

FRAGMENTATION, NON-DISCRETIONARY DEMAND BOOSTS AUTOMOTIVE AFTERMARKET M&A

AUTOMOTIVE AFTERMARKET SECTOR UPDATE | MAY 2025



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TABLE OF CONTENTS

- 4 Key Sector Takeaways
- 5 Non-Discretionary Parts and Services Demand Remains Strong
- 6 Aftermarket “Sweet Spot” Expands Alongside Miles Traveled
- 7 Private Equity Continues to Deploy Capital in the Sector
- 8 M&A Remains a Key Top-Line Growth Strategy for Strategics
- 9 Notable M&A Transactions
- 10 Capstone Advises Conrad’s Tire Express in Acquisition to Dobbs
- 11 Select Automotive Aftermarket M&A Transactions
- 14 Public Company Data
- 16 Automotive Aftermarket Report Contributors
- 17 Firm Track Record
- 18 Capstone’s Proprietary Research Reveals Top Services in Demand
- 19 Endnotes



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Automotive Aftermarket

Fragmentation, Non-Discretionary Demand Boosts Automotive Aftermarket M&A

KEY SECTOR TAKEAWAYS

Capstone Partners' [Consumer Investment Banking Group](#) is pleased to share its Automotive Aftermarket report, with insights and analysis on sector demand indicators, public company performance, and buyer activity. Several secular trends outlined below in this report have bolstered sector growth and merger and acquisition (M&A) activity. Tariff implementations will be closely monitored through 2025 and may support additional demand for aftermarket parts and services.

1. M&A volume in the Automotive Aftermarket sector has been strong, rising 30.8% year-over-year (YOY) to 51 transactions year to date (YTD) compared to 39 in the prior year period.
2. Strategic consolidators have remained committed to growth despite continued short-term headwinds, pursuing bolt-on acquisitions to gain economies of scale and expand into new markets.
3. Robust platform activity between 2021 and 2023 has supported fervent private equity add-ons to date. In contrast, a scarcity of high-quality businesses fit for buy-and-build strategies limited new platform formation in 2024.
4. Providers of essential general repair and maintenance services are expected to see a rise in demand due to the increasing average age of vehicles on the road and growing traffic levels. Total Vehicles Miles Traveled (VMT) in the U.S. reached a record 3.3 trillion miles in 2024, while the total number of Vehicles in Operation (VIO) increased to 292.3 million. As of 2024, the average age of vehicles across the U.S. car parc is 12.7 years.
5. Automotive Aftermarket sector M&A is expected to remain strong in 2025, with continued appetite for non-discretionary parts and services, while M&A for branded enthusiast products and services may be limited in the near- to mid-term as consumers pull back on discretionary purchases.

Capstone Partners has developed a full suite of corporate finance solutions to help privately-owned businesses and private equity firms navigate through each stage of a company's lifecycle. These solutions include financial advisory services, merger and acquisition advisory, debt advisory, equity capital financing and employee stock ownership plan (ESOP) advisory.

To learn more about Capstone's wide range of advisory services and Automotive Aftermarket sector knowledge, please [contact us](#).

NON-DISCRETIONARY PARTS AND SERVICES DEMAND REMAINS STRONG

Long-term demand drivers, including an expanding and aging car parc and a rise in total miles traveled, have spurred heightened spending on automotive aftermarket parts and services. Additionally, prolonged inflation, elevated new vehicle prices, and high borrowing costs have forced consumers to delay new car purchases (apart from a recent temporary surge), supporting maintenance and repair services spending on older vehicles. In 2024, the average age of all light vehicles on the road ticked higher to 12.7 years, while passenger vehicle age grew to 13.7 years, according to Hedges & Company.¹ The total 12-month moving average miles traveled grew to 3.3 trillion as of December 2024, a 1% increase compared to the prior year, according to the St. Louis Federal Reserve.² Aging vehicles require frequent maintenance and repairs as components deteriorate with increased mileage, providing aftermarket replacement part suppliers and service providers with a growing revenue pipeline.



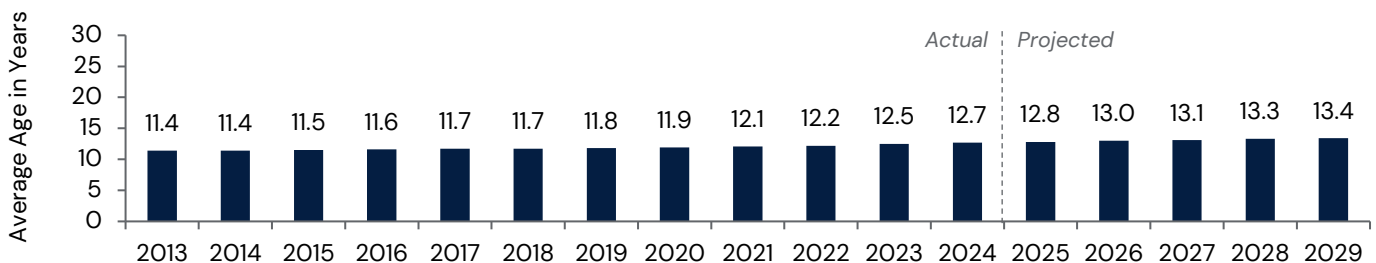
Yogesh Punjabi,
Managing Director

"Deal activity in 2024 remained strong for non-discretionary services (general repair, collision, quick lube, glass) and replacement part suppliers and distributors given their proven recession-resistance and potential for strong growth through consolidation. Buyers placed a premium on high-quality assets with strong brands and defensible footprints. We expect M&A across these segments to continue growing in 2025."

A backdrop of strong fundamental demand drivers has propelled the U.S. Automotive Aftermarket sector to reach \$617.3 billion in projected total value by 2027, according to the Auto Care Association.³ In the near-term, tariff headwinds have headlined economic discussions to start 2025. However, companies that successfully navigate the new regime will likely capitalize on tariff-induced demand tailwinds for aftermarket parts and services. Already elevated new and used vehicle prices are expected to move higher and continue providing the aftermarket with an increased demand for replacement parts and service as consumers choose to maintain existing vehicles rather than acquire new ones. Moreover, margin accretive opportunities in the M&A market are projected to see significant interest as maintaining margin performance will be challenged under new tariffs. Sector participants may also pursue vertical integration of the supply chain more aggressively, contributing to additional M&A in 2025. AutoZone (NYSE:AZO), for example, identified vendor absorption as a key action to influence its results under the new administration, leveraging the strategy to maintain its margin profile post-tariffs.

Optimistic long-term demand growth and attractive financial performance has created robust M&A opportunities on the Non-Discretionary side of the Automotive Aftermarket sector. Notably, Genuine Parts (NYSE:GPC) acquired more than 500 National Automotive Parts Association (NAPA) stores from independent owners and competitors in 2024, investing \$1.1 billion in strategic acquisitions, according to its Q4 2024 earnings call.⁴ Essential service and repair businesses will likely remain a focal point for sector M&A. However, if consumer sentiment improves and interest rates continue to fall, Capstone expects pockets in the Discretionary side of the market to open up through year end and into 2026.

Average Light Vehicle Age Continues to Climb

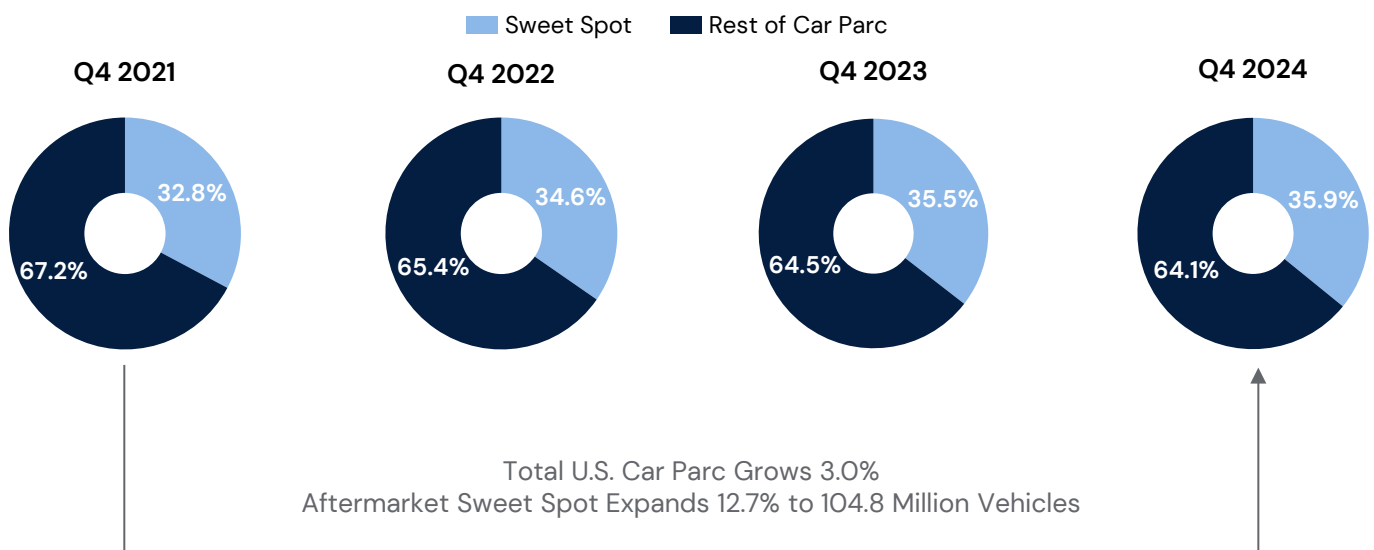


Source: Hedges & Company and Capstone Partners

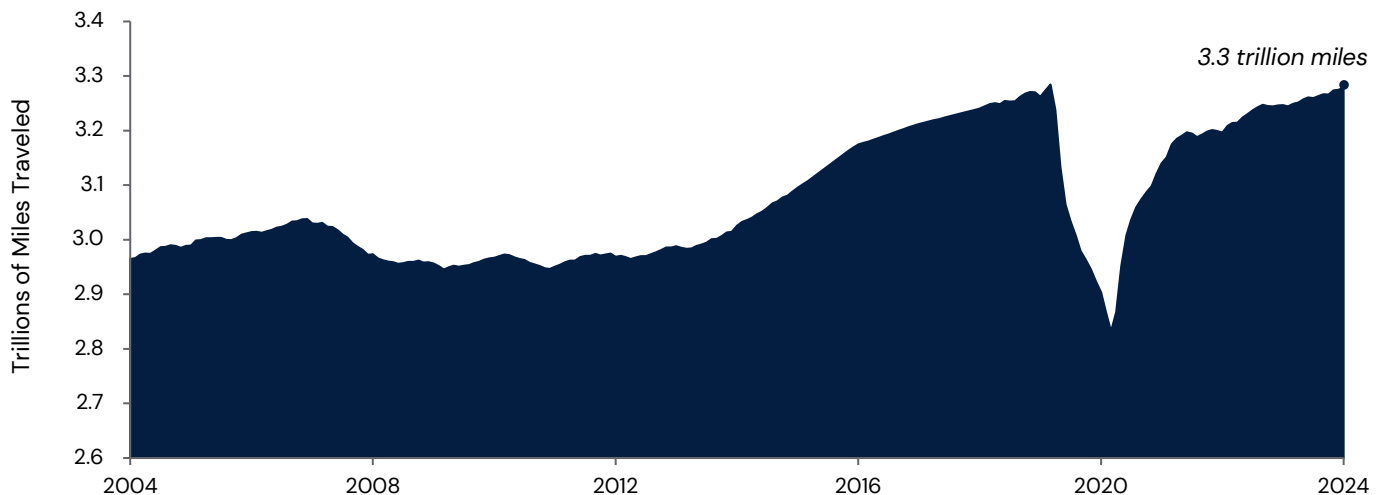
AFTERMARKET “SWEET SPOT” EXPANDS ALONGSIDE MILES TRAVELED

The U.S. car parc has continued to grow, reaching 292.3 million vehicles in Q4 2024, according to Experian.⁵ The Automotive Aftermarket “sweet spot,” or vehicles aged between six and 12 years old out of warranty that are likely to need service, has expanded 2.3% YOY to 104.8 million vehicles, driving replacement parts and maintenance services demand. Between Q4 2021 and Q4 2024, the total U.S. car parc grew approximately 3% while the vehicles in the “sweet spot” increased 12.7%. Additionally, total VMT climbed by 35 billion miles from January through December 2024, according to the St. Louis Federal Reserve.

U.S. Car Parc Automotive Aftermarket “Sweet Spot” Grows Share of Total Market



Total Vehicle Miles Traveled Shows Continual Recovery Post-Pandemic



Source: Auto Care Association, St. Louis Federal Reserve, and Capstone Partners

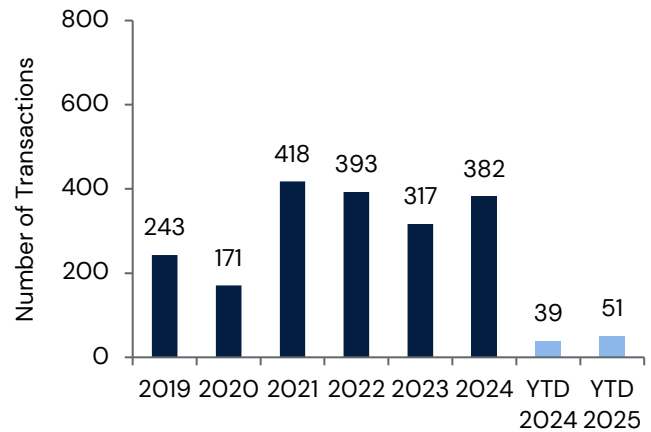
PRIVATE EQUITY CONTINUES TO DEPLOY CAPITAL IN THE SECTOR

M&A volume in the Automotive Aftermarket sector has accelerated through early March 2025, rising 30.8% YOY to 51 transactions from 39 in YTD 2024. Dealmaking figures have shown considerable strength despite persistent inflation and tightness in the consumer wallet over the past two years, with transaction volume tracking peak levels in 2021 and 2022. Capital has become more accessible, and compression of bid-ask spreads has alleviated some pressure on transaction activity. Overall, M&A activity has remained elevated from pre-pandemic volumes and seen a substantial YOY increase with volume expected to further accelerate in the coming quarters as any additional rate cuts will likely relieve some burden on consumer credit and encourage businesses to expand operations. Tangentially, investors have expressed continued interest in the Services segment, particularly in the Non-Discretionary side of the aftermarket. While non-discretionary parts suppliers and service providers have remained relative hot spots for M&A, acquisition appetite in the Discretionary Parts & Services segment has been tepid. The M&A market for discretionary parts and services providers will likely begin to open as consumer sentiment improves and interest rates once again start to decline.

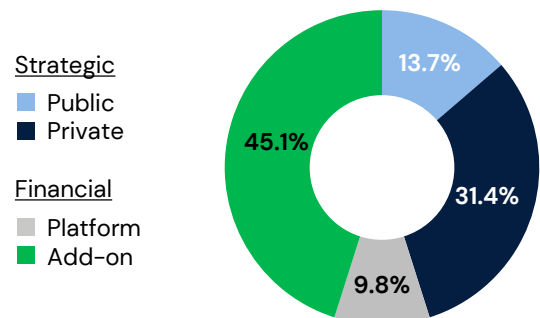
Strategic buyers have comprised 45.1% of transaction volume YTD with 23 transactions. Private strategic acquisitions have increased 33.3% YOY as easing macroeconomic conditions in the latter half of 2024 have smaller, independently-owned shops to grow and bolster regional footholds. Private strategic deal volume has reached 16 deals through YTD (31.4% of total sector volume). Public players have remained active to date, contributing seven transactions in both YTD 2024 and YTD 2025. In the Services segment, consolidation efforts have driven long-term growth strategies despite consumer spending headwinds. "Our prediction is that there's going to be more consolidation over time and that some of the folks that were in this not to build an enduring brand, but to hopefully monetize at some point, they're now starting to ask themselves, when is the right time to monetize," commented John Lal, CEO of Mister Car Wash (Nasdaq:MCW), on its Q4 2024 earnings call.⁶

Financial buyers have comprised 54.9% of YTD transactions, largely due to sponsors that have actively pursued add-on investments (45.1%) in the aftermarket. Although a scarcity of high-quality businesses fit for buy-and-build strategies has subdued platform formation, these transactions have risen modestly in the early innings of 2025 with five deals compared to three in the prior year period. Fund managers have continued to view the Automotive Aftermarket sector as an attractive area for investment. Many private equity-backed consolidators have been formed in recent years (126 platforms between 2021 and 2023), providing a tailwind for robust add-on activity while the eligible platform target universe remains largely subdued. However, platform activity is expected to rebound in 2025 and 2026 as regional players gain economies of scale through inorganic and organic growth efforts and business owners increasingly explore exits.

Automotive Aftermarket M&A Volume Rises, Poised for Further Growth in 2025



Sponsor-Backed Buyers Lead Aftermarket M&A To Date



Year to date (YTD) ended March 4
Source: Capital IQ, FactSet, PitchBook, and Capstone Partners



M&A REMAINS A KEY TOP-LINE GROWTH STRATEGY FOR STRATEGICS

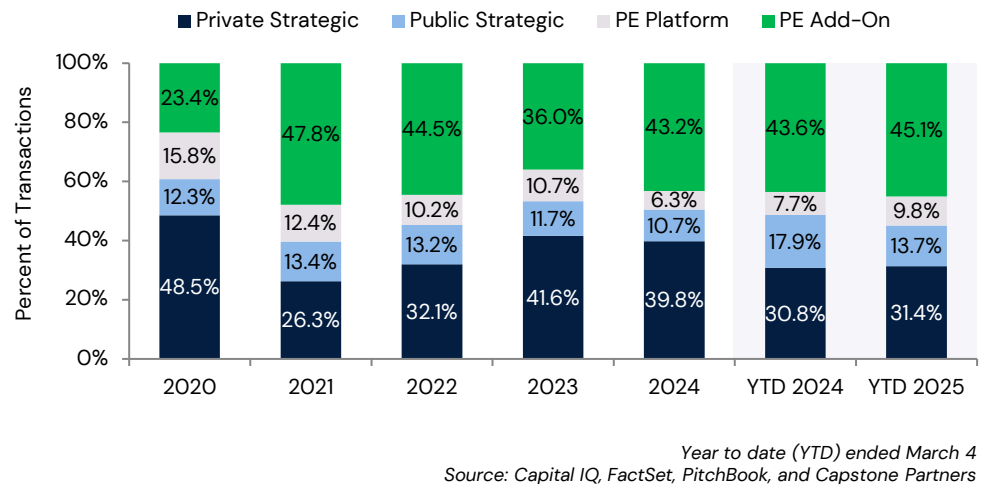
M&A Market Continues to Flourish in 2025

Automotive Aftermarket M&A has grown by 30.8% YOY, attributable to continued interest from sponsor-backed buyers. Sector dealmaking is expected to accelerate as consumers resume maintenance spending and operators navigate the uncertain tariff environment.



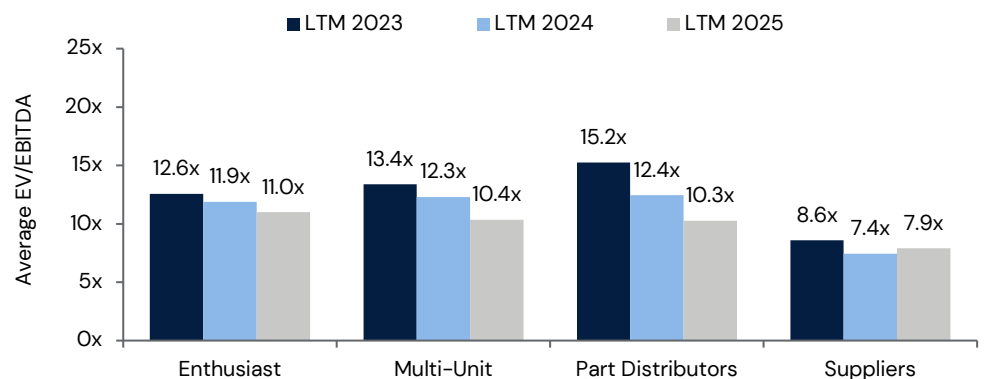
Private Equity Interest Strong Despite Tempered Platform Activity

A scarcity of high-quality, platform-ready businesses has left private equity to prioritize add-ons and bolster their current holdings. Amid pressured consumer spending, private strategic buyers have continued to leverage M&A to source top-line growth.



Average Last Twelve-Month Public Company Trading Multiples Show a Return to Normalcy

Capstone's Automotive Aftermarket indices have continued to revert to the pre-pandemic mean amid a decline in discretionary spending levels.



Note: Full segment breakdown included on pages 13-14
Last twelve months (LTM) as of March 4
Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

NOTABLE M&A TRANSACTIONS



In February 2025, Rotunda Capital Partners acquired AirPro Diagnostics (undisclosed). AirPro Diagnostics provides remote and on-site advanced driver assistance system (ADAS) diagnostics, scanning, programming, and calibration solutions for the Automotive Repair industry. Tailwinds in ADAS calibration drove the investment thesis. “As vehicles become increasingly complex with technology, the need for advanced diagnostics and related solutions continues to grow. Our investment will empower AirPro to further enhance its capabilities and will solidify [AirPro] as the go-to partners for [original equipment manufacturer]-compliant ADAS solutions,” said Ryan Aprill, Managing Director at Rotunda Capital Partners, in a press release.⁷



Valvoline (NYSE:VVV) announced its acquisition of Breeze Autocare, primarily operating under the Oil Changers brand, for an enterprise value of \$625 million, equivalent to 3.1x EV/Revenue and 10.7x EV/EBITDA (February 2025). Breeze Autocare is an independent provider of quick lube and other auto maintenance services with a footprint spanning California, Texas, and the Midwest U.S. Valvoline cited geographic and customer reach expansion, complementary employee and customer-focused operating model, scale advantages, and compelling financial benefits as key to the deal rationale.



In February, TPG-backed Classic Collision acquired Cornelius Paint and Body Shop for an undisclosed sum. North Carolina-based Cornelius Paint and Body is a family-owned business founded in 1983 offering full-service auto collision repair and maintenance. The deal continues TPG’s buy-and-build strategy in the Classic Collision platform, which has more than 300 locations in 20 states, according to a press release.⁹ Classic Collision acquired 50 shops in 2023 alone, underscoring robust consolidation activity in the space.



Oaktree Capital-backed Whistle Express Car Wash announced its acquisition of Driven Brands’ (Nasdaq:DRVN) U.S. car wash business for an enterprise value of \$385 million (February 2025). Driven Brands’ divestiture reflects the culmination of a strategic review of its car wash business and will allow the company to focus on growing its Take 5 Oil Change brand and support balance sheet deleveraging efforts. The combined entity will operate 530 locations across 23 states, making it the largest express car wash company in the U.S., according to a press release.⁸ Oaktree acquired Whistle Express for an undisclosed sum in July 2023 to accelerate the firm’s roll-up strategy. Since the investment, Whistle Express has acquired 13 car wash businesses.



Big Brand Tire & Service acquired Tred Shed Tire Pros for an undisclosed sum in February 2025. The firm also acquired Northridge Tire Pros, Sierra Nevada Tire & Wheel, and American West Tire & Auto in the same month. Terms of these four transactions were undisclosed. Big Brand Tire & Service, a California-based tire and auto repair provider, noted each business holds significant community relationships and will bolster its regional coverage.



TSG Consumer Partners-backed Joe Hudson’s Collision Center acquired Geer Brothers Body Shop for an undisclosed sum (September). The acquisition of Geer Brothers’ two collision center locations in West Virginia marks Joe Hudson’s first expansion into the region and increases the company’s footprint to 18 states, according to a press release.¹⁰ TSG’s platform has announced or completed 17 add-on acquisitions to date and has expanded its store count by 132 locations under TSG’s ownership, according to press releases.^{11,12}



CAPSTONE ADVISES CONRAD'S TIRE EXPRESS IN ACQUISITION TO DOBBS

Capstone's Automotive Aftermarket team has significant transaction experience in the Multi-Unit Service Center segment. In March, Capstone advised [Conrad's Tire Express & Total Car Care](#)—one the largest tire and auto service platforms based in the Midwest—on its acquisition by [Dobbs Tire & Auto Centers](#), a portfolio company of [Audax Private Equity](#). Terms of the deal are confidential.

Conrad's was founded by husband-and-wife Joan and Ed Conrad in 1969 and is based in Cleveland, Ohio. Joan and Ed grew the business into a large, sophisticated tire and auto service platform, delivering exceptional customer service and quality. In 1986, John Turk partnered with Joan and Ed. Building upon the company's core, growing platform, John focused on driving market share expansion and improving operations. By 1989, he was named President, and was eventually joined by his sons, Eric Turk (CEO) and Chris Turk (CFO). Over the past 55+ years, the business continued to expand, reaching 39 locations with more than 430 associates. Chris Turk will transition with the business and continue to expand the platform under Dobbs' ownership.

The transaction solidifies the combined business as a leading tire and automotive service provider across the Midwest and South-Central U.S., with 97 retail locations in Missouri, Ohio, Illinois, and Texas. The combination strengthens both organizations, enhancing operational capabilities and expanding customer reach while maintaining their shared commitment to best-in-class service. Conrad's experienced management team will continue to provide leadership and expertise, ensuring a seamless transition for customers and associates.

Capstone previously represented Dobb's Tire & Auto Centers in their [December 2023 growth investment by Audax Private Equity](#), making this Capstone's third transaction in the Multi-Unit Aftermarket Tire Retail & Service Provider segment. This marks a highly strategic add-on for Dobbs, representing a substantial addition to their footprint and helping propel them to a top 15 aftermarket service business in the U.S.

Dobbs was founded in 1976 as a family-owned and operated private company and—following their acquisition by investment manager Audax Private Equity—has grown to employ more than 1,000 active team members across 97 locations.



“ The Capstone team was our perfect partner. Their expertise, consistent guidance, and strategic insights were invaluable to us throughout the process. They developed a highly professional and customized process and were committed to achieving a successful outcome for the owners and out team members. ”

Eric Turk
CEO, Conrad's Tire Express & Total Car Care

“ We are honored to have represented Conrad's on their successful transaction with Dobbs. Through tremendous leadership and commitment of both the Conrad and Turk families, this organization has become a highly successful platform with a reputable brand and world class workforce. We believe there is strong alignment with Dobbs' culture and vision, and we are excited to see the combined platform enter this exciting next phase of growth. ”

Yogesh Punjabi
Managing Director, Capstone Partners



SELECT AUTOMOTIVE AFTERMARKET M&A TRANSACTIONS

Announced Date	Target	Acquirer	Target Business Description	Buyer Breakdown
04/28/25	Freedman Seating	Lippert Components	Manufactures transportation seating solutions.	Public Strategic
03/31/25	Midas	Mavis Tire Express Services	Provides auto repair and maintenance services.	Private Equity Add-On
03/10/25	Conrad's Tire Express & Total Car Care	Dobbs Tire & Auto Centers	Operates as an independent tire retailer and automotive service provider.	Private Equity Add-On
03/01/25	Modern Tire Pros	Les Schwab Tire Centers	Offers automotive repair and maintenance services.	Private Strategic
02/25/25	AirPro Diagnostics	Rotunda Capital Partners	Designs and develops remote vehicle scanning and diagnostic solutions for ADAS calibration.	Private Equity Platform
02/25/25	Driven Brands' U.S. Car Wash Business	Whistle Express Car Wash	Comprises the U.S. Car Wash business of Driven Brands (Nasdaq:DRVN).	Private Equity Add-On
02/24/25	Rocky Roads	BSPOK Builds	Operates an automotive restoration shop.	Private Strategic
02/20/25	Breeze Autocare	Valvoline (NYSE:VVV)	Offers oil changing, car wash, and automotive maintenance services.	Public Strategic
02/20/25	American West Tire & Auto	Big Brand Tire & Service	Provides auto repair and tire retail services.	Private Equity Add-On
02/20/25	Northridge Tire Pros	Big Brand Tire & Service	Retails tires and provides auto repair services.	Private Equity Add-On
02/20/25	Sierra Nevada Tire	Big Brand Tire & Service	Offers tire installation, repair, wheel balancing, and tire and wheel retail.	Private Equity Add-On
02/18/25	Wheeler Bros.	OEP Capital Advisors	Distributes automotive engineering products and replacement parts.	Private Equity Platform
02/18/25	Quick Stop Tire Shop	Auto Care Plus	Offers tires, wheels, and brake repair services.	Private Strategic
02/16/25	Cornelius Paint and Body Shop	Classic Collision	Provides auto repair services.	Private Equity Add-On
02/11/25	Dorn's Body and Paint	Quality Collision Group	Operates as an OEM-certified collision repair center.	Private Equity Add-On
02/11/25	Wallingford Tire & Auto	VIP Tires & Service	Offers auto body repair services.	Private Strategic
02/05/25	Sil's Auto Care Centre	The Mufflerman	Provides auto repair and maintenance services.	Private Equity Add-On
02/02/25	Pete's Road Service	Les Schwab Tire Centers	Offers tire sales and mechanical services for trucks, RVs, forklifts, and construction equipment.	Private Equity Add-On
01/31/25	APC Auto Body	Authentic Auto Body	Provides auto body repair services.	Private Equity Add-On
01/31/25	Mander Collision & Glass	CollisionRight	Offers auto body and auto glass services.	Private Equity Add-On
01/31/25	Sprague's Collision Center	VIVE Collision	Provides auto collision and repair services.	Private Equity Add-On
01/28/25	Azorcan Collision Center	Lift Auto Group	Offers auto body repair and painting services.	Private Equity Add-On

Blue shade indicates Capstone advised transaction
Source: Capital IQ, PitchBook, FactSet, and Capstone Partners



SELECT AUTOMOTIVE AFTERMARKET M&A TRANSACTIONS (CONTINUED)

Announced Date	Target	Acquirer	Target Business Description	Buyer Breakdown
01/22/25	Ray's Tire	Wonderland Tire Company	Specializes in auto and brake repair, wheel alignment, oil and battery changing, engine repair, and more.	Private Strategic
12/18/24	Greulich's Automotive Repair	Sun Auto Tire & Service	Provides auto body repair services.	Private Equity Add-On
12/18/24	Telle Tire & Auto Service	Next Horizon Capital	Offers automotive repair services.	Private Equity Platform
12/26/24	Big Sky Collision Center	Crash Champions	Operates an auto body repair center.	Private Equity Add-On
12/13/24	Nob Hill Body Shop	Classic Collision	Offers auto body repair services.	Private Equity Add-On
11/21/24	Robertson Tire	Big Brand Tire & Service	Provides auto and tire repair services.	Private Equity Add-On
11/19/24	38 Valvoline Stores	Franchise Equity Partners	Comprises 38 stores owned by Valvoline (NYSE:VVV).	Private Equity Platform
11/18/24	Arnott	MidOcean Partners	Manufactures air suspension products and accessories for trucks and vehicles.	Private Equity Platform
10/31/24	Universal Air Conditioner	The Halifax Group	Provides automotive and truck air conditioning parts.	Private Equity Platform
10/15/24	Peerless Tyre Co	Premier Tire & Service	Operates a tire shop chain.	Private Equity Add-On
10/11/24	Öhlins Racing	Brembo (BIT:BRE)	Manufactures suspension systems and components.	Private Strategic
10/10/24	Automotive Super Center	Dobbs Tire & Auto Centers	Provides automotive parts and services.	Private Equity Add-On
09/11/24	Tires to You	Big Brand Tire & Service	Retails tires and provides of tire services.	Private Equity Add-On
09/07/24	K&W Tire	K&M Tire	Operates as a retailer and distributor of tires.	Private Strategic
08/19/24	Jack's Tire and Oil Management	Purcell Tire & Rubber	Deals commercial tires.	Private Strategic
08/14/24	Avaun Tire Supply	Tire Group International	Distributes tires.	Private Strategic
08/01/24	Cecil & Sons Discount Tires	Sun Auto Tire & Service	Provides auto care services.	Private Equity Add-On
07/18/24	All STAR Auto Parts	BBB Industries	Sells auto lights, wheels, and side mirrors.	Private Equity Add-On
07/15/24	Mevotech	TorQuest Partners	Manufactures vehicle parts.	Private Equity Platform
07/10/24	Caliber Auto Care	Sun Auto Tire & Service	Offers general repair services.	Private Equity Add-On
07/10/24	Nissens Automotive	Standard Motor Products (NYSE:SMP)	Manufactures thermal components.	Public Strategic
06/11/24	Quick Quack Car Wash	KKR & Co. (NYSE:KKR)	Offers car wash services.	Private Equity Platform

Source: Capital IQ, PitchBook, FactSet, and Capstone Partners



SELECT AUTOMOTIVE AFTERMARKET M&A TRANSACTIONS (CONTINUED)

Announced Date	Target	Acquirer	Target Business Description	Buyer Breakdown
05/31/24	CMC Tire	Les Schwab Tire Centers of Oregon	Provides tire and auto repair services.	Private Equity Add-On
05/16/24	Stratham Tire	Sullivan Tire & Auto Service	Operates as a commercial tire dealership.	Private Strategic
04/01/24	Suburban Tire	Discount Tire	Offers auto and tire repair services.	Private Strategic
03/28/24	Classic Collision	TPG Capital	Provides auto body repair services.	Private Equity Platform
03/01/24	Kaizen Collision Center	Kinderhook Industries	Offers accident repair, paint & body, auto glass, and fleet services.	Private Equity Platform
03/01/24	Performance Collision Centers	Crash Champions	Provides collision repair, weather damage repair, and windshield & glass repair.	Private Equity Add-On
02/02/24	Oldham Collision Center	Glaser's Collision Centers	Offers body paint repair, vehicle structure, paintless dent repair, and interior & exterior detailing.	Private Strategic
02/01/24	Andy's Collision Centers	Allard Collision	Provides collision repair services.	Private Equity Add-On
01/29/24	CollisionRight	Summit Partners	Consolidates automotive collision repair shops.	Private Equity Platform
01/23/24	Boyd's Tire & Service	Sun Auto Tire & Service	Provides automotive products and car repair services.	Private Equity Add-On
01/11/24	Sportech	Patrick Industries (Nasdaq:PATK)	Manufactures thermoformed plastic products.	Public Strategic
01/08/24	Coats Company	Victor Capital Partners	Offers wheel service, lift, inspection equipment, and automotive repair services.	Private Equity Platform

Source: Capital IQ, PitchBook, FactSet, and Capstone Partners



PUBLIC COMPANY DATA

AFTERMARKET SUPPLIERS

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	04/17/25	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
Dorman Products, Inc.	\$111.18	75.8%	\$3,400.1	\$3,949.4	\$2,009.2	\$377.7	18.8%	2.0x	10.5x
Motorcar Parts of America, Inc.	\$8.93	75.1%	\$174.9	\$400.1	\$753.7	\$85.9	11.4%	0.5x	4.7x
PHINIA Inc.	\$41.20	72.0%	\$1,681.5	\$2,241.5	\$3,403.0	\$514.0	15.1%	0.7x	4.4x
Snap-on Incorporated	\$305.44	81.7%	\$16,010.5	\$15,900.7	\$5,069.7	\$1,483.3	29.3%	3.1x	10.7x
Standard Motor Products, Inc.	\$23.82	66.3%	\$520.7	\$1,171.2	\$1,463.8	\$195.6	13.4%	0.8x	6.0x
Mean							17.6%	1.4x	7.2x
Median							15.1%	0.8x	6.0x
Harmonic Mean							15.8%	0.9x	6.3x

EV = enterprise value; LTM = last twelve months
\$ in millions, except per share data

ENTHUSIAST

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	04/17/25	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
ARB Corporation Limited	\$19.16	62.4%	\$1,590.3	\$1,603.7	\$446.2	\$103.6	23.2%	3.6x	15.5x
Fox Factory Holding Corp.	\$19.66	35.8%	\$820.1	\$1,558.3	\$1,393.9	\$169.4	12.1%	1.1x	9.2x
Holley Inc.	\$2.07	48.4%	\$246.1	\$779.8	\$602.2	\$115.8	19.2%	1.3x	6.7x
Polaris Inc.	\$33.18	36.6%	\$1,854.8	\$3,771.1	\$7,273.0	\$628.8	8.6%	0.5x	6.0x
Mean							15.8%	1.6x	9.4x
Median							15.7%	1.2x	8.0x
Harmonic Mean							13.7%	1.0x	8.2x

EV = enterprise value; LTM = last twelve months
\$ in millions, except per share data

MULTI-UNIT SERVICES

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	04/17/25	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
Boyd Group Services Inc.	\$146.74	72.9%	\$3,150.2	\$4,428.4	\$3,070.3	\$332.7	10.8%	1.4x	13.3x
Driven Brands Holdings Inc.	\$16.30	90.5%	\$2,670.5	\$6,582.5	\$2,339.6	\$612.7	26.2%	2.8x	10.7x
Mister Car Wash, Inc.	\$7.05	82.0%	\$2,284.6	\$4,086.8	\$994.7	\$407.8	41.0%	NM	10.0x
Monro, Inc.	\$13.96	44.3%	\$418.1	\$946.5	\$1,210.4	\$172.1	14.2%	0.8x	5.5x
Valvoline Inc.	\$33.48	69.4%	\$4,255.3	\$5,501.5	\$1,659.9	\$549.4	33.1%	3.3x	10.0x
Mean							25.1%	2.1x	9.9x
Median							26.2%	2.1x	10.0x
Harmonic Mean							19.6%	1.5x	9.1x

EV = enterprise value; LTM = last twelve months
\$ in millions, except per share data
NM = Not Meaningful

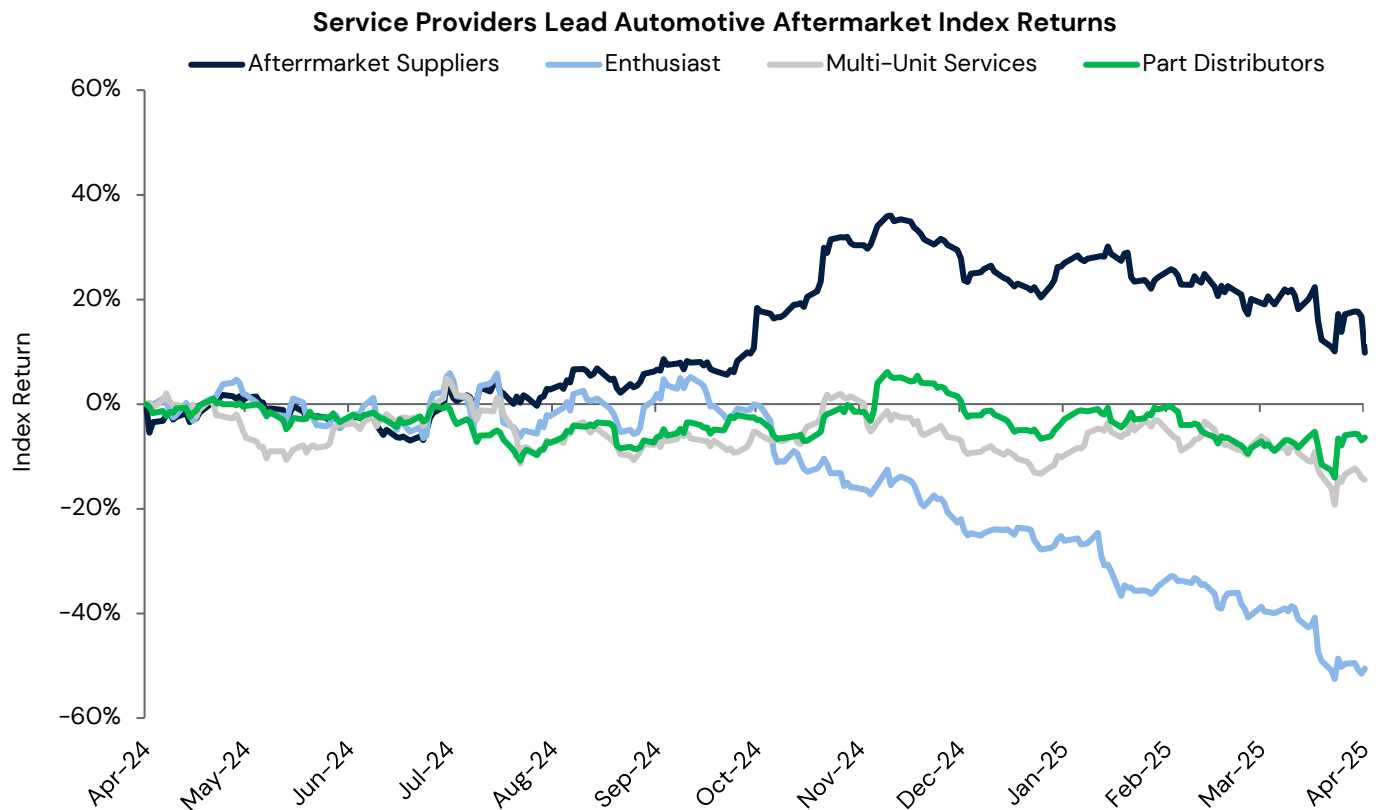
Source: Capital IQ and Capstone Partners as of April 17, 2025

PUBLIC COMPANY DATA (CONTINUED)

PART DISTRIBUTORS

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	04/17/25	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
Axalta Coating Systems Ltd.	\$31.23	75.0%	\$6,812.6	\$9,784.6	\$5,276.0	\$1,035.0	19.6%	1.9x	9.5x
Boyd Group Services Inc.	\$146.74	72.9%	\$3,150.2	\$4,428.4	\$3,070.3	\$332.7	10.8%	1.4x	13.3x
CCC Intelligent Solutions Holdings Inc.	\$8.67	67.3%	\$5,713.0	\$6,187.4	\$944.8	\$213.9	22.6%	NM	NM
Copart, Inc.	\$59.68	92.7%	\$57,656.4	\$54,001.1	\$4,506.4	\$1,857.4	41.2%	NM	NM
LKQ Corporation	\$42.03	84.9%	\$10,867.0	\$16,258.0	\$14,355.0	\$2,260.0	15.7%	1.1x	7.2x
PPG Industries, Inc.	\$100.05	72.9%	\$22,708.8	\$27,844.8	\$15,845.0	\$2,944.0	18.6%	1.8x	9.5x
Mean							21.4%	1.5x	9.9x
Median							19.1%	1.6x	9.5x
Harmonic Mean							18.2%	1.5x	9.4x

EV = enterprise value; LTM = last twelve months
 \$ in millions, except per share data
 NM = Not Meaningful



Source: Capital IQ and Capstone Partners as of April 17, 2025

AUTOMOTIVE AFTERMARKET REPORT CONTRIBUTORS

**Yogesh Punjabi**

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Yogesh is a Managing Director in Capstone Partners' Boston office and brings investment banking experience across mergers & acquisitions, financial advisory, and capital raising for private and public companies. Yogesh was selected by the Global M&A Network as Americas Rising Star Dealmaker and was recognized for his participation in the 2021 Corporate M&A Deal of the Year (Middle Markets) and the 2021 Recapitalization Deal of the Year (<\$50mm). Yogesh was also named an Emerging Leader by the M&A Advisor. Yogesh is a member of Capstone's Investment Banking Committee. Prior to joining Capstone, Yogesh was a Senior Vice President at Jefferies focused on transactions in the Automotive Aftermarket industry including for automotive parts manufacturers, suppliers, distributors, retailers, and service providers.

Prior to Jefferies, Yogesh was with BB&T Capital Markets where he worked with clients in the Retail & Consumer, Automotive Aftermarket, and Food & Beverage sectors, and with Financo where he focused on Retail & Consumer clients. Yogesh began his financial career at Bank of America Merrill Lynch after graduating with his Master of Business Administration from Georgetown University.

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James is a Vice President in Capstone Partners' Denver office, with over 6 years of experience executing M&A and capital markets transactions in the automotive aftermarket industry and others. Over the course of his career, James has participated as an advisor on M&A transactions with an aggregate value in excess of \$1 billion. He was also the winner of the 2020 M&A Advisor Cross Border Deal of the Year (<\$50mm), and a finalist for the 2022 M&A Advisor Deal of the Year.

Prior to joining Capstone, James served in the United States Air Force as an Air Traffic Controller with the 28th Bomb Wing. James began his financial career after graduating with his Master of Business Administration from the University of Denver where he was selected as a Daniels Scholar for his academic accomplishments.

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Andrew serves as a Market Intelligence Associate at Capstone Partners covering the Consumer industry. Prior to joining the Market Intelligence Team at Capstone, Andrew was a Senior Research Associate at Corporate Insight, where he provided digital banking competitive intelligence, user experience research, and consulting services to leading financial institutions. Andrew graduated with a Bachelor of Arts degree in Economics from Union College.

RECENT FIRM TRACK RECORD

Capstone's [Consumer Group](#) maintains an active presence in the Automotive Aftermarket sector with in-depth knowledge of the buyer universe and business characteristics that drive premium valuations in an M&A process. Our frequent conversations with sector participants provide us with increased transparency into market trends and buyer preferences. A sampling of Capstone's active and closed deals are outlined below.

<p>PROJECT DIESEL</p> <p>SELL-SIDE ENGAGEMENT (PRE-MARKET)</p> <p>LEADING COMMERCIAL AFTERMARKET REMANUFACTURING PLATFORM</p>	<p>PROJECT KING</p> <p>SELL-SIDE ENGAGEMENT (IN MARKET)</p> <p>GENERAL AUTOMOTIVE REPAIR AND TIRE FRANCHISE PLATFORM</p>	<p>CONFIDENTIAL</p> <p>SELL-SIDE ENGAGEMENT (CLOSED SALE)</p> <p>AFTERMARKET MANUFACTURER & UPFITTER OF COMMERCIAL TRUCK AND VAN BODIES</p>	<p>FREEDMAN® SEATING COMPANY</p> <p>HAS BEEN ACQUIRED BY</p> <p>LIPPERT™</p>
<p> Tire Express & Total Car Care</p> <p>HAS BEEN ACQUIRED BY</p> <p>DOBBS TIRE & AUTO CENTERS</p> <p>A portfolio company of Audax Private Equity</p>	<p>DOBBS TIRE & AUTO CENTERS</p> <p>HAS BEEN ACQUIRED BY</p> <p> Audax Private Equity</p>	<p> GOLF CARS & UTILITY VEHICLES</p> <p>HAS BEEN ACQUIRED BY</p> <p> JLAM</p>	<p> MOTORCYCLE GROUP</p> <p>HAS BEEN ACQUIRED BY</p> <p> NAVIGANT OAK</p>
<p></p> <p>HAS BEEN ACQUIRED BY</p> <p>GB Auto Service, Inc. a portfolio company of GREENBRIAR EQUITY GROUP, L.P.</p>	<p>MonroneyLabels.com</p> <p>HAS BEEN ACQUIRED BY</p> <p> LEADVENTURE</p> <p>A portfolio company of</p> <p>  TA ASSOCIATES</p>	<p>MORRIS AXIS CENTER</p> <p>HAS BEEN ACQUIRED BY</p> <p>Ecommerce Brands</p>	<p>Skruvat</p> <p>HAS BEEN ACQUIRED BY</p> <p> Mobivia</p>

CAPSTONE'S PROPRIETARY RESEARCH REVEALS TOP SERVICES IN DEMAND

The stage and initiatives of a business often dictate which financial services are in demand. As the bulk of CEOs polled in Capstone's 2024 Middle Market Business Owners Survey indicated growth strategies are a priority for 2025, the lion's share (40.7%) of owners anticipate a need for growth strategy support services. Similarly, 38.1% of CEOs require equity capital advisory services to support operational initiatives and business expansion. Nearly one-third of owners require accounting and audit support to shore-up cash flows and establish financial stability. In addition, 30.2% of CEOs demonstrated an interest in accessing relevant industry research to keep up with emerging industry trends, complete competitor analyses, and track capital markets activity in their space.

Capstone has developed a full suite of [corporate finance solutions](#) to help privately owned businesses and private equity firms through each stage of the company's lifecycle, ranging from growth to an ultimate exit transaction. In addition, we developed specialty advisory practices to provide financial performance, buy-side, employee stock ownership plan (ESOP), and equity and debt services. All of these capabilities are supported by 12 industry banking groups, an active sponsor coverage group, and a dedicated Market Intelligence Team.

Top Financial Services Required by Business Owners in 2025




40.7%

Instituting a growth strategy



38.1%

Raising equity capital



32.4%

Accounting & audit support



30.2%

Accessing relevant industry research



20.2%

Raising debt capital



19.8%

Corporate restructuring

Question: Have you ever had, or do you anticipate having, a need for any of the following services?
Source: Capstone Partners' Middle Market Business Owner Survey, Rebased Sample Size (N): 278



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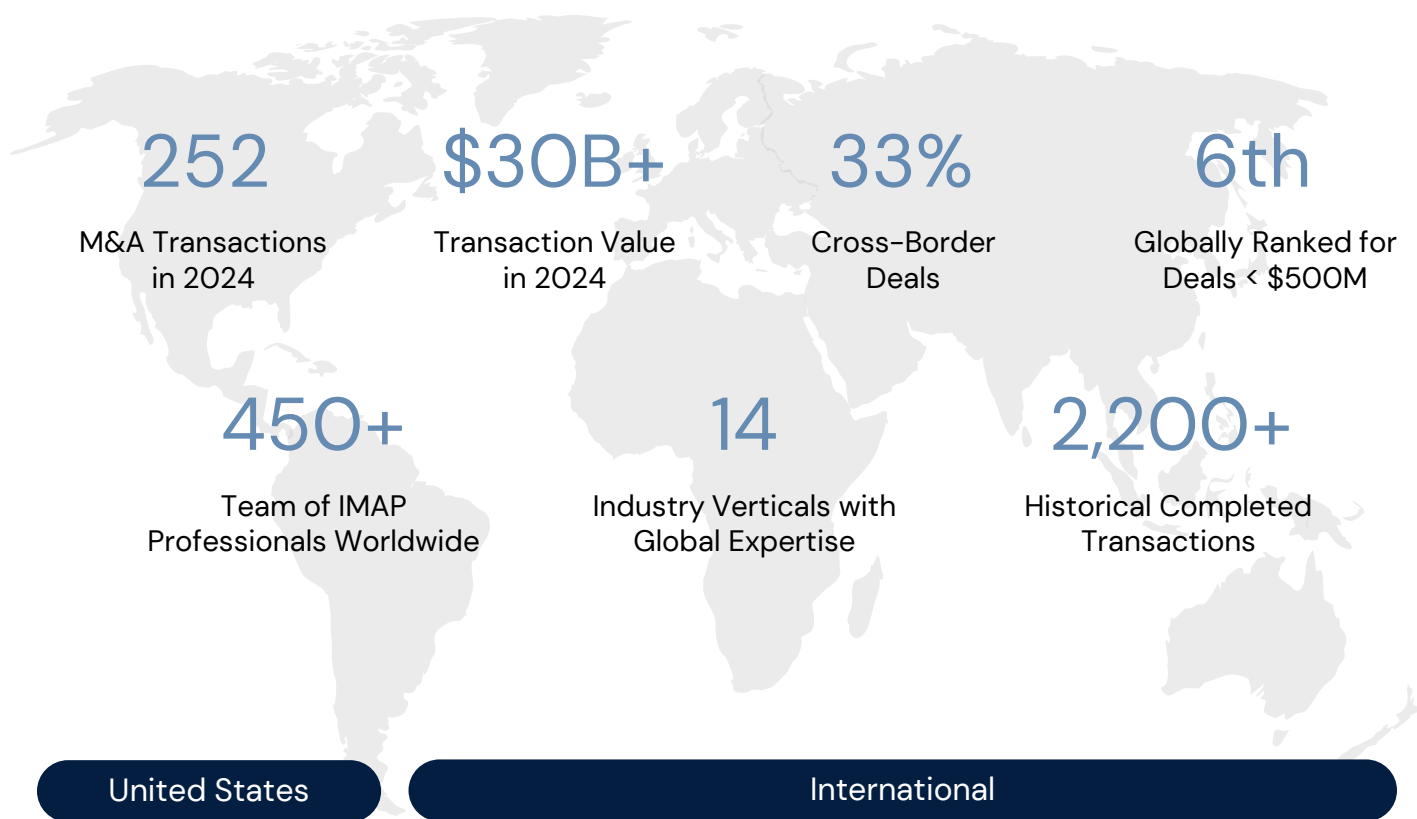
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60+ offices in 51 countries

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