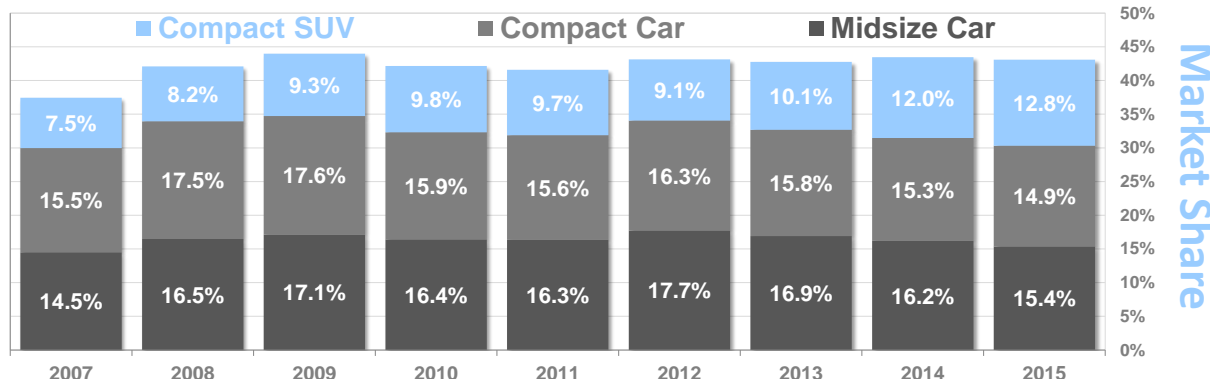


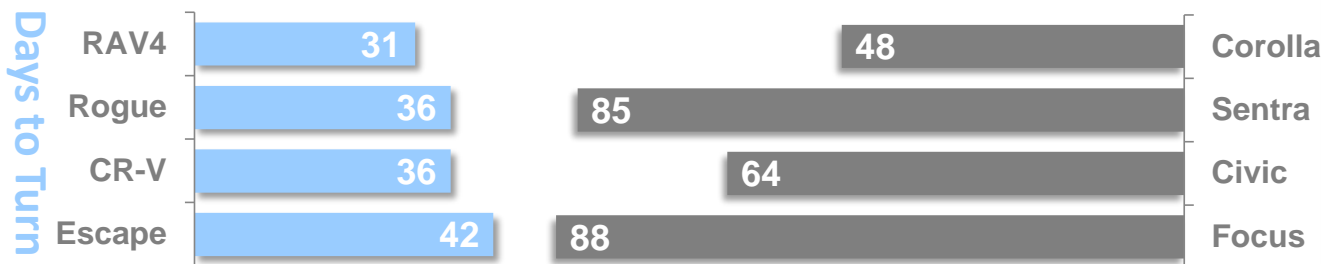
CONQUESTING the MARKET

Compact SUV sales grow at the expense of car segments

Compact SUVs have earned **record market share** in 2015 but the popularity of these vehicles has not generated incremental sales. This trend is having an **adverse affect on midsize and compact car sales**. Those segments' market shares are at an **eight year low**.

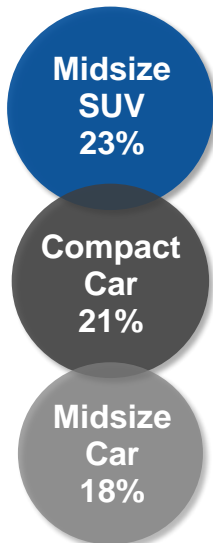


Compact SUV popularity has an interesting effect on dealer inventory. Today midsize and compact cars have among the **longest days-to-turn numbers on record** for those segments. Many compact SUVs sell significantly faster than their brands' compact car counterparts.

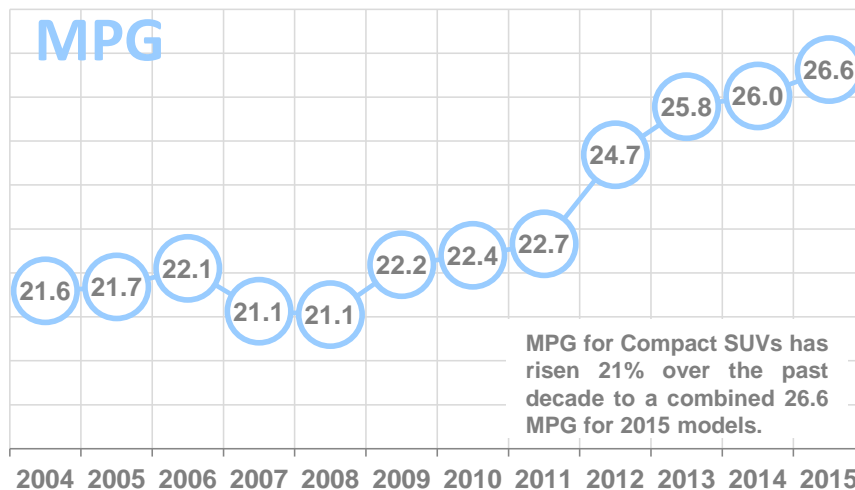


Compact SUV popularity is truly a product story. They are a desirable **size** but concede very little in **efficiency** and are **comparably priced** with models in other popular segments. They combine aspects of the market's best-selling and pragmatic segments - establishing a new middle.

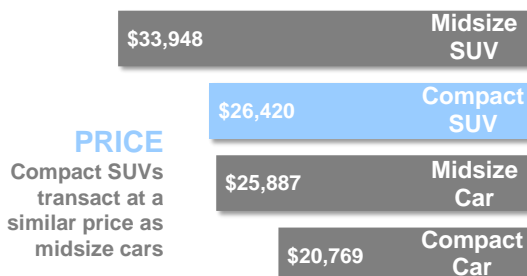
63% of all trade-ins for Compact SUVs come from these 3 core segments:



Only 14% of people buying a compact SUV with a trade-in had a compact SUV as their trade-in.



Challenging Midsize Cars



The average age of vehicles traded in for a new vehicle is six years. For owners trading in a six year old midsize car, the compact SUV will most likely offer an MPG improvement since midsize cars average MPG in 2009MY was 24.5.