PANORAMIC NEXT

M&A

GLOBAL TRENDS



LEXOLOGY

M&A

2026

Contributing Editors

Eric M Swedenburg, **Alison Z Preiss** and **Yuru (Rita) Fu**

Simpson Thacher & Bartlett LLP

Panoramic Next: M&A explores the most impactful recent developments in global mergers and acquisitions and how legal practitioners have responded to them. Through a series of interviews with seasoned experts in key jurisdictions, it offers useful insights across all stages of M&A transactions.

Generated: November 4, 2026

The information contained in this report is indicative only. Law Business Research is not responsible for any actions (or lack thereof) taken as a result of relying on or in any way using information contained in this report and in no event shall be liable for any damages resulting from reliance on or use of this information. Copyright 2006 - 2026 Law Business Research

LEXOLOGY

Explore on **Lexology**

Global Trends

Eric M Swedenburg, **Alison Z Preiss** and **Yuru (Rita) Fu**

Simpson Thacher & Bartlett LLP

Eric Swedenburg is a partner at Simpson Thacher & Bartlett LLP, where he is the Global Head of the Mergers and Acquisitions Practice and a member of the Executive Committee. Eric represents companies in a wide range of mergers, acquisitions and divestitures, spin-offs, joint ventures and other significant corporate transactions. He also regularly counsels clients on shareholder activism, corporate governance and general corporate and securities law matters. In addition to his work with public companies and special committees of boards of directors, Eric has extensive experience in advising non-public corporations, private equity firms and financial advisers in both US domestic and cross-border M&A transactions across a number of industry verticals. Some of his recent transactions have included representing Paramount Global in connection with its merger with Skydance Media, LLC at a combined company enterprise value of approximately US$28 billion, Beacon Roofing in its sale to QXO for approximately US$11 billion, Karuna Therapeutics, Inc in its acquisition by Bristol-Myers Squibb Company for approximately US$14 billion, Change Healthcare in its US$13.8 billion sale to UnitedHealth Group, Taylor Morrison Home Corporation in its sale to Berkshire Hathaway for approximately US$8.5 billion, SiriusXM in its US$3.5 billion acquisition of Pandora, Mars in its strategic partnership with KIND, Genesee & Wyoming in its US$8.4 billion sale to affiliates of Brookfield Infrastructure and GIC, and The Mosaic Company in its US$2.5 billion acquisition of Vale Fertilizantes as well as Vodafone in the US$130 billion sale of its US group to Verizon, the independent directors of Anheuser-Busch in the $52 billion sale of Anheuser-Busch to InBev, Seagram in its $52 billion business combination with Vivendi and Canal Plus, and America Online in its US$165 billion merger with Time Warner. Eric has published various articles on M&A subjects and frequently speaks on M&A, shareholder activism and corporate matters. He was recently named to the “Power Lawyers 2025” and among the 2024 “Top Dealmakers” lists by *The Hollywood Reporter*, and a “Dealmaker of the Year” by *The American Lawyer* for his role representing Wyeth in its sale to Pfizer.

A partner in Simpson Thacher’s Mergers and Acquisitions Practice, Alison Z Preiss is a trusted adviser to boards of directors and senior executives. She is widely recognised for delivering innovative, commercially grounded counsel in complex, high-stakes situations and for advising clients as they navigate their most consequential strategic and governance decisions. Alison brings deep experience counselling public and private companies on mergers and acquisitions, divestitures, spin-offs, joint ventures, investments and similar corporate transactions, as well as takeover preparedness and defence, shareholder activism and other significant corporate governance matters. She has guided clients in many of the market’s most significant transactions, advising on multi-billion-dollar deals across the healthcare, biotech, technology, industrials and financial services sectors. Some of her representative transactions have included representing Taylor Morrison Home Corporation in its US$8.5 billion acquisition by Berkshire Hathaway, Bausch + Lomb in its US$2.5 billion acquisition of XIIDRA and certain other ophthalmologic assets from

Novartis, Fortive Corporation in the separation of its Precision Technologies segment through the spin-off of Ralliant Corporation into an independent US$5.4 billion market cap company, Whirlpool Corporation in its US$3 billion acquisition of the InSinkErator business of Emerson Electric, Sanderson Farms in its US$4.53 billion acquisition by Cargill and Continental Grain, Pfizer in its US$160 billion agreed combination with Allergan plc and in its US$5.2 billion acquisition of Anacor Pharmaceuticals, Alexion Pharmaceuticals in its US$8.4 billion acquisition of Synageva Biopharma, Energy Transfer Equity in its agreed US$37.7 billion combination with the Williams Companies, and others. Alison is recognised for her corporate and M&A work by *IFLR 1000*, among others and frequently speaks on M&A, shareholder activism and corporate matters, including as a panel participant in the annual Tulane Corporate Law Institute, which is recognised as one of the premier M&A, corporate and securities law conferences in the country.

Mid-year snapshot

Building on a strong 2025, global M&A activity shifted into an even higher gear in the first half of 2026. Transactions totalling US$2.85 trillion were announced worldwide, a 50% increase from a year ago and the strongest half-year period for dealmaking since records began in 1980. The macroeconomic headwinds that defined much of 2025 – including ongoing geopolitical conflicts, trade uncertainty and uneven financing conditions – have either lingered or intensified, yet dealmakers have continued to transact. Increasingly, these uncertainties appear to be treated less as obstacles to dealmaking than as risks to be priced, allocated and managed.

Momentum that began building in 2025 accelerated further in the first half of 2026. Each quarter since the second quarter of 2025 has exceeded US$1 trillion in announced deal value. More than US$1.2 trillion of transactions were announced in the first quarter of 2026, the strongest opening quarter in five years, followed by more than US$1.6 trillion in the second quarter, up 31% from the first quarter and the largest quarter by value since records began in 1980.

As in 2025, mega deals (transactions worth over US$10 billion) remained the principal engine of global M&A. More than 24,500 transactions were announced globally during the first half, a 9% decline and a six-year low by deal count, even as aggregate deal value reached a record high. Forty-eight mega deals accounted for a combined US$1.3 trillion, more than double the first-half 2025 figure and the highest half-year value for mega deals since records began in 1980. The divergence was not confined to the very top of the market: across deal sizes, value continued to outpace volume, pointing to a market increasingly characterised by larger, higher-value transactions rather than sheer deal count. Transactions valued below US$500 million totalled US$455 billion, up 12% by value even as deal count declined 2% from 2025 levels.

By region, dealmaking painted a more nuanced picture over the first six months of 2026. US M&A activity reached US$1.5 trillion, an 80% increase from year-ago levels and the strongest half-period for US dealmaking since records began in 1980. A more pragmatic federal antitrust enforcement environment has provided greater confidence for large-scale transactions. Anchored by mega deals such as NextEra Energy's US$119.7 billion announced combination with Dominion Energy, Honeywell Technology's US$84.6 billion spin-off of Honeywell Aerospace and SpaceX's US$60 billion acquisition of Anysphere, US

dealmaking accounted for more than half of global M&A activity (54%) in the first half of 2026, a seven-year high.

Europe staged an equally striking rebound, with US$676.0 billion of announced deals involving European targets. Deal value more than doubled from the first half of 2025, reaching a 19-year high, buoyed by lower financing costs, robust transatlantic capital flows, and a renewed emphasis on supply-chain resilience. First-quarter dealmaking alone rose 86% year-over-year. The United Kingdom was a particular standout, as comparably depressed valuations in the London equity market made UK companies attractive targets for US acquirers seeking high-quality assets at relatively attractive valuations. Supported by marquee transactions such as McCormick's US$44.8 billion merger with Unilever and Prologis's US$23.0 billion takeover of Segro, UK M&A more than tripled from US$77.6 billion in H1 2025 to US$239.2 billion in the first half of 2026.

Asia-Pacific moved in the opposite direction. With US$360.0 billion of announced transactions, regional M&A value declined 2% from 2025 levels. Japan retreated significantly from its 2025 pace, with US$84.8 billion in deals announced, down 45% year-over-year. China recorded US$134 billion of announced transactions, a 36% decline from the comparable period in 2025.

By sector, technology, industrials and energy and power were among the busiest corners of the market in the first half of 2026. Technology M&A totalled US$668.0 billion, up 90% from 2025 and accounting for nearly a quarter of global deal value (24%). AI remained a dominant theme, as companies and investors competed for access to critical capabilities and deployed substantial capital across a range of transactions. Among the largest AI-related transactions were Anthropic's US$30 billion Series G and US$65 billion Series H rounds and Amazon's US$50 billion investment in OpenAI.

Industrials deals reached US$393.7 billion, a 57% year-over-year increase and 14% of global first-half deal value, supported in part by demand for equipment and infrastructure required to support data centre expansion, grid modernisation and more resilient supply chains. Closely related forces propelled activity in energy and power, where transactions totalled US$383.6 billion, up 22% from 2025. Surging electricity demand from AI infrastructure, together with heightened attention to energy security and resilience, continues to drive investment across generation, transmission and other critical power infrastructure.

Cross-border M&A remained remarkably resilient despite heightened geopolitical and trade tensions, reaching US$909.3 billion in the first half of 2026, a 63% year-over-year hike and the strongest half-year period by value since 2007. Rather than suppressing cross-border appetite, geopolitical friction and trade uncertainty have prompted dealmakers to navigate an increasingly complex regulatory environment in search of scale, strategic capabilities and growth. Technology, financials and healthcare led cross-border activity, together accounting for about 47% of deal value, broadly in line with 2025.

Sponsor-backed dealmaking also reached a record high in the first half of 2026, with private equity-backed buyouts totalling US$601.9 billion, accounting for 21% of global M&A value and up 54% from 2025. Sponsors entered the year with substantial dry powder and mounting pressure both to deploy capital and to generate returns from mature portfolio investments, creating strong incentives for activity on both the buy and sell sides of the market.

Eyes forward

The surge observed in the first half of 2026 is likely to carry into the second half, although we read the momentum with a measure of caution. Geopolitical tensions, trade uncertainty and the resulting supply-chain disruptions have hardly receded; instead, they have increasingly been absorbed into the deal calculus. Rather than retreating in the face of such uncertainty, dealmakers are turning to scale both as a bulwark against volatility and as a means of accelerating strategic transformation in an AI-driven economy. If regulators continue to take a pragmatic approach to merger review, that environment should further support confidence in larger, more transformative transactions.

Private equity should remain an important part of this dynamic. Record levels of dry powder, coupled with mounting pressure to deploy capital and return proceeds to investors, should support sponsor activity on both the buy and sell sides of the market. At the same time, a more receptive initial public offering (IPO) market could provide sponsors with an additional exit route while strengthening the public equity markets that provide strategic acquirers with valuable deal currency.

Significant cross-currents remain. Heightened geopolitical risks in the Middle East and the potential for disruption to critical energy routes should keep energy security near the top of the boardroom agenda, while renewed inflationary pressures may keep interest rates elevated. Against that backdrop, well-capitalised buyers should retain an advantage, as balance sheet strength may become the price of admission for the market's largest transactions.

Simpson Thacher

Eric M Swedenburg eswedenburg@stblaw.com
Alison Z Preiss Alison.Preiss@stblaw.com
Yuru (Rita) Fu rita.fu@stblaw.com

Simpson Thacher & Bartlett LLP

Read more from this firm on Lexology