

# Google

Strategic Acquisition of

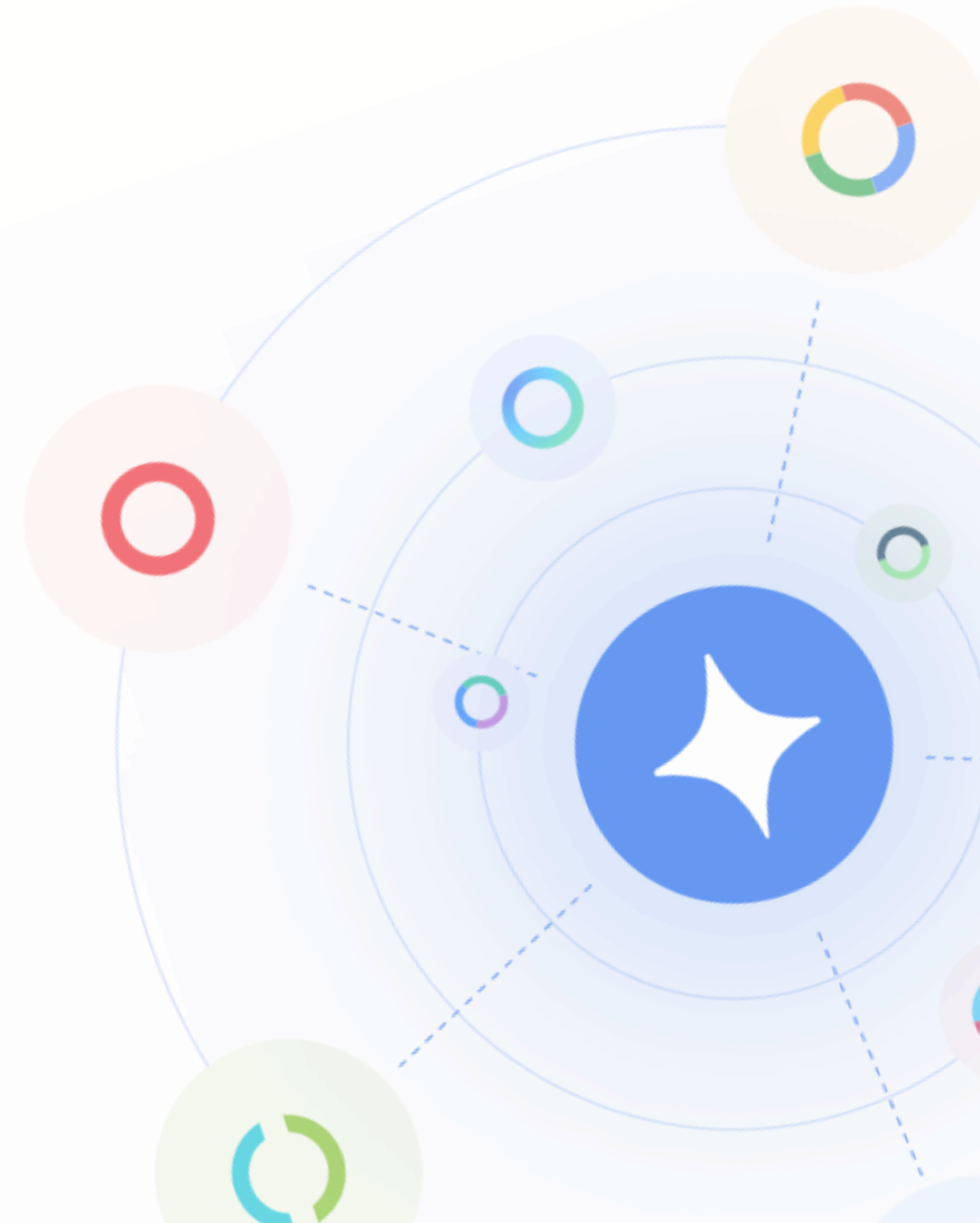
**WIZ**★

**\$32** Billion Bet



# Introduction to the Acquisition

- 1 Announced: March 18, 2025
- 2 Deal Value: \$32 billion, all-cash transaction
- 3 Pending antitrust review, expected closure in 2026
- 4 Significance: Google's biggest acquisition, surpassing \$12.5B Motorola deal (2012)



# WHAT is



Wiz is a cloud-native security platform that provides real-time visibility and protection across major cloud providers, serving nearly 45% of Fortune 100 companies with over \$700 million in annual recurring revenue (ARR).

## A Cloud Security Powerhouse

Founded: 2020, headquartered in New York, with operations in Tel Aviv

Product: Cloud-Native Application Protection Platform (CNAPP) - Agentless, real-time visibility and protection

Customers: ~45% of Fortune 100, including Salesforce, BMW, Slack

Financials: >\$700M ARR (March 2025), projected \$1B in 2025

# Why Google Acquired Wiz

## Strengthen Google Cloud's Security:

- GCP: 12% market share vs. AWS (30%), Azure (21%) in Q4 2024
- Rising AI-driven cyber threats require robust solutions

## Compete in Cloud Market:

- Cloud market to exceed \$1T in 2025 (18.91% CAGR)
- Google Cloud revenue: \$43B vs. Microsoft (\$105.4B), Amazon (\$107.6B)

## Capitalize on AI and Multicloud Trends:

- 96% of companies use public cloud in 2025

## Address Talent Shortages:

- Wiz's 1,700 employees, including cybersecurity veterans

Google's acquisition of Wiz, announced on March 18, 2025, is a bold move to bolster GCP, which holds a 12% market share compared to AWS's 30% and Azure's 21% as of Q4 2024. By integrating Wiz's advanced security platform, Google aims to meet the growing demand for cybersecurity in AI-driven and multicloud environments, attracting enterprise clients and closing the gap with competitors.

# Valuation Breakdown

## Justifying the \$32 Billion Valuation

### Financial Performance:

ARR: \$500M (2024), >\$700M (Mar 2025), projected \$1B (2025)

Valuation History: \$1.7B (2021), \$12B (May 2024), \$32B (2025)

### Revenue Multiple:

45x–65x (vs. 10x–20x for typical SaaS)

### Strategic Premium:

- Defensive move against competitors (Microsoft, Palo Alto Networks)
- Previous \$23B offer rejected in July 2024

### Retention Bonuses:

\$1B for 1,700 employees (~\$588,000 each)

Wiz's \$32 billion valuation is driven by its stellar financial performance, with ARR exceeding \$700 million and projections to reach \$1 billion, alongside its strategic fit for Google's cloud ambitions. The high 45x–65x revenue multiple, compared to typical SaaS valuations (10x–20x), reflects Wiz's growth trajectory and Google's urgency to secure a market leader. The deal includes \$1 billion in retention bonuses for Wiz's 1,700 employees, averaging \$588,000 per employee.

# Valuation Controversy

## Is \$32 Billion Too High?

### Critics' View:

- Wiz is unprofitable, high 45x–65x multiple
- Snowflake's 2020 IPO: \$70B on \$265M revenue (lower multiple)

### Market Context:

- Cybersecurity a top M&A target in 2025

### Google's Justification:

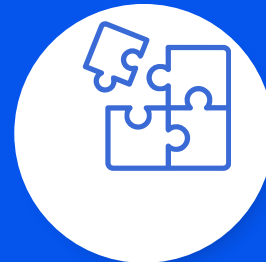
- Wiz's rapid growth: \$100M ARR in 18 months
- Cybersecurity's strategic importance in 2025
- Prevents competitors from acquiring Wiz

# Integration Plans



## Multicloud Continuity:

- Wiz remains independent, supports AWS, Azure, Oracle Cloud, etc.
- Available via Google Cloud Marketplace



## Google Cloud Enhancement:

- Improves security design, automation, and AI threat protection
- Scales cybersecurity teams, lowers costs



## Innovation Acceleration:

- Leverages Google's AI (Zero Trust, Kubernetes, TensorFlow)
- Aims for "best security platform ever"





Thank You

Anand Choudhary

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