

Kelley Blue Book's kbb.com® Releases 2011 Residual Value Analysis

Low Gas Prices Drive Small-Car Segments Down; U.S. Brands Continue to Improve Resale Values

IRVINE, Calif., Nov. 17, 2010 /PRNewswire/ -- Kelley Blue Book www.kbb.com, the leading provider of vehicle values and forecasts, today announces the availability of its 2011 Residual Analysis Report. Kelley Blue Book's residual values are a reflection of current vehicle data, market conditions for each vehicle, competition in each segment, expectations of the future economy and the combined experience of Kelley Blue Book's team of statisticians, economists and pricing analysts.

In 2011, Kelley Blue Book analysts expect both the economy and the auto industry to recover at a snail's pace. The company forecasts that gas prices likely will remain stable over the next two years, with per-gallon prices ranging between \$3 and \$4. This projected stability in fuel prices and slow economic recovery will likely reduce the possibility of market variability and allows auto manufacturers to better manage their fleets.

Overall residual values for the industry have remained relatively stable. In 2009, the average vehicle was projected to maintain 34.1 percent of its original list price after five years of ownership. In 2010, the average projected retained value dropped slightly to 32.6 percent. There have been small gains in retained value in the last year, with the average 2011 model-year vehicle now expected to hold 34.0 percent of its original list price after five years, which can be attributed to wide swings in retained value in specific segments.

When reviewing the disparity between brands at the top of the 2011 Residual Analysis and the remainder of the list, Kelley Blue Book analysts found the gap between the top and bottom brands to be shrinking. Last year's list saw a gap of more than 22 percentage points between the brands at the top and bottom of the list. In 2011, the difference is now less than 17 percentage points. One cause for the narrowing gap between the top and bottom brands is the number of significant redesigns, facelifts and new nameplates entering the market in 2011.

Kelley Blue Book's Full 2011 Residual Analysis Report Includes:

- The 2011 Models with the Best Resale Value
- Best Residual Value Brands 2011 vs. 2010
- Best Residual Value Vehicles
- Forecast for residuals in the compact, subcompact and fuel-efficient vehicle segments
- Residual forecasts for hybrid and alternative-fuel vehicles
- Analysis of domestic brand residual values
- Analysis of Korean brand residual values

For more information about Kelley Blue Book's Best Resale Value Awards, please visit www.kbb.com/BRVA2010. The full residual analysis report is available upon request by sending an e-mail with your name, title, company name and phone number and to pr@kbb.com.

About Kelley Blue Book® Residual Values

Based on projections by Kelley Blue Book's expert staff of market analysts encapsulated in the *Kelley Blue Book Official Residual Value Guide*, the prestigious Kelley Blue Book Best Resale Value Awards honor vehicles expected

to maintain the greatest proportion of their retail prices after five years of ownership. Low-volume vehicles and vehicles with a Manufacturer's Suggested Retail Price of more than \$60,000 are excluded from awards consideration, except in the High Performance and Luxury categories.

While the company's *Official Residual Value Guide* has been published since 1981, Kelley Blue Book established its annual Best Resale Value Awards in 2003. Kelley Blue Book reports projections based on current vehicle data, sales data, market conditions for each vehicle, competition within vehicle segments, expectations of the future economy and the combined experience of Kelley Blue Book's team of market and pricing analysts. Kelley Blue Book's residual values are used by banks, financial institutions, governmental agencies and the automotive leasing industry.

About Kelley Blue Book (www.kbb.com)

Since 1926, Kelley Blue Book, The Trusted Resource®, has provided vehicle buyers and sellers with the new- and used-vehicle information they need to accomplish their goals with confidence. The company's top-rated website, www.kbb.com, provides the most up-to-date pricing and values, including the Fair Purchase Price, which reports what buyers are paying for new cars. The company also reports vehicle pricing and values via products and services, including software products and the famous Blue Book® Official Guide. According to the C.A. Walker Research Solutions, Inc. - 2009 Spring Automotive Website Usefulness Study, kbb.com is the most useful automotive information website among new- and used-vehicle shoppers, and half of online vehicle shoppers visit kbb.com. Kelley Blue Book's kbb.com also is a W3 Silver Award winner, sanctioned by the International Academy of Visual Arts. Kbb.com is a leading provider of new car prices, used car values, car reviews, new cars for sale, used cars for sale, and car dealer locations.

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