



European  
**Corporate**  
Insights

**ANDERSEN**<sup>®</sup>

**M&A AND PE IN EUROPE**  
Q3 RESULTS AND FORECASTS

**Q3**  
**25**

# M&A and PE in Europe

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2025  
Q3



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# Introduction

## Executive Summary

European M&A and Private Equity (PE) activity remained selective in the third quarter of 2025, as investors continued to navigate high financing costs, valuation misalignments and geopolitical uncertainty. **M&A deals reached €201.7 billion across 3,571 transactions, while PE-backed transactions totaled €51.3 billion across 1,160 deals**, marking a rebound in value compared with Q2 but still reflecting subdued overall volumes.

The United Kingdom retained its leadership, while the Netherlands rose unexpectedly into second place, closely followed by Germany, displacing France and Italy from the top tier. Sector activity was dominated by energy transition, healthcare, technology and consumer staples, while real

estate and cyclical industries remained under pressure. Private equity firms focused on large-cap, scalable assets in core markets, while private credit continued to underpin mid-market financing as banks remained cautious.

Looking ahead, dealmaking is expected to remain cautious but stable through the final quarter of 2025. Investors are likely to concentrate on resilient sectors such as utilities, digital infrastructure and healthcare, while opportunities in emerging markets like Ireland, the Czech Republic and Romania are also attracting attention. Capital will continue to be deployed selectively, with well-positioned companies benefiting from disciplined investment strategies and growing demand for sustainable, future-proof business models.

## Executive Summary

This edition of *Andersen's European Corporate and M&A Insights* provides an in-depth review of M&A and private equity activity across Europe during Q3 2025. It highlights the continued decline in transaction volumes, the concentration of value in fewer but larger deals, and the resilience of sectors such as **energy, healthcare, technology and consumer staples**.

The report also explores the reshuffling among leading jurisdictions, with the **Netherlands** and **Germany** advancing alongside the **United Kingdom**, and offers perspectives on how investors and corporates are navigating a more selective and disciplined dealmaking environment.



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A grayscale background image of chess pieces on a board, including a knight, a king, and a queen, arranged in a strategic pattern.

**€201.7b M&A**  
(3.571 deals)

**€51.3b PE**  
(1.160 deals)

# Q3 Results: M&A and PE overview

## M&A Market Overview

The European M&A market entered the third quarter of 2025 with a continued emphasis on **selectivity and discipline**. Total deal value reached €201.7 billion across 3,571 transactions, broadly stable in value but reflecting a further contraction in volumes compared to earlier in the year. **Persistent financing constraints and a cautious macroeconomic outlook** — characterized by high interest rates and uneven growth forecasts — continued to weigh on sentiment and kept mid-market activity under pressure.

### UK

**50.239,16€**

Rank Value (MM, EUR)

**648**

Number of Deals

Activity was concentrated in a smaller group of jurisdictions, with the United Kingdom maintaining its lead, the Netherlands unexpectedly rising to second place, and Germany also advanced, outperforming Italy and France. This **reshuffling among the top markets reflects a shift in investor preference toward larger, more strategic opportunities in select geographies**. Cross-border transactions remained limited, with domestic consolidation and targeted strategic acquisitions dominating deal flow.

### Netherlands

**33.283,42€**

Rank Value (MM, EUR)

**164**

Number of Deals

At the sector level, capital continued to flow into **energy transition, technology and healthcare, alongside renewed interest in defensive segments such as consumer staples**. The overall tone of Q3 data points to a market that remains cautious, fragmented and defensive, where investors prioritize resilience and scale over volume, reinforcing the structural trend toward fewer but more impactful transactions.

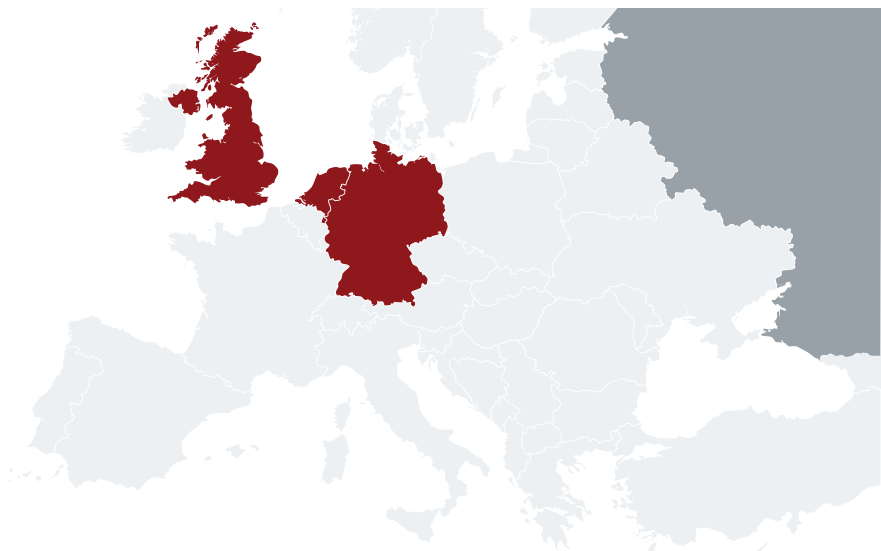
### Germany

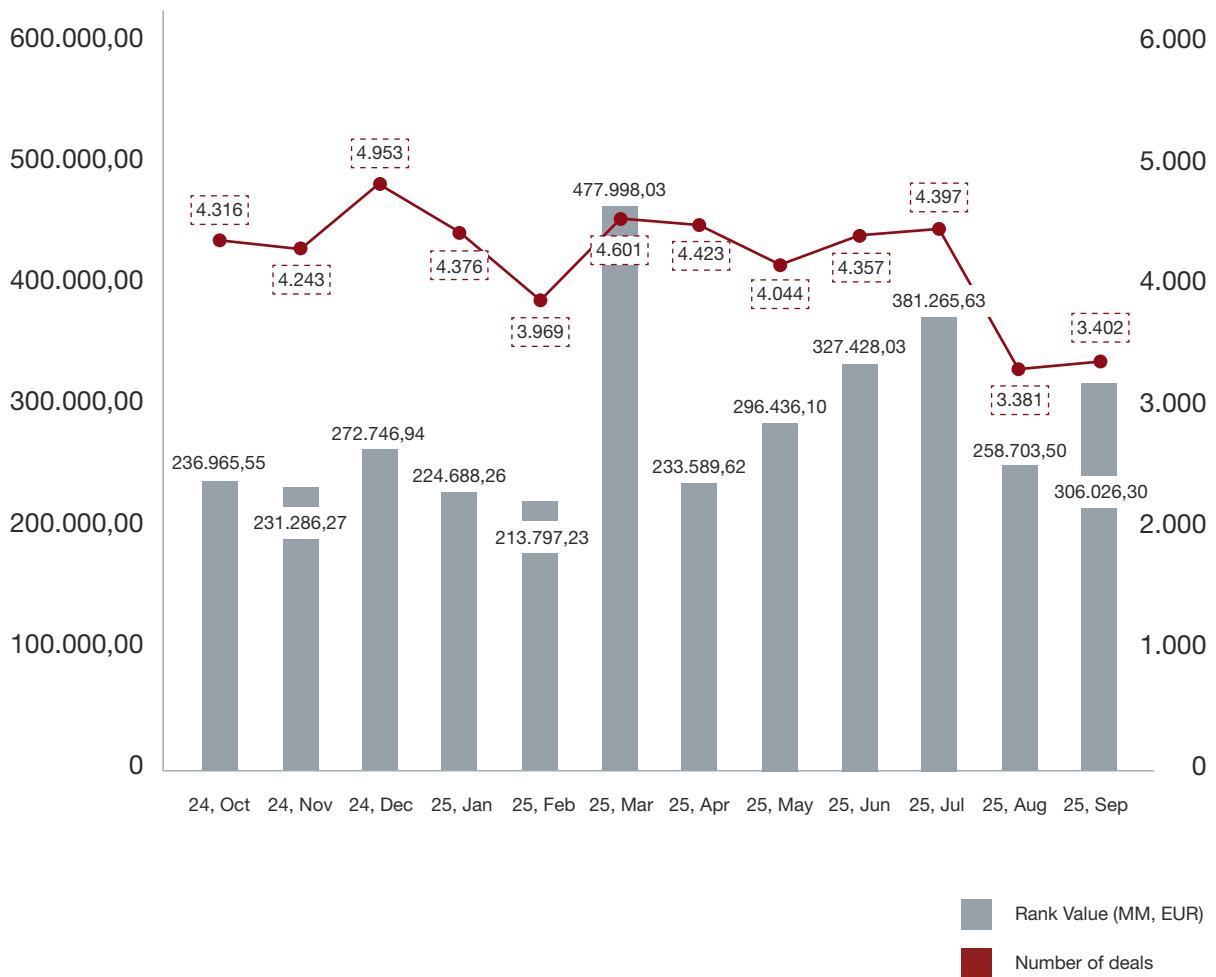
**32.342,96€**

Rank Value (MM, EUR)

**381**

Number of Deals





## M&A Deals Summary (Last 12 Months)

The European M&A market registered **50.462 deals totaling €3.46 trillion between October 2024 and September 2025**, reflecting a year characterized by caution and selectivity.

March 2025 emerged as the strongest month (€478 billion), while February represented the weakest point (€214 billion). Deal flow peaked in December 2024 with 4.953 transactions, before falling to a low of 3.381 in August 2025, underscoring seasonal pressures and growing investor selectivity.

**Q3 2025 closed at €201.7 billion across 3.571 transactions**, extending the downward trend in volumes but with aggregate value supported by several large-cap transactions.

**The yearly overview reflects a market still active, yet increasingly shaped by fewer but more substantial transactions.** Investors have concentrated capital on resilient assets and sectors offering strategic fit, while mid-market activity has felt the greatest pressure from financing constraints.

# M&A Q3 Deals

## Market Overview

**The United Kingdom remained the leading market in Q3 2025 with €50.2 billion across 648 transactions**, consolidating the position it held in the previous quarter. The Netherlands rose unexpectedly to second place (€33.3 billion, 164 deals), reflecting a handful of large-cap transactions, while Germany (€32.3 billion, 381 deals) also advanced, both surpassing Italy and France.

Italy (€14.9 billion, 404 deals) and France (€12.8 billion, 330 deals) maintained solid volumes but slipped in the rankings. Switzerland again stood out for its high value relative to volume (€12.5 billion from 128 deals). Among mid-sized markets, Spain (€7.1 billion, 305 deals) held steady, while Ireland (€5.8 billion, 63 deals) demonstrated the weight of selective, large-scale investments.

In Central and Eastern Europe (CEE), the Czech Republic (€4.6 billion) delivered a strong quarter, contrasting with a sharp decline in Poland (€1.2 billion). The Nordics showed mixed results, led by Sweden (€7.2 billion, 216 deals), while Norway, Denmark and Finland remained moderate. Smaller jurisdictions such as Portugal, Austria and Guernsey added limited but noteworthy deal flow.

**Overall, Q3 underlined the dominance of Western Europe, with the UK firmly ahead and the Netherlands' unexpected rise reshaping the top tier.**



UK leads Q3 2025 with €50.2bn, remaining Europe's top M&A market.

Country	Rank Value (MM, EUR)	Number of Deals
United Kingdom	50.239,16 €	648
Netherlands	33.283,42 €	164
Germany	32.342,96 €	381
Italy	14.853,32 €	404
France	12.814,64 €	330
Switzerland	12.458,98 €	128
Sweden	7.158,04 €	216
Spain	7.064,54 €	305
Ireland	5.781,23 €	63
Czech Republic	4.558,93 €	23

Country	Rank Value (MM, EUR)	Number of Deals
Norway	3.958,55 €	80
Jersey	3.569,28 €	7
Denmark	2.585,86 €	69
Greece	2.198,28 €	14
Poland	1.183,94 €	114
Finland	1.179,93 €	68
Austria	1.044,38 €	31
Portugal	988,24 €	76
Guernsey	984,50 €	4
Iceland	631,33 €	6

Top 20 countries ranked by total deal value (MM, EUR)



# M&A Q3 Deals

## Industry Segmentation

In Q3 2025, Energy and Power (€37.2 billion, 212 deals) emerged as the leading sector by value, overtaking Financials (€35.2 billion, 336 deals), which had ranked first in Q2. This shift reflects the renewed focus on energy transition and infrastructure assets amid ongoing geopolitical and regulatory pressures. Healthcare (€30.0 billion, 236 deals) also moved higher in the rankings, confirming steady demand for scalable healthtech and life sciences platforms.

By volume, High Technology once again dominated with 663 transactions (€26.0 billion), sustaining investor appetite for digital infrastructure, software and automation. Industrials (€15.2 billion, 595 deals) remained highly active, though its overall ranking slipped compared to Q2 as capital gravitated toward energy and defensive sectors.

Other industries recorded more selective contributions. Consumer Staples surged into the

top tier after ranking only tenth in Q2, underscoring the defensive appeal of food, beverage and household assets in the current climate. In contrast, Real Estate retreated from the top five, constrained by financing conditions. Retail and Media & Entertainment reflected ongoing restructuring in consumer-facing businesses, while Materials, Telecoms & smaller categories such as government-related activity played only a marginal role.

Overall, Q3 data highlights a reordering of sector dynamics, with Energy, Healthcare and Consumer Staples gaining prominence, while traditional leaders such as Industrials and Real Estate lost ground. The distribution confirms a market where investors continue to favor resilience, scale and long-term strategic relevance over broad-based deal flow.



Total Rank Value  
**201.741,56€**

Number of Deals  
**3.571**

# 1

## Energy & Power

**37.241,25€**

Rank Value (MM, EUR)

**212**

Number of Deals

# 2

## Financials

**35.241,68€**

Rank Value (MM, EUR)

**336**

Number of Deals

# 3

## Healthcare

**29.962,66€**

Rank Value (MM, EUR)

**236**

Number of Deals

#	Industry	Rank Value (MM, EUR)	No. of Deals
#4	High Technology	25.992,87 €	663
#5	Consumer Staples	25.859,90 €	207
#6	Industrials	15.208,40 €	595
#7	Retail	8.165,81 €	176
#8	Media & Entertainment	6.460,22 €	256
#9	Real Estate	6.244,57 €	207
#10	Materials	5.023,16 €	184
#11	Telecom.	3.224,98 €	46
#11	Consumer Prod. & Services	3.105,04 €	444
#13	Government & Agencies	11,02 €	9

## Q3 2025 Top Industries in M&A: Q3 2025 vs Q3 2024

M&A	2025 Q3		2024 Q3		Evolution	
	Rank Value (MM, EUR)	#of Deals	Rank Value (MM, EUR)	#of Deals	Rank Value (MM, EUR)	#of Deals
UK Financials	24.484,46 €	99	4.010,58 €	97	512,99%	2%
Netherlands Consumer Staples	19.425,93 €	12	0 €	13	-	-8%
Germany Energy & Power	19.580,92 €	31	306,74 €	18	6.283,56%	72%
Italy Industrials	9.906,57 €	77	1.402,28 €	75	606,46%	3%
France High Technology	5.026,83 €	63	4.957,26 €	54	1,40%	17%
Switzerland Healthcare	8.895,19 €	23	254,05 €	22	3.401,35%	5%
Sweden High Technology	4.277,99 €	44	162,09 €	28	2.539,27%	57%
Spain Energy & Power	3.237,04 €	22	2.851,39 €	17	13,52%	29%
Ireland High Technology	4.356,79 €	15	4.619,84 €	9	-5,69%	67%
Czech Republic Healthcare	4.100,01 €	3	0 €	1	-	200%

10



**72%**

Evolution of Deals

**Germany**  
Energy & Power

**5%**

Evolution of Deals

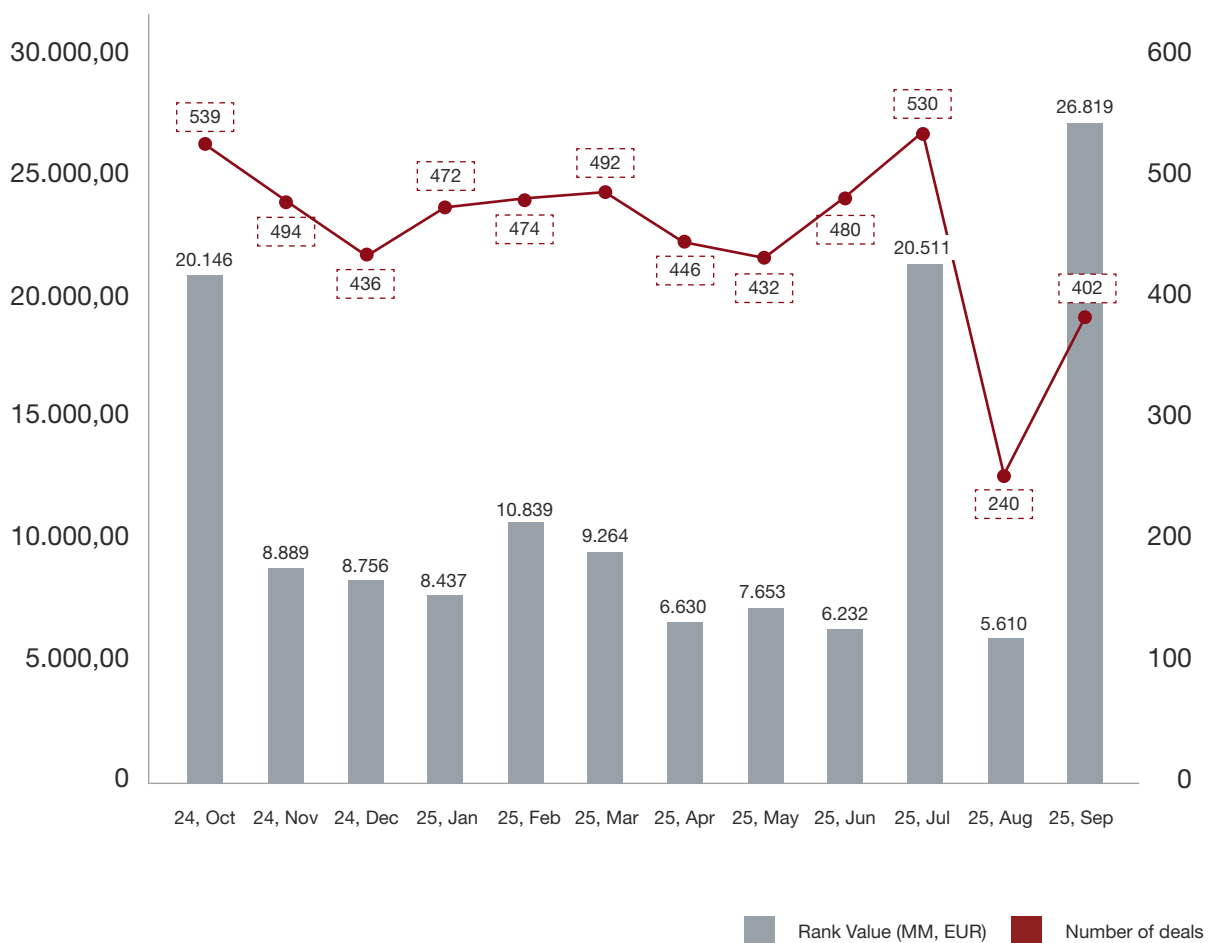
**Switzerland**  
Healthcare

## PE Market Overview

The European private equity market remained **highly selective in Q3 2025**, marked by continued discipline in capital deployment and significant volatility across the quarter. After a weak August, with activity dropping to one of the lowest points in recent years, September closed with a strong rebound in deal value, underscoring investors' focus on fewer but larger, high-conviction transactions.

Technology, healthcare, and infrastructure-related assets continued to attract the bulk of investor attention, while cyclical sectors saw sporadic large-cap deals rather than broad-based activity. Exit opportunities remained limited, with IPOs still facing timing challenges amid valuation mismatches and muted equity markets.

Overall, the quarter confirmed that private equity firms are prioritizing **strategic fit, scale and resilience** over deal volume. The market remains quieter compared to previous years, but capital continues to flow into high-quality opportunities, reinforcing the trend toward **concentrated and disciplined investment strategies**.



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## PE Deals Summary (Last 12 Months)

Over the last 12 months, the European private equity market recorded **€137.7 billion in total deal value**, reflecting a volatile but resilient cycle. Activity peaked in September 2025, reaching **€26.82 billion** across 402 deals — the highest value of the year, despite deal volume remaining well below the levels seen in late 2024.

At the other end of the spectrum, August 2025 marked the weakest month, with only 240 transactions and **€5.61 billion**, underscoring the cautious environment and slower decision-making during the summer period. By contrast, July had already signaled renewed momentum with **€20.51 billion** in value, showing that investor appetite for large-cap transactions remains present when high-quality assets come to market.

The first half of 2025 was notably subdued, with deal values oscillating between **€6.23 billion** (June) and **€10.84 billion** (February), reflecting persistent caution and lengthier closing processes. Compared to the stronger months of late 2024 — such as October with **€20.15 billion** and 539 transactions — the divergence between value and volume has become increasingly pronounced.

Overall, **the data highlights a more selective market dynamic, where fewer deals are being executed, but larger and more strategically relevant transactions continue to drive value.**

The recovery seen in September points to investors' willingness to commit capital under the right conditions, yet the market remains defined by discipline and opportunistic deployment rather than broad-based momentum.

Activity peaked  
September 2025  
**€26.82 billion**  
across **402 deals**

the highest value of the year, despite lower volumes than late 2024



## PE Q3 Deals Market Overview

In the third quarter of 2025, the European private equity market reached a total of **€51.29 billion across 1.160 transactions**, marking a significant rebound in deal value compared to the subdued levels of Q2. Activity remained concentrated in a limited number of core markets, while the pattern of investment highlighted a clear imbalance – with deal value driven by fewer large-cap transactions, even as overall volumes stayed subdued.

**Germany led the ranking by deal value**, with €17.42 billion across 188 transactions, consolidating its position as one of the **most attractive markets** for large-cap buyouts.

**The UK remained the most active market by volume**, with 362 deals, and secured €13.98 billion in total value, underscoring its role as Europe’s most dynamic PE hub. **France followed closely**, recording €13.33 billion from 95 transactions, **suggesting a concentration of sizeable investments despite lower volume**.

**Among mid-sized jurisdictions, Spain stood out** with €1.79 billion across 77 deals, while

Switzerland and Portugal each posted just above €700 million, albeit from lower transaction counts. The Nordics delivered mixed results: Finland closed €718 million in value from 24 deals, while Sweden recorded €692 million across 48 transactions.

Other markets were modest. Ireland and the Netherlands generated €413 million and €294 million respectively, while Italy remained relatively subdued at €219 million, despite 65 deals. Smaller jurisdictions such as Poland, Turkey and Belgium reported selective activity, with values ranging between €136 million and €166 million, highlighting opportunistic investment rather than broad momentum.

Overall, Q3 confirmed that private equity investment remains highly concentrated in Western Europe, with Germany, the UK and France together accounting for the vast majority of deal value. At the same time, smaller and mid-sized markets continued to attract selective interest, particularly where strategic or sector-specific opportunities were available.

Country	Rank Value (MM, EUR)	Number of Deals
Germany	17.416,00 €	188
United Kingdom	13.981,00 €	362
France	13.329,00 €	95
Spain	1.791,00 €	77
Switzerland	822,00 €	66
Portugal	719,00 €	15
Finland	718,00 €	24
Sweden	692,00 €	48
Ireland	413,00 €	19
Netherlands	294,00 €	56

Country	Rank Value (MM, EUR)	Number of Deals
Denmark	223,00 €	31
Italy	219,00 €	65
Belgium	166,00 €	22
Poland	137,00 €	12
Turkey	136,00 €	20
Norway	89,00 €	18
Austria	77,00 €	16
Romania	28,00 €	5
Estonia	24,00 €	12
Ukraine	13,00 €	9

Top 20 countries ranked by total deal value (MM, EUR)

# PE Q3 Deals

## Industry Segmentation

Private equity activity showed a strong concentration of capital in a handful of sectors, confirming the **market's selective & disciplined investment approach**.

**Utilities dominated the ranking by value, reaching €17.14 billion** across 43 transactions. This reflects investors' focus on large-scale, capital-intensive assets, particularly linked to infrastructure and the energy transition.

**Technology** followed with €7.06 billion and 527 deals, **proving to be the most active sector by volume**. Investor appetite remained strong for scalable, digital-first models, including software platforms, automation, and data-driven services.

**Healthcare maintained its relevance, recording €2.23 billion** across 153 transactions, highlighting persistent demand for life sciences, care services, and healthtech. Similarly, Industrials attracted 222 deals worth €1.11 billion, underlining

continued engagement with manufacturing, logistics and operationally intensive businesses.

Energy generated €689 million from just 9 deals, pointing to highly selective but sizeable investments. Consumer Non-Cyclicals and Real Estate reflected a narrower flow of capital. In contrast, Consumer Cyclicals, Basic Materials, Financials and Academic & Educational Services registered low or negligible values, underscoring the cautious approach in more volatile or lower-margin sectors.


Overall, Q3 data illustrates a market where **Utilities and Technology** together accounted for **nearly 80% of total deal value**, confirming that private equity firms continue to prioritise **infrastructure resilience, energy transition & digital scalability** as the core pillars of investment.

 Total Rank Value **31.107,00€** | Number of Deals **1.193**

**1** **Utilities**  
**17.144,00€**  
 Rank Value (MM, EUR)  
**43**  
 Number of Deals

**2** **Technology**  
**7.062,00€**  
 Rank Value (MM, EUR)  
**527**  
 Number of Deals

**3** **Insts., Assocs. & Orgs.**  
**2.316,00€**  
 Rank Value (MM, EUR)  
**1**  
 Number of Deals

	Industry	Rank Value (MM, EUR)	No. of Deals
#4	Healthcare	2.229,00 €	153
#5	Industrials	1.106,00 €	222
#6	Energy	689,00 €	9
#7	Consumer Non-Cyclicals	300,00 €	60
#8	Real Estate	242,00 €	10
#9	Cons. Cyclicals	19,00 €	76
#10	Basic Materials	0 €	35
#11	Acad. & Educ. Services	0 €	16
#12	Financials	0 €	36
#13	Government Activity	0 €	5

## Q3 2025 Top Industries in PE: Q3 2025 vs Q3 2024

PE	2025 Q3		2024 Q3		Evolution	
	Rank Value (MM, EUR)	#of Deals	Rank Value (MM, EUR)	#of Deals	Rank Value (MM, EUR)	#of Deals
Germany Utilities	16.229,21 €	11	131,99 €	5	12.196%	120%
France Technology	11.943,09 €	32	258,49 €	57	4.520%	-44%
UK Technology	8.797,30 €	172	1.413,17 €	213	523%	-19%
Spain Healthcare	1.078,46 €	15	29,59 €	9	3.545%	67%
Finland Technology	402,59 €	12	34,72 €	21	1.060%	-43%
Sweden Healthcare	398,40 €	6	13,13 €	7	2.934%	-14%
Portugal Utilities	375,00 €	3	2,10 €	2	17.757%	50%
Ireland Cosumer Non-Cyclicals	300,68 €	3	2,38 €	2	12.534%	50%
Switzerland Healthcare	201,28 €	17	252,58 €	21	-20%	-19%
Netherlands Technology	178,77 €	21	190,36 €	31	-6%	-32%



**120%**  
Evolution of Deals  
**Germany**  
Utilities

**67%**  
Evolution of Deals  
**Spain**  
Healthcare

## Financial Highlights

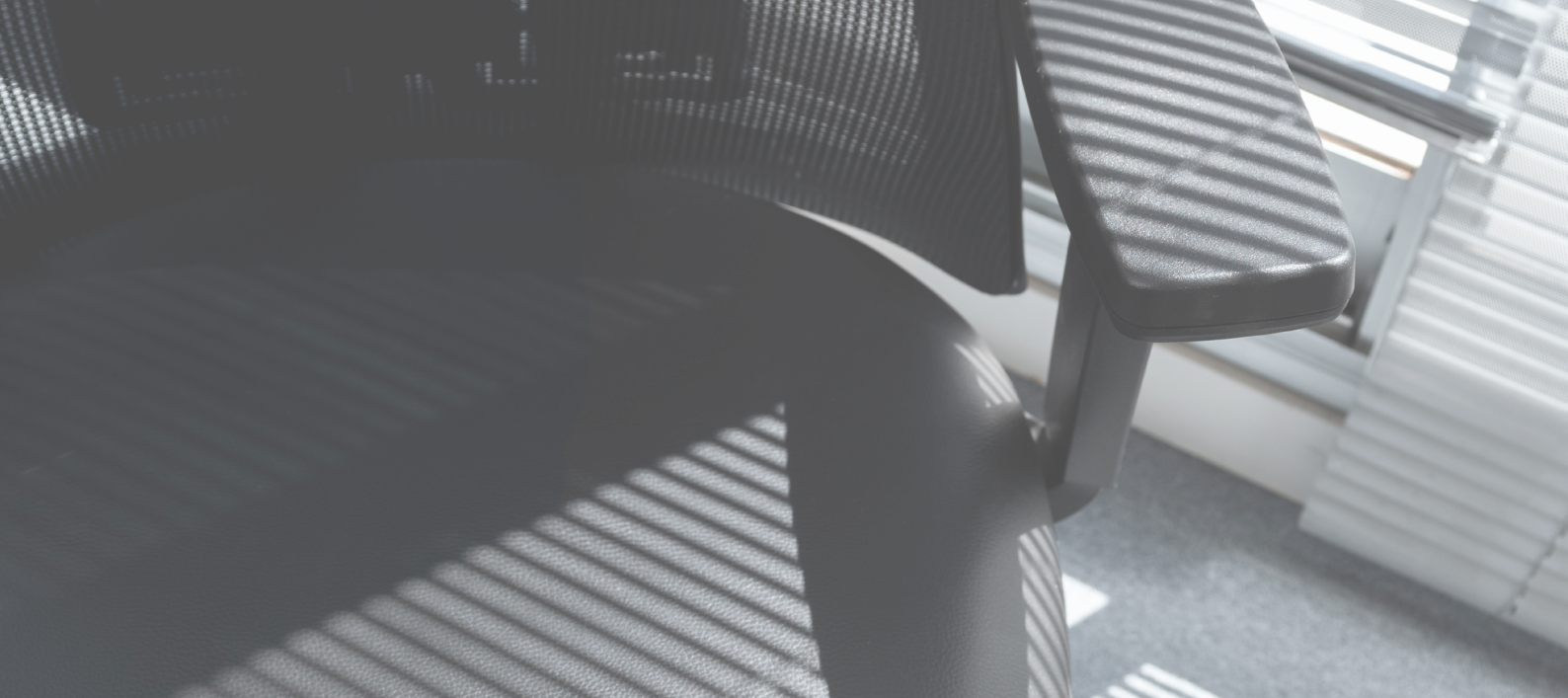
The third quarter of 2025 underlined the persistence of a slower and more selective dealmaking environment in Europe, spanning both M&A and private equity. Aggregate volumes declined compared to a year ago, but large, strategically relevant transactions continued to sustain overall value. The tone across the market remained cautious, shaped by higher financing costs, fragile investor sentiment and geopolitical uncertainty.

In M&A, Q3 closed with **€201.7 billion across 3,571 transactions**, driven by concentration in **the UK, the Netherlands and Germany**, while energy transition, healthcare and staples gained ground at the expense of real estate and mid-market volumes. Private equity recorded **€51.3 billion across 1,160 transactions**, rebounding in September after a weak August. Investment remained disciplined, with Germany, the UK and France attracting the bulk of capital, and **utilities, technology and healthcare** standing out as preferred sectors.

Capital markets activity reflected the same tone. **Debt capital markets** stayed active, with Germany and other eurozone members maintaining strong sovereign issuance. According to Reuters, **convertible bond issuance reached a five-year high in September**, as corporates turned to hybrid instruments to secure more flexible funding in a high-rate environment. **Equity capital markets**, by contrast, **remained muted**: the Financial Times reported that Brainlab postponed its planned IPO in Germany due to weak investor demand, underlining the persistent challenges around valuations and sentiment.

Overall, Q3 confirmed a **market that is still functioning but highly selective**: M&A and PE deal flow narrowed, ECM remained constrained, while DCM and trading provided relative stability. **The common thread is discipline** — investors and corporates are prepared to commit capital, but only for resilient assets, strategic transactions and instruments that balance risk with long-term value creation.





## Challenges and Opportunities

As Q3 2025 closed, the European M&A and private equity market continued to operate in a **measured and selective environment**, with deal volumes under pressure despite occasional rebounds in value. Both corporate buyers and private equity firms are navigating a landscape shaped by persistent macroeconomic and financial constraints.

The first major challenge remains the **financing environment**. Elevated borrowing costs and tighter credit conditions continue to limit leverage and delay decision-making, particularly in the mid-market. While large corporates and top-tier funds retain access to capital, smaller players face significantly higher hurdles in securing funding.

Another obstacle is the **valuation gap**. Sellers remain influenced by benchmarks from stronger years, while buyers adopt a more cautious stance, making alignment difficult and often prolonging negotiations. This has reinforced the trend toward fewer but larger transactions, where conviction is higher and price expectations more realistic.

At the same time, there are clear **pockets of opportunity**. **The rebound in September shows that capital is available for high-quality assets, especially in sectors aligned with long-term structural themes.** Energy transition, digital infrastructure, healthcare and defensive consumer segments continue to attract significant attention, while private credit is stepping in where traditional lenders are constrained.

Looking ahead, while uncertainty is set to persist, **investors are expected to maintain their focus on resilience, scale and strategic fit.** Opportunities will remain concentrated in fewer but more impactful deals, with well-positioned companies benefiting from disciplined capital deployment and growing demand for sustainable, future-proof business models.

# Forecasts for upcoming quarters

## Market Predictions

The outlook for Q4 2025 points to a market that will remain **cautious but stable**, with activity focused on **fewer, larger and more strategic transactions**. The rebound in September demonstrated that investors are prepared to deploy capital when **high-quality assets** become available, yet overall volumes are expected to stay well below pre-2022 levels.

“**Selectivity will define the market as investors focus on fewer, larger and higher-quality deals.**”

### Market Drivers

#### H2 2025 Drivers

- ⊗ Macroeconomic uncertainty
- ⊗ Geopolitical instability
- ⊗ Tighter regulatory scrutiny

### Investment Focus

#### Key Sectors

- ⊗ Energy transition
- ⊗ Infrastructure
- ⊗ Technology & AI
- ⊗ Healthcare

*Selective capital allocation; mid-market recovery remains slow.*

### Market Outlook

#### Q4 2025 Outlook

- ⊗ Stable but cautious market
- ⊗ Fewer, larger, strategic deals
- ⊗ Financing & regulation delays
- ⊗ Activity shifting into early 2026

Both **corporate buyers and private equity firms will continue to concentrate on resilient sectors** such as energy transition, technology, healthcare and consumer staples, while mid-market activity is likely to recover only gradually under tighter financing conditions. Deal pipelines remain active, but execution timelines are lengthening, and many processes are being pushed into early 2026 as financing and regulatory complexity weigh on closings.

Selectivity will remain the defining feature of the market — not only sectoral but also geographical. Western Europe is expected to dominate, while Central and Eastern Europe will likely show more sporadic momentum, reflecting uneven exposure to macro and geopolitical risks.

Indicator	Trend Q4 2025
Deal volume	↓ Below pre-2022; selective recovery
Deal value	↔ Stable, driven by larger strategic deals
Private equity	↑ Active; focus on quality assets
Mid-market	↓ Slow recovery under tighter financing
Timelines	↑ Longer; many pushed to early 2026

# Influencing Factors



## Financing environment

Interest rates remain high, keeping leverage restrained. **Private credit** is not only providing essential support in the mid-market but also reshaping the competitive landscape as non-bank lenders take on a larger share of deal financing.



## Valuations and deal structuring

Gaps between buyer and seller expectations are narrowing, but **creative structures** such as earn-outs, rollovers and secondary sales remain key to bridging differences. Buyers with strong liquidity positions continue to hold a clear advantage in negotiating discounts.



## Sector focus

Capital will keep flowing toward energy transition, digital infrastructure, healthcare and defensive consumer assets, while real estate and cyclical industries face continued headwinds.



## Geopolitical and regulatory context

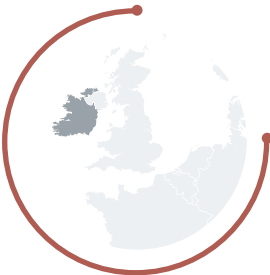
Persistent uncertainty — including the new U.S. tariffs on European industrial goods introduced in August 2025 — is weighing on cross-border activity, particularly for Germany, France and Italy. At the same time, new EU frameworks such as the AI Act and CSRD, along with stricter antitrust reviews, are raising the bar for execution and favoring well-governed, strategically positioned companies.

# Main Trends

- ✔ **Concentration of capital in fewer transactions:** Deal volumes continued to decline, but large, high-conviction transactions sustained overall value, reinforcing the trend towards fewer but more impactful deals.
- ✔ **Technology leading by activity:** Digital infrastructure, automation and software-driven platforms once again delivered the highest deal counts, reflecting strong appetite for scalable, data-driven business models.
- ✔ **Shift toward resilience and defensiveness:** Energy transition, healthcare, utilities and consumer staples gained prominence, while real estate and cyclical industries remained under pressure from financing constraints.
- ✔ **Private credit reshaping execution:** Non-bank lenders became increasingly central in mid-market financing, while extended closing timelines highlighted the impact of tighter regulation & persistent valuation gaps.

# Emerging Countries

Beyond the core Western European markets, a few emerging jurisdictions showed notable momentum in Q3 2025:



### IRELAND

Continued to attract large-cap investments in technology and life sciences. Despite its relatively small size, deal value remained high in Q3, underlining investor confidence in its innovative ecosystem and stable regulatory framework. Its strong position as a hub for international corporates and favorable tax environment further enhance its appeal, particularly for cross-border deals in high-growth sectors.



### CZECH REPUBLIC

Emerged as a surprise outperformer in Central Europe, with deal value significantly above expectations. Activity was supported by interest in industrial and infrastructure-related assets, highlighting the country’s appeal as a regional hub with competitive costs and access to both Western and Eastern European markets. This performance reinforces its reputation as one of the more dynamic economies in the CEE region.



### GEORGIA

Georgia’s M&A landscape in 2025 has been marked by activity in technology, energy, logistics, and the growing construction and development sector, with increasing investor interest from regional funds and strategic buyers. The country offers one of the most favorable tax environments in the region, with IT entities benefiting from very low (and in some cases zero) tax rates.

Free Industrial Zones provide exemptions for manufacturing and logistics operations, while incentives encourage startups and innovation-driven businesses. Sustainability has also emerged as a key theme, with investors and developers focusing on green projects and ESG standards. These dynamics are positioning Georgia as a rising hub for IT, startups, and cross-border corporate structuring. From a legal perspective, its simplified corporate framework and EU-approximation reforms provide predictability and efficiency for investors.



### ROMANIA

Maintained investor interest in infrastructure and renewable energy, supported by EU-backed financing programs and cost-competitive operations. The country continues to position itself as a destination for long-term investment in energy transition and transport projects, which are aligned with broader European priorities. Despite ongoing macroeconomic challenges, Romania’s resilience and reform agenda keep it on investors’ radar.

These markets remain exposed to broader uncertainty, but their **sector focus and regional positioning** continue to make them attractive for forward-looking investors.

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