

M&A INSURANCE: Q4 2025 MARKET UPDATE

In Q4, we saw a significant increase in both average deal value (up 89.14%) and deal volume (up 11.76%), signalling the return of larger deals to the European market.

PE As anticipated in our previous update, Q4 saw a rush of transactions aiming to sign before the year end, making it one of our busiest quarters yet with c.£18bn of aggregate deal value placed. The end of 2025 also saw the completion of several larger standalone transactions, including a number of noteworthy deals advised on by HWF.

Energy/Infrastructure We were pleased to support the £1.2bn acquisition by Apollo from Ørsted of a 50% stake in Hornsea 3 offshore wind farm, expected to be the world’s largest single offshore wind project with generation capacity of 2.9 GW, highlighting continued investor appetite for UK offshore wind. We also saw sustained interest in energy transition technologies, including trading platforms and smart meters. Infrastructure activity remained strong, including supporting Igneo on its investment into City Green Light in Italy and CVC on its investment into a global network of schools. We also advised on investments into UK green hydrogen and CCUS projects, with interest from non-European investors continuing to grow.

Real Estate Real estate deal flow and enquiries remained strong through Q4. The continued resurgence in the UK office market, particularly in London, has built momentum alongside sustained demand for prime logistics assets across the UK and Europe. W&I rates remain competitive but have firmed modestly, reflecting year-end capacity tightening in an increasingly active market.

Tax Tax insurance remains a valuable tool for unlocking value for clients, with a steady level of placements across the risk spectrum, from early-stage transaction planning to audits and final-instance court proceedings. Demand remains high from corporations and investment funds, with growing interest from individuals and family offices seeking clarity on complex tax matters.

Contingent Contingent insurance continues to evolve from a defensive product into an active enabler of fund liquidity and leverage. Insurance is increasingly used within financing structures, supporting NAV facilities, asset-level borrowing and bespoke capital solutions. By improving certainty around contingent exposures, these policies enable earlier value recognition and more efficient capital recycling.

DEALS 11.76% increase ▲		AVERAGE DEAL SIZE £157,030,679 ▲			
Jurisdiction					
Europe 43.86% ▲		UK 40.35% ▽		Middle East 1.75% ▲	Other 14.04% ▽
Sector					
Energy 15.79% ▽	Infrastructure 11.40% ▲	Operational 41.23% ▽		Real Estate 7.02% ▲	Technology 24.56% ▲
Av. Policy Limit (% of EV)	Energy 33.10% ▽	Infrastructure 31.75% ▲	Operational 30.44% ▲	Real Estate 21.01% ▽	Technology 21.87% ▽
Av. Rate on Line (% of Limit)	Energy 0.72% ▲	Infrastructure 0.98% ▲	Operational 0.97% ▽	Real Estate 0.78% ▲	Technology 0.99% ▲
Av. Retention (% of EV)	Energy 0.00% ▽	Infrastructure 0.18% ▲	Operational 0.17% ▲	Real Estate 0.17% ▲	Technology 0.22% ▲

Arrows show changes to Q3 2025 statistics

Claims Claim volumes in Q4 2025 were consistent with the rest of the year. A continuing trend for HWF, highlighted in our upcoming 2025 Claims Study, is that nearly 50% of all claims relate to seller fraud, non-disclosure and third-party matters, which by definition could not be identified through due diligence. The third edition of our Claims Study will be released in Q1 2026.

FUTURE CONSIDERATIONS

We expect enquiries to remain stable and solid in Q1 2026, with a strong pipeline of exits, including several large-cap transactions. We are also pleased to welcome Somers Brewin to HWF as our new Head of Real Estate, bringing deep sector expertise to the team. As always, we remain focused on delivering the best possible service to help our clients capitalise on new opportunities.

KEY CONTACTS

David Wall
Managing Director,
Co-Head of Private Equity
+44 7971 627 060
david.wall@hwfpartners.com

Alex Harding
Director, Head of Claims
+44 7590 916 950
alex.harding@hwfpartners.com

David Layton
Managing Director,
Co-Head of Private Equity
+44 7816 352 899
david.layton@hwfpartners.com

James Williamson
Director, Head of Contingent
+44 7799 228 806
james.williamson@hwfpartners.com

Mark Parrett
Managing Director, Head of Tax
+44 7966 638 235
mark.parrett@hwfpartners.com

Yolanda Yong
Head of Energy and Infrastructure
+44 7885 246 578
yolanda.yong@hwfpartners.com

Somers Brewin
Head of Real Estate
+44 7368 388 364
somers.brewin@hwfpartners.com