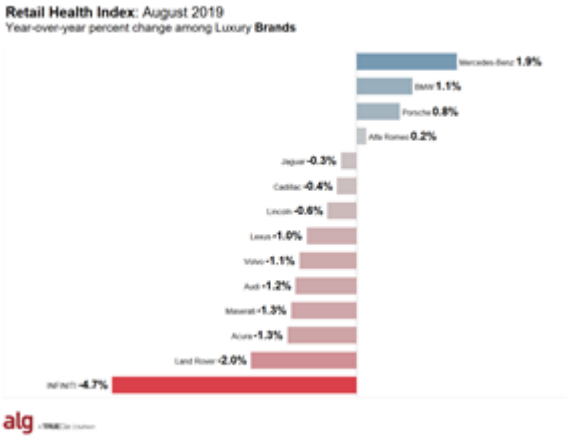




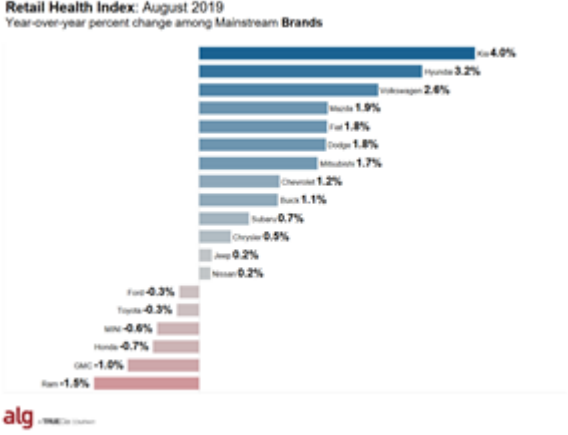
TrueCar's ALG Forecasts New Car Auto Sales to Rise in August Bolstered by Labor Day Weekend

August 28, 2019

SANTA MONICA, Calif., Aug. 28, 2019 (GLOBE NEWSWIRE) -- TrueCar, Inc.'s (NASDAQ: TRUE) data and analytics subsidiary, ALG, projects total new vehicle sales will reach 1,602,276 units in August, up 4.2% from a year ago when adjusted for the same number of selling days. For 2019, August sales include the entirety of Labor Day Weekend sales, while August 2018 only included up to the Friday prior to Labor Day Weekend, giving August 2019 a sales advantage. This month's seasonally adjusted annualized rate (SAAR) for total light vehicle sales is an estimated 16.6 million units. Excluding fleet sales, ALG expects U.S. retail deliveries of new cars and light trucks to be 1,402,687 units, an increase of 3.1% from a year ago when adjusted for the same number of selling days.



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Founded in 1964 and headquartered in Santa Monica, California, ALG is an industry authority on automotive residual value projections in both the United States and Canada. By analyzing nearly 2,500 vehicle trims each year to assess residual value, ALG provides auto industry and financial services clients with market industry insights, residual value forecasts, consulting and vehicle portfolio management and risk services. ALG is a wholly-owned subsidiary of TrueCar, Inc.

“Despite heavy chatter and speculation about the trade war and the future of the economy that’s stoking uncertainty, the fundamentals including employment and wages are performing well and having a positive impact on auto sales,” said Oliver Strauss, Chief Economist for ALG, a subsidiary of TrueCar.

Additional Takeaways & Trends: (Forecasted by ALG)

- BMW stood out this month for sales growth, expected to be up 16.8% on total vehicle sales and 18.1% on retail sales year-over-year. Trends on the TrueCar platform indicate strong performance from their SUVs including the all-new X7, which has quickly risen to be the number two best-selling model in the premium Fullsize Utility segment since launching earlier this year.
- Tesla’s ascent is expected to continue, up 12.5% year-over-year, however growth softens compared to previous months as Model 3 sales ramped up significantly starting in August 2018.
- Automaker average incentive spend should reach \$3,825, up 1.2% or \$45 dollars year-over-year, and down 2.2% or \$85 from July 2019. The most notable declines in incentive spend are expected from Kia, down 12.7%, Hyundai, down 9% and Ford, down 6.9%. Meanwhile Honda is expected to raise incentives by 15.8%, FCA, up 9%, and GM, up 8.8%.
- Average transaction price (ATP) should continue to rise, up 2.1% or \$702 year-over-year.
- Incentives as a percentage of average transaction price are expected to be 11.2%, down slightly at 0.9% from a year ago and down 1.9% from July 2019.
- Hyundai, Kia, Volkswagen, Mercedes, and BMW all stood out this month in ALG’s Retail Health Index (RHI) brand strength metric. This was largely driven by new, redesigned, or strong performing SUV product including the Hyundai Palisade, Kia Telluride, Volkswagen’s Atlas and Tiguan, Mercedes’ GLE and BMW’s all-new X7.
- TrueCar and ALG also assessed brand retention performance through the replacement vehicle indicated via [TrueCar’s consumer trade](#) experience.
 - RAM had the highest indicated brand retention at 44%. This is up significantly from 36% last year which ranked them 10th.
 - Honda ranked 2nd at 41% indicated brand retention which was on par with last year.
 - Subaru ranked 3rd at 40%, up from 9th last year.
 - Lexus and Chevrolet ranked 4th and 5th respectively.

- The average indicated retention across all brands was 32%.
- Used vehicle sales for August are expected to reach 3,350,362 down 0.2% year-over-year and flat from July 2019.

“ALG’s Retail Health Index is revealing some interesting trends across the industry,” said Eric Lyman, Chief Industry Analyst for ALG, a subsidiary of TrueCar. “Luxury brands are showing an increasing reliance on incentives to maintain sales, brands with fresh Midsize Utility products are leading Retail Health Index performance in both mainstream and luxury sectors, and elevated incentive spending in the Fullsize Pickup segment is negatively impacting Retail Health Index scores for truck-heavy domestic brands.”

Retail Health Index (Forecast)

RHI measures the changes in retail market share relative to changes in incentive spending and transaction price to gauge whether OEMs are “buying” retail share through increased incentives, or whether share increases are largely demand-driven. An OEM with a positive RHI score is demonstrating a healthy balance of incentive spend relative to market share, either by holding incentive spending flat and increasing share or by increasing incentives with a higher positive increase in retail share.

August 2019 forecasts for the 13 largest manufacturers by volume: (Adjusted for same selling days as August 2018. Tesla forecast included since March 2019.)

Total Unit Sales

Manufacturer	Aug 2019	Aug 2018	YoY % Change
BMW	33,570	27,719	16.8%
Daimler	27,883	24,192	11.1%
FCA	209,155	193,718	4.1%
Ford	209,586	217,700	-7.2%
GM	280,567	238,574	13.4%
Honda	165,617	147,903	8.0%
Hyundai	66,180	57,542	10.9%
Kia	59,489	53,864	6.5%
Nissan	118,990	112,376	2.1%
Subaru	71,558	64,088	7.7%
Tesla	11,670	10,000	12.5%
Toyota	232,440	223,055	0.5%
Volkswagen Group	60,019	57,505	0.6%
Industry	1,602,276	1,482,268	4.2%

Incentive Spending (Per Unit)

Manufacturer	Aug 2019	Aug 2018	YOY % Change
BMW	\$5,816	\$5,428	7.2%
Daimler	\$5,589	\$5,855	-4.5%
FCA	\$5,043	\$4,625	9.0%
Ford	\$4,415	\$4,741	-6.9%
GM	\$5,133	\$4,720	8.8%
Honda	\$2,236	\$1,931	15.8%
Hyundai	\$2,693	\$2,960	-9.0%
Kia	\$3,461	\$3,966	-12.7%
Nissan	\$4,167	\$4,381	-4.9%
Subaru	\$1,560	\$1,507	3.5%
Toyota	\$2,641	\$2,590	2.0%
Volkswagen Group	\$3,844	\$3,745	2.7%
Industry	\$3,825	\$3,780	1.2%

Average Transaction Price (ATP)

Manufacturer	Aug 2019	Aug 2018	July 2019	YOY % change	MOM % change
BMW	\$53,337	\$51,500	\$55,542	3.6%	-1.2%
Daimler	\$57,216	\$55,668	\$58,809	2.8%	-0.4%
FCA	\$36,505	\$34,766	\$36,125	5.0%	1.1%
Ford	\$38,165	\$37,501	\$37,715	1.8%	-1.0%
GM	\$38,135	\$37,410	\$37,806	1.9%	1.7%
Honda	\$28,102	\$28,765	\$28,085	-2.3%	-0.7%
Hyundai	\$24,644	\$22,149	\$23,004	11.3%	0.3%
Kia	\$24,057	\$22,676	\$24,123	6.1%	2.0%
Nissan	\$26,751	\$27,000	\$27,095	-0.9%	-1.4%
Subaru	\$29,113	\$28,632	\$29,180	1.7%	-0.1%
Toyota	\$32,322	\$32,041	\$32,588	0.9%	-0.9%

Volkswagen Group	\$40,059	\$39,828	\$42,524	0.6%	-5.0%
Industry	\$34,278	\$33,577	\$34,441	2.1%	-0.2%

For additional data visit the [ALG Newsroom](#).

(Note: This forecast is based solely on ALG's analysis of industry sales trends and conditions and is not a projection of the company's operations.)

TrueCar Trade data reflects consumers trading in a vehicle and the percentage that chose the same brand when indicating a replacement vehicle. The replacement vehicle was not necessarily a new car. Data sourced Aug 2018 vs. Aug 1-26th 2019.

About TrueCar

TrueCar, Inc. (NASDAQ: TRUE) is a digital automotive marketplace that provides comprehensive pricing transparency about what other people paid for their cars and enables consumers to engage with TrueCar Certified Dealers who are committed to providing a superior purchase experience. TrueCar operates its own branded site and its nationwide network of more than 16,500 Certified Dealers also powers car-buying programs for some of the largest U.S. membership and service organizations, including USAA, AARP, American Express, AAA and Sam's Club. Nearly half of all new car buyers engage with the TrueCar network during their purchasing process. TrueCar is headquartered in Santa Monica, California, with an office in Austin, Texas.

For more information, please visit www.truecar.com, and follow us on [Facebook](#) or [Twitter](#). TrueCar media line: +1-844-469-8442 (US toll-free) | Email: pressinquiries@truecar.com

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Source: TrueCar, Inc.