



2026 GLOBAL DIVESTITURE SURVEY

## **Successful sellers**

Insights and outlook for Asia Pacific

February 2026



## Deal making in Asia Pacific accelerated in 2025, with continued momentum driven by portfolio rebalancing, carve-outs and take-private transactions.

As we enter 2026, the Asia Pacific region stands at the threshold of a transformative era in mergers and acquisitions (M&A). Across the region, 70% of executives surveyed are considering one or more divestments over the next 12 to 18 months.<sup>1</sup>

Following a landmark 2025, where regional **M&A volume surged 33% to hit the \$1 trillion milestone**, the momentum for growth is clear.<sup>2</sup> Driven by an "Innovation Supercycle" and an unprecedented **13 megadeals worth \$211 billion**, our region has cemented its role as a global engine for strategic repositioning.<sup>3</sup> While macroeconomic volatility persists in the region and globally, the market is increasingly defined by **strategic repositioning**, as companies acquire new capabilities and scale as part of their transformation.

Divestitures are an increasingly critical lever in strategy-led portfolio moves, enabling companies to redeploy capital, sharpen operational focus and fund large-scale transformation as part of an end-to-end M&A agenda. Deloitte Asia Pacific's deep dive analysis of more than 2,000 deals shows that companies adopting Transformational M&A — termed "Growth Transformers" — generate 200 to 300 percent higher total shareholder returns than peers that pursue only incremental deal value without reshaping their portfolios.

To explore how disciplined divestitures, alongside acquisitions, can underpin a holistic transformation journey and position your organisation as a growth transformer, refer to: [Transformational M&A: The Growth Transformer's Playbook Asia Pacific](#).

The outlook for M&A is strong:

### Japan: Governance-driven transformation

- **Observations:** Japan recorded **\$207.3 billion in M&A volume in 2025**, nearly doubling its previous year's performance.<sup>4</sup>
- **Tailwinds:** Market activity is driven by **corporate governance reforms** pressuring management to prioritise shareholder value, a **weaker yen**, and a rise in **non-core divestitures**.
- **Headwinds:** Increasing **shareholder activism** can present execution risks.
- **Outlook:** Deal activity is expected to remain elevated as governance reforms and portfolio reshaping continue to unlock assets, despite episodic disruption from more assertive activists.

### China: Domestic consolidation and inbound rebound

- **Observations:** Transaction value reached **\$391 billion (+34% YoY)**, supported by strategic sector backing and early-cycle valuation normalisation.<sup>5</sup>
- **Tailwinds:** Inbound M&A reached a record **\$56.6 billion**, a fourfold increase from the prior year.
- **Headwinds:** Outbound investment to the U.S. fell (\$27.3 billion) as Western nations intensified **foreign investment screening**.
- **Outlook:** Deal flow should stay robust, led by domestic consolidation and selective inbound interest; even as tighter Western screening keeps a lid on large outbound transactions.

### India: High-growth vertical scaling

- **Observations:** Private equity buyout volumes, which **rose 27% to \$9.7 billion in 2025**, are projected to reach \$60 billion annually over the next five years.<sup>6</sup>
- **Tailwinds:** The **business services sector** remains a core attraction for global sponsors due to its resilience against tariff shocks.
- **Headwinds:** Regional exit values declined **19% to \$55.8 billion**, indicating a potential bottleneck for sponsor-led deals.<sup>7</sup>
- **Outlook:** Sponsor-led dealmaking is set to grow driven by strong buyout appetite in scalable services and tech, though a softer exit environment may moderate the pace of deployment.

### Australia: Energy transition and asset optimisation

- **Observations:** Australia's M&A activity grew **8% to \$93 billion in 2025**, led by energy transition and critical minerals deals.<sup>8</sup>
- **Tailwinds:** Strong inbound demand continues for **energy and critical minerals** assets.
- **Headwinds:** Transactional uncertainty remains high for large-cap assets
- **Outlook:** Energy transition and critical minerals theatics are likely to sustain healthy a pipeline for mid-to-large-cap assets, while regulatory and financing uncertainty weighs on mega-deals.

Divestitures, carve-outs and take-private deals will be key drivers of M&A growth in 2026. Several factors behind Asia Pacific's strong 2025 performance are expected to sustain a robust outlook for M&A and divestments in the year ahead:

- **Monetary policy easing:** Central banks across Asia cut interest rates in 2024 and 2025, lowering borrowing costs and reducing barriers to entry for dealmakers.
- **Pent-up demand:** After years of subdued activity, corporations pursued transactions to transform businesses, rebalance portfolios and pursue growth opportunities.
- **Government policies:** China implemented policies to create national champions and enhance profitability, particularly through bank recapitalisations and real estate



market stabilisation. In contrast, capital efficiency disclosure regulations on the Tokyo Stock Exchange have been a key driver of divestments and take private transactions in Japan.

- **Investor activism:** In 2025, 65 Asia Pacific companies with a market capitalisation above \$500 million were targeted by activist investors — an 81% increase compared to the 2021–2023 average. Japan recorded the highest level of activist activity, accounting for 86% of regional campaigns and nearly half (49%) of global activity. This growing activist pressure is prompting more publicly listed companies to consider management buyouts.

Deloitte recently surveyed 373 Asia-Pacific corporate and private equity executives on divestment and carve-out successes and. Three key takeaways for dealmakers stand out:

### 1. Seller success depends on planning and clarity

Overall, the most impactful factors influencing divestiture valuations and transaction timing for Asia Pacific sellers and buyers are **deal preparation quality, separation clarity, financing certainty, and navigating regulatory environments**:

Top factors impacting divestiture proceeds in Asia Pacific

*How did the following factors impact your company receiving a higher/lower value than expected?*

	Positive impact	Negative impact	
Quality of financial and tax information			Lack of tax benefits
Demonstrated value-creation potential			Limited bidder interest
Separation plan clarity			Deteriorating market conditions
Favorable market conditions			Limited buyer pool composition
Tailored sale process			Low-quality financial and tax information

Source: Deloitte 2026 Global Divestiture Survey; positive impact n=105, negative impact n=22; top 5 only

- **The dual role of deal preparation:** Quality financial and tax diligence information is a necessary condition for a premium valuation but its absence acts as a near-certain penalty. Proper preparation doesn't guarantee a high price, but poor preparation almost guarantees a low one.
- **Many sellers focus on competitive factors in a divestment process, whereas most buyers focus on strategic fit:** Sellers prioritise external leverage, market mechanics and certainty for maximising value. Buyers prioritise alignment with internal value creation, long-term goals and execution feasibility.
- **External market conditions are the most volatile determinants of value:** While preparation and internal execution set the baseline, market conditions ultimately drive whether the realised price exceeds or falls short of expectations.



## 2. Future divestiture success requires execution certainty

A rigorous focus on regulatory compliance, execution certainty, and detailed pre-sale preparation is critical in Asia Pacific's fast growing and complex carve-out environment:

### Top factors in proceeding with a divestiture in Asia Pacific

*Rank the most important factors for choosing the buyer of your most recent divestiture (sellers) or proceeding with your most recent acquisition (buyers)?*

	Sellers	Buyers	
Speed and certainty to close			Strategic fit with our business
Buyer ability to execute quickly			Integration ease and execution feasibility
Highest bid price			Growth and synergy opportunities
Buyer having funding secured			Speed and certainty to close
Buyer fit for management and employees			Attractive valuation or purchase price

Source: Deloitte 2026 Global Divestiture Survey; positive impact n=105, negative impact n=22; top 5 only

- **Master regulatory and tax risk management pre-deal:** Success is heavily dependent upon mitigating regional regulatory and tax complexity, which is often a significant risk and a key decision point. Cross-border buyers can underestimate the time and nuance

required to align on governance, especially when acquiring carved-out units from family-owned or conglomerate structures.

- **Prioritise speed and execution certainty over maximum deal price:** Price is always essential. However, Asia Pacific sellers place a high value on a buyer's ability to execute quickly and reliably, suggesting that certainty of closing may outweigh achieving the absolute peak valuation. However, in markets like Japan, planning needs to account for hierarchical decision-making and consensus-driven cultures.
- **Ensure flawless financial and operational separation readiness:** Given that most Asia Pacific transactions involve carve-outs of complex entities, detailed, high-quality preparation and clear separation plans are non-negotiable requirements for achieving favorable valuations and efficient closing timelines.

### 3. Strong deal appetite confronts continued market challenges

Overall, the 2026 outlook for divestments, carve-outs and take-private deals in Asia Pacific is positive but subject to macroeconomic stability, continued monetary easing, resolution of trade tensions and regulatory clarity across key markets:

- **Continued, measured deal flow focused on portfolio rebalancing and optimisation:** Asia Pacific companies expect continued transaction volume, with a focus on a few key deals rather than broad market activity. This activity is expected to be driven primarily by portfolio optimisation and external interest.
- **Heightened regulatory and talent pressures:** Regulatory environments and internal resource constraints are expected to remain major factors influencing transaction activity and complexity in 2026.

- **Increased exploration of strategic alternatives:** The majority of Asia Pacific companies are moving beyond traditional M&A structures and actively considering joint ventures and alliances as alternatives to full divestitures or carve-out acquisitions.
- **Integration of advanced technology (AI/GenAI) in divestment process:** Future transaction execution is set to become increasingly technology-intensive, with the surveyed executives expressing high confidence in using AI tools to support dealmaking.

For more information on how to become a successful seller, please review Deloitte's 2026 Global Divestiture Survey and contact any of the following Deloitte leaders:



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1. Deloitte, 2026 Global Divestiture Outlook
2. Mergermarket, Year of the Megadeals – M&A Highlights 2025, December 2025
3. Ibid.
4. Ibid.
5. Ibid.
6. Ibid.
7. Ibid.
8. Ibid.



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