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MEDIA*talk*

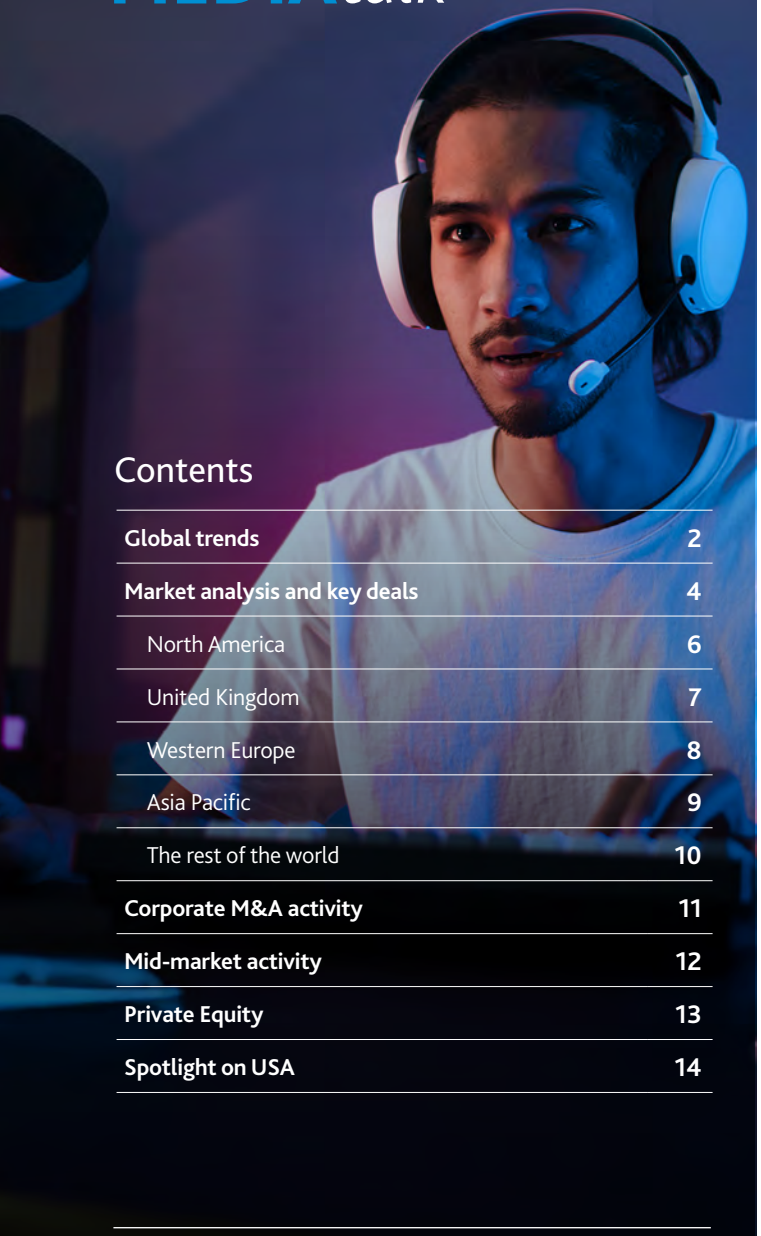
The year confidence returned to media M&A



BDO

H2 2024

MEDIAtalk



Contents

Global trends	**2**
Market analysis and key deals	**4**
North America	6
United Kingdom	7
Western Europe	8
Asia Pacific	9
The rest of the world	10
Corporate M&A activity	**11**
Mid-market activity	**12**
Private Equity	**13**
Spotlight on USA	**14**

A word from Andy Viner

2024 feels like the year **confidence returned to the media M&A market**. After a period of subdued growth, we're seeing a real shift in investor sentiment, with private equity leading the charge and early signs of a resurgence in capital market activity.

Data, AI, and social commerce are adding new dimensions to the market, creating fresh opportunities across industries and geographies.

At the heart of this transformation, the US is solidifying its role as both a major acquirer and a sought-after target, connected to **41% of global deals,** while Europe – particularly France, the UK, and Spain – remains a key player in the deal landscape.

Beyond the Western World, **Africa is emerging as an exciting market** to watch, with its vast population and rapidly developing economies signalling a marked rise in interest from investors. While the base remains low today, the region holds immense long-term potential, and we are beginning to see increasing activity in key markets.

Economic and political factors will undoubtedly play a crucial role in shaping dealmaking in 2025. The **potential easing of conflicts in the Middle East and Ukraine** offer hope for a more stable geopolitical environment and increased investor confidence. Meanwhile, **declining interest rates** are expected to spur M&A activity, providing private equity firms with more flexibility as they seek exits from pre-pandemic investments. The only barriers I foresee at the time of writing are with regard to trade policies, particularly the prospect of **new tariffs under Donald Trump's administration**, which may introduce friction in global transactions.

As we look ahead, dealmakers should plan early, maintain realistic valuations and take a strategic approach to exits taking into consideration last year's global trends. Adaptability and foresight will be essential in navigating the dynamic media M&A landscape in 2025.

I hope you enjoy this issue!



Andy Viner
Partner, Global Head of Media and Entertainment
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Global trends

Things we expect to see in 2025

AI-driven companies will attract investment

Investors are prioritising media companies using AI to enhance content, audience engagement, and efficiency, as automation unlocks new revenue streams.

Market consolidation will accelerate

M&A remains a key strategy as companies scale, streamline operations, and future-proof business models in an evolving digital landscape.

Social commerce will redefine sales

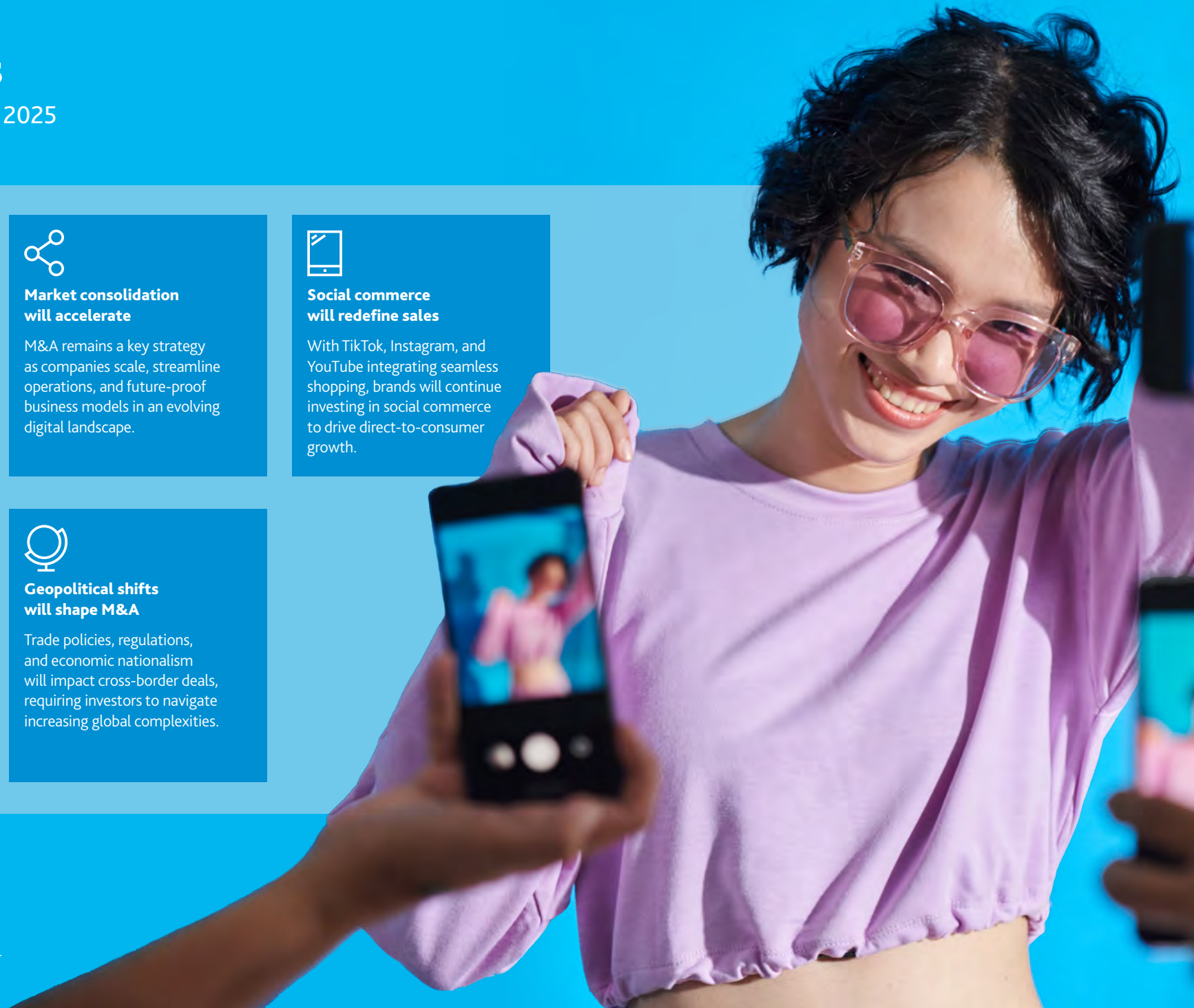
With TikTok, Instagram, and YouTube integrating seamless shopping, brands will continue investing in social commerce to drive direct-to-consumer growth.

Private equity investments and exits will rise

With market confidence improving, private equity firms seek timely exits to maximise returns. Alongside this PE will invest dry powder particularly making platform investments to support buy and build strategies.

Geopolitical shifts will shape M&A

Trade policies, regulations, and economic nationalism will impact cross-border deals, requiring investors to navigate increasing global complexities.



Global trends

Things we expect to see in 2025

US dominance will persist

Strong domestic demand, private equity activity, and AI-driven innovation keep the US at the forefront of global media dealmaking.

Streaming platforms will evolve

With competition rising, services are experimenting with ad-supported tiers, bundling, and exclusives to boost revenue and retain subscribers.

Content licensing will take priority

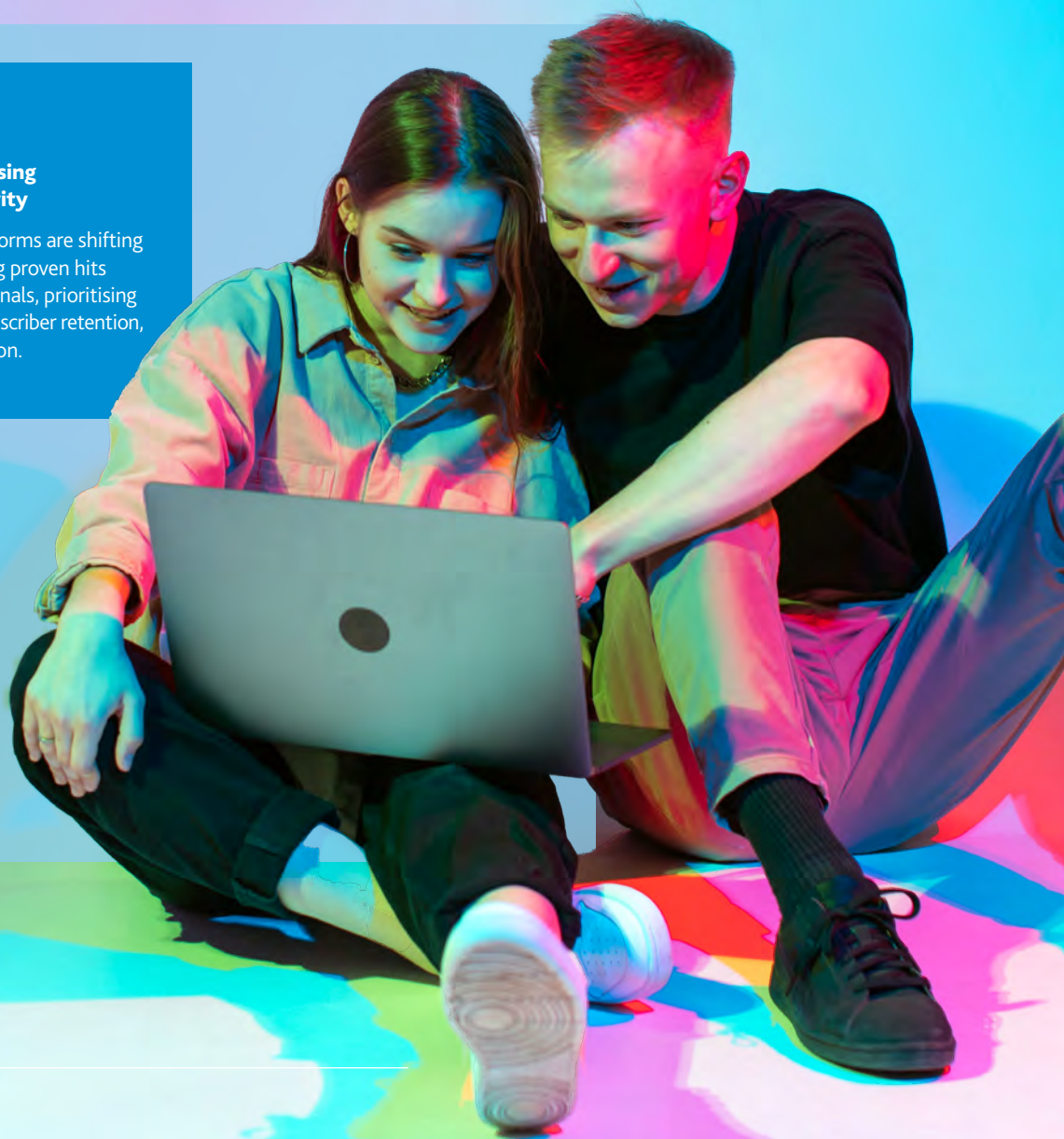
Streaming platforms are shifting toward licensing proven hits over costly originals, prioritising profitability, subscriber retention, and risk reduction.

Live events will be a key grower

In-person experiences are surging, with brands leveraging AI and social media to amplify reach and create immersive, shareable moments.

Data-driven strategies will shape content

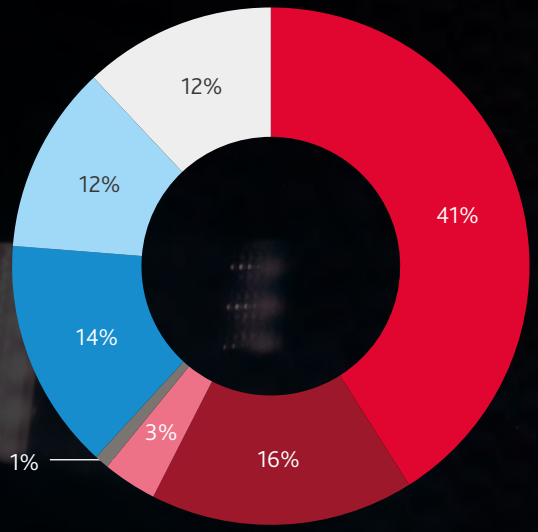
AI-powered analytics are helping companies personalise content, optimise advertising, and predict audience behaviour to stay ahead in a competitive market.



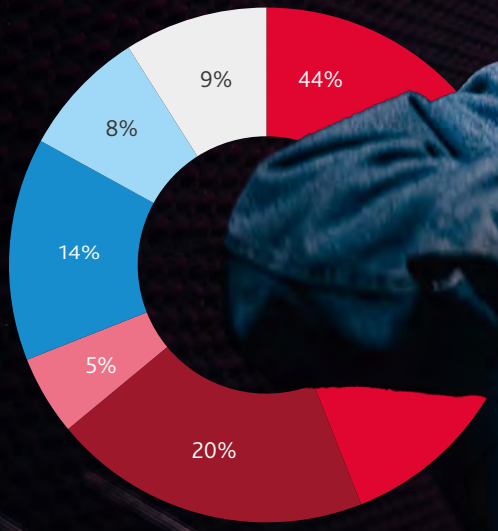
Market analysis

2024

2024 Global Media M&A, top target regions



2024 Global Media M&A, top acquirer regions

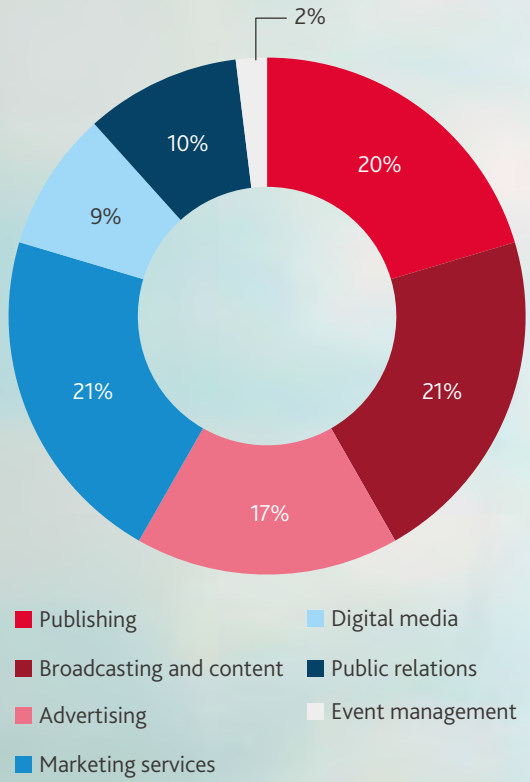


Global media M&A remained robust in 2024, with total disclosed deal value surpassing **US$130 billion** across more than **1,300 transactions**. Momentum was particularly driven by large-scale consolidation in the US, which drew **41% of deals**.

The dominant US market was also a top acquirer, with Western Europe seeing their share plateau at 20%. That said, the UK's MediaTech scene is growing, attracting strong interest particularly from the US, with companies looking to invest in the UK's expertise and cultural influence in the creative sector.

Market analysis

UK Media M&A Transactions by subsector 2024



Transactions by subsector remained consistent throughout the year, with publishing, broadcasting and marketing services holding strong as the most active markets.

Global market summary and key deals

North America

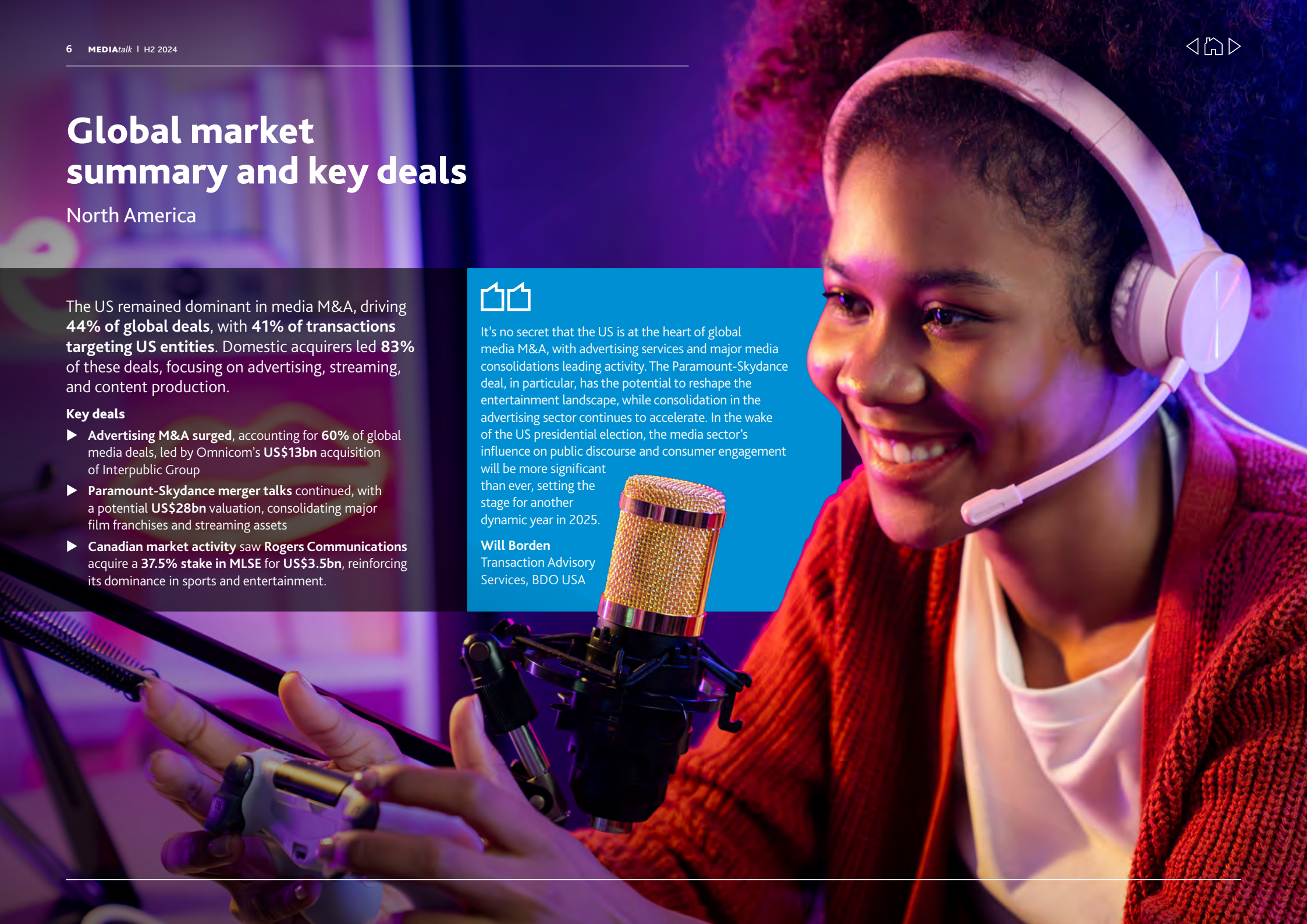
The US remained dominant in media M&A, driving **44% of global deals**, with **41% of transactions targeting US entities**. Domestic acquirers led **83%** of these deals, focusing on advertising, streaming, and content production.

Key deals

- **Advertising M&A surged**, accounting for **60%** of global media deals, led by Omnicom's **US$13bn** acquisition of Interpublic Group
- **Paramount-Skydance merger talks** continued, with a potential **US$28bn** valuation, consolidating major film franchises and streaming assets
- **Canadian market activity** saw **Rogers Communications** acquire a **37.5% stake in MLSE** for **US$3.5bn**, reinforcing its dominance in sports and entertainment.

It's no secret that the US is at the heart of global media M&A, with advertising services and major media consolidations leading activity. The Paramount-Skydance deal, in particular, has the potential to reshape the entertainment landscape, while consolidation in the advertising sector continues to accelerate. In the wake of the US presidential election, the media sector's influence on public discourse and consumer engagement will be more significant than ever, setting the stage for another dynamic year in 2025.

Will Borden
Transaction Advisory Services, BDO USA



Global market summary and key deals

United Kingdom

The UK remained a top target for **global buyers**, with **12% of global media deals** involving UK-based firms. Advertising, broadcasting, and publishing led activity, supported by rising cross-border investment.

Key deals

- **Publishing and broadcasting M&A** remained strong, highlighted by Old Queen Street Ventures' **US$130m** acquisition of The Spectator
- **Major foreign investment**, including **Bharti Enterprises' US$4bn** stake in BT Group, underscored global interest in UK media infrastructure
- **AdTech expansion**, with **Nazara Technologies'** acquisition of Space & Time, strengthening its UK and European presence
- **Film and TV assets attracted buyers**, with **Curzon World** acquired by Fortress Investment Group for **US$5m**, reflecting ongoing demand for UK content.

It's an exciting time for the UK M&A landscape. Cross-border interest in UK media is still going strong, especially in digital marketing, business intelligence, and publishing, while tech-enabled and/or AI capable outfits are becoming more attractive to potential investors or consolidators looking to future-proof their activities. At the same time, continued investment in tech hubs and tax incentives are promoting innovation, sparking more M&A in digital media and content technology. With a strong foundation in creativity, tech, and cultural influence, the UK's media sector is set to stay ahead of market changes and lead the evolution of global trends into 2025.

Conor Lambert
Deals Partner,
Advisory Head of TMT



Global market summary and key deals

Western Europe

M&A in **Western Europe** remained steady.

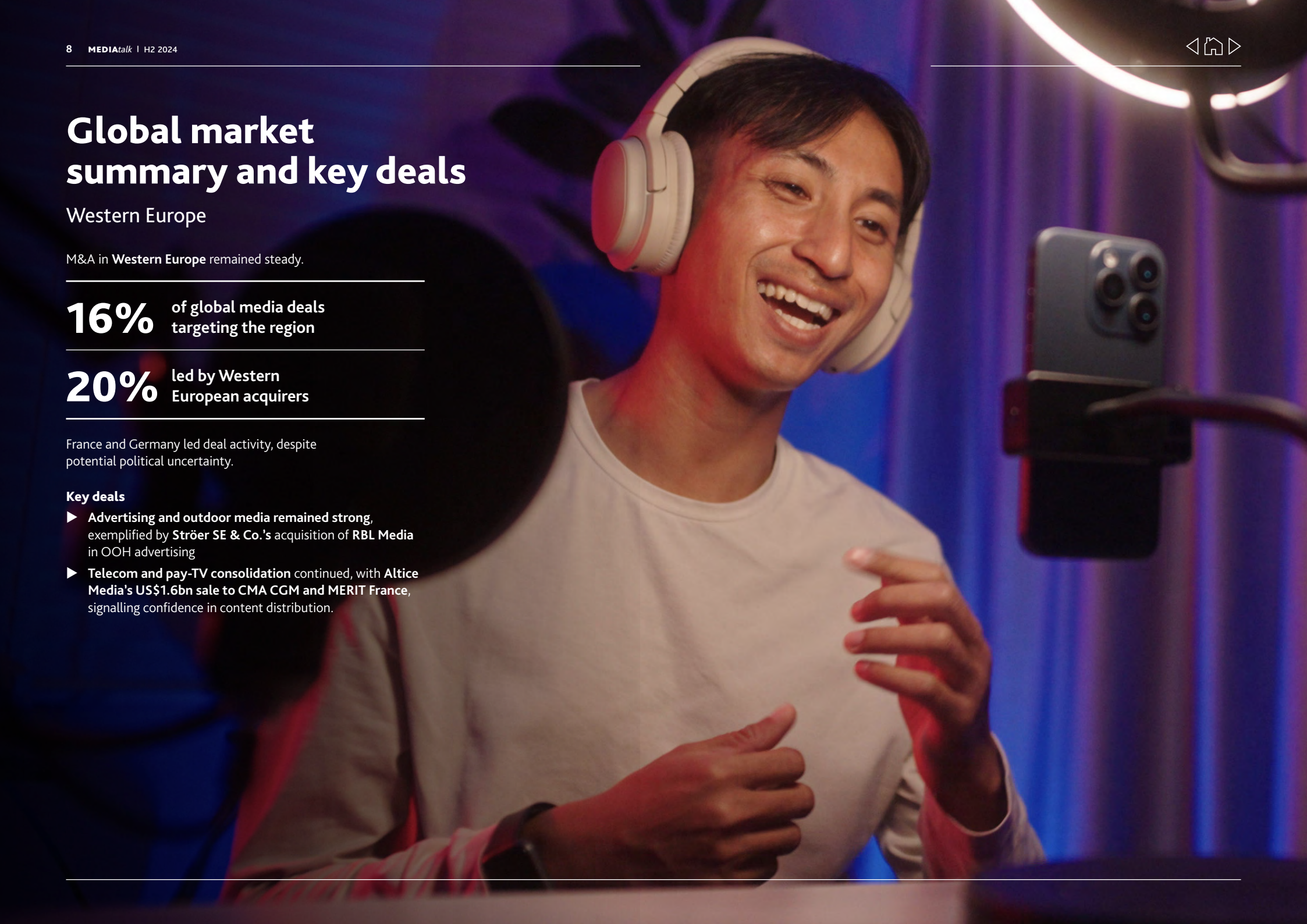
16% **of global media deals targeting the region**

20% **led by Western European acquirers**

France and Germany led deal activity, despite potential political uncertainty.

Key deals

- **Advertising and outdoor media remained strong**, exemplified by **Ströer SE & Co.'s** acquisition of **RBL Media** in OOH advertising
- **Telecom and pay-TV consolidation** continued, with **Altice Media's US$1.6bn sale to CMA CGM and MERIT France**, signalling confidence in content distribution.



Global market summary and key deals

Asia Pacific

M&A activity in **APAC** remained robust, with **14% of global media deals** targeting the region. Japan led deal volume, while **China, South Korea, and India** saw major transactions in gaming, streaming, and telecommunications. Emerging investment in **South-East Asia** reflects the region's expanding digital and entertainment sectors.

Key deals

- **Japan dominated regional M&A**, accounting for **50% of APAC-targeted deals**, led by **CVC Advisers' US$482m** acquisition of **Macromill**
- **Gaming and animation M&A surged**, with **Nintendo acquiring Monolith Soft** and **CJ ENM taking a stake in Netmarble**
- **High-value deals in China, South Korea, and India** reinforced their status as key growth markets for digital media and entertainment.



Looking ahead, we expect to see even more movement in APAC's media space, especially in digital content, gaming, and AI-driven entertainment. Southeast Asia is emerging as a key battleground for streaming and mobile-first content, while Japan's advertising and data analytics sectors remain magnets for investment. China, India, and South Korea are also set to play a bigger role in shaping the next wave of innovation, particularly in AI-powered media and interactive entertainment. As global players continue to eye the region, cross-border partnerships and strategic acquisitions will be crucial in navigating this fast-evolving landscape.

Prashant Bhojwani
APAC Media Partner, India

Global market summary and key deals

The rest of the world

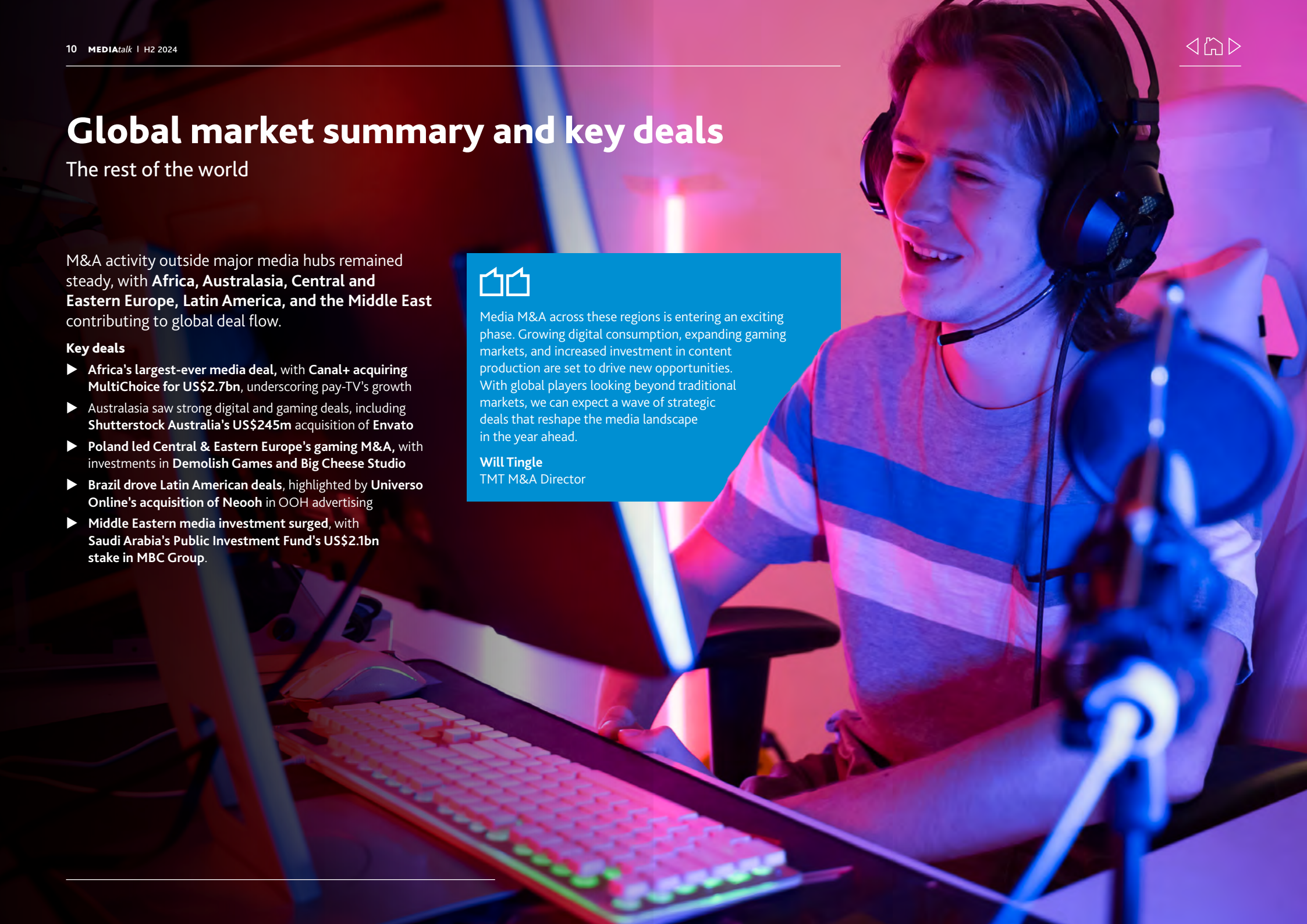
M&A activity outside major media hubs remained steady, with **Africa, Australasia, Central and Eastern Europe, Latin America, and the Middle East** contributing to global deal flow.

Key deals

- **Africa's largest-ever media deal,** with **Canal+ acquiring MultiChoice for US$2.7bn**, underscoring pay-TV's growth
- Australasia saw strong digital and gaming deals, including **Shutterstock Australia's US$245m** acquisition of **Envato**
- **Poland led Central & Eastern Europe's gaming M&A,** with investments in **Demolish Games and Big Cheese Studio**
- **Brazil drove Latin American deals**, highlighted by **Universo Online's acquisition of Neooh** in OOH advertising
- **Middle Eastern media investment surged**, with **Saudi Arabia's Public Investment Fund's US$2.1bn stake in MBC Group**.

Media M&A across these regions is entering an exciting phase. Growing digital consumption, expanding gaming markets, and increased investment in content production are set to drive new opportunities. With global players looking beyond traditional markets, we can expect a wave of strategic deals that reshape the media landscape in the year ahead.

Will Tingle
TMT M&A Director



Corporate M&A activity

The second half of 2024 saw a surge in corporate M&A, as leading advertising and media firms **accelerated acquisitions** in **digital consultancy, customer experience**, and **AI-driven marketing.** With a focus on high-growth sectors, major players positioned themselves for the evolving media landscape.

Key deals

- **WPP strengthened its creative and customer experience portfolio**, acquiring New Commercial Arts (NCA) in September and taking full ownership of **The & Partnership (now T&Pm).** These moves enhance its integrated marketing capabilities and reinforce its leadership in creative and brand experience services
- **Omnicom reshaped the industry** with its **US$13bn acquisition of Interpublic Group (IPG)** in December, creating the world's largest advertising services company. Earlier in the year, it expanded its digital transformation offering with the **acquisition of LeapPoint** in September, bolstering its consultancy expertise
- **Publicis led industry M&A activity**, completing **eight acquisitions**, including **Mars Advertising (US$600m)** in September to expand its commerce-driven marketing capabilities, and Influential Network (US$500m) in July, reinforcing its AI-powered influencer marketing strategy
- **Dentsu continued its digital expansion**, acquiring a **stake in Japanese DX developer Stu** in September, reflecting its commitment to digital transformation in the APAC region.

The pace of M&A in the media and marketing world is showing no signs of slowing. With digital transformation, AI, and integrated marketing solutions at the heart of these deals, 2025 is shaping up to be another big year for strategic acquisitions.

Peter Smithson
Audit Partner, TMT



Mid-market activity

Mid-market M&A remained a key driver of deal activity in 2024, with **advertising and AdTech** at the forefront. The **UK solidified its position as a hub for AdTech innovation,** while cross-border deals highlighted the growing appetite for **AI-powered marketing, digital analytics, and emerging technology**.

Key deals

- **Advertising and AdTech led mid-market transactions**, with **AI and automation driving acquisitions**. In the UK, **LoopMe acquired Chartboost from Zynga**, strengthening its programmatic marketing and AI-driven brand advertising capabilities. Similarly, **LDC invested US$27.2m in Precise TV**, reinforcing the importance of contextual advertising and YouTube-driven marketing
- **International deals surged**, reflecting the expansion of advanced advertising services. In **Southeast Asia, RB Services Company led a US$189m acquisition of Thailand-based Roctec Global Public**, a key player in regional ad solutions. Meanwhile, in the **Middle East**, MBC Group acquired a **5% stake in Arabian Contracting Services Company**, reinforcing the region's growing media and advertising presence
- **AI-powered advertising and analytics gained momentum**, with investors targeting firms that leverage AI for ad delivery, research, and automation. UK-based **The Hook was acquired by Spain's Squirrel Media**, while Germany's **Hase & Igel** saw a **15% stake acquired by Marcapo**, showcasing AI's increasing role in market research and branding
- **Web3 and Metaverse deals remained steady**, with selective acquisitions in blockchain-driven businesses. **Greenlite Ventures acquired Web3 gaming platform Grin Gaming** in August, while **The Drop NFT Media was acquired by Blockworks Advisors**, highlighting continued niche digital content investments.

Mid-market dealmaking is proving to be a powerful indicator of where the media industry is headed. AI-powered marketing, digital transformation, and regional expansion drove M&A in 2024, and we can expect even greater momentum in these areas in 2025 as companies position themselves for the future.

Iona Stevenson
Deals Director, TMT



Private Equity

Private equity remained a **dominant force** in media M&A through 2024, with **investment value rising** despite fewer overall deals. The **advertising services sector led the way**, generating **US$19 billion** across 80+ deals, followed by **broadcasting and content**, which attracted **US$10 billion** in investment.

Key deals

- **Advertising and marketing services remained the top target,** with investors betting on performance-based marketing and corporate communications. **GTCR and Recognize Partners acquired TRANZACT for US$632m**, while **KKR took a 50% stake in FGS Global for US$775m**, reflecting the rising demand for M&A communications and reputation management. Additionally, **Liftout Capital acquired Pay4Leads**, expanding its presence in digital performance marketing
- **Broadcasting and content continued to attract PE investment**, with **TPG Capital acquiring a 70% stake in DirecTV** from AT&T in a **US$2bn deal**, structured to deliver **US$7.6bn by 2029**. This move underscores private equity's continued interest in subscription-based and digital TV platforms
- **Sports media and analytics drew investor attention**, with **Charterhouse acquiring a stake in sports** marketing agency **Two Circles** in January, followed by further investment in September from **Otro Capital, Charterhouse, and Bolt Ventures**, reflecting the growing appeal of digital sponsorships and fan engagement analytics
- **Trade shows and events saw renewed PE interest**, as the industry rebounded. **Truelink Capital's US$535m acquisition of Global Experience Specialists** in October signals growing confidence in live events and hybrid experiential marketing.

2024 showed that private equity investors are thinking long-term, balancing acquisitions of established businesses with proven revenue models while also seeking growth-stage companies that can be integrated into existing portfolios. Whether in digital content, AI-driven advertising, or live events, investors are looking to back businesses that will define the next decade of media.

Conor Lambert
Deals Partner, Advisory Head of TMT



Spotlight on the USA

Consolidation is the strategy

The US remains the driving force behind global media M&A. While overall deal volume saw a temporary dip in January 2025 following Donald Trump's election last year (**falling nearly 30% year-on-year** to 873 transactions), deal activity is starting to rebound as policy clarity and market confidence improve.

US private equity firms, sitting on record levels of dry powder, are actively seeking **strategic acquisitions**, while corporate buyers continue to **invest in high-growth areas** such as AI-driven content, social commerce, and data-rich platforms. Expected **interest rate cuts** should further boost dealmaking in the coming months.



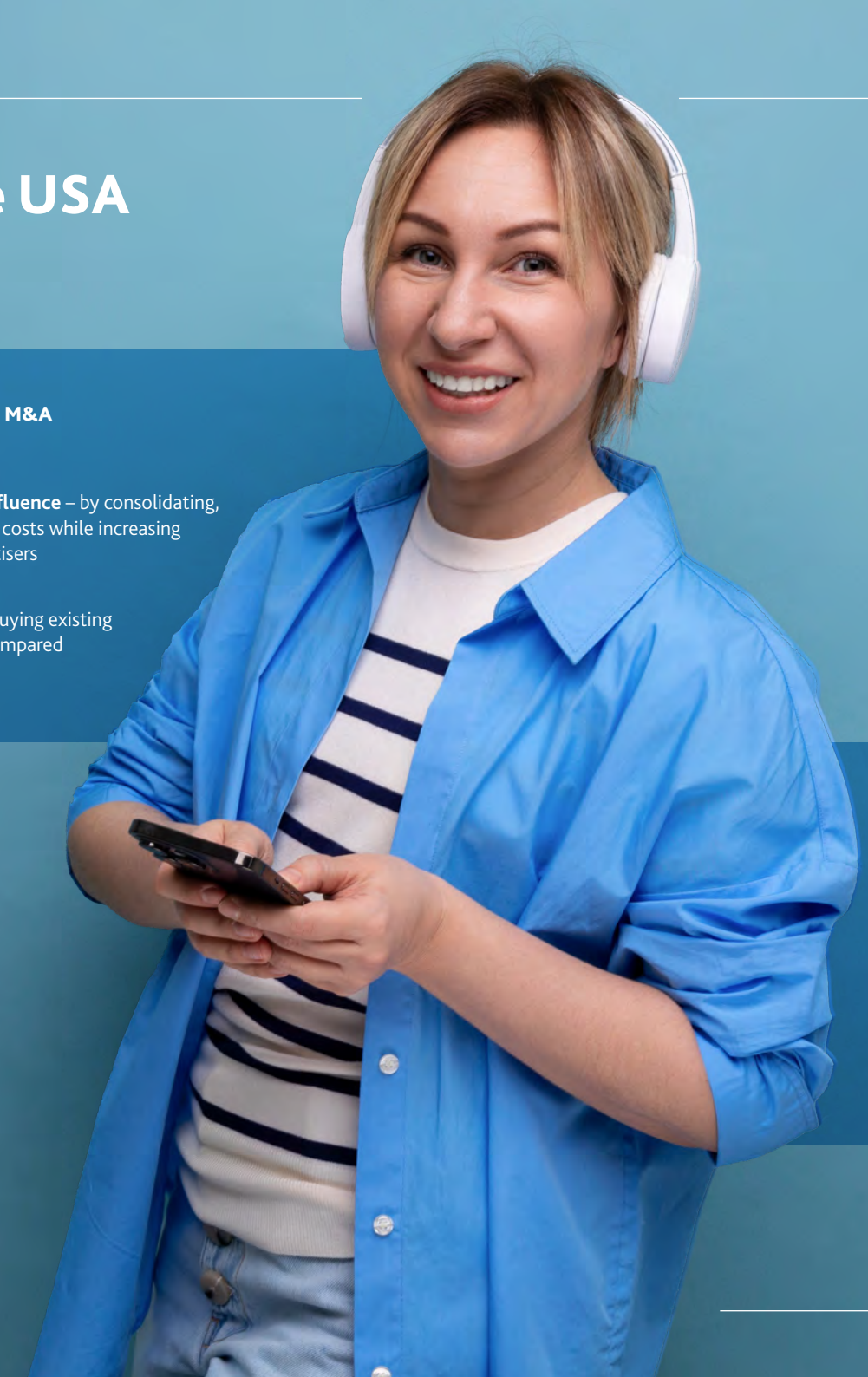
Consolidation in the age of streaming

The ongoing shift from traditional TV to streaming is a key driver of recent M&A activity, as companies consolidate to offset the decline in cable subscriptions and strengthen their market position.

The recent merger of **Hulu Live TV** with **FuboTV** exemplifies this strategy, as does **Comcast's** plan to combine it's **NBCUniversal** cable TV networks into 'SpinCo.' The new entity, reaching **70 million US households**, is being positioned as a platform for future mergers.

Spotlight on the USA

Consolidation is the strategy



Why media companies are doubling down on M&A

Several factors are driving M&A activity in 2025:

Cost synergies and ad market influence – by consolidating, companies can reduce operational costs while increasing their bargaining power with advertisers

Strategic content acquisition – buying existing content minimises financial risk compared to investing in new productions.

Consolidation in music

The music industry has also seen a surge in catalogue acquisitions, with major labels and private equity firms competing for rights to legendary artists' work. UK-based **Hipgnosis**, known for acquiring catalogues from icons like Bruce Springsteen and Bob Dylan, was recently taken over by **Blackstone**, highlighting the appetite for existing content over new investments.

Spotlight on the USA

Consolidation is the strategy



Did you know?

The world's six largest content companies spent a staggering **US$126bn** on content in 2024, a **9% increase** from the previous year. However, this is expected to halt in 2025 as streaming platforms opt to license popular films and shows rather than gamble on expensive new productions.

Consolidation in advertising

The future of advertising lies in data-driven precision – specifically, using AI to power hyper-targeted marketing campaigns. To stay competitive, **holding companies are racing to build or acquire robust data ecosystems**, following the lead of companies like **Publicis** (Epsilon) and **Dentsu** (Merkle). The appeal is clear: AI-powered programmatic advertising delivers higher returns for clients and greater efficiency for agencies.

It's no secret that the US is at the heart of global media M&A, with advertising services and major media consolidations leading activity. The Paramount-Skydance deal, in particular, has the potential to reshape the entertainment landscape, while consolidation in the advertising sector continues to accelerate. In the wake of the US presidential election, the media sector's influence on public discourse and consumer engagement will be more significant than ever, setting the stage for another dynamic year in 2025.

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Assurance Principal,
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