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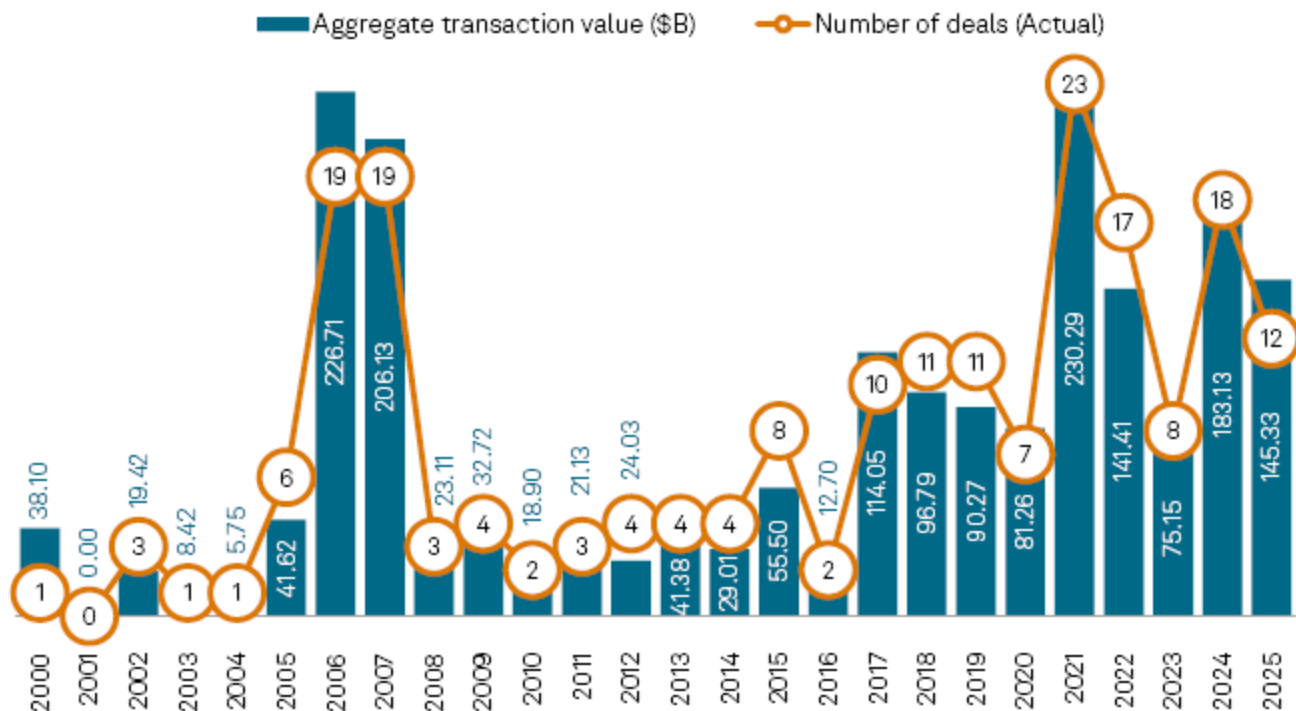
Private equity-backed megadeals on track to surpass 2021 record

By Dylan Thomas and Neel Hiteshbhai Bharucha

Private equity is on pace to invest a record sum of dry powder in megadeals worth at least \$5 billion in 2025, as fund managers target prize assets seen as safe havens for capital amid tariff concerns and macroeconomic uncertainty.

The 12 private equity- or venture capital-backed megadeals announced or completed globally between Jan. 1 and Aug. 18 totaled \$145.33 billion, according to S&P Global Market Intelligence data. The value of private equity-backed megadeals in 2025 is on track to eclipse the record \$230.29 billion invested in \$5 billion-plus transactions in 2021.

Global PE/VC-backed megadeals since 2000



Date compiled Aug. 19, 2025.

PE/VC = private equity or venture capital.

Analysis includes global whole-company acquisitions, minority stake acquisitions, asset acquisitions announced between Jan. 1, 2000, and Aug. 18, 2025, where the transaction value is at least \$5 billion and the buyer/investor is or includes a private equity or venture capital firm.

Analysis is limited to S&P Market Intelligence covered companies or assets.

Excludes terminated deals.

Source: S&P Global Market Intelligence.

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The supersize dealmaking continued with the Aug. 21 announcement that human capital management software company Dayforce Inc. agreed to be taken private by Thoma Bravo LP in a deal valued at \$12.3 billion. The deal was announced after the data for this story was compiled.

The surge in megadeal value reflects private equity fund managers' willingness to pay a premium for high-quality assets with stable, predictable cash flows and the target company's ability to power through tariffs and macroeconomic turbulence, said Ron Kahn, managing director and global co-head of valuations and opinions for investment bank Lincoln International LLC.

In August, the firm reported that enterprise valuation multiples for new buyouts fell to 11.9x EBITDA on a rolling 18-month basis, while top-quality assets were fetching valuations as high as 25x EBITDA.

"If you're a little bit concerned about getting into a deal today because nobody really knows what's going to happen tomorrow, you want to go for those larger companies," Kahn said.

Big deals outpace small deals

Megadeals are playing an outsized role in the broader year-over-year increase in private equity and venture capital deal value, with the total value of the largest deals increasing even as the aggregate value of smaller transactions contracts.

The value of private equity-backed megadeals through Aug. 18 was up 16% from the \$125.24 billion total in the year-ago period.

At the other end of the deal-size spectrum — private equity-backed transactions under \$250 million — the total value declined year over year in the Jan. 1–Aug. 18 period. Deals in this category fell nearly 6% to an aggregate total of \$13.96 billion in 2025 from \$14.81 billion in 2024, according to Market Intelligence data.



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The private credit market, a key source of financing for private equity deals, was a factor in the diverging trend lines for the largest and smallest private equity-backed deals, according to investment bank Mufson Howe Hunter's second-quarter update on US middle-market M&A.

Private credit firms were cautious about private equity-backed deals at the lower end of the US M&A market and requiring private equity firms to put more equity behind acquisitions. That has slowed dealmaking in a market where lenders are critical to closing the buyer-seller divide on valuations, the report concluded.

Sector focus

The technology, media and telecommunications (TMT) and consumer sectors led the way with three private equity-backed megadeals each between Jan. 1 and Aug. 18,

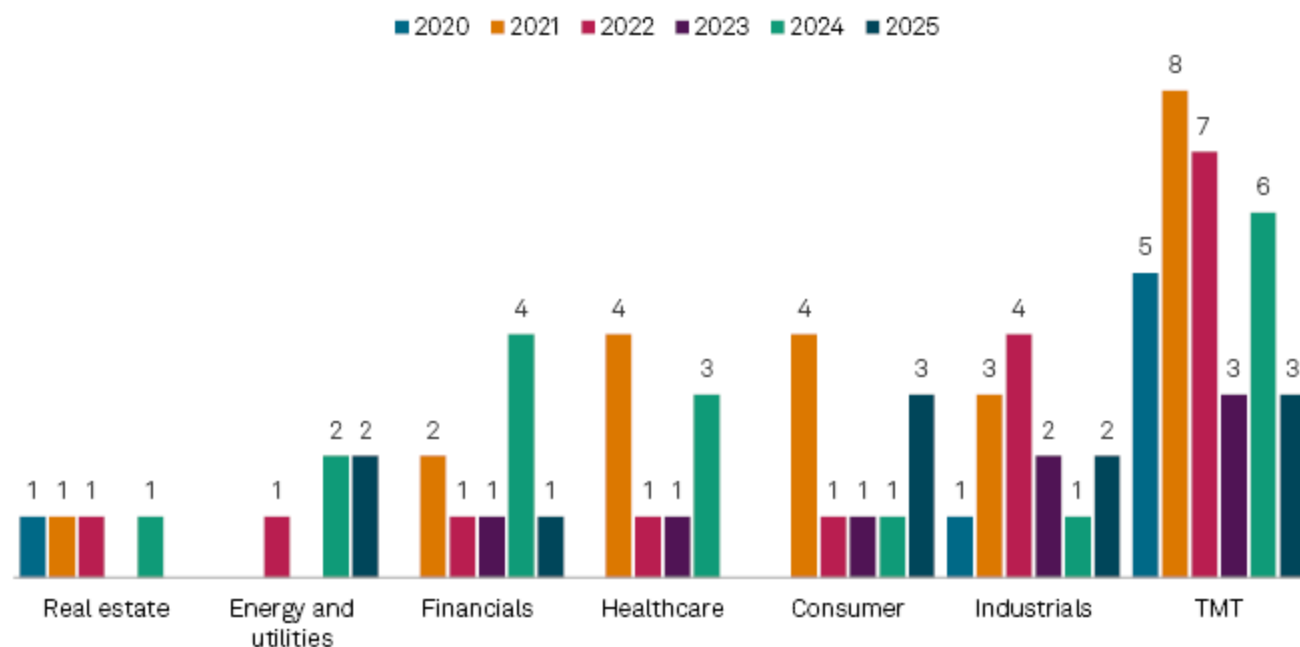
accounting for half the \$5 billion-plus deals announced in that period, Market Intelligence data shows.

The scramble for AI companies is pushing TMT transaction values higher, said Scott Moss, a partner at Cherry Bekaert Advisory LLC and leader of the firm's private equity industry group. TMT was also the sector with the largest concentration of private equity-backed megadeals in 2024.

"If it's anything around AI, the multiples there are eye-opening," Moss said.

Number of global PE/VC-backed megadeals since 2020

By sector



Date compiled Aug. 19, 2025.

PE/VC = private equity or venture capital; TMT = technology, media and telecommunications.

Analysis includes global whole-company acquisitions, minority stake acquisitions, asset acquisitions announced between Jan. 1, 2020, and Aug. 18, 2025, where the transaction value is at least \$5 billion and the buyer/investor is or includes a private equity or venture capital firm.

Analysis is limited to S&P Market Intelligence covered companies or assets.

Excludes terminated deals and deals where industry is unclassified.

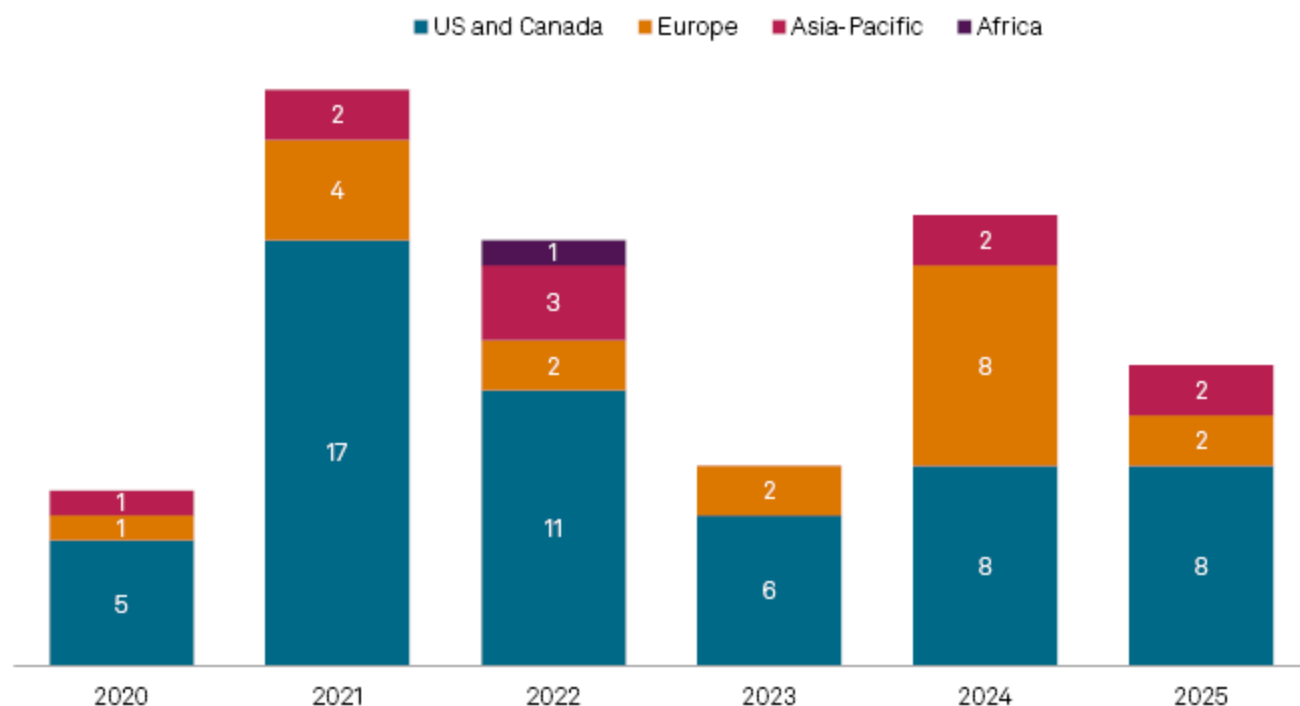
Source: S&P Global Market Intelligence.

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The US and Canada produced eight of the 12 megadeals recorded this year through Aug. 18, twice as many as all other regions combined.

Global PE/VC-backed megadeals since 2019

By geography



Date compiled Aug. 19, 2025.

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Pricing in risk

Moss said private equity dealmaking was regaining some of the momentum it lost early in the second quarter when US President Donald Trump ratcheted up the use of tariffs. But the potential risks that come with tariff exposure remain a key factor in private equity deals, no matter their size, Moss said.

"There is this divide between buyer and seller on expectation of value, and it's about uncertainty. Uncertainty creates risk. When there's risk, I can't pay premium pricing," Moss said.