Auto Market Update and Outlook

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COX AUTOMOTIVE

Autotrader CentralDispatch Dealer.com Dealertrack EV Battery Solutions FleetNet America Fleet Services Kelley Blue Book Manheim NextGear Capital vAuto VinSolutions xtime

Agenda

- Cox Automotive Overview
- Macroeconomic Landscape and Automotive Market
- Automotive Industry Outlook
- Ford Shopping Trends – KBB/Autotrader
- Ford Buyer's Shopping Trends: Consumer Insights
- Deeper Look at Ford Model Competitive Sets
- Q&A Session

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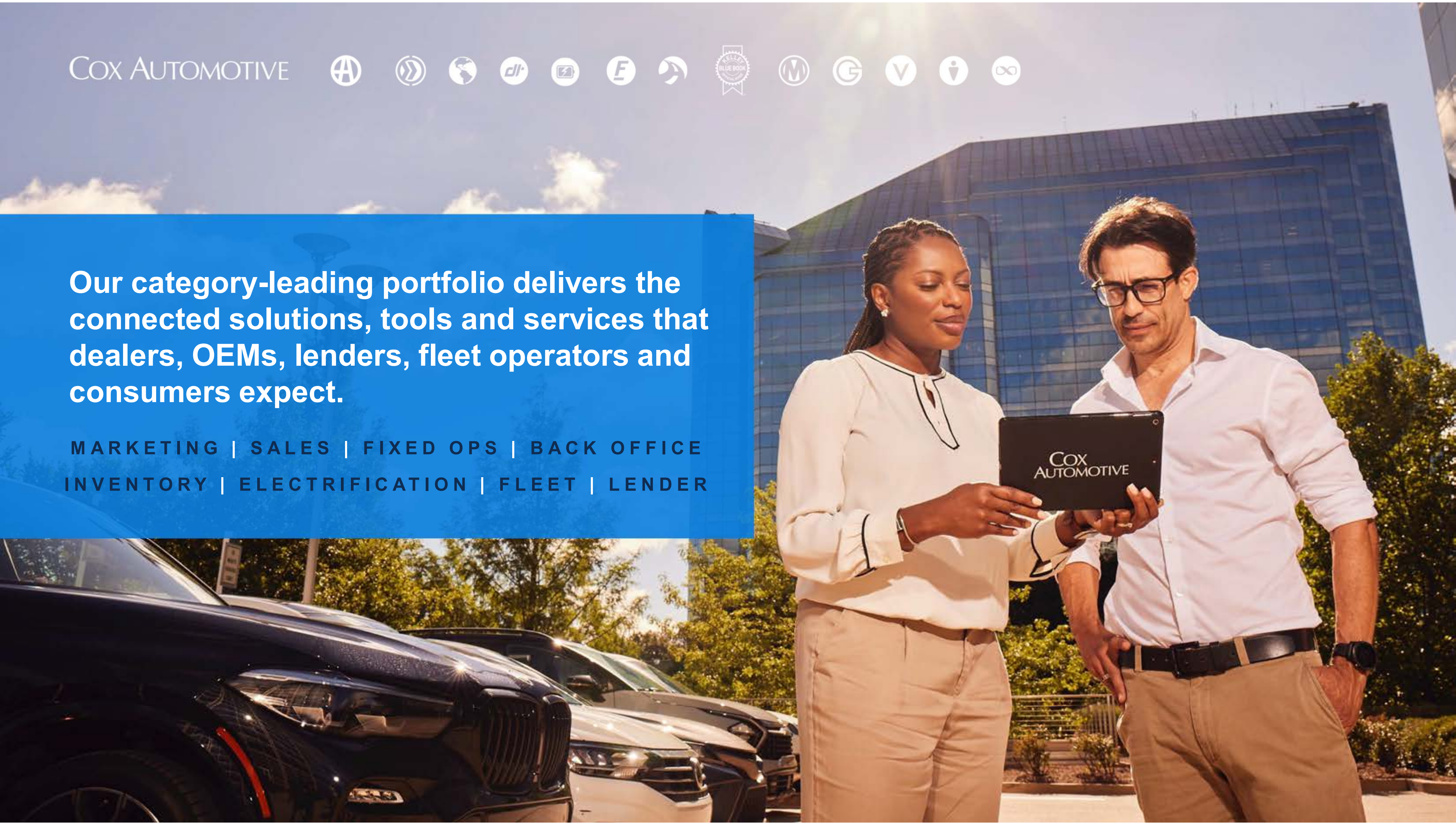


Our category-leading portfolio delivers the connected solutions, tools and services that dealers, OEMs, lenders, fleet operators and consumers expect.

MARKETING | SALES | FIXED OPS | BACK OFFICE

INVENTORY | ELECTRIFICATION | FLEET | LENDER

Leading the way to a more connected automotive future

Together, our brands provide a comprehensive set of products and services that seamlessly simplify workflows, remove friction and enable the smart, connected experience dealers, lenders, OEMs, mobility providers and consumers expect.

MORE THAN
65K
DEALER CLIENTS

25+
OEMs

"At Cox Automotive, we are focused on helping our clients succeed by providing an unmatched collection of products, engineering and data intelligence. We are developing smart answers to the industry's most complex challenges and moving at a speed and scale no one can match."

Marianne Johnson
EVP & Chief Product Officer

1,500
LENDER CLIENTS

We use our industry leading insights to give you the advantage

With more than 40,000 dealer clients across five continents, Cox Automotive touches three out of four vehicle transactions in North America and partners with most major manufacturers – connecting all the insights in one place, in real-time to make more intelligent decisions.

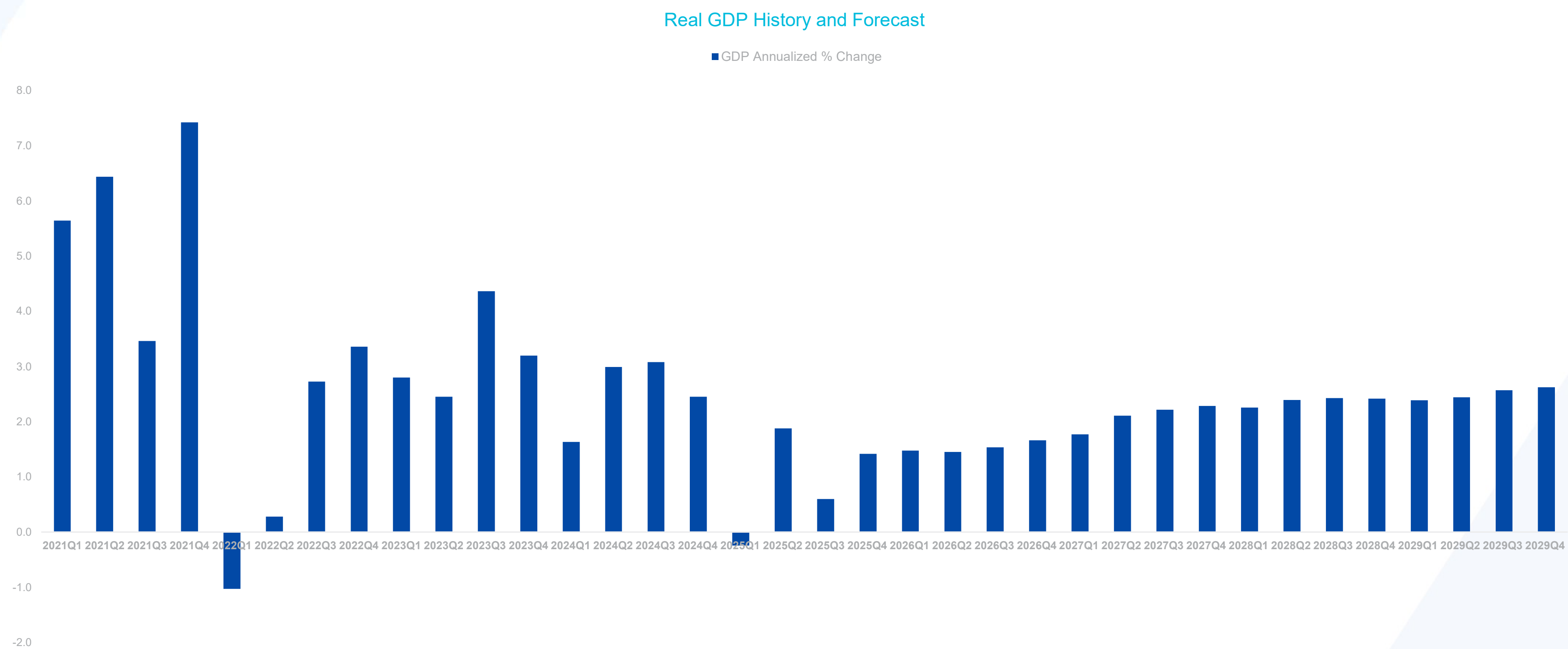
3.9M VEHICLE CONDITION REPORTS	**20M+** UNIQUE SALES RECORDS	**51M** CREDIT APPLICATIONS	**119M** SERVICE RECORDS	**17B** VEHICLE VALUATION LOOKUPS
18M UNIQUE VISITORS MONTHLY	**88M** ONLINE LEADS	**2.3B** ONLINE VISITS	**4.6M** DAILY LISTINGS	**1.7T** AD EXCHANGE REQUESTS

Macroeconomic Landscape:
Uncertainty is the Word of the Day

Key economic indicators and their implications for the automotive sector

Economic Growth Slowing As Tariffs and Uncertainty Weigh

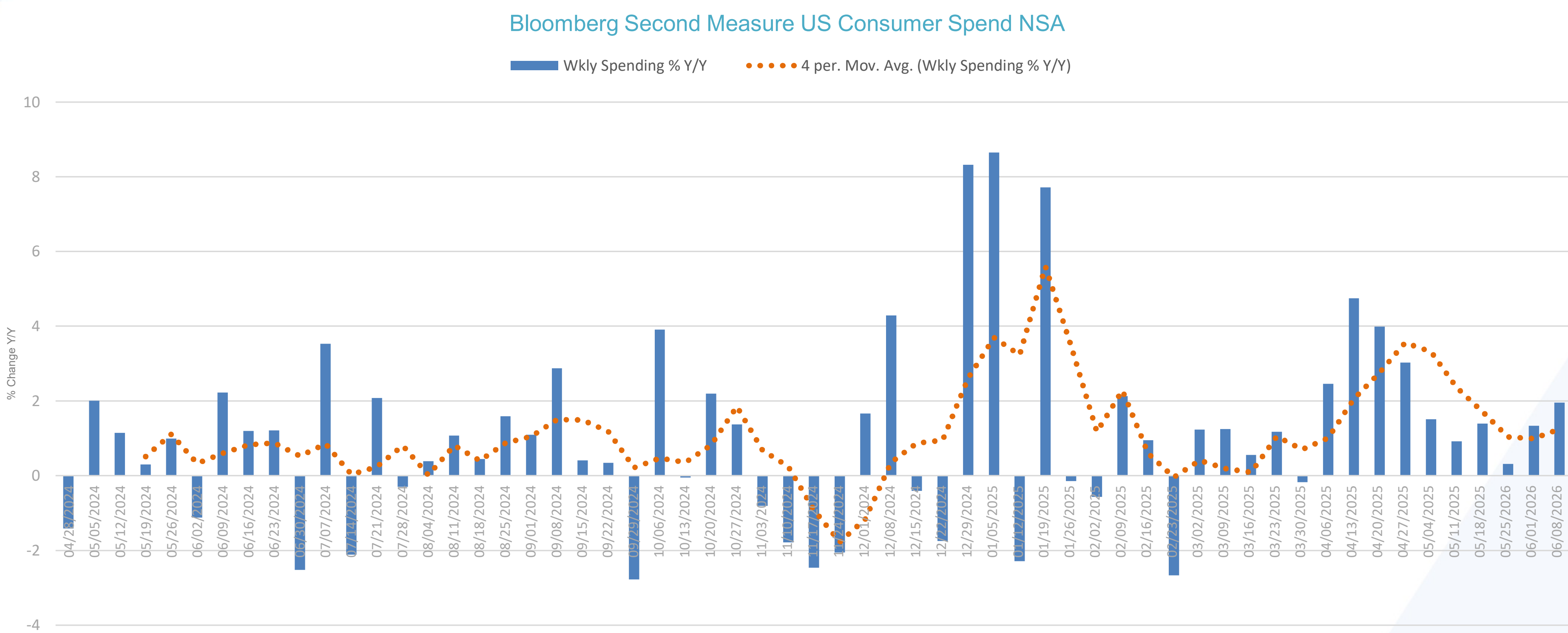
After growth of 2.8% in 2024, growth expectations have been cut to 1.5% with a negative Q1



Source: United States Bureau of Economic Analysis, Cox Automotive

Consumer Spending Growth Accelerated in April

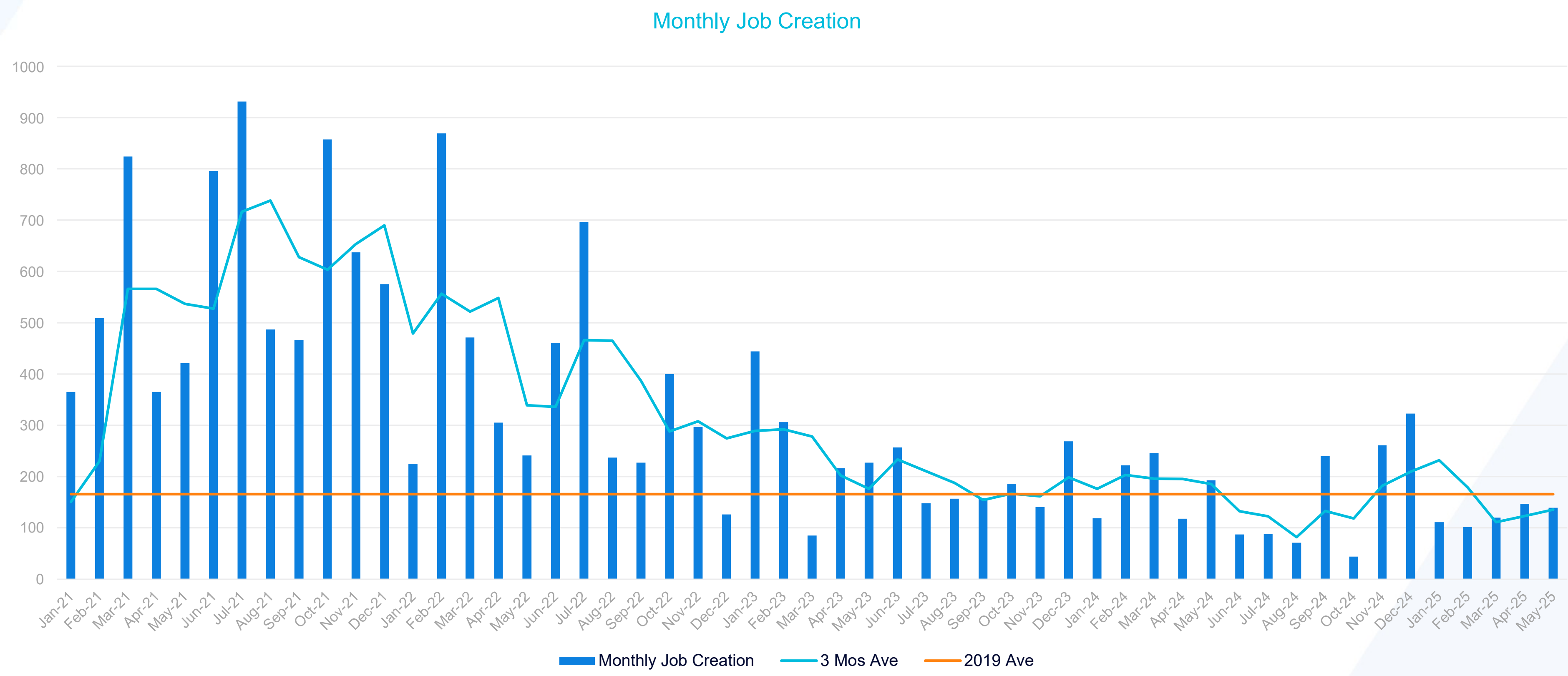
Total consumer spending saw y/y growth accelerate in April, cool in May, and stabilize in June



Source: Bloomberg

The Labor Market Is Seeing Slowing But "Good Enough" Job Creation

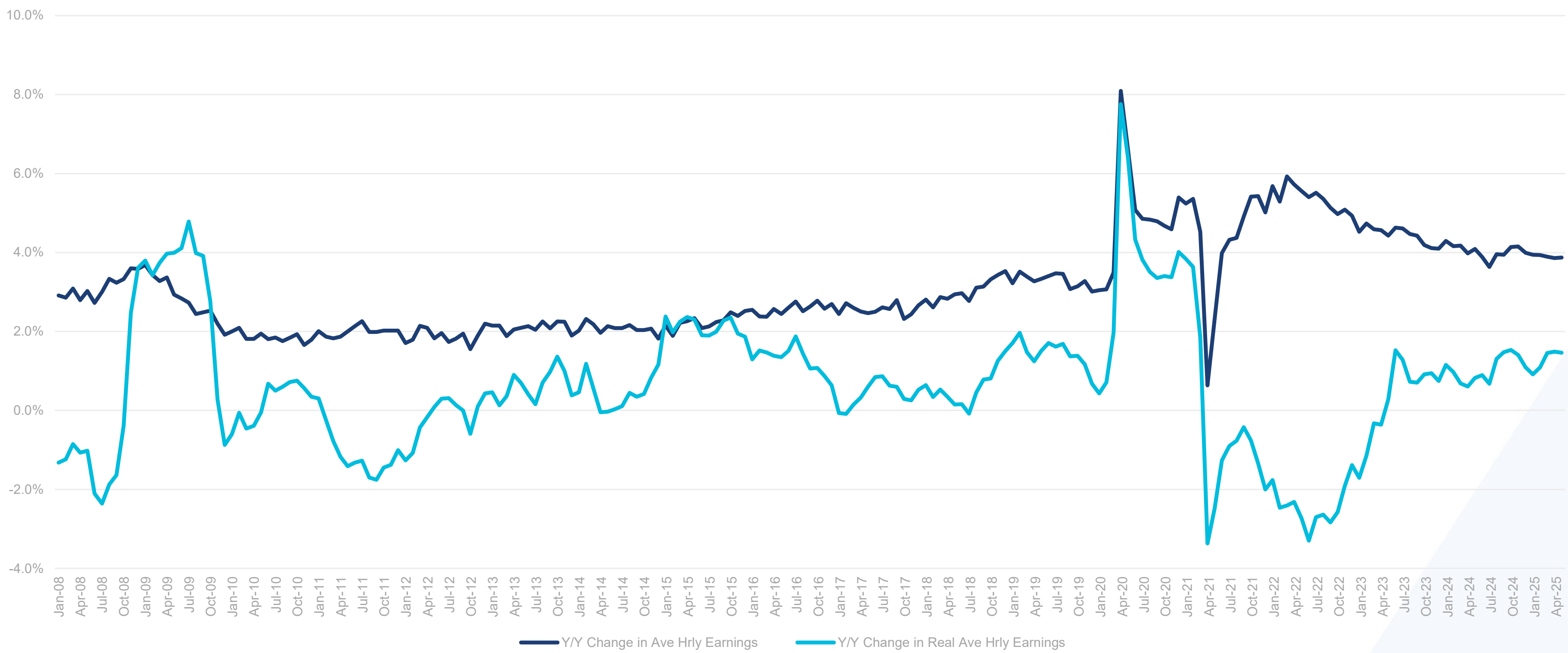
With 139,000 jobs added in May but downward revisions to prior months, 3-month ave increased to 135k



Source: BLS, Moody's Analytics, Cox Automotive

Real Earnings Positive Since May 2023

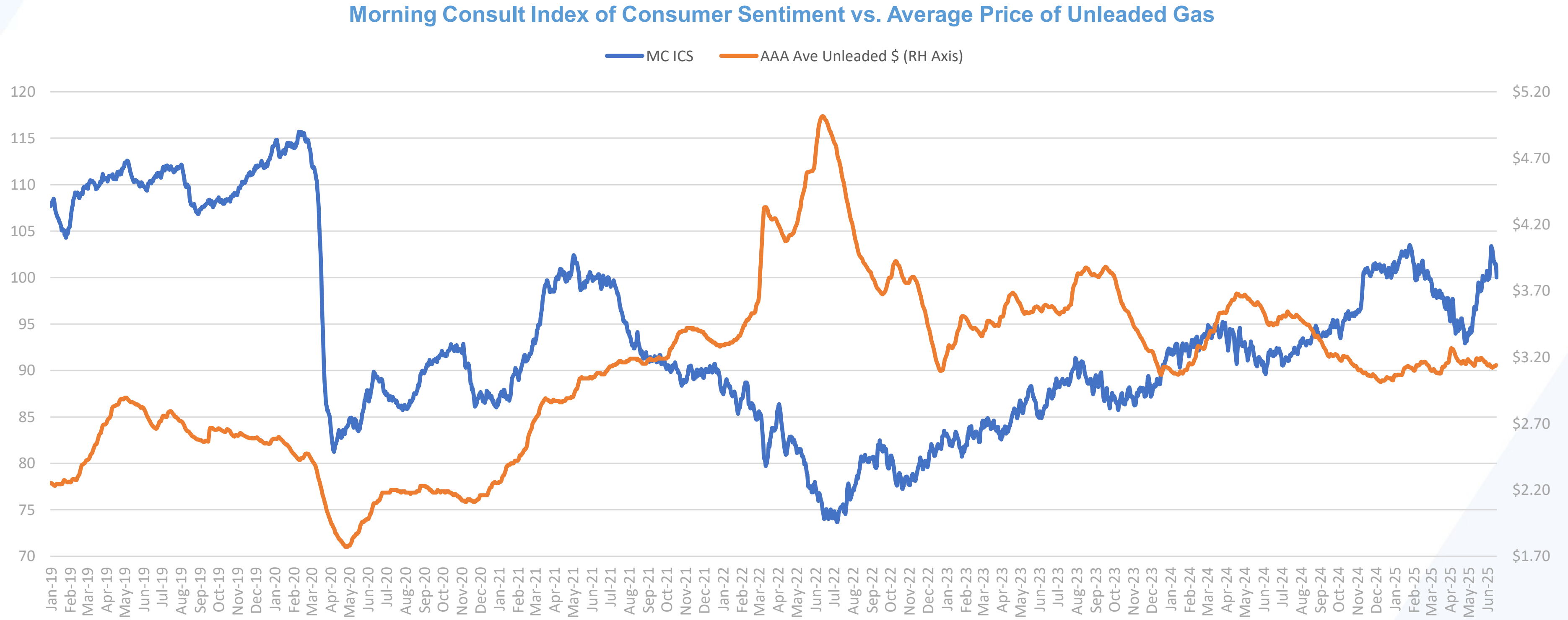
Nominal wage growth reaccelerated in 2024 while inflation declined; real earnings stable so far in 2025



Source: BLS

Consumer Sentiment Now Trending Lower in June

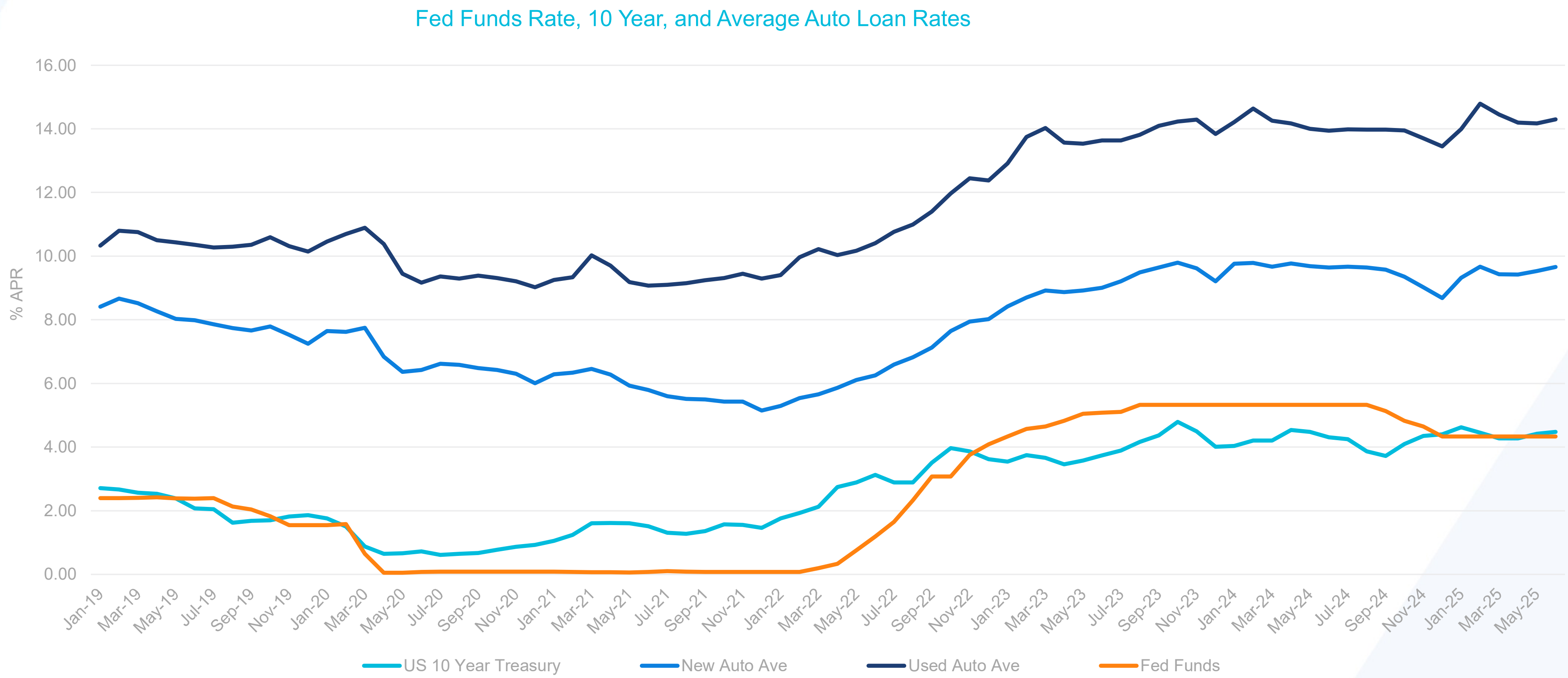
The Index of Consumer Sentiment jumped 7.1% in May but is down 0.7% so far in June



Source: Morning Consult/AAA

Average Loan Rates Remain Near Highs

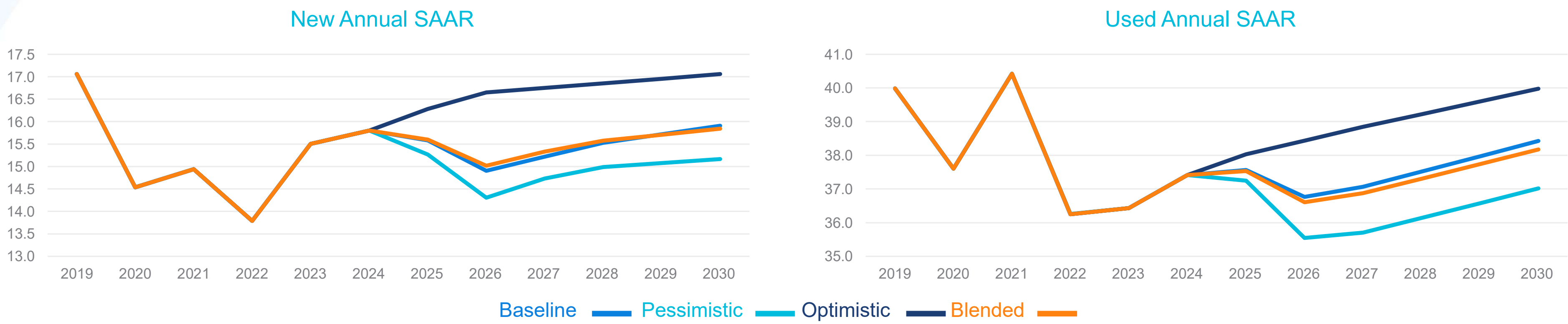
Used average rate declined to 14.18% in May and is unchanged in June; new was 9.54% in May and now 9.52%



Source: Federal Reserve, Dealertrack, Bloomberg

Revised Scenarios | Optimistic View Is Old Baseline In Global Trade War

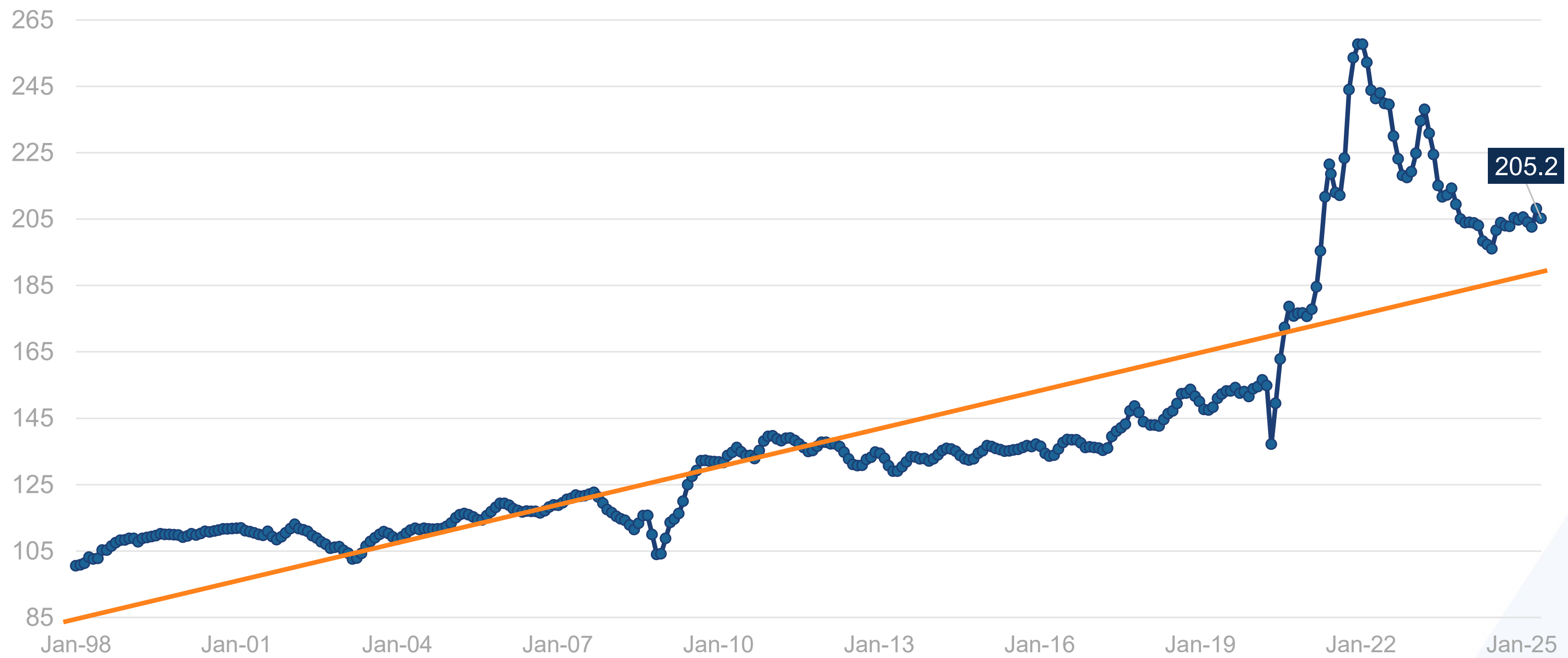
Both New and Used Markets bottom in 2026 before starting modest recovery growth rate



Probability (%)	Scenarios
40	New Baseline: Tariffs Remain Through 2025 before modification/elimination. • Immediate reduction in incentives, and product consolidation/elimination begins. • Immediate supply disruptions are followed by slower economic growth, and higher inflation & lending rates from import costs. • High prices/economic slowing lowers both new and used markets to bottoms in 2026 before recovery begins. • Sales recovery path is slow due to high price/high-rate environment.
40	Major recession H2 2025-H1 2026. Tariff policy remains in place indefinitely resulting in significantly reduced production & much higher prices.
20	Tariffs resolved quickly and market returns to previous trends of slow positive sales growth and improving buying conditions.

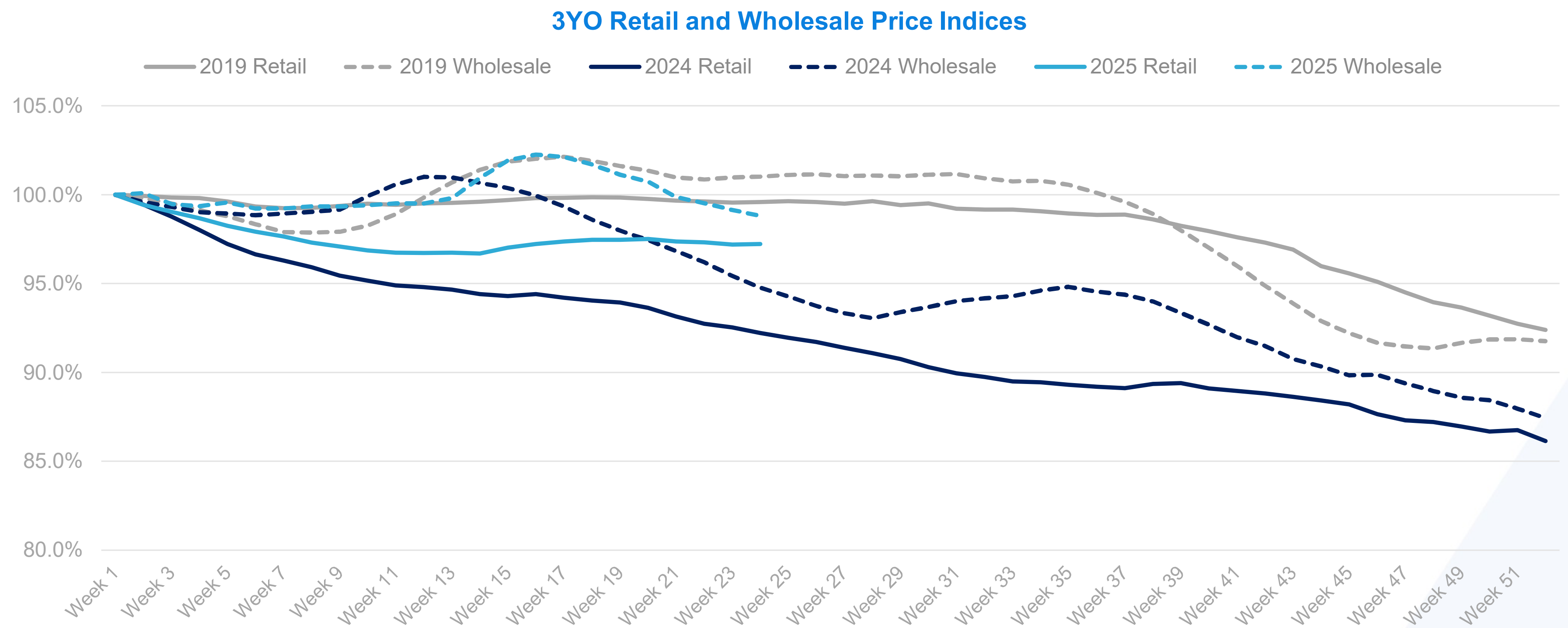
Wholesale Vehicles Values Fell in May

Prices fell 1.4% from April but they now show an increase of 4.0% year over year

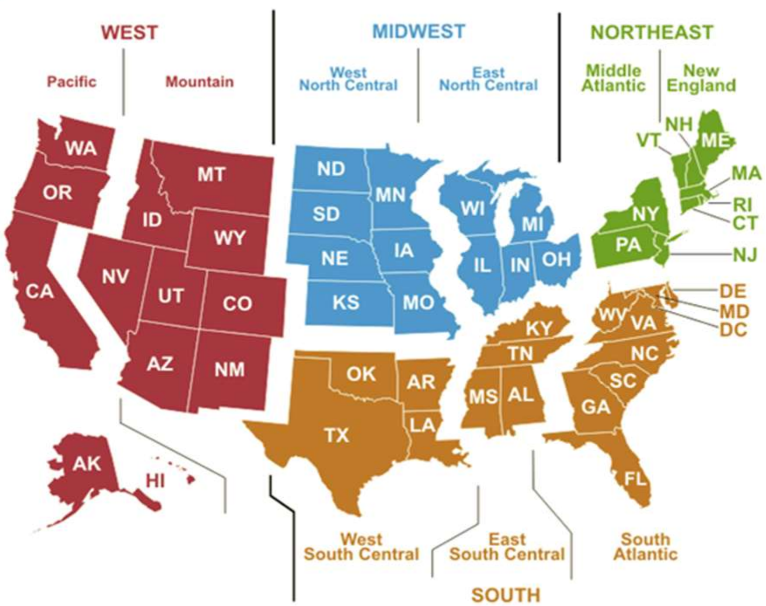


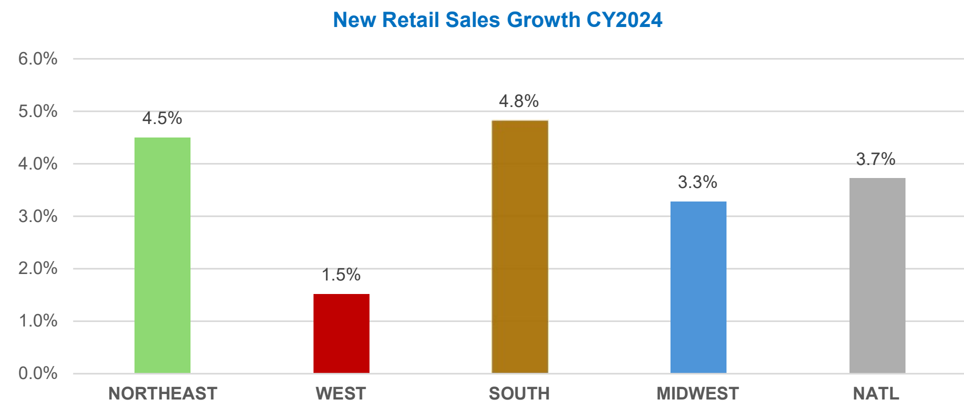
Used Prices Holding Up Compared to Normal Seasonal Patterns

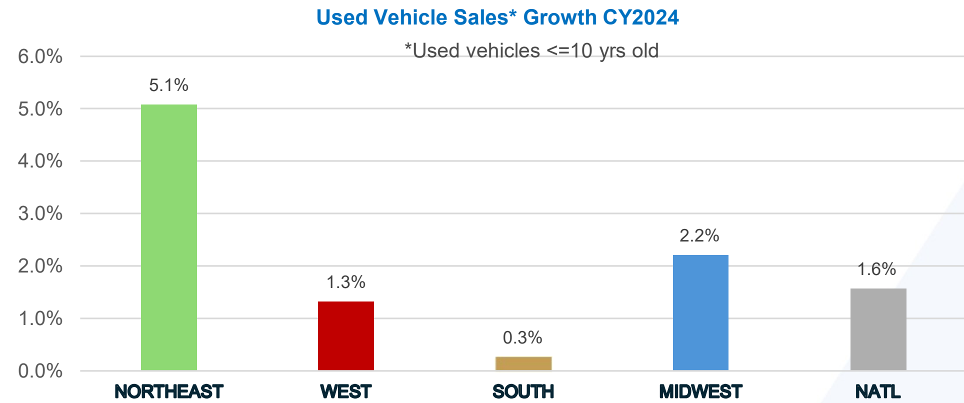
The average MY 2022 price for retail held steady while wholesale declined 0.3% for the week



Market Performance Varies by Region





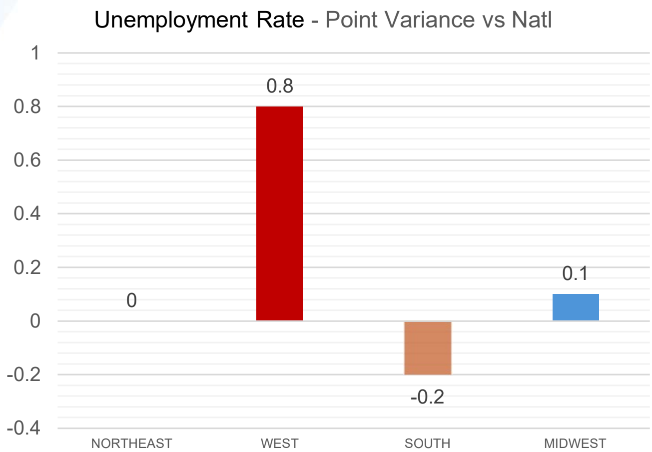


Estimated YoY % Chg. CY2024

Dynamics of Affordability Differ

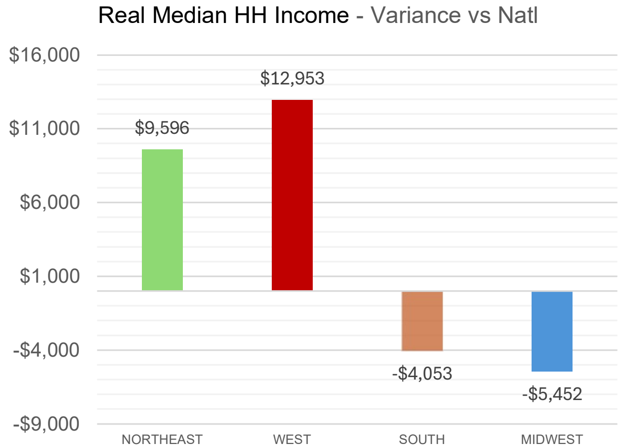
Softer job market and higher cost of living weighs on the West; South & Midwest have growing population, strong job market, lower cost of living but also lower incomes; Northeast benefits from proximity financial markets (wealth effect), education medical research and some tech

EMPLOYMENT



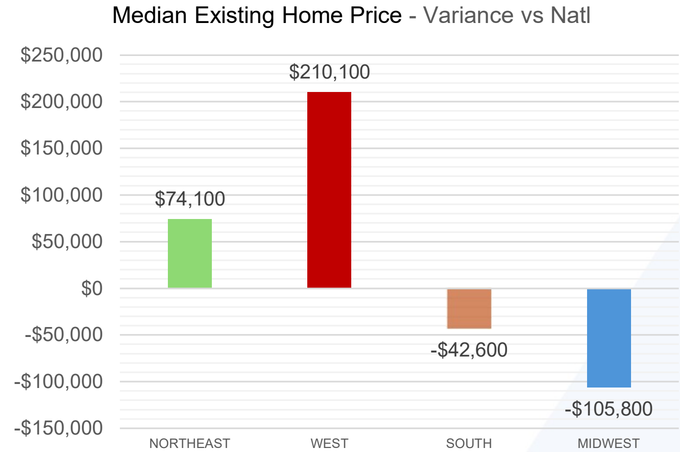
- **Unemployment elevated** in the **West**
    - Layoffs/hiring freeze in tech sector & entertainment industry stagnation
    - Some population out migration weakens markets like L.A.
    - Strong/tight labor market in the **South**, other regions at/near natl average

INCOME



- **Lower median incomes** in the **South & Midwest**
    - **Northeast** & **West** still have higher incomes with proximity to tech, finance, entertainment
    - Income distribution skews lower in **South**; more pressure on used car
    - But more income in the **West** absorbed by housing and other costs, so less disposable to consumption

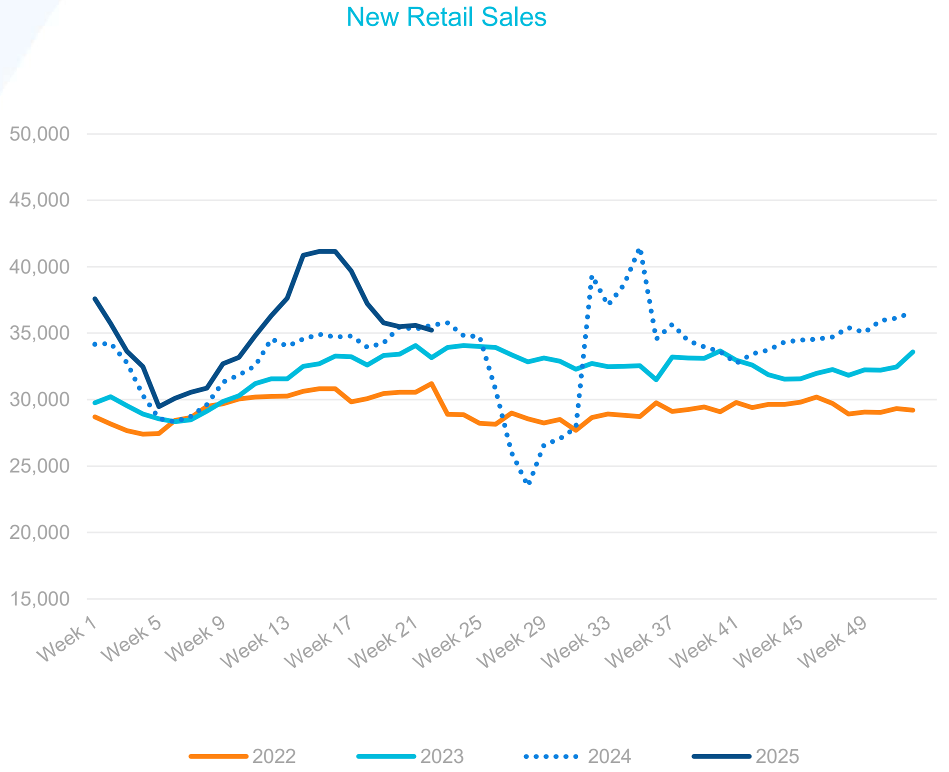
COST OF LIVING

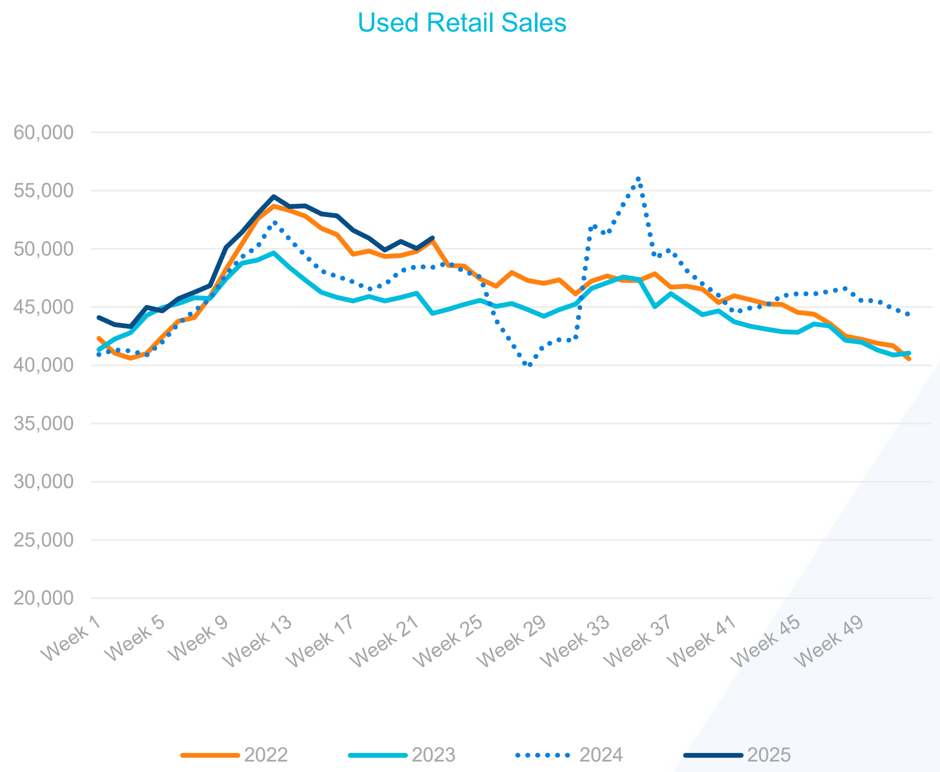


- **Higher cost of living** in the **West** (housing and beyond)
    - Lower housing cost frees up greater share of income to be disposable in **South** & **Midwest**

Retail Vehicle Sales Are Steady Recently

Sales trends for New are just under last year's levels with Used trends holding slightly higher

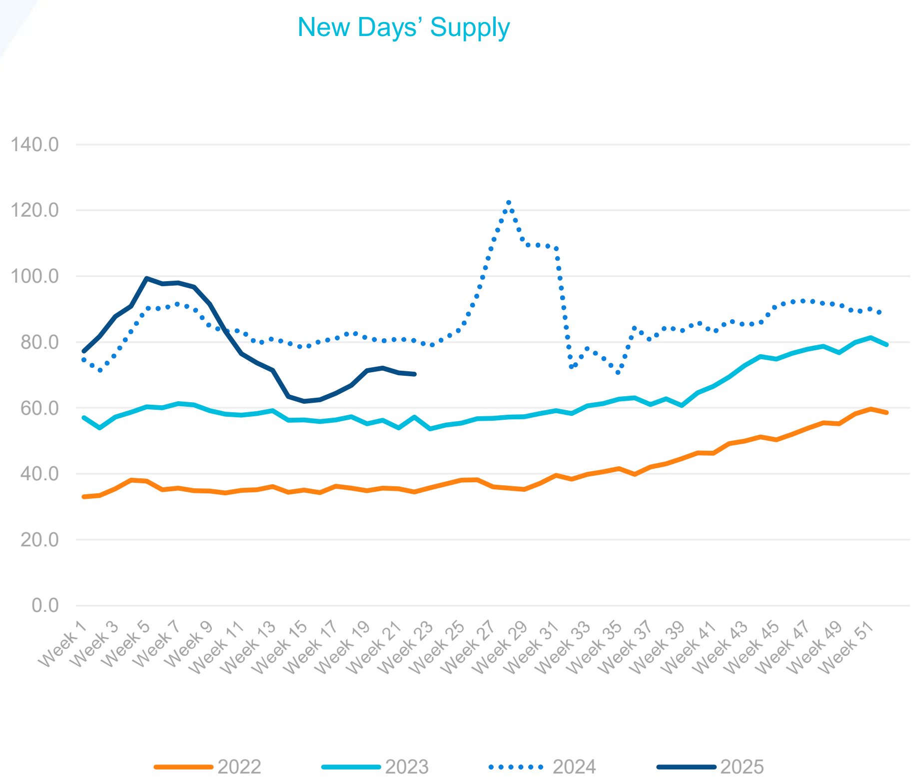


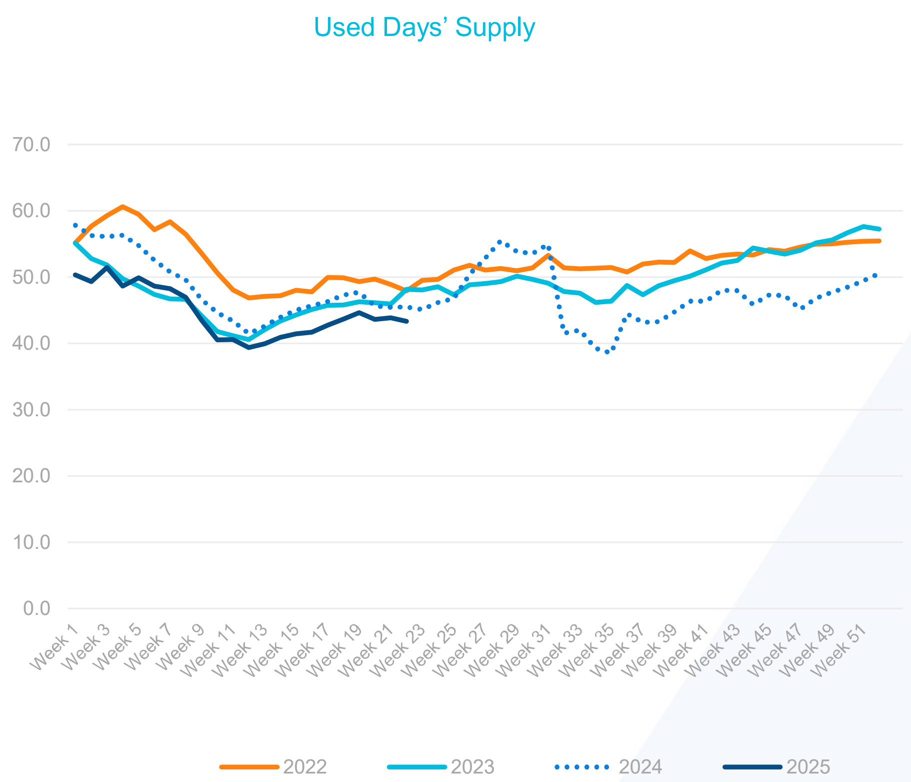


Source: vAuto, Cox Automotive

New & Used Supply Are Still Declining

New and used supply is up from early April but remains tighter against last year

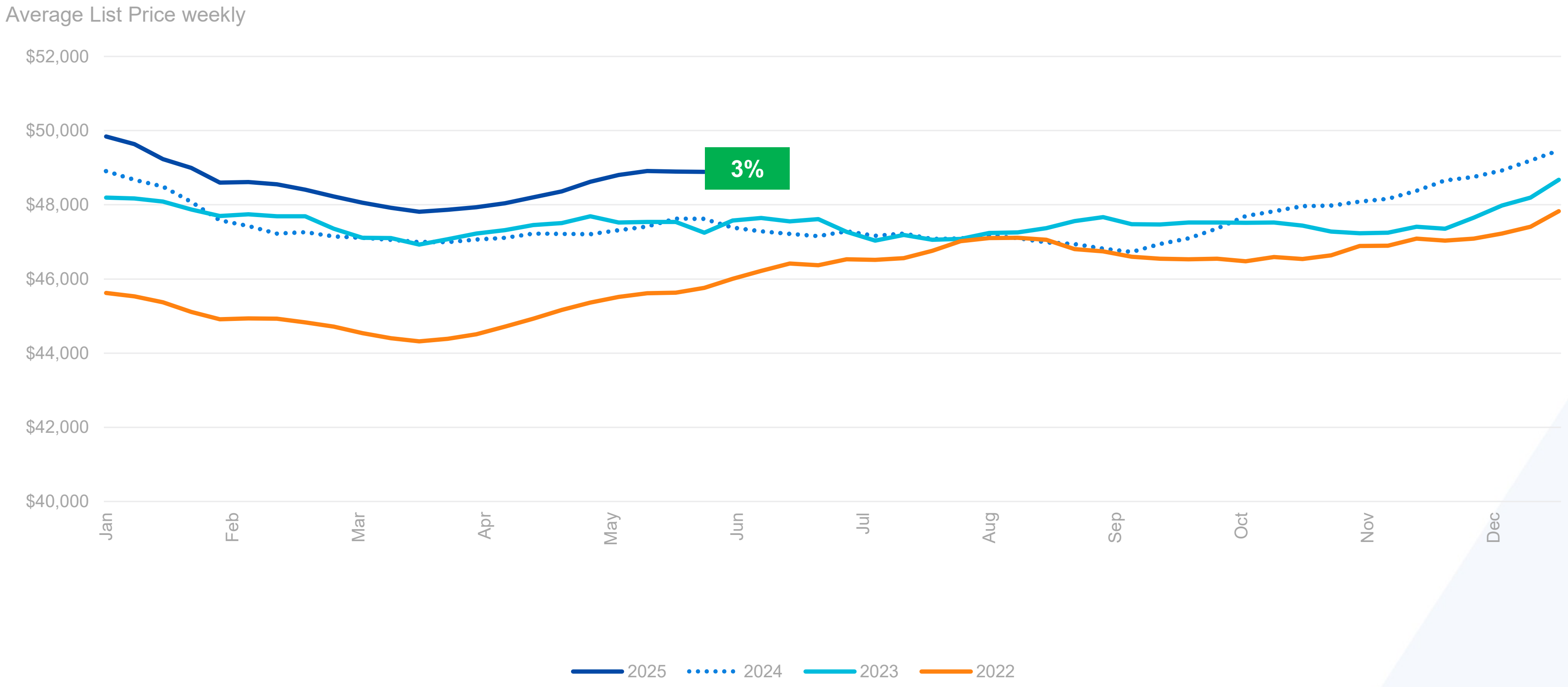




Source: vAuto, Cox Automotive

New Vehicle List Price | Steady In Early June

New Listed Prices increased for the last few months but have stalled recently



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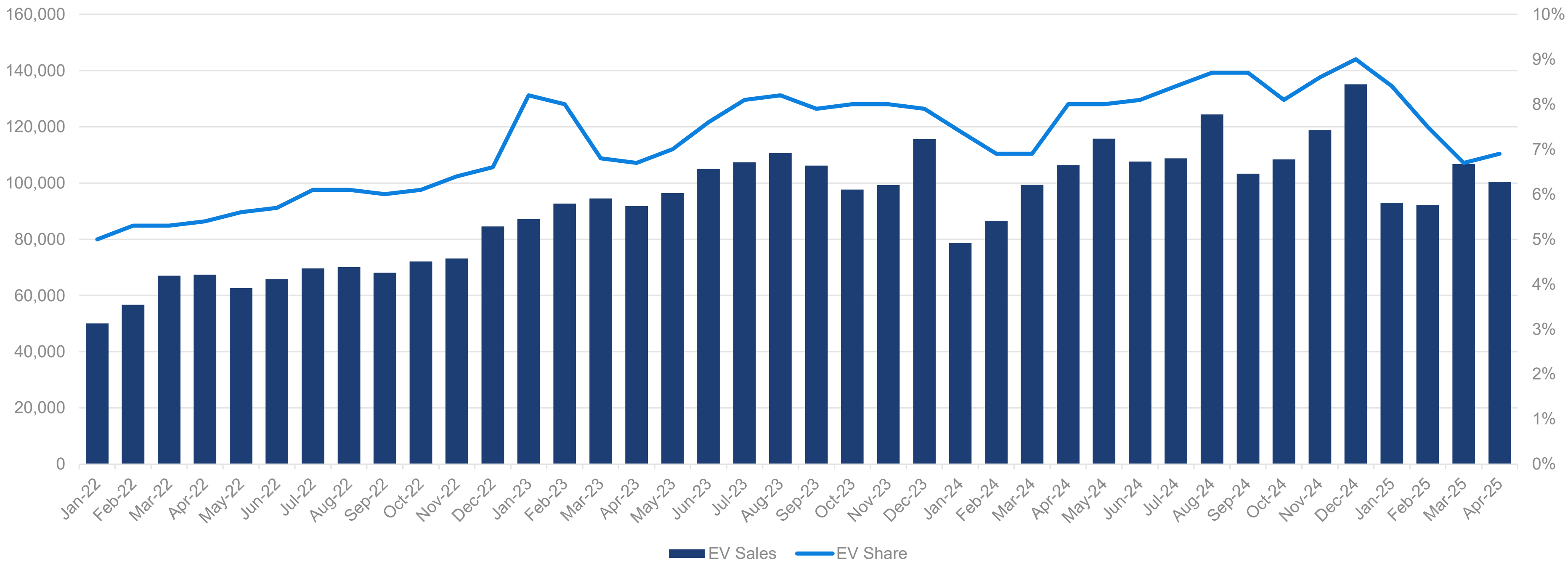
Source: vAuto, Cox Automotive

Electric Vehicle Sales | Volume Decreases, Share Grows Slightly

In April, EV sales volume decreased by 5.9% month-over-month to 100,495 units, while market share grew slightly to 6.9%. Year-over-year decline was 5.6%.



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Source: Kelley Blue Book

2025 Forecasts

Updated April 21, 2025

15.6 - 16.3M **NEW SALES** *(Original Forecast: 16.3M)*	**12.8 - 13.3M** **NEW RETAIL SALES** *(Original Forecast: 13.3M)*	**2.7 - 2.9M** **FLEET SALES** *(Original Forecast: 3.0M)*
3.1 - 3.2M **NEW LEASE VOLUME** *(Original Forecast: 3.3M)*	**25%** **LEASE PENETRATION** *(unchanged)*	**2.4 - 2.5M** **CPO SALES** *(Original 2.5M)*
37.5 - 38.0M **USED SALES** *(Original 37.8M)*	**19.9 - 20.2M** **USED RETAIL SALES** *(Original 20.1m)*	**+2.1% - +2.8%** **DEC 2025 Y/Y MANHEIM USED VEHICLE VALUE INDEX** (*Original +1.4%)*

Automotive Industry Outlook: Complex – Dynamic – Global

Industry Disruption, Complexity, and Uncertainty

Geopolitics & Trade

Emissions Regulations

One Big Beautiful Bill

Supply Chain Pain

Customer Choice

Chinese Automakers

Autonomous Vehicles

EV Incentives

Regulatory Hurdles Create Uncertainty

Electrification

Despite years of expecting growth through innovation, government subsidies and growing consumer adoption, electrification is facing challenges.

- President signs Congressional Review Act (CRA)
- Resolutions revoking California's Clean Air Act waivers
- State-level disparities create challenges for automakers

One Big Beautiful Bill

- Elimination of Federal EV Tax Credits
- New Federal EV Ownership Fee
- Reduction of EV and Clean Energy Funding
- Auto loan interest deduction
- Factory construction expense through 2028

Supply Chain Disruption

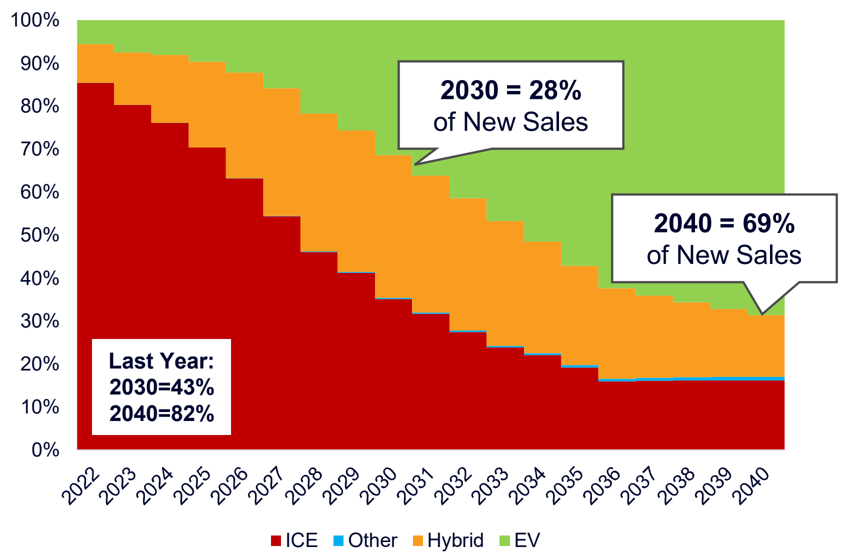
- Rare earth and critical mineral shortages
- Impact of Tier 2, 3 and smaller suppliers of cash flow given import tariffs imposed
- Labor constraints
- Port congestion and shipping delays interest deduction

Powertrain VIO | BEV Expected To Gain At Much Slower Pace

Pace of transformation will be much slower – and more realistic

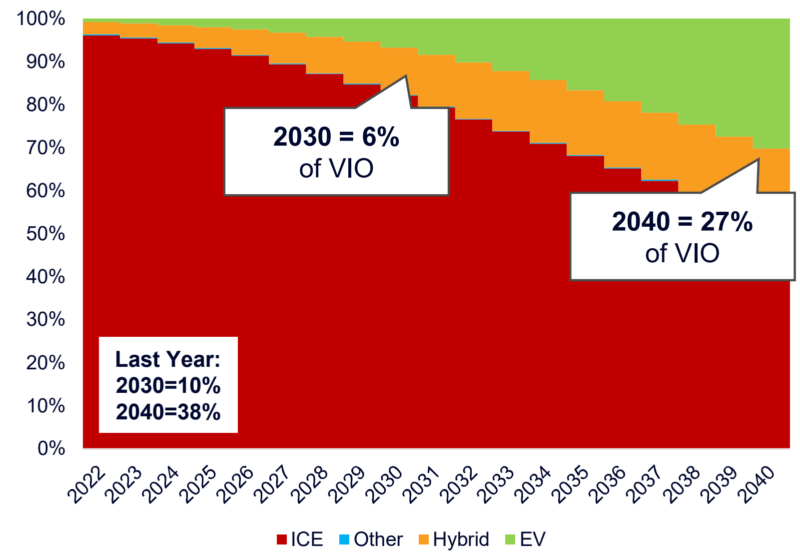
NEW CAR SALES

Light-Duty Sales by Powertrain



VEHICLES IN OPERATION

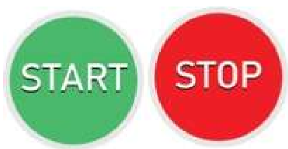
Light-Duty VIO by Powertrain



Source: Cox Automotive, Q1 2025

Impact and Uncertainty Acute for US Vehicle Market

The unthinkable now appears to be the new reality, and there is no clear end in site



What's Happening		Vehicle Cost Impact
Steel & Aluminum Imports (March 30)[1]	50%	$600 - $1.000
Non-N.A. Imported Vehicles (April 2)	25%	$5,700
Imported Vehicles from UK (May 8)	10%	$7,200
Imported Vehicles from CD/MX[2]	25%	$3,500
Imported Parts in U.S. Made Vehicles[3]	25%	$1,000+

1 Updated on June 3, Trump pushed to 50%, still 25% for UK; 2 U.S. Content is exempt from tariff; 3 Down from $3,000 considering new offset

Short-Term Implications

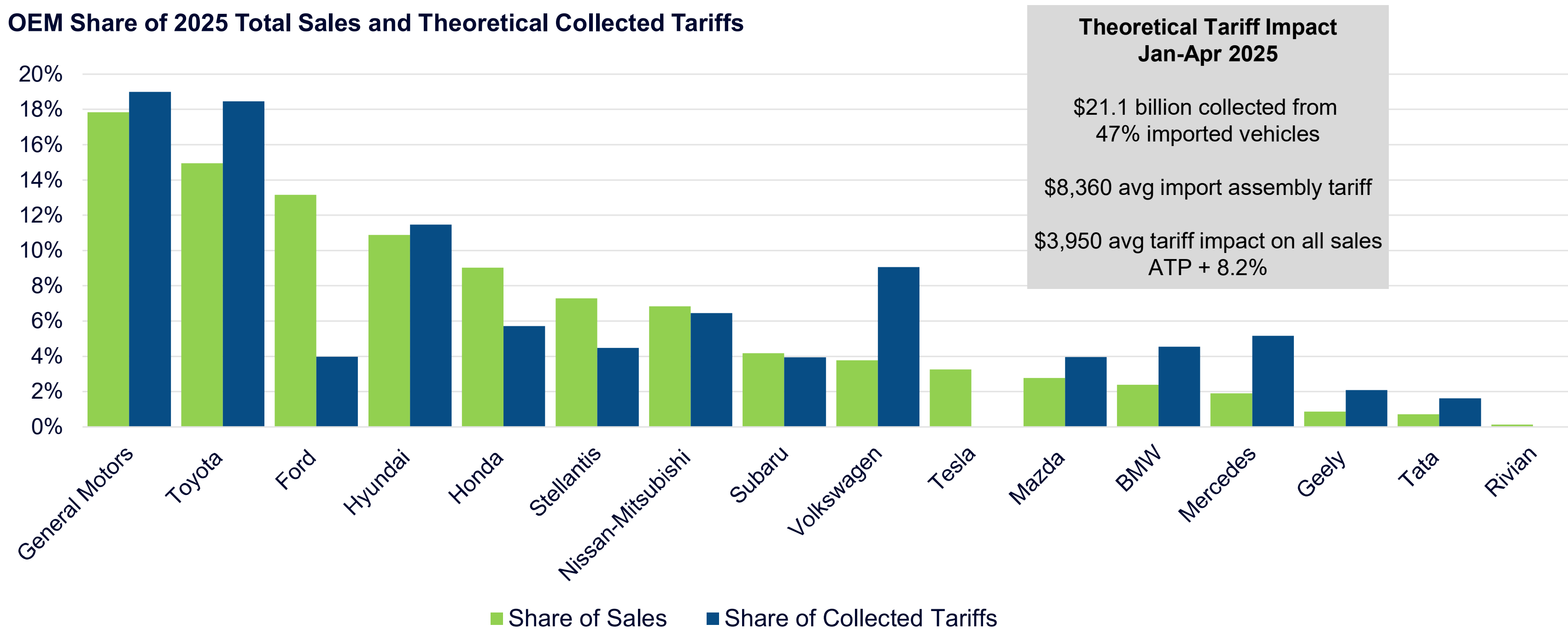
- Sales surge
- Declining discounting and incentives in new
- Auto suppliers under financial stress
- Border and customs unprepared
- 30% production disruption by mid-May

Long-Term Implications

- Production and deliveries cut
- Supply tightens
- **New and used prices rise between 4-8%**
- Some models eliminated
- Repair and maintenance costs increase

Assembly Tariff Burden | Ford's Customers Face Less Cost Exposure

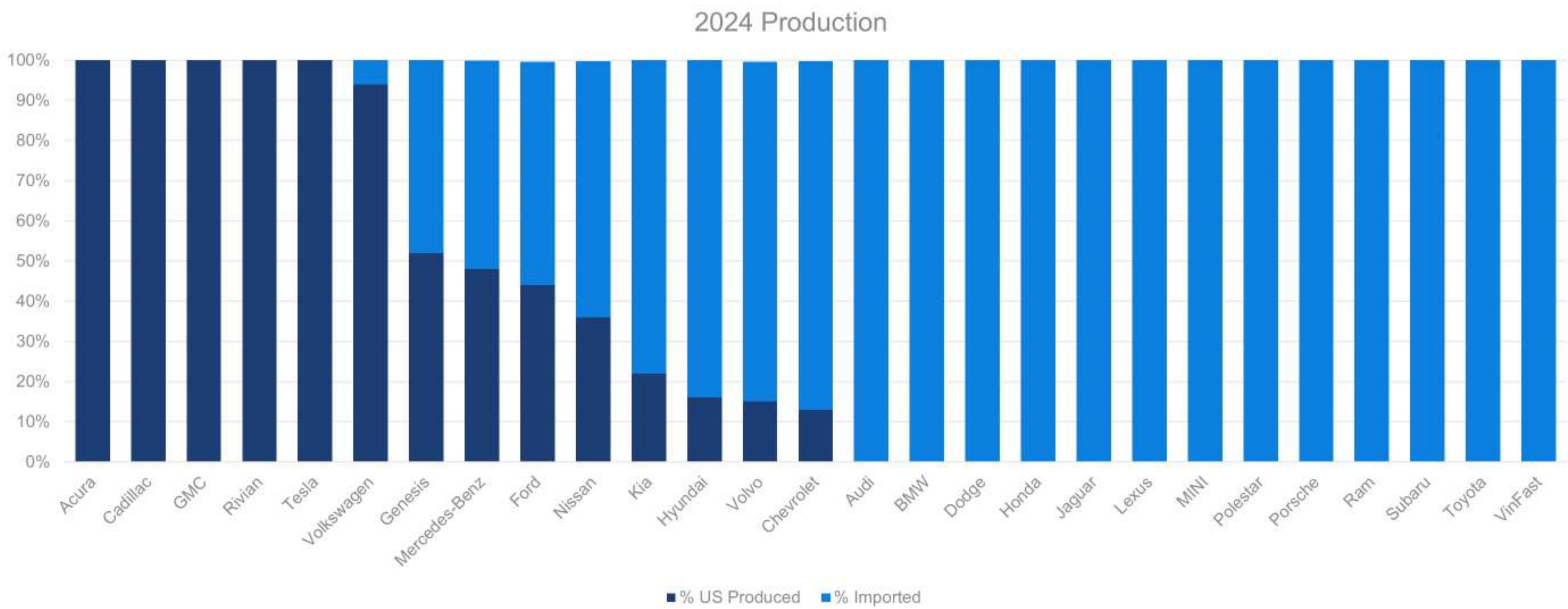
European OEMs and Toyota customers will face higher tariff exposures than competitors



Source: Cox Automotive analysis of YTD 2025 Sales

EV Segment Tariffs | Majority Produced in the US

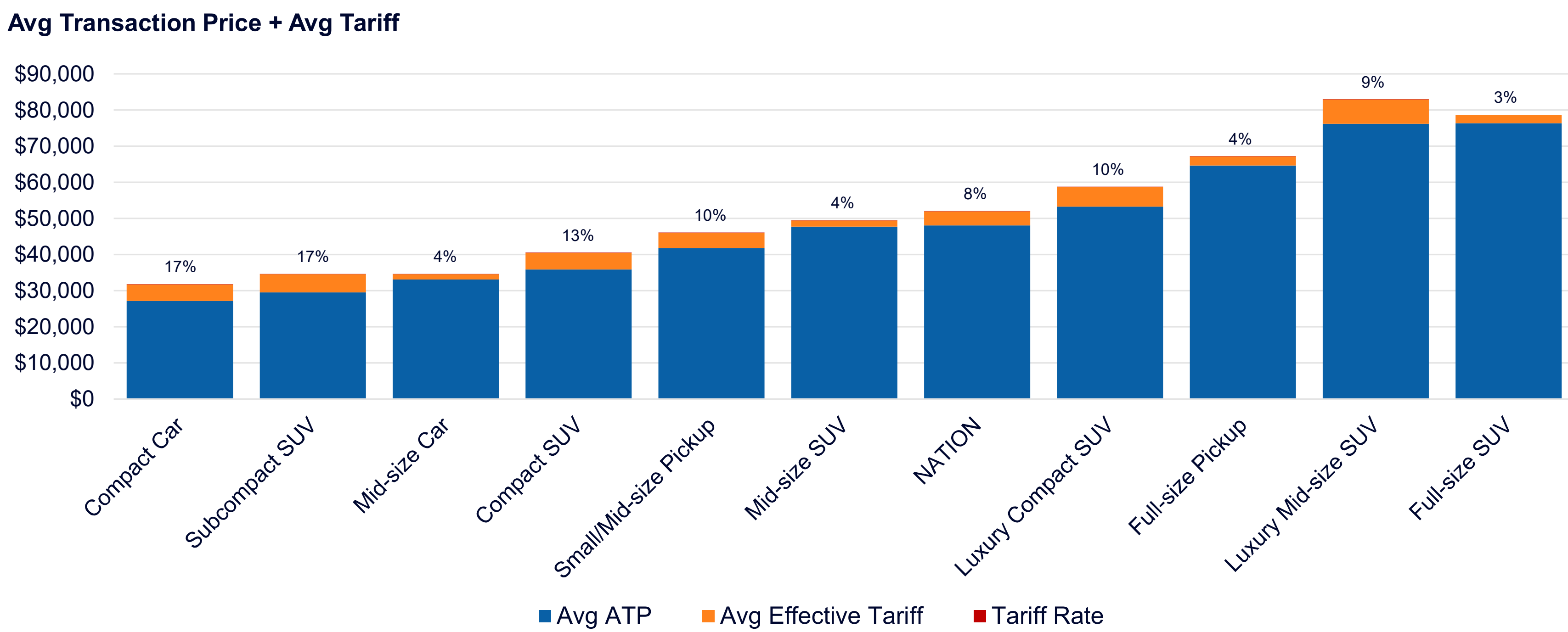
Key models such as Ford Mach-e and Chevrolet Blazer and Equinox built in Mexico.



Source: Cox Automotive analysis of CY2024 Sales

Large Segment Assembly Tariffs | Lowest Price = Highest Impact

Some segments facing less price pressure



Source: Cox Automotive analysis of CY2025 Sales

Impact on Specific Brands & Segments

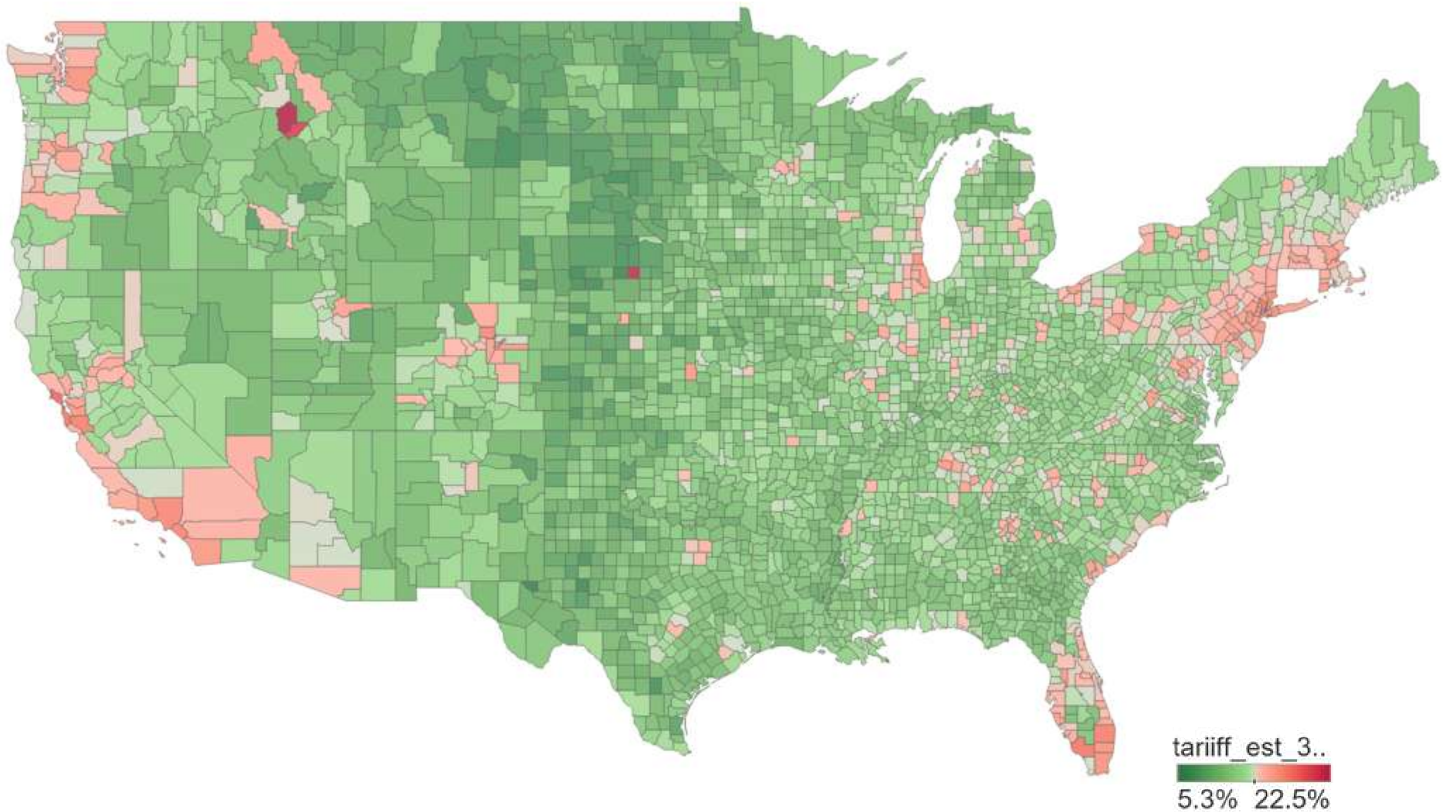
As announced tariffs will severely impact most affordable brands and segments

~45% of market

Segment	2024 Retail Reg Count	Estimated Effective Tariff Rate
Compact / Affordable	6,217,115	18.3%
Mid Size Utiility	2,764,666	15.8%
Full Size Pickuo	1,671,156	7.4%
Mid Size Car	712,840	14.0%
Small/Mid Size Pickup	587,410	9.5%
Van	325,755	12.7%
Full Size Utility	463,283	11.2%
Sports Car	175,107	17.9%
Full Size Car	120,951	22.3%
Grand Total	13,038,802	14.8%

Tariffs Hit Large, Dense Urban Markets Hardest

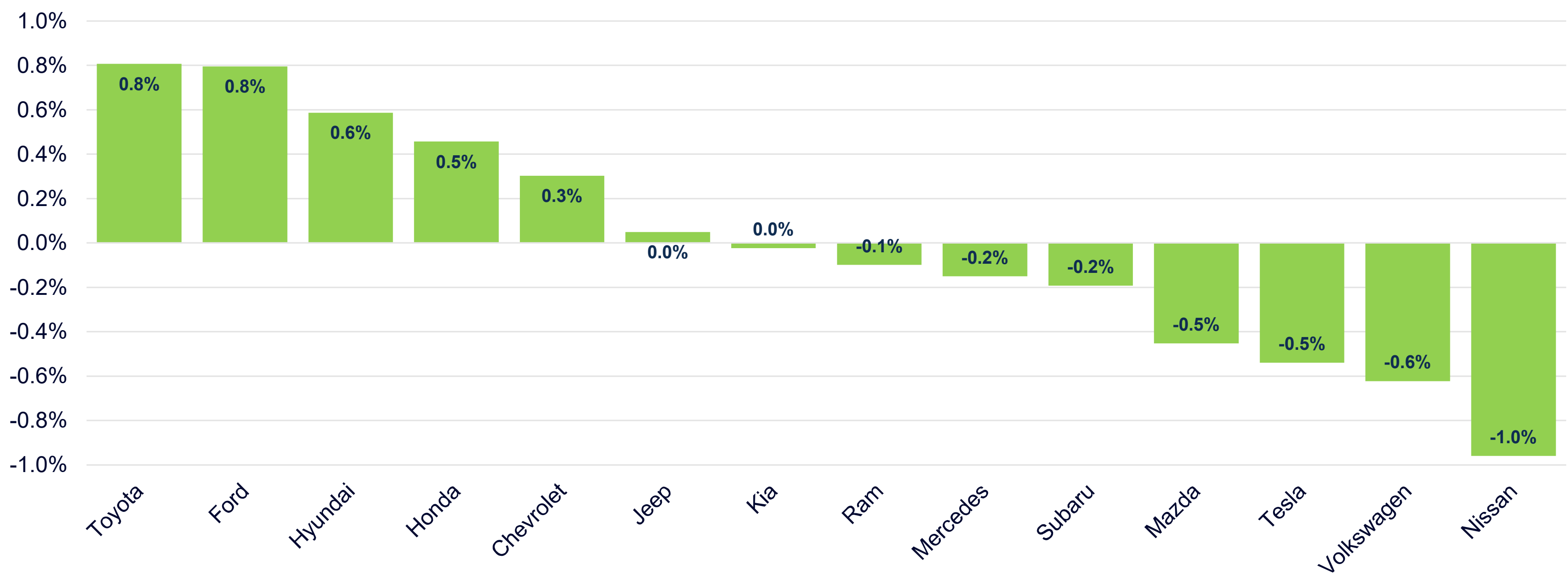
Highest effective tariffs placed on the most affordable vehicles (compact body styles)



Post Tariff Market Shifts | Toyota and Ford Gaining Most

Tesla, VW and Nissan seeing largest declines

OEM Market Share Gain (March/April/May vs January/February)



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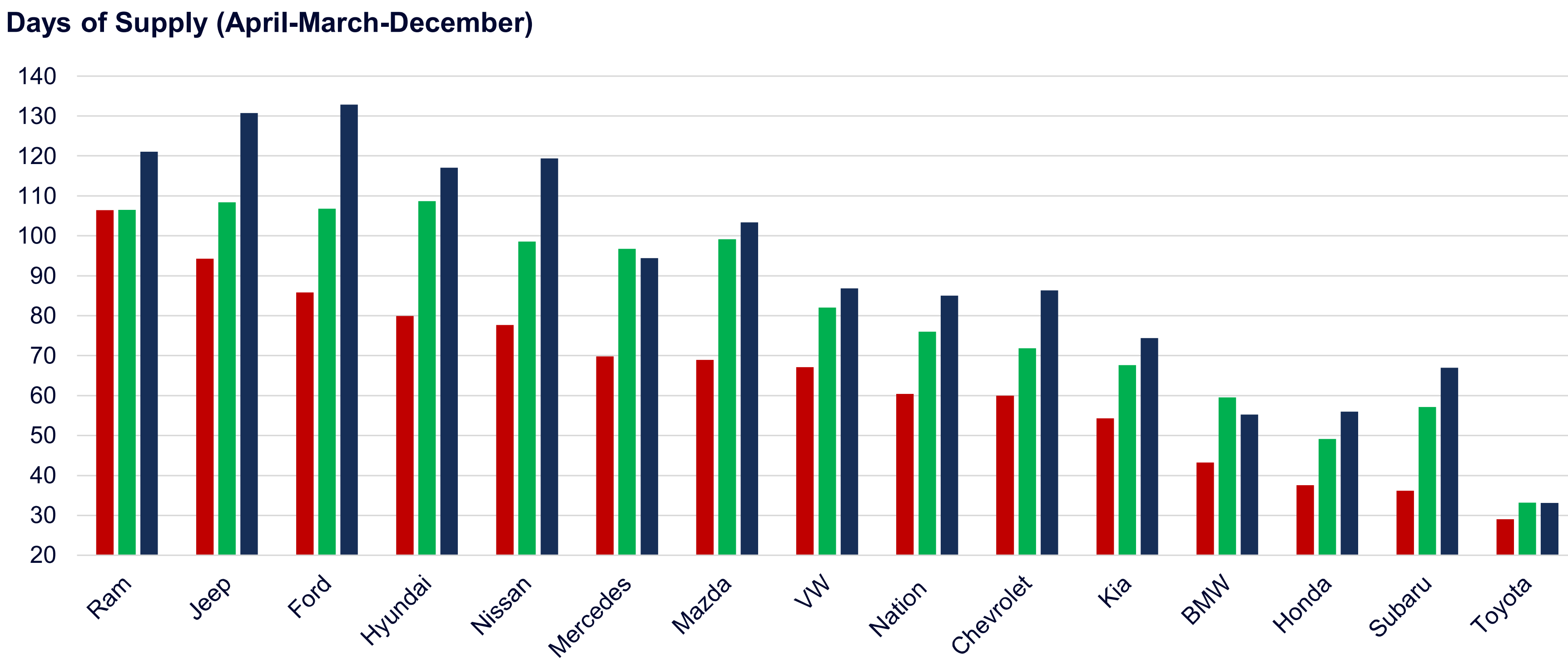
Source: Cox Automotive/KBB

Large Brand Days Supply | Tightening Quickly

Off-shore brands seeing biggest declines in available supply – will lead to inflation



Source: Cox Automotive – vAuto

Note: Days Supply calculation includes vehicles in dealer inventory and in-transit/pipeline, only larger brands shown

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Ford Shopping Trends:
Autotrader | Kelley Blue Book

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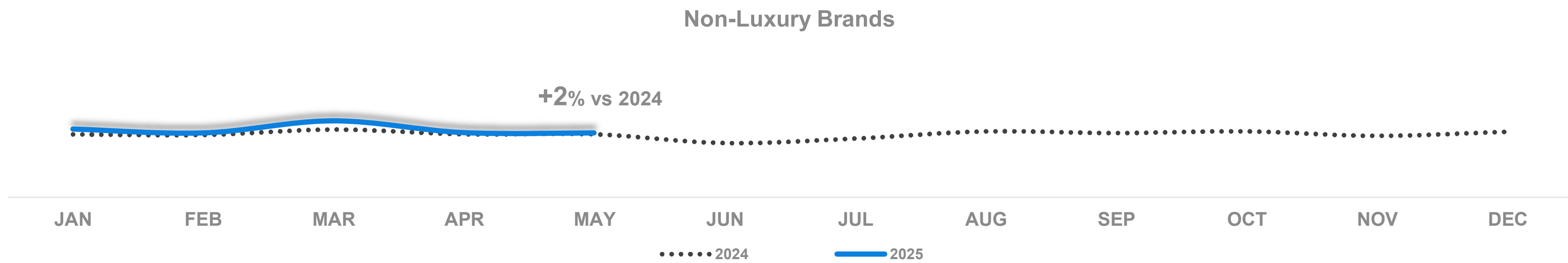
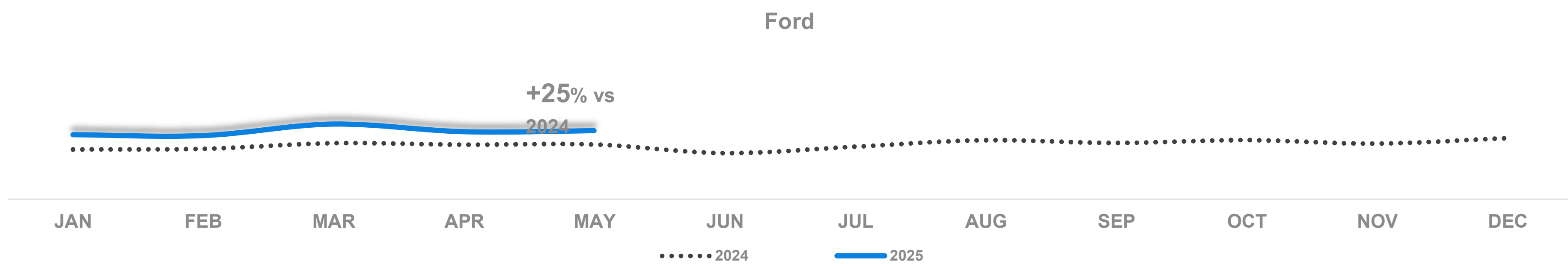
Ford Shopping Outpacing Non-Luxury Competitors

Ford shopping was up 25% in May vs 2024, while total non-luxury brand shopping was up 2%

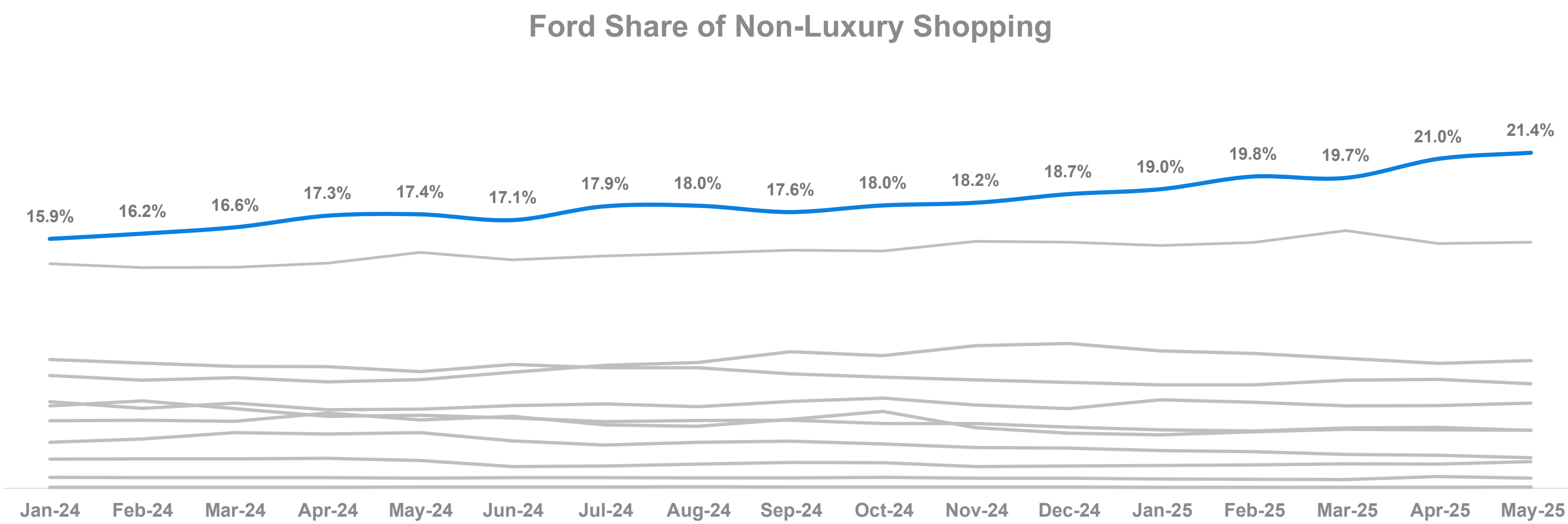




Source: AT/KBB New Car Visits, Jan 2024 – May 2025

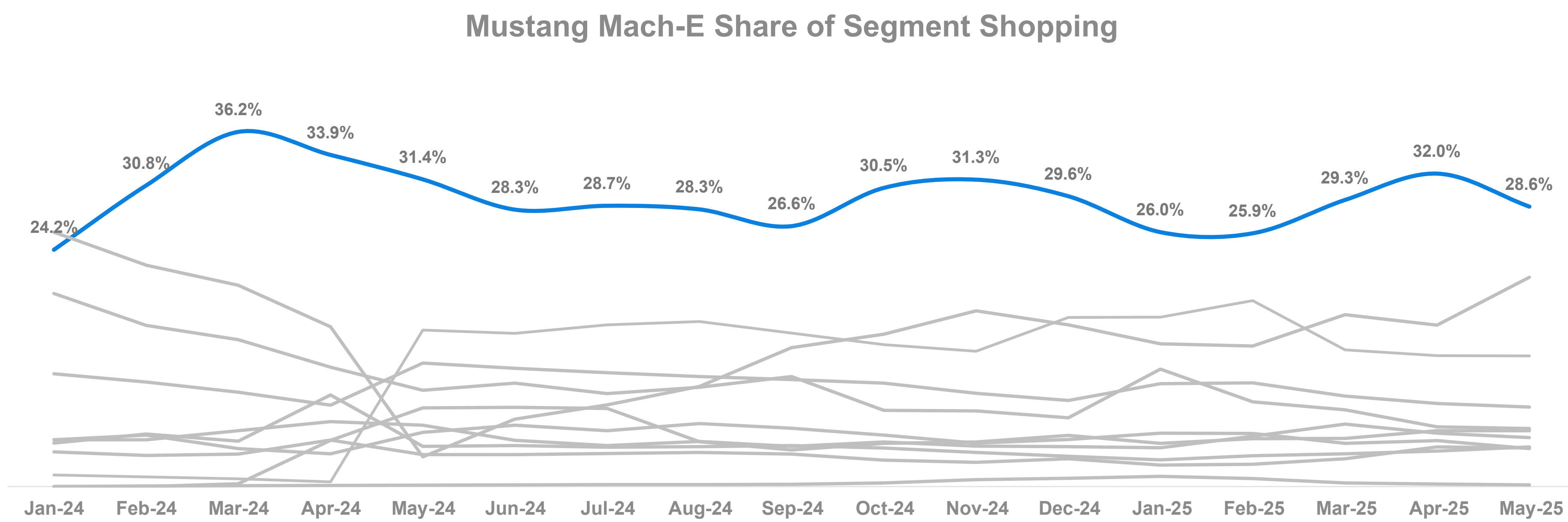
Ford's Share of Non-Luxury Shopping Continues to Climb

Ford led all brands in New Car Visits in May 2025



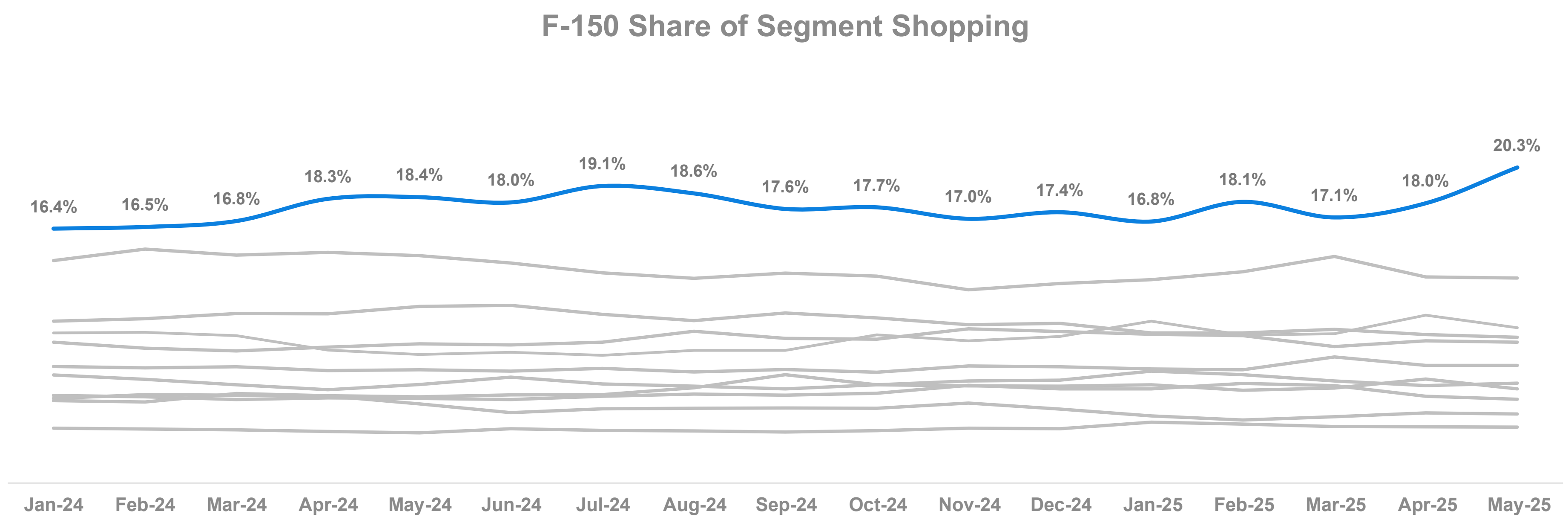
Source: AT/KBB New Car Visits, Jan 2024 – May 2025

Mustang Mach-E Shopping Leading Competitors



Source: AT/KBB New Car Visits, Jan 2024 – May 2025

F-150 Shopping Leading Competitors



Source: AT/KBB New Car Visits, Jan 2024 – May 2025

Ford Buyers' Shopping Patterns: Consumer insights

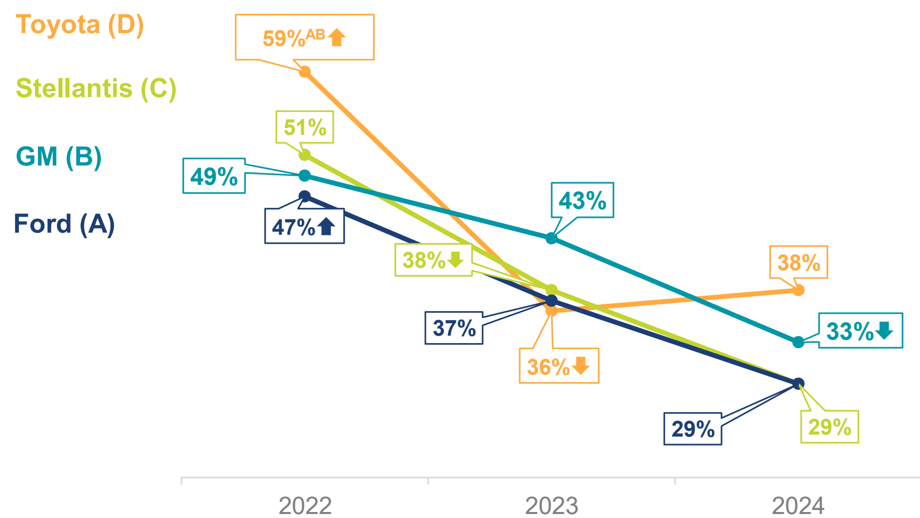
Cox Automotive

Inventory challenges continued to ease for Ford Buyers

Ford Days in Inventory[1]

	2022	2023	2024
Ford	29	50	70
Industry Average	*23*	*37*	*53*

New Buyer Sentiment – Limited Vehicle Inventory



Base: New-vehicle buyers
Letters indicate significant difference between groups at the 95% confidence interval
Arrows indicate significant difference between years at the 95% confidence interval

1 Cox Automotive Market Maven Data

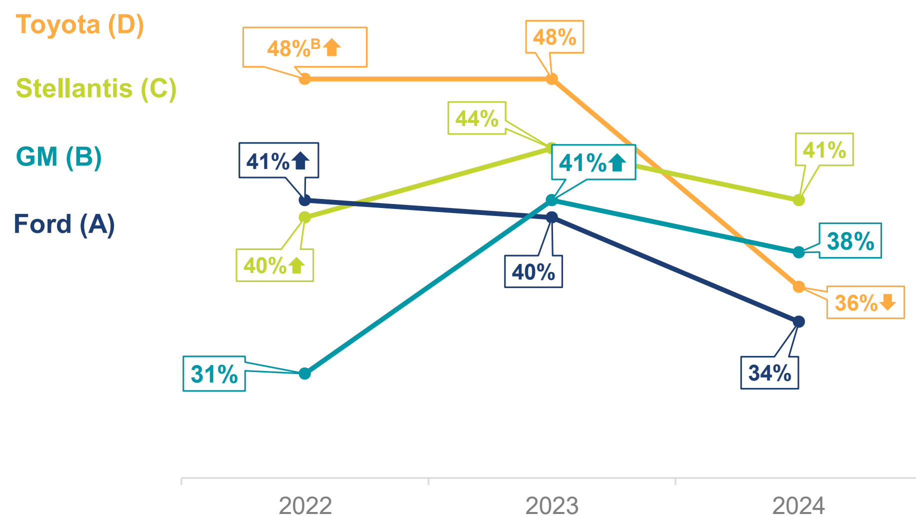
Source: Cox Automotive Car Buyer Journey – 2024 // © 2025 by Cox Automotive, Inc. All rights reserved.

Fewer Ford Buyers reported sticker shock

Ford Average Price (ATP)[1]

	2022	2023	2024
Ford	$52.6K	$55.3K	$55.3K
Industry Average	*$47.8K*	*$48.7K*	*$48.1K*

New Buyer Sentiment – Prices Higher Than Expected



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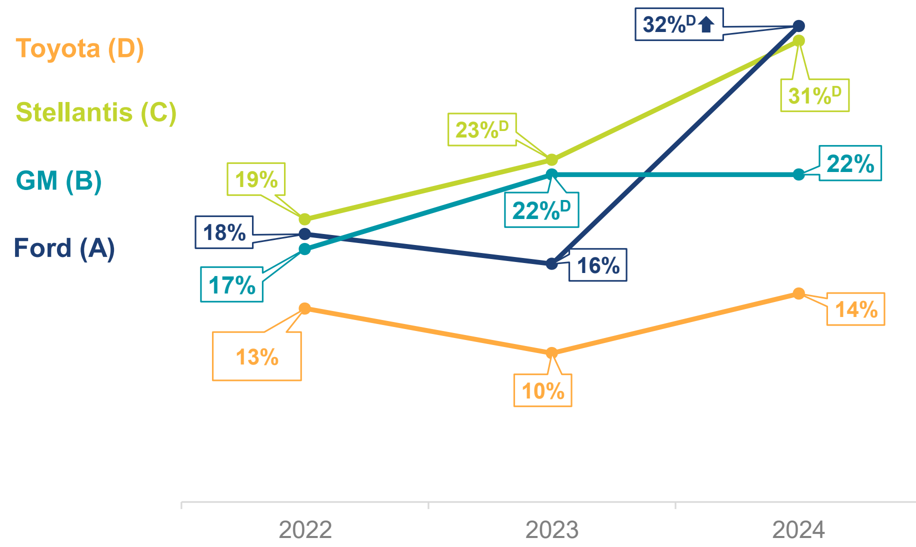
Source: Cox Automotive Car Buyer Journey – 2024 // © 2025 by Cox Automotive, Inc. All rights reserved.

Ford and Stellantis dealers were more proactive about promoting available incentives or deals

Ford Incentives % of ATP[1]

	2022	2023	2024
Ford	2.3%	4.0%	6.9%
Industry Average	*2.7%*	*4.2%*	*6.5%*

New Buyer Sentiment – Dealer Contacted w/Incentive



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Source: Cox Automotive Car Buyer Journey – 2024 // © 2025 by Cox Automotive, Inc. All rights reserved.

Ford has strongest brand and dealer loyalty for non-luxury

Make & Dealer Loyalty (2024)

Ford (A)

79%[D]
Make Loyalty
2021: 82%

58%
Dealer Loyalty
2021: 54%

	GM (B)	Stellantis (C)	Toyota (D)
Make Loyalty	**75%**	**70%**	**67%**
Dealer Loyalty	**49%↓**	**53%**	**50%**

Base: New-vehicle buyers
Letters indicate significant difference between groups at the 95% confidence interval
Arrows indicate significant difference between years at the 95% confidence interval

Source: Cox Automotive Car Buyer Journey – 2024 // © 2025 by Cox Automotive, Inc. All rights reserved.

Ford Buyers dedicated more time to shopping vs last year

2024 Total Time Spent, hh:mm (New Buyer)

13:54
Ford (A)

12:25
GM (B)

13:03
Stellantis (C)

13:44
Toyota (D)

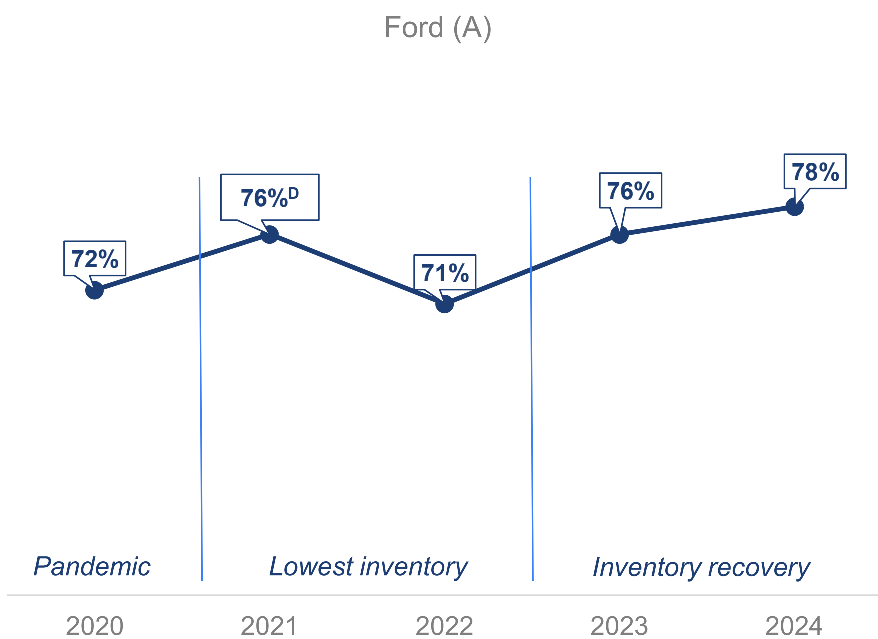
	Research & Shop Online	Dealership Where Purchased
Ford (A)	6:39	2:47
GM (B)	5:44	2:50
Stellantis (C)	5:31	3:10
Toyota (D)	7:02	2:44

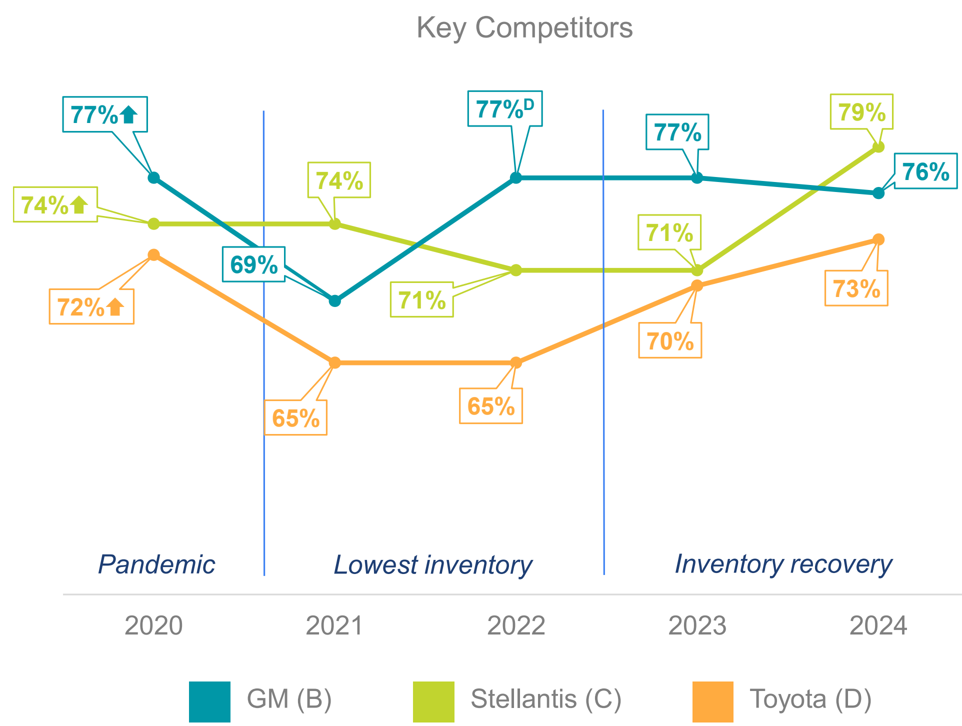
Base: New-vehicle buyers
Letters indicate significant difference between groups at the 95% confidence interval
Arrows indicate significant difference between years at the 95% confidence interval

Source: Cox Automotive Car Buyer Journey – 2024 // © 2025 by Cox Automotive, Inc. All rights reserved.

Ford Buyer satisfaction with the shopping process at all-time high

Overall Satisfaction With Shopping Experience (%8-10)





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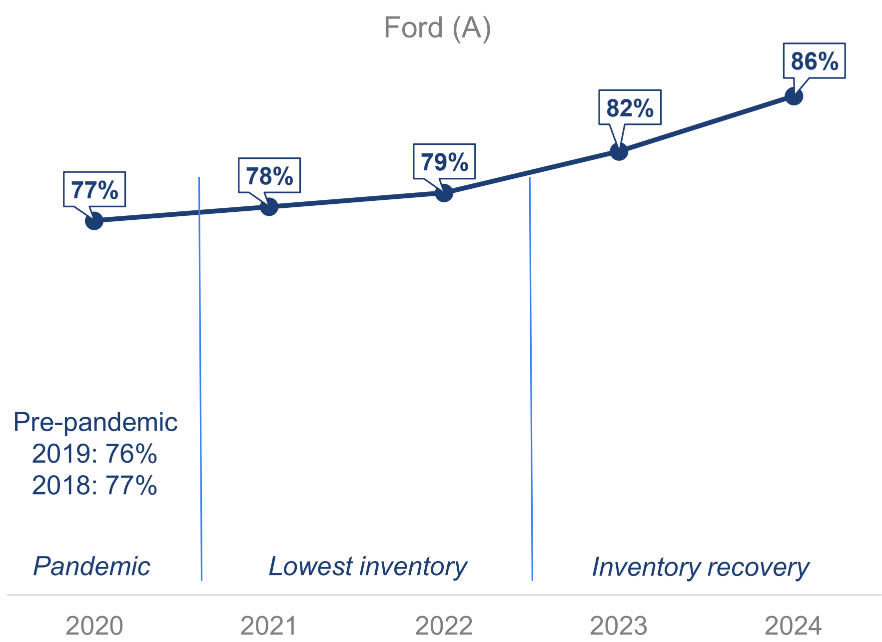
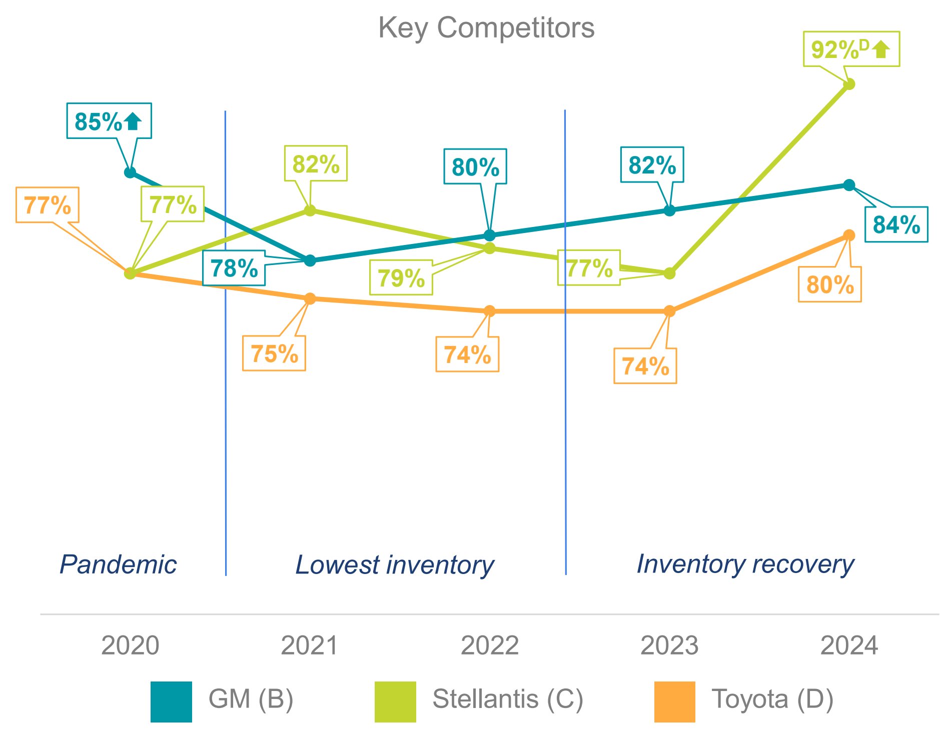
Ford Buyer dealer satisfaction gradually growing over time

Overall Satisfaction With Dealership Experience (%8-10)





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Time spent at the dealership is consistent area of lower satisfaction

2024 Ford Buyer Satisfaction with Dealership Experience

Importance Ranking		2020	2021	2022	2023	2024
#1	Interactions with sales	80%	81%	76%	80%	86%
#2	Interactions with F&I	72%	75%	74%	76%	77%
#3	Length of process	68%⬆	64%	57%	61%	69%
#4	Vehicle delivery	-	82%	80%	84%	83%
#5	Price paid	75%	70%	61%	59%	76%⬆
#6	Vehicle selection	74%	57%⬇	43%⬇	58%⬆	73%⬆
#7	Test drive	82%	82%	80%	84%	85%

Base: New-vehicle buyers
Arrows indicate significant difference between years at the 95% confidence interval
Shading indicates degree of satisfaction

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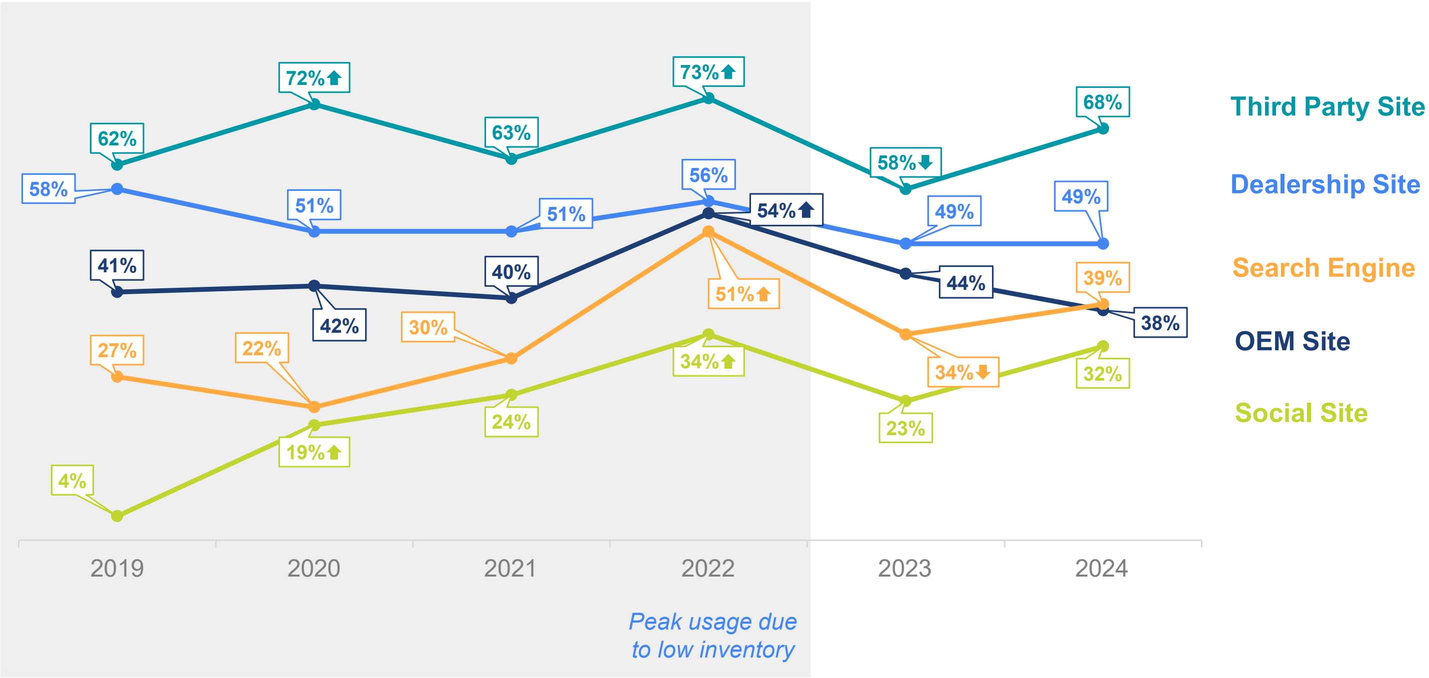
Third party sites top source for Ford Buyers

Website Usage for Vehicle Shopping (among Ford Buyers)

	Average # of Sites Used
2019	3.5
2022	4.5⬆
2023	3.5⬇
2024	3.7



Base: New-vehicle buyers
Arrows indicate significant difference between years at the 95% confidence interval

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Nearly half of Ford Buyers bypassed OEM sites for third party sites

Visited Third Party Site & Did NOT Visit OEM Site (New Buyers)

44%
Ford (A)

41%
GM (B)

47%
Stellantis (C)

43%
Toyota (D)

Top rationale for not visiting the OEM site includes:

Found information from another source

"I had no need when the dealer website had the same information."

"I didn't feel the need to go on the website when there's enough third party websites that are easier to use."

"I didn't visit the manufacturer's website because I found all the necessary information, comparisons, and pricing on third-party sites and dealership websites, which made it more convenient and comprehensive."

Already knew what I wanted/Was familiar with vehicle

"I had made up my mind already, so it thought it was not necessary to visit the manufacturer's website to make my final decision."

"I knew what I wanted and just looked at the dealership to see if they had the one I wanted."

Base: New-vehicle buyers
Letters indicate significant difference between groups at the 95% confidence interval
Arrows indicate significant difference between years at the 95% confidence interval

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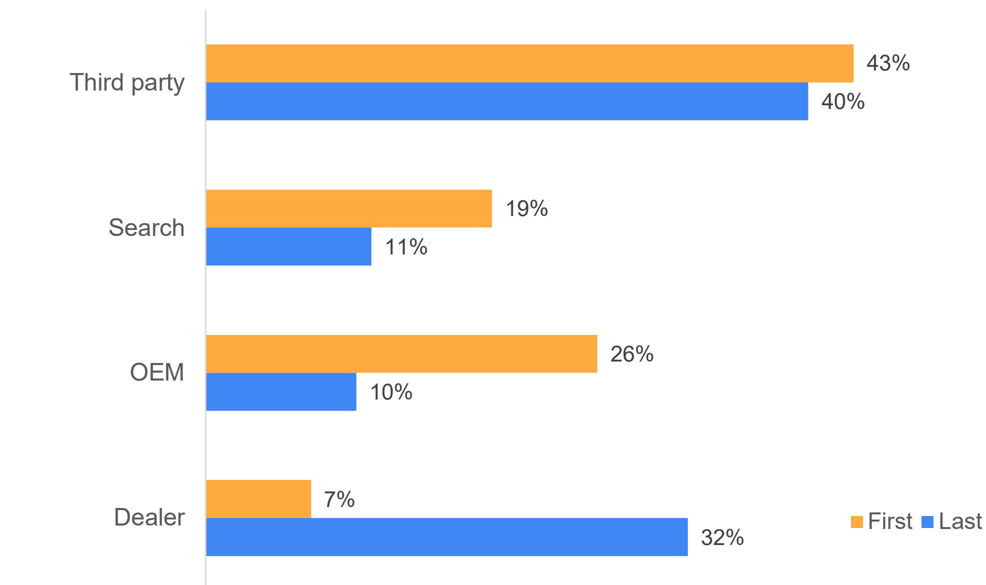
Third party is a top site used at beginning and end of journey

2024 first and last website visited
(Among Ford buyers visiting multiple websites)



Base: New-vehicle buyers
Arrows indicate significant difference between years at the 95% confidence interval

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Ford Buyers are strongly influenced by third party sites

Most Influential Website In Decision To Purchase Vehicle Brand

Ford (A)

OEM	Third Party	Dealer
17%	32%[B]	19%

	GM (B)	Stellantis (C)	Toyota (D)
OEM	13%	11%	18%
Third Party	16%	22%	30%[B]
Dealer	36%[AD]	29%	18%

Base: New-vehicle buyers
Letters indicate significant difference between groups at the 95% confidence interval
Arrows indicate significant difference between years at the 95% confidence interval

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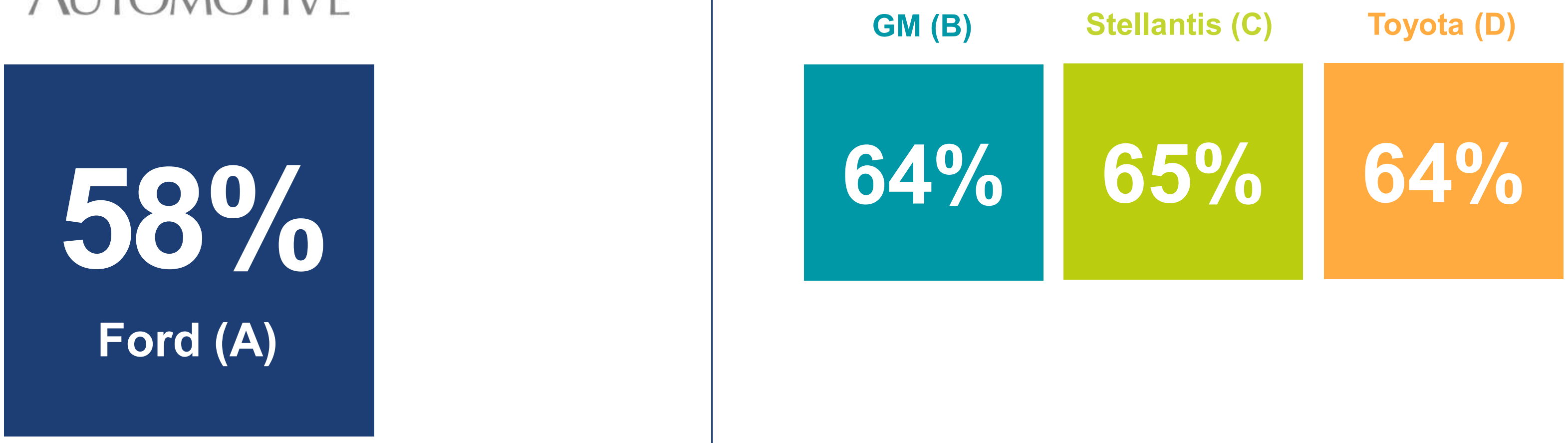
Nearly 2 in 5 Ford Buyers visited a Cox Automotive website when shopping for their vehicle

Cox Automotive Usage (New buyers)



Base: New-vehicle buyers
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4

Implications

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IMPLICATIONS

4 BIG THINGS

1	Market on top third-party sites to protect brand loyalty, providing engaging content such as videos and interactive tools
2	Promote personalized incentives prominently when qualified shoppers interact with financing content, and encourage dealers to proactively reach out to customers with incentives by leveraging their CRM
3	Seamlessly stitch together all online and offline touchpoints, allowing buyers to easily navigate across websites and the dealership as a single experience
4	Continuously streamline the experience by helping dealers effectively digitize and automate their processes, especially those related to financing, deal negotiations and the signing of paperwork or contracts

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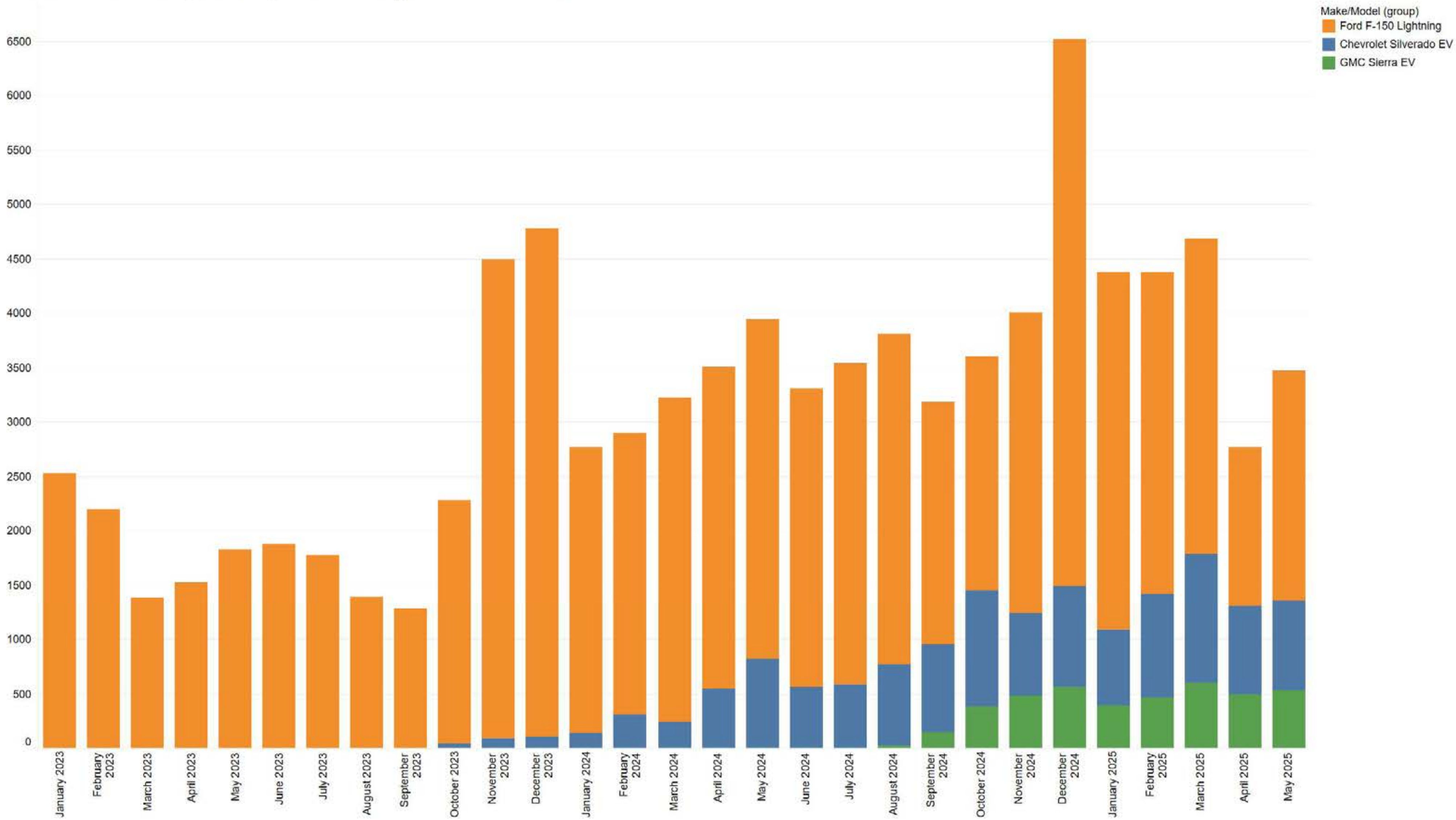
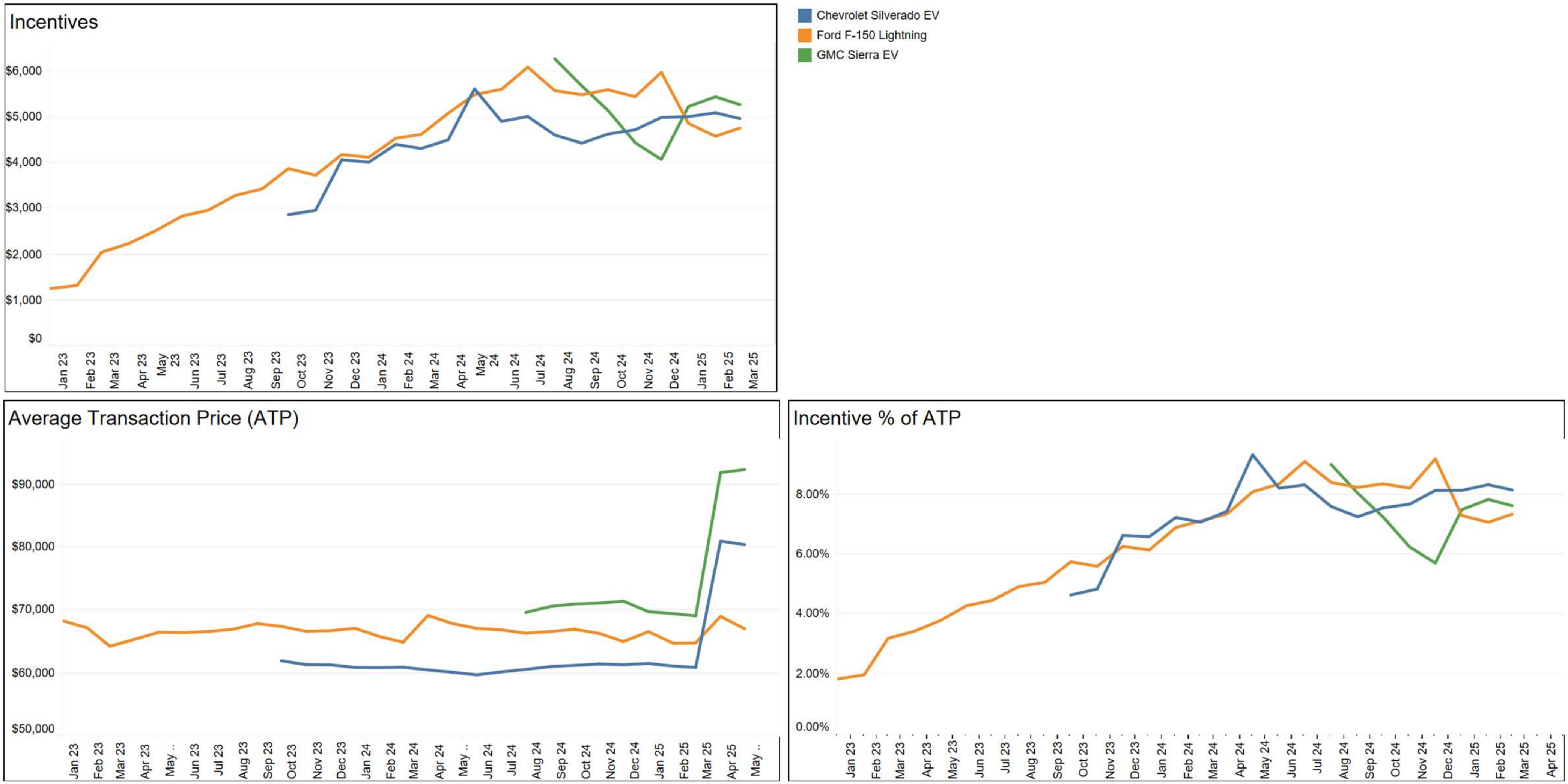
Deeper look at Ford model competitive sets

Cox Automotive

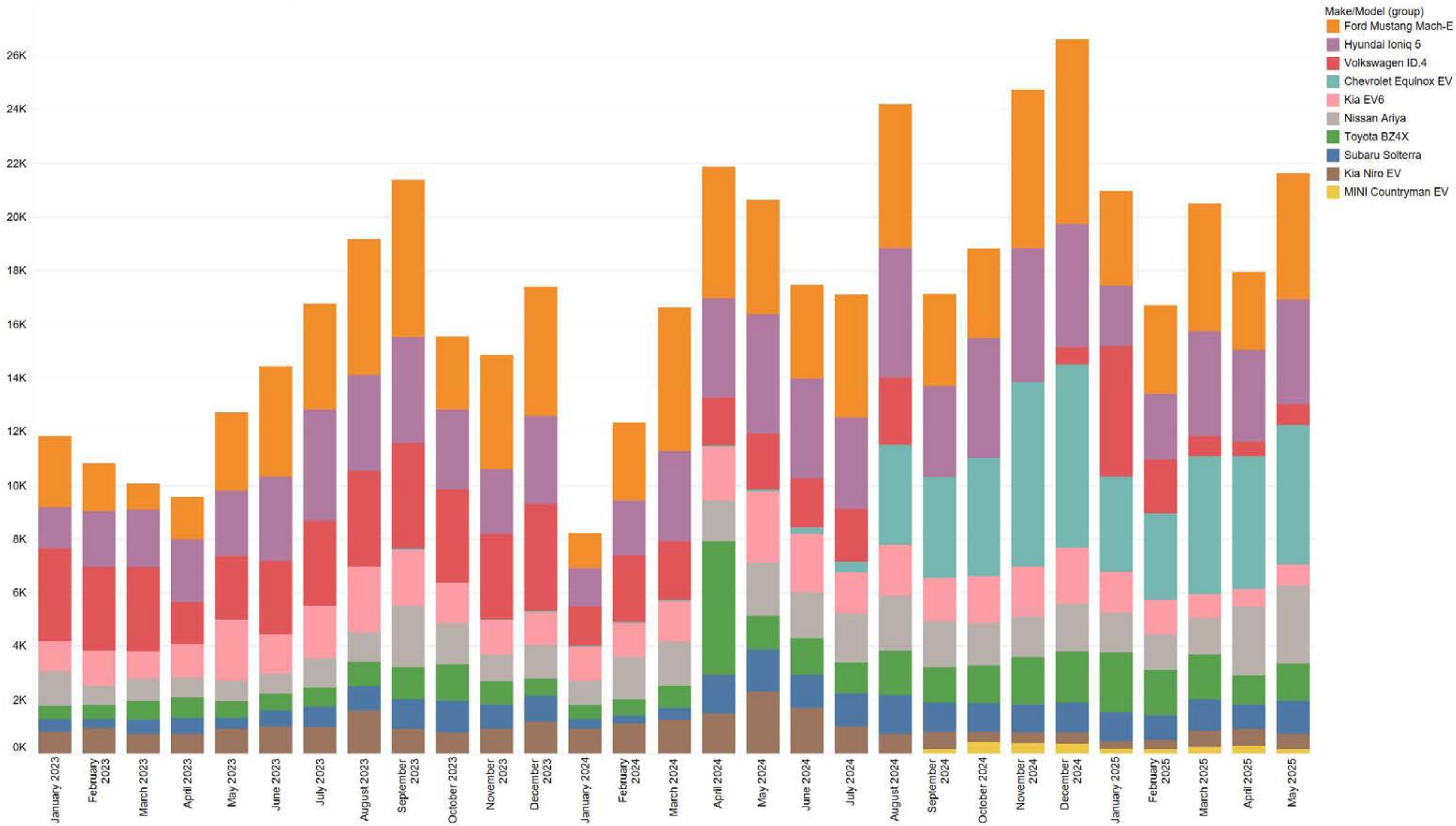
Ford F-150 Lightning vs. Competitors - Sales



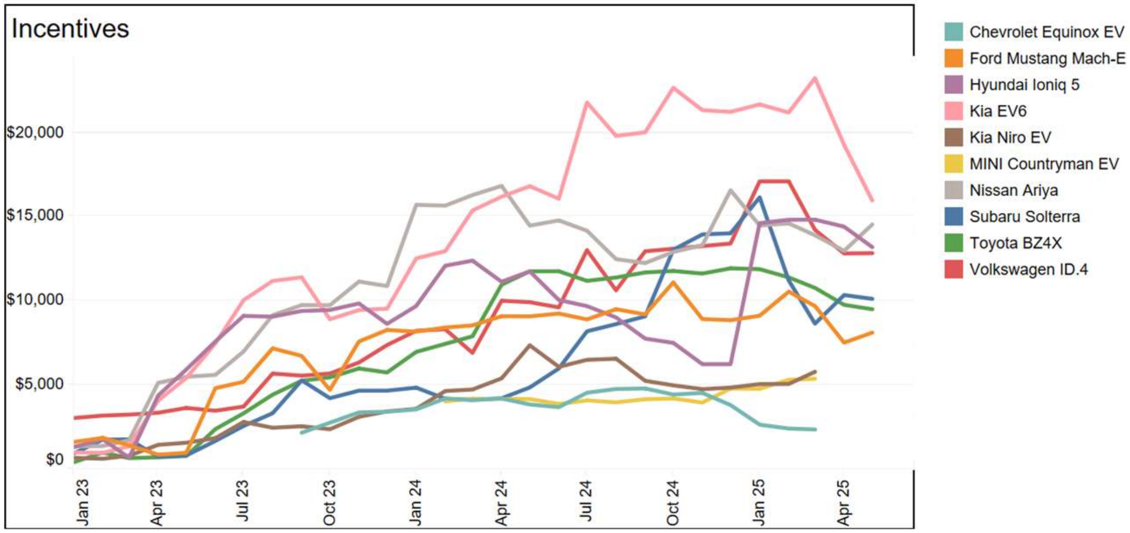
Ford F-150 Lightning vs Competitors

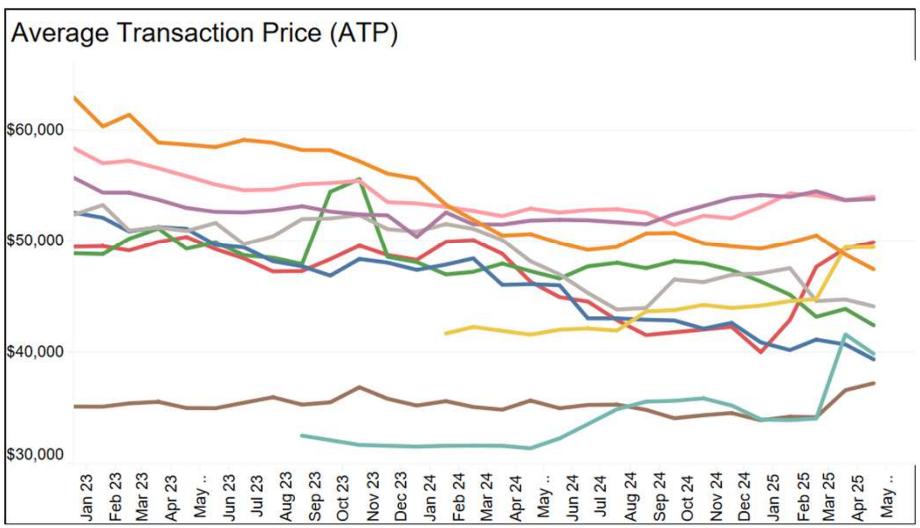


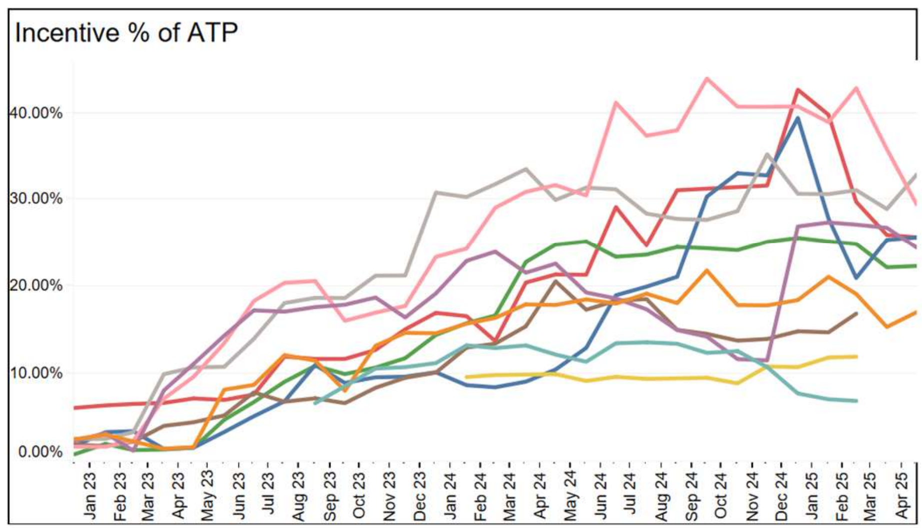
Ford Mach-E vs. Competitors - Sales



Ford Mach-E vs Competitors







Where It All Connects

The most complete and connected ecosystem

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