



14th April 2008

LIGHT COMMERCIAL VEHICLE MARKET REMAINS ROBUST

Manheim's latest Market Analysis Report shows that the LCV market remains robust, with buyers responding to the recent over supply of duplicated stock, damaged stock and high mileage stock in an entirely predictable and logical way. Healthy demand and bidding continues for the right stock, with duplications, damaged and high mileage stock approached with more caution. Suggestions of price re-alignment in the wholesale market need to be reflective of demand and supply in the entire market, not just for particular segments, models with a particular specification or for those in reasonable condition. The Market Analysis features a special report on 'lifestyle' versus 'working tool' pick ups.

The volume of vehicles offered for sale during Q4 2007 and Q1 2008 exceeded that available during Q4 2006 and Q1 2007, but did vary in line with seasonal expectations. The proportion of the original New Price retained, however, was higher during Q4 2007 and Q1 2008 in comparison with Q1 2006, Q4 2006 and Q1 2007, underlining the robust nature of the LCV market.

The average age of stock sold across the Manheim LCV network fell by 3 months during Q4 2007 and by a further month to 51 months during Q1 2008. During the same periods, average mileage also fell, by 1,378 miles to 72,681 miles during Q4 2007 and by a further 513 miles to 72,168 miles during Q1 2008. However, the average selling price of these vehicles fell by £444 during the same periods, from £3,675 during Q3 2007 to £3,231 during Q1 2008. Whilst this represents a considerable fall in average values, it follows a lengthy period of insufficient supply and exceptionally strong demand, especially during Q2 and Q3 2007.

Commenting on the latest market trends, Alex Wright, Manheim's Commercial Vehicles Sales Director said: "This latest LCV Market Analysis Report from Manheim reinforces our belief that the market has remained robust despite the recent economic uncertainties however it is also clear that following two years of exceptional performance in the LCV market, fuelled by shortage of used stock and high levels of demand, a price re-alignment was inevitable. We have historically reacted, as we do now, by applying all our expertise and marketing tools to support our dedicated CV auction centre teams. We will ensure that we continue to meet the expectations of our vendors and buyers and also utilize the growth and success of CV Live, which continues to break records and in March sold more than £1 million worth of vans, to enhance our presence in the market."

Market Segment Analysis

Subtle changes were again evident in the profile of models from the Car Van and Car Derived Van segments, with average values virtually static, particularly during Q1 2008. Greater variations were evident in the profile of models from the Small Panel Van segment, although the fall in average age and increase in average mileage was in line with seasonal expectations. The recorded fall in average values, however, was more reflective of increased availability of models from the Small Panel Van segment, with the proportion of the original New Price retained falling for the first time in two years.



The difference between the lowest and highest average age of models from the Car Van, Car Derived Van and Small Panel Van segments was only 5 months during Q1 2008, with the difference in average mileage limited to only 8,933 miles.

The average age of Large Panel Vans of less than and over 3.0 Tonnes fell further and, whilst average mileage also fell during Q4 2007, this increased in both segments during Q1 2008. Average values reflected the change in average mileage, rising marginally across both segments during Q4 2007 before falling during Q1 2008. In common with smaller Panel Van segments, the difference in the average age of Large Panel Vans was also limited, to only 4 months, although the difference in average mileage was as high as 19,460 during Q4 2007.

Considerable changes in average age and mileage were clearly reflected in falling values in the Messing Unit segment, particularly during Q1 2008. Similarly, a fall in the average age and mileage of both Single and Double Cab Tipper models was also reflected in an increase in average values between October 2007 and March 2008.

Car Van

- Changes in the profile of Car Van models returned a record low average age and mileage and a record high average selling price during Q1 2008
- Average age rose by 1 month to 54 months during Q4 2007 before falling by 2 months to 52 months during Q1 2008
- Average mileage fell by 2,999 miles during Q4 2007 and by a further 13,789 miles to a record low of 63,150 miles during Q3 2007
- The average selling price remained virtually static, rising by only £16 during Q4 2007 and £13 during Q1 2008 but to a record high of £2,017

Car Derived Van

- Average age fell by 1 month during Q4 2007 and remained static at 49 months during Q1 2008
- Average mileage rose by 373 miles during Q4 2007 before falling by 1,444 miles to 60,436 miles during Q1 2008
- Despite the fall in average age and mileage, the average selling price remained virtually static at £2,880 during Q4 2007 before falling by £294 to £2,586 during Q1 2008

Small Panel Van

- The proportion of the original New Price retained by Small Panel Van models fell for the first time since Q1 2006 during Q4 2007
- Average age rose by 1 month to 49 months during Q4 2007, falling to 47 months during Q1 2008



- In contrast, average mileage fell by 651 miles during Q4 2007 but rose by 4,400 miles to 69,369 miles during Q1 2008
- Average selling price fell by £180 during Q4 2007 and by a further £111 to £4,270 during Q1 2008

Large Panel Van of 3.0 Tonnes and Under

- Average age fell by 2 months during Q4 2007 and by a further month to 58 months during Q1 2008
- Average mileage also fell during Q4 2007, by 1,535 miles to 75,077 miles, but increased by 2,436 miles to 77,513 miles during Q1 2008
- Average selling price rose by £105 during Q4 2007 before falling by £610 to £2,591 during Q1 2008
- The proportion of the original New Price retained fell by 2% during Q4 2007 and by a further 4% to 23% during Q1 2008

Large Panel Van greater than 3.0 Tonnes

- Average age fell from a high of 57 months to 55 months during Q4 2007 and by a further month to 54 months during Q1 2008
- Average mileage fell by 1,827 miles during Q4 2007 but rose by 762 miles to 95,299 miles during Q1 2008
- Average selling price remained virtually static during Q4 2007, rising by £44 to £4,191 before falling by £235 to £3,956 during Q1 2008
- The proportion of the original New Price retained remained static at 22% during Q4 2007 before falling by 1% to 21% during Q1 2008

Messing Units

- Average age fell from 50 months to 49 months during Q4 2007 before rising back to 50 months during Q1 2008
- In contrast, average mileage fell by 13,320 miles to a low of 70,802 miles during Q4 2007 but rose by 35,779 miles to 106,581 miles during Q1 2008
- Average selling price remained virtually static at £4,408 during Q4 2007 before falling by £913 to £3,495 during Q1 2008



Single Cab Tippers

- Average age fell by 7 months to 62 months during Q4 2007 and by a further 4 months to 58 months during Q1 2008
- Average mileage remained virtually static at 83,302 miles during Q4 2007 but fell sharply, by 16,246 miles to 67,056 miles, during Q1 2008
- Average selling price rose by £770 to £5,508 during Q4 2007 and by a further £122 to £5,630 during Q1 2008

Double Cab Tippers

- Average age fell by 9 months to 55 months during Q4 2007 and by a further 3 months to 52 months during the following period
- Average mileage fell by 1,782 miles to 67,327 miles during Q4 2007 and by a further 5,358 miles to 61,969 miles during Q1 2008
- The average selling price rose by £1,082 during Q4 2007 but fell, by only £154 to £6,353 during Q1 2008

Ends

About Manheim

Manheim is the world's largest automotive services company and, through its unparalleled range of products and services, drives every stage of the used vehicle lifecycle. Officially voted Britain's Best Remarketing company for the last 3 years, Manheim handles nearly 10 million used vehicles worldwide, facilitating transactions representing more than \$58 billion in value. Manheim is a subsidiary of Atlanta-based Cox Enterprises Inc., one of the world's leading media companies and providers of automotive services. Throughout the world Manheim has over 130 remarketing operations in five Continents, including 38 European locations. In the UK, there are 3 business divisions:

Manheim DeFleet Services: providing logistics; vehicle inspection; asset management; reconditioning and pre-sale preparation. It includes the brands of Dent Wizard, Kah Systems, Manheim Inspection Services and Manheim Asset Management.

Manheim Auctions & Remarketing: providing a national physical auction network, comprising 19 centres of which 7 have dedicated commercial vehicle activities; a dedicated trade-only direct sales channel; 3 online bidding /sales channels. It includes the brands of Manheim Auctions, VRS and RMS.



Manheim Retail Services: providing retail marketing support including point-of-sale materials; used car stock locators; professional vehicle photography; sales lead management software and aftersales CRM software. It includes the brands of Portfolio, e-GoodManners and Real Time Communications.

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PR021-08