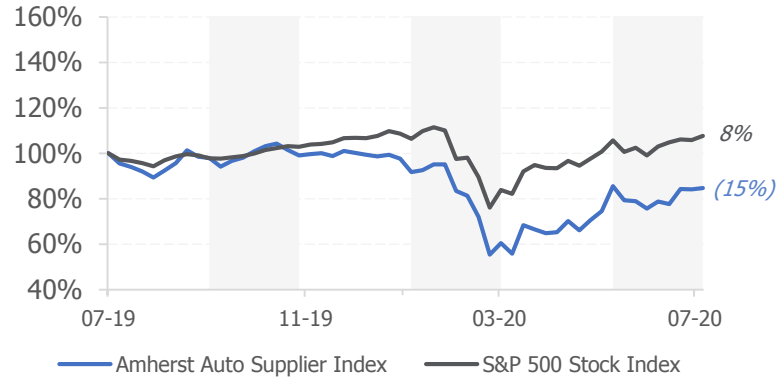


## Market Update 2Q 2020

- In the first half of 2020, global pandemic headwinds caused M&A activity in the automotive sector to face levels of uncertainty not seen since the Great Recession. Total aggregate deal value in 1H 2020 amounted to \$12.1 billion, down 47% when compared to 1H 2019 (\$22.9 billion)
  - Deal volume was also lower; down 21% in 1H 2020 to 198 deals from 251 in 1H 2019
- After a significant sell-off from the pandemic in March, our public automotive suppliers index experienced a modest recovery, but still underperformed relative to the S&P 500 and broader market, which are approaching pre-pandemic all-time highs
  - A steep short-term drop in demand in March stressed an industry already dealing with changes to its traditional business model in the form of autonomous vehicles, ride-sharing services, and electrification
- Overall sector valuations in 2020 remain comparable with 2018 and 2019 at 5-6x. Meanwhile, median Debt/EBITDA levels experienced a slight increase in 2020, but remain well within historical norms

## Amherst Partners Auto Supplier Index

### 1-Year Performance

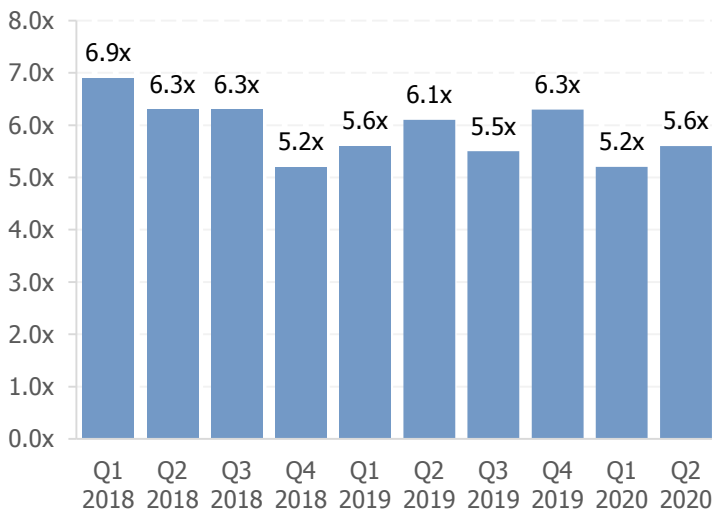


### AMHERST AUTO SUPPLIER INDEX



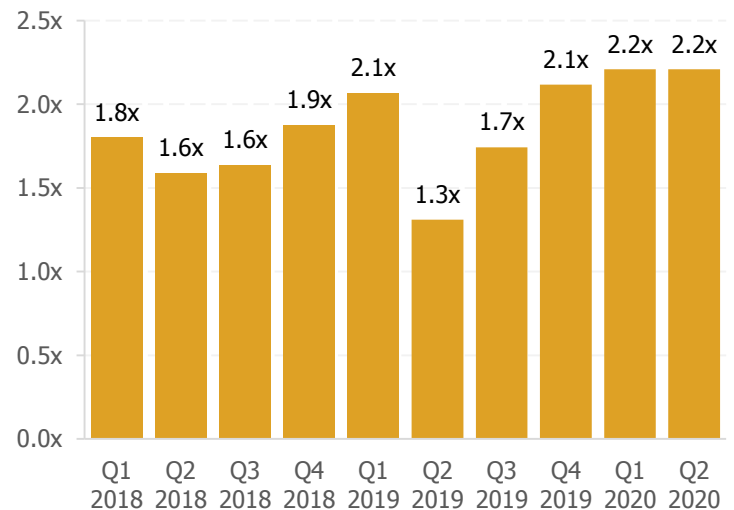
## Valuation Multiples

### Median Enterprise Value/LTM EBITDA



## Leverage Multiples

### Median Net Debt/LTM EBITDA



Source: S&P Capital IQ as of 7/31/2020

# AUTOMOTIVE **IQ**

## *in brief*

Amherst Partners LLC is a boutique, independent Investment Banking, Restructuring Advisory, and Management Consulting firm.

Securities transactions are offered through Amherst Partners' wholly owned subsidiary, One Amherst Partners LLC, a registered broker-dealer and member of FINRA ([www.finra.org](http://www.finra.org)) and SIPC ([www.sipc.org](http://www.sipc.org)).

This report is published solely for informational purposes and is not to be construed as rendering legal, accounting or investment advice or as a solicitation or an offer to buy or sell securities.

Although information contained in this report has been obtained from and is based on sources that Amherst Partners LLC believes to be reliable, it is not guaranteed as being accurate. Past performance is not an indication of future results.

## About Amherst

Amherst Partners' track record spans 25 years of investment banking excellence, using senior level advisors to create unique solutions for middle-market transactions.

### Our Services

- Merger & Acquisition Advisory
- Capital Raising
- Restructuring Advisory
- Management Consulting

## IMAP

As a partner in IMAP, Amherst maintains a well-established network of international offices in over 35 countries. In 2019, IMAP advisers completed 234 global transactions, worth over \$13 billion. Through our IMAP partners, Amherst benefits by having seasoned deal professionals "on the ground" across the globe, with firsthand knowledge of the local cultural and business environment.

## Contact Us

**Chas Chandler**, Partner  
248.633.2140  
chandler@amherstpartners.com

**Scott Eisenberg**, Partner  
248.633.2150  
seisenberg@amherstpartners.com

**Don Luciani**, Partner  
248.633.2139  
dluciani@amherstpartners.com

**Sheldon Stone**, Partner  
248.633.2135  
sstone@amherstpartners.com

**Bruce Goldstein**, Managing  
Director  
847.778.0903  
bgoldstein@amherstpartners.com

**James Morden**, Managing Director  
248.633.2051  
jmorden@amherstpartners.com

**John W. Patterson**, Managing  
Director  
908.403.2135  
jpatterson@amherstpartners.com

**Brian Phillips**, Managing Director  
248.633.2131  
bphillips@amherstpartners.com

**Marc Gondek**, Director  
248.633.2058  
mgondek@amherstpartners.com

**Shareef Simaika**, Director  
248.633.2062  
ssimaika@amherstpartners.com

**Fahad Siddiqui**, Vice President  
248.633.2053  
fsiddiqui@amherstpartners.com