



# M&A MARKET MONITOR

AUTOMOTIVE

April 2021

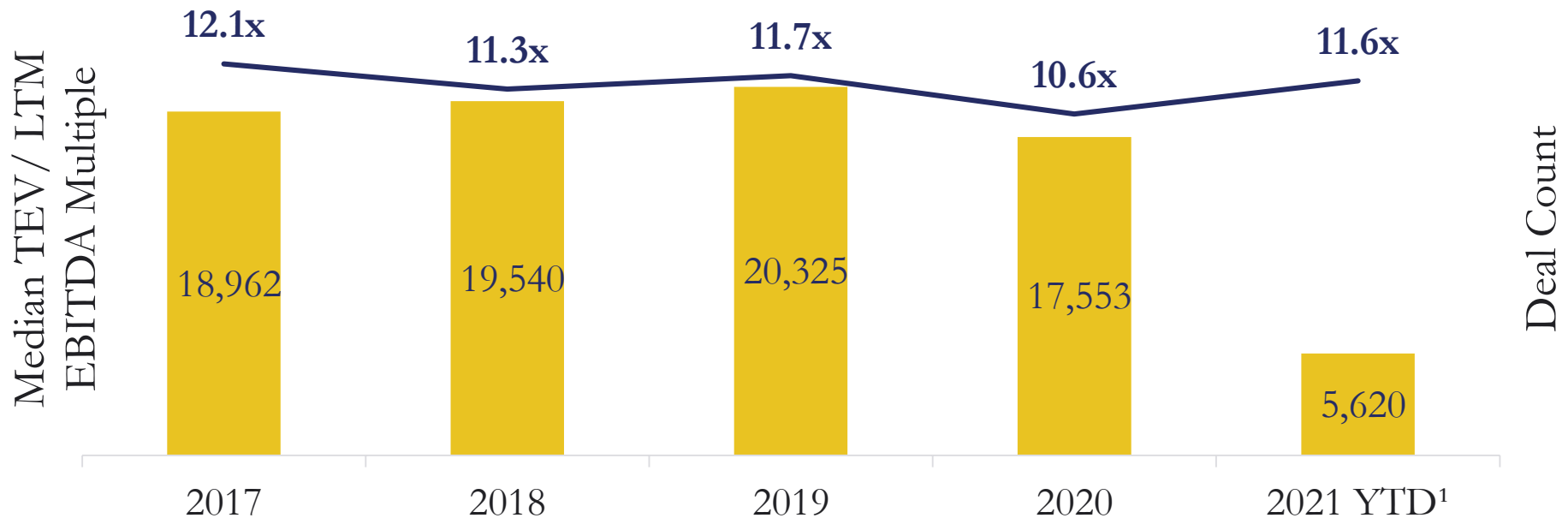
# U.S. & Canada M&A Market Overview



## Overall Market Transactions

### Quick Highlights

- The M&A market surged during the first quarter demonstrated by strong deal count and recovering valuation multiples
  - Annualized 2021 deal count was 118% of the previous 4-year (2017-2020) average
  - Q1 2021 median TEV/LTM EBITDA multiple was in line with the previous 4-year (2017-2020) average



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

<sup>1</sup>YTD as of 03/31/2021

### 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.

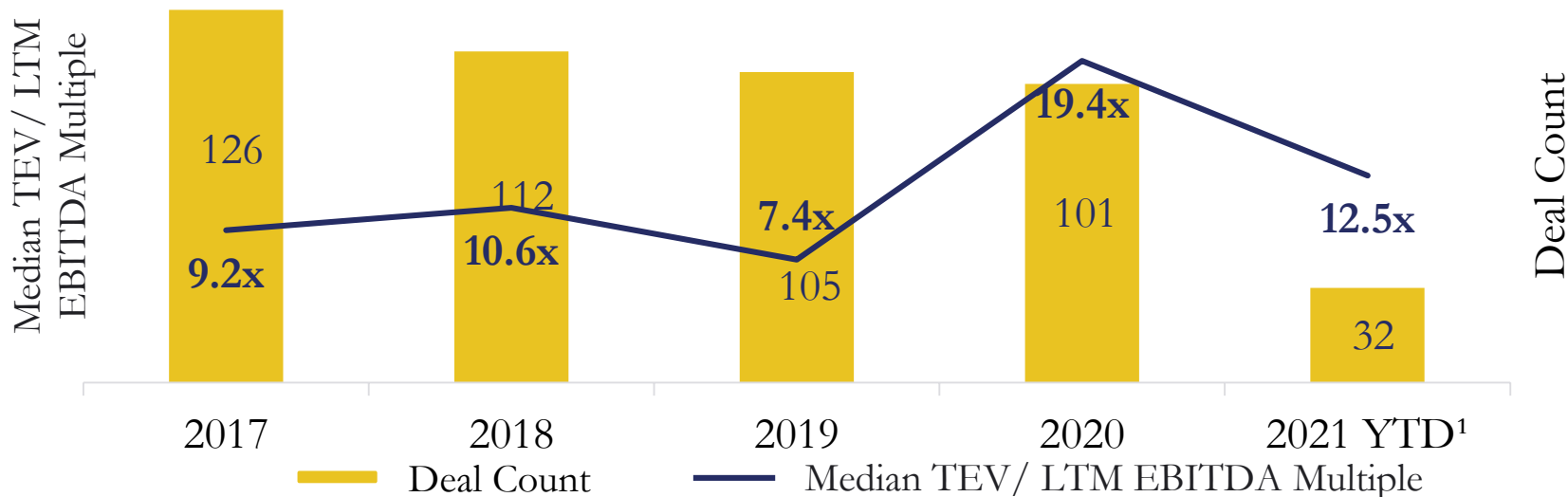
# U.S. & Canada M&A Market Overview



## Automotive Transactions

### Quick Highlights

- The Automotive industry Q1 2021 multiples and deal count exceeded historical averages
  - Annualized 2021 deal count was 115% of the previous 4-year (2017-2020) average
  - Q1 2021 median TEV/LTM EBITDA multiple was 138% of the 2017-2019 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



























<sup>1</sup>YTD as of 03/31/2021

### About the Data

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# Public Companies' Trading Metrics | Automotive

As of: 3/31/2021























Category / Company	Valuation Statistics				Multiples Data						
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)			
					2020A	LTM	NTM	2020A	LTM	NTM	
USD in millions except per share price											
<b>Asian OEMs</b>											
FAW Jiefang Group Co., Ltd	\$1.67	\$7,750	\$4,902	2.5%	0.4	0.3	0.3	15.7	11.4		8.0
Geely Automobile Holdings Limited	\$2.54	\$24,980	\$22,774	6.6%	2.6	1.6	1.4	28.3	20.9		10.5
Honda Motor Co., Ltd.	\$30.01	\$51,815	\$97,255	8.1%	0.8	0.8	0.8	8.8	8.4		9.4
Hyundai Motor Company	\$193.33	\$40,743	\$102,375	5.0%	1.1	1.1	1.0	21.3	20.8		10.5
Kia Corporation	\$73.52	\$29,476	\$25,567	7.2%	0.4	0.5	0.4	5.5	6.6		4.1
Mazda Motor Corporation	\$8.16	\$5,136	\$6,812	2.5%	0.2	0.3	0.2	8.9	9.8		3.9
Mitsubishi Motors Corporation	\$2.85	\$4,236	\$4,426	0.4%	0.2	0.3	0.3	NM	NM		9.6
Nissan Motor Co., Ltd.	\$5.57	\$21,791	\$74,824	0.5%	1.0	1.1	0.9	NM	NM		25.9
SAIC Motor Corporation Limited	\$3.00	\$34,747	\$28,935	4.4%	0.4	0.3	0.2	12.6	5.8		5.8
Subaru Corporation	\$19.93	\$15,282	\$8,384	12.3%	0.3	0.3	0.3	2.4	2.6		3.1
Suzuki Motor Corporation	\$45.43	\$22,061	\$22,637	10.7%	0.8	0.8	0.7	7.4	7.5		6.4
Tata Motors Limited	\$4.13	\$14,590	\$24,741	3.8%	0.6	0.8	0.6	17.2	19.9		4.9
Toyota Motor Corporation	\$77.90	\$217,813	\$363,548	13.2%	1.5	1.5	1.3	11.4	10.9		12.8
<b>Median</b>	<b>\$8.16</b>	<b>\$22,061</b>	<b>\$24,741</b>	<b>5.0%</b>	<b>0.6</b>	<b>0.8</b>	<b>0.6</b>	<b>11.4</b>	<b>9.8</b>		8.0
<b>Automotive Dealers</b>											
Advance Auto Parts, Inc.	\$183.49	\$12,006	\$14,681	10.4%	1.3	1.5	1.4	7.7	8.5		12.8
Asbury Automotive Group, Inc.	\$196.50	\$3,798	\$6,168	6.2%	0.8	0.9	0.7	12.2	12.9		12.8
AutoNation, Inc.	\$93.22	\$7,683	\$12,300	5.7%	0.5	0.6	0.6	9.2	9.9		10.0
AutoZone, Inc.	\$1,404.30	\$30,946	\$38,347	23.4%	2.6	2.9	2.9	10.0	11.0		13.1
CarMax, Inc.	\$132.66	\$21,563	\$36,827	6.4%	1.5	1.9	1.7	17.9	22.1		23.6
Group 1 Automotive, Inc.	\$157.79	\$2,757	\$5,389	5.5%	0.5	0.5	0.4	8.5	8.4		9.6
Lithia Motors, Inc.	\$390.09	\$10,389	\$14,443	6.1%	0.9	1.1	0.8	14.2	15.7		15.1
Monro, Inc.	\$65.80	\$2,200	\$2,987	12.3%	2.2	2.7	2.4	13.8	17.7		15.4
O'Reilly Automotive, Inc.	\$507.25	\$35,461	\$41,119	23.6%	3.3	3.5	3.5	12.6	13.3		15.6
Penske Automotive Group, Inc.	\$80.24	\$6,486	\$13,738	3.7%	0.6	0.7	0.6	10.8	11.3		13.6
Sonic Automotive, Inc.	\$49.57	\$2,038	\$4,244	4.0%	0.4	0.4	0.4	8.1	9.4		10.1
<b>Median</b>	<b>\$157.79</b>	<b>\$7,683</b>	<b>\$13,738</b>	<b>6.2%</b>	<b>0.9</b>	<b>1.1</b>	<b>0.8</b>	<b>10.8</b>	<b>11.3</b>		13.1

Source: S&P Capital IQ; ArkMalibu

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

# Public Companies' Trading Metrics | Automotive

As of: 3/31/2021

Category / Company	Valuation Statistics				Multiples Data						
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)			
					2020A	LTM	NTM	2020A	LTM	NTM	
USD in millions except per share price											
<b>Automotive Suppliers</b>											
Adient plc	\$44.20	\$4,157	\$7,426	3.6%	0.5	0.6	0.5	12.2	8.9		6.7
Aisin Corporation	\$37.98	\$10,235	\$16,568	9.4%	0.5	0.5	0.5	6.1	5.5		4.3
American Axle & Manufacturing Holdings, Inc	\$9.66	\$1,100	\$4,185	15.1%	0.9	0.9	0.8	6.4	5.6		4.6
Aptiv PLC	\$137.90	\$37,297	\$39,172	12.0%	3.0	3.0	2.5	25.1	24.5		16.0
Autoliv, Inc.	\$92.80	\$8,113	\$9,501	11.3%	1.4	1.3	1.0	9.6	10.6		7.3
BorgWarner Inc.	\$46.36	\$11,081	\$13,733	14.8%	1.2	1.4	0.9	7.6	8.8		6.2
Continental Aktiengesellschaft	\$132.63	\$26,456	\$32,058	9.5%	0.8	0.7	NM	5.3	7.1		NM
Cooper-Standard Holdings Inc.	\$36.32	\$614	\$1,328	1.3%	0.5	0.6	0.5	32.3	19.0		6.0
Dana Incorporated	\$24.33	\$3,529	\$5,942	7.6%	0.7	0.8	0.7	8.1	9.7		6.4
DENSO Corporation	\$66.43	\$51,474	\$52,780	6.3%	1.1	1.2	1.1	26.5	19.4		7.6
Faurecia S.E.	\$53.32	\$7,334	\$11,397	6.0%	0.7	0.7	0.6	8.4	9.1		4.1
Lear Corporation	\$181.25	\$10,896	\$12,548	6.6%	0.7	0.7	0.6	8.5	9.4		6.9
Magna International Inc.	\$87.99	\$26,517	\$29,638	9.4%	0.8	0.9	0.7	7.9	8.1		6.7
Schaeffler AG	\$8.88	\$5,925	\$8,837	13.7%	0.6	0.6	NM	4.6	4.3		NM
The Goodyear Tire & Rubber Company	\$17.57	\$4,099	\$9,613	4.2%	0.7	0.8	0.7	12.0	11.9		6.5
Valeo SE	\$34.00	\$8,169	\$12,865	5.2%	0.8	0.7	0.6	19.0	16.1		4.5
Visteon Corporation	\$121.95	\$3,404	\$3,558	6.1%	1.5	1.4	1.2	18.1	17.8		13.7
<b>Median</b>	<b>\$46.36</b>	<b>\$8,113</b>	<b>\$11,397</b>	<b>7.6%</b>	<b>0.8</b>	<b>0.8</b>	<b>0.7</b>	<b>8.5</b>	<b>9.4</b>		6.5
<b>North American OEMs</b>											
Ford Motor Company	\$12.25	\$48,739	\$181,106	3.8%	1.3	1.4	1.3	26.2	33.9		14.6
General Motors Company	\$57.46	\$82,795	\$174,576	11.1%	1.3	1.4	1.2	15.3	12.0		7.4
Tesla, Inc.	\$667.93	\$641,115	\$636,522	13.5%	23.8	20.2	13.2	151.4	134.7		67.9
<b>Median</b>	<b>\$57.46</b>	<b>\$82,795</b>	<b>\$181,106</b>	<b>11.1%</b>	<b>1.3</b>	<b>1.4</b>	<b>1.3</b>	<b>26.2</b>	<b>33.9</b>		14.6

# Public Companies' Trading Metrics | Automotive

As of: 3/31/2021

Category / Company	Valuation Statistics				Multiples Data					
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)		
					2020A	LTM	NTM	2020A	LTM	NTM
USD in millions except per share price										
<b>European OEMs</b>										
Bayerische Motoren Werke Aktiengesellschaft	\$103.87	\$67,104	\$172,826	8.9%	1.4	1.5	NM	14.2	14.5	NM
Daimler AG	\$89.21	\$95,444	\$238,152	8.7%	1.2	1.3	1.2	21.1	13.2	9.5
Renault SA	\$43.35	\$11,781	\$62,646	5.3%	1.2	1.2	1.1	NM	NM	9.6
Volkswagen AG	\$280.05	\$164,838	\$351,773	10.4%	1.1	1.3	1.2	16.2	11.2	8.3
<b>Median</b>	<b>\$96.54</b>	<b>\$81,274</b>	<b>\$205,489</b>	<b>8.8%</b>	<b>1.2</b>	<b>1.3</b>	<b>1.2</b>	<b>16.2</b>	<b>13.2</b>	<b>9.5</b>





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4555 Lake Forest Drive, Suite 365  
Cincinnati, OH 45242



(513) 583-5413



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