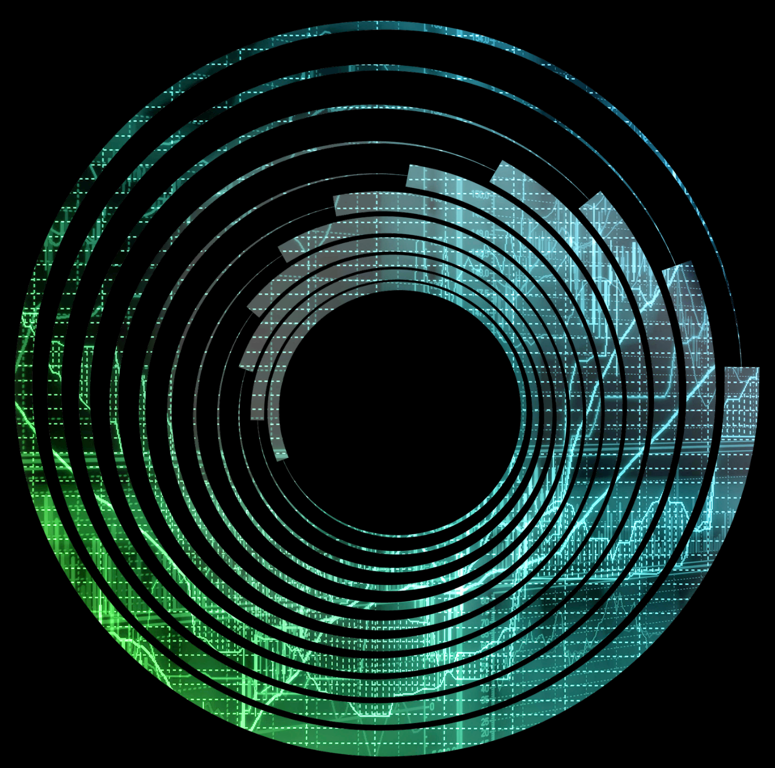
Deloitte.

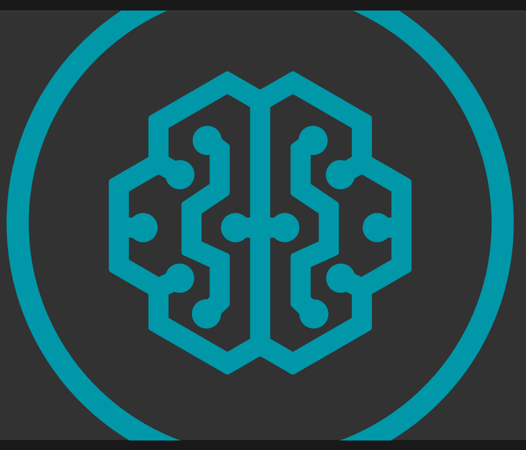
The state of the deal
M&A trends 2018

A Deloitte survey of more than 1,000 executives at corporations and private equity firms reveals important insights about recent merger and acquisition (M&A) transactions, as well as expectations for the next 12 months.



What’s in store for mergers and acquisitions in 2018?

Concerns about the economy and valuation appear to be diminishing as respondents report an expected acceleration of M&A activity in 2018. For many corporations and private equity firms, deal flow is poised to increase—and deals likely will be larger. What does the M&A landscape look like as we trek into a new year? Our survey results provide some perspective that can help you understand the landscape and what lies ahead.



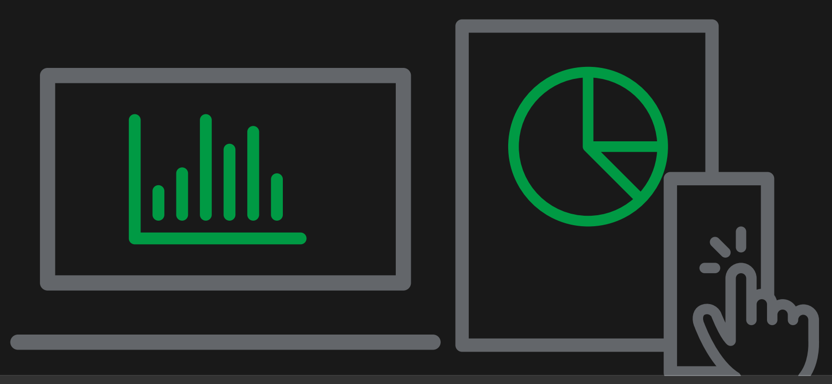
Targeting tech is a big driver

Acquiring technology assets (20 percent of corporate respondents) now tops the list of drivers for mergers and acquisitions—followed by expanding customer bases (19 percent), adding products and services (16 percent), and strengthening digital strategy (12 percent).

63%

New tools become critical

Sixty-three percent of respondents are using new M&A technology tools, not just spreadsheets, for reporting and integration—to help ‘make deals work.’



97%

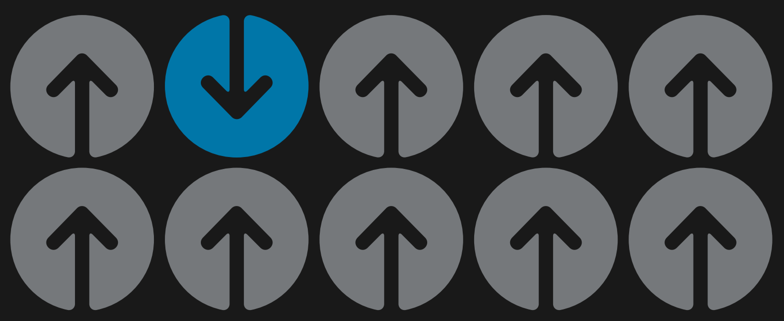
Expectations for big deals are big

Ninety-seven percent of respondents predict deal size will hold steady or increase in the year ahead. Compared to their smaller counterparts, large firms (+$1 billion in revenue) are more confident they will engage in bigger deals.

11%

Few fall short on ROI

Only 11 percent of respondents say ROI from deals is less than expected—virtually unchanged from the previous year.



70%

Divestitures stay steady

Seventy percent of respondents plan to divest businesses next year—driven by financing needs and strategy shifts.

Convergence continues

Which industries are expected to experience convergence? Life sciences & health care, technology, and financial services—with a strong bias toward vertical integration.

The top three

1. **Life Sciences & Health Care**
2. **Technology**
3. **Financial Services**

These insights represent only part of the picture. Explore our full report to get more details on the emerging M&A landscape.

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