



Comparison of Domestic vs. Import Models and Rising Gas Prices July 2009

SUMMARY OF STUDY

Data Used: All sales at Manheim U.S. locations during 2007 and 2009 June YTD. *See data table for Domestic and Import makes definition.

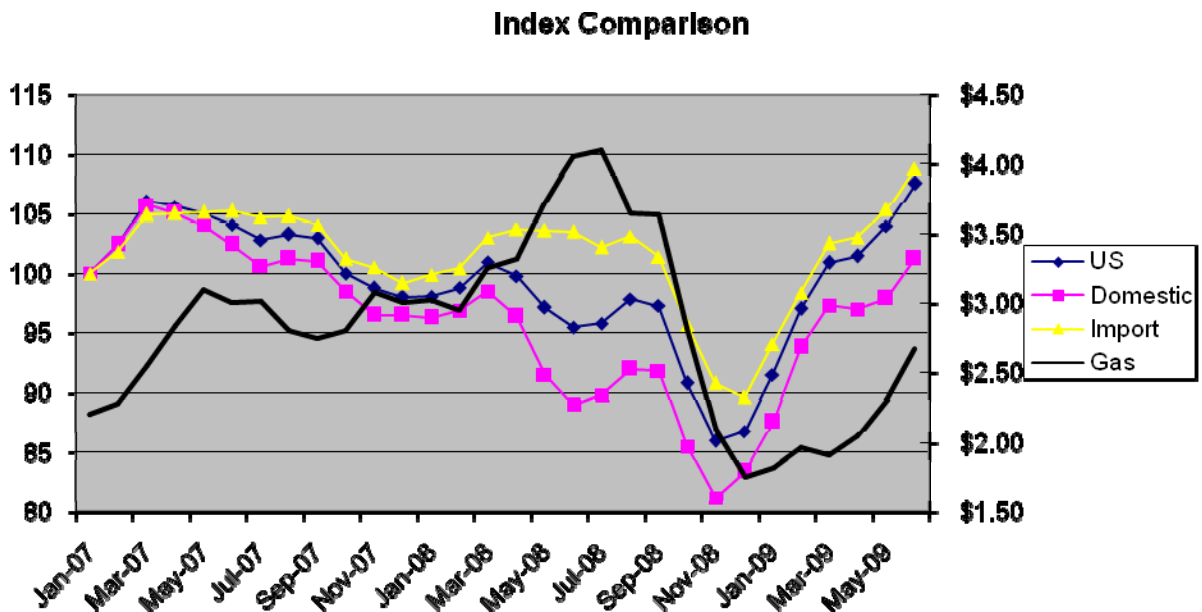
Methodology:

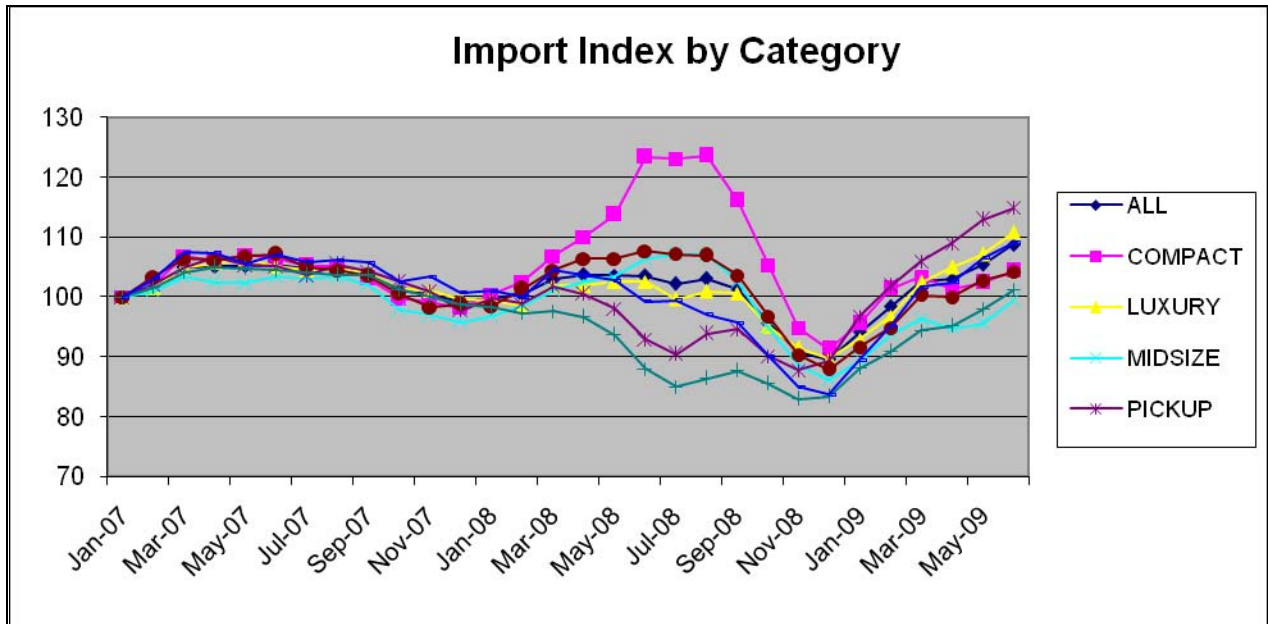
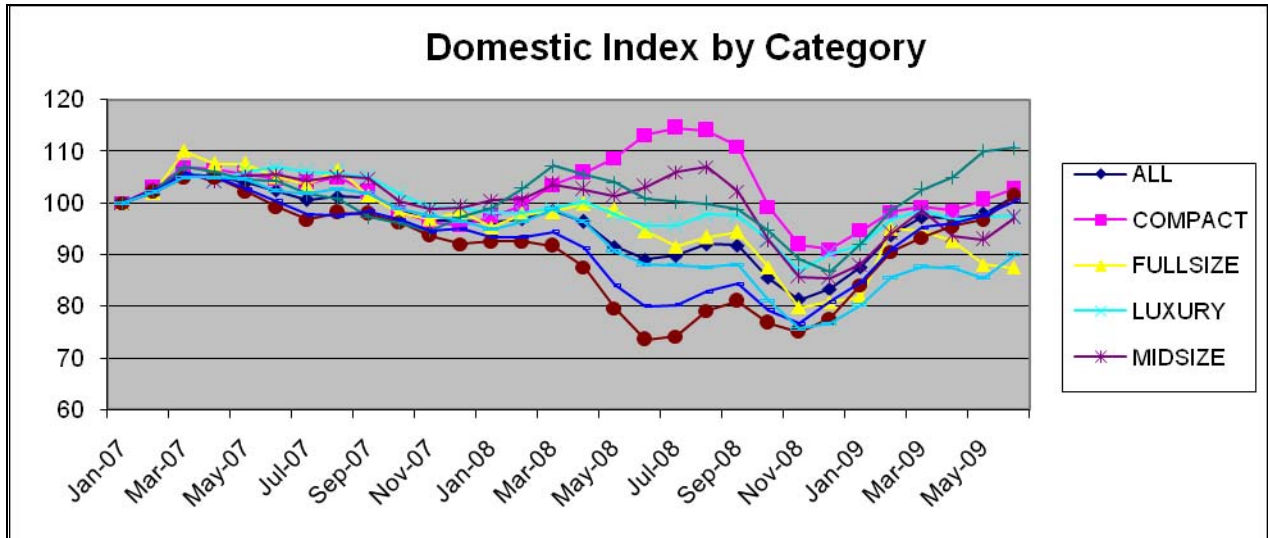
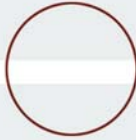
To study the Domestic and Import makes pricing trending, we apply the same methodology to calculate the Manheim U.S. Used Car Index to calculate the indices for Domestic and Import makes separately. We studied the time period from 2007 to 2009, the indices are calculated by setting January 2007 =100.

Summarized Findings:

1. Domestic makes are much more sensitive to gas prices, as seen during spring and summer of 2008. This is mainly due to a high mix of SUV's and pickups by the Domestic (Domestic = 46% SUV & pickup vs. 11% compact cars) whereas Imports model mix is more diverse (Import = 27% SUV & pickup vs. 18% compact cars).
2. Import pricing has trended higher compared to Domestic with the largest discrepancy occurring when gas prices were at its peak. However, Domestic closed the gap in the first quarter of 2009.
3. Though gas prices rose in the last quarter, the Domestic and Import index have continued to rise to their highest levels in two years. However, due to the increase in gas prices during the second quarter of 2009, the Imports performed significantly better compared to the Domestic makes.

Chart:





*Domestic Make: Buick, Cadillac, Chevrolet, Chrysler, Dodge, Ford, GMC, Jeep, Pontiac, Saturn
 *Import Make: Acura, Audi, Honda, Hyundai, Infiniti, Lexus, Nissan, Toyota, Volkswagen

**Please contact Manheim Consulting for further detail or questions.*

