



NORTH AMERICAN
**AUTOMOTIVE
AFTERMARKET**

M&A Activity and Valuation Trends
Q4 | 2018



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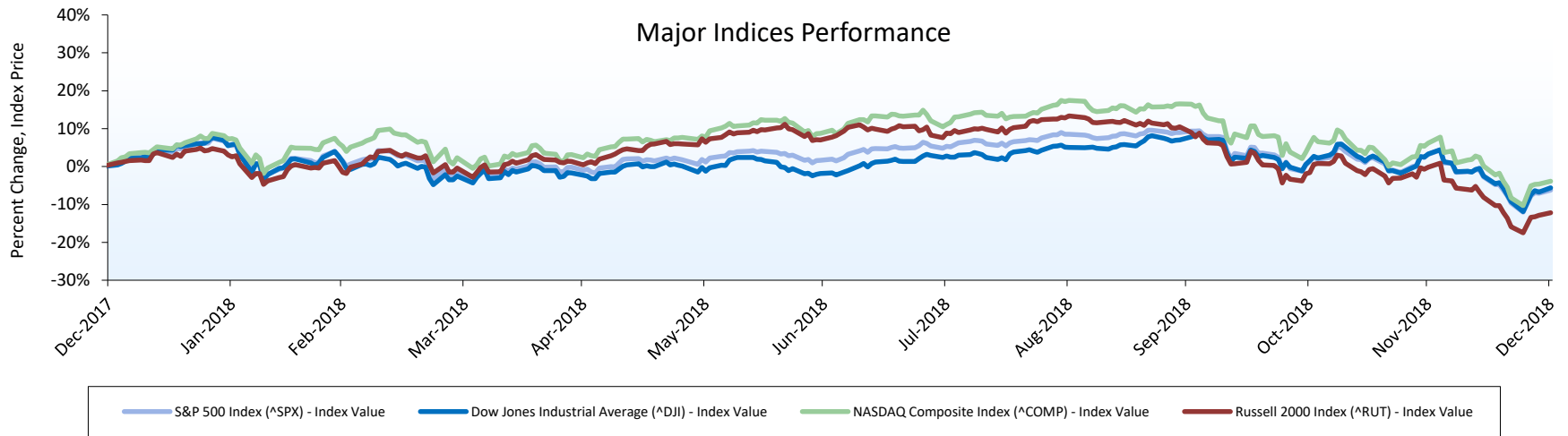
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Economic Indicators

Macroeconomic Overview



Index	As of 3/31/2018	As of 6/30/2018	As of 9/30/2018	As of 12/31/2018
^SPX	2640.87	2718.37	2913.98	2506.85
^COMP	7063.45	7510.30	8046.35	6635.28
^DJI	24103.11	24271.41	26458.31	23327.46
^RUT	1529.43	1643.07	1696.57	1348.56

Major Economic Indicators

Economic Indicator	2014	2015	2016	2017	2018
Real GDP (% change)	2.40%	3.00%	2.08%	2.30%	2.22%
CPI (% change)	1.62%	1.90%	2.38%	2.20%	1.91%
Cons. Spending (% change)	2.50%	2.90%	3.10%	3.30%	2.80%
Nonfarm Productivity	0.70%	-2.20%	1.00%	1.50%	1.80%
Unemployment Rate	6.20%	5.80%	4.40%	4.10%	3.90%

Interest Rates

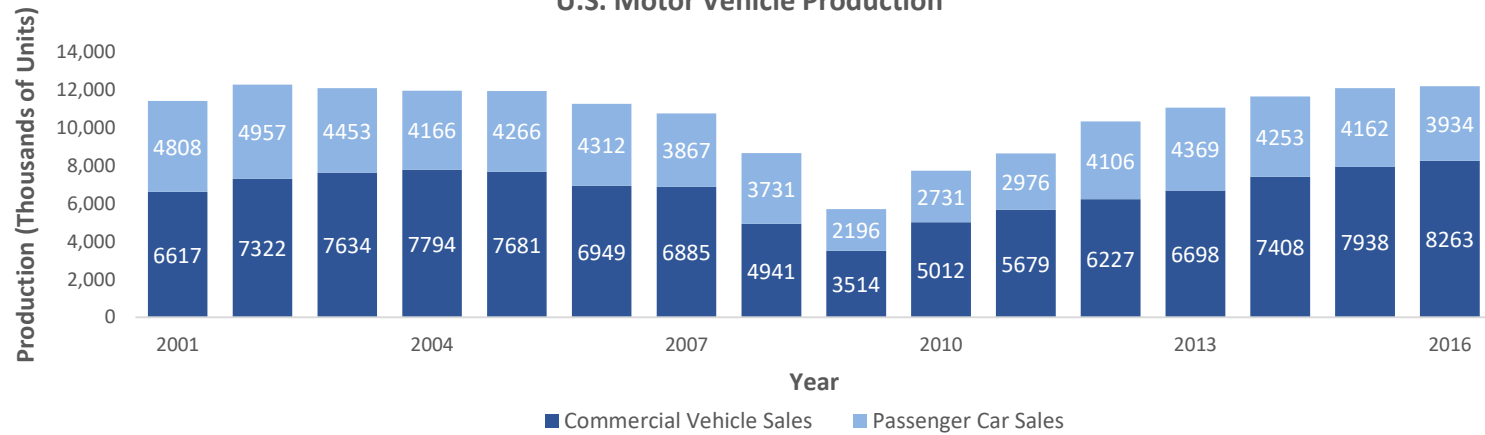
Interest Rates	3/31/2018	6/30/2018	9/30/2018	12/31/2018
United States Treasury - 2 Year	2.27%	2.52%	2.81%	2.48%
United States Treasury - 5 Year	2.56%	2.73%	2.94%	2.51%
United States Treasury - 10 Year	2.74%	2.85%	3.05%	2.69%
United States Treasury - 30 Year	2.97%	2.98%	3.19%	3.02%
United States Prime Rate	4.75%	5.00%	5.25%	5.50%

Source: Capital IQ, S&P NetAdvantage

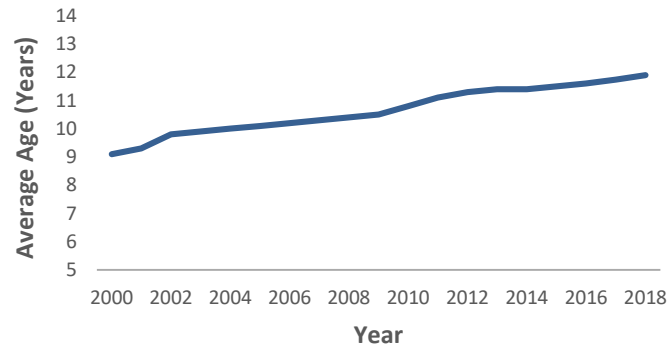
Economic Indicators

Automotive Aftermarket

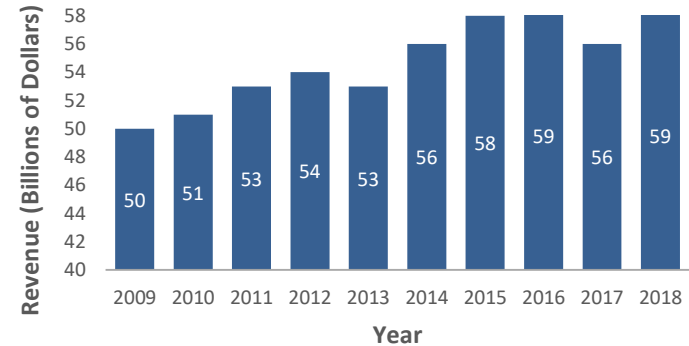
U.S. Motor Vehicle Production



Average Age of Light Vehicles in Operation in the U.S.



Auto Parts Retail Industry Revenue



Source: IBISWorld, United States Department of Transportation

Dinan Index Constituents

Automotive Aftermarket

Automobile
Manufacturers



Automotive Retailers
and Distributors

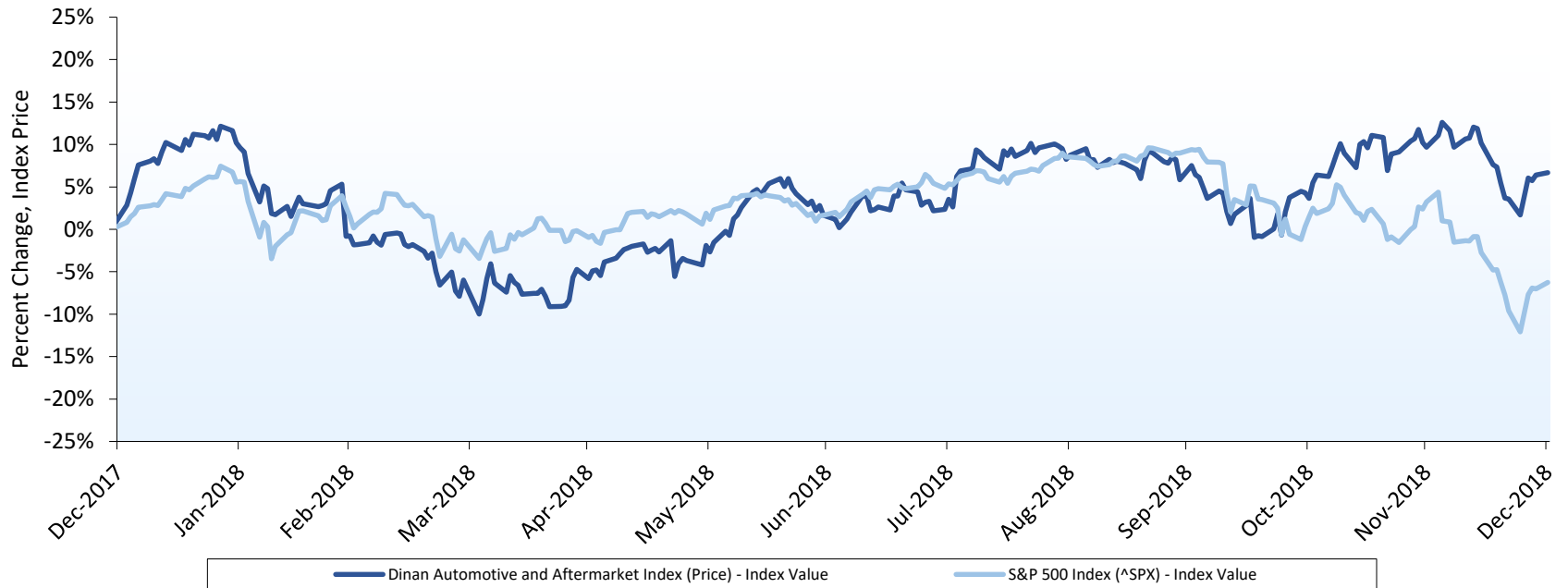


Aftermarket



Capital Market Activity

Automotive Aftermarket

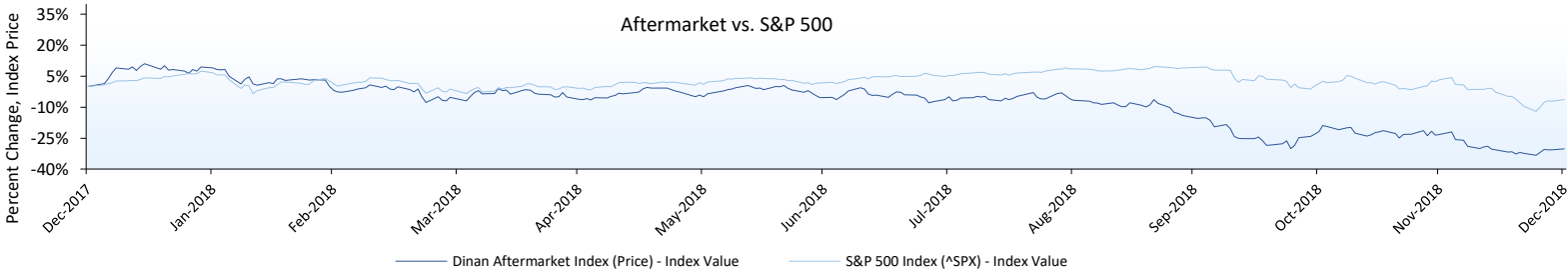
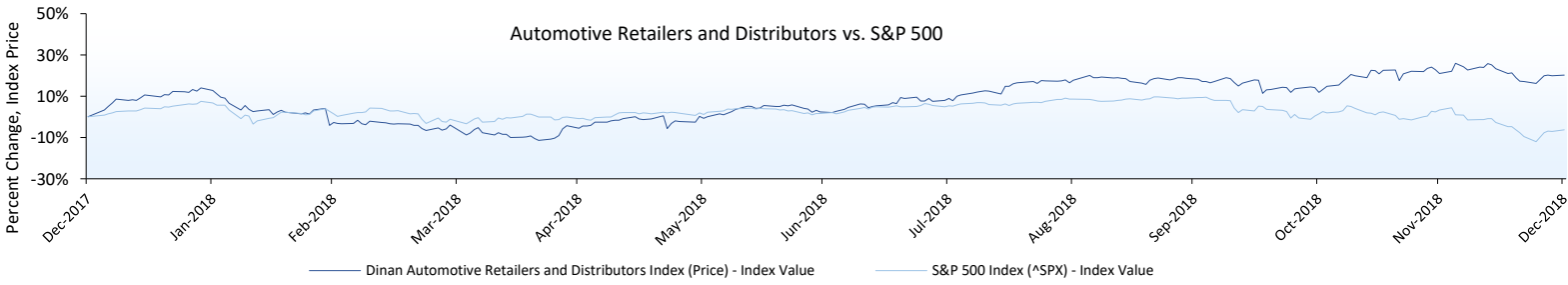
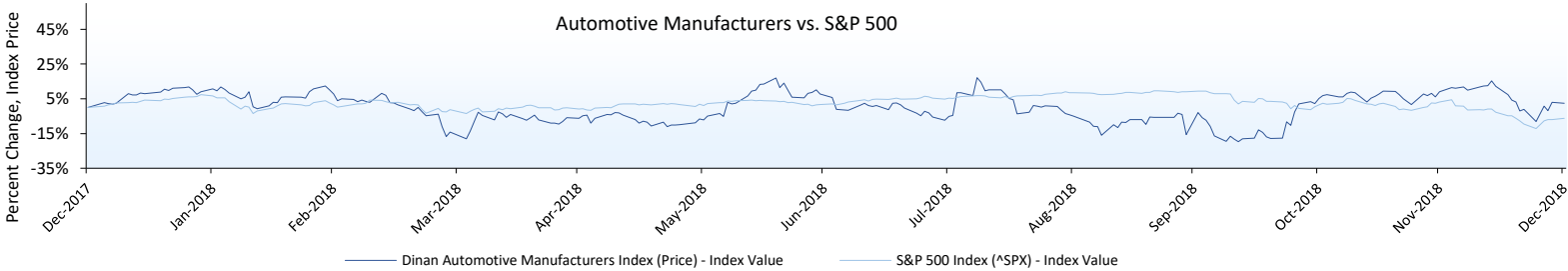


Capitalization Profile	Number of Companies	% of Companies	Agg. Equity Mkt. Value	% of Agg. Equity Mkt. Value
> \$10B	8	44.44%	\$219,853.06	89.83%
\$5B - \$10B	1	5.56%	\$7,235.39	2.96%
\$1B - \$5B	8	44.44%	\$17,344.96	7.09%
< \$1B	1	5.56%	\$314.76	0.13%
Total	18	100.00%	\$244,748.18	100.00%

Source: Capital IQ

Capital Market Activity

Dinan Index Segments vs. S&P 500

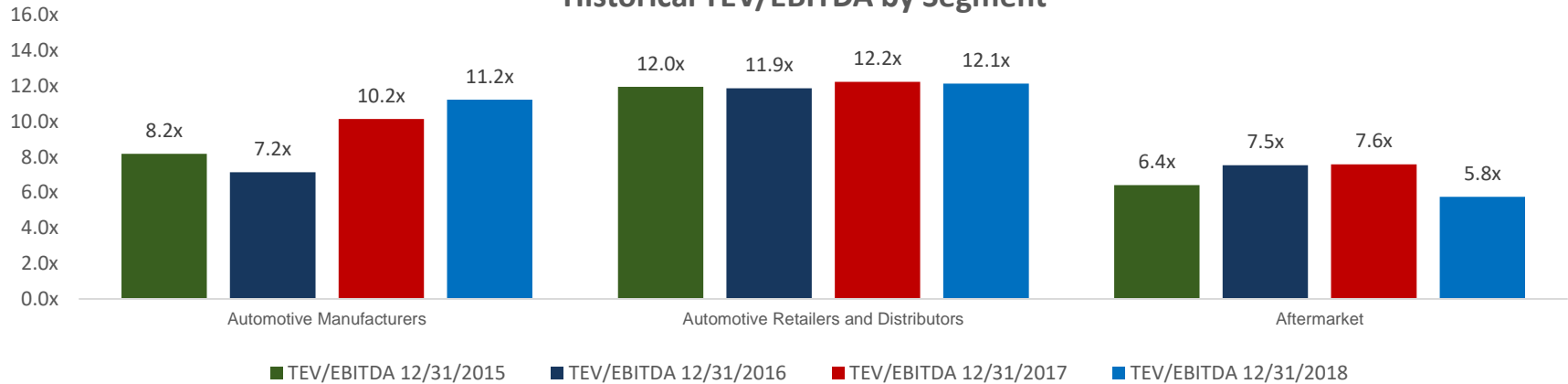


Source: Capital IQ

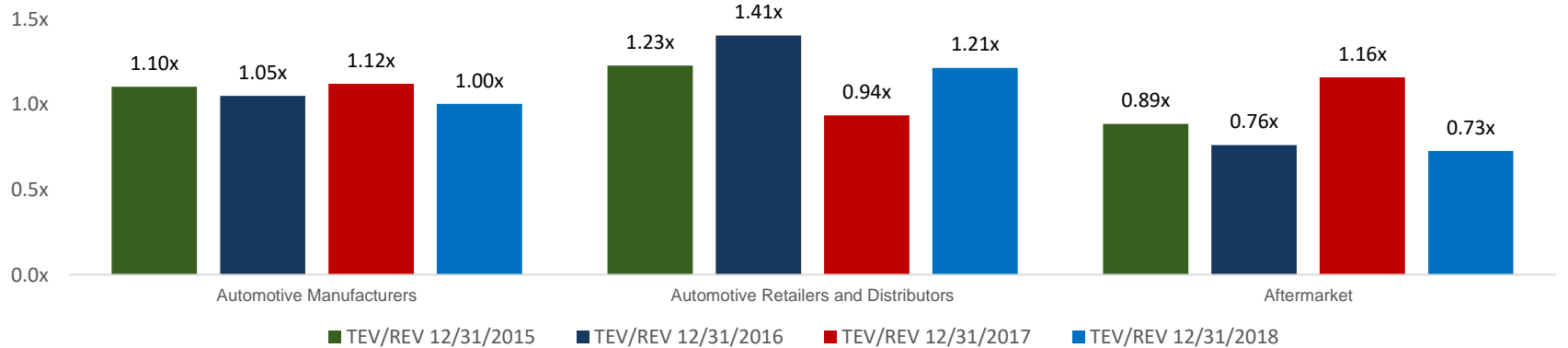
Public Sector Valuations

Automotive Aftermarket

Historical TEV/EBITDA by Segment



Historical TEV/Revenue by Segment



Source: Capital IQ

Public Sector Valuations

Automotive Aftermarket

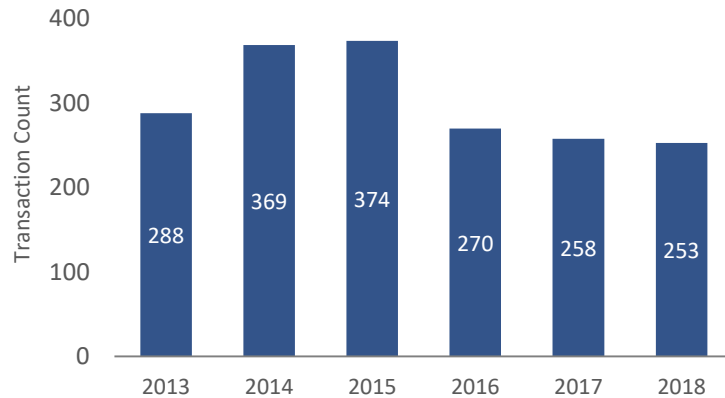
Industry /		Last Twelve Months								Next Twelve Months	
Company Name	Ticker	TEV (mm)	Market Cap (mm)	Rev (mm)	EBITDA (mm)	EBIT (mm)	TEV/Rev	TEV/EBIT	TEV/EBITDA	Forward TEV/Rev	Forward TEV/EBITDA
Automotive Manufacturers											
Ford Motor Company	NYSE:F	\$160,384.96	\$30,430.96	\$148,320.00	\$11,583.00	\$3,275.00	1.00x	26.62x	11.23x	1.11x	13.96x
General Motors Company	NYSE:GM	\$133,727.45	\$47,211.45	\$132,708.00	\$20,597.00	\$8,401.00	0.91x	12.64x	5.87x	0.91x	5.88x
Tesla, Inc.	NasdaqGS:TSLA	\$69,094.08	\$57,152.67	\$17,523.64	\$616.29	-\$1,244.33	3.94x	NM	112.11x	2.38x	16.58x
	Median	\$133,727.45	\$47,211.45	\$132,708.00	\$11,583.00	\$3,275.00	1.00x	19.63x	11.23x	1.11x	13.96x
Automotive Retailers and Distributors											
Advance Auto Parts, Inc.	NYSE:AAP	\$11,552.86	\$11,477.26	\$9,512.47	\$951.90	\$711.81	1.21x	16.23x	12.14x	1.19x	10.69x
AutoNation, Inc.	NYSE:AN	\$9,328.43	\$3,210.33	\$20,583.00	\$940.90	\$776.30	0.43x	12.02x	9.91x	0.43x	9.83x
AutoZone, Inc.	NYSE:AZO	\$25,977.22	\$21,130.46	\$11,273.68	\$2,502.97	\$2,153.42	2.30x	12.06x	10.38x	2.19x	10.23x
CarMax, Inc.	NYSE:KMX	\$24,620.04	\$10,776.10	\$17,938.72	\$1,326.25	\$1,143.88	1.30x	21.52x	18.56x	1.29x	16.93x
Genuine Parts Company	NYSE:GPC	\$16,698.69	\$14,091.83	\$18,338.36	\$1,371.49	\$1,143.54	0.91x	14.60x	12.18x	0.86x	11.10x
O'Reilly Automotive, Inc.	NasdaqGS:ORLY	\$30,716.64	\$27,582.33	\$9,412.28	\$2,043.64	\$1,789.98	3.26x	17.16x	15.03x	3.09x	14.24x
Penske Automotive Group, Inc.	NYSE:PAG	\$9,027.21	\$3,421.61	\$22,105.00	\$767.60	\$665.30	0.40x	11.33x	10.04x	0.38x	11.71x
	Median	\$16,698.69	\$11,477.26	\$17,938.72	\$1,326.25	\$1,143.54	1.21x	14.60x	12.14x	1.19x	11.10x
Aftermarket											
BorgWarner Inc.	NYSE:BWA	\$9,113.69	\$7,235.39	\$10,543.20	\$1,737.30	\$1,305.70	0.86x	6.72x	5.10x	0.85x	5.12x
Delphi Technologies PLC	NYSE:DLPH	\$2,626.20	\$1,267.20	\$4,976.00	\$777.00	\$580.00	0.53x	4.46x	3.34x	0.55x	3.94x
Dorman Products, Inc.	NasdaqGS:DORM	\$2,913.07	\$2,966.18	\$941.08	\$202.14	\$176.22	3.10x	16.53x	14.41x	2.86x	13.59x
Meritor, Inc.	NYSE:MTOR	\$2,175.27	\$1,435.27	\$4,178.00	\$434.00	\$350.00	0.52x	5.77x	4.72x	0.51x	4.42x
Motorcar Parts of America, Inc.	NasdaqGS:MPAA	\$374.58	\$314.76	\$442.72	\$44.13	\$38.63	0.88x	9.12x	8.13x	0.77x	4.28x
Standard Motor Products, Inc.	NYSE:SMP	\$1,110.05	\$1,086.36	\$1,085.06	\$131.50	\$107.78	1.02x	10.22x	8.39x	0.98x	8.67x
Tenneco Inc.	NYSE:TEN	\$3,623.32	\$2,215.32	\$9,874.00	\$856.00	\$629.00	0.37x	5.76x	4.23x	0.20x	2.08x
Visteon Corporation	NasdaqGS:VC	\$1,798.68	\$1,742.68	\$3,050.00	\$269.00	\$188.00	0.59x	9.04x	6.42x	0.61x	5.74x
	Median	\$2,400.74	\$1,588.97	\$3,614.00	\$351.50	\$269.00	0.73x	7.88x	5.76x	0.69x	4.77x

Source: Capital IQ

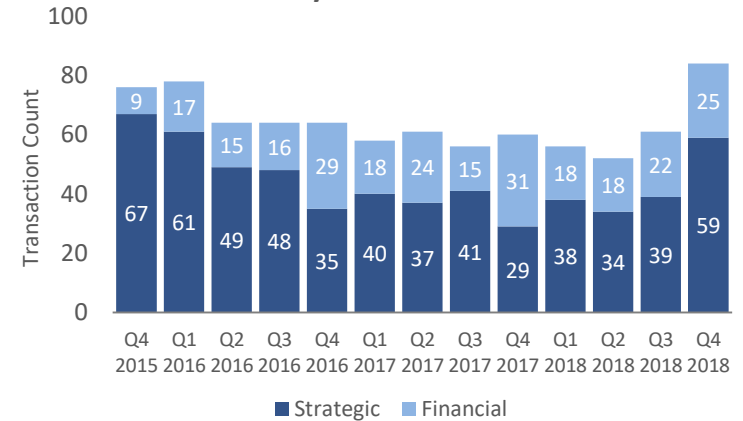
Mergers & Acquisitions Overview

Automotive Aftermarket

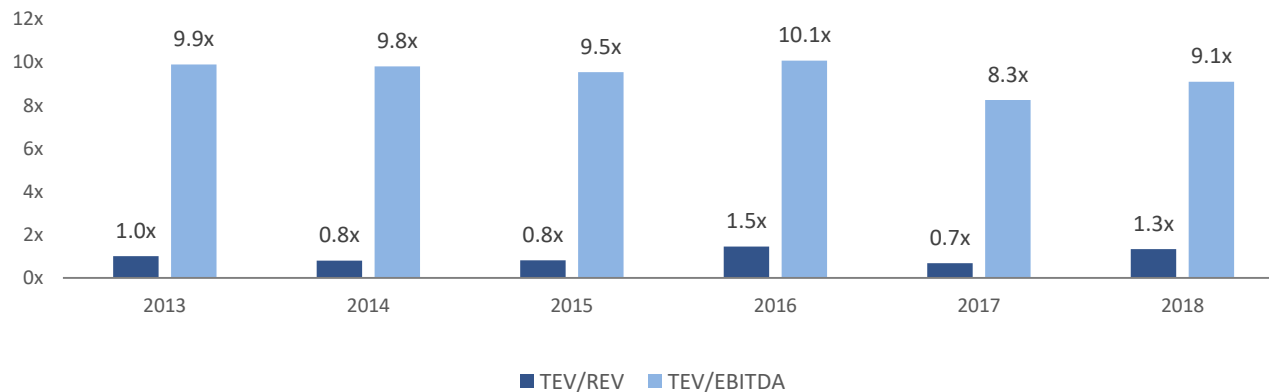
Yearly Transaction Overview



Quarterly M&A Transactions



Transaction Multiples



Source: Capital IQ

Fourth Quarter Transactions Overview

Automotive Aftermarket

Date	Acquirer	Target	Industry Segment	Target LTM		Enterprise Value	Enterprise Value / LTM	
				Revenue	EBITDA		Revenue	EBITDA
12/31/18	Boniface Hiers Automotive Group	Boniface Hiers Chevrolet	Auto Retailers and Distributors	-	-	-	-	-
12/31/18	Roundtree Automotive Group, LLC	Dealership in Tulsa, Oklahoma	Auto Retailers and Distributors	-	-	\$46.00	-	-
12/29/18	Yijin Capital	Too Fast, Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/28/18	P-4 Automotive Group	Ford of Columbus	Auto Retailers and Distributors	-	-	-	-	-
12/26/18	Great Western Leasing and Sales, LLC	All Points Equipment Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/26/18	Oakes Auto, Inc	Jack Miller Kia	Auto Retailers and Distributors	-	-	-	-	-
12/26/18	Private Investor	Work Truck Direct Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/19/18	Covington Capital	Grand Traverse Plastics Corp.	Auto Retailers and Distributors	-	-	-	-	-
12/19/18	Eypex Corporation	Dakkota Integrated Systems, LLC	Auto Retailers and Distributors	-	-	-	-	-
12/19/18	Kleiner Perkins Caufield & Byers	AEye, Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/18/18	Drake Automotive Group, Inc.	Addictive Desert Designs, LLC	Auto Retailers and Distributors	-	-	-	-	-
12/18/18	Swickard Auto Group	Mercedes Benz of Seattle	Aftermarket	-	-	\$37.20	-	-
12/18/18	indiGO Auto Group LLC	Alvarez Jaguar	Auto Retailers and Distributors	-	-	-	-	-
12/18/18	Northtown Automotive Companies Inc.	West Herr Jaguar	Auto Retailers and Distributors	-	-	-	-	-
12/18/18	Private Investor	Cadenza Innovation, Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/18/18	Private Investor	LiquidPiston, Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/17/18	Spartan Motors, Inc.	Strobes-R-U, Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/17/18	Truck Accessories Group, LLC	Takit, Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/13/18	Ciocca Dealerships Inc	Reedman-Toll Chevrolet of Exton	Auto Retailers and Distributors	-	-	-	-	-
12/13/18	TruckPro, LLC	Assets of Pascale Service Corporation	Auto Retailers and Distributors	-	-	-	-	-
12/13/18	Atlantis Management Group LLC	Dattilo Petroleum, Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/12/18	WMK, Inc.	M.C. Mobility Systems, Inc.	Automobile Manufacturers	-	-	-	-	-
12/12/18	Private Investor	Four Dealerships	Auto Retailers and Distributors	-	-	-	-	-
12/12/18	Private Investor	LiquidPiston, Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/12/18	Private Investor	LiquidPiston, Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/11/18	Faulkner Automotive Group	Mechanicsburg Porsche Dealership	Auto Retailers and Distributors	-	-	-	-	-
12/10/18	Washington County Tractor, Inc.	Assets of Trinity Valley Tractor	Auto Retailers and Distributors	-	-	-	-	-
12/10/18	OpenRoad Auto Group Limited	OpenRoad Toyota Abbotsford	Auto Retailers and Distributors	-	-	-	-	-
12/7/18	West Herr Automotive Group, Inc.	Mullane Motors, Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/5/18	Private Investor	McGrath Quad City Harley-Davidson	Auto Retailers and Distributors	-	-	-	-	-

Source: Capital IQ

Fourth Quarter Transactions Overview

Automotive Aftermarket

Date	Acquirer	Target	Industry Segment	Target LTM		Enterprise Value	Enterprise Value / LTM	
				Revenue	EBITDA		Revenue	EBITDA
12/5/18	AutoCanada Inc.	Rose City Ford Sales Limited	Auto Retailers and Distributors	-	-	-	-	-
12/4/18	M & K Truck & Trailer, LLC	Three Mack and Volvo Dealerships	Auto Retailers and Distributors	-	-	-	-	-
12/4/18	BP Technology Ventures	FreeWire Technologies, Inc.	Auto Retailers and Distributors	-	-	-	-	-
12/3/18	Harmar Mobility, LLC	Lifts And Ramps Product Line	Auto Retailers and Distributors	-	-	-	-	-
12/3/18	Giant Eagle, Inc.	Ricker Oil Company, Inc.	Auto Retailers and Distributors	-	-	-	-	-
11/30/18	Private Investor	H-Fox Systems	Automobile Manufacturers	-	-	-	-	-
11/30/18	Private Investor	North Edmonton Kia	Auto Retailers and Distributors	-	-	-	-	-
11/30/18	Safe Fleet Holdings, LLC	Roll Rite, LLC	Auto Retailers and Distributors	-	-	-	-	-
11/21/18	Ray Brandt Automotive Group	Preston Hood Chevrolet Inc.	Auto Parts and Equipment	-	-	-	-	-
11/20/18	Private Investor	Tesla, Inc.	Auto Retailers and Distributors	\$17,523.64	\$616.29	-	-	-
11/20/18	Private Investor	Carvana Co.	Auto Retailers and Distributors	\$1,635.68	NM	-	-	-
11/20/18	Enex S.A.	Road Ranger LLC/Reopco Inc	Auto Retailers and Distributors	-	-	\$289.00	-	-
11/16/18	H. Gregoire Megacentre Auto du Canada	kia vaudreuil	Auto Retailers and Distributors	-	-	-	-	-
11/15/18	Irving Place Capital	Coker Tire Company	Auto Retailers and Distributors	-	-	-	-	-
11/15/18	Uni-Select Inc.	AutoChoice Parts & Paints Limited	Auto Retailers and Distributors	-	-	-	-	-
11/15/18	Shanghai Baolong Automotive	Dill Air Controls Products, LLC	Auto Retailers and Distributors	\$79.65	-	\$227.91	2.86x	-
11/14/18	Private Investor	Nikola Motor Company	Auto Retailers and Distributors	-	-	-	-	-
11/13/18	Kraft Nissan of Tallahassee	Napleton Infiniti of Tallahassee	Auto Retailers and Distributors	-	-	-	-	-
11/13/18	Nitrous Express, Inc.	Snow Performance, Inc.	Auto Retailers and Distributors	-	-	-	-	-
11/12/18	Doherty Automotive Group	Sonic Toyota of Fort Worth, Texas	Auto Retailers and Distributors	-	-	-	-	-
11/9/18	The Braun Corporation	Ability Center, Inc.	Auto Retailers and Distributors	-	-	-	-	-
11/8/18	KSI Trading Corp	Richmond Bumper Service, Inc.	Auto Retailers and Distributors	-	-	-	-	-
11/8/18	Groupe Touchette Inc.	Atlas Tire Wholesale Inc.	Auto Retailers and Distributors	-	-	-	-	-
11/7/18	Somerville National Leasing and Rentals	Zeemac Vehicle Lease Ltd.	Auto Retailers and Distributors	-	-	-	-	-
11/6/18	Badger Truck Center, Inc.	All Assets of Lakeland Chevrolet Buick	Auto Retailers and Distributors	-	-	-	-	-
11/6/18	The Inland Group	Custom Truck Sales Inc.	Auto Retailers and Distributors	-	-	-	-	-
11/6/18	Graph Blockchain Limited	REG Technologies Inc.	Auto Retailers and Distributors	-	-	-	-	-
11/6/18	Speedway LLC	Petr-All Petroleum Consulting Corporation	Auto Retailers and Distributors	-	-	-	-	-
11/5/18	Race Winning Brands, Inc.	Falicon Crankshaft Components, Inc.	Auto Retailers and Distributors	-	-	-	-	-
11/2/18	RV Retailer, LLC	ExploreUSA RV, Ltd.	Auto Retailers and Distributors	-	-	-	-	-

Source: Capital IQ

Fourth Quarter Transactions Overview

Automotive Aftermarket

Date	Acquirer	Target	Industry Segment	Target LTM		Enterprise Value	Enterprise Value / LTM	
				Revenue	EBITDA		Revenue	EBITDA
10/31/18	Private Investor	CARDONE Industries, Inc.	Auto Retailers and Distributors	-	-	-	-	-
10/30/18	RumbleON, Inc.	Wholesale Inc./Wholesale Express LLC	Auto Retailers and Distributors	-	-	\$19.00	-	-
10/29/18	Driven Performance Brands	Holley Performance Products, Inc.	Auto Retailers and Distributors	-	-	-	-	-
10/29/18	Wheel Pros, LLC	ReadyLIFT Suspension, Inc.	Auto Retailers and Distributors	-	-	-	-	-
10/26/18	B Sharp Realty	Advance Auto store in Niagara	Auto Retailers and Distributors	-	-	\$1.52	-	-
10/26/18	Covercraft Industries, LLC	Carver Industries, Inc.	Auto Retailers and Distributors	-	-	-	-	-
10/25/18	Van Horn Automotive Group, Inc.	Zimmerman Alfa Romeo	Auto Retailers and Distributors	-	-	-	-	-
10/24/18	Mountain View Auto Group	Nissan of Cleveland	Auto Retailers and Distributors	-	-	-	-	-
10/23/18	Lyft, Inc.	Blue Vision Labs Inc.	Auto Retailers and Distributors	-	-	-	-	-
10/22/18	Caterpillar Ventures	Fisker, Inc.	Aftermarket	-	-	-	-	-
10/19/18	Private Investor	Harley-Davidson of Washington, DC	Auto Retailers and Distributors	-	-	-	-	-
10/16/18	Michigan Capital Partners LP	Ventech, LLC	Auto Retailers and Distributors	-	-	-	-	-
10/15/18	Lacks Enterprises, Inc.	Emergent Carbon Wheels	Auto Retailers and Distributors	-	-	-	-	-
10/11/18	Private Investor	Vela Motor Company LLC	Auto Retailers and Distributors	-	-	-	-	-
10/10/18	Elevate Ventures	Slipstream LLC	Auto Retailers and Distributors	-	-	-	-	-
10/4/18	Wheel Pros, LLC	220,000 Square Foot Facility	Auto Retailers and Distributors	-	-	-	-	-
10/4/18	TruckPro, LLC	Assets of Hobbs Spring & Suspension, Inc.	Auto Retailers and Distributors	-	-	-	-	-
10/3/18	Honda Motor Co., Ltd.	GM Cruise LLC	Auto Retailers and Distributors	-	-	-	-	-
10/2/18	Petroleum Marketing Group, Inc.	Henny Penny Convenience Stores	Aftermarket	-	-	-	-	-
10/2/18	Private Investor	Mankato Customs/Mankato Motorsports LLC	Auto Retailers and Distributors	-	-	-	-	-
10/2/18	Grammer AG	Toledo Molding & Die, Inc.	Auto Retailers and Distributors	\$300.00	-	\$271.00	0.90x	-
10/1/18	Fisher Auto Parts, Inc.	Motown Automotive Distributing Co., Inc.	Auto Retailers and Distributors	-	-	-	-	-
10/1/18	AutoCanada Inc.	Mercedes-Benz Heritage Valley in Edmonton	Auto Retailers and Distributors	\$66.32	-	\$18.12	0.27x	-
10/1/18	Tenneco Inc.	Federal-Mogul LLC	Auto Retailers and Distributors	\$8,003.00	\$751.00	\$5,400.00	0.67x	7.19x

Source: Capital IQ

Dinan Capital Advisors

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Dinan Capital Advisors



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Based on a highly structured process that leverages our experience, research capabilities, and proprietary technology platforms, we initiate every engagement by first assessing the market climate, and then developing an understanding of the current situation and strategic objectives of each company. From there, we partner with our clients to develop a plan that maximizes shareholder value and delivers the optimal transaction outcome.

Dinan is the registered FINRA member broker-dealer division of the Dinan Group of Companies, responsible for executing the securities related transactions of the firm. The Dinan Group is a leading diversified financial services company with over 25 years of advisory and merchant banking experience dedicated to middle-market transactions.

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