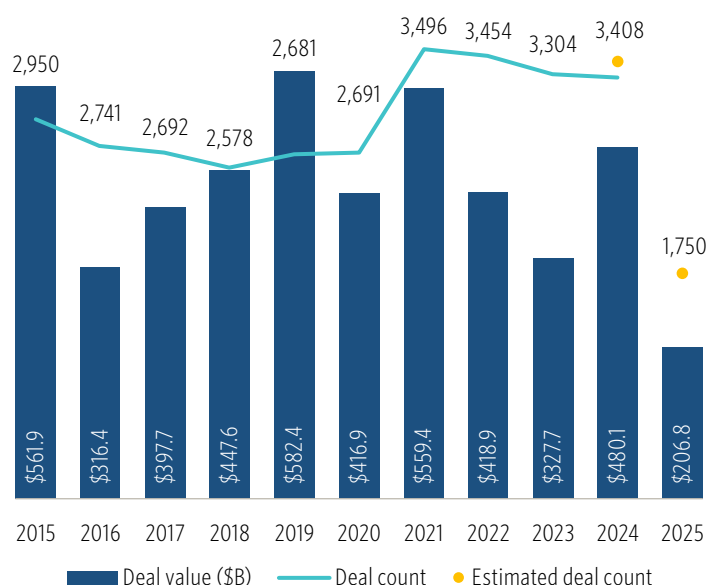
Garrett Hinds

Senior Research Analyst, Private Equity

Deal value fades in Q2: In the second quarter of 2025, the financial services sector was relatively soft. Deal value totaled \$103.4 billion, flat QoQ and a decline of 7.1% YoY. In terms of deal volume, there were 853 financial deals in the quarter, including estimates, for a modest decline sequentially of 4.9%, yet a solid gain of 5.6% YoY. The mixed signals reflect a sector in transition, awaiting clearer macro cues and regulatory resolution around global trade policies. Looking ahead, the passage of the One Big Beautiful Bill Act may serve as a catalyst for deal activity. With fiscal uncertainty lifted and a more business-friendly regulatory climate emerging, banks and financial institutions are expected to recalibrate their positioning. If the emerging risk-on sentiment holds, the back half of the year could offer a more constructive backdrop for dealmaking across the financial landscape.

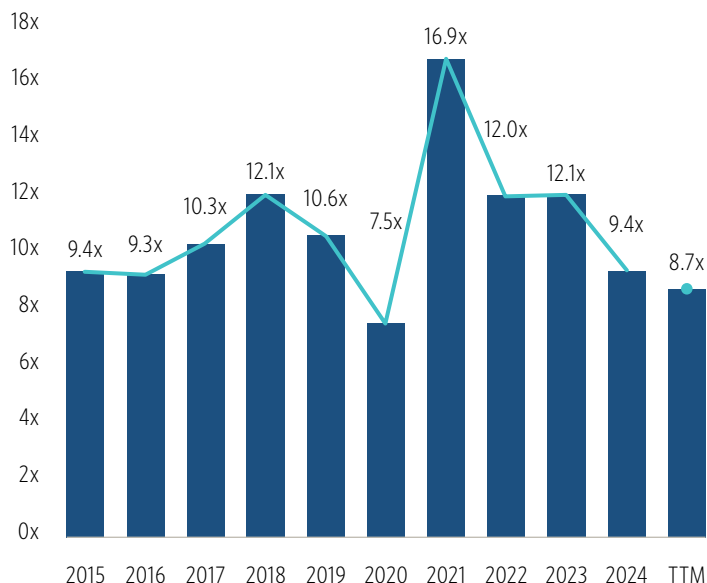
Deal momentum falters QoQ: The financial sector's share of global M&A deal value stood at 10.6% in H1 2025, below the five-year average of 12.2%. The deceleration in activity is reflected in the sector's deal momentum score of 0.30, placing it third out of seven sectors and marking a decline from last quarter when it was in second place.

Financial services M&A activity



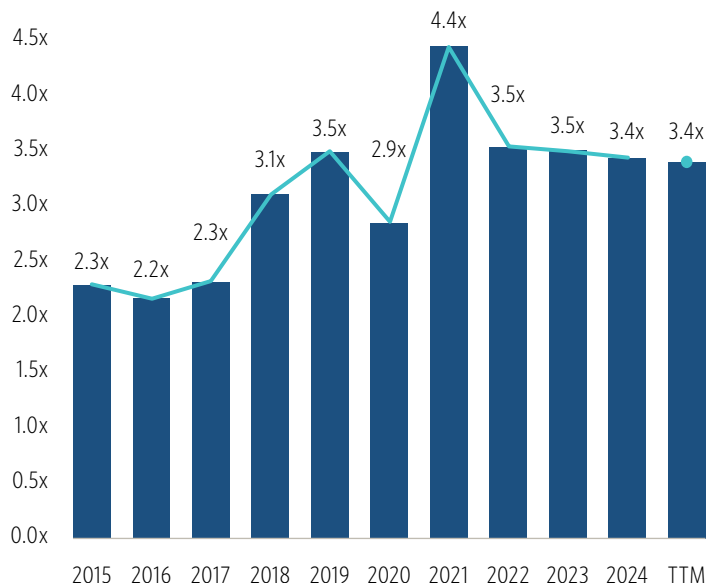
Source: PitchBook • Geography: Global • As of June 30, 2025

Financial services M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Financial services M&A EV/revenue multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Megadeal appetite persists: Several headline transactions from the financials sector are notable. Among them, Brown & Brown's \$9.8 billion agreement to acquire Accession Risk Management Group stands out—not only for its scale, but because Accession ranks as the ninth-largest privately held insurance brokerage in the US, marking a bold consolidation play in the insurance distribution space.¹² In the digital assets arena, Coinbase moved to expand its derivatives footprint with a \$2.9 billion acquisition of Deribit, a leading crypto options exchange.¹³ Meanwhile, Travelers executed a strategic spinout, offloading its Canadian Personal and Commercial Insurance businesses to Definity Financial for \$2.4 billion—a move signaling portfolio refinement amid shifting regulatory and capital allocation priorities.¹⁴ The quarter also featured several megadeals categorized under financial services due to their holding company structures, though the underlying assets reside squarely in the energy space.

¹²: "Brown & Brown, Inc. Enters Into Agreement to Acquire Accession Risk Management Group," Brown & Brown, Inc., June 10, 2025.

¹³: "Coinbase to Acquire Deribit: Becoming the Most Comprehensive Global Crypto Derivatives Platform," Coinbase, Greg Tusar, May 8, 2025.

¹⁴: "Travelers to Sell Its Canadian Personal Insurance Business and Majority of Its Canadian Commercial Insurance Business to Definity for US \$2.4 Billion," Travelers, May 27, 2025.

Healthcare

Healthcare M&A activity by quarter



Source: PitchBook • Geography: Global • As of June 30, 2025

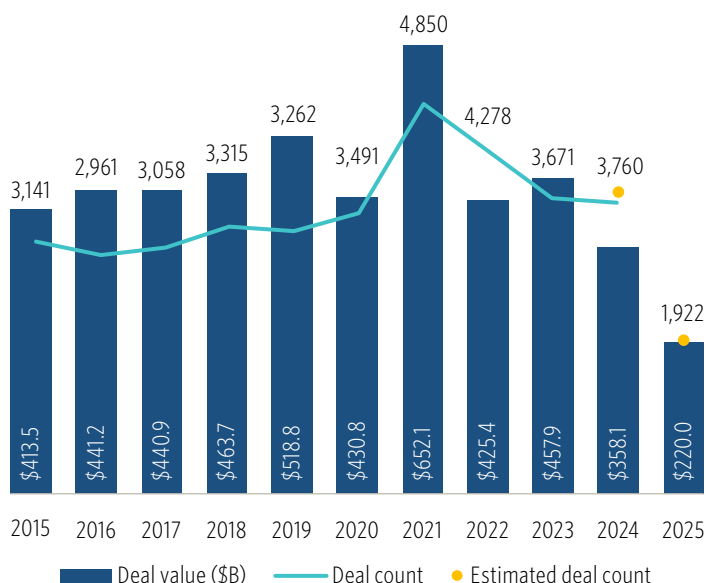
Aaron DeGagne, CFA

Senior Analyst, Healthcare

Healthcare deal activity cools: As expected, macroeconomic uncertainty—especially around tariffs and interest rates—weighed on healthcare M&A in Q2. Total deal value declined 27% QoQ, with healthcare accounting for an estimated \$92.8 billion of deal value, or 9.4% of global deal volume. Its contribution to total global deal count also dipped to a decade low of 7.9%, slightly below last year's 8.4% of global deal count. The standout transaction was Sanofi's \$9.5 billion bid for Blueprint Medicines, which was more than double the size of the next largest deal: Ascension Health's \$3.9 billion acquisition of AMSURG. Both were eclipsed, however, by Johnson & Johnson's previously announced \$15 billion acquisition of Intra-Cellular Therapeutics, which closed in April after being announced during the [J.P. Morgan Healthcare Conference in January](#).

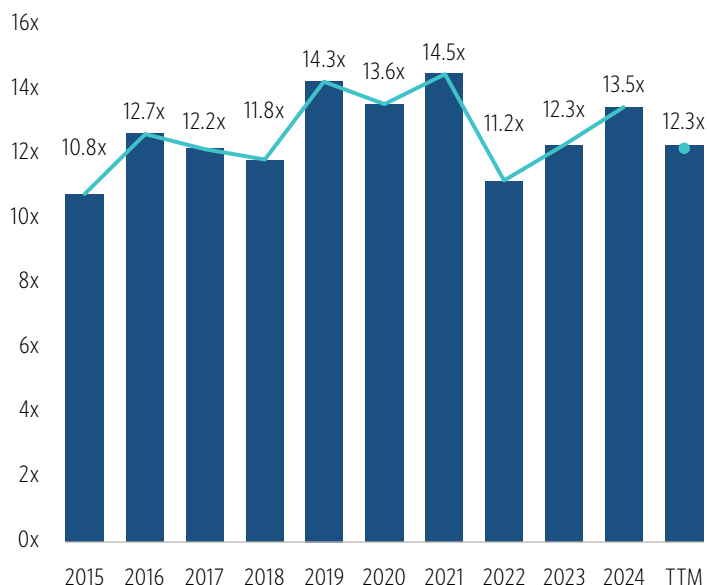
Strong biopharma deal volume: M&A activity in biopharma and drug discovery led the sector in Q2, accounting for nine of the 12 largest healthcare deals. While biopharma is the largest individual sector within healthcare and generally accounts for the bulk of top deals, its recent contribution to total deal activity has been significant. For comparison,

Healthcare M&A activity



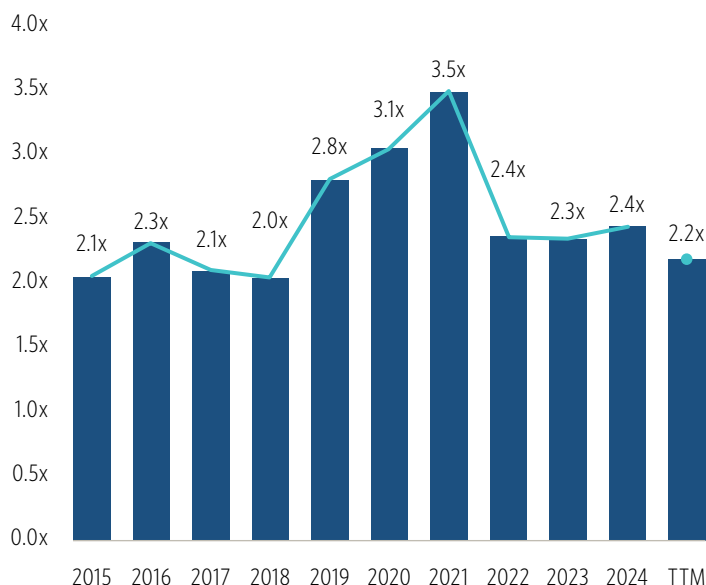
Source: PitchBook • Geography: Global • As of June 30, 2025

Healthcare M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Healthcare M&A EV/revenue multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Boston Scientific's \$664 million acquisition of Bolt Medical and Demant's \$792 million purchase of KIND were among the largest deals in the medtech category, whereas 12 biopharma deals exceeded the \$800 million mark. Biopharma acquirers continue to favor late-stage assets with commercial upside, and Big Pharma is doubling down on core therapeutic areas: Novartis expanded its cardiovascular portfolio with Anthos, while Sanofi deepened its rare disease and immunology focus with Blueprint.

Sector M&A levels stabilize: Entering 2025, expectations were high that healthcare M&A would outpace last year's levels, buoyed by lower rates and narrowing gaps between buyers and sellers. But while deal activity has not fully collapsed—and VC funding has also held up—M&A activity is tracking to roughly match last year's levels rather than surpass them. Persistent macro uncertainty and "higher-for-longer" rates have slowed momentum, particularly for larger deals. However, in line with venture funding trends, overall deal counts have continued to decline YoY, even as total deal value holds steady.

IT

IT M&A activity by quarter



Source: PitchBook • Geography: Global • As of June 30, 2025

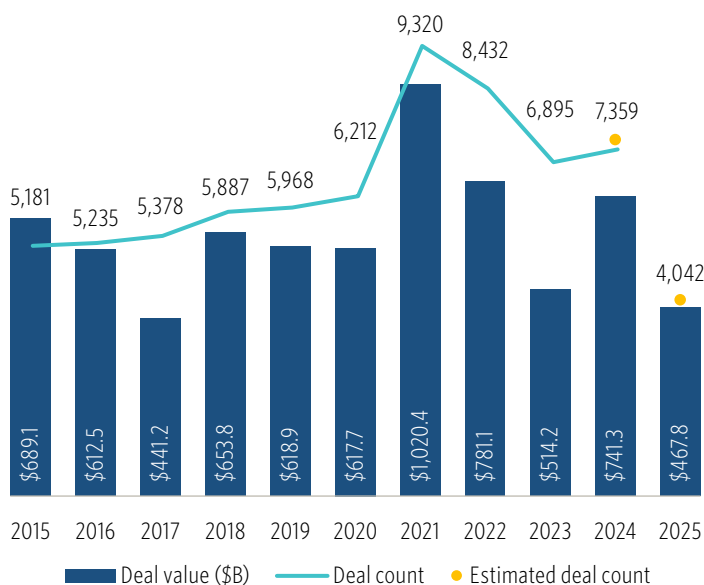
Garrett Hinds

Senior Research Analyst, Private Equity

IT saw a flurry of activity in Q2: In the second quarter of 2025, the IT sector was in favor, with deal value reaching \$255.1 billion. This represents a strong increase of 19.9% QoQ and a surge of 37.1% YoY. Large-scale consolidation deals drove the growth in value. In terms of deal volume, there were 1,995 IT deals in the quarter, including estimates, for a modest decline sequentially of 2.5%, yet a solid gain of 12% YoY.

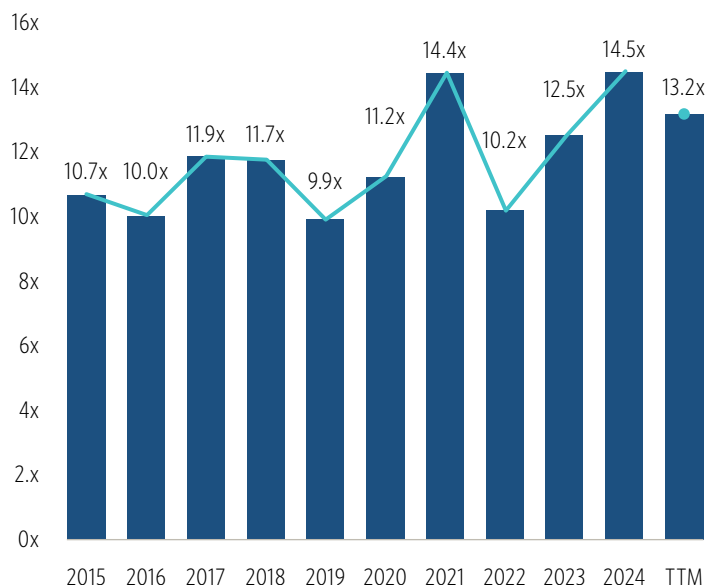
Nearly a quarter of M&A value went to IT in H1: The IT sector's share of global M&A deal value was 24.7% in H1 2025, well above the five-year average of 20.1%. This upward trend is reflected in the sector's deal momentum score of 0.99, placing it first place out of seven sectors. IT also held pole position in the prior quarter. While there was some concern in H1 about tariffs and potential retaliatory taxes on digital services levied by Europe on US-based firms, ultimately M&A appetite remained strong.

IT M&A activity



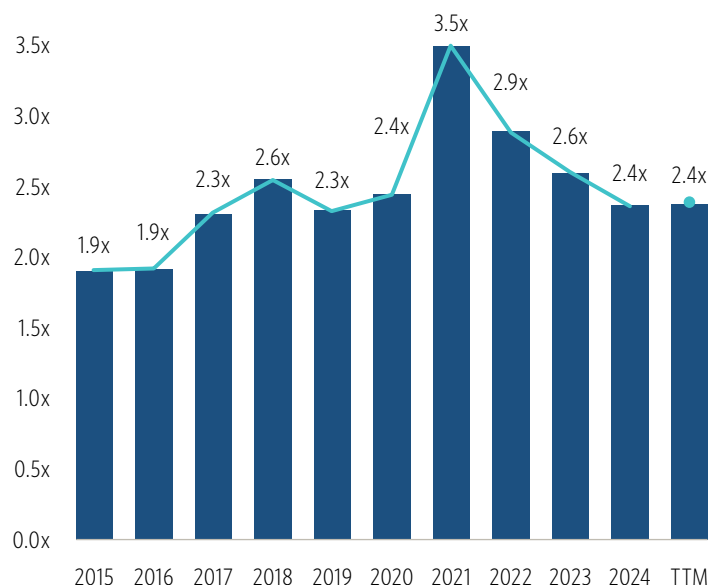
Source: PitchBook • Geography: Global • As of June 30, 2025

IT M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

IT M&A EV/revenue multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Q2's largest deals: There were three notable IT deals of Q2. Leading the pack was the \$34.5 billion merger between Cox Communications and Charter Communications, a transformative deal combining two of the largest cable operators in the US to drive scale and infrastructure synergies in broadband and wireless delivery.¹⁵ In enterprise software, Salesforce announced its \$8 billion acquisition of Informatica, aimed at strengthening its data management and integration capabilities to support next-generation, AI-driven solutions in customer relationship management.¹⁶ Meanwhile, OpenAI made headlines with its \$6.5 billion purchase of io Products, the design-forward AI hardware startup launched by Jony Ive.¹⁷

¹⁵: "Charter Communications and Cox Communications Announce Definitive Agreement to Combine Companies," Charter Communications, May 16, 2025.

¹⁶: "Salesforce Signs Definitive Agreement to Acquire Informatica," Salesforce, May 27, 2025.

¹⁷: "OpenAI Unites With Jony Ive in \$6.5 Billion Deal to Create A.I. Devices," The New York Times, Mike Isaac and Cade Metz, May 21, 2025.

Materials & resources

Materials & resources M&A activity by quarter



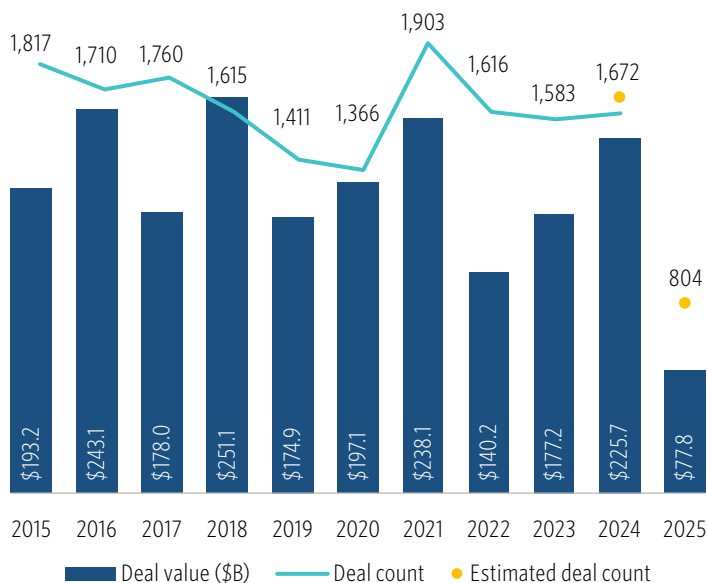
Source: PitchBook • Geography: Global • As of June 30, 2025

Kyle Walters

Research Analyst, Private Equity

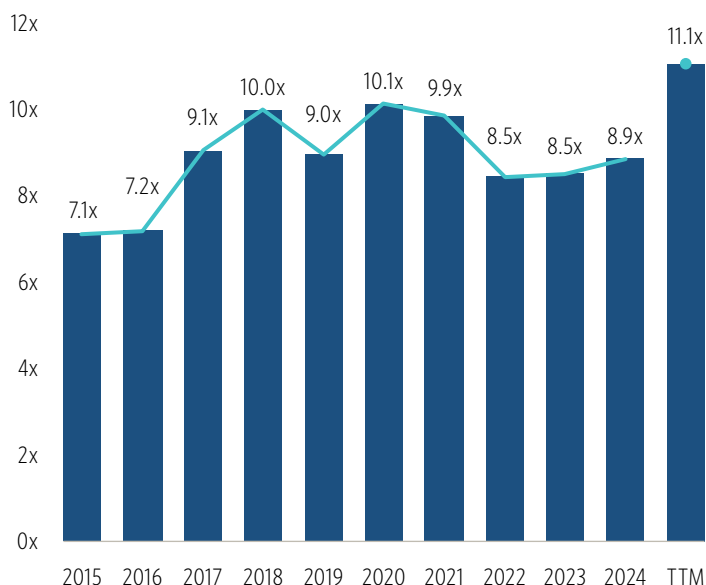
Materials & resources M&A activity remains flat: Materials & resources is known for being a rather cyclical sector that ebbs and flows alongside the market. However, the second quarter was quite the opposite, with activity moving sideways from Q1 2025 and Q2 2024, remaining flat. In Q2, the sector saw an estimated 406 deals worth \$38.7 billion, which is also in line with Q2 2024. It is worth noting that the first two quarters of 2025 follow the fourth quarter of 2024, which was the best quarter in the sector's history in terms of M&A activity. YTD, the sector has seen an estimated 804 deals announced or closed for a total value of \$77.8 billion. When annualized, 2025 is on pace to be one of the worst years for deal value in a decade, with only 2022 seeing similar figures. However, deal count is pacing for YoY growth, indicating that deals are getting done, but we are seeing fewer large-scale deals compared with years past.

Materials & resources M&A activity



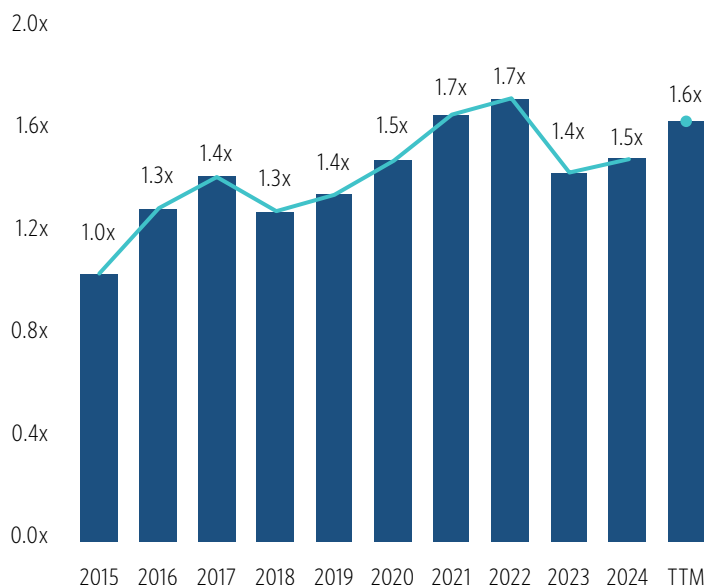
Source: PitchBook • Geography: Global • As of June 30, 2025

Materials & resources M&A EV/EBITDA multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Materials & resources M&A EV/revenue multiples



Source: PitchBook • Geography: North America and Europe • As of June 30, 2025

Metals, minerals & mining once again accounts for the largest deals:

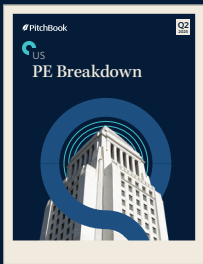
The subsector known for providing raw materials essential for manufacturing goods used every day, such as electronics and cars, as well as precious metals, continues to see robust M&A activity. In April, Australian gold miner Northern Star agreed to acquire fellow gold miner De Grey Mining for \$3.1 billion in a move that will allow Northern Star to increase its scale in Western Australia and enhance the quality of its asset portfolio to generate strong earnings. Elsewhere in the precious metals space, Pan American Silver announced it would acquire MAG Silver for \$2.1 billion. The acquisition of MAG allows Pan American to become one of the largest silver miners in the Americas, increasing its exposure to high-margin silver products.

The materials & resources sector sees notable carveout transactions take place:

In the current environment, it is no surprise that corporations are looking to shed noncore assets, focus on core competencies, and provide a better, clearer picture for investors regarding the outlook of the company. Conversely, other corporations have seized this opportunity to continue their growth. In April, Global Eggs agreed to acquire Hillandale Farms, one of the largest egg suppliers in the US, for \$1.1 billion. The transaction will allow Global Eggs to ramp up US production while also doubling its global output. Later in April, Vista Energy announced its acquisition of commodity chemicals producer Petronas E&P Argentina for \$1.5 billion. The deal allows Vista to gain significant scale in Vaca Muerta, an oil deposit located in northern Patagonia, Argentina.

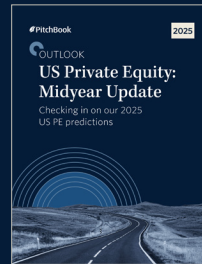
Additional research

Private markets



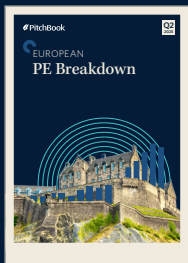
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