

M&A INSURANCE: Q4 2024 MARKET UPDATE

STRONG FINISH TO 2024

Growth in deal volume continued through the final quarter of 2024, underscoring robust market activity. The average deal size in Q4 declined compared to Q3, however average policy limits rose significantly across most sectors, with an average 16.84% increase (excluding Infrastructure). Average retentions decreased across all sectors.

PE Q4 saw a steady stream of portfolio add-on deals and sell-side auctions being lined up for Q1 2025, supporting expectations of a busy start to 2025. Enquiries for synthetic W&I policies increased, with several placed across sectors and jurisdictions.

Energy/Infrastructure 36 global deals signed across sub-sectors including renewable portfolios, water infrastructure, and oil and gas services. Developer platform deals returned, a trend likely to continue in 2025. Insurance appetite in this sector remains strong, with healthy competition expected.

Real Estate We continued to see a strengthening real estate market across Europe, with enquiries across sub-sectors and notable W&I and title policies placed for a European wide logistics portfolio consisting of 11 sites. Optimism remains for further growth in Q1 2025.

Tax Demand for tax insurance stayed high, with increased enquiries for matters under audit or dispute shaping Q1 2025. In the UK, interest arose from CGT and carry tax changes in the Autumn Budget. In Europe, markets in Italy, Portugal, and Malta are developing rapidly.

Contingent The Judgment Preservation Insurance market hardened after significant insurer losses. Innovation continues, with recent deals providing security to defendants while avoiding costly enforcement.

Claims We released the second edition of our W&I Market Claims Study, covering 8 years of data from 22 insurers. The HWF data set is broad, unique and independent. It presents an overview of the W&I market which isn't available elsewhere. [Access it here.](#)

DEALS

17% increase ▲

AVERAGE DEAL SIZE

£105,510,681 ▼

Jurisdiction					
UK	Europe		Middle East	Other	
45.13% ▲	42.48% ▲		2.65% ▼	9.74% ▼	
Sector					
Tech	Energy	Infra	Real Estate	Operational	
12.04% ▼	26.85% ▲	6.48% ▼	11.11% ▲	43.52% ▼	
Av. Policy Limit (% of EV)	Technology	Energy	Infrastructure	Real Estate	Operational
	30.90% ▲	67.33% ▲	24.89% ▼	53.56% ▲	42.45% ▲
Av. Rate on Line (% of Limit)	Technology	Energy	Infrastructure	Real Estate	Operational
	0.95% ▲	0.68% ▼	0.88% ▲	0.61% ▼	0.90% ▲
Av. Retention (% of EV)	Technology	Energy	Infrastructure	Real Estate	Operational
	0.17% ▼	0.04% ▼	0.18% ▼	0.00% -	0.19% ▼

Arrows show changes to Q3 2024 statistics

FUTURE CONSIDERATIONS

- Strong M&A activity to continue through Q1 2025, in particular in competitive auction scenarios and E&I sectors.
- Insurer appetite for insuring known tax issues under audit or dispute is likely to continue at pace.

KEY CONTACTS

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

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

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

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

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

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