

M&As and Privacy Regulation

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Preliminary – comments are welcome

October 31, 2026

Abstract

This paper examines how privacy laws affect the market for corporate control. Privacy laws may increase legal uncertainty and asymmetric information about a target's data assets, and make data more difficult to redeploy following a merger. Using textual analysis on a corpus of SEC-filed Definitive Merger Agreements, I find that privacy representations, which are sellers' promises to the buyer about their own data practices, become common as privacy laws are introduced. These representations cover more risks over time, consistent with buyers shifting part of the risk to sellers. Using the EU's General Data Protection Regulation (GDPR) as a policy shock within a triple-differences design, I find that more exposed EU targets are more often bought by EU acquirers and less often paid for entirely in cash, whereas I find no statistically significant effect on takeover premia. These results highlight that product-market regulations designed to protect consumers can have unintended consequences for M&As. Merging parties respond in subtle ways to such regulation by changing whom they acquire, on what terms, and how they pay.

Keywords: Mergers and acquisitions; Privacy regulation; GDPR; Data assets; M&A contracting

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“Can the data be transferred like any other asset?”

— WilmerHale, *Privacy and Data Security for M&A Transactions*¹

1 Introduction

Personal data are an important input into production and decision-making for many firms. Their collection and use have also become a prominent focus of public policy. Various jurisdictions have introduced privacy laws, including the European Union’s General Data Protection Regulation (GDPR), the California Consumer Privacy Act (CCPA), and Brazil’s General Data Protection Law (LGPD). These laws impose specific requirements on firms that collect, store or process personal data, and introduce substantial fines for noncompliance.

This paper asks how the market for corporate control changes when personal data are more difficult to value and to transfer. Specifically, I study how privacy regulation influences acquisition patterns and deal outcomes, as well as how buyers and sellers allocate privacy-related risks in merger agreements. To study this contractual dimension, I use textual analysis techniques on a corpus of Definitive Merger Agreements filed with the U.S. Securities and Exchange Commission (SEC).

Mergers and acquisitions are a central mechanism through which corporate assets are reallocated in the economy. However, this role becomes more complex when the asset being transferred is personal data. First, privacy laws can increase information asymmetries and risks stemming from pre-merger liabilities, making due diligence and a contractual allocation of these risks more important. Second, privacy regulation is unique in that it places restrictions on what can be done with acquired data. Unlike a plant or a patent, personal data cannot necessarily be transferred, combined, or monetized as before after a change in corporate ownership. Privacy regulation can therefore create a wedge between ownership of the firm and the use of one of its key assets. If this wedge affects which buyers can use the data, privacy law can change not only compliance costs, but also the allocation of corporate control.

The EU’s GDPR provides a concrete example. Enacted in April 2016 and enforced from May 2018 onwards, the GDPR harmonized data protection across the EU and imposes strict rules on the processing, collection, access to and portability of personal data from EU consumers. While the immediate effects of these rules on how data are collected, processed and shared by firms are well documented (Johnson, 2024), and while €7.6 billion of known fines have been issued², the role of privacy laws for the market for corporate control is less clear. Anecdotal evidence suggests that data-protection risks matter for M&As. In a survey of 539 M&A practitioners, 66% expected the GDPR to increase acquirer scrutiny of target

¹Source: <https://www.wilmerhale.com/-/media/files/2017-03-24-acc-privacy-and-data-security-for-ma-transactions.pdf> (accessed 06/02/2026).

²See <https://www.enforcementtracker.com/statistics> (accessed 30/10/2026). Note that these figures are likely the “tip of the iceberg”, as many violations may not be reported.

data-protection policies and processes, and 55% reported having worked on transactions that did not progress because of concerns about a target's privacy protections and GDPR compliance³. The risk of unknowingly assuming such undetected liabilities is illustrated by the £18.4 million GDPR-related fine imposed on Marriott in 2020, following a data breach at Starwood, a previously acquired firm, that had occurred in 2014⁴. In practice, acquirers can protect against such risks by conducting due diligence and by including GDPR-specific indemnities, representations, or warranties into a merger contract. This was the case in an extensive fashion in Logitech's acquisition of the software company Streamlabs in 2019, for example.⁵

To assess whether these effects hold more broadly beyond these examples, I first extend the corpus of Definitive Merger Agreements (DMAs) collected by [Adelson, Jennejohn, Nyarko, and Talley \(2025\)](#) in the cross-section and over time, and merge these agreements to a dataset of acquisitions of both public and private firms stemming from SDC Platinum. The agreements shed light on the terms of a given deal. In particular, they yield insights into what risks the buyer assessed during pre-merger due diligence, which is a facet of M&As that has been absent from previous analyses. I employ textual analyses and leverage Large Language Models (LLMs) to understand how the use of privacy-law related provisions in merger agreements changes following new privacy laws. I find that privacy representations, where the target asserts compliance with all applicable privacy laws, have become an increasingly comprehensive part of merger agreements, especially for target firms in consumer-data-heavy industries. The share of agreements in which the target makes a privacy representation increases about fourfold from 18% in 2010 to 71% in 2025. Further, the coverage of these representations increases over time, and often includes the notification of data breaches, the obligations of third parties that process data on the target's behalf, and new risks related to ransomware and artificial intelligence. Importantly, these added promises are not being qualified by materiality or the seller's knowledge more often than before. Thus, the broader coverage is not offset by more hedging, which is consistent with buyers seeking broader protection against previous privacy liabilities.

I then turn to analyzing effects on who merges with whom, and on the choice of payment. For these analyses, the GDPR is used as a policy shift that decreases the re-deployability of data and increases privacy risks. I first build exposure measures using pre-GDPR use of privacy-relevant terms in merger agreements, and study outcomes at the deal level using a triple-differences design. I find that, after the enactment of the GDPR, EU targets in privacy-sensitive industries become about 9 percentage points more likely to be acquired by an EU-based buyer, relative to EU targets in other industries and net

³See Appendix A, Figure 11.

⁴See <https://www.ft.com/content/347449f3-e620-4a5f-8735-0b7a824c2912?syn-25a6b1a6=1> (accessed 05/04/2026).

⁵Streamlabs represented, amongst others, that the acquisition itself would not breach data protection laws or existing privacy commitments. The deal terms included an indemnity covering breaches of these privacy representations; see <https://www.sec.gov/Archives/edgar/data/1032975/000103297519000075/exhibit21q2fy20.htm> (accessed 24/10/2026).

of the same difference among U.S. targets. Importantly, the effect remains substantial and statistically significant in more demanding specification that account for persistent and time-varying differences across industries within countries. Deals thus become more localized, which is consistent with the idea that acquirers with a large EU-customer base and compliance capabilities are more likely to buy EU-based firms.

In deals with public acquirers, EU-based sellers also become 12 to 16 percentage points less likely to be paid for entirely in cash. This change amounts to about one fifth of the pre-GDPR all-cash share, is again robust to a range of specifications and controls, and is driven by sellers in the High Tech industry. Payment in acquirer stock rose by a similar amount. Takeover premia for public targets, in contrast, show no significant change.

Collectively, these results have economic implications along two dimensions. First, these findings give insights into the unintended consequences of privacy laws: theoretically, privacy laws increase hidden liabilities and may constrain post-merger integration of data assets, and this paper shows that both of these channels matter in practice. Second, I find that buyers and sellers contract around emerging risk factors. The textual analyses highlight an intricate set of reactions by both parties, which contributes to our understanding of the role of non-price deal terms in the market for corporate control.

Contribution to the literature. This paper contributes, first, to empirical work on uncertainty, due diligence, and contractual risk allocation in the market for corporate control. Prior research shows that general uncertainty affects merger activity, completion risk, the payment method, deal premia, and the design of merger agreements (Bhagwat, Dam, & Harford, 2016, Bonaime, Gulen, & Ion, 2018, Nguyen & Phan, 2017). Relatedly, regulatory review by competition authorities can be material for takeover valuation and deal risk (Aktas, De Bodt, & Roll, 2004). Instead of focusing on aggregate uncertainty, this paper shows how a concrete product-market regulation whose aim is to protect consumers – namely privacy regulation that governs the collection, transfer, and integration of personal data – can influence deal outcomes. I use the GDPR as a distinct shock to the legal treatment of a particular class of intangible assets and examine both deal outcomes and contractual responses. Given that the DMA text is informed by the due diligence process, I further contribute to a small but growing set of empirical and theoretical studies on due diligence (Daley, Geelen, & Green, 2024, Fu & Taylor, 2025, Wangerin, 2019), and on the importance of non-price deal terms in corporate takeovers (Gorbenko, Green, & Mirani, 2026).

Second, the paper relates to work on acquisitions of intangible, innovative, and data assets. A growing literature emphasizes that intangible capital is increasingly central to firm value, but differs from physical capital because it is difficult to measure, protect, and transfer (Crouzet, Eberly, Eisfeldt, & Papanikolaou, 2022). In the M&A context, prior research studies acquisitions involving patents, R&D, technological overlap, and vertical innovation complementarities (Bena & Li, 2014, Frésard, Hoberg, &

Phillips, 2020), as well as the role of intangible-related language in takeover announcements (Filipović & Wagner, 2024). A related theoretical literature studies data-driven mergers, in which access to data is itself a central motive for integration (Condorelli & Padilla, 2022, de Cornière & Taylor, 2024). In concurrent work, Ghanavi, Hosseini, and Tucker (2025) find that privacy laws lead to consolidation in the ad tech space, thereby affecting the boundaries of firms. In the context of this paper, personal data need not be the target's most valuable asset for privacy regulation to affect the deal; instead, even a peripheral collection of personal information can create disclosure and liability issues. Unlike many other intangible assets, the value of data depends on who can use it (Farboodi & Veldkamp, 2026). Acquiring a firm however does not necessarily give the buyer unrestricted rights to process, transfer, or monetize the target's data. Privacy regulation can therefore affect the market for corporate control by changing the transferability, liability, and contractual allocation of data-related assets.

Third, the paper contributes to the economics of privacy regulation. A growing literature spanning Finance, Industrial Organization, Marketing shows that the GDPR and related privacy restrictions have economically meaningful effects.⁶ Most closely related, Jia, Jin, and Wagman (2021) show that the GDPR reduced investment in European technology ventures, whereas a working paper by Jia, Jin, Leccese, and Wagman (2025) shows that it reduced U.S. venture investment in EU startups and shifted investment toward geographically closer ventures. Work by Fedyk, Gomes, Mihet, and Rishabh (2026) indicates a possible channel for this increase in geographic proximity by finding that organizational capabilities matter for how firms respond to increased data-governance requirements. This paper focuses instead on the market for corporate control, asking whether privacy regulation changes firms' contracting behavior as well as which firms are acquired, by whom, and using which payment methods.⁷

Finally, the paper contributes methodologically by using DMAs to measure the allocation of risk between merging parties. The analysis of financial contracts in empirical literature in Corporate Finance goes back to Smith and Warner (1979). Unlike firms' privacy policies and cookie practices (Ramadorai, Uettwiller, & Walther, 2025) or 10-K risk-factor disclosures (Florackis, Louca, Michaely, & Weber, 2023), merger agreements are negotiated between buyers and sellers in the context of a specific transaction. They are informed by due diligence, and reveal which privacy risks the parties seek to address, and how they allocate those risks through specific legal provisions.

⁶This set of papers shows, for instance, that the data collected on online users and recorded website traffic (Aridor, Che, & Salz, 2023, Goldberg, Johnson, & Shriver, 2024); reduced data storage and processing by firms (Demirer, Jiménez-Hernández, Li, & Peng, 2026); affected the entry of new mobile apps (Janßen, Kesler, Kummer, & Waldfogel, 2022); changed websites' interactions with third-party web-technology providers and increased concentration among web-technology vendors (Johnson, Shriver, & Goldberg, 2023, Peukert, Bechtold, Batikas, & Kretschmer, 2022); and affected online advertising markets by limiting third-party cookie use (Alcobendas, Kobayashi, Shi, & Shum, 2023). Similar restrictions on the use of consumer data have been shown to even impact capital markets (Abis, Tang, & Bian, 2025).

⁷For an excellent survey of economic research on privacy regulation and the GDPR, see Johnson (2024).

2 Background, Theoretical Channels, and Anecdotal Evidence

2.1 Background on the GDPR

The GDPR⁸, passed by the European Union in April 2016 and enforced starting from May 25, 2018, is a landmark privacy regulation that governs the processing of personal data and reflects the growing tension between privacy protection and the economic use of data (Johnson, 2024). It grants EU residents rights to access, delete, port, and object to the use of their data. Firms are required to document a legal basis for processing data and to implement compliance procedures such as data audits, data minimization, and security safeguards. Unlike other regulations, the GDPR, called the “Law of Everything” in legal circles (Purtova, 2018), is highly unusual in its scope. The legal concept of what “personal data” entails is broad and highly context-dependent. For firms, the regulation increased the legal risk and costs of using personal data. This also applies when a target’s data change hands: an acquirer may generally use personal data only for purposes compatible with those for which they were collected, and transfers to acquirers outside the EU face additional restrictions.

Beyond regulating how personal data may be used, the GDPR also imposes obligations following data breaches. Firms must notify regulators within 72 hours of becoming aware of a personal-data breach that poses a risk to individuals, and inform affected individuals when the risk is high.⁹ Past data breaches, and how a firm responded to them, can therefore be a source of regulatory risk for potential acquirers.

The financial risk of not being GDPR compliant can be large for businesses: failing to be GDPR compliant can result in fines of up to €20 million or 4% of a company’s global revenues, whichever is greater. Additionally, firms may face reputational costs. All firms, no matter their size, headquarter location, or industry, must comply with the GDPR as soon as they process any type of data on any EU data subject. Since being enforceable, nearly €7.6 billion of *known* fines have been issued in over 3,300 cases across 32 countries¹⁰.

While the purpose of the GDPR and other privacy laws has never been to change the boundaries of firms or the market for corporate control, theoretical insights and anecdotal evidence suggest that privacy regulations can unintentionally affect the returns of mergers and acquisitions through multiple channels and at various stages of the dealmaking process. Before describing those channels, I first describe how firms usually deal with emerging risk factors in M&As.

⁸The regulation can be found on <https://eur-lex.europa.eu/eli/reg/2016/679/oj/eng> (accessed 25/10/2026).

⁹See Articles 33 and 34 of the GDPR.

¹⁰See <https://www.enforcementtracker.com/statistics>; data as of 23/10/2026. Note that these figures are likely the “tip of the iceberg”, as many violations are likely not widely reported.

2.2 Due Diligence and Legal Provisions in Merger Agreements

In corporate transactions, the due diligence process encompasses a thorough review of the target firm on financial, operational, as well as legal matters (Lajoux, 2019). It is typically conducted after the target has been valued, and just before the deal is negotiated and announced. During due diligence, the buying firm can thereby assess and quantify any risks of the target firm.

In the extreme case, due diligence can surface important issues that can lead to a re-valuation of the target. Anecdotally, in Verizon's 2016 acquisition of Yahoo's internet business, data breaches disclosed during due diligence led the parties to renegotiate the agreement, reduce the purchase price by \$350 million, and allocate breach-related liabilities between buyer and seller.¹¹

More generally, however, a merger agreement can allocate the risks identified during due diligence through a set of standard provisions (see Coates, 2016, Gordon, Silver, Berringer, & Yin, 2019). In its *representations and warranties*, the target states facts about its business as of signing, for instance that it complies with all applicable data-protection laws or has not suffered a data breach. These statements are often limited by *qualifiers* such as "to the Company's knowledge" or "except as would not be material". In case of a known problem, these can be listed as exceptions in a separate disclosure schedule.¹² *Covenants* are promises about future conduct, mostly between signing and closing, such as not changing the target's privacy policies outside the ordinary course of business. Under the closing conditions, the buyer must complete the deal only if the representations remain true at closing (the "bringdown"), so an inaccurate representation may allow the buyer to terminate the transaction. In acquisitions of private targets, indemnification provisions additionally let the buyer recover losses after closing, often from an escrow account. Finally, *definitions* fix the meaning of terms used throughout the agreement. For example, the term "Privacy Laws" can mean an entire list of relevant laws, such as the CCPA or the GDPR.

2.3 Economic Mechanisms

I next turn to the theoretical channels through which privacy laws can affect mergers and acquisitions.

2.3.1 Backward-Looking Channels

Increase in information asymmetries and due diligence. As the anecdotes in Table 1 highlight, the GDPR increases information frictions in the acquisition process. A buyer may not observe, for instance,

¹¹See <https://www.ft.com/content/3e801a16-7127-3879-b67a-0550ec6fe0ee?syn-25a6b1a6=1>; the case moreover led to a securities class action settlement of \$80 million, and a \$35 million penalty issued from the SEC for misleading disclosures concerning the breach, see <https://www.prnewswire.com/news-releases/all-persons-who-purchased-yahoo-inc-securities-between-april-30-2013-and-december-14-2016-inclusive-300650076.html>, and <https://www.sec.gov/Archives/edgar/data/1011006/000119312518131302/d577037d8k.htm?> (accessed 25/10/2026).

¹²The schedules themselves are typically not filed with the SEC.

whether the target's data were collected under a lawful basis, or whether past security incidents remain undisclosed. These uncertainties affect both the value of expected data synergies and the magnitude of legacy liabilities. Since the seller is likely to have superior information about these issues, the GDPR can increase adverse-selection concerns. This mechanism predicts that privacy laws should become part of the due diligence process, which in turn will inform the representations and warranties covered in the DMA.

Contractual allocation of privacy risk. Even after some information is shared between the merging parties, the question of who bears losses if exposure to an incident materializes remains. The parties may therefore allocate these risks in their specific deal terms, which can be observed in the DMAs. In exposed deals, buyers may demand more extensive privacy and cybersecurity representations or covenants to protect going forward. In contrast, sellers will try to qualify these representations. Merging parties will moreover negotiate about aspects such as limits of recovery or indemnifications to allocate any remaining risks.

The acquisition of Streamlabs by Logitech provides an example of the growing importance of privacy and data-protection risks in M&A transactions.¹³ The merger agreement contains an unusually detailed set of representations and warranties relating to privacy compliance, data security, and the use of personal data. Beyond standard assurances regarding compliance with applicable data-protection laws, the agreement requires the target to represent that it obtained legally required consent for cookies and tracking technologies, does not use Flash cookies, supercookies, or cookie-respawning techniques, has conducted penetration testing and remediated identified vulnerabilities, and has not experienced any data-security breach or incident. Such provisions suggest that acquirers increasingly scrutinize privacy practices not merely as a regulatory issue but as a potential source of valuation uncertainty and post-closing liability.

2.3.2 Forward-Looking Channels

Reduction in data re-deployability. Privacy laws like the GDPR can be viewed as affecting the property rights of data. The GDPR limits the acquirer's ability to repurpose or monetize personal data after closing unless the relevant legal basis, privacy notices, and contractual permissions are in place.¹⁴ For example, a mismatch in contractual permissions appears if the acquiring firm may have a less robust privacy policy than the target firm but wishes to integrate personal data collected by the target. [Ilan \(2016a\)](#) writes that in such a case, "the purchaser may need to bring its own data privacy practices into

¹³See <https://www.sec.gov/Archives/edgar/data/1032975/000103297519000075/exhibit21q2fy20.htm> (accessed 27/02/2026).

¹⁴See <https://corpgov.law.harvard.edu/2016/11/10/privacy-in-ma-transactions-personal-data-transfer-and-post-closing-liabilities/> for a discussion of this (accessed 01/05/2026).

compliance with the target’s applicable privacy policy” and cites the acquisition of WhatsApp by Facebook as an example of this scenario. Conversely, if the acquiring firm maintains a more rigorous privacy policy, the buyer might either keep the acquired firm as a separate entity that does not utilize the acquirer’s data, or bring the target’s data-handling practices into compliance with the acquirer’s existing promises, which may entail considerable costs. Furthermore, the legal basis requirement implies that data from the merging partner may not be reused for purposes other than those originally stated when it was collected (see [Ilan, 2016a](#)). That this aspect plays a role is indicated in the decision text regarding the Microsoft-LinkedIn merger investigation, where the [European Commission \(2016\)](#) notes that “[The GDPR] may further limit Microsoft’s ability to have access and to process its users’ personal data in the future since the new rules will strengthen the existing rights and empowering individuals with more control over their personal data (i.e. easier access to personal data; right to data portability; etc.)”.

Overall, the GDPR can be thought of as reducing the value of data assets to acquirers that lack the legal, organizational, or geographic infrastructure to redeploy them, but increases the relative advantage of acquirers that can internalize privacy compliance.

A countervailing force arises if privacy regulation increases the cost of arm’s-length data exchange, which is a point also made by [Ghanavi et al. \(2025\)](#). Many data-intensive business models require firms to combine, license, or otherwise share data across organizational boundaries.¹⁵ If this were the case, then data protection regulation that limits the trade of data *across* firms’ boundaries could in some circumstances lead to *more* mergers. Thus, with the advent of the GDPR, firms could have substituted from buying data collected by third parties to acquiring those data-collecting businesses. Overall, this channel suggests countervailing effects of the GDPR on M&A activity, and acquirer heterogeneity being important.

Buyer sorting and data internalization. Given that many of the abovementioned GDPR-induced frictions are buyer-specific, the regulation can change the identity of the marginal bidder. Acquirers with prior EU operations, existing GDPR-compliant data infrastructure, or experience integrating regulated data may be able to extract more value from the same target than otherwise similar acquirers. The GDPR may therefore reallocate data-intensive targets toward buyers with greater compliance capacity. This mechanism predicts not only changes in deal volume, but also changes in acquirer composition, cross-border activity, and the matching between acquirers and targets.

¹⁵Anecdotal, there are various cases where data were viewed as central motives of an acquisition (e.g., Roche’s \$1.9 billion acquisition of oncology data startup Flatiron Health in 2018, or Google’s \$2.1 billion acquisition of Fitbit in 2019; see <https://www.reuters.com/article/world/roche-to-buy-flatiron-health-for-19-billion-to-expand-cancer-care-portfolio-idUSKCN1FZ334/> and <https://www.promarket.org/2020/08/21/why-we-should-be-careful-about-googles-promises-in-the-fitbit-deal/>, accessed 27/02/2025). A report by the UK Competition and Markets Authority suggests that data can likely be shared more easily within large entities than across firms (“Online platforms and digital advertising: Market study interim report”, p.15, see <https://tinyurl.com/bdhhy3k>, accessed 06/04/2025).

Table 1: Anecdotal Evidence: Importance of Pre-Merger Due Diligence

Excerpt and Reference
<p>(1) “We are currently seeing that the EU’s General Data Protection Regulation (GDPR) has become a major factor in mergers and acquisition (M&A) transactions, adding complexity to the due diligence process and sometimes even causing deals to have issues. [...] Data security has therefore quickly become a top priority of the due diligence process and suggestions are that the GDPR impact on M&A due diligence will, over the next five years, cause even greater scrutiny of data protection policies and process of target companies by potential acquirers.” <i>Source: M&A Worldwide. See https://tinyurl.com/2p89w2ra (accessed 06/02/2025).</i></p>
<p>(2) “A ‘standard market’ approach has not yet been developed. [...] The issue of data protection is also present in transactions and, as the fines imposed show, is also highly relevant and explosive. However, there are still no clear guidelines on how to deal with these regulations in corporate transactions. In this respect, it will probably always depend on the individual case and be necessary to examine precisely which personal data may be processed to what extent and in what manner in order not to be exposed to an excessive liability risk.” <i>Source: Honert.de, written on April 4, 2022. See https://tinyurl.com/2p8hwa9x (accessed 06/02/2025).</i></p>
<p>(3) “Transferring personal data has always been subject to data protection law, but the GDPR brings increased penalties for breach of its provisions and more onerous requirements to demonstrate compliance. [...] GDPR is a complex area.” <i>Source: Stevens & Bolton, written on April 28, 2020. See https://tinyurl.com/37hhut67 (accessed 28/02/2025).</i></p>
<p>(4) “This increase in data combined with intensifying global data protection regulations is introducing new responsibilities and elevated risks around M&A activity. [...] sometimes concessions [requested by competition authorities] conflict with privacy law – if a transaction reaches that point, the parties may have a serious uphill battle in taking the deal across the finish line. [...] This potentiality reinforces the critical nature of a comprehensive due diligence before a deal is submitted to the authorities for approval. [...] The regulatory landscape is fast evolving, very complex and when intersected with data issues, the risks for M&A are significantly multiplied. Data can bring tremendous value, but it can also be a long-term privacy risk.” <i>Source: FTI Consulting, 2020. See https://tinyurl.com/yc6eazxt (accessed 06/02/2025).</i></p>
<p>(5) “To the extent that the data processing activities of the target company are not in line with the GDPR, buyers may face significant risks.” <i>Source: International Bar Association. See https://tinyurl.com/ym7vdheh (accessed 06/02/2025).</i></p>
<p>(6) A blog post on the Harvard Law School Forum on Corporate Governance (Ilan, 2016b) suggests that privacy-related liabilities of acquisition targets can pose a significant risk, and suggests that pre-merger, due diligence and inquiry into privacy issues is important. <i>See https://tinyurl.com/42k94xp5 (accessed 06/02/2025).</i></p>

2.3.3 Empirical Predictions

These mechanisms generate several empirical predictions. First, if parties respond to greater privacy risk through contracting, privacy representations should become more common and cover a broader range of risks. Second, if acquirers differ in their ability to use regulated data, the GDPR should shift privacy-sensitive EU targets toward buyers with greater compliance capacity. To the extent that buyers based in the same regulatory area have an advantage, acquisitions should become more local.

Any effect on takeover premia and on the payment method is theoretically ambiguous. On one hand, if privacy regulation increases information asymmetry about a target's value, acquirers may be less likely to pay entirely in cash, as stock payment allows buyers and sellers to share valuation risk (Hansen, 1987). On the other hand, if contracts can sufficiently account for such asymmetries, no such change might be necessary. Moreover, changes in seller composition may affect takeover premia and payment method positively or negatively.

3 Data

I obtain deal-level M&A data from SDC Platinum, covering announced transactions from January 2010 through December 2025 involving targets headquartered in EU member states, U.S. states, or eight non-EU OECD member countries, which I call "rest-of-the-world" (RoW). In the triple-difference analyses shown further below, EU member states will form the treatment group, whereas U.S. states and RoW countries form two separate control groups, as in Jia et al. (2021).¹⁶ To focus on outright acquisitions, I apply several sample restrictions. I de-duplicate deals, I drop deals in which the acquirer or target carries a non-commercial classification (e.g., government, investor group, joint venture), and I exclude transactions flagged as repurchases, spinoffs, stake purchases, remaining-interest acquisitions, recapitalizations, divestitures, restructurings, or bankruptcies. I keep both private and public deals. The resulting sample comprises 205,458 acquisitions of targets in 36 countries that were completed (with a recorded effective date), as well as 19,182 deals that were not completed (announced, but without an effective date).¹⁷ Table 3 panel A shows that the overwhelming majority of mergers (93%) concern privately owned targets.

The second dataset is more novel textual data associated to mergers. Specifically, I use a textual corpus of Definitive Merger Agreements (DMAs) that were filed with the SEC. DMAs are the contracts that allocate rights, risks, and governance terms in M&A transactions, and need to be filed if a deal involves at least one U.S.-based public company. A clean, clause-level corpus of DMAs, covering mergers observed in the *FactSet* database from 2000 to 2020, was made publicly available by Adelson et al. (2025).

¹⁶I exclude the United Kingdom from the European treatment group to avoid confounding with Brexit. The treatment group also excludes targets in the non-EU European countries (Norway, Iceland, Liechtenstein, Switzerland, Turkey, and Ukraine).

¹⁷Appendix Table 10 shows how each step changes the sample.

Table 2: Construction of Treatment and Control Groups

Group	Region/Countries
EU (Treated)	27 EU countries (excluding the United Kingdom)
USA (Control 1)	50 U.S. states and the District of Columbia
RoW (Control 2)	8 non-U.S. and non-EU OECD member states: Australia, Canada, Chile, Israel, Japan, Mexico, New Zealand, South Korea

Given that the GDPR became enforceable only in May 2018 while the author’s corpus ends in 2020, and given that I employ the more commonly used and more extensive database from SDC, I augment those authors’ database both in the cross-section and in the time series by closely following the authors’ data collection procedure, and matching each agreement with a deal on SDC data instead. That is, I first scrape all 10-K, 10-Q, 8-K, 20-F, 6-K, and S-4 filings made from 2010 to 2025 from the SEC’s EDGAR website (the disclosure forms used by [Adelson et al. \(2025\)](#)) and keep their EX-2 and EX-10 exhibits, as well as those EX-99 exhibits whose description refers to an agreement, contract, or plan of merger. I then identify the merger agreements among these exhibits with the keyword classification from the authors’ replication code, and match each agreement to an SDC deal using the filer’s CUSIP or name, the name of the other party in the agreement, and a filing date around the deal’s SDC announcement date. Finally, I also match any remaining agreements from the authors’ corpus to SDC, and hand-check the deals of 2010–2021 that only their corpus links to an agreement. I drop documents shorter than 1,000 words. Appendix B provides additional detail on sample construction and variable definitions for both samples, and Appendix B.4 shows further descriptive results on the sample covered.

Table 3: Descriptive Statistics

Panel A: Refinitiv SDC Sample (2010–2025)				
	EU (Treated)	USA (Control)	RoW (Control)	All
Observations	70,565	105,050	49,025	224,640
Pre-enforcement (before May 2018)	29,860	50,496	23,214	103,570
Post-enforcement (May 2018+)	40,705	54,554	25,811	121,070
<i>Target status (%)</i>				
Public	2.6%	4.0%	10.0%	4.9%
Private	94.6%	94.4%	87.9%	93.1%
Subsidiary	2.8%	1.5%	2.1%	2.1%
Completion rate (%)	92.5%	94.3%	84.0%	91.5%
Same-union acquirer, pre-enactment (%)	86.0%	88.3%	–	–
Domestic acquirer, pre-enactment (%)	66.9%	27.8%	78.4%	51.0%
Panel B: Definitive Merger Agreements (DMA) Sample (2010–2025)				
	EU target	Non-EU target	All	
Observations	861	14,547	15,408	
Announced 2010–2015	369	6,446	6,815	
Announced 2016–2025	492	8,101	8,593	
Domestic acquirer (%)	12.3%	86.5%	82.3%	
<i>Target status (%)</i>				
Public	12.0%	29.2%	28.3%	
Private	41.7%	37.3%	37.5%	
Subsidiary	45.4%	32.5%	33.2%	
<i>Privacy disclosures in agreement (%)</i>				
Any personal data language	46.3%	43.5%	43.7%	
CCPA mention (deals from 2018)	12.7%	12.6%	12.6%	
<i>GDPR mention rate by period (%)</i>				
Pre-enactment (before April 2016)	0.0%	0.0%	0.0%	
Enactment to enforcement (April 2016–May 2018)	4.5%	1.1%	1.2%	
Post-enforcement (May 2018+)	44.6%	17.0%	18.6%	

Notes: **Panel A** covers all M&A deals from Refinitiv SDC announced 2010–2025 after applying standard sample filters (excludes duplicate deals, deals with ambiguous target geography, repurchases, spin-offs, stake purchases, remaining-interest acquisitions, restructurings, bankruptcies, and targets in the UK or non-EU European countries). *Completed* = deals with a non-missing effective date. *Same-union acquirer* = acquirer based in the target’s union (EU or USA; for acquirers, the EU group also includes Norway, Iceland, Liechtenstein, and the United Kingdom); not defined for RoW targets, so the RoW and All columns show –. *Domestic acquirer* = acquirer and target share the same country × state identifier. Both acquirer-origin rates are computed over pre-enactment deals (announced before April 2016). EU = European Union member states (excl. UK); USA = 50 U.S. states; RoW = “rest-of-world”: eight further OECD member states (see Table 2).

Panel B covers 15,408 Definitive Merger Agreements of M&A deals announced 2010–2025: merger agreements filed as exhibits to SEC EDGAR filings, matched to a deal in Refinitiv SDC, and with at least 1,000 words of text, one observation per agreement. Deals with a target or acquirer in the SDC macro industry “Government and Agencies” are excluded. Panel B is purely descriptive and does not assign treatment or control status. The analyses use different parts of this sample: the industry data-intensity measure the agreements of 2010–2015 (Table 13), the GDPR exhibits those of 2016–2025, and the figures on privacy representations all years. *EU target* = EU-based target (headquarters in an EU member state); *Non-EU target* = all remaining agreements. *Domestic acquirer* = acquirer nation matches target nation. A privacy disclosure indicator equals one if the agreement contains at least one keyword of its family (Table 12). *Any personal data language* uses the five personal-data terms only, a narrower list than the industry data-intensity measure (Table 13), which also counts data-protection-law, data-breach, and data-transfer terms. *CCPA mention* is computed over deals announced 2018 or later (the CCPA was enacted on June 28, 2018). The GDPR mention rates are by announcement date relative to the GDPR’s enactment (April 14, 2016) and enforcement (May 25, 2018).

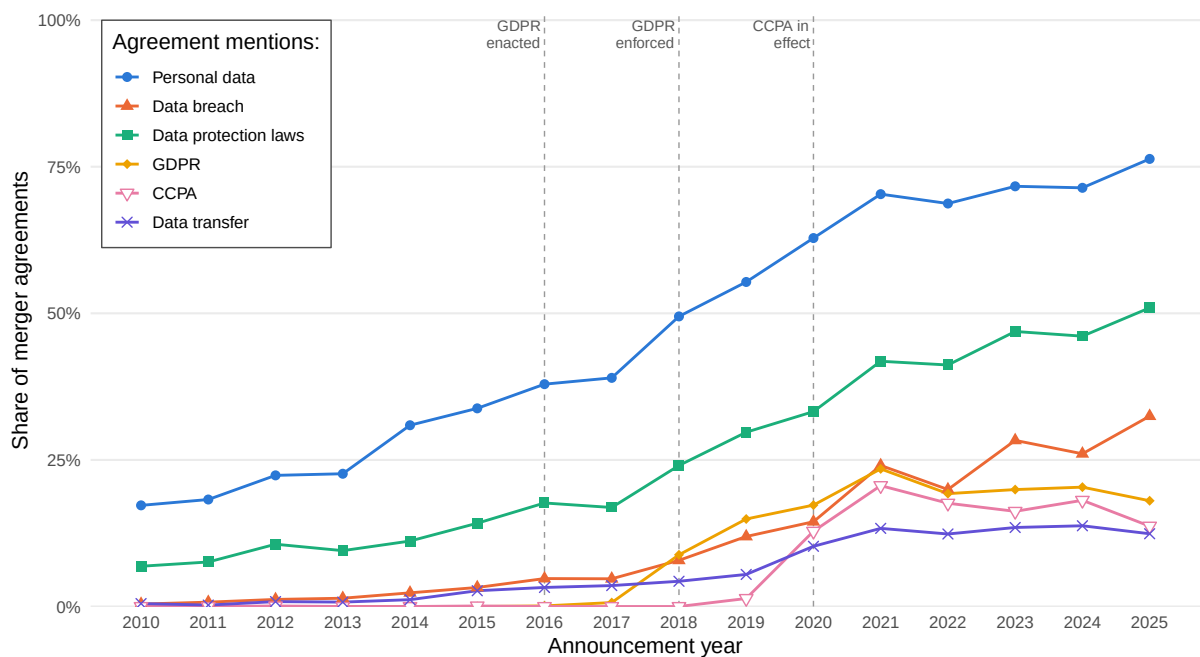
4 Privacy Regulation in Merger Contracts

4.1 The Incidence and Distribution of Privacy Language

My first goal is to understand which types of mergers were likely affected by privacy regulations. I do so by analyzing the frequency of mentions of the GDPR and other privacy-related terms in the sample of DMAs that were matched to SDC data, first over time, and then in the cross-section of deals.

Figure 1 displays the mentions of different types of privacy-related language in matched DMAs from 2010 to 2025 (Appendix Table 12 lists the relevant terms). A first observation is that mentions of terms related to personal data and data protection laws (broadly defined) rise steadily from 2010 and more strongly from 2017, flattening somewhat from 2021 onwards. In 2025, 76% of DMAs matched to an SDC deal mention personal data, and more than half mention data protection laws. Mentions of both the CCPA and the GDPR have been flat since 2021 at around 15-20% of deals. Given that due diligence directly informs the DMAs, the plot illustrates that, for merging parties, data protection and data security (which privacy laws directly speak to) are important considerations during the merging process.

Figure 1: Privacy-Related Language in Definitive Merger Agreements, 2010–2025

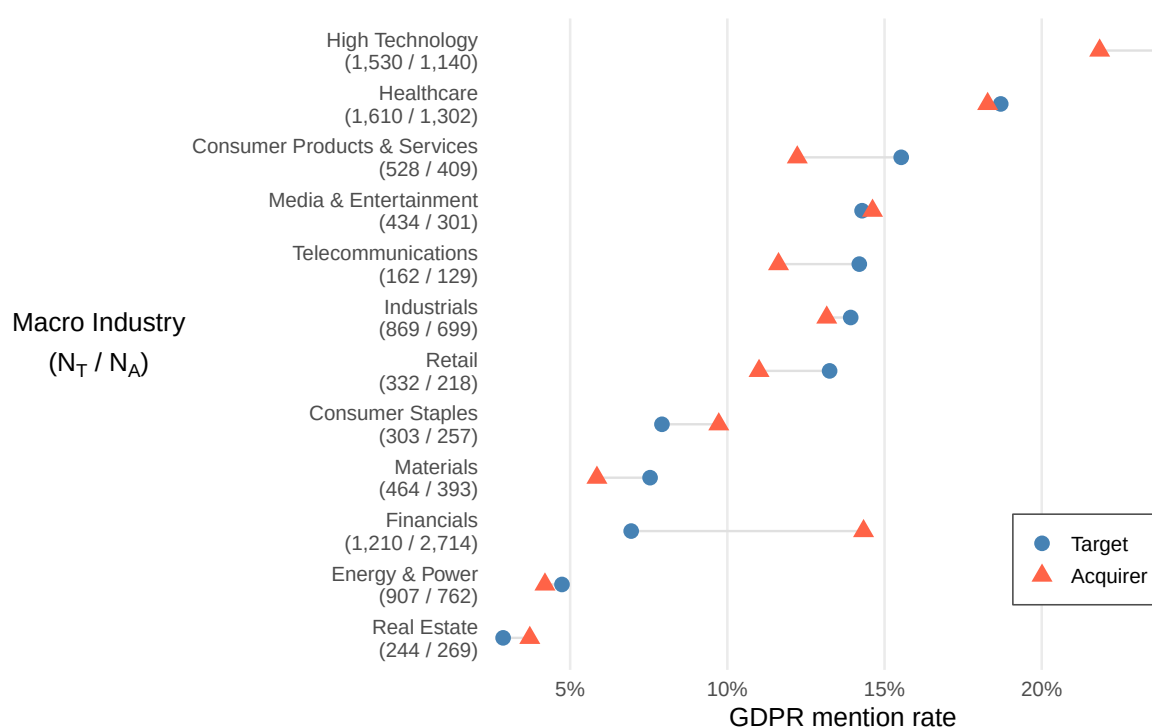


Notes: Figure shows, for each announcement year, the share of Definitive Merger Agreements (DMAs) whose text contains at least one search term from each privacy term family. These search terms are listed in Appendix Table 12. The sample comprises 15,408 agreements matched to SDC. All texts come from the newly collected EDGAR filings; agreements are matched to SDC directly or through the published DMA corpus of [Adelson et al. \(2025\)](#).

To understand whether all types of deals are equally likely to be affected by privacy laws, I next move to a cross-sectional analysis. Figure 2 shows the share of DMAs that mention the GDPR at least once,

by target and acquirer macro industry. As the GDPR was only enacted in 2016, and as filings pre-2016 never mention the GDPR, I here focus on filings from 2016 onwards. The figure strikingly illustrates that data protection does not seem to be an issue equally in all industries: DMAs involving targets in High Technology are most likely to mention the GDPR, followed by Healthcare. Suggestively, targets active in those industries are more likely to have data-related assets and liabilities that are relevant for the deal, and thus more likely to be affected by the GDPR. Acquirers or targets active in Consumer Products & Services, Media & Entertainment, Telecommunications, Industrials, Retail and acquirers (but not targets) in Financials form a mid tier where mentions are relatively common as well. Industries such as Consumer Staples, Materials, Energy & Power, or Real Estate rarely mention the GDPR. We further observe that for most industries, the acquirer's industry tends to be less strongly associated with GDPR mentions than the target's industry. Appendix Table 14 shows that differences in how many EU targets each of these industries has do not explain this ranking.

Figure 2: GDPR Mentions in Definitive Merger Agreements by Target and Acquirer Industry, 2016–2025



Notes: Figure shows the share of DMAs that mention the GDPR at least once, by target and acquirer macro industry. GDPR mentions are defined as in Appendix Table 12. Industries are “Macro Industry” categories from SDC. Sample sizes for target and acquirer industries are shown in parentheses below the industry labels.

The above patterns could of course reflect the fact that different industries differ in other factors such as deal size or share of EU targets, which in turn could explain GDPR mentions. To control for some of these factors, and to examine whether GDPR mentions are associated with other aspects of the assets being acquired, I estimate (cross-sectional) deal-level linear probability models in which the dependent

variable is an indicator for whether the DMA explicitly mentions the GDPR. Table 4 reports the results. The estimates show four patterns. First, deals involving firms in privacy-sensitive industries such as High Technology are substantially more likely to contain GDPR language. In column (1), agreements involving targets in High Tech are 11.4 percentage points more likely to mention the GDPR. When both target and acquirer industry classifications are included, both indicators are positive: in column (2), the target coefficient is 9.5 percentage points and the acquirer coefficient is 4.7 percentage points. Second, these associations are robust to broader definitions of privacy-sensitive industries (columns (3) and (4)). Third, being a target with headquarters in the EU is strongly associated with GDPR language across specifications, with coefficients of approximately 23 percentage points. Fourth, GDPR mentions seem more concentrated among private targets (excluded category).

All in all, these cross-sectional patterns suggest that GDPR mentions are likely not merely generic boilerplate, but are distinctly related to transactions in which privacy regulation is plausibly more salient because of the target’s industry and geographic exposure. This contrasts somewhat with findings by [Demirer et al. \(2026\)](#), who study data use by companies across different industries and find that virtually all industries appear to be affected by the GDPR.

4.2 Classification of Legal Function

Counting mentions of privacy terms shows that privacy matters to merging parties. I next examine the role of these mentions and the context in which they occur. A term like “personal data” can appear, for example, in a definition, in a representation in which the target asserts that it complies with data-protection laws, or in a covenant that restricts how the target handles data before closing. As mentioned in Section 2.2, these provisions play very different economic roles: representations, covenants, closing conditions, and indemnities allocate risk between buyer and seller, whereas a definition only fixes the meaning of a term that is used elsewhere in the agreement. I therefore classify each privacy-related passage of the DMAs by its legal function.

The classification proceeds in two steps. First, I extract every passage of an agreement that contains at least one of the privacy search terms listed in Appendix Table 12. A passage is the smallest numbered or lettered unit of the contract in which a term appears, typically a sub-item such as “(b)” of a section titled “Data Privacy and Security”. This step is purely rule-based. Second, I use a large language model (GPT-4o-mini) to assign each passage to one of seven categories: representation and warranty, covenant, definition, disclosure or exclusion, indemnity or remedy, closing condition (bringdown), and other. Via API calls, I provide the model only with the passage and the title of the section it belongs to. The prompt contains a short definition of each category as well as nine concrete examples, three of which are deliberate “traps” in which the vocabulary points to the wrong category. The model is then required

Table 4: GDPR Mentions and Privacy-Sensitive Industries (Linear Probability Model)

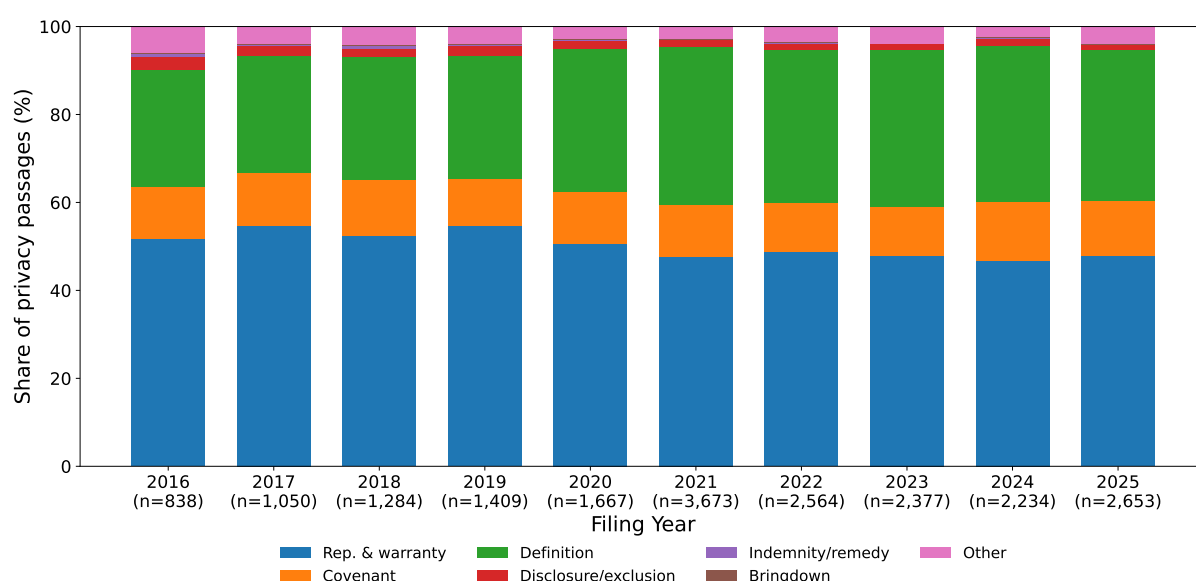
Dependent Variable:	1{GDPR Mention}			
	(1)	(2)	(3)	(4)
1{Target: Priv.-Sensitive (Core)}	0.1138*** (0.0111)	0.0947*** (0.0124)	0.0815*** (0.0137)	
1{Acquirer: Priv.-Sensitive (Core)}		0.0465*** (0.0138)	0.0638*** (0.0158)	
1{Target: Priv.-Sensitive (Broad)}				0.0734*** (0.0105)
1{Acquirer: Priv.-Sensitive (Broad)}				0.0255** (0.0106)
1{EU Target}			0.2240*** (0.0230)	0.2296*** (0.0228)
Log(Deal Value)			0.0233*** (0.0017)	0.0252*** (0.0017)
1{Target Status: Public}			-0.0517*** (0.0102)	-0.0624*** (0.0102)
1{Target Status: Subsidiary}			-0.0406*** (0.0097)	-0.0353*** (0.0099)
1{Target Status: Joint Venture}			-0.1217*** (0.0207)	-0.1098*** (0.0212)
Year FEs	✓	✓	✓	✓
Observations	8,593	8,593	7,446	7,446
Adjusted R ²	0.07234	0.07386	0.11781	0.11585

Notes: The unit of observation is a Definitive Merger Agreement of an M&A deal announced 2016–2025. The sample starts in 2016: no agreement of an earlier deal mentions the GDPR (Table 3, Panel B). The dependent variable 1{GDPR Mention} is a binary indicator equal to one if the word “GDPR” appears in the text of the Definitive Merger Agreement. All specifications are estimated via OLS (linear probability model) with year fixed effects. Heteroskedasticity-robust standard errors are in parentheses. Privacy-sensitive industries are defined from personal-data language in 2010–2015 merger agreements (Appendix Table 13). *Privacy-Sensitive (Core)* equals one if the firm’s macro industry is High Technology. *Privacy-Sensitive (Broad)* equals one if it is High Technology, Financials, Retail, Consumer Products and Services, Healthcare, or Media and Entertainment. The excluded category for target ownership status is *Private*. *Log(Deal Value)* is the natural logarithm of deal value in millions of USD; observations with missing deal value are excluded from specifications (3)–(4). Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

to provide the most suitable out of the seven categories. Appendix B.5 describes the procedure in detail. The classification covers 19,749 passages in 4,273 agreements filed between 2016 and 2025.

Figure 3 shows how privacy passages are distributed across legal functions in each year. Each observation in this plot corresponds to one passage. Two patterns stand out. First, most privacy passages in merger agreements in fact speak to the allocation of risk, as opposed to merely defining a given term: about half of all privacy passages are representations and warranties, and another 11–14% are covenants. At the agreement level, 93% of agreements with a privacy passage contain at least one privacy representation. Privacy risk therefore enters merger agreements mainly through the target’s statements about its own compliance and data security, which is the contractual allocation of legacy risk described in Section 2.3. Indemnities and bringdown conditions account for less than 1% of passages.¹⁸ Second, the mix shifts slightly over time. The share of definitions rises from 27–28% of privacy passages in 2016–2019 to 34–36% from 2021 onwards, while the share of representations falls from 52–55% to 47–49%; covenants remain stable. This is consistent with agreements increasingly defining privacy terms such as “Privacy Laws” or “Personal Information” once, and letting the provisions in later sections of the agreement refer to the defined term.

Figure 3: Legal Function of Privacy Passages in Definitive Merger Agreements, 2016–2025



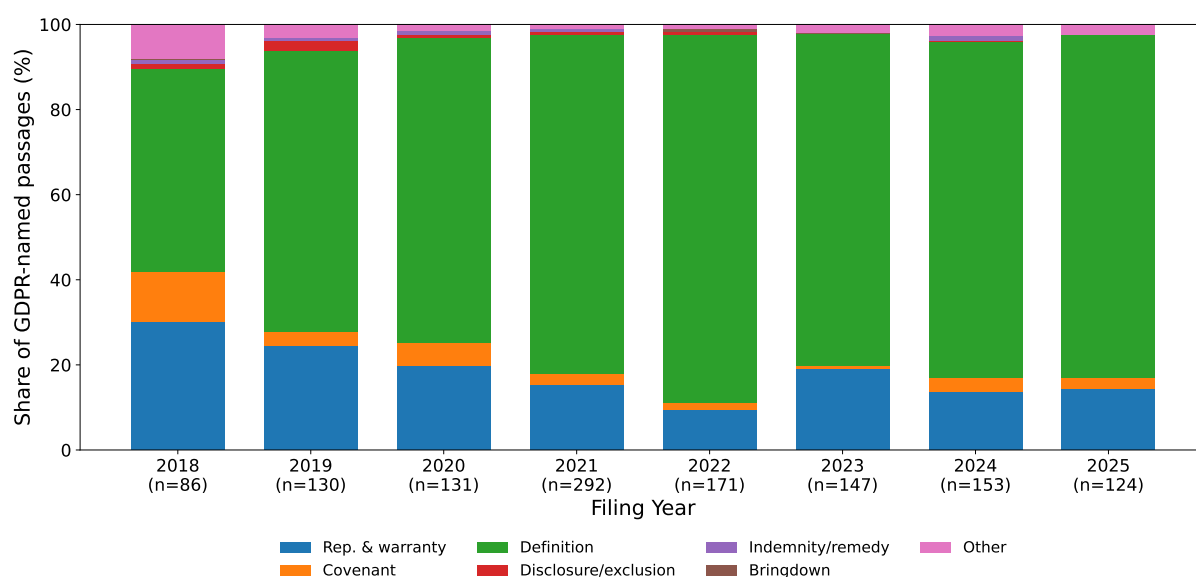
Notes: Figure shows, for each year, the distribution of privacy passages across seven legal functions. A privacy passage is the smallest numbered or lettered unit of an agreement that contains at least one privacy search term (Appendix Table 12). Legal functions are assigned by GPT-4o-mini as described in Appendix B.5. The number of passages per year is shown in parentheses. Years refer to the year in which the agreement was filed with the SEC, which equals the SDC announcement year for 95% of agreements. The sample comprises 19,749 passages in 4,273 agreements filed in 2016–2025 for which labels are available; deals with a target or acquirer in Government and Agencies are excluded. The classification has not yet been validated against hand coding.

¹⁸This does not mean that such provisions are absent: they usually refer to the representations by section number (e.g., “Section 3.21”) rather than repeating privacy vocabulary, so a keyword-based extraction rarely captures them. Future versions of this paper will study these in greater detail.

Figure 4 repeats this exercise for the passages that name the GDPR itself. Here, a different picture emerges. Already in 2018, 48% of these passages are definitions, and from 2021 onwards about 80% are. Representations account for only 9–20% of GDPR passages from 2020 onwards. At the agreement level, 74% of the agreements that name the GDPR do so only in definitions, and only 21% name it in a representation. In fact, reading the agreements clarifies why that is: the GDPR is typically named once, in the definition of a term such as “Privacy Laws” or “Data Protection Laws” that lists the statutes applicable to the target, and the representations and covenants then refer to this defined term rather than to the GDPR by name.

Being named in a definition, however, is not inconsequential. The definition of “Privacy Laws” sets the scope of every representation that refers to it, so naming the GDPR there extends the target’s compliance representation to the GDPR. This finding is therefore consistent with the deal-specific pattern of GDPR mentions documented in Table 4, but it qualifies what a count of GDPR mentions measures: it measures whether the GDPR falls within the scope of the parties’ representations, not how extensively the parties contract on it. To capture the latter, the next subsection turns to the content of the privacy representations themselves.

Figure 4: Legal Function of Passages Naming the GDPR, 2018–2025



Notes: Figure shows, for each year, the distribution across legal functions of privacy passages that contain at least one GDPR search term (Appendix Table 12). Legal functions are assigned as in Figure 3. The number of passages per year is shown in parentheses. Years refer to the year in which the agreement was filed with the SEC. The sample comprises 1,234 passages in 894 agreements filed in 2018–2025; 2016 and 2017 are omitted because they contain only seven GDPR passages. The classification has not yet been validated against hand coding.

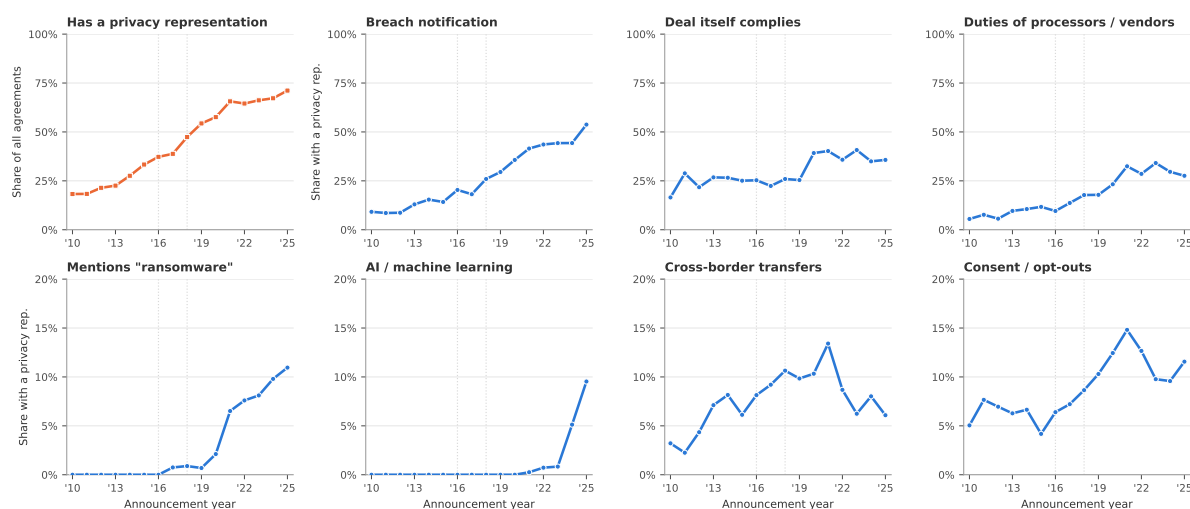
4.3 Scope and Qualifications in Privacy Representations

Since privacy risk enters merger agreements mainly through the target's representations, I finally turn to their content. I measure two features of these representations. The first is their *scope*, that is, which privacy risks they cover – for example, past data breaches, investigations by regulators, or the conduct of vendors that process data on the target's behalf. The second is their *qualification*, that is, the extent to which the seller limits its statements, for example to violations that are material or to facts of which it has knowledge. All else equal, a broader scope means that the seller must disclose more about its data practices before signing and that the buyer obtains assurances on more sources of hidden liability. It may also indicate more intensive due diligence. Qualifications, in contrast, shift part of this risk back to the buyer: under a knowledge qualifier, for instance, the buyer bears the risk of a data breach that the seller did not know of.

I measure both features with a rule-based procedure, which I apply to the 15,408 newly collected DMAs of deals announced between 2010 and 2025; Appendix B.6 describes it in detail. First, I locate the article that contains the target's representations and warranties and, within it, the privacy representation. A privacy section can in practice either form a section with its own heading (e.g., "Data Privacy and Security"), or show up as a privacy-related item of another section, typically "Intellectual Property". Because promises about security incidents and malicious code are often placed in a separate section on IT systems or cybersecurity, I extract this section as well. Second, I search the extracted text for twelve elements that a privacy representation may cover, for example, a statement on notifying regulators or affected individuals of a data breach, or on the obligations of vendors that process personal data. I identify each element by a list of keywords and phrases, some of which must appear within a few words of each other (Appendix Table 16). Third, I split the privacy representation into its lettered or numbered parts ("(a)", "(b)", ...) and record whether each part is qualified by materiality, by the seller's knowledge, or by reference to a material adverse effect. Since a longer representation is more likely to contain a qualifier somewhere, my main measure of qualification is the share of parts that are qualified.

The first finding is that privacy representations increasingly address risks stemming from potential privacy liabilities, as well as potential uses that can reduce the value of an acquisition. Figure 5 shows that the share of DMAs containing a privacy representation rises from 18% in 2010 to 71% in 2025. Moreover, their coverage broadens over time. Among agreements with a privacy representation, the share addressing breach notification rises from 9% to 54%, while provisions covering the obligations of vendors that process the target's data also become more common. Assurances that the transaction itself complies with privacy rules become more prevalent as well. These include statements that the data can continue to be used after closing, addressing a concern directly relevant to the buyer's ability to realize value from the acquisition.

Figure 5: Coverage of Privacy Representations in Definitive Merger Agreements, 2010–2025



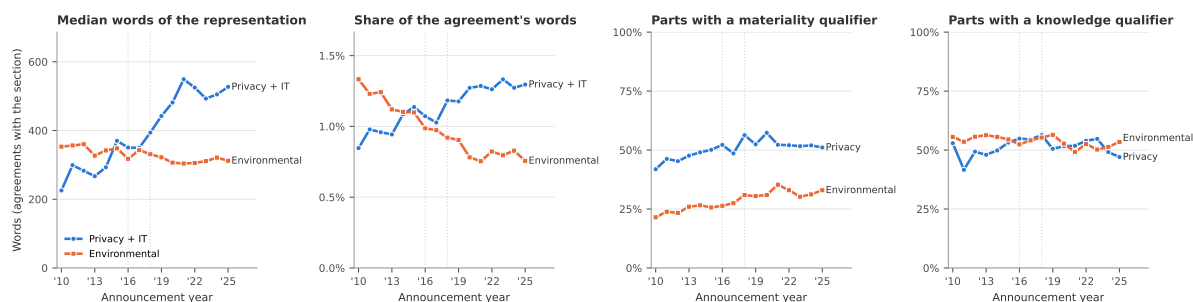
Notes: The first panel shows, for each announcement year, the share of DMAs in which the target’s representations include a privacy representation, i.e., a section on privacy or privacy-related items in another section (mostly Intellectual Property). The remaining panels show the share of DMAs with a privacy representation whose privacy or IT/cybersecurity representation contains each element. Elements are identified with rule-based dictionaries described in Appendix Table 16. The top row uses a 0–100% scale, the bottom row a 0–20% scale. Dotted vertical lines mark GDPR enactment (2016) and enforcement (2018). The sample comprises 15,408 newly collected DMAs of deals announced in 2010–2025, of which 6,418 contain a privacy representation.

This broader coverage of representations might simply be a result of agreement texts becoming more lengthy over time. However, the evidence suggests that this is not the whole explanation. From 2010 to 2025, the average share of agreement text devoted to privacy and IT representations rises from 0.85% to 1.30%, whereas the corresponding share for environmental representations, a long-established type of provision, falls from 1.33% to 0.76%. Comparisons within broad categories of representation length also show increases in coverage of breach notification, processor obligations, and ransomware. Transaction compliance and individual consent show a different pattern: between 2010–2011 and 2024–2025, coverage rises only in the longest category, and the overall increase mainly reflects the growing prevalence of long representations (Appendix B.6).

One element moves in the opposite direction (Appendix Figure 15): the share of privacy representations stating that the target complies with its own privacy policies falls from 39% to 20%. This most likely reflects a change in drafting rather than narrower coverage. Over the same period, the share of privacy representations that use a defined term such as “Privacy Requirements”, which typically bundles privacy laws, privacy policies, and contractual obligations, rises from 3% to 52%, mirroring the growing role of definitions documented in Section 4.2.

While privacy representations address a broader range of risks over time, the frequency with which individual promises are qualified changes comparatively little (Figure 6). In every year, 72%–82% of these promises carry at least one qualifier. Materiality qualifications become somewhat more common early in the sample but subsequently stabilize, while qualifications based on the seller’s knowledge

Figure 6: Length and Qualifiers of Privacy and Environmental Representations, 2010–2025



Notes: From left to right, the panels show, for each announcement year, the median number of words of the representation, its mean share of the agreement's words, and the mean share of the representation's parts ("(a)", "(b)", ...) that are qualified by materiality (e.g., "in all material respects", "except as would not be material") or by the seller's knowledge (e.g., "to the Knowledge of the Company"). Words refer to the privacy and IT/cybersecurity representations together, qualifiers to the privacy representation. A qualifier in the introductory sentence of a section counts for all of its parts. The environmental representation serves as a benchmark. Each line covers the agreements that contain the respective representation; the sample is as in Figure 5. Dotted vertical lines mark GDPR enactment (2016) and enforcement (2018).

show no clear trend.

All in all, privacy representations cover more risks over time. This increase in coverage is not driven by an increase in the overall length of the agreements, and the the average rates of qualifications remain relatively stable. The broader scope is hence not offset by more hedging. The elements that expand most – breach notification and the obligations of processors – correspond to central obligations under the GDPR, consistent with buyers seeking broader assurances against legacy privacy liabilities, as described in Section 2.3.1.¹⁹

These patterns are descriptive for now, but their timing coincides with the entry into force of the the GDPR in 2018. They motivate the analysis of buyer–target matching and deal outcomes that follows.

5 Effect of the GDPR on Buyer-Target Matching and Deal Outcomes

I next investigate whether privacy laws causally affect the market for corporate control beyond deal terms.

5.1 Empirical Strategy

A central challenge with detecting the causal effect of the GDPR is that it applies to all firms that offer goods or services to individuals in the EU, which makes it difficult to identify a clean control group for a standard difference-in-differences analysis. I address this in the following way. First, I follow prior published literature (e.g., Demirer et al., 2026, Jia et al., 2021, Peukert et al., 2022) and use targets'

¹⁹These results are preliminary. Note that, in acquisitions of public targets, representations usually do not survive the closing. Their main role is then to elicit disclosure before signing and to give the buyer the right to walk away if they prove untrue at closing.

nation²⁰ as a proxy for whether a company has EU-based customers. Most of the below analyses are run using a treatment group of EU-based targets, and two distinct control groups of firms that are likely less affected by the GDPR: U.S.-based firms, and firms based in other non-U.S. OECD member states (RoW; see Table 2). Both of these groups are likely less affected because non-EU firms are likely to have fewer EU customers. The descriptive results on GDPR mentions shown above also strongly suggest that targets that are based in the EU are more likely affected in critical ways by the GDPR.

Given that “leakage” into the control group is nevertheless a concern (Johnson, 2024), and also given the CCPA and other privacy laws implemented after the GDPR came into effect, I additionally segment industries into “more” and “less” exposed to the GDPR with the help of pre-GDPR mentions of privacy-related terms in merger agreements. This segmentation of sellers based on both geography and industry then allows me to conduct estimations in a triple-differences framework.

To measure industries’ exposure with information that predates the GDPR, I use the merger agreements of deals announced in 2010–2015 and compute, for each target industry, the share of agreements that mention personal data at all (e.g., “personal information”, “data breach”, or “privacy laws”). High Technology has the highest share (43%) and forms the “core” privacy-sensitive group; the “broad” group adds every industry whose share exceeds that of all agreements (27%), namely Financials, Retail, Consumer Products & Services, Healthcare, and Media & Entertainment (Appendix Table 13 and Figure 12 lists the terms and industry shares). Instead of viewing EU-based and privacy-sensitive firms as *treated*, I rather view them as *more exposed* than targets in non-EU countries or other industries.²¹

Given these two measures of exposure – one at the level of a geography, one at the level of an industry – I carry out triple-differences analyses to examine the effect of the GDPR on the market for corporate control. The identifying assumption is that, in the absence of the GDPR, acquisitions of targets in privacy-sensitive industries would have developed similarly to acquisitions of targets in non-privacy-sensitive industries across treated and control countries.

I estimate the below triple-differences specification, with subscripts indicating merger i , country (for the USA, state) j and month t :

$$\begin{aligned}
 y_{ijt} = & \beta_1 EU_j \times post_enact_t \times privacy_sensitive_i^{core / broad} \\
 & + \beta_2 EU_j \times post_enact_t + \beta_3 EU_j \times privacy_sensitive_i^{core / broad} \\
 & + \beta_4 post_enact_t \times privacy_sensitive_i^{core / broad} + \beta_5 privacy_sensitive_i^{core / broad} \\
 & + \alpha_j + \gamma_t + \epsilon_{ijt}
 \end{aligned} \tag{1}$$

where

²⁰SDC defines this as the nation where the firm’s primary business or division was located at the time of the acquisition.

²¹See Ghanavi et al. (2025) who make a similar argument.

- $post_enact_t$ is an indicator equal to 1 from May 2016 onwards, and 0 otherwise;
- $privacy_sensitive_i^{core / broad}$ is an indicator equal to 1 if the target in merger i operates in an industry classified as “core” or “broad” privacy-sensitive, and 0 otherwise;
- EU_j is an indicator variable equal to 1 if the target is based in the EU, and 0 otherwise.

α_j are target country (or state, for U.S. targets) fixed effects, which control for country- or state-level differences. γ_t are month fixed effects. In robustness specifications, I additionally include target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary).²² The dependent variable y_{ijt} indicates a certain characteristic of merger i . The coefficient of interest, β_1 , measures how the pre- to post-enactment change in y_{ijt} for privacy-sensitive EU-based targets, relative to EU-based targets in other industries, differs from the same difference for US-based targets. I estimate the model’s parameters using ordinary least squares. Standard errors are clustered at the level of a target state/country.

The baseline estimation covers completed mergers by strategic acquirers announced in 2010–2025: as opposed to financial acquirers, the objective of strategic acquirers often lies in combining customer databases, operations, or IT systems; we would therefore expect a stronger effect to show up here if the GDPR not only led to higher potential liabilities, but also affected synergies from the merger. Appendix C also shows specifications covering all acquirers (that is, including financial acquirers and LBOs).

Figure 7 shows the quarterly number of completed acquisitions of EU-based, US-based and RoW-based targets in the sample. Given the visible disruptions to the M&A market that took place in 2020, I also carry out analyses in which I exclude the year of 2020.

5.2 Results

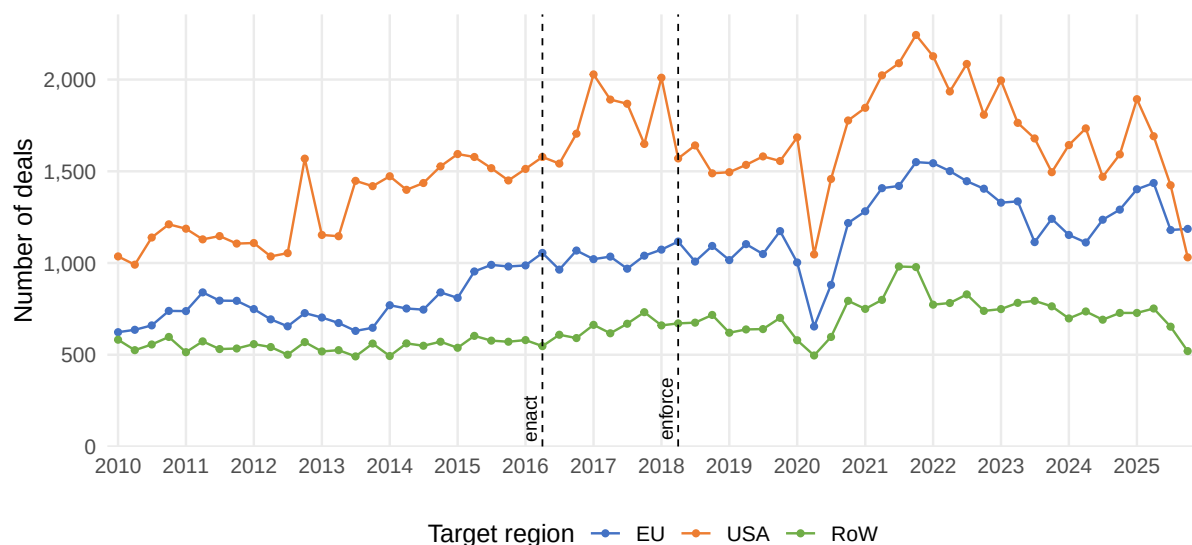
5.2.1 Localness of Acquisitions

Table 5 displays the results of a linear probability model in which the dependent variable is an indicator for whether the acquirer and target are based in the same *union*: this term refers to an acquirer based in the EU, Norway, Iceland, Liechtenstein, or the United Kingdom for an EU-based target, and to a US-based acquirer for a US-based target (for RoW-based targets, such a union is not defined in an intuitive way; I hence leave it out from this analysis).²³ The table shows that, after the enactment of the GDPR, the probability that a privacy-sensitive EU-based target is acquired by a same-union acquirer rises by about

²²In the most demanding specification, I replace these with target country/state $\times$ industry, country/state $\times$ year, and industry $\times$ year fixed effects (in addition to year-month fixed effects), which absorb persistent industry differences within countries as well as country- and industry-specific shocks over time.

²³Norway, Iceland, and Liechtenstein apply EU data-protection law through the EEA Agreement, and the United Kingdom applied the GDPR until the end of 2020 and an essentially identical UK GDPR afterwards; personal data can flow freely between all of these countries and the EU. Appendix Table 20 shows that the results are similar when only acquirers based in the 27 EU member states count as same-union.

Figure 7: Quarterly Number of Completed Acquisitions by Target Region, 2010–2025



Notes: The figure shows, for each quarter of announcement, the number of completed acquisitions by target region: EU (27 EU member states, excluding the United Kingdom), USA, and RoW (non-European OECD member countries); see Table 2.

9 percentage points more than for EU-based targets in other industries. This is net of the corresponding change among US-based targets, where the outcome is acquisition by a US-based acquirer (column 1), and persists with the more demanding pairwise fixed effects (column 5). These findings are not driven by the year of 2020 (Appendix Table 17, column 1), and also appear when privacy-sensitive industries are defined in a broad way (see Appendix C Table 19). Appendix Table 18 displays similar results, using the enforcement of the GDPR as the treatment variable. The effect is of similar size for private and public targets (Appendix Table 17, columns 2 and 3); for public targets, it is imprecisely estimated, as the sample contains only about 200 EU-based public targets in High Tech.

One concern is the Brexit referendum of June 2016, two months after the GDPR’s enactment. A general retreat of UK buyers from EU targets is absorbed by the $EU \times \text{post-enactment}$ term and biases the triple-difference estimators only if it is stronger for privacy-sensitive targets. Even then, it would work against my finding, since UK acquirers count as same-union in the baseline. Counting only acquirers in the 27 EU member states as same-union, where such a retreat would instead inflate the estimate, yields a coefficient of similar size (0.098 versus 0.092; Appendix Table 20), so changes in UK buying do not drive the result.

Given these findings, Figure 8 shows the results of a dynamic event-study version of equation (1) at the yearly level, with 2015 as the reference year. The pre-enactment coefficients are small and jointly insignificant, which is consistent with parallel trends. From 2017 onward, all coefficients are positive, although not all are individually significant at the 5% level. With the more demanding pairwise fixed effects of column 5 of Table 5, the event study looks very similar (Appendix Figure 16; pre-enactment

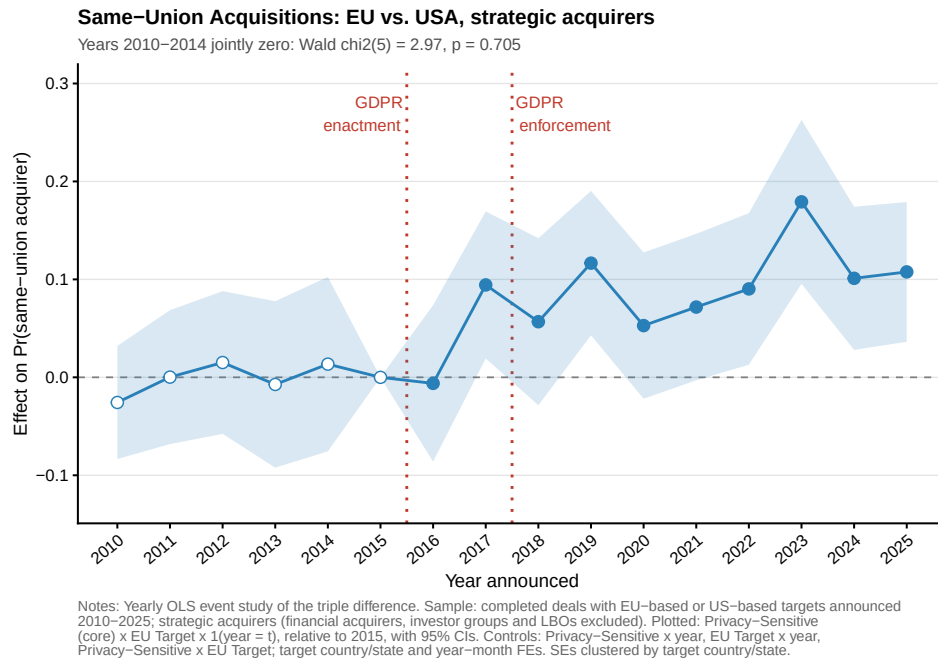
Table 5: GDPR Enactment and Same-Union Acquisitions: Triple-Differences, Robustness, Strategic Acquirers

Dependent Variable: Sample:	Prob.(Same-Union Acquirer) EU vs. USA				
	Baseline (1)	Industry-Year FE (2)	Country-Year FE (3)	Status FE (4)	Pairwise FE (5)
Privacy-Sensitive Industry	-0.0109 (0.0076)		-0.0161** (0.0070)	-0.0044 (0.0083)	
Privacy-Sensitive $\times$ EU Target	-0.1085*** (0.0152)	-0.1138*** (0.0157)	-0.1030*** (0.0145)	-0.0927*** (0.0153)	
Privacy-Sensitive $\times$ Post-Enactment	-0.0494*** (0.0078)		-0.0420*** (0.0070)	-0.0492*** (0.0079)	
EU Target $\times$ Post-Enactment	0.0099 (0.0085)	0.0092 (0.0084)		0.0275*** (0.0079)	
Privacy-Sensitive $\times$ EU $\times$ Post-Enactment	0.0924*** (0.0167)	0.0911*** (0.0173)	0.0855*** (0.0167)	0.0824*** (0.0159)	0.0764*** (0.0162)
Target country/state FEs	✓	✓		✓	
Year-month FEs	✓	✓	✓	✓	✓
Target industry-year FEs		✓			✓
Target country/state-year FEs			✓		✓
Target country/state-industry FEs					✓
Target-acquirer public status FEs				✓	
Observations	110,721	110,721	110,716	110,721	110,707
Adjusted R ²	0.02258	0.02900	0.02544	0.06146	0.03777

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Same-Union Acquirer)*, equals one if the acquirer is domiciled in the same economic union as the target (same-union is the EU, Norway, Iceland, Liechtenstein, or the United Kingdom for EU-based targets, and US for US-based targets). *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Control group: US-based targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Column 1 is the baseline specification. Column 2 adds target macro industry $\times$ announcement-year fixed effects, column 3 replaces the country/state fixed effects with country/state $\times$ announcement-year fixed effects, and column 4 adds target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary). Column 5 includes target country/state $\times$ macro industry, country/state $\times$ announcement-year and macro industry $\times$ announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

coefficients are again jointly insignificant).

Figure 8: Event Study: Triple-Differences, GDPR and Same-Union Acquisitions, Strategic Acquirers (EU vs. U.S. Targets)



I repeat the analysis for domestic acquisitions. (Note that for U.S.-based targets, “domestic” is defined as the acquirer being based in the same U.S. state.) Relative to U.S. targets, the estimates have the same sign and are of a similar magnitude, but are less precise. Pre-trends are again flat, as seen in Figure 9. However, these results are less robust: relative to other OECD targets, they are positive in sign but statistically insignificant, and the significance equally disappears when I use the broader definition of privacy-sensitive industries (Appendix Table 23).

These patterns are not driven by an overall increase in withdrawn deals: using data of both completed and withdrawn deals, Appendix Table 36 shows no detectable effect of the GDPR on the share of withdrawn deals; here, estimates are small but imprecise.

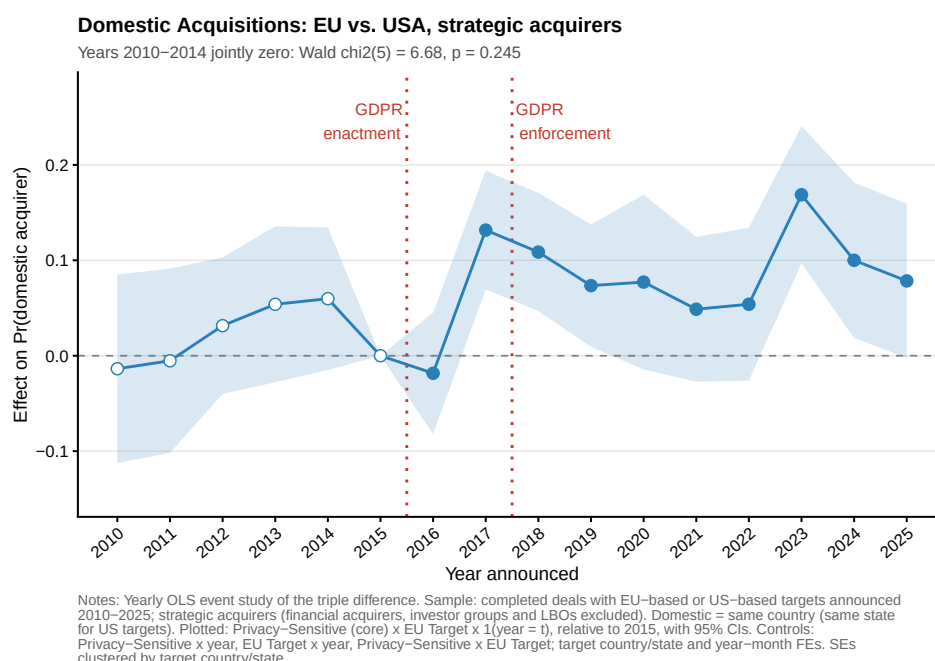
Overall, the shift toward same-union acquirers suggests that possibly, not all risks can be “contracted away” through representations, indemnities or other legal tools. Instead, we see a robust change in who merges with whom. The findings are in line with [Jia et al. \(2025\)](#)’s findings that venture investing became more localized after the GDPR. It also complements evidence on the geographic determinants of cross-border acquisitions ([Erel, Liao, & Weisbach, 2012](#)), pointing to privacy regulation as an additional determinant of buyer–target matching.

Table 6: GDPR Enactment and Domestic Acquisitions: Triple-Differences, Strategic Acquirers

Dependent Variable:	Prob.(Domestic Acquirer)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	-0.0418 (0.0414)	-0.0352 (0.0423)		-0.1394** (0.0602)	-0.1349* (0.0697)	
Privacy-Sensitive × EU Target	-0.0849* (0.0435)	-0.0613 (0.0453)		0.0133 (0.0617)	0.0297 (0.0699)	
Privacy-Sensitive × Post-Enactment	-0.0349* (0.0194)	-0.0333* (0.0198)		0.0162 (0.0346)	0.0172 (0.0390)	
EU Target × Post-Enactment	-0.0068 (0.0158)	0.0201 (0.0149)		-0.0321 (0.0261)	-0.0167 (0.0268)	
Privacy-Sensitive × EU × Post-Enactment	0.0663** (0.0315)	0.0518 (0.0316)	0.0514* (0.0262)	0.0135 (0.0424)	0.0037 (0.0451)	0.0226 (0.0316)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓	✓	✓	✓	✓
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target-acquirer public status FEs		✓			✓	
Observations	109,881	109,881	109,867	78,284	78,284	78,278
Adjusted R ²	0.17505	0.20688	0.20155	0.11870	0.13665	0.14945

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Domestic Acquirer)*, equals one if the acquirer and target are in the same country (or the same U.S. state for domestic U.S. deals). *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025. The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Figure 9: Event Study: Triple-Differences, GDPR and Domestic Acquisitions, Strategic Acquirers (EU vs. U.S. Targets)



5.2.2 Deal Pricing and Payment Choice

I next examine deal pricing. If privacy laws arguably influence the terms merging parties agree on, do they also affect the pricing and payment methods for M&As for observed deals?

I first study the effect on the deal premium, which is available for public targets only. SDC computes the deal premium as the offer price per share over the target's share price four weeks before announcement, in percent. The coefficient of interest from the triple-differences specification is positive in the baseline specifications, but noisy and insignificant. In alternative specifications shown in Appendix C, the coefficient flips sign and remains insignificant.

Next, I study the effect on the method of payment. I study this outcome variable using public acquirers only, as private acquirers in practice rarely pay with considerations other than cash. [Nguyen and Phan \(2017\)](#) find that higher policy uncertainty is associated with greater use of stock consideration. I observe a similar pattern: the triple-difference estimates indicate a relative decline of 12 to 16 percentage points in the probability of all-cash payment for privacy-sensitive EU targets after GDPR enactment, using US targets as the comparison group (Table 8, columns 1–3). Estimates using RoW targets are similar, at about 12 to 14 percentage points (columns 4–6). The decline is economically large, amounting to about one fifth to one fourth of the pre-enactment mean of all-cash deals.

Figure 10 shows the corresponding event study: while coefficients from 2016 onwards are always negative (although not always individually significant), a caveat is that, for U.S. targets as a comparison group, pre-event coefficients in this regression are jointly insignificant only at the 10% level. This is

Table 7: GDPR Enactment and Takeover Premia: Triple-Differences, Strategic Acquirers

Dependent Variable:	Premium, 4 Weeks Prior (%)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	-2.2969 (6.2852)	-2.8447 (6.3614)		12.9429*** (4.6647)	13.8454*** (4.4529)	
Privacy-Sensitive × EU Target	5.4042 (11.1453)	5.5356 (10.9873)		-10.3163 (10.2636)	-12.2106 (9.3264)	
Privacy-Sensitive × Post-Enactment	2.6836 (6.0394)	2.8597 (6.0971)		-3.7220 (6.7526)	-4.3456 (6.6906)	
EU Target × Post-Enactment	4.2943 (4.1221)	4.0105 (4.0554)		4.7598 (5.8227)	3.0307 (4.6111)	
Privacy-Sensitive × EU × Post-Enactment	0.0087 (8.8530)	-0.7150 (8.8245)	9.3226 (13.4347)	7.2288 (10.0494)	7.0109 (9.7684)	3.7771 (12.7585)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓	✓	✓	✓	✓
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target-acquirer public status FEs		✓			✓	
Observations	2,834	2,830	2,428	3,134	3,132	2,959
Adjusted R ²	0.05895	0.05907	0.07240	0.02931	0.04043	-0.03874

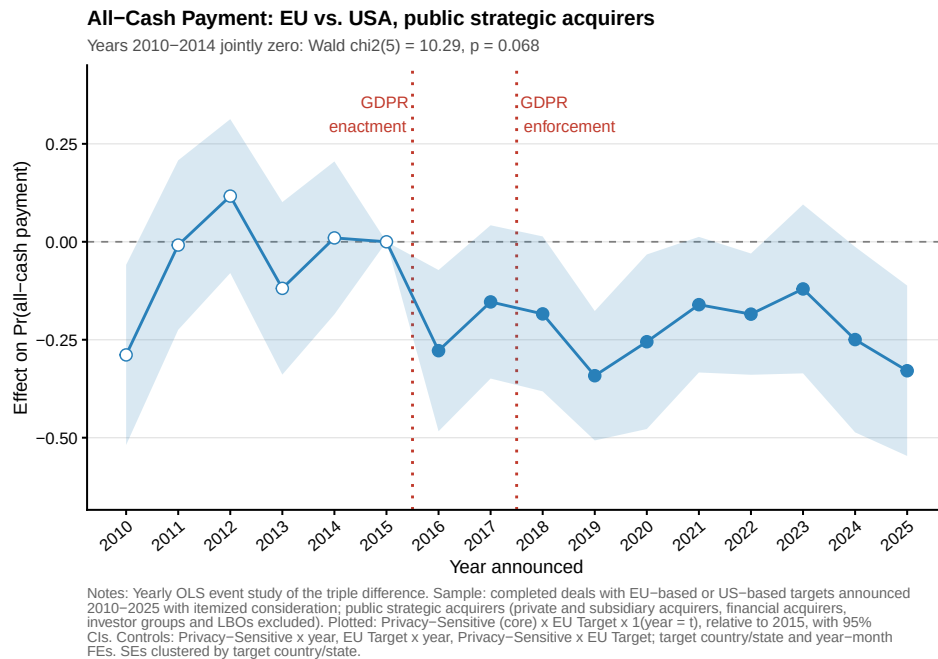
Notes: The unit of observation is a completed M&A deal. The dependent variable is the premium paid over the target's share price four weeks before announcement (in percent), winsorized at the 1st and 99th percentiles. SDC reports premia for public targets only. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals with public targets announced from 2010 through 2025. The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Since nearly all targets with a reported premium are public, the status fixed effects of columns 2 and 5 mainly distinguish the acquirer's status. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 8: GDPR Enactment and All-Cash Payment: Triple-Differences, Public Strategic Acquirers

Dependent Variable:	Prob.(All-Cash Payment)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	0.0201 (0.0262)	0.0137 (0.0290)		-0.0310 (0.0322)	-0.0419 (0.0305)	
Privacy-Sensitive × EU Target	-0.0701* (0.0365)	-0.0664* (0.0380)		-0.0169 (0.0428)	-0.0060 (0.0422)	
Privacy-Sensitive × Post-Enactment	0.0272 (0.0210)	0.0139 (0.0195)		-0.0026 (0.0267)	-0.0042 (0.0277)	
EU Target × Post-Enactment	0.0637*** (0.0191)	0.0500*** (0.0181)		0.0397 (0.0263)	0.0353 (0.0272)	
Privacy-Sensitive × EU × Post-Enactment	-0.1588*** (0.0349)	-0.1472*** (0.0349)	-0.1165*** (0.0382)	-0.1334*** (0.0396)	-0.1350*** (0.0409)	-0.1209*** (0.0327)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓	✓	✓	✓	✓
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target public status FEs		✓			✓	
Observations	14,716	14,716	14,390	13,367	13,367	13,222
Adjusted R ²	0.05035	0.07002	0.13148	0.15576	0.16985	0.22729

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(All-Cash Payment)*, equals one if every component of the consideration SDC lists is cash, and zero if any component is stock, an earnout, debt or another non-cash item. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025 for which SDC lists the components of the consideration: 53% of the completed deals with public strategic acquirers (EU-based targets: 39%, US-based: 51%, RoW: 65%). The sample keeps publicly listed strategic acquirers only, excluding private and subsidiary acquirers as well as financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target public status fixed effects (public, private, or subsidiary target; all acquirers are public), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Figure 10: Event Study: Triple-Differences, GDPR and All-Cash Payment, Public Strategic Acquirers (EU vs. U.S. Targets)



driven mainly by the coefficient in 2010, which pre-dates the GDPR by several years. The set of results displayed in the Appendix strongly suggest that these results are robust. As Appendix Table 28 shows, the effect is significant for private targets (columns 2 and 5). For public targets, the point estimates are similar against US targets but imprecisely estimated (columns 3 and 6). The results hold when excluding 2020 (see 28, columns 1 and 4), but seem to be driven by High Tech, as they disappear once we use the “broad” definition of privacy-sensitive industries (Table 32).

To provide a breakdown on what drives the decline in all-cash deals, I estimate the same specifications, but using an indicator variable on whether the payment involves any stock payment. Here, the coefficient of interest is, in turn, positive and significant (Table 9): the probability that the consideration includes acquirer stock increases significantly by 11 to 16 percentage points when contrasting to targets in the U.S., and increases by 10 to 13 percentage points when compared to RoW countries. In the corresponding event study (Appendix C Figure 17) however, the joint test of the pre-event coefficients rejects at the 5% level, driven again by strong variation in 2010.

Table 9: GDPR Enactment and Stock Payment: Triple-Differences, Public Strategic Acquirers

Dependent Variable:	Prob.(Any Stock Payment)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	-0.0269 (0.0167)	-0.0181 (0.0183)		0.0269 (0.0240)	0.0425** (0.0215)	
Privacy-Sensitive × EU Target	0.0378 (0.0259)	0.0360 (0.0260)		-0.0155 (0.0320)	-0.0278 (0.0305)	
Privacy-Sensitive × Post-Enactment	-0.0444 (0.0286)	-0.0265 (0.0269)		-0.0081 (0.0270)	-0.0058 (0.0261)	
EU Target × Post-Enactment	-0.0983*** (0.0159)	-0.0773*** (0.0149)		-0.0557** (0.0241)	-0.0479** (0.0243)	
Privacy-Sensitive × EU × Post-Enactment	0.1649*** (0.0388)	0.1474*** (0.0392)	0.1145*** (0.0427)	0.1320*** (0.0388)	0.1320*** (0.0396)	0.1021*** (0.0359)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓	✓	✓	✓	✓
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target public status FEs		✓			✓	
Observations	14,716	14,716	14,390	13,367	13,367	13,222
Adjusted R ²	0.04969	0.08877	0.13672	0.14906	0.17578	0.23195

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Any Stock Payment)*, equals one if the consideration SDC lists includes shares of the acquirer (common, ordinary or preferred shares), and zero otherwise. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025 for which SDC lists the components of the consideration: 53% of the completed deals with public strategic acquirers (EU-based targets: 39%, US-based: 51%, RoW: 65%). The sample keeps publicly listed strategic acquirers only, excluding private and subsidiary acquirers as well as financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target public status fixed effects (public, private, or subsidiary target; all acquirers are public), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

6 Conclusion

This paper studies how the market for corporate control is affected when data – an important asset and factor of production for firms – come with restrictions on its use, and potentially hidden liabilities.

The evidence that occurrences of privacy-law related terms increase particularly in consumer-data-heavy industries, and that privacy-related representations and warranties become more common, is consistent with greater attention to privacy risks in due diligence and merger contracting. Further, acquisitions robustly become more “local” following privacy policy changes. Among completed acquisitions by strategic buyers, privacy-sensitive EU targets become 9 percentage points more likely to be acquired by buyers in the same data-protection area, relative to other EU targets and net of the corresponding difference among US targets. This suggests that privacy regulation redirects businesses toward owners better equipped to use their data, with corresponding processes already in place, and familiarity with the regulatory regime. Lastly, the fact that all-cash payments decline in affected targets as a result of the GDPR is consistent with the idea that the risk involved in M&As increases, and cannot completely be offset through contractual allocations alone.

Overall, by changing which buyers acquire firms, and by affecting the terms on which they do so, privacy regulation can impact the allocation of control over businesses whose activities generate and use personal data. These results suggest a certain degree of increased frictions in M&A markets. Whether these changes improve or reduce overall efficiency depends on the capabilities of alternative owners, and on the associated privacy benefits to consumers.

Relatedly, the deal-level estimates presented in this paper capture relative changes in buyer composition and payment terms among completed acquisitions. However, an important aspect to bear in mind is that the market for corporate control is an equilibrium matching market. Privacy regulation can affect which firms seek buyers, which buyers participate, and which transactions ultimately proceed. The analysis above does not separate these responses or establish whether the resulting ownership patterns improve the use of data assets. Future research combining information on buyers’ compliance capabilities, bidder participation, firms that remain independent, and post-acquisition outcomes could clarify these mechanisms and assess their broader economic implications.

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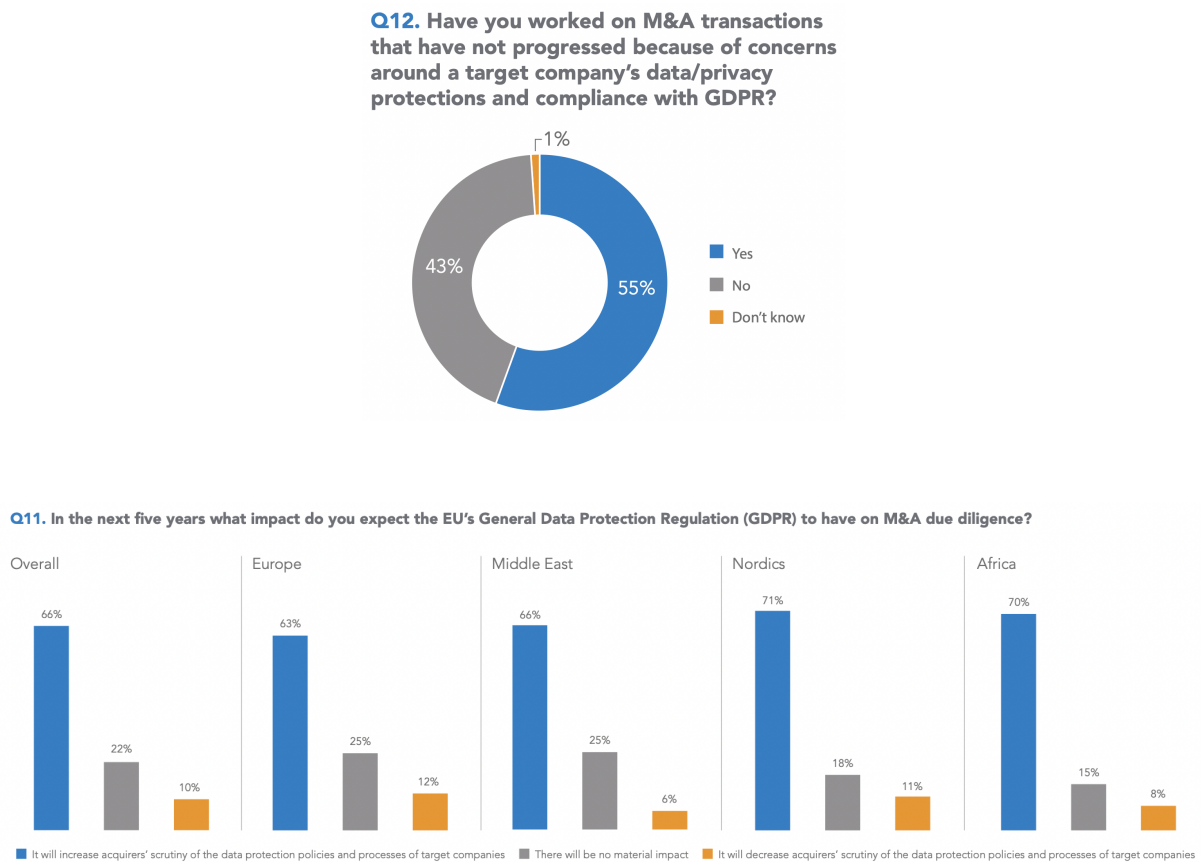
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A Survey Evidence on the GDPR's Effect on M&As

Figure 11: Survey evidence on the GDPR and M&A transactions



Note: These survey results are based on a survey of 539 “professionals involved in M&A transactions”, conducted by the Merrill Corporation and Euromoney in 2018. Archived report available via <https://web.archive.org/web/20210629190410/https://www.datasite.com/content/dam/merrillcorpwebsite/en/documents/reports/Merrill-DatasiteOne-DueDiligence2022.pdf> (accessed 06/04/2026).

B Details on Data Collection, Matching, and Sample Construction

B.1 Sample Construction for SDC Platinum

I obtain M&A transaction data from LSEG Workspace’s SDC Platinum M&A database, accessed through the Deals Screener application. The data were downloaded between February 2 and 4, 2026, and comprise deals with an announcement date between January 1, 2010, and December 31, 2025.

Geographic classification. I classify each deal into one of three geographic groups according to the country in which the target firm is headquartered. For U.S. targets, the relevant unit of observation is the state of headquarters. SDC reports a small number of U.S.-headquartered targets with a state field coded as “Foreign”; when such a target is incorporated in a U.S. state, I use its state of incorporation.

Targets for which the state cannot be resolved – those coded as “Foreign” and incorporated outside the U.S., those in U.S. territories (Guam, Puerto Rico, Virgin Islands), and those coded as “Unknown” – are excluded from the analysis sample. I apply a small number of manual corrections to firms whose headquarters is otherwise misclassified in SDC.²⁴

For the analyses on the effects of the GDPR, I define the treatment group as targets headquartered in a current EU member state. The EU list comprises 27 countries and excludes the United Kingdom throughout the sample period.²⁵ Targets in the non-EU European countries – Norway, Iceland, Liechtenstein, Switzerland, Turkey, and Ukraine – are excluded from the sample. The two control groups are (i) U.S. targets (identified at the state level) and (ii) targets headquartered in the Rest of the World (RoW), defined as all non-European, non-U.S. target nations that belong to the OECD and that display a significant merger activity.

Acquirer location. The outcomes on acquirer location use the acquirer’s nation in SDC, and for U.S. acquirers its state. For U.S. acquirers with a state coded as “Foreign” I use the state of incorporation when it is a U.S. state; when the nation is missing, I use the nation of incorporation. I correct the headquarters of three acquirers by hand (Escalade, Tronox, and Axar Master Fund). An acquirer is *same-union* if it is based in the same union as the target. For EU-based targets, the union comprises the 27 EU member states, Norway, Iceland, Liechtenstein, and the United Kingdom: the three EEA members apply EU data-protection law through the EEA Agreement, and the United Kingdom applied the GDPR until the end of 2020 and an essentially identical UK GDPR afterwards, so that personal data can flow freely between all of these countries and the EU. As a robustness check, Table 20 counts only acquirers in the 27 EU member states as same-union. For US-based targets, the union is the United States; for targets in the rest of the world, it is not defined. An acquirer is *domestic* if it is based in the target’s country (for U.S. targets, in the target’s state). Deals in which SDC does not disclose the acquirer’s identity or nation (acquirer nation “Unknown”) are kept in the sample, but both outcomes are missing for them.

De-duplication. The unit of observation is an SDC deal number. Because the data were downloaded as overlapping country-level exports, some deal numbers appear more than once; in all but six cases these copies are identical up to the ordering of multi-valued fields, and I keep one row per deal number. I drop the one observation with a missing acquirer name and CUSIP. SDC occasionally records a transaction under several deal numbers announced on the same day with the same target and acquirer (identical names and CUSIPs), typically separate tranches such as an initial stake purchase and the subsequent acquisition of control. I merge these into a single deal after applying the sample restric-

²⁴These include, for instance, Horizon Therapeutics PLC, which SDC records as a U.S. target with state “Foreign” because it is incorporated in Ireland. I assign it to Illinois, where its operational headquarters are located.

²⁵The United Kingdom formally left the EU on January 31, 2020, but adopted the UK GDPR – substantively identical to the EU GDPR – upon exit. Nevertheless, given Brexit, I exclude UK targets from the sample.

tions below, keeping the deal number that (in order of priority) has a recorded effective date, the higher post-transaction ownership, and a disclosed deal value; remaining ties go to the lowest deal number.

Entity-Type Restrictions. SDC records the public status of both transaction parties. I drop deals in which either the target or the acquirer is classified as a Government entity, an Investor, a Joint Venture, a Mutual, or “Unknown.” I also drop deals in which the target or the acquirer belongs to SDC’s macro industry “Government and Agencies” (1,669 further deals), as government bodies are not profit-driven parties. The rule applies to the direct parties only: a firm with a government owner, such as a state-owned firm or a sovereign wealth fund, stays in the sample. Finally, I also drop deals categorized as “Warrant/Basket” securities transactions. These categories do not represent standard corporate acquisitions of operating firms.

Ownership and Stake Restrictions. I restrict the sample to transactions that represent genuine transfers of majority control. Specifically, I apply the following sequential filters. First, I drop observations in which the acquirer already held at least 50% of the target’s shares at the announcement date, or held at least 50% six months prior to announcement—SDC records these shareholding fractions in separate fields that I use directly. A missing holding is treated as below 50%. Second, I drop all deals classified as “Acquisition of Remaining Interest,” i.e., cases where the acquirer already controls the target and is buying out a minority stake. Third, I drop deals flagged as “Stake Purchase” in the deal type field, which SDC uses for partial acquisitions that do not constitute a change of control (where SDC reports the percentage of shares sought for these deals, the median is 16%, and fewer than 1% seek 50% or more). Finally, when post-transaction ownership is reported and falls at or below 50%, I drop the deal on the grounds that no majority control transfer occurred.

Deal-Type Restrictions. I exclude several additional deal categories that do not represent arm’s-length acquisitions of operating businesses:

- *Rumored deals:* flagged by SDC as “Rumored Deal” in the acquisition technique field *and* lacking a non-missing effective date. This criterion ensures I retain proposed deals that ultimately closed while removing pure market rumors.
- *Share repurchases:* deal type or acquisition technique contains “Repurchase” or “Self-Tender.” These are not acquisitions of external targets.
- *Spinoffs:* deal type contains “Spinoffs.”
- *Recapitalizations:* deal type contains “Recapitalizations.”

- *Same-name transactions*: acquirer full name equals target full name. These are predominantly repurchases or Dutch auction tender offers not already captured by the repurchase flag.
- *Acquirer is Creditors, Shareholders, or Bondholders*: where the acquirer name field contains “Creditors,” “Shareholders,” or “Bondholders,” indicating a restructuring of claims rather than a voluntary acquisition.
- *Seeking Buyer*: where the acquirer name field contains “Seeking Buyer,” indicating a divestiture announcement without a confirmed buyer.
- *Bankruptcies and liquidations*: acquisition technique contains “Failed Bank,” “Bankruptcy,” or “Liquidation.”
- *Restructurings and reorganizations*: acquisition technique contains “Restructuring” or “Reorganization.”
- *Divestitures*: acquisition technique contains “Divestiture.” While divestitures represent genuine asset transfers, they reflect a seller’s decision to shed assets rather than an acquirer’s demand for a target, which is the margin of interest in this paper.

Completed and not-completed deals. Most of the analysis uses completed deals, i.e., deals for which SDC reports an effective (closing) date. The outcomes on acquirer location and deal terms are defined only for deals that closed. The analysis of withdrawals uses completed and not-completed deals together: a deal counts as withdrawn if SDC reports its status as “Withdrawn,” and as not withdrawn if it was completed; deals that are still pending or have an unknown status are left out. Because completion lags announcement, the analyses of time to close and of withdrawals use deals announced through 2023. Table 10 shows the number of deals after each step of the sample construction.

Strategic and financial acquirers. The baseline sample keeps strategic acquirers. I classify an acquirer as financial if SDC’s acquisition technique is “Financial Acquiror” or “Acquiror is an Investor Group,” or if the deal is a leveraged buyout. Financial acquirers account for 28.7% of completed deals (30.0% for EU-based, 32.6% for US-based targets).

Full takeovers and deals of at least USD 1 million. Two robustness samples follow other papers (e.g., [Bonaime et al., 2018](#)) that keep only full takeovers of targets worth at least USD 1 million. In the first, the acquirer owns 100% of the target after the deal; this drops the 6.5% of completed deals in which it ends up with more than 50% but less than 100%. SDC leaves the share owned after the deal blank for 5.5% of completed deals, which I count as full takeovers. The second sample also requires a disclosed deal value of at least USD 1 million, which keeps 18.8% of completed deals. It therefore mainly selects

Table 10: Sample Construction: M&A Deals from Refinitiv SDC Platinum

	EU	USA	RoW	Total
Deals announced 2010–2025				625,012
Target in the EU-27, a U.S. state, or a RoW country	179,143	208,637	160,537	548,317
Excluding government, investor, joint-venture, mutual, and unknown parties	172,078	204,736	155,081	531,895
Acquirer gains control of the target	133,071	162,731	91,024	386,826
Excluding other deal types; tranches of one transaction merged	70,565	105,050	49,025	224,640
Completed	65,246	99,041	41,171	205,458
Not completed	5,319	6,009	7,854	19,182
Completed, strategic acquirers	45,694	66,750	33,989	146,433
Acquirer nation known	45,101	65,620	33,254	143,975

Notes: Number of deals after each step; each row keeps the deals of the row above that pass one more filter (the two rows on completion split the row above them). The first row covers all target nations in the download. EU: the 27 EU member states (the United Kingdom excluded); RoW: Australia, Canada, Chile, Israel, Japan, Mexico, New Zealand, and South Korea. For the party exclusions, I use SDC’s public status and its macro industry Government and Agencies. Control: the acquirer held less than 50% before and more than 50% after the deal (stake purchases and acquisitions of a remaining interest are excluded). Other deal types: rumored deals, repurchases, spinoffs, recapitalizations, divestitures, restructurings, bankruptcies, deals with creditors or shareholders as acquirer, and announcements that a seller seeks a buyer. Strategic acquirers exclude financial acquirers, investor groups, and leveraged buyouts. The EU and USA columns of the last row add up to the observations of the main same-union regressions (Table 5, column 1), which compare EU-based with US-based targets.

deals whose price is disclosed, and disclosure itself fell for privacy-sensitive EU-based targets after the GDPR’s enactment, so I read it as a check on larger, priced deals rather than as a clean test. Counting deals with a blank share as partial rather than full takeovers leaves the results essentially unchanged. Both restrictions are applied before tranches of the same transaction are merged.

B.2 Collecting Merger Agreements and Matching Them to SDC

The DMA sample combines two sources of merger agreements: the agreements I collect from SEC EDGAR filings made from 2010 to 2025, and the corpus of 7,929 Definitive Merger Agreements filed between 2000 and 2020 that [Adelson et al. \(2025\)](#) collected, cleaned, and made publicly available (the published corpus). I match each source to SDC deals separately and then combine the two. Table 11 shows how many deals each matching rule contributes and how these deals become the 15,408 agreements used in the analyses.

Collecting agreements from EDGAR. I follow the data collection procedure of [Adelson et al. \(2025\)](#). I download all 10-K, 10-Q, 8-K, 20-F, 6-K, and S-4 filings made on EDGAR from 2010 to 2025 and keep their EX-2 and EX-10 exhibits, as well as those EX-99 exhibits whose description refers to an agreement, contract, or plan of merger. Most of these exhibits are other contracts, such as employment contracts, credit agreements, leases, or licenses. To find the merger agreements among them, I use the keyword classification from the authors’ replication code, which assigns each exhibit the contract type of the first type keyword in its text. I keep the exhibits classified as merger, asset purchase, or stock purchase agreements, and exhibits with a generic deal title such as “Purchase and Sale Agreement” or “Contribution

Agreement.”

Matching EDGAR agreements to SDC. I start from the SDC deals and search for each deal’s agreement among these exhibits. First, I identify the filer: a firm whose CIK maps to the target’s or the acquirer’s CUSIP in SDC, using the CIK–CUSIP mapping of [Liu \(2021\)](#), or, failing that, a filer whose name is similar to the name of the target, the acquirer, or the acquirer’s parent in SDC. Both sides of the deal count, because many merger agreements are filed by the target rather than the acquirer. Second, I search the filer’s exhibits filed between one day before and 45 days after the SDC announcement date, and up to 180 days after it if this window contains no match. Third, I require the name of the other party to the deal to appear near the top of the agreement; for a filer found by its name, its own name must appear as well. If several exhibits qualify, I keep the one whose party names and filing date fit best. Two further rules, each strict in another way, add deals that these steps miss. If the filer is found by CUSIP but the other party’s name cannot be confirmed, I accept an exhibit only if it is the filer’s only merger agreement within the 45-day window and the filer has no other SDC deal in that window. If no filer can be identified, I accept an exhibit only if the names of both parties appear in it. Agreements found only through a relaxed step (the extended window, a generic deal title, the other party’s name further down the text, or the only-merger-agreement rule) must also pass a filter that removes amendments, side agreements such as voting, support, or escrow agreements, letters of intent, options, notes, warrants, and stock issues to investors. Each deal keeps one agreement.

Matching the published corpus to SDC. The published corpus records the parties and the announcement date of each agreement’s deal, but links the agreements to FactSet rather than SDC. I therefore link its 4,601 agreements of deals announced from 2010 to 2020 (the SDC data start in 2010) to SDC deals using these records only, without reading the texts. The rules are applied in order, and each agreement keeps the match of the first rule that finds one: (i) the CUSIP of the filer, joined to the acquirer’s or the target’s CUSIP in SDC and confirmed by similar party names; (ii) similar acquirer and target names, among SDC deals announced within a year that share a distinctive name word; (iii) the same comparison with the name of the acquirer’s immediate parent in SDC; (iv) the same announcement date and a similar acquirer name; and (v) for the remaining agreements, a large language model (GPT-4o) that compares each agreement with loosely selected SDC candidates.²⁶ In total, 4,405 of the 4,601 agreements (95.7%) are matched: 3,171 by CUSIP, 799 by names, 100 by the parent’s name, 185 by date and acquirer

²⁶Name similarity is the character-sequence similarity ratio of two names after removing legal-form suffixes (e.g., Corp., Inc., Ltd.) and non-alphanumeric characters; if SDC lists several acquiring entities, the highest similarity counts. Rules (i) to (iii) require announcement dates at most 365 days apart and a target-name similarity of at least 0.5, and, except when the CUSIP is the target’s, an acquirer-name similarity of at least 0.6. Rules (ii) and (iii) also discard pairs that are weak on all three counts (acquirer-name similarity of at most 0.65, target-name similarity of at most 0.70, and at least 12 days apart). Within each of these rules, the candidate closest in announcement date is kept. Rule (iv) requires an acquirer-name similarity of at least 0.70 and either a shared distinctive name word or a similarity of at least 0.90.

name, and 150 by the language model.

Combining the two sources. Whenever the EDGAR matching links a deal to an agreement, I use the EDGAR agreement, also when the published corpus links the same deal. Deals that only the published corpus links to an agreement enter the sample only if a hand check confirms that the agreement is that deal’s merger agreement. This check covers every such deal announced from 2010 to 2021 (the 2021 deals’ agreements were filed in 2020): it compares the SDC record (parties, announcement date, and deal value) with the opening of the agreement. Agreements of shell companies or acquisition vehicles of the SDC parties count as confirmed; side agreements, amendments, and financing documents do not, nor do exhibits that the EDGAR matching links to another deal. As a result, every deal that the language model matches and that enters the sample is also matched through EDGAR or confirmed by hand.

From deals to agreements. The two sources together link 16,206 SDC deals to an agreement. As in the SDC sample, I drop the 22 deals whose target or acquirer belongs to the macro industry Government and Agencies. The unit of the text analyses is the agreement rather than the deal. Several SDC deals can share one agreement, for instance when SDC records one transaction as several deals, so the remaining 16,184 deals correspond to 15,652 distinct agreements; each agreement takes the SDC data of the first deal linked to it. I drop the 179 documents shorter than 1,000 words, which on inspection are amendments, assignments, side letters, press releases, letters of intent, or scanned exhibits without text. I also drop the 65 agreements whose text is available only in the published corpus, so that all keyword measures come from the same text format. This leaves 15,408 agreements, 6,815 of deals announced from 2010 to 2015 and 8,593 of deals announced from 2016 to 2025 (Table 11). Every deal behind them is matched through EDGAR or confirmed by hand.

B.3 Creation of Indicator Variables for GDPR Mentions in DMAs

For the descriptive analysis of DMA filings, I create variables indicating whether the DMA mentions terms such as the GDPR. See Table 12 for details.

To classify target industries by their exposure to privacy regulation before the GDPR, I flag every merger agreement of a deal announced in 2010–2015 that contains at least one of the personal-data terms listed in Table 13; GDPR and CCPA terms are excluded, so the measure cannot reflect the regulation itself.

Table 11: Construction of the DMA Sample

	All
<i>SDC deals matched through EDGAR filings</i>	
Filer found by CUSIP, other party named in the agreement	9,166
Filer found by name, other party named in the agreement	3,283
Filer found by its parent's name, other party named in the agreement	2,325
Filer found by CUSIP, its only merger agreement in the filing window	830
No filer identified, both parties named in the agreement	213
<i>SDC deals matched through the published corpus only</i>	
Confirmed by hand	389
SDC deals with a matched merger agreement	16,206
Excluding deals with a target or acquirer in Government and Agencies	16,184
Distinct agreements of these deals	15,652
Excluding agreements with fewer than 1,000 words	15,473
Excluding agreements whose text is only in the published corpus	15,408
Of deals announced 2010–2015	6,815
Of deals announced 2016–2025	8,593

Notes: The upper rows count SDC deals by the rule that links them to a merger agreement; the lower rows count agreements after each step. “EDGAR” refers to merger agreements collected from exhibits of SEC EDGAR filings of 2010–2025, matched to SDC through the filer and the names of the parties in the agreement. “Published corpus” refers to the corpus of Definitive Merger Agreements filed up to 2020 that [Adelson et al. \(2025\)](#) collected and made publicly available, matched to SDC separately. Where both sources link a deal, the EDGAR agreement is used and the deal counts in the EDGAR rows. Not in the table: 7 EDGAR matches whose agreement the hand check assigned to another deal, and 249 deals of 2010–2021 that only the published corpus links and that the hand check did not confirm (247 not the deal’s agreement, 2 unsure). Several deal records can share one agreement. Agreements with fewer than 1,000 words are amendments, assignments, side letters, press releases, letters of intent or scanned exhibits without text. The agreements left after the last step are the sample of the agreement-level analyses.

Table 12: Privacy Disclosure Indicators: Variable Definitions and Search Terms

Variable	Description	% of agreements		Search terms
		2010–2015	2016–2025	
has_personaldata	Personal data language	24.1	59.2	<i>personal data; personal information; personally identifiable information; PII; data subject</i>
has_breach	Data breach language	1.5	16.7	<i>data breach; cybersecurity incident; unauthorized access to personal data; unauthorized access to personal information</i>
has_dataprotection	Data protection laws	9.9	33.8	<i>data protection law; data protection legislation; privacy laws; data security requirements; privacy agreements</i>
has_gdpr	GDPR mention	0.0	13.9	<i>GDPR; General Data Protection Regulation; Regulation (EU) No. 2016/679; Regulation (EU) 2016/679</i>
has_ccpa	CCPA mention	0.0	9.7	<i>CCPA; California Consumer Privacy Act</i>
has_transfer	Data transfer language	1.0	8.9	<i>transfer of personal data; cross-border data transfer; transfer of personal information</i>

Notes: Each indicator equals one if the text of the Definitive Merger Agreement contains at least one of the listed search terms. The % columns report the share of agreements with a positive indicator among the 6,815 agreements of deals announced in 2010–2015 and the 8,593 of deals announced in 2016–2025. Before matching, the text is stripped of HTML, converted to lower case, and runs of whitespace are collapsed; matching is therefore case-insensitive. (A search term matches wherever it appears as a contiguous string, also as part of a longer phrase: for example, *data protection law* also matches “data protection laws,” and *privacy laws* also matches “data privacy laws” and “applicable privacy laws.”)

Table 13: Personal-Data Language in Merger Agreements by Target Industry, 2010–2015

Target macro industry	Agreements	Mention (%)	Std. err.	Rank	Privacy-sensitive	
					Core	Broad
High Technology	1,212	43.0	1.4	1	✓	✓
Financials	839	35.2	1.6	2		✓
Retail	248	32.7	3.0	3		✓
Consumer Products and Services	500	31.4	2.1	4		✓
Healthcare	946	31.0	1.5	5		✓
Media and Entertainment	371	29.4	2.4	6		✓
Telecommunications	220	25.0	2.9	7		
Consumer Staples	271	24.0	2.6	8		
Industrials	618	14.9	1.4	9		
Materials	500	14.6	1.6	10		
Energy and Power	867	9.2	1.0	11		
Real Estate	223	5.8	1.6	12		
All agreements	6,815	26.9				

Notes: The unit of observation is a definitive merger agreement of a deal announced 2010–2015, before the GDPR was enacted in April 2016. *Mention* equals one if the agreement contains at least one of: personal data, personal information, personally identifiable information, PII, data subject; data protection or data privacy law(s), privacy laws, data security requirements, privacy agreements; data breach, cybersecurity incident, unauthorized access to personal data or information; transfer of personal data or information, cross-border data transfer (whole words, case-insensitive). Industries are SDC macro industries of the target. *Core* marks the industry with the highest mention rate; *Broad* marks every industry whose mention rate exceeds the rate of all agreements (bottom row). These are the core and broad definitions of privacy-sensitive industries used throughout. Deals with a target or acquirer in Government and Agencies are excluded. Agreements are exhibits to SEC EDGAR filings, matched to SDC deals directly or through the published DMA corpus (Adelson, Jennejohn, Nyarko, and Talley, Working Paper).

B.4 Further Descriptive Figures

Table 14: GDPR Mentions by Macro Industry: DMA-SDC Matched Sample, 2016–2025

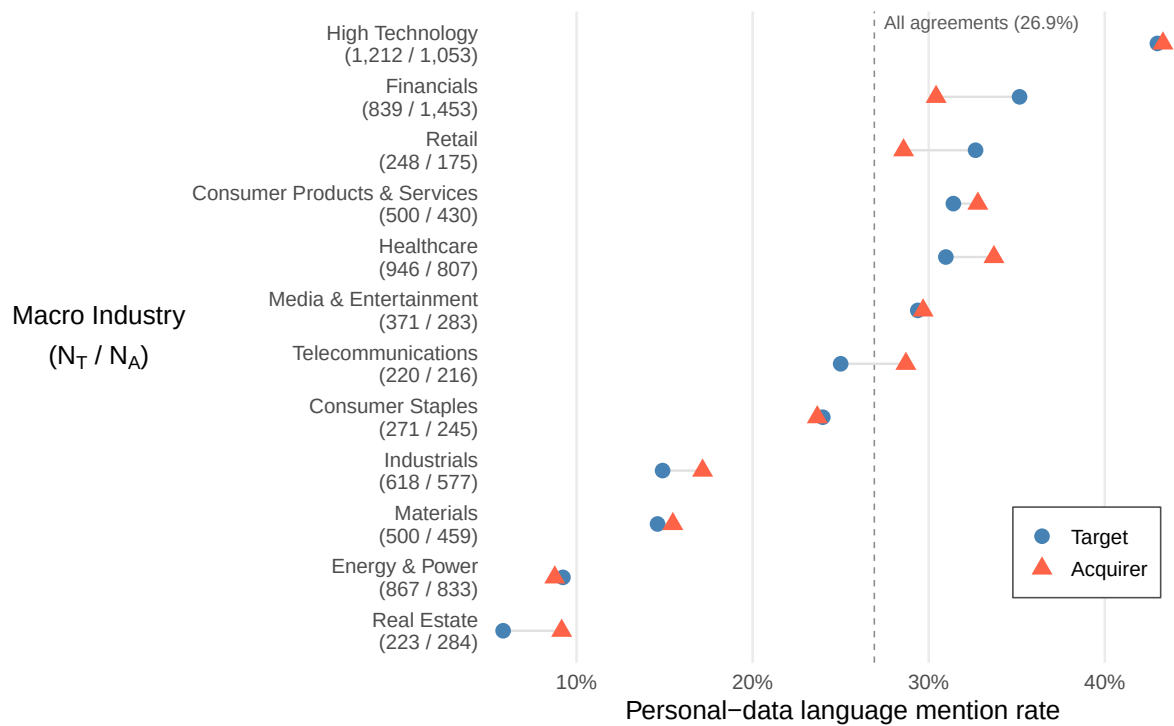
Industry	N	GDPR rate			EU/EEA share	Same industry
		All	Pre-enforcement	Post-enforcement		
<i>Panel A: Target industry</i>						
High Technology	1,530	23.9%	2.7%	30.6%	9.0%	46.9%
Healthcare	1,610	18.7%	0.9%	23.5%	6.6%	66.8%
Consumer Products and Services	528	15.5%	1.9%	21.4%	6.4%	30.3%
Media and Entertainment	434	14.3%	3.2%	18.8%	6.7%	42.4%
Telecommunications	162	14.2%	1.8%	21.0%	8.6%	27.2%
Industrials	869	13.9%	0.5%	18.4%	8.5%	48.0%
Retail	332	13.3%	1.2%	17.3%	4.2%	34.6%
Consumer Staples	303	7.9%	0.0%	11.8%	8.6%	55.1%
Materials	464	7.5%	0.0%	10.8%	7.3%	56.9%
Financials	1,210	6.9%	0.5%	9.8%	3.1%	85.3%
Energy and Power	907	4.7%	0.3%	6.8%	4.2%	69.3%
Real Estate	244	2.9%	0.0%	4.0%	0.8%	66.0%
All industries	8,593	13.9%	1.1%	18.6%	6.4%	57.8%
<i>Panel B: Acquirer industry</i>						
High Technology	1,140	21.8%	3.7%	29.1%	5.1%	63.0%
Healthcare	1,302	18.3%	0.7%	23.5%	10.1%	82.6%
Media and Entertainment	301	14.6%	2.3%	19.6%	5.6%	61.1%
Financials	2,714	14.3%	0.7%	18.0%	3.5%	38.0%
Industrials	699	13.2%	0.5%	17.9%	5.4%	59.7%
Consumer Products and Services	409	12.2%	0.8%	16.8%	4.2%	39.1%
Telecommunications	129	11.6%	5.3%	16.7%	4.7%	34.1%
Retail	218	11.0%	0.0%	14.6%	2.3%	52.8%
Consumer Staples	257	9.7%	0.0%	14.2%	6.2%	65.0%
Materials	393	5.9%	0.0%	9.4%	6.4%	67.2%
Energy and Power	762	4.2%	0.4%	6.5%	2.5%	82.5%
Real Estate	269	3.7%	0.0%	6.1%	0.0%	59.9%
All industries	8,593	13.9%	1.1%	18.6%	5.0%	57.8%

Notes: Sample covers 8,593 Definitive Merger Agreements filed with the SEC for M&A deals announced 2016–2025 and matched to Refinitiv SDC (one observation per agreement). The sample starts in 2016: no agreement of an earlier deal mentions the GDPR (Table 3, Panel B). *GDPR rate* is the fraction of deals in each industry cell whose agreement contains a GDPR mention: over all years, for deals announced before the GDPR’s enforcement on May 25, 2018 (*Pre-enforcement*, January 1, 2016 to May 24, 2018, 2,324 agreements; the GDPR was enacted on April 14, 2016), and for deals announced on or after May 25, 2018 (*Post-enforcement*, 6,269 agreements). Rows are sorted by the overall GDPR rate. *EU/EEA share* is the fraction of deals with an EU- or EEA-based target (Panel A) or acquirer (Panel B). *Same industry* is the fraction of deals where target and acquirer share the same macro industry.

B.5 Classification of the Legal Function of Privacy Passages

Extraction of passages. I extract privacy passages from the newly collected EDGAR texts of the agreements filed in 2016–2025. For each match of a privacy search term, the passage runs from the nearest preceding structural boundary to the next one. Boundaries are numbered or article headers (e.g., “ARTICLE IV”, “Section 5.9”, “5.9”) and lettered or roman sub-items (e.g., “(a)”, “(ii)”). Because the texts do not reliably place headers on separate lines, a boundary is recognized only at the start of the text or after the end of a sentence or clause, and entries of the table of contents are ignored. All matches that fall into the same unit are merged into one passage, which records every term family it contains and the title of the enclosing numbered section. The extraction uses the search terms of Table 12 plus two broader

Figure 12: Personal-Data Language in Merger Agreements by Target and Acquirer Industry, 2010–2015



Notes: Figure shows the share of DMAs of deals announced 2010–2015, before the GDPR was enacted, that contain at least one personal-data or privacy term listed in Appendix Table 13 (GDPR and CCPA terms excluded), by target and acquirer SDC macro industry. Sample sizes for target and acquirer industries are in parentheses. The dashed line indicates the rate across all agreements; target industries above it form the “broad” privacy-sensitive definition, and the top-ranked industry (High Technology) indicates the “core” definition.

Figure 13: Shares of “Privacy-Sensitive” Targets Prior to GDPR Enactment in Different Regions

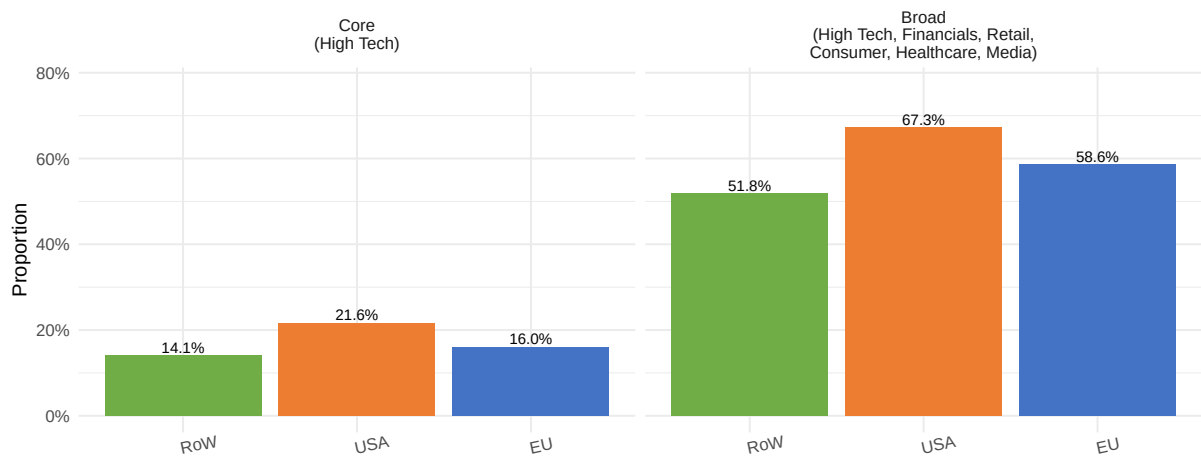
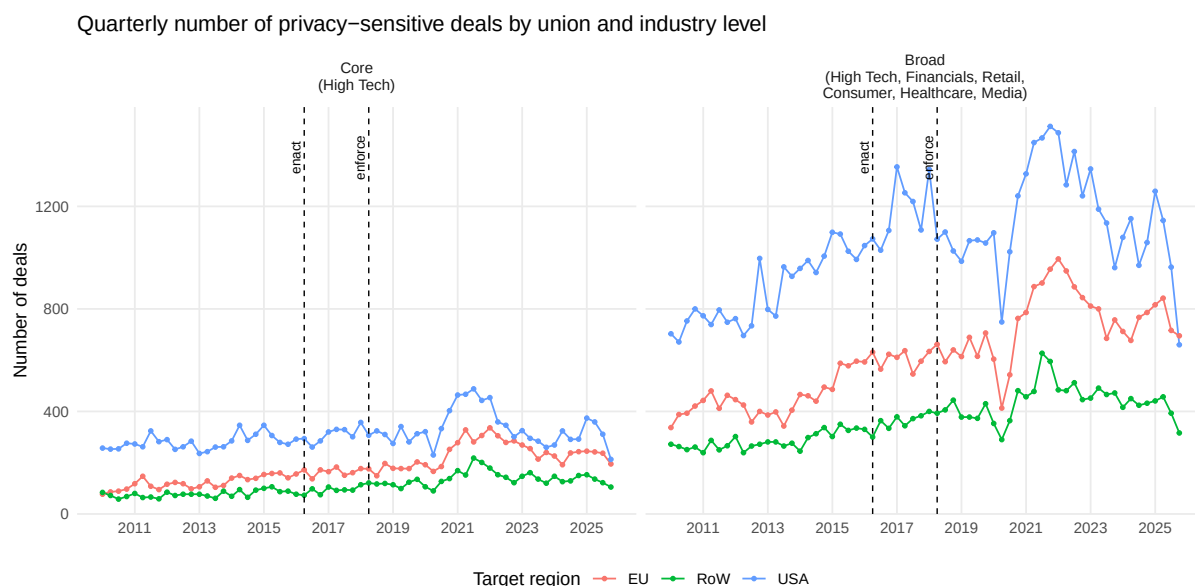


Figure 14: Quarterly Levels of Acquisitions Concerning Privacy-Sensitive Targets



breach terms, “security breach” and “security incident”.

Classification. Each passage is classified separately by GPT-4o-mini. The model receives the title of the enclosing section and the text of the passage, and must return one of the seven categories in Table 15; the output format is fixed, so the model cannot return any other answer. The instructions define each category and include nine worked examples. Eight are real passages from the corpus, lightly trimmed; closing conditions are illustrated with the standard bringdown wording instead (“Each of the representations and warranties of the Company set forth in Article III shall be true and correct in all material respects as of the Closing Date”), because no short real example was available. Three of the examples are deliberate traps in which the vocabulary is misleading: a pre-closing information-security covenant that repeatedly refers to the closing but states explicitly that it is not a closing condition; a books-and-records covenant that mentions personal information only as an exception to the buyer’s access obligation; and a general compliance-with-laws representation that names privacy laws only to exclude them from its scope. Passages longer than 3,000 words (510 passages, 2.6%), mostly units for which the extraction found no closing boundary, were truncated at 3,000 words before classification.

I developed the instructions on a pilot sample of 30 passages: up to four from sections whose titles refer to definitions, representations, indemnification, covenants, or disclosure, and ten drawn at random. The pilot was first classified with GPT-4o. After reviewing the output and comparing it with GPT-4o-mini on the same passages, I added the three examples that ground GDPR- and CCPA-specific language and the carve-out trap. The full sample was then classified with GPT-4o-mini.

Table 15: Legal-Function Categories

Category	Definition given to the model
Representation & warranty	Factual assertion about the current or past state of a party, e.g., “the Company represents and warrants that ...”
Covenant	Forward-looking promise to do or not to do something
Definition	Defines a term; imposes no obligation and asserts no fact
Disclosure/exclusion	Reference to the disclosure schedule, or a carve-out from another provision
Indemnity/remedy	Allocates financial responsibility for a breach or loss (caps, baskets, escrow)
Closing condition (bring-down)	Must hold true at closing, or brings down an earlier representation
Other	None of the above

Coverage. The classification was run before the final round of matching agreements to SDC deals. It covers 19,777 passages in 4,278 agreements, which is 78% of the 5,514 agreements in the current sample that contain at least one privacy passage (70% of those filed in 2016, 83% of those filed in 2025). The unlabeled agreements are mainly those added by the later matching steps described in Appendix B.2. Within the labeled agreements, 99.8% of passages carry a label. The figures in Section 4.2 use all labeled passages; Figure 3 excludes deals with a target or acquirer in Government and Agencies.

Limitations. First, the labels have not yet been validated. Future versions of this paper will hand-code a random sample of passages and report the agreement between my coding and the model’s labels. Second, because lettered sub-items count as separate units, a passage can lack the lead-in sentence of its section (e.g., “Except as set forth in Section 3.21 of the Disclosure Schedule”), which may move some passages between the representation and disclosure/exclusion categories. Third, provisions that refer to privacy matters only by section number, such as most indemnification and bringdown clauses, contain no search term and are therefore not captured.

B.6 Measuring the Scope and Qualifications of Privacy Representations

Sample. The analysis uses the 15,408 DMAs of deals announced in 2010–2025 whose text comes from the newly collected EDGAR filings. As in the other DMA exhibits, agreements are matched to an SDC deal, have at least 1,000 words, and exclude deals with a target or acquirer in Government and Agencies. Years refer to the SDC announcement year.

Locating the target’s representations. I first identify the heading of the article that contains the target’s representations and warranties (e.g., “ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE COMPANY” or “Representations and Warranties of Seller”). Entries of the table of contents, closing conditions (“... shall be true and correct”), and the buyer’s representations are skipped. The article runs to the buyer’s representations or to the next article. I find the article in 95.9% of agreements; most of the remaining documents are purchase agreements that place the warranties in schedules rather than in an article, or documents other than the merger agreement itself. These agreements count as having no privacy representation.

Within the article, I classify section headings by keywords into privacy (e.g., privacy, data protection, personal data or information), IT and cybersecurity (e.g., information technology, IT systems, cybersecurity, data security), and environmental sections. A combined heading such as “Privacy and Data Security” counts as privacy. A section runs from its heading to the next heading of the same or a higher level. If there is no privacy section, I take the lettered items of a section on a related topic (e.g., Intellectual Property, IT systems, or compliance with laws) that name privacy terms; standard intellectual-property language such as “any right of privacy or publicity” does not count. Privacy items inside an Intellectual Property section are also added when the agreement has a separate privacy section, and for headings that combine intellectual property and privacy, only the items that name privacy or IT are kept. Overall, 21% of the agreements contain a separate privacy section, 21% contain privacy items in another section, and 58% contain neither. The increase in privacy representations comes mainly from separate sections, whose share rises from 6% in 2010 to 50% in 2025. The share with privacy items in another section rises from 12% in 2010 to a peak of 31% in 2020 and falls back to 21% by 2025.

Extraction check. I compared the extracted privacy representation with the full text for 40 randomly drawn agreements (around four per year, stratified by extraction outcome). In the first version of the procedure, 36 extractions were correct, two were too long, one was too short, and one representation was missed. I revised the rules based on these cases. Of the ten agreements in which no privacy representation was found, nine contain no privacy term anywhere in the text.

Elements. Table 16 lists the elements. They are searched in the lower-cased privacy and IT/cybersecurity representations, and a match in either counts once per agreement. For each element, I read 10 to 14 randomly drawn matches; at least eight in ten were correct for every element. The claims element is deliberately narrow: it requires a named counterparty and thus misses claims whose claimant is not named, so its level is a lower bound. The bundled defined term is not a coverage element; it is matched on the original-case text, so that ordinary prose does not count, and it is a lower bound as well.

Table 16: Elements of Privacy Representations

Element	Search rule (abridged)
Breach notification	“notify”/“notification”, or giving (or being required to give) notice, within 15 words of a regulator or an affected party (individuals, customers, data subjects, ...), and within 25 words of breach language (breach, incident, unauthorized, ...) or stated as a duty; notices received by the target do not count
Deal itself complies	The execution, performance, or consummation of the agreement within 60 words of a privacy term and of words such as “violate”, “breach”, “require”, “restrict”, or “comply”; or the use or processing of data “following the Closing”
Obligations of processors/vendors	Vendor, processor, service provider, subcontractor, or third parties that process or store data, within 20 words of contract, require, obligation, ensure, monitor, breach, incident, or unauthorized
Malware	Ransomware, malware, malicious code, virus, worm, trojan, spyware, back door, time bomb, or disabling code; separately, the word “ransomware”
AI / machine learning	Artificial intelligence, machine learning, large language model, training data, generative AI, AI systems, models, or technology
Cross-border transfers	Cross-border; transfers outside the country or to third countries; standard contractual clauses; binding corporate rules; Privacy Shield; Safe Harbor; adequacy; international transfers
Consent / opt-outs	Consent of or from individuals, data subjects, users, consumers, or customers; opt-in or opt-out; obtaining (required) consents
Claims by regulators or individuals	Claim, investigation, inquiry, audit, complaint, or proceeding within 15 words of a governmental authority, regulator, attorney general, FTC, data subject, consumer, customer, individual, fine, penalty, or sanction
Lookback period	Since a specific date, a “Lookback Date”, or the past or last N years
Complies with own privacy policies	“Its”, “the Company’s”, “posted”, or “published” privacy policy (notice, statement), or a privacy policy within 15 words of comply, consistent, accordance, or conform
Deletion / retention	Retention policies, schedules, or periods; data kept no longer than necessary; rights to erasure or deletion requests; returning or destroying personal data; secure deletion; data minimization
Sale of personal data	Selling or renting personal, consumer, customer, or user data or information; behavioral or targeted advertising
Bundled defined term	Capitalized defined terms such as “Privacy Requirements”, “Data Protection Obligations”, or “Privacy Commitments”

Qualifiers. A part is an item marked “(a)” or “(i)” at the start of a line or after a period, colon, or semi-colon. The text before the first item, and for items taken from another section that section’s introductory sentence, qualifies all items; a lettered item followed by roman sub-items qualifies those sub-items. Definitions are not counted as parts. A part is qualified by *materiality* if it contains phrases such as “in all material respects”, “material breach (violation, non-compliance, failure)”, “except as ... would not ... be

material”, “individually or in the aggregate . . . material”, or “materially”; defined terms such as “Material Contracts” do not count. It is qualified by *knowledge* if it contains “knowledge”, “aware”, or “so far as”, excluding phrases such as “without the knowledge or consent of”. References to a *material adverse effect* are counted separately and removed before materiality is searched. References to the disclosure schedule (“except as set forth in Section 3.16 of the Disclosure Schedule”) are not counted as qualifiers.

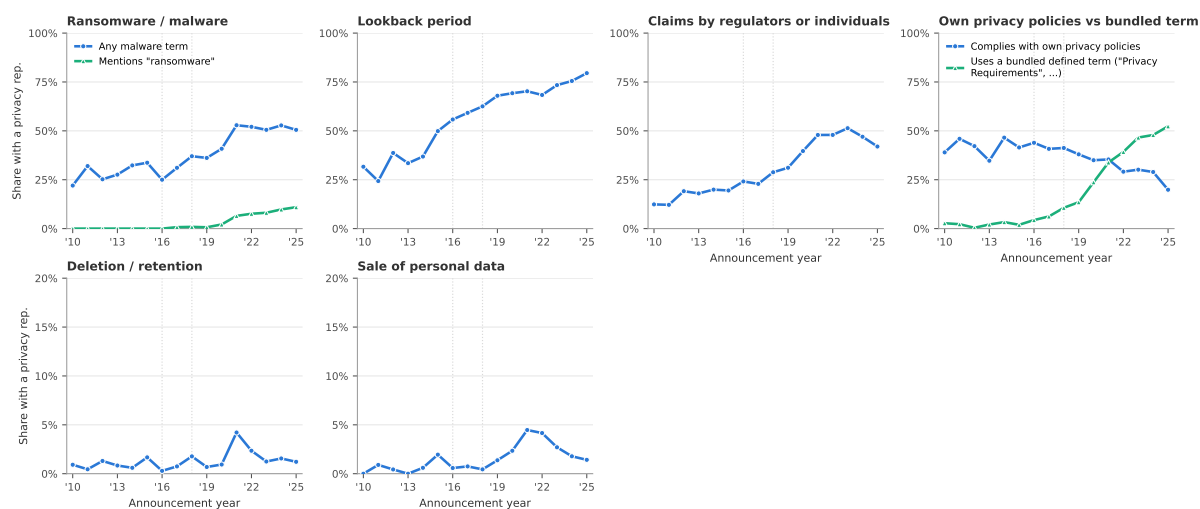
Length. To separate broader coverage from longer representations, I split the privacy representations into terciles of the combined length of the privacy and IT/cybersecurity representations, pooled over all years (up to 307, 308–579, and at least 580 words). Between 2010–2011 and 2024–2025, breach notification rises within each tercile (from 6% to 18%, 10% to 47%, and 18% to 66%, respectively), as do processor obligations (middle: 11% to 21%; long: 14% to 48%) and ransomware (long: 0% to 16%). The deal-compliance element does not rise in the short and middle terciles (10% to 8%; 38% to 30%) and rises only in the long tercile (43% to 54%). The same holds for consent, which falls in the short and middle terciles (2% to 0%; 10% to 5%) and rises only in the long tercile (15% to 21%). Both elements rise overall mainly because the long tercile grows (from 74 to 397 agreements, while the short tercile shrinks from 254 to 197). In environmental representations, claims by regulators or individuals do not become more common (33% in 2010, 28% in 2025), whereas lookback periods do (from 29% to 61%), as in privacy representations (from 32% to 80%); the rise of lookback periods is therefore largely a general drafting trend.

Robustness. The results are similar without deals involving special purpose acquisition companies (SPACs), which account for 20% of the agreements in 2021. Among privacy representations, breach notification then rises from 8.6% in 2010 to 54% in 2025, ransomware from 0% to 11.4%, and processor obligations from 6% to 28%, while the share of parts qualified by materiality moves from 42% to 50%, and by knowledge from 54% to 46%. Applying the same dictionaries to the privacy passages labeled as representations in Section 4.2 (3,960 agreements, which cover 2016–2025 only) yields the same direction for breach notification (19% to 49%), ransomware (0% to 8.1%), and processor obligations (5% to 24%), at lower levels because these passages omit most IT/cybersecurity sections. The deal-compliance element, in contrast, does not rise in this sample (25% to 26%), likely because the passages split clauses at every lettered item.

Limitations. The dictionaries were checked for precision on small random samples; recall was not measured beyond the extraction check. Items listed within a single sentence (“(a) . . . , (b) . . .”) are counted as one part, and numbering below roman sub-items is not distinguished. Finally, the share of agreements with a privacy representation roughly quadruples over the sample period; the length

terciles and the SPAC exclusion address part, but not all, of this change in composition.

Figure 15: Further Elements of Privacy Representations, 2010–2025



Notes: Figure shows, for each announcement year, the share of DMAs with a privacy representation whose privacy or IT/cybersecurity representation contains each element (Table 16). The first panel distinguishes any malware term from the word “ransomware”. The last panel of the top row compares statements of compliance with the target’s own privacy policies with the use of a bundled defined term such as “Privacy Requirements”. The top row uses a 0–100% scale, the bottom row a 0–20% scale. Dotted vertical lines mark GDPR enactment (2016) and enforcement (2018). The sample is as in Figure 5.

C Robustness Checks and Additional Results

Table 17: GDPR Enactment and Same-Union Acquisitions: Triple-Differences, Sample Variants, Strategic Acquirers

Dependent Variable: Sample:	Prob.(Same-Union Acquirer) EU vs. USA		
	Excl. 2020 (1)	Private Targets (2)	Public Targets (3)
Privacy-Sensitive Industry	-0.0113 (0.0076)	-0.0103 (0.0078)	0.0015 (0.0284)
Privacy-Sensitive $\times$ EU Target	-0.1081*** (0.0153)	-0.1107*** (0.0163)	-0.0847* (0.0488)
Privacy-Sensitive $\times$ Post-Enactment	-0.0507*** (0.0078)	-0.0507*** (0.0075)	-0.0902** (0.0387)
EU Target $\times$ Post-Enactment	0.0090 (0.0079)	0.0120 (0.0085)	-0.0041 (0.0264)
Privacy-Sensitive $\times$ EU $\times$ Post-Enactment	0.0961*** (0.0167)	0.0950*** (0.0169)	0.1084 (0.0664)
Target country/state FEs	✓	✓	✓
Year-month FEs	✓	✓	✓
Observations	104,622	105,008	3,782
Adjusted R ²	0.02289	0.02324	0.02745

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Same-Union Acquirer)*, equals one if the acquirer is domiciled in the same economic union as the target (same-union is the EU, Norway, Iceland, Liechtenstein, or the United Kingdom for EU-based targets, and US for US-based targets). *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Control group: US-based targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. All columns use the baseline specification with target country/state and year-month fixed effects. Column 1 excludes deals announced in 2020 (COVID-19), column 2 keeps private targets only, and column 3 public targets only. Targets with subsidiary status (1,929 deals in the sample) are in neither column 2 nor column 3. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Figure 16: Event Study: Triple-Differences, GDPR and Same-Union Acquisitions, Strategic Acquirers, Pairwise Fixed Effects (EU vs. U.S. Targets)

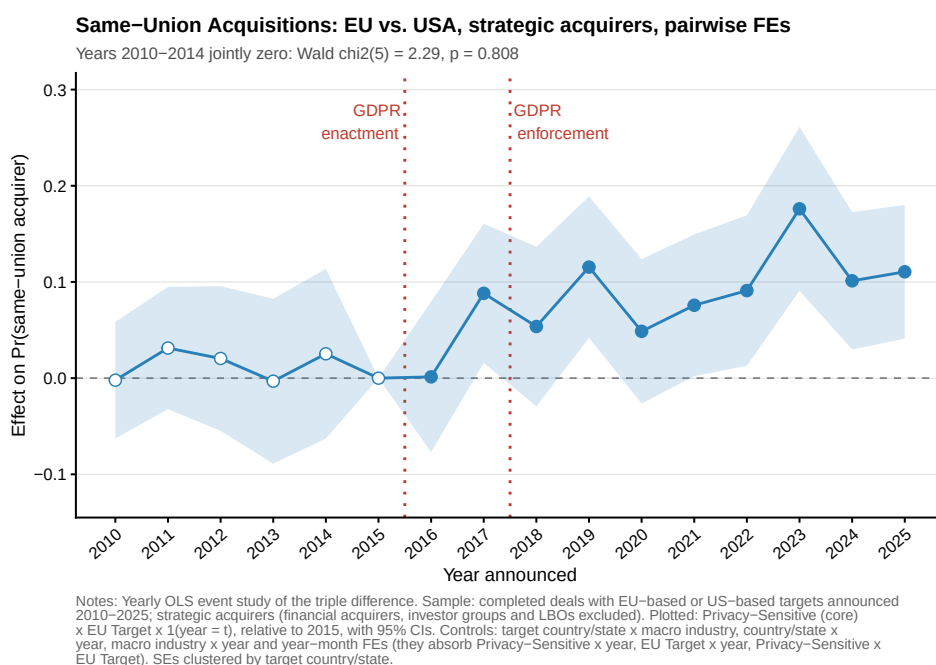


Table 18: GDPR Enforcement and Same-Union Acquisitions: Triple-Differences, Robustness, Strategic Acquirers

Dependent Variable: Sample:	Prob.(Same-Union Acquirer) EU vs. USA				
	Baseline (1)	Industry-Year FE (2)	Country-Year FE (3)	Status FE (4)	Pairwise FE (5)
Privacy-Sensitive Industry	-0.0207*** (0.0066)		-0.0243*** (0.0062)	-0.0143* (0.0075)	
Privacy-Sensitive $\times$ EU Target	-0.0933*** (0.0133)	-0.0995*** (0.0136)	-0.0886*** (0.0125)	-0.0802*** (0.0141)	
Privacy-Sensitive $\times$ Post-Enforcement	-0.0430*** (0.0091)		-0.0375*** (0.0086)	-0.0422*** (0.0094)	
EU Target $\times$ Post-Enforcement	0.0177* (0.0106)	0.0152 (0.0104)		0.0285*** (0.0097)	
Privacy-Sensitive $\times$ EU $\times$ Post-Enforcement	0.0858*** (0.0159)	0.0866*** (0.0165)	0.0800*** (0.0161)	0.0779*** (0.0159)	0.0738*** (0.0158)
Target country/state FEs	✓	✓		✓	
Year-month FEs	✓	✓	✓	✓	✓
Target industry-year FEs		✓			✓
Target country/state-year FEs			✓		✓
Target country/state-industry FEs					✓
Target-acquirer public status FEs				✓	
Observations	110,721	110,721	110,716	110,721	110,707
Adjusted R ²	0.02272	0.02919	0.02542	0.06145	0.03781

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Same-Union Acquirer)*, equals one if the acquirer is domiciled in the same economic union as the target (same-union is the EU, Norway, Iceland, Liechtenstein, or the United Kingdom for EU-based targets, and US for US-based targets). *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Control group: US-based targets. *Post-Enforcement* equals one for deals announced from June 2018 onward, the first complete month following GDPR enforcement (May 25, 2018). The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Column 1 is the baseline specification. Column 2 adds target macro industry $\times$ announcement-year fixed effects, column 3 replaces the country/state fixed effects with country/state $\times$ announcement-year fixed effects, and column 4 adds target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary). Column 5 includes target country/state $\times$ macro industry, country/state $\times$ announcement-year and macro industry $\times$ announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 19: GDPR Enactment and Same-Union Acquisitions: Triple-Differences, Robustness (Broad Privacy-Sensitive Definition), Strategic Acquirers

Dependent Variable: Sample:	Prob.(Same-Union Acquirer) EU vs. USA				
	Baseline	Industry-Year	Country-Year	Status	Pairwise
	(1)	FE (2)	FE (3)	FE (4)	FE (5)
Privacy-Sensitive Industry	0.0478*** (0.0057)		0.0438*** (0.0058)	0.0391*** (0.0051)	
Privacy-Sensitive × EU Target	-0.0619*** (0.0098)	-0.0712*** (0.0093)	-0.0587*** (0.0094)	-0.0497*** (0.0087)	
Privacy-Sensitive × Post-Enactment	-0.0414*** (0.0067)		-0.0358*** (0.0063)	-0.0337*** (0.0066)	
EU Target × Post-Enactment	-0.0016 (0.0108)	-0.0028 (0.0107)		0.0217** (0.0105)	
Privacy-Sensitive × EU × Post-Enactment	0.0387*** (0.0104)	0.0465*** (0.0105)	0.0345*** (0.0106)	0.0285*** (0.0103)	0.0314*** (0.0098)
Target country/state FEs	✓	✓		✓	
Year-month FEs	✓	✓	✓	✓	✓
Target industry-year FEs		✓			✓
Target country/state-year FEs			✓		✓
Target country/state-industry FEs					✓
Target-acquirer public status FEs				✓	
Observations	110,721	110,721	110,716	110,721	110,707
Adjusted R ²	0.01770	0.02852	0.02054	0.05800	0.03746

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Same-Union Acquirer)*, equals one if the acquirer is domiciled in the same economic union as the target (same-union is the EU, Norway, Iceland, Liechtenstein, or the United Kingdom for EU-based targets, and US for US-based targets). *Privacy-Sensitive Industry* (broad definition) equals one for targets in High Technology, Financials, Retail, Consumer Products and Services, Healthcare, or Media and Entertainment, the industries whose 2010–2015 merger agreements mention personal data more often than average (Appendix Table 13). Treatment group: EU-based targets. Control group: US-based targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Column 1 is the baseline specification. Column 2 adds target macro industry × announcement-year fixed effects, column 3 replaces the country/state fixed effects with country/state × announcement-year fixed effects, and column 4 adds target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary). Column 5 includes target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 20: GDPR Enactment and Same-Union Acquisitions: Triple-Differences, Robustness, Strategic Acquirers, Same Union Restricted to the EU-27

Dependent Variable: Sample:	Prob.(Same-Union Acquirer) EU vs. USA				
	Baseline (1)	Industry-Year FE (2)	Country-Year FE (3)	Status FE (4)	Pairwise FE (5)
Privacy-Sensitive Industry	-0.0110 (0.0076)		-0.0161** (0.0070)	-0.0044 (0.0083)	
Privacy-Sensitive $\times$ EU Target	-0.1263*** (0.0156)	-0.1312*** (0.0161)	-0.1202*** (0.0151)	-0.1091*** (0.0159)	
Privacy-Sensitive $\times$ Post-Enactment	-0.0490*** (0.0077)		-0.0419*** (0.0070)	-0.0486*** (0.0080)	
EU Target $\times$ Post-Enactment	0.0014 (0.0102)	0.0004 (0.0100)		0.0207** (0.0096)	
Privacy-Sensitive $\times$ EU $\times$ Post-Enactment	0.0977*** (0.0194)	0.0971*** (0.0195)	0.0907*** (0.0196)	0.0869*** (0.0188)	0.0817*** (0.0172)
Target country/state FEs	✓	✓		✓	
Year-month FEs	✓	✓	✓	✓	✓
Target industry-year FEs		✓			✓
Target country/state-year FEs			✓		✓
Target country/state-industry FEs					✓
Target-acquirer public status FEs				✓	
Observations	110,721	110,721	110,716	110,721	110,707
Adjusted R ²	0.03606	0.04144	0.03952	0.07504	0.05215

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Same-Union Acquirer)*, equals one if the acquirer is domiciled in the same economic union as the target (same-union is the 27 EU member states for EU-based targets, and US for US-based targets). *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Control group: US-based targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Column 1 is the baseline specification. Column 2 adds target macro industry $\times$ announcement-year fixed effects, column 3 replaces the country/state fixed effects with country/state $\times$ announcement-year fixed effects, and column 4 adds target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary). Column 5 includes target country/state $\times$ macro industry, country/state $\times$ announcement-year and macro industry $\times$ announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 21: GDPR Enactment and Same-Union Acquisitions: Triple-Differences, Robustness, All Acquirers

Dependent Variable: Sample:	Prob.(Same-Union Acquirer) EU vs. USA				
	Industry-Year		Country-Year		Pairwise
	Baseline (1)	FE (2)	FE (3)	FE (4)	
Privacy-Sensitive Industry	-0.0095* (0.0056)		-0.0130** (0.0055)	-0.0024 (0.0068)	
Privacy-Sensitive $\times$ EU Target	-0.0964*** (0.0125)	-0.0988*** (0.0127)	-0.0928*** (0.0119)	-0.0846*** (0.0130)	
Privacy-Sensitive $\times$ Post-Enactment	-0.0396*** (0.0061)		-0.0348*** (0.0059)	-0.0420*** (0.0066)	
EU Target $\times$ Post-Enactment	0.0026 (0.0077)	0.0031 (0.0076)		0.0176** (0.0071)	
Privacy-Sensitive $\times$ EU $\times$ Post-Enactment	0.0700*** (0.0147)	0.0682*** (0.0151)	0.0660*** (0.0150)	0.0607*** (0.0144)	0.0572*** (0.0140)
Target country/state FEs	✓	✓		✓	
Year-month FEs	✓	✓	✓	✓	✓
Target industry-year FEs		✓			✓
Target country/state-year FEs			✓		✓
Target country/state-industry FEs					✓
Target-acquirer public status FEs				✓	
Observations	162,495	162,495	162,492	162,495	162,484
Adjusted R ²	0.02289	0.02669	0.02524	0.05592	0.03443

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Same-Union Acquirer)*, equals one if the acquirer is domiciled in the same economic union as the target (same-union is the EU, Norway, Iceland, Liechtenstein, or the United Kingdom for EU-based targets, and US for US-based targets). *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Control group: US-based targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample includes all acquirers, including financial acquirers, investor groups and LBOs. Column 1 is the baseline specification. Column 2 adds target macro industry $\times$ announcement-year fixed effects, column 3 replaces the country/state fixed effects with country/state $\times$ announcement-year fixed effects, and column 4 adds target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary). Column 5 includes target country/state $\times$ macro industry, country/state $\times$ announcement-year and macro industry $\times$ announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 22: GDPR Enactment and Domestic Acquisitions: Triple-Differences, Sample Variants, Strategic Acquirers

Dependent Variable:	Prob.(Domestic Acquirer)					
	EU vs. USA			EU vs. RoW		
	Excl. 2020 (1)	Private Targets (2)	Public Targets (3)	Excl. 2020 (4)	Private Targets (5)	Public Targets (6)
Privacy-Sensitive Industry	-0.0422 (0.0414)	-0.0359 (0.0419)	-0.1140** (0.0443)	-0.1390** (0.0603)	-0.1492** (0.0628)	-0.0694** (0.0288)
Privacy-Sensitive × EU Target	-0.0845* (0.0436)	-0.0925** (0.0439)	0.0323 (0.0605)	0.0129 (0.0617)	0.0222 (0.0643)	-0.0194 (0.0519)
Privacy-Sensitive × Post-Enactment	-0.0347* (0.0187)	-0.0395* (0.0203)	-0.0006 (0.0337)	0.0158 (0.0364)	0.0240 (0.0350)	-0.0321 (0.0367)
EU Target × Post-Enactment	-0.0073 (0.0155)	-0.0072 (0.0163)	-0.0400 (0.0410)	-0.0307 (0.0264)	-0.0303 (0.0244)	-0.0757 (0.0600)
Privacy-Sensitive × EU × Post-Enactment	0.0672** (0.0305)	0.0721** (0.0319)	0.0110 (0.0594)	0.0149 (0.0436)	0.0058 (0.0427)	0.0687 (0.0648)
Target country/state FEs	✓	✓	✓	✓	✓	✓
Year-month FEs	✓	✓	✓	✓	✓	✓
Observations	103,833	104,219	3,762	73,814	72,710	3,969
Adjusted R ²	0.17508	0.17693	0.15224	0.11810	0.12004	0.10838

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Domestic Acquirer)*, equals one if the acquirer and target are in the same country (or the same U.S. state for domestic U.S. deals). *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025. The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by country/state and year-month fixed effects and are not reported. All columns use the baseline specification with target country/state and year-month fixed effects. Columns 1 and 4 exclude deals announced in 2020 (COVID-19), columns 2 and 5 keep private targets only, and columns 3 and 6 keep public targets only. Targets with subsidiary status (1,898 deals in the EU vs. USA sample, 1,605 in the EU vs. RoW sample) are in neither the private-target nor the public-target columns. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Figure 17: Event Study: Triple-Differences, GDPR and Stock Payment, Public Strategic Acquirers (EU vs. U.S. Targets)

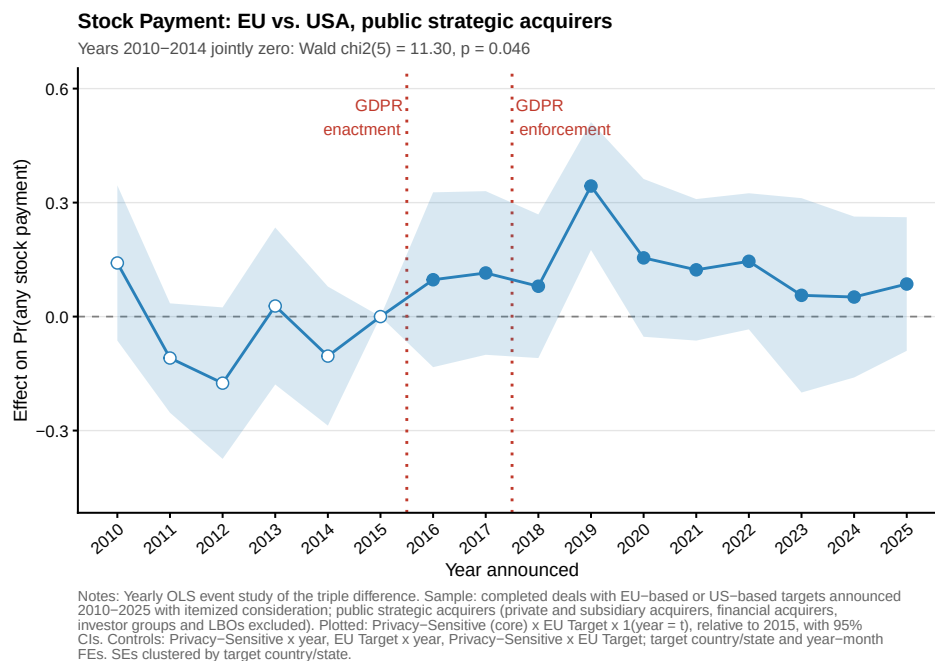


Table 23: GDPR Enactment and Domestic Acquisitions: Triple-Differences (Broad Privacy-Sensitive Definition), Strategic Acquirers

Dependent Variable:	Prob.(Domestic Acquirer)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	0.0563*** (0.0106)	0.0409*** (0.0111)		-0.0599* (0.0343)	-0.0705* (0.0418)	
Privacy-Sensitive × EU Target	-0.0430*** (0.0142)	-0.0239* (0.0142)		0.0731** (0.0359)	0.0862** (0.0429)	
Privacy-Sensitive × Post-Enactment	-0.0360*** (0.0096)	-0.0254** (0.0103)		0.0243 (0.0280)	0.0311 (0.0322)	
EU Target × Post-Enactment	-0.0098 (0.0185)	0.0241 (0.0178)		-0.0046 (0.0335)	0.0142 (0.0359)	
Privacy-Sensitive × EU × Post-Enactment	0.0147 (0.0130)	0.0018 (0.0140)	0.0151 (0.0129)	-0.0455 (0.0296)	-0.0538 (0.0337)	-0.0257 (0.0157)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓	✓	✓	✓	✓
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target-acquirer public status FEs		✓			✓	
Observations	109,881	109,881	109,867	78,284	78,284	78,278
Adjusted R ²	0.17168	0.20449	0.20153	0.11093	0.13077	0.14952

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Domestic Acquirer)*, equals one if the acquirer and target are in the same country (or the same U.S. state for domestic U.S. deals). *Privacy-Sensitive Industry* (broad definition) equals one for targets in High Technology, Financials, Retail, Consumer Products and Services, Healthcare, or Media and Entertainment, the industries whose 2010–2015 merger agreements mention personal data more often than average (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025. The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 24: GDPR Enactment and Domestic Acquisitions: Triple-Differences, All Acquirers

Dependent Variable:	Prob.(Domestic Acquirer)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	-0.0306 (0.0416)	-0.0256 (0.0424)		-0.1475** (0.0616)	-0.1422** (0.0690)	
Privacy-Sensitive × EU Target	-0.0907** (0.0442)	-0.0730 (0.0458)		0.0268 (0.0633)	0.0372 (0.0694)	
Privacy-Sensitive × Post-Enactment	-0.0225 (0.0205)	-0.0249 (0.0216)		0.0041 (0.0312)	0.0028 (0.0349)	
EU Target × Post-Enactment	-0.0001 (0.0153)	0.0194 (0.0144)		-0.0266 (0.0301)	-0.0136 (0.0307)	
Privacy-Sensitive × EU × Post-Enactment	0.0533* (0.0318)	0.0428 (0.0323)	0.0436 (0.0276)	0.0245 (0.0395)	0.0171 (0.0410)	0.0382 (0.0302)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓	✓	✓	✓	✓
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target-acquirer public status FEs		✓			✓	
Observations	160,753	160,753	160,742	104,886	104,886	104,880
Adjusted R ²	0.20299	0.22437	0.22365	0.11952	0.13155	0.14671

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Domestic Acquirer)*, equals one if the acquirer and target are in the same country (or the same U.S. state for domestic U.S. deals). *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025. The sample includes all acquirers, including financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 25: GDPR Enactment and Takeover Premia: Triple-Differences, Excluding 2020, Strategic Acquirers

Dependent Variable:	Premium, 4 Weeks Prior (%)	
	EU vs. USA	EU vs. RoW
	Excl. 2020 (1)	Excl. 2020 (2)
Privacy-Sensitive Industry	-2.2354 (6.2324)	12.8944*** (4.4473)
Privacy-Sensitive × EU Target	4.7423 (11.1175)	-11.2286 (10.1427)
Privacy-Sensitive × Post-Enactment	2.3562 (6.1214)	-3.0359 (6.6858)
EU Target × Post-Enactment	3.0027 (4.4983)	2.4670 (5.3636)
Privacy-Sensitive × EU × Post-Enactment	1.9312 (8.9283)	9.1048 (10.0921)
Target country/state FEs	✓	✓
Year-month FEs	✓	✓
Observations	2,702	2,952
Adjusted R ²	0.05952	0.02712

Notes: The unit of observation is a completed M&A deal. The dependent variable is the premium paid over the target's share price four weeks before announcement (in percent), winsorized at the 1st and 99th percentiles. SDC reports premia for public targets only. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Column 1 uses US-based targets as the control group, column 2 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals with public targets announced from 2010 through 2025. The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by country/state and year-month fixed effects and are not reported. All columns use the baseline specification with target country/state and year-month fixed effects. Columns 1 and 2 exclude deals announced in 2020 (COVID-19). Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 26: GDPR Enactment and Takeover Premia: Triple-Differences, All Acquirers

Dependent Variable:	Premium, 4 Weeks Prior (%)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	-0.6524 (4.0365)	-0.6276 (4.0197)		5.9784 (5.4105)	6.3062 (5.0198)	
Privacy-Sensitive × EU Target	3.6657 (8.9307)	3.3329 (8.9181)		-2.3571 (9.4423)	-4.4153 (8.5938)	
Privacy-Sensitive × Post-Enactment	-2.4169 (6.2190)	-1.6706 (6.1952)		4.3135 (5.2862)	3.6157 (4.8835)	
EU Target × Post-Enactment	7.0061* (4.2329)	7.2082* (4.2148)		9.3052 (6.0282)	7.8823 (5.1592)	
Privacy-Sensitive × EU × Post-Enactment	11.5943 (8.9691)	11.0397 (8.9059)	14.7176 (10.1407)	0.8934 (8.2304)	1.7440 (7.6420)	-3.2729 (9.8974)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓	✓	✓	✓	✓
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target-acquirer public status FEs		✓			✓	
Observations	3,868	3,865	3,528	3,958	3,956	3,809
Adjusted R ²	0.05446	0.05475	0.04911	0.03702	0.04568	-0.00180

Notes: The unit of observation is a completed M&A deal. The dependent variable is the premium paid over the target's share price four weeks before announcement (in percent), winsorized at the 1st and 99th percentiles. SDC reports premia for public targets only. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals with public targets announced from 2010 through 2025. The sample includes all acquirers, including financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Since nearly all targets with a reported premium are public, the status fixed effects of columns 2 and 5 mainly distinguish the acquirer's status. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 27: GDPR Enactment and Takeover Premia: Triple-Differences (Broad Privacy-Sensitive Definition), Strategic Acquirers

Dependent Variable:	Premium, 4 Weeks Prior (%)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	3.0108 (4.7903)	2.9388 (4.8228)		-2.5322 (3.0370)	-1.3131 (2.9019)	
Privacy-Sensitive × EU Target	3.9782 (7.9875)	4.6010 (7.9617)		11.4866 (8.9812)	11.1547 (8.6753)	
Privacy-Sensitive × Post-Enactment	1.0647 (6.0849)	1.0599 (6.0777)		11.0070** (5.2273)	9.7768** (4.8290)	
EU Target × Post-Enactment	5.8868 (8.2852)	5.7881 (8.3488)		10.2728 (8.9634)	8.7165 (8.0984)	
Privacy-Sensitive × EU × Post-Enactment	-2.4437 (12.0148)	-2.9952 (11.9546)	-5.7194 (15.8295)	-11.8766 (12.4623)	-11.6646 (11.8905)	-16.4483 (13.7637)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓		✓	✓	
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target-acquirer public status FEs		✓			✓	
Observations	2,834	2,830	2,428	3,134	3,132	2,959
Adjusted R ²	0.05991	0.06011	0.07196	0.02987	0.04084	-0.03731

Notes: The unit of observation is a completed M&A deal. The dependent variable is the premium paid over the target's share price four weeks before announcement (in percent), winsorized at the 1st and 99th percentiles. SDC reports premia for public targets only. *Privacy-Sensitive Industry* (broad definition) equals one for targets in High Technology, Financials, Retail, Consumer Products and Services, Healthcare, or Media and Entertainment, the industries whose 2010–2015 merger agreements mention personal data more often than average (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals with public targets announced from 2010 through 2025. The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Since nearly all targets with a reported premium are public, the status fixed effects of columns 2 and 5 mainly distinguish the acquirer's status. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 28: GDPR Enactment and All-Cash Payment: Triple-Differences, Sample Variants, Public Strategic Acquirers

Dependent Variable:	Prob.(All-Cash Payment)					
	EU vs. USA			EU vs. RoW		
	Excl. 2020 (1)	Private Targets (2)	Public Targets (3)	Excl. 2020 (4)	Private Targets (5)	Public Targets (6)
Privacy-Sensitive Industry	0.0204 (0.0262)	-0.0369 (0.0304)	0.2599*** (0.0589)	-0.0297 (0.0324)	-0.0851*** (0.0112)	0.1669 (0.1245)
Privacy-Sensitive × EU Target	-0.0704* (0.0364)	-0.0394 (0.0421)	-0.0870 (0.0794)	-0.0181 (0.0428)	0.0110 (0.0347)	0.0263 (0.1395)
Privacy-Sensitive × Post-Enactment	0.0302* (0.0174)	0.0137 (0.0191)	0.0959 (0.0694)	0.0045 (0.0229)	0.0018 (0.0315)	0.0447 (0.0656)
EU Target × Post-Enactment	0.0606*** (0.0192)	0.0357* (0.0200)	0.1442*** (0.0483)	0.0347 (0.0257)	0.0388* (0.0235)	0.0830* (0.0491)
Privacy-Sensitive × EU × Post-Enactment	-0.1534*** (0.0342)	-0.1259*** (0.0373)	-0.2395 (0.1520)	-0.1318*** (0.0382)	-0.1199** (0.0481)	-0.2221 (0.1514)
Target country/state FEs	✓	✓	✓	✓	✓	✓
Year-month FEs	✓	✓	✓	✓	✓	✓
Observations	13,925	12,222	2,227	12,628	10,943	2,118
Adjusted R ²	0.04702	0.06102	0.10369	0.14943	0.15908	0.17008

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(All-Cash Payment)*, equals one if every component of the consideration SDC lists is cash, and zero if any component is stock, an earnout, debt or another non-cash item. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025 for which SDC lists the components of the consideration: 53% of the completed deals with public strategic acquirers (EU-based targets: 39%, US-based: 51%, RoW: 65%). The sample keeps publicly listed strategic acquirers only, excluding private and subsidiary acquirers as well as financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by country/state and year-month fixed effects and are not reported. All columns use the baseline specification with target country/state and year-month fixed effects. Columns 1 and 4 exclude deals announced in 2020 (COVID-19), columns 2 and 5 keep private targets only, and columns 3 and 6 keep public targets only. Targets with subsidiary status (259 deals in the EU vs. USA sample, 299 in the EU vs. RoW sample) are in neither the private-target nor the public-target columns. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 29: GDPR Enactment and All-Cash Payment: Triple-Differences, Public Acquirers

Dependent Variable:	Prob.(All-Cash Payment)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	0.0080 (0.0260)	0.0015 (0.0281)		-0.0138 (0.0311)	-0.0243 (0.0295)	
Privacy-Sensitive × EU Target	-0.0521 (0.0357)	-0.0469 (0.0362)		-0.0253 (0.0398)	-0.0143 (0.0391)	
Privacy-Sensitive × Post-Enactment	0.0399* (0.0205)	0.0288 (0.0191)		-0.0104 (0.0283)	-0.0120 (0.0282)	
EU Target × Post-Enactment	0.0818*** (0.0164)	0.0712*** (0.0161)		0.0351 (0.0240)	0.0317 (0.0239)	
Privacy-Sensitive × EU × Post-Enactment	-0.1655*** (0.0382)	-0.1553*** (0.0380)	-0.1255*** (0.0377)	-0.1226*** (0.0422)	-0.1228*** (0.0422)	-0.0998*** (0.0322)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓	✓	✓	✓	✓
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target public status FEs		✓			✓	
Observations	16,392	16,392	16,085	14,583	14,583	14,447
Adjusted R ²	0.05432	0.07005	0.13232	0.15154	0.16488	0.21864

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(All-Cash Payment)*, equals one if every component of the consideration SDC lists is cash, and zero if any component is stock, an earnout, debt or another non-cash item. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025 for which SDC lists the components of the consideration: 53% of the completed deals with public acquirers (EU-based targets: 38%, US-based: 52%, RoW: 65%). The sample keeps publicly listed acquirers only, excluding private and subsidiary acquirers; financial acquirers and LBOs are included. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target public status fixed effects (public, private, or subsidiary target; all acquirers are public), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 30: GDPR Enactment and All-Cash Payment: Triple-Differences by Acquirer Status, Strategic Acquirers

Dependent Variable:	Prob.(All-Cash Payment)							
	EU vs. USA				EU vs. RoW			
	All Strategic (1)	Public Acquirers (2)	Private Acquirers (3)	Subsidiary Acquirers (4)	All Strategic (5)	Public Acquirers (6)	Private Acquirers (7)	Subsidiary Acquirers (8)
Privacy-Sensitive Industry	-0.0222 (0.0289)	0.0201 (0.0262)	-0.0841*** (0.0326)	0.0110 (0.0701)	-0.0408 (0.0460)	-0.0310 (0.0322)	-0.0442 (0.0482)	-0.0537 (0.0574)
Privacy-Sensitive × EU Target	-0.0572 (0.0396)	-0.0701* (0.0365)	0.0234 (0.0541)	-0.0779 (0.0811)	-0.0364 (0.0539)	-0.0169 (0.0428)	0.0075 (0.0644)	0.0003 (0.0797)
Privacy-Sensitive × Post-Enactment	-0.0269 (0.0200)	0.0272 (0.0210)	0.0201 (0.0450)	-0.0908** (0.0426)	-0.0387 (0.0353)	-0.0026 (0.0267)	-0.0363 (0.0543)	-0.0118 (0.0447)
EU Target × Post-Enactment	-0.0095 (0.0153)	0.0637*** (0.0191)	-0.0335* (0.0197)	-0.0198 (0.0242)	-0.0316 (0.0231)	0.0397 (0.0263)	-0.0303 (0.0427)	-0.0139 (0.0228)
Privacy-Sensitive × EU × Post-Enactment	-0.0738** (0.0322)	-0.1588*** (0.0349)	-0.0454 (0.0661)	0.0383 (0.0626)	-0.0622 (0.0455)	-0.1334*** (0.0396)	-0.0134 (0.0810)	-0.0565 (0.0675)
Target country/state FEs	✓	✓	✓	✓	✓	✓	✓	✓
Year-month FEs	✓	✓	✓	✓	✓	✓	✓	✓
Observations	23,374	14,716	4,761	3,897	21,438	13,367	4,425	3,646
Adjusted R ²	0.05970	0.05035	0.03714	0.06112	0.12809	0.15576	0.04680	0.06774

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(All-Cash Payment)*, equals one if every component of the consideration SDC lists is cash, and zero if any component is stock, an earnout, debt or another non-cash item. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–4 use US-based targets as the control group, columns 5–8 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025 for which SDC lists the components of the consideration: 26% of the completed deals with strategic acquirers (EU-based targets: 15%, US-based: 24%, RoW: 42%). The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by country/state and year-month fixed effects and are not reported. All columns use the baseline specification with target country/state and year-month fixed effects. Columns 1 and 5 keep all strategic acquirers, columns 2 and 6 keep public acquirers only, columns 3 and 7 keep private acquirers only, and columns 4 and 8 keep subsidiary acquirers only. Acquirer status is the status of the acquirer itself, so subsidiaries of listed firms are subsidiary acquirers. Every acquirer in the sample is public, private or a subsidiary. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 31: GDPR Enactment and Public Acquirers: Triple-Differences, Strategic Acquirers

Dependent Variable:	Prob.(Public Acquirer)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	0.0807*** (0.0135)	0.0799*** (0.0137)		0.0508 (0.0452)	0.0451 (0.0441)	
Privacy-Sensitive × EU Target	0.0145 (0.0284)	0.0097 (0.0288)		0.0471 (0.0519)	0.0504 (0.0499)	
Privacy-Sensitive × Post-Enactment	0.0933*** (0.0184)	0.0945*** (0.0185)		0.0351 (0.0471)	0.0301 (0.0429)	
EU Target × Post-Enactment	0.0637*** (0.0194)	0.0606*** (0.0194)		0.0903*** (0.0243)	0.0799*** (0.0197)	
Privacy-Sensitive × EU × Post-Enactment	-0.0718** (0.0299)	-0.0694** (0.0305)	-0.0590 (0.0361)	-0.0180 (0.0547)	-0.0128 (0.0501)	0.0084 (0.0512)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓	✓	✓	✓	✓
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target public status FEs		✓			✓	
Observations	23,374	23,374	23,162	21,438	21,438	21,339
Adjusted R ²	0.04924	0.05098	0.10003	0.05783	0.07100	0.09359

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Public Acquirer)*, equals one if the acquirer itself is publicly listed, and zero otherwise; subsidiaries of listed firms count as not listed. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025 for which SDC lists the components of the consideration: 26% of the completed deals with strategic acquirers (EU-based targets: 15%, US-based: 24%, RoW: 42%). The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target public status fixed effects (public, private, or subsidiary target), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 32: GDPR Enactment and All-Cash Payment: Triple-Differences (Broad Privacy-Sensitive Definition), Public Strategic Acquirers

Dependent Variable:	Prob.(All-Cash Payment)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	-0.1042*** (0.0205)	-0.0927*** (0.0195)		0.0571** (0.0264)	0.0384 (0.0270)	
Privacy-Sensitive × EU Target	-0.0253 (0.0283)	-0.0314 (0.0269)		-0.1817*** (0.0336)	-0.1563*** (0.0342)	
Privacy-Sensitive × Post-Enactment	-0.0866*** (0.0247)	-0.0882*** (0.0227)		-0.0671* (0.0367)	-0.0665* (0.0386)	
EU Target × Post-Enactment	-0.0132 (0.0320)	-0.0207 (0.0288)		0.0020 (0.0293)	0.0007 (0.0311)	
Privacy-Sensitive × EU × Post-Enactment	0.0504 (0.0381)	0.0445 (0.0379)	0.0155 (0.0421)	0.0248 (0.0495)	0.0165 (0.0517)	0.0312 (0.0531)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓	✓	✓	✓	✓
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target public status FEs		✓			✓	
Observations	14,716	14,716	14,390	13,367	13,367	13,222
Adjusted R ²	0.06713	0.08495	0.13108	0.15832	0.17157	0.22691

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(All-Cash Payment)*, equals one if every component of the consideration SDC lists is cash, and zero if any component is stock, an earnout, debt or another non-cash item. *Privacy-Sensitive Industry* (broad definition) equals one for targets in High Technology, Financials, Retail, Consumer Products and Services, Healthcare, or Media and Entertainment, the industries whose 2010–2015 merger agreements mention personal data more often than average (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025 for which SDC lists the components of the consideration: 53% of the completed deals with public strategic acquirers (EU-based targets: 39%, US-based: 51%, RoW: 65%). The sample keeps publicly listed strategic acquirers only, excluding private and subsidiary acquirers as well as financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target public status fixed effects (public, private, or subsidiary target; all acquirers are public), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 33: GDPR Enactment and Stock Payment: Triple-Differences, Sample Variants, Public Strategic Acquirers

Dependent Variable:	Prob.(Any Stock Payment)					
	EU vs. USA			EU vs. RoW		
	Excl. 2020 (1)	Private Targets (2)	Public Targets (3)	Excl. 2020 (4)	Private Targets (5)	Public Targets (6)
Privacy-Sensitive Industry	-0.0269 (0.0166)	0.0304 (0.0199)	-0.2667*** (0.0673)	0.0260 (0.0239)	0.0837*** (0.0157)	-0.1768 (0.1139)
Privacy-Sensitive × EU Target	0.0385 (0.0257)	0.0070 (0.0287)	0.0873 (0.0910)	-0.0143 (0.0318)	-0.0426 (0.0269)	-0.0167 (0.1313)
Privacy-Sensitive × Post-Enactment	-0.0534** (0.0245)	-0.0317 (0.0265)	-0.0582 (0.0701)	-0.0162 (0.0222)	-0.0147 (0.0372)	-0.0229 (0.0584)
EU Target × Post-Enactment	-0.0965*** (0.0163)	-0.0640*** (0.0181)	-0.1403*** (0.0536)	-0.0487** (0.0231)	-0.0502** (0.0228)	-0.0691 (0.0475)
Privacy-Sensitive × EU × Post-Enactment	0.1595*** (0.0348)	0.1354*** (0.0371)	0.2219 (0.1530)	0.1257*** (0.0339)	0.1184** (0.0478)	0.2106 (0.1601)
Target country/state FEs	✓	✓	✓	✓	✓	✓
Year-month FEs	✓	✓	✓	✓	✓	✓
Observations	13,925	12,222	2,227	12,628	10,943	2,118
Adjusted R ²	0.04683	0.05918	0.10446	0.14326	0.14760	0.16118

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Any Stock Payment)*, equals one if the consideration SDC lists includes shares of the acquirer (common, ordinary or preferred shares), and zero otherwise. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025 for which SDC lists the components of the consideration: 53% of the completed deals with public strategic acquirers (EU-based targets: 39%, US-based: 51%, RoW: 65%). The sample keeps publicly listed strategic acquirers only, excluding private and subsidiary acquirers as well as financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by country/state and year-month fixed effects and are not reported. All columns use the baseline specification with target country/state and year-month fixed effects. Columns 1 and 4 exclude deals announced in 2020 (COVID-19), columns 2 and 5 keep private targets only, and columns 3 and 6 keep public targets only. Targets with subsidiary status (259 deals in the EU vs. USA sample, 299 in the EU vs. RoW sample) are in neither the private-target nor the public-target columns. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 34: GDPR Enactment and Stock Payment: Triple-Differences, Public Acquirers

Dependent Variable:	Prob.(Any Stock Payment)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	-0.0195 (0.0160)	-0.0103 (0.0173)		0.0122 (0.0235)	0.0275 (0.0215)	
Privacy-Sensitive × EU Target	0.0261 (0.0234)	0.0228 (0.0231)		-0.0060 (0.0296)	-0.0183 (0.0280)	
Privacy-Sensitive × Post-Enactment	-0.0462* (0.0269)	-0.0310 (0.0252)		-0.0026 (0.0271)	-0.0005 (0.0257)	
EU Target × Post-Enactment	-0.1185*** (0.0144)	-0.1011*** (0.0143)		-0.0491** (0.0220)	-0.0429** (0.0211)	
Privacy-Sensitive × EU × Post-Enactment	0.1575*** (0.0362)	0.1411*** (0.0364)	0.1171*** (0.0365)	0.1190*** (0.0367)	0.1173*** (0.0370)	0.0861*** (0.0315)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓	✓	✓	✓	✓
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target public status FEs		✓			✓	
Observations	16,392	16,392	16,085	14,583	14,583	14,447
Adjusted R ²	0.05501	0.08693	0.13641	0.14277	0.16849	0.22164

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Any Stock Payment)*, equals one if the consideration SDC lists includes shares of the acquirer (common, ordinary or preferred shares), and zero otherwise. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025 for which SDC lists the components of the consideration: 53% of the completed deals with public acquirers (EU-based targets: 38%, US-based: 52%, RoW: 65%). The sample keeps publicly listed acquirers only, excluding private and subsidiary acquirers; financial acquirers and LBOs are included. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target public status fixed effects (public, private, or subsidiary target; all acquirers are public), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 35: GDPR Enactment and Stock Payment: Triple-Differences by Acquirer Status, Strategic Acquirers

Dependent Variable:	Prob.(Any Stock Payment)							
	EU vs. USA				EU vs. RoW			
	All Strategic (1)	Public Acquirers (2)	Private Acquirers (3)	Subsidiary Acquirers (4)	All Strategic (5)	Public Acquirers (6)	Private Acquirers (7)	Subsidiary Acquirers (8)
Privacy-Sensitive Industry	0.0111 (0.0146)	-0.0269 (0.0167)	0.0778*** (0.0296)	-0.0001 (0.0161)	0.0247 (0.0348)	0.0269 (0.0240)	-0.0097 (0.0174)	0.0176 (0.0377)
Privacy-Sensitive × EU Target	0.0211 (0.0193)	0.0378 (0.0259)	-0.0609 (0.0423)	0.0064 (0.0269)	0.0072 (0.0378)	-0.0155 (0.0320)	0.0201 (0.0373)	-0.0059 (0.0504)
Privacy-Sensitive × Post-Enactment	-0.0028 (0.0229)	-0.0444 (0.0286)	-0.0406 (0.0446)	-0.0037 (0.0321)	0.0311 (0.0289)	-0.0081 (0.0270)	0.0741** (0.0315)	-0.0019 (0.0426)
EU Target × Post-Enactment	-0.0371*** (0.0116)	-0.0983*** (0.0159)	-0.0009 (0.0117)	-0.0132 (0.0122)	0.0105 (0.0179)	-0.0557** (0.0241)	0.0062 (0.0346)	-0.0023 (0.0099)
Privacy-Sensitive × EU × Post-Enactment	0.0826*** (0.0281)	0.1649*** (0.0388)	0.0834 (0.0626)	-0.0022 (0.0406)	0.0484 (0.0350)	0.1320*** (0.0388)	-0.0243 (0.0609)	-0.0057 (0.0601)
Target country/state FEs	✓	✓	✓	✓	✓	✓	✓	✓
Year-month FEs	✓	✓	✓	✓	✓	✓	✓	✓
Observations	23,374	14,716	4,761	3,897	21,438	13,367	4,425	3,646
Adjusted R ²	0.04931	0.04969	0.03708	0.01480	0.12101	0.14906	0.04970	0.06686

Notes: The unit of observation is a completed M&A deal. The dependent variable, *Prob.(Any Stock Payment)*, equals one if the consideration SDC lists includes shares of the acquirer (common, ordinary or preferred shares), and zero otherwise. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–4 use US-based targets as the control group, columns 5–8 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample covers deals announced from 2010 through 2025 for which SDC lists the components of the consideration: 26% of the completed deals with strategic acquirers (EU-based targets: 15%, US-based: 24%, RoW: 42%). The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by country/state and year-month fixed effects and are not reported. All columns use the baseline specification with target country/state and year-month fixed effects. Columns 1 and 5 keep all strategic acquirers, columns 2 and 6 keep public acquirers only, columns 3 and 7 keep private acquirers only, and columns 4 and 8 keep subsidiary acquirers only. Acquirer status is the status of the acquirer itself, so subsidiaries of listed firms are subsidiary acquirers. Every acquirer in the sample is public, private or a subsidiary. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 36: GDPR Enactment and Deal Withdrawals: Triple-Differences, Strategic Acquirers

Dependent Variable:	Prob.(Deal Withdrawn)					
	EU vs. USA			EU vs. RoW		
	Baseline (1)	Status FE (2)	Pairwise FE (3)	Baseline (4)	Status FE (5)	Pairwise FE (6)
Privacy-Sensitive Industry	-0.0054** (0.0023)	-0.0038* (0.0020)		-0.0199** (0.0082)	-0.0148*** (0.0040)	
Privacy-Sensitive × EU Target	0.0010 (0.0032)	-0.0030 (0.0030)		0.0154* (0.0084)	0.0058 (0.0038)	
Privacy-Sensitive × Post-Enactment	0.0029 (0.0029)	0.0030 (0.0030)		0.0076 (0.0065)	0.0069 (0.0054)	
EU Target × Post-Enactment	0.0027 (0.0018)	0.0011 (0.0018)		0.0162 (0.0101)	0.0116 (0.0097)	
Privacy-Sensitive × EU × Post-Enactment	0.0007 (0.0037)	0.0019 (0.0038)	0.0014 (0.0037)	-0.0037 (0.0067)	-0.0008 (0.0054)	0.0035 (0.0045)
Target country/state FEs	✓	✓		✓	✓	
Year-month FEs	✓	✓	✓	✓	✓	✓
Target industry-year FEs			✓			✓
Target country/state-year FEs			✓			✓
Target country/state-industry FEs			✓			✓
Target-acquirer public status FEs		✓			✓	
Observations	99,601	99,601	99,586	70,686	70,686	70,680
Mean of dep. var.	0.0106	0.0106	0.0106	0.0221	0.0221	0.0221
Adjusted R ²	0.00572	0.05117	0.01513	0.02382	0.06636	0.03869

Notes: The unit of observation is an announced M&A deal that was either completed or withdrawn; deals SDC lists as pending, intended or of unknown status are excluded. The dependent variable, *Prob.(Deal Withdrawn)*, equals one if SDC reports the deal as withdrawn. The sample covers deals announced through 2023. *Privacy-Sensitive Industry* (core definition) equals one for targets in High Technology, the industry whose 2010–2015 merger agreements mention personal data most often (Appendix Table 13). Treatment group: EU-based targets. Columns 1–3 use US-based targets as the control group, columns 4–6 rest-of-world targets. *Post-Enactment* equals one for deals announced from May 2016 onward, the first complete month following GDPR enactment (April 14, 2016). The sample keeps strategic acquirers only, excluding financial acquirers, investor groups and LBOs. Main effects of *EU Target* and *Post-Enactment* are absorbed by the fixed effects and are not reported. Columns 1 and 4 are the baseline specification, columns 2 and 5 add target-acquirer public status fixed effects (one for each pair of target and acquirer status: public, private, or subsidiary), and columns 3 and 6 include target country/state × macro industry, country/state × announcement-year and macro industry × announcement-year fixed effects in addition to the year-month fixed effects. Coefficients that a column's fixed effects absorb, fully or except for the months of the announcement year before the GDPR date, are not reported. *Mean of dep. var.* is the mean of the dependent variable in each column's estimation sample. Standard errors, reported in parentheses, are clustered at the target country/state level. Significance: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.