



# 2025

## Q4

## ISRAELI TECH REVIEW



& **LEUMI**TECH

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# Key Highlights



Israeli tech market financial activity continued to expand in 2025, with high capital profits in capital raising and exit proceeds.



Israeli tech companies raised \$11 billion across 428 deals in 2025 – a 14% and 58% increase over 2024 and 2023, respectively.



After more than a decade of a long-term downtrend in the annual number of new companies, IVC estimates that 2025 was a turning point, and the number of new companies returned to growth.



Cyber security remains the dominant vertical in the local ecosystem, both in capital raising and exits.



The number of seed rounds over \$20m doubled in 2025. A rounds have migrated to the higher end of the deal size range (over \$20m).



Israeli tech exits totaled \$17.78 billion across 182 transactions. Including several pending M&As – such as Wiz and CyberArk – the total reached a record \$88 billion.





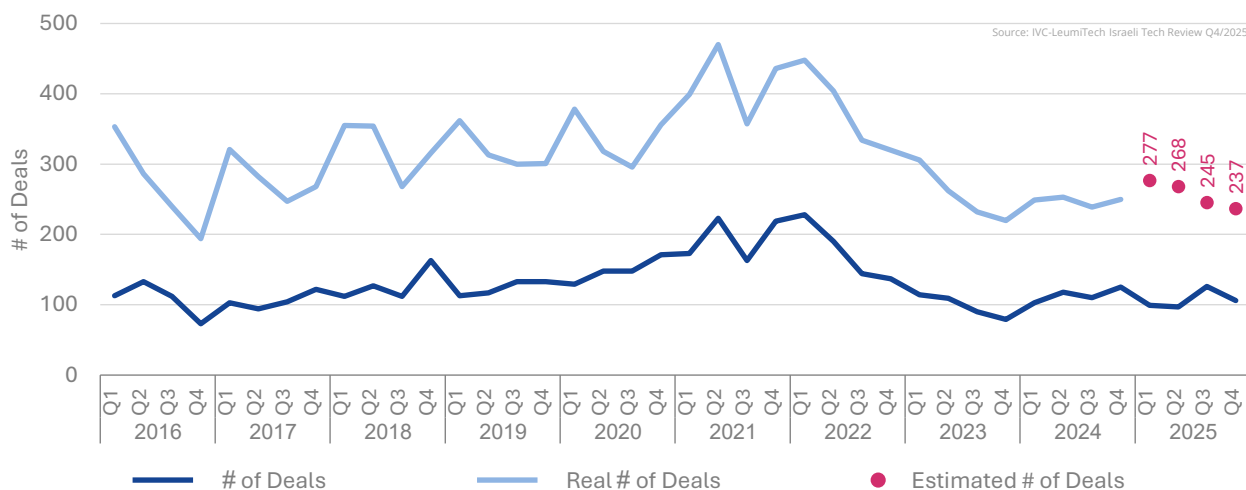
# Israeli High-Tech Ecosystem In Perspective

## Tech Ecosystem Perspective

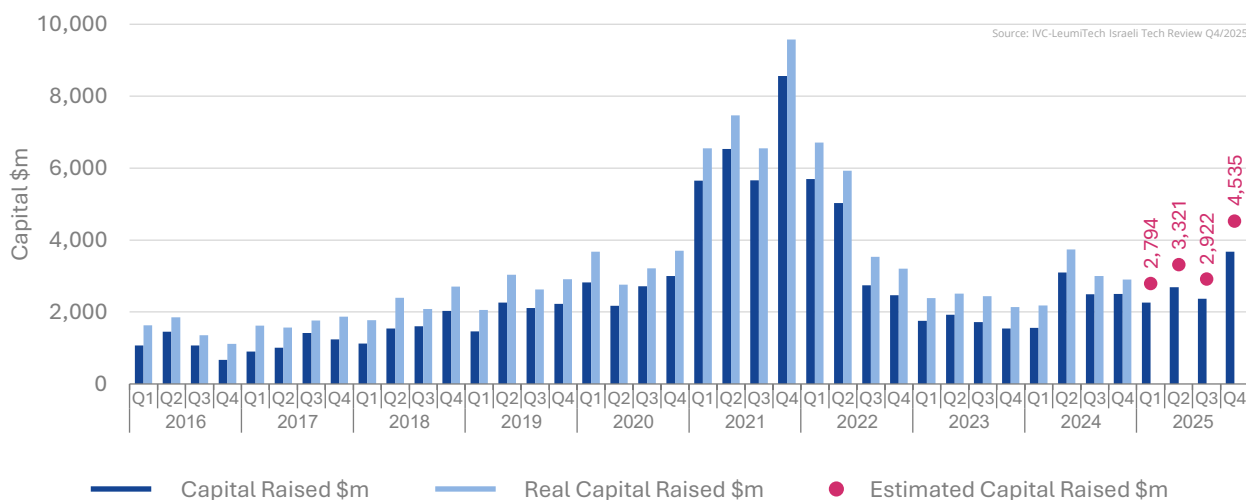
Q4/2025 delivered a successful end to a strong year. The public capital market continued to march upward, with the AI investment thesis and related tech companies as the main drivers. With technology as the leading theme in public markets, it's no surprise that the same motivation drives private markets worldwide, including in Israel.

Israeli tech companies raised a total of \$3.67B In Q4/2025, a record since H1/2022. The number of deals continued the stabilization pattern we saw in the last year. Including stealth rounds unveiled during the period, IVC estimates 237 deals were closed and \$4.5 billion was raised. (See IVC's [Methodology](#)).

### Quarterly Israeli High-Tech Investments: # of Rounds



### Quarterly Israeli High-Tech Investments: Capital \$m

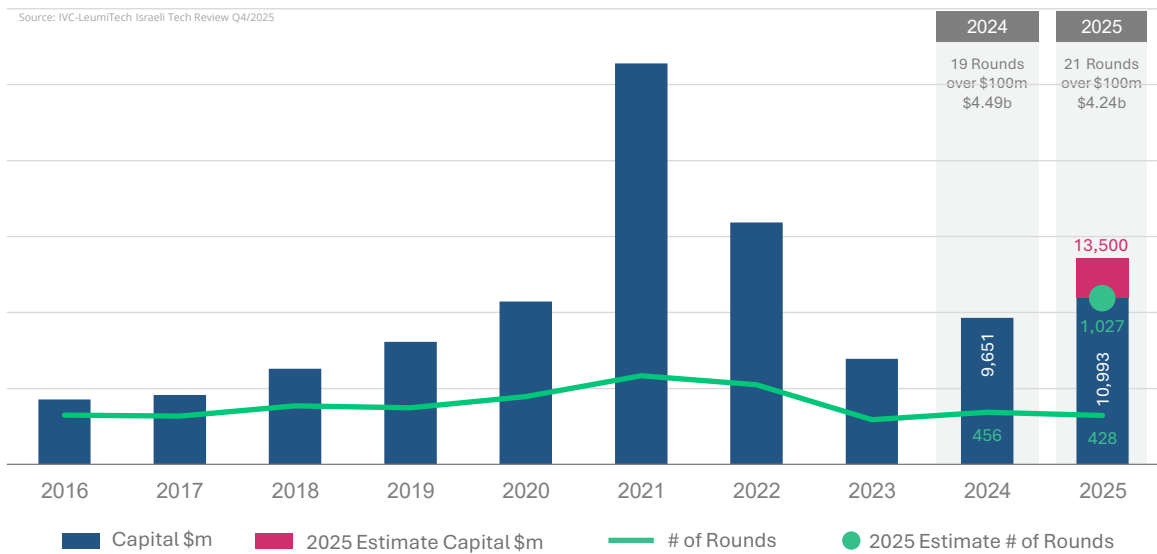


# Israeli High-Tech Investments

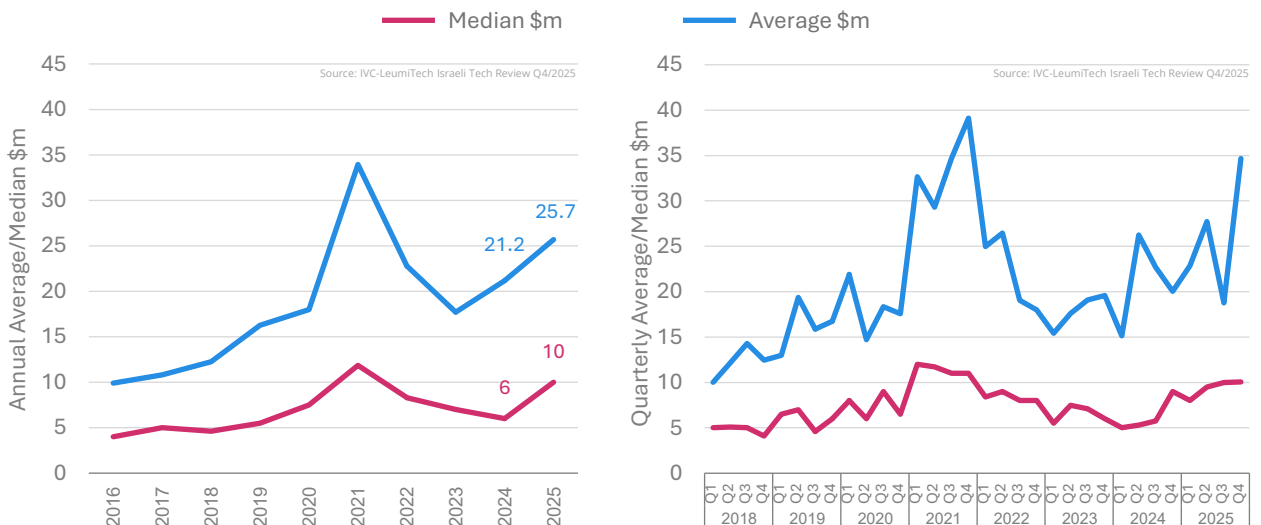
The capital-raising pattern over the past three years is very similar to the growth trend in 2018-2020, with 2025 ending with the entire \$11b raised across 428 deals, 14% up from 2024 capital and the highest in three years. Including stealth rounds unveiled during the period, IVC estimates more than 1000 deals were closed and \$13.5 billion was raised. (See IVC's [Methodology](#)).

Median capital amounts have followed a clear upward trend throughout 2025, after a sharp decrease in 2021-2024, reflecting higher deal sizes.

## Israel High-Tech Capital Investments 2016-2025



## Tech Investments: Average vs. Median \$m



# Capital Raising in Mega Rounds

Q4/25 ended on a positive note, primarily due to 10 deals, each over \$100m, raising \$2.2b (59% of total quarterly amount), the highest figures since Q2/2022.

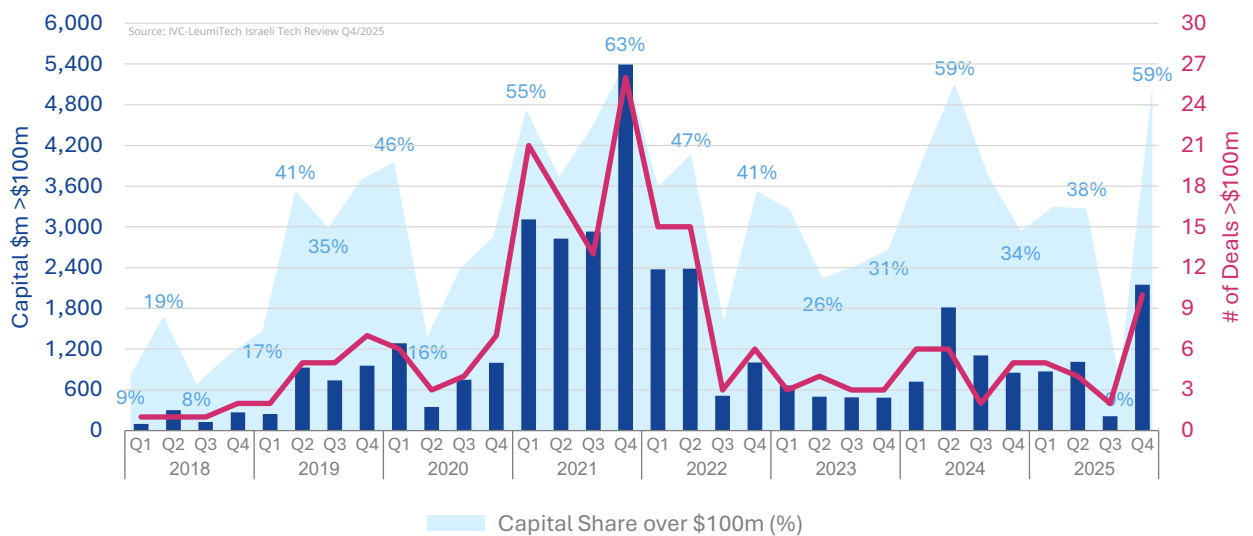
As expected, the majority of mega-rounds in 2025 were closed by cybersecurity and generative AI companies (See page 15).

The positive sentiment toward large deals is reflected in investment preferences for safer bets and a focus on known companies (see

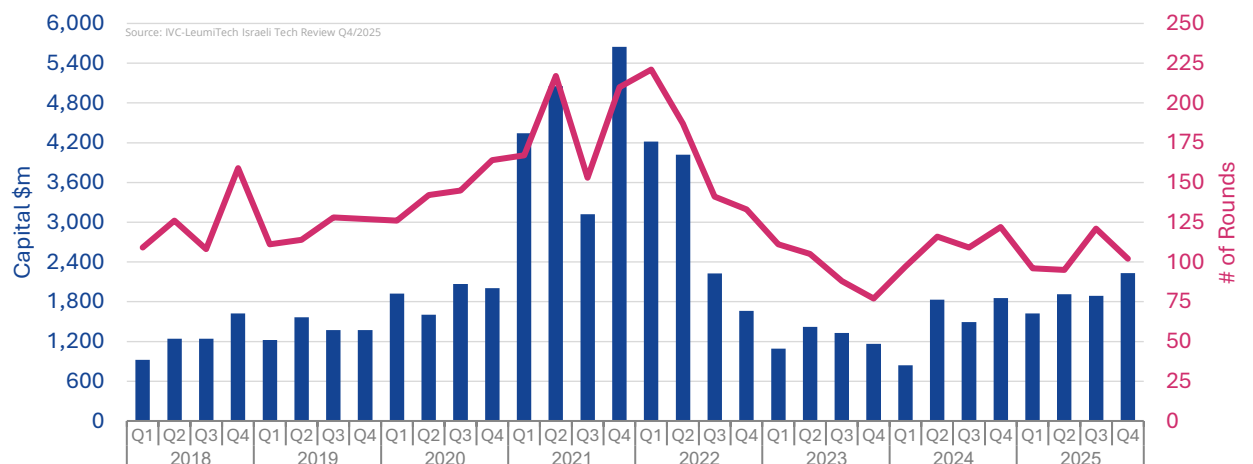
the analysis of deals by round size on page 8 and by Companies Stages on page 14).

Excluding outlier rounds – more than 2.5 standard deviations above the annual mean (or 1% of the total rounds each year) – the pattern in the last quarters confirms the same upward trend: a consistent recovery from the low point in Q1/2024, with no exceptional deals distorting the data.

## Quarterly Capital Raising Over \$100m



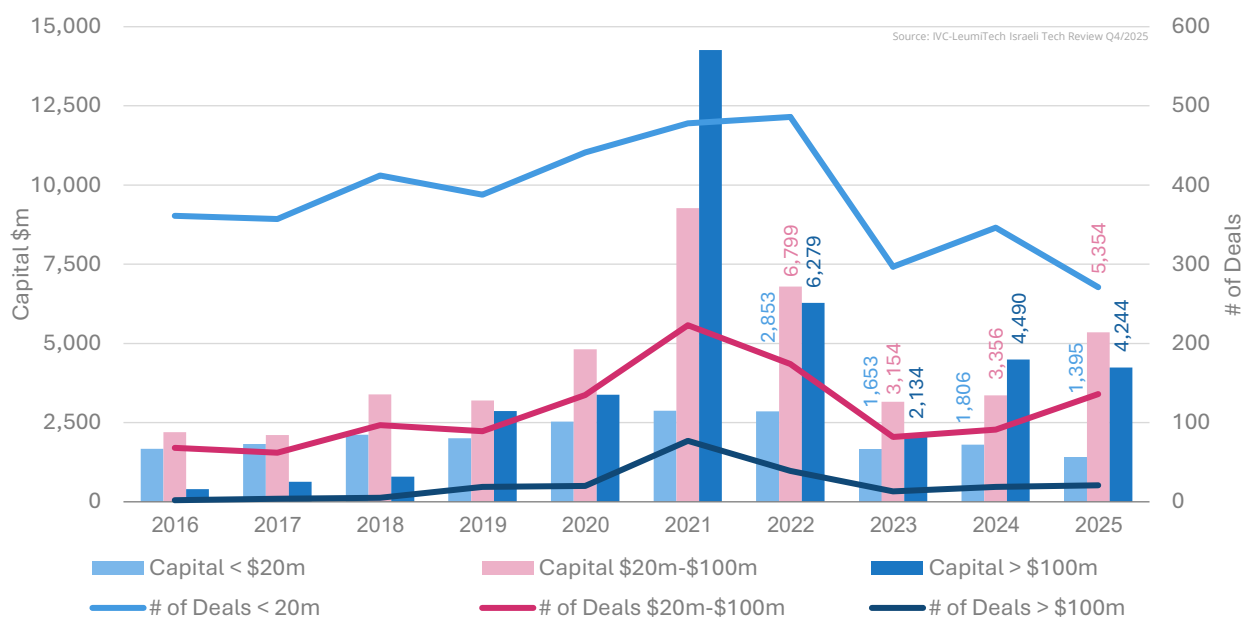
## Israeli High-Tech Investments Excluding Outliers



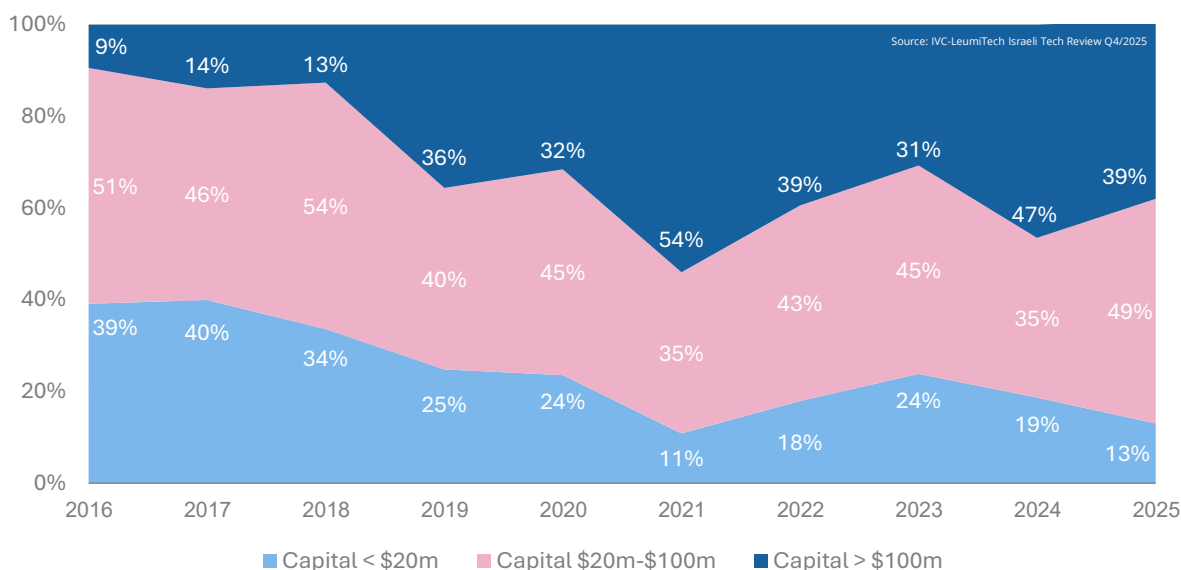
# Capital Raising in Mega Rounds

Dollar-wise, there was a change in deals between \$20 and \$100 million in 2025; these deals accounted for \$5.4b across 136 rounds. At the same time, the number and amounts of deals in rounds under \$20m reached decade lows.

## Annual Capital Raising by Deal Size



## Annual Capital Raising by Deal Size -Share % of Total Amount



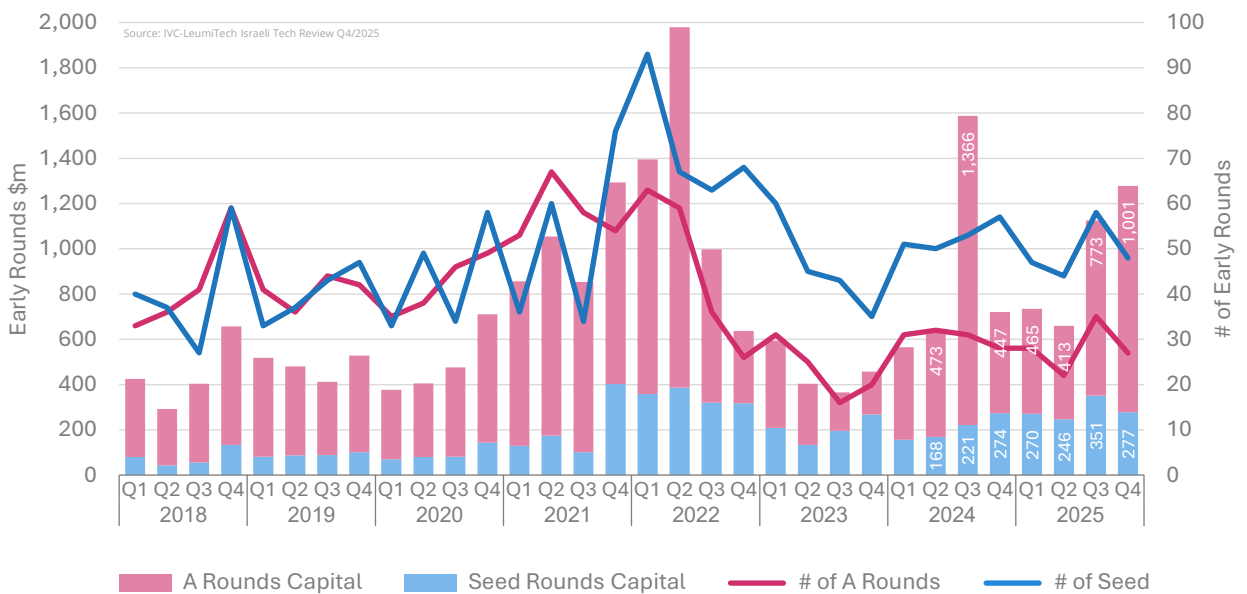


## Early Rounds

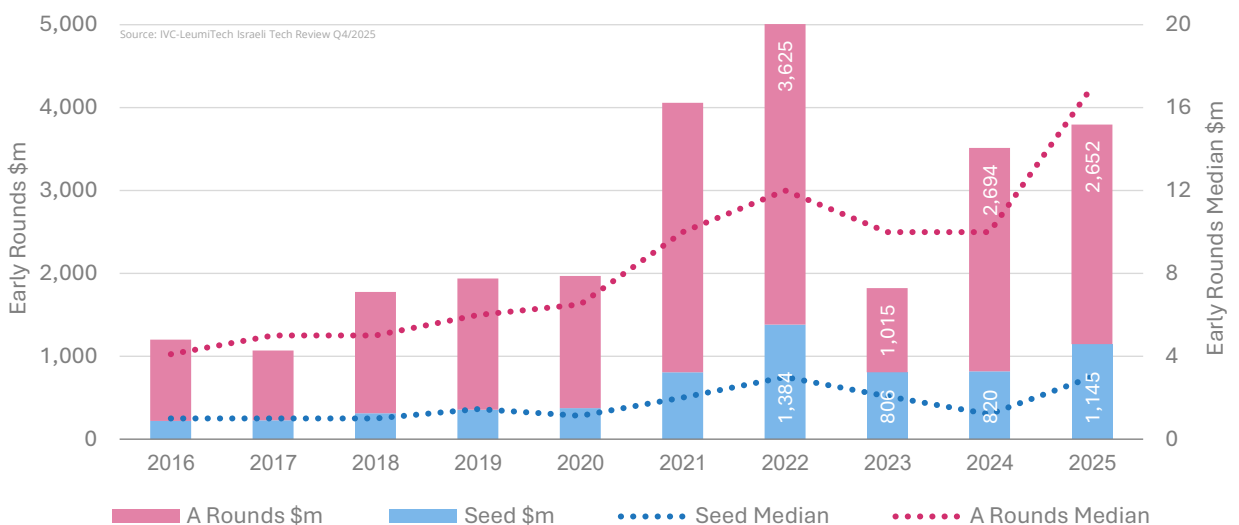
Early rounds have maintained pace in 2025, with \$3.8b (35% of total), following \$3.5b (36% of total) raised in 2024. The number of early rounds totaled 309, down from 333 in 2024.

In 2025, seed rounds raised \$1.15b, with a median of \$3m per round, matching 2022, the strongest year for seed capital raising. The 4th quarter seed figures have returned to the performance levels of the first half, following a slightly elevated third quarter in 2025.

### Quarterly Early Rounds Capital & # of Rounds (Seed + A



### Annual Early Rounds Capital \$m & Median \$m (Seed + A Rounds)



## Capital Raising in A Rounds

Median A rounds amount peaked in 2025 at \$17m, when 13 deals exceeded \$50m. Deal sizes in 2025 have shifted to a higher range (over \$20m), approaching 2021-2022 levels with 50 deals in A series, and the highest capital amount of \$1.77b.

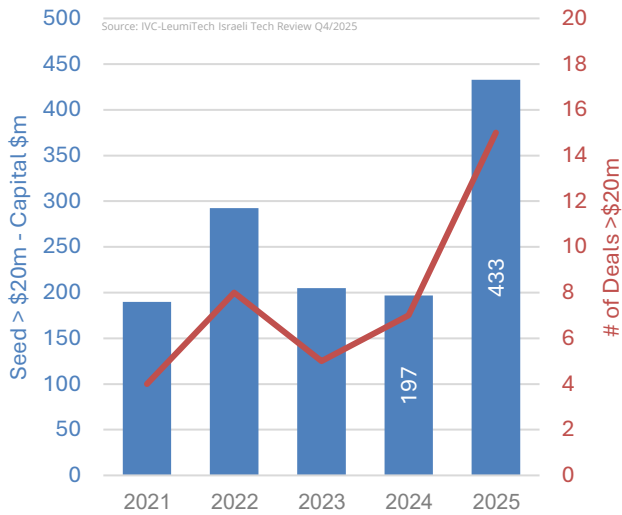
Capital raising in A rounds under \$20m, shrank in 2025 to the lowest level in the last decade.

### Annual Capital Raising in A Rounds <\$100m



## Early Rounds

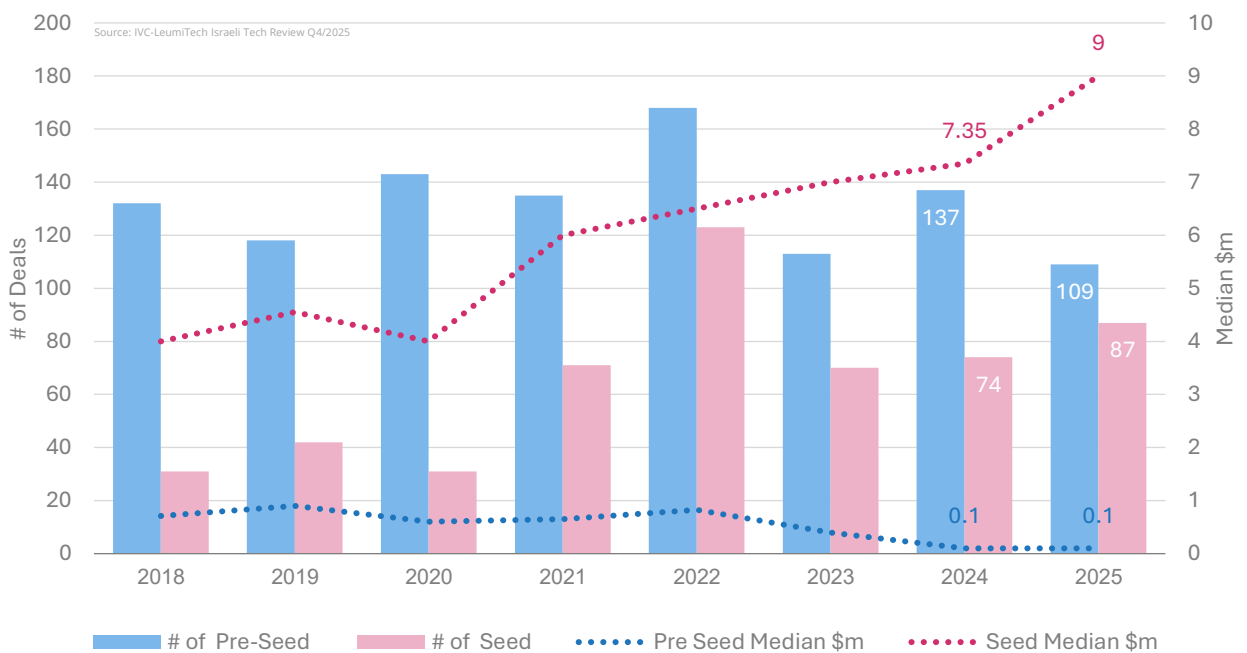
### Seed Rounds over \$20m 2021-2025



The number of seed deals over \$20m more than doubled in 2025, reaching 15, up from 7 in 2024 and 5 in 2023.

The median size of seed rounds in 2025 reflects the flow of capital into early rounds, reaching the record level in the past year.

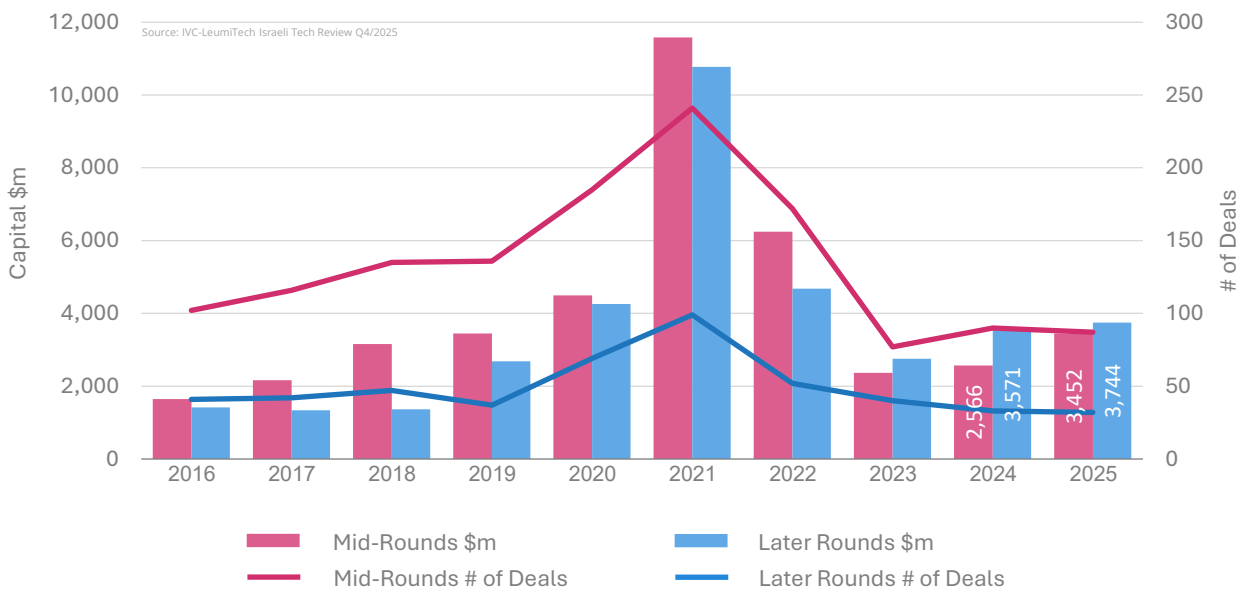
### Number and Median \$m of Pre-Seed & Seed Deals 2018 - 2025



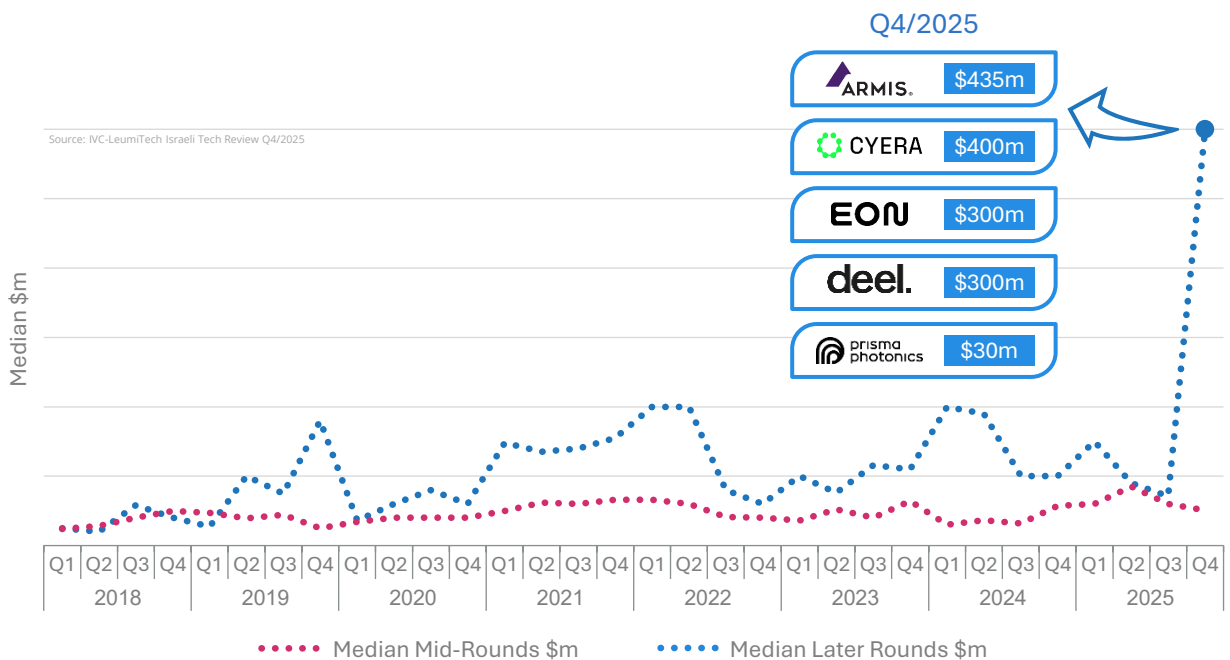
## Mid-Later Rounds

Mid-Later rounds continued at an average pace in capital raising in 2025, growing from \$5b in 2023 to \$7.2b. Eighteen mega-rounds, each over \$100m, raised \$3.85b in 2025, compared to 17 such deals in 2024.

### Mid-Later Rounds

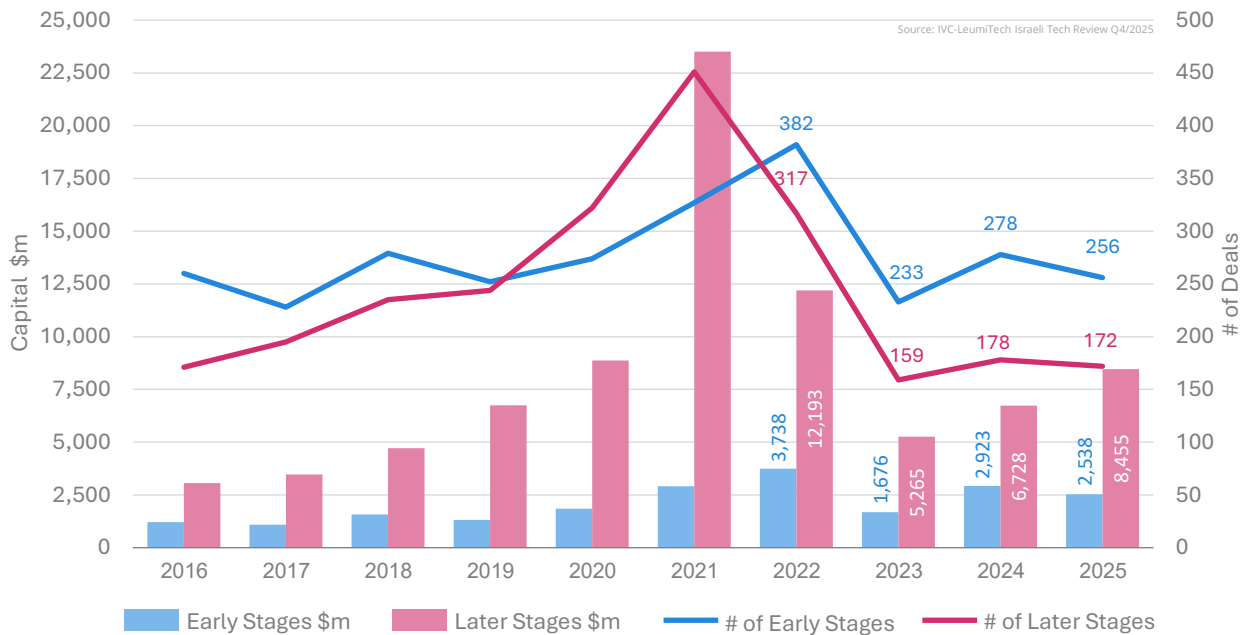


### Mid-Later Rounds: Median \$m



# Capital Raising by Companies Stages

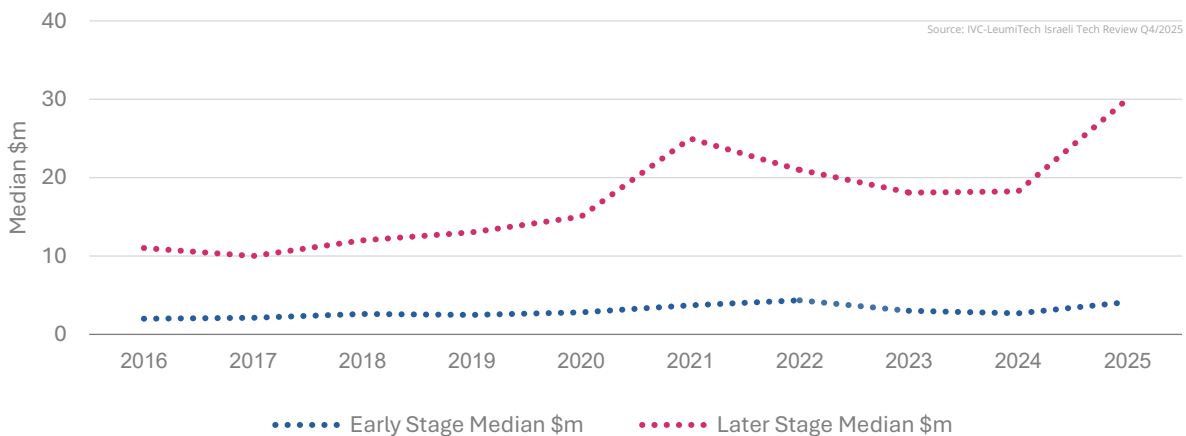
## Early vs Later Stage Capital Raising 2016 – 2025



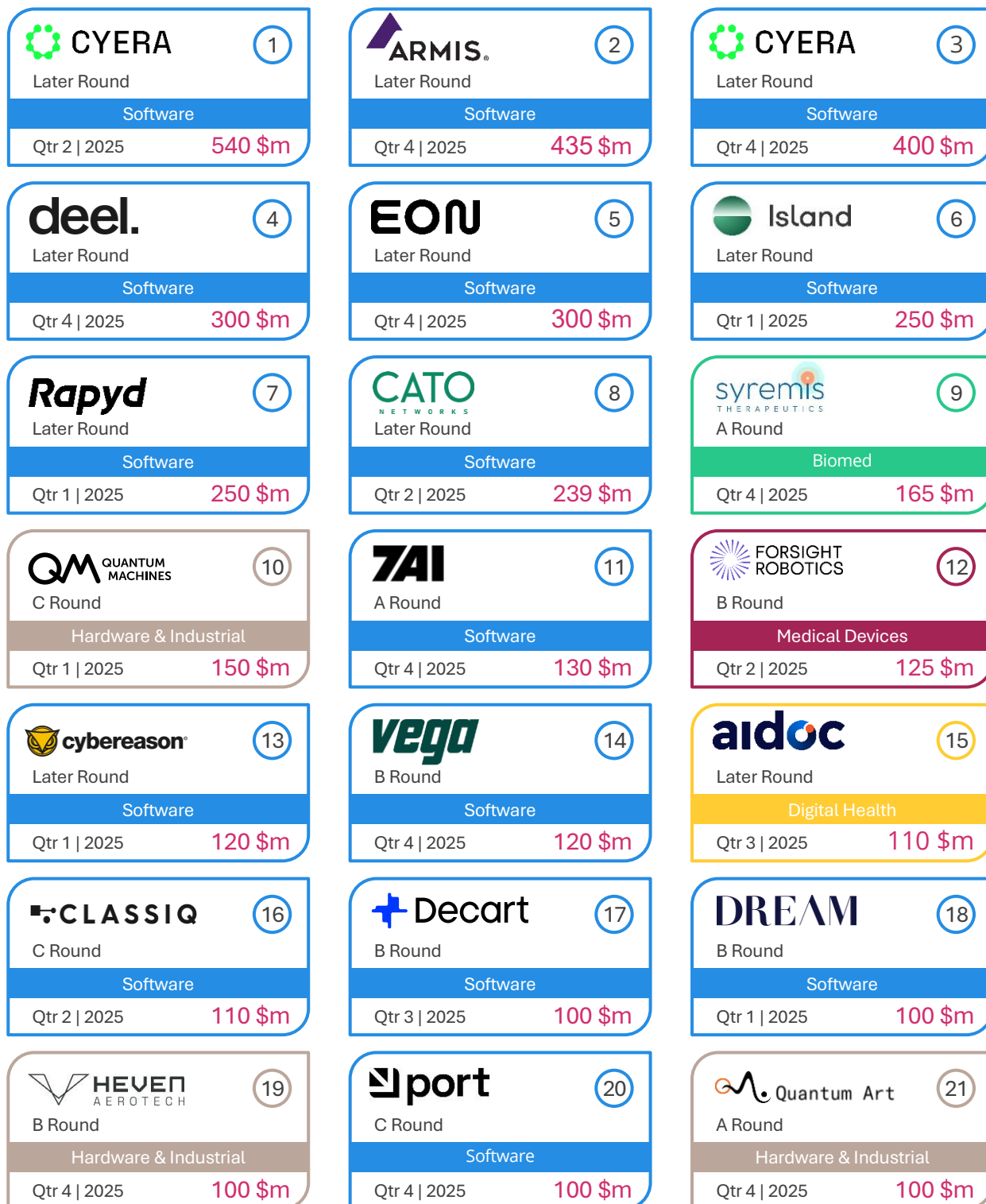
In 2025, high-tech companies in later stages raised \$8.46b, the most in three years.

Early-stage companies maintained a similar pace to the previous year, with slightly lower figures and a median deal size of \$4m.

## Early vs Later Stage Median \$m 2016 –2025



## 2025 Top Selected Investments



Software  
Biomed

Medical Devices  
Digital Health

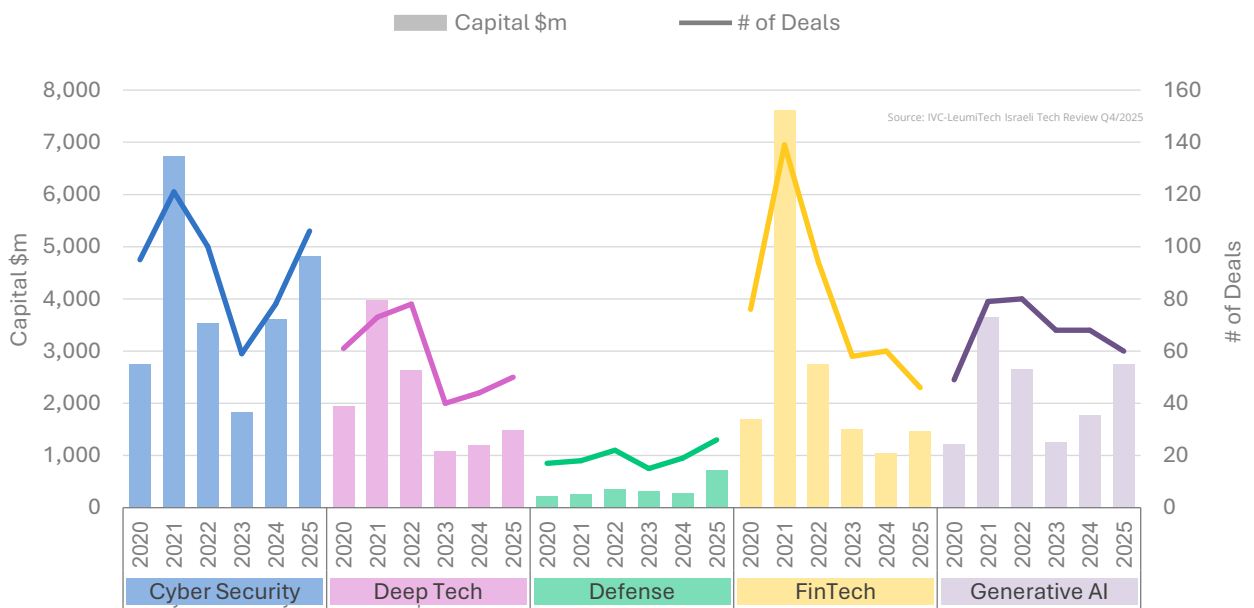
Hardware & Industrial

# Technology Verticals

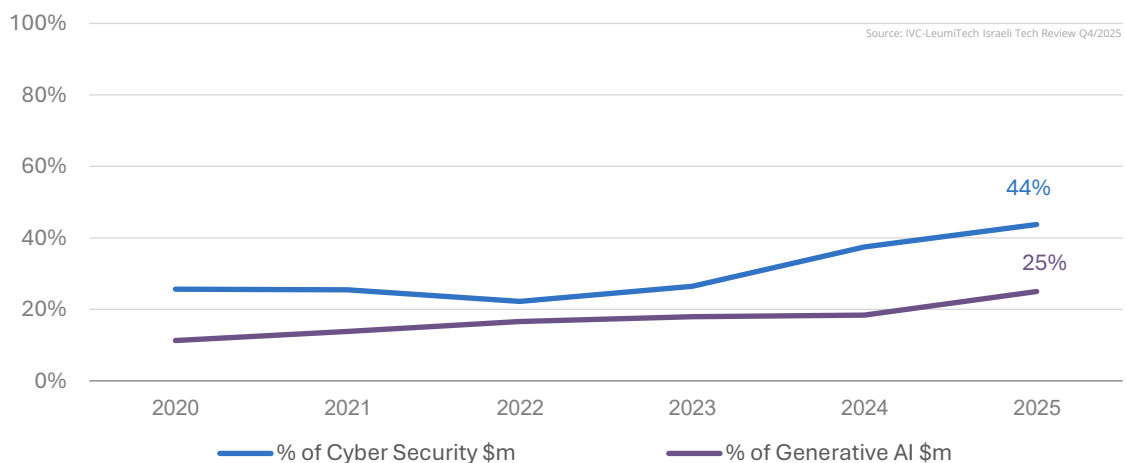
The number of Cyber Security deals has continued its upward trend since mid-2023, reaching \$4.81 billion across 106 deals in 2025, accounting for 43% of the overall amount raised. Generative AI companies raised \$2.75 billion in 2025 across 60 deals.

The most significant Cyber deals in 2025 were Cyera (\$940m in total), Armis (\$435m), Island Technology (\$250m) and Cato Networks (\$239m).

## Investments by Tech Verticals



## Leading Tech Verticals Share % of Total Capital Raised

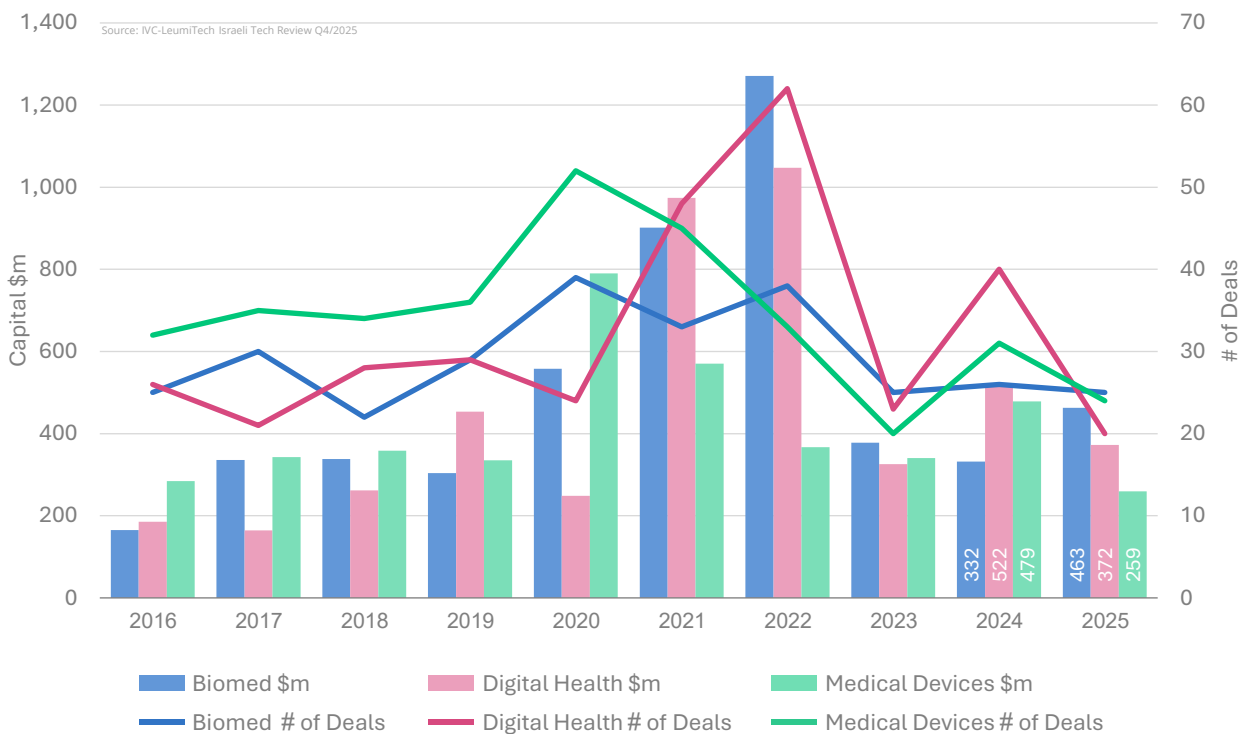


# Israeli High-Tech Life Science

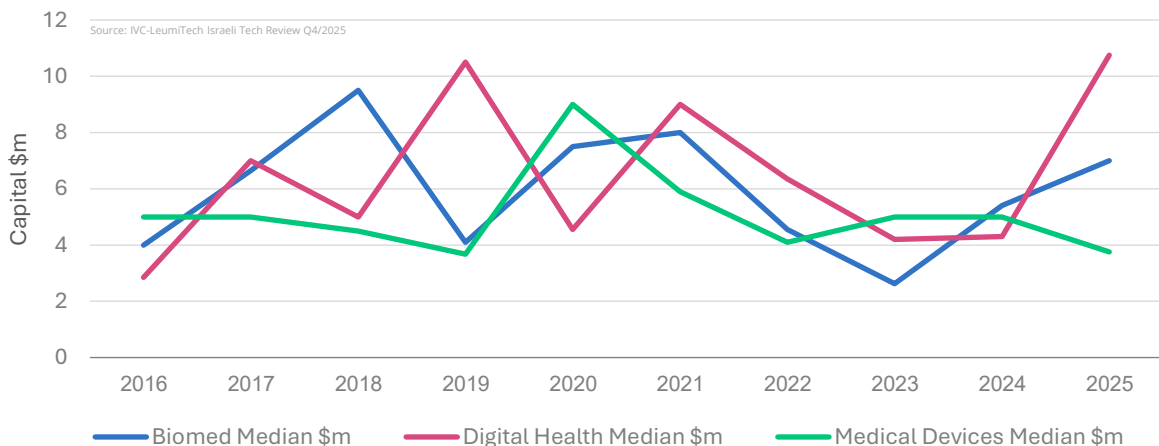
In 2025, Israeli high-tech life science capital raising has slowed, with only 65 rounds totaling \$1.1b, compared to \$1.3b raised across 97 rounds last year.

Biomed accounted for 39% more capital than in 2024, while companies in the Digital Health and Medical Devices sectors raised altogether nearly 50% less than in 2024.

## Israel Life Science Capital Raising (Medical Devices, Biomed, Digital Health)



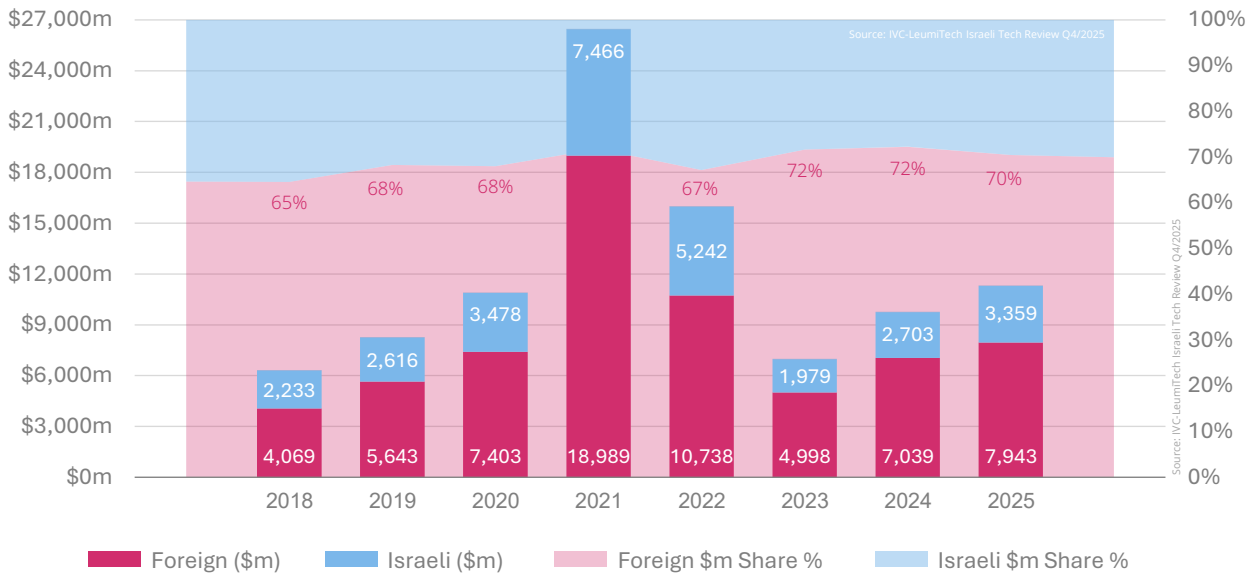
## Israel Life Science Capital Raising Median \$m (Medical Devices, Biomed, Digital Health)



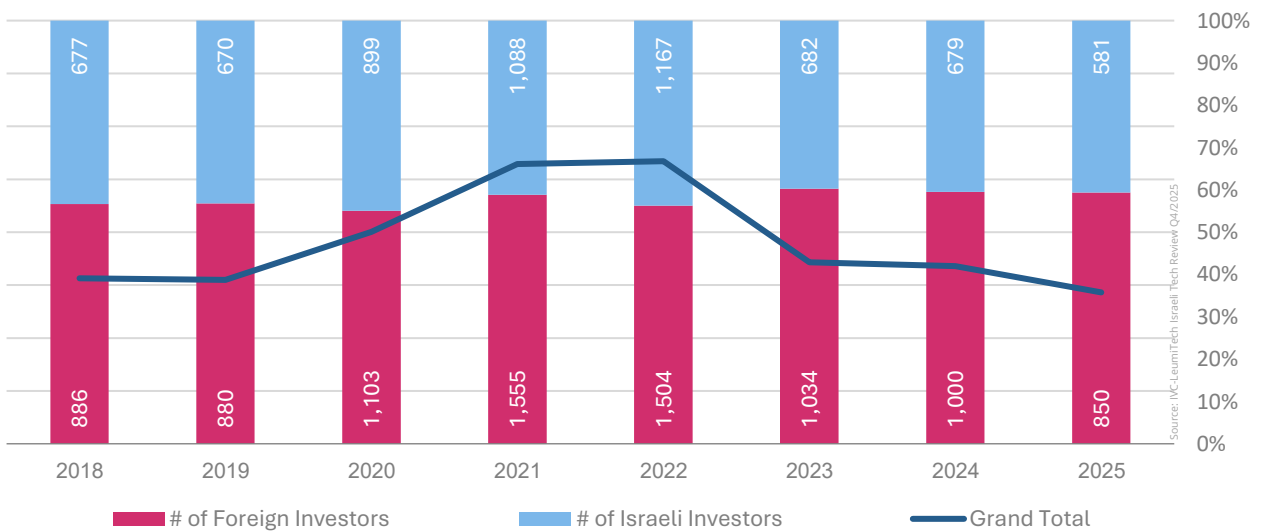


# Israeli vs Foreign Investors Activity

## Israeli vs Foreign Investments <sup>1, 2, 3</sup>



## # of Investors - Israeli vs Foreign <sup>1, 2, 3</sup>



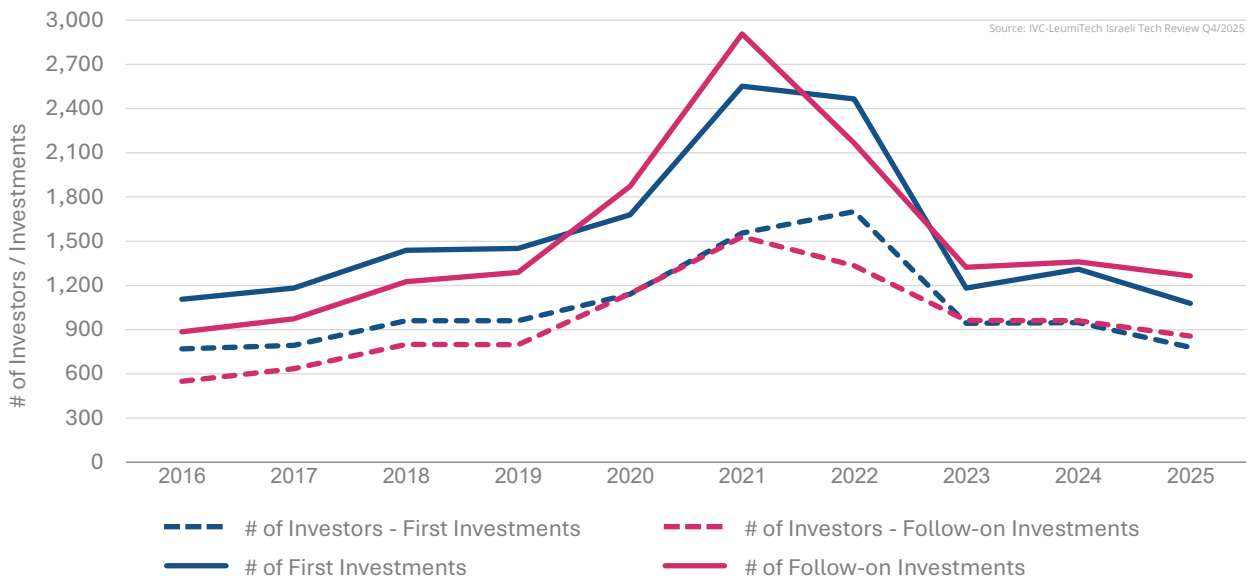
Notes: 1) Some Investors were undisclosed. 2) Investments performed by Investor HQ Region. 3) The amounts are based on IVC's investors activity model, on average, at 95% accuracy.

## First vs Follow-on Investments

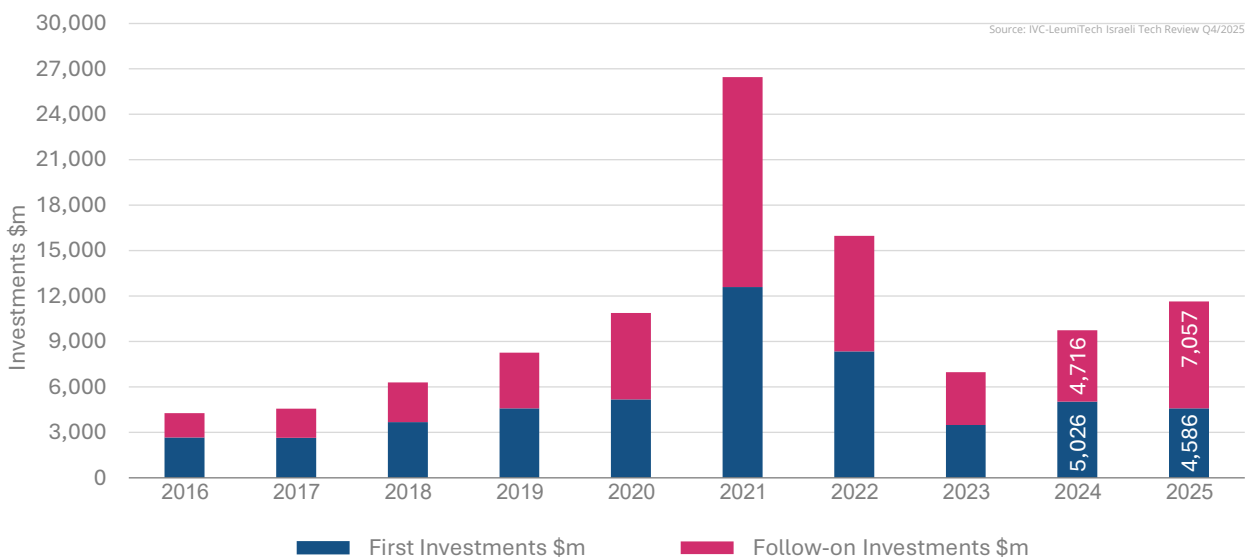
In 2025, investors exercised greater caution, as evidenced by slightly fewer investors and fewer investments than in 2024.

The share of follow-on investments' amount was notably higher than in 2024, reflecting investors' positive sentiment toward portfolio companies.

### # of First vs. Follow-on Investments <sup>1, 2</sup>



### First vs. Follow-on Investments \$m <sup>1, 2</sup>

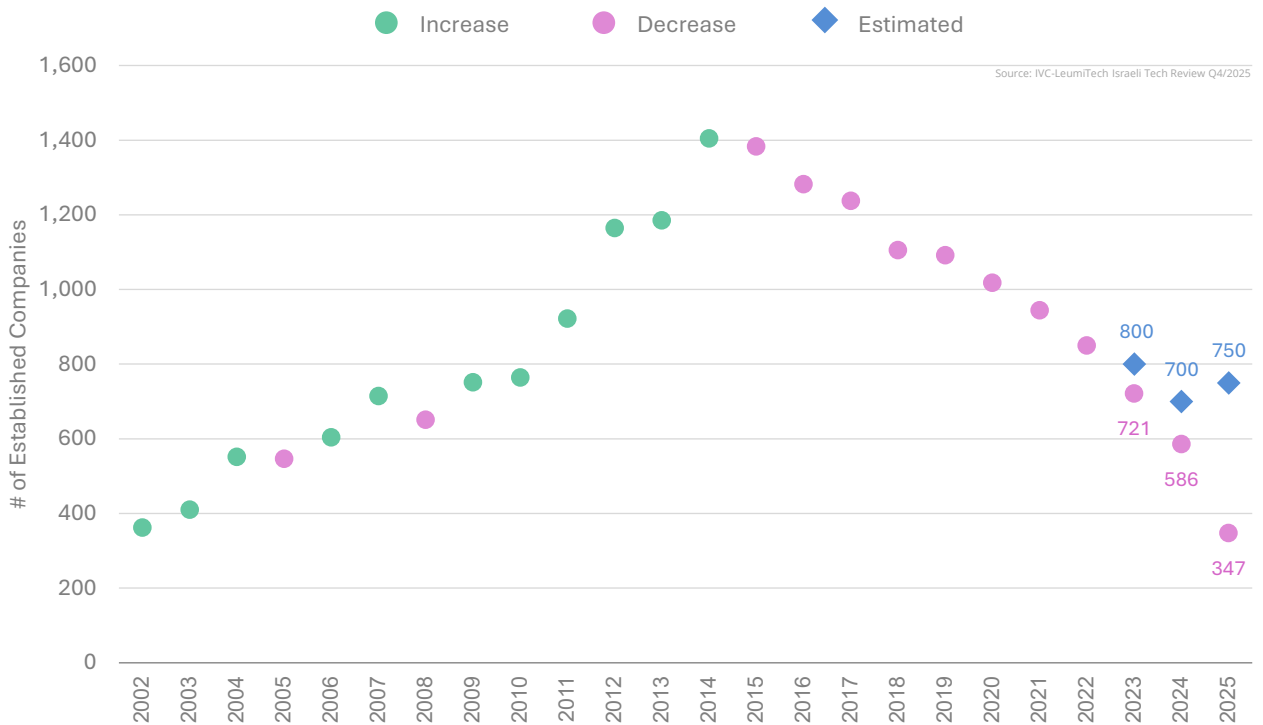


Notes: 1) Some Investors were undisclosed. 2) The amounts are based on IVC's investors activity model, on average, at 95% accuracy.

# New Israeli High-Tech Companies

IVC estimates that 750–800 new companies were established in 2025, following around 700 in 2024, marking 2025 as a turning point after more than a decade of a long-term downtrend in the annual number of new companies (see IVC's [methodology](#)).

## # of New Israeli High-Tech Companies





# Israeli High-Tech Exits

# Israeli High-Tech Exits

Exit activity continued to recover following the post-COVID slowdown, driven by a sharp increase in the volume of smaller M&A Deals (see page 25).

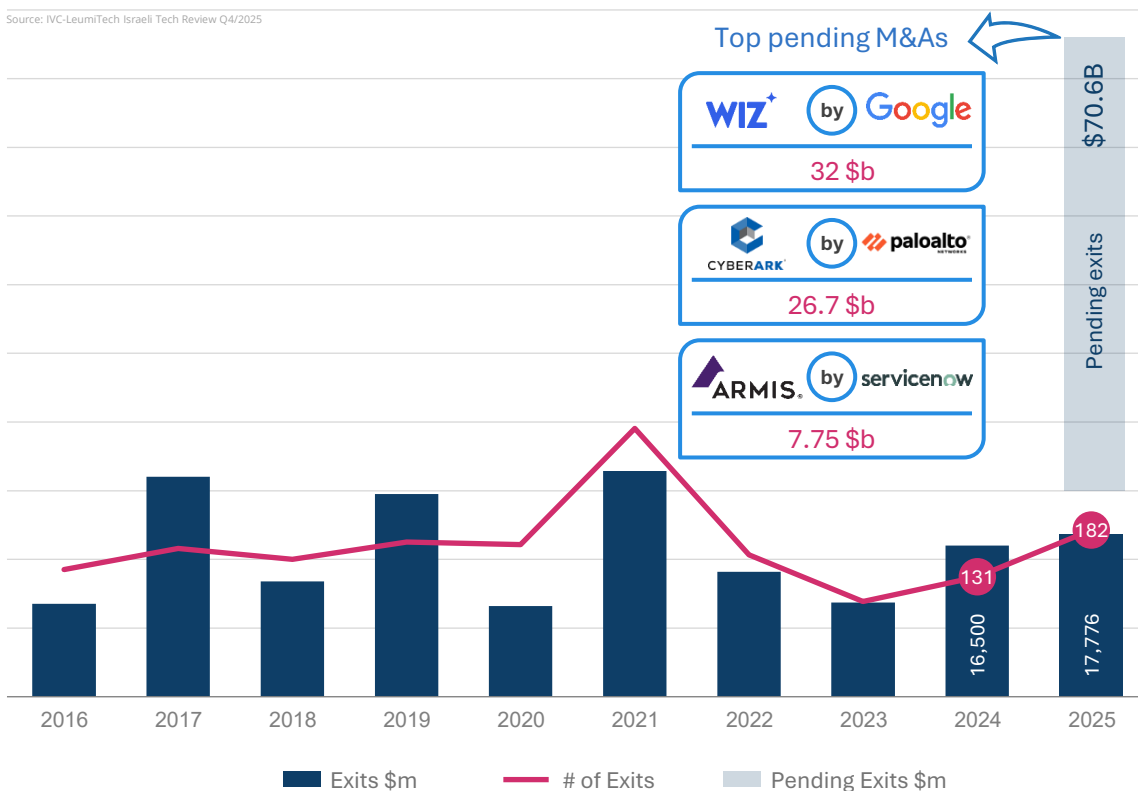
While the number of deals rose significantly, exit value remained concentrated. Four mega-acquisitions, each exceeding \$2b, accounted for more than half of the total exit value (Next, Melio, Sapiens, and Verint). Additionally, two of these companies (Sapiens and Verint) are public companies.

Several prominent acquisitions, including Wiz, CyberArk, and Armis (see the list on page 24), have not yet been completed and are therefore not reflected in the 2025 exit values.

US acquirers accounted for half of M&A activity in 2025, both by deal count and total M&A exit value. Israeli acquirers also played a meaningful role, representing approximately 35% of acquisitions, the highest share in the past five years, although these deals were generally smaller in value.

## Israeli High-Tech Exits (M&As, Buyouts, IPOs)

Source: IVC-LeumiTech Israeli Tech Review Q4/2025






























# Top Israeli High-Tech M&As 2025

In 2025, M&A transactions exceeding \$200m totaled \$12.77b, representing nearly 80% of the year's total exit capital proceeds.



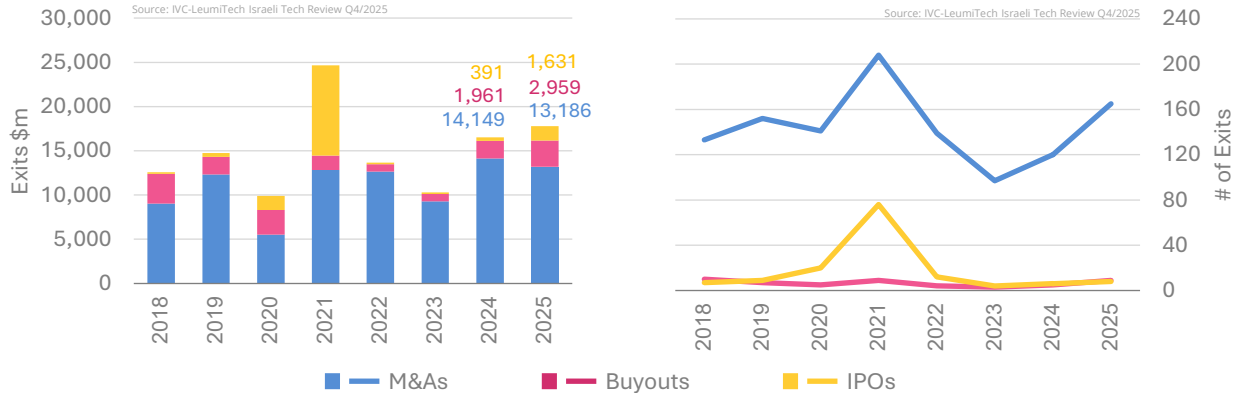
# Israeli High-Tech Exits

## Pending M&As

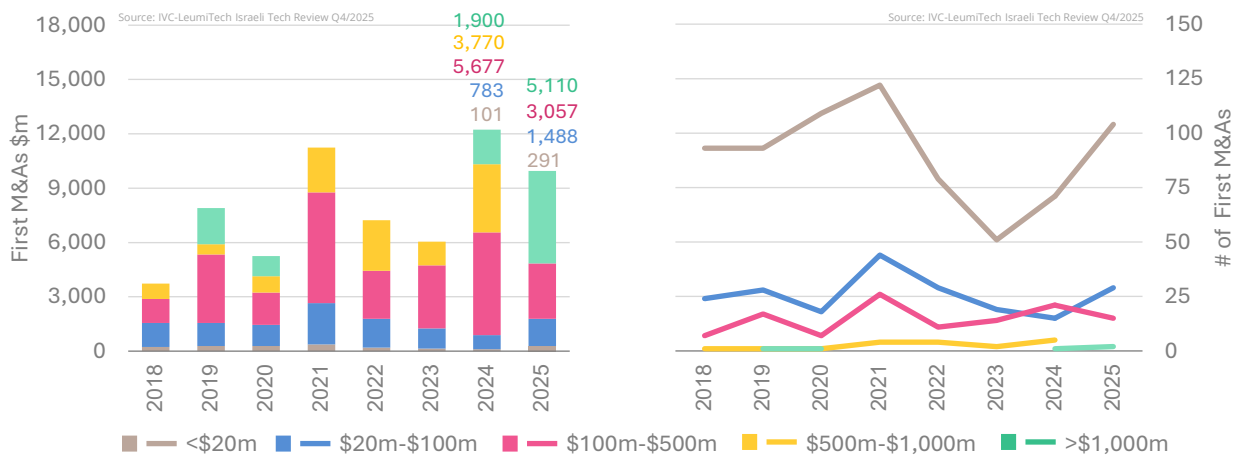
  32 \$b	  26.7 \$b	  7.75 \$b
  2.2 \$b	  625 \$m	  525 \$m
  356 \$m	  305 \$m	  120 \$m
 	 	 
 	 	

# Exits under \$5b Analysis

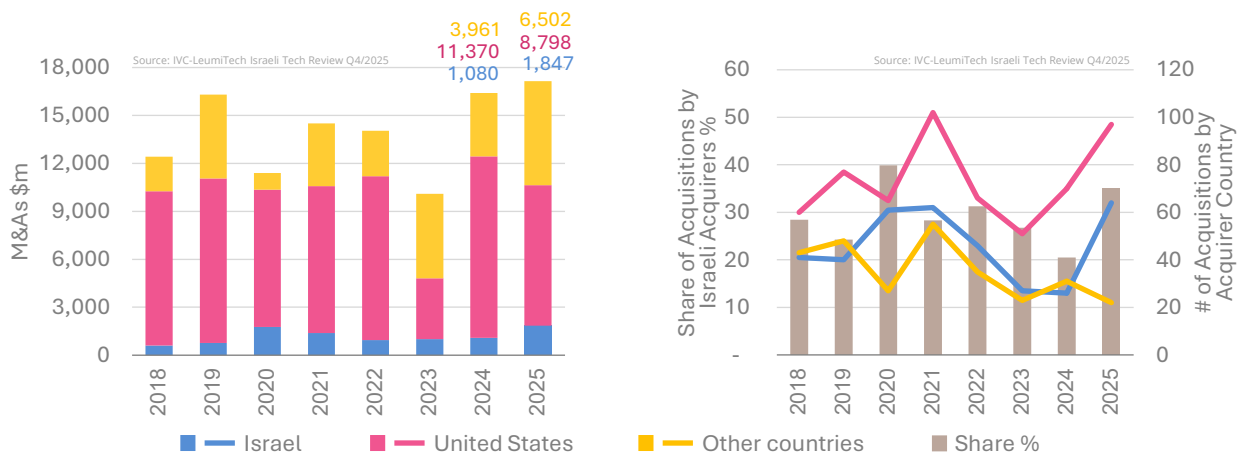
## Exits Under \$5b - by Type



## First M&As Under \$5b - by Deal Size <sup>1</sup>



## M&As Under \$5b - by Acquirer Country

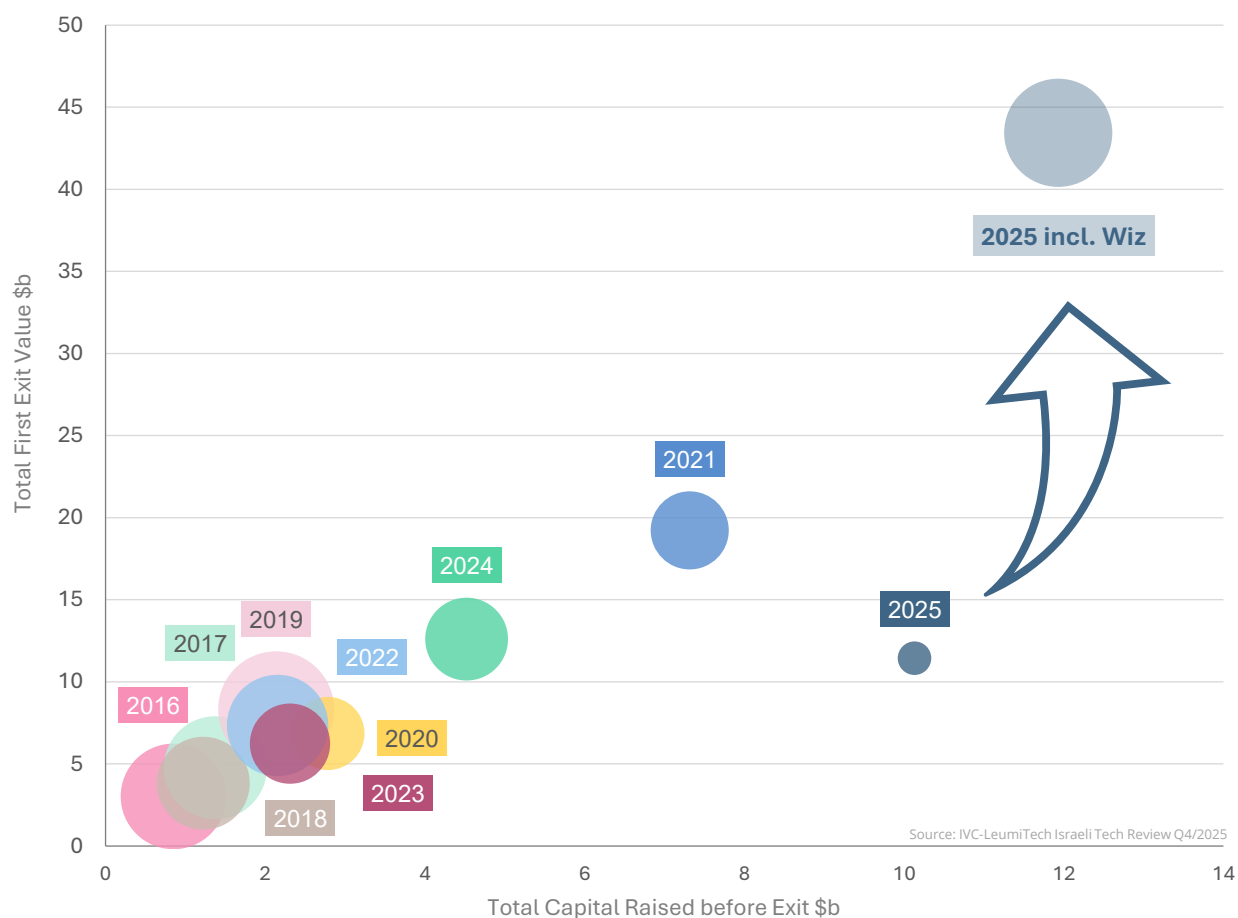


Notes: 1) First exit refers to the first time a startup goes through an exit process (M&A, IPO, or Buyout).



# Investment Efficiency

Total Capital Raised vs. Total First Exit Value <sup>1</sup>



This analysis compares the total capital raised by Israeli high-tech companies before their first exit with the aggregate value of those exits. Each bubble in the chart represents a yearly cohort, and its size reflects investment efficiency, defined as the ratio of total first-exit value to total capital raised before exit.

Because the acquisition of Wiz has not yet been completed and would constitute the company's first exit, the year 2025 is shown in two versions in the chart: one reflecting the available data and one including Wiz in the calculation.

The variance is related explicitly to the Wiz acquisition, which makes a difference.

This 'Wiz effect' is not just about the deal itself but also about investors' motivation and sentiment toward Israeli tech.

Notes: 1) First exit refers to the first time a startup goes through an exit process (M&A, IPO, or Buyout).

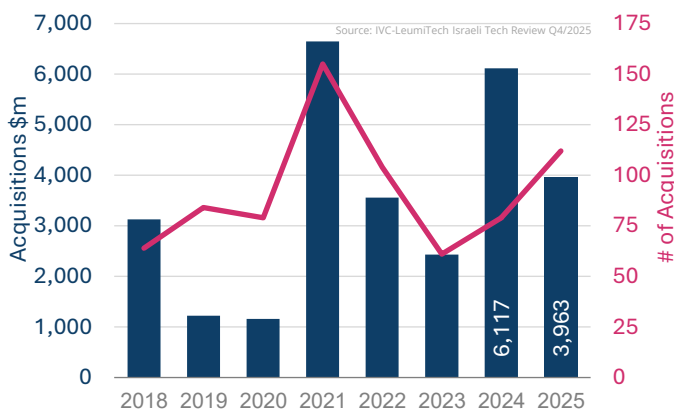
# Israeli High-Tech Acquirers Activity

In 2025, Israeli high-tech companies completed 112 acquisitions, marking the highest level since 2018, excluding the exceptional peak in 2021.

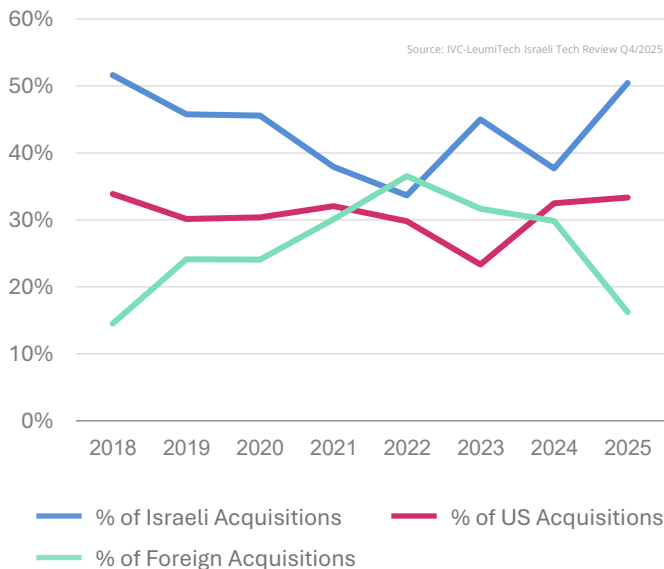
These transactions were typically smaller in scale.

The majority of acquired companies in 2025 were Israeli, with local targets accounting for approximately 50% of acquisitions – the highest share in recent years, indicating a growing focus on domestic M&A.

## Israeli High-Tech Acquirers Activity



## # of Israeli Acquisitions by Acquired Company Region



## Top Acquisitions 2025

**COGNiGY** by **NiCE**  
Germany **955 \$m**  
Enterprise Software & Infrastructure

**aim security** by **CATO NETWORKS**  
Israel **350 \$m**  
Enterprise Software & Infrastructure

**LAKERA** by **CHECK POINT**  
USA **300 \$m**  
Enterprise Software & Infrastructure

**observo.ai** by **SentinelOne**  
USA **225 \$m**  
Enterprise Software & Infrastructure

**Clippings Inc.** by **Pro Sportority Ltd.**  
**VIDEOVERSE** by **minute media**  
USA **200 \$m**  
Enterprise Software & Infrastructure

**Prompt:** by **SentinelOne**  
USA **180 \$m**  
Enterprise Software & Infrastructure

**CORELLIUM** by **Cellebrite**  
USA **170 \$m**  
Enterprise Software & Infrastructure

**zilla SECURITY** by **CYBERARK**  
USA **165 \$m**  
Enterprise Software & Infrastructure

**SLASHNEXT** by **VARONIS**  
USA **150 \$m**  
Enterprise Software & Infrastructure

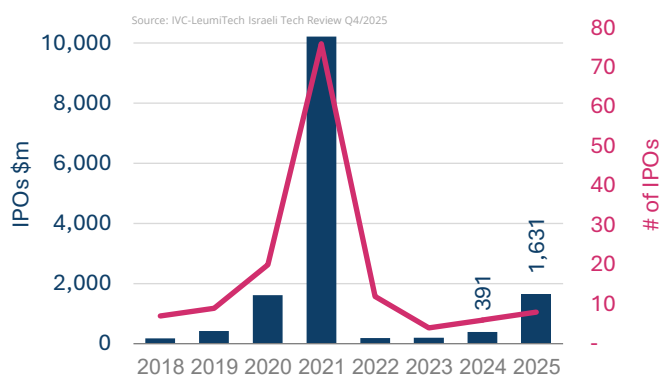
# Israeli High-Tech Public Offerings

IPO activity remained selective in 2025, with volumes and post-IPO valuations well below the 2021 peak.

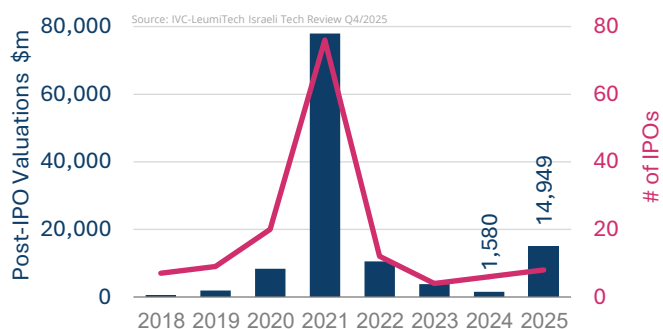
While a gradual increase took place, with 8 IPOs this year, compared with only 4 in 2023, public offerings remain a limited exit route for Israeli high-tech companies.

The notable IPOs in 2025 included late-stage unicorns Navan, Via, and eToro, each valued at over \$3.5 billion post-IPO. Beside them, other names - Nasus, Axons Vision, VisionWave Holdings, Michpal Technology and RP Optical – also made their first public offering.

## IPOs



## Post-IPO Valuations



**NAVAN**

IPO

**Nasdaq**  
GS

750 \$m

6,210 \$m  
Valuation

**eToro**

IPO

**Nasdaq**  
GM

403 \$m

4,400 \$m  
Valuation

**VIA**

IPO

**NYSE**

329 \$m

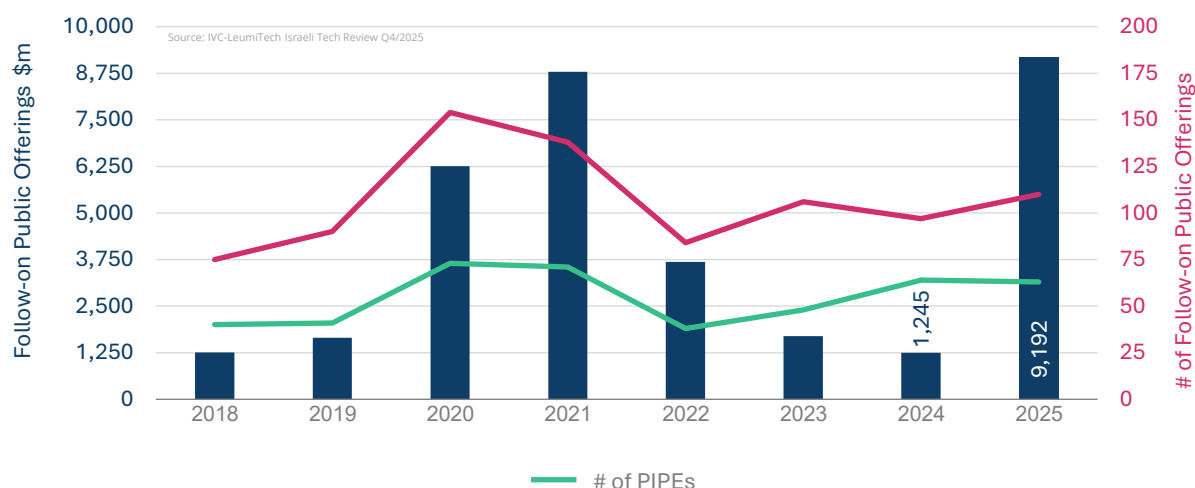
3,650 \$m  
Valuation

# Israeli High-Tech Public Offerings

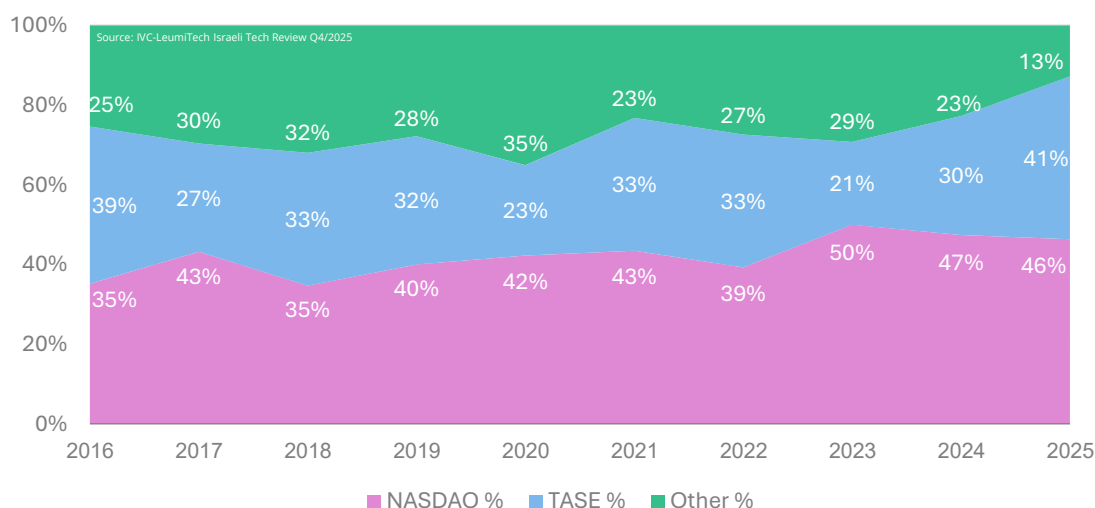
Follow-on public offerings (FPOs) showed a stronger rebound as already-public companies raised additional capital. FPO activity reached its highest level since 2021 by deal count, while total proceeds set a new record, exceeding 2021 levels. PIPE transactions remained the dominant transaction structure, with three PIPEs above \$1 billion involving Check Point, CyberArk, and Wix, accounting for over 40% of total FPO proceeds.

FPO activity was concentrated mainly among companies listed on NASDAQ and the Tel Aviv Stock Exchange, while other stock exchanges accounted for a smaller share of activity.

## Israeli Follow-on Public Offerings (FPOs)



## # of Follow-on Public Offerings (FPOs) by Listing Venue – Share of Total %





# Methodology

## General

- This report contains information derived from the IVC-Online Database. Deal numbers and valuations may vary across our reports due to continuous updates of historical numbers in the IVC database.
- This report summarizes activities of Israeli and Israel-related high-tech companies between 2016 –2025. "Israel-related" refers to a company which is not incorporated in Israel but has senior Israeli management and founders.
- Up-to-date information is available on [www.ivc-online.com](http://www.ivc-online.com).

## Investments

- This report reviews capital raised by Israeli tech companies from Israeli and foreign venture capital funds as well as from other investors, such as investment companies, corporate investors, incubators and angels.
- Reported data presents the investments activity IVC collects from reliable media sources, and direct reports gathered by IVC's information specialists' team. In order to compare the data to previous periods, the data in IVC's database are normalized to include only the known published data for each quarter or year.
- Projected data covers the gap in knowledge about Seed companies' activity. Since most of the information about Seed companies comes to light 12 to 24 months after the closing took place, the projected data shows the reported data multiplied by a constant (factor) that helps to understand the real impact of activity in Seed companies over the long run. [READ MORE HERE](#).
- The report is based on data from 409 investors of which 89 were Israeli VC funds and 320 were other entities.
- The term 'Early-Stage Companies' refers to high-tech companies in the process of development and not yet offering products to the market.
- The report covered total investments in the Israeli venture capital sector, including both VC-backed rounds where at least one investor participating in the round was a VC fund, as well as deals not backed by venture capital funds.
- The report includes amounts received by each company directly, including direct transactions performed between company shareholders.
- Most companies fall within more than one technology cluster, therefore the data regarding tech clusters should be viewed separately per cluster.



# About



IVC is the leading data source and business information company in Israel's high-tech industry. We help our clients understand the market, make connections and identify opportunities with access to the latest news, trends and developments.

From venture capital and private equity funds to industry leading companies and emerging startups across Israel's varied high-tech sectors, we cater to the varied business information needs that make up the Israeli high-tech ecosystem. We bring more than 20 years of experience of gathering and analyzing data, serving the IVC community. Our dedicated team of industry researchers and analysts has deep knowledge and hands-on experience working with Israel's high-tech sector.

Our management, professional sales, data and marketing teams drive IVC's commitment to excellence and client service. We enable a wide range of local and global clients, including entrepreneurs, local and foreign investors of all types and service providers such as lawyers and accountants, to get to know the Israeli high-tech ecosystem better

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# LEUMITECH

LeumiTech, the banking arm of Leumi Group, specializes since 2014 in banking for high-tech companies and VC Funds, servicing companies from early stage through fast growing to giant corporates. We provide a comprehensive, personalized, tech-specific banking products and specialized loans as part of our complete solution for all of our clients' financial needs. Such services include high-tech credit expertise, hedging and investment tech center and access to global and local ecosystems.

With dedicated high-tech teams, LeumiTech provides a financial home for the Israeli high-tech industry.

[www.leumitech.com](http://www.leumitech.com)



## Contact Us



### **Marianna Shapira**

Senior Data Analyst & Author

IVC Research Center

[marianna@ivc-online.com](mailto:marianna@ivc-online.com)

[www.ivc-online.com](http://www.ivc-online.com)

+972-(0)73-212-2339



### **Yael Arnon Livneh**

Head of Marketing &

Business Development

LeumiTech

[Yael.arnonlivneh@bankleumi.co.il](mailto:Yael.arnonlivneh@bankleumi.co.il)

[www.leumitech.com](http://www.leumitech.com)

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