

Morgan Business Sales Releases 2026 M&A Report on Australia's Automotive Services Sector

Morgan Business Sales has released its 2026 M&A overview of Australia's smash repair and automotive parts sectors.

QUEENSLAND, QLD, AUSTRALIA, July 10, 2026 /EINPresswire.com/ -- [Morgan Business Sales](#), a licensed business brokerage specialising in mid-market mergers and acquisitions across Australia, has published the full report

here <https://morganbusinesssales.com/2026-australian-automotive-services-ma-overview/> and made it available without charge to business owners, operators, and investors active in the automotive services sector.



The report arrives at a pivotal moment for two of Australia's most transaction-ready industries. The smash repair sector — commonly referred to as panel beating — generated an estimated \$9.6 billion in revenue during FY2025–26 and comprises 18,889 registered businesses, the overwhelming majority of which are owner-operated single sites. That structural fragmentation, combined with a national vehicle fleet exceeding 22 million registered vehicles and 260 billion kilometres driven annually, has made the sector an increasingly prominent target for institutional consolidation. Australia's broader automotive industry contributes more than \$40 billion to GDP each year, while the automotive aftermarket parts market was valued at approximately \$12 billion in 2024.

Investor appetite is no longer theoretical. More than 130 private equity firms globally had expressed interest in entering the collision repair sector as of 2025. In Australia, that appetite has translated into direct market activity. Bain Capital made an unsolicited \$1.83 billion bid for Bapcor in mid-2024, representing a 23.9 percent premium, before the offer was rejected. AMA Group raised \$125 million in July 2024 and has since accelerated its acquisition programme, purchasing Hondat Smash Repairs in March 2025 and Bodyline Crash Repairs in May 2025. The company also renewed its agreement with Suncorp, adding 12 new locations and an estimated 40,000 additional annual repairs to its network.

Valuation benchmarks documented in the report reveal a market with pronounced stratification. Independent single-site operators without insurer panel relationships are currently transacting at EBITDA multiples of 2.0 to 3.5 times. Businesses holding insurer preferred repairer status attract 3.0 to 5.0 times EBITDA at the single-site level and 4.0 to 6.0 times across multi-site portfolios. Shops with prestige, electric vehicle, or advanced driver assistance system certifications command premiums of 4.5 to 7.0 times EBITDA, while specialist EV and ADAS parts operators are achieving multiples of 5.0 to 8.0 times. The report identifies insurer preferred repairer panel status as the single most consequential valuation driver in any transaction. A representative deal cited in the report involves a Melbourne-based multi-site operator whose six-location business with \$2.4 million in gross profit was successfully sold, illustrating the appetite for scaled, insurer-aligned assets.

The total loss rate for motor claims reached approximately 24 percent in the first quarter of 2025, placing additional pressure on repair volumes even as the average age of the national vehicle fleet climbed past 10.1 years. Simultaneously, the increasing prevalence of ADAS technology and electric vehicles is bifurcating the market between high-technology shops capable of meeting manufacturer certification requirements and traditional workshops that lack the equipment or training to service these vehicles. This divergence is accelerating exit planning among older owner-operators who cite labour scarcity and technology complexity as primary motivations for sale.

The workforce dimension of the report is equally striking. The automotive industry is currently short approximately 40,000 workers, comprising 27,000 qualified technicians and 13,500 apprentices. Forty-seven percent of all automotive workshops are actively hiring technicians, and roughly every second workshop lacks at least one qualified repairer. The panel beater trade has been formally listed on the national Skills Priority List as of 2024, underscoring the structural nature of the shortage rather than a cyclical fluctuation.

On the parts supply side, Motor Vehicle Parts Retailing generated \$7.1 billion in revenue during FY2024–25, while the dismantling and used parts wholesale segment produced \$1.7 billion and is growing at a compound annual rate of 4.5 percent. Projections for the broader aftermarket parts sector indicate a 4.2 percent CAGR through 2028, supported by an ageing fleet, rising repair complexity, and sustained vehicle ownership levels.

Morgan Business Sales is a licensed business broker with a dedicated focus on mid-market M&A transactions across Australia. Business owners, operators, and investors seeking a confidential discussion regarding the findings of the report or the current transaction landscape may contact the firm at 1300 577 297, by email at support@morganbusinesssales.com, or through the firm's website at morganbusinesssales.com.

Dru Morgan
Morgan Business Sales
[email us here](#)

Visit us on social media:

[LinkedIn](#)

[Facebook](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/919554293>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2026 Newsmatics Inc. All Right Reserved.