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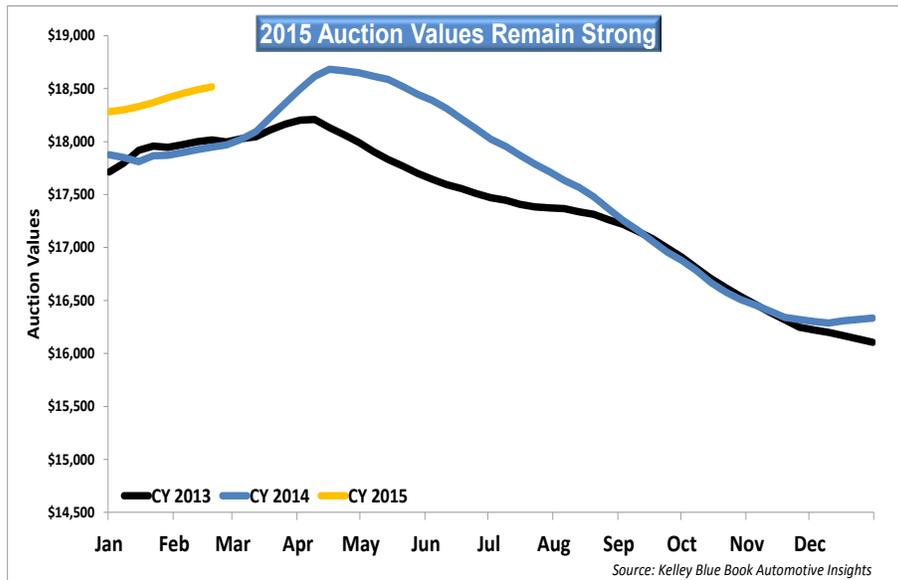
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USED-CAR MARKET ANALYSIS:

Auction Values Continue to Climb in February 2015



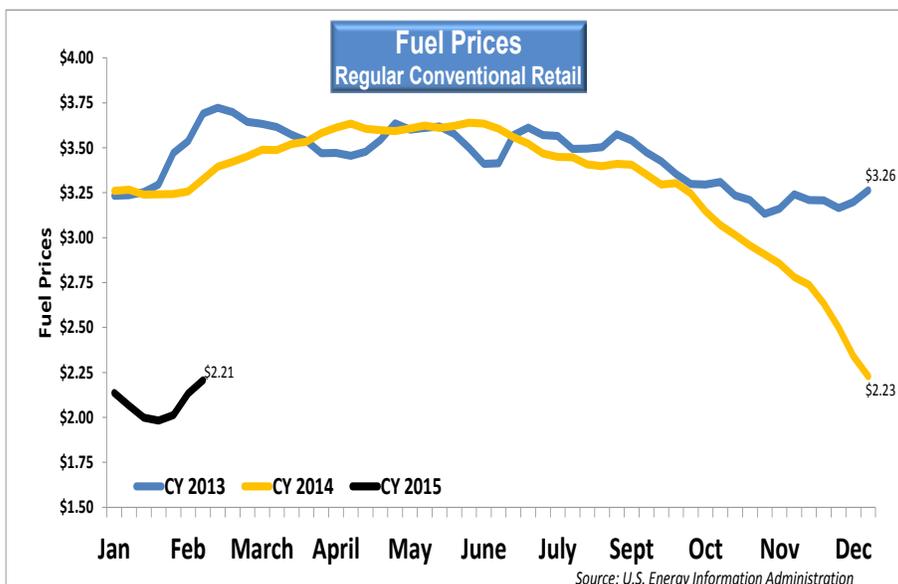
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- Average auction values started the year 2.3 percent higher than in 2014 and have continued to trend upward to 3.2 percent higher than this time last year.
- Since the beginning of the year, the average used-car auction value has increased by a total of \$235, compared to a gain of \$72 for the same period last year.
- The segments that are performing well this year have been the sports car segment (up 3.7 percent), compact (up 2.1 percent), mid-size (up 2.8 percent) and full-size (up 2.6 percent) crossover segments, and the full-size car segment (up 2.3 percent).

“The crossover segments are doing well so far this year as consumers continue to trend toward smaller, more fuel-efficient utility vehicles,” said Sean Foyil, analyst for Kelley Blue Book.

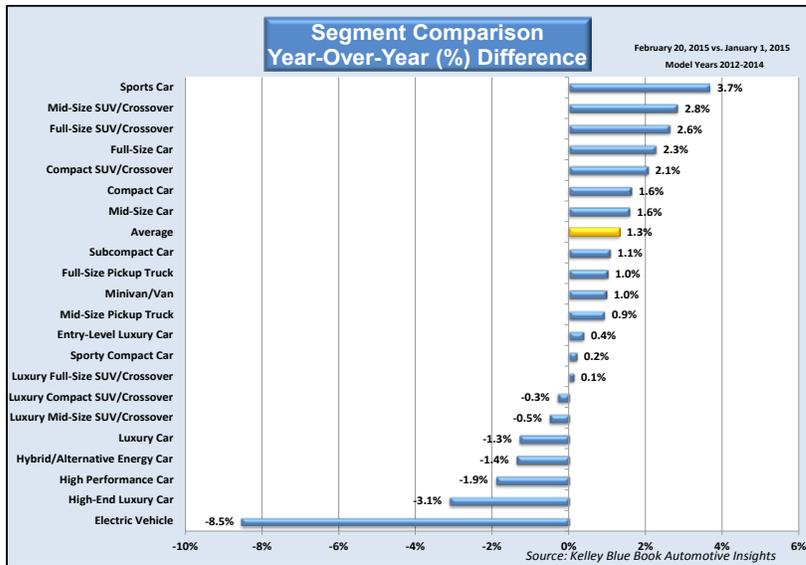
Fuel Prices Rally in February 2015, Remain Down 34 Percent Year-Over-Year



- The national average price for a gallon of gasoline rallied in February, rising by an average of 22 cents per gallon to \$2.21 nationally, on the back of a 15 cent decline in January of this year.
- From a year-over-year perspective, the average price for fuel is down \$1.12 or 34 percent.

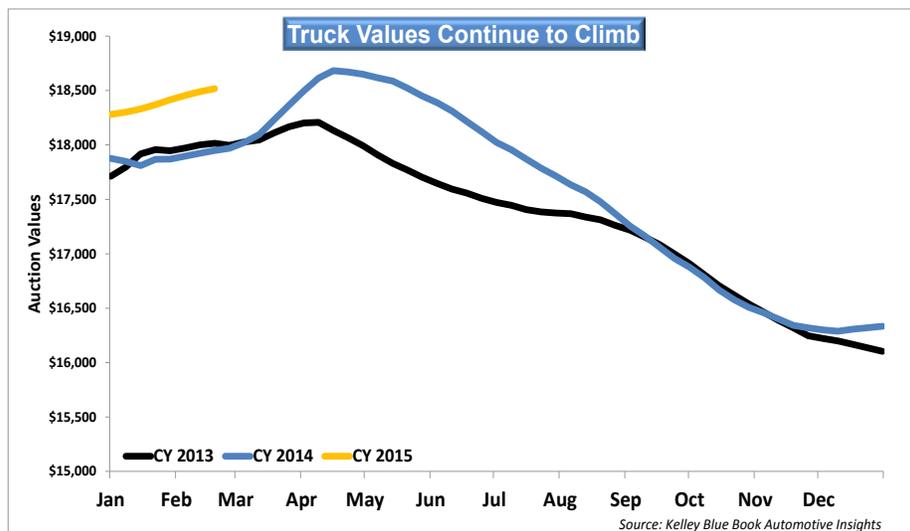
“Low fuel prices are continuing to drive demand away from electric and hybrid segments; however, truck and crossover segments have gained significant momentum since the start of the year. Average values for both segments are up 0.8 percent and 1.9 percent respectively for the month,” said Foyil.

Crossover Segments Report Largest Gains in 2015

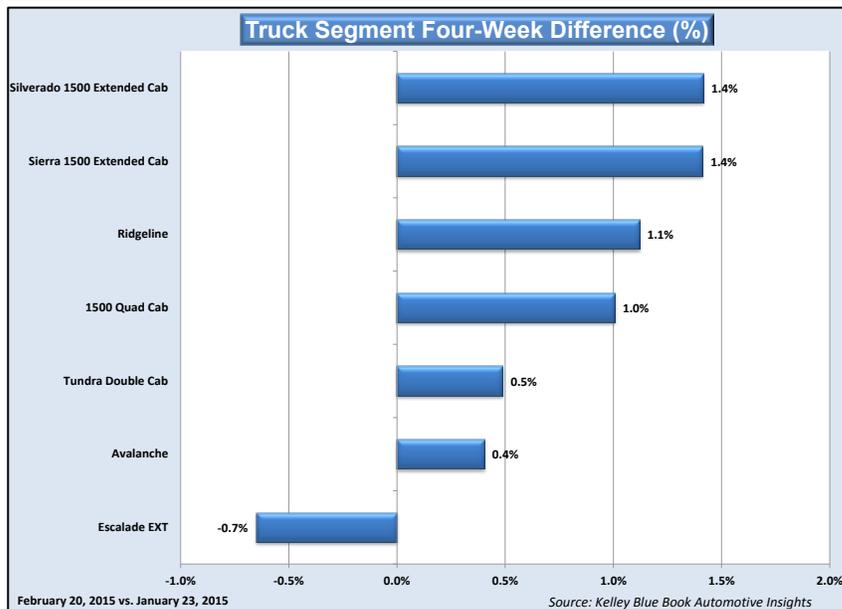


- As a group, the compact, mid-size and full-size crossover segments have had a great start to 2015, averaging a 2.5 percent increase since December 2014.
- The top five vehicles within the crossover segments that are really pulling ahead include the Ford Flex (up 5.7 percent), Ford Edge (up 5.3 percent), Nissan Murano (up 5.3 percent), GMC Terrain (up 4.8 percent) and the Ford Escape (up 4.7 percent).

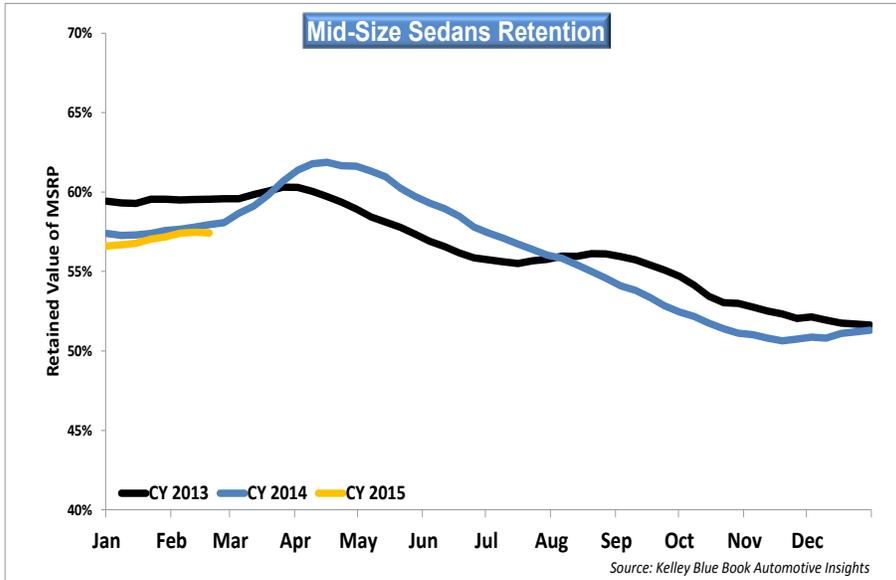
Full-Size Pickup Truck Values Continue to Increase in 2015



- Values for used full-size trucks continue to increase in February, ending the month 0.8 percent above January 2015 values, placing truck values 11.4 percent higher than February 2014 and 13.5 percent higher than February 2013.
- All models in the segment have increased in value during the last four weeks, except for the Cadillac Escalade EXT.
 - This may be due to strength in the construction sector, which would not have much positive effect on the Escalade EXT, as it is considered a luxury truck rather than a work truck.
 - Privately owned housing units authorized by building permits increased 0.7 percent in January compared to December 2014, and are up 8.1 percent year-over-year from January 2014.



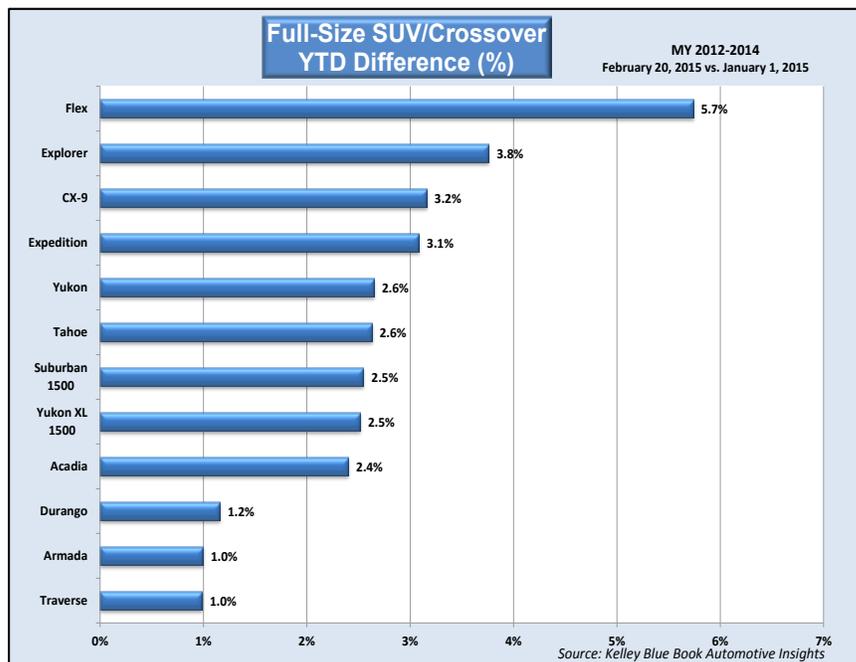
2015 Mid-Size Sedan Auction Retention Lower Than Previous Years



Despite the overall average auction values being higher than this time last year, Kelley Blue Book is seeing the average retention for mid-size sedans remaining lower than in previous years.

“One cause for the drop in retention can be attributed to an increase in lease returns for mid-size sedans in the auction lanes,” said Foyil. “Another consideration is that there were many redesigns in the mid-size segment throughout 2013, which in turn led to higher average transaction prices, resulting in a stronger overall retention. As these redesigns mature and become adopted in the market, values will typically begin to level off, causing a natural decline in retention.”

Ford Flex Leads Full-Size Crossover/SUV Segment



- Recent data shows that the Ford Flex has become a leader in the full-size crossover/SUV segment. The Flex is leading the segment year-to-date with a 5.7 percent increase since December and has appreciated 1.9 percent higher than the Ford Explorer, the next best performer in the segment.
- The Flex has been consistently improving in efficiency and has been able to add one additional mile per gallon each year starting in 2012.
 - MY2012 16 city /23 hwy
 - MY2013 17 city /24 hwy
 - MY2014 18 city /25 hwy

Additionally, while increasing miles per gallon, Ford also has been successful in simultaneously adding increased horsepower and improving performance. In 2013, horsepower on the Flex increased from 265hp to 287hp, or 8.3 percent.

Appendix

Top Five Performing Segments:	
SEGMENT	4-Week (%)
Sports Car	2.8%
Full-Size SUV/Crossover	2.1%
Mid-Size SUV/Crossover	2.0%
Compact SUV/Crossover	1.6%
Full-Size Car	0.8%

MY 2012-2014, Kelley Blue Book® Auction Value

Bottom Five Performing Segments:	
SEGMENT	4-Week (%)
Electric Vehicle	-3.8%
Hybrid/Alternative Energy Car	-2.5%
Sporty Compact Car	-1.1%
High-End Luxury Car	-1.0%
Luxury Car	-0.9%

MY 2011-2013, Kelley Blue Book® Auction Value

Top 10 Performing Models:		
MAKE	MODEL	4-Week (%)
Porsche	Panamera	7.0%
Nissan	370Z	5.7%
Dodge	Challenger	5.5%
Ford	Flex	5.1%
Suzuki	Kizashi	5.1%
Toyota	Venza	4.6%
Lincoln	MKS	4.6%
Ford	Escape	4.1%
Ford	Mustang	3.9%
Chevrolet	Sonic	3.9%

MY 2012-2014, Kelley Blue Book® Auction Value

Bottom 10 Performing Models:		
MAKE	MODEL	4-Week (%)
Audi	A8	-8.6%
Mazda	MAZDA2	-5.5%
Jaguar	XJ Series	-5.3%
Honda	Insight	-4.8%
Volkswagen	Eos	-4.8%
Nissan	LEAF	-4.1%
Mercedes-Benz	E-Class	-3.9%
Chevrolet	Volt	-3.8%
Audi	A7	-3.7%
Hyundai	Equus	-3.2%

MY 2012-2014, Kelley Blue Book® Auction Value

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