

## Divestitures Quarterly Update

Q1 2025

# DCF's divestiture practice

**Deloitte Corporate Finance LLC (DCF)** is a leading global middle-market M&A adviser. Our professionals have extensive knowledge in the divestiture space and use their experience to help clients enhance value.



## Divestitures leadership



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## Organization overview

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2024 Global M&A Advisor by volume of deals completed <sup>(1)</sup>. Deloitte closed 623 deals in 2024 with a cumulative deal value of \$60.6B.

623

Completed deals in 2024 <sup>(1)</sup>.

- Deep relationships in place to gain **critical strategic intelligence** and effectively market businesses.
- Worldwide, DCF has access to **2,400 Corporate Finance professionals** across 60 countries that complement the North American team.
- **Second ranked global M&A advisor by deals completed** in 2023 according to Mergermarket <sup>(1)</sup>.

Source: (1) Please refer to slide 11.



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# Divestiture trends

This update will focus on news and trends in the following areas:

- US divestiture volume, value, and reported multiples
- US divestitures by buyer type
- US divestitures by industry
- Cross-border divestitures activity



Transaction trends (1)



**Transaction Volume**

US Divestiture transaction volume declined to the lowest level since Q3 2023 with only 433 deals in Q1 2025. Continued macroeconomic headwinds, including elevated interest rates and geopolitical uncertainty, are creating a more challenging divestiture environment characterized by heightened conservatism.

**Transaction Size**

In Q1 2025, US transactions with deal values above \$1 billion accounted for 42.9% of the total disclosed deal volumes compared to 30.8% of the deals in Q4 2024. These larger divestitures can be integral to comprehensive restructuring initiatives, designed to sharpen focus on core competencies.

**Acquiror Type**

Interest from private equity buyers and foreign strategics crept up year-over-year in Q1 2025, making up a cumulative 52.0% of all divestitures, compared to 46.5% in Q1 2024. This trend underscores the continued and growing attractiveness of U.S. assets to global investors and private equity firms.

**Industry Focus**

High Technology and Industrials remained the areas of focus for divestitures for all of all of 2024 and Q1 2025, making up 19.2% and 14.8% of Q1 2025 divestitures, respectively. Energy and Power replaced Healthcare for the third-highest concentration, comprising 14.1% of all transactions.

*US divestiture activity continued its 12-month decline in Q1 2025, driven by heightened geopolitical tensions and a challenging macroeconomic backdrop, with technology and industrial sectors remaining bright spots.*

Regional trends (1)

**Americas**

Divestiture activity in the Americas decreased by 16.6% in Q1 2025 compared to Q4 2024. The Americas completed 358 transactions in Q1 2025 compared to 429 transactions in Q4 2024.

**United States**

Despite recent uncertainty and market volatility, US buyers lead Americas activity, reflecting strong financial capacity and a strategic focus on market consolidation.

**Canada**

Canada's deal volume dipped slightly to 14 in Q1 2025 from 15 in Q4 2024, signaling a cautious stance amid economic uncertainties yet sustained interest in the divestitures market and strategy.

**Europe**

Divestitures deal activity among European acquirors remained constant in Q1 2025. They participated in 38 deals in Q1 2025.

**United Kingdom**

Deals involving UK-based acquirors remained constant at 10 transactions from Q4 2024 to Q1 2025, as they continue to remain among the most active investors in the space.

**France**

Number of deals in France decreased to 3 in Q1 2025 from 5 in Q4 2024.

**Germany**

Deals remained constant at 3 from Q4 2024 to Q1 2025.

**Asia**

Divestiture activity in Asia decreased by 33.3% QoQ in Q1 2025 compared to Q4 2024. Asian acquirors closed 12 deals in Q1 2025 compared to 18 in Q4 2024.

**Singapore**

Number of deals in Singapore decreased to 1 in Q1 2025 from 2 in Q4 2024.

**India**

5 deals were closed by investors in Q1 2025 up from 2 in Q4 2024.

**Other Asian Countries**

Divestitures deal activity decreased in Hong Kong and South Korea. The number of deals in Japan increased to 6 in Q1 2025 from 5 in Q4 2024.

*Divestiture activity declined around the world in Q1 2025, but North America remained the most active market driven by 339 transactions in the U.S. and 14 transactions in Canda.*

Source: (1) Please refer to slide 11.  
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# Deloitte thought leadership

## Deloitte thought leadership

- Deloitte leverages deep transaction experience to deliver customized services and high-quality results to clients operating across multiple industry groups.
- Our surgical carve-out approach to divestitures assists management to achieve a clean, yet efficient, separation designed to find the sweet spot between value, certainty of close, and speed of process.
- A demonstrated track record of helping organizations transform throughout economic cycles, all the while turning challenges into opportunities.

## Extensive knowledge network

- DCF can leverage its expansive cross-business knowledge network, extensive consulting reports, and in-depth industry research to help drive results and provide differentiated insights for our clients.



Be Empowered



Pay It Forward



Be Resourceful




Build Knowledge

## Recent insights





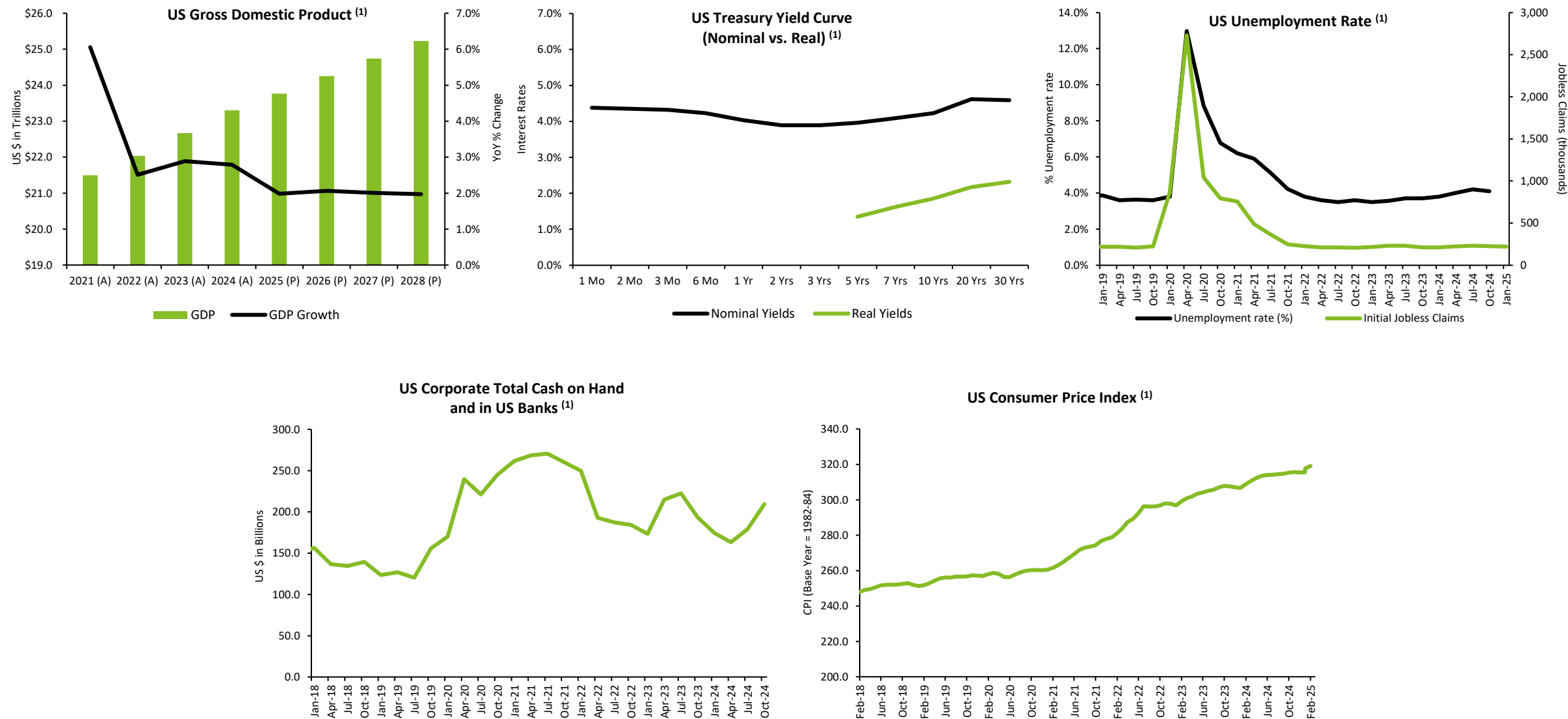
# Recent middle-market divestitures <sup>(1)</sup>

<b>Industrials</b> 	<p><b>The Goodyear Company signed a definitive agreement to sell the Dunlop brand to Sumitomo Rubbers Ltd.</b></p> <ul style="list-style-type: none"> <li>Goodyear, one of the world's largest tire companies, signed a definitive agreement to sell the Dunlop brand rights to Sumitomo Rubber Industries, Ltd., a global tire and rubber company based in Japan.</li> <li>The sale of the Dunlop Brand follows a previously announced strategic review of the brand in connection with the Company's Goodyear Forward transformation plan.</li> </ul>	<p><b>Announced date:</b> January 2025  <b>Total Transaction Value:</b> \$701 million</p>
<b>Packaging</b> 	<p><b>Matthews International to sell SGK Brand Solutions to SGS &amp; Co.</b></p> <ul style="list-style-type: none"> <li>Matthews International entered into a definitive agreement to sell SGK, a global packaging and brand experience company to SGS &amp; Co, a global brand agency.</li> <li>The divestiture is part of Mathews International's ongoing strategic review of its business units, to streamline its business structure.</li> </ul>	<p><b>Announced Date:</b> January 2025  <b>Total Transaction Value:</b> \$350 million</p>
<b>Energy and Power</b> 	<p><b>Prairie Operating Co. acquired DJ Basin assets from Bayswater Exploration and Production.</b></p> <ul style="list-style-type: none"> <li>Prairie Operating Co., a publicly traded independent energy company, acquired DJ Basin assets from Bayswater, a Denver based Oil and Gas development company.</li> <li>The transaction will increase the Company's operational scale and footprint in the DJ Basin and add highly economic drilling locations.</li> </ul>	<p><b>Announced Date:</b> February 2025  <b>Total Transaction Value:</b> \$603 million</p>
<b>Materials</b> 	<p><b>WE Soda Ltd completes acquisition of Genesis Alkali Holdings Co LLC (Alkali) from Genesis Energy LP.</b></p> <ul style="list-style-type: none"> <li>WE Soda Ltd, world's largest producer of natural soda ash and one of the world's largest producers of sodium bicarbonate, has acquired Genesis Alkali ("Alkali"), the largest US-based producer of natural soda ash.</li> <li>The acquisition of Alkali will likely bolster WE Soda's position as the global leader in soda ash, enhancing both its scale and its commitment to customer service and sustainability.</li> </ul>	<p><b>Announced Date:</b> February 2025  <b>Total Transaction Value:</b> \$1,010 million</p>
<b>Industrials</b> 	<p><b>EVI Industries, Inc. signed a definitive agreement to acquire Girbau North America, Inc. from Girbau S.A.</b></p> <ul style="list-style-type: none"> <li>EVI Industries, a publicly traded commercial laundry solutions provider, has signed a definitive agreement to acquire Girbau North America from Girbau, a Spanish-based commercial and industrial laundry manufacturer.</li> <li>The acquisition of Girbau North America is expected to bolster EVI Industries' network of distributor customers and enhance EVI's operational capabilities, promoting growth and improving the customer experience.</li> </ul>	<p><b>Announced Date:</b> March 2025  <b>Total Transaction Value:</b> \$44 million</p>

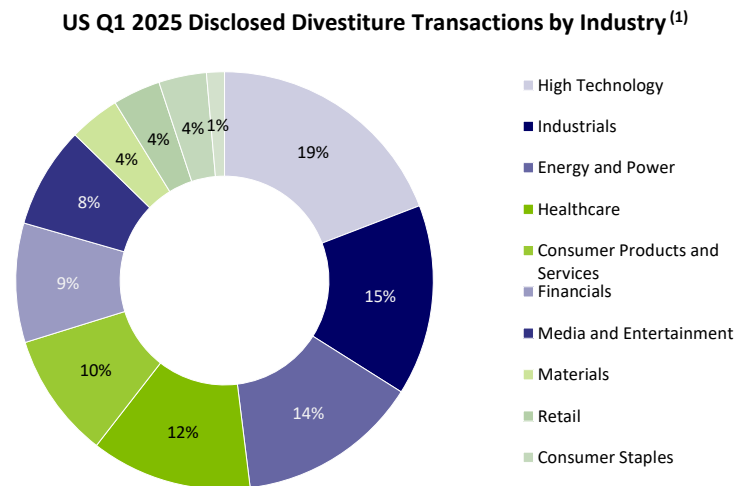
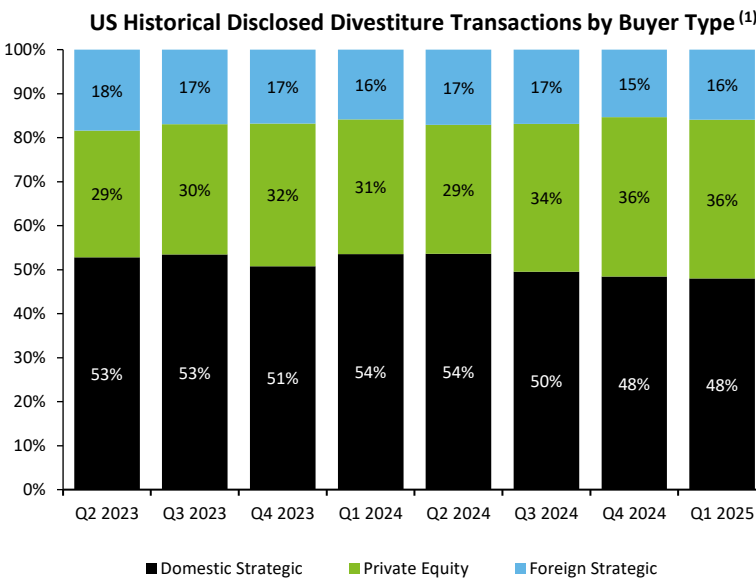
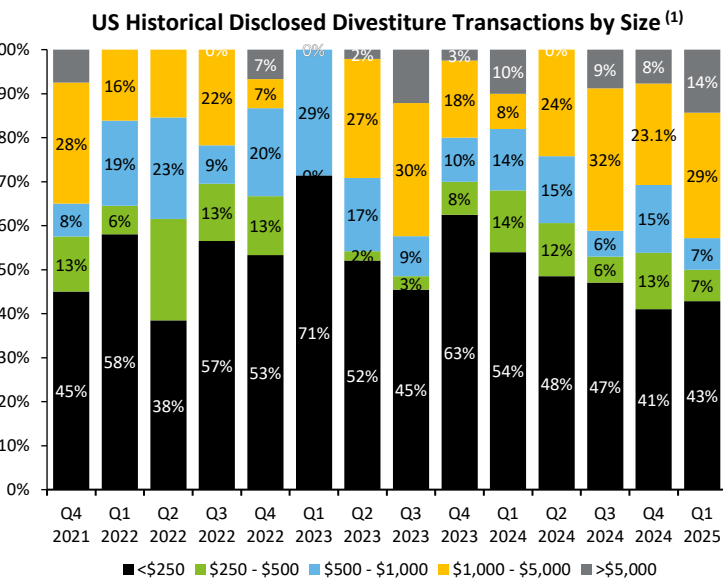
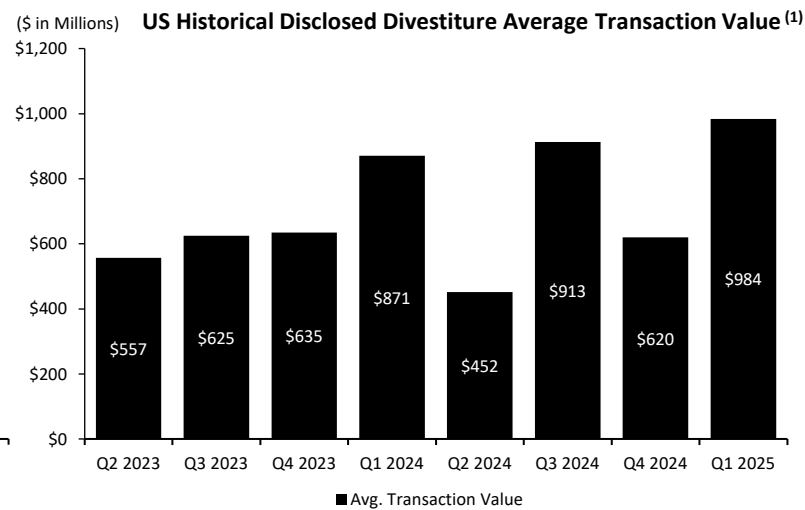
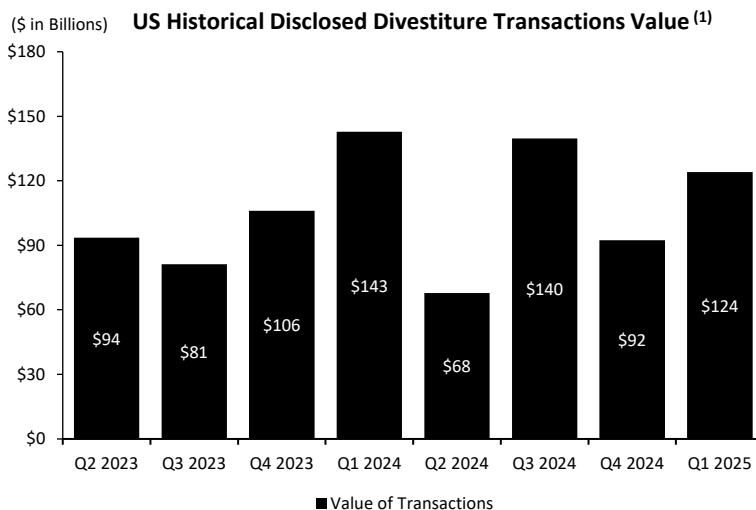
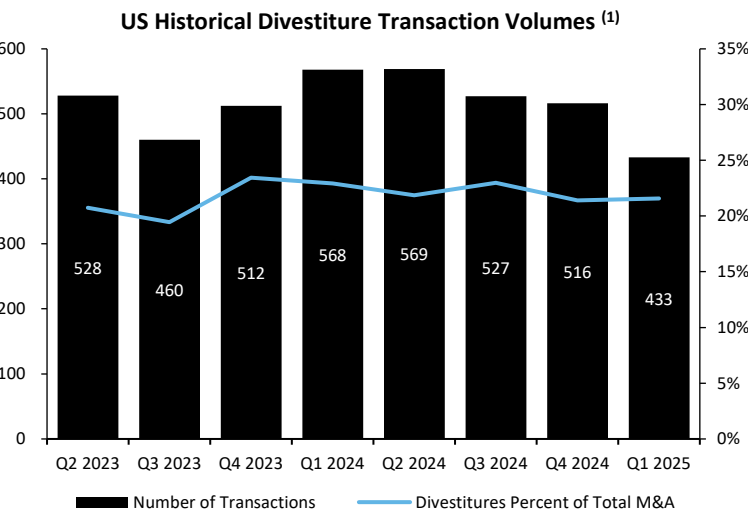
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# Macroeconomic outlook



# US historical divestitures



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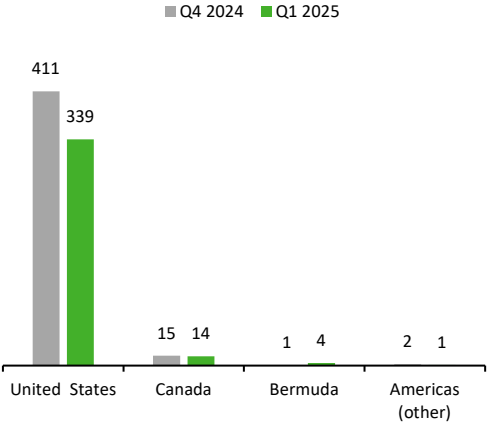


# Global divestitures – deal volume analysis

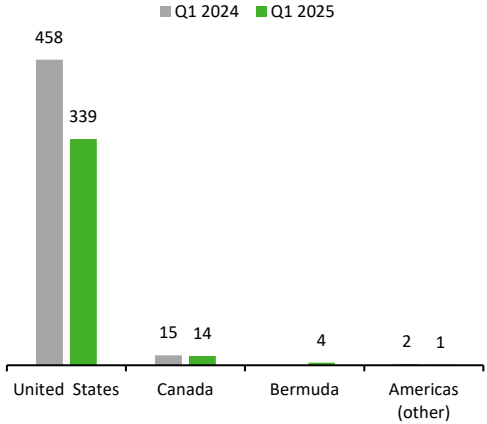
## Most active acquiror countries by region <sup>(1)</sup>

### Americas

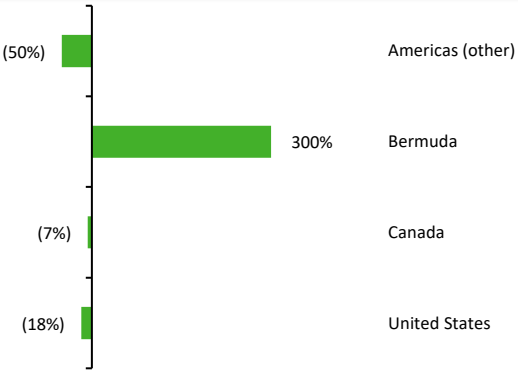
Deal volumes – Q1 2025 vs Q4 2024



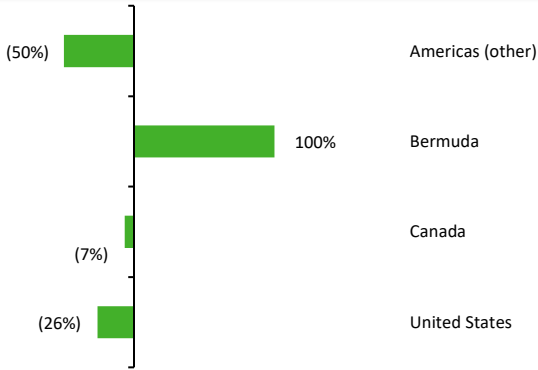
Deal volumes – Q1 2025 vs Q1 2024



Deal volume % change – Q1 2025 vs Q4 2024

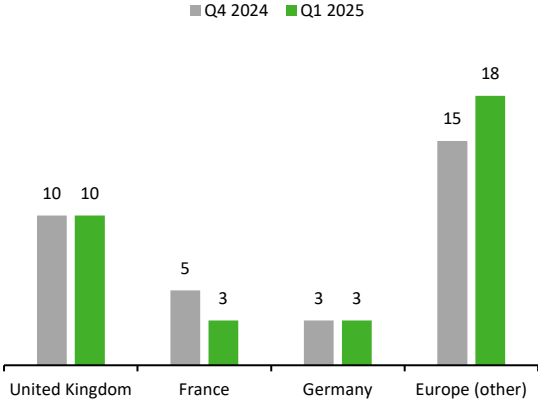


Deal volume % change – Q1 2025 vs Q1 2024

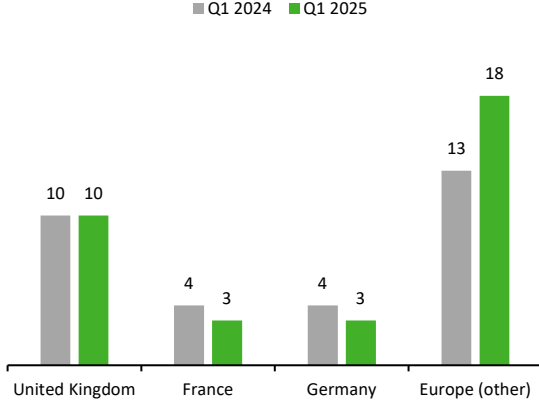


### Europe

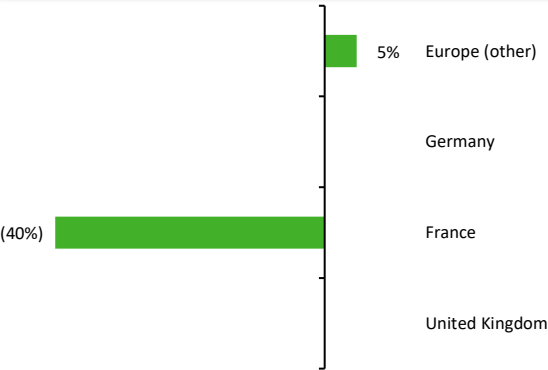
Deal volumes – Q1 2025 vs Q4 2024



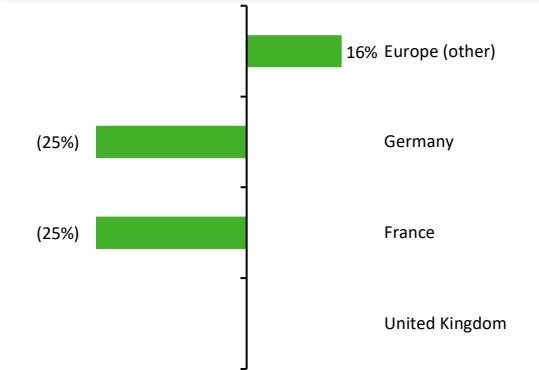
Deal volumes – Q1 2025 vs Q1 2024



Deal volume % change – Q1 2025 vs Q4 2024



Deal volume % change – Q1 2025 vs Q1 2024

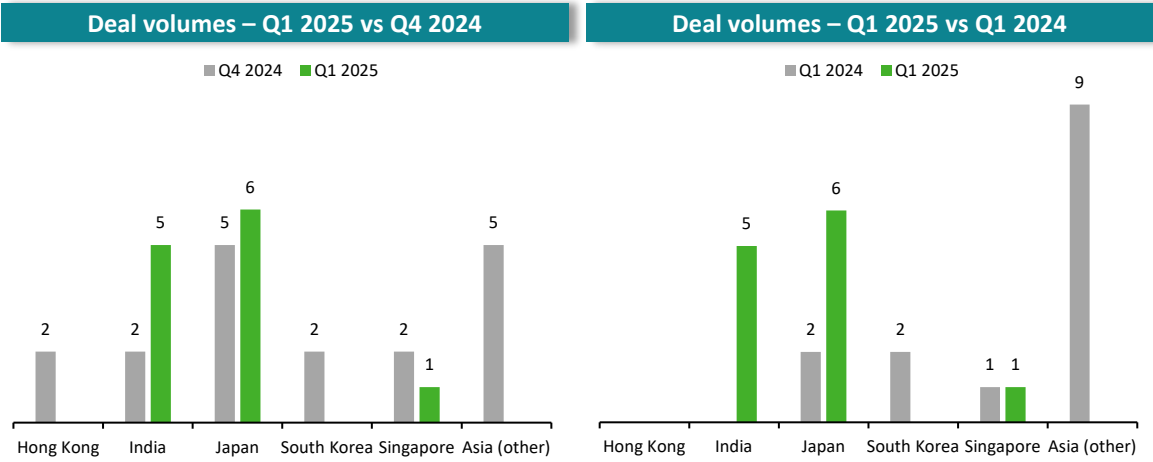


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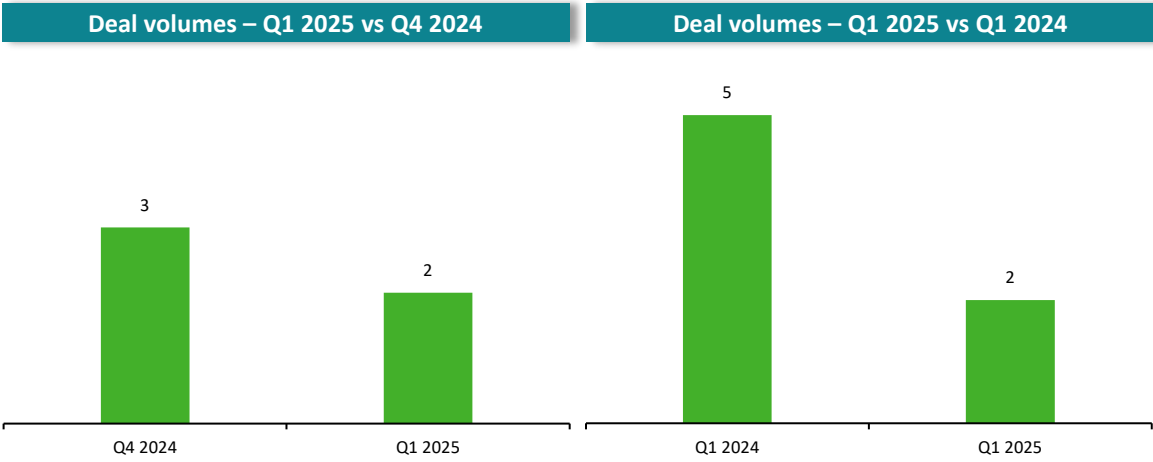
# Global divestitures – deal volume analysis (cont.)

## Most active acquiror countries by region <sup>(1)</sup>

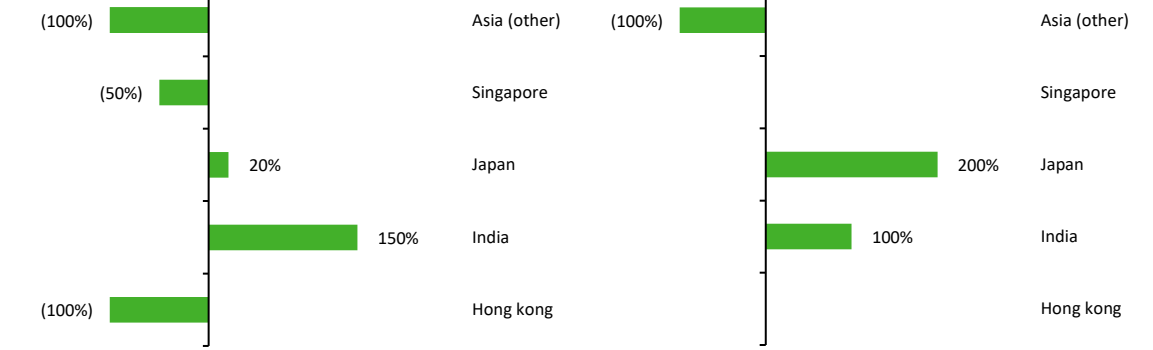
### Asia



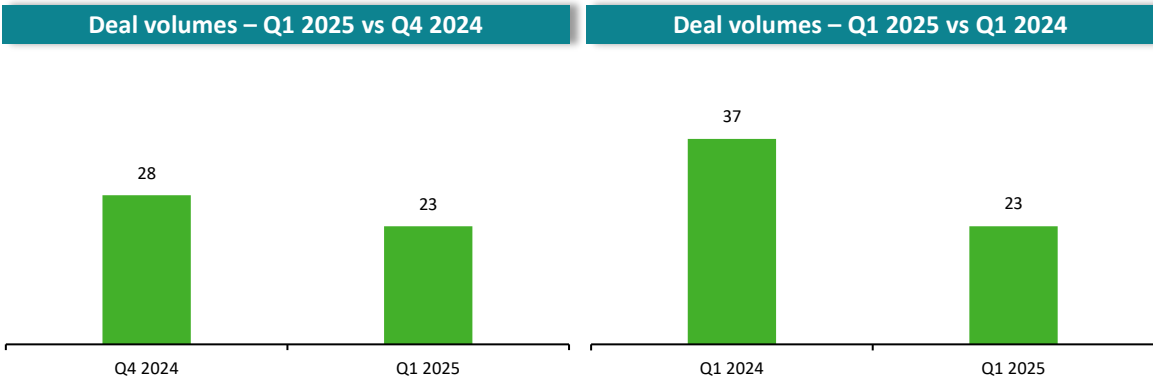
### Rest of the world



### Deal volume % change – Q1 2025 vs Q4 2024



### Undisclosed acquirors



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# Appendix

## Sources cited

### Page 2:

1. [Mergermarket](#). Accessed April 8, 2025. Data as of December 31, 2024.

### Page 4:

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  - b. [Mergermarket](#). Accessed March 25, 2025. Data as of March 25, 2025.
  - c. [Refinitiv](#). Accessed March 25, 2025. Data as of March 25, 2025.

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  - b. [Refinitiv](#). Accessed March 25, 2025. Data as of March 25, 2025.



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