

STOUT

Stout Automotive Update

Fall 2026 Update and Outlook

Recent Transaction Spotlight: Project Megatron

Powder Cote II
Powder Coating & Electrocoating Specialists

has been acquired by

Mitre Peak Capital

SELL-SIDE ADVISOR

- Stout served as exclusive financial advisor to Powder Cote II ("PCII"), a full-service finishing solutions provider, on its sale to Southlake, Texas-based private equity firm Mitre Peak Capital
- Thoughtful marketing to a broad group of buyers resulted in sustained initial interest from financial sponsors, strategic buyers, and sponsor-backed strategics
- The deal closed in May 2026 and represents another marquee transaction in 2026 for Stout's Automotive & Transportation Technologies practice
- Read more here

Powder Cote II, Inc.

Founded in 1984 and headquartered in Mt. Clemens, Michigan, with a second campus in Clinton, Tennessee, PCII is a leading, full-service finishing solutions provider specializing in advanced powder coating and electrocoating finishes for automotive, agriculture, and industrial OEM component suppliers.

Mitre Peak Capital

Founded in 2018, Mitre Peak Capital invests in lower middle-market companies with defensible core businesses and the potential for significant value creation through the achievement of strategic and operational objectives. Its team has 30+ years of principal investing experience across 25+ lower middle-market transactions.





CLIENT PERSPECTIVE

After more than four decades in business, we knew PCII needed a succession plan to protect the future of our dedicated employees, our valued customers, and our shareholders.

With guidance from our transaction counsel, Clark Hill, we reviewed proposals from four leading middle-market investment banks that specialize in automotive. Stout was the obvious choice to help us find the best strategic partner to carry on PCII's legacy.

Throughout the engagement, Stout was relentless in preparing PCII and presenting it to the market. Their hard work and knowledge of the players in the automotive market brought us proposals from seven suitors, all of whom stayed engaged right up to the closing.

We selected Mitre Peak Capital as our partner. Mitre Peak specializes in founder- and family-owned businesses, which made the move from private to PE-backed ownership smooth.

*If the need ever arises again, **Stout would be my choice as investment banker**, and Mitre Peak Capital would be my choice as partner."*

Charlie Trott
President, Powder Cote II

Senior Bankers Mike Benson, Mike Jenny, and Dave Hale led the transaction, with support from Zach Ryan, Johnny Lekosiotis, and Sam Garda



Fall 2026 Update and Outlook

INTRODUCTION

Stout is pleased to present our Automotive Industry Fall 2026 Update and Outlook.

The automotive industry is increasingly becoming a market of winners and losers, with performance diverging sharply by customer, powertrain, manufacturing capability, and financial strength. While overall North American vehicle production is expected to remain relatively stable in '26E and '27P, shifting OEM strategies, trade uncertainty, and uneven demand across powertrains create different operating environments for suppliers. EV take rates remain difficult to pin down, as slower-than-expected demand forces industry players to balance investments across EV, hybrid, and ICE platforms rather than committing to a single powertrain solution.

The July 2026 USMCA review concluded without an extension, leaving automotive manufacturers and suppliers facing continued uncertainty over regional sourcing requirements and tariff exposure. The ability to recover higher costs, mitigate tariffs, manage working capital, and maintain manufacturing flexibility remains critical to protecting supplier margins.

These pressures are fueling a selective and temporarily muffled automotive middle-market M&A environment, with year-to-date deal activity down ~9.5% year-over-year. OEMs and suppliers are shifting capital allocations away from EV transformation to more disciplined, capability-driven deals. M&A priorities include technology/software content alignment, supply chain security, tariff mitigation, and non-core divestitures to bolster margins.

KEY THEMES & MACRO TRENDS

- **Stable production masks significant supplier risk:** North American production is projected to decline just 0.6% in 2026, but shifting OEM volumes and varying powertrain strategies are creating uneven earnings performance across suppliers.
- **Trade policy and regional sourcing:** Unresolved USMCA negotiations, tariffs, and increasing competition from Chinese OEMs are influencing sourcing decisions, regional manufacturing footprints, and cost structures.
- **Powertrain mix and technology content:** Divergent demand for ICE, hybrid, and electric vehicles is complicating capacity planning, while increasing electronics, software, and advanced safety content creates drivetrain agnostic opportunities for suppliers.
- **Affordability and aftermarket demand:** Elevated vehicle prices continue to constrain new-vehicle demand, while an aging U.S. vehicle fleet supports aftermarket replacement parts and service activity.
- **Supplier profitability and liquidity:** Pricing pressure, tariff recoveries, working capital requirements, and underutilized manufacturing capacity remain important factors affecting supplier financial performance.
- **M&A activity is down year-over-year, but opportunities remain:** Transaction activity remains selective, with opportunities concentrated in businesses offering durable earnings, differentiated capabilities, aftermarket exposure, or strategic footprint advantages, while supplier distress and portfolio divestitures are creating unique opportunities for well-capitalized buyers.

Recent Automotive Market Updates

Audi *(Oct-26)*

Audi to Build First U.S. Plant in Georgia With $4B Investment

Audi plans to invest about $4B in a Georgia plant producing up to 200,000 premium SUVs a year, with construction starting in 2027 and production in the early 2030s, creating roughly 4,500 jobs.

Read more

Automotive News *(Oct-26)*

Stellantis Brings Suppliers On-Site to Improve Cost and Design

Stellantis will host suppliers at its North American headquarters to collaborate earlier on vehicle design, starting with the next-generation Ram 1500, as it works to repair strained supplier relationships.

Read more

CNBC *(Oct-26)*

Hybrids Lift Toyota and Honda as GM's Q3 U.S. Sales Fall 5.5%

GM's Q3 U.S. sales fell 5.5% as EV volumes dropped sharply, while Toyota's electrified mix reached 57% and Honda set a hybrid sales record, shifting program volumes toward hybrid powertrains.

Read more

Tire Business *(Sep-26)*

Pirelli Commits $1.2B to Expand Georgia Tire Plant

Pirelli will expand its Rome, Georgia plant to about 6 million tires a year by 2033, adding roughly 1,000 jobs under a local-for-local strategy as foreign suppliers build more U.S. capacity.

Read more

CNBC *(Sep-26)*

Nissan Weighs Third Shift as U.S. Plants Hit Capacity

Nissan says its U.S. plants are running at full capacity and is weighing third shifts that could lift output to roughly 1 million vehicles a year, up from about 487,000 in 2025, led by its new Rogue hybrid.

Read more

Reuters *(Aug-26)*

Detroit Big Three Warn USMCA Revamp Could Add Billions in Annual Cost

Washington's push for a 50% U.S.-content rule and a higher overall North American threshold would add at least $2B of annual cost per Detroit automaker.

Read more

Automotive News *(Aug-26)*

VW to Cut Model Range 50%, Variants by 75% to Slash Costs

Volkswagen Group is reducing its model lineup and variants to free cash for innovation, with platform and complexity reduction emerging as margin levers.

Read more

The Wall Street Journal *(Aug-26)*

Samsung SDI Buys GM's Stake in $3.5B Indiana Battery JV

GM exited its ~50% interest in the $3.5B New Carlisle plant, which Samsung SDI will repurpose for stationary storage, a clear sign that OEM EV capital plans and battery JV economics have reset.

Read more

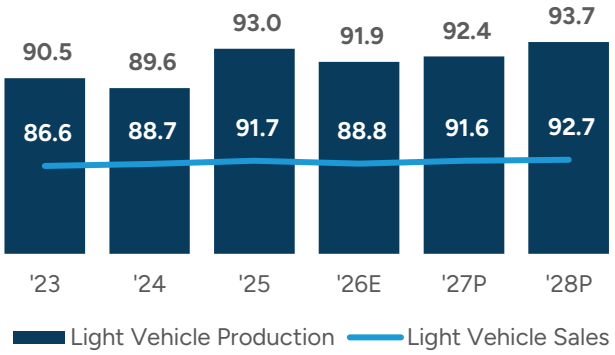
Global Light Vehicle Update

GLOBAL LIGHT VEHICLE TRENDS

Global light vehicle production is estimated at 91.9M units in 2026E, down 1.3% YoY, as weaker output in China and the Middle East/Africa offsets growth in South Asia and South America. Global sales are projected to fall 3.6% to 88.8M, led by a sharp contraction in Greater China.

Production is expected to rise 0.5% to 92.4M in 2027 and 1.4% to 93.7M in 2028, while sales recover 3.1% to 91.6M in 2027. A wider gap between production and sales in 2026 leaves elevated inventory as the key risk if demand slows.

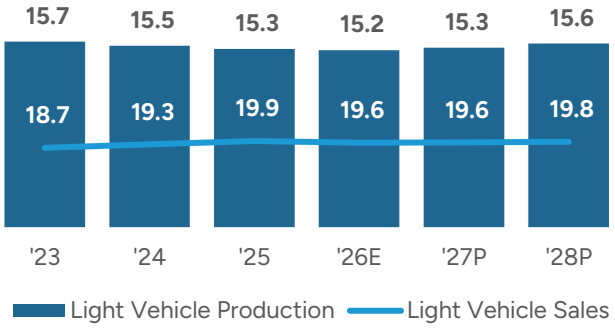
(Units in Millions)



NORTH AMERICAN LIGHT VEHICLE TRENDS

North American light vehicle sales are projected at 19.6M units in 2026E, down 1.5% YoY, with U.S. sales of 16.1M (down 1.8%). U.S. demand has held up better than expected this year, supporting pricing despite ongoing affordability pressure.

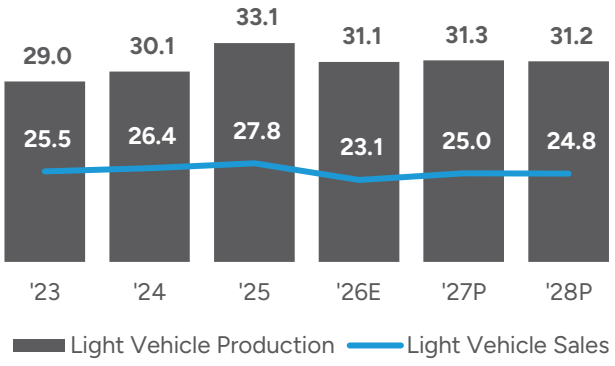
North American production is estimated at 15.2M in 2026E (down 0.6%), rising 1.0% to 15.3M in 2027 and 1.6% to 15.6M in 2028. Sales are expected to hold between 19.6M and 19.8M through 2028. A potential U.S.-Mexico trade agreement and elevated inventory at select OEMs remain key swing factors.



GREATER CHINA LIGHT VEHICLE TRENDS

Greater China light vehicle production is estimated at 31.1M units in 2026E, down 6.0% YoY, as exports partly offset weak domestic demand. Sales are projected to fall 16.9% to 23.1M amid reduced EV incentives and a smaller trade-in program.

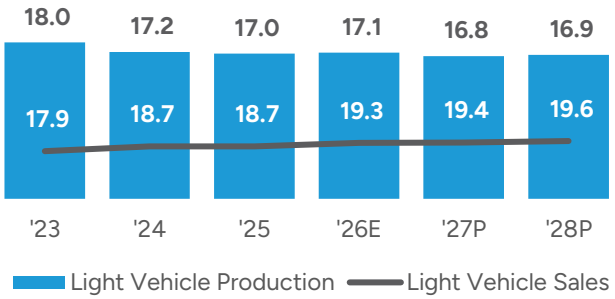
A domestic recovery is expected in 2027, with sales rising 8.2% to 25.0M, though still well below 2025 levels. Production is expected to remain largely flat at 31.3M in 2027 and 31.2M in 2028, as Chinese OEMs increasingly build vehicles overseas rather than exporting from China, while low capacity utilization and price competition limit new domestic output.



EUROPE LIGHT VEHICLE TRENDS

European light vehicle sales are projected to rise 2.6% YoY to 19.3M units in 2026E, supported by rising EV adoption and growing imports from Chinese OEMs.

Production is estimated at 17.1M in 2026E (up 0.4%), declining 1.7% to 16.8M in 2027 before a modest recovery to 16.9M in 2028 as imports meet more regional demand. The outlook assumes the 15% U.S. tariff on EU light vehicles holds.



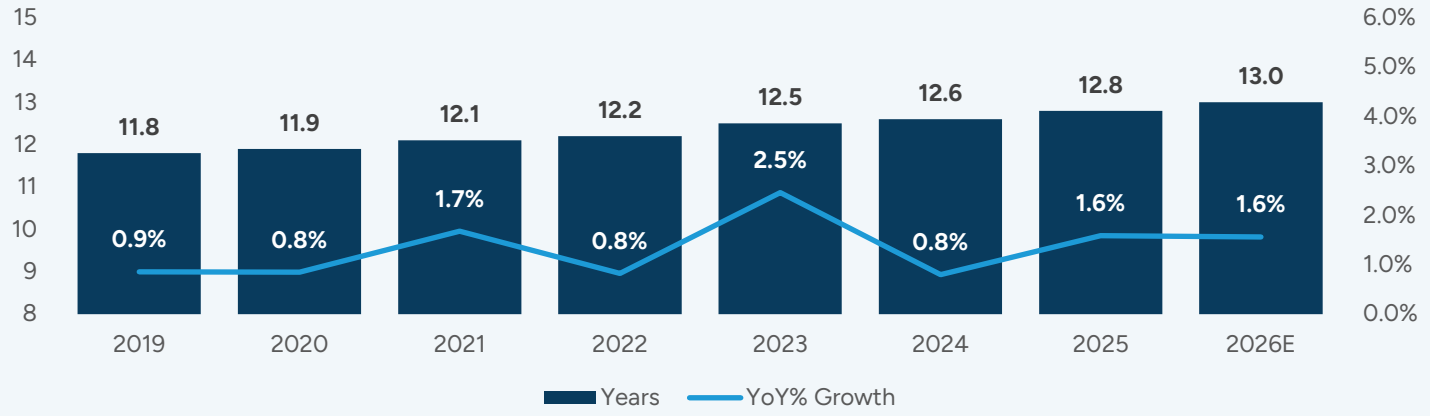
Sources: Mobility Global, RBC Capital Markets, S&P Global Mobility

U.S. Vehicle Demand

PENT-UP DEMAND AND AN AGING FLEET

Supply constraints from 2020 through 2024 held U.S. vehicle sales below the level implied by fleet growth, scrappage, and population trends, creating a cumulative deficit of roughly five million vehicles. Consumers kept vehicles in service longer as a result, and the average age of U.S. light vehicles has risen every year since 2019, reaching a record 12.8 years in 2025 and an estimated 13.0 years in 2026. Sales ran ahead of the implied level in 2025, suggesting the deficit has begun to unwind, but an older fleet and remaining backlog continue to support replacement demand. As affordability improves, aging vehicles are likely to convert into new-vehicle purchases, while also sustaining aftermarket parts and service demand in the meantime.

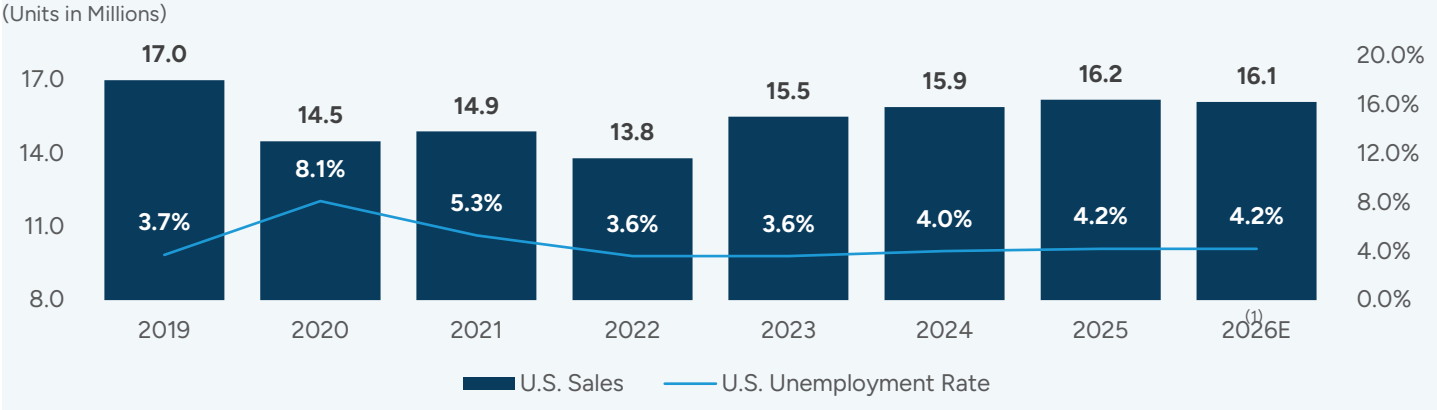
U.S. Average Age per Vehicle Has Been Increasing



LABOR MARKET STRENGTH SUPPORTS THE SALES OUTLOOK

U.S. vehicle sales have historically moved inversely with unemployment, and the labor market remains a source of support. Unemployment spiked to 8.1% in 2020 as sales fell to 14.5M, and the recovery in employment since then has coincided with steady sales growth to 16.2M units in 2025. With unemployment at 4.2% as of September, the U.S. sales pace has remained near 16M units through 2026, supporting OEM pricing discipline. U.S. sales are forecast at 16.1M in 2026, rising modestly to 16.2M by 2028, with affordability and tariff costs the main factors limiting a stronger recovery.

U.S. Vehicle Sales Have Been Inversely Correlated to U.S. Unemployment



Sources: Bureau of Labor Statistics, IHS Markit, Lang Marketing, RBC Capital Markets, S&P Global Mobility
(1) Unemployment rate as of September 2026

Trade, Powertrain, and Program Risk

USMCA RENEWAL AND TARIFF UNCERTAINTY

The United States declined to extend USMCA at the July 2026 joint review. The agreement remains in effect, but annual joint reviews are now required until an extension is agreed or the agreement expires. Negotiators are focused on how much of a vehicle must be made in North America to avoid tariffs, keeping supplier sourcing and plant location decisions under review.

USMCA Review Timeline

2020	USMCA enters into force
Jul-26	Review ends without extension
2027+	Annual reviews required
2036	Expires absent extension

SUPPLIER IMPLICATIONS

Tariff costs and rules-of-origin compliance are pressuring margins and forcing decisions on regional sourcing and manufacturing footprint

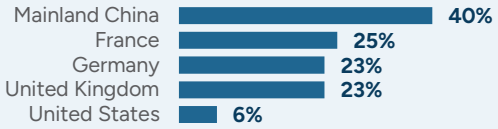
M&A IMPLICATIONS

Underwriting must address tariff exposure, the durability of customer recoveries, and the capital required to relocate or localize production

DIVERGENCE IN ICE, HYBRID, AND EV DEMAND

Powertrain demand is not moving uniformly away from ICE. BEV adoption varies widely by region, with China and Europe well ahead of the U.S., while hybrids have become a key investment priority for North American OEMs. Suppliers serving multiple regions can see program volumes move in different directions at once.

BEV Share by Market, H1 2026



SUPPLIER IMPLICATIONS

Uneven powertrain demand makes program volumes, tooling needs, utilization, and remaining platform lifecycles harder to forecast

M&A IMPLICATIONS

Buyers are testing earnings across ICE, hybrid, and BEV scenarios, often favoring profitable ICE suppliers with durable awards over EV suppliers with idle assets

OEM PROGRAM CHANGES AND SUPPLIER CAPACITY UTILIZATION

Changes to platform timing and production allocation can have an outsized effect on smaller Tier I and Tier II suppliers, particularly those with dedicated facilities or tooling. A delayed launch or reallocated program can leave capacity idle well before volumes recover.

How Program Changes Flow Through

- **OEM shifts timing or volume allocation**
- **Fixed costs go underabsorbed**
- **Diligence turns to awards and tooling**

SUPPLIER IMPLICATIONS

Program delays and reallocations leave suppliers with underabsorbed costs, unrecovered launch spending, and redundant capacity

M&A IMPLICATIONS

Acquirers need to look past backlog to sourcing awards, expected volumes, tooling ownership, program profitability, and future launch capital

Sources: Mobility Global, Office of the United States Trade Representative

Distress, Competition, and Valuation

FINANCIAL STRESS, LIQUIDITY, AND RESTRUCTURING

Working capital pressure is reaching more of the supply base, and supplier distress and strategic divestitures have become meaningful drivers of transaction activity. Distressed sale processes among European suppliers increased in the first half of 2026 as larger suppliers continued to reshape their portfolios.

Selected 2026 Divestitures

FIRST BRANDS GROUP	Brands sold in bankruptcy
AUMOVIO	Two European plants divested
MAGNA	Roof systems and lighting carve-outs
FORVIA faurecia	Interiors business sold to Apollo

SUPPLIER IMPLICATIONS

Cash conversion, customer payment terms, inventory exposure, and capital spending needs are testing supplier financing flexibility

M&A IMPLICATIONS

Carve-outs, balance-sheet-driven sales, and distressed acquisitions are increasing, often with substantial separation and operational risk

CHINESE OEM COMPETITION AND GLOBAL SOURCING

Chinese OEMs are taking share in Europe and reshaping supplier economics beyond that market. Their pricing is influencing vehicle prices, program awards, and the cost levels suppliers are expected to meet, including suppliers with no direct Chinese or European customers.

10.9%	Record Chinese brand share of European vehicle sales
~25%	Chinese automakers' global market share in 2025, up from under 15% in 2020

SUPPLIER IMPLICATIONS

Suppliers face growing pressure to improve cost competitiveness, localize production, and adapt to different OEM sourcing practices

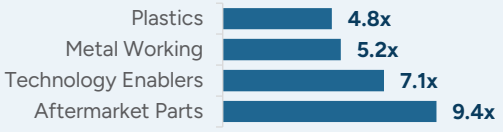
M&A IMPLICATIONS

Global customer exposure and cost position increasingly influence valuation, particularly for businesses serving European manufacturers

VALUATION DISPERSION AND SELECTIVE M&A

The market is increasingly differentiated rather than uniformly weak. Public valuations vary widely by subsector, and within each group the gap reflects the quality and durability of earnings more than end-market exposure alone.

Median EV/EBITDA (LTM Sep-26)



SUPPLIER IMPLICATIONS

Strong balance sheets, drivetrain-agnostic demand, defensible program content, and consistent cash generation improve strategic flexibility

M&A IMPLICATIONS

Buyers are separating durable earners from turnaround cases, with activity shifting toward capability-driven deals, carve-outs, and drivetrain resilience

Sources: Automotive News, Center for Automotive Research, PwC, S&P Capital IQ

Sector Spotlight: Metalforming

METALFORMER SENTIMENT IS THE MOST OPTIMISTIC Q2 SINCE 2022

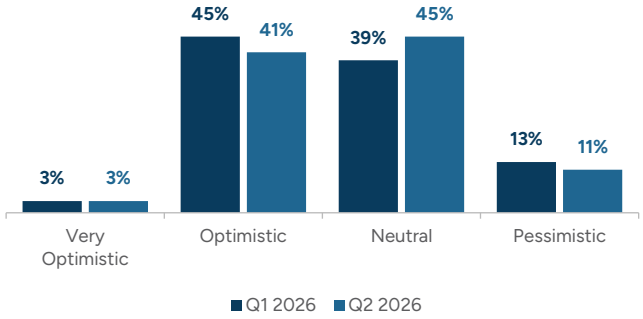
MARKET OVERVIEW AND SENTIMENT

Metalformer sentiment entered 2026 at its strongest level in several years, with optimism moderating only modestly in the second quarter. Optimistic responses declined from 45% in Q1 2026 to 41% in Q2 2026, while very optimistic responses held at 3%. Pessimistic responses eased from 13% to 11%, while neutral responses increased from 39% to 45%. Wipfli notes that metalformers have been most optimistic in the first quarter in each of the past three years, followed by declining optimism through the year. The 2026 results follow a similar pattern, with a smaller decline into the second quarter.

Metalformer Sentiment

(% of respondents; Q1 2026 vs. Q2 2026)

61% of metalformer respondents cite automotive and light truck as their primary industry served



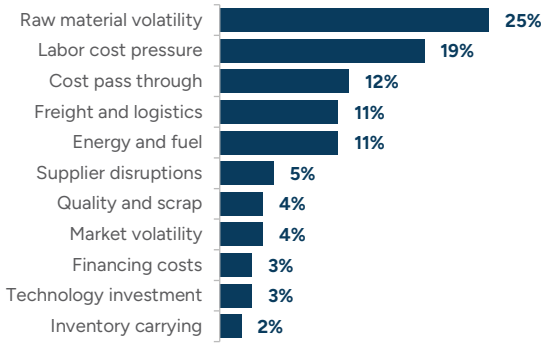
MATERIAL AND LABOR COSTS ARE THE PRIMARY SOURCE OF PRESSURE

LEADING BUSINESS CONCERNS

Cost pressures remain the dominant concern for metalformers. Raw material pricing, higher cost of doing business, and continued inflation remain the top three concerns, consistent with recent quarters. The number of companies extremely concerned about the higher cost of doing business has doubled since Q1 2026. Since March 2026, 25% of respondents cited raw material and component price volatility as the primary reason for price increases, ahead of labor cost pressure at 19%. Wipfli notes that many respondents are also having difficulty fully passing these cost increases through to customers.

Factors Increasing Cost of Business

(% of respondents Q2 2026)

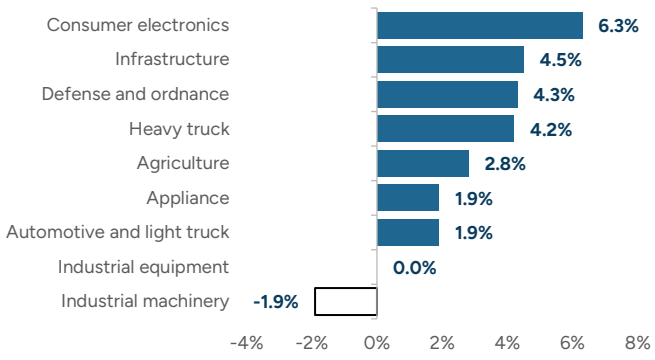


SUBSECTOR PERFORMANCE

Performance against expectations has improved across most industries since the third quarter of 2025, with the largest gains in consumer electronics, defense and ordnance, and agriculture and off highway. Wipfli reports that automotive performance improved as work previously on hold was released. Revenue growth expectations remain more measured, with metalformers serving automotive and light truck expecting a 1.9% increase from 2025 to 2026, compared with 6.3% for consumer electronics and a 1.9% decline for industrial machinery.

Expected Revenue Change by Industry

(Metalformers - 2025 to 2026)



Sources: Wipfli and Stout Proprietary Research

Sector Spotlight: Metalforming

WIPFLI

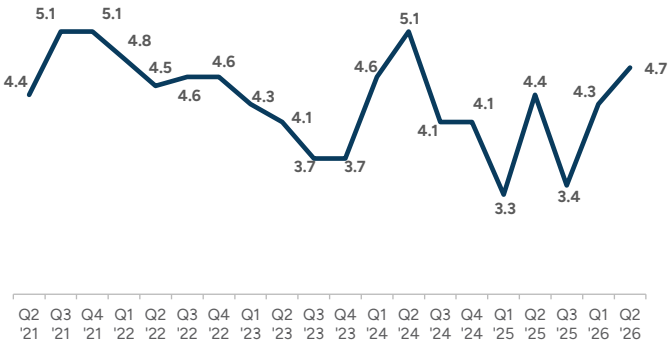
TOOLING IS GAINING MOMENTUM WITH STRENGTHENING DEMAND SIGNALS

BACKLOG AND WORK ON HOLD TRENDS

Order visibility improved through the first half of 2026. Reported backlog increased to 4.7 months in Q2 2026 from 4.3 months in Q1 2026, while work on hold declined to 10% from 13%, the lowest level in two years. Results varied by builder type, with die builders reporting a 5.5-month backlog and 7.5% of work on hold, compared with 3.7 months and 12.1%, respectively, for mold builders. Progressive payment terms also increased, applying to 62% of newly booked business versus 51% in Q1 2026.

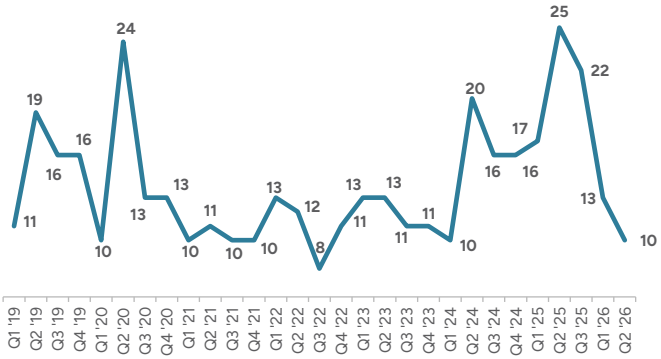
Months of Backlog Trend

(In Months)



% of Work on Hold Trend

(% of awarded jobs)

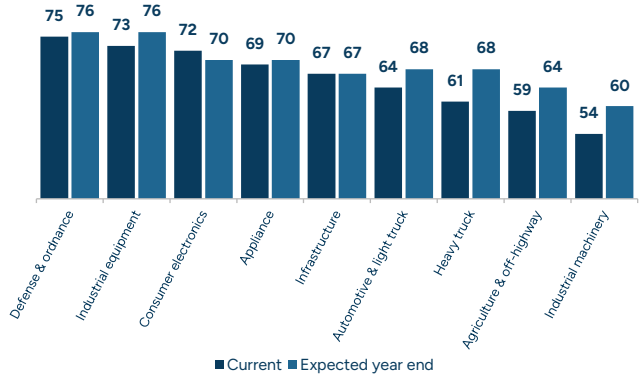


CAPACITY UTILIZATION

Capacity utilization improved in Q2 2026, and respondents expect further gains by year end. Metalformers reported 65% utilization, versus 62% across all production respondents, and expect 69%. Most industries expect higher utilization, while infrastructure is flat at 67% and consumer electronics expects a decline to 70% from 72%. Automotive and light truck respondents reported 64% and expect 68%, near the middle of the range. Defense and ordnance was highest at 75%, and industrial machinery lowest at 54%.

Utilization by Industry

(Metalformers - current vs. expected year end)

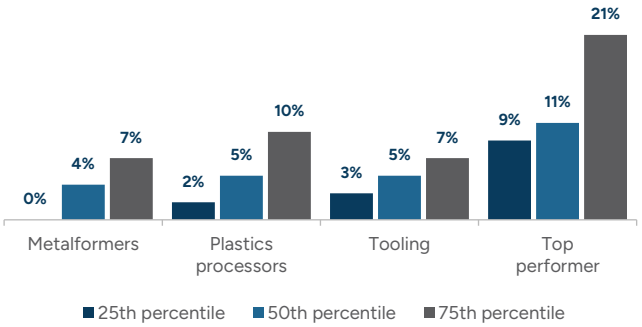


PROFITABILITY

Profitability remains uneven across process types. Wipfli reports that 25% of metalformers had negative EBIT in 2025, while the interquartile range spanned approximately 0% to 7%. Median 2025 EBIT was 3.5% of revenue for metalformers, compared with 5.2% for tooling, 5.3% for plastics processors, and 11.3% for the top performer group. Wipfli attributes the margin erosion among metalformers to Section 232 raw material tariffs.

EBIT % of Revenue by Process Type

(2025 performance; percentile distribution)



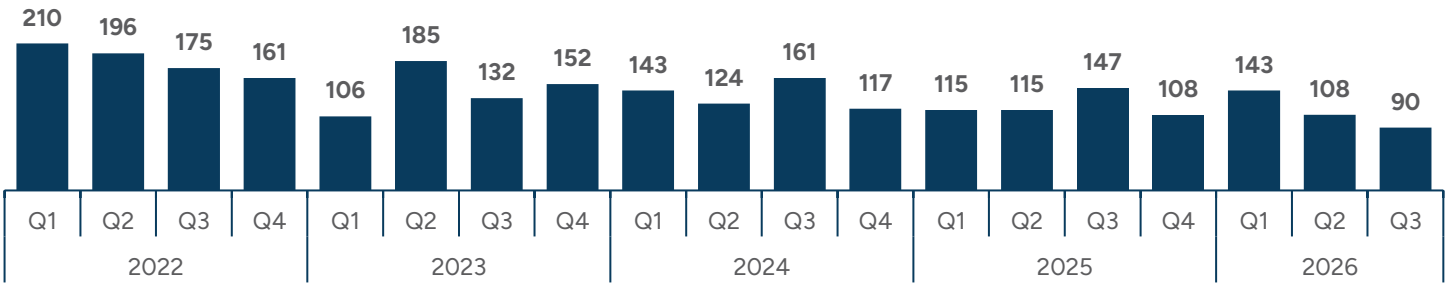
Sources: Wipfli and Stout Proprietary Research



Automotive M&A Database Highlights

Quarterly Automotive M&A Transaction Volume

(Number of M&A Transactions Per Quarter)

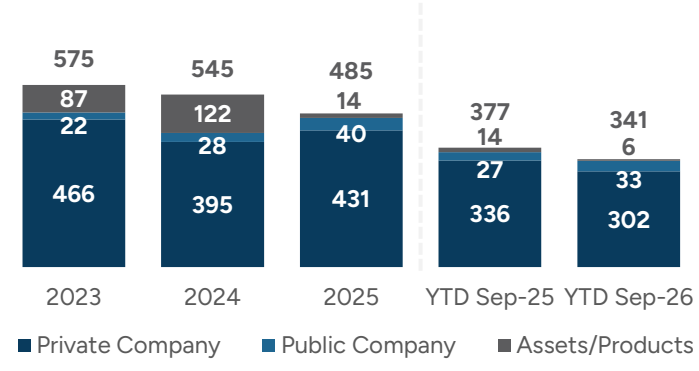


AUTOMOTIVE MIDDLE-MARKET M&A TRENDS

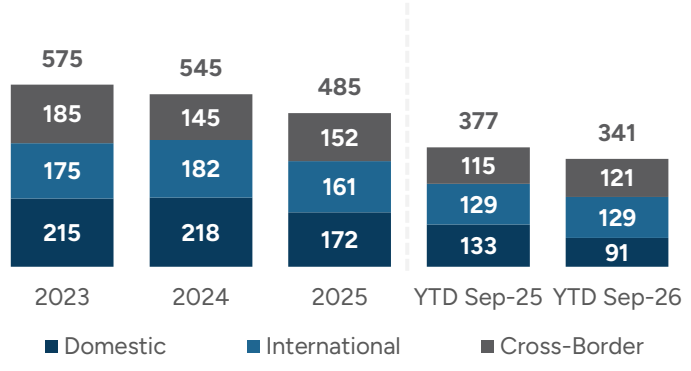
Middle-market automotive M&A activity softened through 2026 following a strong start to the year. Transaction volume totaled 341 deals YTD through September, down 9.5% from 377 in the prior-year period. Quarterly activity declined from 143 transactions in Q1 to 108 in Q2 and 90 in Q3, the lowest quarterly total in the period shown. Private companies continued to account for ~89% of transactions, while carve-outs declined to six from 14. Public company activity increased modestly to 33 transactions from 27 amid a challenging automotive environment.

For business owners considering a sale, recent transaction activity reinforces the importance of demonstrating recurring earnings, customer diversification, and a credible outlook for future programs. Buyers remain active, but businesses facing margin volatility, significant program concentration, or elevated capital requirements may encounter greater scrutiny during diligence.

M&A Volume by Seller Type



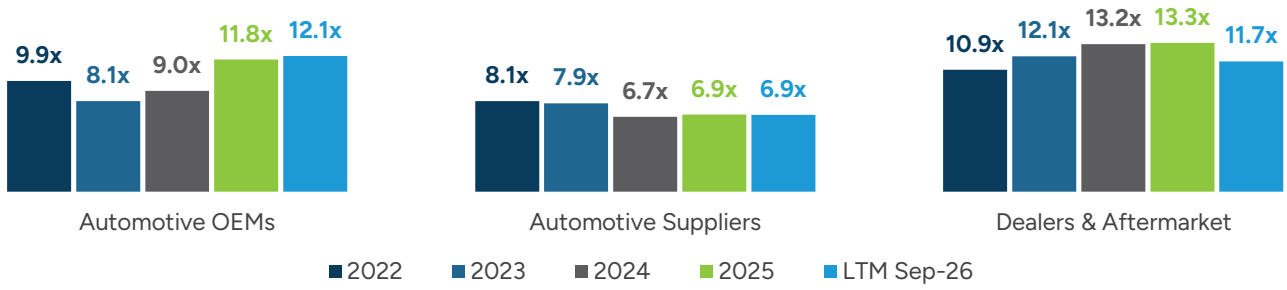
M&A Volume by Geography



Source: S&P Capital IQ; Note: Represents announced deals and closed deals – excludes deals with EV below $50 million and above $1 billion

Automotive M&A and Market Trends

Subsector Average EBITDA Multiples



RECENT SELECT AUTOMOTIVE INDUSTRY TRANSACTIONS

Date	Target (Ownership)	Subsector	Acquiror (Ownership)
Oct-26	Penske Automotive Group (NYSE:PAG)	Automotive Dealerships	Take Private
Oct-26[(1)]	Modine Performance Technologies Business (NYSE:MOD)	Thermal Management Systems	Gentherm (NasdaqGS:THRM)
Sep-26	HB Molding	Interior Plastic Components	Siliko
Sep-26[(1)]	Mechelen Plant of Aumovio (XTRA:AMV0)	Brake Systems	Dumarey Group
Aug-26[(1)]	Magna Car Top Systems Business (NYSE:MGA)	Roof Systems	Mutares SE
Aug-26[(1)]	Friction Business of Hindustan Composites	Friction Products	Rane (Madras)
Jul-26[(1)]	European OEM Business of JTEKT (TSE:6473)	Automotive Components	LEO III.-VV25-B SAS (DUBAG)
Jun-26	LCI Industries (NYSE:LCII)	Recreational Vehicle Components	Patrick Industries (NasdaqGS:PATK)
Jun-26	Stoba Group	Precision Components	PHINIA
Jun-26	Eaton Vehicle & eMobility Business (NYSE:ETN)	Automotive Components / eMobility	Dana (NYSE:DAN)
Jun-26	Horsepower Automotive Group	Aftermarket Performance Parts	River Associates
Jun-26	Raybestos Brand (First Brands Group)	Brake and Friction Components	Friction One
Jun-26	Centric Parts Brake Brands (First Brands Group)	Aftermarket Brake Components	Motorcar Parts of America (NasdaqGS:MPAA)
May-26	Powder Cote II	Coatings and Finishing	Mitre Peak Capital
May-26	Toledo Molding & Die (First Brands Group)	Automotive Components	JVIS USA
May-26	Timken Company Belts Business (NYSE:TKR)	Power Transmission Belts	Gates Industrial (NYSE:GTES)
Apr-26	Forvia Interiors Business Group (ENXTPA:FRVIA)	Interior Components	Apollo Global (NYSE:APO)
Apr-26	Hastings Manufacturing Company (RFE)	Aftermarket Engine Components	NPR-Riken (TSE:6209)
Apr-26[(1)]	EDS Business of Aptiv (NYSE:APTV)	Electrical Components	Versigent (NYSE:VGNT)
Mar-26	FRAM, Autolite, and Trico (First Brands Group)	Filtration, Ignition, and Wiper Products	PGI Northstar (Premium Guard)

Note: Date represents transaction announced date unless noted otherwise; Source: S&P Capital IQ
(1) Date represents closed date

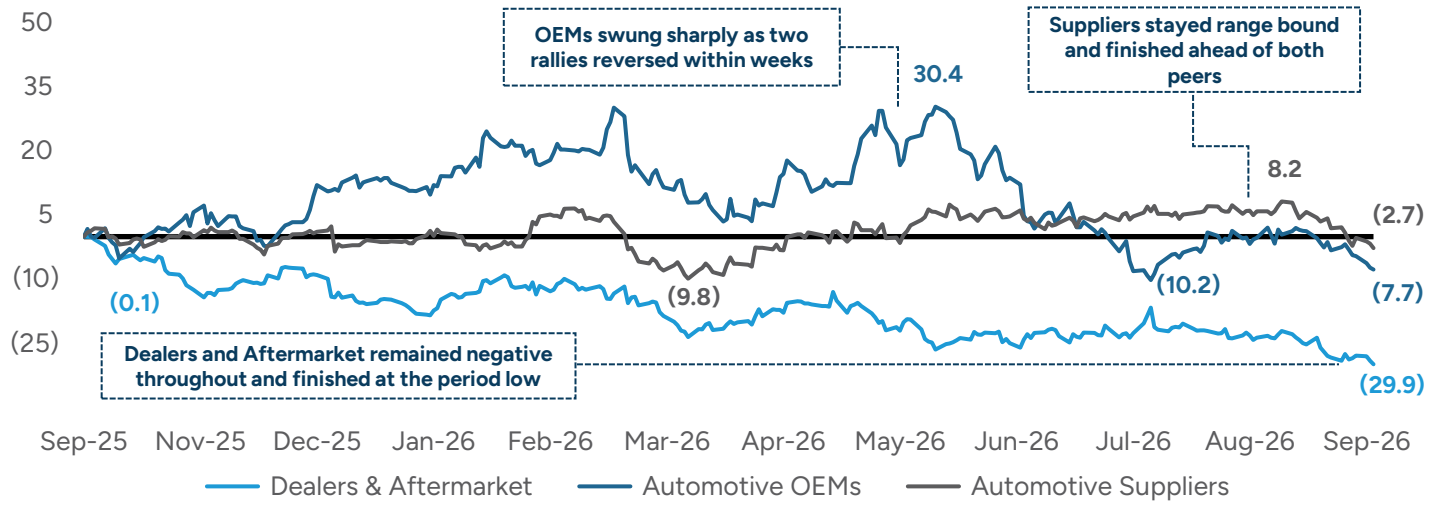
Automotive Subsector Performance

VALUATION METRICS

U.S. equity markets extended their recovery through the third quarter of 2026, although gains were more modest and concentrated. Following a sharp first quarter correction, with the Nasdaq Composite closing 10.5% below its December 2025 level at the end of March, major indices rebounded to record levels in August and early September. Third quarter gains were led by large-cap technology and AI-related stocks, while rising Treasury yields and higher oil prices renewed inflation concerns. Through the end of September, the Nasdaq led year-to-date gains at 15.6%, followed by the S&P 500 at 11.8% and the Dow Jones Industrial Average at 5.9%. Looking ahead, investors remain focused on U.S. and global trade negotiations, the interest rate path, and oil prices, with Brent crude futures settling at $103.50 per barrel at the end of September 2026.

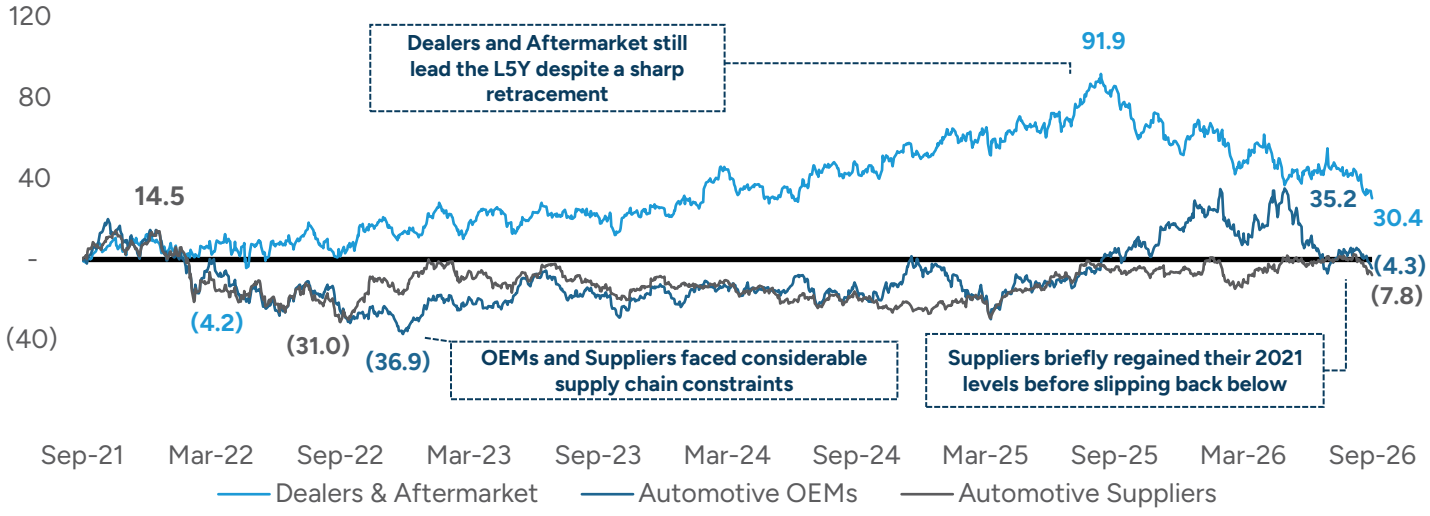
Subsector Indices – LTM Stock Price Performance

(Indexed to 0.0 as of 9/30/2025)



Subsector Indices – L5Y Stock Price Performance

(Indexed to 0.0 as of 9/30/2021)



Source: S&P Capital IQ

Automotive Public Comps

AUTOMOTIVE OEMS

($ in millions, except share data)		Market Data			LTM Financial Performance Data				Valuation Multiples		
		Share Price		Ent.			EBITDA	Debt /	EV / Rev	EV / EBITDA	
Company Name	Ticker	9/30/26	% 52 High	Value	Revenue	EBITDA	Margin	EBITDA	LTM	LTM	NTM
North American OEMs											
Ford	NYSE:F	$12.06	67.8%	$186,973.4	$187,973.0	$7,643.0	4.1%	21.1x	1.0x	24.5x	12.5x
General Motors	NYSE:GM	77.00	83.8	170,213.8	186,951.0	17,771.0	9.5	7.2	0.9	9.6	7.0
Stellantis	NYSE:STLA	4.36	35.7	23,540.5	183,778.1	(357.6)	(0.2)	N/A	0.1	nmf	2.0
Tesla	NasdaqGS:TSLA	354.81	71.1	1,470,215.5	103,570.0	9,838.0	9.5	1.0	14.2	nmf	nmf
Group Median			**69.5%**	**$178,593.6**	**$185,364.6**	**$8,740.5**	**6.8%**	**7.2x**	**1.0x**	**17.0x**	**7.0x**
Group Mean			**64.6%**	**$462,735.8**	**$165,568.0**	**$8,723.6**	**5.7%**	**9.8x**	**4.1x**	**17.0x**	**7.2x**
Asian OEMs											
Geely Automobile Holdings	SEHK:175	$1.85	56.8%	$12,564.5	$54,092.9	$2,875.5	5.3%	0.7x	0.2x	4.4x	2.1x
Honda	TSE:7267	10.70	95.2	97,905.5	138,533.0	7,887.9	5.7	11.2	0.7	12.4	8.3
Hyundai	KOSE:A005380	254.69	44.1	141,592.1	121,860.3	8,504.1	7.0	14.5	1.2	16.6	10.5
Nissan	TSE:7201	1.89	63.7	52,250.4	75,457.2	2,981.4	4.0	19.0	0.7	17.5	17.1
Suzuki	TSE:7269	12.65	80.4	27,756.3	40,610.1	5,588.2	13.8	0.8	0.7	5.0	4.9
Tata	BSE:500570	2.97	38.5	15,155.9	36,735.4	1,237.1	3.4	7.3	0.4	12.3	4.1
Toyota	TSE:7203	18.58	73.0	413,439.5	319,647.0	34,455.3	10.8	7.8	1.3	12.0	10.7
Group Median			**63.7%**	**$52,250.4**	**$75,457.2**	**$5,588.2**	**5.7%**	**7.8x**	**0.7x**	**12.3x**	**8.3x**
Group Mean			**64.5%**	**$108,666.3**	**$112,419.4**	**$9,075.6**	**7.1%**	**8.8x**	**0.7x**	**11.5x**	**8.3x**
European OEMs											
BMW	XTRA:BMW	$62.82	56.5%	$155,568.8	$146,274.4	$15,758.0	10.8%	8.5x	1.1x	9.9x	9.0x
Mercedes-Benz	XTRA:MBG	46.10	65.1	141,523.3	147,949.3	13,709.6	9.3	8.5	1.0	10.3	9.2
Renault	ENXTPA:RNO	29.41	68.2	68,100.7	69,158.0	7,094.7	10.3	11.7	1.0	9.6	9.7
Volkswagen	XTRA:VOW3	80.01	64.6	301,584.6	367,475.2	22,033.6	6.0	14.6	0.8	13.7	10.4
Group Median			**64.8%**	**$148,546.1**	**$147,111.8**	**$14,733.8**	**9.8%**	**10.1x**	**1.0x**	**10.1x**	**9.5x**
Group Mean			**63.6%**	**$166,694.4**	**$182,714.2**	**$14,649.0**	**9.1%**	**10.8x**	**1.0x**	**10.9x**	**9.6x**
Overall Median			**65.1%**	**$141,523.3**	**$138,533.0**	**$7,887.9**	**7.0%**	**8.5x**	**0.9x**	**12.0x**	**9.1x**
Overall Mean			**64.3%**	**$218,559.0**	**$145,337.7**	**$10,468.0**	**7.3%**	**9.6x**	**1.7x**	**12.1x**	**8.4x**

Note: EV/EBITDA multiples greater than 35.0x excluded from median and mean figures; LTM EBITDA excludes extraordinary items
Source: S&P Capital IQ

Automotive Public Comps (cont.)

AUTOMOTIVE SUPPLIERS

		Market Data			LTM Financial Performance Data				Valuation Multiples		
($ in millions, except share data)		Share Price		Ent.			EBITDA	Debt /	EV / Rev	EV / EBITDA	
Company Name	**Ticker**	**9/30/26**	**% 52 High**	**Value**	**Revenue**	**EBITDA**	**Margin**	**EBITDA**	**LTM**	**LTM**	**NTM**
Automotive Metal Working											
BorgWarner	NYSE:BWA	$60.11	76.3%	$13,839.4	$14,344.0	$2,036.0	14.2%	1.9x	1.0x	6.8x	6.3x
Dana	NYSE:DAN	27.31	69.0	4,013.9	7,662.0	670.0	8.7	2.0	0.5	6.0	3.3
Dauch Corp.	NYSE:DCH	5.22	56.4	5,388.0	8,223.7	961.9	11.7	5.2	0.7	5.6	3.7
Gestamp Automoción	BME:GEST	3.45	87.9	5,324.6	13,020.6	1,194.5	9.2	3.2	0.4	4.5	3.5
Linamar	TSX:LNR	67.47	86.6	4,616.8	7,841.1	1,136.2	14.5	1.3	0.6	4.1	3.7
Magna International	TSX:MG	63.86	89.7	20,492.1	42,671.0	4,303.0	10.1	1.1	0.5	4.8	4.7
Group Median			**81.4%**	**$5,356.3**	**$10,622.2**	**$1,165.4**	**10.9%**	**2.0x**	**0.6x**	**5.2x**	**3.7x**
Group Mean			**77.6%**	**$8,945.8**	**$15,627.1**	**$1,716.9**	**11.4%**	**2.5x**	**0.6x**	**5.3x**	**4.2x**
Automotive Plastics											
Adient	NYSE:ADNT	$16.84	61.6%	$3,118.3	$15,126.0	$777.0	5.1%	3.1x	0.2x	4.0x	3.4x
Autoliv	NYSE:ALV	111.89	84.7	9,866.5	11,079.0	1,559.0	14.1	1.3	0.9	6.3	6.0
OPmobility	ENXTPA:OPM	13.67	66.3	3,628.0	11,522.9	715.2	6.2	3.6	0.3	5.1	3.4
Forvia	ENXTPA:FRVIA	9.92	58.1	10,433.2	23,842.8	2,353.1	9.9	4.7	0.4	4.4	3.1
Lear	NYSE:LEA	118.03	78.5	7,705.3	23,700.6	1,699.6	7.2	1.6	0.3	4.5	4.4
Samvardhana Motherson	BSE:517334	1.70	94.3	19,122.3	13,800.2	1,221.7	8.9	1.7	1.4	15.7	11.7
Group Median			**72.4%**	**$8,785.9**	**$14,463.1**	**$1,390.3**	**8.0%**	**2.4x**	**0.4x**	**4.8x**	**3.9x**
Group Mean			**73.9%**	**$8,978.9**	**$16,511.9**	**$1,387.6**	**8.6%**	**2.7x**	**0.6x**	**6.7x**	**5.3x**
Technology Enablers											
Aptiv	NYSE:APTV	$43.02	48.4%	$13,525.4	$20,518.0	$3,233.0	15.8%	1.7x	0.7x	4.2x	5.7x
Continental	XTRA:CON	76.22	86.6	22,378.2	21,495.5	3,110.9	14.5	2.5	1.0	7.2	7.2
DENSO	TSE:6902	11.77	78.0	30,279.0	47,369.7	5,606.6	11.8	1.5	0.6	5.4	5.2
HELLA	XTRA:HLE	79.83	82.4	8,482.8	8,974.8	1,005.6	11.2	1.3	0.9	8.4	8.1
Methode Electronics	NYSE:MEI	13.79	67.7	687.1	1,044.1	67.9	6.5	4.6	0.7	10.1	8.3
Stoneridge	NYSE:SRI	6.65	68.5	269.3	896.9	13.7	1.5	11.0	0.3	19.6	11.6
Valeo	ENXTPA:FR	16.49	83.8	9,245.8	23,558.8	2,492.9	10.6	3.2	0.4	3.7	2.7
Visteon	NasdaqGS:VC	86.68	68.3	2,265.3	3,832.0	319.0	8.3	1.0	0.6	7.1	4.6
Group Median			**73.2%**	**$8,864.3**	**$14,746.4**	**$1,749.2**	**10.9%**	**2.1x**	**0.6x**	**7.1x**	**6.5x**
Group Mean			**73.0%**	**$10,891.6**	**$15,961.2**	**$1,981.2**	**10.0%**	**3.3x**	**0.7x**	**8.2x**	**6.7x**
Overall Median			**77.1%**	**$8,094.0**	**$13,410.4**	**$1,208.1**	**10.0%**	**2.0x**	**0.6x**	**5.5x**	**4.6x**
Overall Mean			**74.7%**	**$9,734.1**	**$16,026.2**	**$1,723.8**	**10.0%**	**2.9x**	**0.6x**	**6.9x**	**5.5x**

Note: EV/EBITDA multiples greater than 35.0x excluded from median and mean figures; LTM EBITDA excludes extraordinary items
Source: S&P Capital IQ

Automotive Public Comps (cont.)

DEALERS & AFTERMARKET

($ in millions, except share data)		Market Data			LTM Financial Performance Data				Valuation Multiples		
		Share Price		Ent.			EBITDA	Debt /	EV / Rev	EV / EBITDA	
Company Name	Ticker	9/30/26	% 52 High	Value	Revenue	EBITDA	Margin	EBITDA	LTM	LTM	NTM
Aftermarket Parts & Repair											
Advance Auto Parts	NYSE:AAP	$38.91	59.7%	$2,617.2	$8,622.0	$629.0	7.3%	5.4x	0.3x	4.2x	4.1x
AutoZone	NYSE:AZO	2,830.02	65.9	55,771.2	20,338.6	4,342.1	21.3	2.2	2.7	12.8	11.8
Dorman Products Inc	NasdaqGS:DORM	122.60	74.8	3,952.5	2,155.0	420.6	19.5	1.0	1.8	9.4	9.9
Genuine Parts	NYSE:GPC	125.74	83.0	21,691.5	25,332.6	2,003.4	7.9	2.6	0.9	10.8	9.9
LKQ	NasdaqGS:LKQ	22.83	61.5	9,432.0	13,688.0	1,403.0	10.2	2.8	0.7	6.7	6.5
Monro	NasdaqGS:MNRC	13.99	58.5	757.2	1,143.3	85.6	7.5	3.8	0.7	8.8	8.3
O'Reilly Automotive	NasdaqGS:ORLY	85.41	79.1	76,122.4	18,572.6	4,169.7	22.5	1.7	4.1	18.3	17.2
Group Median			**65.9%**	**$9,432.0**	**$13,688.0**	**$1,403.0**	**10.2%**	**2.6x**	**0.9x**	**9.4x**	**9.9x**
Group Mean			**68.9%**	**$24,334.9**	**$12,836.0**	**$1,864.8**	**13.8%**	**2.8x**	**1.6x**	**10.2x**	**9.7x**
Automotive Dealers											
Asbury Automotive Group	NYSE:ABG	$172.30	66.6%	$8,340.0	$17,975.0	$1,014.5	5.6%	5.2x	0.5x	8.2x	9.0x
AutoNation	NYSE:AN	157.44	66.8	16,055.2	27,448.5	1,515.5	5.5	7.2	0.6	10.6	10.0
CarMax	NYSE:KMX	55.11	84.4	25,226.3	29,457.4	1,127.1	3.8	15.6	0.9	22.4	24.5
Carvana	NYSE:CVNA	62.54	64.2	48,671.0	25,058.0	2,510.0	10.0	2.1	1.9	19.4	14.6
Group 1 Automotive	NYSE:GPI	240.44	52.1	8,210.6	22,154.8	1,027.8	4.6	5.4	0.4	8.0	8.5
Lithia Motors	NYSE:LAD	291.83	66.4	22,448.5	38,207.2	1,910.4	5.0	8.4	0.6	11.8	13.1
Penske Automotive Group	NYSE:PAG	200.34	88.3	19,964.6	32,198.5	1,394.8	4.3	4.9	0.6	14.3	13.3
Sonic Automotive	NYSE:SAH	60.35	53.1	6,008.1	15,467.6	656.3	4.2	6.7	0.4	9.2	10.1
Group Median			**66.5%**	**$18,009.9**	**$26,253.3**	**$1,260.9**	**4.8%**	**6.0x**	**0.6x**	**11.2x**	**11.6x**
Group Mean			**67.7%**	**$19,365.5**	**$25,995.9**	**$1,394.5**	**5.4%**	**6.9x**	**0.7x**	**13.0x**	**12.9x**
Overall Median			**66.4%**	**$16,055.2**	**$20,338.6**	**$1,394.8**	**7.3%**	**4.9x**	**0.7x**	**10.6x**	**10.0x**
Overall Mean			**68.3%**	**$21,684.6**	**$19,854.6**	**$1,614.0**	**9.3%**	**5.0x**	**1.1x**	**11.7x**	**11.4x**

Note: EV/EBITDA multiples greater than 35.0x excluded from median and mean figures; LTM EBITDA excludes extraordinary items
Source: S&P Capital IQ

Stout IB Automotive & Transportation Technologies

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The Stout Automotive & Transportation Technologies team leverages deep advisory experience and dedicated coverage and expertise across numerous industry subsectors, processes, and end markets. Learn more about our Automotive Industry Coverage and Resources.

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- Automotive
- Construction
- Dealers & Aftermarket
- Heavy Truck
- Offroad

Subsector Coverage

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- Machining
- Plastics
- Rubber and NVH
- Stamping
- Tires
- Tool & Die

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SELECT TRANSACTIONS

Powder Cote II has been acquired by Mitre Peak Capital — SELL-SIDE ADVISOR

Hastings Piston Rings, a portfolio company of RFE, has been acquired by NPR-RIKEN Corporation — SELL-SIDE ADVISOR

The Exterior Plastic Components business of IAC has been acquired by Flex-N-Gate — SELL-SIDE ADVISOR

Vogue Tyres has been acquired by STA, a subsidiary of Sailun — SELL-SIDE ADVISOR

Viking Plastics, a portfolio company of Spell Capital, has been acquired by HF — SELL-SIDE ADVISOR

Hematite, a subsidiary of Woodbridge, has been acquired by Angstrom — SELL-SIDE ADVISOR

Rane Light Metal Castings, a subsidiary of Rane, has been acquired by VMINT — SELL-SIDE ADVISOR

A portfolio company of Wayne Mfg. LLC has been acquired by HF — SELL-SIDE ADVISOR

Fisher Dynamics — $215,000,000 Refinancing — Asset-Based Revolving Credit Facility and Senior Secured Term Loans — FINANCIAL ADVISOR

Tire Rack has been acquired by Discount Tire — SELL-SIDE ADVISOR



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