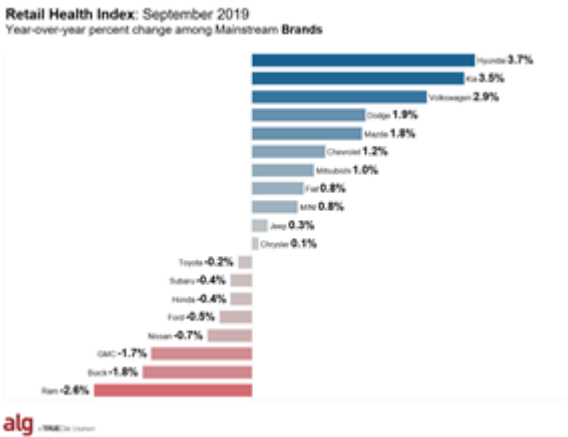




TrueCar's ALG Forecasts New Car Auto Sales Increase for the Third Quarter; Annual SAAR Remains on Pace for 17M Units

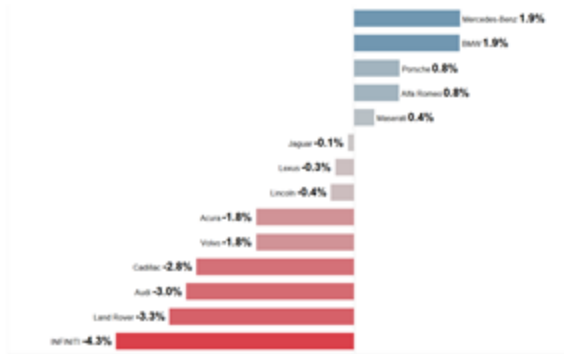
September 25, 2019

SANTA MONICA, Calif., Sept. 25, 2019 (GLOBE NEWSWIRE) -- TrueCar, Inc.'s (NASDAQ: TRUE) data and analytics subsidiary, ALG, projects total new vehicle sales will reach 1,288,972 units in September, down 2.2% from a year ago when adjusted for the same number of selling days. For the third quarter, total vehicle sales are forecast to be 4,334,457 units, up 1% from a year ago when adjusted for the same number of selling days, which would mark the first quarter in 2019 to show an increase in sales year-over-year. This month's seasonally adjusted annualized rate (SAAR) for total light vehicle sales is an estimated 17.4 million units, with ALG projecting 2019 new car sales to continue to stay on course to reach 17M units as initially forecast in January. Excluding fleet sales, ALG expects U.S. retail deliveries of new cars and light trucks to be 1,075,416 million units, a decrease of 4.4% from a year ago when adjusted for the same number of selling days.



The Retail Health Index (RHI) is ALG's brand strength metric. 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.

Retail Health Index: September 2019
Year-over-year percent change among Luxury Brands



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ALG, a subsidiary of TrueCar

"Despite a slight rebound in consumer confidence in September, overall auto sales are expected to decline given that Labor Day weekend fell into August this year," said Oliver Strauss, Chief Economist for ALG, a subsidiary of TrueCar. "Nevertheless, the third quarter was up and auto sales remain on pace to hit 17 million units for 2019 aided by more fleet and incremental incentives."

Additional Takeaways & Trends: (Forecast by ALG)

Month:

- Hyundai stood out for sales growth up 9.2% for total unit sales and 7.5% for retail sales year-over-year, continuing to see strong performance in its all-new Palisade model.
- Despite having no product launches, Honda is also expected to be up 7.4% on total vehicle sales and 6.6% on retail sales year-over-year, aided by strong Civic performance as well as increased incentive spend and fleet sales.
- Tesla continues to show strong sales growth, up 26.7% in total units year-over-year spurred by enduring popularity of its

Model 3.

- Automaker average incentive spend should reach \$3,975, up 4.9% or \$184 dollars year-over-year, and up 0.3% or \$12 from August 2019. The most notable declines in incentive spend are expected from Daimler, Hyundai, and BMW. Meanwhile Subaru, GM, and Honda are expected to have double-digit incentive increases.

"Subaru has long been an all-star when it comes to incentives discipline, and while the YOY spending is up nearly 50%, with an aging portfolio and new entries in hyper-competitive segments, the brand is still performing as the industry's MVP with regard to vehicle discounting," said Eric Lyman, Chief Industry Analyst at ALG, a subsidiary of TrueCar.

- Average transaction price (ATP) should continue to rise, up 2% or \$672 year-over-year. ATP is expected to increase for the 9th consecutive month this year when compared to the prior year.
- Incentives as a percentage of average transaction price are expected to be 11.5%, up 2.8% from a year ago and down 0.8% from August 2019.
- In ALG's brand strength metric, Retail Health Index (RHI), BMW and Mercedes-Benz stood out, driven by lower incentives and strong new product performance in the BMW X7, Mercedes-Benz GLS and CLS.
- Used vehicle sales for September are expected to reach 3,415,427 up 3.4% from a year ago and up 0.1% from August 2019.

"Mercedes-Benz and BMW are growing retail share while simultaneously pulling back on incentives, a feat that is boosting performance in our Retail Health Index," added Lyman. "Historically, these German rivals kick their sales efforts into overdrive in Q4, but new product, rather than discounting, could be the catalyst for strong market performance as we enter the final stretch of 2019."

Third Quarter:

- Retail unit sales for the third quarter should reach 3,767,621, down 3.1% compared with the same period last year adjusted for the same number of selling days.
- TrueCar and ALG also assessed brand retention performance through the replacement vehicle indicated via [TrueCar's consumer trade](#) experience for Q3.
 - Toyota had the highest indicated brand retention at 43%. Honda and Chevrolet tied for second at 42% followed by Subaru at 40% and Ram at 37%.
 - At the model level, the Chevrolet Corvette had the highest indicated brand retention at 49% followed by the Subaru Forester and the Jeep Wrangler Unlimited each with 29%.
- Used vehicle sales for the third quarter are expected to reach 10,260,316 up 1.8% year-over-year and down 3.9% from Q2 2019.

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.

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

Total Unit Sales

Manufacturer	Sept 2019	Sept 2018	YoY % Change
BMW	28,759	29,470	6.1%
Daimler	25,338	30,715	-10.3%
FCA	171,397	199,819	-6.8%
Ford	171,511	196,496	-5.1%
GM	214,346	234,043	-0.5%
Honda	131,043	132,668	7.4%
Hyundai	57,621	57,359	9.2%
Kia	47,729	51,503	0.7%
Nissan	105,158	122,819	-6.9%
Subaru	49,558	57,044	-5.6%
Tesla	16,439	14,100	26.7%
Toyota	182,979	203,098	-2.1%
Volkswagen Group	46,681	55,224	-8.1%
Industry	1,288,972	1,432,069	-2.2%

Incentive Spending (Per Unit)

Manufacturer	Sept 2019	Sept 2018	YOY % Change
BMW	\$5,307	\$5,676	-6.5%
Daimler	\$5,372	\$5,943	-9.6%
FCA	\$5,055	\$4,604	9.8%
Ford	\$4,914	\$4,776	2.9%
GM	\$5,200	\$4,451	16.8%
Honda	\$2,336	\$2,036	14.7%
Hyundai	\$2,655	\$2,869	-7.5%
Kia	\$3,619	\$3,792	-4.6%
Nissan	\$4,589	\$4,468	2.7%
Subaru	\$1,860	\$1,252	48.5%
Toyota	\$2,743	\$2,645	3.7%
Volkswagen Group	\$3,607	\$3,844	-6.2%
Industry	\$3,975	\$3,791	4.9%

Average Transaction Price (ATP)

Manufacturer	Sept 2019	Sept 2018	Aug 2019	YOY % change	MOM % change
BMW	\$54,463	\$51,599	\$52,750	5.6%	3.2%
Daimler	\$57,165	\$55,156	\$55,391	3.6%	3.2%
FCA	\$36,994	\$34,948	\$36,211	5.9%	2.2%
Ford	\$39,062	\$38,140	\$38,400	2.4%	1.7%
GM	\$38,751	\$37,810	\$38,323	2.5%	1.1%
Honda	\$28,320	\$29,022	\$28,178	-2.4%	0.5%
Hyundai	\$24,213	\$22,169	\$24,800	9.2%	-2.4%
Kia	\$24,266	\$22,592	\$24,006	7.4%	1.1%
Nissan	\$26,939	\$27,414	\$27,199	-1.7%	-1.0%
Subaru	\$29,500	\$29,305	\$29,322	0.7%	0.6%
Toyota	\$32,261	\$32,360	\$32,673	-0.3%	-1.3%
Volkswagen Group	\$41,612	\$40,487	\$40,640	2.8%	2.4%
Industry	\$34,709	\$34,038	\$34,327	2.0%	1.1%

Total Unit Sales Third Quarter

Manufacturer	Q3 2019	Q3 2018	YoY % Change
BMW	84,204	83,599	0.7%
Daimler	83,102	77,965	6.6%
FCA	555,187	564,507	-1.7%
Ford	574,184	606,939	-5.4%
GM	740,330	694,054	6.7%
Honda	446,341	419,173	6.5%
Hyundai	182,064	166,653	9.2%
Kia	161,864	158,479	2.1%
Nissan	331,268	343,987	-3.7%
Subaru	183,703	180,558	1.7 %
Tesla	42,439	38,800	9.4%
Toyota	640,517	634,923	0.9%
Volkswagen Group	164,528	166,799	-1.4%
Industry	4,334,457	4,290,142	1.0%

Retail Market Share Third Quarter

Manufacturer	Q3 2019	Q3 2018	YoY % Change
BMW	1.9%	1.9%	2.2%
Daimler	2.1%	1.9%	2.2%
FCA	11.8%	12.8%	12.7%

Ford	11.8%	13.6%	12.2%
GM	16.2%	15.5%	16.6%
Honda	11.7%	10.6%	11.1%
Hyundai	4.2%	3.9%	3.9%
Kia	3.7%	3.4%	3.6%
Nissan	7.3%	7.6%	6.8%
Subaru	4.7%	4.5%	4.6%
Tesla	1.1%	1.0%	1.0%
Toyota	15.7%	15.3%	14.9%
Volkswagen Group	4.0%	4.1%	4.0%

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

About ALG

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., a digital automotive marketplace that provides comprehensive pricing transparency about what other people paid for their cars. ALG has been publishing residual values for all cars, trucks and SUVs in the U.S. for over 50 years and in Canada since 1981.

Photos accompanying this announcement are available at

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Source: TrueCar, Inc.