

# STIFEL

## AUTOMOTIVE AFTERMARKET MONTHLY INTELLIGENCE REPORT



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

April 2020

# Stifel Aftermarket Monthly Intelligence Report

## Stifel Hires Experienced Auto Aftermarket Team

Stifel Financial Corp. (NYSE:SF) extended its hiring spree with the addition of the automotive aftermarket investment banking team from BB&T Capital Markets. The hiring also includes BB&T's food and agribusiness and consumer investment banking teams, which join Stifel's global consumer group.

"Our move to Stifel combines two organizations with substantial momentum and leading investment banking practices serving the middle market," commented Joe Sparacino, head of Stifel's auto aftermarket group. "Stifel brings our team a full suite of capital markets capabilities and a platform of over 600 investment banking professionals located throughout the world. We are excited to bring these new capabilities to our clients and extend our dedicated efforts in the automotive aftermarket."

"Bringing in this team of experienced professionals further expands our coverage in core consumer growth sectors with significant strategic and financial sponsor activity," said Brad Raymond, global head of investment banking at Stifel.

## Stifel Named Investment Bank of the Year for 2019

Stifel was recently named Investment Bank of the Year by Mergers & Acquisitions magazine. Stifel was singled out for its significant growth and outstanding achievement in middle-market M&A activity in 2019. Stifel recorded its 24th straight year of record net revenues last year. Investment banking revenues exceeded \$817 million, up 15% from the previous year, and the most in company history. Stifel's long-term strategy of diversifying its investment banking business was a key factor in 2019's record results as the firm generated meaningful contributions from its traditional M&A practice as well as from restructuring (Miller Buckfire) and fund placement (Eaton Partners).



*Click photo for Mergers & Acquisitions article*

### Inside This Report

- Tracking COVID-19 Impact
- Beyond COVID-19
- Public Equity Market Overview
- Industry Data
- M&A Tracker
- Contact Information
- Appendices


## Select 2019 M&A Advisory Transactions


 ENTHUSIAST AUTO HOLDINGS  
a portfolio company of

 BERTRAM CAPITAL


Has Been Acquired By

 CORTEC Group

 RABEN TIRES SERVICE  
a portfolio company of

 Palladium EQUITY PARTNERS

Has Been Acquired By


 GOODYEAR

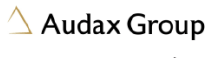
 Flow Dry Technology  
a portfolio company of


ARGOSY PRIVATE EQUITY  
Has Been Acquired By

 Filtration Group Process Systems  
an affiliate of


 MADISON INDUSTRIES


 AAMA  
DEFINE YOUR DRIVE  
a portfolio company of

 Audax Group  
Has Been Acquired By

 THE HALIFAX GROUP

 Jacent Strategic Merchandising  
a portfolio company of

 LARIAT PARTNERS  
Has Been Acquired By

 GRIDIRON CAPITAL

 BOSS engineered AIR systems  
a portfolio company of

 STRAIT LANE CAPITAL PARTNERS  
Has Been Acquired By

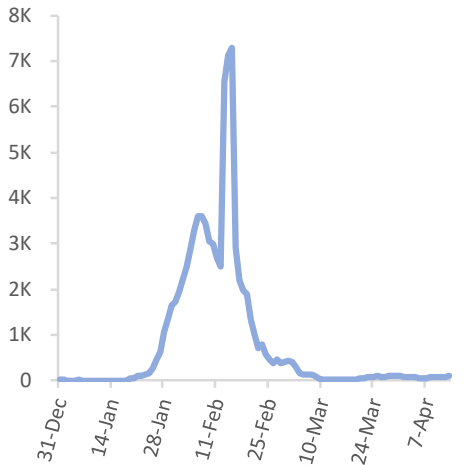
 WC  
WYNNGURCH | CAPITAL

# Tracking COVID-19 Impact

## U.S. May Be Reaching a Plateau

### Daily New Confirmed Cases (Rolling 3-Day Average)

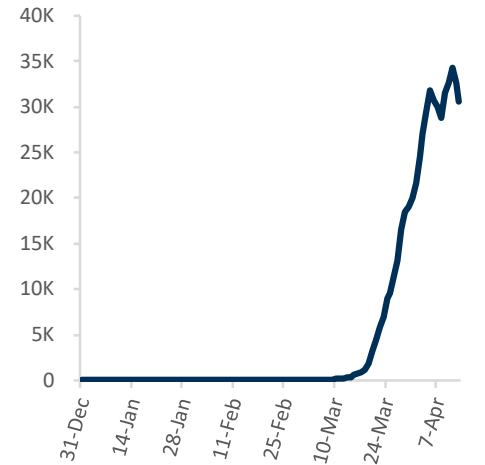
China



Italy



United States



*In recent days, the U.S. has been exhibiting signs that daily new confirmed cases of COVID-19 may be plateauing around 30,000. While the “flattening of the curve” trend has been a positive indication in countries ahead of the U.S., it has typically taken several weeks of consistent monitoring and mitigation before new confirmed cases begin to decline.*

Source: Global Change Data Lab

## Topics to Keep Track of



### AS CORONAVIRUS PRECAUTIONS TAKE HOLD, LARGE U.S. CITIES SEE RUSH-HOUR TRAFFIC JAMS VANISH

*Rush-hour highway trips are taking half as long while morning rush-hour congestion has also disappeared in major U.S. cities*

*The Washington Post*



### GASOLINE IS CHEAP. AMERICANS CAN'T TAKE ADVANTAGE.

*Inexpensive gasoline normally boosts the economy, but that benefit likely won't be realized because of the pandemic*

*The Wall Street Journal*



### HOMELAND SECURITY DEFINES VEHICLE SERVICE AND REPAIR AS 'ESSENTIAL'

*Vehicle service and repair personnel are considered “essential” and may continue to operate during the COVID-19 crisis, according to the DHS*

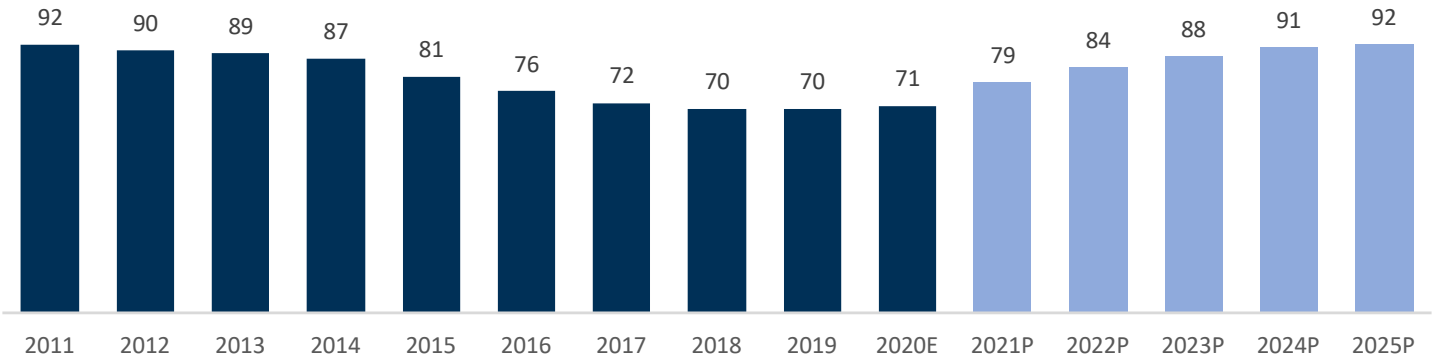
*Tire Business*



## Industry Fundamentals Support Economic Recovery

(vehicle units in millions)

**Number of Vehicles in “Sweet Spot” 6 – 11 Years Old**



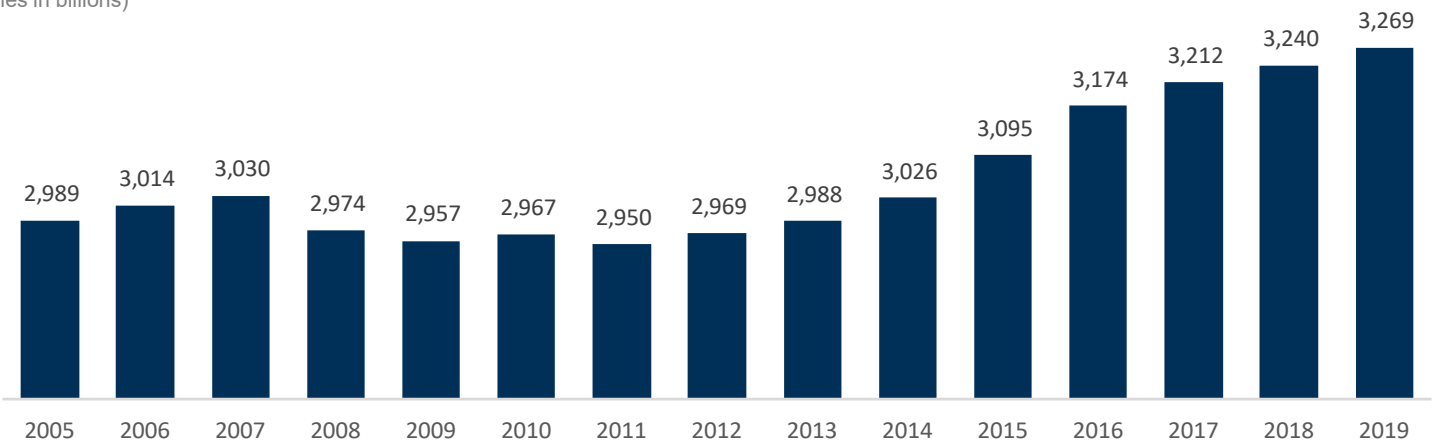
### Key Takeaway

*Large cohorts of vehicles from post-recession years aged 8 – 12 years*

Sources: IHS Markit, AASA

## Historical Miles Driven

(miles in billions)



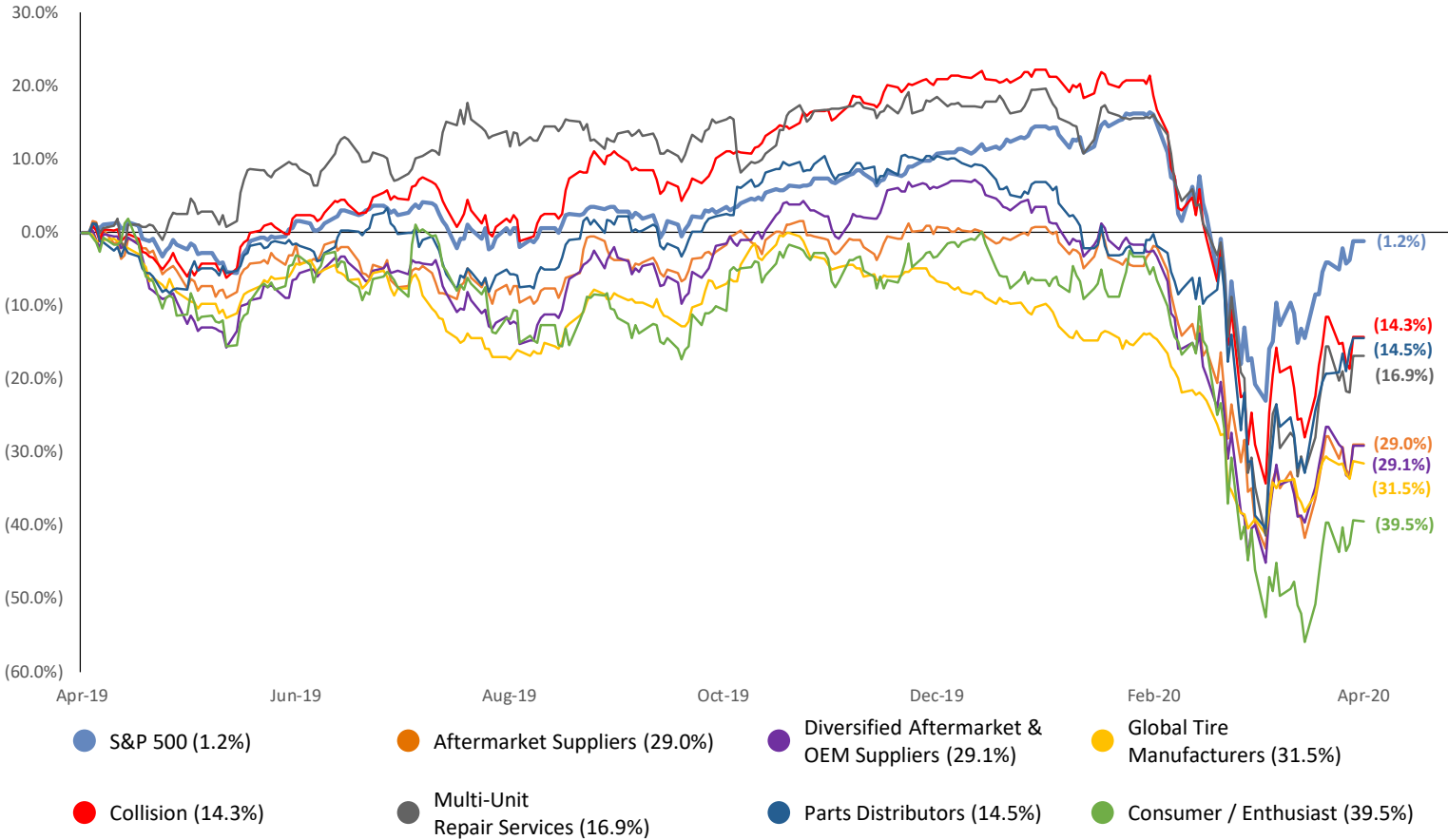
### Key Takeaway

*Though impacted by COVID-19, miles driven has been resilient for decades and is expected to return as stay-at-home orders are lifted*

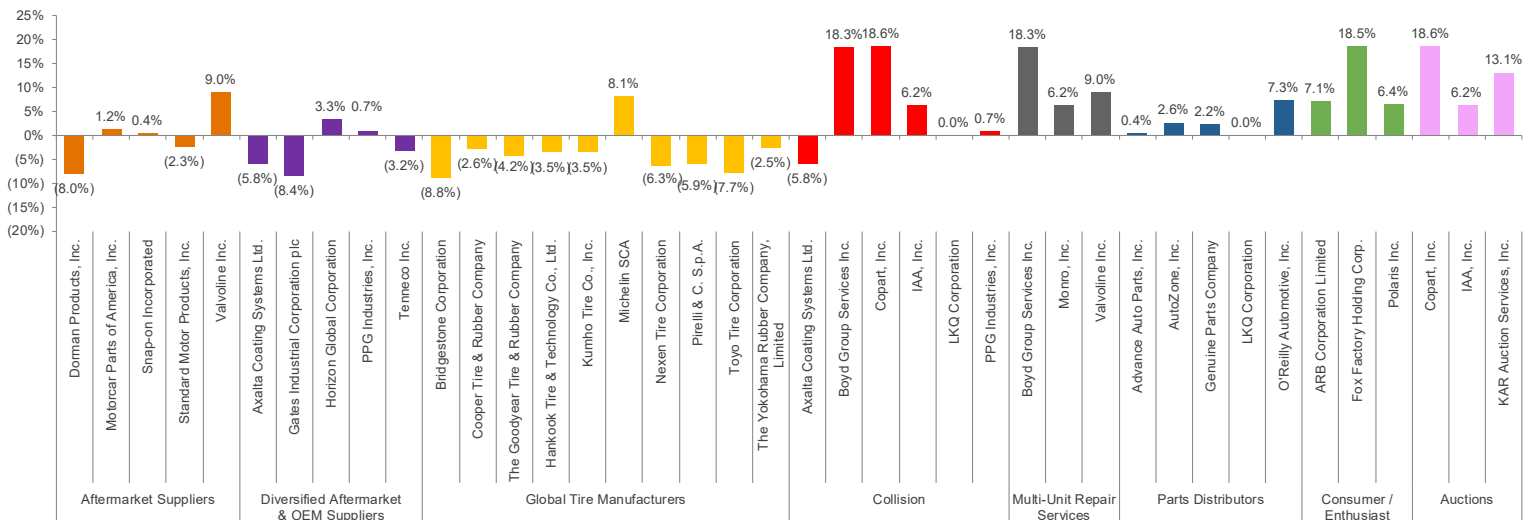
Source: Federal Highway Administration

# Public Equity Market Overview

## Automotive Aftermarket 1-Year Stock Performance



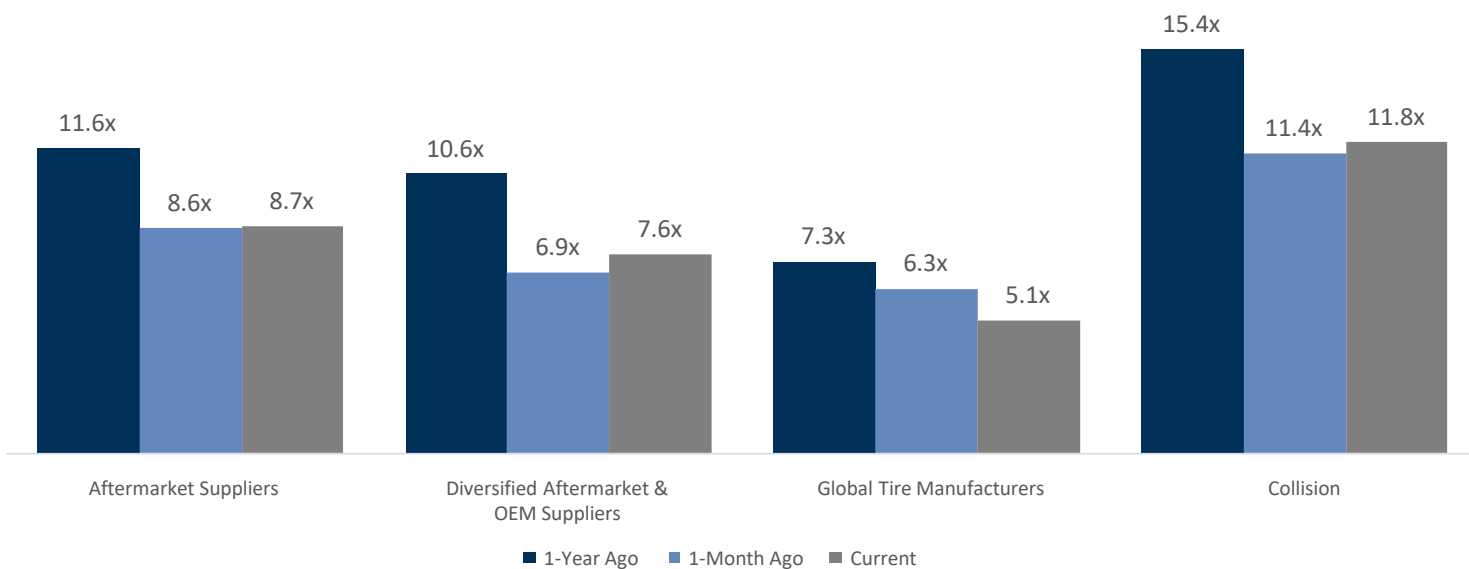
## Most Recent Quarter Sales Growth (Year-Over-Year)



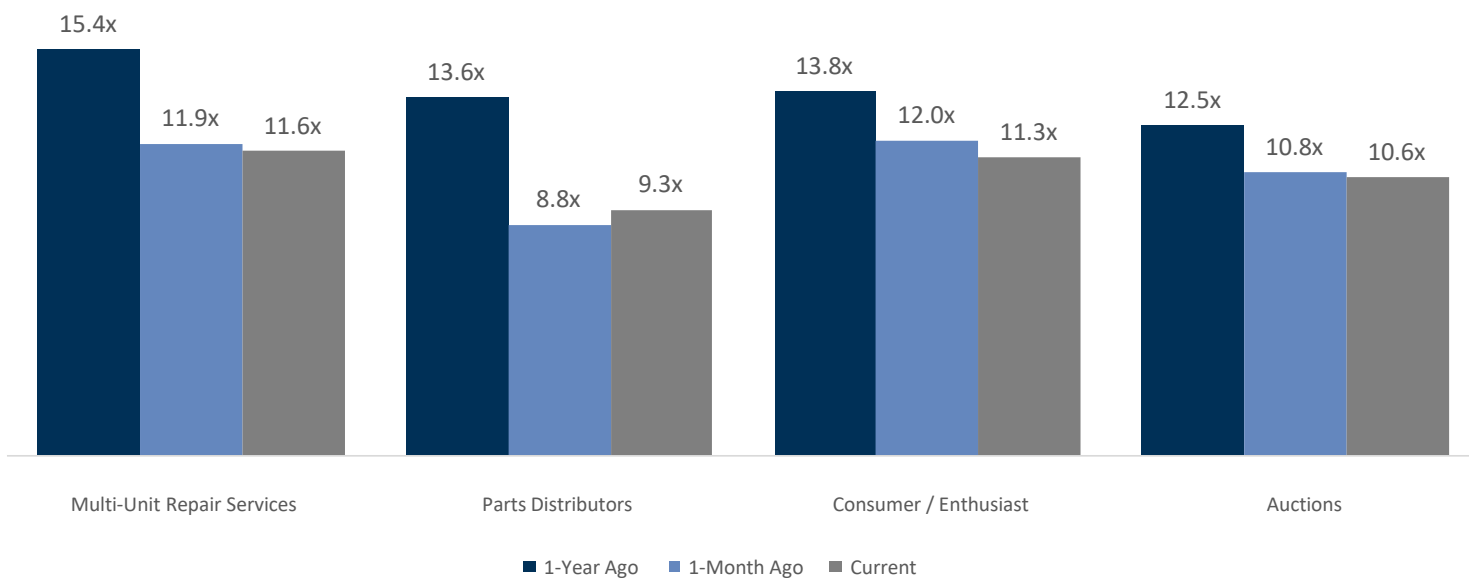
Source: Capital IQ as of April 17, 2020

# Public Equity Market Overview

## Enterprise Value / EBITDA Multiples<sup>(1)</sup>



### 5-Year Average

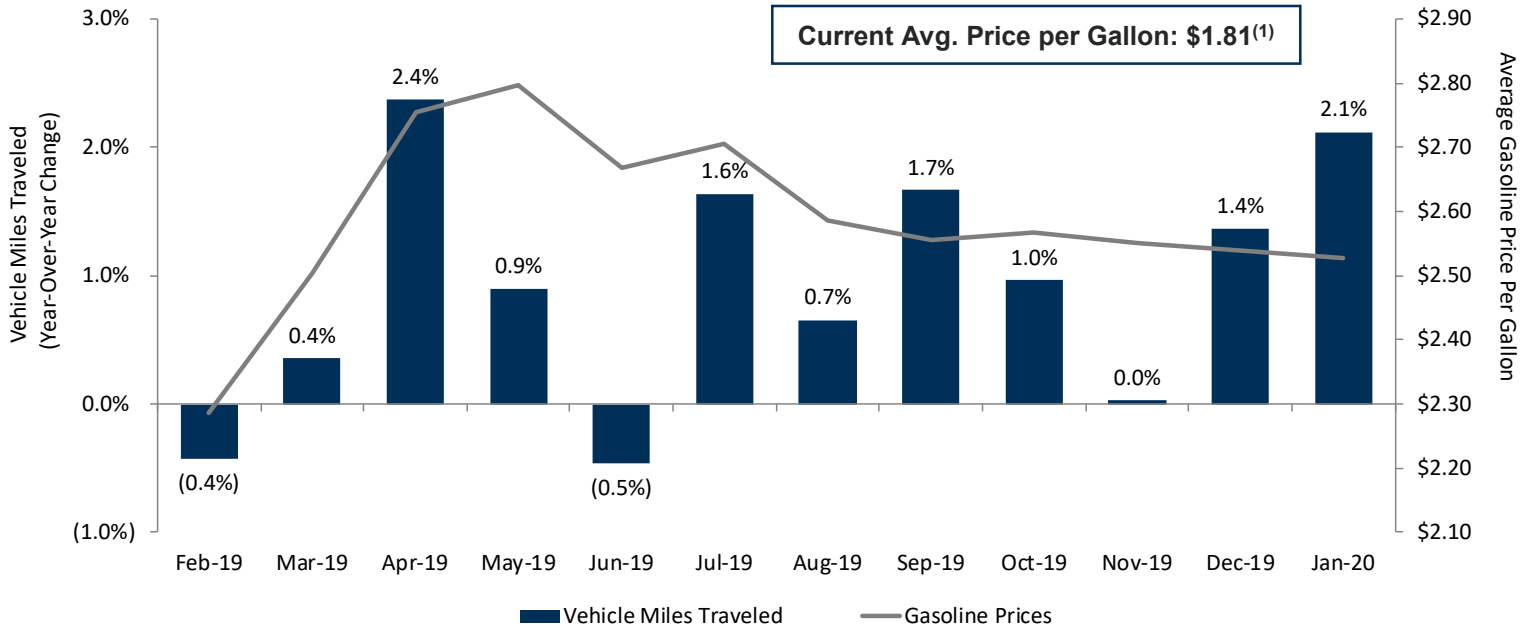


### 5-Year Average



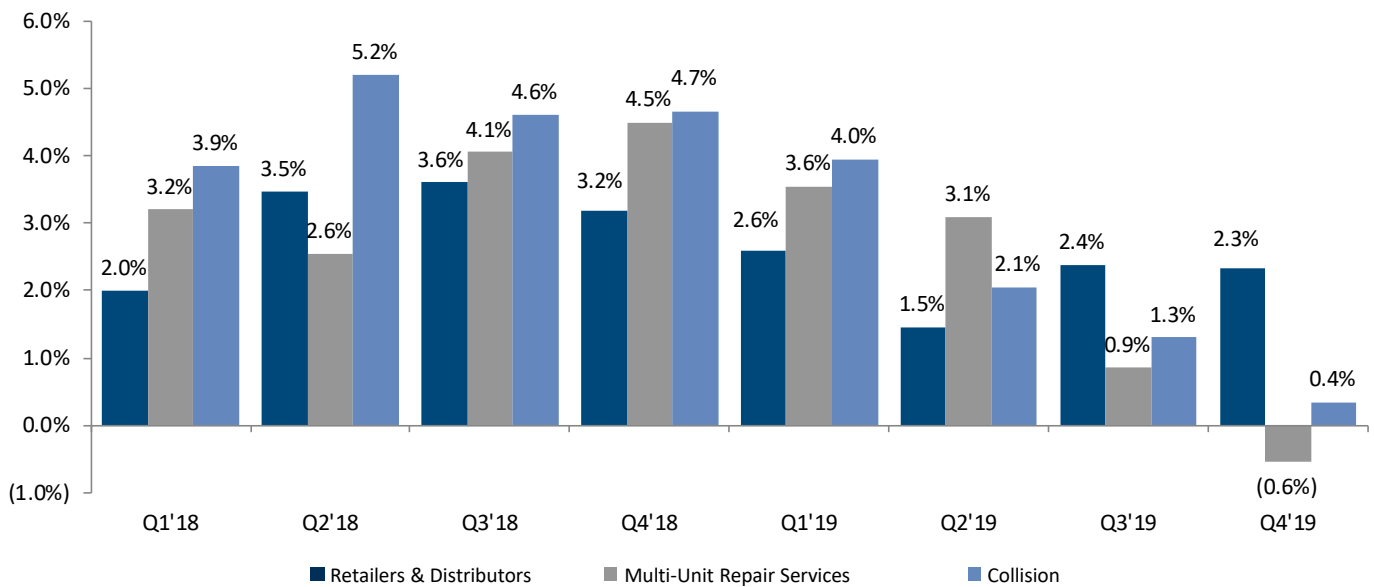
Source: Capital IQ as of April 17, 2020  
 (1) EBITDA includes equity income from affiliates

## Miles Traveled and Average Gasoline Price Per Gallon



Sources: Miles Traveled – Federal Highway Administration, Gas Prices – U.S. Energy Information Administration  
 (1) Average price per gallon as of April 13, 2020

## Same Store Sales Growth<sup>(1)(2)</sup>



- (1) Same store sales growth measures revenue growth for stores that have been open at least one year. Same store sales figures reflect only the portions applicable to the automotive aftermarket.
- (2) Retailers and Distributors includes: Advance Auto Parts, AutoZone, Genuine Parts Company, LKQ, and O'Reilly Automotive  
 Multi-Unit Repair Services includes: Boyd Group Services and Monro  
 Collision includes: Boyd Group Services and LKQ

# Recent M&A Transactions

## Transactions from Q1 & Q2 2020

Close Date	Target	Buyer (Sponsor)	Transaction Details
4/8/2020	Zbroz Racing	ReadyLIFT Suspension (Clearlake Capital)	Zbroz Racing is an aftermarket performance parts manufacturer
3/18/2020	Factor 55	Warn Industries	Factor 55 is a designer and manufacturer of vehicle recovery parts and accessories
3/5/2020	Innovative XCcessories & Services	Clearlake Capital	Innovative XCcessories & Services is a provider of coating solutions and vehicle upfitting services to OEM, automotive aftermarket, and diversified industrial end markets
3/5/2020	Morris 4x4 Center	AutoAnything	Morris 4x4 Center is an e-commerce retailer of Jeep parts and accessories
3/2/2020	Shaw Development	Monomoy Capital Partners	Shaw Development is a designer, manufacturer and assembler of sensors, fluid management systems and related components primarily for diesel exhaust fluid applications
2/28/2020	Automotive-Related Product Lines of Loxcreen Canada	Hopkins Manufacturing (ONCAP)	The automotive-related product lines of Loxcreen Canada includes brand names PolarGrip, Topsi, Eskimo, and Essentia, as well as certain inventory, patents and intellectual property
2/25/2020	Manley Performance Products	Race Winning Brands (Kinderhook Industries)	Manley Performance Products is a manufacturer of high-performance pistons, connecting rods, crankshafts, and valvetrain components
2/10/2020	Auto/Mate	DealerSocket	Auto/Mate provides dealer management software for the automotive industry
2/6/2020	Dent Wizard International	Dealer Tire (Bain Capital)	Dent Wizard International is a provider of automotive reconditioning services and vehicle protection products
2/5/2020	Competition Cams	Industrial Opportunity Partners	Competition Cams is a manufacturer, distributor, and marketer of high-performance automotive aftermarket products specializing in camshaft and valvetrain related components
2/3/2020	Vehicle Safety Holding Corp.	VOXX International Corporation	Vehicle Safety Holding Corp. is a developer, manufacturer, and distributor of safety electronics including turn signal switches, lighting products, obstacle sensing systems, cruise control systems, camera systems, specialized harnessing, and other related components
1/31/2020	J&P Cycles	Comoto Holdings (Prospect Hill Growth Partners)	J&P Cycles is a retailer of motorcycle components, apparel, and gear for the American V-twin motorcycle rider
1/29/2020	American LubeFast	FullSpeed Automotive (CenterOak Partners)	American LubeFast is a provider of quick lube services with 50 total locations in Georgia, Florida, Mississippi and Alabama
1/23/2020	REV Car Wash	WhiteWater Express Car Wash (SkyKnight Capital)	REV Car Wash is a Dallas-based operator of three car wash locations
1/21/2020	Clearwater Lights	Simpson Performance Products (Bruckmann, Rosser, Sherrill & Co.)	Clearwater Lights is a designer, assembler, and marketer of auxiliary LED light solutions for a variety of motorsport applications

Sources: Capital IQ, Factset, Pitchbook



# About Us

## Automotive Aftermarket Investment Banking

Stifel is a full-service investment bank with deep industry experience. We serve as strategic advisor to entrepreneurs, family-owned businesses, private equity groups, and leading public and private corporations in North America, Europe, Asia, and Latin America.

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# Appendices – Valuation Metrics

## Valuation Metrics<sup>(1)(2)</sup>

Company	Ticker	Stock Price	52 Week High / Low	Market Cap	TEV	Price / TBV	P/E			Forward PEG		TEV / Revenue		TEV / EBITDA			
							LTM	CY 2020	CY 2021	CY 2020	CY 2021	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
<b>Aftermarket Suppliers</b>																	
Dorman Products, Inc.	DORM	\$59.89	\$95.72 / \$44.49	\$1,933	\$1,900	2.9x	23.7x	21.3x	17.9x	NA	NA	1.9x	2.0x	1.9x	12.0x	14.2x	13.5x
Motorcar Parts of America, Inc.	MCAA	\$12.63	\$24.60 / \$10.43	\$240	\$455	0.9x	26.5x	6.5x	NA	0.3x	NA	0.9x	0.8x	NA	9.1x	5.2x	NA
Snap-on Incorporated	SNA	\$118.33	\$172.61 / \$69.72	\$6,471	\$7,528	2.9x	12.0x	11.5x	10.6x	1.1x	1.1x	1.9x	2.2x	2.1x	7.2x	8.7x	8.1x
Standard Motor Products, Inc.	SMP	\$42.00	\$55.85 / \$35.51	\$965	\$1,049	2.7x	16.2x	15.2x	12.8x	NA	NA	0.9x	1.0x	0.9x	8.6x	9.4x	8.8x
Valvoline Inc.	VVV	\$14.25	\$23.90 / \$9.06	\$2,685	\$4,144	NM	14.1x	10.4x	9.0x	3.2x	2.8x	1.7x	1.8x	1.6x	9.7x	8.8x	7.8x
	Mean			\$2,459	\$3,015	2.3x	18.5x	13.0x	12.6x	1.5x	1.9x	1.5x	1.6x	1.6x	9.3x	9.2x	9.6x
	Median			\$1,933	\$1,900	2.8x	16.2x	11.5x	11.7x	1.1x	1.9x	1.7x	1.8x	1.7x	9.1x	8.8x	8.5x
<b>Diversified Aftermarket &amp; OEM Suppliers</b>																	
Axalta Coating Systems Ltd.	AXTA	\$18.26	\$32.20 / \$12.92	\$4,296	\$7,298	NM	16.4x	14.0x	10.8x	4.3x	3.3x	1.6x	1.8x	1.7x	8.2x	9.4x	8.1x
Gates Industrial Corporation plc	GTE5	\$7.85	\$16.50 / \$5.42	\$2,282	\$5,142	NM	17.4x	14.9x	10.3x	NA	NA	1.7x	1.9x	1.7x	8.7x	10.6x	8.8x
Horizon Global Corporation	HZN	\$1.66	\$5.79 / \$1.20	\$42	\$294	NM	NM	NM	NA	NM	NA	0.4x	0.4x	NA	NM	9.1x	NA
PPG Industries, Inc.	PPG	\$93.31	\$134.36 / \$69.77	\$22,013	\$26,698	NM	19.2x	16.4x	14.0x	3.0x	2.6x	1.8x	1.8x	1.7x	11.3x	11.2x	10.0x
Tenneco Inc.	TEN	\$3.80	\$25.35 / \$2.21	\$309	\$6,023	NM	2.4x	NM	3.6x	NM	NA	0.3x	0.4x	0.4x	4.7x	7.2x	5.4x
	Mean			\$5,788	\$9,091	NM	13.9x	15.1x	9.7x	3.6x	2.9x	1.2x	1.3x	1.4x	8.2x	9.5x	8.1x
	Median			\$2,282	\$6,023	NM	16.9x	14.9x	10.6x	3.6x	2.9x	1.6x	1.8x	1.7x	8.4x	9.4x	8.5x
<b>Global Tire Manufacturers</b>																	
Bridgestone Corporation	TSE:5108	\$30.52	\$44.04 / \$26.62	\$21,489	\$22,166	1.1x	12.5x	10.2x	9.6x	NA	NA	0.7x	0.7x	0.7x	4.3x	4.2x	4.0x
Cooper Tire & Rubber Company	CTB	\$19.31	\$32.97 / \$13.82	\$971	\$1,057	0.9x	9.9x	7.8x	8.8x	NA	NA	0.4x	0.4x	0.4x	3.2x	3.5x	2.8x
The Goodyear Tire & Rubber Company	GT	\$7.26	\$20.70 / \$4.09	\$1,689	\$7,505	0.5x	7.1x	35.2x	6.0x	3.5x	0.6x	0.5x	0.6x	0.6x	5.1x	5.2x	4.4x
Hankook Tire & Technology Co., Ltd.	KOSE:A161390	\$17.58	\$33.23 / \$12.36	\$2,177	\$2,864	0.4x	8.2x	7.0x	5.3x	0.9x	0.7x	0.5x	0.5x	1.0x	3.2x	2.8x	2.8x
Kumho Tire Co., Inc.	KOSE:A073240	\$2.71	\$3.93 / \$2.12	\$778	\$2,197	0.7x	NM	NA	NA	NA	NA	1.1x	1.1x	0.5x	NM	NA	NA
Michelin SCA	ENXTPA:ML	\$96.46	\$130.02 / \$73.99	\$17,213	\$23,130	1.8x	9.9x	12.8x	9.3x	54.7x	39.7x	0.9x	1.0x	0.9x	4.6x	5.9x	4.8x
Nexen Tire Corporation	KOSE:A002350	\$4.98	\$8.67 / \$3.13	\$479	\$1,249	0.4x	4.7x	6.0x	4.5x	NM	NM	0.7x	0.7x	0.7x	3.9x	4.2x	3.8x
Pirelli & C. S.p.A.	BIT:PIRC	\$3.58	\$7.19 / \$3.31	\$3,580	\$7,767	NM	7.7x	12.1x	8.2x	NM	NM	1.2x	1.6x	1.4x	5.8x	6.9x	6.0x
Toyo Tire Corporation	TSE:5105	\$11.31	\$15.66 / \$8.75	\$1,741	\$2,598	0.9x	8.4x	7.1x	6.6x	0.7x	0.6x	0.7x	0.7x	0.7x	4.4x	4.3x	4.0x
The Yokohama Rubber Company, Limited	TSE:5101	\$12.53	\$23.53 / \$10.34	\$2,011	\$4,064	0.7x	6.8x	6.7x	5.9x	0.6x	0.5x	0.7x	0.7x	0.7x	4.6x	5.0x	4.7x
	Mean			\$5,213	\$7,460	0.8x	8.4x	12.6x	7.0x	12.1x	8.4x	0.7x	0.8x	0.8x	4.9x	4.7x	4.1x
	Median			\$1,876	\$3,464	0.7x	8.2x	10.2x	6.6x	0.9x	0.6x	0.7x	0.7x	0.7x	4.6x	4.3x	4.0x
<b>Collision</b>																	
Axalta Coating Systems Ltd.	AXTA	\$18.26	\$32.20 / \$12.92	\$4,296	\$7,298	NM	16.4x	14.0x	10.8x	4.3x	3.3x	1.6x	1.8x	1.7x	8.2x	9.4x	8.1x
Boyd Group Services Inc.	TSX:BYD	\$129.49	\$164.87 / \$89.02	\$2,617	\$3,253	NM	NM	NM	29.2x	NM	NA	1.8x	2.1x	1.7x	19.7x	18.4x	12.0x
Copart, Inc.	CPRT	\$72.10	\$104.88 / \$55.69	\$16,850	\$17,276	9.7x	34.5x	29.1x	23.8x	2.8x	1.9x	4.8x	8.0x	6.9x	19.2x	18.8x	16.8x
IAA, Inc.	IAA	\$33.84	\$51.74 / \$21.79	\$4,532	\$6,543	NM	27.2x	25.7x	19.8x	2.6x	2.0x	4.6x	4.9x	4.4x	15.9x	17.8x	14.7x
LKQ Corporation	LKQ	\$20.94	\$36.63 / \$13.31	\$6,442	\$11,407	NM	12.6x	10.2x	8.4x	NA	NA	0.9x	1.0x	0.9x	8.8x	9.6x	8.3x
PPG Industries, Inc.	PPG	\$93.31	\$134.36 / \$69.77	\$22,013	\$26,698	NM	19.2x	16.4x	14.0x	3.0x	2.6x	1.8x	1.8x	1.7x	11.3x	11.2x	10.0x
	Mean			\$9,458	\$12,079	9.7x	22.0x	19.1x	17.7x	3.3x	2.6x	1.8x	3.3x	2.9x	13.8x	14.2x	11.7x
	Median			\$5,487	\$9,353	9.7x	19.2x	16.4x	16.9x	3.0x	2.6x	1.8x	2.0x	1.7x	13.6x	14.5x	11.0x
<b>Multi-Unit Repair Services</b>																	
Boyd Group Services Inc.	TSX:BYD	\$129.49	\$164.87 / \$89.02	\$2,617	\$3,253	NM	NM	NM	29.2x	NM	NA	1.8x	2.1x	1.7x	19.7x	18.4x	12.0x
Monro, Inc.	MNRO	\$49.36	\$89.62 / \$37.09	\$1,643	\$2,368	39.0x	24.5x	41.6x	22.3x	2.8x	1.5x	1.9x	2.0x	1.8x	11.9x	16.4x	13.4x
Valvoline Inc.	VVV	\$14.25	\$23.90 / \$9.06	\$2,685	\$4,144	NM	14.1x	10.4x	9.0x	3.2x	2.8x	1.7x	1.8x	1.6x	9.7x	8.8x	7.8x
	Mean			\$2,315	\$3,255	39.0x	19.3x	26.0x	20.1x	3.0x	2.1x	1.8x	2.0x	1.7x	13.8x	14.5x	11.1x
	Median			\$2,617	\$3,253	39.0x	19.3x	26.0x	22.3x	3.0x	2.1x	1.8x	2.0x	1.7x	11.9x	16.4x	12.0x
<b>Parts Distributors</b>																	
Advance Auto Parts, Inc.	AAP	\$118.86	\$175.39 / \$71.33	\$8,212	\$11,036	4.4x	18.8x	18.1x	13.7x	1.7x	1.3x	1.1x	1.2x	1.1x	11.1x	12.5x	10.7x
AutoZone, Inc.	AZO	\$991.80	\$1274.41 / \$684.91	\$23,161	\$31,337	NM	19.2x	15.9x	14.1x	1.1x	1.0x	2.6x	2.7x	2.5x	12.0x	12.9x	12.6x
Genuine Parts Company	GPC	\$74.65	\$108.58 / \$49.68	\$10,853	\$15,144	NM	16.3x	14.5x	13.1x	2.1x	1.9x	0.8x	0.8x	0.8x	10.9x	11.5x	10.4x
LKQ Corporation	LKQ	\$20.94	\$36.63 / \$13.31	\$6,442	\$11,407	NM	12.6x	10.2x	8.4x	NA	NA	0.9x	1.0x	0.9x	8.8x	9.6x	8.3x
O'Reilly Automotive, Inc.	ORLY	\$373.51	\$454.31 / \$251.52	\$27,734	\$33,555	NM	26.0x	21.5x	18.7x	1.6x	1.4x	3.3x	3.3x	3.1x	15.3x	16.2x	14.7x
	Mean			\$15,280	\$20,496	4.4x	18.6x	16.0x	13.6x	1.6x	1.4x	1.7x	1.8x	1.7x	11.6x	12.5x	11.3x
	Median			\$10,853	\$15,144	4.4x	18.8x	15.9x	13.7x	1.7x	1.4x	1.1x	1.2x	1.1x	11.1x	12.5x	10.7x
<b>Consumer / Enthusiast</b>																	
ARB Corporation Limited	ASX:ARB	\$9.58	\$13.12 / \$6.61	\$765	\$793	3.4x	23.6x	21.2x	19.4x	2.1x	1.9x	2.4x	2.5x	2.4x	13.1x	12.8x	11.9x
Fox Factory Holding Corp.	FOX	\$43.25	\$86.91 / \$34.58	\$1,670	\$1,727	6.8x	25.5x	22.2x	15.3x	1.6x	1.1x	2.3x	2.3x	2.0x	13.4x	12.6x	10.3x
Polaris Inc.	PII	\$60.05	\$104.37 / \$37.36	\$3,697	\$5,354	NM	14.7x	14.1x	9.9x	0.9x	0.7x	0.8x	0.9x	0.8x	7.5x	9.1x	6.8x
	Mean			\$2,044	\$2,625	5.1x	21.2x	19.2x	14.9x	1.5x	1.2x	1.8x	1.9x	1.7x	11.3x	11.5x	9.6x
	Median			\$1,670	\$1,727	5.1x	23.6x	21.2x	15.3x	1.6x	1.1x	2.3x	2.3x	2.0x	13.1x	12.6x	10.3x
<b>Auctions</b>																	
Copart, Inc.	CPRT	\$72.10	\$104.88 / \$55.69	\$16,850	\$17,276	9.7x	34.5x	29.1x	23.8x	NA	NA	7.8x	8.0x	6.9x	19.2x	18.8x	16.8x
IAA, Inc.	IAA	\$33.84	\$51.74 / \$21.79	\$4,532	\$6,543	NM	27.2x	25.7x	19.8x	2.6x	2.0x	4.6x	4.9x	4.4x	15.9x	17.8x	14.7x
KAR Auction Services, Inc.	KAR	\$12.97	\$63.18 / \$9.41	\$1,671	\$4,935	NM	20.8x	14.7x	10.2x	1.4x	1.0x	1.8x	1.9x	1.7x	9.8x	11.2x	9.6x
	Mean			\$7,685	\$9,585	9.7x	27.5x	23.2x	17.9x	2.0x	1.5x	4.7x	4.9x	4.3x	15.0x	15.9x	13.7x
	Median			\$4,532	\$6,543	9.7x	27.2x	25.7x	19.8x	2.0x	1.5x	4.6x	4.9x	4.4x	15.9x	17.8x	14.7x

Source: Capital IQ as of April 17, 2020

(1) \$ in millions except stock price

(2) All values converted to USD at the exchange rate of the date above

# Appendices – Operating Results

## Operating Results<sup>(1)(2)</sup>

	Ticker	LTM Date	Revenue	EBITDA	EBIT	Net Income	Margins				Sales Growth		EBITDA Growth		SSS
							Gross	EBITDA	EBIT	NI	1 Year	5 Year	1 Year	5 Year	Latest Q
<b>Aftermarket Suppliers</b>															
Dorman Products, Inc.	DORM	12/28/19	\$991	\$158	\$132	\$84	34.9%	16.0%	13.4%	8.4%	1.8%	5.7%	(21.4%)	0.8%	
Motorcar Parts of America, Inc.	MCAA	12/31/19	\$514	\$50	\$41	(\$2)	23.1%	9.7%	7.9%	(0.4%)	10.9%	11.8%	29.0%	6.4%	
Snap-on Incorporated	SNA	12/28/19	\$4,068	\$1,043	\$961	\$694	51.4%	25.6%	23.6%	17.0%	(0.1%)	3.1%	0.7%	6.6%	
Standard Motor Products, Inc.	SMP	12/31/19	\$1,138	\$123	\$97	\$58	29.2%	10.8%	8.5%	5.1%	4.2%	3.0%	16.1%	(0.6%)	
Valvoline Inc.	VVV	12/31/19	\$2,440	\$427	\$364	\$228	34.6%	17.5%	14.9%	9.3%	6.2%	0.0%	0.9%	0.0%	
	Mean		\$1,830	\$360	\$319	\$212	34.6%	15.9%	13.7%	7.9%	4.6%	4.7%	5.1%	2.7%	
	Median		\$1,138	\$158	\$132	\$84	34.6%	16.0%	13.4%	8.4%	4.2%	3.1%	0.9%	0.8%	
<b>Diversified Aftermarket &amp; OEM Suppliers</b>															
Axalta Coating Systems Ltd.	AXTA	12/31/19	\$4,482	\$894	\$583	\$249	35.4%	19.9%	13.0%	5.6%	(4.6%)	0.4%	(0.0%)	2.1%	
Gates Industrial Corporation plc	GTES	12/28/19	\$3,087	\$590	\$368	\$690	37.2%	19.1%	11.9%	22.4%	(7.8%)	0.3%	(19.3%)	0.1%	
Horizon Global Corporation	HZN	12/31/19	\$690	(\$36)	(\$57)	\$81	13.9%	(5.2%)	(8.3%)	11.7%	(3.3%)	2.4%	NM	NA	
PPG Industries, Inc.	VVV	12/31/19	\$15,146	\$2,365	\$1,854	\$1,243	43.1%	15.6%	12.2%	8.2%	(1.5%)	0.5%	4.7%	3.4%	
Tenneco Inc.	TEN	12/31/19	\$17,450	\$1,270	\$612	(\$334)	14.8%	7.3%	3.5%	(1.9%)	48.3%	15.8%	21.8%	11.6%	
	Mean		\$8,171	\$1,017	\$672	\$386	28.9%	11.4%	6.5%	9.2%	6.2%	3.9%	1.8%	4.3%	
	Median		\$4,482	\$894	\$583	\$249	35.4%	15.6%	11.9%	8.2%	(3.3%)	0.5%	2.3%	2.8%	
<b>Global Tire Manufacturers</b>															
Bridgestone Corporation	TSE:5108	12/31/19	\$32,441	\$5,117	\$3,001	\$2,692	37.6%	15.8%	9.2%	8.3%	(3.4%)	(0.8%)	(8.5%)	(3.6%)	
Cooper Tire & Rubber Company	CTB	12/31/19	\$2,753	\$331	\$183	\$96	17.2%	12.0%	6.6%	3.5%	(2.0%)	(4.3%)	0.1%	(8.5%)	
The Goodyear Tire & Rubber Company	UNS	12/31/19	\$14,745	\$1,483	\$703	(\$311)	21.3%	10.1%	4.8%	(2.1%)	(4.7%)	(4.1%)	(19.4%)	(8.0%)	
Hankook Tire & Technology Co., Ltd.	KOSE:A161390	12/31/19	\$5,962	\$1,014	\$467	\$363	26.9%	17.0%	7.8%	6.1%	1.3%	0.6%	(8.6%)	(3.7%)	
Kumho Tire Co., Inc.	KOSE:A073240	12/31/19	\$2,052	\$263	\$51	(\$50)	22.6%	12.8%	2.5%	(2.4%)	(7.4%)	(7.2%)	128.5%	(11.0%)	
Michelin SCA	ENXTPA:ML	12/31/19	\$27,085	\$4,981	\$3,165	\$1,965	29.3%	18.4%	11.7%	7.3%	9.6%	4.3%	10.2%	7.1%	
Nexen Tire Corporation	KOSE:A002350	12/31/19	\$1,752	\$323	\$180	\$102	30.5%	18.4%	10.3%	5.8%	1.9%	2.8%	12.3%	3.5%	
Pirelli & C. S.p.A.	BIT:PIRC	12/31/19	\$6,312	\$1,335	\$875	\$492	68.3%	21.1%	13.9%	7.8%	1.3%	0.0%	4.2%	0.0%	
Toyot Tire Corporation	TSE:5105	12/31/19	\$3,473	\$585	\$354	\$225	34.7%	16.9%	10.2%	6.5%	(4.0%)	(0.8%)	(6.7%)	(1.7%)	
The Yokohama Rubber Company, Limited	TSE:5101	12/31/19	\$5,985	\$879	\$489	\$386	32.2%	14.7%	8.2%	6.5%	0.0%	0.8%	(5.6%)	2.0%	
	Mean		\$10,256	\$1,631	\$947	\$596	32.1%	15.7%	8.5%	4.7%	(0.7%)	(0.9%)	10.7%	(2.4%)	
	Median		\$5,974	\$947	\$478	\$294	29.9%	16.3%	8.7%	6.3%	(1.0%)	(0.4%)	(2.7%)	(2.7%)	
<b>Collision</b>															
Axalta Coating Systems Ltd.	AXTA	12/31/19	\$4,482	\$894	\$583	\$249	35.4%	19.9%	13.0%	5.6%	(4.6%)	0.4%	(0.0%)	2.1%	
Boyd Group Services Inc.	TSX:BYD	12/31/19	\$1,760	\$165	\$117	\$49	45.4%	9.4%	6.6%	2.8%	22.5%	22.0%	27.8%	26.2%	(0.2%)
Copart, Inc.	CPRT	01/31/20	\$2,225	\$898	\$816	\$733	46.8%	40.4%	36.7%	32.9%	18.8%	13.8%	25.7%	18.6%	
IAA, Inc.	IAA	12/29/19	\$1,437	\$411	\$323	\$193	38.2%	28.6%	22.5%	13.4%	8.3%	9.9%	7.7%	11.2%	
LKQ Corporation	LKQ	12/31/19	\$12,506	\$1,296	\$984	\$541	38.8%	10.4%	7.9%	4.3%	5.3%	13.2%	4.4%	10.4%	0.9%
PPG Industries, Inc.	PPG	12/31/19	\$15,146	\$2,365	\$1,854	\$1,243	43.1%	15.6%	12.2%	8.2%	(1.5%)	0.5%	4.7%	3.4%	
	Mean		\$6,259	\$1,005	\$779	\$502	41.3%	20.7%	16.5%	11.2%	8.1%	10.0%	11.7%	12.0%	0.4%
	Median		\$3,354	\$896	\$699	\$395	41.0%	17.8%	12.6%	6.9%	6.8%	11.5%	6.2%	10.8%	0.4%
<b>Multi-Unit Repair Services</b>															
Boyd Group Services Inc.	TSX:BYD	12/31/19	\$1,760	\$165	\$117	\$49	45.4%	9.4%	6.6%	2.8%	22.5%	22.0%	27.8%	26.2%	(0.2%)
Monro, Inc.	MNRO	12/28/19	\$1,258	\$199	\$137	\$79	38.5%	15.8%	10.9%	6.3%	4.9%	7.4%	7.9%	7.0%	(0.9%)
Valvoline Inc.	VVV	12/31/19	\$2,440	\$427	\$364	\$228	34.6%	17.5%	14.9%	9.3%	6.2%	0.0%	0.9%	0.0%	
	Mean		\$1,819	\$264	\$206	\$119	39.5%	14.2%	10.8%	6.1%	11.2%	9.8%	12.2%	11.0%	(0.6%)
	Median		\$1,760	\$199	\$137	\$79	38.5%	15.8%	10.9%	6.3%	6.2%	7.4%	7.9%	7.0%	(0.6%)
<b>Parts Distributors</b>															
Advance Auto Parts, Inc.	AAP	12/28/19	\$9,709	\$995	\$757	\$487	43.9%	10.2%	7.8%	5.0%	1.3%	(0.3%)	3.3%	(4.2%)	0.1%
AutoZone, Inc.	AZO	02/15/20	\$12,078	\$2,620	\$2,236	\$1,621	53.7%	21.7%	18.5%	13.4%	6.8%	4.3%	4.4%	4.2%	(0.8%)
Genuine Parts Company	GPC	12/31/19	\$19,392	\$1,393	\$1,123	\$621	32.6%	7.2%	5.8%	3.2%	5.8%	4.8%	(1.5%)	1.8%	2.9%
LKQ Corporation	LKQ	12/31/19	\$12,506	\$1,296	\$984	\$541	38.8%	10.4%	7.9%	4.3%	5.3%	13.2%	4.4%	10.4%	0.9%
O'Reilly Automotive, Inc.	ORLY	12/31/19	\$10,150	\$2,194	\$1,923	\$1,391	53.1%	21.6%	18.9%	13.7%	6.4%	7.1%	5.2%	8.4%	4.4%
	Mean		\$12,767	\$1,700	\$1,404	\$932	44.4%	14.2%	11.8%	7.9%	4.7%	5.8%	3.2%	4.1%	1.5%
	Median		\$12,078	\$1,393	\$1,123	\$621	43.9%	10.4%	7.9%	5.0%	5.3%	4.8%	4.4%	4.2%	0.9%
<b>Consumer / Enthusiast</b>															
ARB Corporation Limited	ASX:ARB	12/31/19	\$324	\$61	\$53	\$39	53.4%	18.7%	16.2%	12.0%	5.8%	8.1%	0.6%	7.0%	
Fox Factory Holding Corp.	FOXF	01/03/20	\$751	\$129	\$113	\$93	32.3%	17.1%	15.0%	12.4%	21.3%	19.6%	16.5%	20.5%	
Polaris Inc.	PII	12/31/19	\$6,863	\$718	\$484	\$324	25.2%	10.5%	7.0%	4.7%	11.3%	8.6%	2.8%	(3.1%)	
	Mean		\$2,646	\$302	\$216	\$152	37.0%	15.4%	12.8%	9.7%	12.8%	12.1%	6.6%	8.1%	
	Median		\$751	\$129	\$113	\$93	32.3%	17.1%	15.0%	12.0%	11.3%	8.6%	2.8%	7.0%	
<b>Auctions</b>															
Copart, Inc.	CPRT	01/31/20	\$2,225	\$898	\$816	\$733	46.8%	40.4%	36.7%	32.9%	18.8%	13.8%	25.7%	18.6%	
IAA, Inc.	IAA	12/29/19	\$1,437	\$411	\$323	\$193	38.2%	28.6%	22.5%	13.4%	8.3%	9.9%	7.7%	11.2%	
KAR Auction Services, Inc.	KAR	12/31/19	\$2,782	\$503	\$314	\$189	41.9%	18.1%	11.3%	6.8%	13.9%	2.9%	(1.9%)	(2.6%)	
	Mean		\$2,148	\$604	\$484	\$372	42.3%	29.0%	23.5%	17.7%	13.6%	8.9%	10.5%	9.1%	
	Median		\$2,225	\$503	\$323	\$193	41.9%	28.6%	22.5%	13.4%	13.9%	9.9%	7.7%	11.2%	

Source: Capital IQ as of April 17, 2020, Company Filings

(1) \$ in millions

(2) All values converted to USD at the exchange rate of the date above

# Appendices – Balance Sheet Metrics

## Balance Sheet Metrics<sup>(1)(2)</sup>

Ticker	Days Outstanding			Cash Conversion	Total Debt	Debt / Capital	Debt / EBITDA	Interest Coverage	Current Ratio	Quick Ratio	S&P Debt		
	A / R	Inventory	A / P								Rating	Outlook	
<b>Aftermarket Suppliers</b>													
Dorman Products, Inc.	DORM	145.5	155.4	55.3	245.5	\$35	4.3%	0.2x	0.0x	3.4x	2.1x	NA	NA
Motorcar Parts of America, Inc.	MPAA	55.8	222.0	74.6	203.2	\$228	44.5%	4.5x	1.7x	1.3x	0.3x	NA	NA
Snap-on Incorporated	SNA	68.3	138.4	36.6	170.0	\$1,220	26.2%	10.0x	19.9x	2.5x	1.6x	A-	Stable
Standard Motor Products, Inc.	SMP	47.0	171.7	41.4	177.3	\$94	15.7%	0.2x	NM	1.8x	0.5x	NR	NR
Valvoline Inc.	VVV	51.8	45.1	35.0	61.9	\$1,621	113.8%	4.5x	4.4x	1.9x	1.3x	BB	Stable
	Mean	73.7	146.5	48.6	171.6	\$639	40.9%	3.9x	6.5x	2.2x	1.2x		
	Median	55.8	155.4	41.4	177.3	\$228	26.2%	4.5x	3.1x	1.9x	1.3x		
<b>Diversified Aftermarket &amp; OEM Suppliers</b>													
Axalta Coating Systems Ltd.	AXTA	62.8	76.0	64.0	74.8	\$3,965	73.8%	4.4x	4.6x	2.4x	1.7x	NA	NA
Gates Industrial Corporation plc	GTES	84.7	95.0	77.4	102.3	\$3,136	51.0%	5.3x	3.5x	3.0x	2.1x	NR	NR
Horizon Global Corporation	VVV	44.1	88.7	57.0	75.8	\$267	96.9%	0.1x	NM	1.6x	0.6x	CCC	Negative
PPG Industries, Inc.	VVV	60.1	74.0	91.3	42.7	\$5,844	52.0%	4.6x	16.5x	1.4x	0.9x	BBB+	Negative
Tenneco Inc.	TEN	51.5	52.1	67.5	36.1	\$5,888	76.4%	5.8x	2.2x	1.3x	0.7x	B	NM
	Mean	60.6	77.2	71.4	66.4	\$3,820	70.0%	4.1x	6.7x	1.9x	1.2x		
	Median	60.1	76.0	67.5	74.8	\$3,965	73.8%	4.6x	4.1x	1.6x	0.9x		
<b>Global Tire Manufacturers</b>													
Bridgestone Corporation	TSE:S108	59.1	100.6	36.5	123.2	\$5,498	20.3%	1.1x	NM	2.2x	1.4x	A	Stable
Cooper Tire & Rubber Company	CTB	72.3	75.6	45.4	102.5	\$415	23.8%	1.3x	5.5x	2.4x	1.5x	BB	Stable
The Goodyear Tire & Rubber Company	GT	48.5	89.8	91.7	46.5	\$6,530	59.0%	4.4x	3.0x	1.1x	0.5x	B+	Negative
Hankook Tire & Technology Co., Ltd.	KOSE:A161390	65.8	120.6	27.3	159.1	\$1,489	19.3%	1.5x	15.7x	1.9x	1.1x	BBB	Stable
Kumho Tire Co., Inc.	KOSE:A073240	62.1	87.5	48.5	101.1	\$1,643	60.1%	6.2x	2.2x	1.1x	0.6x	NA	NA
Michelin SCA	ENXTPA:ML	51.7	97.8	63.7	85.8	\$7,946	34.9%	1.6x	9.7x	1.6x	0.8x	A-	Stable
Nexen Tire Corporation	KOSE:A002350	63.9	89.4	31.8	121.5	\$1,059	44.0%	3.3x	7.2x	1.8x	1.1x	NA	NA
Pirelli & C. S.p.A.	BIT:PIRC	45.7	227.7	336.0	NM	\$6,073	52.9%	4.5x	7.0x	1.1x	0.8x	NA	NA
Toyo Tire Corporation	TSE:S105	75.5	112.1	68.9	118.8	\$1,063	34.0%	1.8x	9.1x	1.5x	0.8x	NA	NA
The Yokohama Rubber Company, Limited	TSE:S101	94.1	100.9	65.0	130.0	\$2,207	35.9%	2.5x	16.9x	1.3x	0.8x	NR	NR
	Mean	63.9	110.2	81.5	109.8	\$3,392	38.4%	2.8x	8.5x	1.6x	0.9x		
	Median	63.0	99.2	56.1	118.8	\$1,925	35.4%	2.2x	7.2x	1.5x	0.8x		
<b>Collision</b>													
Axalta Coating Systems Ltd.	AXTA	62.8	76.0	64.0	74.8	\$3,965	73.8%	4.4x	4.6x	2.4x	1.7x	NA	NA
Boyd Group Services Inc.	TSX:BYD	17.4	13.1	78.3	NM	\$716	60.3%	4.3x	7.1x	0.6x	0.4x	NA	NA
Copart, Inc.	CPRT	14.0	7.2	87.5	NM	\$519	19.6%	0.6x	14.4x	2.1x	0.8x	NA	NA
IAA, Inc.	IAA	81.9	NA	46.2	NA	\$2,058	107.1%	5.0x	8.3x	1.9x	1.6x	BB-	Stable
LKQ Corporation	LKQ	33.3	133.8	45.3	121.8	\$5,425	51.7%	4.2x	10.5x	2.2x	0.8x	BB	Stable
PPG Industries, Inc.	PPG	60.1	74.0	91.3	42.7	\$5,844	52.0%	2.5x	16.5x	1.4x	0.9x	BBB+	Negative
	Mean	44.9	60.8	68.8	79.8	\$3,088	60.7%	3.5x	10.2x	1.8x	1.0x		
	Median	46.7	74.0	71.1	74.8	\$3,011	56.1%	4.3x	9.4x	2.0x	0.8x		
<b>Multi-Unit Repair Services</b>													
Boyd Group Services Inc.	TSX:BYD	17.4	13.1	78.3	NM	\$716	60.3%	4.3x	7.1x	0.6x	0.4x	NA	NA
Monro, Inc.	MNRO	4.6	79.6	48.3	35.9	\$734	49.6%	3.7x	6.2x	0.9x	0.1x	NA	NA
Valvoline Inc.	VVV	51.8	45.1	35.0	61.9	\$1,621	113.8%	3.8x	4.4x	1.9x	1.3x	BB	Stable
	Mean	24.6	45.9	53.9	48.9	\$1,024	74.5%	3.9x	5.9x	1.1x	0.6x		
	Median	17.4	45.1	48.3	48.9	\$734	60.3%	3.8x	6.2x	0.9x	0.4x		
<b>Parts Distributors</b>													
Advance Auto Parts, Inc.	AAP	14.8	293.6	217.4	91.0	\$3,242	47.7%	3.3x	NM	1.3x	0.2x	BBB-	Stable
AutoZone, Inc.	AZO	9.8	295.8	300.5	5.1	\$8,377	125.7%	3.2x	11.5x	0.9x	0.1x	BBB	Stable
Genuine Parts Company	GPC	48.3	103.8	111.2	40.9	\$4,547	55.2%	3.3x	14.9x	1.2x	0.5x	NA	NA
LKQ Corporation	LKQ	33.3	133.8	45.3	121.8	\$5,425	51.7%	4.2x	10.5x	2.2x	0.8x	BB	Stable
O'Reilly Automotive, Inc.	ORLY	7.3	255.1	254.0	8.4	\$5,862	93.7%	2.7x	13.6x	0.9x	0.1x	BBB	Stable
	Mean	22.7	216.4	185.7	53.5	\$5,491	74.8%	3.3x	12.6x	1.3x	0.3x		
	Median	14.8	255.1	217.4	40.9	\$5,425	55.2%	3.3x	12.5x	1.2x	0.2x		
<b>Consumer / Enthusiast</b>													
ARB Corporation Limited	ASX:ARB	39.9	222.0	NA	NA	\$38	13.1%	0.6x	NM	3.2x	1.0x	NA	NA
Fox Factory Holding Corp.	FOXF	42.1	86.0	38.6	89.5	\$86	16.4%	0.7x	NM	3.1x	1.5x	NA	NA
Polaris Inc.	PII	10.4	74.3	27.5	57.2	\$1,814	62.1%	2.5x	6.5x	1.1x	0.2x	NA	NA
	Mean	30.8	127.4	33.1	73.4	\$646	30.5%	1.3x	6.5x	2.4x	0.9x		
	Median	39.9	86.0	33.1	73.4	\$86	16.4%	0.7x	6.5x	3.1x	1.0x		
<b>Auctions</b>													
Copart, Inc.	CPRT	14.0	7.2	87.5	NM	\$519	19.6%	0.6x	14.4x	2.1x	0.8x	NA	NA
IAA, Inc.	IAA	81.9	NA	46.2	NA	\$2,058	107.1%	5.0x	8.3x	1.9x	1.6x	BB-	Stable
KAR Auction Services, Inc.	KAR	328.9	NA	157.5	NA	\$3,771	69.6%	7.5x	2.1x	1.3x	1.2x	B+	Stable
	Mean	141.6	7.2	97.1	NM	\$2,116	65.4%	4.4x	8.3x	1.8x	1.2x		
	Median	81.9	7.2	87.5	NM	\$2,058	69.6%	5.0x	8.3x	1.9x	1.2x		

Source: Capital IQ as of April 17, 2020

(1) \$ in millions

(2) All values converted to USD at the exchange rate of the date above

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