

## M&amp;A AND FINANCIAL MARKET STATISTICS IN THE AUTOMOTIVE INDUSTRY

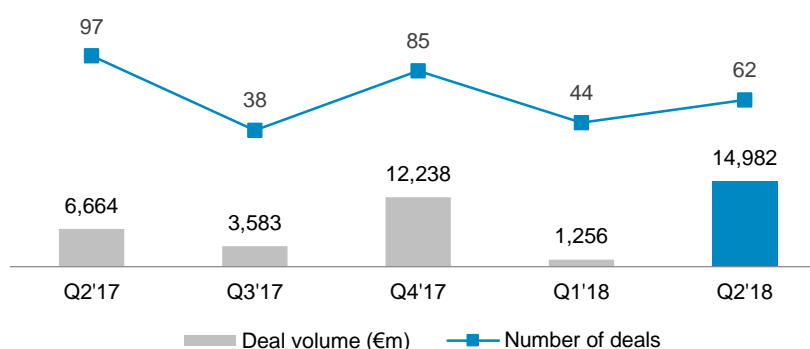
### Summary

In Q2 2018, M&A activity increased compared to Q1 2018. The number of completed deals grew by more than 40% and the aggregated deal value of completed deals also increased.

While the market for traditional ICE related product segments and technologies undergoes further consolidation, we observe ever increasing M&A and capital raising activity in the areas of electric vehicles, autonomous driving and connectivity solutions, driven by automotive OEMs and Tier 1s, tech companies and financial investors alike.

Overall, automotive multiples have decreased throughout all regions. EV/EBITDA multiples declined by 9% in Europe, by 5% in North America and by 11% in Asia. EV/EBIT multiples contracted by 5% in Europe, by 11% in North America and by 7% in Asia.

### M&A Activity: Quarterly Comparison Q2 2017 – Q2 2018



### Top M&A Deals Q2 2018

- Blackstone Group LP, the listed US-based private equity firm, has agreed to acquire Comstar Automotive Technologies Pvt. Ltd (CAT), an India-based company engaged in the design and manufacture of starting and charging systems for passenger cars and commercial vehicles.
- CTEK Sweden AB, a Sweden-based manufacturer and designer of battery chargers, has acquired ChargeStorm AB, a Sweden-based developer of intelligent charging stations for electric vehicles, for an undisclosed consideration. The transaction is in line with CTEK's strategy to expand its business by entering the electrical vehicle sector.
- Bharat Forge Ltd., the listed India-based manufacturer of automotive components, has acquired a 35.26% stake in Tevva Motors Limited, the UK-based company engaged in developing and producing hybrid range extended electric trucks, for a consideration of €11.4m.
- Luxshare Precision Industry Co., Ltd., the listed China-based company engaged in the provision of automotive interconnection products, has agreed to acquire the Global Body Control Systems (BCS) business, from ZF Friedrichshafen AG, a Germany-based manufacturer of automotive components, for an undisclosed consideration.

### Selected Recent Global Automotive Bond Issuances Q2 2018

Company	Date of Issuance	Amount (in €m)	Coupon	Yield (Latest)	Price (Latest)	Maturity Date
Renault	18.04.2018	700	1.000%	1.224%	98.76	18.04.2024
Scania CV AB	19.04.2018	500	0.720%	0.057%	100.05	19.10.2020
DENSO Corp.	27.04.2018	227	0.080%	0.105%	99.88	20.03.2023
NGK Spark	15.06.2018	78	0.110%	0.145%	99.83	14.06.2023
Valeo	18.06.2018	600	1.500%	1.408%	100.57	18.06.2025
Autoliv	26.06.2018	500	0.750%	0.775%	99.88	26.06.2023

**AUTOMOTIVE SUPPLIER COMPOSITE – EQUITY MARKET PERFORMANCE METRICS BY SEGMENT**

Company	EV	EV/Sales		EV/EBITDA		EV/EBIT		Gross Margin		EBITDA Margin		EBIT Margin		Net Debt/ EBITDA
		2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	
<b>Chassis/Underbody</b>														
Aisin Seiki	11,467.1	0.4x	0.4x	3.0x	2.7x	5.6x	5.2x	14.1%	14.5%	12.3%	12.8%	6.6%	6.7%	0.2x
American Axle	4,640.9	0.8x	0.8x	4.3x	4.3x	7.3x	7.5x	17.1%	17.1%	17.6%	17.4%	10.3%	10.1%	2.9x
Dana	3,803.9	0.6x	0.5x	4.6x	4.3x	6.3x	5.9x	15.1%	15.4%	12.1%	12.4%	8.8%	9.0%	1.5x
Georg Fischer	4,646.7	1.2x	1.1x	9.8x	9.1x	13.5x	12.3x	52.8%	52.9%	11.9%	12.3%	8.7%	9.1%	0.3x
JOST Werke AG	591.4	0.8x	0.8x	6.1x	5.7x	7.3x	6.8x	27.8%	27.9%	13.3%	13.6%	11.1%	11.4%	1.1x
Martinrea	1,186.6	0.5x	0.5x	4.1x	3.8x	6.5x	5.8x	14.7%	15.1%	12.1%	12.7%	7.6%	8.3%	1.3x
NHK Spring	1,591.7	0.3x	0.3x	3.3x	3.2x	6.1x	5.8x	n/a	n/a	9.1%	9.2%	5.0%	5.0%	(0.7x)
NSK	5,596.7	0.7x	0.7x	4.8x	4.6x	7.1x	6.9x	23.1%	23.3%	14.6%	14.8%	9.8%	10.0%	0.8x
Showa	840.3	0.4x	0.4x	2.7x	2.5x	3.4x	3.1x	24.6%	25.4%	13.8%	14.8%	11.1%	11.6%	(0.7x)
<b>Median</b>		<b>0.6x</b>	<b>0.5x</b>	<b>4.3x</b>	<b>4.3x</b>	<b>6.5x</b>	<b>5.9x</b>	<b>20.1%</b>	<b>20.2%</b>	<b>12.3%</b>	<b>12.8%</b>	<b>8.8%</b>	<b>9.1%</b>	<b>0.8x</b>
<b>Controls/Electronics</b>														
Gentherm	1,272.6	1.4x	1.3x	9.7x	8.5x	14.7x	12.0x	30.5%	31.0%	14.3%	15.1%	9.4%	10.7%	0.3x
Autoliv	11,218.5	1.1x	1.1x	9.0x	7.9x	12.6x	11.2x	20.9%	21.3%	12.6%	13.4%	9.0%	9.5%	0.4x
Koito Manufacturing	7,306.2	1.1x	1.1x	6.6x	6.1x	8.8x	8.1x	18.6%	19.4%	17.0%	17.7%	12.8%	13.3%	(1.6x)
Kongsberg Automotive	672.0	0.6x	0.6x	5.5x	4.5x	8.3x	6.3x	n/a	n/a	10.9%	12.4%	7.2%	8.8%	1.9x
Hella	5,574.4	0.8x	0.7x	5.3x	4.9x	9.2x	8.5x	27.8%	28.0%	14.4%	14.5%	8.2%	8.3%	0.2x
Leoni	1,912.7	0.4x	0.4x	4.9x	4.3x	8.1x	7.1x	17.2%	17.4%	7.7%	8.1%	4.6%	5.0%	1.2x
Tenneco	2,962.7	0.3x	0.3x	3.8x	3.5x	5.2x	4.9x	16.0%	16.3%	9.0%	9.2%	6.5%	6.7%	1.3x
Melexis	3,127.5	5.4x	4.9x	17.2x	15.5x	21.7x	19.1x	45.7%	45.7%	31.4%	31.4%	24.9%	25.5%	(0.3x)
Stanley Electric	3,900.9	1.1x	1.1x	5.5x	5.1x	8.9x	8.2x	22.6%	23.1%	20.3%	20.9%	12.5%	13.0%	(1.3x)
Tokai Rika	1,077.2	0.3x	0.3x	2.6x	2.5x	4.5x	4.2x	13.8%	13.9%	10.8%	11.1%	6.3%	6.6%	(1.0x)
Stoneridge	913.7	1.2x	1.2x	9.4x	8.7x	13.2x	11.9x	31.3%	31.7%	12.8%	13.5%	9.2%	9.9%	0.6x
Sumitomo Electric	12,327.5	0.5x	0.5x	4.8x	4.5x	8.8x	8.1x	19.1%	19.5%	10.6%	11.0%	5.7%	6.1%	0.9x
<b>Median</b>		<b>0.9x</b>	<b>0.9x</b>	<b>5.5x</b>	<b>5.0x</b>	<b>8.9x</b>	<b>8.1x</b>	<b>20.9%</b>	<b>21.3%</b>	<b>12.7%</b>	<b>13.5%</b>	<b>8.6%</b>	<b>9.1%</b>	<b>0.3x</b>
<b>Diversified Suppliers</b>														
CIE Automotive	3,883.4	1.2x	0.9x	7.3x	6.1x	9.8x	8.5x	45.8%	45.7%	17.2%	15.3%	12.7%	10.9%	1.2x
Continental	41,164.7	0.9x	0.8x	5.8x	5.3x	8.4x	7.6x	26.2%	26.4%	15.3%	15.9%	10.7%	11.2%	0.3x
Denso	30,238.0	0.7x	0.7x	5.7x	5.3x	9.6x	9.0x	16.6%	16.7%	12.9%	13.3%	7.7%	7.8%	(0.4x)
Johnson Controls	36,590.4	1.4x	1.3x	8.8x	8.4x	11.1x	9.9x	30.4%	30.8%	15.4%	15.7%	12.2%	13.2%	2.4x
Magna	19,921.2	0.6x	0.5x	4.9x	4.6x	6.9x	6.4x	14.7%	15.0%	11.2%	11.6%	8.1%	8.3%	0.6x
Ningbo Joyson	3,950.1	0.6x	0.5x	6.9x	7.6x	15.4x	12.2x	16.6%	17.1%	8.8%	7.1%	3.9%	4.4%	1.4x
Sogefi	557.6	0.3x	0.3x	2.8x	2.6x	5.8x	5.3x	30.5%	31.0%	12.0%	12.4%	5.7%	6.0%	1.3x
Toyoda Gosei	2,841.4	0.4x	0.4x	4.6x	4.3x	8.1x	7.1x	13.0%	13.4%	9.8%	10.0%	5.5%	6.1%	0.0x
Visteon	3,151.9	1.1x	1.1x	9.7x	8.9x	13.0x	11.6x	15.6%	15.8%	11.8%	12.1%	8.8%	9.2%	(0.4x)
Valeo	13,097.7	0.7x	0.6x	5.0x	4.4x	8.3x	7.4x	18.6%	18.8%	13.1%	13.5%	7.9%	8.1%	0.7x
<b>Median</b>		<b>0.7x</b>	<b>0.7x</b>	<b>5.7x</b>	<b>5.3x</b>	<b>9.0x</b>	<b>8.0x</b>	<b>17.6%</b>	<b>18.0%</b>	<b>12.5%</b>	<b>12.9%</b>	<b>8.0%</b>	<b>8.2%</b>	<b>0.7x</b>
<b>Engine/Under-the-Hood</b>														
BorgWarner	9,414.2	1.0x	0.9x	6.0x	5.7x	8.0x	7.5x	21.8%	21.9%	16.8%	16.7%	12.5%	12.6%	1.0x
ErlingKlinger	1,325.2	0.8x	0.7x	6.0x	5.3x	11.2x	9.4x	23.7%	25.0%	13.2%	14.0%	7.0%	7.9%	2.8x
Exedy	1,267.0	0.6x	0.5x	3.9x	3.6x	6.4x	5.9x	21.6%	22.2%	14.5%	14.6%	8.8%	9.0%	(0.0x)
JTEKT	5,085.1	0.4x	0.4x	4.4x	4.2x	7.5x	7.1x	16.7%	16.8%	10.1%	10.2%	5.9%	6.0%	0.9x
Linamar	3,870.1	0.8x	0.7x	4.8x	4.4x	6.8x	6.3x	19.2%	19.5%	16.4%	16.5%	11.5%	11.5%	1.7x
Modine	1,162.3	0.6x	0.6x	6.3x	5.7x	10.0x	8.7x	17.3%	17.7%	9.7%	10.2%	6.1%	6.7%	2.0x
Park Ohio	817.8	0.6x	0.6x	7.1x	6.6x	10.3x	9.2x	16.5%	16.8%	8.4%	8.8%	5.8%	6.3%	n/a
<b>Median</b>		<b>0.6x</b>	<b>0.6x</b>	<b>6.0x</b>	<b>5.3x</b>	<b>8.0x</b>	<b>7.5x</b>	<b>19.2%</b>	<b>19.5%</b>	<b>13.2%</b>	<b>14.0%</b>	<b>7.0%</b>	<b>7.9%</b>	<b>1.4x</b>
<b>Interior/Exteriors</b>														
Toyota Boshoku	2,254.5	0.2x	0.2x	2.8x	2.7x	4.2x	4.0x	10.9%	11.2%	7.4%	7.6%	4.9%	5.1%	(0.8x)
Faurecia	8,845.8	0.5x	0.5x	4.3x	4.0x	6.8x	6.2x	13.3%	13.6%	11.5%	11.7%	7.2%	7.5%	0.2x
Grammer	858.1	0.5x	0.4x	6.0x	5.6x	9.5x	8.8x	12.6%	12.8%	7.6%	8.0%	4.9%	5.1%	0.9x
Plastic Omnium	6,025.5	0.9x	0.8x	6.0x	5.3x	8.9x	7.8x	16.5%	16.7%	14.4%	14.8%	9.7%	10.1%	0.7x
Polytec	355.6	0.5x	0.5x	4.2x	4.0x	6.5x	6.2x	52.1%	52.1%	12.5%	12.6%	8.1%	8.2%	1.0x
Rieter	556.9	0.6x	n/a	4.6x	n/a	6.1x	7.1x	54.0%	n/a	14.0%	n/a	10.6%	n/a	(0.9x)
TS Tech	1,545.9	0.4x	0.4x	3.6x	3.4x	4.4x	4.2x	18.2%	18.9%	12.3%	12.7%	9.9%	10.4%	(2.0x)
<b>Median</b>		<b>0.5x</b>	<b>0.5x</b>	<b>4.3x</b>	<b>4.0x</b>	<b>6.5x</b>	<b>6.2x</b>	<b>16.5%</b>	<b>15.1%</b>	<b>12.3%</b>	<b>12.1%</b>	<b>8.1%</b>	<b>7.9%</b>	<b>0.2x</b>
<b>Engineering</b>														
Akka	1,400.9	1.0x	0.9x	10.1x	8.7x	12.1x	10.7x	n/a	n/a	9.6%	10.6%	8.0%	8.6%	1.4x
Altran	3,500.8	1.2x	1.1x	8.3x	6.9x	9.6x	8.0x	12.4%	14.0%	14.5%	15.7%	12.6%	13.7%	0.8x
Bertrandt	886.4	0.9x	0.8x	7.3x	6.5x	10.7x	9.2x	89.9%	90.2%	11.6%	12.3%	7.9%	8.7%	0.6x
EDAG	506.0	0.7x	0.6x	7.0x	6.2x	11.8x	9.5x	86.5%	86.7%	9.6%	10.4%	5.7%	6.7%	1.3x
Ricardo	615.4	1.4x	1.3x	9.4x	9.1x	12.1x	11.7x	38.0%	38.5%	14.7%	14.6%	11.4%	11.4%	0.5x
<b>Median</b>		<b>1.0x</b>	<b>0.9x</b>	<b>8.3x</b>	<b>6.9x</b>	<b>11.8x</b>	<b>9.5x</b>	<b>62.3%</b>	<b>62.6%</b>	<b>11.6%</b>	<b>12.3%</b>	<b>8.0%</b>	<b>8.7%</b>	<b>0.8x</b>
<b>Median</b>		<b>0.7x</b>	<b>0.6x</b>	<b>5.5x</b>	<b>5.1x</b>	<b>8.3x</b>	<b>7.5x</b>	<b>19.1%</b>	<b>19.4%</b>	<b>12.4%</b>	<b>12.7%</b>	<b>8.2%</b>	<b>8.7%</b>	
<b>Mean</b>		<b>0.8x</b>	<b>0.8x</b>	<b>6.0x</b>	<b>5.5x</b>	<b>8.9x</b>	<b>8.0x</b>	<b>26.0%</b>	<b>25.7%</b>	<b>12.9%</b>	<b>13.2%</b>	<b>8.7%</b>	<b>9.1%</b>	

Source: Capital IQ as of 30/06/2018

Note: All financials calendarised to December year end

EV= Enterprise value (i.e., market capitalisation + net debt); Net debt= Interest-bearing liabilities - cash

**AUTOMOTIVE SUPPLIER COMPOSITE – EQUITY MARKET PERFORMANCE METRICS BY REGION**

Company	EV	EV/Sales		EV/EBITDA		EV/EBIT		Gross Margin		EBITDA Margin		EBIT Margin		Net Debt/ EBITDA
		2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	
<b>Europe</b>														
Akka	1,400.9	1.0x	0.9x	10.1x	8.7x	12.1x	10.7x	n/a	n/a	9.6%	10.6%	8.0%	8.6%	1.4x
Altran	3,500.8	1.2x	1.1x	8.3x	6.9x	9.6x	8.0x	12.4%	14.0%	14.5%	15.7%	12.6%	13.7%	0.8x
Autoliv	11,218.5	1.1x	1.1x	9.0x	7.9x	12.6x	11.2x	20.9%	21.3%	12.6%	13.4%	9.0%	9.5%	0.4x
Bertrandt	886.4	0.9x	0.8x	7.3x	6.5x	10.7x	9.2x	89.9%	90.2%	11.6%	12.3%	7.9%	8.7%	0.6x
CIE Automotive	3,883.4	1.2x	0.9x	7.3x	6.1x	9.8x	8.5x	45.8%	45.7%	17.2%	15.3%	12.7%	10.9%	1.2x
Continental	41,164.7	0.9x	0.8x	5.8x	5.3x	8.4x	7.6x	26.2%	26.4%	15.3%	15.9%	10.7%	11.2%	0.3x
EDAG	506.0	0.7x	0.6x	7.0x	6.2x	11.8x	9.5x	86.5%	86.7%	9.6%	10.4%	5.7%	6.7%	1.3x
EiringKlinger	1,325.2	0.8x	0.7x	6.0x	5.3x	11.2x	9.4x	23.7%	25.0%	13.2%	14.0%	7.0%	7.9%	2.8x
Faurecia	8,845.8	0.5x	0.5x	4.3x	4.0x	6.8x	6.2x	13.3%	13.6%	11.5%	11.7%	7.2%	7.5%	0.2x
Georg Fischer	4,646.7	1.2x	1.1x	9.8x	9.1x	13.5x	12.3x	52.8%	52.9%	11.9%	12.3%	8.7%	9.1%	0.3x
Grammer	858.1	0.5x	0.4x	6.0x	5.6x	9.5x	8.8x	12.6%	12.8%	7.6%	8.0%	4.9%	5.1%	0.9x
Hella	5,574.4	0.8x	0.7x	5.3x	4.9x	9.2x	8.5x	27.8%	28.0%	14.4%	14.5%	8.2%	8.3%	0.2x
JOST Werke AG	591.4	0.8x	0.8x	6.1x	5.7x	7.3x	6.8x	27.8%	27.9%	13.3%	13.6%	11.1%	11.4%	1.1x
Kongsberg Automotive	672.0	0.6x	0.6x	5.5x	4.5x	8.3x	6.3x	n/a	n/a	10.9%	12.4%	7.2%	8.8%	1.9x
Leoni	1,912.7	0.4x	0.4x	4.9x	4.3x	8.1x	7.1x	17.2%	17.4%	7.7%	8.1%	4.6%	5.0%	1.2x
Melexis	3,127.5	5.4x	4.9x	17.2x	15.5x	21.7x	19.1x	45.7%	45.7%	31.4%	31.4%	24.9%	25.5%	(0.3x)
Plastic Omnium	6,025.5	0.9x	0.8x	6.0x	5.3x	8.9x	7.8x	16.5%	16.7%	14.4%	14.8%	9.7%	10.1%	0.7x
Polytec	355.6	0.5x	0.5x	4.2x	4.0x	6.5x	6.2x	52.1%	52.1%	12.5%	12.6%	8.1%	8.2%	1.0x
Ricardo	615.4	1.4x	1.3x	9.4x	9.1x	12.1x	11.7x	38.0%	n/a	14.7%	14.6%	11.4%	11.4%	0.5x
Rieter	556.9	0.6x	n/a	4.6x	n/a	6.1x	7.1x	54.0%	n/a	14.0%	n/a	10.6%	n/a	(0.9x)
Sogefi	557.6	0.3x	0.3x	2.8x	2.6x	5.8x	5.3x	30.5%	31.0%	12.0%	12.4%	5.7%	6.0%	1.3x
Valeo	13,097.7	0.7x	0.6x	5.0x	4.4x	8.3x	7.4x	18.6%	18.8%	13.1%	13.5%	7.9%	8.1%	0.7x
<b>Median</b>		<b>0.8x</b>	<b>0.8x</b>	<b>6.0x</b>	<b>5.6x</b>	<b>9.4x</b>	<b>8.2x</b>	<b>27.8%</b>	<b>27.2%</b>	<b>12.9%</b>	<b>13.4%</b>	<b>8.2%</b>	<b>8.7%</b>	<b>0.8x</b>
<b>North America</b>														
American Axle	4,640.9	0.8x	0.8x	4.3x	4.3x	7.3x	7.5x	17.1%	17.1%	17.6%	17.4%	10.3%	10.1%	2.9x
Gentherm	1,272.6	1.4x	1.3x	9.7x	8.5x	14.7x	12.0x	30.5%	31.0%	14.3%	15.1%	9.4%	10.7%	0.3x
BorgWarner	9,414.2	1.0x	0.9x	6.0x	5.7x	8.0x	7.5x	21.8%	21.9%	16.8%	16.7%	12.5%	12.6%	1.0x
Dana	3,803.9	0.6x	0.5x	4.6x	4.3x	6.3x	5.9x	15.1%	15.4%	12.1%	12.4%	8.8%	9.0%	1.5x
Johnson Controls	36,590.4	1.4x	1.3x	8.8x	8.4x	11.1x	9.9x	30.4%	30.8%	15.4%	15.7%	12.2%	13.2%	2.4x
Linamar	3,870.1	0.8x	0.7x	4.8x	4.4x	6.8x	6.3x	19.2%	19.5%	16.4%	16.5%	11.5%	11.5%	1.7x
Magna	19,921.2	0.6x	0.5x	4.6x	4.6x	6.9x	6.4x	14.7%	15.0%	11.2%	11.6%	8.1%	8.3%	0.6x
Martinrea	1,186.6	0.5x	0.5x	4.1x	3.8x	6.5x	5.8x	14.7%	15.1%	12.1%	12.7%	7.6%	8.3%	1.3x
Modine	1,162.3	0.6x	0.6x	6.3x	5.7x	10.0x	8.7x	17.3%	17.7%	9.7%	10.2%	6.1%	6.7%	n/a
Park Ohio	817.8	0.6x	0.6x	7.1x	6.6x	10.3x	9.2x	16.5%	16.8%	8.4%	8.8%	5.8%	6.3%	n/a
Stoneridge	913.7	1.2x	1.2x	9.4x	8.7x	13.2x	11.9x	31.3%	31.7%	12.8%	13.5%	9.2%	9.9%	0.6x
Tenneco	2,962.7	0.3x	0.3x	3.8x	3.5x	5.2x	4.9x	16.0%	16.3%	9.0%	9.2%	6.5%	6.7%	1.3x
Visteon	3,151.9	1.1x	1.1x	9.7x	8.9x	13.0x	11.6x	15.6%	15.8%	11.8%	12.1%	8.8%	9.2%	(0.4x)
<b>Median</b>		<b>0.8x</b>	<b>0.7x</b>	<b>6.0x</b>	<b>5.7x</b>	<b>8.0x</b>	<b>7.5x</b>	<b>17.1%</b>	<b>17.1%</b>	<b>12.1%</b>	<b>12.7%</b>	<b>8.8%</b>	<b>9.2%</b>	<b>1.3x</b>
<b>Asia</b>														
Aisin Seiki	11,467.1	0.4x	0.4x	3.0x	2.7x	5.6x	5.2x	14.1%	14.5%	12.3%	12.8%	6.6%	6.7%	0.2x
Toyota Boshoku	2,254.5	0.2x	0.2x	2.8x	2.7x	4.2x	4.0x	10.9%	11.2%	7.4%	7.6%	4.9%	5.1%	(0.8x)
Denso	30,238.0	0.7x	0.7x	5.7x	5.3x	9.6x	9.0x	16.6%	16.7%	12.9%	13.3%	7.7%	7.8%	(0.4x)
Exedy	1,267.0	0.6x	0.5x	3.9x	3.6x	6.4x	5.9x	21.6%	22.2%	14.5%	14.6%	8.8%	9.0%	(0.0x)
JTEKT	5,085.1	0.4x	0.4x	4.4x	4.2x	7.5x	7.1x	16.7%	16.8%	10.1%	10.2%	5.9%	6.0%	0.9x
Koito Manufacturing	7,306.2	1.1x	1.1x	6.6x	6.1x	8.8x	8.1x	18.6%	19.4%	17.0%	17.7%	12.8%	13.3%	(1.6x)
NHK Spring	1,591.7	0.3x	0.3x	3.3x	3.2x	6.1x	5.8x	n/a	n/a	9.1%	9.2%	5.0%	5.0%	(0.7x)
NSK	5,596.7	0.7x	0.7x	4.8x	4.6x	7.1x	6.9x	23.1%	23.3%	14.6%	14.8%	9.8%	10.0%	0.8x
Showa	840.3	0.4x	0.4x	2.7x	2.5x	3.4x	3.1x	24.6%	25.4%	13.8%	14.8%	11.1%	11.6%	(0.7x)
Stanley Electric	3,900.9	1.1x	1.1x	5.5x	5.1x	8.9x	8.2x	22.6%	23.1%	20.3%	20.9%	12.5%	13.0%	(1.3x)
Sumitomo Electric	12,327.5	0.5x	0.5x	4.8x	4.5x	8.8x	8.1x	19.1%	19.5%	10.6%	11.0%	5.7%	6.1%	0.9x
Ningbo Joyson	3,950.1	0.6x	0.5x	6.9x	7.6x	15.4x	12.2x	16.6%	17.1%	8.8%	7.1%	3.9%	4.4%	1.4x
Tokai Rika	1,077.2	0.3x	0.3x	2.6x	2.5x	4.5x	4.2x	13.8%	13.9%	10.8%	11.1%	6.3%	6.6%	(1.0x)
Toyoda Gosei	2,841.4	0.4x	0.4x	4.6x	4.3x	8.1x	7.1x	13.0%	13.4%	9.8%	10.0%	5.5%	6.1%	0.0x
TS Tech	1,545.9	0.4x	0.4x	3.6x	3.4x	4.4x	4.2x	18.2%	18.9%	12.3%	12.7%	9.9%	10.4%	(2.0x)
<b>Median</b>		<b>0.4x</b>	<b>0.4x</b>	<b>4.4x</b>	<b>4.2x</b>	<b>7.1x</b>	<b>6.9x</b>	<b>17.5%</b>	<b>18.0%</b>	<b>12.3%</b>	<b>12.7%</b>	<b>6.6%</b>	<b>6.7%</b>	<b>(0.4x)</b>
<b>Median</b>		<b>0.7x</b>	<b>0.6x</b>	<b>5.5x</b>	<b>5.1x</b>	<b>8.3x</b>	<b>7.5x</b>	<b>19.1%</b>	<b>19.4%</b>	<b>12.4%</b>	<b>12.7%</b>	<b>8.2%</b>	<b>8.7%</b>	
<b>Mean</b>		<b>0.8x</b>	<b>0.8x</b>	<b>6.0x</b>	<b>5.5x</b>	<b>8.9x</b>	<b>8.0x</b>	<b>26.0%</b>	<b>25.5%</b>	<b>12.9%</b>	<b>13.2%</b>	<b>8.7%</b>	<b>9.1%</b>	

Source: Capital IQ as of 30/06/2018

Note: All financials calendarised to December year end

EV= Enterprise value (i.e., market capitalisation + net debt); Net debt= Interest-bearing liabilities - cash

**GLOBAL AUTOMOTIVE SUPPLIER INDUSTRY – SELECTED M&A TRANSACTIONS IN Q2 2018**

Date	Target	Country	Target Description	Buyer	Seller	EV (€m)
02/04/2018	Comstar Automotive Technologies Pvt. Ltd	India	Company engaged in the design and manufacture of starting and charging systems for passenger cars and commercial vehicles	Blackstone Group LP	Argyle Street Management Chandaria Industries Comstar Mauritius	105
03/04/2018	Millbrook Revolutionary Engineering	US	Provider of test service and equipment	Millbrook Group Limited	Family / Management	15
04/04/2018	Cloyes Gear and Products, Inc (Aftermarket division)	US	Aftermarket division of Cloyes Gear and Products offering line of replacement timing drive systems and components	Hidden Harbor Capital Partners, LLC	Cloyes Gear and Products, Inc	42
04/04/2018	WESO-Aurorahütte GmbH	Germany	Grey cast iron products specialist	Serafin Unternehmensgruppe GmbH	Viessmann Werke GmbH & Co. KG	n/a
04/04/2018	Interamerican Motor Corporation	US	Distributor of import replacement parts	Parts Authority, Inc.	AutoZone Inc.	n/a
05/04/2018	Faster S.p.A.	Italy	Manufacturer of quick release couplings for automobiles and hydraulic power systems	Sun Hydraulics Corporation	Capvis Equity Partners AG	430
06/04/2018	Matec GmbH	Germany; Slovakia	Company engaged in designing and manufacturing cabins for machinery	MSK Group Oy	Salzgitter Maschinenbau AG; Team Industries Roeselare NV	n/a
09/04/2018	V.Orlandi S.p.A (70% Stake)	Italy	Manufacturer of coupling systems for trucks, trailers, semi-trailers and agricultural vehicles	SAF Holland SA	Family / Management	n/a
10/04/2018	Wheel Pros, LLC	US	Designer, marketer and distributor of branded automotive aftermarket wheels, performance tires and accessories	Clearlake Capital Group, L.P.	Audax Private Equity Group	n/a
10/04/2018	Takata Corporation	Japan	Company engaged in the development, manufacture and sale of safety products for automobiles	Key Safety Systems, Inc.	Family / Management	1,353
12/04/2018	KSI Trading Corp.	US	Supplier of after market automobile parts and services	Investcorp	Family / Management	n/a
12/04/2018	Gebrüder Ahle GmbH & Co. KG	Germany	Company engaged in manufacturing and sales of automobile springs	Mitsubishi Steel Mfg Co., Ltd.	Family / Management	n/a
13/04/2018	MCM Custom Vehicles, LLC	US	OEM authorised specialty vehicle manufacturer (SVM) for light-duty trucks	Kinderhook Industries LLC	Family / Management	n/a
16/04/2018	Anderson Manufacturing Company, Inc.	US	Provider of cold formed terminals, pins, screws, contacts, threaded forming screws, self-tapping screws, clinch studs and anti-cross threaded products to automotive manufacturers	Ferriere di Stabio S.A.	Big Shoulders Capital LLC	n/a
19/04/2018	GKN Plc	UK	Engineering group engaged in the provision of services to automotive and aerospace industries	Melrose Plc	Family / Management	9,890

**GLOBAL AUTOMOTIVE SUPPLIER INDUSTRY – SELECTED M&A TRANSACTIONS IN Q2 2018**

Date	Target	Country	Target Description	Buyer	Seller	EV (€m)
27/04/2018	ChargeStorm AB	Sweden	Developer of intelligent charging stations for electric vehicles	CTEK Sweden AB	Family / Management	n/a
27/04/2018	ZF Friedrichshafen AG (Global Body Control Systems business)	Germany	Global Body Control Systems business of ZF Friedrichshafen AG, including its Radio Frequency Electronics business	Luxshare Precision Limited	ZF Friedrichshafen AG	n/a
30/04/2018	AA Gear & Manufacturing, Inc.	US	Manufacturer that provides low-to-medium volume batch manufacturing for complex gear and shaft applications	Meritor, Inc.	Family / Management	29
30/04/2018	York Transport Equipment (Asia) Pte Ltd.	Singapore	Manufacturer of trailer axles, suspension kits, and truck as well as trailer components	SAF Holland SA	TRF Ltd.	33
30/04/2018	mefro wheels GmbH	Germany	Manufacturer and distributor of wheels	Accuride Corporation	mefro Metallwarenfabrik Fischbacher GmbH	n/a
01/05/2018	American Glass Products	Peru	Producer of bullet resistant glass and specialty glass for automotive applications	Goldman Sachs (private equity operations)	Family / Management	n/a
03/05/2018	Yunnan FDG Automobile Co., Ltd. (50% Stake)	China	Company engaged in manufacturing, selling and maintenance of electric vehicles	Hong Kong ShengHai DeYong Investment Limited	FDG Electric Vehicles Ltd.	n/a
07/05/2018	Groupe PSA; Punch Powertrain NV	France; Netherlands	Certain assets, goodwill and commercial agreements of Groupe PSA and Punch Powertrain NV	Groupe PSA / Punch Powertrain NV joint venture	Groupe PSA; Punch Powertrain NV	n/a
14/05/2018	Engineering Tube Specialties	US	Provider of service and supplier of tubes to the automotive industries	Angstrom Automotive Group LLC	Family / Management	n/a
28/05/2018	Sauter Federn GmbH	Germany	Designer and manufacturer of customised spring solutions	PINOVA Capital GmbH	Sauter family	n/a
01/06/2018	Frauenthal Holding AG (U-Bolts, pin and screw business division)	Austria; Poland	Manufacturer of u-bolts, pins and screws	Hendrickson USA, L.L.C.	Frauenthal Holding AG	n/a
05/06/2018	Geevers Auto Parts BV	Netherlands	Distributor of automotive body parts for damage repair	Auto dis Group	Goof Gijbels (Private Individual)	n/a
11/06/2018	Tevva Motors Limited (35.26% Stake)	UK	Company engaged in developing and producing hybrid range extended electric trucks	Bharat Forge Ltd	Family / Management	n/a
25/06/2018	Faraday & Future Inc. (45% Stake)	US	Global auto and tech company, unifying sustainable transportation and digital ecosystems	Evergrande Health Industry Group Limited	Family / Management	n/a
29/06/2018	Laird Plc	UK	Company engaged in the design, manufacture and supply of electronics products and services	Advent International Corporation	Family / Management	1311

## RECENT TRANSACTIONS OF OUR GLOBAL AUTOMOTIVE SECTOR TEAM

 <b>BENTELER</b> Global automotive component supplier Clearwater International advised BENTELER on the sale of the Norwegian aluminium die casting business to Chassis, Inc.	 <b>FAURECIA</b> Automotive equipment supplier Clearwater International advised Faurecia on the acquisition of Chinese in-car infotainment and technology company Jiangxi Coagent Electronics	 <b>ORLANDO MANAGEMENT</b> Private equity firm Clearwater International advised Orlando Management AG on the sale of Beinbauer Group to H.I.G. Capital	 <b>BUCHBINDER</b> Car rental company Clearwater International advised the shareholders of Buchbinder on the sale of the company to Europcar Group	<b>ALANTRA</b> Private equity firm Clearwater International advised Alantra Private Equity on the cross-border acquisition of MD Moldes, an automotive lighting mould manufacturer, based in Portugal
 <b>JOYSON</b> Leading global automotive supplier Clearwater International advised Ningbo Joyson Electronic Corporation on its acquisition of Key Safety Systems	 <b>FINOBA AUTOMOTIVE</b> Lightweight component processing and machining Clearwater International advised the shareholder of Finoba Automotive on the disposal of its shares to China National Machinery Industry Corporation	 <b>TRUCK-LITE EUROPE</b> Manufacturer of automotive lighting components Clearwater International advised Truck-Lite Co., LLC on the sale of the Truck-Lite Europe business to the China-based Boao Group	 <b>BROSE INTERNATIONAL</b> Automotive component manufacturer Clearwater International advised Brose International, on the establishment of a JV with Dongfeng Motor Parts and Components Group	 <b>STARCO</b> Aftermarket supplier of tires and wheels Clearwater International advised Starco A/S on the sale of its aftermarket operations to Bohnenkamp AG

## ABOUT CLEARWATER INTERNATIONAL'S AUTOMOTIVE SECTOR TEAM



With 15 offices in Europe and Asia, Clearwater International combines profound sector expertise, relevant transaction experience and global reach

#1	Worldwide automotive M&A advisor by deal count	70%	Cross-border deals within the last 5 years
>260	Completed automotive deals	>30	Dedicated automotive sector team members worldwide
€12.4bn	Aggregate deal value	>20	Completed deals with Asian buyers or targets within the last 5 years
>€50m	Average deal size	10	High-profile senior advisers, all former top tier executives

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