

California Auto Outlook™

Comprehensive information on the California vehicle market

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Covering Fourth Quarter 2019

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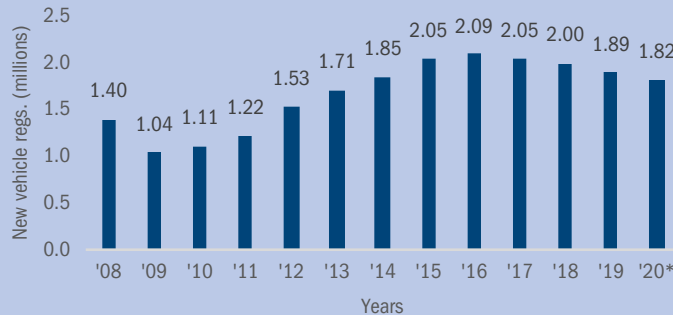


State New Vehicle Market Predicted to Remain Strong in 2020

ANNUAL TRENDS



California Annual New Light Vehicle Registrations - 2008 thru 2020



Historical data source: IHS

*2020 forecast by Auto Outlook.

New vehicle registrations in California are expected to slip to 1.82 million units in 2020.

The state's new vehicle market is predicted to decline 3.7 percent from 2019 to 2020, a smaller decline than the 5.5 percent drop in 2019.

Although the market is shifting lower, new vehicle registrations this year should exceed the 2009 total by more than 780,000 units.

California and U.S. Total New Light Vehicle Registrations - YTD thru September

	California			U.S.		
	2018	2019	Change	2018	2019	Change
Registrations						
TOTAL	2,002,047	1,892,672	-5.5%	17,115,072	16,931,012	-1.1%
Car	896,525	787,397	-12.2%	5,337,244	4,760,967	-10.8%
Light Truck	1,105,522	1,105,275	0.0%	11,777,828	12,170,045	3.3%
Domestic	619,674	568,301	-8.3%	7,649,356	7,540,518	-1.4%
European	309,455	301,620	-2.5%	1,587,863	1,632,117	2.8%
Japanese	946,123	890,074	-5.9%	6,620,937	6,428,899	-2.9%
Korean	126,795	132,677	4.6%	1,256,916	1,329,478	5.8%
Market Share						
Car	44.8	41.6	-3.2	31.2	28.1	-3.1
Light Truck	55.2	58.4	3.2	68.8	71.9	3.1
Domestic	31.0	30.0	-1.0	44.7	44.5	-0.2
European	15.5	15.9	0.4	9.3	9.6	0.3
Japanese	47.3	47.0	-0.3	38.7	38.0	-0.7
Korean	6.3	7.0	0.7	7.3	7.9	0.6

Source: IHS

California new light vehicle market declined 5.5 percent from 2018 to 2019, while the U.S. market fell 1.1 percent.

Light truck registrations in the state were essentially unchanged, while passenger cars fell 12.2 percent.

Light truck market share in California was 58.4 percent in 2019 vs. 71.9 percent in the Nation.

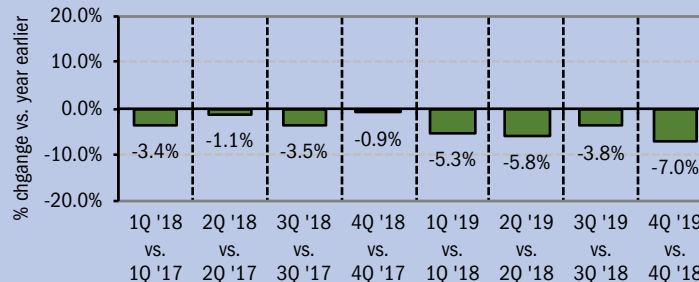
TWO YEAR PERSPECTIVE



QUARTERLY RESULTS



California Quarterly New Light Vehicle Registrations
Percent Change vs. Year Earlier



Source: IHS

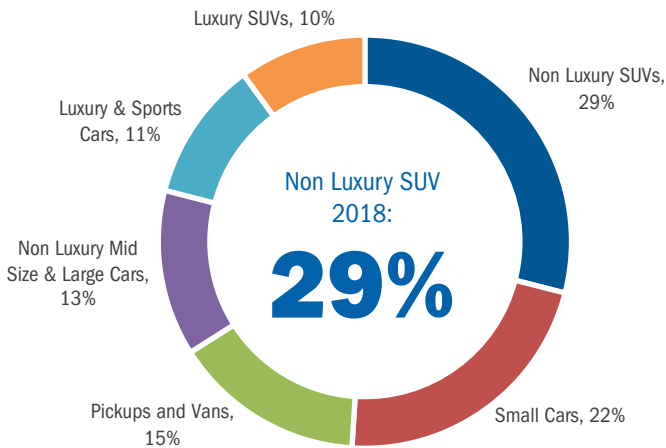
The California new vehicle market recorded its 11th consecutive year-over-year decline in the Fourth Quarter of 2019.

New vehicle registrations in the state fell 7.0 percent in 4Q '19 vs. the 3.8 percent drop in the Third Quarter.

SEGMENT MARKET SHARE TRENDS

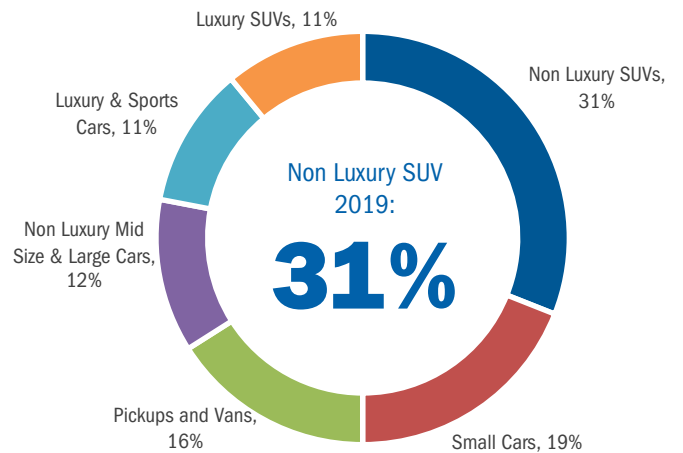
Non Luxury SUV Market Share in California Reached 31% in 2019

Segment Market Shares in California 2018



Source: IHS.

Segment Market Shares in California 2019



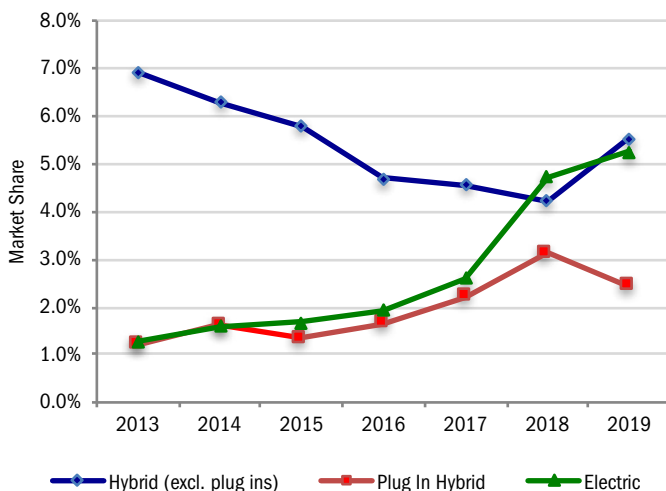
Source: IHS.

The two graphs above show market shares for primary segments in 2018 and 2019.

HYBRID AND ELECTRIC VEHICLES

Hybrid Vehicle Market Share Increased to 5.5 Percent in 2019

Hybrid and Electric Vehicle Market Share



Hybrid/electric vehicle market share in 2019:
13.2 percent

Hybrid and Electric New Vehicle Registrations and Market Share					
	2015	2016	2017	2018	2019
Hybrid regs.(excl. plug ins)	118981	98124	93338	84322	104702
Hybrid share(excl. plug ins)	5.8%	4.7%	4.6%	4.2%	5.5%
Plug in hybrid regs.	27740	34727	45040	62847	46160
Plug in hybrid share	1.4%	1.7%	2.2%	3.1%	2.4%
Electric regs.	34477	40347	53500	94801	99704
Electric share	1.7%	1.9%	2.6%	4.7%	5.3%

Source: IHS

MODEL RANKINGS

Honda Civic Retains Top Spot in California New Vehicle Market

The table below shows the top five selling models during 2019 in 20 segments. In addition to unit registrations, it also shows each model's market share in its respective segment.



BEST SELLERS IN PRIMARY SEGMENTS

- Compact Car: Honda Civic
- Mid Size Car: Toyota Camry
- Near Luxury Car: Tesla Model 3
- Luxury Car: BMW 5-Series
- Full Size Pickup: Ford F-Series
- Compact SUV: Toyota RAV4
- Mid Size SUV: Toyota Highlander
- Luxury Compact SUV: MB GLC-Class

Top Selling Models in Each Segment - New Light Vehicle Registrations (2019 Annual)

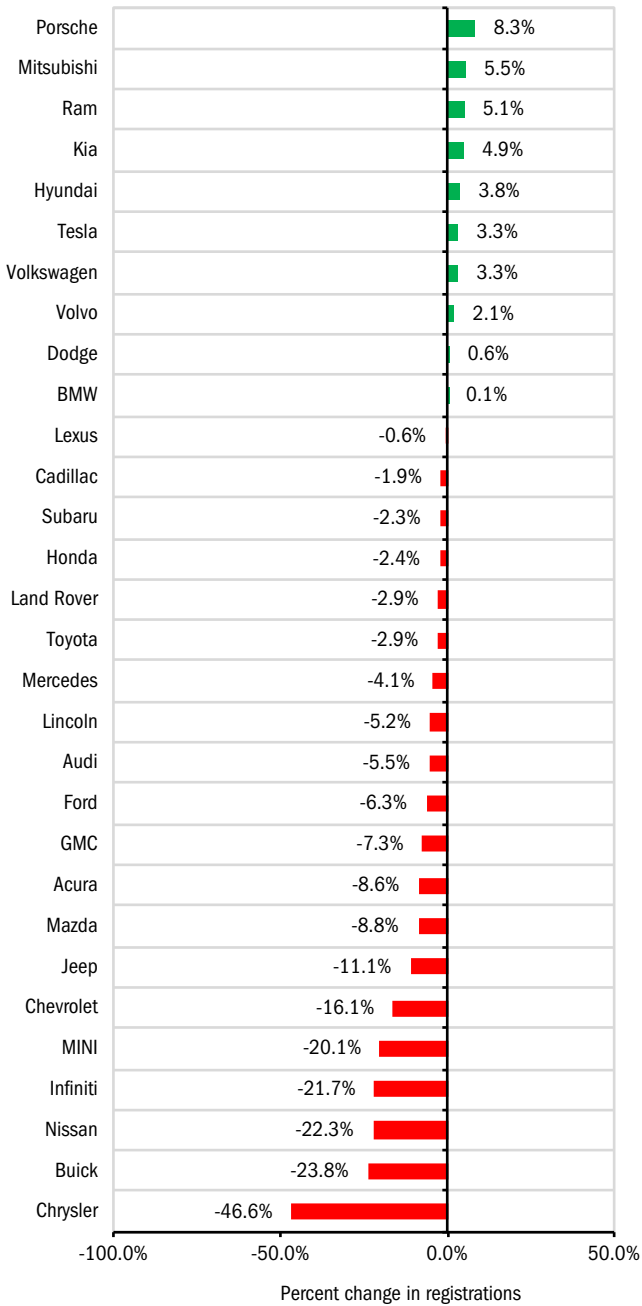
Cars											
Subcompact			Compact			Sports/Pony Cars			Mid Size		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Kia Soul	8416	16.5	Honda Civic	75915	28.0	Ford Mustang	8857	30.5	Toyota Camry	63459	31.2
Chevrolet Bolt	8239	16.2	Toyota Corolla	54186	20.0	Dodge Challenger	8316	28.6	Honda Accord	58310	28.7
Honda Fit	6935	13.6	Toyota Prius	25587	9.4	Chevrolet Camaro	5251	18.1	Ford Fusion	21574	10.6
Nissan Versa	5993	11.8	Nissan Sentra	19396	7.1	Hyundai Veloster	2320	8.0	Nissan Altima	14947	7.3
Ford Fiesta	5692	11.2	Hyundai Elantra	15125	5.6	Mazda MX5	1466	5.0	Kia Optima	13899	6.8
Large			Entry Luxury			Near Luxury			Luxury and High End Sports Cars		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Dodge Charger	10881	50.5	Mercedes A-Class	4165	23.0	Tesla Model 3	59514	43.7	BMW 5-Series	10928	19.3
Chevrolet Impala	3257	15.1	Mercedes CLA-Class	4051	22.3	Mercedes C-Class	13529	9.9	Mercedes E-Class	9187	16.2
Toyota Avalon	3089	14.3	BMW I3	3148	17.3	BMW 3-Series	11479	8.4	Tesla Model S	5886	10.4
Chrysler 300	2055	9.5	Audi A3	2641	14.6	Lexus ES	11308	8.3	Mercedes S-Class	3075	5.4
Nissan Maxima	1415	6.6	Acura ILX	2580	14.2	BMW 4-Series	6100	4.5	Audi A6	2997	5.3
Light Trucks											
Compact/Mid Size Pickup			Full Size Pickup			Mini Van			Large Van		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Toyota Tacoma	44623	57.9	Ford F Series	50152	32.8	Honda Odyssey	12666	35.1	Ford Transit Connect Van	18947	48.5
Chevrolet Colorado	9997	13.0	Chevrolet Silverado	39282	25.7	Toyota Sienna	10332	28.7	Ram Promaster	5414	13.9
Ford Ranger	9429	12.2	Ram Pickup	36041	23.5	Dodge Caravan	5984	16.6	Mercedes Sprinter	4879	12.5
Nissan Frontier /Xe	4979	6.5	GMC Sierra	14779	9.7	Chrysler Pacifica	5635	15.6	Nissan NV	4319	11.1
Jeep Gladiator	2729	3.5	Toyota Tundra	11329	7.4	Kia Sedona	1403	3.9	Chevrolet Express	3440	8.8
Subcompact SUV			Compact SUV			Mid Size SUV			Large SUV		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Honda HR-V	13431	17.0	Toyota RAV4	55760	20.5	Toyota Highlander	24673	12.4	Chevrolet Tahoe	7058	27.1
Toyota C-HR	11296	14.3	Honda CR-V	39800	14.6	Subaru Outback	19395	9.8	Ford Expedition	4542	17.4
Nissan Kicks	8896	11.3	Mazda CX-5	21999	8.1	Ford Explorer	16159	8.1	Chevrolet Suburban	3869	14.9
Hyundai Kona	8573	10.9	Jeep Wrangler	20459	7.5	Jeep Grand Cherokee	14593	7.4	GMC Yukon	3245	12.5
Kia Niro	7896	10.0	Subaru Forester	17724	6.5	Honda Pilot	14378	7.2	Ford Flex	2794	10.7
Luxury Subcompact SUV			Luxury Compact SUV			Luxury Mid Size SUV			Luxury Large SUV		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
BMW X1	4894	22.0	Mercedes GLC-Class	15987	18.0	Lexus RX	21439	23.1	Land Rover Range Rover	3918	19.3
Mercedes GLA-Class	4748	21.3	Lexus NX	13685	15.4	Mercedes GLE-Class	8709	9.4	Cadillac Escalade	3327	16.4
Lexus UX	4595	20.6	BMW X3	12185	13.7	BMW X5	8192	8.8	Mercedes GLS-Class	2994	14.8
BMW X2	2649	11.9	Audi Q5	12051	13.5	Tesla Model X	7225	7.8	BMW X7	2850	14.1
Audi Q3	2113	9.5	Acura RDX	8303	9.3	Acura MDX	6473	7.0	Audi Q8	2107	10.4

Source: IHS

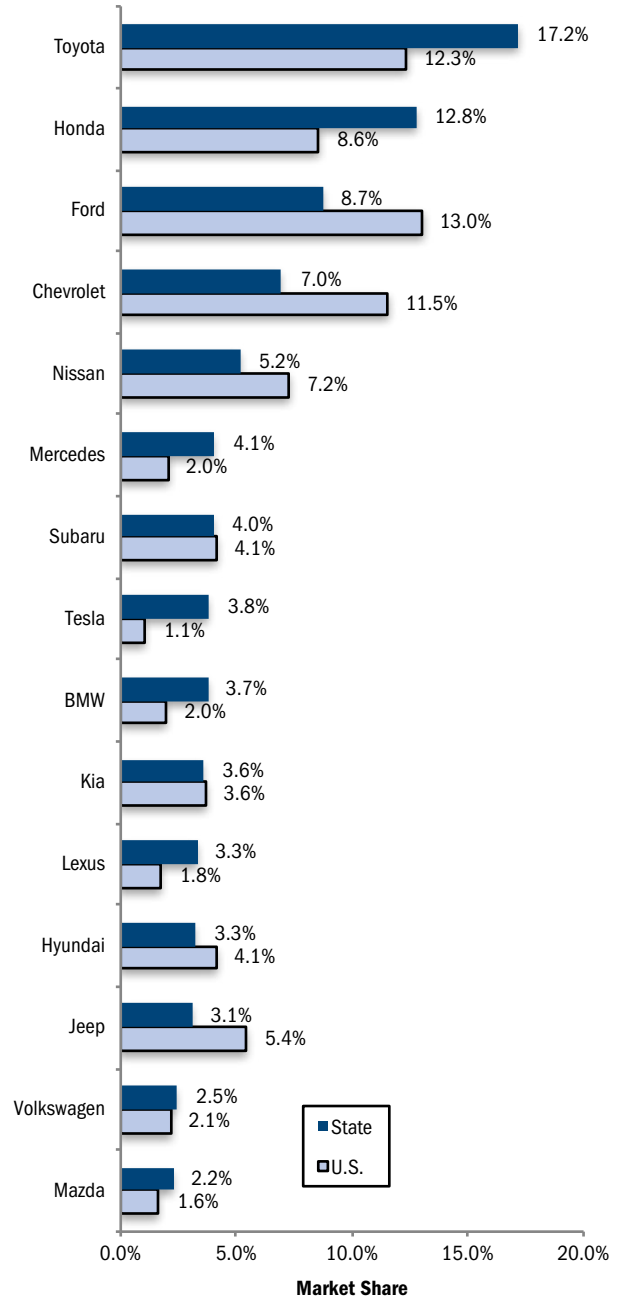
BRAND SUMMARY

State Registrations Increased for Ten Brands in 2019

Percent Change in Brand Registrations - 2019 vs. 2018
(Top 30 selling brands in state)



California and U.S. Market Share - 2019
(Top 15 selling brands in state)



Registrations increased for Porsche, Mitsubishi, Ram, Kia, Hyundai, Tesla, Volkswagen, Volvo, Dodge, and BMW



Toyota, Honda, Ford, Chevrolet, and Nissan were market share leaders in California

BRAND REGISTRATIONS

Detailed Results for All Brands in California Market

California New Car and Light Truck Registrations											
	Fourth Quarter 2018 and 2019				Annual Totals				Annual Market Share		
	California			U.S.	California			U.S.	California		
	4Q '18	4Q '19	% chg.	% chg.	2018	2019	% chg.	% chg.	2018	2019	Chg.
TOTAL	497,705	462,980	-7.0%	-2.6%	2,002,047	1,892,672	-5.5%	-1.1%			
Acura	6,279	5,782	-7.9%	1.3%	23,231	21,223	-8.6%	-0.9%	1.2	1.1	-0.1
Alfa Romeo	1,161	1,126	-3.0%	-12.8%	5,024	3,926	-21.9%	-21.7%	0.3	0.2	-0.1
Audi	10,773	11,848	10.0%	23.8%	42,500	40,175	-5.5%	2.8%	2.1	2.1	0.0
BMW	20,497	19,674	-4.0%	13.3%	70,757	70,837	0.1%	12.3%	3.5	3.7	0.2
Buick	2,972	1,757	-40.9%	-2.6%	9,293	7,081	-23.8%	1.6%	0.5	0.4	-0.1
Cadillac	3,613	3,126	-13.5%	2.9%	11,621	11,400	-1.9%	3.1%	0.6	0.6	0.0
Chevrolet	39,787	31,337	-21.2%	-6.2%	157,160	131,826	-16.1%	-3.6%	7.8	7.0	-0.8
Chrysler	3,368	1,075	-68.1%	-13.2%	14,447	7,710	-46.6%	-22.3%	0.7	0.4	-0.3
Dodge	7,353	7,367	0.2%	-7.6%	33,558	33,762	0.6%	-4.6%	1.7	1.8	0.1
FIAT	646	290	-55.1%	-46.4%	2,792	1,433	-48.7%	-40.8%	0.1	0.1	0.0
Ford	41,748	37,158	-11.0%	-5.2%	176,322	165,143	-6.3%	-4.0%	8.8	8.7	-0.1
Genesis	185	895	383.8%	193.2%	2,091	2,515	20.3%	50.1%	0.1	0.1	0.0
GMC	10,182	8,863	-13.0%	-7.4%	34,453	31,926	-7.3%	2.0%	1.7	1.7	0.0
Honda	58,561	58,235	-0.6%	1.9%	247,635	241,632	-2.4%	0.4%	12.4	12.8	0.4
Hyundai	13,862	15,263	10.1%	5.7%	59,544	61,829	3.8%	4.8%	3.0	3.3	0.3
Infiniti	5,041	3,589	-28.8%	-31.5%	18,699	14,634	-21.7%	-20.2%	0.9	0.8	-0.1
Jaguar	1,298	1,194	-8.0%	-3.8%	5,228	5,305	1.5%	-1.0%	0.3	0.3	0.0
Jeep	15,224	13,351	-12.3%	-5.0%	65,738	58,446	-11.1%	-4.5%	3.3	3.1	-0.2
Kia	14,652	16,862	15.1%	10.0%	65,160	68,333	4.9%	5.9%	3.3	3.6	0.3
Land Rover	4,810	4,551	-5.4%	1.6%	17,748	17,240	-2.9%	0.1%	0.9	0.9	0.0
Lexus	17,114	17,251	0.8%	4.2%	62,570	62,181	-0.6%	0.5%	3.1	3.3	0.2
Lincoln	1,675	1,903	13.6%	15.9%	6,815	6,463	-5.2%	5.9%	0.3	0.3	0.0
Maserati	588	363	-38.3%	-4.6%	2,396	1,421	-40.7%	-26.7%	0.1	0.1	0.0
Mazda	10,948	10,631	-2.9%	9.8%	46,682	42,570	-8.8%	-6.5%	2.3	2.2	-0.1
Mercedes	22,254	20,181	-9.3%	1.7%	80,262	77,005	-4.1%	0.6%	4.0	4.1	0.1
MINI	2,086	1,691	-18.9%	-15.0%	8,942	7,148	-20.1%	-16.3%	0.4	0.4	0.0
Mitsubishi	1,614	2,119	31.3%	0.8%	8,135	8,582	5.5%	4.6%	0.4	0.5	0.1
Nissan	26,590	22,010	-17.2%	-14.5%	126,228	98,049	-22.3%	-9.4%	6.3	5.2	-1.1
Other	1,064	1,110	4.3%	-2.9%	3,776	4,122	9.2%	4.3%	0.2	0.2	0.0
Porsche	3,476	3,940	13.3%	6.4%	13,469	14,593	8.3%	8.3%	0.7	0.8	0.1
Ram	11,355	12,058	6.2%	4.6%	39,439	41,455	5.1%	20.0%	2.0	2.2	0.2
Subaru	19,298	18,066	-6.4%	-3.7%	77,799	76,013	-2.3%	2.7%	3.9	4.0	0.1
Tesla	25,961	13,999	-46.1%	-42.9%	70,326	72,625	3.3%	10.1%	3.5	3.8	0.3
Toyota	77,230	80,165	3.8%	-0.6%	334,914	325,049	-2.9%	-2.0%	16.7	17.2	0.5
Volkswagen	11,609	11,038	-4.9%	0.1%	45,235	46,712	3.3%	2.8%	2.3	2.5	0.2
Volvo	2,831	3,112	9.9%	17.6%	12,058	12,308	2.1%	5.1%	0.6	0.7	0.1

The table above shows new retail light vehicle (car and light truck) registrations in California. Figures are shown for the Fourth Quarters of 2018 and 2019, and annual totals. The top ten ranked brands in each category are shaded yellow Source: IHS Markit.

California Auto Outlook

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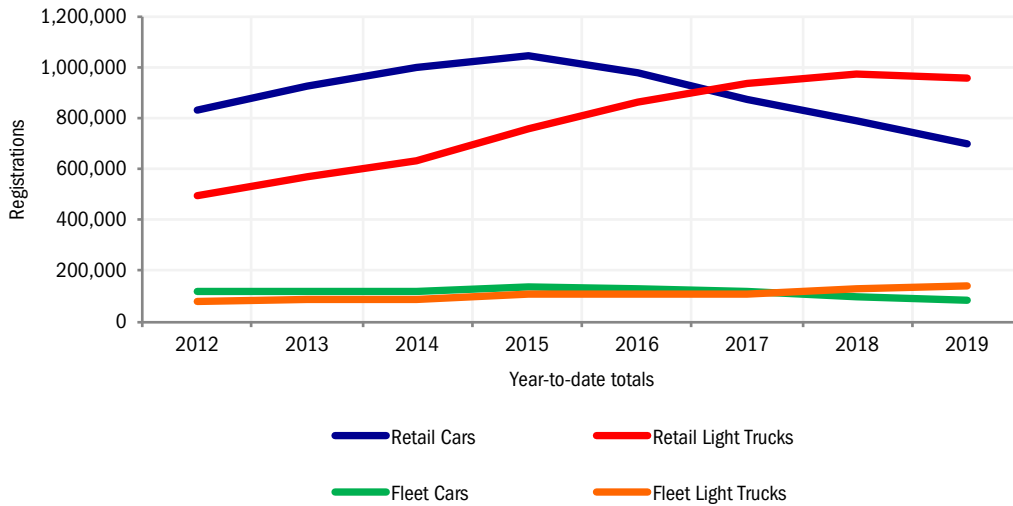
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BREAKDOWN OF RETAIL AND FLEET MARKETS

Retail Passenger Car Registrations Declined by 33 Percent Between 2015 and 2019

California New Car and Light Truck Retail and Fleet Registrations - 2012 thru 2019, Annual Totals



Data Source: IHS.

**PERCENT CHANGE:
2019 vs. 2018**

Retail cars: **DOWN 11.6%**

Retail light trucks: **DOWN 1.3%**

Fleet cars: **DOWN 16.8%**

Fleet light trucks: **UP 9.4%**

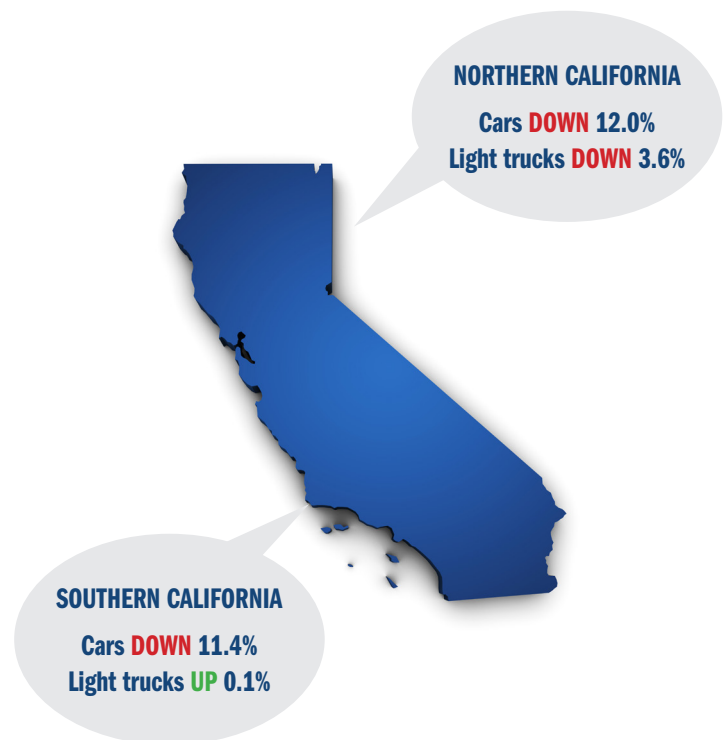
REGIONAL MARKETS IN CALIFORNIA

State New Retail Light Vehicle Market Declined by 5.9 Percent in 2019

New Retail Light Vehicle Registrations (excluding fleets) Annual Totals			
North and South California	2018	2019	% chg.
Statewide Total	1,767,553	1,663,351	-5.9%
Cars	792,551	700,916	-11.6%
Light Trucks	975,002	962,435	-1.3%
Northern California	613,511	569,552	-7.2%
Cars	261,098	229,808	-12.0%
Light Trucks	352,413	339,744	-3.6%
Southern California	1,154,042	1,093,799	-5.2%
Cars	531,453	471,108	-11.4%
Light Trucks	622,589	622,691	0.1%
Selected Regional Markets			
San Francisco Bay	352,151	323,277	-8.2%
Cars	162,671	141,155	-13.2%
Light Trucks	189,480	182,122	-3.9%
LA and Orange Counties	692,376	657,279	-5.1%
Cars	331,841	294,271	-11.3%
Light Trucks	360,535	363,008	0.7%
San Diego County	149,793	141,313	-5.7%
Cars	63,491	54,987	-13.4%
Light Trucks	86,302	86,326	0.0%

Data Source: IHS .

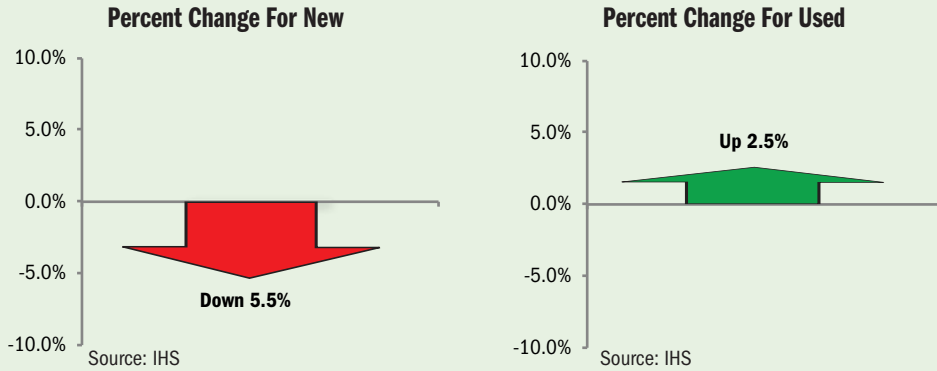
Percent Change in New Retail Registrations - 2019 vs. 2018



TRACKING THE CALIFORNIA USED VEHICLE MARKET

Used Vehicle Market Moved Higher in 2019

Comparison of California New and Used Vehicle Markets - Percent change in registrations (2019 vs. 2018)



5 KEY TRENDS IN USED MARKET



01. Used car and light truck registrations in the state increased 2.5 percent from 2018 to 2019.
02. Used light truck registrations were up 6.0 percent. Cars were up slightly.
03. Registrations for 6 year old or newer vehicles increased 7.8 percent in 2019.
04. Honda Civic was the best seller in the six year old or newer market, while Toyota RAV4 had a big increase.
05. Toyota was the brand leader in the six year old or newer market. Ford was second.

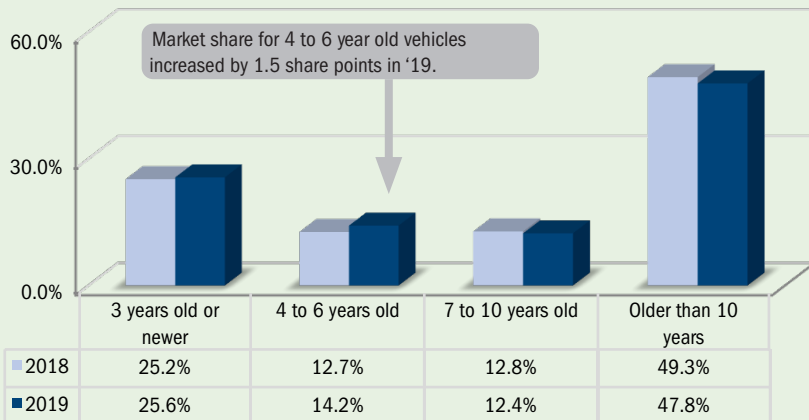
California Used Light Vehicle Registrations - Annual Totals					
	Registrations		% Change '18 TO '19	Market Share	
	2018	2019		2018	2019
TOTAL	3,722,856	3,816,900	2.5%		
Cars	2,171,504	2,173,194	0.1%	58.3%	56.9%
Light Trucks	1,551,352	1,643,706	6.0%	41.7%	43.1%
Domestic	1,310,960	1,323,543	1.0%	35.2%	34.7%
European	524,990	554,596	5.6%	14.1%	14.5%
Japanese	1,712,406	1,756,492	2.6%	46.0%	46.0%
Korean	174,500	182,269	4.5%	4.7%	4.8%

Source: IHS

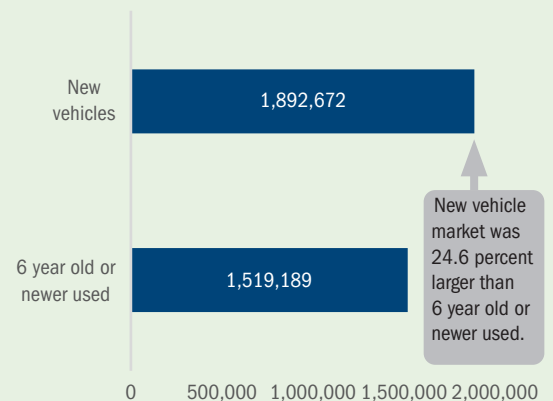
ANALYSIS OF USED VEHICLE REGISTRATIONS BY VEHICLE AGE

Market Share for 4 to 6 Year Old Vehicles Increases

Used Vehicle Market Share by Age of Vehicle 2019 vs. 2018



6 Year Old or Newer Used and New Vehicle Registrations 2019

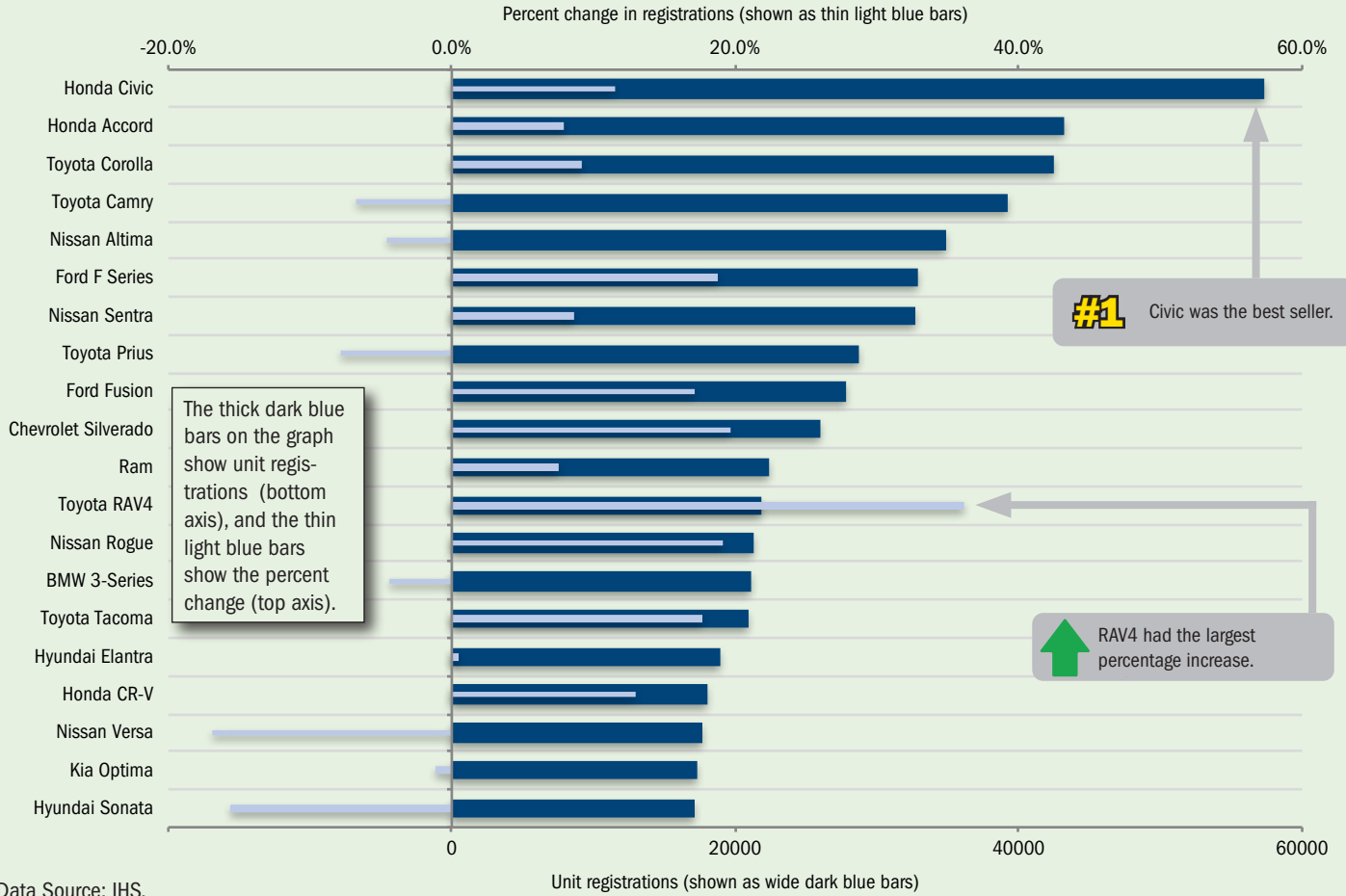


Data Source: IHS.

TOP SELLING USED VEHICLES

Civic Had Big Lead in California Used Vehicle Market in 2019; RAV4 Had Largest Percentage Gain

Registrations (2019) and Percent Change in registrations (2019 vs. 2018)
Top 20 Selling Models (6 years old or newer)

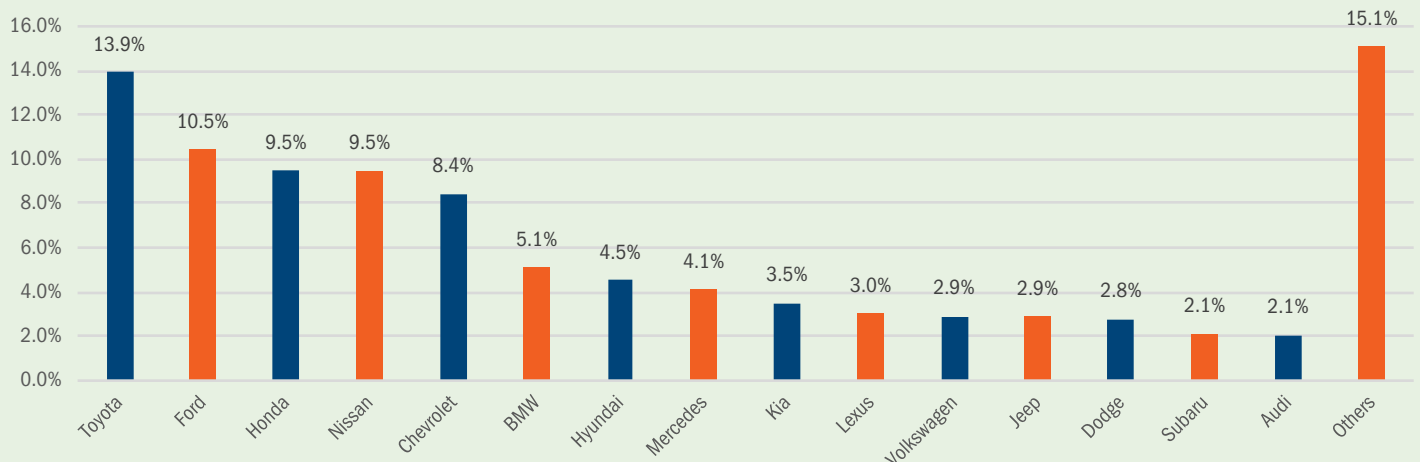


Data Source: IHS.

TOP SELLING BRANDS

Toyota Market Share in Six Year Old or Newer Used Vehicle Market Approached 14 Percent

Top 15 Selling Brands in California Used Vehicle Market (vehicles 6 years old or newer)
2019



Data Source: IHS.