



# Exit Report

2025 PwC Israel



I have been looking forward to seeing the data for 2025 for a long time. In fact, for almost a whole year. Given the geopolitical situation, the reading for Israeli tech could have gone either way. When the data finally came in, the emerging trends were fascinating, and even somewhat unexpected.

As those lines are written, the ceasefire agreement achieved in October (might) have ended one of the most unstable and challenging periods in Israel's history since gaining independence, and certainly one of the longest. So, this should probably be a good time to reflect back on how the Israeli tech industry fared this year and during the war in general.

From my own perspective, the reality we have lived through since 2023 changed my approach for making sense of how the industry is doing. Over the last two years, I have been extra careful when engaged in this whole process of analyzing the data, because it has been much harder to filter out the signal and capture the true position of the local tech industry. And this is not just any industry, but one that has turned into a national cornerstone, grossly affecting all of us here, by literally shaping the future for our children and the Israeli society at large. And as said earlier, this report, as well as those in the previous two years – which were written while fighting was raging – present industry developments that could hardly be foreseen ahead of time.

Overall, there were 84 deals in 2025, up from 53 in 2024, or a 58% increase. The total value of those deals was \$58.8 billion, reflecting an impressive jump of 340% from a stagnant \$13.4 billion last year. This in fact makes 2025 be the second-best year ever in terms of total deal value. The first place still goes to 2021, which was the height of the COVID pandemic. The average deal value this year almost tripled, reaching \$700 million, compared to \$252 million per deal last year. An interesting emerging trend mainly comes from the IPO market in the US, with tech platforms at the lead, tipping the scale, and resulting in a total value per IPO at \$14.6 billion, from only \$781 million last year. On the flip side, the number of IPOs remained fairly unchanged, climbing slightly from 6 in 2024 to 7 this year.

### Jet streams

Much like jet streams circle the Earth high above with varying intensities and affecting the weather down on the ground, the local tech industry was affected by both global and domestic large-scale trends and developments, which eventually expressed themselves with a particularly impressive overall outcome. To get a deeper understanding of this, I now turn to identifying some of the main factors.

Breaking the "value barrier" of megadeals has certainly been a "mega" event, showcasing how powerful the local talent base is. The acquisition of Wiz by Google for \$32 billion and that of US-listed CyberArk by Palo Alto for \$25 billion both firmly set a new upper limit, repositioning Israel on the global exit map. Those deals prove that Israel has a special place in determining the new normal in the cyber security industry, with likely impact on the direction it will take in the future.

Another interesting trend is the moderate comeback of significant IPOs in the US. Navan Labs, eToro and Via went public, racking in \$6.2 billion, \$4.4 billion and \$3.6 billion, respectively. With all of them being leading platforms in their respective segments, they might be a precursor to the return of Israeli-oriented tech companies to Wall Street, after several years of high selectiveness, and the feeling that IPOs were often more out of reach than ever before.

However, if we descend to lower layers of the atmosphere (in keeping with our jet stream metaphor), we will find a few very interesting trends. While the number of deals grew quite significantly over the past year – and again, being second only to 2021 – the share of middle-tier deals, excluding IPOs (i.e. deals with values of between \$100 million to \$500 million) was substantially lowered to 27%, from 44% last year. Moreover, the number of over-\$200 million transactions, excluding IPOs, was 12, compared to 20 in 2024. In other words, within that range, we see more transactions that are smaller in value.

To make sense of this, I looked closer at the smaller deals, which is something I don't normally do. So, this year, there were 20 "young" companies (having less than three years since incorporation). Just to get a better idea of what this means, the equivalent number last year was eight. Drilling down further reveals that 54% of those young companies are seen as having a strong link to AI. It has been extensively discussed that AI can potentially transform the M&A world. After all, those young players can boast more compact and efficient teams, which are moving faster.

In turn, this is creating a lot of interest among larger tech names wishing to upgrade their operations – in the better scenario – or otherwise use this as defensive action. Base44, which was acquired by Wix one year after its inception for \$80 million, and Aim Security, sold to Cato Networks for \$350 million when it was three years old, may demonstrate this trend, which is set to intensify in the foreseeable future.

For a more complete picture, we must not overlook the growing trend that we have already discussed in the past, of Israeli (and Israeli-oriented) buyers becoming more sophisticated and accounting for more of the deals. The number of such transactions this year was 30, or 36% of all deals, up from 15 and 28% last year. This is a testament that dominant Israeli companies wishing to get upgraded by refreshing their capabilities are increasingly finding what they are looking for down the street, sometimes literally.

### A white sail

I believe we can agree on one thing, and it is that the level of resilience and robustness of the Israeli tech industry is far more than most could have predicted. And it might not be restricted only to the ecosystem, actually. This "tech miracle" is underpinned by world-renowned entrepreneurs, unique and cohesive innovative workgroups, with flexible and creative management teams. All those drivers have been guarding the local industry for so many years, while it faced tremendous upheaval.

Yet, we must not take this for granted. It is well known how hard tech companies around the world work to cope with considerable pressure and transformation that can quickly disrupt their entire game plan. In this respect, Israel is even more sensitive and vulnerable, especially given the immense potential impact of geopolitical instability, the major change expected from AI and socio-political developments. We must not ignore the fact that many companies rely on the unique talent here in Israel, while more and more entrepreneurs and management teams have already relocated overseas.

The coming year will largely be affected by what is going to unfold, now that the war appears to be over. Decision-making, developments, and setting norms will be important junctures in directing our path to the future. The continued momentum on US exchanges and the creation of an environment for producing companies at the right scale both have a pivotal role.

We are witnessing a shift in the direction of currents, where the emerging AI-based companies are fundamentally different in their nature and development trajectories. We better encourage those companies by providing them with a convenient and nourishing habitat. As the Israeli ecosystem has proven its amazing ability to adapt and close gaps, the potential value creation is huge.

Another growth engine we should consider is Defense-Tech, which has actually been more relevant than ever to our very survival, and has been in focus over the last two years. This year also saw companies like Carbyne – acquired by Axon for \$625 million – and RPOptic – which went public on TASE – signaling the emergence of another relevant "wave" that Israel is at its forefront.

The local tech industry has demonstrated an unmatched ability to endure by being flexible and smart. But if we provide it with the right environment and give it a tail wind in the form of investment and support, this existential uncertainty should be replaced by hope and new highs.



*Yw*

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## IPOs Over a Billion Dollars

| Years           | 2023   | 2024 | 2025    |
|-----------------|--------|------|---------|
| Number of Deals | 1      | 0    | 3       |
| Total Amount    | \$1.9B |      | \$14.2B |
| Notable Deals   |        |      |         |

Technology platforms were the ones that might have made 2025 into a turning point, with Israeli tech companies appearing to make a comeback on Wall Street: Navan Labs, eToro and Via had initial public offerings valued \$6.2 billion, \$4.4 billion and \$3.6 billion, respectively.

## Companies Acquired Less Than 3 Years From Their Date of Establishment

| Years           | 2023   | 2024   | 2025   |
|-----------------|--------|--------|--------|
| Number of Deals | 8      | 8      | 22     |
| Total Amount    | \$1.4B | \$1.2B | \$1.7B |
| Notable Deals   |        |        |        |

Also, this year, 54% of the youngest targets are seen as having a strong link to AI. Another interesting thing to note is that more of the buyers of local tech companies have significant Israeli affiliation themselves, and they accounted for 55% of deals. The two most significant transactions in this category are the AIM and Prompt deals, both Cyber AI companies, acquired by Cato and SentinelOne, respectively.

## M&As Over a Billion Dollars

| Years           | 2023 | 2024   | 2025    |
|-----------------|------|--------|---------|
| Number of Deals | 0    | 2      | 3       |
| Total Amount    |      | \$2.9B | \$37.1B |
| Notable Deals   |      |        |         |

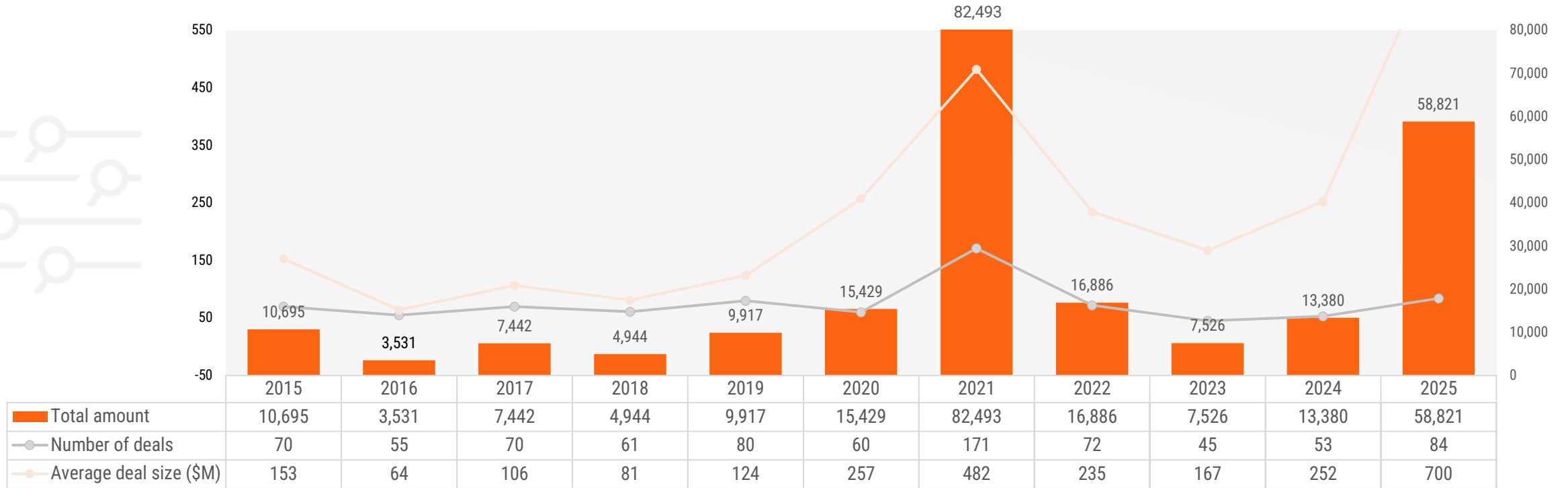
Three deals with a value of over \$1 billion were recorded in 2025, the largest of which was the acquisition of Wiz by Google for \$32 billion. The two others are the Next Insurance and Melio deals, sold for \$2.6 billion and \$2.5 billion, respectively. If taking into account follow-on deals – which were excluded from this report since they have already appeared in past reports in connection to a previous M&A or IPO – there are actually six transactions over \$1 billion in value, the most prominent being the CyberArk acquisition by Palo Alto.

## M&As Between \$200 Million and \$1 Billion

| Years           | 2023   | 2024   | 2025   |
|-----------------|--------|--------|--------|
| Number of Deals | 11     | 18     | 11     |
| Total Amount    | \$3.9B | \$8.3B | \$4.3B |
| Notable Deals   |        |        |        |

This year saw a decline in the number of deals within the \$200-million-to-\$1-billion range. This strongly suggests that although the number of the overall deals was indeed up, their value (excluding the huge ones) actually decreased.

# Total exits – IPOs and M&As 2015-2025 (in million \$) \* The report only includes deals over \$10 million.



**M&As and IPOs in 2025 had a value of \$58.8 billion**, a 340% increase relative to \$13.4 billion in 2024. **This amount includes the \$32-billion Wiz acquisition.** Excluding that deal, the remaining value of \$26.8 billion is still reflecting a growth in value of about 100% relative to 2024.

Eighty-four deals took place in 2025, up from 53 last year. An uptrend was also observed in the average deal size, at \$700 million, a jump of 178% year-over-year. Excluding the Wiz transaction, the average size is \$323 million, or a 28% increase.

Excluding IPOs, there were 77 M&A deals in 2025, with a total value of \$44.2 billion, or \$574 million per deal on average. Without the Wiz transaction, there were 76 deals having a total value of \$12.2 billion. In 2024, there were 47 such deals, with a total value of \$12.6 billion.

**The analysis in this report excluded 13 follow-on deals.** The reason is that those companies have already been featured in previous reports, when they were initially sold or listed. Including them again in this edition would have distorted our ability to make a year-over-year comparative analysis. Information about those deals in this and previous years is presented in a dedicated section below.

**The three largest follow-on deals that were not covered in this report**

- Cyberark by Palo Alto
- Sapiens by Advent
- Verint by Thoma Bravo

The total value of the excluded follow-on deals is **\$31 billion**, a **713% jump year-over-year**.

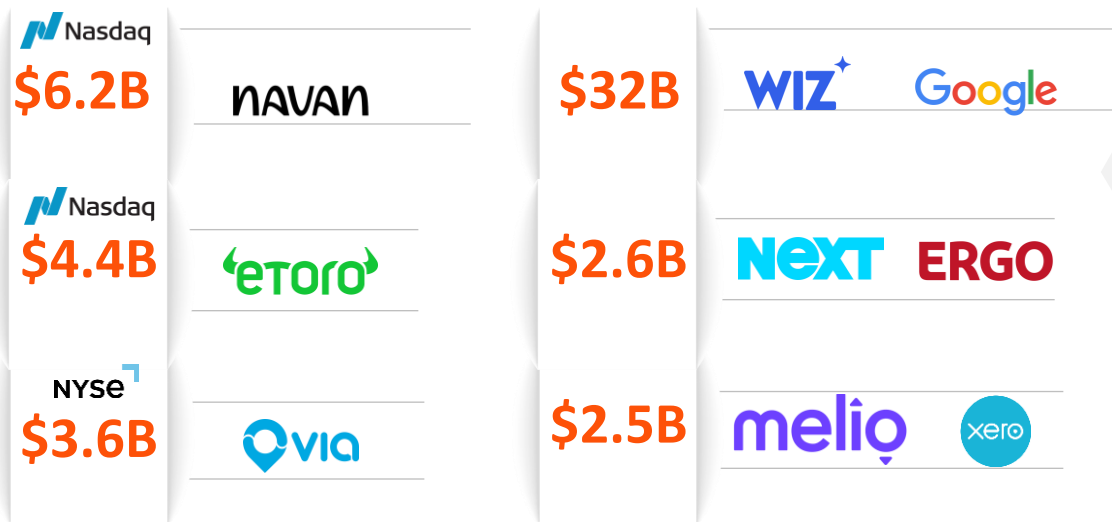


# The \$1 billion threshold and analysis including follow-on transactions

## The \$1 billion threshold

Without the excluded deals, the \$1 billion mark was crossed six times in 2025, in the Wiz (\$32 billion), Next Insurance (\$2.6 billion) and Melio (\$2.5 billion) acquisitions and the Navan Labs (\$6.2 billion), eToro (\$4.4 billion) and Via (\$3.6 billion) IPOs.

For the sake of comparison, there were two over-\$1 billion M&As in 2024 and a single over-\$1 billion IPO in the US in 2023.



## Total value of follow-on transactions

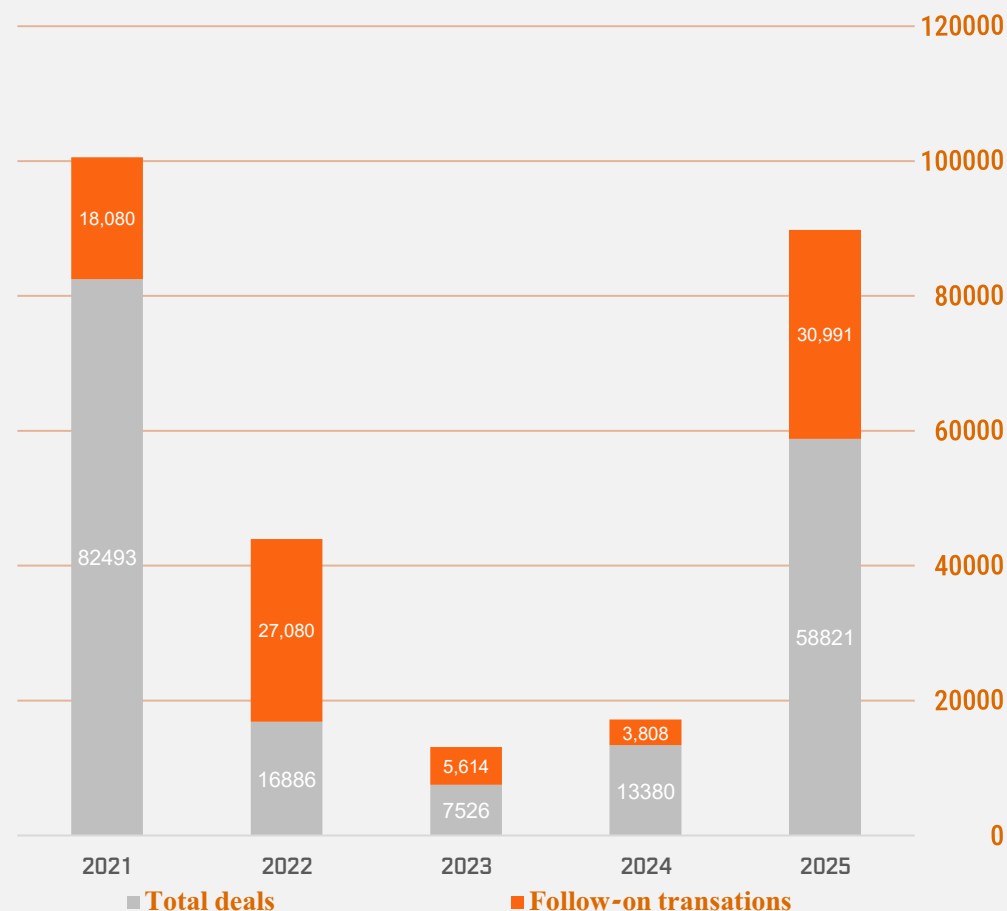
When taking follow-on deals into account (which, as indicated above, are excluded from our primary analysis as they have already been featured in previous reports), total deal value in 2025 is \$89.8 billion, second only to the peak in 2021 (COVID).

In 2025, a total of 13 follow-on transactions took place with a total value of \$31 billion, compared to 7 transactions with a total value of \$3.8 billion in 2024.



## Total exists – IPOs and M&As (including follow-on deals) – 2021-2025

Million Dollar

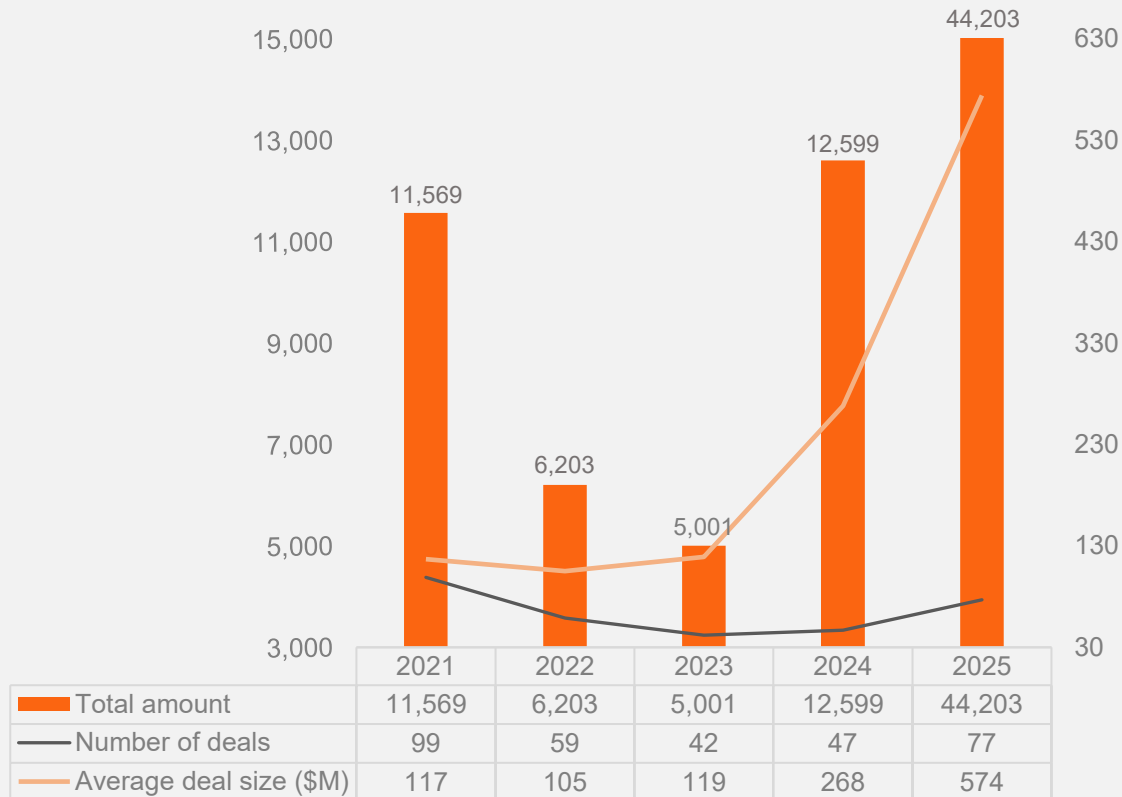


Some of the strategic follow-on transactions are the acquisition of CyberArk by Palo Alto for \$25 billion, of Sapiens by Advent for \$2.5 billion and of Verint for \$2 billion by Thoma Bravo.

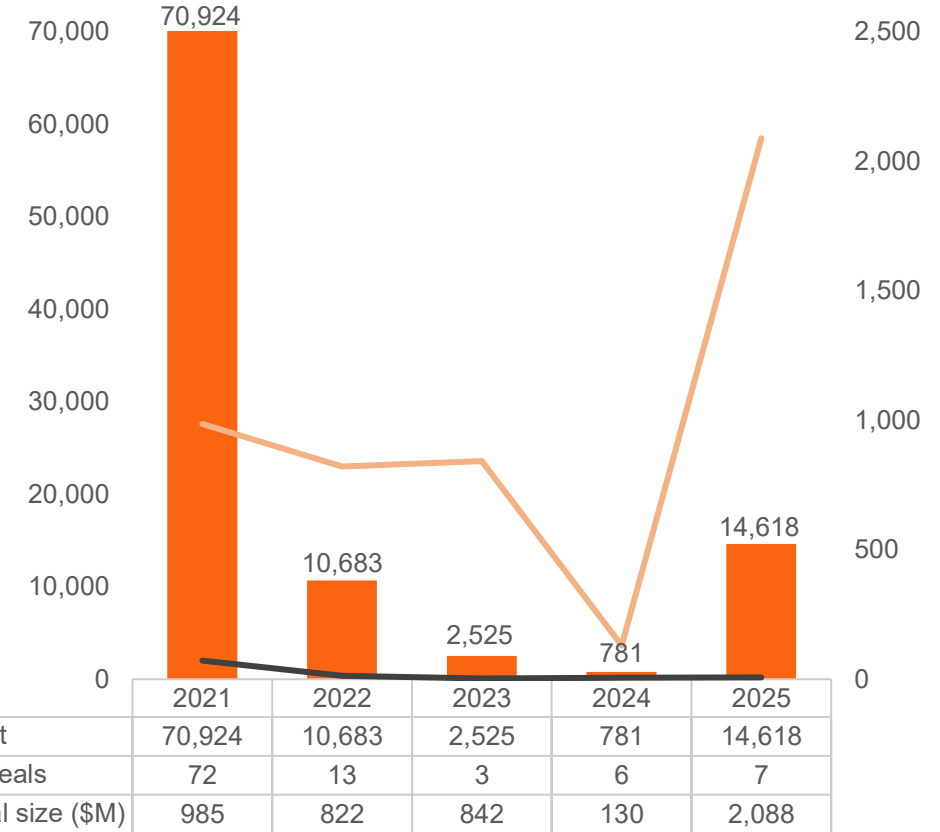


## M&As in 2021-2025

The total value of M&As (excluding IPOs), respectively, in 2025 was \$44.2 billion. This represents a 251% surge over last year, when deal value was \$12.6 billion. Without the Wiz acquisition, the total deal value is \$12.2 billion, or a 3% decline.



## IPOs 2021-2025

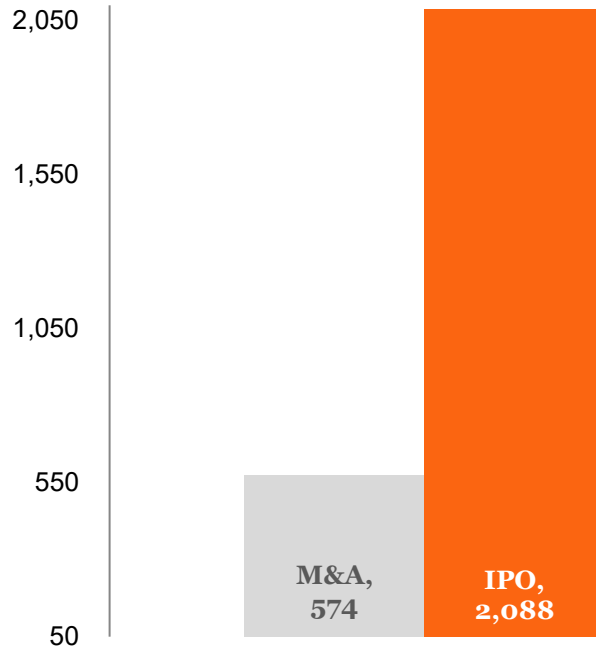


Seven IPOs were completed in 2025 with a total value of \$14.6 billion, headed by the \$6.2 billion offering by Navan Labs on Nasdaq. Five IPOs took place on US exchanges and two on the Tel Aviv Stock Exchange (TASE). For comparison, six IPOs took place last year, with a total value of \$781 million. The average value per IPO was \$2.1 billion, from \$130 million last year.

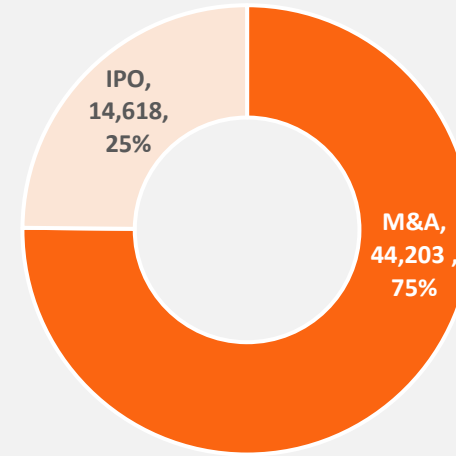
\* IPOs by R&D partnerships and SPACs are included in this report when they merge with/invest (De-SPAC) in target companies.



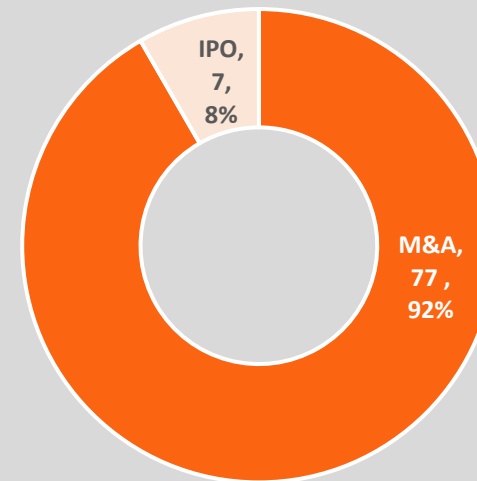
## Average per deal (in million \$)



This year's average IPO value is \$2.1 billion, significantly higher than last year's figure of \$130 million. The average M&A deal size was up, from \$268 million in 2024 to \$574 million in 2025. The average excluding the Wiz transaction is \$160 million.

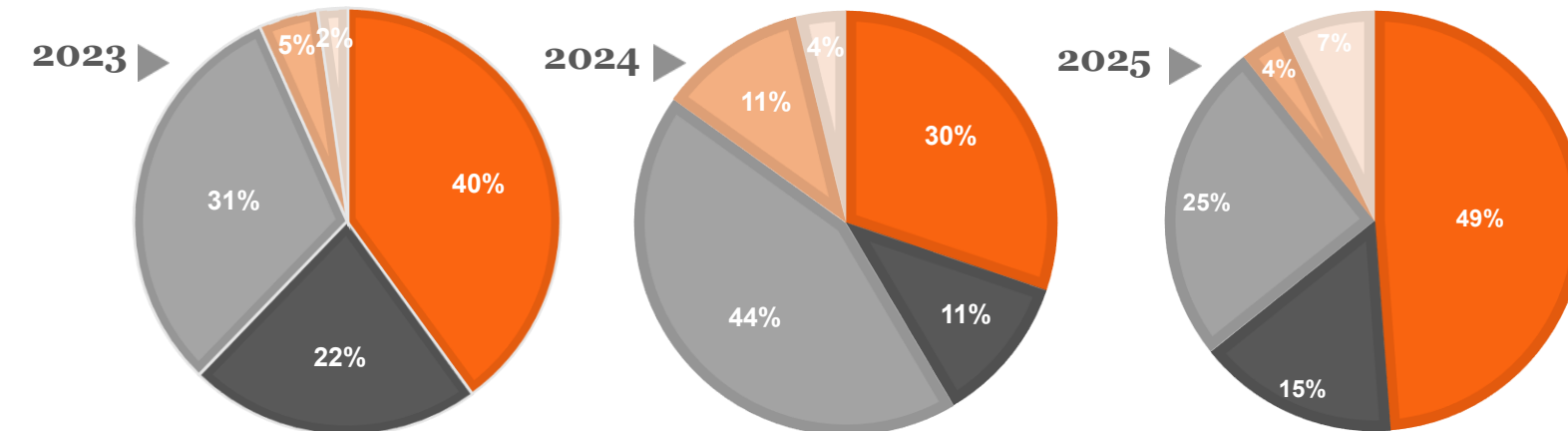
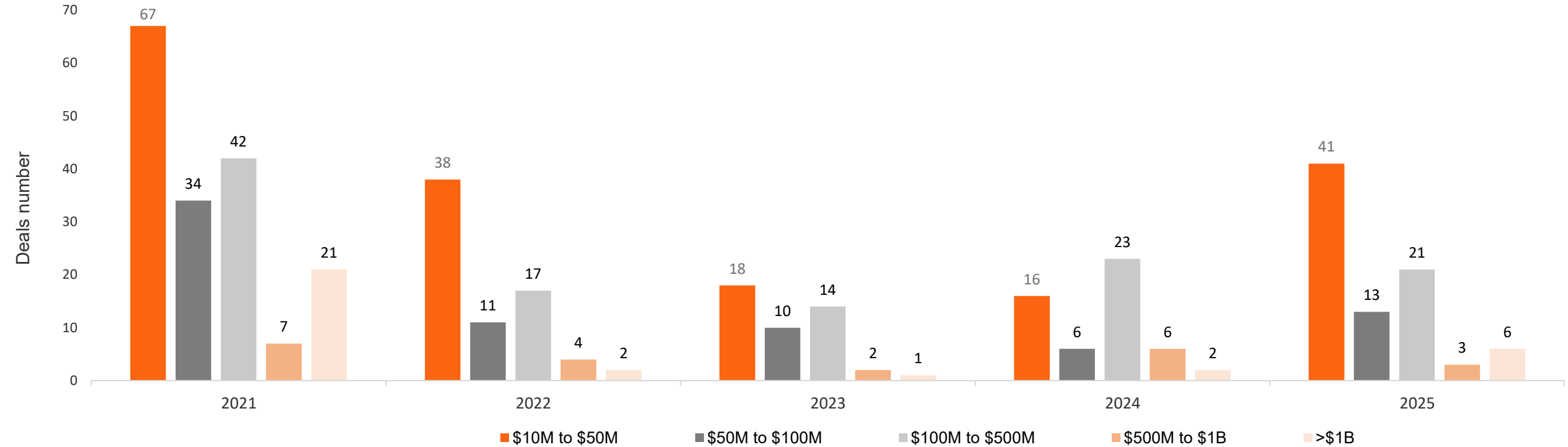


Deals Amount  
(In Millions)



Number of Deals

# Analysis by deal size (in million \$) – deal numbers

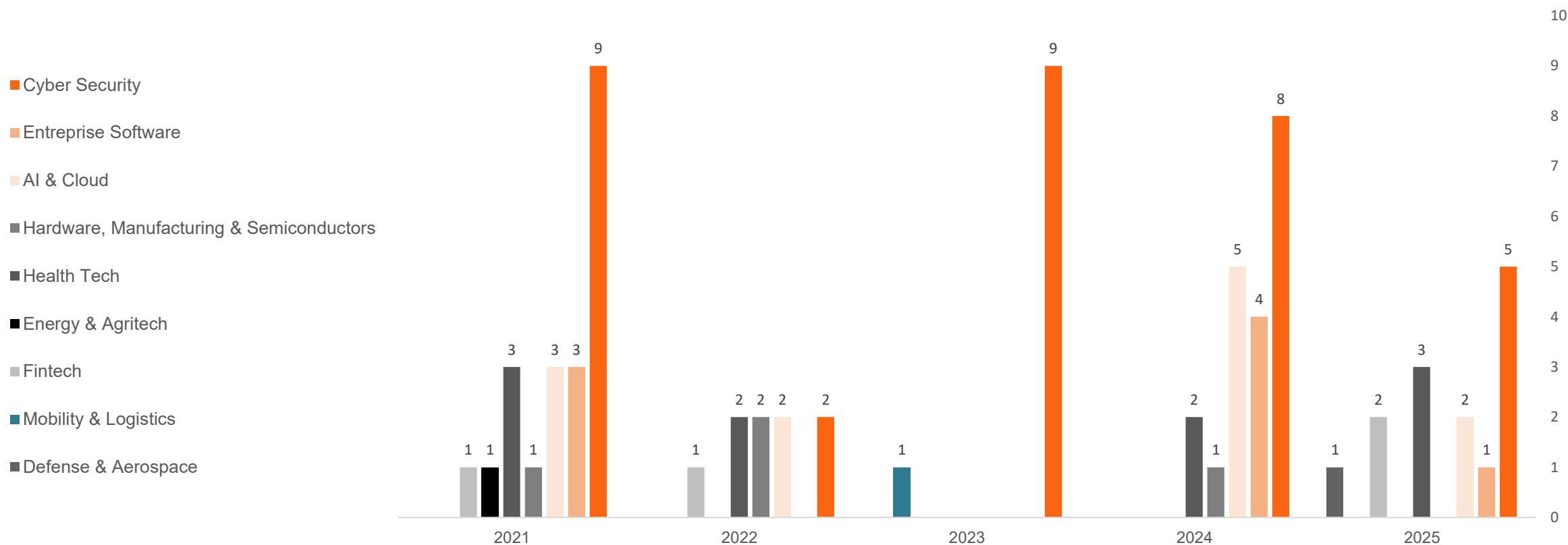


**9 significant deals (over \$500 million) were closed in 2025, with a total value of \$53 billion, compared to the previous year in which eight such deals had a value of \$6.8 billion.**

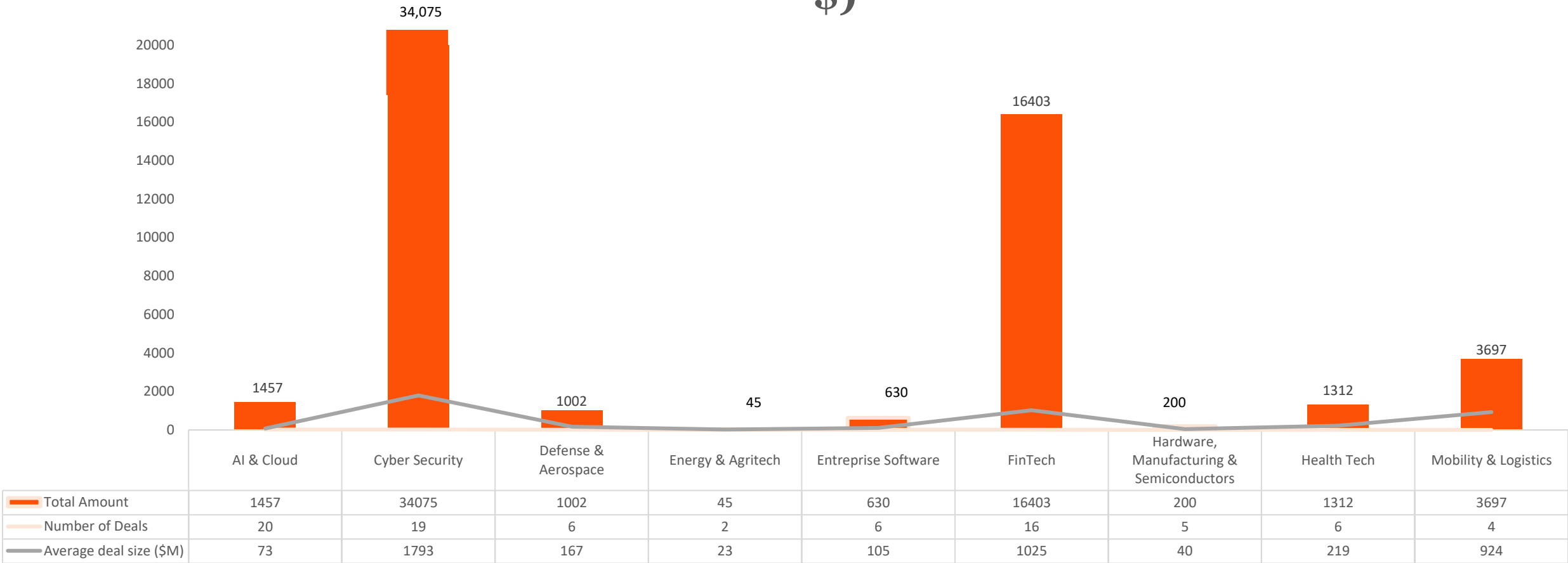
There were 21 deals this year in the \$100-\$500 million bracket, with a total value of \$4 billion. This value range is leading this year with 41 deals, accounting for 49% of all deals.

## Number of transactions by sector

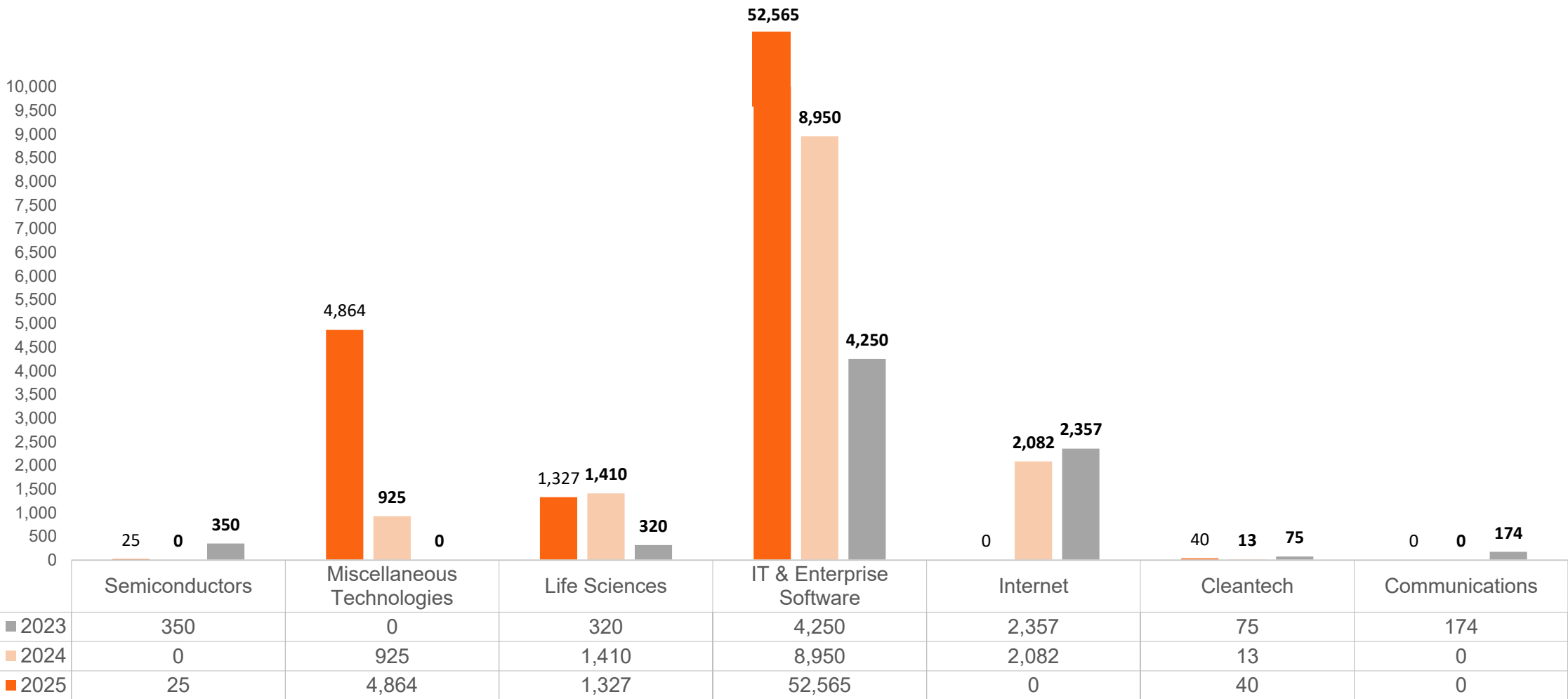
**14 over-\$200-million M&As (excluding IPOs) took place in 2025**, compared to 20 such deals last year. As in the previous year, most transactions in this category (5) were in Cyber. In keeping with the recent trend, the rest of the deals were spread across multiple segments: 3 in Healthcare, 2 in AI & Cloud, 2 in Fintech, one in Enterprise Software, and one in Defense Tech. An interesting point is that out of those 14 transactions, 5 involved AI-based companies: 2 Cyber AI companies, 2 Cloud AI and one Health AI.



**pwc** Analysis by **sub-sectors** (in million \$)

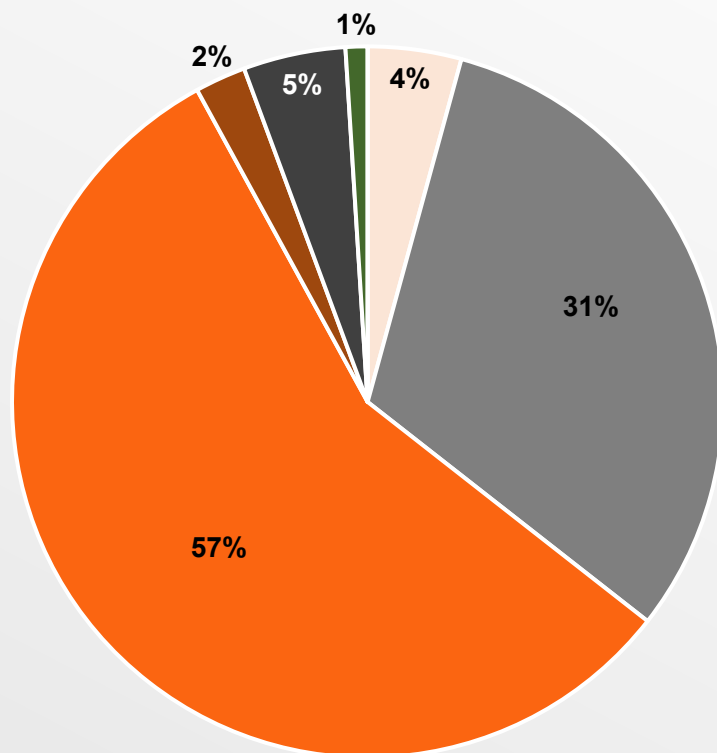


In 2025, it can be seen that the Cyber sub-sectors is leading with 19 transactions, and it had the largest value at \$34 billion, mainly thanks to the Wiz acquisition by Google. When excluding Wiz, the leading sub-sector is Fintech with 16 deals and \$16.3 billion. The most prominent deals in this sub-sector are the IPO by Navan (\$6.2 billion) and eToro (\$4.4 billion) and the acquisition of Next Insurance by Ergo and Melio by Xero for \$2.6 billion and \$2.5 billion, respectively. Another sub-sector of note is Mobility & Logistics, with 4 deals having a total value of \$3.7 billion, headed by the Via IPO (\$3.6 billion).

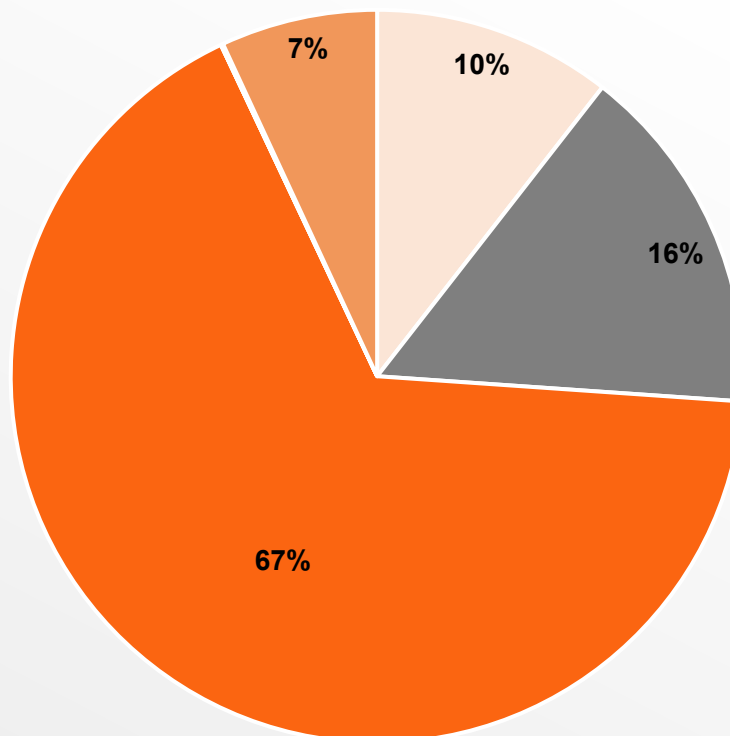


It can be seen that Enterprise Software continued to lead in 2025 with the largest value compared to all other sectors at \$52.5 billion or 89.3% of all deals.

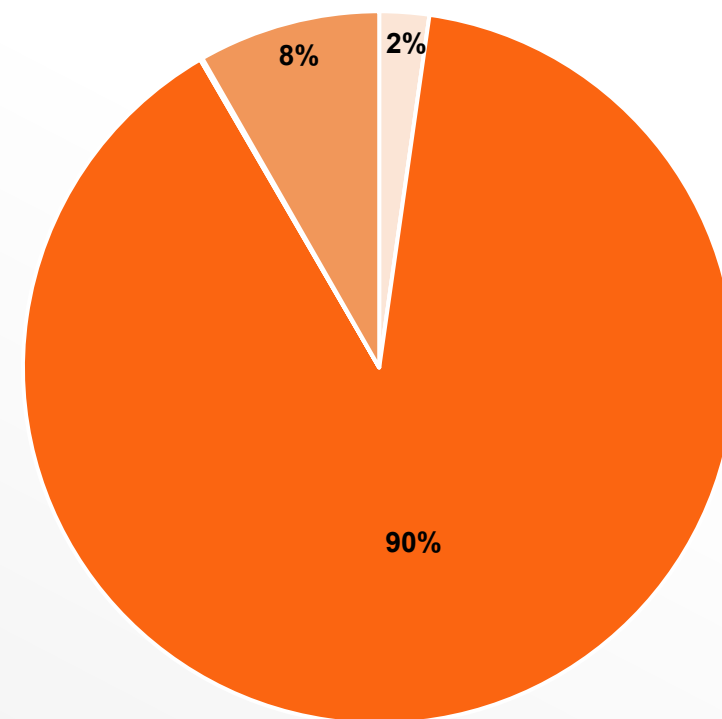
2023



2024

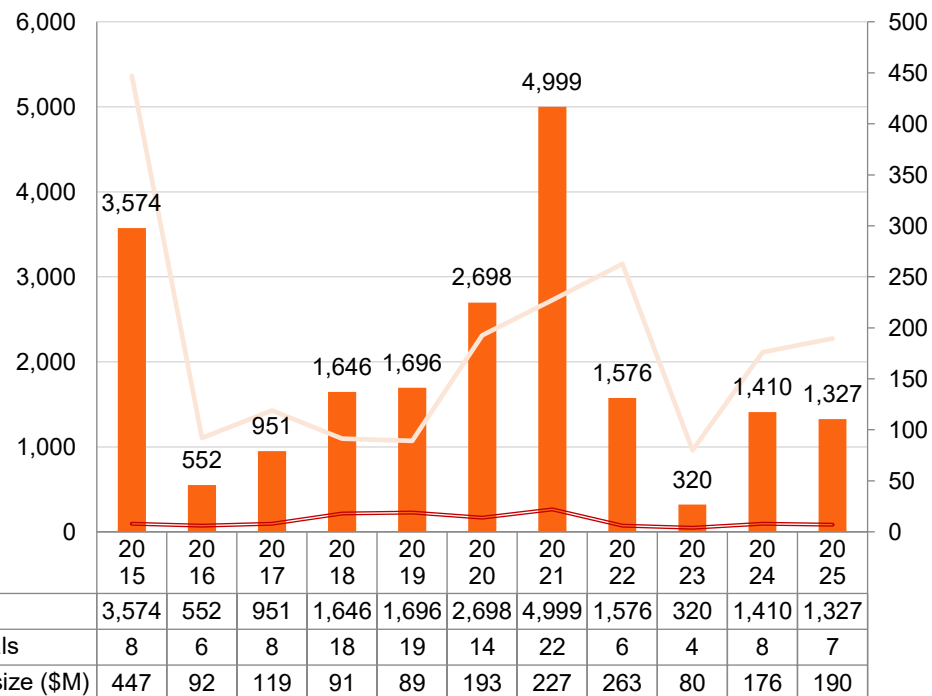


2025



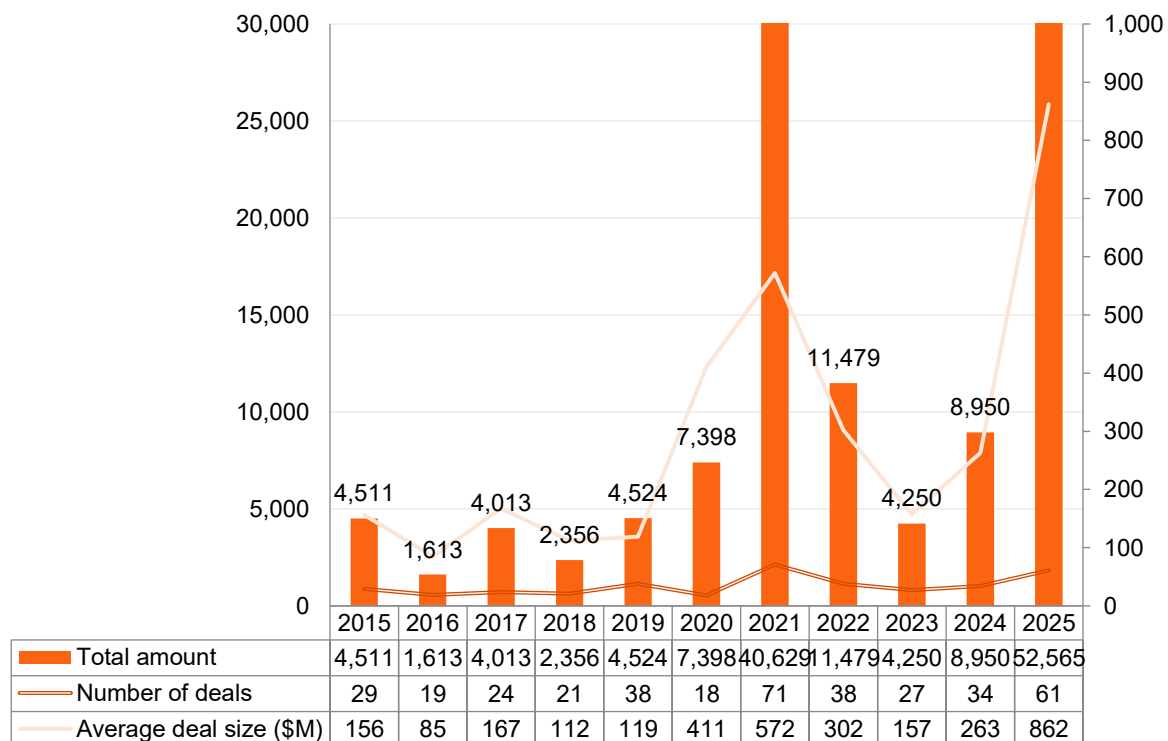
Life Sciences Internet IT & Enterprise Software Communications Semiconductors Cleantech Miscellaneous Technologies

## Life Sciences



In Life Sciences, the total deal value is \$1.3 billion, compared to \$1.4 billion in 2024. Key deals included the acquisition of the medical devices companies Vectorious by Edwards and Sonivie by Boston Scientific, as well as the Healthcare AI company DigitalOwl by Datavant.

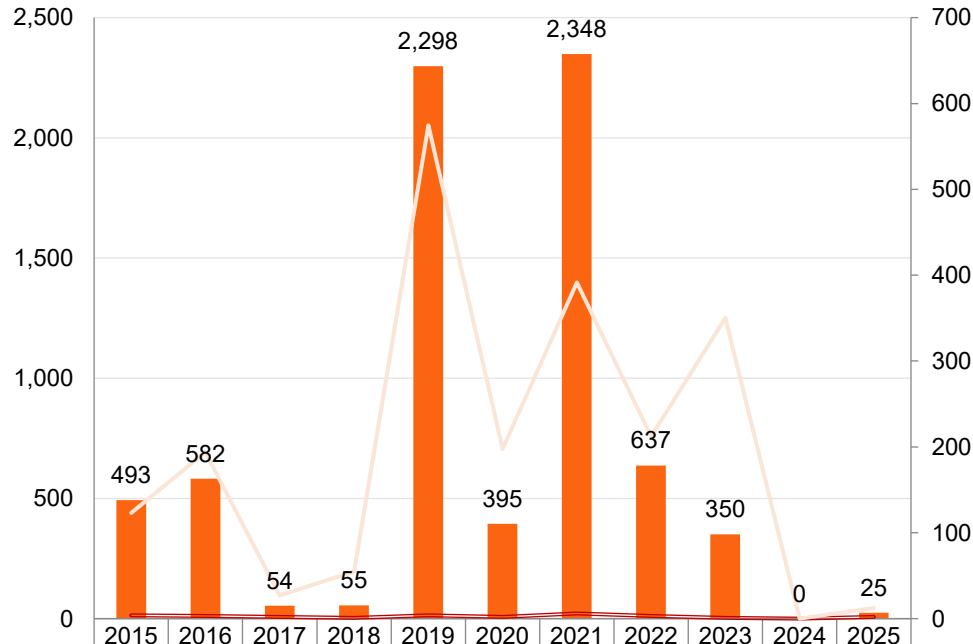
## Enterprise Software



The Enterprise Software sector continued to be ahead this year with 61 transactions and a total value of 52.5 billion, accounting for 72% of the total number of transactions. Among the most notable are Wiz, Navan Labs, eToro, Next Insurance and Melio.



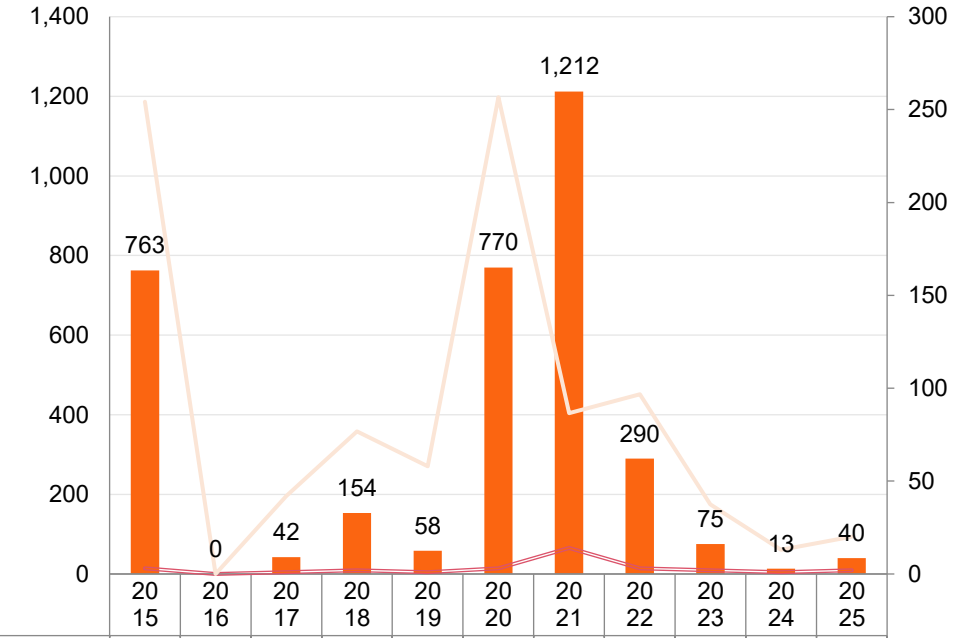
## Semiconductors



2 deals took place in the Semiconductor sector in 2025, with a total value of \$25 million, compared to no deals in that sector in 2024.



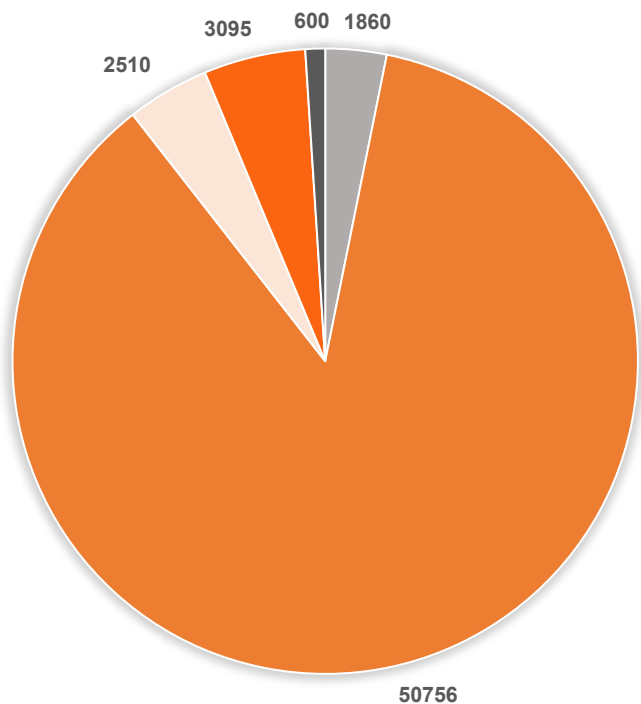
## Cleantech



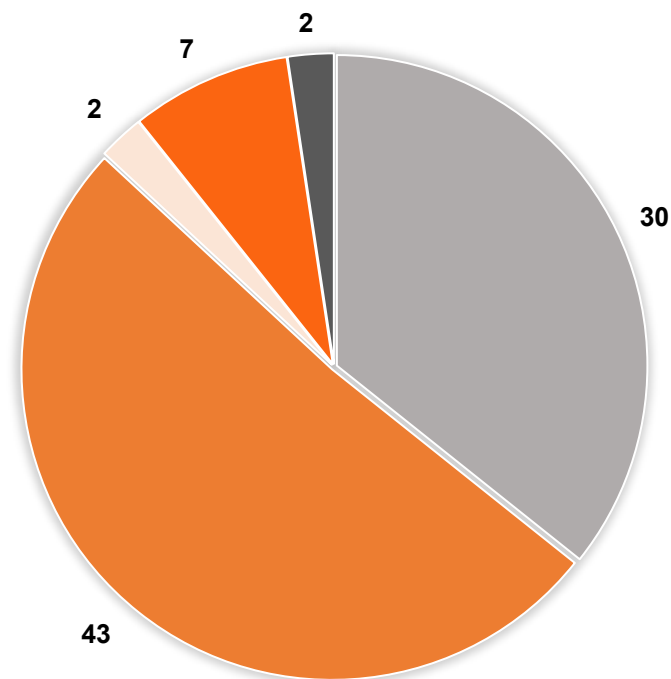
2 transactions were recorded in the Cleantech sector, with an aggregate value of \$40 million, compared to one \$13 million transaction last year.



Total Amount (In Millions)



Number of Deals



The US has been and still is the most significant geography on the buy-side, with 43 deals, representing 51% of the total count (compared with 31 and 58%, respectively, in 2024).

The number of transactions involving Israeli buyers increased to 30, representing 35% of all deals, compared to 15 and 28%, respectively, last year.



# The Biggest Deals



Cyber

**WIZ** \$32B **Google** 1

Fintech

2 **next** \$2.6B **ERGO**  
A Munich Re company

Fintech

**melio** \$2.5B **xero** 3

Defense

4 **CARBYNE** \$625M **AXON**

Enterprise Software

**LOCUSVIEW** \$525M **Itron** 5

AI & Cloud

6 **INFINIDAT** \$500M **Lenovo**

Health-Tech

**Vectorious** \$497M **Edwards** 7

Health-Tech

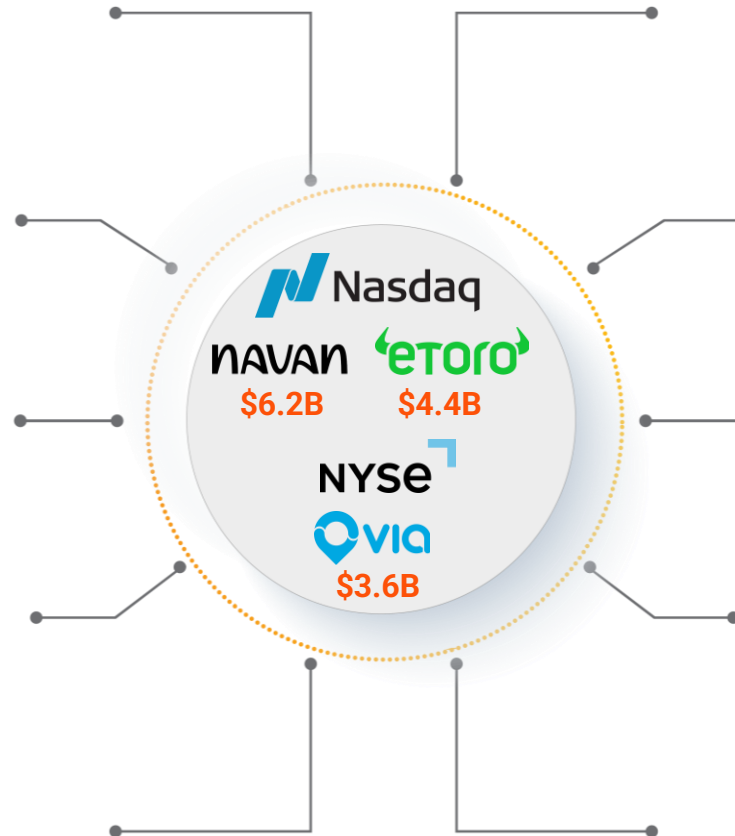
8 **SoniVie** \$360M **Boston Scientific**

Cyber

**AM** \$350M **CATO NETWORKS** 9

Cyber

10 **findings.** \$305M **diginex**





- The report covers both asset acquisition transactions and merger and acquisition deals (i.e. share acquisition) of Israeli companies or companies with significant affiliation to Israel. An exit is defined as closing of a share acquisition deal, asset acquisition deal or activity by a target company for cash or shares of the buyer. An exit is also an initial public offering (IPO) on any stock exchange. Public offering values in this report are based on the value of the listed company at the opening of the trading session. Initial public offering in this report also refers to De-SPAC transactions.
- The above information excludes follow-on deals by companies that have already been included in our reports in the past (acquisition or IPO).
- There may be significant differences between this report and the PwC Israel M&As Report. This report does not account for information that is covered by the M&A report, such as overseas acquisitions by Israeli companies, non-tech deals, transactions of less than \$10 million, and deals that have been signed but are not closed.
- Research data was taken from different databases, such as CapitalIQ and other publically-available sources, and are updated through December 1, 2025.



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