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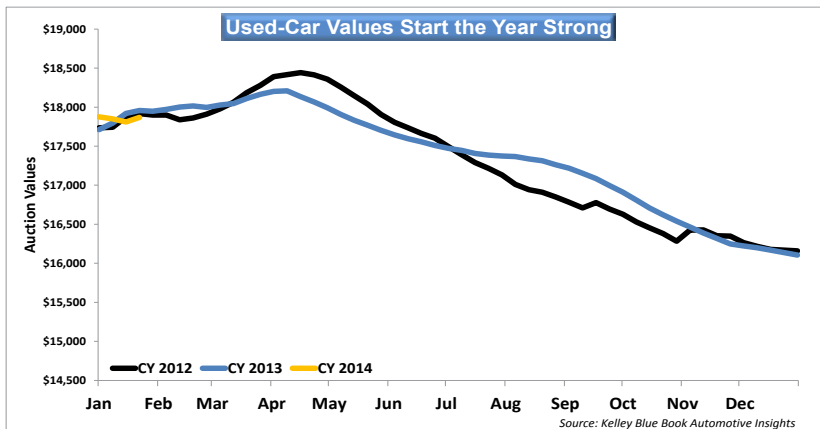
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USED-CAR MARKET ANALYSIS:

Used-Car Values Start the Year Strong



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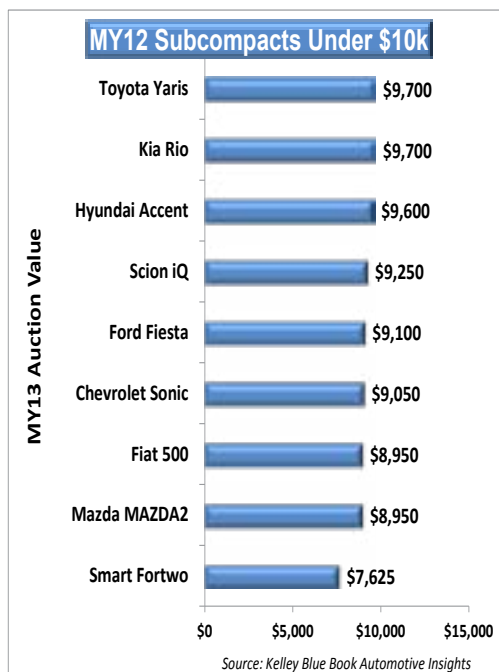
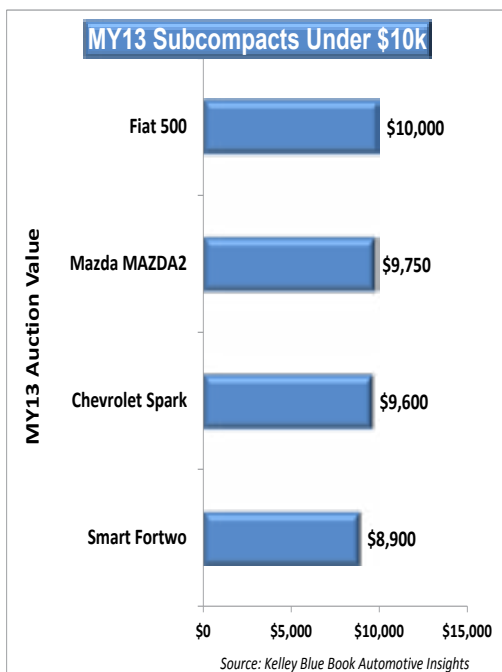
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- One- to 3-year-old vehicles started 2014 off strong with an average auction value of \$17,876, or 1 percent higher than at the beginning of calendar year 2013.

“Despite the strong start, 1- to 3-year-old vehicles have fallen below 2013 figures, but by a minimal \$90 on average,” said Alec Gutierrez, senior analyst. “Auction values in 2014 should follow the seasonal upswing typical in the first quarter and remain in-line with calendar year 2013 values.”

- Looking back to year-end figures, 1- to 3-year-old vehicles in December of 2013 closed just \$55 shy of 2012 auction values, which was in line with 2013 projections.

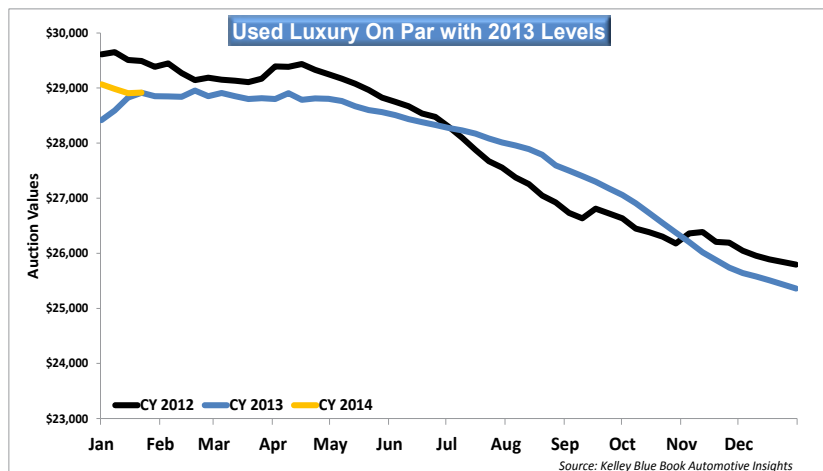
Subcompact Cars with Auction Values Under \$10,000



- With the constant demand from consumers for cheaper and more fuel-efficient cars, the subcompact car segment is becoming more attractive from a dollar standpoint.
- In the 2013 model-year lineup, there are four vehicles with auction values under \$10,000 – Fiat 500, Mazda Mazda2, Chevrolet Spark and the Smart Fortwo. Additionally, the 2013 Ford Fiesta missed the \$10,000 cutoff by only \$25.
- With model-year 2012 now two years old, the list of vehicles in the sub-\$10,000 range jumps to nine vehicles ranging from \$9,700 down to \$7,625.

“As long as there is strong demand for lower cost and value focused vehicles, this group of 1- to 2-year-old vehicles with auction values that fall in the sub-\$10,000 range will only continue to grow,” said Gutierrez.

Used Luxury Values Begin Year at 2013 Levels; Luxury Crossovers/SUVs Retain Best Value

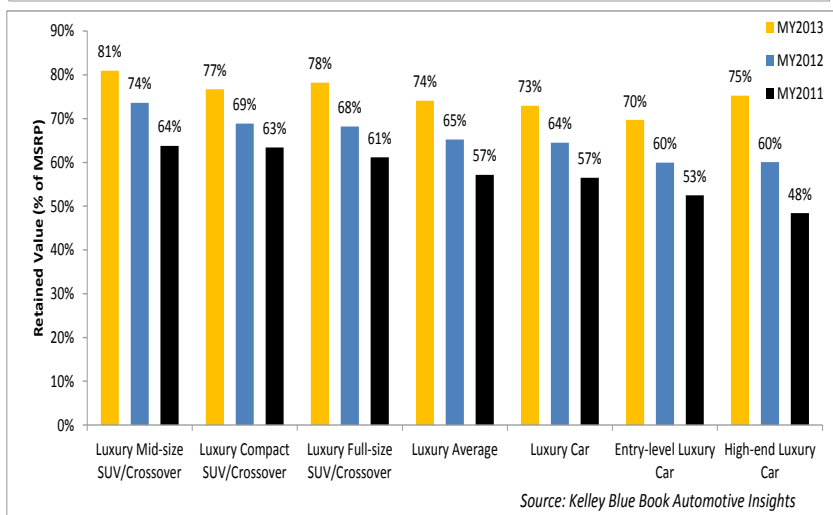


- Values of 1- to 3-year-old luxury vehicles began 2014 at roughly the same level as last year. Although the overall market may see increases moving into the next few months, Kelley Blue Book expects luxury values to remain flat or slightly down due to increased off-lease volume and attractive lease offers on new models.

“LUXURY CROSSOVERS AND SUVs CONTINUE TO PERFORM WELL AT AUCTION, BEATING THE LUXURY AVERAGE IN RETAINED VALUE FOR THE PAST THREE MODEL YEARS...”

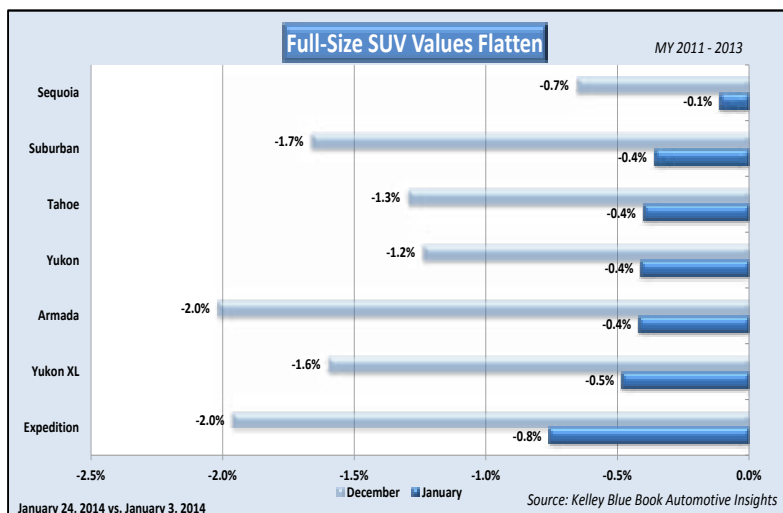
- ALEC GUTIERREZ

“The strong values are being driven by models such as the BMW X5 (85 percent retention for MY2013), Audi Q5 (86 percent retention for MY2013) and the Lexus LX (86 percent retention for MY2013),” said Gutierrez.



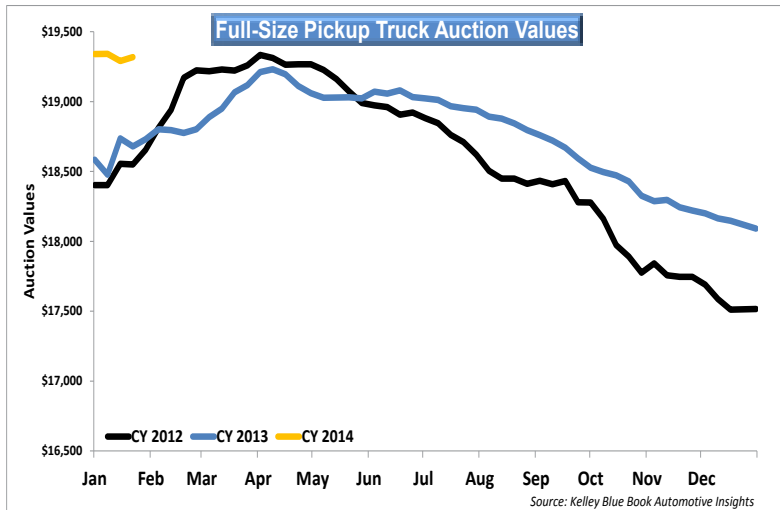
- The strength in these segments coincides with growing popularity in the new-car market as well. Nearly 750,000 luxury crossovers and SUVs were sold in 2013, a 10 percent gain from 2012 and better than the industry average. As these vehicles remain popular with consumers, expect their used values to remain high.

Full-Size SUV Values Flatten



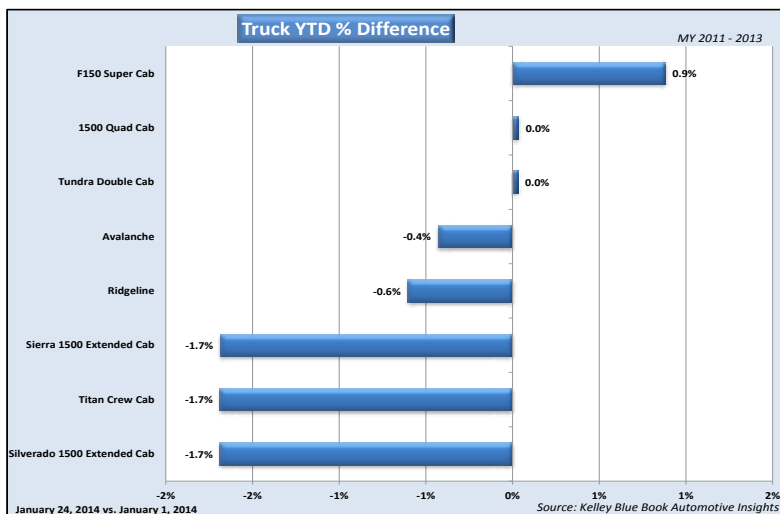
- Although values for all vehicles in the full-size SUV segment continue to decline in January, the decreases are not as significant as in December 2013.
- Changes for all vehicles in this segment were less than 1 percent. The largest decrease was for the Ford Expedition, which dropped 0.8 percent in January.
- With the start of the new year, Kelley Blue Book expects full-size SUV values overall to hold steady as long as gas prices remain relatively steady.

Full-Size Pickup Truck Values Begin 2014 Above Previous Years

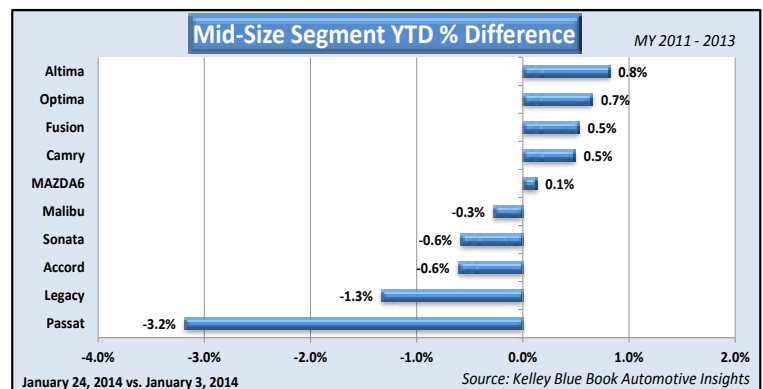
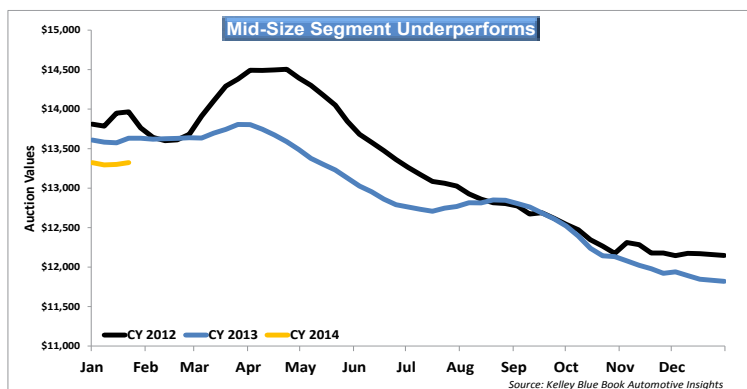


“Auction values for full-size pickup trucks are off to a strong start in 2014, compared to previous years, ending the month of January 4.1 percent higher than January 2012 and 3.4 percent higher than January 2013,” said Gutierrez.

- Values are continuing to hold, thanks in part to strength in the construction sector. Permits authorized for privately owned housing units in December 2013 were up 4.6 percent from December 2012, according to the U.S. Department of Commerce.
- Increasing interest in the segment also is likely helping keep values higher, thanks to the launch of redesigned models like the Chevrolet Silverado and GMC Sierra, and refreshes or the introduction of new trim levels for models like the Toyota Tundra.
- At the model level, declines have been mild for full-size pickups so far in 2014 with no models dropping more than 1.7 percent year-to-date. The Ford F150 was the only model to increase so far in 2014, possibly due to consumer and industry interest in the recently revealed all-new 2015 F-150.



Mid-Size Vehicles Underperform Market



- The mid-size vehicle segment ended the year 2.7 percent below calendar year 2012 figures. As a result, the segment started 2014 an average of \$285, or 2.2 percent lower than at the start of 2013.

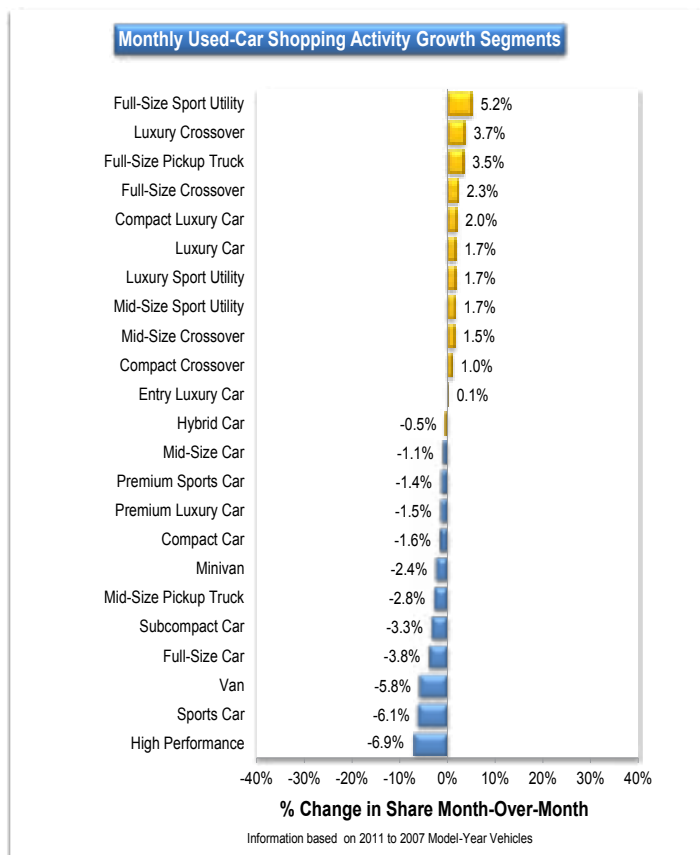
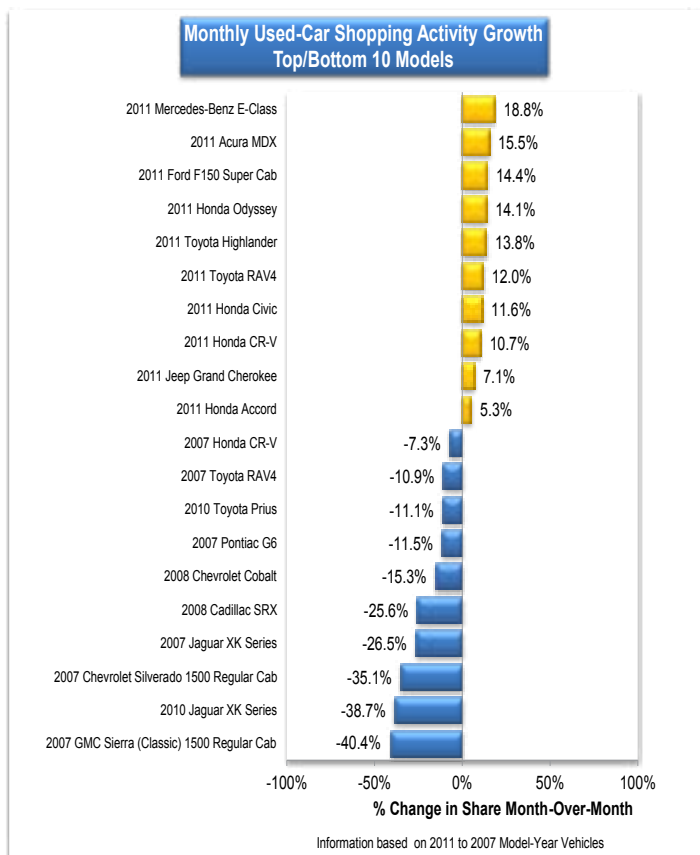
- Throughout the first month of the new year, the vehicles within the mid-size segment that had the largest four-week percentage change were the Volkswagen Passat and Subaru Legacy, down 3.2 percent and 1.3 percent respectively.

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The Midwest Deep Freeze Impacts KBB.com Shopper Activity

- Arthur Henry, senior manager of market intelligence and market analyst, Kelley Blue Book

Kelley Blue Book's Hot Used-Car Report captures monthly used-car shopper activity on KBB.com, including a list of the top and bottom movers in the same time period. Results are provided by the Kelley Blue Book Market Intelligence Team, in an effort to help dealers better understand which used vehicles consumers are looking at most each month.



- Share of used-car shopping activity for full-size SUVs, luxury crossovers and full-size pickup trucks increased in December, particularly in the midwest.
- GM is the leading brand in the Midwest with the Tahoe, Suburban and Yukon the most shopped models in the region. Most shoppers in this region favor domestic automobiles, but GM tops with its product offerings in the full-size segment.
- The leading truck in the segment in the Midwest is the Ford F-150, followed by Silverado.
- The Lexus RX is the key driver among Midwest shoppers in the luxury crossover segment.

About Kelley Blue Book (www.kbb.com)

Founded in 1926, Kelley Blue Book, The Trusted Resource®, is the only vehicle valuation and information source trusted and relied upon by both consumers and the automotive industry. Each week the company provides the most market-reflective values in the industry on its top-rated website KBB.com, including its famous Blue Book® Trade-In and Suggested Retail Values, and Fair Purchase Price, which reports what others are paying for new cars this week. The company also provides vehicle pricing and values through various products and services available to car dealers, auto manufacturers, finance and insurance companies, and governmental agencies. For two years running, Kelley Blue Book's KBB.com ranked highest in its category for brand equity and was named Online Auto Shopping Brand of the Year in the 2012 and 2013 Harris Poll EquiTrend® study. Kelley Blue Book Co., Inc. is a subsidiary of AutoTrader Group, which includes AutoTrader.com, vAuto, VinSolutions and HomeNet Automotive. AutoTrader Group is a majority-owned subsidiary of Cox Enterprises.