

AUTOMOTIVE INDUSTRY BUYER SURVEY

2026 EDITION

Executive Overview

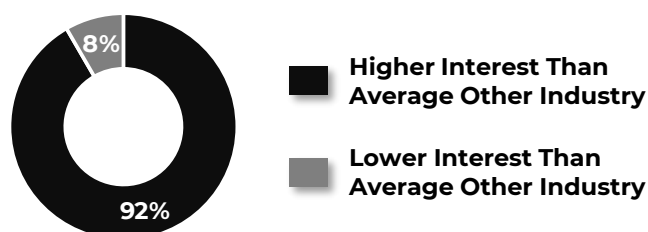
Automotive has become a consensus allocation. Of the 60 private investment firms we surveyed, 58% rank the sector a high priority and only 8% rank it low. Half expect to increase their focus over the coming year. Three of four will consider a new platform at \$10M of EBITDA or below.

For owners, the question is no longer whether buyers are interested – it is one of positioning and timing: which buyers to build toward, and whether to keep compounding or to move now.

For investors, the constraint has shifted from thesis to execution. When interest is this broad, edge comes from vertical selection and from starting the relationship earlier than the next fund.

Interest Levels

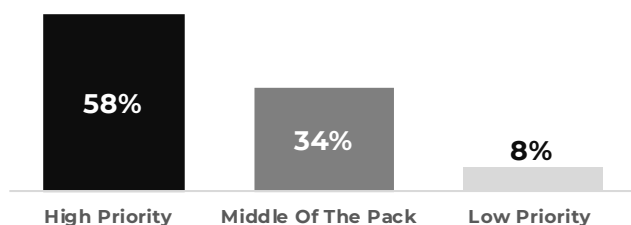
The automotive industry continues to be one of the sectors focused on most by institutional investors and private investors alike. Nearly all investors surveyed showed significant interest in and focus on the automotive industry.



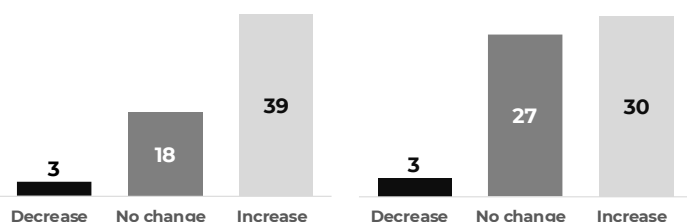
Interest in the automotive industry should come as no surprise; despite the shifting landscape and the major developmental shifts that have transpired and continue, the industry still offers textbook attractive characteristics to the private investment universe:

- Durable cash flow and profitability
- Large structurally essential services and goods market
- Highly fragmented
- Operational levers for value creation

Not only are private and institutional investors currently focused on the automotive and transportation vertical, but their level of focus on the industry as compared to others is outsized.



Conviction Change: Past 5 Years / Next 12-24 Months



Interest in the auto industry accelerated and continues to do so, a trend expected to persist. The forward view may be the most striking. Just 5% of the respondents expect to reduce sector focus. For owners weighing timing, the read is simple: the buyer pool is not only deep today, but is expected to be even more active tomorrow.

Key Takeaways for Investors

The majority of funds have increased and continue to increase focus on the industry. Securing attractive entry points into auto is going to require:

1. Demonstrated increased level of thesis conviction
2. Earlier lifecycle stage relationship efforts

Key Takeaways for Company Owners

You have not missed the boat. Some select auto verticals have experienced recent exuberance, but financial and strategic interest in verticals is cyclical. Broader investor interest in auto is increasing and showing significant positive momentum.

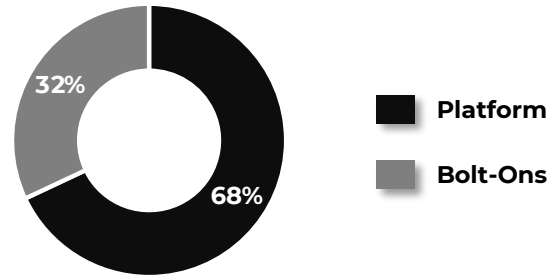
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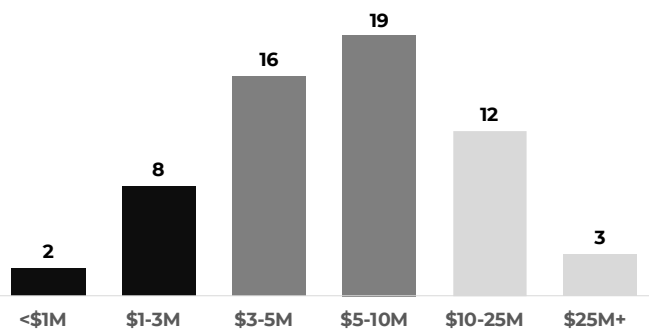
Focus Areas

Platform vs. Bolt-On Interest

Private investors are seeking new platform investments within auto more so than bolt-on acquisitions. This is consistent with there being significant private investment dollars sitting on the sidelines as dry powder, waiting for deployment. This emphasis also speaks to how large, fragmented and ripe for consolidation investors believe the automotive and transportation industries are.



New Platform EBITDA Threshold



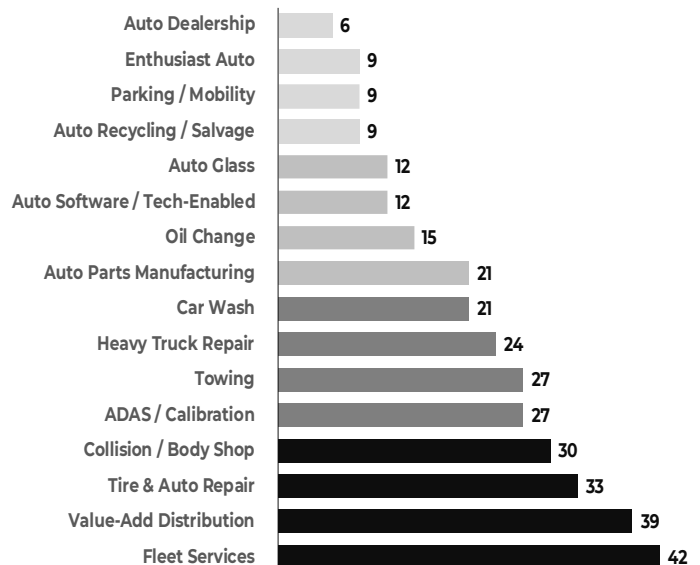
Median minimum platform investment EBITDA thresholds sit right at \$5M - \$10M. This is where investment and check size is substantial enough to warrant attention, but also when there emerges a replicable and scalable management team and corporate infrastructure. That said, there is a motivated buyer set for quality businesses of nearly all sizes.

Vertical Focus

Interest among the different automotive and transportation verticals proved specifically interesting, with many meaningful read-throughs:

- Wide variety in vertical interest
- Services industries ranked highest overall
- Varying profiles (not all those interested in Fleet are also interested in Tire & Auto Repair)

The variety of interest speaks heavily toward private and institutional investors having very different, vertical-specific, not necessarily thematic, outlooks.



Key Takeaways for Investors

- Introducing flexibility and creativity to minimum platform EBITDA threshold will circumvent the most highly competitive subsect.
- Be aware of the focus level on the verticals; it could serve well to best allocate resources.

Key Takeaways for Company Owners

- Use desired platform EBITDA as a guide to steer continued growth vs. exit decisions.
- Your time may be better spent securing an optimal exit and optimal non-compete terms than raising additional capital to continue growth.

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Summary

Executive Conclusion

We are excited to be solely focused on the automotive and transportation sector. We look forward to being able to provide compounding value to owners, executives and investors throughout the expanse of the industry as we continue onward. We trust the overlay of a temporal dimension to this type of analysis will increase usefulness and bring significant value to readers in years to come. Due to this, we will be publishing this report annually, improving and building on it each year.

About Caruso & Co.

Caruso & Co. is the investment bank of the automotive industry, specialized and focused on the \$100M to \$500M enterprise value band across the expanse of the automotive industry. C&C advises on select transactions where complexity, discretion and buyer access matter most.

What We Do

Sell-side M&A Advisory

- Founder-owned representation
- Sponsor-owned representation
- Mergers and joint ventures



Capital Advisory

- Equity advisory
- Debt advisory
- Recapitalizations



Our Experience

13+ Years Investment
Banking Experience

\$2.8B+ M&A
Transaction Value

\$1.4B+
Capital Raised

Our Team

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Participate in the next survey!



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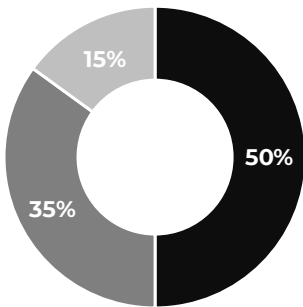
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Closing Notes

Survey Methodology

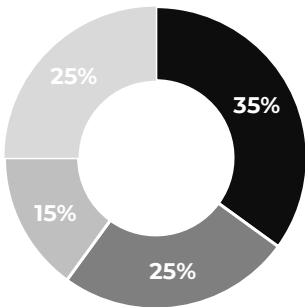
C&C asked the private equity community directly – on priority, conviction, target verticals and check sizes – so owners can see the demand side of the market as clearly as buyers see the supply side. The 2026 edition reflects responses from 60 firms spanning a wide AUM spectrum, weighted toward partner- and MD-level voices. Firm names are withheld to preserve confidentiality. The charts below illustrate the survey methodology Caruso & Co. used in the preparation of this report.

Assets Under Management



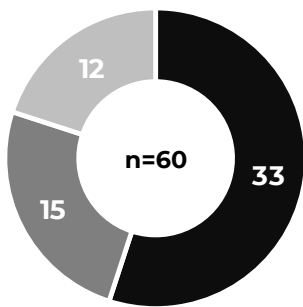
Under \$1B \$1B - 3B \$3B+

Respondent Seniority



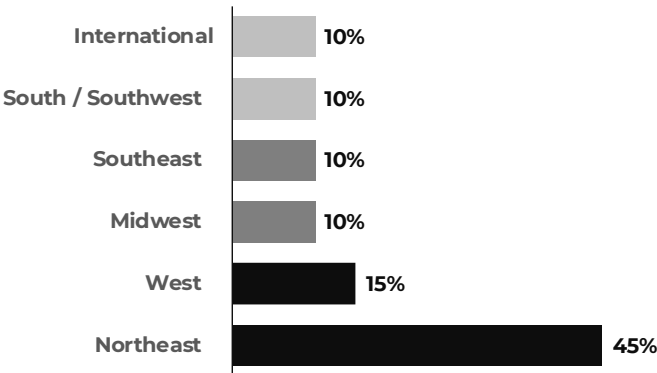
Partner MD / Prin. VP Assoc. / BD

Active Holdings And Interest Level



Yes No, But Actively Exploring No

Headquarters By Region



Disclosures

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