

# US Healthcare Sector M&A & Valuation TLDR - 2025-11-20

## US Healthcare Sector

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### 1. 30-Second TL;DR

- The US Healthcare market is experiencing a mix of optimism and caution, driven by technological advancements and regulatory changes.
- Key sectors include Pharmaceuticals, Biotech, Medical Devices, Healthcare Services, and Digital Health, with varying growth rates and valuation multiples.
- The average EV/EBITDA multiple for the sector is 18.5x, with Biotech and Digital Health commanding higher premiums.
- Investors should focus on high-growth areas while monitoring regulatory developments and potential M&A opportunities.

### 2. 1-Minute TL;DR

- The US Healthcare sector is navigating a landscape of growth and challenges, with advancements in technology and evolving patient needs shaping market dynamics.
- Pharmaceuticals and Biotech are strong, driven by innovative therapies, while Medical Devices are integrating AI for enhanced patient care.
- The average EV/EBITDA multiple for the sector is 18.5x, with Pharmaceuticals at 15.3x and Biotech at 25.1x, indicating a premium for high-growth areas.
- Key drivers include technological advancements and increased investment, while regulatory scrutiny and economic uncertainty pose headwinds.
- Investors should prioritize sectors like Biotech and Digital Health, monitor regulatory changes, and consider strategic partnerships for growth.

### 3. 2-Minute TL;DR

- The US Healthcare market is currently characterized by a blend of optimism and caution, influenced by technological advancements and regulatory developments. As we approach the end of 2025, various

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subsectors are showing growth opportunities and challenges.

- The Pharmaceuticals sector is robust, with companies like Novartis and Bristol Myers Squibb leading in innovative therapies, particularly in the myelofibrosis market. The Biotech sector is rapidly growing, especially in gene therapies, projected to reach USD 238.77 billion by 2034.
- Medical Devices are evolving with AI integration, expected to expand to USD 886.39 billion by 2034, while Healthcare Services are thriving due to telemedicine and integrated care models. Digital Health is booming with significant investments in AI-driven solutions.
- The average EV/EBITDA multiple for the Healthcare sector is approximately 18.5x, with notable variations: Pharmaceuticals at 15.3x, Biotech at 25.1x, and Digital Health at 28.5x, indicating a premium for high-growth sectors.
- Key market drivers include continuous technological innovation and robust investment, while headwinds consist of regulatory scrutiny and economic uncertainties. Analysts express cautious optimism about the long-term prospects of the sector, emphasizing the transformative impact of AI.
- For investors and bankers, focusing on high-growth areas, monitoring regulatory developments, and leveraging technology partnerships are essential strategies for navigating this evolving landscape.