



2025 Insurance M&A Outlook Expectations for Germany

With inflation moderating in much of the world, global insurance M&A activity remained largely stable in 2024. Some trends, like consolidation in the distribution market, are playing out across multiple regions. Others, such as an imbalance between buyers and sellers, reflect nuances that are particular to a country.

Against that backdrop, what will insurance deal-making look like in 2025? Deloitte's teams are looking at insurance M&A in several markets. Some insurance M&A trends we are seeing in Germany are:



[1] Full steam ahead for broker consolidation

Activity on the broker markets remains high and is expected to remain at this considerable level for years to come. Additional consolidation platforms have once again entered the market to become active and take advantage of the current momentum for acquisitions. Besides commercial non-life broker business, private lines brokers and brokers from neighboring countries are increasingly being targeted. Watch the private equity space for more secondary deals and investments in insurance distribution consolidators.

[2] An M&A revival for risk carriers

The most prominent domestic transaction of 2024 was mutual insurer Gothaer Group's merger with Barmenia Insurance Group. Shortly after that transaction was completed, two other mutual groups—Stuttgarter Versicherungsgruppe and SDK Versicherungsgruppe—announced their plans to merge. In the wake of these deals, and amid an ongoing rise in valuations, insurance risk carriers may be more willing to merge with competitors. The consolidation of smaller and medium-sized insurance groups is likely to gain new momentum in 2025 while multinational risk carrier groups expand and rebuild their portfolios internationally.



[3] Technology as a deal driver

Established market incumbents and market participants are pursuing urgently needed, sector-wide IT modernization, though the outcome remains to be seen. An expected economic downturn in Germany could discourage companies from investing sufficiently in digitalization and technology. But as it stands going into 2025, digitalization platform simplification and other technological challenges are poised to boost insurance M&A activity. With greater investment in tech-oriented companies, IT due diligence will become essential in every transaction.



Visit www.deloitte.com/insurance to learn more.

CONTACTS



Gerasimos Papadatos

Partner

Deloitte Germany

+4989290368753

gpapadatos@deloitte.de



Frank Nagel

Partner

Deloitte Germany

+4969756956870

frnagel@deloitte.de



Olaf Johannsen

Partner

Deloitte Germany

+4989290366836

ojoahnnsen@deloitte.de

Deloitte.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (DTTL), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/de/UeberUns to learn more.

Deloitte provides industry-leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Legal advisory services in Germany are provided by Deloitte Legal. Our people deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175-plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte's approximately 457,000 people worldwide make an impact that matters at www.deloitte.com/de.

This communication contains general information only, and none of Deloitte GmbH Wirtschaftsprüfungsgesellschaft or Deloitte Touche Tohmatsu Limited (DTTL), its global network of member firms or their related entities (collectively, the "Deloitte organization") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

2025 © Deloitte LLP and affiliated entities.

Designed by CoRe Creative Services. RITM2059571