



MANHEIM CONSULTING

Accelerate Your Business →

Manheim Index Quarterly Conference Call

7/11/11

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Concept: A single measure of used vehicle price change that is independent of underlying shifts in the characteristics of vehicles being sold

STEPS:

- | All Manheim U.S. sales (5+ million annually)
- | Classify by market segment
- | Account for shifts in mileage
- | Weight to provide unchanging mix
- | Seasonally adjust



Manheim Used Vehicle Value Index



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January 1995 = 100



Source: Manheim Consulting

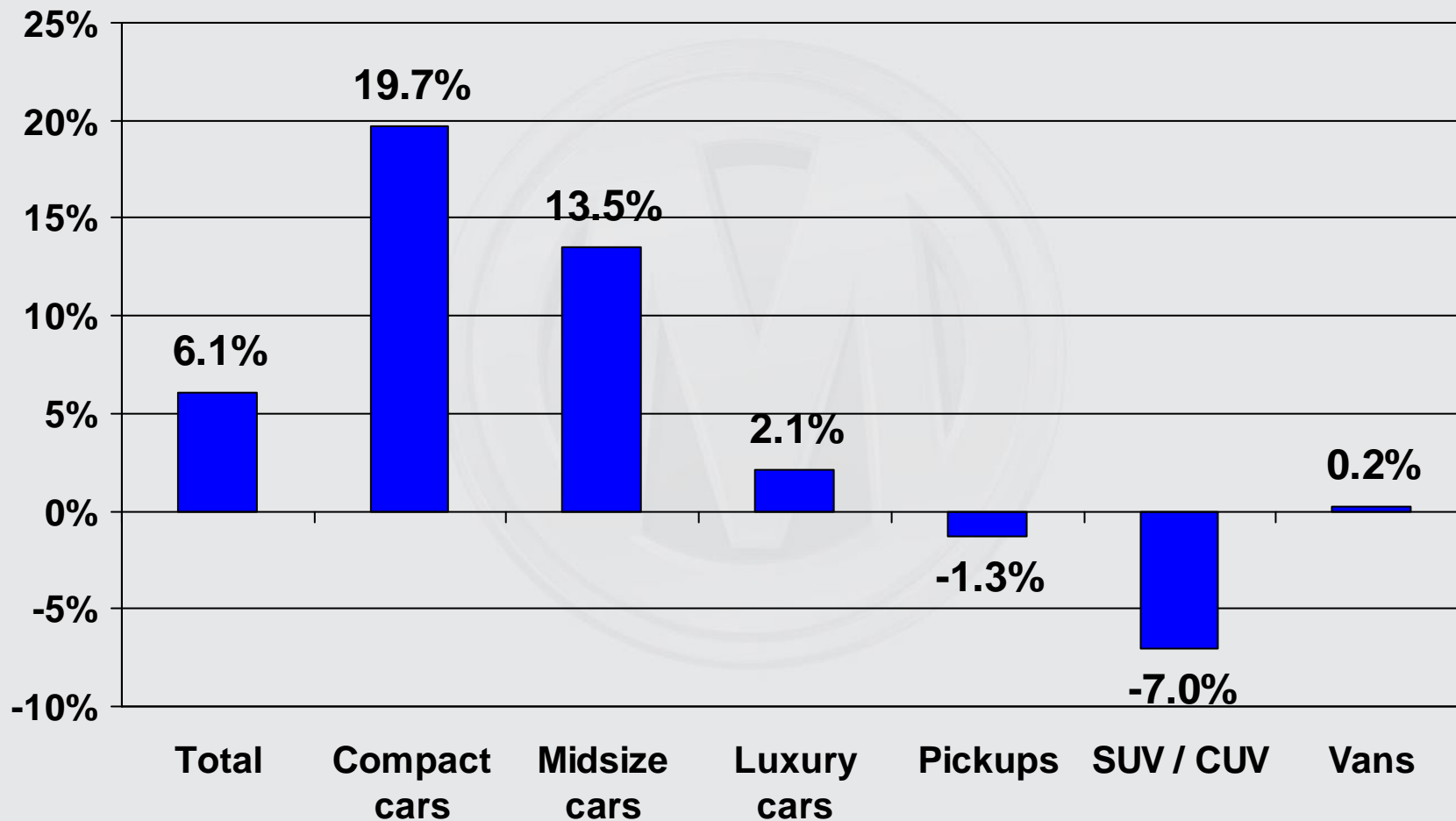


Price Changes for Selective Market Classes



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year-over-year % change, June 2011



Source: Manheim Consulting

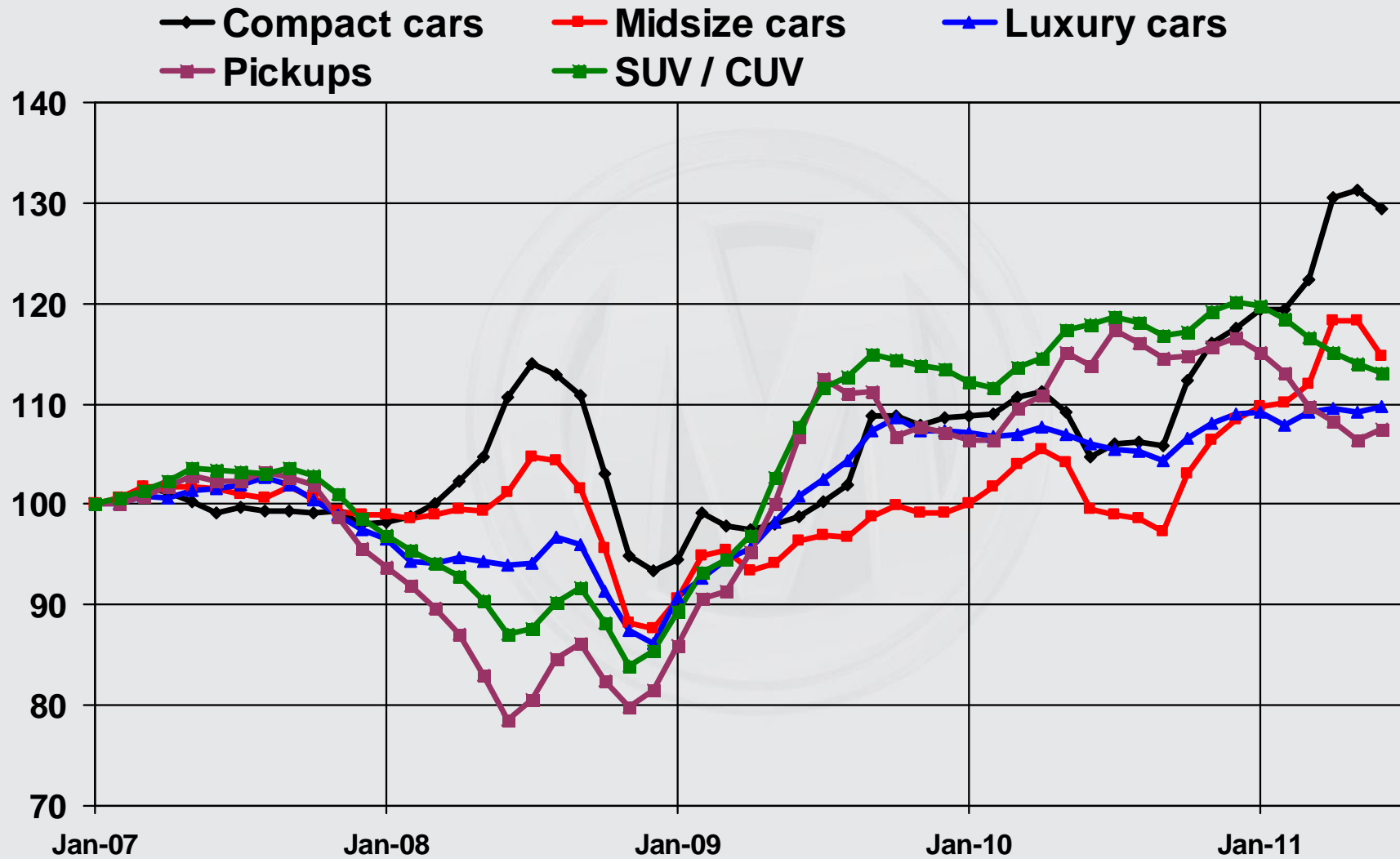


Price Trends – Selective Market Classes

January 2007 = 100



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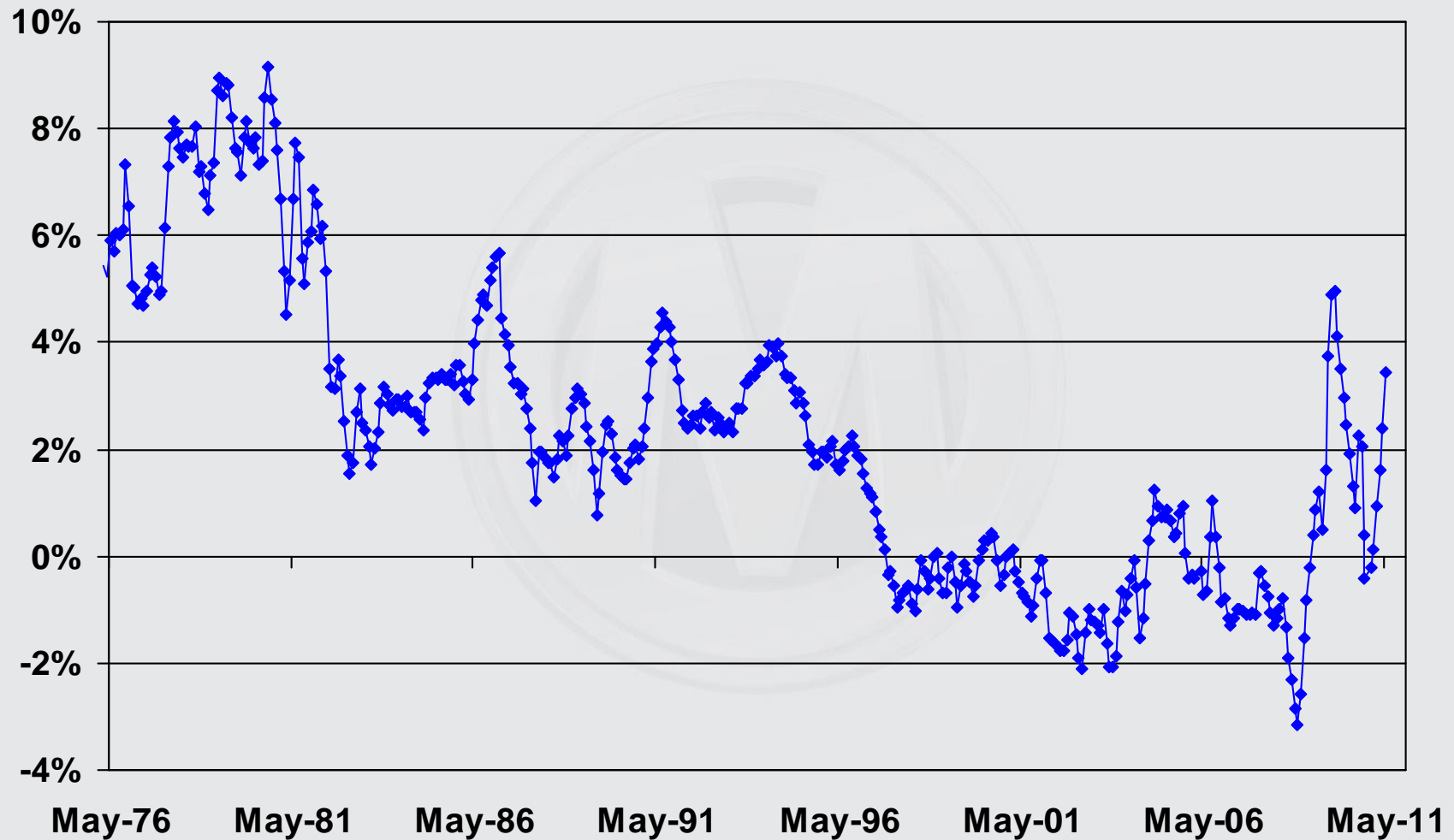
Source: Manheim Consulting



Year-over-Year Percent Change in New Vehicle CPI



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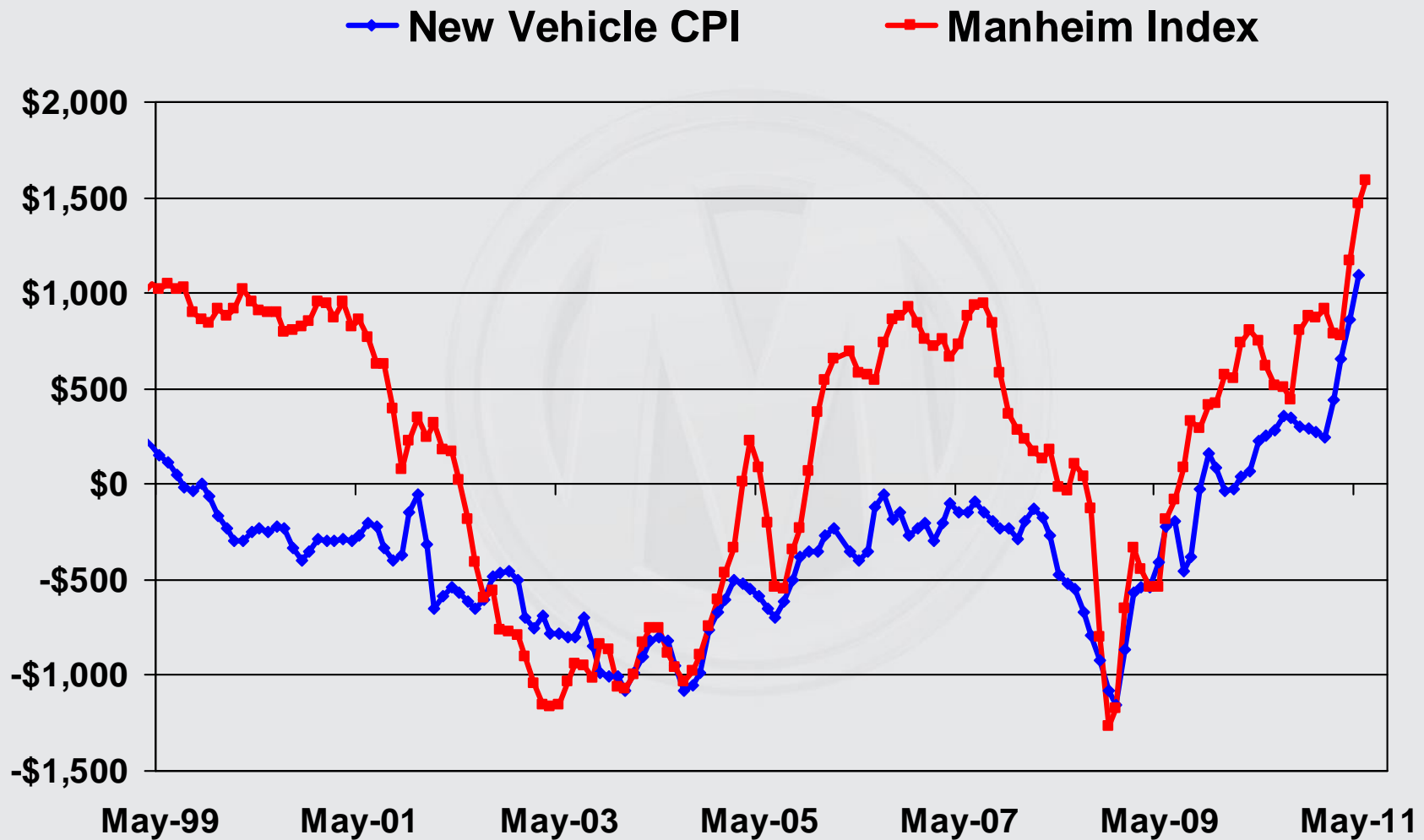
Source: Bureau of Labor Statistics



Dollar Change Over 3 ½ Years in New Vehicle CPI and Manheim Index



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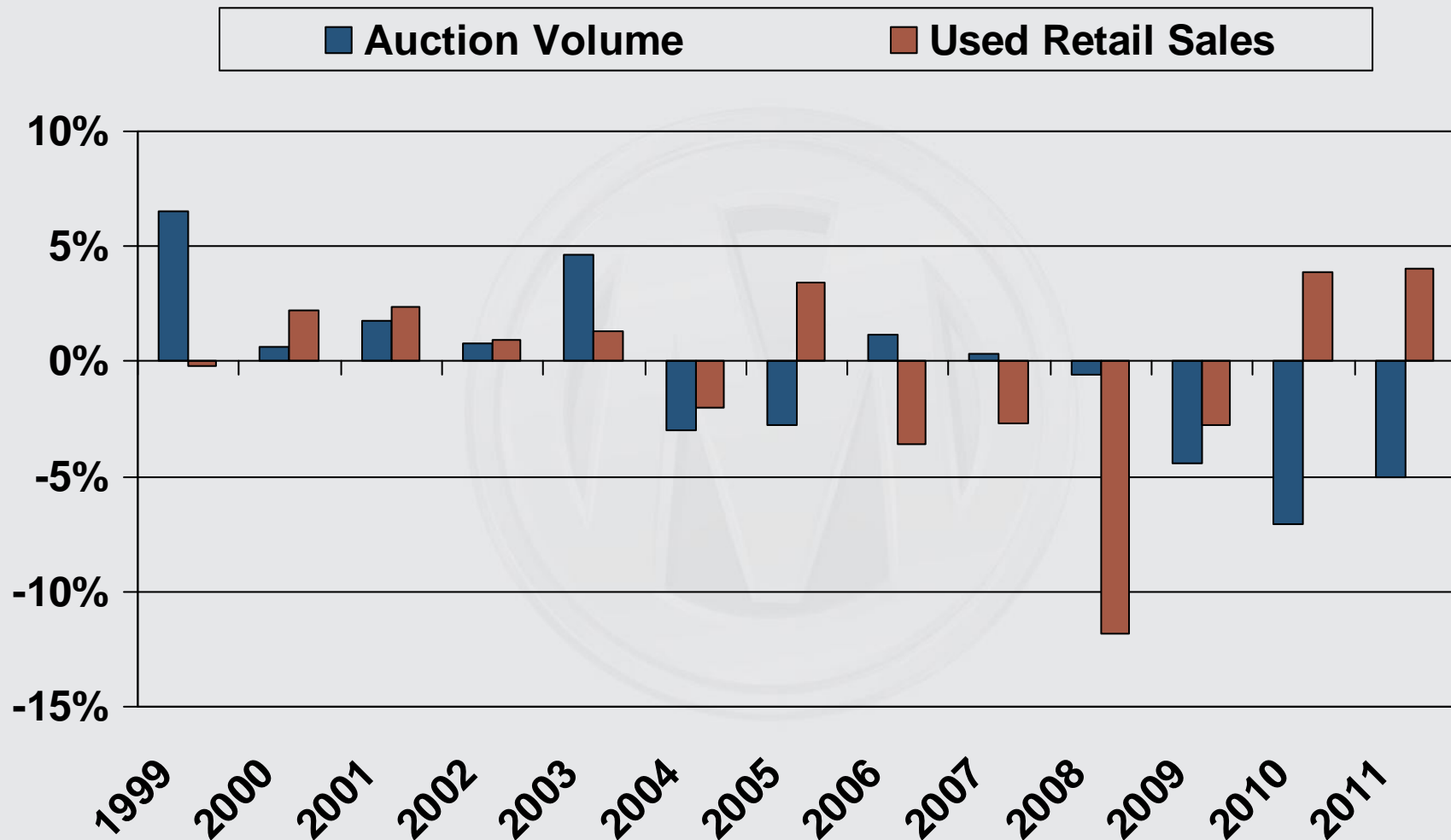
Source: Bureau of Labor Statistics & Manheim Consulting



Percent Change in Auction Volume vs. Percent Change in Used Retail Sales



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Source: National Auto Auction Association & CNW





2010 Remarketing Volumes

	Total Number of Vehicles to be Remarketed (millions of units)	Share to Auction (includes online and physical auctions) (millions of units)	% sent to auction	% of total auction volume
Dealer	10.55	3.82	36%	45.4%
Repossession	1.55	1.24	80%	14.7%
Off-lease	2.58	1.43	56%	17.0%
Rental (program and risk)	1.42	0.90	63%	10.7%
Fleet	1.65	0.73	44%	8.6%
Other *	0.65	0.30	46%	3.6%
TOTAL	18.39	8.42	46%	100.0%

* Other includes Canadian sales of repossessions, off-lease, rental and fleet units that could not be specifically segmented into each category

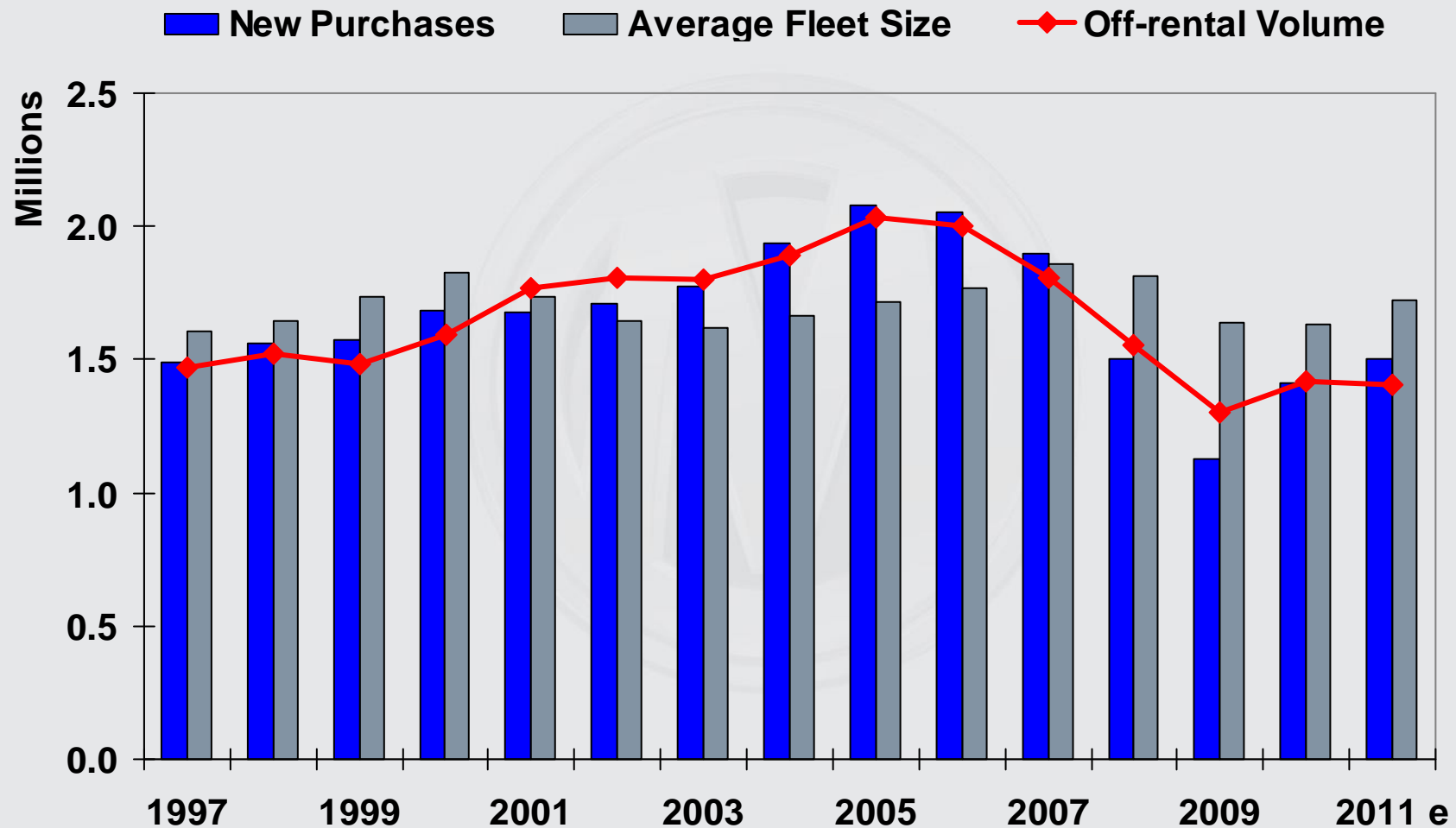
Source: Manheim Consulting



Rental: sales into, fleet size, and off-rental volumes



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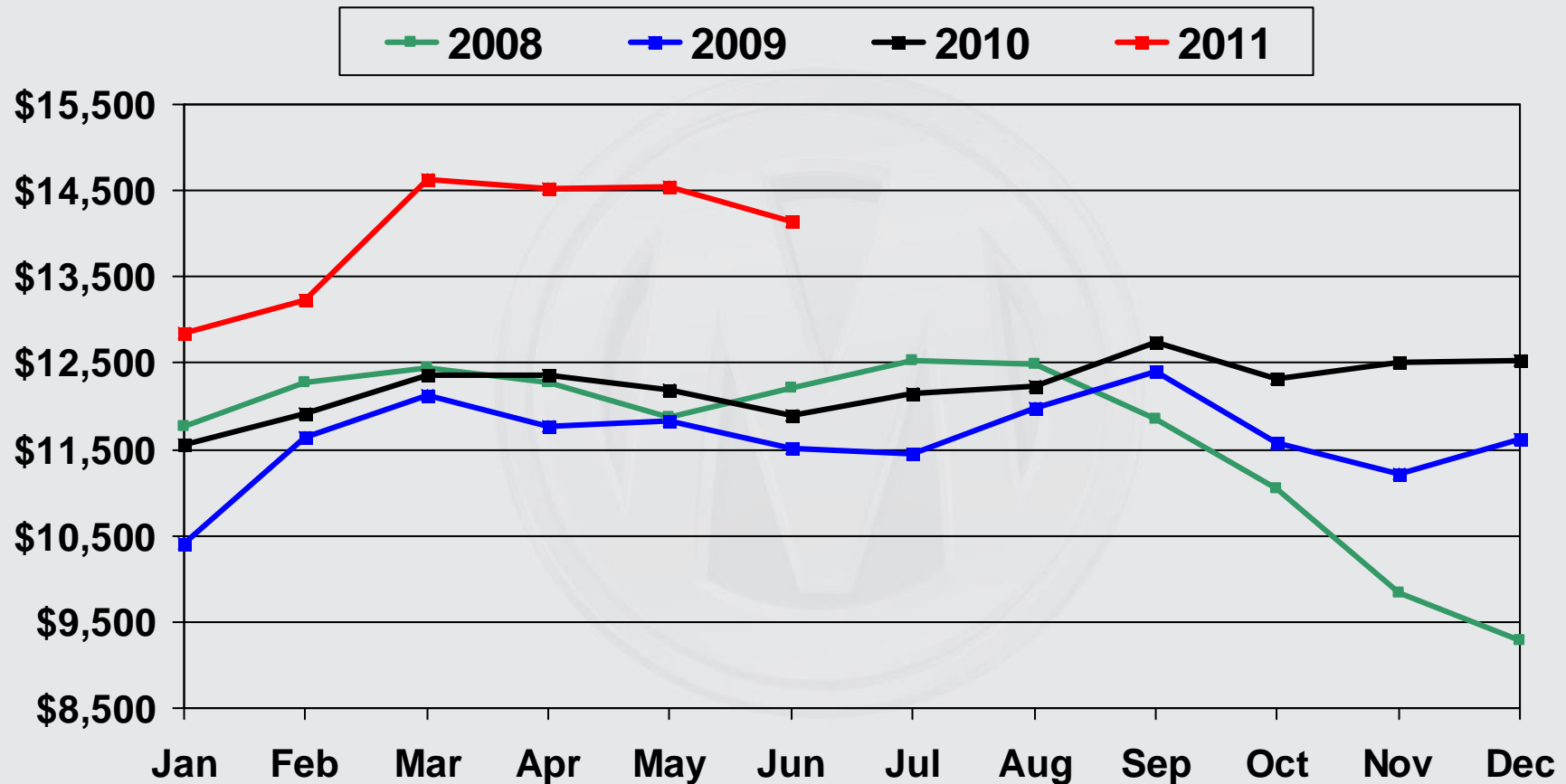
Source: Bobit Business Media



Average Auction Price – Rental Risk Units



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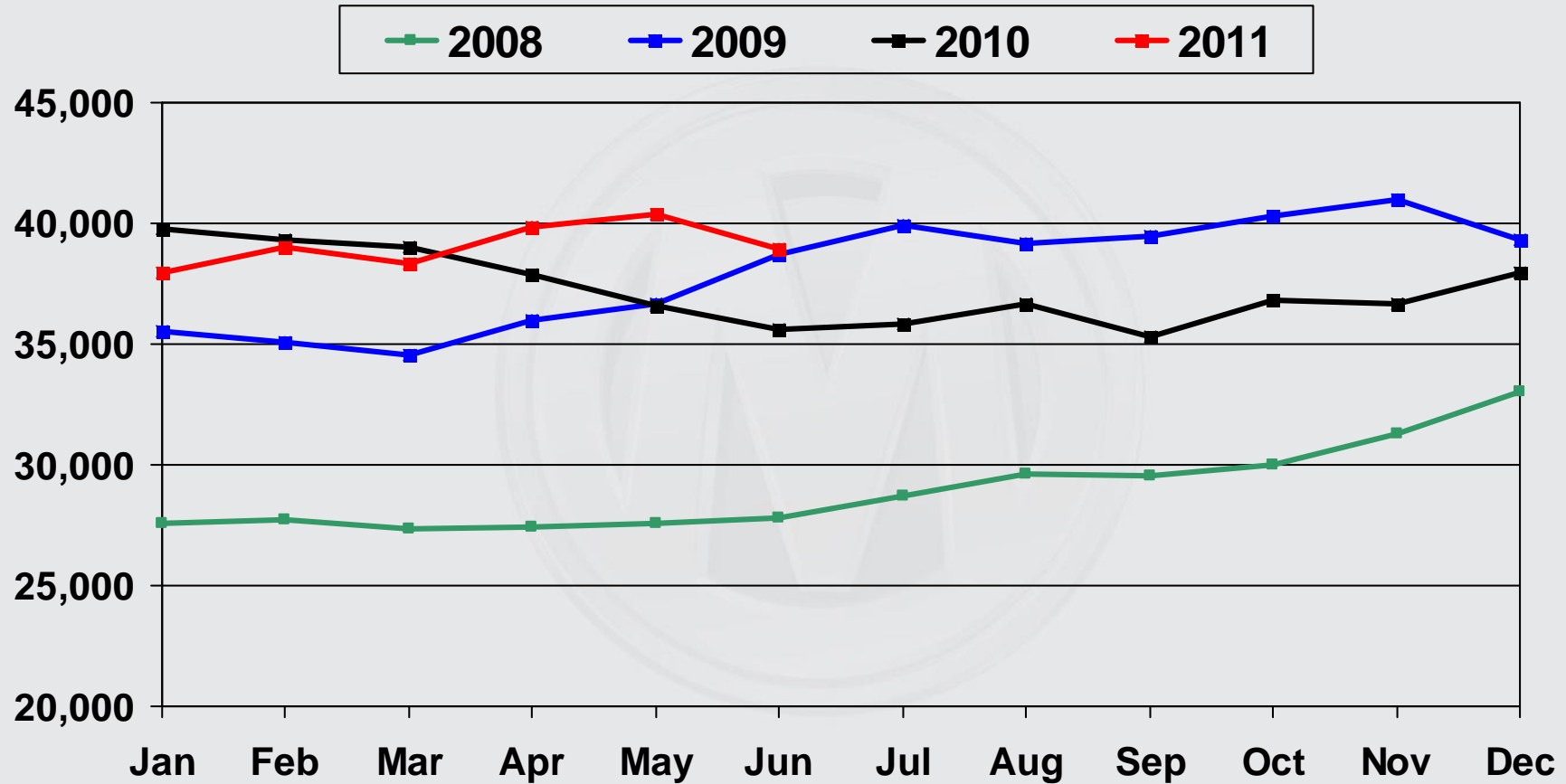
Source: Manheim Consulting



Average Mileage – Rental Risk Units



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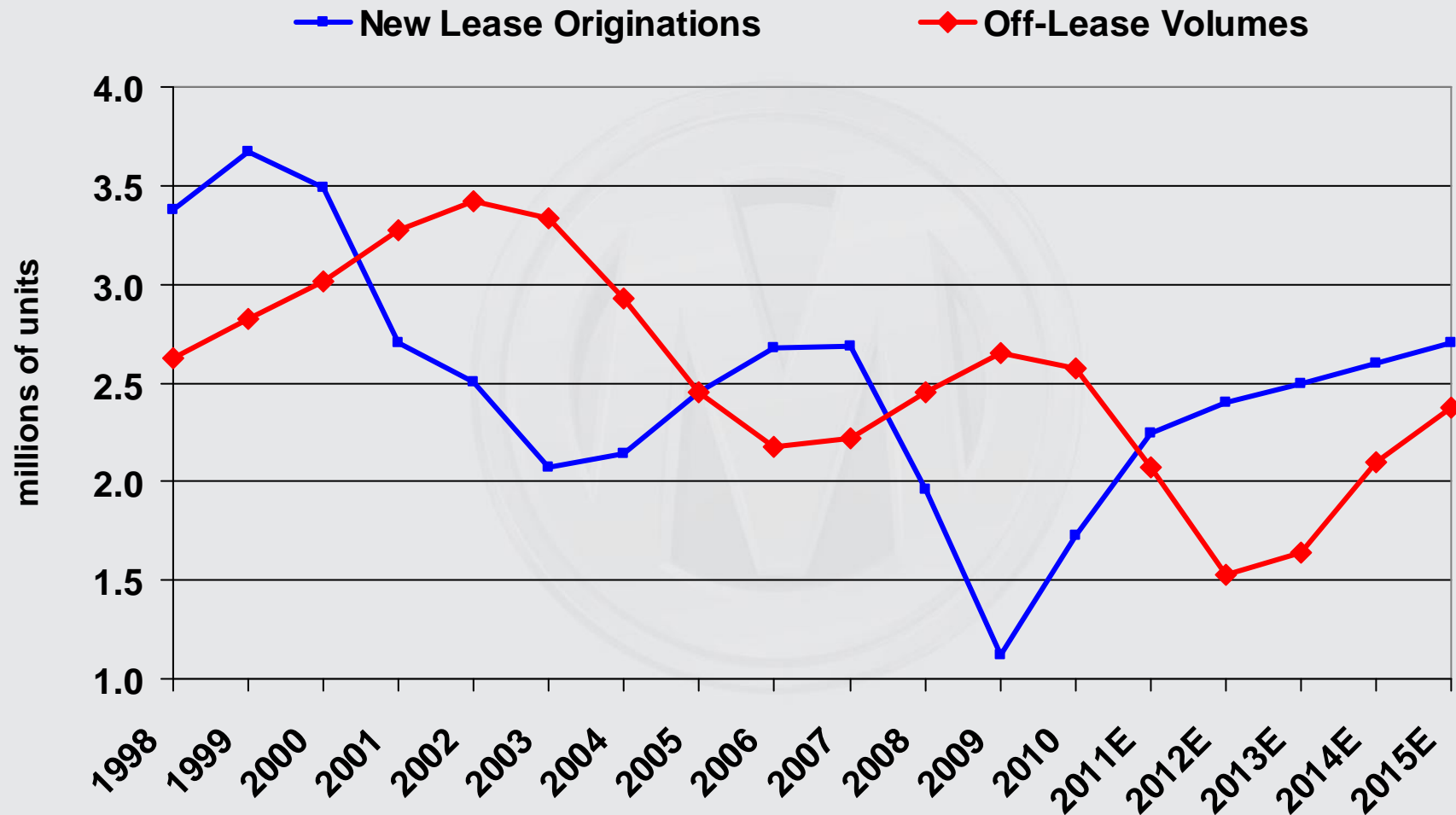
Source: Manheim Consulting



Off-Lease Volumes – Another Down Cycle Ahead



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Source: Manheim Consulting

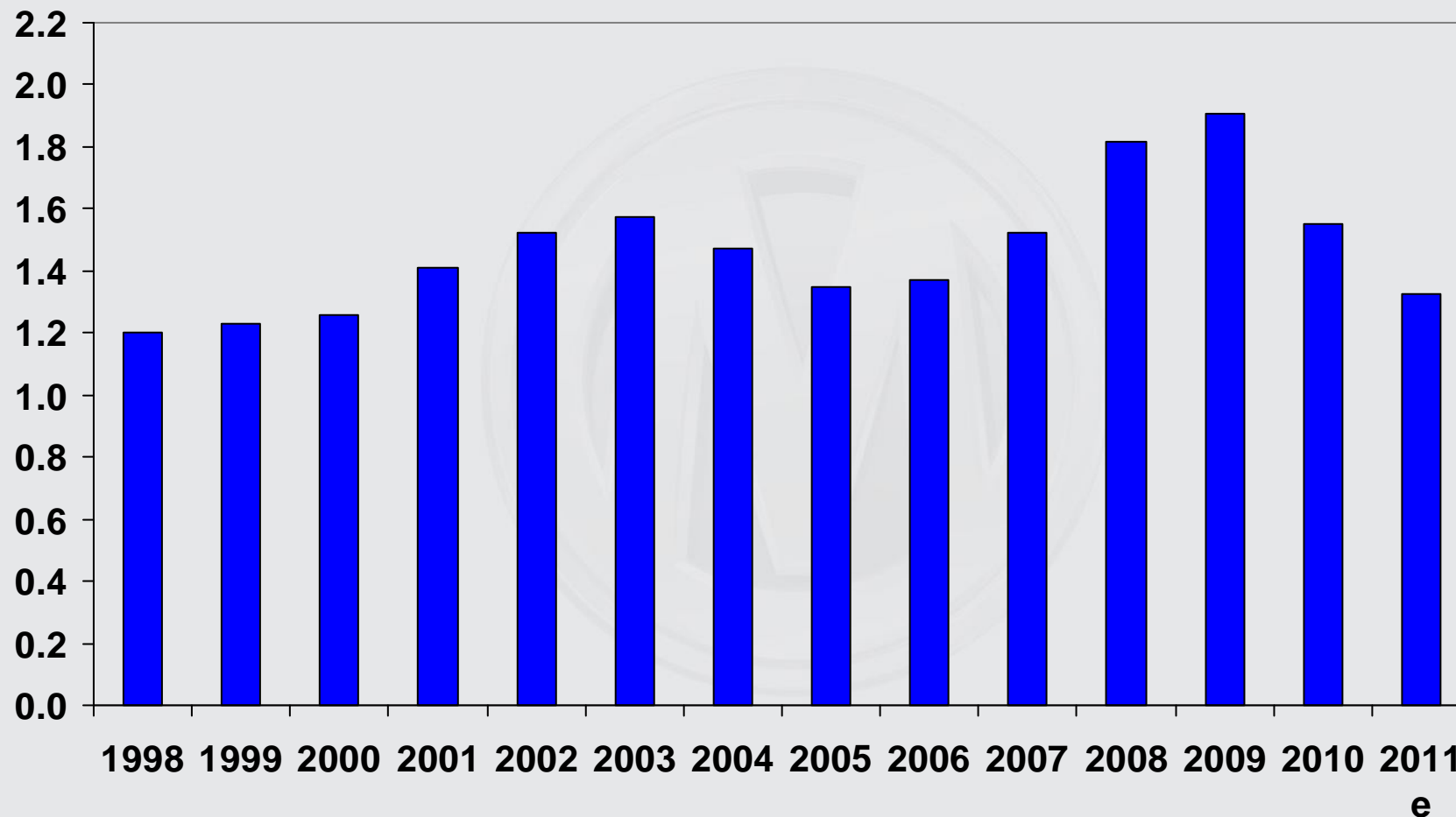


Repossessions



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Number of Repossessions - Millions of Units



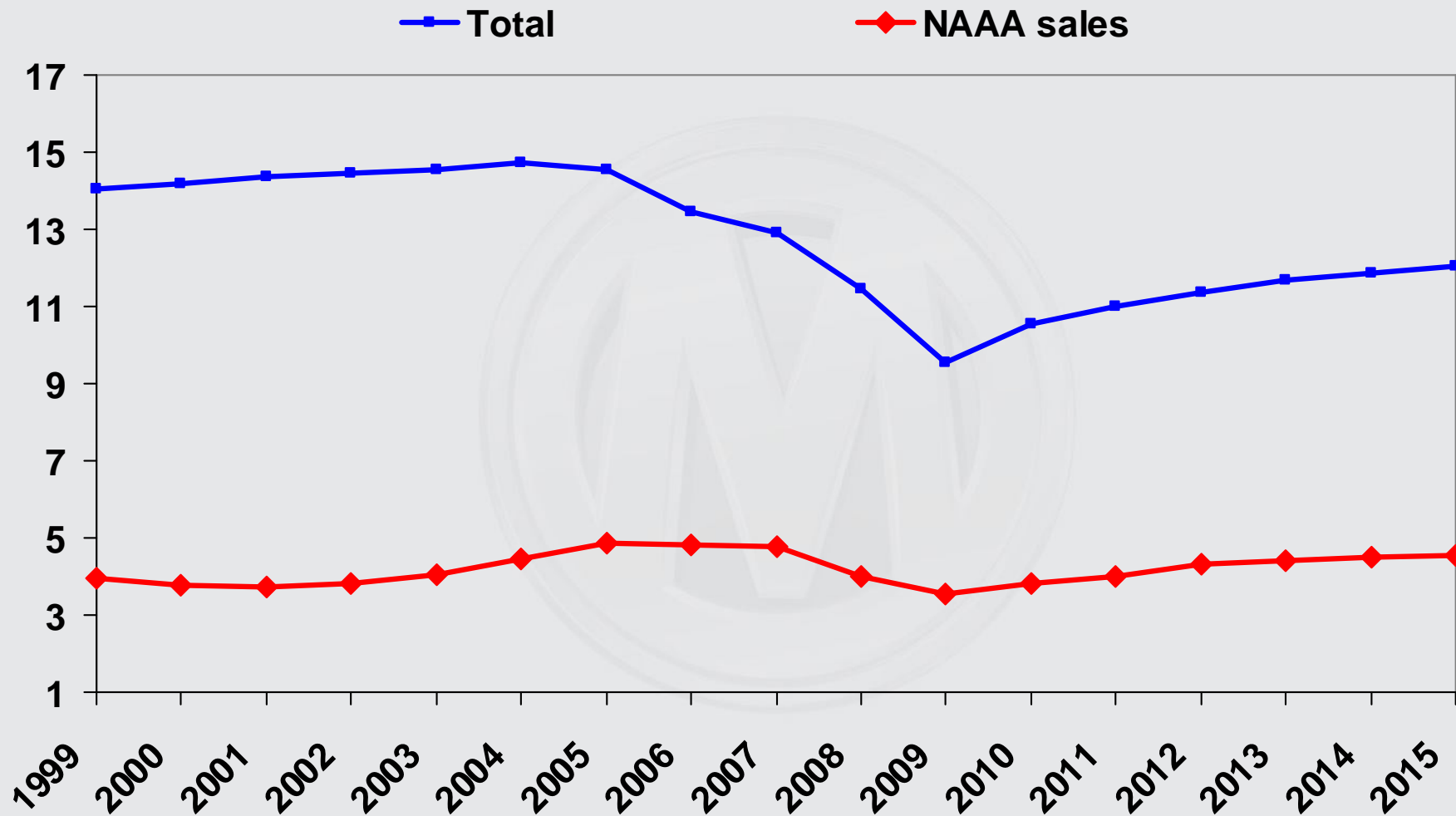
Source: Manheim Consulting



Dealership Wholesale Volumes



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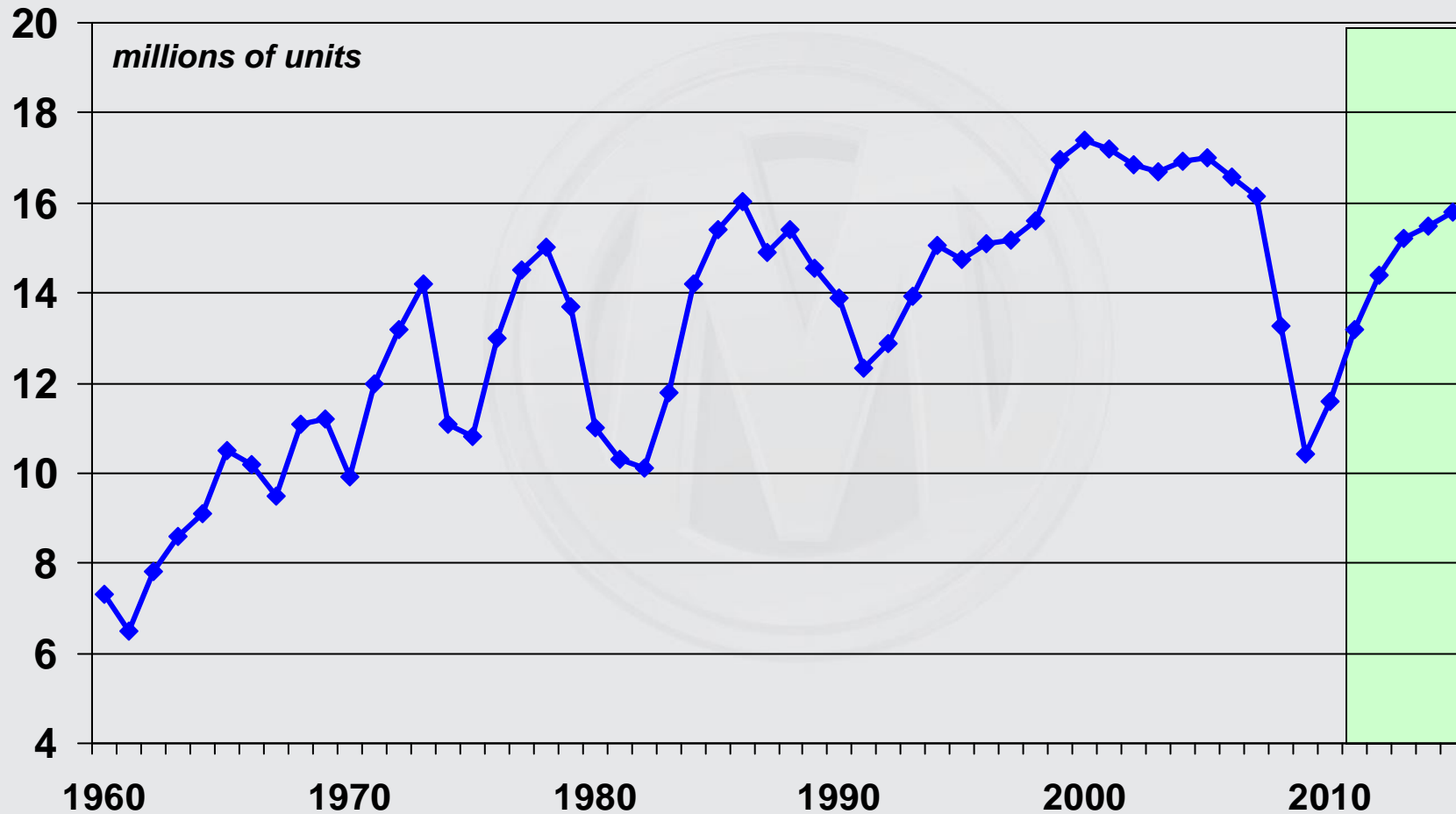


Source: Manheim Consulting





New Car & Light-Duty Truck Sales



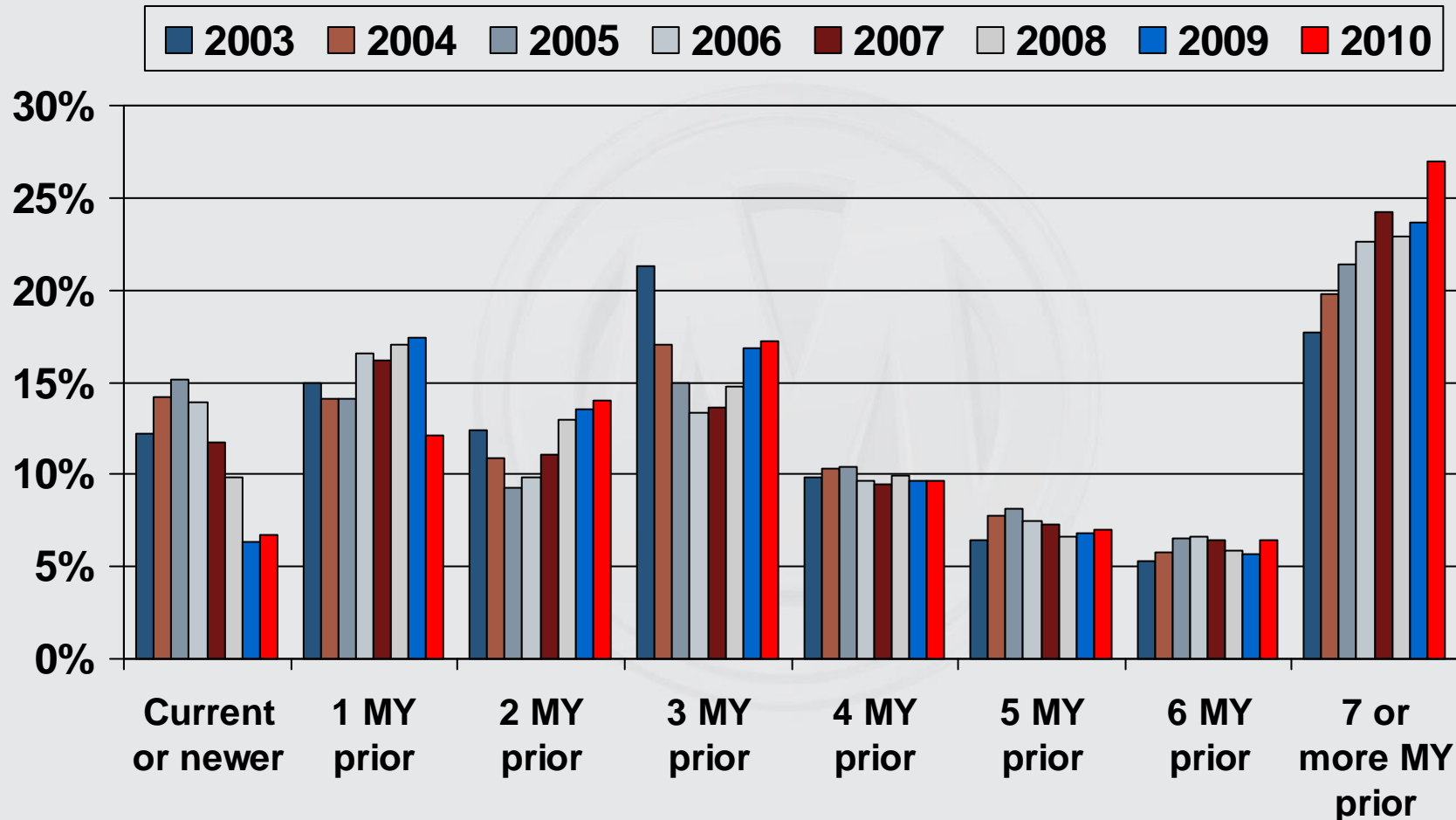
Source: Automotive News



Percent Distribution of Auction Sales By Model Year



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Source: Manheim Consulting



Forces Driving Wholesale Values



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- | Total auction and wholesale volumes
- | New vehicle inventories and transaction prices
- | Retail demand: labor market and credit conditions
- | Quicker turn cycle and reduced risk premium

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