



The Automotive Aftermarket

2014 M&A Yearbook

**SRR**  
STOUT | RISIUS | ROSS



April 2015

We are pleased to provide you with our **2014 M&A Yearbook focused exclusively on the Automotive Aftermarket**. This edition provides our review of industry trends and mergers & acquisitions activity over the last year. Having served more than 150 recent clients across the automotive industry, we are enthusiastic to provide you with our unique perspective on the automotive aftermarket – a segment that we view as being an exciting and rapidly growing area of M&A opportunity for our current (and future) clients.

The automotive aftermarket continues to consolidate within each segment of the value chain. Consolidation contributes to solving market pressure experienced by suppliers, retailers/distributors, and service repair and maintenance providers within their respective markets (both outside and inside pressure). Furthermore, we find that recent acquisitions are continuing to enable certain industry participants to best align and expand with shifting growth channels (e.g., DIFM, dealer service, etc.) and address supply/demand imbalances. Competition for acquiring quality targets is increasing.

In light of these factors, we see eminent opportunity for middle market participants across the industry to leverage today's favorable climate in exploring strategic alternatives – ranging from the outright sale of the corporation to divesting divisions or accelerating growth through acquisitions or outside capital.

We expect 2015 to be another strong year for M&A activity in the automotive aftermarket. Our view is bolstered with what we are seeing across our clients' businesses – an increasingly favorable financing environment, improving target financial performance, growing balance sheet strength among strategic acquirers, and increasing active participation from private equity firms as acquirers (including for bolt-on acquisitions to existing portfolio companies within the sector – hybrid transactions).

As always, feel free to contact us as we explore ways to best serve you and your business.

Warmly,

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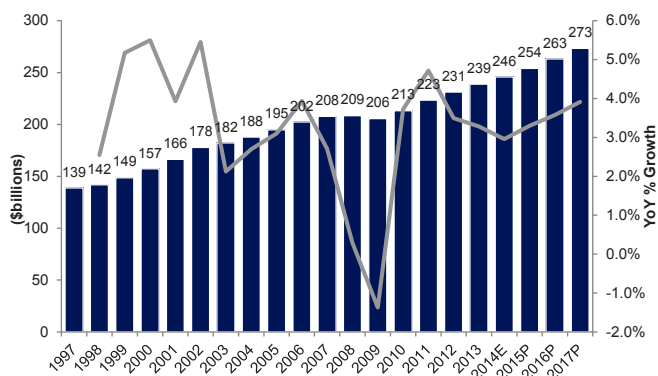
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# Overall State of the Industry

## Overall State of the U.S. Automotive Aftermarket

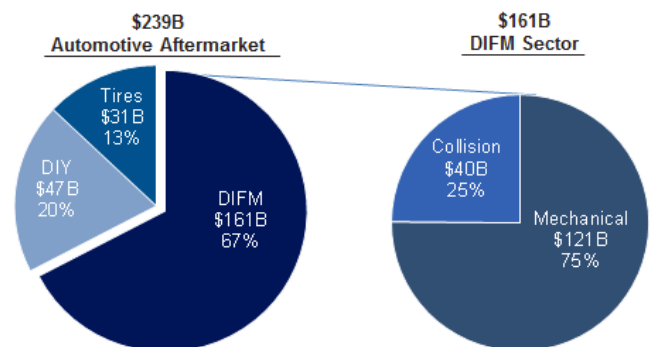
- The U.S. light vehicle aftermarket industry has grown at a CAGR of 3.5% from \$142 billion in 1998 to \$239 billion as of 2014, and is poised for continued steady growth across all segments – Do It For Me (DIFM) automotive parts and services, Do It Yourself (DIY) parts, and replacement tire sales.
- Industry sales remain a stable across the value chain – companies operating in the aftermarket continue to benefit from consistent EBITDA margins, returns on invested capital, and free cash flow conversion, while experiencing lower subjection to cyclicalty that can be found in some other segments of the automotive value chain.
- Aftermarket retailers continue to make investments towards improving their supply chain networks by adding distribution centers and hub stores.
- Advanced Auto Parts greatly enhanced its commercial competency recently through the acquisition of Genuine Parts International at the beginning of 2014.
- Consolidation across aftermarket retail, distribution, and parts supplies markets is continuing to occur, with a number of small M&A transactions being completed in part to increase acquirers' infrastructure and position within key commercial aftermarket segments.

### SIZE AND GROWTH OF THE U.S. AFTERMARKET



Source: AAIA. Market size includes all non-warranty retail sales of parts, accessories, and services for light-weight vehicles.

### CONSTRUCT OF THE U.S. AFTERMARKET



Source: AAIA, Wall St Research, and SRR Research. Market size includes all non-warranty retail sales of parts, accessories, and services for light-weight vehicles.

### SRR'S VIEW OF DEMAND FACTORS



#### Number of Vehicles in Operation

- Near-record high of 253 million light vehicles in operation in the U.S., and growing.
- New-vehicle sales reaching pre-2008 recession levels, with additional room to grow.



#### Average Age of Vehicles Driven

- The average age of vehicles in operation has significantly increased in recent years.
- Scrappage rates continue to decline significantly.
- Consumers are increasingly keeping their old cars as second vehicles.



#### Miles Driven Per Vehicle

- Miles driven per vehicle continues to rise; growth in miles driven bolstered by lower gas prices.
- More vehicle owners are driving as a result of lower unemployment, lower fuel costs, and increasingly favorable overall economic climate.



#### Overall State of the Economy

- Increasing confidence in the economy and job market continues to open up consumer spending.
- Pend-up demand (i.e., previously deferred maintenance) being released as the economy grows.
- Favorable impact across both DIY and DIFM markets.

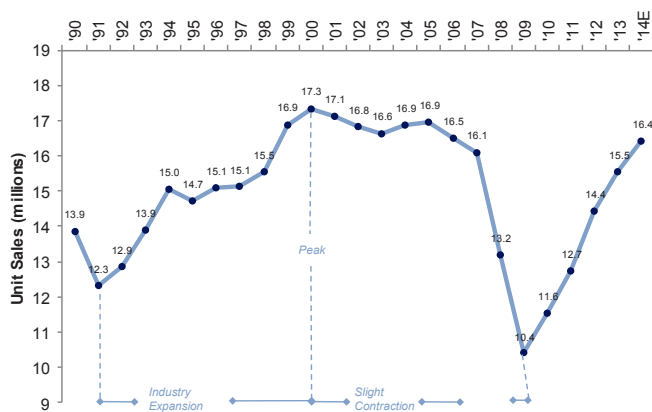
Source: WallStreet Research, SRR Research, and AAIA.

# Key Trends

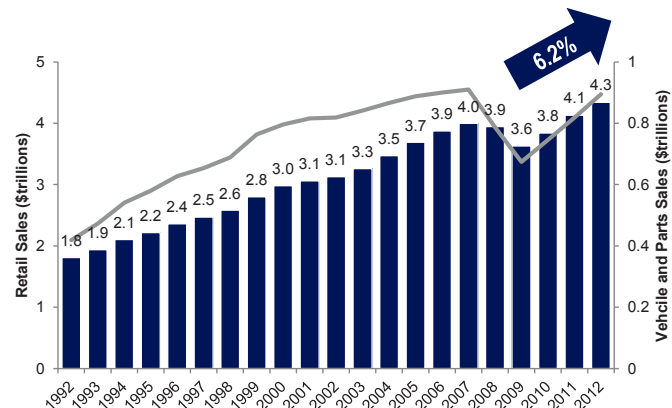
## Demand Factors

- There is an aging base of more than 253 million light vehicles in operation (VIO) and growing, driven by consumers holding their vehicles longer and increasing purchasing new vehicles. New vehicle sales are up, having now reach pre-2008 recession levels with 16.4 million light vehicles having been sold in 2014.
- Consumers are holding their vehicles longer – the average age of vehicles in operation has increased significantly from 9.6 years in 2002 to 11.4 years today (as is expected to hold at this level). Last year, new vehicle registrations outpaced scrappage by more than 24% for the first time in a decade.
- The average age of light trucks has increased to the same age as passenger cars, both at 11.4 years – this is the first time this has happened since 1995, when the data was first reported.
- New vehicle sales are up, having now reached pre-2008 recession levels with 16.4 million light vehicles having been sold in 2014. With improving employment and customer confidence, and gas prices at multi-year lows, continued growth is expected in vehicle miles traveled, resulting in increasing demand for replacement parts and maintenance/repair services.
- Vehicle miles data has been shown to be inversely correlated with gas prices. As prices decrease, vehicle miles generally increase, resulting in additional wear and tear on vehicles and higher demand for automotive maintenance and parts.
- Low gas prices have a positive effect on discretionary spending (for low income consumers, etc.), and spending on automotive maintenance that may have been previously deferred.

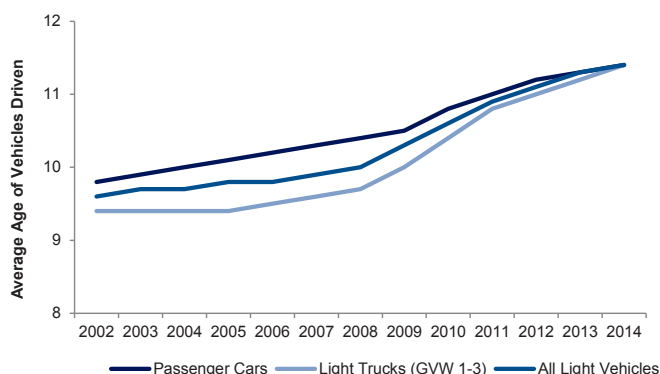
### NEW VEHICLE SALES RECOVER WITH THE ECONOMY



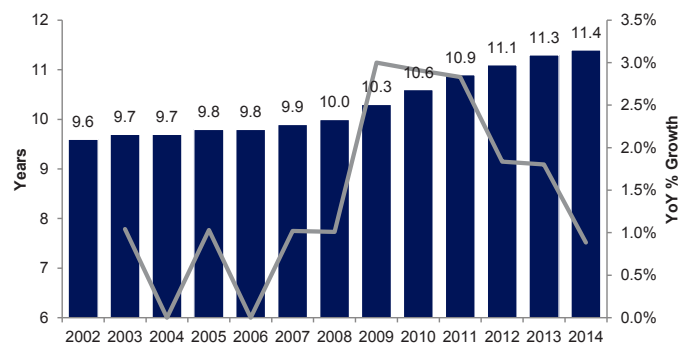
### GROWTH IN RETAIL SALES



### CONVERGENCE IN AGING ACROSS VEHICLE CLASSES



### AVERAGE AGE OF LIGHT VEHICLES IN OPERATION

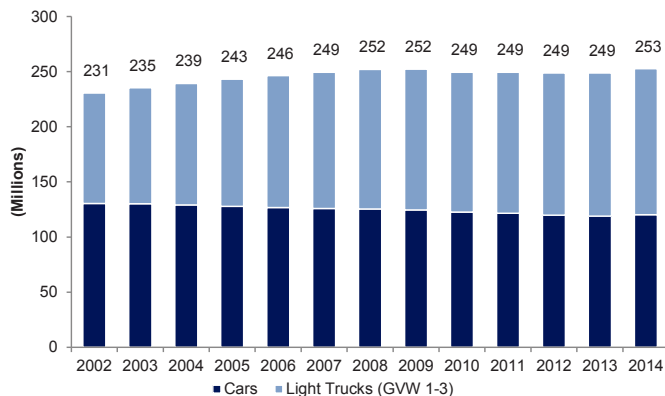


# Key Trends

## Economic Trends

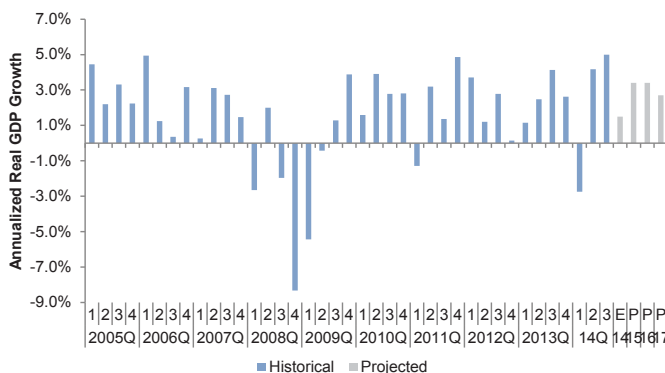
- The economic fundamentals for the automotive aftermarket are increasingly favorable. GDP is expected to increase 3.5% in 2015 and retail is poised for continued strong growth. The economy is showing signs of acceleration, and retail sales are expected to benefit from several tailwinds, including higher consumer confidence, lower unemployment, lower debt service levels, low gas prices, improving housing and construction markets, and strong equity markets.
- GDP has recovered from the major contraction experienced during the recession in late 2008 to early 2009 period, and consumer confidence continues to grow as employment levels improve.
- Continued growth is expected in vehicle miles traveled, resulting in increasing demand for replacement parts and maintenance/repair services. Sales across the DIFM channels continue to grow in line with sales across other retail sectors.

### TOTAL LIGHT VEHICLES IN OPERATION ACROSS THE U.S.



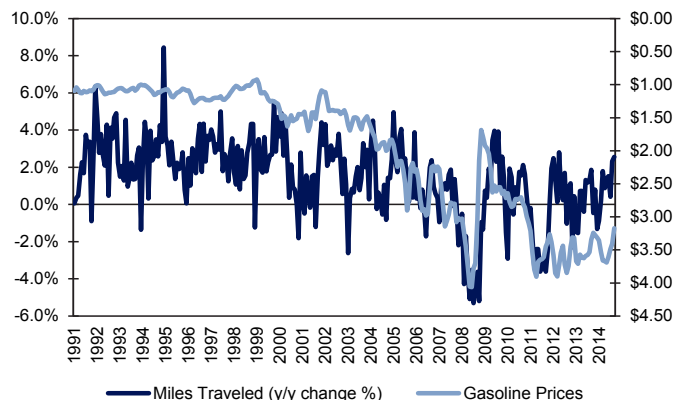
Source: AAIA.

### GDP GROWTH



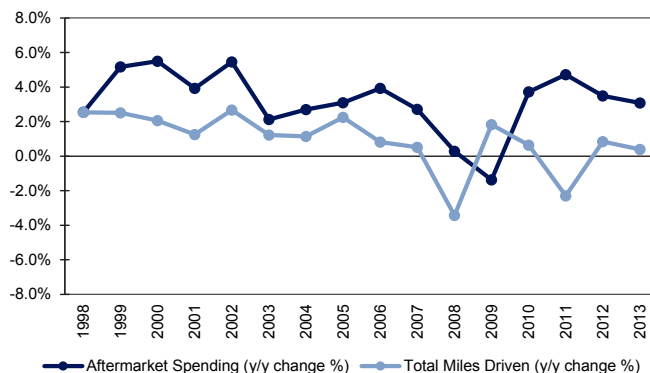
Source: Capital IQ, CBO.

### LOWER GAS PRICES INFLUENCES VEHICLE MILES DRIVEN



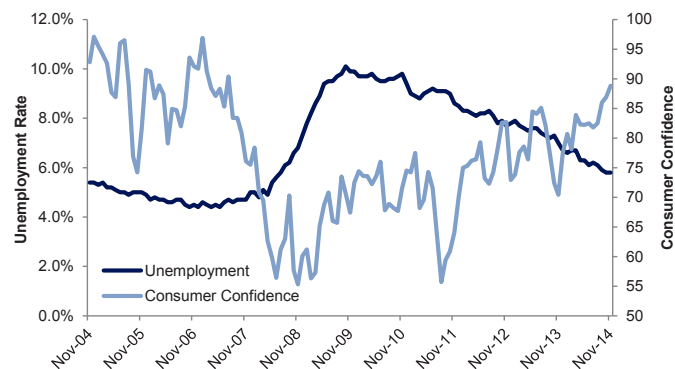
Source: Federal Highway Administration, U.S. Energy Information Administration.

### MILES DRIVEN INFLUENCES AUTO PARTS SPENDING



Source: Federal Highway Administration, U.S. Energy Information Administration.

### CONSUMER CONFIDENCE AND UNEMPLOYMENT



Source: Capital IQ, University of Michigan Consumer Confidence Report.

# Key Trends

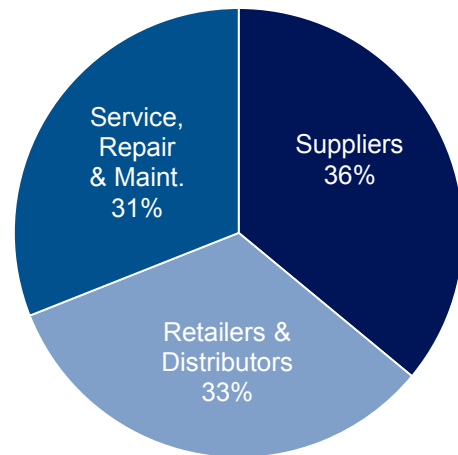
## Structural Shift & Supply/Demand Imbalances

- A structural shift is continuing to occur in favor of the DIFM segment of the automotive aftermarket industry, which is larger and expected to grow at a faster rate than the DIY segment. Drivers include growing vehicle technology content complexity, changing consumer demographics, and other factors.
- At the same time, as demand for DIFM automotive repair services has grown the number of service, repair, and maintenance facilities across the U.S. has decreased. Factors influencing this trend include a reduction in new car dealerships and repair stations, coupled by a shortage of mechanics.

## Continued Industry Consolidation

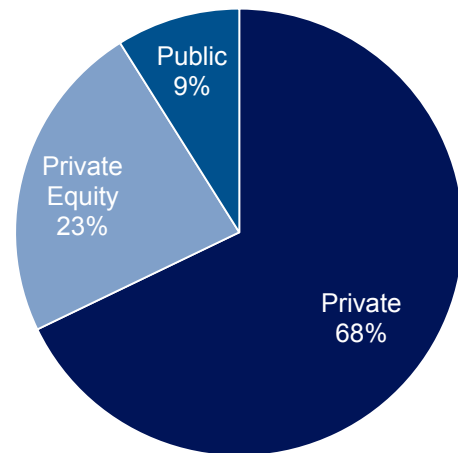
- The automotive aftermarket continues to consolidate within each segment of the value chain and presents a growing opportunity for industry participants with the potential to be uniquely positioned as highly valuable acquisition targets.
- Consolidation continues to contribute to solving ongoing market pressure experienced by suppliers, retailers/distributors, and service repair and maintenance providers within their respective markets (outside and inside/investor pressure).
- Growing through acquisitions continues to enable certain industry participants to best align and expand with shifting growth channels (e.g., DIFM, etc.) and address supply/demand imbalances. Competition for acquiring quality targets is increasing, as the pool of exceptional acquisition targets continues to diminish with each completed M&A transaction.
- Consolidation is expected to continue in light of these drivers, coupled with an increasingly favorable financing environment, growing balance sheet strength and valuations among strategic acquirers (see below left chart), and increasing active participation from private equity firms as acquirers (including for bolt-on acquisitions to existing portfolio companies within the sector – hybrid transactions).

M&A SEGMENT BY ACTIVITY



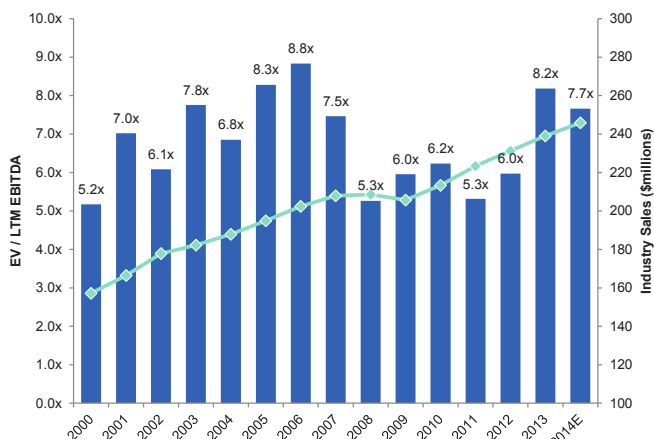
Source: Capital IQ.

M&A ACTIVITY BY SELLER TYPE



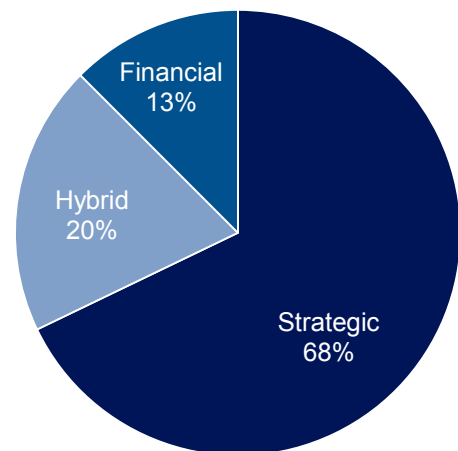
Source: Capital IQ.

AFTERMARKET EV / LTM EBITDA VS. INDUSTRY SALES



Source: Source: Public Filings, AAIA, and SRR Research.

M&A ACTIVITY BY BUYER TYPE



Source: Capital IQ.



# Select M&A Transactions

## AUTOMOTIVE AFTERMARKET TRANSACTIONS

(\$ millions)				Enterprise	Enterprise Value/	
Closed	Segment	Target (Ownership)	Acquirer (Ownership)	Value	Revenue	EBITDA
Pending	Retailers/Distributors	Miller Auto Parts & Supply Company, Inc.	Federated Auto Parts Distributors, Inc.	--	--	--
Pending	Suppliers	Trico Products Corporation (Kohlberg & Company)	Crowne Group, LLC	--	--	--
Dec-14	Suppliers	Richporter Technology Itée (Desjardins Business Capital)	Spectra Premium Industries Inc.	--	--	--
Nov-14	Retailers/Distributors	APX Autopart Express Limited	LKQ Corp. (NasdaqGS:LKQ)	\$6	--	--
Oct-14	Srv, Maint & Repair	Wood & Fullerton, Inc.	Monro Muffler Brake Inc. (NasdaqGS:MNRO)	--	--	--
Oct-14	Suppliers	Engine Control Systems Limited (ECS Holdings, Inc.)	SES USA Inc.	\$1	--	--
Oct-14	Suppliers	Schrader International, Inc. (Madison Dearborn Partners, LLC)	Sensata Technologies B.V. (NYSE:ST)	\$1,000	2.2x	19.5x
Oct-14	Srv, Maint & Repair	Stag Parkway Holding Company	LKQ Corp. (NasdaqGS:LKQ)	--	--	--
Sep-14	Retailers/Distributors	Interamerican Motor Corporation	AutoZone, Inc. (NYSE:AZO)	\$80	--	--
Sep-14	Srv, Maint & Repair	Champ's Holding Company, LLC	Boyd Group Income Fund (TSX:BYD.UN)	\$35	0.9x	6.9x
Sep-14	Suppliers	Auburn Gear, Inc.	North River Capital, LLC; Tecum Capital Mgmt	--	--	--
Aug-14	Suppliers	Innovative Xcessories & Services LLC (Graham Partners)	Olympus Partners	--	--	--
Aug-14	Retailers/Distributors	Unipart Automotive Ltd, 27 Branches	LKQ Corp. (NasdaqGS:LKQ)	--	--	--
Jul-14	Srv, Maint & Repair	Truck Parts Depot, Certain Assets	Rush Enterprises	--	--	--
Jul-14	Suppliers	Johnson Controls, Automotive Electronics Bus.	Visteon Corporation (NYSE:VC)	\$265	0.2x	4.6x
Jun-14	Srv, Maint & Repair	Crawford Auto Restoration Repair Center	Boyd Group Income Fund (TSX:BYD.UN)	--	--	--
Jun-14	Srv, Maint & Repair	Kan Rock Tire Company, Inc.	Monro Muffler Brake Inc. (NasdaqGS:MNRO)	--	--	--
Jun-14	Srv, Maint & Repair	Lentz U.S.A. Service Centers, Inc., 10 Stores	Monro Muffler Brake Inc. (NasdaqGS:MNRO)	--	--	--
Jun-14	Srv, Maint & Repair	Collex Collision Experts, Inc.	Boyd Group Income Fund (TSX:BYD.UN)	\$45	--	--
Jun-14	Suppliers	Aries Automotive Accessories, Inc.	CURT Manufacturing, LLC (Audax)	--	--	--
Jun-14	Retailers/Distributors	Champion Parts City	O'Reilly Automotive Inc. (NasdaqGS:ORLY)	--	--	--
May-14	Suppliers	UView Ultraviolet Systems Inc.	CPS Products Canada, Ltd. (Harbour Group)	--	--	--
May-14	Suppliers	Affinia Group, Global Chassis Business	Federal-Mogul Holdings Corp. (NasdaqGS:FDML)	\$150	--	--
Apr-14	Srv, Maint & Repair	DORA Holdings, Inc.	Boyd Group Income Fund (TSX:BYD.UN)	\$33	0.6x	--
Apr-14	Srv, Maint & Repair	Bald Tire & Auto, Inc.	Monro Muffler Brake Inc. (NasdaqGS:MNRO)	--	--	--
Apr-14	Suppliers	Thule Group, Trailer Business (Thule Group AB (OM:THULE))	Accent Equity	--	--	--
Apr-14	Retailers/Distributors	J.K. Distributors	Uni-Select (TSX:UNS)	--	--	--
Apr-14	Srv, Maint & Repair	Aaction Truck & Trailer Repair	Inland Truck Parts Company	--	--	--
Apr-14	Retailers/Distributors	Armour Automotive (Armour Group plc (AIM:AMR))	AAMP of America (Audax Group)	\$18	--	--
Mar-14	Suppliers	Sport Truck USA, Inc.	Fox Factory Holding Corp (NasdaqGS:FOXF)	\$78	2.2x	17.9x
Mar-14	Retailers/Distributors	Terry's Tire Town (Morgan Stanley Private Equity)	American Tire Distributors, Inc. (TPG Capital)	\$365	--	--
Mar-14	Suppliers	Motorsport Aftermarket Group (Leonard Green & Partners)	Ed Tucker Distributor, Inc.	--	--	--
Mar-14	Retailers/Distributors	KOI Auto Parts	Fisher Auto Parts	--	--	--
Mar-14	Srv, Maint & Repair	P&E Ltd., Automotive Refinish Sector Business	LKQ Corp. (NasdaqGS:LKQ)	--	--	--
Mar-14	Suppliers	IDQ (Kinderhook Industries)	Armored AutoGroup, Inc. (Avista Capital)	--	--	--
Mar-14	Srv, Maint & Repair	21st Century Collision Repair Specialist	Service King (The Carlyle Group)	--	--	--
Mar-14	Srv, Maint & Repair	Wilburn Auto Body Repair Centers	ABRA (Palladium Equity)	--	--	--
Mar-14	Suppliers	ETX, Inc. (Gordon Industries)	Transtar Industries, Inc. (American Capital)	--	--	--
Mar-14	Suppliers	CURT Manufacturing (Pfungsten Partners)	Audax Group	--	--	--
Mar-14	Suppliers	Bulldog Technologies	SCT Performance (Global Environment Fund)	--	--	--
Feb-14	Suppliers	Qualis Automotive, LLC (Hammond, Kennedy, Whitney & Co.)	CWD, LLC	--	--	--
Feb-14	Retailers/Distributors	Wil.Dor. Inc., Retail Locations and Fuel Distribution Business	Holmes Oil Company	--	--	--
Feb-14	Srv, Maint & Repair	Merlin Corporation	Driven Brands (Harvest Partners)	--	--	--
Feb-14	Retailers/Distributors	Metro Paint Supplies, Inc.	Uni-Select (TSX:UNS)	--	--	--
Feb-14	Retailers/Distributors	Gordon Equipments Ltd.	Rulin Capital LLP	--	--	--
Feb-14	Srv, Maint & Repair	I2 CAA Car Care Centres in Ontario (CAA S. Central Ontario	Meineke Car Care Centers, Inc. (Driven Brands, Inc.)	--	--	--
Feb-14	Retailers/Distributors	Florida Automotive Distributing (Suburban Florida AC)	The Parts House (North Riverside Capital Corp.)	--	--	--
Jan-14	Retailers/Distributors	Recochem Inc. McKenna Gale Capital)	Swander Pace Capital	--	--	--
Jan-14	Retailers/Distributors	Hercules Tire & Rubber Company, Inc. (FdG Associates)	American Tire Distributors, Inc. (TPG Capital)	\$432	0.7x	18.8x
Jan-14	Suppliers	Prestolite Electric (Beijing) Ltd. (First Atlantic Capital)	Zhongshan Broad-Ocean Motor Co. (SZSE:002249)	\$254	1.7x	--
Jan-14	Retailers/Distributors	RIMCO (Aaron's, Inc. (NYSE:AAN)	Rent A Wheel	\$10	0.5x	--
Jan-14	Srv, Maint & Repair	Collision Authority	Service King (The Carlyle Group)	--	--	--
Jan-14	Suppliers	Meridian Rack & Pinion	Gladstone Capital Corp.	--	--	--
Jan-14	Suppliers	USA Industries	Remy International, Inc. (NasdaqGS:REMY)	\$41	--	--
Jan-14	Retailers/Distributors	Auto Paint & Supply of Lakeland	Uni-Select (TSX:UNS)	--	--	--
Jan-14	Suppliers	Honeywell (Automotive and Industrial Brake Friction Business)	Federal-Mogul Holdings Corp. (NasdaqGS:FDML)	\$160	--	--
Jan-14	Srv, Maint & Repair	Power Heavy Duty	VIPAR Heavy Duty	--	--	--
Jan-14	Retailers/Distributors	Keystone Automotive Operations, Inc. (Platinum Equity)	LKQ Corp. (NasdaqGS:LKQ)	\$450	--	--
Jan-14	Retailers/Distributors	General Parts International, Inc.	Advance Auto Parts Inc. (NYSE:AAP)	\$2,040	0.7x	--



# Public Company Valuations

## PERFORMANCE BY SEGMENT

(\$ millions, except share data)	Share Price		Market Value <sup>(a)</sup>	Ent. Value <sup>(b)</sup>	Price / EPS		EV / Rev.	EV / EBITDA	
	3/16/15	% 52 High			LTM	CY '15E	LTM	LTM	CY '15E
<b>Aftermarket Suppliers</b>									
Cooper Tire & Rubber Co.	\$38.92	98.9%	\$2,233.6	\$2,088.0	11.4x	13.0x	0.61x	4.0x	4.9x
Dorman Products, Inc.	46.14	75.7%	1,639.7	1,592.1	18.5	16.2	2.12	10.4	9.3
Federal-Mogul Holdings Corporation	13.00	61.6%	2,197.5	4,658.5	NM	16.3	0.64	7.6	7.3
The Goodyear Tire & Rubber Company	25.31	87.3%	6,827.7	11,877.7	2.9	8.7	0.65	5.3	4.9
Motorcar Parts of America, Inc.	26.26	72.1%	471.7	476.2	39.1	14.1	1.62	12.6	6.4
Meritor, Inc.	13.25	84.7%	1,307.8	2,087.8	4.4	9.6	0.56	7.0	6.2
Remy International, Inc.	22.60	82.8%	727.7	952.4	118.9	19.8	0.81	7.5	7.0
Snap-on Incorporated	144.23	97.2%	8,411.8	9,215.8	20.2	18.5	2.64	12.2	11.2
Standard Motor Products Inc.	40.11	87.6%	918.2	961.3	17.6	14.1	0.98	8.5	7.8
Tenneco Inc.	56.29	81.3%	3,450.0	4,373.0	15.4	11.4	0.52	5.9	5.3
<b>Group Median</b>		83.7%		\$2,087.9	17.6x	14.1x	0.73x	7.6x	6.7x
<b>Group Mean</b>		82.9%		3,828.3	27.6	14.2	1.11	8.1	7.0
<b>Aftermarket Retailers &amp; Distributors</b>									
Advance Auto Parts Inc.	\$151.12	91.6%	\$11,042.9	\$12,597.2	22.5x	17.7x	1.28x	10.1x	9.4x
AutoZone, Inc.	665.41	98.6%	21,227.9	25,524.7	19.8	18.1	2.61	11.9	11.4
Genuine Parts Company	96.00	88.1%	14,659.1	15,338.0	20.8	19.7	1.00	12.1	11.1
O'Reilly Automotive Inc.	215.06	99.8%	21,892.8	23,038.9	29.3	25.2	3.19	15.7	14.1
Pep Boys - Manny, Moe & Jack	9.46	69.2%	506.2	846.4	NM	33.2	0.41	9.4	6.1
U.S. Auto Parts Network, Inc.	2.20	53.8%	74.0	89.8	NM	NM	0.32	26.1	13.7
Uni-Select Inc.	33.93	99.6%	720.0	1,131.7	14.4	14.7	0.63	12.3	12.5
<b>Group Median</b>		91.6%		\$12,597.2	20.8x	18.9x	1.00x	12.1x	11.4x
<b>Group Mean</b>		85.8%		11,223.8	21.4	21.4	1.35	13.9	11.2
<b>Aftermarket Service, Repair &amp; Maintenance</b>									
Asbury Automotive Group, Inc.	\$77.90	96.4%	\$2,145.4	\$3,686.4	20.9x	15.1x	0.63x	12.4x	11.6x
AutoNation Inc.	62.80	96.7%	7,132.7	12,282.9	17.8	15.8	0.64	13.4	12.5
Boyd Group Income Fund	35.57	91.0%	590.7	668.7	NM	20.0	0.98	13.6	10.3
Group 1 Automotive Inc.	79.79	85.6%	1,934.4	4,389.0	22.2	11.9	0.44	11.4	11.6
LKQ Corp.	24.70	82.8%	7,510.9	9,266.0	19.8	16.9	1.37	11.7	10.2
Monro Muffler Brake Inc.	63.78	98.1%	2,019.3	2,297.7	34.2	28.7	2.62	16.2	14.2
Penske Automotive Group, Inc.	50.59	96.0%	4,565.5	8,643.3	15.0	13.6	0.50	15.1	13.4
Rush Enterprises, Inc.	25.00	76.0%	997.6	2,287.8	12.8	11.1	0.48	8.6	10.8
<b>Group Median</b>		93.5%		\$4,037.7	19.8x	15.5x	0.64x	12.9x	11.6x
<b>Group Mean</b>		90.3%		5,440.2	20.4	16.6	0.96	12.8	11.8
<b>Overall Median</b>					19.8	16.0	0.65	11.7	10.3
<b>Overall Mean</b>					23.7	16.8	1.13	11.2	9.7

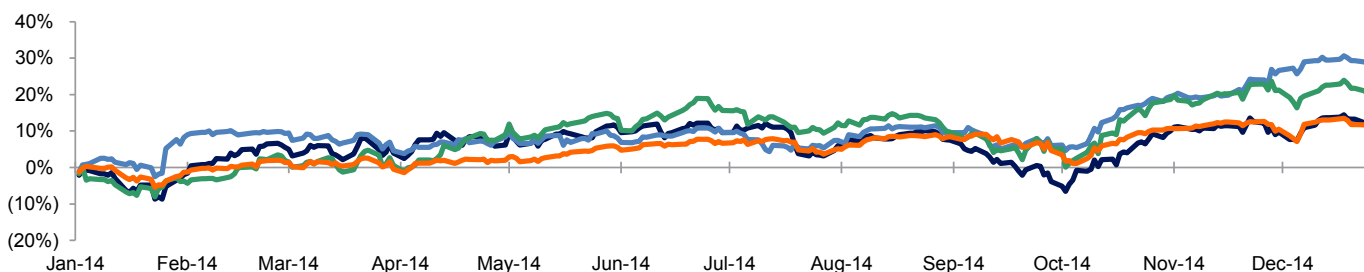
# 2014 Aftermarket Scorecard

## SRR AUTOMOTIVE AFTERMARKET SCORECARD

Scorecard Metric	2014	Scorecard Metric	2014
<b>Automotive Aftermarket M&amp;A Transactions:</b>	60	<b>Fuel Prices (Price Change Per Gallon)</b>	-31.0%
<b>Equity Market Performance:</b>		<b>Demand Drivers</b>	
SRR Aftermarket Suppliers Composite	9.0%	New Vehicle Sales (16.5M as of 12/31/2014)	6.5%
SRR Aftermarket Retailers & Suppliers Composite	24.9%	Light Vehicles in Operation (253M as of 12/31/2014)	1.6%
SRR Aftermarket Service, Repair & Maint. Composite	18.1%	Consumer Confidence	20.8%
S&P 500 Index	10.1%	GDP	2.4%

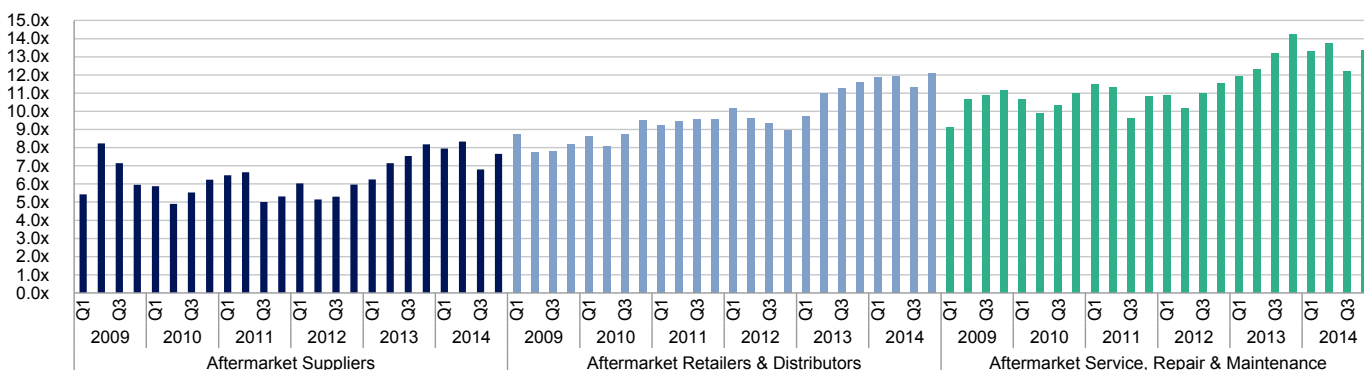
Source: Capital IQ, AIAA, U.S. Energy Information Administration, and SRR Research.

## 2014 MARKET PERFORMANCE



Source: Capital IQ.

## VALUATION TRENDS – EV / LTM EBITDA



Source: Capital IQ. EV = Enterprise Value.

**SRR Aerospace Index Constituents:** The Boeing Company (BA), Bombardier (BBD.D), Airbus Group (AIR), Embraer SA (ERJ), Latecoere S.A. (LAT), LMI Aerospace Inc. (LMIA), Spirit AeroSystems Holdings, Inc. (SPR), Textron Inc. (TXT), Triumph Group, Inc. (TGI), AAR Corp. (AIR), Curtiss-Wright Corporation (CW), Meggitt PLC (MGMT), Moog Inc. (MOG.A), Precision Castparts Corp. (PCP), Rolls Royce Holdings Plc. (RR), Safran SA (SAF), Senior Plc (SNR), TransDigm Group Incorporated (TDG), United Technologies Corp. (UTX), Ametek Inc. (AME), Astronics Corp. (ATRO), B/E Aerospace Inc. (BEAV), Cobham Plc. (COB), Ducommun Inc. (DCO), Esterline Technologies Corp. (ESL), Rockwell Collins Inc. (COL), Thales SA (HO), Ultra Electronics Holdings Plc (ULE), and Zodiac Aerospace (ZC)

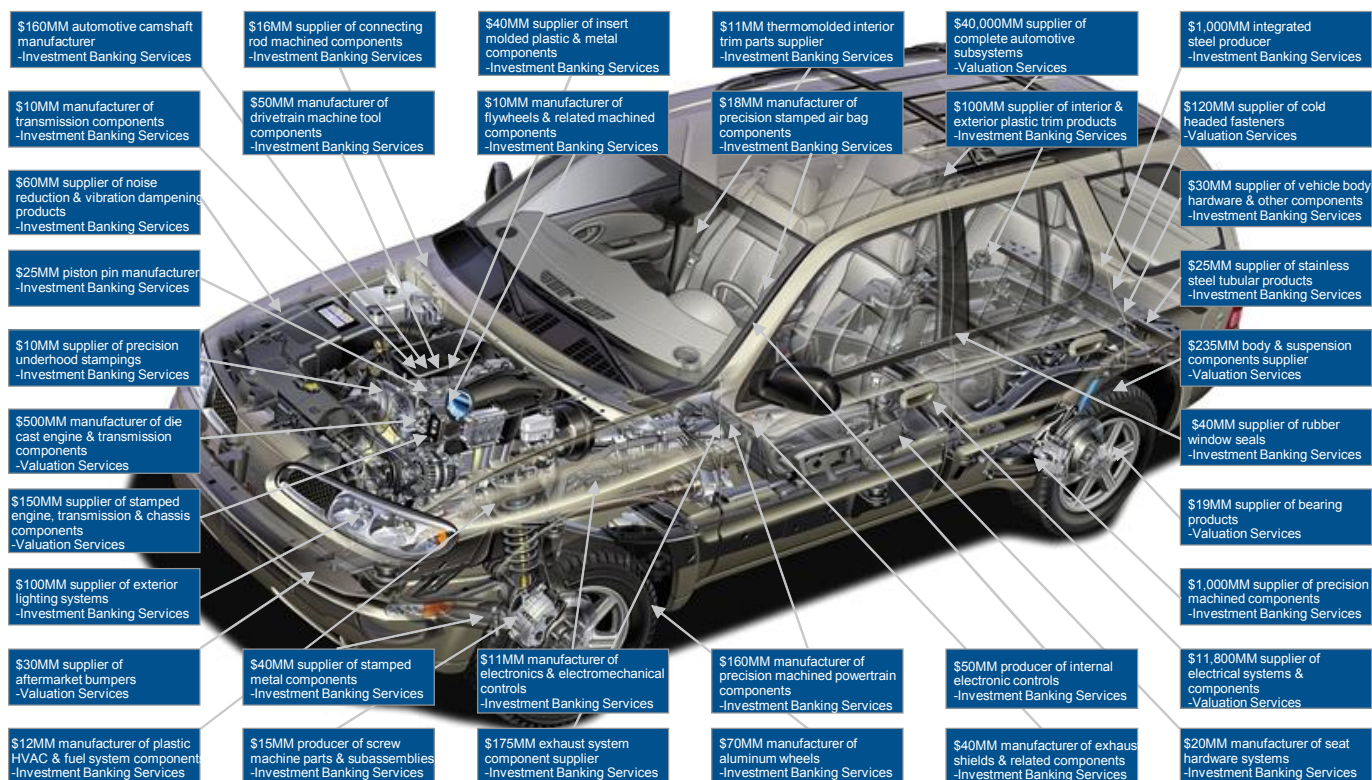
**SRR Military & Defense Index Constituents:** Alliant Techsystems Inc. (ATX), BAE Systems Plc (BA), Chemring Group Plc (CHG), Finmeccanica SpA (FNC), General Dynamics Corp. (GD), L-3 Communications Holdings Inc. (LLL), Lockheed Martin Corporation (LMT), Northrop Grumman Corporation (NOC), Raytheon Co. (RTN), and SAAB AB (SAAB B)

# About SRR's Automotive Practice

## SRR Automotive Practice – Aftermarket Segment

SRR has an investment banking team dedicated to serving the automotive industry. SRR has extensive automotive aftermarket experience including providing investment banking, valuation and financial opinions, and dispute advisory and forensic services for numerous private middle market businesses, as well as publicly traded companies.

SRR is engaged on diverse automotive investment banking mandates and has experience across the following automotive aftermarket sub-sectors: General Automotive; Aftermarket Suppliers; Aftermarket Retailers & Distributors; and Aftermarket Service, Repair & Maintenance Providers. SRR has completed more than 150 recent automotive-related engagements and its professionals have advised companies supplying essentially every automotive component.



## SRR Investment Banking

SRR's Investment Banking Group focuses on mergers, acquisitions, capital raising, and fairness opinions for middle market businesses, private equity portfolio companies, family-owned businesses and public companies in a wide variety of industries. Our senior professionals help clients evaluate a range of strategic and financial alternatives.

For more information, please visit our website at <http://www.srr.com/industries/automobiles-components>.

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Stout Risius Ross (SRR) is a premier global financial advisory firm that specializes in Investment Banking, Valuation & Financial Opinions, and Dispute Advisory & Forensic Services.

We serve a range of clients from Fortune 500 corporations to privately held companies in numerous industries around the world. Our clients and their advisors rely on our premier expertise, deep industry knowledge, and unparalleled responsiveness.

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