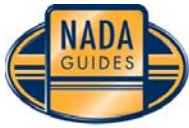


Market Insights

NADAguides

Powersports Market Update

September-October, 2014



Industry Overview

As the riding season comes to an end, dealers have reported several segments have remained active, Utility Side by Sides, Utility ATVs and Cruisers. The opening of hunting/fishing season and farmers will maintain Utility values steady throughout the fall.

The Touring segment, although gaining in popularity, continues to trail behind the Cruiser market. This trend first began in January following a parallel increase in Cruiser sales in the last two months.

Consumers continue to be intrigued by new models as the majority of sales reported to NADAguides were new models. As OEMs gradually release new 2015 models 17% of surveyed dealers currently have 2015s on their showroom floor.

Both Touring and Sportbikes see more than a 6% drop in dealers reporting them as their worst selling models, while Sport ATV's continue to hold to the highest percentage of dealers reporting them as the toughest segment to sell over the last 60 days.

Heading into the Fall, there is additional downward pressure being placed on used units as it is anticipated that the holiday season will be colder than usual.

Best Selling Categories Within the Last 60-Days

ATV (Utility)

25.0%

Cruiser

25.0%

Side-by-Side (Utility)

25.0%

Touring

9.4%

Sport

6.3%

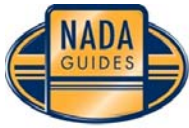
MX

6.3%

3-Wheel

1.6%

Source: NADAguides



NADAguides Data Overview

For the September 2014 update of the NADAguides powersports data, various marketplace indicators and dealer survey input supported slight downward pressure on most used price segments; with a more considerable change to the Touring and Cruiser segments.

Average Update-to-Update Change by Category

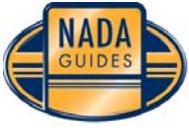
Street Bikes	Utility Vehicles	Dirt Bikes
-3.3%	-1.1%	-1.3%

Source: NADAguides

NADAguides Average Edition-Over-Edition Percent of Change by Unit Type					
Unit Type Abbreviation	Unit Type	Rough Trade-In	Clean Trade-In	Average Retail	
3-W	3-Wheel Cycle	👉 -2.3	👉 -2.5	👉 -2.3	
6-W	6-Wheel ATV	👉 -0.9	👉 -0.6	👉 -0.5	
8-W	8-Wheel ATV	👉 -0.9	👉 -0.6	👉 -0.5	
ATL	All Terrain/Lights	👉 -2.1	👉 -1.8	👉 -1.6	
ATT	All Terrain Tractor	👉 -2.1	👉 -1.8	👉 -1.6	
ATV	All Terrain Vehicle	👉 -2.1	👉 -1.8	👉 -1.6	
C	Racer (not MX)	👉 -3.4	👉 -3.0	👉 -2.6	
C/T	Cruiser/Touring	👉 -4.8	👉 -4.3	👉 -3.9	
CRU	Cruiser	👉 -4.8	👉 -4.3	👉 -3.9	
D	Dirt (not MX)	👉 -2.0	👉 -1.7	👉 -1.3	
DS	Dual Sport	👉 -1.4	👉 -0.9	👉 -0.7	
E	Enduro	👉 -2.2	👉 -1.8	👉 -1.7	
MB	Mini Bike	👉 -2.8	👉 -2.3	👉 -2.0	
MX	Moto Cross	👉 -2.2	👉 -1.8	👉 -1.7	
RT	Road/Trail	👉 -2.1	👉 -1.4	👉 -1.2	
S	Scooter	👉 -4.0	👉 -3.4	👉 -3.0	
S/T	Sport Touring	👉 -3.4	👉 -3.0	👉 -2.6	
SAT	Sport ATV	👉 -2.8	👉 -2.3	👉 -2.0	
SPT	Sportbike	👉 -3.4	👉 -3.0	👉 -2.6	
SXS	Sport Side-by-Side	👉 -1.6	👉 -1.5	👉 -1.3	
T	Trail	👉 -1.9	👉 -1.5	👉 -1.2	
T/L	Trail/Lights	👉 -1.9	👉 -1.5	👉 -1.2	
TOU	Touring	👇 -5.6	👉 -5.0	👉 -4.2	
TR	Trials	👉 -1.4	👉 -0.9	👉 -0.7	
UAT	Utility ATV	👉 -0.9	👉 -0.6	👉 -0.5	
UTL	Utility Side-by-Side	👉 -0.9	👉 -0.6	👉 -0.5	

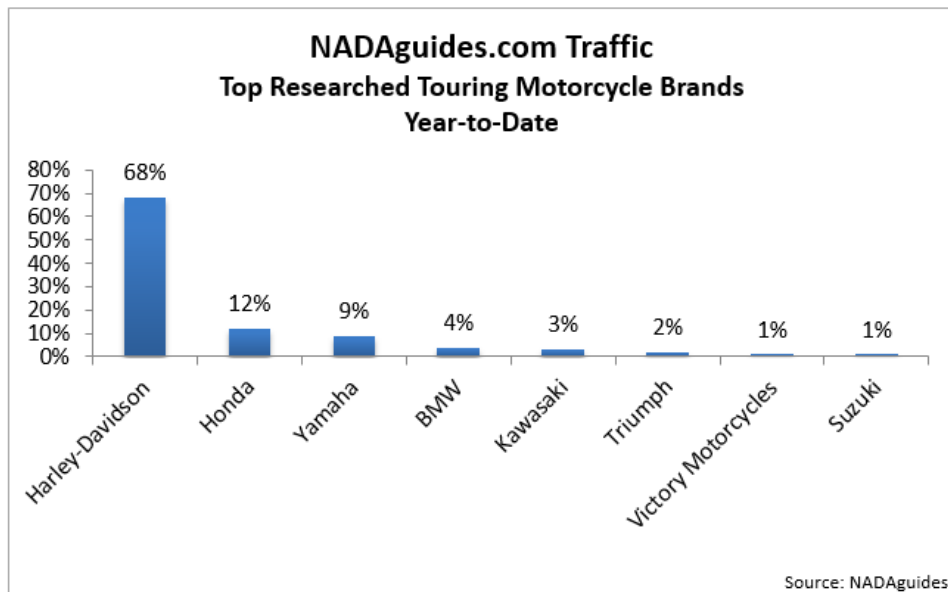
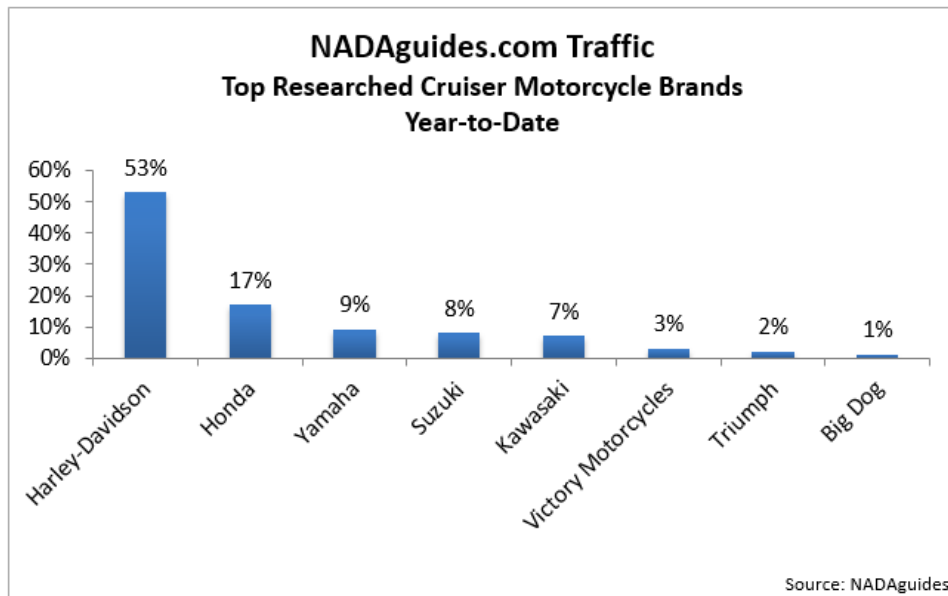
Figures represent the percent change, on average based on unit type, between the July 2014 update and the September 2014 update of the NADAguides Powersports CONNECT.

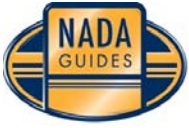
Source: NADAguides



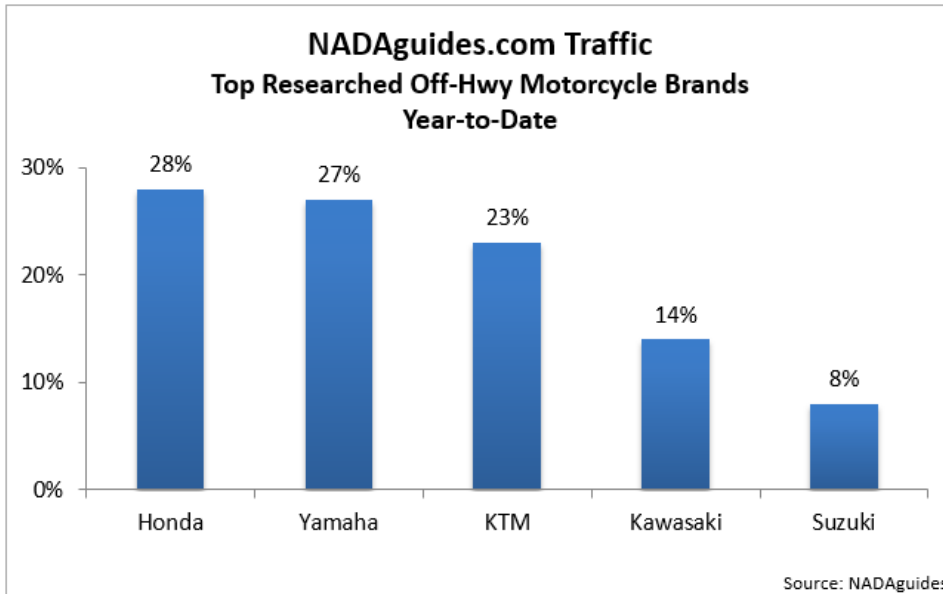
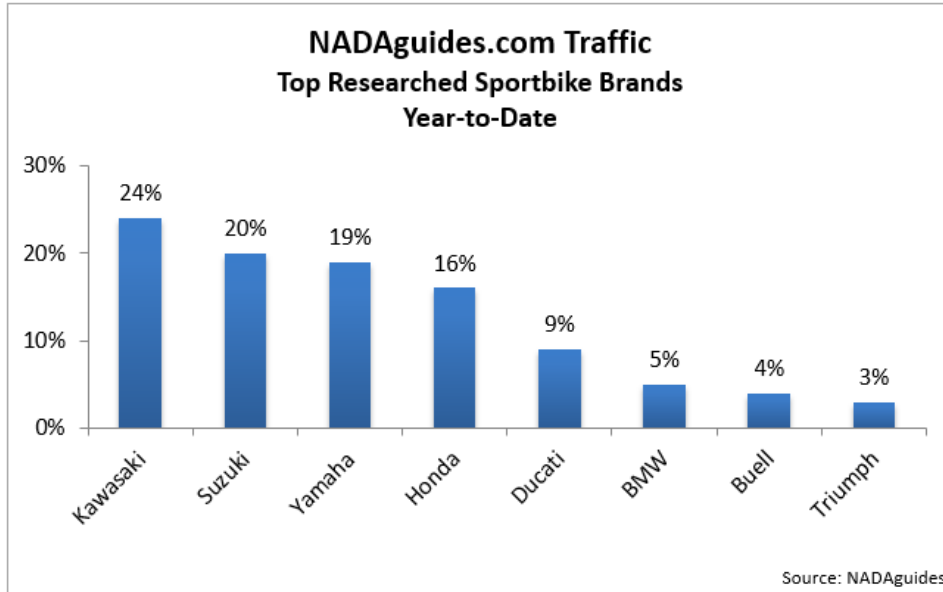
NADAguides Consumer Overview

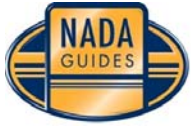
NADAguides.com offers a broad range of information and services to consumers in the market to buy, sell, trade, or simply shop for a motorcycle, ATV, or snowmobile. Consumer behavior is a key indicator in predicting market activity. Included in the Consumer Overview section of the NADAguides Market Insights, readers will find the most researched brands and regional activity for January-September 2014.



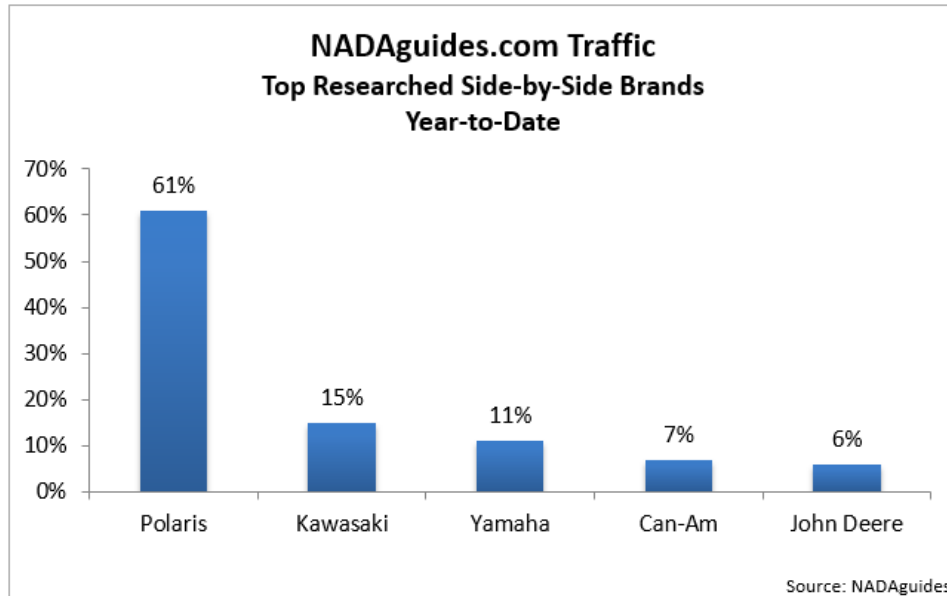
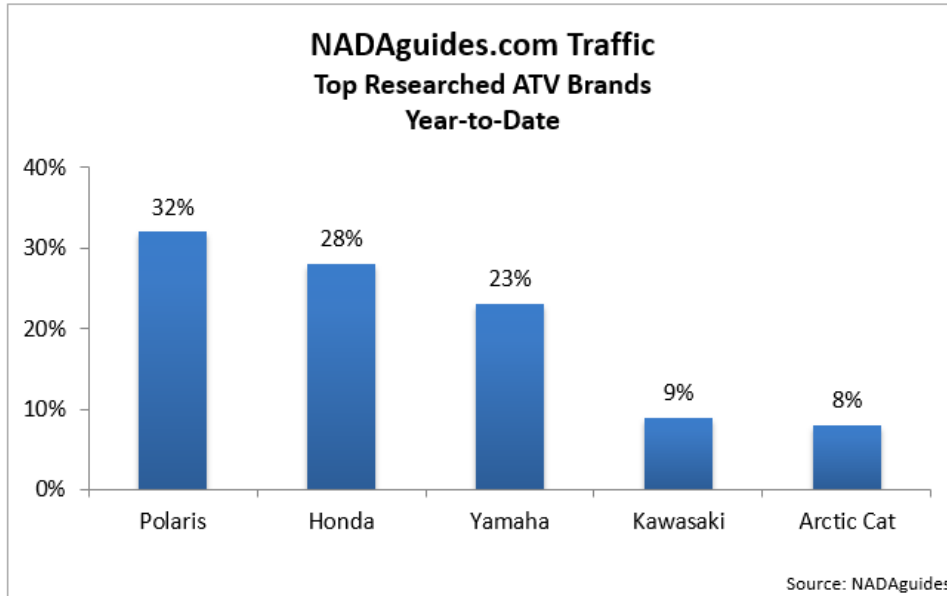


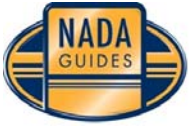
NADAguides Consumer Overview



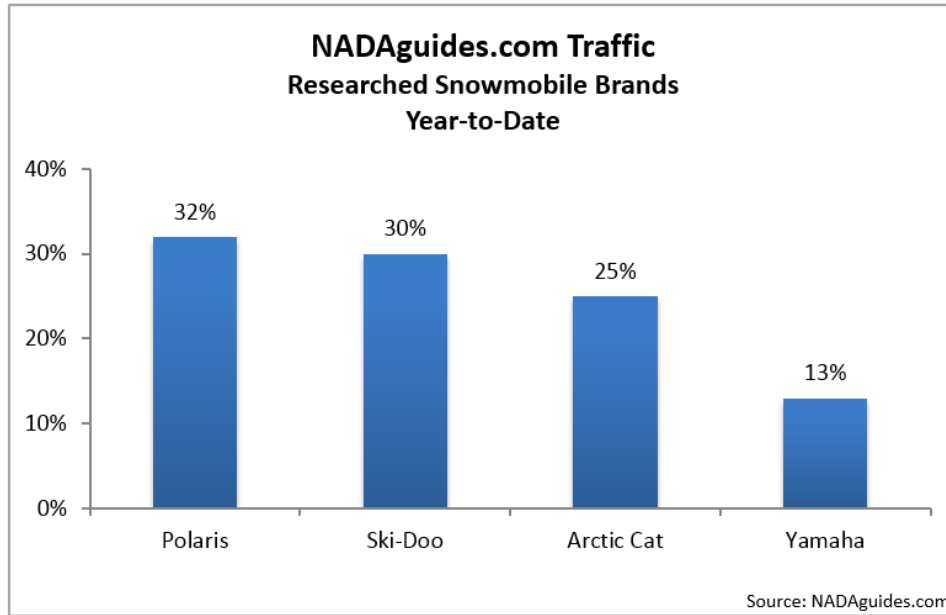


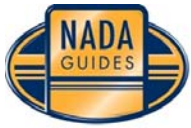
NADAguides Consumer Overview





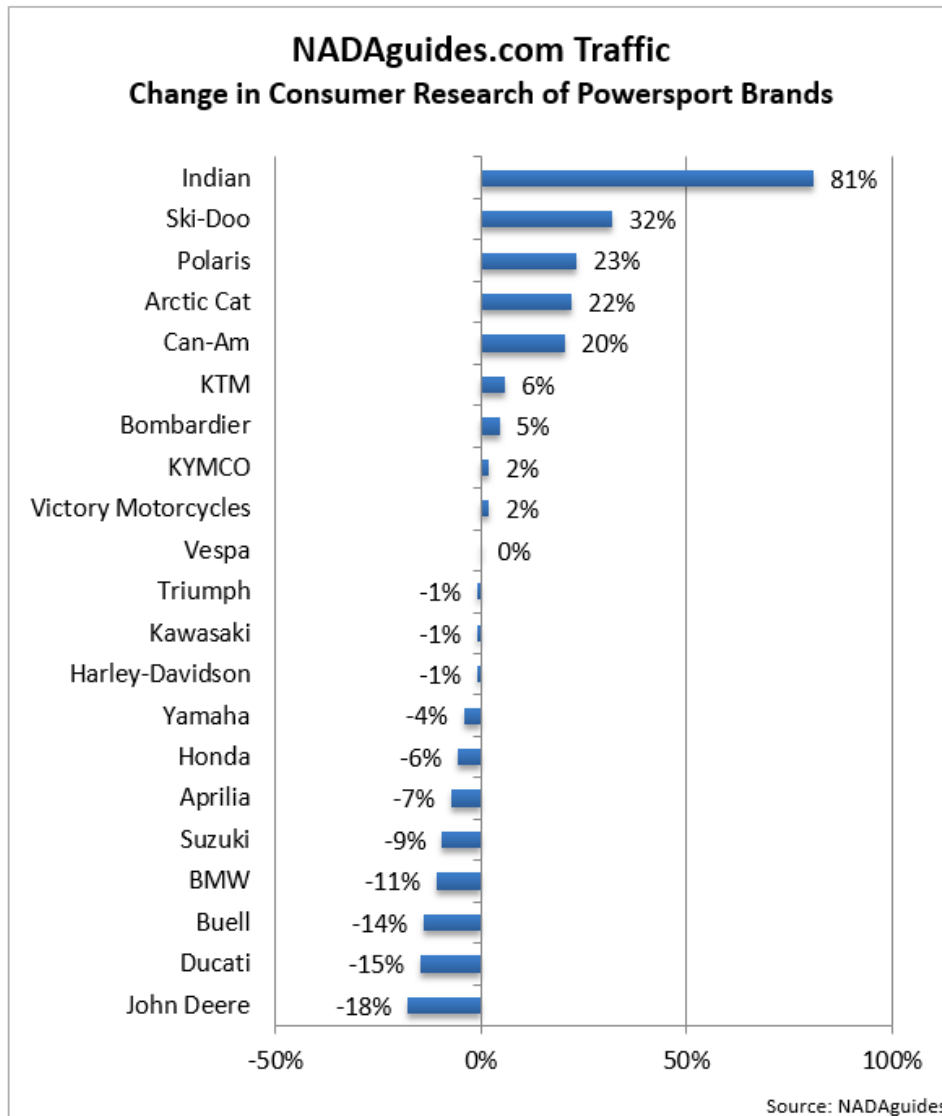
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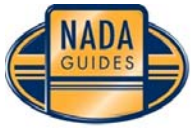




NADAguides Consumer Overview

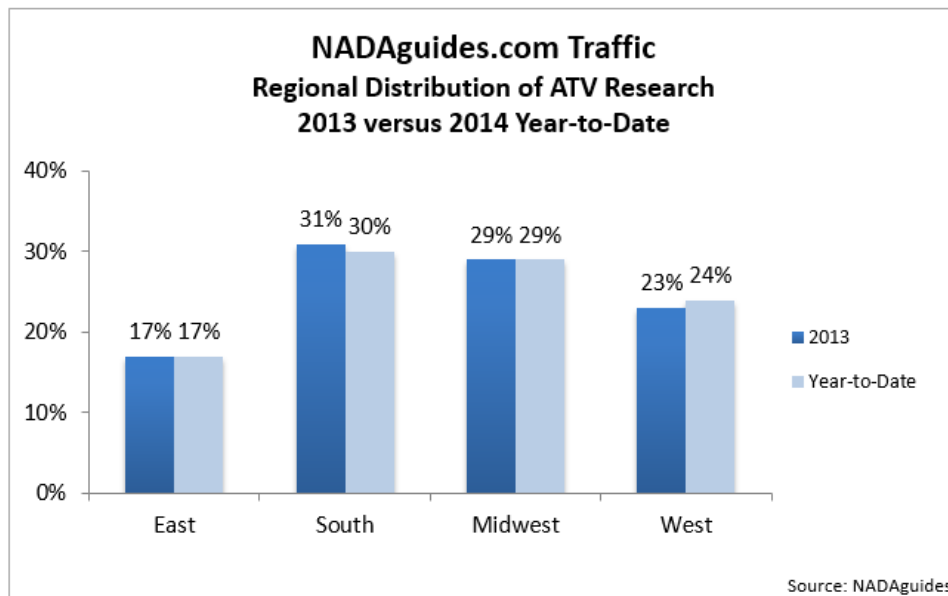
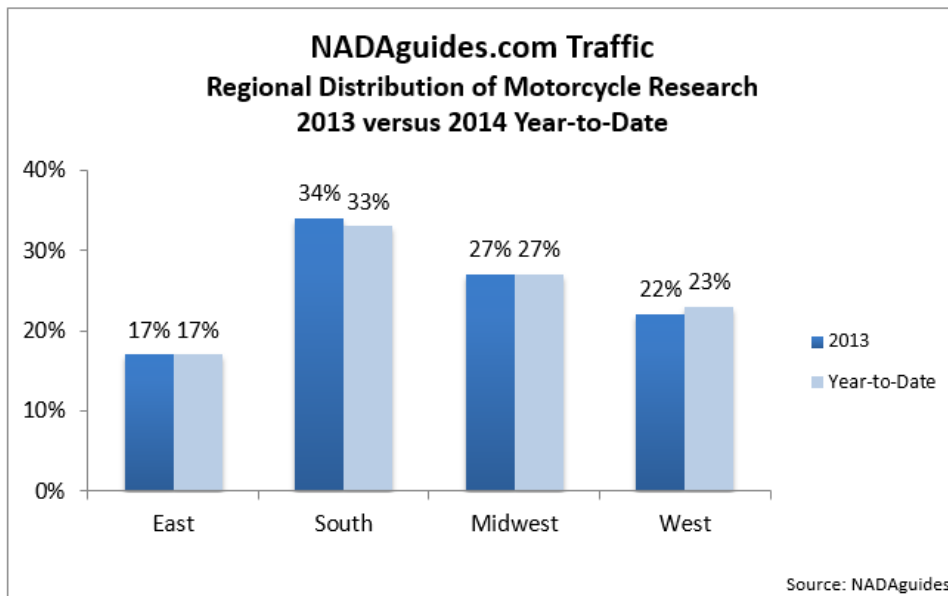
The figures below are based on consumer powersports traffic on NADAguides.com and are calculated by comparing the change in percentage of lookups, for the top 20 researched manufacturers, January-September 2013 as compared to January-September 2014.

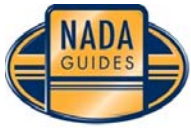




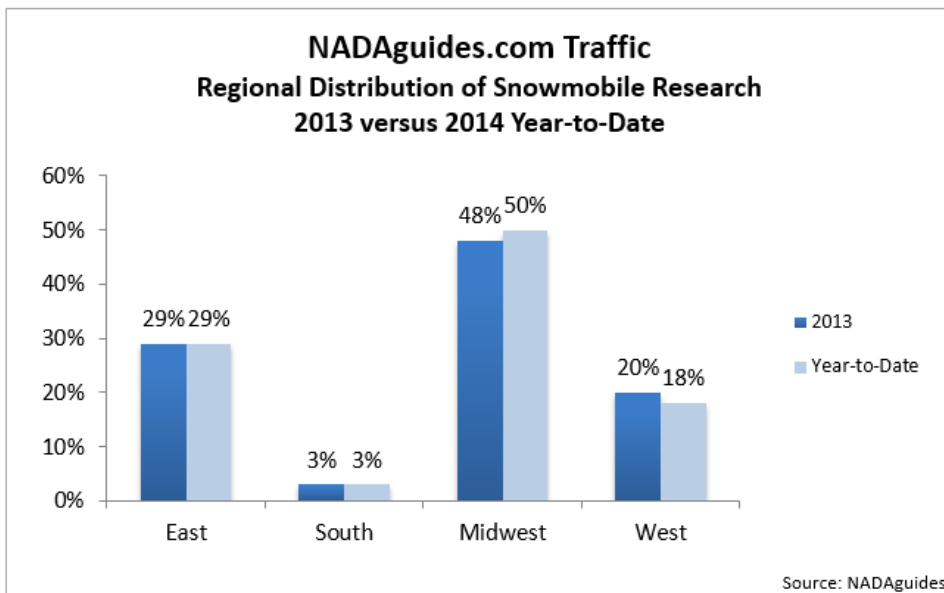
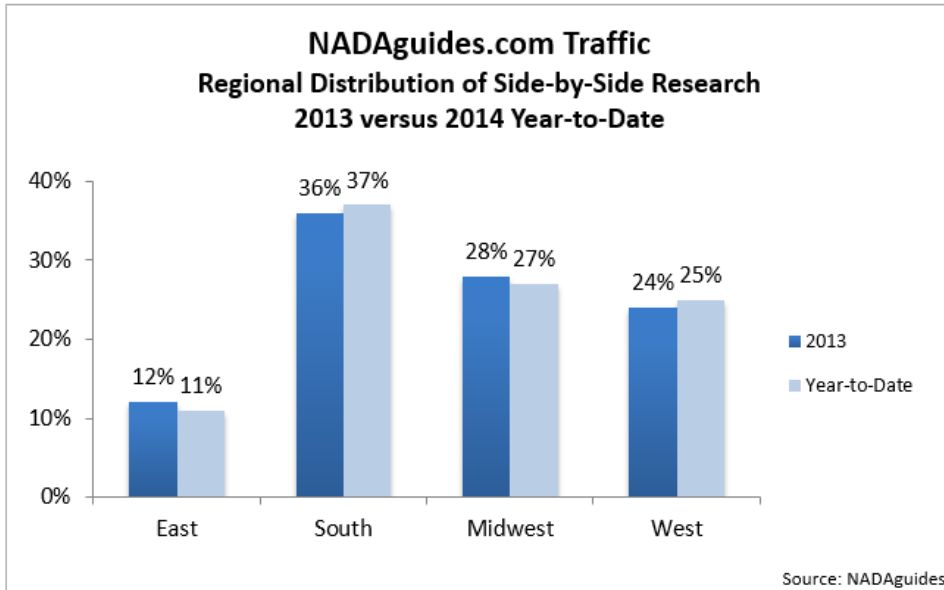
NADAguides Consumer Overview

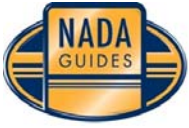
The NADAguides powersports data is based on national averages; however, our analysts recognize the significance of regional variance by unit type. The following charts represent consumer traffic based on four regions. Traffic percentages for 2013 are offered as a comparison to the year-to-date 2014 traffic.





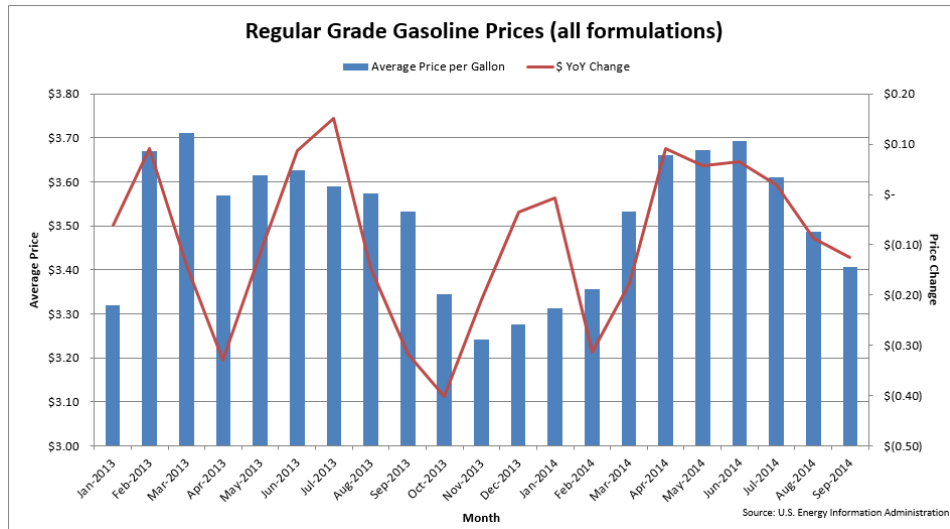
NADAguides Consumer Overview

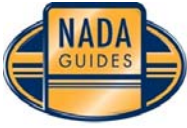




Fuel Price Data

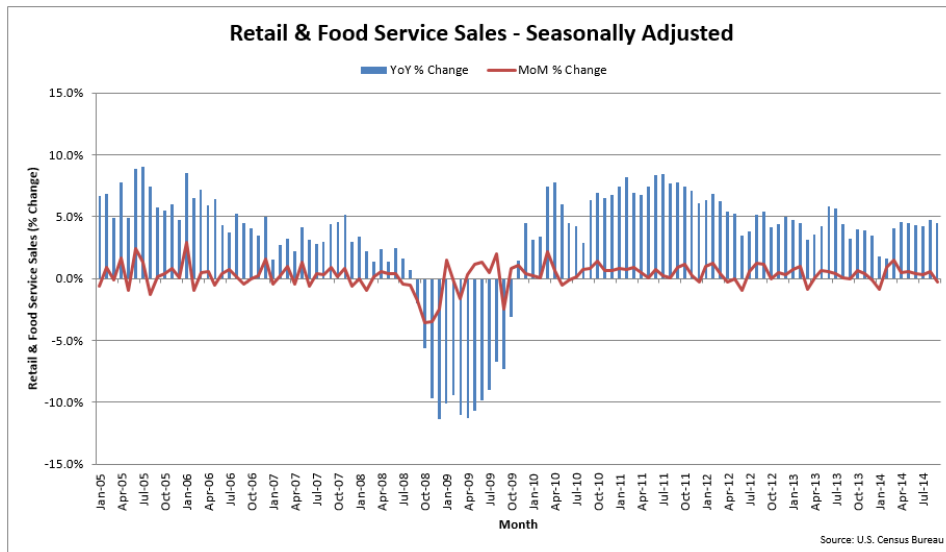
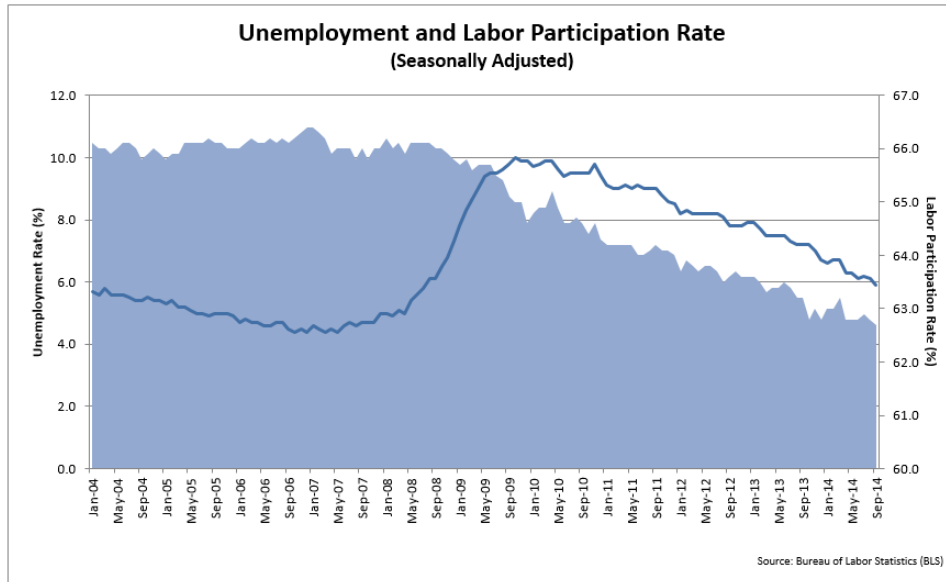
A view of the national average gasoline prices and year-over-year change is supplied to provide support for longer-term strategic planning.

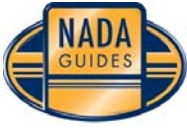




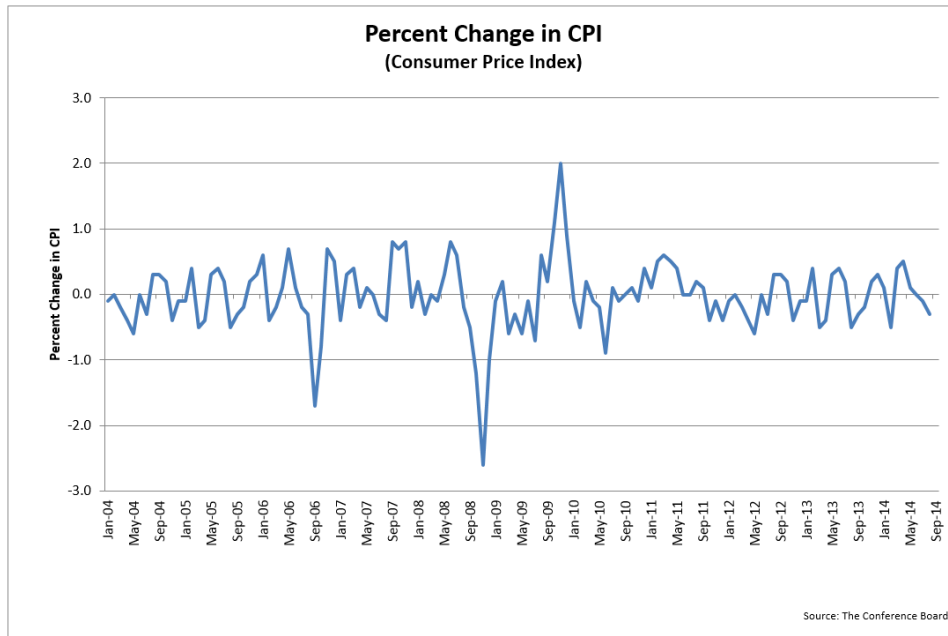
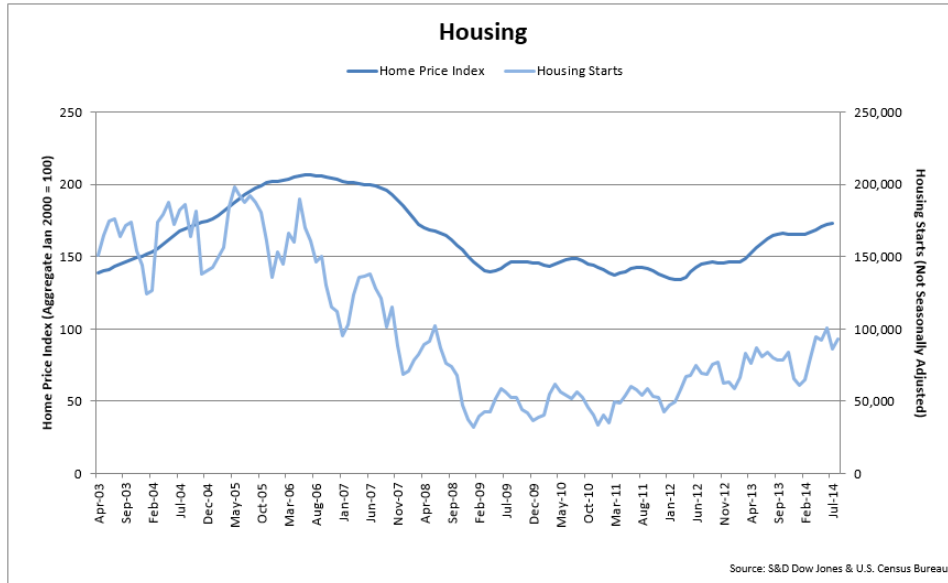
Economic Data

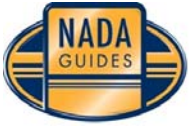
A number of important economic factors affect the powersports market, including the unemployment rate, retail sales, the housing market, and the Consumer Price Index (a measure of inflation). These factors can be interpreted to represent the consumer's ability and willingness to make a new or used motorcycle or ATV purchase.





Economic Data





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