

# **Bain & Company 2026 Global M&A Report**

## **2025 Lookback**

As of December 10, 2025 – Final Media Pack

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**DRAFT**

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# 2025 M&A Executive Summary

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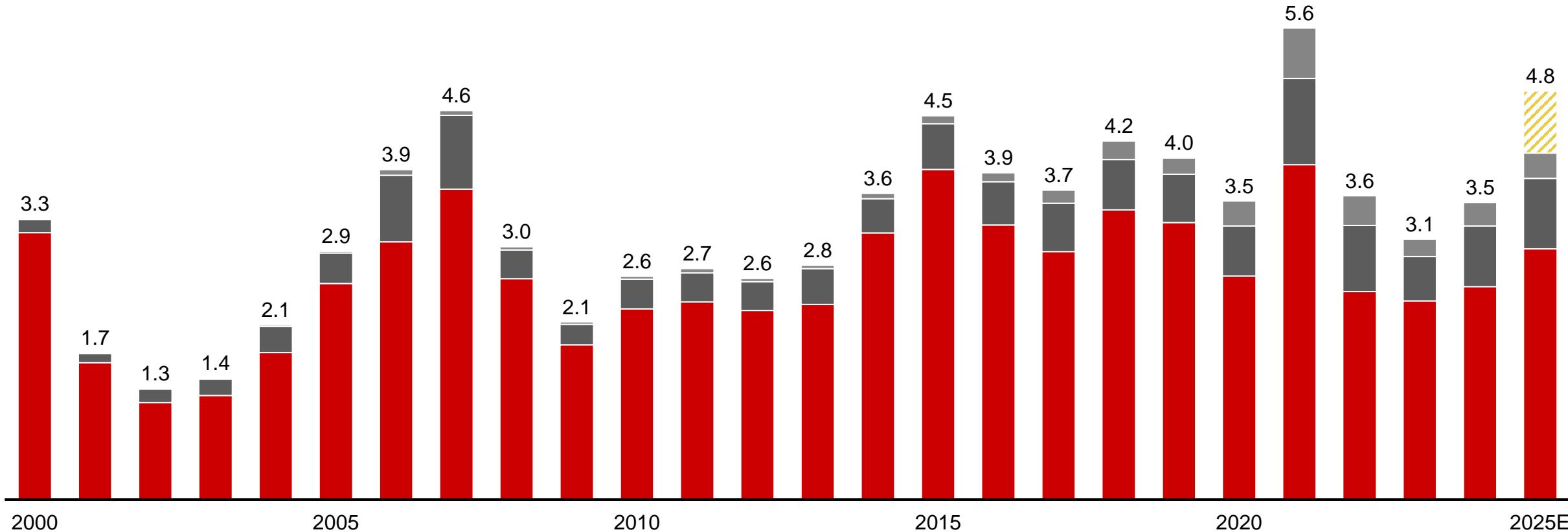
- **The great M&A rebound of 2025 is on track to deliver the second highest total deal value ever (\$4.8T), up +36% in value, 5% in count**
  - The rebound is broad-based across dealmakers (strategic, financial sponsors/PE and venture capital), region, and industry
  - Tech M&A, powered by AI-related deals, and Industrials led industry growth; deals for US targets contributed >50% of incremental value
- **Strategic buyers put M&A front and center to drive growth amid improved M&A market conditions**
  - The #1 reason for increased M&A activity was the **central role of M&A to strategy** according to Bain's Global M&A Outlook 2026 Survey of >300 M&A executives; **~60% of deals >\$1B were scope**, the highest rate ever, reflecting a focus on **topline growth and adding new capabilities**
  - Buyers and sellers both expressed more confidence in favorable valuation expectations as **valuations ticked up a turn to 11.6x EV/EBIDTA**
  - **Trade policy uncertainty had muted impact**, an early pull-back in April 2025 was short lived; US regulators moved to accept remedies and negotiated outcomes
- **A wave of megadeals (over \$5 billion) propelled the resurgence, as infrequent acquirers came off the sidelines**
  - Deals >\$5B contributed 75% of strategic deal value growth; most (~60%) by infrequent acquirers and ~40% were “transformative” in size (>50% acquirer market cap)
  - “Transformative” deals are often big bets: high risk and high reward, requiring outsized focus on strategic and organizational alignment to create value
- **AI is increasingly impacting what deals get done and how**
  - AI-dealmaking fueled the rebound in Tech M&A; almost half of strategic technology deal value for deals >\$500M involved AI natives or deals that cited AI benefits
  - >75% of strategic acquirers have assessed the impact of AI on the target's business; ~20% have walked away from a deal as a result
  - Use of AI for M&A doubled to ~45% of practitioners, with adoption widespread across company types and M&A value chain activities
- **Despite the rebound, capital allocation to M&A fell to a 10-year low as other investments crowd out M&A spend**
  - In 2025YTD, M&A accounted for 7% of S&P World Index companies' cash expenditures versus a range of 9-17% in preceding 9 years
  - More investment is going to capex (36%) and R&D (19%); the Magnificent 7 alone spent a combined ~\$500B in capex and R&D through Q325 (versus ~\$9B on M&A)

# After an extended downcycle, deal value surged 36% in 2025

## M&A deal market value, in trillions of US dollars

Percentage change from 2024 to 2025 for all M&A, 36%

Strategic, 38% Financial Investors, 31% Venture capital / corporate venture capital, 28% 2025 estimate



Note: 2025E includes actuals through November 15<sup>th</sup> 2025 and an estimate through end of year; Strategic M&A includes corporate M&A and PE portfolio add-ons

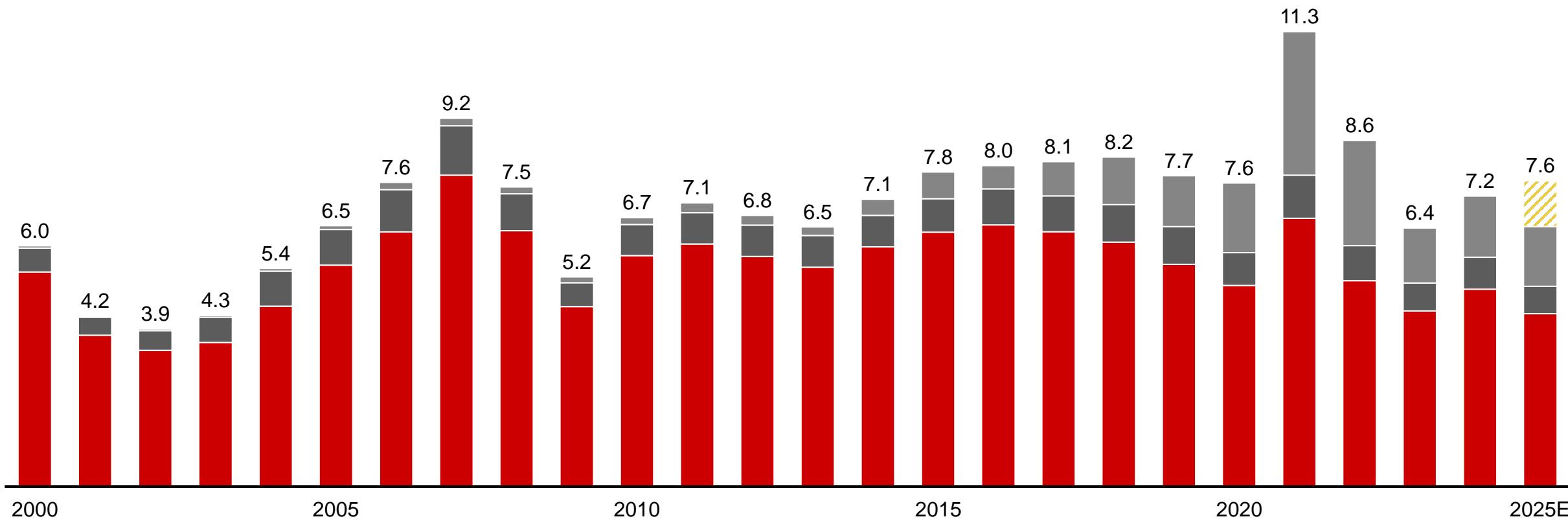
Source: Dealogic as of 18<sup>th</sup> November 2025

# Overall deal counts ticked up modestly, reflecting a shift toward larger deal sizes

## M&A deal market count for deals greater than \$30M, in thousands

Percentage change from 2024 to 2025 for all M&A, 5%

Strategic, 4%      Venture capital / corporate venture capital, 11%  
Financial Investors, -1%      2025 estimate



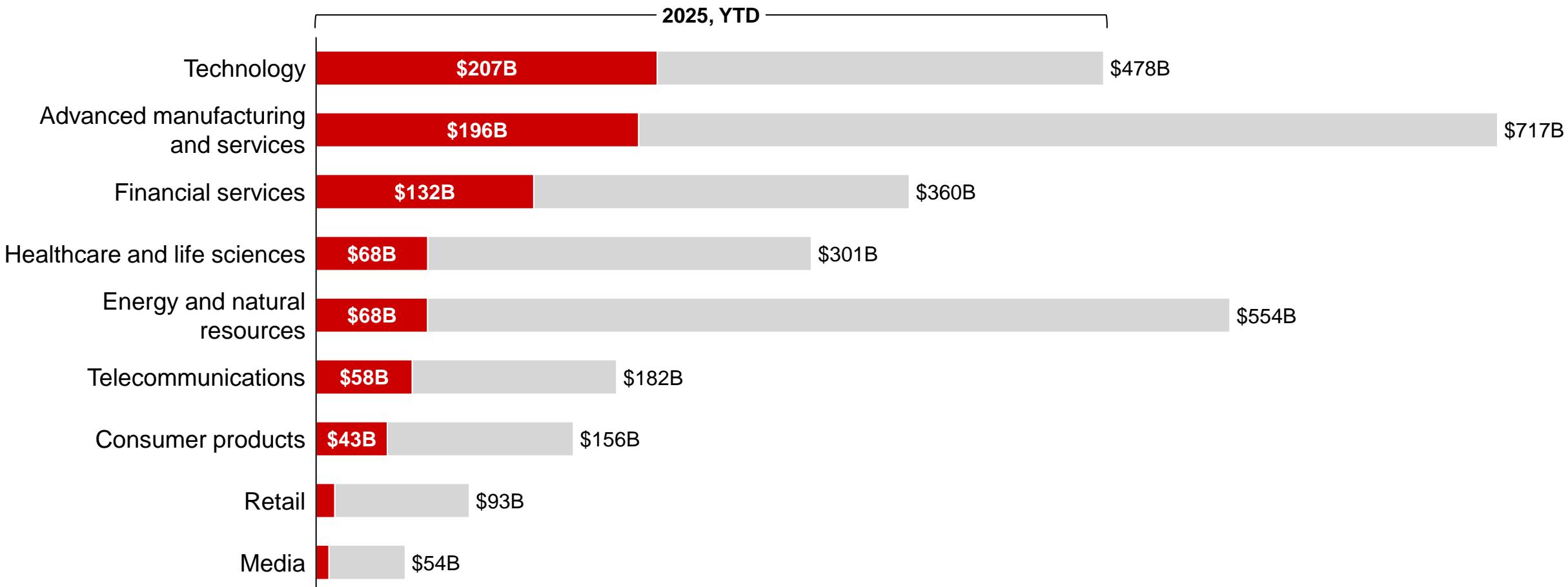
Note: 2025E includes actuals through November 15<sup>th</sup> 2025 and an estimate through end of year; Strategic M&A includes corporate M&A and PE portfolio add-ons

Source: Dealogic as of 18<sup>th</sup> November 2025; 2000-2024 are full years, while 2025 is YTD

# Technology and Advanced Manufacturing & Services led strategic M&A deal value growth in 2025

## Strategic deal value, 2025 year-to-date

■ Change in value from 2024



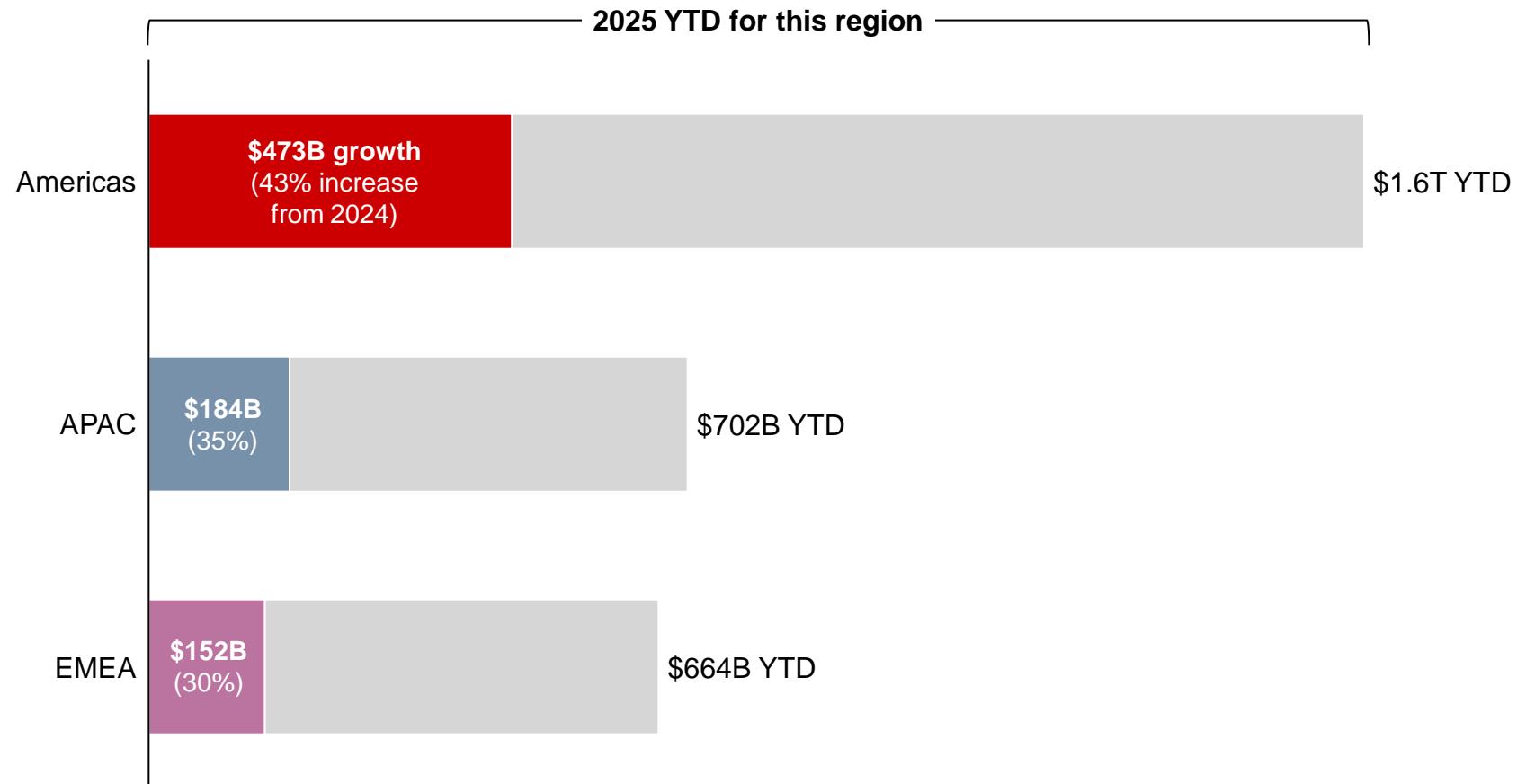
Note: Strategic M&A includes corporate M&A and PE portfolio add-ons; excludes conglomerates and services; Year-to-date includes deals through 15<sup>th</sup> November

Source: Dealogic as of 17<sup>th</sup> November 2025

# Deal value grew across regions in 2025

## Strategic deal value, 2025 year-to-date

■ Changes in value from 2024

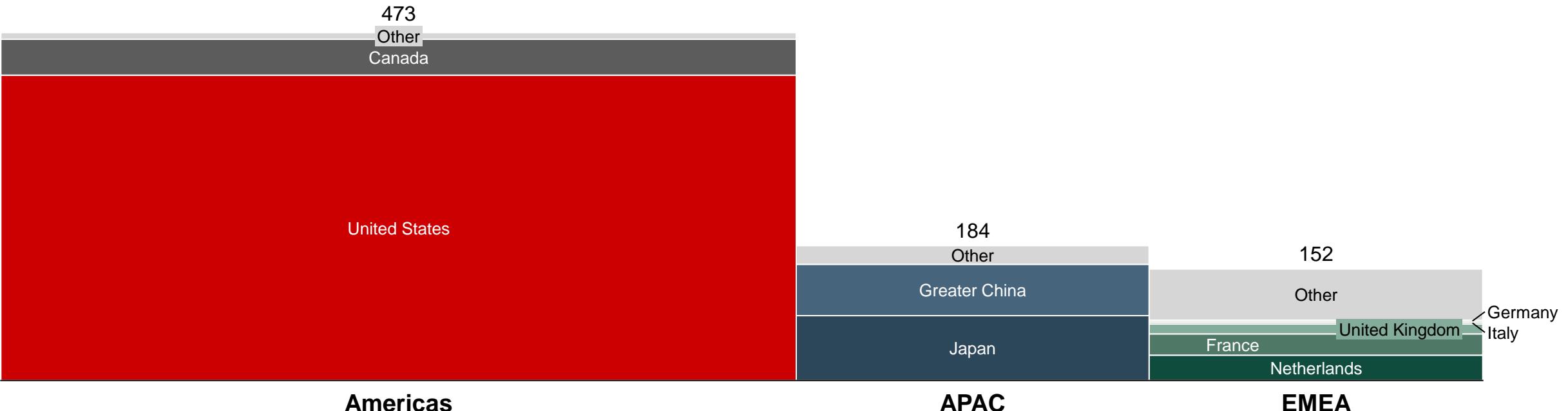


Note: Deals classified by target region and country; Strategic M&A includes corporate M&A and PE portfolio add-ons; Year-to-date includes deals through 15<sup>th</sup> November

Source: Dealogic as of 17<sup>th</sup> November 2025

# Deal value grew across regions in 2025; deals for US assets contributed the most growth

## Change in strategic deal value, 2024 to 2025 year-to-date (in billions of US dollars)



## Strategic deal value, 2025 year-to-date (in billions of US dollars)

## Percentage change in strategic deal value, 2024 to 2025 year-to-date

43%

35%

30%

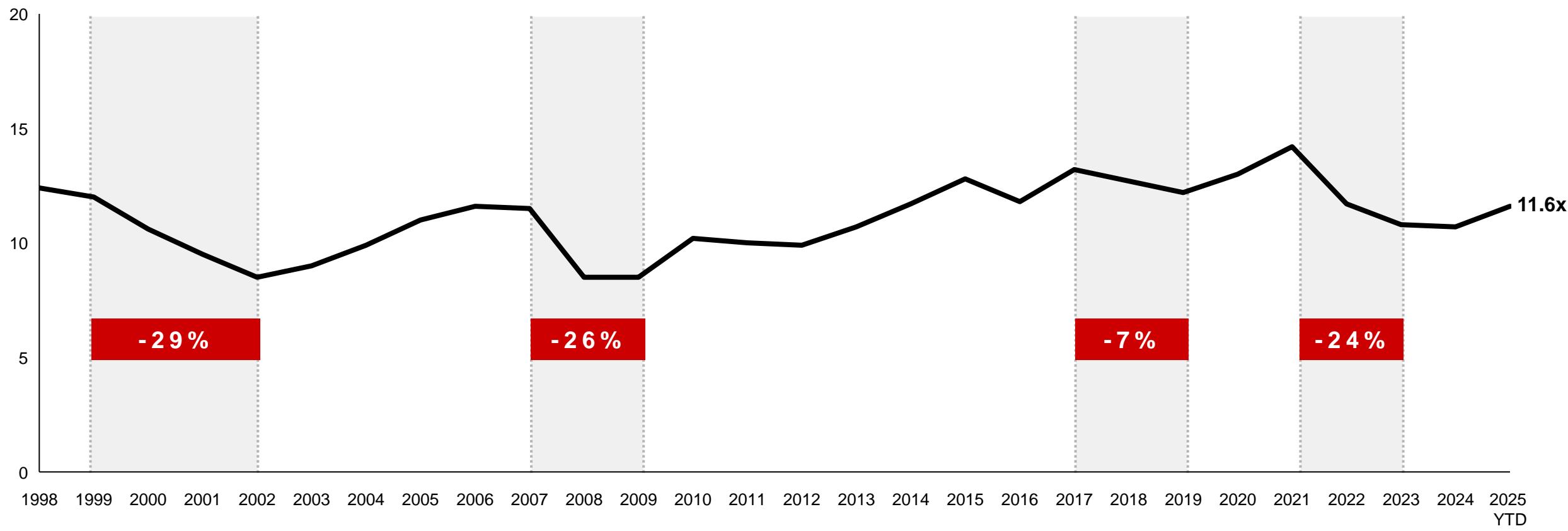
Note: Deals classified by target region and country; Height of bars indicates change in strategic deal value for 2025 vs. 2024 year-to-date, width of bars indicates total strategic deal value in 2025 year-to-date. Strategic M&A includes corporate M&A and PE portfolio add-ons; Year-to-date includes deals through 15<sup>th</sup> November

Source: Dealogic as of 17<sup>th</sup> November 2025

# Valuations have ticked up again in 2025 but remain below recent peaks

/ DATA THROUGH NOV 15, 2025

## DEAL MULTIPLES (MEDIAN EV/EBITDA)

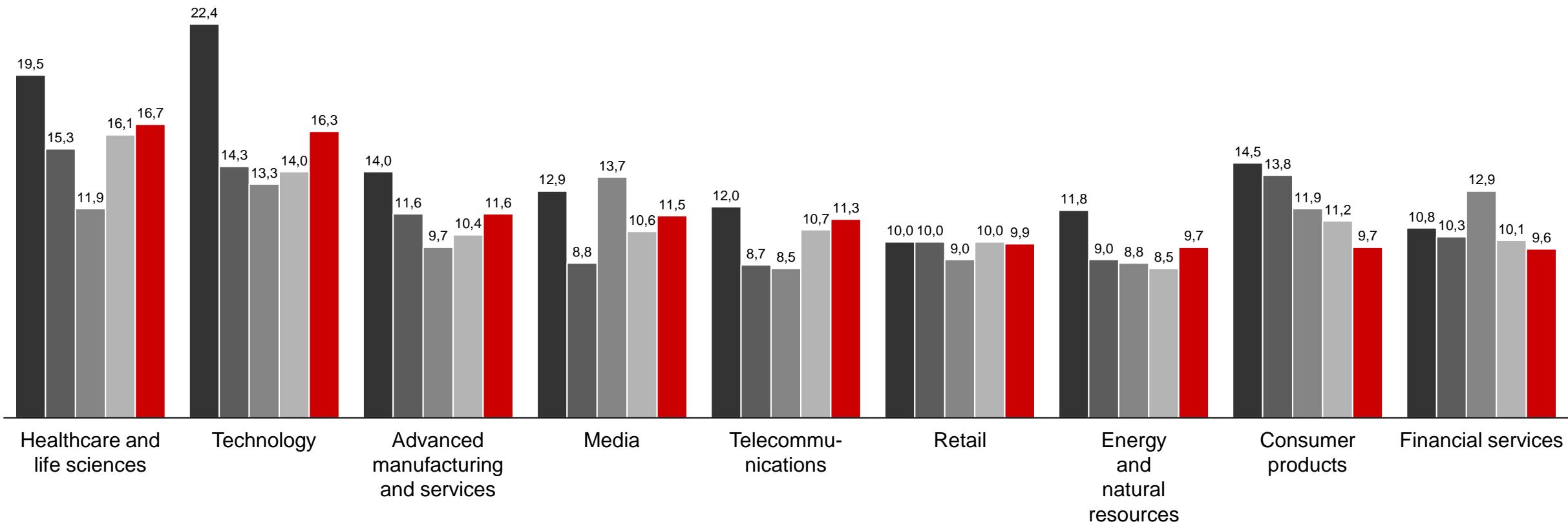


Note: 2025 YTD median based on 1097 deals announced in 2025; YTD includes Jan-Oct data; Strategic M&A includes Corporate M&A deals (which includes PE exits) and Add-ons and excludes deals having acquirer L2 industry as Government/Public Banks; Strategic M&A includes the stake acquisition deal - Roshni Nadar Malhotra (Private Individual) / HCL Technologies Ltd (\$10.1B) and includes deals in Jun'25 pertaining to the privatization of Toyota industries (\$43B)  
Source: Dealogic as of November 17<sup>th</sup> 2025

# Valuations have ticked up but remain below 2021 peak levels for most industries

## Median enterprise value to EBITDA multiples per industry (strategic deals)

■ 2021 ■ 2022 ■ 2023 ■ 2024 ■ 2025 YTD



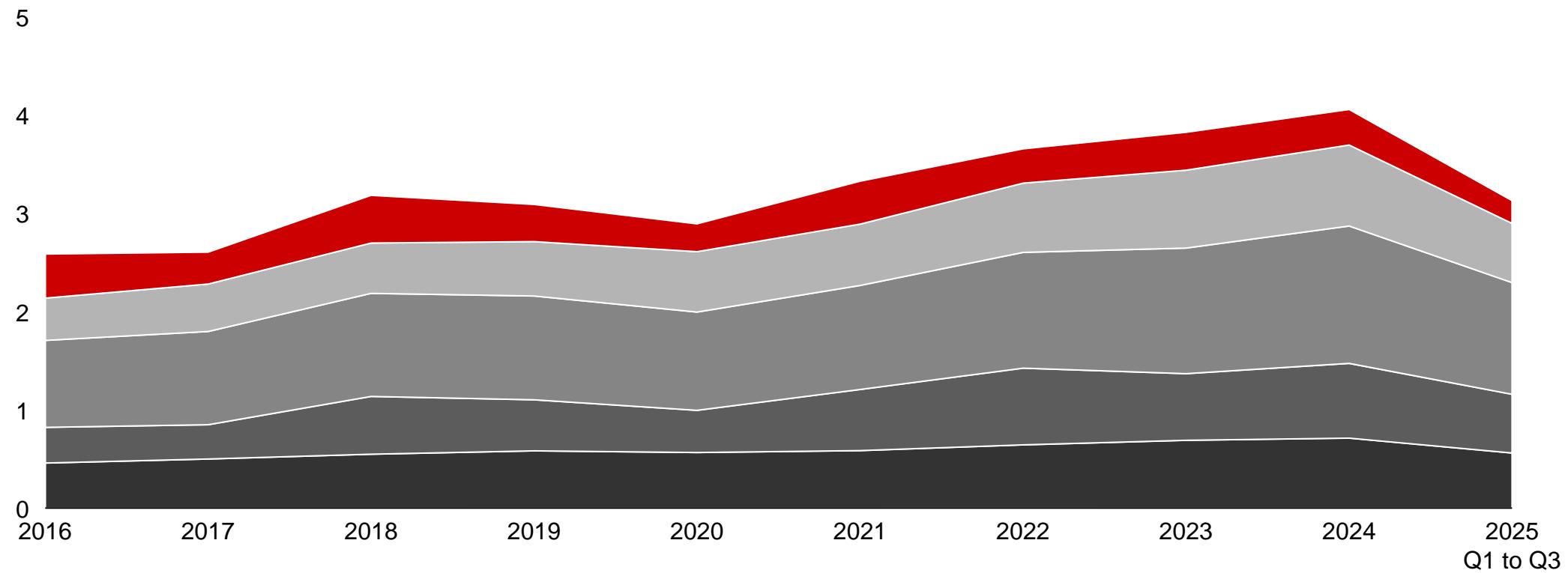
Note: Median deal multiples for announced strategic deals in which valuation data was available; strategic deals include corporate M&A and PE portfolio add-ons; 2025 data includes deals through 15<sup>th</sup> November 2025

Source: Dealogic as of 17<sup>th</sup> November 2025

Over the past decade, M&A has lost share to other forms of cash expenditures, reaching a low of 7% in 2025

### Annual cash expenditure for S&P World Index companies by use of cash (in trillions of USD)

■ Dividends paid ■ Share buybacks ■ Capital expenditure ■ R&D ■ M&A



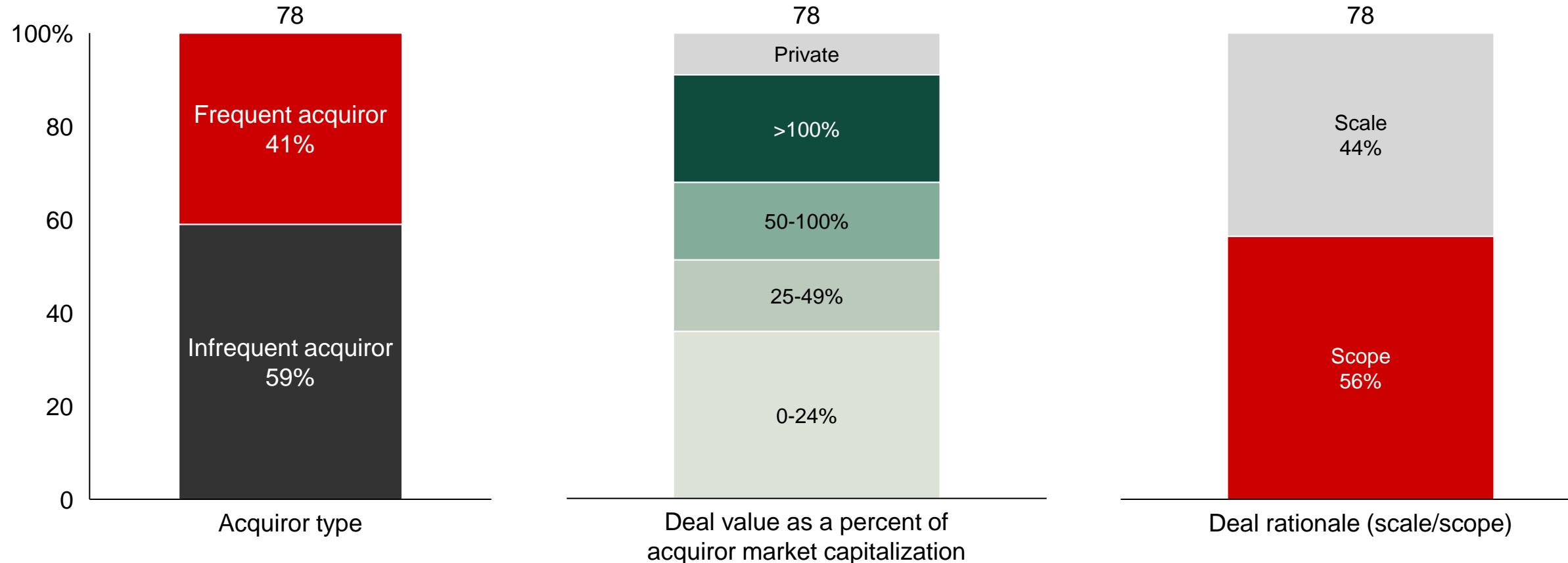
M&A allocation	\$449B	\$325B	\$485B	\$379B	\$283B	\$436B	\$348B	\$386B	\$361B	\$232B
M&A % of allocation	17%	12%	15%	12%	10%	13%	9%	10%	9%	7%

Notes: Data is a subset of S&P World Index Companies (N=685)

Source: S&P World Index Data from CapIQ

Most mega deals >\$5B involve infrequent acquirers; many are transformative in size and strategic rationale

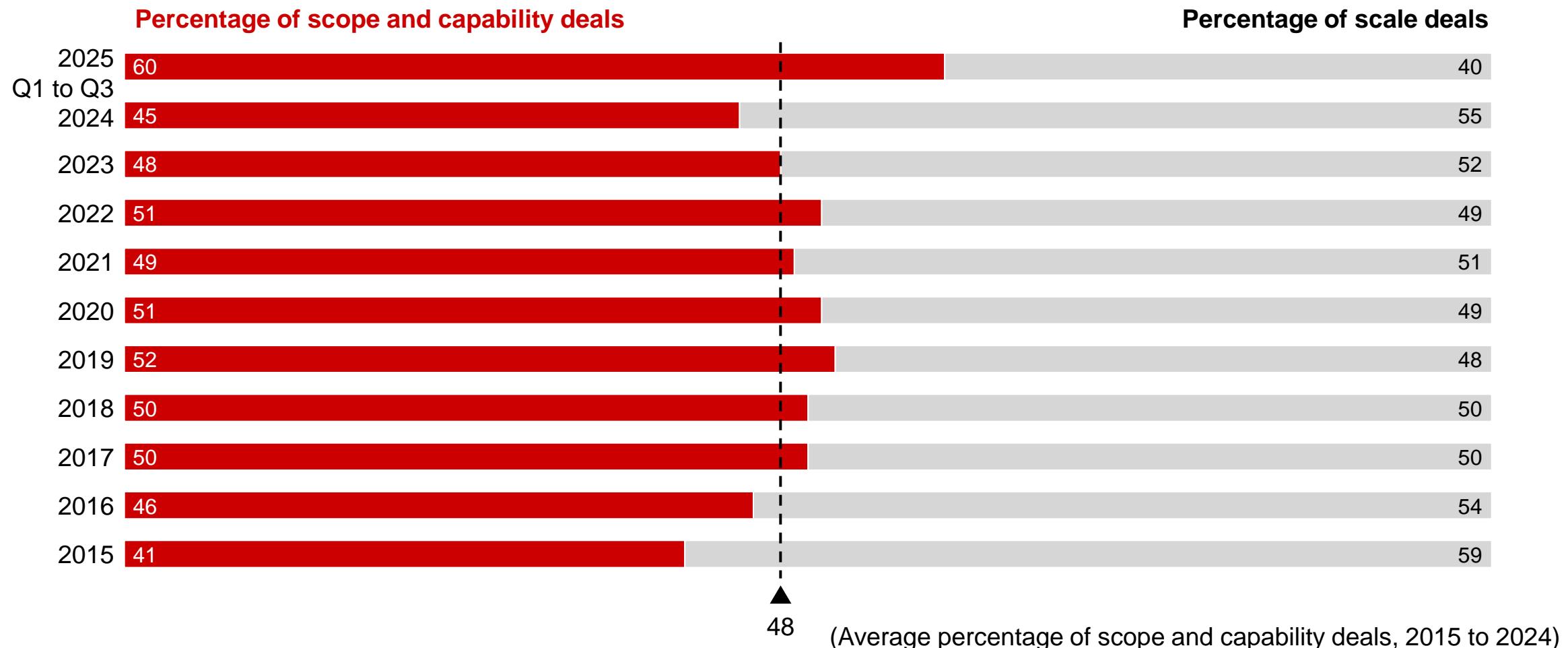
## Count of strategic acquisitions with deal value greater than \$5B in 2025



Note: Mega deals include strategic acquisitions over \$5 billion USD deal value, announced January 1 - November 15<sup>th</sup> 2025, excludes spin-offs; market cap. determined 20 days prior to deal announcement; private acquirors include privately held and government-owned entities; frequent acquirors made 10+ acquisitions in last 10 years Source: Dealogic as of 17<sup>th</sup> November 2025, CapIQ

60% of large deals were scope thus far in 2025, the highest rate of scope dealmaking observed

## Significant strategic deals



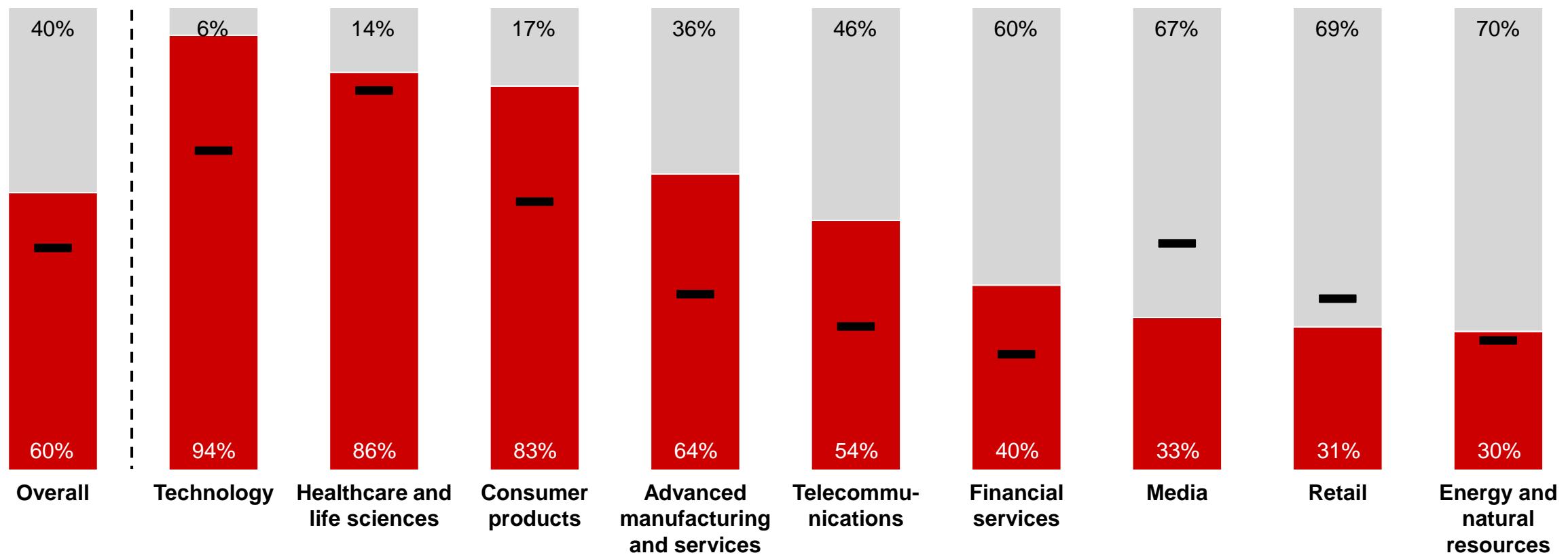
Note: Analysis includes strategic deals with value greater than \$1 billion, excludes real estate and services; Strategic M&A includes corporate M&A and PE portfolio add-ons

Source: Bain M&A Scale-Scope database

# Advanced manufacturing & services, telecommunications, and consumer products led the swing toward scope deals in 2025

## Percentage of significant deals that were scope versus scale, Q1 to Q3 2025

— 2015 to 2024 average deal distribution percentage ■ Scope ■ Scale



Note: Analysis includes strategic deals with value greater than \$1 billion, excludes real estate and services; Strategic M&A includes corporate M&A and PE portfolio add-ons  
Source: Bain M&A Scale-Scope database

# Appendix: Glossary of terms and Methodology

Term	Description	Methodology – Dealogic (source)
Strategic M&A	Corporate	<ul style="list-style-type: none"> <li>Transactions by public or private-owned companies to acquire full or partial purchase of another company</li> </ul>
	Private equity add-ons	<ul style="list-style-type: none"> <li>Transactions by companies owned or backed by financial sponsors that make a full or partial purchase of another company</li> </ul>
Non-strategic M&A	Financial investors	<ul style="list-style-type: none"> <li>“Standalone” transactions by financial investment firms; typically to acquire control of mature companies (e.g. generating profitable cash flow)</li> <li>Includes private equity, sovereign wealth funds, and other institutional investors</li> </ul>
	Venture Capital (VC) / Corporate VC	<ul style="list-style-type: none"> <li>Investment made by firms focused on early-stage companies that are not yet profitable and project high growth, typically partial investments</li> </ul>
		<ul style="list-style-type: none"> <li>Deal activity is <b>tracked based on deal announcement date</b></li> <li>Deal value is <b>calculated based on value at deal announcement</b> and is <b>revised if a deal closes at a differing value</b></li> <li><b>Year-over-year changes in deal value are expected</b> and are driven by a few factors: <ul style="list-style-type: none"> <li>Cancelled deals</li> <li>Declined deal offers / negotiations</li> <li>New deals added that were not captured at original announcement date (often smaller deals)</li> <li>Deal value changes from value at announcement to value at close</li> </ul> </li> <li>In prior years we have included <b>SPAC</b> (special purpose acquisition company) deals in the total M&amp;A market. This year we have <b>excluded these types of deals</b></li> </ul>
<p><b>Together, these two categories equal Dealogic's total M&amp;A market</b></p>		

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