

Press Release

J.D. Power and Associates Reports:

Overall Vehicle Dependability Improves Substantially, Reflecting High Quality of 2009 Models; However, Perceptions of Dependability for Certain Brands Continue to Lag

<u>Toyota Motor Corporation Models Receive Eight Awards.</u>
While Models from Ford Motor Company Receive Three Awards

WESTLAKE VILLAGE, Calif.: 15 February 2012 — Strong initial quality of 2009 model-year vehicles—which were produced during one of the toughest years for the automotive industry—has translated into historically high levels of vehicle dependability in 2012, according to the J.D. Power and Associates 2012 U.S. Vehicle Dependability StudySM (VDS) released today.

The study measures problems experienced during the past 12 months by original owners of three-year-old (2009 model-year) vehicles. Overall dependability is determined by the level of problems experienced per 100 vehicles (PP100), with a lower score reflecting higher quality.

In 2012, overall vehicle dependability averages 132 PP100—an improvement of 13 percent from the 2011 average of 151—which is the lowest problem rate since the inception of the study in 1990. The strong dependability of these models reflects their high levels of initial quality when measured three years ago. According to the J.D. Power and Associates 2009 Initial Quality Study, SM overall initial quality of 2009 model-year vehicles was, at the time, the highest level of initial quality since the inaugural IQS in 1987.

Fully 25 of 32 brands have improved in dependability from 2011, while only six have declined and one has remained stable. Domestic nameplates have improved in 2012 at a slightly faster rate than imports, narrowing the dependability gap to 13 PP100 from 18 PP100 in 2011.

"Despite facing immense challenges in 2009, automakers placed a keen focus on delivering outstanding levels of quality, which they understood would be essential to their long-term success," said David Sargent, vice president of global automotive at J.D. Power and Associates. "Three years later, owners of these models are enjoying unprecedented levels of vehicle dependability and manufacturers are experiencing market recovery. This is good news both for owners—who are holding onto their vehicles for longer than ever—and manufacturers, since perception of quality and dependability is a critical factor in vehicle purchase decisions."

However, according to Sargent, there are several brands that have performed very well in dependability during the past several years but still face challenges with customer perceptions of their reliability. In particular, during the past four years, models from Buick, Cadillac, Ford, Hyundai and Lincoln have achieved consistently strong levels of dependability, but still have relatively high proportions of new-vehicle buyers expressing reliability concerns.¹

"Building vehicles with high levels of dependability is obviously a necessary element in reshaping consumer perceptions," said Sargent. "Negative quality perceptions are notoriously difficult to change, and it takes considerable time, but effectively communicating improvements in dependability may reduce concerns, and by extension, help new-vehicle sales."

 $^{^{\}rm 1}$ Source: J.D. Power and Associates 2008 Vehicle Dependability Study $^{\rm SM}$ and J.D. Power and Associates 2008 and 2012 Avoider Study $^{\rm SM}$

Highest-Ranked Nameplates and Models

Lexus ranks highest in vehicle dependability among all nameplates in 2012. In addition, the Lexus LS has the fewest problems in the industry, with just 72 PP100. Rounding out the five highest-ranking nameplates are Porsche, Cadillac, Toyota and Scion, respectively. MINI and Scion post the greatest year-over-year improvements from 2011—by 60 PP100 and 55 PP100, respectively.

Toyota Motor Corporation continues to perform well in long-term dependability and garners eight segment awards—more than any other automaker in 2012—for the Lexus ES 350 (in a tie with the Lincoln MKZ); Lexus RX 350; Scion tC; Scion xB; Toyota Prius; Toyota Sienna; Toyota Tundra; and Toyota Yaris.

Ford Motor Company receives three model awards for the Ford Explorer (in a tie with the Nissan Murano); Ford Fusion; and Lincoln MKZ (in a tie). General Motors (Buick Lucerne and Chevrolet Equinox) and Nissan Motor Co., Ltd. (Nissan Frontier and Nissan Murano, in a tie with the Ford Explorer) each receive two awards. In addition, the Hyundai Genesis also receives an award. Although there are no awards in their respective segments due to an insufficient number of award-eligible models, or insufficient market share of award-eligible models in the segment, these models also perform particularly well: Ford Mustang, GMC Yukon and Porsche 911.

J.D. Power and Associates offers the following tips for consumers regarding vehicle dependability:

- Consumer perceptions of vehicle quality and dependability are often based on historical experiences or anecdotes and may be out of line with the current reality. Consumers should gather as much information as they can on the latest models from a variety of sources to make an informed decision.
- Historically, initial quality has been a good indicator of likely long-term dependability. If a model has high levels of quality when new, it is more likely to be dependable over the long term.
- Vehicle dependability is at an all-time high and resale values are also very high by historical standards. If your vehicle has been properly maintained and is in good working condition, it may be worth more than you think if you are considering trading it in.

The Vehicle Dependability Study is used extensively by vehicle manufacturers worldwide to help design and build better vehicles—which typically translates to higher resale values and higher customer loyalty. It also helps consumers make more-informed choices for both new- and used-vehicle purchases.

The 2012 Vehicle Dependability Study is based on responses from more than 31,000 original owners of 2009 model-year vehicles after three years of ownership. The study was fielded between October and December 2011.

Find more detailed information on vehicle dependability, as well as model photos and specs, by reading an article and reviewing brand and segment dependability ratings at JDPower.com.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company providing forecasting, performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on <u>car reviews and ratings</u>, <u>car insurance</u>, <u>health insurance</u>, <u>cell phone ratings</u>, and more, please visit <u>JDPower.com</u>. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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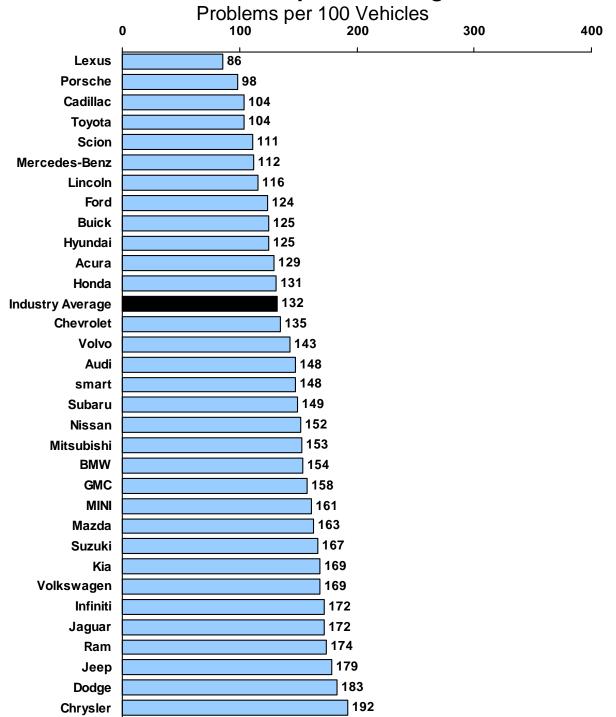
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(Page 3 of 3)

NOTE: Three charts follow.

J.D. Power and Associates 2012 U.S. Vehicle Dependability Study[™] (VDS)

2012 Nameplate Ranking



Land Rover and SAAB are included in the study but not ranked due to small or insufficient sample size.

Source: J.D. Power and Associates 2012 U.S. Vehicle Dependability StudySM

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J.D. Power and Associates 2012 U.S. Vehicle Dependability Study[™] (VDS)

Top Three Models per Segment Car Segments

Sub-Compact Car

Highest Ranked: Toyota Yaris

Scion xD Honda Fit

Compact Car

Highest Ranked: Toyota Prius

Toyota Corolla Hyundai Elantra

Compact Sporty Car*

Highest Ranked: Scion tC

Midsize Car

Highest Ranked: Ford Fusion

Mitsubishi Galant Toyota Camry **Large Car**

Highest Ranked: Buick Lucerne

Toyota Avalon Ford Taurus

Entry Premium Car

Highest Ranked: Lexus ES 350 (tie) Lincoln MKZ (tie)

Acura TL

Midsize Premium Car

Highest Ranked: Hyundai Genesis

Mercedes-Benz E-Class Volvo S80

For more detailed findings on vehicle quality and dependability performance, visit www.jdpower.com

*No other model in this segment performs above the segment average.

NOTE: For a segment award to be issued, there must be at least three models with sufficient sample that comprise 80 percent of market sales within an award segment. In the compact premium sporty car segment, midsize sporty car segment, premium sporty car segment and large premium car segment, these criteria were not met, so no awards have been presented in these segments.

Source: J.D. Power and Associates 2012 U.S. Vehicle Dependability StudySM

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J.D. Power and Associates 2012 U.S. Vehicle Dependability Study[™] (VDS)

Top Three Models per Segment Truck/Multi-Purpose Vehicle/Crossover/SUV Segments

Compact Multi-Purpose Vehicle*

Highest Ranked: Scion xB

Compact Crossover/SUV

Highest Ranked: Chevrolet Equinox

Honda CR-V Toyota RAV4

Midsize Crossover/SUV

Highest Ranked: Ford Explorer (tie) Nissan Murano (tie) Toyota Highlander

Midsize Premium Crossover/SUV*

Highest Ranked: Lexus RX 350 Lincoln MKX Midsize Pickup

Highest Ranked: Nissan Frontier Ford Ranger

Honda Ridgeline

Minivan*

Highest Ranked: Toyota Sienna Honda Odvssev

Large Pickup

Highest Ranked: Toyota Tundra GMC Sierra HD Chevrolet Silverado LD

For more detailed findings on vehicle quality and dependability performance, visit www.jdpower.com

*No other model in this segment performs above the segment average.

NOTE: For a segment award to be issued, there must be at least three models with sufficient sample that comprise 80 percent of market sales within an award segment. In the entry premium crossover/SUV segment, large crossover/SUV segment and large premium crossover/SUV segments, these criteria were not met, so no awards have been presented in these segments.

Source: J.D. Power and Associates 2012 U.S. Vehicle Dependability StudySM

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