



Stout Automotive Update

Spring 2026 Update and Outlook



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INTRODUCTION

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

The U.S. automotive supply base is entering a new chapter defined less by volume recovery and more by strategic repositioning. For middle-market Tier I and II suppliers, the market is rewarding resilience, pricing discipline, operational agility, and the ability to align with where production is headed next. As OEM production normalizes unevenly across platforms, suppliers are navigating a landscape shaped by shifting vehicle mix, electrification uncertainty, labor pressures, and a more fragmented demand environment.

Tariffs and broader trade friction are forcing a sharp reassessment of sourcing strategies, customer concentration, and manufacturing footprints. For many middle-market U.S.-based suppliers, the effect is twofold: near-term pressure on input costs and profitability paired with a longer-term opportunity to win share as OEMs seek more localized, reliable, and strategically aligned partners. The suppliers best positioned for growth are those that can demonstrate strategic value-add through engineering support, program execution, cost takeout, and supply chain consistency.

M&A is becoming an increasingly important lever for growth, portfolio refinement, capability expansion, margin improvement, and enterprise value expansion. Buyers are targeting businesses with defensible niches, strong customer relationships, and tangible pathways to expand margins through operational improvement, footprint optimization, and smarter commercial management.

KEY THEMES & MACRO TRENDS

- Production trends remain constructive, but selective, with winners tied to platform exposure, mix, and launch cadence rather than broad-based volume alone
- Tariffs are reshaping sourcing decisions, increasing the premium on U.S.-based manufacturing, dual-source strategies, and supply chain visibility
- Margin enhancement is back at the center of the deal thesis, with acquirers prioritizing targets that offer pricing discipline, operational efficiencies, and procurement-driven upside
- Tier I and Tier II suppliers with specialized capabilities in lighting, machining, metal forming, molded components, electronics integration, and value-added assembly continue to attract attention
- The middle-market remains active for M&A, especially where owners are seeking scale, succession solutions, or strategic partners to support the next phase of growth

Recent Automotive Market Updates

Road Track (Mar-26)

Porsche Considers Producing Vehicles in the U.S. After \$811 Million Tariff Hit

Porsche is considering shifting some vehicle production or assembly to the United States to reduce the impact of U.S. tariffs on imported cars

[Read more](#)

Forbes (Feb-26)

U.S. Auto Industry Limpes Into A New Year In 2026

The U.S. auto industry entered 2026 facing uncertainty as automakers deal with large EV write-downs, new tariffs, and forecasts for slightly declining vehicle sales

[Read more](#)

Automotive News (Feb-26)

EV Reckoning Drags Ford to Worst Loss Since Great Recession

Ford reported a fourth quarter profit miss and a \$11.1B net loss largely driven by tariff costs, supplier disruptions, and major charges tied to restructuring its EV business

[Read more](#)

National Today (Feb-26)

Detroit Automakers Bet Big on Gas-Guzzling Trucks and SUVs

Detroit automakers are increasingly prioritizing high-margin gasoline trucks and SUVs over electric vehicles, a strategy that boosts short-term profits but risks falling behind global EV competitors

[Read more](#)

Reuters (Jan-26)

General Motors' Core Profit Rises on Higher Demand for SUVs, Pickup Trucks

General Motors reported higher fourth quarter core profit driven by strong demand for SUVs and pickup trucks, while taking a \$6B charge related to its electric vehicle pullback

[Read more](#)

BBC (Jan-26)

Car Giant Hyundai to Use Human-Like Robots in Factories

Hyundai unveiled a humanoid robot developed with Boston Dynamics that will be deployed in its factories in 2028 to perform repetitive or physically demanding tasks alongside human workers

[Read more](#)

Reuters (Jan-26)

Bosch Warns of Rising Cost Pressure in 2026, Delays Margin Target

Bosch warned that rising costs, tariffs, and intense competition will continue to pressure margins in 2026, delaying its target to reach a 7% profit margin until at least 2027

[Read more](#)

CBT News (Nov-25)

Second Fire at Ford Supplier Adds Pressure to F-Series Production Plans

A second fire at Novelis' aluminum plant, a key supplier for Ford's F-Series trucks, has raised new concerns about supply chain disruptions that could pressure Ford's production plans

[Read more](#)

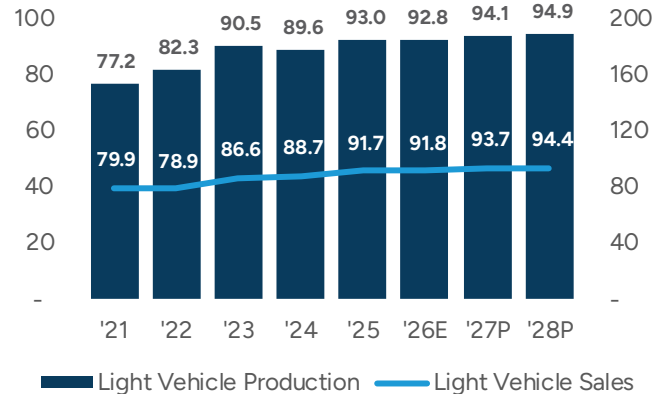
Global Light Vehicle Update

GLOBAL LIGHT VEHICLE TRENDS

Global production and sales remain relatively stable through 2026, supported by resilient consumer demand, easing supply constraints, and balanced inventory. While trade policy effects remain a headwind for automotive, OEMs have largely adapted through pricing, sourcing, and mix optimization.

Overall, the global outlook is characterized by cautiously positive near-term growth, shifting trade flows, and ongoing adjustments to supply chains. Negative sentiment in the automotive industry during 1H 2025 has since shifted due to resurgence of consumer demand, a stabilizing supply chain, and increasing investment in OEM retooling and production.

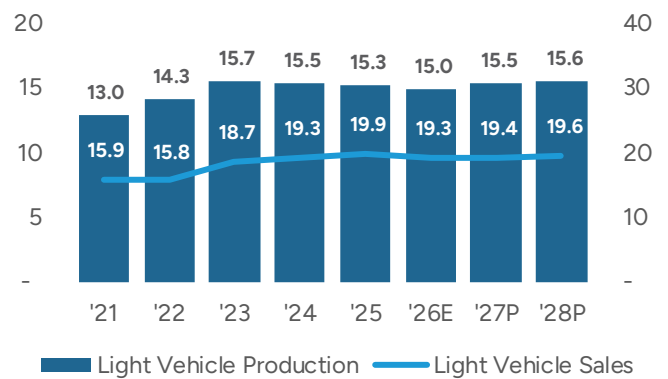
(Units in Millions)



NORTH AMERICAN LIGHT VEHICLE TRENDS

North America enters 2026 with improving demand visibility, supported by an upwards revision to 2026 and beyond versus prior published forecasts. OEM production and sales are expected to decline slightly in 2026 primarily due to supply chain speedbumps at key suppliers impacting production schedules, while OEMs are pivoting powertrain strategies.

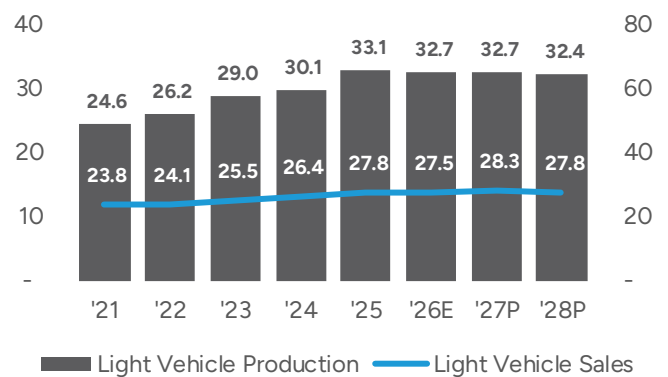
North America performance through 2028 is forecasted to outpace other key regions, with production and sales reaching 15.6M and 19.6M, respectively, due to OEMs reshoring efforts, prioritizing profitable nameplates, and aligning with consumer pent-up demand for ICE vehicles.



GREATER CHINA LIGHT VEHICLE TRENDS

China reached production and sales of 33.1M and 27.8M, respectively, in 2025. Strong performance resulted from trade-in subsidies, EV incentives, relaxed loan policies, and competitive price cutting dynamics, though current outlook has been reduced.

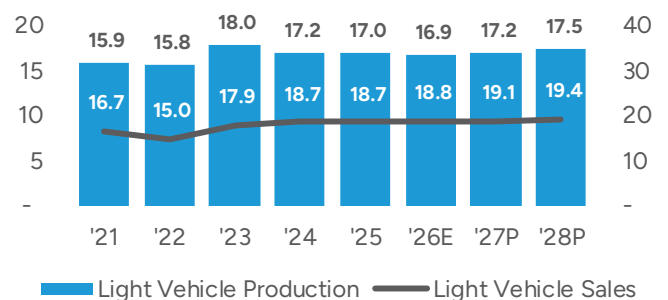
Softer domestic demand in Q1 2026 is driving inventory destocking and lower production expectations. While exports from Chinese OEMs are expected to stabilize volumes, overall trends indicate slowing domestic momentum and increasing reliance on export markets.



EUROPE LIGHT VEHICLE TRENDS

The European auto industry faces rising costs, decreased demand, and lower sales numbers. Add to that the tariff pressures, slowed exports, and the snail's pace of EV growth, and it's difficult to predict how long it will take to recover.

Longer-term outlook exhibits modest growth with limited expansion potential later in the forecast horizon.



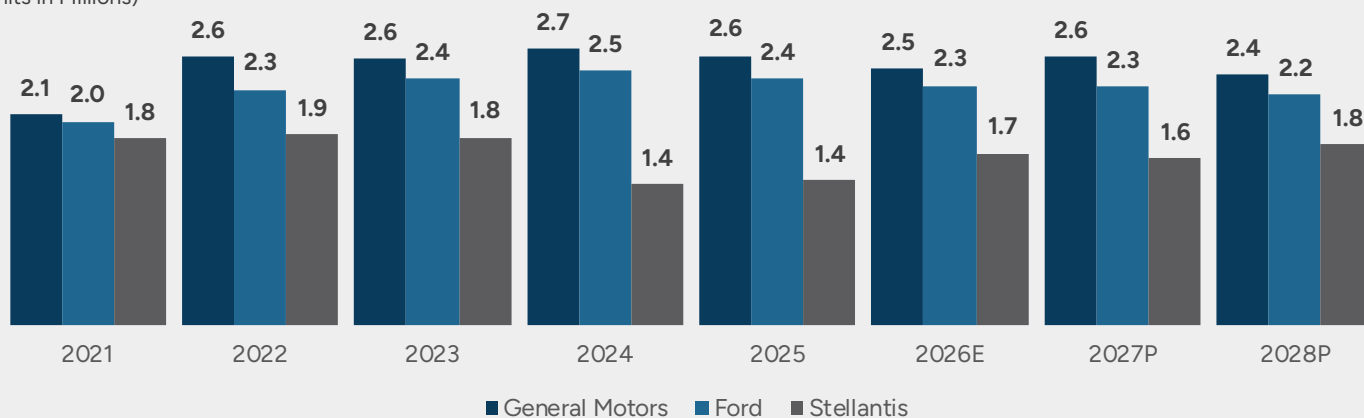
North American Big Three OEM Spotlight

LIGHT VEHICLE PRODUCTION UPDATE

Big Three production is expected to remain relatively flat over the forecast period after the market returned to more normalized production levels in 2024. After several years of supply chain disruptions and scaling back EV production or complete reassessment of EV strategies, OEMs are balancing production with stabilizing inventory levels and moderating demand as affordability pressures, higher interest rates, and evolving trade and tariff policies influence manufacturing and sourcing decisions. The Big Three changed strategic initiatives, prioritizing production of higher-margin ICE programs, most notably full-size pickup trucks and large SUVs. GM is expected to lead the way with 2.4M units in 2028, followed by Ford with 2.2M units, and then Stellantis with 1.8M units. Stellantis experienced a steady decline in the U.S. market share since 2021, reflecting weaker momentum across several brands, aging product cycles in key segments, and a broader strategic focus on international markets. New Stellantis leadership is simplifying the organization and accelerating hybrid vehicle adoption. Meanwhile, GM and Ford have strengthened their market position in the U.S. by capitalizing on bolstered demand for ICE pickup trucks and SUVs while adapting to a slower EV transition.

N.A. Light Vehicle Production by OEM

(Units in Millions)



BIG THREE KEY TRENDS AND PRODUCTION UPDATES



Balancing its core portfolio while ratcheting back EV plans

Production: Paused Hummer EV and Escalade IQ production to reduce output

Performance and SUVs: New Corvette ZR1 and redesigned Equinox launched

Electric Vehicles: Expanding Equinox EV and Silverado EV amid softer EV demand



Prioritizing profitable trucks/SUVs and recalibrating its EV strategy

Supply Chain: Recent aluminum plant fire in New York disrupted parts supply

Trucks and SUVs: Refreshing F-150 and Explorer while discontinuing the Escape and Corsair

Electric Vehicles: Delaying next-gen electric pickup; implementing battery cost reductions.



Refocusing on higher-margin models and reaffirming guidance after a challenging 2025

Leadership and Tariffs: New CEO appointed who intends to place a larger emphasis on North America

Strategic Shifts: Suspended guidance, canceled Ram electric truck program

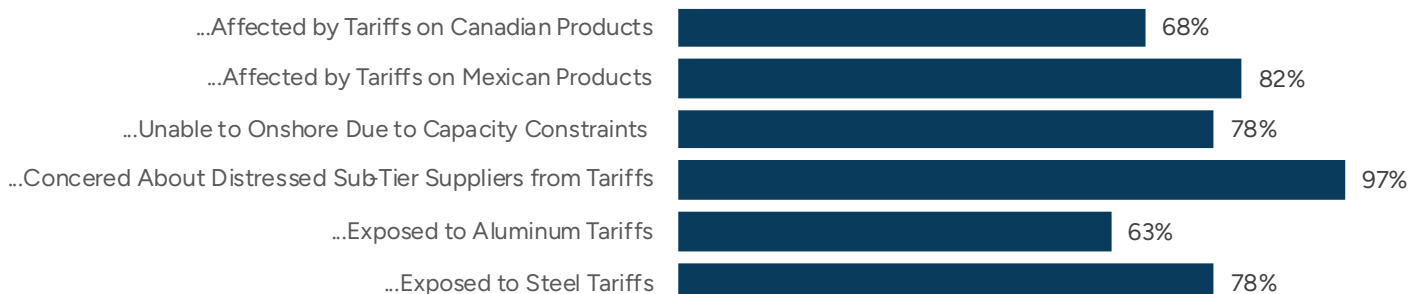
Product Launches: Ram trucks refreshed; electric Charger Sixpack returning in 2025

Supply Chain Dynamics and Electrification Trends

SUPPLIERS FACING TARIFF-RELATED CONCERNS








Automotive suppliers face pressure from tariffs that extend beyond increases in material costs. Trade policy is creating ripple effects throughout the supplier ecosystem, placing strain on already-thin supplier margins and raising concerns about the financial stability of smaller suppliers. The highly integrated and well-invested nature of North American automotive manufacturing limits how quickly companies can shift production domestically. As a result, tariffs are likely to increase cost volatility, heighten supplier risk, and make supply chain planning more complex for both suppliers and OEMs.

The Motor & Equipment Manufacturers Association Surveyed ~140 Suppliers That Are...



CAPITAL REALLOCATION FAVORS HIGHER-MARGIN ICE AND HYBRID PLATFORMS

Capital allocation updates and plant investment announcements indicate a measurable shift toward ICE and hybrid platforms as EV demand pace takes it on the chin. Several manufacturers have deferred EV capacity expansions while committing incremental capital to high-margin truck, SUV, and hybrid programs. Electrified vehicles (hybrid, BEV, and PHEV combined) now account for over one-fifth of total U.S. light vehicle sales, with growth increasingly driven by hybrids rather than pure BEVs. At the same time, multi-billion-dollar EV write-downs reinforce a return to discipline, prompting OEMs to extend ICE platform lifecycles and prioritize investments that generate stronger near-term free cash flow and margin stability.

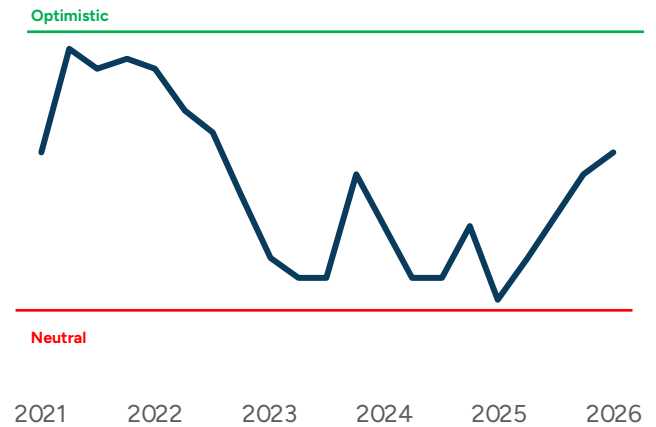
OEM	Strategic Shift	Platform Focus	Rationale
	~\$4B investment mainly in gasoline-powered vehicles and retooling U.S. plants for ICE production	 ICE	Signals shift from all-EV focus toward profitable core engine and chassis programs
	Investing \$5B to reshore production, reopening Belvidere, upgrading Ohio plant, and expanding Indiana engine manufacturing	 Hybrid + ICE	Hybrid output part of production uplift strategy after EV slump
	~\$912M U.S. manufacturing investment across multiple plants to support hybrid production	 Hybrid / ICE	Includes engine and hybrid assembly expansions in Buffalo, Georgetown, Blue Springs, and more, part of broader \$10B strategy
	\$21B in U.S. investment, including \$2.7B expansion of Georgia plant, increasing capacity to 500,000 vehicles	 Hybrid + EV	Expansion includes production of 10 hybrid/electric models and supports broader local production strategy amid cooling EV demand

MANUFACTURING SHOWS EARLY SIGNS OF RECOVERY IN 2026

MARKET OVERVIEW AND SENTIMENT

Manufacturing sentiment has improved modestly entering 2026, rebounding from weaker levels in 2023–2025 as firms grow more optimistic on demand and activity. Revenue expectations remain broadly positive with limited downside risk, supported by stabilizing quoting pipelines and strengthening backlogs. However, the recovery is uneven, and tariffs and elevated material costs continue to pressure pricing and supply chains, keeping sentiment sensitive to external shocks. Overall, the trend reflects cautious confidence rather than a full recovery.

All Manufacturing Sentiment Index

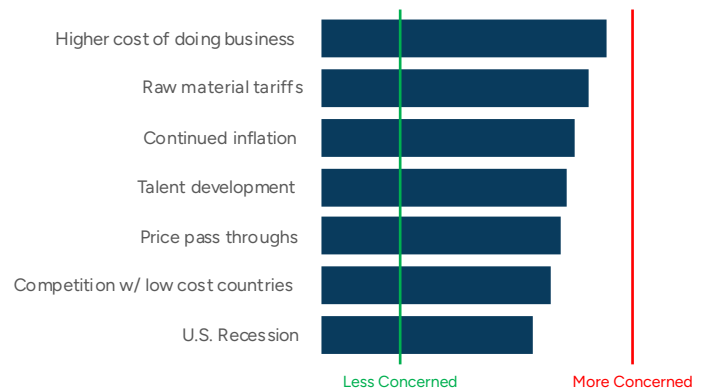


TARIFFS ARE THE BIGGEST PAIN POINT FOR SUPPLIERS

LEADING BUSINESS CONCERNS

Cost pressures remain the dominant concern, driven by raw material tariffs, persistent inflation, and rising operating expenses. These forces are squeezing margins as manufacturers struggle to fully pass through costs. Labor dynamics, including wage inflation and workforce development, add further strain. With pricing pressure expected to persist, more deliberate cost management strategies will be critical.

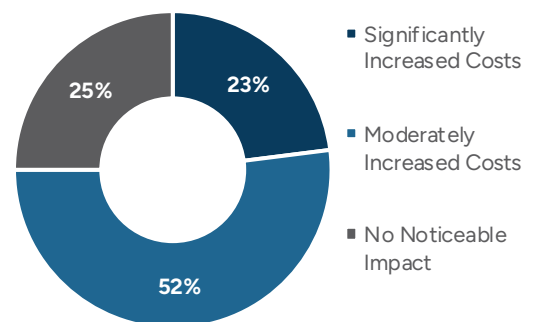
Top Business Concerns



RAW MATERIAL COSTS IMPACTED BY TARIFFS

Tariffs are materially increasing input costs, with 75% of respondents reporting moderate to significant impacts. The pressure is widespread rather than isolated, and few viable sourcing or substitution alternatives exist in the near term. As a result, elevated material costs continue to compress margins, particularly where pass-through to customers remains a challenge.

Tariffs Affecting Raw Material Costs

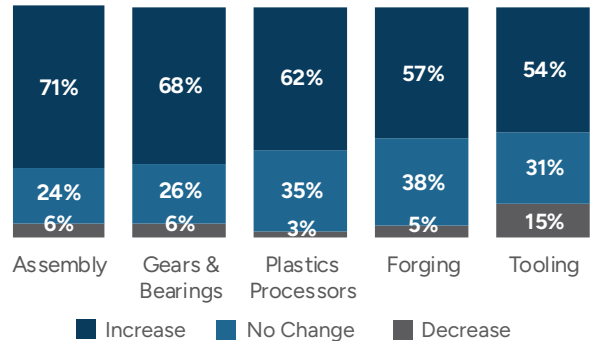


TOOLING IS GAINING MOMENTUM WITH STRENGTHENING DEMAND SIGNALS

INCREASING REVENUE EXPECTATIONS

Most manufacturing subsectors expect revenue growth in 2026, with few anticipating declines. The outlook reflects improving demand visibility as inventories normalize, production schedules stabilize, and customer activity becomes more consistent. Partial pricing pass-through and steadier program flow are also supporting a more favorable near-term revenue environment.

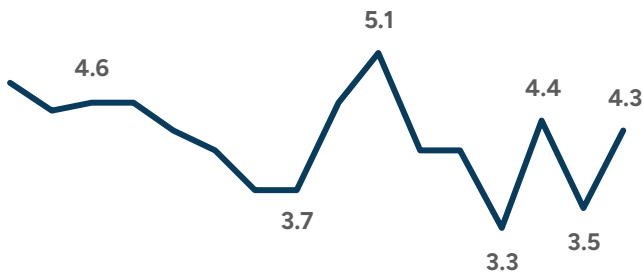
Increasing Revenue Expectations in MFG.



POSITIVE TOOLING BACKLOG AND WORK-ON-HOLD TRENDS

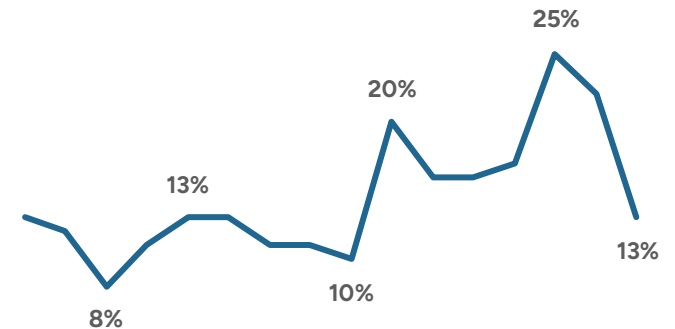
Backlogs are rising, signaling improved demand visibility and a strengthening pipeline of new program activity. Higher backlog levels support more stable production planning and capacity utilization. Work on hold has declined to a two-year low, indicating delayed programs are moving forward and constraints are easing. Together, rising backlog and lower holds point to strengthening demand and a more favorable near-term outlook.

Months of Tooling Backlog



Q1 '22 4.6 Q2 '22 4.6 Q3 '22 4.6 Q4 '22 4.6 Q1 '23 4.6 Q2 '23 4.6 Q3 '23 3.7 Q4 '23 3.7 Q1 '24 5.1 Q2 '24 5.1 Q3 '24 5.1 Q4 '24 5.1 Q1 '25 3.3 Q2 '25 4.4 Q3 '25 3.5 Q4 '25 3.5 Q1 '26 4.3

% of Tooling Work on Hold

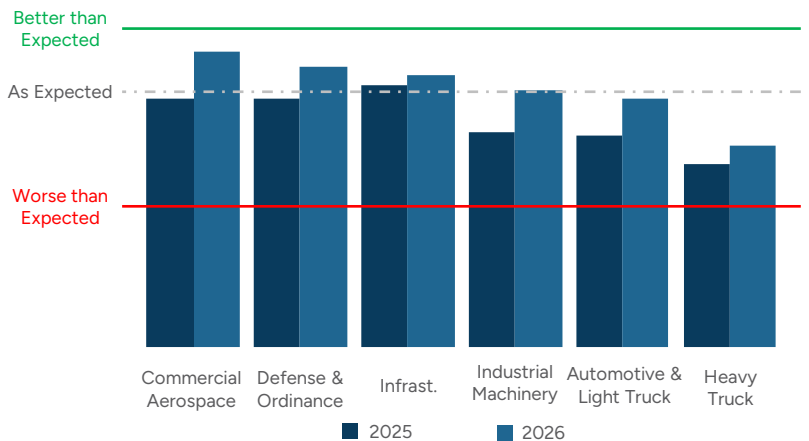


Q1 '22 13% Q2 '22 13% Q3 '22 8% Q4 '22 8% Q1 '23 13% Q2 '23 13% Q3 '23 13% Q4 '23 13% Q1 '24 10% Q2 '24 20% Q3 '24 20% Q4 '24 20% Q1 '25 25% Q2 '25 25% Q3 '25 25% Q4 '25 25% Q1 '26 13%

QUOTING ACTIVITY ACROSS INDUSTRIES

Quoting has improved across most subsectors since late 2025, led by aerospace, defense, and industrial machinery. Automotive has seen a modest increase in quoting activity, signaling improving engagement but still trailing the strongest-performing subsectors. Higher quote volumes reflect growing customer engagement and broader market exploration as demand signals strengthen.

Mix of Quoting by Industry from 2025 to 2026

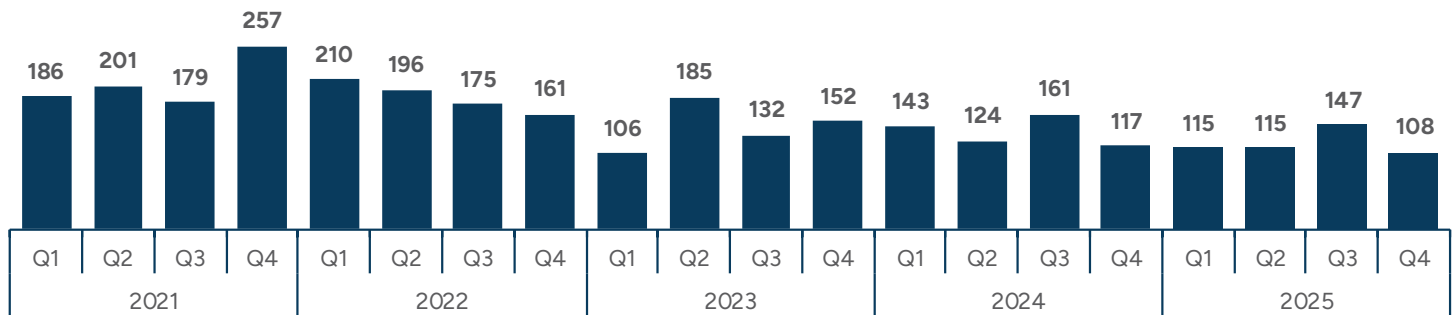




Automotive M&A Database Highlights

Quarterly Automotive M&A Transaction Volume

(Number of Announced M&A Transactions Per Quarter)

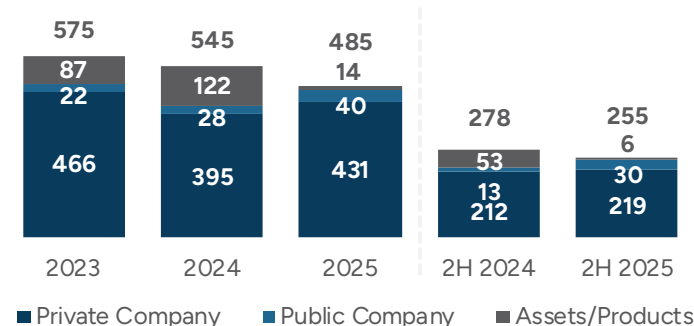


AUTOMOTIVE MIDDLE-MARKET M&A TRENDS

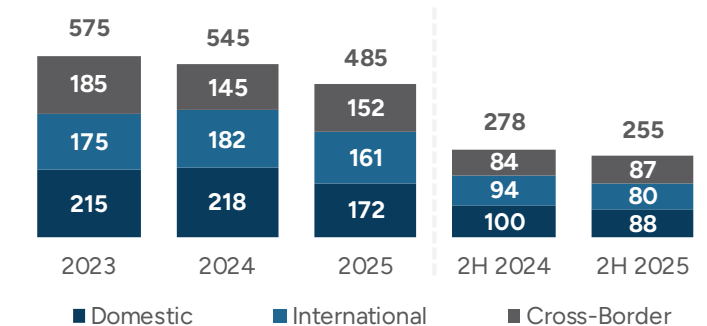
Middle-market automotive M&A activity continued its sluggish trajectory in 2025 partly due to heightened financing costs and continued uncertainty around global tariffs, which caused many buyers and potential sellers to maintain a “wait and see” approach. The geographic mix and seller type mix were very similar in 2024 and 2025 except that in 2025, notably less carve-outs occurred for specific assets or products. Momentum improved as the year progressed, supported by normalized valuation multiples and stronger strategic conviction. Buyers with operational expertise and a long-term outlook remained active, selectively pursuing opportunities aligned with core capabilities, margin expansion, and OEM-aligned growth themes.

Longer term, portfolio rationalization and targeted divestitures continue to shape deal activity, as suppliers streamline operations and reallocate capital toward stable, higher-margin segments. Consolidation remains focused on adjacent capabilities, with bolt-on transactions in powertrain, interiors, electronics, and ADAS supporting scale efficiencies and positioning suppliers to better meet evolving OEM requirements.

M&A Volume by Seller Type

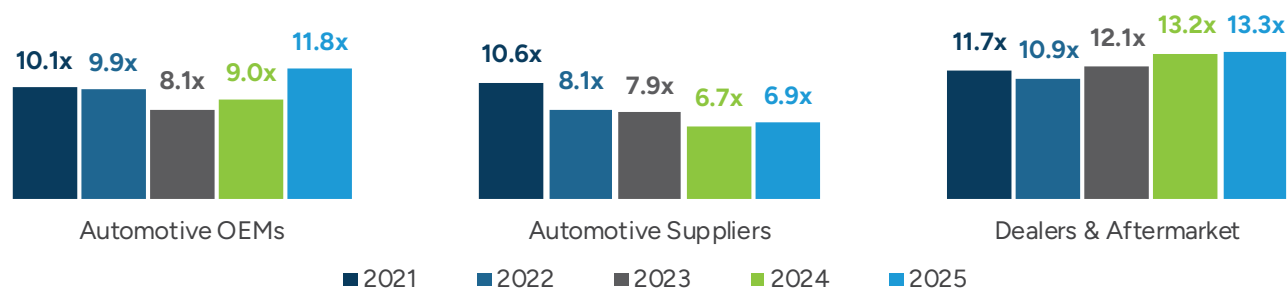


M&A Volume by Geography



Automotive M&A and Market Trends

Subsector Average EBITDA Multiples



RECENT SELECT AUTOMOTIVE INDUSTRY TRANSACTIONS

Date	Target (Ownership)	Subsector	Acquiror (Ownership)
Mar-26	First Brands' Walbro Business	Engine components	Active Dynamics Group
Feb-26	Heidts Automotive LLC	Suspension components	BMR Suspension Inc.
Feb-26	Mirai Casting Group	Automotive castings	Valore
Jan-26	Dowlais	Driveline components	Dauch
Jan-26	Verot, S.A.	Metal fabrication	PHI Asset Management Partners
Jan-26	Dana Off-Highway	Off-highway drivetrain	Allison Transmission
Dec-25	IFA Holding GmbH	Driveline components	Neapco Holdings, LLC
Nov-25	Novares Group S.A.	Plastic components	Deva Capital Investment Company SL
Nov-25	TVR Automotive Ltd.	Performance vehicles	Charge Holdings Ltd
Oct-25	Vintage Air, Inc.	Automotive HVAC	LFM Capital, LLC
Sep-25	Vogue Tyre & Rubber Company	Tire manufacturing	Sailun Tire USA Corp.
Sep-25	Nerve Smart Systems ApS	ADAS software	Fremsyn ApS
Sep-25	Sobek Group GmbH	Precision machining	DEUTZ Aktiengesellschaft (XTRA:DEZ)
Sep-25	UBC Composites GmbH	Composite components	AM Group Holding BV
Aug-25	Penegon West, Inc.	Automotive logistics	Sonic Automotive, Inc. (NYSE:SAH)
Aug-25	Ktm-sportcar GmbH	Performance engineering	Verinvest S.A.
Aug-25	Iac Group (Slovakia) S.R.O.	Interior components	Artifex Interior Systems Limited
Aug-25	P.L. Custom Body and Equipment Co., Inc.	Specialty vehicles	First Priority Emergency Vehicles, Inc.
Jul-25	KSR International Co.	Steering components	Angstrom Automotive Group LLC
Jul-25	Superior Industries International, Inc.	Aluminum wheels	Oaktree Capital Management, L.P.

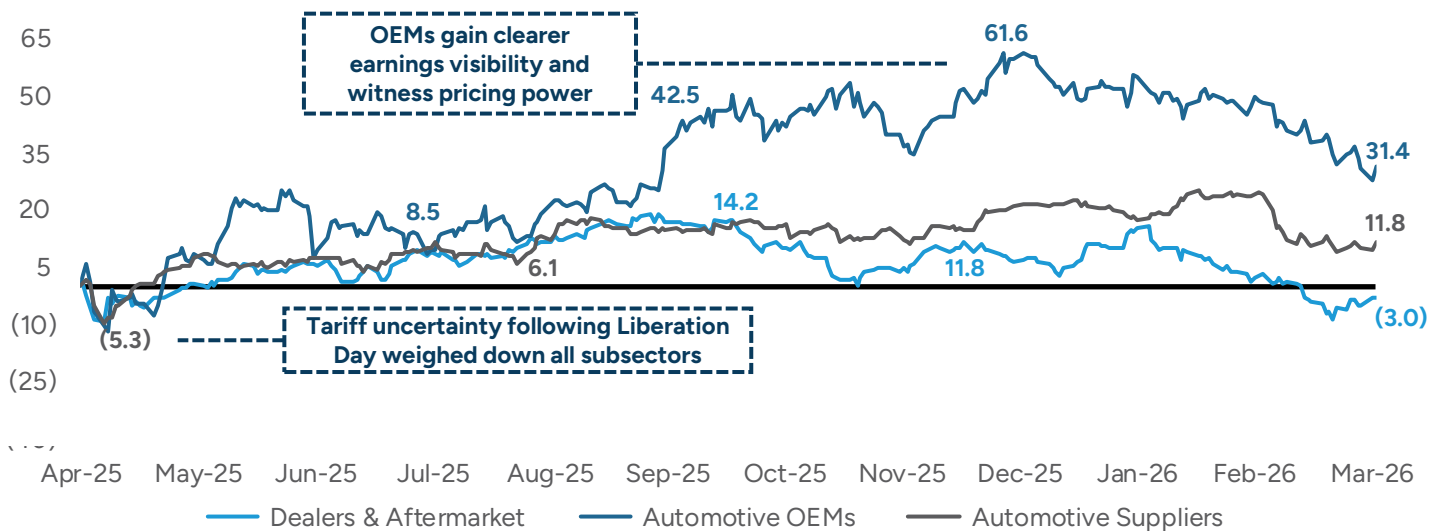
Automotive Subsector Performance

VALUATION METRICS

The U.S. stock market reached multiple record highs in 2025, delivering exceptional returns despite considerable uncertainty throughout the year. Market volatility was largely driven by ongoing tariff concerns, shifting geopolitical dynamics, and continued uncertainty surrounding the trajectory of interest rates. Looking ahead, investor attention remains focused on the progression of U.S. and global trade negotiations as a key factor influencing market performance in 2026. Among the major indices, the Nasdaq led gains in 2025 with an increase of 20.9%, followed by the S&P 500 at 16.9%, and the Dow Jones Industrial Average at 13.5%. Q1 2026 has been marked by heightened volatility, with all three major indices declining, driven by the outbreak of the U.S.-Iran conflict in late February, oil prices surging, persistent inflation, and tariff concerns.

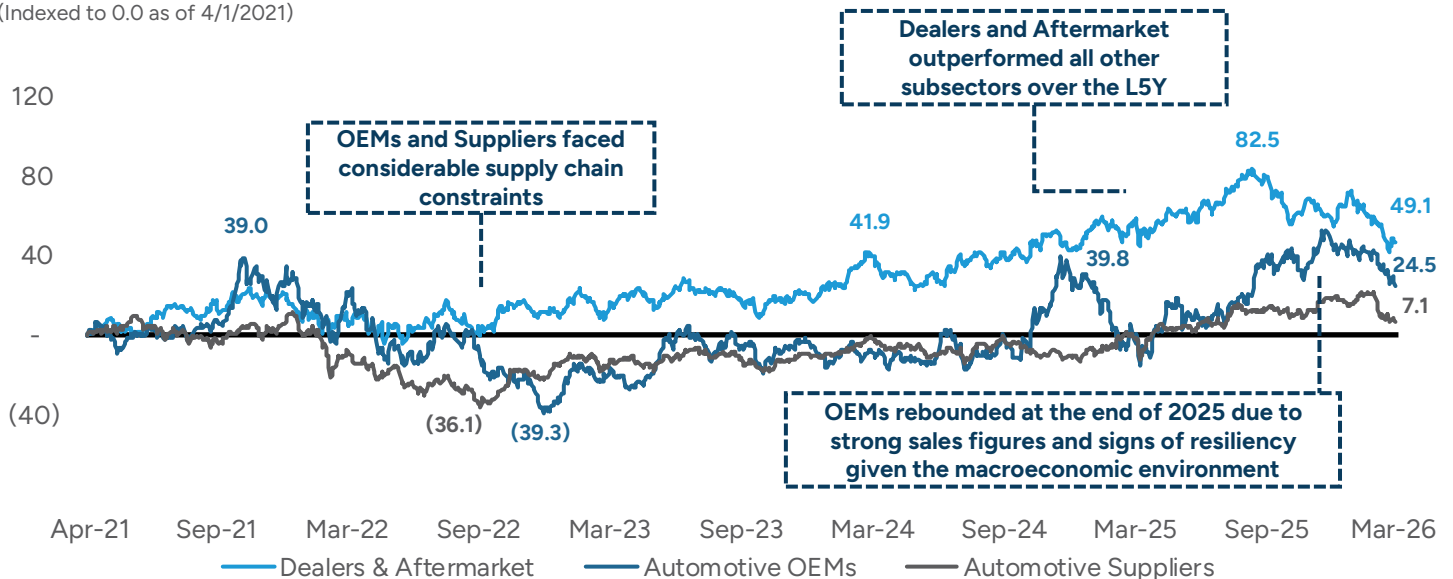
Subsector Indices — LTM Stock Price Performance

(Indexed to 0.0 as of 4/1/2025)



Subsector Indices — L5Y Stock Price Performance

(Indexed to 0.0 as of 4/1/2021)



Automotive Public Comps

AUTOMOTIVE OEMS

		Market Data			LTM Financial Performance Data			Valuation Multiples		
		Share Price		Ent.	EBITDA			EV / Rev	EV / EBITDA	
		3/31/26	% 52 High	Value	Revenue	EBITDA	Margin	LTM	LTM	NTM
Company Name	Ticker									
North American OEMs										
Ford	NYSE:F	\$11.54	78.0%	\$181,218.9	\$187,267.0	\$5,393.0	2.9%	1.0x	nmf	14.9x
General Motors	NYSE:GM	74.50	85.0	172,002.6	185,019.0	17,629.0	9.5	0.9	9.8	7.4
Stellantis	NYSE:STLA	7.09	58.0	20,028.2	180,237.2	(2,314.2)	(1.3)	0.1	nmf	1.6
Tesla	NasdaqGS:TSLA	371.75	74.5	1,469,640.3	94,827.0	10,503.0	11.1	15.5	nmf	nmf
Group Median			76.3%	\$176,610.7	\$182,628.1	\$7,948.0	6.2%	0.9x	9.8x	7.4x
Group Mean			73.9%	\$460,722.5	\$161,837.5	\$7,802.7	5.6%	4.4x	9.8x	8.0x
Asian OEMs										
FAW Jiefang	SZSE:000800	\$0.96	81.1%	\$1,623.2	\$8,961.2	\$136.3	1.5%	0.2x	nmf	3.5x
Geely Automobile Holdings	SEHK:175	2.67	96.9	22,951.3	49,358.4	2,308.7	4.7	0.5	9.9x	4.7
Honda	TSE:7267	7.91	72.7	87,071.0	136,080.0	7,330.0	5.4	0.6	11.9	7.9
Hyundai	KOSE:A005380	292.67	64.8	189,457.6	129,028.0	10,366.2	8.0	1.5	18.3	15.3
Nissan	TSE:7201	2.09	71.5	54,047.9	76,970.1	1,794.5	2.3	0.7	30.1	27.2
SAIC	SHSE:600104	2.12	70.7	17,855.7	93,824.2	4,259.3	4.5	0.2	4.2	3.7
Suzuki	TSE:7269	11.80	75.8	26,707.9	38,638.7	5,471.7	14.2	0.7	4.9	4.8
Tata	BSE:500570	3.16	39.8	14,171.8	44,750.5	2,420.6	5.4	0.3	5.9	3.8
Toyota	TSE:7203	19.89	79.1	428,543.0	321,776.9	39,575.4	12.3	1.3	10.8	18.1
Group Median			72.7%	\$26,707.9	\$76,970.1	\$4,259.3	5.4%	0.6x	10.4x	4.8x
Group Mean			72.5%	\$93,603.3	\$99,932.0	\$8,184.8	6.5%	0.7x	12.0x	9.9x
European OEMs										
BMW	XTRA:BMW	\$89.93	79.7%	\$168,554.9	\$156,690.1	\$18,483.0	11.8%	1.1x	9.1x	8.0x
Mercedes-Benz	XTRA:MBG	60.41	84.0	156,181.0	155,235.4	13,159.6	8.5	1.0	11.9	9.2
Renault	ENXTPA:RNO	33.46	58.3	69,607.0	68,007.5	7,058.8	10.4	1.0	9.9	9.7
Volkswagen	XTRA:VOW3	99.62	79.2	302,836.5	377,965.2	28,521.8	7.5	0.8	10.6	7.0
Group Median			79.4%	\$162,368.0	\$155,962.8	\$15,821.3	9.4%	1.0x	10.2x	8.6x
Group Mean			75.3%	\$174,294.9	\$189,474.6	\$16,805.8	9.5%	1.0x	10.4x	8.5x
Overall Median			75.8%	\$87,071.0	\$129,028.0	\$7,058.8	7.5%	0.8x	9.9x	7.6x
Overall Mean			73.5%	\$198,970.5	\$135,566.8	\$10,123.3	7.0%	1.6x	11.3x	9.2x

Automotive Public Comps (cont.)

AUTOMOTIVE SUPPLIERS

Company Name	Ticker	Market Data			LTM Financial Performance Data			Valuation Multiples		
		Share Price		Ent.	Revenue	EBITDA	Margin	EV / Rev		EV / EBITDA
		3/31/26	% 52 High	Value				LTM	LTM	NTM
Automotive Metal Working										
BorgWarner	NYSE:BWA	\$54.26	77.4%	\$12,938.9	\$14,316.0	\$1,980.0	13.8%	0.9x	6.5x	6.0x
Dana	NYSE:DAN	33.65	92.8	6,513.6	7,500.0	554.0	7.4	0.9	11.8	8.1
Dauch Corp.	NYSE:DCH	5.93	64.1	4,822.2	5,836.7	687.3	11.8	0.8	7.0	3.5
Gestamp Automoción	BME:GEST	3.39	83.0	5,416.1	13,438.4	1,328.7	9.9	0.4	4.1	3.5
Linamar	TSX:LNR	61.73	87.3	4,549.0	7,462.3	1,117.0	15.0	0.6	4.1	3.8
Magna International	TSX:MG	55.66	81.6	18,831.3	42,010.0	4,035.0	9.6	0.4	4.7	4.4
Group Median			82.3%	\$5,964.8	\$10,469.2	\$1,222.8	10.8%	0.7x	5.6x	4.1x
Group Mean			81.0%	\$8,845.2	\$15,093.9	\$1,617.0	11.2%	0.7x	6.4x	4.9x
Automotive Plastics										
Adient	NYSE:ADNT	\$20.21	74.0%	\$3,483.3	\$14,684.0	\$762.0	5.2%	0.2x	4.6x	3.9x
Autoliv	NYSE:ALV	105.16	80.8	9,431.5	10,815.0	1,514.0	14.0	0.9	6.2	5.9
Compagnie Plastic Omnium	ENXTPA:OPM	17.27	82.5	4,278.8	11,994.8	824.2	6.9	0.4	5.2	3.7
Forvia	ENXTPA:FRVIA	11.17	64.4	11,343.3	25,063.8	2,427.0	9.7	0.5	4.7	3.3
Lear	NYSE:LEA	121.08	84.8	8,008.0	23,259.1	1,640.8	7.1	0.3	4.9	4.6
Samvardhana Motherson	BSE:517334	1.12	77.2	13,259.3	13,422.9	1,132.2	8.4	1.0	11.7	9.5
Group Median			79.0%	\$8,719.7	\$14,053.4	\$1,323.1	7.7%	0.4x	5.0x	4.3x
Group Mean			77.3%	\$8,300.7	\$16,539.9	\$1,383.4	8.5%	0.5x	6.2x	5.1x
Technology Enablers										
Aptiv	NYSE:APTV	\$69.44	78.1%	\$20,765.2	\$20,398.0	\$3,190.0	15.6%	1.0x	6.5x	8.1x
Continental	XTRA:CON	68.72	75.7	20,257.1	23,102.0	2,965.8	12.8	0.9	6.8	5.5
DENSO	TSE:6902	12.25	82.1	33,963.8	46,998.9	5,541.2	11.8	0.7	6.1	5.1
HELLA	XTRA:HLE	84.75	81.7	9,044.8	9,231.1	1,086.7	11.8	1.0	8.3	8.1
Methode Electronics	NYSE:MEI	5.52	51.2	406.5	978.2	39.2	4.0	0.4	10.4	5.8
Stoneridge	NYSE:SRI	4.83	49.7	250.0	861.3	21.9	2.5	0.3	11.4	12.5
Valeo	ENXTPA:FR	11.91	74.2	8,540.8	24,542.7	2,553.7	10.4	0.3	3.3	2.5
Visteon	NasdaqGS:VC	91.11	70.6	2,058.3	3,768.0	440.0	11.7	0.5	4.7	4.3
Group Median			75.0%	\$8,792.8	\$14,814.5	\$1,820.2	11.7%	0.6x	6.7x	5.6x
Group Mean			70.4%	\$11,910.8	\$16,235.0	\$1,979.8	10.1%	0.6x	7.2x	6.5x
Overall Median			77.8%	\$8,274.4	\$13,430.6	\$1,230.4	10.1%	0.6x	6.2x	4.9x
Overall Mean			75.7%	\$9,908.1	\$15,984.2	\$1,692.0	10.0%	0.6x	6.6x	5.6x

Automotive Public Comps (cont.)

DEALERS & AFTERMARKET

(\$ in millions, except share data)

Company Name	Ticker	Market Data			LTM Financial Performance Data			Valuation Multiples		
		Share Price		Ent.	Revenue	EBITDA	Margin	EV / Rev	EV / EBITDA	
		3/31/26	% 52 High	Value				LTM	LTM	NTM
Aftermarket Parts & Repair										
Advance Auto Parts	NYSE:AAP	\$52.75	75.4%	\$3,459.3	\$8,601.0	\$473.0	5.5%	0.4x	7.3x	5.5x
AutoZone	NYSE:AZO	3,377.78	77.0	65,808.8	19,609.8	4,190.8	21.4	3.4	15.7	14.2
Dorman Products Inc	NasdaqGS:DORM	104.36	62.5	3,542.9	2,130.3	412.0	19.3	1.7	8.6	8.8
Genuine Parts	NYSE:GPC	105.75	69.8	19,048.6	24,300.1	2,014.1	8.3	0.8	9.5	8.9
LKQ	NasdaqGS:LKQ	29.37	67.6	10,863.5	13,651.0	1,495.0	11.0	0.8	7.3	7.3
Monro	NasdaqGS:MNRO	16.04	67.1	761.6	1,178.3	85.2	7.2	0.6	8.9	7.5
O'Reilly Automotive	NasdaqGS:ORLY	92.31	84.9	83,392.8	17,782.0	3,971.8	22.3	4.7	21.0	19.6
Group Median			69.8%	\$10,863.5	\$13,651.0	\$1,495.0	11.0%	0.8x	8.9x	8.8x
Group Mean			72.0%	\$26,696.8	\$12,464.7	\$1,806.0	13.6%	1.8x	11.2x	10.2x
Automotive Dealers										
Asbury Automotive Group	NYSE:ABG	\$195.41	71.2%	\$9,573.5	\$17,999.0	\$1,084.5	6.0%	0.5x	8.8x	9.9x
AutoNation	NYSE:AN	195.26	85.3	16,396.2	27,631.4	1,590.0	5.8	0.6	10.3	10.1
CarMax	NYSE:KMX	41.58	50.2	23,214.8	27,834.2	1,057.6	3.8	0.8	21.9	26.9
Carvana	NYSE:CVNA	314.38	64.6	48,454.6	20,322.0	2,159.0	10.6	2.4	22.4	16.7
Group 1 Automotive	NYSE:GPI	330.63	67.7	9,478.2	22,571.4	1,077.7	4.8	0.4	8.8	9.4
Lithia Motors	NYSE:LAD	249.72	69.3	20,321.3	37,634.9	1,950.5	5.2	0.5	10.4	12.1
Penske Automotive Group	NYSE:PAG	149.52	78.9	16,044.4	31,808.5	1,456.4	4.6	0.5	11.0	11.2
Sonic Automotive	NYSE:SAH	68.57	76.5	5,925.4	15,153.6	653.2	4.3	0.4	9.1	10.0
Group Median			70.2%	\$16,220.3	\$25,101.4	\$1,270.5	5.0%	0.5x	10.4x	10.7x
Group Mean			70.5%	\$18,676.0	\$25,119.4	\$1,378.6	5.6%	0.8x	12.9x	13.3x
Overall Median			69.8%	\$16,044.4	\$19,609.8	\$1,456.4	6.0%	0.6x	9.5x	10.0x
Overall Mean			71.2%	\$22,419.0	\$19,213.8	\$1,578.1	9.3%	1.2x	12.1x	11.9x

Recent Stout Transaction Spotlight



- Stout served as exclusive financial advisor to International Automotive Components (IAC), a leading global supplier of innovative automotive solutions, on the carve-out of its exterior plastic components operations in Logroño (Spain) to Flex-N-Gate
- The deal closed in October 2025 and represents another corporate carve-out cross-border success for Stout's Automotive & Transportation Technologies group
- Read more [here](#)

International Automotive Components

Description: Birthed in 1982, the IAC plant in Logroño is a world-class manufacturing facility specializing in injection-molded plastic components with a state-of-the-art painting line and a sequencing facility in Zaragoza, at the heart of Europe's automotive industry



Flex-N-Gate

Description: Headquartered in Illinois, Flex-N-Gate is a premier global manufacturer and supplier of engineered plastic and metal components, systems, and assemblies for the automotive industry. Known for its innovation, quality, and vertically integrated operations, Flex-N-Gate provides comprehensive solutions that include product design, engineering, tooling, injection molding, stamping, painting, and assembly

SUMMARY OUTCOME

- Flex-N-Gate, a Tier I supplier to major automotive OEMs, offered a diversified product portfolio supported by vertically integrated manufacturing capabilities
- This transaction led to a very positive outcome for IAC, preserving jobs, ensuring uninterrupted supply to key customers, and advancing the company's strategic focus on its core product lines
- Senior Bankers Cesar Remacha, Michael Benson, and David Hale led and assisted the transaction for Stout, who served as exclusive sell-side advisor to IAC

Stout IB Automotive & Transportation Technologies

ABOUT

For more than 30 years, Stout has exclusively focused on serving the unique M&A transaction advisory needs of middle-market clients. Our firm is a trusted advisor to leading organizations due to our deep industry knowledge, senior-level attention, process expertise, and relentless focus on delivering unparalleled results.

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](#).

FOCUS AREAS

Diverse Industry Participants


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

Subsector Coverage


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

SELECT TRANSACTIONS

The Exterior Plastic Components business of



has been acquired by




SELL-SIDE ADVISOR

VOGUE TYRES
SINCE 1914

has been acquired by

STA
SAILUN TIRE AMERICAS

a subsidiary of




SELL-SIDE ADVISOR

VP viking plastics

a portfolio company of

SPELL CAPITAL
Private Equity • Private Equity

has been acquired by



SELL-SIDE ADVISOR

HEMATITE
A NEW WAY OF THINKING

a subsidiary of

WOODBRIIDGE


has been acquired by



SELL-SIDE ADVISOR

Rane Light Metal Castings

a subsidiary of



Expanding Horizons


has been acquired by

VMINT


SELL-SIDE ADVISOR

WORTH RIVER CAPITAL

a portfolio company of



has been acquired by



SELL-SIDE ADVISOR

FISHER DYNAMICS


\$215,000,000
Refinancing

Asset-Based Revolving Credit Facility and Senior Secured Term Loans

FINANCIAL ADVISOR

TTAN
(Titan Australia Pty Ltd.)


has been acquired by



SELL-SIDE ADVISOR

TIRE RACK.com

has been acquired by



SELL-SIDE ADVISOR

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Net Promoter
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Stout's Investment Banking group provides mergers and acquisitions (M&A) advisory, capital market financing, and other financial advisory services to portfolio companies of private equity firms, closely held or family-owned businesses, and divisions of large corporate parents. Learn more about our [Investment Banking Services](#).

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