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June Auto Sales Revenue Set to Reach \$50.9 Billion

New vehicle average transaction prices likely to rise 1.9%

SANTA MONICA, Calif.--(BUSINESS WIRE)-- [TrueCar](#), Inc. (NASDAQ: [TRUE](#)) estimates that U.S. new vehicle sales generated \$50.9 billion in June, up 7.4 percent from a year ago and the highest ever recorded for the month, propelled by consumers' continued shift to crossovers and light trucks from midsize sedans.

Stronger average transaction prices last month helped automakers post a \$3.5 billion gain in revenue compared with June 2015, amid a projected 8.6 percent increase in incentive spending from a year ago. As previously announced, TrueCar estimates sales of new cars and light trucks expanded by 5.4 percent last month to 1,556,844 units.

"There have been ups and downs in the auto market this year, but consumer demand has kept sales on pace to top 2015's record 17.5 million units," said Patrick Min, TrueCar's senior industry insights analyst. "Much of that growth keeps coming from crossover utility vehicle deliveries and there's no indication that the appeal of compact and midsize models in this category is declining."

TrueCar estimates the average transaction price (ATP) for a new light vehicle was \$32,693 in June, up 1.9 percent from a year ago. Average incentive spending per unit rose by \$246 to \$3,116. The ratio of incentive spending to ATP was 9.5 percent, up from 8.9 percent a year ago.

"The industry is maintaining a reasonably disciplined approach to incentive spending as the overall pace of sales expansion moderates," said Oliver Strauss, TrueCar's chief economist. "Despite turmoil in international equity and currency markets triggered by last week's Brexit vote in the U.K., the overall health of the U.S. economy, sustained low fuel prices and likelihood that the Federal Reserve will keep interest rates low for the foreseeable future should help auto sales remain at or above the current level."

June average transaction price

Manufacturer	June 2016 Forecast	June 2015	May 2016	Change vs. June 2015	Change vs. May 2016
FCA (Chrysler, Dodge, Jeep, Ram, Fiat)	\$33,349	\$32,535	\$33,353	2.5%	0.0%
Ford (Ford, Lincoln)	\$35,624	\$33,655	\$35,005	5.9%	1.8%
GM (Buick, Cadillac, Chevrolet, GMC)	\$36,489	\$34,273	\$37,265	6.5%	-2.1%
Honda (Acura, Honda)	\$27,471	\$27,289	\$27,397	0.7%	0.3%
Hyundai	\$22,832	\$22,777	\$23,137	0.2%	-1.3%
Kia	\$22,972	\$23,999	\$23,389	-4.3%	-1.8%
Nissan (Nissan, Infiniti)	\$27,589	\$27,739	\$27,380	-0.5%	0.8%
Subaru	\$27,316	\$27,029	\$27,187	1.1%	0.5%
Toyota (Lexus, Scion, Toyota)	\$31,133	\$30,275	\$31,182	2.8%	-0.2%
Volkswagen (Audi, Porsche, Volkswagen)	\$41,386	\$39,594	\$39,482	4.5%	4.8%
Industry	\$32,693	\$32,082	\$32,602	1.9%	0.3%

TrueCar estimates the average incentive for light vehicles in June will rise by \$246, or 8.6 percent, from a year ago, and decrease \$29, or 0.9 percent, from May 2016.

June Incentive Spending

Incentive per Unit June 2016	Incentive per Unit % Change vs.	Incentive per Unit % Change vs. May	Total Spending Apr
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Manufacturer	Forecast	June 2015	2016	2016 Forecast
BMW	\$5,235	22.0%	-8.6%	\$191,066,228
Daimler	\$4,499	6.9%	-5.0%	\$147,560,240
FCA	\$4,101	20.9%	-0.3%	\$836,793,138
Ford	\$3,516	35.5%	-2.2%	\$824,384,514
GM	\$3,991	2.1%	-1.6%	\$1,042,356,769
Honda	\$1,845	-3.7%	5.1%	\$269,889,322
Hyundai	\$2,133	-14.2%	1.4%	\$152,831,133
Kia	\$2,725	1.5%	-0.3%	\$163,832,771
Nissan	\$3,208	-5.6%	-1.0%	\$425,020,652
Subaru	\$616	-19.6%	1.1%	\$31,501,367
Toyota	\$2,108	5.1%	-3.1%	\$466,194,758
Volkswagen Group	\$3,585	15.7%	-0.6%	\$183,102,174
Industry	\$3,116	8.6%	-0.9%	\$4,851,651,268

This month's ratio of incentive to ATP for light vehicles was 9.5 percent, up from 8.9 percent in June 2015 and down from 9.6 percent in May 2016, based on TrueCar analysis. Subaru, Hyundai and Honda show the most improvement in ATP ratio in June versus the year-earlier month.

June Incentive Spending as a Percentage of ATP

Manufacturer	June 2016		
	Forecast	June 2015	May 2016
BMW (BMW, Mini)	10.0%	8.2%	10.7%
Daimler (Mercedes-Benz, Smart)	7.7%	7.6%	8.0%
FCA (Chrysler, Dodge, Jeep, Ram, Fiat)	12.3%	10.4%	12.3%
Ford (Ford, Lincoln)	9.9%	7.7%	10.3%
GM (Buick, Cadillac, Chevrolet, GMC)	10.9%	11.4%	10.9%
Honda (Acura, Honda)	6.7%	7.0%	6.4%
Hyundai	9.3%	10.9%	9.1%
Kia	11.9%	11.2%	11.7%
Nissan (Nissan, Infiniti)	11.6%	12.3%	11.8%
Subaru	2.3%	2.8%	2.2%
Toyota (Lexus, Scion, Toyota)	6.8%	6.6%	7.0%
Volkswagen (Audi, Porsche, Volkswagen)	8.7%	7.8%	9.1%
Industry	9.5%	8.9%	9.6%

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 11,000 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. Over one third of all new car buyers engage with the TrueCar network during their purchasing process. TrueCar is headquartered in Santa Monica, California, with offices in San Francisco and Austin, Texas. For more information, go to www.truecar.com. Follow us on [Facebook](#) or [Twitter](#).

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