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Thursday, 23 July 2026 | update

Auto Partner: buy (upgraded)

APR PW; APR.WA | Consumer Discretionary, Poland

End of Parts Price Deflation Opens Way to Margin Recovery

We expect the end of the parts price deflation cycle, combined with the zloty's depreciation against the euro, to allow Auto Partner to sustain a marked gross margin recovery over the coming quarters. Following 1Q'26 results, where EBITDA rose 47% y/y to PLN 105m, ca. 32% above both our forecast and consensus, we forecast 2Q'26 EBITDA of ca. PLN 125m (+29% y/y). We have cut our 2026 revenue forecast by ca. 2% while raising the EBITDA estimate by ca. 9%, as higher gross margin more than offsets the softer sales trajectory. We raise our target price to PLN 30.00 and upgrade our recommendation to "buy".

1Q'26 results above expectations

Auto Partner delivered 1Q'26 EBITDA of PLN 105m (+47% y/y) and net profit of PLN 62m (+58% y/y), 44% above our expectations. The key source of the positive surprise was gross margin, which expanded by 2.4pp y/y to 27.8%, with operating costs in line with our assumptions (+10% y/y). The company indicated the improvement stemmed partly from a pricing policy geared toward higher gross profitability, which in our view is structural rather than one-off.

2Q'26 results to show continued margin recovery

We believe 2Q'26 results will show a continuation of the positive gross margin trends, reinforced by the PLN's depreciation against EUR, translating into EBITDA margin expansion of 1.2pp y/y. We accordingly forecast 2Q'26 EBITDA of ca. PLN 125m (+29% y/y) and net profit of PLN 79m (+37% y/y).

Supportive market environment

The operating environment is finally turning supportive, and we see two factors improving the near-term investment case. First, the recent depreciation of the zloty against the euro should support gross margin from 2Q'26 onwards. Second, Motofocus data (link to a publication in Polish) point to auto parts price inflation of +1.5% q/q in Poland in 2Q'26, which implies slightly positive y/y dynamics. We therefore believe the deflationary period that weighed on sector-wide sales growth over recent quarters has ended. The return of price inflation should provide additional support to revenue growth and margins in the coming quarters.

Forecast revisions

We have cut our 2026 revenue expectations by ca. 2%, as year-to-date sales performance has come in below our earlier assumptions. At the same time, given the strong 1Q'26 print and our 2Q'26 estimates, we raise our 2026 EBITDA forecast by ca. 9% and our net profit forecast by ca. 12%. We now expect Auto Partner to deliver 2026 EBITDA of PLN 444m (+32% y/y), placing our forecast ca. 3% above market consensus.

Valuation

Auto Partner currently trades at ca. 12.5x P/E'26, implying a ca. 9% discount to peers. Given the improving earnings momentum, we view this as an attractive level.

Current Price*	PLN 25.90
Target Price	PLN 30.00
MCap	PLN 3.4bn
Free Float	PLN 1.9bn
ADTV (3M)	PLN 3.7m

*Price as of 22 July 2026, 5:00 PM

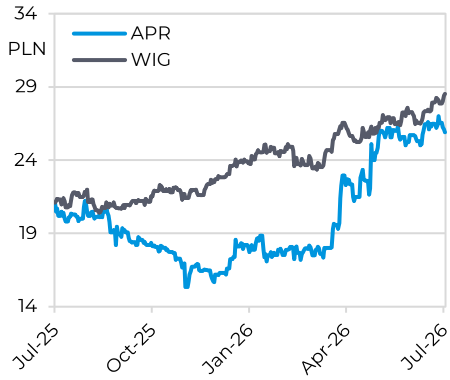
Shareholders

Turzyńska Fundacja Rodzinna	43.6%
OFE NN	10%
OFE PZU Złota Jesień	7.5%
Others	38.9%

About

Auto Partner is a leading distributor of automotive parts in Poland, operating through a branch-based model domestically and a wholesale model in exports. Auto Partner also runs a network of car repair shops under the name 'MaXserwis,' which consisted of 566 locations as of end-2025.

APR vs. WIG



Company	Target Price		Recommendation	
	New	Old	New	Old
Auto Partner	30.00	24.70	Buy	Hold

Company	Current Price*	Target Price	Upside
Auto Partner	25.90	30.00	+16%

*Price as of 22 July 2026, 5:00 PM

Forecast Revision	2026E	2027E	2028E
Revenue	-2.4%	-2.4%	-1.9%
EBITDA	8.9%	6.3%	6.8%
Net profit	12.3%	8.8%	9.1%

(PLN m)	2024	2025	2026E	2027E	2028E
Revenue	4,112.5	4,424.9	4,967.9	5,636.5	6,160.1
EBITDA	343.6	337.2	444.0	501.4	552.8
margin	8.4%	7.6%	8.9%	8.9%	9.0%
EBIT	289.3	280.3	374.1	427.7	472.2
Net profit	208.0	198.9	270.2	312.2	346.7
P/E	16.3	17.0	12.5	10.8	9.8
P/S	0.8	0.8	0.7	0.6	0.5
EV/EBITDA IAS 17	12.3	12.9	9.5	8.2	7.4
EV/EBITDA	11.3	11.8	8.8	7.7	7.0
DPS (PLN)	0.15	0.15	0.15	0.15	0.96
Dividend yield	0.6%	0.6%	0.6%	0.6%	3.7%

Source: mBank, Bloomberg, E – mBank estimates

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Risk Factors

Risk of Prolonged Deflation and Price War

The spare parts distribution market was experiencing basket deflation till Q1'26, negatively impacting reported sales in value terms and intensifying competition. Distributors aiming to grow volumes were increasingly competing on price, leading to a price war. Our 2026 forecasts assume deflation will subside, allowing companies in the sector to improve gross margins. Failure to realize this scenario would weigh on reported results and investor sentiment toward the sector.

Operational Risk, IT Systems Risk

Auto Partner's operations rely on the smooth functioning of its supply chain and warehouse infrastructure. Any disruptions in this area pose a significant risk to the company. Potential interruptions to logistics centres, due to, for example, IT system failures, could seriously disrupt the ability to fulfil deliveries to customers. This would in turn translate into deteriorating financial results and loss of confidence from some customers (particularly workshops expecting timely deliveries).

Technological Risk

Technological changes affecting the automotive sector may indirectly impact Auto Partner's business model. The growing technological complexity of modern vehicles, including electrification, advanced electronic systems, hybrid vehicles, electric drives, forces independent workshops to make continuous investments in technical expertise and equipment. Insufficient adaptation by these workshops, which are a key customer group for Auto Partner, may limit demand for spare parts from the independent distribution channel. An additional risk factor is the possibility of accelerated consolidation in the workshop market, which would increase customer concentration and intensify competition between distributors. Furthermore, a higher share of electric vehicles negatively affects market volumes, as electric vehicles are characterised by fewer serviceable parts (although these parts are more expensive, which positively impacts the pricing component of market evolution). The company partially addresses these risks through development of the MaXserwis programme, under which it offers workshops training and technical support, helping them keep pace with technological changes.

Regulatory Risk

In September 2025, the EU Data Act regulation came into force. This regulation aims to increase vehicle users' control over data generated by their cars and establish rules for third-party access to this data.

The Data Act risk for Auto Partner stems from uncertainty regarding the practical implementation of the regulation and further legal interpretations, which may limit effective access to vehicle data by independent workshops, thereby favouring the ASO segment. Although the Data Act formally provides for users' rights to share data with independent workshops, car manufacturers may use various technical and legal safeguards such as intellectual property protection or security requirements, which in practice will make it difficult or delay full sharing of critical data necessary for repairs. There is also a risk that the process of implementing regulations designed to clarify data access rules will be delayed or unfavourable for independent workshops. Moreover, lack of uniform standards between manufacturers' systems may cause market fragmentation. For independent workshops and, consequently, for Auto Partner, this may mean increased operational challenges and potential limitation of the spare parts market for independent entities. Rising costs of service and limitations in data access may affect aftermarket dynamics.

FX Risk

Auto Partner settles more than half of its goods purchases and operating expenses in foreign currencies (the three main currencies aside from PLN are EUR, USD) according to 2025 data. At the same time, the company generates about a half of its sales in foreign currencies (mainly EUR, CZK, HUF, RON). A sudden and sharp appreciation in PLN against EUR could have a temporary negative impact on gross margins.

Trade War Risk

A significant portion of the Auto Partner's private label inventory comes from Asian markets (during investor days in 2024, the company indicated that approximately 90% of private label products are imported from China), making the company vulnerable to changes in the regulatory environment related to the international trade. Potential tariff increases and changes in import procedures may translate into higher costs of goods procurement and limited availability, which could consequently negatively impact the company's margins and financial results.

Competition Risk

There is a risk of foreign wholesale distributors entering the Polish market due to expected attractive market dynamics compared to Western European markets. International competitors, having greater scale and capital, could offer more favourable purchasing terms. Such a scenario would increase pricing pressure and limit Auto Partner's further growth potential. Interest in the Polish market from international players is evident. In 2018, MEKO entered the Polish market through acquisition of Inter Team, and in 2024 it increased its market share by buying Elit Polska from LKQ, MEKO's largest shareholder.

Risk of Changes to Supplier Bonus Policy

A factor positively affecting Auto Partner's profitability are premiums and bonuses received from suppliers depending on order size. Changes to this policy in the form of reduced bonus levels would have a clearly negative impact on results and could force correction of pricing policy towards customers and consequently limit demand. The company mitigates this risk through diversification of its supplier base (over 350 contractors) and active participation in marketing actions co-financed by manufacturers, which helps maintain negotiating advantage.

Climate Risk

Extreme weather events may disrupt operations at selected branches. In 2024, Auto Parter's branch in the town of Kłodzko was affected by a massive flood that struck part of south-western Poland. Auto Partner takes measures to mitigate risk by taking out insurance covering natural disasters, which can help to minimise the potential financial consequences of incidental events.

Infrastructure Risk

Auto Partner's operations rely on a key warehouse in Bieruń, which serves as the Group's main logistics centre. Operation of this location involves a risk of losing the right to use the property, as the company is not its owner but rents the warehouse. Potential disruptions in access to the facility could generate additional relocation costs. In 2024, however, a new lease agreement was concluded with the existing owner for another 10 years, i.e. until 30 May 2034, which significantly reduces a short-term operational risk associated with loss of this location. Furthermore, there is concentration of inventory at the Bieruń warehouse, which in case of random events, such as a fire, could negatively impact the company's operations in the short term.

Vertical Integration Risk in Spare Parts Distribution

A market risk for the company is the possibility of distribution networks being taken over by parts manufacturers. In such a case, suppliers could limit access to their offerings to competing wholesalers, favouring their own sales channels. This type of change in market model would translate to a risk of gradual loss of access to parts of the assortment for Auto Partner, which on one hand would limit revenues, and on the other could force increased expenditure on developing private labels and obtaining alternative supply sources. To mitigate these risks, the company builds a broad supplier base (over 350 contractors), which reduces dependence on individual manufacturers. Furthermore, participation in the GlobalOne Automotive purchasing group gives the company access to a wide range of parts and strengthens its negotiating position.

Risk of Competitive Activity by an Entity Operating a Branch

There is a risk that after termination of agency agreement with an entity operating one of the branches, it may undertake competitive activity in relation to Auto Partner. This may cause customer outflow to the new entity, significantly negatively affecting the company's results.

Risk of Economic Slowdown

Potential economic growth slowdown may negatively impact demand dynamics for spare parts. In a situation of deteriorating economic conditions, consumers and businesses may limit expenditure on vehicle repairs and upgrades, which will translate into lower sales and pressure on the company's margins.

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Valuation

Using DCF analysis and relative valuation, we set our 12-month per-share price target for Auto Partner at PLN 30.00.

Valuation Summary

(PLN)	Weight	Valuation
relative valuation	50%	25.04
DCF Analysis	50%	29.82
	Price	27.43
	12M Target Price	**30.00**

Source: mBank

Multiples Comparison

We compared Auto Partner's valuation to the valuations of global and domestic aftermarket companies. The comparison uses P/E and EV/EBITDA multiples. EV/EBITDA is calculated according to IAS 17.

Multiples Comparison

	EV/EBITDA			P/E		
	2026E	2027E	2028E	2026E	2027E	2028E
O'REILLY AUTOMOTIVE INC	18.5	17.5	16.2	27.0	24.3	21.8
AUTOZONE INC	13.1	11.9	11.3	20.0	17.2	15.4
GENUINE PARTS CO	9.5	9.0	8.2	15.5	14.4	13.1
LKQ CORP	6.4	5.7	5.5	8.4	7.5	7.2
ADVANCE AUTO PARTS INC	5.9	5.0	4.5	18.8	14.0	11.4
MEKO AB	4.5	3.7	2.3	9.5	6.1	6.1
CARPARTS.COM INC	-	-	-	-	-	-
OPONEO.PL SA	7.1	6.5	5.9	11.2	10.3	9.5
INTER CARS SA	8.8	7.6	6.6	11.9	10.1	9.0
maximum	18.5	17.5	16.2	27.0	24.3	21.8
minimum	4.5	3.7	2.3	8.4	6.1	6.1
median	**7.9**	**7.0**	**6.3**	**13.7**	**12.1**	**10.5**
APR	9.5	8.2	7.4	12.5	10.8	9.8
premium / discount	20.3%	17.3%	17.5%	-8.3%	-10.8%	-6.8%
Implied valuation of Auto Partner						
Implied valuation of Auto Partner	21.3	21.9	21.9	28.3	29.0	27.8
Multiple weight		50%			50%	
Year weight	33%	33%	33%	33%	33%	33%
Equity value per share (PLN) **25.0**						

Source: mBank, Bloomberg

DCF Valuation

DCF model assumptions:

- The DCF valuation is based on free cash flow projection for the 2026–2035 period.
- Cash flow is discounted at the end of July 2026. Equity value calculations factor in net debt as of the end of 2025, excluding leases (PLN 254m).
- In the terminal period, depreciation excluding leases according to IFRS 16 is equal to CAPEX.
- Risk-free rate in the terminal period = 4.5%, beta=1.0x.
- We assume an FCF growth rate of 2.5% after 2035.
- We include an equity risk premium of 5.25%.

DCF Model

(PLN m)	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	+
Revenue	**4,967.9**	**5,636.5**	**6,160.1**	**6,710.5**	**7,287.7**	**7,872.3**	**8,462.5**	**9,056.8**	**9,654.0**	**10,147.2**	
change	12.3%	13.5%	9.3%	8.9%	8.6%	8.0%	7.5%	7.0%	6.6%	5.1%	
EBITDA (IAS 17)	**374.0**	**427.1**	**472.6**	**515.8**	**554.0**	**592.0**	**637.5**	**683.4**	**729.6**	**767.8**	
EBITDA margin	7.5%	7.6%	7.7%	7.7%	7.6%	7.5%	7.5%	7.5%	7.6%	7.6%	
D&A expenses (IAS 17)	22.2	22.4	24.5	26.7	29.0	31.3	33.7	36.0	38.4	40.3	
EBITDA (IAS 17)	**351.7**	**404.7**	**448.1**	**489.2**	**525.0**	**560.7**	**603.9**	**647.4**	**691.2**	**727.4**	
Tax on EBIT	70.3	80.9	89.6	97.8	105.0	112.1	120.8	129.5	138.2	145.5	
NOPLAT	**281.4**	**323.7**	**358.4**	**391.3**	**420.0**	**448.5**	**483.1**	**517.9**	**553.0**	**582.0**	
CAPEX	-54.0	-55.1	-56.2	-57.3	-58.5	-59.6	-60.8	-62.0	-63.3	-64.5	
Working capital	-148.0	-218.6	-153.1	-130.9	-147.3	-142.9	-135.5	-147.8	-143.9	-97.9	
FCF	**101.7**	**72.4**	**173.7**	**229.8**	**243.2**	**277.3**	**320.4**	**344.1**	**384.2**	**459.8**	**514.8**
WACC	8.9%	9.5%	9.8%	10.5%	11.0%	10.6%	11.4%	11.4%	11.7%	12.1%	
Discount factor	0.96	0.88	0.80	0.73	0.65	0.59	0.53	0.48	0.43	0.38	
PV FCF	98.1	63.8	139.4	166.9	159.1	164.0	170.2	164.0	163.9	175.1	
WACC	**8.9%**	**9.5%**	**9.8%**	**10.5%**	**11.0%**	**10.6%**	**11.4%**	**11.4%**	**11.7%**	**12.1%**	**9.8%**
Cost of debt	4.7%	5.3%	5.6%	6.2%	6.8%	6.3%	7.1%	7.2%	7.5%	7.8%	5.5%
Risk premium	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Effective tax rate	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Net debt/EV	5.1%	3.9%	2.7%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cost of equity	9.2%	9.7%	10.0%	10.5%	11.0%	10.6%	11.4%	11.4%	11.7%	12.1%	9.8%
Risk premium	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
beta	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0

FCF growth after the forecast period (g)	2.5%
Terminal value	7,100.7
Present value of terminal value	2,704.0
Present value of FCF in the forecast period	1,464.6
Enterprise value	4,168.6
Net debt (IAS 17)	253.8
Dividend distributions	-19.6
Minority interest	0.0
Equity value	3,895.2
Shares outst. (millions)	130.6
Equity value per share (PLN)	**29.8**
12M cost of equity	9.2%
Target price (PLN)	**32.6**

EV/EBITDA('26E) at target price	10.0
P/E('26E) at target price	14.5
TV / EV	64.9%

Source: mBank

Sensitivity Analysis

	FCF growth in perpetuity				
	1.50%	2.00%	2.50%	3.00%	3.50%
WACC +1.0 p.p.	28.6	29.2	29.8	30.6	31.4
WACC +0.5 p.p.	29.7	30.3	31.1	32.0	33.0
WACC	30.9	31.7	32.6	33.6	34.8
WACC -0.5 p.p.	32.2	33.2	34.2	35.5	37.0
WACC -1.0 p.p.	33.7	34.9	36.2	37.7	39.5

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Business Update

2026 Q1 Financial Results

Auto Partner released Q1'26 results, delivering a powerful earnings beat vis-à-vis consensus and our expectations.

EBITDA for the quarter registered year-over-year growth of 47% and came in at PLN 105m, about 32% ahead of consensus. The positive surprise relative to our forecasts was driven mainly by a stronger-than-expected annual pace of gross margin expansion at an impressive +2.4 pp. Costs were in line with expectations.

Auto Partner attributes the improvement in gross margin to a pricing policy aimed at maximizing sales margins, among other things, suggesting the higher margins might be sustainable over future quarters.

- Auto Partner generated **sales** of PLN 1.2bn in Q1'26 (+0% y/y), consistent with monthly sales reports.
- The quarterly **gross margin** was 27.8%, implying a 2.4pp y/y expansion versus our expectation of only a 40bp increase.
- **EBITDA** came in at PLN 105m (+47% y/y) – a result 32% ahead of our expectations and the market consensus. The upside versus our forecast was driven mainly by gross margin outperformance. Operating expenses in Q1'26 increased ca. 10% y/y, in line with our estimates.
- **Net profit** at PLN 62m (+58% y/y) showed a 39% beat versus consensus and exceeded our forecast by 44%.
- **Inventories** increased by ca. 7% y/y to PLN 1.3bn in Q1'26.
- **Net debt** ended at ca. PLN 450m, or 1.2x EBITDA.
- **Operating cash flow** totalled PLN 158m (+37% y/y).

2026 Q1 results vs. expectations

(PLN m)	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Y/Y	Q1'26E	diff.	Cons.	diff.
Revenue	1 073,3	1 141,2	1 136,5	1 073,9	1 170,0	9,0%	1 169,1	0,1%	1 170,6	-0,1%
Gross profit	272,6	306,2	294,0	302,3	324,9	19,2%	301,7	7,7%	-	-
Gross margin	25,4%	26,8%	25,9%	28,1%	27,8%	+2,4 p.p.	25,8%	-	-	-
EBITDA	71,0	96,5	83,6	86,1	104,6	47,2%	79,0	32,4%	79,5	31,6%
EBITDA margin	6,6%	8,5%	7,4%	8,0%	8,9%	+2,3 p.p.	6,8%	-	-	-
EBIT	56,5	81,8	70,8	71,2	88,1	56,0%	62,8	40,3%	64,2	37,2%
EBIT margin	5,3%	7,2%	6,2%	6,6%	7,5%	+2,3 p.p.	5,4%	-	5,5%	-
Net profit	39,2	57,9	49,2	52,6	62,1	58,3%	43,1	44,0%	44,8	38,6%
Net debt	460	385	443	588	450	-2,2%				
Net debt/EBITDA LTM	1,3x	1,1x	1,3x	1,7x	1,2x	-				
D&A	15	15	13	15	16	13,2%				
Working capital change	52	33	-74	-165	71	36,4%				
OCF	116	123	-2	-85	158	36,8%				
CAPEX	-9	-10	-10	-9	-9	-3,8%				
Leasing	-9	-9	-12	-14	-16	65,3%				
Interest expense	-9	-8	-7	-8	-11	21,7%				

Source: Auto Partner, E – estimates by mBank, PAP consensus

Forecast of 2026 Q2 Results

We assume that the depreciation of the PLN against the EUR supported Auto Partner's gross margin in Q2'26. As a result, we expect EBITDA margin to expand by around 1.2ppt y/y, driving nominal EBITDA growth of about 30% y/y

- **Publication date.** Auto Partner will report Q2'26 results on Thursday, September 17, 2026.
- **Sales.** Based on monthly sales reports, we expect Auto Partner to report sales of ca. PLN 1.3bn in Q2'26 (+13% y/y).
- **Gross margin** will most likely post year-over-year expansion of 120 bps to 28.0%.
- **EBITDA.** Auto Partner booked a ca. 10% y/y increase in OPEX in Q1'26, and we expect a continued upward trajectory in Q2'26 at a pace of 13% y/y. That would imply a flat SG&A-to-sales ratio y/y. After all this, EBITDA for the quarter is projected at about PLN 125m, implying an increase in EBITDA margin of about 120bps y/y.
- **Net profit.** After net financing costs of an estimated PLN 8m, and an effective tax rate of 20%, we expect Auto Partner to post a net profit of PLN 79m in Q2'26, up 37% from a year ago.

Forecast of Q2 2026 results of Auto Partner

(PLN m)	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26E	Y/Y
Revenue	1,073.3	1,141.2	1,136.5	1,073.9	1,170.0	1,289.0	13.0%
Gross profit	272.6	306.2	294.0	302.3	324.9	361.3	18.0%
Gross margin	25.4%	26.8%	25.9%	28.1%	27.8%	28.0%	+1.2 p.p.
EBITDA	71.0	96.5	83.6	86.1	104.6	124.7	29.2%
EBITDA margin	6.6%	8.5%	7.4%	8.0%	8.9%	9.7%	+1.2 p.p.
EBIT	56.5	81.8	70.8	71.2	88.1	107.4	31.3%
EBIT margin	5.3%	7.2%	6.2%	6.6%	7.5%	8.3%	+1.2 p.p.
Net profit	39.2	57.9	49.2	52.6	62.1	79.4	37.0%

Source: Auto Partner, E – mBank estimates

P&L

(PLN m)	2024	2025	2026E	2027E	2028E
Sales	**4,112.5**	**4,424.9**	**4,967.9**	**5,636.5**	**6,160.1**
COGS	-2,985.3	-3,249.8	-3,580.5	-4,068.0	-4,445.9
Gross profit	1,127.2	1,175.1	1,387.4	1,568.4	1,714.1
Margin	27.4%	26.6%	27.9%	27.8%	27.8%
SG&A	-831.4	-889.2	-1,009.9	-1,137.0	-1,238.5
Other	-6.6	-5.6	-3.4	-3.7	-3.4
EBITDA (IAS 17)	**297.1**	**282.4**	**374.0**	**427.1**	**472.6**
EBITDA	**343.6**	**337.2**	**444.0**	**501.4**	**552.8**
Margin	8.4%	7.6%	8.9%	8.9%	9.0%
D&A	-54.3	-56.9	-70.0	-73.7	-80.6
EBIT	**289.3**	**280.3**	**374.1**	**427.7**	**472.2**
Margin	7.0%	6.3%	7.5%	7.6%	7.7%
Net financing costs	-30.6	-32.8	-36.3	-37.4	-38.9
Pre-tax profit	258.6	247.6	337.8	390.3	433.4
Tax	-50.7	-48.6	-67.6	-78.1	-86.7
Minority interests	0.0	0.0	0.0	0.0	0.0
Net profit	**208.0**	**198.9**	**270.2**	**312.2**	**346.7**

Balance Sheet

(PLN m)	2024	2025	2026E	2027E	2028E
Fixed assets	**422.5**	**564.8**	**599.7**	**646.6**	**690.4**
PP&E	381.3	524.6	560.0	609.5	658.4
Intangible assets	34.9	33.5	33.5	33.5	33.5
Other	6.3	6.6	6.1	3.6	-1.5
Current assets	**1,603.4**	**1,765.8**	**2,065.0**	**2,378.4**	**2,622.8**
Accounts receivable	420.9	497.1	558.1	633.2	692.0
Inventory	1,120.2	1,195.1	1,316.7	1,496.0	1,635.0
Cash	38.6	51.6	164.7	219.9	263.3
Other	23.8	22.0	25.5	29.3	32.5
Equity	**1,234.3**	**1,413.9**	**1,664.5**	**1,957.2**	**2,179.0**
Minority interests	0.0	0.0	0.0	0.0	0.0
Noncurrent liab.	**376.4**	**463.3**	**506.9**	**533.7**	**550.9**
Loans and borrowings	158.3	143.1	183.1	193.1	193.1
Leases	176.4	277.2	280.8	297.6	314.9
Other	41.7	43.0	43.0	43.0	43.0
Current liabilities	**415.2**	**453.4**	**493.2**	**534.2**	**583.3**
Loans and borrowings	155.4	162.4	162.4	162.4	162.4
Leases	36.5	56.8	56.8	56.8	56.8
Trade payables	145.1	145.1	179.7	215.5	260.2
Other	78.2	89.3	94.4	99.6	104.0
Net debt	**488.0**	**587.8**	**518.4**	**489.8**	**463.7**
Net debt/EBITDA	1.4	1.7	1.2	1.0	0.8
ND/IAS 17 EBITDA	0.9	0.9	0.5	0.3	0.2

Source: mBank

Cash Flow

(PLN m)	2024	2025	2026E	2027E	2028E
Oper. CF	**124.2**	**152.0**	**228.5**	**204.7**	**313.0**
Pre-tax profit	258.6	247.6	337.8	390.3	433.4
D&A	54.3	56.9	70.0	73.7	80.6
Tax	-40.1	-34.4	-67.6	-78.1	-86.7
working capital	-179.6	-153.6	-148.0	-218.6	-153.1
Financing costs	29.1	33.7	36.3	37.4	38.9
Other	1.9	1.8	0.0	0.0	0.0
Investing CF	**-45.4**	**-33.7**	**-52.3**	**-53.7**	**-55.0**
CAPEX	-45.8	-37.5	-54.0	-55.1	-56.2
Other	0.4	3.8	1.7	1.4	1.2
Financing CF	**-77.6**	**-105.2**	**-63.1**	**-95.8**	**-214.7**
Financing costs	-29.0	-32.9	-36.3	-37.4	-38.9
Dividend	-19.6	-19.6	-19.6	-19.6	-124.9
Leases	-43.7	-44.4	-47.2	-48.8	-50.9
Other	14.7	-8.3	40.0	10.0	0.0
CF	**1.2**	**13.0**	**113.1**	**55.3**	**43.4**
OCF/EBITDA	36.1%	45.1%	51.5%	40.8%	56.6%
FCFF	34.7	70.1	127.3	100.8	205.9
FCFF/EV	**0.9%**	**1.8%**	**3.3%**	**2.6%**	**5.4%**
FCFE	5.7	37.1	91.0	63.5	167.1
FCFE/MCAP	**0.2%**	**1.1%**	**2.7%**	**1.9%**	**4.9%**
ROIC	**14.5%**	**12.2%**	**14.5%**	**15.0%**	**15.0%**
ROCE	**19.6%**	**16.1%**	**18.5%**	**18.3%**	**18.1%**
Div. Payout Ratio	8.8%	9.4%	9.8%	7.3%	40.0%
Dyield	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**3.7%**

Key Ratios

	2024	2025	2026E	2027E	2028E
P/E	16.3	17.0	12.5	10.8	9.8
EV/EBITDA	**11.3**	**11.8**	**8.8**	**7.7**	**7.0**
EV/EBITDA (IAS 17)	**12.3**	**12.9**	**9.5**	**8.2**	**7.4**
P/S	**0.8**	**0.8**	**0.7**	**0.6**	**0.5**
P/BV	2.7	2.4	2.0	1.7	1.6
P/CF	-	259.8	29.9	61.2	78.0
P/FCFE	**589.3**	**91.1**	**37.2**	**53.3**	**20.2**
EBITDA Y/Y chng.	**-0.8%**	**-1.8%**	**31.7%**	**12.9%**	**10.2%**
Net margin	5.1%	4.5%	5.4%	5.5%	5.6%
Net profit Y/Y chng.	**-7.0%**	**-4.3%**	**35.8%**	**15.6%**	**11.0%**
Price (PLN)	25.9	25.9	25.9	25.9	25.9
Shares outst. (m)	130.6	130.6	130.6	130.6	130.6
mCap	3,383	3,383	3,383	3,383	3,383
EV	3,871	3,971	3,901	3,873	3,847

List of abbreviations and ratios used by mBank:
EV (Enterprise Value) – Equity Value + Net Debt; **EBIT** – Earnings Before Interest and Taxes; **EBITDA** – EBIT + Depreciation & Amortisation; **Net Debt** – Borrowings + Debt Securities + Interest-Bearing Loans - Cash and Cash Equivalents; **P/E** (Price/Earnings) – Price Per Share Divided by Earnings Per Share; **P/CE** (Price to Cash Earnings) – Price Per Share Divided by Earnings + Depreciation & Amortisation; **P/B** (Price to Book Value) – Price Per Share Divided by Book Value Per Share; **P/CF** (Price to Cash Flow) – Price Divided by Cash Flow from Operations; **ROE** (Return on Equity) – Earnings Divided by Shareholders' Equity; **ROCE** (Return on Capital Employed) – EBIT / (Average Assets - Current Liabilities); **ROIC** (Return on Invested Capital) – EBIT x (1-Tax Rate) / (Average Equity + Minority Interest + Net Debt); **FCFF** (Free Cash Flow to Firm) – Cash Flow from Operations - CAPEX - Lease Payments; **FCFE** (Free Cash Flow to Equity) – Free Cash Flow to Firm - Net Interest Expense (incl. Debt + Leases); **EBITDA margin** – EBITDA/Sales; **E** - mBank estimates

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Discounted Dividends (DDM) – discounting of future dividends; the weak point is high sensitivity to changes in the assumptions as to future dividends made in the valuation model.
NAV - valuation based on equity value, one of the most frequently used method in case of developing companies; the weak point of the method is that it does not factor in future changes in revenue/profits of a company.

PEERS – O'Reilly Automotive, Autozone, Genuine Parts, LKQ, Advance Auto Parts, Mekonomen, Carparts.Com, Oponeo.Pl, Inter Cars.

mBank issued the following recommendations for Auto Partner in the 12 months prior to this publication:

Auto Partner (Janusz Pięta)

Rating	**hold**	**buy**	**buy**
Rating date	2026-05-05	2025-11-21	2025-09-12
Target price (PLN)	24.70	22.50	25.00
Price on rating day	22.80	16.96	19.76

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