

Automotive transactions and trends 2016



Disruptive trends continued to drive M&A in the automotive sector during 2016. With the industry transformation in mind, automotive companies took a cautious approach towards deal making the past twelve months, focusing on smaller and smart targets.



4.0%

YOY increase in deal values (US\$61.6 billion)



0.9%

Marginal YOY increase in deal volumes (885 deals)



77.5%

Share of deals with values up to US\$100m

The average deal size stood at US\$184.3 million in FY16.

Sub-sector insights



65.0%

Share of component suppliers in the deal values in FY16

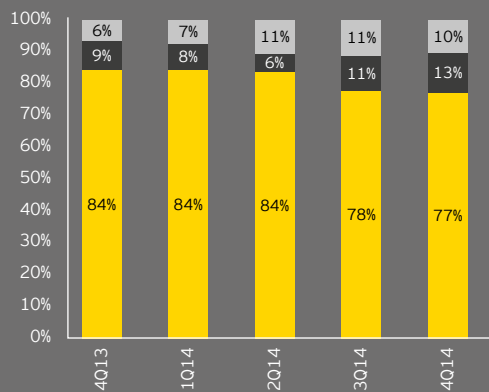


~26.1%

YOY decline in retail deal values

Source: Dealogic

Deal volumes split by deal size, FY12-16



*Calculation based on deals with disclosed values. Source: Dealogic

The pace of investment in mobility, connectivity and autonomous driving technologies is accelerating.

- ▶ Since 2012, more than US\$22 billion in deals have been finalized in the automotive mobility space.
- ▶ Rapid growth in autonomous and connected vehicle technologies has yielded investments of US\$14 billion in the last five years.

Transaction values in US\$ million
■ <100 ■ 101-250 ■ >250



58%

of automotive executives expect to pursue acquisitions in the next 12 months



31%

of automotive executives expect the M&A market to improve in next 12 months, while an additional 63% expect a stable M&A market

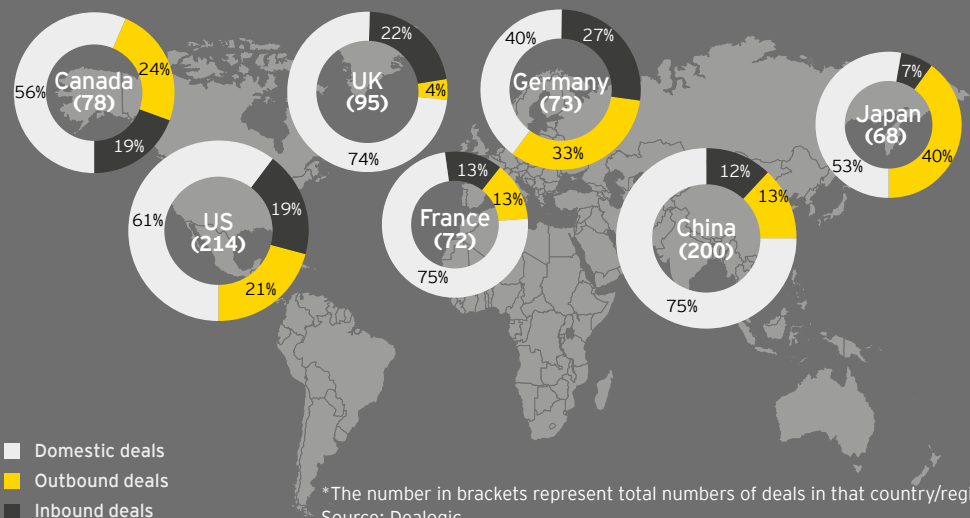
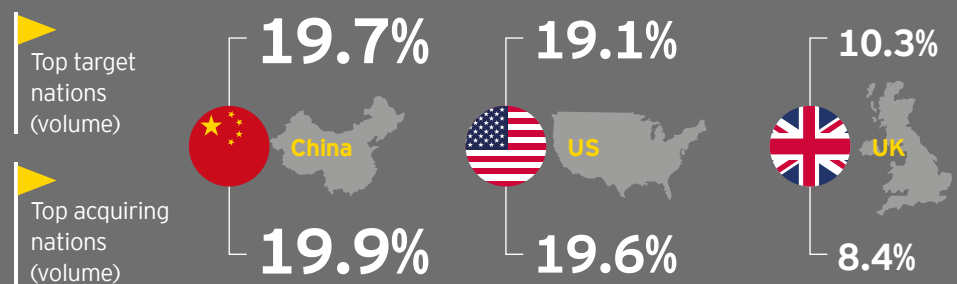


62%

of automotive executives have a positive level of confidence with regards to the number of acquisition opportunities

Source: Dealogic and Capital Confidence Barometer

Regional insights



■ Domestic deals
■ Outbound deals
■ Inbound deals

*The number in brackets represent total numbers of deals in that country/region. Source: Dealogic