



Datasite Forecaster: Special report

EMEA vs. North America

Trends based on Datasite's proprietary,
aggregated, and anonymized transaction data

Location. Location. Location.

When it comes to M&A, where assets are based matters.

Local economic, cultural and regulatory factors drive a deal forward – or into the ground. Dealmakers also approach, structure, and run transactions differently.

But how different are regions really when it comes to M&A?

Find out in this special report, where we look at how EMEA and North America stack up by the numbers.

Contents:

- EMEA vs. North America
- Regional rankings
- EMEA regional roundup
- North America regional roundup
- Conclusion

+8%

EMEA pipeline vs.
North America

-28 days

EMEA diligence vs.
North America

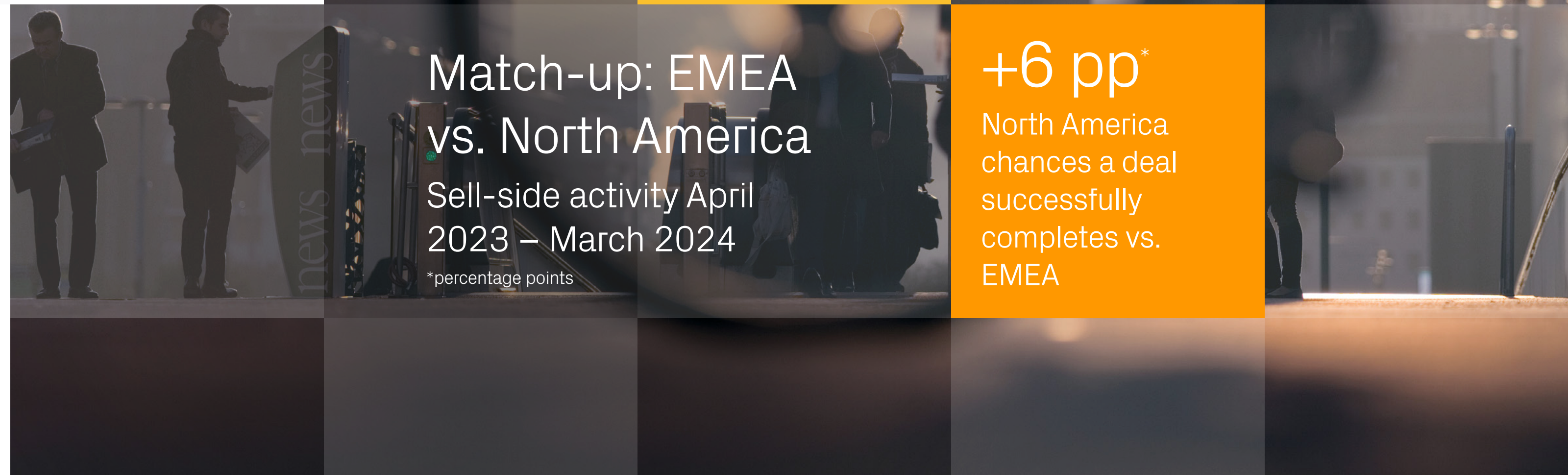
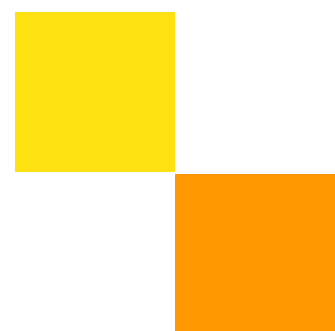
Match-up: EMEA
vs. North America

Sell-side activity April
2023 – March 2024

*percentage points

+6 pp*

North America
chances a deal
successfully
completes vs.
EMEA



EMEA vs. North America: Two worlds apart, or converging?

At first glance, the gap between the EMEA and North America sell-side markets is substantial, according to our 12-month score card. However, when you look at where they are headed directionally, key market drivers appear to be converging. Here are three top takeaways:

- North America deals remain 6pp more likely to close than in EMEA, despite a 5pp dip in close rates from the same time period last year. With North America close rates falling and EMEA rates moving up, however, the two are inching closer together.
- EMEA sell-side diligence is 28 days faster than sell-side diligence in North America. EMEA diligence lengthened more than in North America, however, bridging some of the timeline gap.
- EMEA's 12-month pipeline is up 9% over North America's. North American deal kickoffs have been robust since the start of the year, so the pipeline gap should narrow as time goes on.

EMEA vs. North America sell-side activity

April 2023 – March 2024 compared to the same time the year before

Deal Pipeline

	All	TMT	Industrials	Healthcare	Consumer	Energy
EMEA	▲ +4%	▼ -3%	▲ +10%	■ 0%	▲ +9%	▲ +12%
North America	▼ -4%	▼ -7%	▼ -8%	▼ -1%	▼ -11%	▲ +9%

Benchmarks

	Prep time		Diligence time		Deal closes	
	Median days	Day(s) delta YoY	Median days	Day(s) delta YoY	1 out of 100 deals	PP* delta YoY
EMEA	25	▲ +3	158	▲ +13	45%	▲ +3
North America	28	▲ +4	186	▲ +6	51%	▼ -5

* Percent point

Regional rankings

Despite stiff North American headwinds, the US South ranked first for the second year in a row for both total deal kickoffs and closes, according to our 12-month rolling view. Here are four other takeaways:

- The US South appears to be benefiting from its balanced industry portfolio. Growth in TMT and consumer deals offset losses in industrials and healthcare
- Germany shot from fifth to second place in overall deal closes, driven by a surge in industrials and consumer processes
- France climbed the kickoff and deal close ranks, despite lackluster performance in the top five industries compared to the same time last year
- The US West and US Northeast both took a tumble, reeling from their sagging TMT markets

Top five regions by sell-side kickoffs

	April 2022 - March 2023	April 2023 - March 2024
1	US South	■ US South
2	US Northeast	▲ Germany
3	Germany & US West	▼ US Northeast
4	US Midwest	▲ France
5	France	▼ US West

Top five regions by sell-side closes

	April 2022 - March 2023	April 2023 - March 2024
1	US South	■ US South
2	US Northeast	▲ Germany
3	US West	▼ US Northeast
4	US Midwest	■ US Midwest
5	Germany	▲ France

EMEA regional roundup

EMEA's top four regions all show healthy pipeline upticks compared to the same period as last year. And, except for the UK, more deals are successfully closing. Here are two top takeaways:

- Germany is hot. Not only is its pipeline up 19% but the chances of a deal closing jumped 8pp from the same time last year
- The UK faces stiffer winds. The chances of a deal closing dropped 6pp from the same time last year. The extension of diligence by a median of 27 days also points to a more challenging deal environment

Sell-side activity

April 2023 – March 2024 compared to the same time the year before

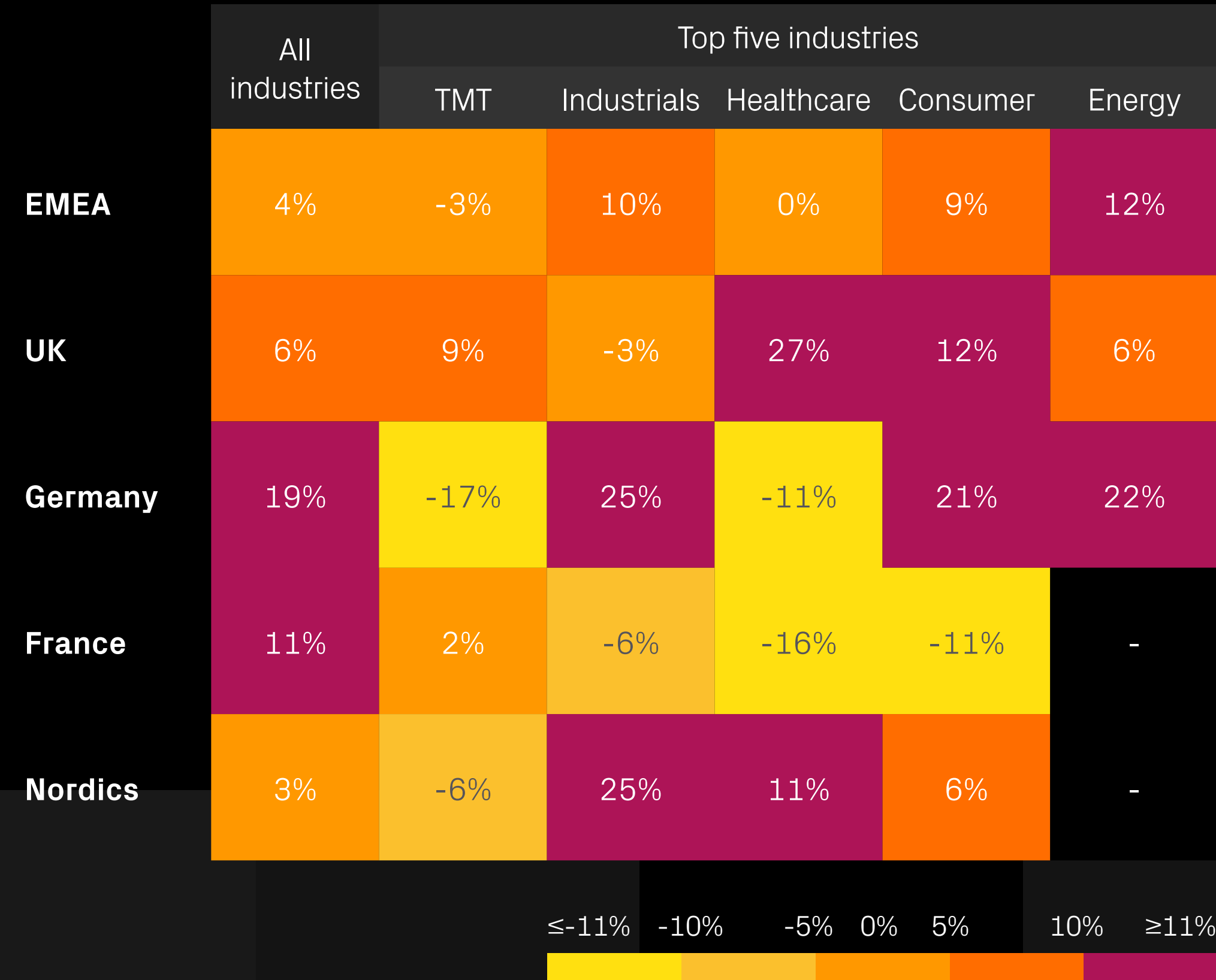
	Pipeline	Prep time		Diligence time		Deal closes	
		Median days	Day(s) delta YoY	Median days	Day(s) delta YoY	1 out of 100 deals	PP* delta YoY
EMEA	▲ +4%	25	▲ +3	158	▲ +13	45%	▲ +3
UK	▲ +6%	32	▲ +5	182	▲ +27	44%	▼ -6
Germany	▲ +19%	34	▲ +6	161	▲ +9	50%	▲ +8
France	▲ +11%	31	▲ +5	136	▲ +4	46%	▲ +2
Nordics	▲ +3%	26	▲ +2	127	▲ +8	48%	▲ +5

* Percent point

EMEA heat map

12-month sell-side pipeline

April 2023 – March 2024 kickoffs compared to the same time last year



What is this chart showing? This chart provides a year-over-year (YoY) view of the total number of sell-side kickoffs on Datasite by region and industry. We have provided this view on a cumulative, 12-month trailing basis and only provided data on sample sizes of 30 deals or more. We have left blank any areas where our sample size was not robust enough to report on. EMEA deal volume includes all regions.



North America regional roundup

North America decreased in both kickoffs and deal closures April 2023 – March 2024 compared to the same time last year. However, the outlook is brightening, driven by a jump in activity starting in January 2024. Our three top takeaways:

- The US South continues to be a bright spot for North American M&A, with a 4% pipeline uptick from the same time last year
- Canada's pipeline problems may have a silver lining: incremental gains on the close side. At 60%, Canada scored highest on successful deal closes
- Overall decreasing close rates and lengthening diligence times suggest continued pricing friction

Sell-side activity

April 2023 – March 2024 compared to the same time the year before

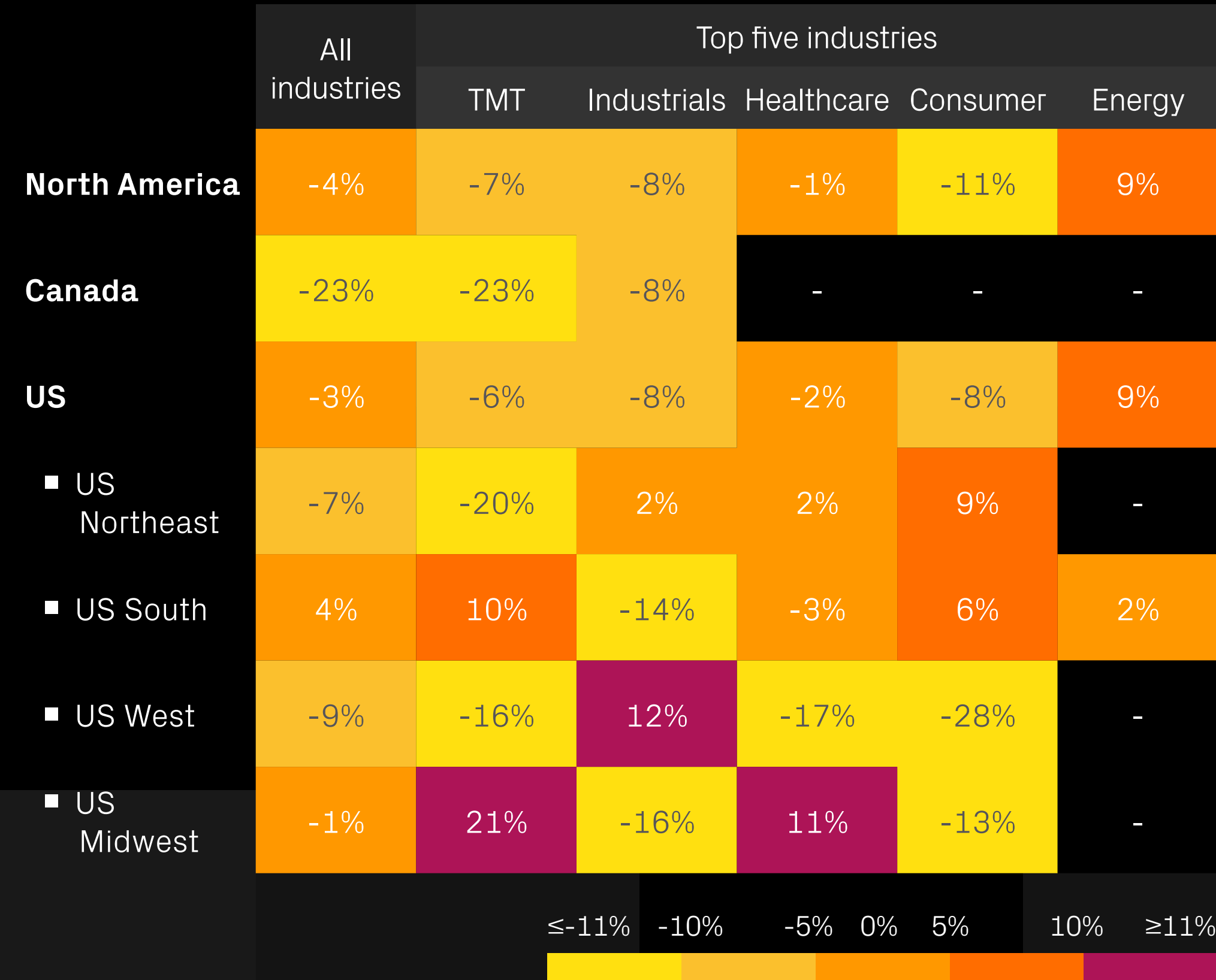
	Pipeline	Prep time		Diligence time		Deal closes	
		Median days	Day(s) delta YoY	Median days	Day(s) delta YoY	1 out of 100 deals	PP* delta YoY
North America	▼ -4%	28	▲ +4	186	▲ +6	51%	▼ -5
Canada	▼ -23%	36	▲ +21	217	▲ +33	60%	▲ +2
US	▼ -3%	27	▲ +2	184	▲ +4	50%	▼ -6
■ US Northeast	▼ -7%	23	▲ +2	187	▲ +13	51%	▼ -8
■ US South	▲ +4%	30	▼ -3	182	▲ +3	50%	▼ -3
■ US West	▼ -9%	24	▲ +2	196	▲ +11	45%	▼ -10
■ US Midwest	▼ -1%	39	▲ +16	182	▼ -1	55%	▼ -3

* Percent point

North America heat map

12-month sell-side pipeline

April 2023 – March 2024 kickoffs compared to the same time last year



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Conclusion

Location matters. Each region and local market has its own unique ecosystem.

Questions we're tracking:

- Will EMEA and North American markets continue to converge?
- When will the UK, US West, and US Northeast recover?
- What will close rates look like as dealmakers head toward December crunch-time?



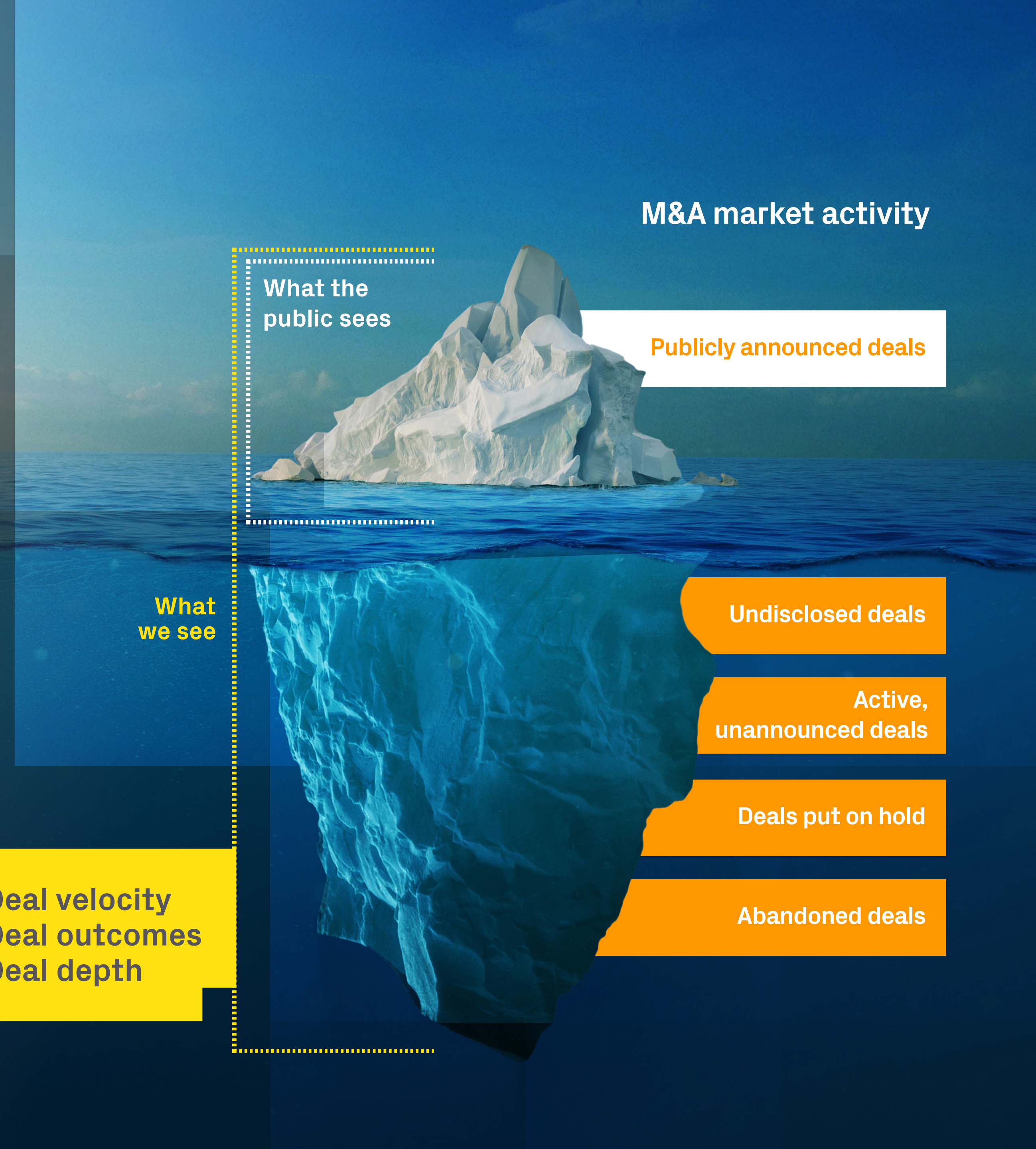
The Datasite view: Data and definitions

We have developed the following definitions to provide clarity on how we are filtering and categorizing our data, which is all aggregated and anonymized.

Definitions

- **Deal close.** When a deal successfully completes according to the deal administrator. Deal close benchmarks are based on 1 out of 100 deals.
- **Prep Time.** The median time from project creation to launch.
- **Due Diligence time.** The median time from project launch to close.

Deal velocity
Deal outcomes
Deal depth





Datasite is where deals are made. We provide a complete M&A platform, driving transactions in 180 countries for investment banks, corporates, private equity, and law firms. Projects become seamless through our unique combination of technology and always-on assistance, built around the world's most trusted data room. Learn more at [Datasite.com](https://www.datasite.com).

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