

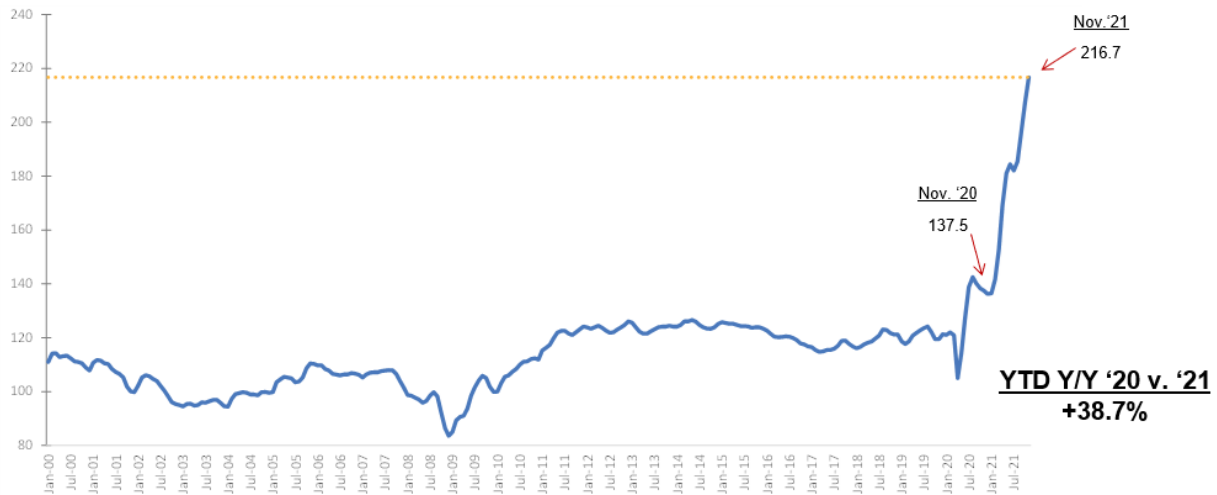
NOVEMBER 2021 WHOLESALE MARKET UPDATE

USED VEHICLE PRICE INDEX

The used market continues running at historic levels. In November 2021, used prices increased for a fourth consecutive month, bringing the J.D. Power Valuation Services Used Vehicle Price Index to its highest level on record. Used prices continue to be bolstered by new-vehicle production and inventory constraints, elevated levels of new vehicle customer-facing transaction prices, tightening levels of used supply and increased dealer focus on used-vehicle operations. As a result, the index grew by more than nine points from October 2021 and ended the month more than 80 points higher than where they bottomed out in December 2020. On a year-over-year basis, used prices are nearly 39% higher than they were during the same period in 2020.

Wholesale prices at the industry level increased nearly 1.5% in November, which was not only the best performance ever for the period, but also a significant improvement vs. the previous five-year average decline of 3%. While wholesale prices rose again, the pace slowed from increases in September (5%) and October (3.5%). When looking at wholesale prices on a weekly basis in November, increases gradually slowed, but closed higher for the period than [in October? November 2020? Not sure of the context here.]. In terms of retail prices, PIN data shows that used prices at franchised dealers were up 1.8% in November and were nearly 23% above prices in November 2020. Additionally, days to turn for used vehicles held steady at 40 days which, from an historical perspective, remains extremely low. In November 2020, days to turn for used vehicles was 49 days.

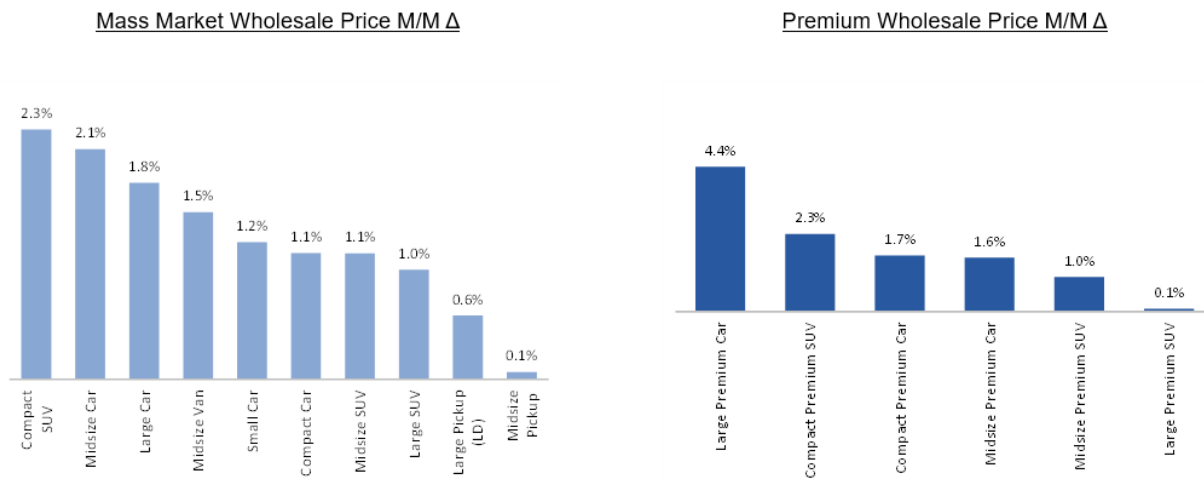
J.D. Power Valuation Services Used Vehicle Price Index (seasonally adjusted)



SEGMENT PRICE PERFORMANCE

In terms of segment wholesale price performance, there were no surprises In November. Industry prices increased an average of 1.5%, and mainstream growth was right in line with that figure. J.D. Power continues to observe passenger car prices slightly outperform their SUV and truck counterparts. This is due largely to the ongoing supply and demand imbalance created by manufacturers pulling back passenger car product offerings on the new side of the market during the past few years. Premium segments continue to perform exceptionally well, not only from an historical perspective, but in relation to their mainstream counterparts. Premium results were once again in line with overall industry movement for the period.

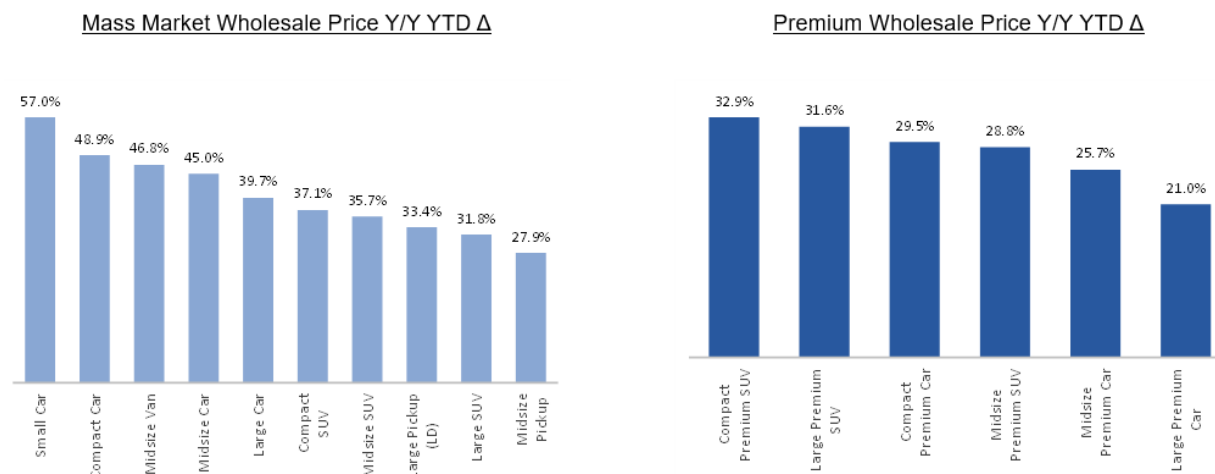
October vs. November 2021 Segment Wholesale Price Performance



Overall industry wholesale prices are up an average of 39% this year. This increase has been driven primarily by large increases on the mass market side of the market in which passenger car prices are up as much as 57% for small cars and 40% for large cars. Large and midsize pickup prices also are up 33% and 28%, respectively.

Price growth in the premium sector continues to lag that of mass market. However, growth is still impressive from a historical perspective as premium prices are not often as strong as their mass market counterparts. For example, compact SUV prices have risen the most, up nearly 33%. On the opposite end of the spectrum, even large car prices are up 21% compared with last year. Premium prices continue to be under more pressure because wholesale sales activity hasn't been nearly as limited as mass market auction sales volume.

Year-Over-Year Segment Wholesale Price Performance



WHOLESALE VOLUME UPDATE

In terms of wholesale sales, volume at the industry level is now 13% lower this year vs. the same 11-month period in 2020. This figure appears even depressed when compared with 2019, as auction sales are trending between 25% to 30% lower than pre-pandemic levels. Mass market sales are certainly more constrained, currently more than 15% lower than a year ago, which is being amplified by massive reductions in passenger car wholesale volume. Premium wholesale sales are faring better, as sales for this sector are down a slight 1% when compared with the same period a year ago. This continues to be a major contributing factor as to why premium prices aren't up quite as much as mass market.

Wholesale Auction Sales (000s)

Segment	Nov. '20	Oct. '21	Nov. '21	M/M Change %	Y/Y Change %	CYTD '20	CYTD '21	CY Change %
Mainstream Total	263	253	199 ▼	-21% ▼	-25%	3,601	3,051 ▼	-15%
Premium Total	45	47	36 ▼	-23% ▼	-20%	575	569 ▼	-1%
Industry Total	308	300	234 ▼	-22% ▼	-24%	4,176	3,620 ▼	-13%

Note: Vehicles up to eight years in age.

2022 U.S. ALG Residual Value Awards

The J.D. Power U.S. ALG Residual Value Awards are the automotive industry standard in recognizing vehicle models projected to hold the highest percentage of their manufacturer's suggested retail price following a three-year period of ownership. This value retention is a key variable in the lease cost of a vehicle, underscoring an automaker's success in the areas of long-term quality and design, as well as the overall desirability of automotive brands and their models. It is also a vital component to vehicle shoppers as it helps forecast a vehicle's resale value once they sell or trade-in the vehicle for a new one, consistently cited as an important purchase consideration by shoppers.

For model-year 2022, 19 different brands have won awards in 29 segments. The award process consists of evaluating 284 models through analysis of used-vehicle performance, brand outlook and product competitiveness. Eligibility for a brand award requires a manufacturer to have model entries in at least four different segments. To account for differences across trim levels, model averages are weighted based on percentage share relative to the entire model line.

In addition to the mass market brand level award, Honda also takes home three model-level awards. Lexus ranks highest among premium brands while only having one segment-winning model.

Model-Level Residual Value Awards

Honda and Hyundai share the most model-level awards, with three each. They are followed by a diverse list of manufacturers winning in two categories: Audi, Kia, Land Rover, Mercedes-Benz, Subaru and Toyota.

- Honda: Civic, Passport and Odyssey
- Hyundai: Accent, Kona and Kona EV
- Audi: A6 Allroad and Q3
- Kia: K5 and Telluride
- Land Rover: Range Rover Velar and Discovery
- Mercedes-Benz: AMG GT 4-Door and Metris
- Subaru: WRX and Forrester
- Toyota: Tacoma and Tundra

Noteworthy for 2022, the Mercedes-Benz AMG GT 4-Door tops long-time segment leader Lexus LS in the Premium Executive segment, while the new Ford Bronco beats out perennial winners Jeep Wrangler and Toyota 4Runner for top honors in the Off-Road Utility segment. Also of note are the increasingly popular electric vehicle winners, which are highlighted by the Kona EV in the Mass Market Electric segment and the Tesla Model Y in the Premium Electric segment.

Numerous variables affect the actual residual value of a vehicle over a multi-year lease term. Examples include mileage, quality/reliability, options and feature sets, weather and macroeconomic environment. Since these factors need to be taken into account in order to accurately forecast residual values, the more granularity and greater the understanding of the effect of each variable, the better equipped manufacturers and lenders are able to maximize profitability. The combination of J.D. Power insights and data with the deep experience of ALG in residual values allows for even more accurate end-of-lease forecasting capabilities.

J.D. Power
2022 U.S. ALG Residual Value AwardsSM

Top Make-Level Performers

Mass Market: **Honda**
Premium: **Lexus**

Top Model per Segment

Passenger Car Segments

Compact Honda Civic	Premium Fullsize Audi A6 Allroad
Fullsize Dodge Charger	Premium Midsize Genesis G70
Midsize Kia K5	Premium Sportscar Porsche 911 Carrera
Premium Compact BMW 2 Series	Sportscar Subaru WRX
Premium Executive Mercedes-Benz AMG GT 4-DOOR	Subcompact Hyundai Accent

Source: J.D. Power 2022 U.S. ALG Residual Value AwardsSM

Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

J.D. Power
2022 U.S. ALG Residual Value AwardsSM

Top Model per Segment

Utility Vehicle Segments

Compact Utility Subaru Forester	Premium Compact Utility Lexus NX
Fullsize Utility Chevrolet Tahoe	Premium Fullsize Utility Jeep Grand Wagoneer
Micro Utility Hyundai Kona	Premium Midsize Utility 2-Row Seating Land Rover Range Rover Velar
Midsize Utility 2-Row Seating Honda Passport	Premium Midsize Utility 3-Row Seating Land Rover Discovery
Midsize 3-Row Seating Kia Telluride	Premium Subcompact Utility Audi Q3
Off-Road Utility Ford Bronco	Subcompact Utility Mazda CX-30

Source: J.D. Power 2022 U.S. ALG Residual Value AwardsSM

Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

J.D. Power
2022 U.S. ALG Residual Value AwardsSM

Top Model per Segment

Electric, Pickup and Van Segments

Mass Market Electric

Hyundai Kona EV

Premium Electric

Tesla Model Y

Fullsize Heavy Duty Pickup

GMC Sierra HD

Fullsize Pickup

Toyota Tundra

Midsized Pickup

Toyota Tacoma

Commercial Van

Mercedes-Benz Metris

Minivan

Honda Odyssey

Source: J.D. Power 2022 U.S. ALG Residual Value AwardsSM

Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.