

Europe TMT Sector M&A & Valuation TLDR - 2025-10-31

Europe TMT Sector

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1. 30-Second TL;DR

- The TMT sector is experiencing mixed sentiment, with technology and fintech thriving while media faces challenges like layoffs.
- Recent M&A activity includes Skyworks Solutions merging with Qorvo for \$22 billion, and GlobalFoundries seeking EUR1.1 billion for expansion.
- The average EV/EBITDA multiple is 15.5x, with software and AI commanding higher valuations at 20.3x and 22.5x, respectively.
- Implications include a focus on high-growth areas and the need for strategic partnerships amid regulatory scrutiny and economic uncertainties.

2. 1-Minute TL;DR

- The TMT sector is navigating a complex landscape, with technology and fintech showing resilience while media struggles with layoffs and restructuring.
- Notable M&A activity includes Skyworks Solutions and Qorvo merging for \$22 billion, enhancing their semiconductor capabilities, and GlobalFoundries securing EUR1.1 billion for expansion.
- The average EV/EBITDA multiple across the sector is 15.5x, with software at 20.3x and AI at 22.5x, indicating investor preference for high-growth areas.
- Market dynamics are shaped by technological advancements and regulatory scrutiny, prompting investors to focus on high-growth sectors and monitor regulatory developments.

3. 2-Minute TL;DR

- The TMT sector is currently experiencing mixed sentiment, with technology and fintech thriving due to advancements in AI and cloud computing, while media faces significant challenges, including layoffs and restructuring efforts.
- Recent M&A activity includes the merger of Skyworks Solutions and Qorvo, valued at approximately

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\$22 billion, aimed at enhancing their semiconductor capabilities. Additionally, GlobalFoundries has secured a EUR1.1 billion mandate to expand its manufacturing in Germany, reflecting strong investment in the semiconductor space.

- The average EV/EBITDA multiple for the TMT sector stands at 15.5x, with software and AI commanding higher multiples at 20.3x and 22.5x, respectively. Traditional sectors like telecom and media are trading lower due to slower growth prospects.

- Key market drivers include continuous technological advancements and robust investment in tech and fintech, while headwinds consist of regulatory scrutiny and economic uncertainties. Analysts predict ongoing consolidation in the sector, emphasizing the importance of focusing on high-growth areas and strategic partnerships to navigate the evolving landscape.