



NIGHTDRAGON

STATE OF ISRAELI CYBER EXITS: A NEW GENERATION IS BORN

M&As, IPOs, and Current Cyber Unicorns

SECOND EDITION

September 2025

Foreword

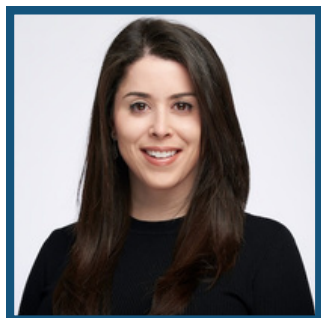
The Israeli cyber ecosystem has evolved rapidly from 2019 through today. In recent months, this momentum was underscored by two record-breaking exits that not only set new benchmarks for deal size, but also reaffirmed the strength and maturity of the sector.

So far in 2025, Israeli cyber exits have been announced in 18 of 36 weeks, a pace that underscores just how on fire the market truly is. But while momentum is high, the multi-billion-dollar deals are reshaping perceptions: they set new benchmarks for success, yet also raise questions about sustainability, valuation discipline, and what it now means to “win big” in this ecosystem.

This report serves as an update to our Israeli Cyber Startups Exits Landscape series, providing an early look at 2025 market activity with a particular focus on M&A, building on our report from late 2024. While a full year-end report will follow, our goal here is to analyze the data available today to assess where Q4 2025 will take us.

What’s clear is that as threats around the world continue to grow and evolve, the ecosystem for SecureTech remains strong. Israel continues to play a strong role in that story, highlighted by the exits and innovation featured in this report.

All data in this report is current as of September 17, 2025.



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Macro Drivers

To set the stage for 2025's review, we begin with the macroeconomic context—**Public markets act as the key proxy, it shapes investor confidence, valuations, and IPO/M&A windows, and ultimately determines exit timing.** Macro drivers remain highly influential: we are still in a post-COVID environment marked by geopolitical volatility, trade tensions, inflation waves and corrections, rising fiscal debt, and ongoing military conflicts.

At the same time, **the Israeli cyber market is on fire, with exits happening at record pace and multi-billion-dollar deals redefining what it means to win.** These mega-transactions amplify momentum but also shift perceptions, raising benchmarks and reframing how all other deals are viewed in the ecosystem.

So we ask ourselves, how can one predict public market behavior and subsequently anticipate exit timing?

High CPI → High Rates → Lower Valuations
Cooling CPI → Stable Rates → Stronger Exits

Inflation

Inflation drives interest rates, which in turn shape valuations, buyer behavior and exit timing.

- Higher inflation → Higher interest rates (via Central Bank policy)
- Higher interest rates → lower present value of future earnings → Lower valuations
- Lower valuations means exit multiples compress during inflationary periods. Timing an exit during cooling inflation can result in materially better outcomes.

Inflation was stable pre-COVID, spiked sharply by 2023, and is normalizing in 2025. This surge drove central banks to raise interest rates from historic lows, keeping the cost of capital elevated even as inflation cools. While conditions are improving, global stability has not fully returned – and both stable inflation and easing rates are essential for predictable exits.



Inflation, measured by the average **consumer price index (CPI)**, reflects the change in the cost of consumer goods and services. Below, we analyze recent inflation trends.

Why It Matters

Inflation is one of the most important drivers of exit markets because it directly affects valuations, interest rates, and investor appetite. When CPI is high, central banks raise rates, tightening IPO windows, but as inflation moderates, stability returns.

Current Landscape

- CPI has cooled to ~2–3% in the US and Israel, down from peaks in 2021–2022, signaling healthier IPO conditions for 2025
- Europe has also eased, though unevenly, while China remains near 0%.
- Overall, advanced economies are converging toward central bank targets.

Implications for Exits

- Normalizing CPI reduces pressure on central banks to hike rates.
- Lower volatility creates a more predictable environment for IPOs.
- Stable inflation supports healthier exit multiples and higher investor confidence heading into 2025.

Key Takeaway: Cooling inflation in the US and Israel supports stronger IPO pipelines in 2025.

CPI	2020	2021	2022	2023	2024	Now
Israel	-0.6	1.5	4.4	4.2	3.1	2.9
USA	1.3	4.7	8	4.1	3	3
China	2.5	0.9	2	0.2	0.2	0
India	6.2	5.5	6.7	5.4	4.7	4.2
Germany	0.4	3.2	8.7	6	2.5	2.1
France	0.5	2.1	5.9	5.7	2.3	1.3
UK	0.9	2.6	9.1	7.3	2.5	3.1
ADVANCED ECONOMIES	0.7	3.1	7.3	4.6	2.6	2.5

Source: International Monetary Fund

Interest Rates

Why It Matters

Interest rates set the cost of capital. Since 2021, rates have risen sharply from historic lows, increasing financing costs, compressing valuations, and pushing investors toward higher-quality deals. For exits, this means IPO windows narrow during tightening cycles, while M&A shifts toward strategic buyers with stronger balance sheets.

Current Landscape

- US & Israel now both stand at 4.5%, reflecting parallel tightening since 2022
- This convergence shows a shared inflationary response and signals macro stability
- However, elevated rates continue to weigh on growth-stage deals, where valuations are more sensitive to the cost of capital

Implications for Exits

- Borrowing remains expensive → IPO candidates face pressure on multiples
- Investors are more selective → favoring high-quality companies with profitability or strategic differentiation
- Strategic M&A becomes more attractive relative to growth-equity IPOs.

Source: Trading Economics

Interest Rates	2020	2021	2022	2023	2024	CURRENT
USA	0.25%	0.25%	4.50%	5.50%	4.50%	4.25%
Israel	0.10%	0.10%	3.25%	4.75%	4.50%	4.50%

Real GDP Growth

Analyzing world growth via Real GDP across key economies shows global growth has improved since COVID-19, but seems to be slowing down. USA's growth is strong post-COVID, and Israel shows continued resilience, potentially outpacing peers this year.

Why It Matters

GDP growth underpins earnings, corporate demand, and investor sentiment. Strong growth boosts market appetite for IPOs and M&A, while stagnation slows exit momentum.

Current Landscape

- US continues steady expansion at ~2%, maintaining its role as the deepest exit market.
- Israel is projected to grow 3.2% in 2025, outpacing most advanced peers.
- Europe remains sluggish, with Germany flat and France/UK around 1%.
- China is slowing but still delivers ~4% growth, while India leads with ~6%.

STATE OF THE ISRAELI CYBER EXITS LANDSCAPE

Real GDP Growth (continued)

Implications for Exits

- US and Israel stand out as the strongest foundations for IPO activity.
- Europe's slower growth tilts exits more toward M&A than public markets.
- India's rapid growth makes it an emerging market to watch for future exits.

Key Takeaway: US stability and Israel's above-average growth create the most supportive conditions for exits.

Real GDP Growth	POPULATION	2020	2021	2022	2023	2024	2025
Israel	10M (0.1%)	(2)	9.4	6.3	1.8	0.9	3.2
USA	340M (4%)	(2.2)	6.1	2.5	2.9	2.8	1.8
China	1.4B (17%)	2.3	8.6	3.1	5.4	5	4
India	1.4B (17%)	(5.8)	9.7	7.6	9.2	6.5	6.2
Germany	84M (1%)	(4.1)	3.7	1.4	(0.3)	(0.2)	0
France	68M (0.8%)	(7.6)	6.8	2.6	1.1	1.1	0.6
UK	68M (0.8%)	(10.3)	8.6	4.8	0.4	1.1	1.1
ADVANCED ECONOMIES	8B	(4)	6	2.9	1.7	1.8	1.4

Source: International Monetary Fund

Unemployment Rate

The US unemployment has fallen from over 8% in 2020 to just above 4% now, showing strong labor market resilience, while Israel continues to maintain one of the lowest unemployment rates among advanced economies. Together, moderating inflation and favorable employment levels create a supportive macro backdrop for IPO activity.

Why It Matters

Employment levels reflect economic resilience and consumer demand. High unemployment alongside high inflation risks stagflation, while low unemployment reinforces stability, investor confidence, and exit potential.

Current Landscape

- US unemployment has fallen from over 8% in 2020 to ~4% today.
- Israel continues to post among the lowest unemployment rates in advanced economies (~2.9%).
- Europe is stable at 3–4%, while China and India remain in the 5–5.5% range.

Implications for Exits

- Strong labor markets in the US and Israel signal resilient demand and lower stagflation risk.
- Healthy employment supports economic growth and reduces downside risks for IPO investors.
- This stability complements moderating CPI, reinforcing favorable macro conditions.

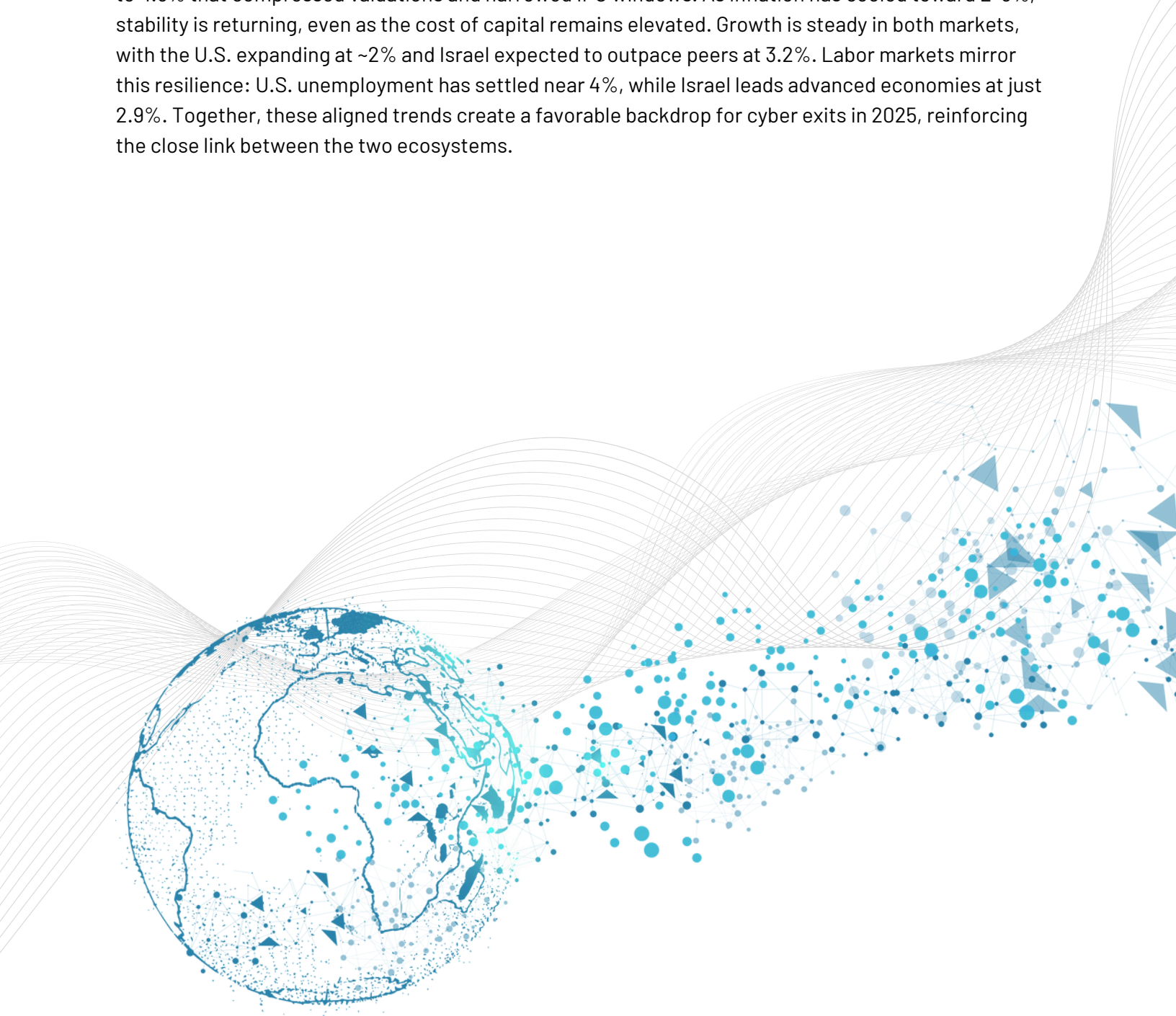
Key Takeaway: Low unemployment in the US and Israel strengthens the case for exit activity in 2025.

Unemployment	2020	2021	2022	2023	2024	2025
Israel	4.3	5	3.8	3.5	3	2.9
USA	8.1	5.4	3.6	3.6	4	4.2
China	5.6	5.1	5.6	5.2	5.1	5.1
India	8.7	7.4	5.3	4.9	4.9	4.9
Germany	3.6	3.6	3.1	3	3.4	3.5
France	8	7.9	7.3	7.3	7.4	7.7
UK	4.6	4.6	3.8	4.1	4.3	4.5
ADVANCED ECONOMIES	6.6	5.6	4.5	4.4	4.6	4.7

Source: International Monetary Fund

Macro Drivers Summary

From 2020 to 2025, Israel and the U.S. have largely followed parallel macroeconomic trajectories shaping exit conditions. Both economies saw inflation spike in 2021-2022, prompting sharp rate hikes to 4.5% that compressed valuations and narrowed IPO windows. As inflation has cooled toward 2-3%, stability is returning, even as the cost of capital remains elevated. Growth is steady in both markets, with the U.S. expanding at ~2% and Israel expected to outpace peers at 3.2%. Labor markets mirror this resilience: U.S. unemployment has settled near 4%, while Israel leads advanced economies at just 2.9%. Together, these aligned trends create a favorable backdrop for cyber exits in 2025, reinforcing the close link between the two ecosystems.

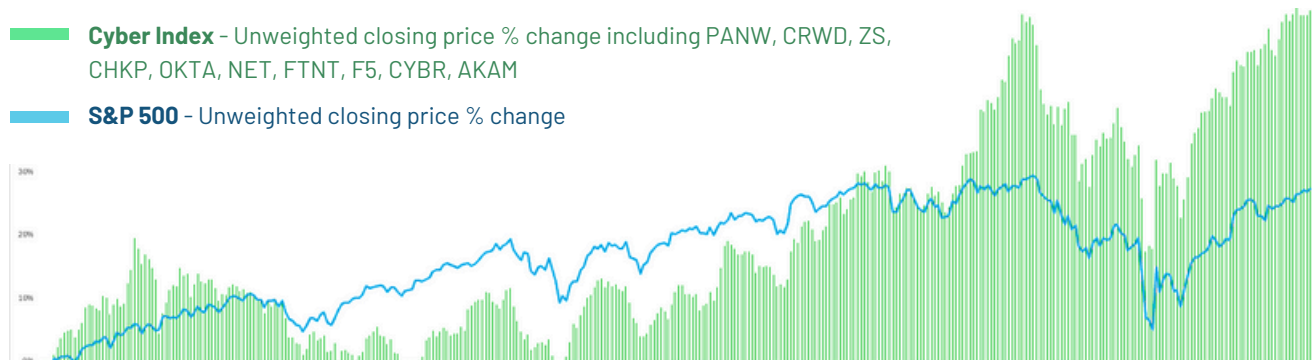


IPO

Following our macro-economic analysis on prior pages, we look towards analyzing the public market liquidation. Five Israeli cyber companies went public in the last six years - SentinelOne, Hub Security, Riskified, Jfrog, Tufin - in addition to Cyabra announcing its intent to go public via SPAC in July 2024. 2025 did not yet see Israeli cyber startups going public, and one of the main candidates expected to IPO (Wiz) has been acquired.

Generally, the IPO cyber market remains quiet, with a hint of an opening following the eToro IPO in May 2025, the Via IPO in September 2025, and several other likely candidates (current cyber unicorns) gearing up to go public in the coming 12 months.

Conditions remain favorable for cyber. When looking at leading cyber public companies trading on NASDAQ and NYSE, you can see that cyber is outperforming the S&P500.



Jan 2024

NOW

While the Israeli cyber IPO pipeline has been quiet in 2025, strong public market performance from listed cyber companies suggests that sentiment—and IPO readiness—may improve in the near future.



Mergers & Acquisitions

This year marks the highest M&A activity as compared to the same time period in all previous years since 2019. Since the start of January 2025, we have had 20 Israeli cyber exits, totaling 137 exits from 2019 to now. **In total, Israeli cyber has seen \$82B of exit dollars announced to date. Just this year, \$59B of exit dollars have been announced, which is 2.5X more than all exits from 2019-2024 combined.**

As the major driver in this growth, In March 2025, Wiz was acquired for \$32B, marking the largest exit in Israel's history, the world's largest cybersecurity M&A ever, and the largest VC-backed deal ever. Just five months later, CyberArk was acquired for \$25B, marking it the second largest exit in Israel's history. **These two exits accounted for 98% of value realized this year and 70% of value realized since 2019.**

2025 Noteworthy Exit Activity

PUBLIC  \$32B, Cloud Security GOOGLE		PUBLIC  \$25B, Identity & Access Mgmt PALO ALTO NETWORKS	
PRIVATE  \$350M, AI Security CATO NETWORKS		PUBLIC  \$305M, Risk Management DIGINEX	
PUBLIC  \$250M, AI Security SENTINELONE	PUBLIC  \$150M, Risk & Exposure Management TENABLE	PRIVATE  \$150M, Crypto Fraud Prevention CHAINALYSIS	
PRIVATE  \$120M, OT & Exposure Management ARMIS	PUBLIC  \$105M, Security for AI TENABLE	PUBLIC  \$100M, Exposure Remediation CHECK POINT	
PRIVATE  \$30M, Spyware INTEGRITY PARTNERS	PRIVATE  \$20M, AI, RAG TORQ	PRIVATE  "Tens of millions", NHI & Data Flows CYERA	
PRIVATE  "Tens of millions", Exposure Remediation ORCA SECURITY	PUBLIC  "Tens of millions", SaaS Security FORTINET	PRIVATE  "Tens of millions", Runtime Security UPWIND	
PRIVATE  "Tens of millions", AI Risk Management SAYARI	PRIVATE  "Tens of millions", Cloud Security CYE	PRIVATE  \$10M, Exposure Remediation CYMULATE	

STATE OF THE ISRAELI CYBER EXITS LANDSCAPE

Overview

Prior to the Wiz and CyberArk acquisitions, the combined value of all exits all-time (2019-2024) was \$23B. **Each of the Wiz and CyberArk exits alone exceeded the combined value of all prior Israeli cyber exits since 2019.**

Table 1 Total Exit Size (\$M) Lowest - Highest Exit (\$M)

2025	\$58,885	10 - 32000
2024	\$4,507	20 - 900
2023	\$7,485	10 - 3600
2022	\$1,603	5 - 500
2021	\$3,832	16 - 700
2020	\$3,206	30 - 1600
2019	\$2,638	5 - 890
TOTAL	\$82,156	

How do the rest of the Israeli cyber exits compare?

Although H1 2025 saw more \$100M+ exits than all of 2020 and 2022, nearly 50% of deals have been below \$100M, pulling the median down 25% this year. With exits announced in 18 of 36 weeks so far, **Availability Bias makes the market feel dominated by mega-deals, when in reality most are far smaller.**

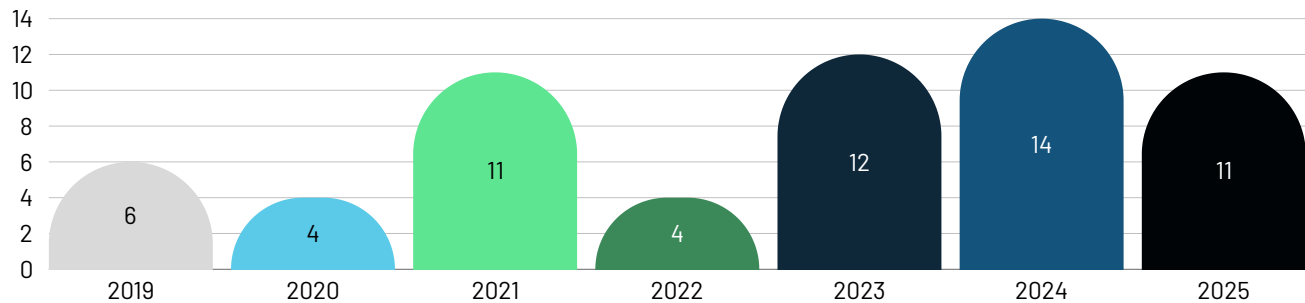
Table 2 Median Exit Size (\$M) Average Exit Size (\$M)

2025	\$100	-25%	\$2,944	1337%
2024	\$133	15%	\$205	-40%
2023	\$115	163%	\$340	240%
2022	\$44	-70%	\$100	-48%
2021	\$145	48%	\$192	-52%
2020	\$98	-1%	\$401	82%
2019	\$99		\$220	
TOTAL	\$100		\$629	

This year, the gap between mega-exits and sub-\$100M deals is widening – signaling both consolidation at the top and a flush-out of 2021-bubble startups.

\$100M+ Exits

For Israel, exits of \$100M or above are considered the top-half. Generally, 62 (45%) of all-time exits have been at or above \$100M in exit price. For 2025 thus far, 55% of exits have been at or above \$100M. **Just H1 of this year had more \$100M+ exits than all of 2019, 2020 and 2022.**



At the current pace, 2025 is set to deliver the highest volume of \$100M+ exits on record.

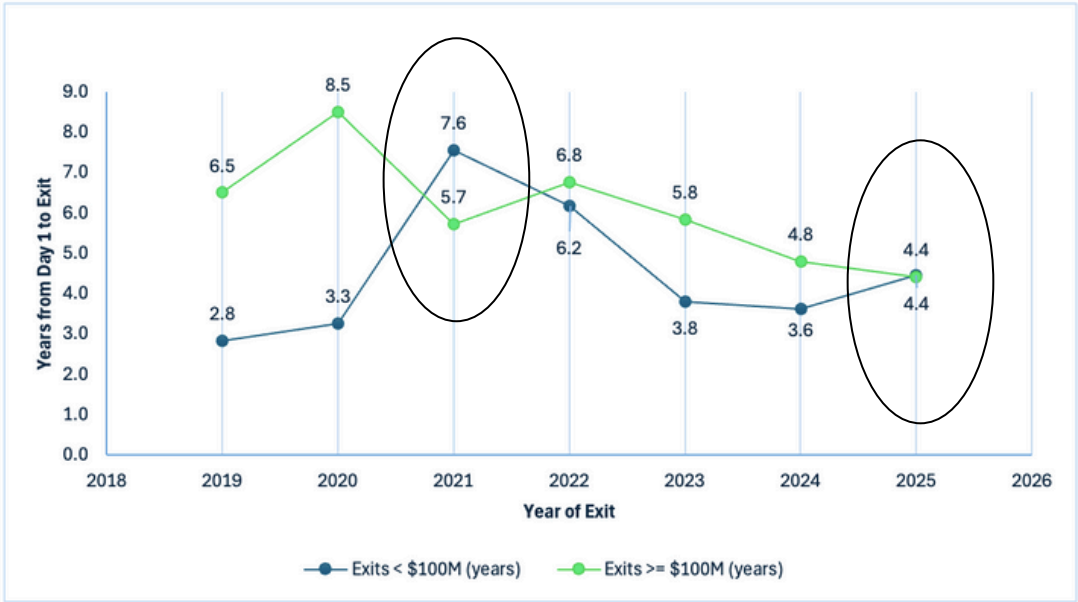
	# of \$100M+ Exits	# of Exits (All)	\$100M+ Exits / Total
2025	11	20	55%
2024	14	22	64%
2023	12	23	52%
2022	4	17	24%
2021	11	22	50%
2020	4	16	25%
2019	6	17	35%
TOTAL	62	137	45%

	\$500M+ Exits	\$200M-\$499M Exits	\$100M-\$199M Exits
2025	2	3	6
2024	1	8	5
2023	3	7	2
2022	1	2	1
2021	2	6	3
2020	2	1	1
2019	2	3	1
TOTAL	13	30	19

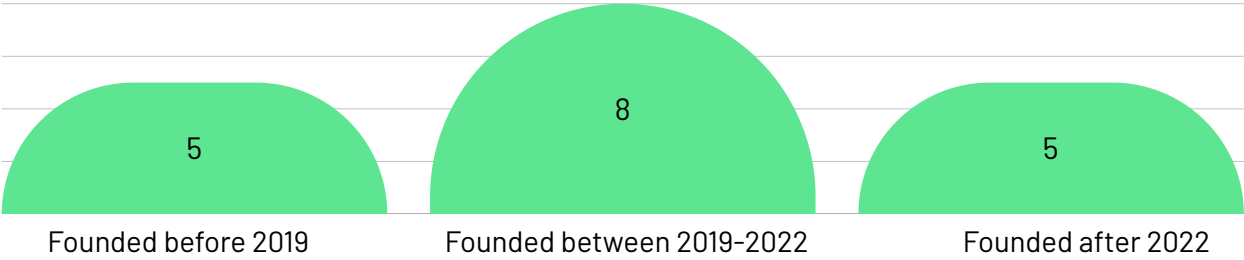
Time to Exit

In 2025, exits smaller than \$100M averaged **4.4 years to exit**, while \$100M+ exits (excluding CyberArk at 26 years) also averaged **4.4 years**. This convergence mirrors 2021, showing that large and small deals alike are happening at very similar stages of maturity in 2025.

Average Time to Exit (# Years)
Compared to Exit Size



The majority of 2025 acquisitions were born during the COVID-19 bubble (2019–2022 H1) when inflated valuations set the stage for today’s pressured exits.



Time to Exit (continued)

But when analyzing it by size, most of 2025's \$100M+ exits in Israel are from companies founded outside the COVID-19 bubble years.

Exit Distribution by Year Founded	Year Founded	Tens of Millions	\$100M-\$1B	\$1B+
	2022+	4 Exits	4 Exits	0 Exits
	2019-2021	4 Exits	2 Exits	1 Exits
	<2019	1 Exits	3 Exits	1 Exits

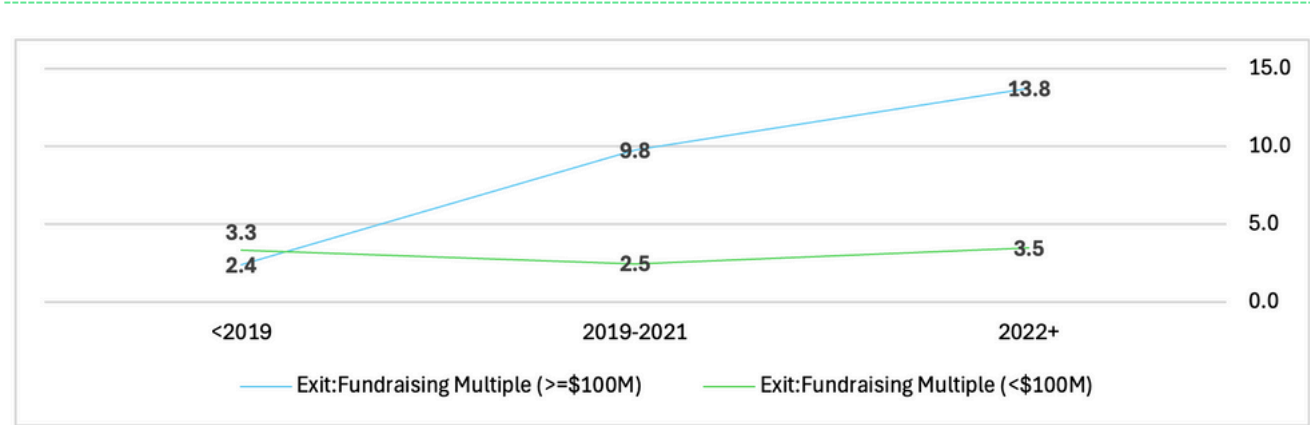
What does this mean? Although the average age of companies that exited in 2025 is under 4.4 years, \$100M+ deals tell a different story: most were founded before 2019 or after 2022. **The bubble-era companies are now exiting at compressed valuations, while the standout \$100M+ outcomes are coming from seasoned pre-2019 players or leaner post-2022 entrants.**

Exit Size: Fundraising Capital

COVID-bubble companies (2019–2021) are exiting at about 4x their funding – lower than the 6–7x seen since 2019. By contrast, post-2022 startups are exiting at 12x their funding.

More than this, we can see a stark divergence: smaller exits return only 3.5x, while \$100M+ exits deliver 13.8x. **This widening gap suggests a shakeout dynamic – weaker bubble-era firms are being flushed out, while capital-efficient post-2022 companies are driving the higher multiple wins.**

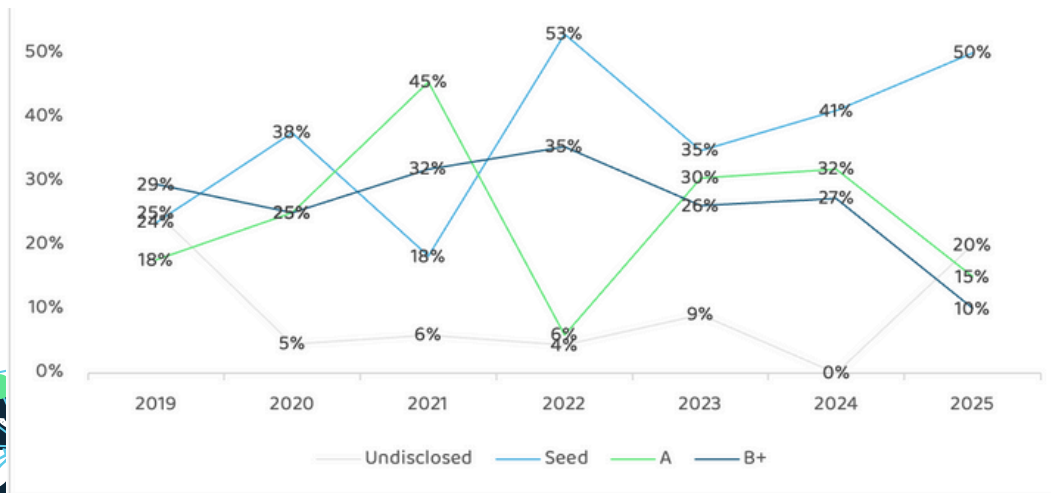
Table 4 Exit:Fundraising Multiple By Founding Year & Exit Size



Exit Size:Capital Raised (continued)

As in prior years, the majority of exits have been at the earlier stages (after just seed or series A funding). This makes sense given most acquirers seek out Israeli acquisitions for R&D capabilities.

% of Exits After Each Round of Financing



What Categories are Being Acquired in 2025?

M&A waves are driven by competitive dynamics between the acquirers. When one player makes a strategic move—expanding offerings or entering a new category—others often follow to stay competitive. These waves mirror shifting market demand, with public company moves frequently sparking private company activity.

CNAPP / Cloud

Median Exit Price = \$265M

Largest ever cyber deal reflects Google's CNAPP ambitions

Upwind Acquires Nyx to
Redefine Application Runtime
Security

CYE acquires security and infrastructure technology from Solvo to strengthen cloud security management

Unified Remediation / CTEM

Median Exit Price = \$125M

Check Point to Acquire Veriti, Redefining Threat Exposure Management in Complex Multi-Vendor Environments

Cymulate Acquires CYNC Secure in Move to Accelerate Innovation in CTEM

Wiz to acquire Dazz, transforming risk remediation from cloud to code

Orca Security expands CNAPP leadership with Opus acquisition and AI remediation push

Armis Acquires Silk Security to Incorporate Best in Class Security Prioritization and Remediation into Armis Centrix™

Zscaler buys Avalor for AI-enabled security analytics

AI Security (1st generation companies)

Median Exit Price = \$250M

Cato Networks acquires Aim Security to expand AI security capabilities

SentinelOne to Acquire Prompt Security to Advance GenAI Security and Agent Security Strategy

Tenable to Acquire Apex Security, Expanding Exposure Management for AI-Driven Threats

Coralogix acquires Aporia in \$50M deal to boost AI security transparency

Predicted 2026 M&A Waves:

- Agentic SOC
- Agentic Vulnerability Mgmt (continuation of Unified Remediation / CTEM)
- AI Security, 2nd generation companies

Wiz Case Study

Analyzing the Largest Exit in Israeli Cyber History

Wiz's ascent is the embodiment of hyper-growth meets right-time market entry.

After only five years, Wiz was acquired for an amount that marked it the largest VC-backed exit of all time. After raising \$1.9B, Wiz exited for 15x the amount of funding raised - a whopping \$32B. **Exploring their journey from the outsider's perspective shows that from Day 1, Wiz engineered a strong perception of exclusivity and momentum.**

1

Strategic Backers & Leadership: Investors in Wiz have always been exclusively Tier 1. This includes Cyberstarts, Sequoia, Index Ventures, Insight Partners, A16Z, Lightspeed Venture Partners, Greylock, and others. Wiz was strategic in who they chose to bring as investors (firms & individual angels) and Advisors, and already announced a top-notch Advisory Board just two years after starting the company. This board included top security leaders from DocuSign, Aon, Meta, and Okta.

Moreover, they only hired the best of the best, and they did so early on. To name a few, Anthony Belfiore, a security veteran and former CSO at Aon and CISO at JPMorgan, joined Wiz as CSO; Ryan Kazanciyan, formerly a security leader at Meta and CTO at Tanium, joined as CISO; and Ryan Carlson, who drove Okta's marketing engine joined as Chief Marketing and Strategy Officer.

2

Strategically Built the Illusion of Unbeatable Momentum: For their first two years, Wiz didn't share much. But, when they did, nearly every announcement was extraordinary, creating an extreme "WOW" factor in a short period of time.

Wiz becomes the world's largest cybersecurity unicorn

Just three years since its launch, Wiz becomes the world's largest cyber unicorn and fastest SaaS company to reach a \$10B valuation

Assaf Rappaport 3 minute read

\$100M ARR in 18 months: Wiz becomes the fastest-growing software company ever

Just two years since its launch, Wiz protects

Wiz goes (even more) global

The first half of 2021 has been incredible for Wiz. Fueled by an additional \$250M in funding (\$350M

Sequoia, Index Ventures, Insight, Stone, Advent, Greenoaks, and Aglaé a blistering pace, going from 25 start of the year to 120 today.

Assaf Rappaport 2 minute read

Celebrating Our Series C: Zero to \$6 Billion in 18 Months

Customers have come to realize ignorance isn't bliss. Cloud has gotten too big and unwieldy for most companies to effectively manage on their own. That's where Wiz comes in.

Assaf Rappaport 2 minute read

Wiz becomes fastest growing security startup ever with new \$1.7B valuation

Wiz becomes fastest growing security startup ever with new \$1.7B valuation

Assaf Rappaport 5 minute read

Wiz comes out of stealth with \$100M Series A funding to reinvent cloud security

Today, we're announcing a milestone in that journey: a \$100M Series A funding round led by Index Ventures, Sequoia Capital, Insight Partners, and Cyberstarts.

Assaf Rappaport 3 minute read

STATE OF THE ISRAELI CYBER EXITS LANDSCAPE

3

Timing the Market: The bread & butter of Wiz's platform is that they are multi-cloud. Cloud adoption was ramping up in 2020 and the momentum helped both Wiz and its competition.

4

Strategic Tech Deployment & Early Platformization : From materials published, Wiz were hyper-focused on supporting AWS when starting out in 2020. Azure hyper-focus started in 2021, Alibaba, Oracle and IBM Cloud in 2022, and GCP in 2023. They mastered each CSP, one by one. Not to say they weren't supporting these platforms earlier on, rather that marketing/messaging gave each platform the attention it deserved over time.

They were smart in product releases, building a focused, yet full-coverage platform: From agentless, to shift-left, to unified remediation, to DSPM, to CNAPP, to CIEM, and more, Wiz was always either setting, or on top of, each rising trend. I.e., In their first two years, they already built & launched:

- Shift-left: December 2021
- CDR: June 2022
- Kubernetes security: October 2022
- CTDR: November 2022
- DSPM: November 2022
- Least Priv.: December 2022
- API Security: December 2022
- CNAPP: December 2022

Fast & powerful product integrations across all relevant vendors enabled Wiz to benefit from ecosystem momentum. Product extensions and integrations were executed and promoted through the WIN program, which had a waitlist. Wiz was the center of it all.

5

Enabling Remediation: Messaging and materials released were continuously educating the end user about new vulnerabilities they must be aware of with a sense of urgency. Remediation was always a focus, so Wiz wasn't only telling CISOs what they didn't know, but enabling them to solve it.

6

Going Global: Wiz tackled the public sector early-on. Although becoming FedRAMP Authorized only in 2024, Wiz targeted the public sector audience in its third year of operations. Wiz is likely to see hundreds of millions in revenue from federal sales. More than that, Wiz launched data centers in Australia, Canada, and more, to further globalize Wiz. They did this early on, already in 2023, just three years post founding.

7

Category Leader, Yet Approachable: Historically, many cybersecurity vendors had a brand voice that was serious, dark, and traditional. Wiz, on the other hand, was light, fun, and fresh. From 'Wizards', to 'Wiz Diner' at RSA 2023 or 'Wiz-Mart' at RSA 2024, the brand focused on relatability and associated with the every-day positive items of our lives, like hamburgers, pancakes and candy. Messaging was always about helping *you*; even the "WIN" program brand was about helping you win (via Wiz integration).

8

ARR Quality: Almost every CISO that promoted Wiz on their website and in Wiz-related media were from large-scale enterprises, driving urgency, fear-of-missing-out amongst the CISOs, and further category leadership.



Unicorns

Excluding Wiz, today we have **22 Israeli cyber unicorns worth an aggregate value of \$58B**, who have raised an aggregate \$12B of funding in their company's lifetimes thus far. Both Dream and Pentera became unicorns in 2025. Half of today's unicorns have raised in the last 12 months, showing high growth activity in Israel.



Growth Via M&A

When including Wiz, today's unicorns have been responsible for acquiring 16 Israeli cyber startups, most of which happened in the last 12 months. **The same amount of M&As done on behalf of unicorns in the last 12-16 months is equal to the amount done in the four years between 2019-2023.** There has been a surge of growth via M&A for Israeli cyber unicorns and they have become a dominant acquirer type.

Those that acquired at least two companies are below. Ordered from highest average price.

Name	Companies acquired	Median price paid (\$M)	Year of last acquisition made	Sector	Valuation (latest publicly released amount)
	(3) Gem, Raftt, Dazz	\$350	2025	Cloud Security	\$32B
	(3) CTCL, Otorio, Silk Security	\$135	2025	IOT Security	\$4.5B
	(3) Trail, ShapeAI, Otterize	\$91	2025	Data Security	\$6B
	(2) Opus Security, RapidSec	"Tens of millions"	2025	Cloud Security	\$1.8B
	(2) Helios, Enso	"Tens of millions"	2024	AI Trust	\$7.4B

Summary

Despite all odds this past year, Israel's technology sector—particularly cybersecurity—continues to play an outsized role on the global stage. With a population of just 10 million (roughly the size of New Jersey and only 0.1% of the world's population), the country has built a reputation as a central hub for R&D and innovation.

Israel consistently ranks among the global leaders in technology metrics: it has the second-largest number of cybersecurity companies after the United States, the highest number of engineers, unicorns, and R&D spending per capita, and maintains a relatively low unemployment rate of 3.3%. Much of the largest financing activity and many major exits in the Israeli ecosystem are backed by foreign investors, underscoring both the strength of Israel's innovation engine and its **deep reliance on global capital flows**.

Looking ahead, after a record-shattering year so far, Q4 is on track to redefine what record-breaking means for Israeli cyber exits. NightDragon expects this momentum to continue shaping global SecureTech M&A and IPOs into 2026.





NIGHTDRAGON

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