



Market Overview Research Analysis Residual Values and Market Outlook



EurotaxGlass's

EurotaxGlass's is the largest automotive information provider in Europe and probably the world with significant interfaces with all segments of the market

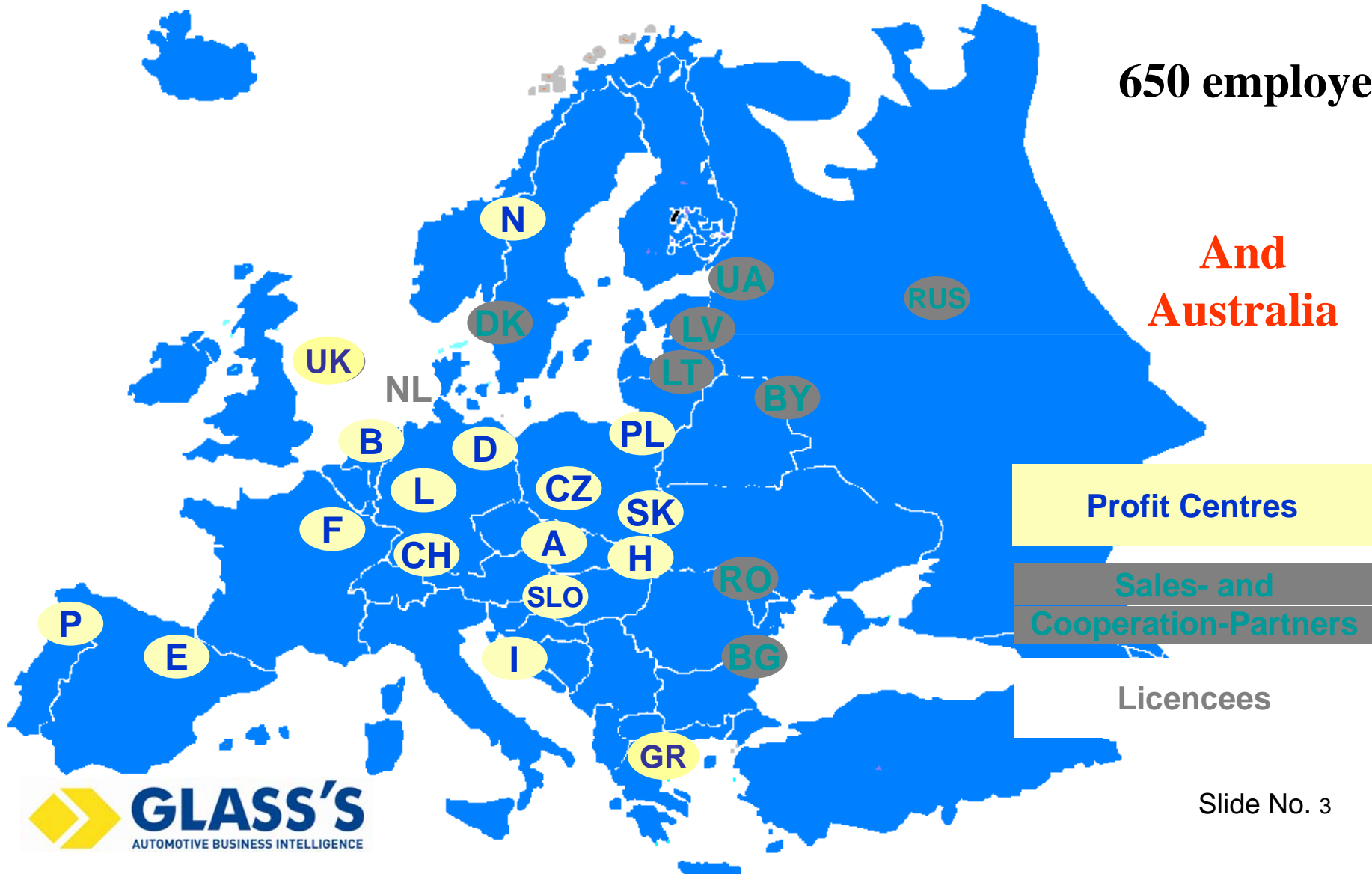
Operates in over 28 countries through 16 subsidiaries with turnover of over in excess of 120m Euros and have approx 750 employees

We have a strategic goal of creating added value within the automotive community by providing business critical information and solutions

EurotaxGlass's

650 employees

And
Australia





GLASS'S RESEARCH ANALYSIS



Glass's Research Analysis – CURRENT PRICES

NEW MODEL CAPTURE:

- 98% OF NEW MODELS BEFORE RELEASE DATE
- 100% OF NEW MODELS WITHIN 3-4 DAYS OF RELEASE

Glass's Research Analysis – CURRENT PRICES

PRICING METHODOLOGY:

- NEW MODELS THREE MONTHS AFTER MODEL RELEASE
(In some cases it could be longer)
- USED PRICING:
 - DEPRECIATION CURVES BY SEGMENT
 - LAST 10 YEARS 90%
 - 11 YEARS + 50%
 - SPECIALITY VEHICLES
 - REVIEWED CYCLICALLY
 - SPECIAL REVIEWS AS A RESULT OF AN EVENT

Glass's Research Analysis – PRICING

DATA SAMPLE SIZE FOR ANALYSIS

| | | |
|--------------|---|------------------|
| » MONTHLY | - | 45,000 VEHICLES |
| » ANNUALISED | - | 540,000 VEHICLES |

ESTIMATED NUMBER OF USED CARS SOLD ANNUALLY

- 2,000,000

PERCENT OF USED CAR TRANSACTIONS USED FOR ANALYSIS

- 27%

Glass's Research Analysis – CURRENT PRICES

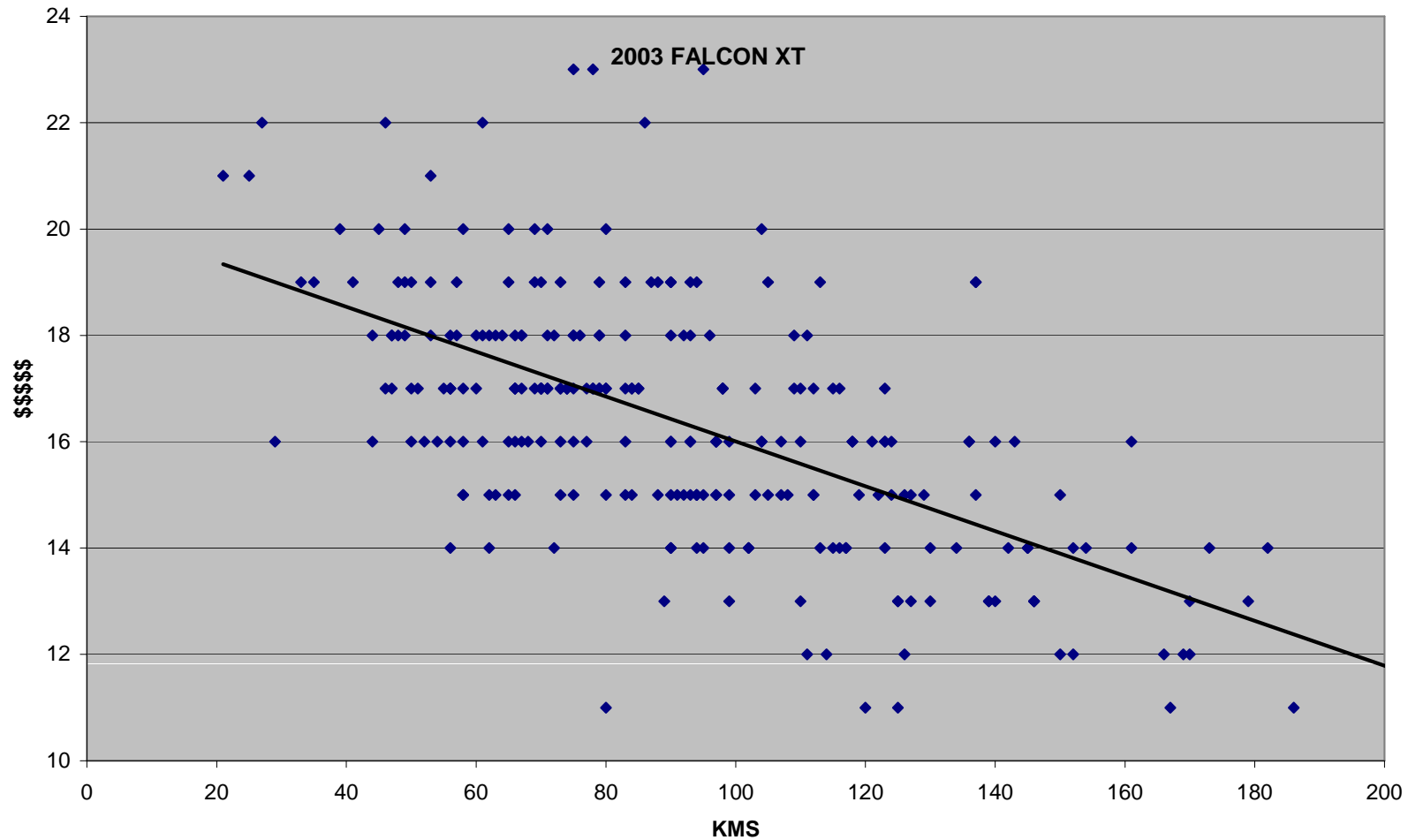
RESEARCH METHODOLOGY:

- **DATA USED/SOURCE**
 - » DATA WEIGHTED TO STATES SALES MIX
 - » RETAIL DATA – WEB AND DEALERS
 - » AUCTION DATA - 10 to 15% OF TOTAL USED CAR VOLUME
 - » FLEET COMPANY DATA

- **DATA CLEANING - IS ADJUSTED FOR THE FOLLOWING BEFORE BEING ANALYSED**
 - » ADJUSTED FOR KM COVERED
 - » ADJUSTED FOR OPTIONS FITTED
 - » ETC

Glass's Research Analysis – CURRENT PRICES

2003 Ford Falcon XT – May 2007



Market Overview

- **Vehicle depreciation in 2006 to 2010**
- **(Vehicles up to 10 years old)**
 - Average decline over the prior 10 years **5 - 6%**
 - Average used value decline 2006 11.0%
 - Average used value decline 2007 9.8%
 - Average used value decline 2008 9.0%
 - Average used value decline 2009 11.0%
 - Average used value decline 2010 8.0%

Market Overview

PASSENGER VEHICLES DEPRECIATION - 2007 TO 2010

(Vehicles up to 10 years old)

| VEHICLE SEGMENT | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| | (%) | (%) | (%) | (%) |
| LIGHT | 8 | 9 | 9 | 7 |
| SMALL | 8 | 11 | 11 | 8 |
| MEDIUM | 10 | 11 | 12 | 9 |
| LARGE | 12 | 15 | 9 | 9 |
| LUXURY/UPPER LARGE | 14 | 11 | 15 | 10 |
| PEOPLE MOVER | 14 | 9 | 13 | 8 |
| SPORT | 9 | 11 | 14 | 8 |
| TOTAL PASSENGER | 10 | 8 | 11 | 9 |

Market Overview

LIGHT COMMERCIAL VEHICLES DEPRECIATION IN 2007 to 2010 (Vehicles up to 10 years old)

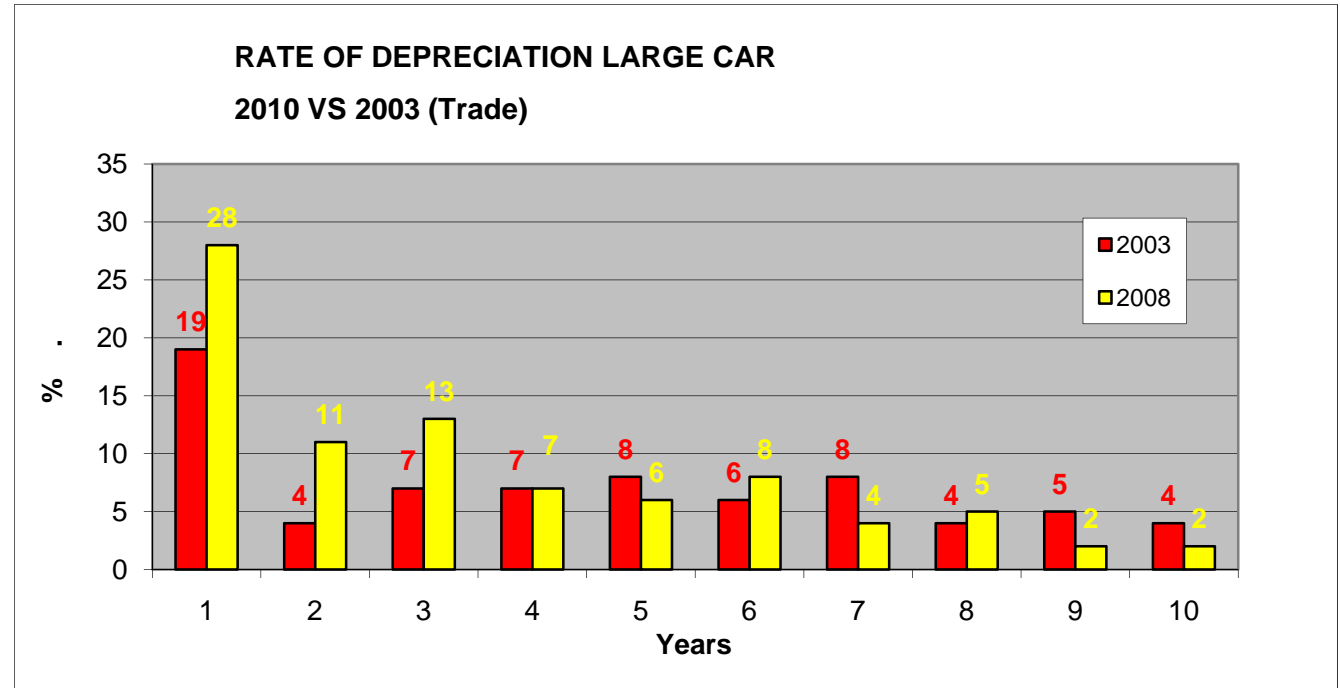
| VEHICLE SEGMENT | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| | (%) | (%) | (%) | (%) |
| PU/CC 4X2 | 8 | 8 | 15 | 7 |
| PU/CC 4X4 | 10 | 7 | 14 | 8 |
| SUV COMPACT | 11 | 11 | 10 | 7 |
| SUV MEDIUM | 9 | 7 | 6 | 7 |
| SUV LARGE | 7 | 7 | 7 | 6 |
| SUV LUXURY | 13 | 7 | 8 | 10 |
| VAN | 8 | 5 | 19 | 8 |
| TOTAL LCV | 9.1 | 7.6 | 13 | 7 |

CHANGE IN LARGE CAR DEPRECIATION

RV CHANGES

Value lost as at

| | 3YRS | 5 YRS |
|----------|------|-------|
| 2003 | 30% | 45% |
| 2010 | 53% | 61% |
| Increase | 77% | 36% |



**AVERAGE DEPRECIATION - 10.9% A YEAR IN YEARS 2 TO 4
5.4% A YEAR IN YEARS 5 TO 10**

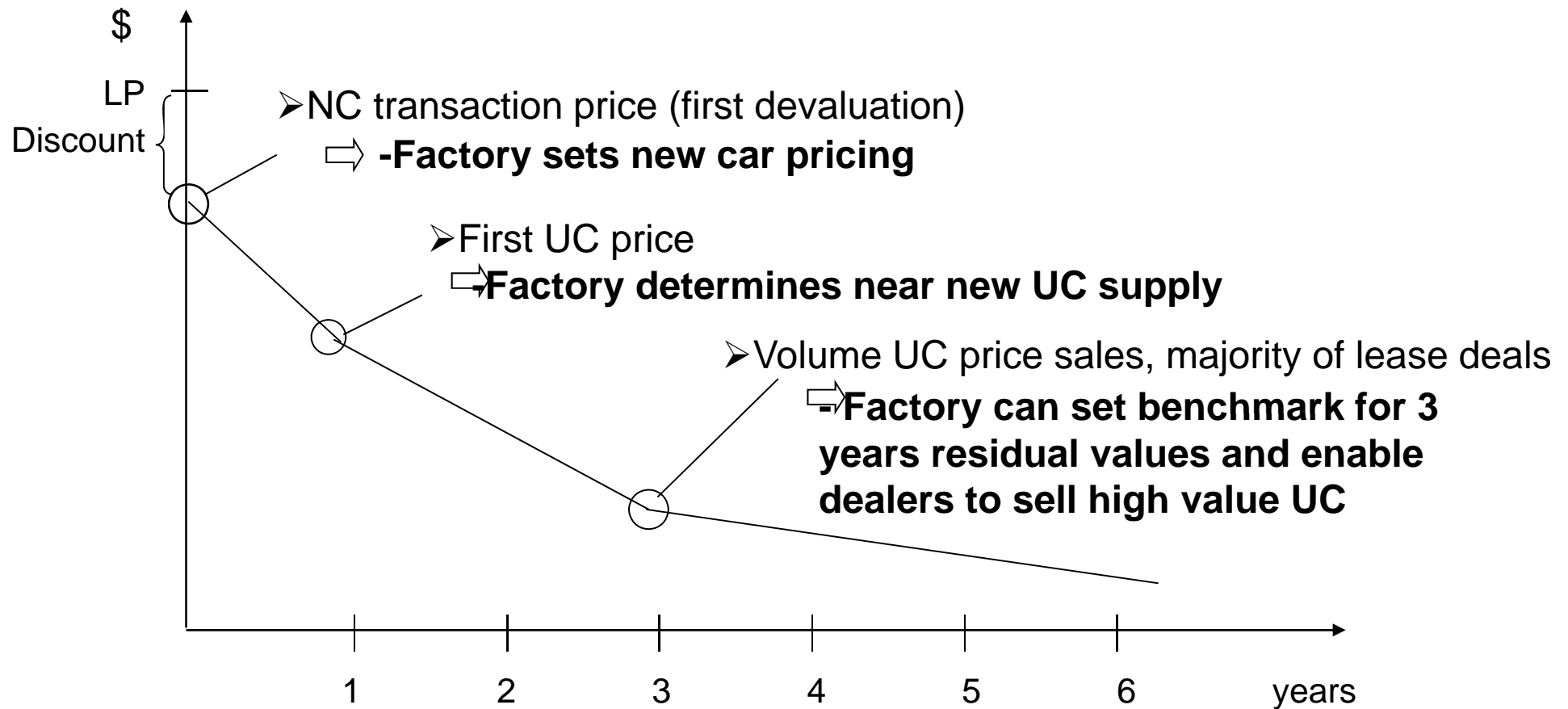


Residual Values



Residual Value Influences

Milestones along Vehicle Lifecycle



Residual Value Influence

- Other influences
 - » Supply and demand
 - » Price positioning
 - » Optional vs. Standard specifications
 - » Connecting with the buyer
 - » Evolutionary vs. Revolutionary

Glass's Future Values (GFV) – Fleet Management Tool

GLASS'S FUTURE VALUE KEY INDICATORS

- Where the vehicle is in its model cycle.
- What is happening to the market acceptability of the product.
- Current used values and used value trends.
- Historical used price trends.
- Changes in new vehicle pricing.
- Government tariff adjustments and the potential impact this will have on the used market.
- Current new price strategies and price discounting.
- New vehicle sales volumes and market saturation.
- Population growth trends.
- Inflation trends
- Vehicle whole of life costs.
- Interest rates.
- Economic trends and cycles.
- Vehicle affordability.

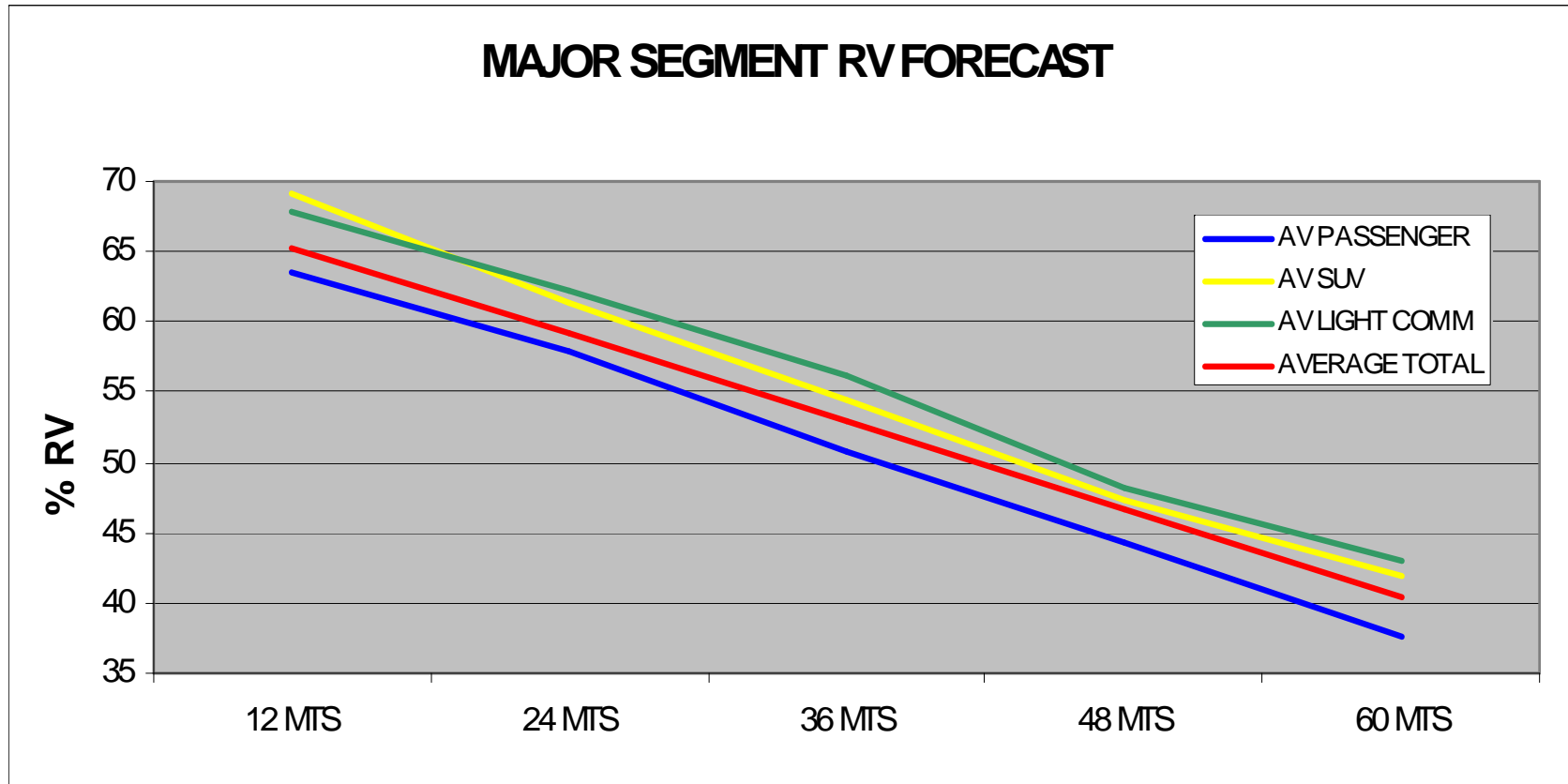


Market Outlook



MARKET OUTLOOK

RV FORECAST BY MAJOR SEGMENT



Source: Glass's Future Values Software (GFV)

GFV is a RV tracker, RV forecaster and bulk fleet valuation tool.

MARKET OUTLOOK – RV FORECAST BY SEGMENT

PASSENGER VEHICLES

| RV BY SEGMENT (% OF RRP) | | | | | |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|
| SEGMENT | 12 MTHS | 24 MTHS | 36 MTHS | 48 MTHS | 60 MTHS |
| LARGE | 58 | 53 | 44 | 40 | 33 |
| LIGHT | 64 | 59 | 54 | 46 | 41 |
| MEDIUM | 64 | 57 | 50 | 43 | 37 |
| PEOPLE MOVER | 61 | 55 | 50 | 43 | 36 |
| SMALL | 64 | 60 | 54 | 49 | 41 |
| UPPER LARGE | 59 | 55 | 46 | 41 | 34 |
| AVERAGE TOTAL MARKET | 63 | 57 | 52 | 46 | 39 |

Source: Glass's Future Values Software (GFV)

GFV is a RV tracker, RV forecaster and bulk fleet valuation tool.

MARKET OUTLOOK – RV FORECAST BY SEGMENT

SPORTS UTILITY VEHICLES (SUV)

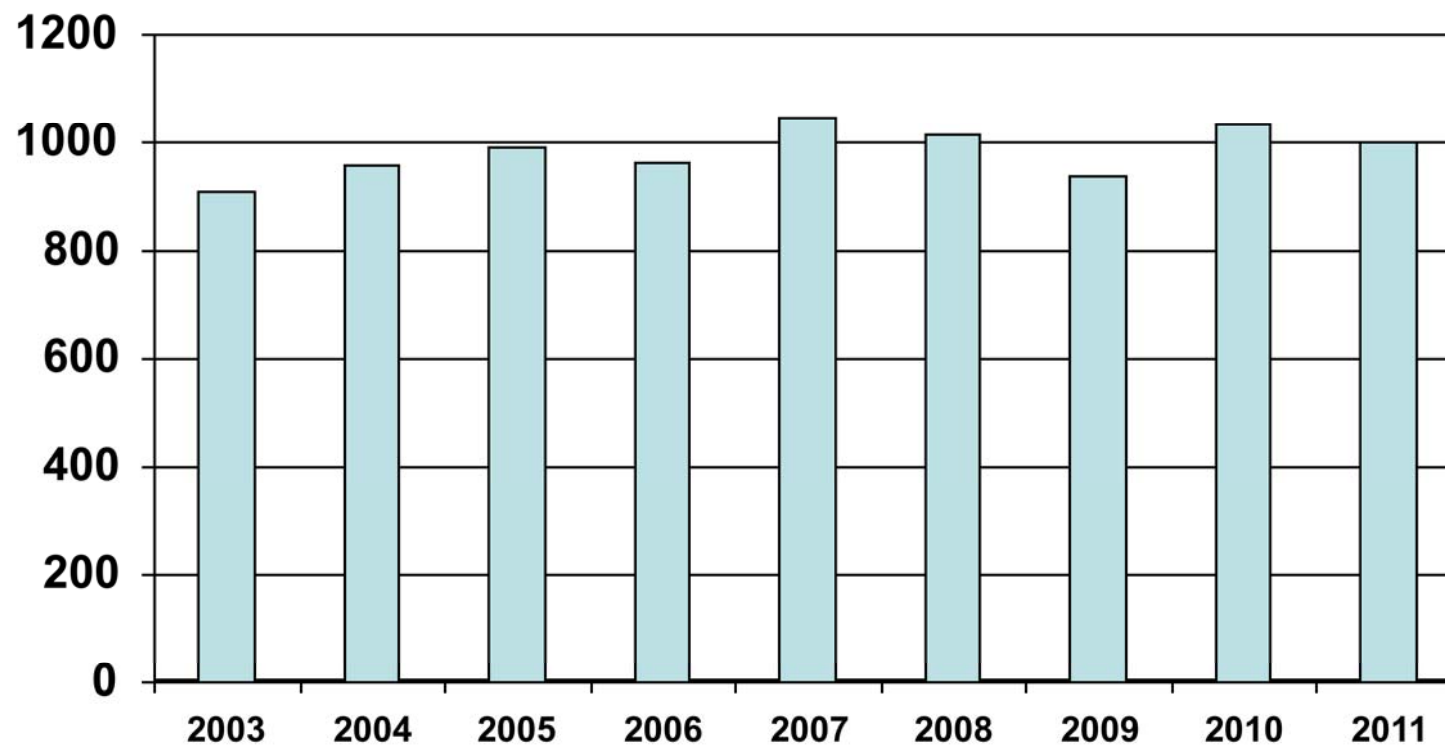
| RV BY SEGMENT (% OF RRP) | | | | | |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|
| SEGMENT | 12 MTHS | 24 MTHS | 36 MTHS | 48 MTHS | 60 MTHS |
| SUV COMPACT | 64 | 55 | 49 | 44 | 39 |
| SUV MEDIUM | 65 | 57 | 48 | 44 | 37 |
| SUV LARGE | 65 | 59 | 47 | 41 | 38 |
| SUV LUXURY | 63 | 57 | 48 | 42 | 38 |
| AVERAGE TOTAL MARKET | 64 | 57 | 49 | 43 | 38 |

Source: Glass's Future Values Software (GFV)

GFV is a RV tracker, RV forecaster and bulk fleet valuation tool.

Outlook 2011

NEW CAR SALES



Outlook 2011

- Strong buyer sentiment towards environment and cost of ownership
- New Car Sales expected to decline by 3-4%
- Continued growth
 - Light/Small cars
 - SUV compact/medium
- LPG/dual fuel
- Diesel
- Hybrid's & Electric Vehicles
- New prices to increase (subject to fall in \$A)

Outlook 2011

- Residual values
 - Continuing realignment
 - Oversupply continues to be an issue in spite of Japanese tsunami
- Fuel prices impact
- Economic impact
 - Manufacturer incentives – discounts
 - Dealer Demos
 - Potential Carbon Tax
 - Chinese Automobiles



Thank You

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