



Press Release

J.D. Power and Associates and *AUTO TEST* Report: While 2009 Scrappage Program Incentives Helped Consumers in Germany Buy New Vehicles, They Aren't Necessarily Satisfied Owners

Mercedes-Benz Ranks Highest in Vehicle Owner Satisfaction in Germany With Three Models Receiving Awards in Their Respective Segments

MUNICH: 31 May 2012 — While the 2009 scrappage program incentives helped many consumers in Germany purchase a new vehicle, their overall satisfaction with their vehicle is considerably lower than that of owners who did not participate in the program, according to the J.D. Power and Associates 2012 Germany Vehicle Ownership Satisfaction StudySM (VOSS) released today in association with *AUTO TEST*.

The scrappage program offered government incentives of €2,500 to each owner who scrapped their old vehicle, which had to be at least nine years old, to qualify to purchase a brand new one. The program helped boost the auto industry by moving many owners into a new vehicle that they otherwise may not have been able to afford. The result was that new-vehicle sales in Germany increased 20 percent in 2009, compared with 2008, and the largest increases were in the compact and sub-compact segments.

The study finds that satisfaction is 30 index points lower among vehicle owners after an average of two years of ownership who purchased through the scrappage program than among those who did not purchase through the program.

“The owners, many of whom had previously owned a used vehicle, obviously had high expectations for their new vehicle,” said Marcus Behrendt, head of European operations for J.D. Power and Associates. “They expected their new vehicle to be perfect and the dealership experience to be stellar. Also those consumers tend to be price sensitive and our research shows that price-sensitive customers are very critical.”

The study finds the magnitude of impact of the scrappage program on overall satisfaction varies by vehicle segment. Of the consumers in the study who purchased vehicles in the city car segment, 38 percent used the scrappage program, while 32 percent of the vehicles in the small car segment were purchased under the program. Satisfaction among city car owners who purchased under the scrappage program is 23 index points lower than among owners who did not receive a scrappage discount (740 vs. 763, respectively, on a 1,000-point scale). The gap in satisfaction between small car owners who participated in the scrappage program and those who did not is less pronounced (759 vs. 770, respectively).

While only 10 percent of customers in the compact executive segment purchased under the scrappage program, satisfaction is 53 index points lower than among compact executive owners who did not participate in the program (753 vs. 806, respectively).

Overall Satisfaction and Loyalty

The study is based on owner evaluations of their vehicle and dealers across 67 attributes grouped in four measures of satisfaction. In order of importance, they are: vehicle appeal (27%), which includes performance, design, comfort and features; ownership costs (25%), including fuel consumption, insurance and costs of service/repair; vehicle quality and reliability (24%); and dealer service satisfaction (23%).

Overall satisfaction among vehicle owners in Germany averages 782 in 2012. Owners express the highest overall satisfaction with quality and reliability (843), while ownership costs has the lowest average score (708). Overall satisfaction for service averages 807, while vehicle appeal averages 777.

Satisfaction with service has a large impact on whether or not new-vehicle owners return to the dealer for paid service after the warranty has expired. The likelihood to return for paid service declines by 51 percentage points among owners who are “not delighted” (service satisfaction index score of 900 points or lower), compared with owners who are “delighted” (service satisfaction index score of 901 points or higher).

“The goal of all dealers is to have owners return to the dealership for paid service after the warranty period expires, which ensures future business and helps ensure vehicles are maintained to manufacturer specifications,” said Claudia Wegerer, senior manager of retail solutions at J.D. Power and Associates. “This not only helps vehicles run better and longer, but, more importantly, also impacts satisfaction and likelihood to repurchase the same brand or purchase a vehicle from the servicing dealer.”

2012 Germany VOSS Ranking Highlights

Mercedes-Benz ranks highest in vehicle owner satisfaction among manufacturers with a score of 824 and performs particularly well in the vehicle appeal and vehicle quality and reliability measures. Following Mercedes-Benz in the rankings is Toyota (808), which performs particularly well in the service satisfaction and ownership costs measures. Rounding out the top five rank positions are Mitsubishi (799), Mazda (798) and BMW and Volkswagen in a tie (each with 791). Mitsubishi posts the largest improvement in rank position in the 2012 study, moving to fifth rank position from 26th place in 2011.

At the segment level, Mercedes-Benz models receive three awards: the A-Class (lower medium); C-Class (compact executive car); and E-Class (executive luxury car). The A-Class achieves the highest score of all models included in the 2012 study.

Toyota models garner two awards, one for the Yaris (small car segment) and one for the Verso (MPV segment). Also receiving segment-level awards are the Ford Ka (city car) and Mazda 6 (upper medium).

The 2012 Germany Vehicle Ownership Satisfaction Study is based on 14,296 online evaluations with vehicle owners in Germany after an average of two years of ownership. The study was fielded from January to February 2012.

This annual J.D. Power and Associates study provides consumers with reliable and accurate information about many vehicle models, and helps manufacturers provide high levels of satisfaction to their customers. Additional study results are published exclusively in *AUTO TEST*, which will be on sale Friday, June 1, 2012.

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 car reviews and ratings, car insurance, health insurance, cell phone ratings, and more, please visit JDPower.com. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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McGraw-Hill announced on September 12, 2011, its intention to separate into two public companies: McGraw-Hill Financial, a leading provider of content and analytics to global financial markets, and McGraw-Hill Education, a leading education company focused on digital learning and education services worldwide. McGraw-Hill Financial’s leading brands include Standard & Poor’s Ratings Services, S&P Capital IQ, S&P Indices, Platts energy information services and J.D. Power and Associates. With sales of \$6.2 billion in 2011, the Corporation has approximately 23,000 employees across more than 280 offices in 40 countries. Additional information is available at <http://www.mcgraw-hill.com/>.

About *AUTO TEST*

AUTO TEST is a member of the international *AUTO BILD* group published by Axel Springer. Since 2003, *AUTO TEST* has been the leading special interest magazine for readers who are planning to buy a new car. More than 500 cars are tested each year, with more than 1.8 million kilometers driven to provide readers with detailed and objective model reviews to help them choose the best car for their money. Readers can also find tips on cutting running costs, used cars, service, finance and accessories.

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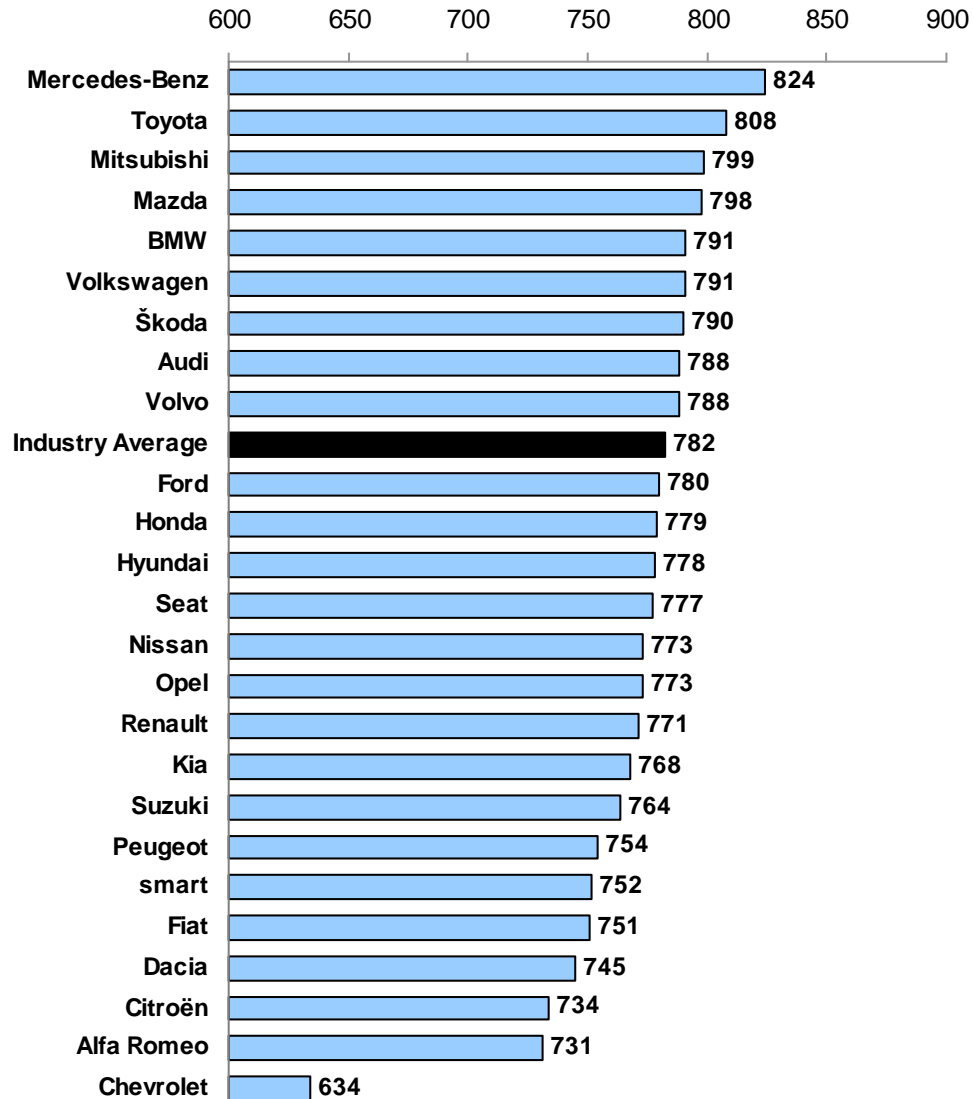
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NOTE: Three charts follow.

J.D. Power and Associates 2012 Germany Vehicle Ownership Satisfaction StudySM (VOSS)

VOSS Manufacturer Index Ranking

(Based on a 1,000-point scale)



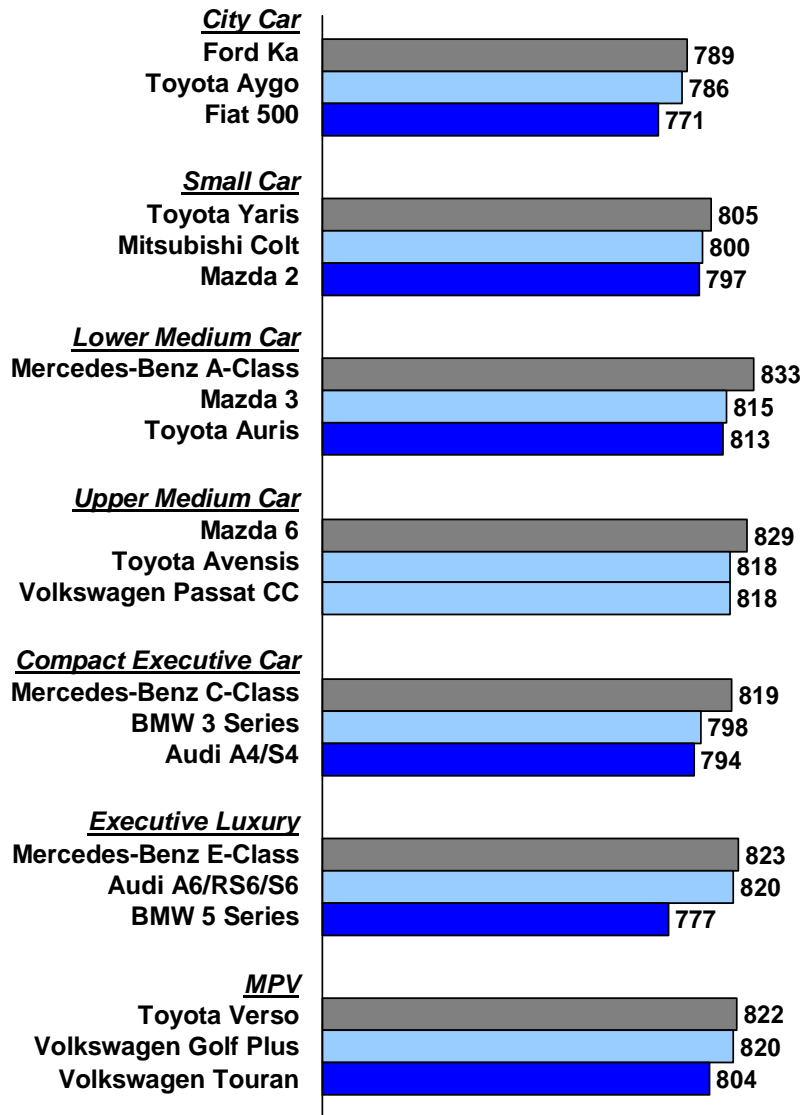
Included in the study, but not ranked due to small sample size are: Daihatsu, Jaguar, Land Rover, MINI, Porsche and Subaru.

Source: J.D. Power and Associates 2012 Germany Vehicle Ownership Satisfaction StudySM (VOSS)

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J.D. Power and Associates 2012 Germany Vehicle Ownership Satisfaction StudySM (VOSS)

Top Three Models per Segment Overall VOSS



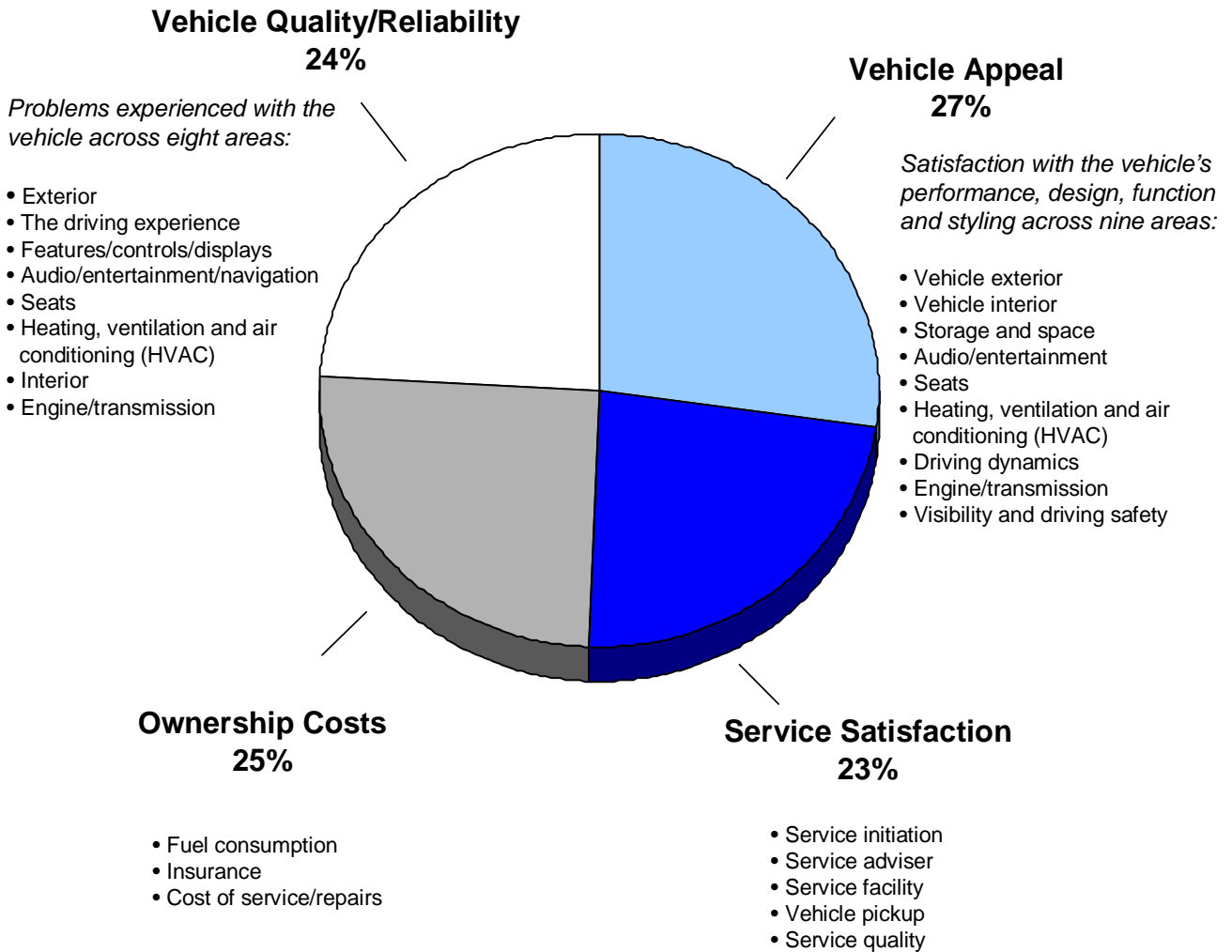
NOTE: For a segment award to be presented, there must be at least four models with sufficient sample that comprise 67 percent of market sales within an award segment. No Sporty Car, Compact SUV, or Large SUV awards have been presented due to insufficient market representation among rankable models in the segment.

Source: J.D. Power and Associates 2012 Germany Vehicle Ownership Satisfaction StudySM (VOSS)

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J.D. Power and Associates 2012 Germany Vehicle Ownership Satisfaction StudySM (VOSS)

Factors Contributing to Overall Vehicle Ownership Satisfaction



Source: J.D. Power and Associates 2012 Germany Vehicle Ownership Satisfaction StudySM (VOSS)

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