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Global Automotive Transaction Expertise

Angermann M&A International GmbH

- **Introduction**
- **Global Automotive Market Development**
- **Special: Connected Cars**
- **Selected M&A Transactions**
- **M&A International Inc. Automotive Group**

Dear Valued Reader,

After nine months of mixed results, some countries like Mexico and the US will now be able to outperform their expectations for 2014. However, there are other countries, like Brazil and Russia, for whom the situation is very different. Global annual growth is still reckoned to be at 4% to 5%. Manufacturers seek to expand into new markets, leading to an increase in global M&A activities. Furthermore, new technologies are expected to revolutionize the industry in the near future.



European manufacturers are still confident, but are more reserved with their sales forecasts. European domestic markets have achieved a healthy development in 2014, while at the same time automotive performance indicators have shown optimistic numbers. Nonetheless, the landscape could change. The current intense political situation with Russia is causing a lack in consumer demand and there are other negative macroeconomic scenarios for the future.

The NAFTA countries have been able to achieve strong growth rates in 2014. The recovery of the US economy has continued to strengthen and the local automotive industry has been driven by new car model sales and cheap vehicle credit loans. US vehicle sales may climb to reach a record high in 2015, after sixth growth years in a row, exceeding 17 million units for the first time since 2001. However, experts already argue that central bank policies could generate systemic risks and trigger a reduction in demand. Mexico reaches higher sales than expected and aims to become a global leader as well as the largest import nation for the US automotive industry.

The BRIC area still dominates the global automotive market with 37% share of global sales in 2013 and a predicted annual growth rate of 5.8% from 2015 to 2019. The Indian slowdown has stopped and economic indicators show a positive result in Q3, giving rise to positive expectations for 2015. However, short-term results of Brazil and Russia seem to be less satisfying.

The Japanese automotive industry has not shown a clear tendency, since increased consumer taxes have directly affected domestic demand. The South Korean market grows slowly, but sustainably with an expected growth rate of 3.7% for 2014.

In our periodic market special, we discuss a current “hot” topic of the automotive industry. Connected cars will heavily influence the near future. OEM and Tier-1 suppliers offer technologies and services in this area since new sales opportunities appear in the market. In addition, drivers and passengers are right now speculating about new driving experiences.

Finally, the report shows recent M&A transactions and automotive related case studies, undertaken by MAI International Inc.

The team of Angermann M&A International hopes that the second Automotive Report of 2014 will be interesting and informative to our readers again.

A handwritten signature in blue ink, appearing to read 'Michael Thiele'. The signature is fluid and cursive.

Dr. Michael Thiele
Managing Partner and Primary German Contact to the Automotive Group

2 Germany and Europe



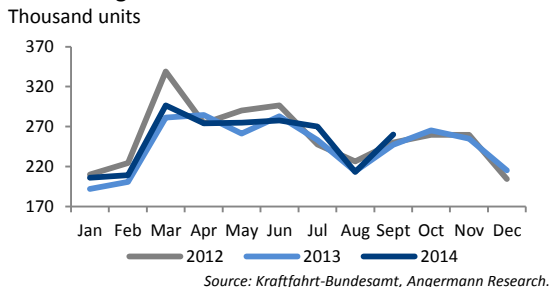
"Notable positive performance in spite of global market instability"

German manufacturers are on track to reach their targets for 2014. The monthly sales development has already shown a nine month increase compared to 2013.

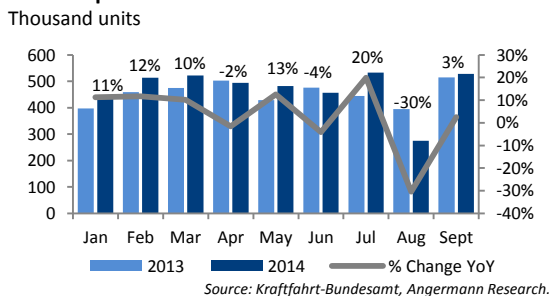
The German automotive market has grown notably in the third quarter of 2014. Due to a high demand from industrial companies, there was an increase in the number of new car registrations in September by 5.2% compared to the previous year. While car purchases by private customers experienced a lower increase than last year (+0.1%), registrations by companies grew by more than 8%. Furthermore, 7% more heavy commercial vehicles have been purchased this year.

As announced in our last Automotive Report, the German market shows a stable recovering trend. Experts expect a significant annual growth rate of 4.5% for 2014. Since January 2014, there have been 3% more cars on the streets than in the previous year, amounting to 2.3 million new cars sold in 2014. The president of the German Association of the Automotive Industry, known as VDA, announced that an extraordinarily stable performance has been achieved, although political problems and instability threaten export markets. The winners among German manufacturers have been MINI (+18.8%) and Audi (+10.4%). New car production dropped in August due to holidays.

New car registrations



New car production



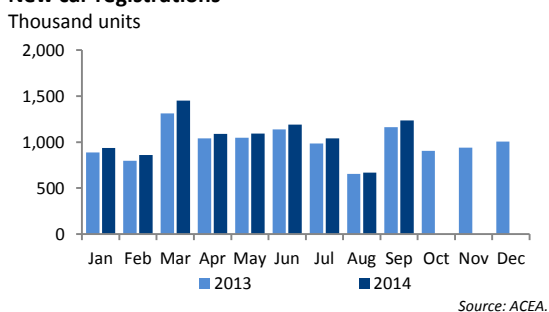
"European countries are in an upward trend, but the future development is uncertain"

Europe has shown a positive development. Nevertheless, the industry is still facing challenges.

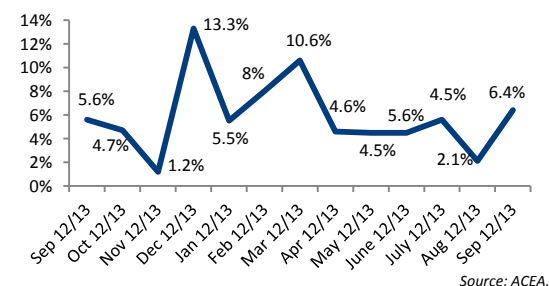
September was a month full of optimism for the European automotive industry. 88% of the European countries experienced an increase in new registrations of passenger cars. Compared to September 2013, the industry grew by 6.4%, reaching 9.57 million units sold. Greece was the winner of this month, as the local economy can now hope to overcome a long economic recession as well as negative growth rates. Besides, a positive market development was also noticed within leading economies like Spain (+26.2%), France (+6.3%), UK (+5.6%), Germany (+5.2%) and Italy (+3.3%). For thirteen consecutive months, the growth rate of new vehicle registrations has been positive with an average of 6% in a range from 1.2% to 13.3%.

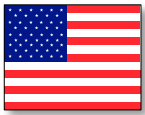
With 27 thousand new commercial vehicle (CV) registrations, the market has shown a monthly year-to-year consecutive growth. In September there were 7.9% more registrations this year than in 2013. Over the first nine months, registrations have already grown by 7.5% to 233 thousand units. Heavy-duty CV (>16 t) sales have decreased over five consecutive months, since the new emission standard EURO VI has affected the market. EURO VI trucks are €10,000 more expensive than EURO V trucks.

New car registrations



New car registration growth rates





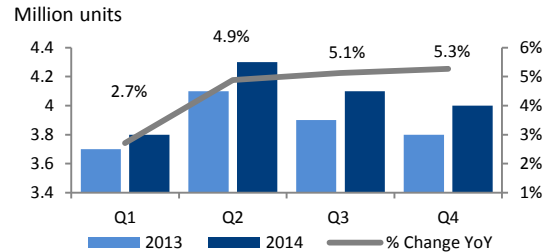
“Positive American development caused by a recovering domestic business situation”

The economic situation in the US signals an upward trend in the automotive sector with a sales increase in Q3 as expected and a promising September.

In September 2014, domestic new passenger car sales were 9% higher than in the previous year, amounting to 1.25 million units sold, thanks to cross-over and SUV vehicles. GM, Chrysler and Nissan reported an increase of 19% in September compared to 2013, primarily due to a cheap credit policy. Q3 sales of 2014 have also been 5% higher, compared to the same period last year. According to forecasts, this will also account for Q4. For the whole year 2014, experts expect the number of sold passenger cars to reach between 16.2 and 16.5 million units. Until the end of this year, the demand for commercial vehicles and trucks will stay strong.

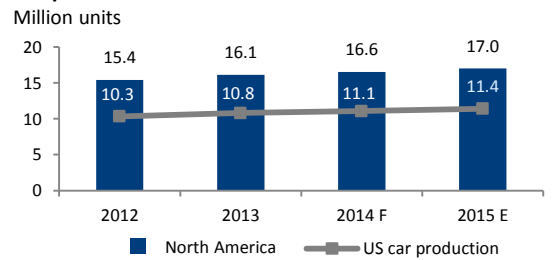
Forecast reports for 2015 expect a stable development of the automotive market in the US, reaching at least the same sales level as in 2014. Furthermore, sales are predicted to amount to 17 million in 2018 and 17.5 million in 2020. Production is expected to rise to 19.2 million units in 2020. It is believed that by the end of 2015 one million electric vehicles will be sold, providing a notable reduction in CO2 emissions.

New passenger car sales



Source: BAIRD (Q3-14: forecast / Q4-14: estimate).

Car production in North America and the US



Source: Ward's.



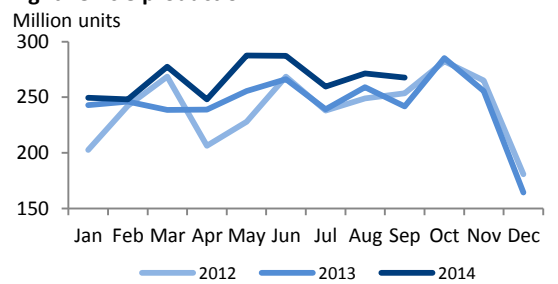
“Mexico becomes a major player in the global automotive industry”

Growth and more growth. The boom country Mexico still breaks records in car production, sales and exports, having an enormous impact on the Mexican economy.

Mexico, the eighth largest global car manufacturer, shows promising market figures, thanks to the continuous recovery of the US demand. This year, car manufacturers produced more cars each month than in 2013. The market is characterized by high export rates, amounting to more than 80% of total production. In September alone, 220,000 cars were exported. Thereof, almost 69.1% were shipped to the US and 11.6% to Canada. While exports to Canada increased by 150.5% in September 2014 compared to last year, exports to Europe and Africa declined. With a share of 10%, Mexico currently is in fourth place among the countries from which the US buys cars.

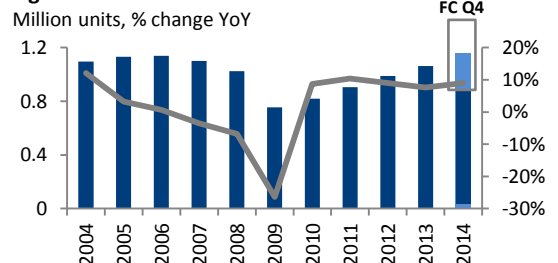
The Mexican Automotive Industry Association (AMIA) predicts that by 2019, Mexico will produce 4 million passenger cars and will replace Japan as the second largest car exporter. Furthermore, in September 2014, Mexico sold 13.7% more vehicles on the domestic market than in 2013. This year, already 798,568 vehicles have been sold. Light vehicle sales are expected to grow by 9% to 1.16 million units until the end of this year. Nissan, GM, Chrysler and VW are the largest car manufacturers in Mexico. Over the last seven years, the Mexican car production has already increased by 39%.

Light vehicle production



Source: AMIA, Angermann Research.

Light vehicle sales



Source: AMIA, Angermann Research.

4 Global Markets: Brazil and Russia



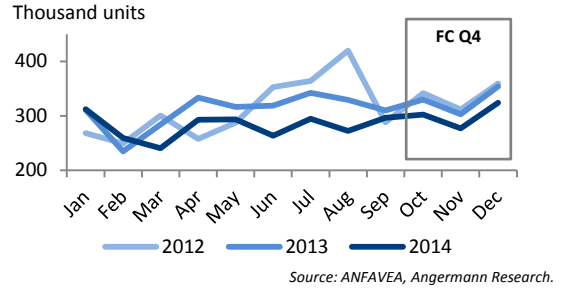
“Brazil still needs more time to develop into a dynamic and profitable market”

Sales, production and exports have fallen to a higher extend than expected. Foreign manufactures suffer from great losses and await a recovery. This will take more time than assumed.

Brazil is the seventh largest economy with a current inflation rate of 6.75%. The uncertain economic development as well as low government incentives have also had a negative impact on car sales. Even though the increasing middle class has offered new sales opportunities, vehicle sales are expected to fall by 5.4% to 3.56 million units in 2014, compared to the previous year. Over the first nine months, new vehicle registrations have dropped by 9%, compared to 2013 and will continue to decline by 8% until the end of this year. FIAT, VW and Honda are the brands that have reported the highest number of registered cars in this year so far.

Over the first nine month of 2014, exports have experienced an average monthly decline of 37%. In September, 26.4 thousand units were sold abroad. Besides, in 2013, 85% of Brazilian exports went to Argentina. As the car demand has decreased in Argentina this year, Brazil’s exports have been affected negatively. Car production is expected to fall in the last quarter of 2014 and will therefore remain on a lower level than in 2013. However, experts count with a rapid and stable recovery of the Brazilian economy and the automotive market until 2018.

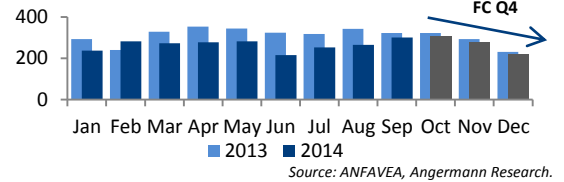
New vehicle registrations



Export



Production



“Pessimistic expectations and market recession due to political conflicts”

The macroeconomic and political situation strongly affects the Russian automotive market. The industry is unstable and market participants still wait for governmental decisions.

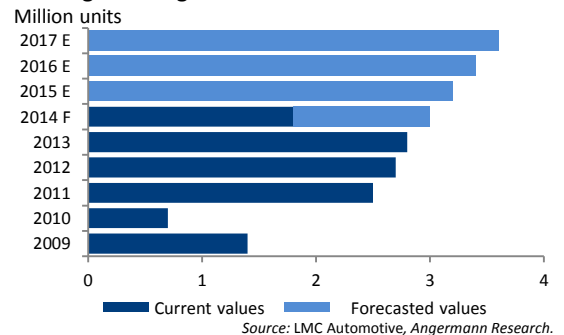
The BRIC country Russia has not been able to show any positive results for the local automotive industry, neither in September, nor in 2014 as a whole. Sales of new passenger cars and light commercial vehicles (LCV) dropped by 20.1% in September, compared to the previous year. Over the first nine months of 2014, new vehicle and LCV registrations have already declined to 266.7 thousand units. However, Mercedes-Benz was the winner among manufacturers in Russia, generating 16% more sales over the first nine month of 2014, compared to last year. By the end of this year, sales will have dropped to 2.45 million units.

The US, EU, Canada and Australia have introduced sanctions against Russia because of its involvement in the Ukrainian crisis. Depending on Russia’s reaction to these sanctions, either a decrease in sales by 8% (2.2 m) or an increase between 4% (2.5 m) and 12% (2.7 m) is expected in 2015. Russia plans to take some measures against these sanctions, which would also have an effect on the automotive industry. A full import embargo on vehicles from the US and EU may be possible. An increase in import duty, as another measure, would result in higher sales for Asian OEMs.

Light vehicle sales



Passenger car registrations





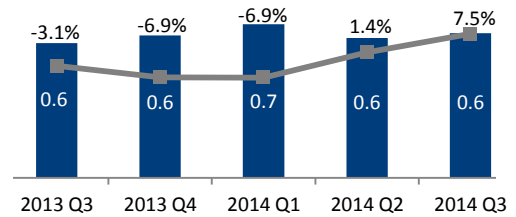
“After several months of decline, the Indian car industry finally shows signs of recovery.”

There are some initial signs of improvement for the Indian economy which seem to reinforce growth in its automotive industry.

Sales of passenger vehicles have increased in India for five months in a row. According to the automobile manufacturer association SIAM, sales that have been generated from April to September have grown by 4.5%, compared to the same period of the previous year. The association indicates that this positive trend is expected to continue over the next couple of months with the onset of the festival season, a new government as well as new product launches. Nonetheless, the commercial vehicles segment, a barometer of local economic activity, registered a decline of 10.1% during the same period, compared to last year.

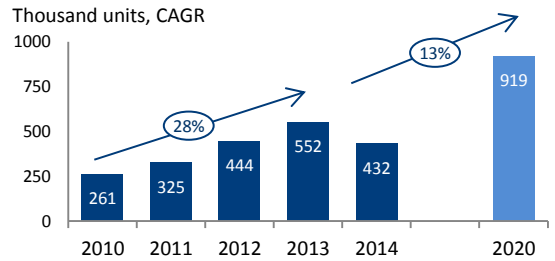
The small commercial vehicles (SCV) segment is the largest within the CV sector. While sales in the CV sector have declined by 11% annually, over the last two years, sales in the SCV segment have only fallen by 1%. Forecasts predict sales of 432,000 units in this segment for 2014, representing 60% of the overall industry. Achieving the expected growth of 13% per year until 2020, the segment will account for 80% of the total industry. In the years ahead, better operating economic and financing options will reinforce growth. For further segment expansion, OEMs need to develop new applications and educate customers on their usage.

Passenger vehicle sales
Million units, % change YoY

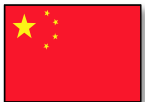


Source: MarkLines.

Small commercial vehicles: sales volume



Source: SIAM., Angermann Research.



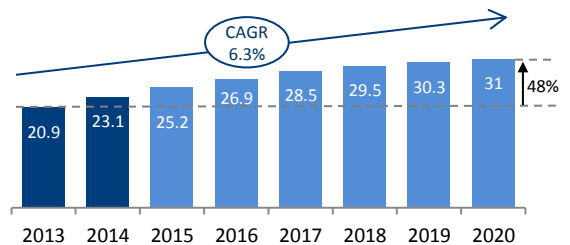
“With growth rates of 10% in 2014 and 8% for 2015, the Chinese automobile market extends its lead after surpassing the US in 2009.”

With an ownership rate of 5%, China offers very attractive conditions for long-term growth.

Although the Chinese automotive market growth is cooling down, long-term expectations still show a positive trend. In September, sales exceeded the global average by 5%. Passenger car sales grew by 6.4%, compared to 2013, up to 1.69 million units. Over the first nine months of this year, passenger car sales have even shown an increase of 10.17% up to 14.16 million units, compared to the same period of last year. In August 2014, exports declined to 68,000 units. Over the first eight months of this year, they have dropped by 8.4%, compared to 2013, amounting to 584,800 units. It is still expected to reach 31 million new registrations in 2020, resulting in a CAGR of 6.3% for the next six years.

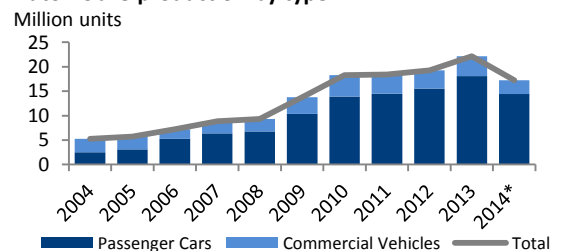
From 2009 to 2013, especially German car manufacturers were able to double their sales in China from 1.6 to 3.7 million units, outperforming other foreign competitors. The market shares of Chinese manufacturers, which still lack brand power, have steadily declined. They only invest 2% of their sales in R&D, whereas western manufacturers invest between 4% and 6%. This also influences the global sales and performance of Chinese manufacturers, year after year.

Development of the Chinese automobile market
Sales in Million units



Source: Accenture.

Automobile production by type



*Until Sept 2014 / Source: CAAM.

6 Global Markets: South Korea and Japan



"The South Korean automotive market grows slowly, but sustainably."

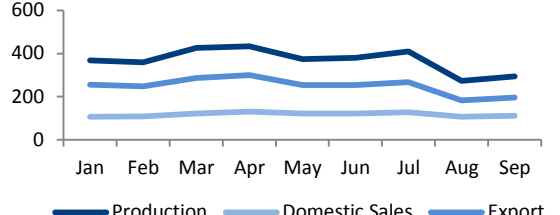
Supported by the launch of new models and a stable economic development, sales, production and exports have increased, compared to 2013.

Despite political conflicts with North Korea, the South Korean economy has performed well over 2014. Therefore, for this year, a growth rate of 3.7% is expected. Over the first nine months, production has increased by 2.1% to 3.31 million vehicles, compared to the same period of the previous year. In September, car manufactures could increase their production by 2.0% compared to 2013, thanks to stopping strikes and producing new car models. The overall car production is expected to reach 4.49 million units in 2014.

Over the first nine months of 2014, Korean exports have increased by 3.6%, compared to 2013, amounting to 2.2 million vehicles sold abroad. Domestic sales have increased by almost 10% in September, compared to the same month of the previous year. Besides, sales in the light commercial vehicles sector are expected to grow by 2% on average until 2017. Total industry sales are predicted to reach 1.63 million units this year. Thereof, 1.42 million will be passenger cars, 166,700 light commercial vehicles and 43,500 heavy-duty commercial vehicles.

Automobile production, sales and export

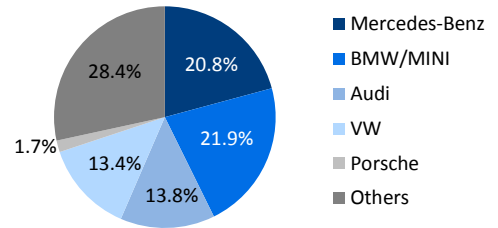
Thousand units, in 2014



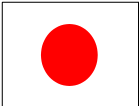
Source: KAMA.

Share of registrations of new German imported cars

Domestic sales, in September 2014



Source: Angermann Research.



"National fiscal policy caused a one-time effect of vehicles sales drop"

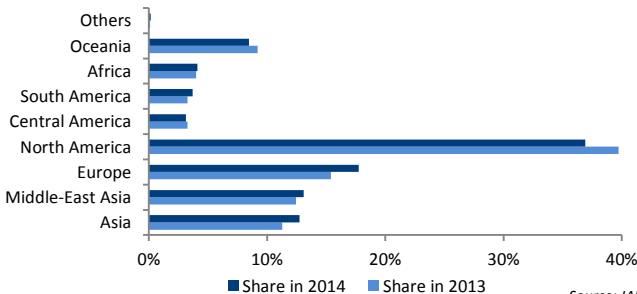
The second largest passenger car manufacturer in the world is confronted with weak demand. Emerging markets become more and more saturated.

After a successful first quarter due to strong demand, experts had to reduce Japanese forecast figures. The increase of commercial taxes from 5% to 8% in last April, the inflation of 3.5% as well as a weak Yen have affected the automotive market in Japan since then. Due to the tax increase, new registrations of passenger cars have fallen five times by 3.1% on average. Whereas production between January and September 2014 has risen by 4% to 6.3 million units, compared to the previous year, vehicle manufacturers have produced 4.1% less in September, compared to 2013.

For the near future, experts expect a reduction in production and export numbers. This downward trend is mainly driven by a hard competition for exports to China and the US. As German manufactures gain more market share, Japanese brands, such as Toyota and Honda, lose part of their share on the world market.

Export share by destination

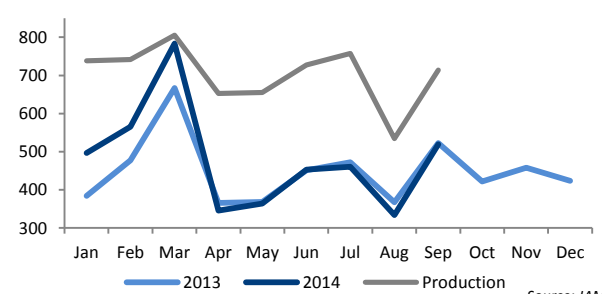
% of total exports from January to September



Source: JAMA.

New registrations and production

Thousand units



Source: JAMA.

The modern life gets smart. In this context “smart” means to cure all applications at home, at the office and the car to make them controllable via the internet. For instance, it will be also possible to control the heating and the fridge or to switch on the coffee or washing machine from your car. Currently, this is already possible using an app called Qivicon, which was presented by the Telecom and BMW at the IFA in Berlin last September. The Internet has already reached more applications than expected and a new generation of services is arriving on the market soon. In 2016, 80% of new vehicles should have an internet access as standard application.

What does connected cars mean and what kind of services could facilitate the drive experience?

With „connected cars“, we refer to vehicles with built-in connectivity. Easier, two or more autos will be connected via internet and sensors. Thereby, car drivers will be able to receive real-time advice while driving. Furthermore, internet connectivity will allow car drivers to check the performance and control the health status of their vehicles. For example, taking a look on the balance of power or to receive any notice if their cars were stolen or damaged. All these services will be possible in a comfortable way, via their smartphone or tablet.

How could it bring advantages to the market?

For private people, it means a complete new portfolio of driving experiences like access to new entertainment or car integrated internet connectivity and also new safety and security features. For corporates, it means new business and sales opportunities or the possibility to attract new customers. These advantages will be directly offered by the automotive industry (OEM and suppliers), as well as the mobile and technology industry.

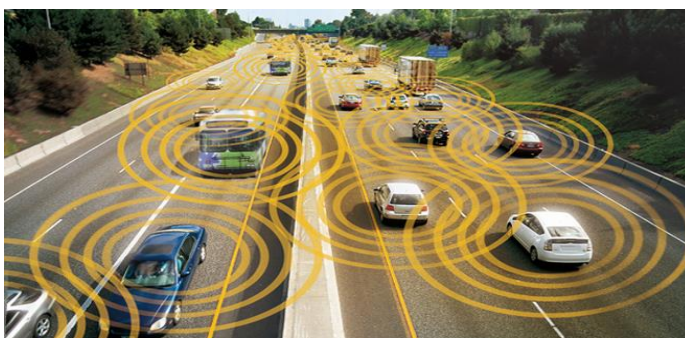


Source: McKinsey.

Competitiveness of connected cars: safety and diagnostic features

One of the most important facts of this revolution is a new safety and car diagnostics concept. Cars will be able to communicate on real-time with each other in cases of accident prevention and proactive driving. For example, a car with an integrated cloud-based system will communicate to surrounding and subsequent drivers about road hazard or traffic jams. This can help to choose an optimal driving route and also to reduce CO₂ emissions. In the case of an accident, the automatic communication system will send an emergency signal and warn other drivers nearby.

Nowadays, camera sensors and GPS are already integrated into most vehicles. Nonetheless, their capacities have a low performance and might be affected by weather conditions. With a car integrated internet connection and new technologies like magnetic sensors or cloud systems, vehicles will be able to outperform in road safety management.



Source: U.S. Department of Transportation.

Furthermore, drivers will also be able to control the health of their cars and receive an immediate diagnosis on their smartphone or tablet. Such services would cut costs and improve safety. For example, drivers could supervise fuel efficiency and battery status or program warning settings of their cars. Many of these services have already been developed and will be able to be installed in cars soon.

8 Special: Connected Cars

Real-time walking pedestrian recognition

OEMs already plan to launch a new high-tech technology next year which allows connected cars to recognize walking pedestrians. This technology might also have the capacity to take an emergency stop in dangerous situations, whether or not, the driver stops on time.

This service will be integrated in new connected cars and will work via two high-tech sensors, a radar and a camera. After the integration of these sensors, connected cars will be able to scan a certain area in real time, recognizing particular danger situations.



Source: NXP.

Examples of developed technologies

The audio and infotainment specialist Harman already offers new hi-fi applications which can be connected by the in-house WLAN and be controlled by a tablet PC. Harman already presented ideas for the future at the IFA in Berlin last September. In a laboratory, scientists develop a 3D gesture control for operating infotainment and navigation systems in cars. The current state of research is represented by a steering wheel which projects warning notices, such as “driving to fast”, floating right in front of the driver. A telephone call might be caught by a special hand movement for a projected headset symbol.



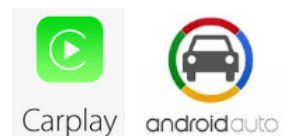
Source: Automobilwoche.



Source: BMW Group.

BMW is not only a leading player in the fields of electric driven cars, but also in the area of interactive connectivity. Drivers of the new BMW i-models are able to monitor their cars by the soon released smartwatch *Samsung Galaxy Gear S*. A special function connects the smartwatch with the BMW *iRemote* app and *Connected Drive*. With a SIM card, integrated into the car, the driver can supervise the battery recharging status and the climate control and adjust the route to the reached charging level from the distance. The navigation system is also connected with the smartwatch. Saved addresses of contacts can be used directly as new navigation destinations. Additionally, the intermodal route guidance is also supported by the smartwatch. In the case of a traffic jam, it integrates public transportation systems like busses or trains if needed into its research for additional routes, too. Even the way back to the car can be guided by the smartwatch.

Apple will offer its app “Carplay” in selected new cars and has to compete with Google’s “Android Auto”. Both applications synchronize uncomplicated smartphones to vehicles infotainment systems. Basic apps, such as phones, music and maps, will appear as icons on the in-car touchscreen display. Chrysler, Fiat, Ford, Honda, Hyundai, Kia, Mitsubishi, Subaru, Suzuki, BMW, Audi, Mercedes-Benz, Jaguar/Land Rover, Toyota, Nissan, Ferrari and Volvo are going to integrate Apple’s or Google’s connected car services into their new passenger cars.



Source: Apple, Google.

Passengers also get the chance to enjoy new applications



Source: McKinsey.

Drivers' passengers would also enjoy the advantages of connected cars. In 2016, about 80% of new cars should be equipped with internet access via a SIM card, allowing passengers to connect their smartphones and tablets and navigate while taking a drive. Thereby, social media will be facilitated on-board. For long-distance journeys, passengers might use their tablet or laptop to watch movies in high-speed quality without renouncing their mobile internet. Currently, telecommunication companies offer similar single solutions, but in the next generation of cars these services will be completely integrated.

Privacy protection and data security

Connected cars open a new range of services to drivers and passengers, but an important point is still open. OEMs must also offer their customers a high level of privacy and best practices in data security, since there are many potential privacy and security risks like hack attacks. Experts talk about new standards and frameworks in order to protect the slope of data and information taken from customers or given voluntarily by them. The German federal parliament already discusses about new consumer protection policies regarding drivers and consumers exposures in this context. In last October, the authority issued a resolution about privacy risks involved in the growing collection and processing of personal data in cars and the interests of various actors (car manufacturers, service providers, insurance companies, employers) in using those data. Because of this inquiry, Daimler organized a symposium about connected cars and data protection this year. Argus Cyber-Security is an US-Israeli start-up which is engaged in security solutions for the automotive industry and develops systems to detect and prevent real-time hacking of connected cars.

Impact on automobile insurances



Source: cbcity.com.

Usage-based insurance is a new revolutionary type of insurance which offers policy holders to pay depending on vehicle usage, measured against time, distance, behaviour and place. At the moment, they are popular in the UK as a survey expressed the interest of drivers to acquire such an insurance. In the US, there are also different insurance providers which offer Pay-As-You-Drive (PAYD) car insurances like GMAC Insurance or MetroMile. This service is available via internet or GPS and follows the location of the covered car which helps in the case of an accident or theft but also exposes drivers to hack attacks. In Germany, PAYD has not been very popular until now and will not be offered by insurance companies in the medium-term. An exception is the direct insurance of a German saving bank which currently offers the first telematics supervised insurance.

Outlook

This new portfolio of services and solutions will allow drivers and passengers to feel safer while taking a drive and to interpret a drive as a special experience. All these named new technology portfolios are either already integrated or in a testing phase. In the near future, more sensor and high-tech component based services will be available on the market. Nevertheless, the launch of some advanced technologies will be delayed, since new European standards have to be developed and established in order to control customer data collection and secure privacy.

All technologies, regarding connected cars, will open OEMs and automotive suppliers new sales opportunities. Other industries like the technology or communication sector are also involved in this trend and are currently looking for ways to introduce their products for automotive applications. For example, Vodafone acquired Cobra automotive technologies this year. With this acquisition, Vodafone aims to become the leading connected car services provider.

10 Selected M&A Activities in the Automotive Sector

Date	Buyer	Country (buyer)	Target	Country (target)	Target description	Deal value mEUR
22.10.2014	Private Investor	DE	Tesla Motors Inc. (4% Stake from Daimler)	US	US-based company engaged in manufacturing and marketing of battery powered electric vehicles	375
07.10.2014	Mahindra Two Wheelers Ltd.	IN	Peugeot Motorcycles (51% Stake)	FR	France-based company engaged in manufacturing of two-wheel motor vehicles.	28
30.09.2014	Panasonic Corporation	JP	Ficosa International, S.A. (49% Stake)	SP	Spain-based provider of development, production, and of systems and parts for automobiles	250
15.09.2014	Robert Bosch GmbH	DE	ZF Lenksysteme GmbH (50% Stake)	DE	Germany-based company engaged in manufacturing steering systems for the automotive industry	4000
15.09.2014	ZF Friedrichshafen AG	DE	TRW Automotive Holdings Corp.	US	US-based company manufacturer and supplier of automotive safety products	9817
13.09.2014	Clearlake Capital Group, L.P.	US	Sage Automotive Interiors, Inc.	US	US-based designer and manufacturer of automotive headliners and bodycloth	209
10.09.2014	Federal-Mogul PowerTrain, Inc.	US	TRW Automotive GmbH	DE	Germany-based developer and supplier of engine valves for vehicles	298
29.08.2014	Brookfield Property Partners	US	Capital Automotive	US	US-based company engaged in automotive real estate	3247
18.08.2014	Sensata Technologies B.V.	US	Schrader International, Inc.	US	US-based company engaged in designing and manufacturing valves, electronic system components, and sensing technologies	747
11.08.2014	Blackstone Group	US	Alliance Industrie SA	FR	France-based distributor of automotive and commercial vehicle spare parts	440
31.07.2014	Mitsubishi Rayon Co., Ltd.	JP	Die Wethje GmbH Kunststofftechnik (51% Stake)	DE	Germany-based company engaged in the development and manufacturing of carbon composite components	22
15.07.2014	Dürr Technologies GmbH	DE	Homag Group AG (46.3% Stake)	DE	Germany-based manufacturer of machinery and plants for the wood and building components industries	189
30.06.2014	Halla Visteon Climate Control Corporation	SK	Cooper-Standard Automotive, Inc. (Thermal and emissions business)	US	US-based manufacturer of fluid handling systems, body sealing systems, and active and passive vibration control systems	34
26.06.2014	Alcoa Inc.	US	Firth Rixson Limited	UK	UK-based company engaged in manufacturing rings, forging, and metal products	2092
20.06.2014	MAHLE GmbH	DE	Letrika d.d. (53.99% Stake)	SL	Slovenia-based company producing auto parts such as starters and alternators, electric and mechatronics systems	58
20.06.2014	Magneti Marelli	IT	C.F. Gomma	IT	Italy-based producer and supplier of components for the automotive and industrial industries	25
16.06.2014	Vodafone Group Plc	DE	Cobra Automotive Technologies	IT	Italy-based provider of security solutions for the automotive market	195
30.04.2014	Continental AG	DE	Emitec GmbH (50% Stake)	DE	Germany-based manufacturer of metallic catalytic converter substrates	46
22.04.2014	Nifco Inc	JP	Kunststofftechnik Weissenburg GmbH & Co KG	DE	Germany-based automotive plastic parts manufacturer	49
16.04.2014	Rolls-Royce Plc	UK	Rolls-Royce Power Systems AG (50% Stake)	DE	Germany-based manufacturer of diesel and gas engines and propulsion systems for ships, heavy land and rail vehicles, industrial drive systems, and power generators	2430
04.04.2014	Blackstone Group	US	The Gates Corporation	US	US-based manufacturer and supplier of power transmission and fluid transfer solutions by engineering products and services	3940

In the rapidly consolidating automotive sector the experienced professionals of M&A International Inc. provide critical global knowledge of opportunities and market conditions.

The M&A International Inc. Automotive Group provides you with:

- ✓ Unparalleled sector expertise in the leading automotive centers
- ✓ A cohesive team of 65 M&A professionals from all over the world in constant communication about the latest transactions and developments in the automotive industry
- ✓ Periodic industry reports giving you key information at a glance
- ✓ Access to a worldwide network of buyers, sellers and sources of financing
- ✓ Just-in-time information due to a widespread network of offices at any economic hotspot

The German Automotive Group Team consists of high-level senior advisors in M&A, all with relevant industry experience as well as ongoing and close relationships to many automotive industry leaders:



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Poland: Maciej Szalaj

Singapore: Alistair Burgoyne

Slovenia: Jure Jelerčič

South Africa: Yaron Zimble

Spain: Antonio Casado

Switzerland: Jens Rutten

United Kingdom: Philip Barker, Brian Livingston

USA: S. Jack Campbell, Jerome S. Romano,

W. Gregory Robertson,

Ralph M. Della Ratta, Jr.

About the Acquirer:

Toledo Molding & Die, Inc. is a full-service automotive supplier that designs, develops and manufactures highly engineered thermoplastic components and assemblies, including interior cockpit modules and air and fluid management products.

TMD has approximately 1,500 employees and operates out of eight facilities in Ohio.

About the Target:

Founded in 1972, WEK Industries, Inc. provides engineered blow molded components and assemblies to the automotive industry, with locations in Jefferson, Ohio and Reidsville, North Carolina.

Myers Industries, Inc. had acquired WEK Industries Inc. in 2004. As a diversified plastics and rubber products manufacturer Myers Industries distributes polymer products for the industrial, agricultural, automotive, commercial and consumer markets primarily in North, Central and South America.

The Transaction and the role of the member:

The team of M&A International in Cleveland, Ohio, advised Myers Industries, Inc. throughout the sell-side process of WEK Industries.

MAI's role included:

- Delivering keen market insights
- Identifying potential strategic and financial investors worldwide to map and comprehensively evaluate all financing opportunities;
- Advising the Seller throughout the negotiations;
- Coordinating the parties as well as their legal and financial advisers in the execution and closing of the transaction.



has acquired



from

Myers Industries, Inc.



14 Selected Case Studies (II/II)

About the Acquirer:

Motherson Sumi Systems Limited is a manufacturer of diversified products for the global automotive industry with manufacturing operations in 25 countries.



Stoneridge, Inc. has announced that it has entered into a definitive agreement to sell its Wiring Business Segment assets to Motherson Sumi Systems Limited.



has acquired



ADVISOR TO SELLER

About the Target:

Stoneridge's Wiring Business designs and manufactures wiring harness products for sale principally to the commercial, agricultural and off-highway vehicle markets, as well as assembles entire instrument panels that are configured specifically to an OEM customer's specifications in the commercial vehicle market. Included in the transaction are six manufacturing facilities located in Portland (Indiana), Chihuahua (Mexico), Saltillo (Mexico) and Monclova (Mexico), as well as an engineering and administrative center located in Warren (Ohio).

The transaction involves approximately 4,700 employees and is expected to be closed in the third quarter of 2014, subject to customary closing conditions including required regulatory approvals. Financial details of this transaction have not been disclosed.


The Transaction and the role of the member:

The Cleveland based team of M&A International Inc., served as primary facilitator to the seller in this transaction.


MAI's role included:

- Analyzing the company and the value added;
- Preparing documents and assist the seller with the due diligence process;
- Identifying potential strategic and financial investors worldwide to map and comprehensively evaluate all financing opportunities;
- Coordinating all parties involved, including their legal and financial advisers through major steps of the financing process.

Selected Transactions on OEM level


OUR EXPERTISE YOUR SUCCESS 

Phoenix AG, Hamburg



has acquired 69.76 % of the shares in Daeslyung Chemical Corp., Seoul, Korea

a subsidiary of Hyundai, Korea




Phoenix AG has acquired the shares through its subsidiary Pyung Hwa Industrial Co. Ltd., Korea.


Angermann has initiated the transaction and acted as advisor to the buyer.

Angermann M&A International GmbH


www.mergers.net

OUR EXPERTISE YOUR SUCCESS 

INFUN, S.A. (Spain)




has acquired 100% of TEKSID FOR (Italy) FIAT GROUP




The undersigned initiated the transaction and acted as advisor to the buyer.

Closa Corporate Finance Advisors

www.mergers.net

world's leading 




Geely Automobile Holdings Limited (HK Stock Code #175)

Disposable and Connected Transactions

April 2007
Independent Financial Advisor

Quam Capital Limited


www.mergers.net

world's leading 

Daimler AG

DAIMLER

has sold its real estate portfolio Potsdamer Platz to




ImmoInvest

Together with Merrill Lynch, the undersigned initiated the transaction and advised the seller


Angermann M&A International GmbH

www.mergers.net


Selected Transactions on Tier1 level

OUR EXPERTISE YOUR SUCCESS 

Connaught Electronics Limited




has been acquired by Valeo SA




The undersigned acted as financial advisors to Connaught Electronics Limited in connection with this transaction.

IBI Corporate Finance

www.mergers.net

World's Leading 




FUJIKURA KASEI CO., LTD.

Through its wholly owned subsidiary, Fujichem, Inc.

Has completed the previously announced \$63,200,000 acquisition of all the stock of

Red Spot Paint & Varnish, Inc.



MA&I, Ltd.

www.mergers.net

world's leading 



INTERNATIONAL TIRE CORPORATION

has sold its US operations to




a portfolio company of


WARBURG-PINCUS

The undersigned served as financial advisor to GPX International Tire Corp. in connection with this transaction.

TM Capital Corp.

www.mergers.net

world's leading 



AMERICAN TRIM
American Trim
Lima, USA,
has acquired


ANGELL-DEMME


Angell-DEMME North America, Ltd
Dayton, USA,
from the administrator of Sellner Group, Nuremberg, Germany.

Angermann M&A International GmbH


www.mergers.net

Selected Transactions on other Tier levels

we close deals 





has acquired




from Private shareholders

ADVISOR TO SELLER

we close deals 



has acquired



from Private shareholders

ADVISOR TO SELLER

we close deals 




has acquired




from Private shareholders

ADVISOR TO SELLER

we close deals 

The majority shareholders of



have acquired the 35% outstanding shares of the company

The undersigned advised the shareholders in this transaction.

Angermann M&A International GmbH

www.mergers.net

16 About Angermann M&A International GmbH

Every corporate transaction involves overcoming boundaries – boundaries between the buyer and seller, and between different cultures, languages and forms of organization. At Angermann M&A International, we offer you structured advisory services for your undertaking, managing the process for you on a global level and also ensuring effective communication. To do this, we use our extensive know-how and rich intercultural expertise, resulting from six decades as professional consultants for corporate transactions in the upper mid-market sector, as well as our international network M&A International Inc.

As the oldest M&A consulting company in Germany, we have advised over 3,000 clients from almost every industry since 1953. A highly experienced, professional service provider, we assist our clients with the management and coordination of transaction processes in the M&A business segments of divestiture, partial divestiture and equity financing, and also provide any accompanying corporate finance services.

We also foster very close relations to nearly 500 financial investors both in Germany and abroad and, as such, are well aware of their respective strategic acquisition criteria. This leading group of buyers includes investors for every industry segment, size and financing need. We also advise many of our financial investors in executing exit strategies.

The global presence guaranteed by our M&A International Inc. corporate partners enables us to effectively manage your projects on a worldwide level. We are, furthermore, particularly specialized in international acquisition and sales strategies. Please contact us if you are interested in a confidential consultation and we will be happy to arrange this.

Short facts about Angermann M&A International GmbH

- **German member and founding member of M&A International Inc.**
- **The longest established German M&A firm (founded 1953)**
- Offices in **Hamburg, Frankfurt** and **Stuttgart** with 33 employees
- Advised on **more than 3,000 mandates** since foundation
- An average of **20 completed transactions per year**, of which 70% are cross-border
- Independent of financial institutions and auditing companies
- Specialized on mid-market
- **Part of the Angermann Group** with over 190 employees and competences in
 - Mergers & Acquisitions,
 - Real Estate
 - Business Consultants and
 - Machinery & Finance.



Established in 1985, M&A International Inc. offers the unparalleled, global resources of over 600 M&A professionals operating in every major financial center of the world. We are closely linked and together we advise our clients on acquisitions, divestitures and financing. We have closed 1,300 transactions totaling more than US\$ 75 billion in transaction value in the past five years.

Founders of the M&A Mid-Market Forum (www.midmarketforum.com).

For any questions concerning this market report, please contact:

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