



M&A KEY FACTS

211+ Deals in media & technology

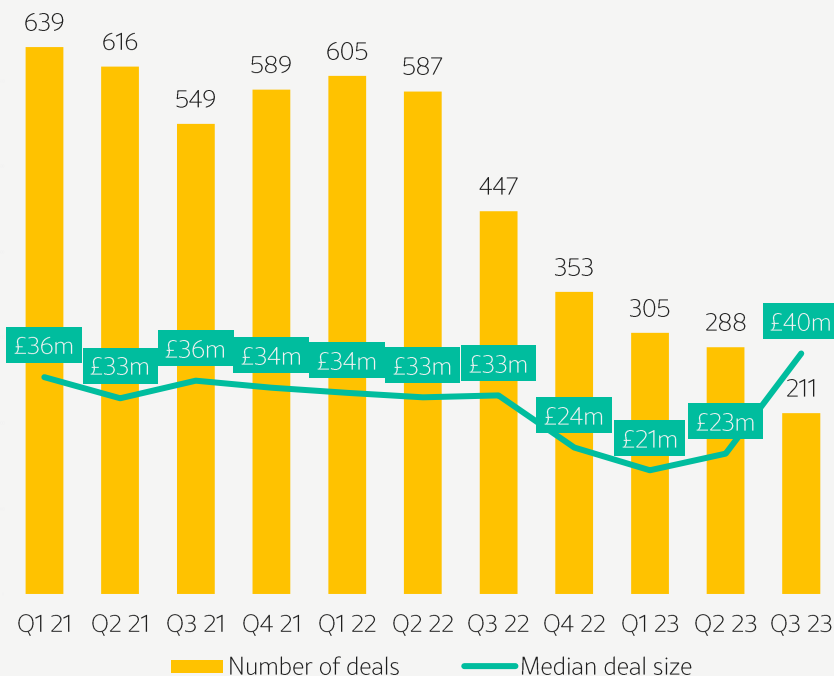
£40m Median deal size

£22bn Largest deal: Cisco Systems / Splunk

£74bn Capital invested (disclosed deals amounts only)

Source: PitchBook / WY analysis

GLOBAL TRANSACTION TRENDS



Note: Deals reflect WY tracked investors only / PitchBook Index updated quarterly

BUYER & INVESTOR LANDSCAPE



SPOTLIGHT ON

Retail Media

Retail media has proven itself to be an industry to watch out for as top companies have recognised opportunities to monetise shopper loyalty program data and launch their own retail media networks. Notably, companies such as Omnicom and Ad4Screen have recently made acquisitions in Q3 to bolster their expertise in retail media and tap into the expanding potential of these networks.



Software

Software firms completed 31 deals in Q3, a massive uplift from the 12 deals made in the previous quarter, illustrating how M&A is being used to incorporate cutting-edge technologies into existing IT capabilities. This is evidenced by IBM's acquisition of Apptio, a business management software which will be used to accelerate the advancement of IBM's automation capabilities. The most acquisitive of the cohort was SAP, who completed three deals in the SaaS / ERP space with the acquisitions of LeanIX, Kausa and Topaz Bridge.



THE VIEW FROM WY

Driven by both continued macroeconomic uncertainty and a summer slowdown, Q3 saw a decline in deal activity to levels reminiscent of a pre-pandemic world (197 in Q1-20).

Amongst the buyer groups, Private Equity buyers and PE-backed challenger groups had their most quiet quarter this year as they continue to grapple with persistently high interest rates impacting funding. Despite this, they remained somewhat acquisitive during Q3, with notable deals including YFM's acquisition of GEEIQ and Falfurrias Capital Partners' investment in Brainlabs following Livingbridge's exit.

While we are seeing less M&A transactions taking place across the media and technology landscape, a handful of billion-dollar plus technology deals were completed in Q3, bringing the median deal size to £40m. Most notable among these mega deals were Cisco's £22bn acquisition of Splunk, GTCR's £10bn acquisition of Worldpay and IBM's £3.6bn acquisition of Apptio.

An interesting development to note is the increasing number of acquisitions taking place in emerging sectors, such as retail media, digital business services and gaming, as key players race for industry consolidation. We hope to see this influx of deal activity driving technology and media M&A as we approach the final quarter of 2023.

NOTABLE DEALS



WY M&A TRACKER

See how we analyse the latest global M&A activity across the media and technology sectors with our live M&A tracker which can be viewed on our website.

wypartners.com/tracker

