

Kelley Blue Book's kbb.com® Releases 2012 Residual Value Analysis

Toyota Reclaims Top Spot for Best Retained Value; Compact SUVs Rise as Hybrids Fall in Residual Rankings

IRVINE, Calif., Nov. 16, 2011 /PRNewswire/ -- Kelley Blue Book www.kbb.com, the leading provider of vehicle values and forecasts, today announces the availability of its 2012 Residual Analysis Report. Kelley Blue Book's Best Resale Value Awards are based on projections from the *Kelley Blue Book® Official Residual Value Guide*, determined by a skilled staff of automotive analysts.

(Logo: <http://photos.prnewswire.com/prnh/20111102/AQ99077LOGO>)

The brand in which the entire lineup of 2012 model-year vehicles is expected to retain the greatest amount of its original value after five years is Toyota. The luxury brand with the same claim is Toyota's more refined sibling, Lexus. Both brands regain the titles they claimed from Kelley Blue Book back in 2010. Across its fleet, Toyota improved its 60-month average residual value by 2 percentage points compared to its 2011 average, allowing the company to best last years' winner Subaru and a few others, claiming this year's Best Resale Value: Brand award.

"Despite Toyota's success in the 2012 residual rankings, the company lost market share in the U.S. due to its supply shortage following the earthquake and tsunami in March 2011. The challenge for Toyota next year will be to regain this share without depressing its residual values," said Eric Ibara, director of residual consulting, Kelley Blue Book. "A number of actions that could quickly increase sales and market share also could jeopardize its residual value crown, including over incentivizing and increasing daily rental volume. Clearly, Toyota's actions through the next year will be pivotal in shaping its future direction."

Based on vehicle sales and overall economic factors, Kelley Blue Book's 60-month residual values for 2012 model-year vehicles are forecasted to average 35.5 percent of their original MSRP after five years of ownership, up just 1.5 percentage points from last year. The year-over-year increase is not limited to overall values, but holds true to the majority of vehicle segments as well. The 60-month residual value increased by 0.9 percentage points for the light-car segment and 3.0 percentage points for the truck segment. With the exception of vans and hybrid utilities, the average segment residual value for all truck segments, including SUVs and full-size trucks are projected to be higher than the average residual value in every car segment, except for high-performance cars. The truck segment is projected to maintain 38.0 percent of its value after 60 months, while the car segment is expected to maintain just 34.0 percent. Only two segments, the near-luxury segment and the sports-car segment, declined on a year-over-year basis.

Gas prices and catastrophic natural disasters played a significant role in new-vehicle sales and strong swings in vehicle segment preference throughout the year. Other key factors affecting the future values of 2012 model-year vehicles include unemployment, a stagnant housing forecast and some of the lowest consumer confidence numbers seen in decades. The unemployment rate remains at 9 percent heading into 2012 with forecasts of 8.7 percent for at least the next year. Those that are out of work are finding it more difficult to find jobs, with an average 41 weeks unemployed. Kelley Blue Book expects unemployment will be a factor in any sort of long-term new-vehicle sales recovery as consumers that are out of work typically have more limited means for a new-vehicle purchase.

Kelley Blue Book projects that 2011 will close with 12.5 million vehicles sold, a one million-unit increase from 2010. A similar increase is projected for 2012. As the

Japanese get back into full production in the new year, Kelley Blue Book expects a pickup in sales activity as consumers waiting on the sidelines get back into the game. With an expectation for some increased consumer spending, Kelley Blue Book is forecasting 13.5 million in vehicle sales for 2012.

Kelley Blue Book's Full 2012 Residual Analysis Report Includes:

- The 2011 Models with the Best Resale Value
- Best Residual Value Brands 2012 vs. 2011
- Best Residual Value Vehicles
- Forecast for residuals in the compact, subcompact and fuel-efficient vehicle segments
- Residual forecasts for hybrid and electric vehicles
- Analysis of domestic brand residual values
- Analysis of Korean brand residual values

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

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.

For more information about Kelley Blue Book's Best Resale Value Awards, please visit <http://www.kbb.com/car-news/all-the-latest/2011-best-resale-value-awards>.

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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