



M&A MARKET MONITOR

AUTOMOTIVE

January 2021

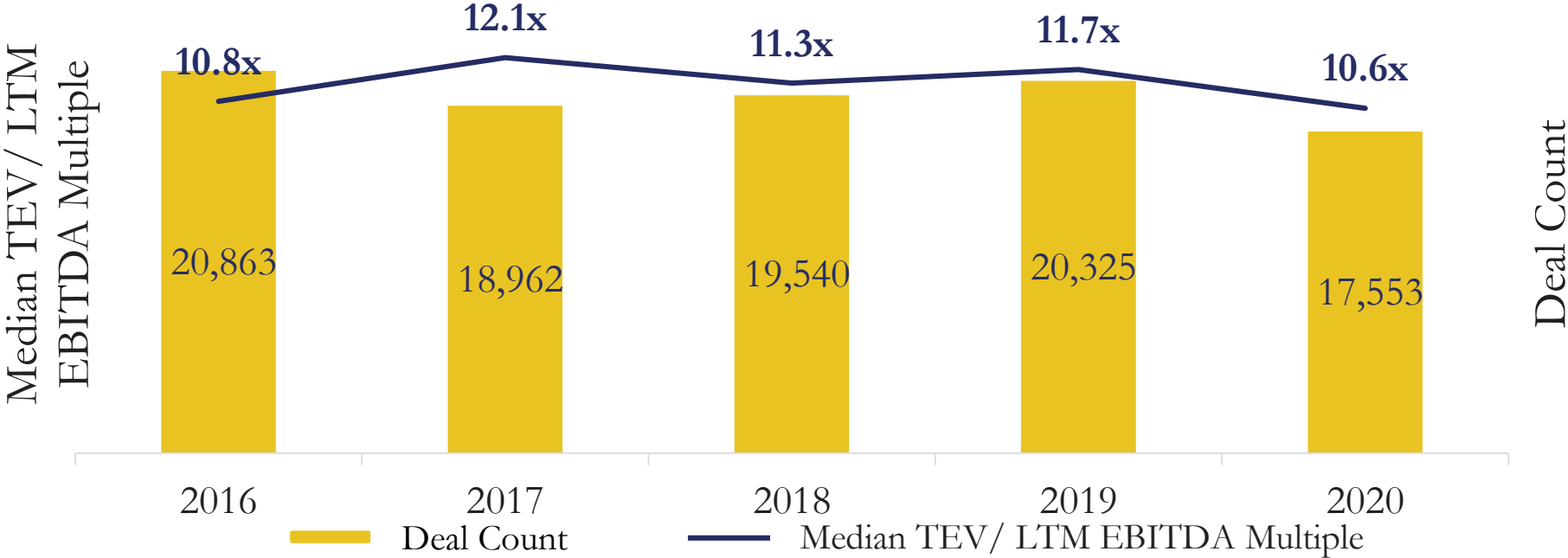
U.S. & Canada M&A Market Overview



Overall Market Transactions

Quick Highlights

- Although the pandemic affected the U.S. & Canada M&A market, volume and multiples ended the year at approximately 90% of recent historical averages
 - 2020 deal count was 88% of the previous 4-year (2016-2019) average
 - 2020 median TEV/LTM EBITDA multiple was 92% of the previous 4-year (2016-2019) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources, As of 12/31/2020

About the Data

The information presented in this report is an analysis of deals in the United States or Canada. A deal is described as any closed or announced M&A transaction where the target is headquartered in the United States or Canada, financial terms of the transaction have been disclosed, and the target has an industry classification that falls into the subject industry group and as such may not be representative of your company's market valuation. Past performance is not indicative of future results. Certain adjustments have been made to the information to exclude transactions which are not specific to the industry or incorporate relevant transactions for which an industry classification was omitted.

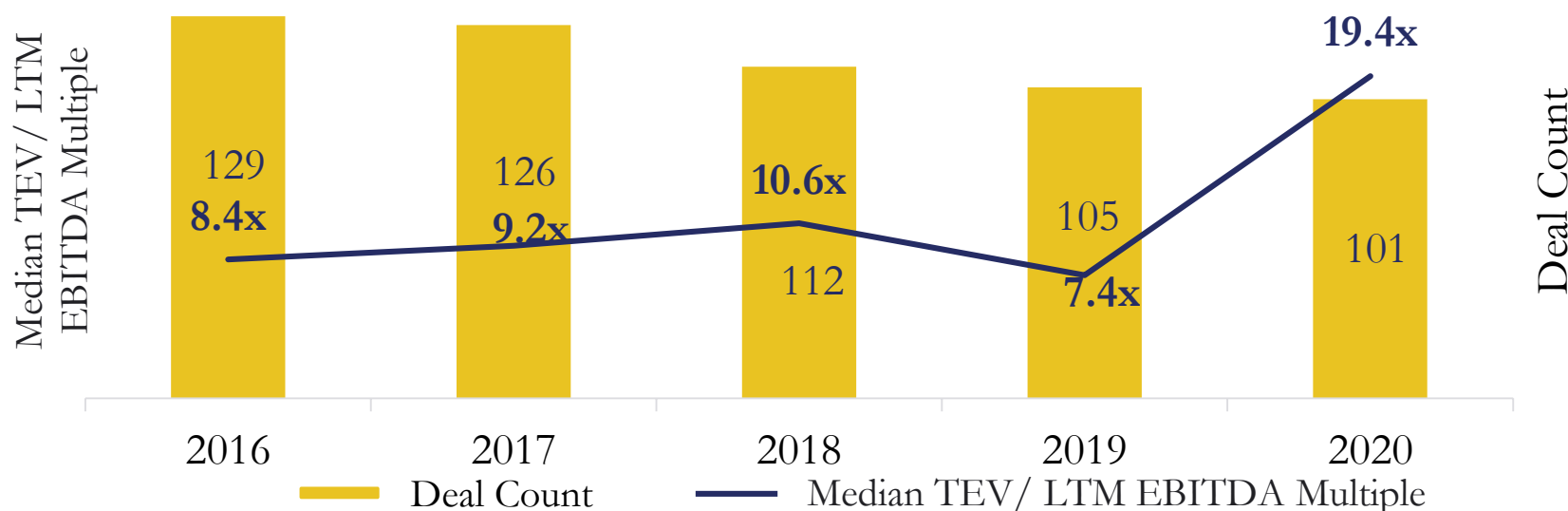
U.S. & Canada M&A Market Overview

Automotive Transactions



Quick Highlights

- The Automotive industry 2020 multiples exceeded historical averages while deal count declined
 - 2020 deal count was 86% of the previous 4-year (2016-2019) average
 - 2020 median TEV/LTM EBITDA multiple was 219% of the previous 4-year (2016-2019) average
 - As a result of the pandemic, the industry saw a dramatic decline and subsequent recovery in EBITDA during 2020 causing a spike in multiples when looking at LTM financials



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources

As of 12/31/2020

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Public Companies' Trading Metrics | Automotive



As of: 12/31/2020

Category / Company	Valuation Statistics					Multiples Data			
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)		EV / EBITDA (x)		
					LTM	NTM	LTM	NTM	
USD in millions except per share price									
Asian OEMs									
FAW Jiefang Group Co., Ltd	\$1.79	\$8,247	\$2,963	2.8%	0.4	0.2	15.7		3.0
Geely Automobile Holdings Limited	\$3.42	\$33,552	\$31,383	8.0%	2.6	2.1	28.3		15.6
Honda Motor Co., Ltd.	\$27.88	\$48,158	\$98,621	7.7%	0.8	0.7	8.8		9.8
Hyundai Motor Company	\$176.43	\$37,190	\$100,330	4.9%	1.1	1.0	21.3		10.9
Kia Corporation	\$57.34	\$22,989	\$19,122	6.1%	0.4	0.3	5.5		3.7
Mazda Motor Corporation	\$6.70	\$4,223	\$5,654	2.0%	0.2	0.2	8.9		4.6
Mitsubishi Motors Corporation	\$2.10	\$3,129	\$3,758	-0.6%	0.2	0.2	NM		21.4
Nissan Motor Co., Ltd.	\$5.43	\$21,232	\$81,013	1.1%	1.0	0.9	NM		46.1
SAIC Motor Corporation Limited	\$3.74	\$43,475	\$44,445	3.0%	0.4	0.4	12.6		8.7
Subaru Corporation	\$19.98	\$15,325	\$8,027	11.7%	0.3	0.2	2.4		2.8
Suzuki Motor Corporation	\$46.33	\$22,489	\$23,115	10.6%	0.8	0.7	7.4		6.7
Tata Motors Limited	\$2.52	\$8,294	\$18,464	3.2%	0.6	0.5	17.2		4.6
Toyota Motor Corporation	\$77.10	\$215,561	\$367,317	12.2%	1.5	1.3	11.4		14.6
Median	\$6.70	\$22,489	\$23,115	4.9%	0.6	0.5	11.4		8.7
Automotive Dealers									
Advance Auto Parts, Inc.	\$157.51	\$10,615	\$13,038	10.3%	1.3	1.3	7.8		11.3
Asbury Automotive Group, Inc.	\$145.74	\$2,811	\$5,155	5.8%	0.8	0.6	12.2		10.7
AutoNation, Inc.	\$69.79	\$6,132	\$10,485	5.3%	0.5	0.5	9.2		8.7
AutoZone, Inc.	\$1,185.44	\$26,980	\$33,692	23.2%	2.6	2.6	10.0		11.8
CarMax, Inc.	\$94.46	\$15,400	\$30,552	6.4%	1.5	1.4	17.9		19.3
Group 1 Automotive, Inc.	\$131.14	\$2,313	\$4,987	5.0%	0.5	0.4	8.5		8.3
Lithia Motors, Inc.	\$292.67	\$7,763	\$11,415	5.5%	0.9	0.7	14.2		13.1
Monro, Inc.	\$53.30	\$1,775	\$2,534	13.0%	2.2	2.1	13.8		14.6
O'Reilly Automotive, Inc.	\$452.57	\$32,788	\$37,707	23.4%	3.3	3.3	12.6		14.6
Penske Automotive Group, Inc.	\$59.39	\$4,771	\$11,939	3.2%	0.6	0.5	10.8		11.9
Sonic Automotive, Inc.	\$38.57	\$1,622	\$3,709	4.1%	0.4	0.3	8.1		8.5
Median	\$131.14	\$6,132	\$11,415	5.8%	0.9	0.7	10.8		11.8

Source: S&P Capital IQ; ArkMalibu

EV = enterprise value; LTM = last twelve months; NTM = next twelve months; NM = not meaningful

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					LTM	NTM	LTM	NTM
USD in millions except per share price								
Automotive Suppliers								
Adient plc	\$34.77	\$3,265	\$6,585	2.9%	0.5	0.4	12.2	6.5
Aisin Seiki Co., Ltd.	\$29.99	\$8,082	\$15,837	7.8%	0.5	0.4	6.1	4.1
American Axle & Manufacturing Holdings, Inc.	\$8.34	\$945	\$4,042	13.4%	0.9	0.7	6.4	4.3
Aptiv PLC	\$130.29	\$35,182	\$37,675	11.4%	3.0	2.5	25.1	16.0
Autoliv, Inc.	\$92.10	\$8,044	\$9,751	13.5%	1.4	1.1	9.6	7.0
BorgWarner Inc.	\$38.64	\$9,448	\$10,324	15.3%	1.2	0.7	7.6	5.2
Continental Aktiengesellschaft	\$150.58	\$29,664	\$36,300	13.8%	0.8	NM	5.3	NM
Cooper-Standard Holdings Inc.	\$34.67	\$586	\$1,290	0.1%	0.5	0.5	32.4	5.5
Dana Incorporated	\$19.52	\$2,820	\$5,225	8.1%	0.7	0.6	8.1	5.9
DENSO Corporation	\$59.43	\$46,054	\$48,280	4.0%	1.1	0.9	26.5	7.0
Faurecia S.E.	\$51.27	\$7,019	\$12,351	6.8%	0.7	0.6	8.4	5.3
Lear Corporation	\$159.03	\$9,548	\$11,385	6.9%	0.7	0.6	8.5	6.3
Magna International Inc.	\$70.72	\$21,164	\$25,810	8.3%	0.8	0.7	7.9	6.4
Schaeffler AG	\$8.35	\$5,568	\$8,992	12.4%	0.6	NM	4.6	NM
The Goodyear Tire & Rubber Company	\$10.91	\$2,543	\$9,194	3.8%	0.7	0.7	12.0	7.2
Valeo SA	\$39.49	\$9,482	\$15,828	5.3%	0.8	0.7	19.0	6.9
Visteon Corporation	\$125.52	\$3,494	\$3,704	6.5%	1.5	1.2	18.2	12.7
Median	\$39.49	\$8,044	\$10,324	7.8%	0.8	0.7	8.5	6.4
North American OEMs								
Ford Motor Company	\$8.79	\$34,970	\$164,062	4.5%	1.3	1.2	26.2	16.0
General Motors Company	\$41.64	\$59,600	\$150,645	8.9%	1.3	1.1	13.5	6.4
Tesla, Inc.	\$705.67	\$668,905	\$671,006	14.3%	23.8	15.4	150.9	71.8
Median	\$41.64	\$59,600	\$164,062	8.9%	1.3	1.2	26.2	16.0

Source: S&P Capital IQ; ArkMalibu

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As of: 12/31/2020

Category / Company	Valuation Statistics				Multiples Data			
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)		EV / EBITDA (x)	
LTM					NTM	LTM	NTM	
USD in millions except per share price								
European OEMs								
Bayerische Motoren Werke Aktiengesellschaft	\$88.99	\$57,029	\$170,472	8.9%	1.4	NM	14.2	NM
Daimler AG	\$70.69	\$75,628	\$228,070	4.6%	1.2	1.1	21.1	11.2
Renault SA	\$43.74	\$11,833	\$67,875	5.3%	1.2	1.2	NM	12.0
Volkswagen AG	\$186.45	\$99,847	\$301,197	5.4%	1.1	1.0	15.9	9.0
Median	\$79.84	\$66,328	\$199,271	5.3%	1.2	1.1	15.9	11.2

Source: S&P Capital IQ; ArkMalibu

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Unconflicted. Loyalty to You is our Livelihood

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- We pursue the highest possible value because we're unconflicted.



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We are Anchored to Increasing Your Value

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